



**Evaluation: General Budget Support Programme,
National Development Policy Support Programme**

FINAL REPORT

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EXECUTIVE SUMMARY

The objective of the evaluation conducted is to contribute to the sound and efficient management of EU budget support in South Africa by ascertaining if the use of this assistance adds value, is aligned to, and supports national priorities. The evaluation took place between January and April 2017. Desk review was combined with trips to project beneficiaries where personal interviews together with focus group discussions were held. These led to conclusions relating to:

- Assessing to what extent the use of the Budget Support in South Africa by the recipient (national department) contribute to sector development and performance through adherence to the key transversal criteria and official development assistance (ODA) principles.
- Making recommendations for National Treasury and beneficiary departments to address possible weaknesses or shortcomings in the management of the general budget support (GBS).
- Developing a way forward with respect to future calls of the GBS programmes.

A final draft report was presented for comment at the end of April 2017.

Design and Relevance

The Mid-Term Evaluation's (MTE) view is that the GBS programme's design is relevant to South Africa's National Development Plan (NDP) and Outcomes Approach, the joint South Africa-EU Country Strategy as well as the EU's broader policy approach. GBS involves a transfer of funds to the partner country for allocation within the country, using country allocation processes, with the aim of supporting a national development policy and strategy of the partner country. The GBS component of the NDPSP has a particular focus of support on government Outcome 4 (Decent employment through inclusive growth) and Outcome 12 (An efficient, effective, and development-oriented public service and an empowered, fair and inclusive citizenship). The funds are used to support new and more effective ways of implementing government policies as set out in the ODA guidelines of 2003.

Efficiency

The financing agreement for GBS states that the EU will allocate a total amount of € 200 million consisting of fixed tranche of €150 million and a variable tranche of € 50 million. National Treasury has been successful in securing the full disbursement of both the fixed and variable tranches resulting in the RDP account being credited with € 200 million. At the time of the MTE, approximately 50% of available GBS had been committed. A total of 18 projects representing a value of R618 million for Call 1 (launched in 2011) and R786 million for Call 2 (launched in 2013) have been awarded. For Call 1, R589 million (95%) of the funds have been disbursed and for Call 2, R413 million (53%) of the funds have been disbursed. The MTE view is that the process is efficient, however delays with respect to project implementation need to be minimised.

Effectiveness

The MTE's view is that the GBS programme has been effective and that the criteria for GBS funding were and remain relevant. Despite the delays experienced, projects are achieving their intermediate outcomes and some are on the verge of achieving their final outcomes. Collectively, this is expected to promote the achievement of Outcomes 4 and 12, and, in a number of cases, both. Alignment with respect to ODA guidelines remains effective and good examples of innovation, piloting, skills transfer and development of public private partnerships are clearly evident. Overall, the programme is clearly contributing to the enhancement of efficiencies and systems improvement in government.

Impact and Sustainability

The period of implementation of the GBS programme has been relatively short thereby making it difficult to make an accurate assessment with respect to impact and sustainability. However, the progress achieved

towards the individual projects' intermediate outcomes and the extent of stakeholder engagement in support of any necessary policy adjustments, suggests that the projects' outcomes are achievable, albeit over a longer than planned time period.. Sustainability, as a minimum, will require mainstreaming the gains achieved to date, adopting the necessary policy changes and budgeting for the associated financial costs

Some key recommendations

NT:IDC

- There is a need for dedicated personnel to provide assistance with respect to Implementation Support together with Monitoring and Evaluation (M&E) within the IDC. Many projects require assistance with respect to the processes of reporting, procurement, budgeting, requesting disbursements, budget realignment etc. *This requires additional personnel in NT:IDC who could be funded through the existing programme budget. It is standard practice to levy administrative charges (max. 5%) of donor funds. Additionally, a business case for the appointment of the Technical Assistance could be made to the EU should this practice not be acceptable*
- The workload of the personnel within NT: IDC responsible for managing the GBS programme and sector-based programmes is immense. There is a need for at least two additional administrative support staff who would not only provide support to the GBS programme but also to the Sector based programmes. *Specific terms of reference (detailing the roles and responsibilities) for the additional personnel (administrative, M&E and Implementation support) will need to be drafted and the required motivations for funding developed.*
- There is a need for an improved knowledge management system) within IDC particularly. Key information relating to proposals (progress reports, financial status, original proposals, requests for extensions etc.) are located in a variety of places. There is no central location where up to date information with respect to the projects can be obtained. *Part of the role of the M&E advisor would be to design the Knowledge Management system and with the help of administrative personnel keep the information up to date and relevant. In developing the system, the M&E advisor could develop the framework for the data to be captured on the Development Cooperation Management Information System (DCMIS) so that the information system not only tracks project progress but also acts as a centralised repository for relevant documentation. .*
- The need to surrender unspent allocations in alignment with standard government practices and the budget process poses challenges, particularly in respect of infrastructure-related or service provider implemented projects. The result is that in some cases up to 50% of the implementation period is lost due to contractors/service providers decommissioning and then needing to re-commission sites. *Surrendered amounts should be accompanied by a request for the next tranche with a need for speedy processing and disbursement (within 30 days).Regular reporting on cashflow requirements together with on-going monitoring as Project Cycle Management (PCM) principles will additionally assist in alleviating the negative impacts of the requirement to surrender unspent allocations.*
- Many projects have been evaluated, or they are undergoing evaluation. *NT: IDC should acquire copies of the evaluation reports and information on how the implementers have implemented recommendations to enhance internal knowledge management, and inform the design of any future calls and GBS.*
- The development and submission of quarterly reports by applicants remains problematic. As a consequence, many of the actions taken by NT: IDC are reactive meaning that delays in implementation and receiving disbursements are common place. There is a need to ensure that applicants understand the requirements with respect to reporting and accountability and be supported on a regular basis

through active engagement. *Travel and subsistence to enable IDC staff needs to be budgeted for so as to enable this engagement to occur on a regular basis. Funding for this action could be sourced from the standard practice of agreed levying of administrative charges of donor funds.*

NT: IGR and PF

- Further improvement to the evaluations of proposals received is possible through the active engagement of Public Finance and IGR in technical evaluations. The MTE understands that the timing of the process itself poses challenges. *Nevertheless, participation is critical, not least for ownership of the outcome of the technical evaluation recommendations. There is a need for all stakeholders in the approval process to be on the same page regarding the rules of CfPs.*
- In the view of the MTE, it is important that both PF and IGR officials play an important part in M&E and Implementation Support when they visit their respective departments and/or provinces. When conducting these visits, the officials need to dedicate time to projects being funded from the GBS funds and report on progress of the funded projects. *In order to ensure that the officials submit M&E reports of GBS projects, KPI's with respect to these activities could be included in their employment contracts Reports from PF and IGR officials could be channelled through the M&E technical assistance within IDC so that the information is consolidated and remedial actions planned where relevant*
-

Project Beneficiaries

- Adequate human resources (at the project level) in the form of dedicated project managers must be in place at the beginning of the implementation period so as to effectively ensure timely and correct implementation and manage the process of implementation. This is challenging, especially in the current fiscally constrained environment. *Business Plans and Budgets should reflect how the applicant would address the human resource requirements to manage the process within the expected timeframe. It is also desirable that Business Plans include an adequate inception period to ensure proper project planning or alternately clearly indicate the state of readiness of the project (e.g. by including EIA's or approved building plans and naming personnel responsible for implementation)*
- The central importance of networking with all relevant stakeholders in order to secure buy-in and ownership cannot be understated enough. *This speaks to the need to breakdown the silo culture that informs public sectors generally. Not only does networking assist with breaking down the silo culture but it can also assist in speeding up the process of implementation. An example of this would be the time that it takes for an EIA to be approved is often delayed within the relevant government department. If the applicant (for example DHET) has good networks within the government's structures, this process can be expedited through awareness built around the project that DHET may be trying to implement.*

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NOMENCLATURE

AG	-	Auditor General
ALM	-	Asset Liability Management
CSO	-	Civil Society Organisation
CSP	-	Country Strategy Paper
CfP	-	Call for Proposals
DAC	-	Development Assistance Committee (of the OECD)
DCMIS	-	Development Cooperation Management Information System
DPME	-	Department of Planning, Monitoring and Evaluation
DPSA	-	Department of Public Service and Administration
DWCPD	-	Department of Women Children and Persons with Disability
EC	-	European Commission
EIA	-	Environmental Impact Assessment
ENE	-	Estimates of National Expenditure
EQ	-	Evaluation Questions
EU	-	European Union
EUD	-	Delegation of the European Union
FA	-	Financing Agreement
FS	-	Free State
FY	-	Fiscal Year
GBS	-	General Budget Support
GoSA	-	Government of South Africa
GTAC	-	Government Technical Advisory Centre
IGR	-	Inter-governmental Relations
IL	-	Intervention Logic
KZN	-	Kwa-Zulu Natal
MDG	-	Millennium Development Goals
M&E	-	Monitoring & Evaluation
MTE	-	Mid-Term Evaluation
MTEC	-	Mid-Term Expenditure Committee
MTSF	-	Medium-term Strategic Framework
NDP	-	National Development Plan
NDPSP	-	National Development Policy Support Programme
NIP	-	National Indicative Programme
NRF	-	National Revenue Fund
NT	-	National Treasury
NT: IDC	-	National Treasury – International Development Cooperation
ODA	-	Official Development Assistance
OECD	-	Organisation for Economic Cooperation and Development
PF	-	Public Finance
PCM	-	Project Cycle Management
PFM	-	Public Finance Management
PFMA	-	Public Finance Management Act
PO	-	Programme Office
PSC	-	Programme Steering Committee

RDP	-	Reconstruction and Development Programme
RSA	-	Republic of South Africa
SBS	-	Sector Budget Support
TA	-	Technical Assistance
ToC	-	Theory of Change
TOR	-	Terms of Reference
WC	-	Western Cape

1. INTRODUCTION

1.1 Background

Within the context of the European Union (EU)'s Country Strategy for 2007-2013, the EU has increasingly moved to using country systems to deliver development assistance, and most recently through the general budget support (GBS) as aid modality. GBS involves a transfer of funds to the partner country for allocation within the country, using country allocation processes, with the aim of supporting a national development policy and strategy of the partner country.

The GBS programme is a component of the EU-funded National Development Policy Support Programme (NDPSP). The GBS component of the NDPSP supports the South African National Development Policy and Plan.

1.2 Overview of the GBS and Financing Agreement

The move towards GBS signifies confidence that SA has the policies and systems in place to support the policy, both from the sectors chosen, and from a financial management position. From a South African point of view, the following is of importance in respect of GBS:

- There is one Financing Agreement between SA (National Treasury) and the EU for a single programme, reducing transaction costs;
- Expenditure is aligned to the priorities of government and to the national budget process; and
- SA government systems are used for allocation, planning, implementation, procurement, accounting, reporting, monitoring, and evaluation.

The Financing Agreement was signed on the 24th of May 2012 wherein the EU committed an amount of 200 million EUR for Budget Support and 50 million EUR for complimentary support. The duration of the programme is 84 months with operational implementation being fixed for a period of 60 months and the closure phase fixed for a period of 24 months?

1.3 Area of focus of the GBS

The GBS component of the NDPSP has a particular focus of support on government Outcome 4 (Decent employment through inclusive growth) and Outcome 12 (An efficient, effective, and development-oriented public service and an empowered, fair, and inclusive citizenship).

Furthermore, it is required that the Official Development Assistance (ODA) funds are not used to cover budget shortfalls (stop-gapping) nor to provide additional funds for programmes executed with appropriated funds but that the funds rather be used to support new and more effective ways of implementing government policies through:

- Innovation: *developing new and more effective approaches;*
- Piloting and testing: *pioneering new approaches for replication purposes;*
- Risk mitigation: *creating an enabling environment for SME development;*
- Catalytic initiatives/best practices: *unlocking or leveraging domestic resources; and*
- Skills transfer and addressing of capacity gaps: *ensuring that South African institutional capacity is enhanced for sustained, long-term implementation.*

1.4 Framework of the NDPSP

The NDPSP comprises two main components:

- a GBS component valued at € 200 million;
- Accompanying measures to support PFM capacity development, support to pro-poor policies and support to civil society organisations (CSOs) valued at € 50 million.

The overall objective of the NDPSP is to contribute to the implementation of the Medium Term Strategic Framework (MTSF) and the accompanying outcomes-based approach aiming at improving the conditions of life of South Africans and halving poverty and unemployment while being aligned with the Millennium Development Goals (MDG).

The EU grant for the budget support component was provided as direct, untargeted GBS and has been disbursed in total in fixed and variable tranches. The latest fixed and variable tranches of € 52 million were released in full in July 2016. The previous tranches of € 148 million were released in full in 2012, 2013, and 2015, transferred in local currency to the Reconstruction and Development Programme's (RDP) bank account. ODA to South Africa is not "on-parliament", meaning that, while Parliament is given information on donor-funded programmes and projects through the Estimates of National Expenditure (ENE), Official Development Assistance (ODA) funds are not voted on. GBS funds are, however, voted upon when the budget for the country is developed.

Budget Support funds are not allocated to the National Revenue Fund (NRF) but are channelled through the Reconstruction and Development Fund (through which all ODA funds are managed). Budget support is "on-plan" and "on-budget" (i.e. is included in budget planning), and the Auditor General audits externally provided resources together and domestic revenues. Once programmes are approved, the management of the programmes is aligned to the release of funds from the RDP account, on the basis of approved work plans, financial projections and reporting against these.

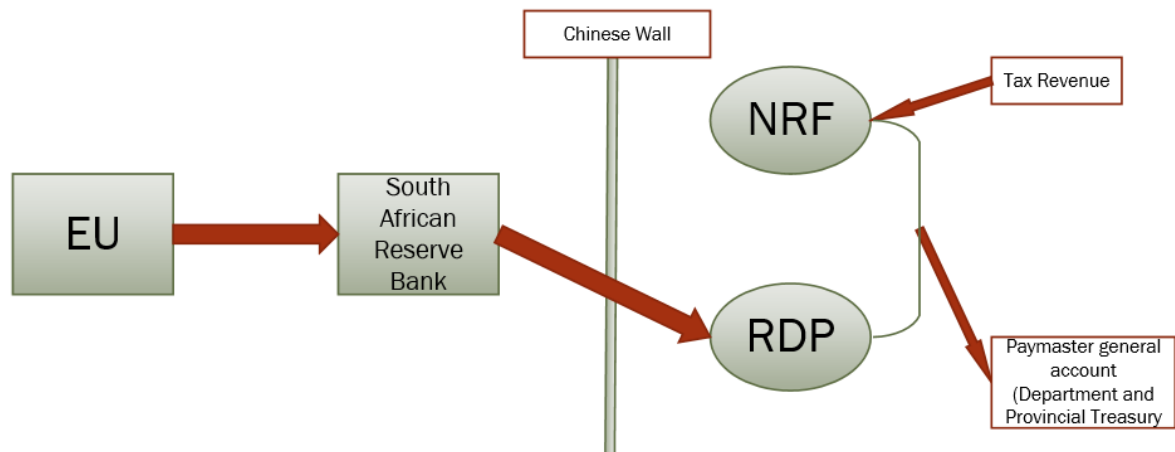


Figure 1: Representation of the disbursement of funds.

2. OBJECTIVES OF THE ASSIGNMENT

2.1 Overall Objective

The overall objective of this assignment is to contribute to the sound and efficient management of EU budget support in SA, and ascertain that use of this assistance adds value, is aligned to, and supports national priorities.

2.2 Specific Objectives

The **specific objectives** of this assignment are threefold:

- Assessing to what extent the use of the Budget Support in SA by the recipient (national department) contribute to sector development and performance through innovation, piloting/testing, risk taking, catalytic initiatives, skills transfer and developing capacities;
- Making recommendations for National Treasury (NT) and beneficiary departments to address possible weaknesses or shortcomings in the management of the GBS and increase the efficiency and effectiveness of such aid modality.
- Provide NT with recommendations on the future calls of the GBS programmes

2.3 Outputs

- **Project assessment:** NT: IDC has requested the 18 projects (calls 1 and 2) to be evaluated. For each of the project, the Consultant will have to determine the added value of the project at the sector level following (one or more of) the five key transversal criteria (innovation, piloting/testing, risk taking, catalytic initiatives, skills transfer and developing capacities). The Consultant will also have to elaborate more on the effectiveness and impact of the project at the policy and sector level.
- **Implementation assessment:** For the 18 projects financed so far, the Consultant will have to determine if the beneficiary department(s) has(ve) followed the rules and regulations for the management of the GBS cycle (from the notification of GBS allocation to the reporting of the use of GBS funds including variance from project implementation plans).
- Based on the outcomes of the project and implementation assessments, the Consultant will have to identify a **series of recommendations** to address possible weaknesses or shortcomings in the overall project, and on the overall GBS programme.

3. METHODOLOGY

A summary of the process that was followed by the Consultant is as follows

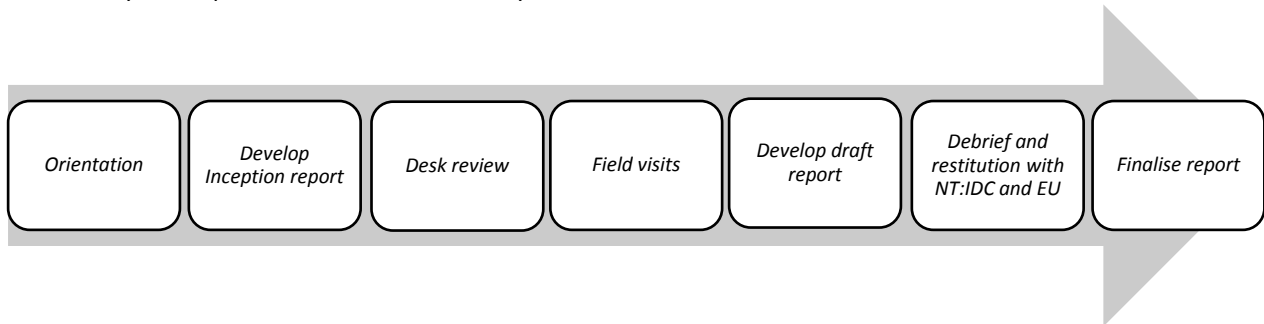


Figure 2. Process of conducting the research for the MTE

1. Orientation

The orientation for the assignment began with a meeting held on the 16th of January 2017 at the offices of National Treasury – International Development Cooperation (NT: IDC).

Present at the meeting were:

Mrs Seema Naran, Mrs Nathalie Vereen, Ms Phozisa Nqadolo, Mr Akona Nakani and Mrs Denise Marais (all NT officials). The Delegation of the European Union (EUD) was represented by the Programme Manager, Mr Jean-Bernard De Milito.

The following points were highlighted:

- At present, all funding that was available for the past two CfPs has been committed;
- NT: IDC expressed a desire for the desk report to identify gaps and also good practice in the existing project portfolio so as to inform planned future calls;
- All projects should be visited;
- The planned debriefing workshop should include NT: IDC, as well as other sections within the NT (in particular, Budget Office, Public Finance, Inter-governmental Relations (IGR) and Asset Liability Management (ALM), as well as the EUD;
- Include flexible fortnightly meetings in the draft work plan; and
- The importance of NT: IDC assistance in linking the expert with government and other stakeholders¹.

The Consultant clarified that following an initial review of the documents provided, he would seek to engage with primary NT and EUD stakeholders before engaging with project beneficiaries. This would assist in identifying an appropriate way forward and ensure that the outcomes of the review were in line with what was expected. The Consultant commenced work by reviewing the documentation made available.

2. Development of Inception report

A draft Inception report was developed and submitted to NT: IDC on the 23rd of January 2017. Comments from NT: IDC were received and incorporated into the final version of the report, which was resubmitted to NT for approval. The Inception report highlighted the following:

- Methodology to be followed
- Activities and outputs
- Responsibilities
- Work plan and milestones

¹ Mrs Naran advised that a letter was being prepared introducing the Consultant to key stakeholders in the NT and the beneficiary Departments/provincial departments.

3. Desk review

The objective of the desk review phase was to develop a preliminary assessment of the 18 projects that have been funded under calls 1 and 2. Specifically, the Consultant was able to:

- Review and analyse all relevant documents (as attached in Annex B) relating to the programmes currently being implemented.
- Understand the mechanisms of disbursing the funds through the CfPs.
- Develop a list of stakeholders and schedule meetings/one-on-one interview and group discussions.
- Develop an understanding of each of the projects together with their objectives, outcomes, outputs and activities undertaken to date.
- Perform an analysis with respect to issues like submission of progress reports, requests for disbursements, changes in implementation framework, etc.
- Summarise the information and perform a gap analysis.
- Develop the (participatory) tools (guides for semi-structured interviews, focus groups, etc.) to be applied in the field phase so as to assess programmes against the five key ODA principles (innovation, piloting/testing, risk taking, catalytic initiatives, skills transfer and developing capacities).
- Refine the detailed work plan for the field phase.
- Develop a report reflecting the findings of the desk review and make preliminary recommendations.

4. Field Visit

The objective of the field visit was to meet with beneficiaries so as to develop an understanding of progress to date whilst at the same time also understand critical challenges and achievements. Consensus was reached that all projects would be visited. A schedule of visits (see Appendix F) was developed and trips to each of the project sites was planned. Utilising the participatory tools developed in the desk review phase, the inputs from beneficiaries were captured and analysed. A comprehensive stakeholder database was additionally developed. A debriefing session was held on the 18th of April.

5. Draft Report

The findings from the desk review and field visits were analysed and incorporated into a draft report. Recommendations for future courses of action were additionally incorporated into the report. The report was submitted to NT and to officials from the EC. The NT in turn submitted the report to project beneficiaries requesting their inputs. A comprehensive list of comments was received by the Consultant for incorporation into the Final report. Once the comments had been analysed, a draft Final report was then submitted to the NT for further comments.

6. Debrief and restitution with NT and EC

The final report is to be presented to stakeholders from NT on the 8th of August 2017.

7. Report Finalisation

An additional resource was employed by the contracted company to finalise the report and ensure that comments from the NT were incorporated into the final version whilst also ensuring that the report meets the required quality standards.

4. PROGRAMME DESIGN AND RELEVANCE

4.1 The National Development Plan and Outcomes based approach

The National Development Plan (NDP) aims to eliminate poverty and reduce inequality by 2030. According to the NDP, South Africa can realise these goals by drawing on the energy of people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. These immense challenges can only be addressed through change in the country's performance by building a more inclusive society, and by translating political emancipation into economic wellbeing for all. In particular, young people deserve better educational and economic opportunities; focused efforts are required to eliminate gender inequality.

While the achievement of the objectives of the NDP requires progress on a broad front, three priorities stand out:

- Raising employment through faster economic growth;
- Improving the quality of education, skills development and innovation;
- Building the capability of the state to play a developmental, transformative role.

The planning process carried out by departments and other government entities has a vital role to play in bringing the vision contained in the NDP to life. The development of the MTSF (2014-2019) is precise and clear in its identification of indicators and targets to be achieved in the 2014-2019 period. The 12 outcomes for 2014 to 2019 are published as annexes to the MTSF.

4.2 The outcomes based approach

Government has agreed on 12 outcomes as a key focus of work. Each outcome has a limited number of measurable high-impact priority outputs and sub-outputs with targets. In turn, each output is linked to a set of activities that will help achieve the targets and contribute to the outcome. Each of the 12 outcomes has a delivery agreement, which in most cases involve all spheres of government and a range of partners outside government. Combined, these agreements reflect government's delivery and implementation plans for its foremost priorities. For the GBS programme, the focus is on Outcomes 4 and 12.

Outcome 4: Decent employment through inclusive economic growth.

South Africa continues to experience high levels of unemployment compared to other countries at the same level of development. This contributes to high levels of poverty and inequitable distribution of income. In addition, the economy faces a number of structural constraints that affect its ability to generate growth and support employment creation in the long-term. Addressing the unemployment challenge and the structural constraints of the economy will require active investment and interventions by the state to create an enabling environment to stimulate inclusive growth and support the creation of decent employment on a large scale. Over the MTSF period, the following key outcomes will be tracked:

Income and equality

- Increased average income and reduced levels of poverty
- Increased socio-economic equality for all sectors of the population

Labour Absorption and Employment

- Decent employment i.e. accelerating employment creation
- Higher rates of labour absorption, meaning that more of the working-age population has jobs

GDP Growth

- High rates of employment generating growth indicating economic expansion

Diversification of the Economy

- Movement towards a greater balance between primary, secondary and tertiary sectors

Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.

Access to government services has improved for many people in South Africa since 1994. However, a 2009 geographical access study conducted by the Department of Public Service and Administration (DPSA) in collaboration with eight key service delivery departments in some of the most impoverished rural districts of the country has shown that many people still travel very long distances to access service points in some areas. Departments tend to plan their service access improvement initiatives in silos and spatial maps indicate that related services of government are often not located in close proximity to one another, making it inconvenient for people to access different services in the same area. There is a lack of consolidated baseline information on geographic access to government services to assist departments in planning where to locate their services. Very few access studies have been done to determine whether service points are optimally located in relation to where citizens live and whether their access needs are being met. Few departments have developed geographic access norms that can assist them in reviewing access to their services and to set targets for improving access, in particular, to reduce the travel distances to their service points. Furthermore, minimum infrastructure access norms have not been developed to facilitate physical access to government service points for women and people with disabilities. No consolidated directory of services currently exists in government and the integrity of the infrastructure asset register of government is lacking.

Outcome 12 covers the following key strategic areas:-

- Service Delivery Quality and Access
- Human Resource Management and Development
- Business process, systems, decision rights and accountability
- Tackle corruption effectively
- Nation Building and National Identity
- Citizen Participation; and
- Social Cohesion

4.3 General Budget Support from the EU

GBS involves a transfer of funds to the partner country for allocation within the country, using country allocation processes, with the aim of supporting a national development policy and strategy of the partner country.

Specifically, the use of ODA funds must be applied in support of new, innovative, and more effective ways to implement government priorities and policy. This is in line with the ODA Guidelines of 2003, which stipulate that ODA must add value, by supporting:

- *Innovation*: developing new and more effective approaches;
- *Piloting and testing*: pioneering new approaches for replication purposes;
- *Risk mitigation*: creating an enabling environment for SME development;
- *Catalytic initiatives/best practices*: unlocking or leveraging domestic resources; and
- *Skills transfer and addressing of capacity gaps*: ensuring that South African institutional capacity is enhanced for sustained, long-term implementation.

4.4 Disbursements of General Budget Support Funds

Budget support is allocated as a grant to public sector projects that support the achievements of Outcomes 4 and 12 and are aligned to ODA criteria. Proposals for projects to be funded from the GBS programme are mobilised through a formal “Call for Proposals” (CfP) which is published on the NT website. Each CfP includes guidelines for the submission of proposals and for the use of the funding. Allocations are made to projects based on merit.

The GBS is therefore a special case of ODA in that:

- The NT allocates the funds as a grant to appropriate projects proposed by government departments; and
- The GBS grant is paid into departmental accounts from the RDP fund. It is expended on a government project.

To ensure alignment with South Africa’s budget processes, the GBS funding proposals are submitted to the NT and assessed at the same time as the annual budget submissions for voted funds.

4.5 Process of awarding funds

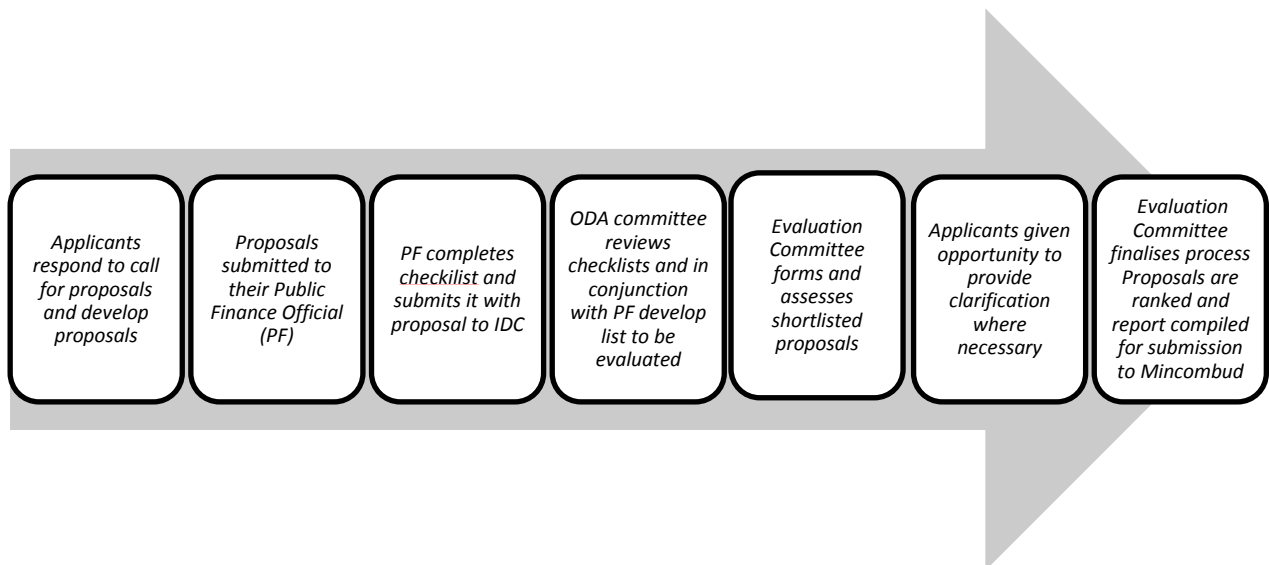


Figure 3: The process for disbursement of general budget support funds.

Calls for proposals is launched

The NT releases MTEF guidelines and GBS forms part of these guidelines. Awareness of the GBS is created through the launching of a CfP (together with guidelines) which is advertised on the NT website. Applicants use the guidelines and associated templates to develop proposals. The guidelines contain certain criteria relating to:

- Total value of the call
- Maximum and minimum amounts that may be applied for
- Closing dates
- Alignment of the proposal to the overall objectives of the programme, ODA guidelines and Outcomes 4 and 12
- Entities that may apply
- Partnership structures
- Exclusion of the proposal from the assessment process should it be deemed that the funding being applied for is being used as a “gap filler” or is being seen as “double dipping”
- Format of the business plan and Budget
- Results framework

An example of the guidelines used in 2013 is attached in Appendix C.

Submission of Proposals

Proposals are received by officials within the Public Finance (PF) or IGR Departments (in the case of Call 2) of the NT. An administrative checklist is completed by the officials upon receipt of the proposals. Once the checklist has been completed, the Public Finance Officials forward the proposal to the ODA committee, together with recommendations as to whether the proposal should be evaluated by the Evaluation Committee.

Assessment of proposals

Proposals that do not satisfy the requirements highlighted in the checklist (i.e. late submissions, submission from an entity that is not allowed to submit, proposal not aligned to outcomes, etc.) are not subjected to final evaluation. Personnel within the IDC further scrutinise the proposals together with the recommendations from the PF and refine the list of proposals for final evaluation.

Final Evaluation

An Evaluation Committee is established to evaluate the proposals. The Evaluation Committee consists of personnel from the Budget Office as well as officials from IGR and PF. A scoring template is developed against which the proposals are evaluated. The criteria of the scoring template include issues relating to the quality of proposal, alignment with outcome objectives, ability to implement, budget, etc. Once the proposals have been evaluated, applicants are given an opportunity to provide clarity (should it be necessary) on specific issues raised by the Evaluation Committee. Once clarity has been provided, a final score for each proposal is calculated. The proposals are ranked in order of the scores that they received and a final list of programmes recommended for funding is prepared.

Award of GBS funds

A report highlighting the proposals recommended for funding is presented to the Budget Office and MincomBud. If approved, projects that have been allocated GBS funding are informed through the annual letter issued to departments, by the NT, indicating their fiscal budget allocations.

4.6 Assessment of guidelines

To date, two CfPs have been launched. These calls were launched in 2011 and 2013. A comparative analysis of the guidelines used for the two calls is described in Table 1 and reflects recommendations for the development of future guidelines.

Table 1: Comparative analysis of guidelines for call 1 and call 2.

	Guidelines 2011	Guidelines 2013	Recommendations for future calls
1)	Proposals must demonstrate a direct contribution to the achievement of either Outcome 4 (Decent employment through inclusive economic growth) or Outcome 12 (An efficient, effective and development oriented public service and empowered citizenship).	Proposals must demonstrate a direct contribution to the achievement of either Outcome 4 (Decent employment through inclusive economic growth) or Outcome 12 (An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship).	Same as guidelines for 2011 and 2013. Applicants appear to understand the need for alignment to outcomes 4 and 12 and this is consistent with the Financing Agreement. Some of the criteria for Outcome 12 have shifted to Outcome 14 more recently. The need to align proposals to Outcome 14 may therefore need to be addressed
2)	Alternatively, proposals that contribute to Outcome 4 through skill development (Outcome 5) and green economy objectives (Outcome 10) or to Outcome 12 through the development of the	Not stated	Not recommended-adds complexity to the evaluation and assessment process however the importance with respect to the green economy objectives is noted

	Guidelines 2011	Guidelines 2013	Recommendations for future calls
	local government system (Outcome 9) will also be considered.		
3)	Projects and programmes must be able to demonstrate that the use of ODA to fund them is not merely as a gap-filler or as an add-on to appropriated funds and that there is no “double dipping”	Projects and programmes must be able to demonstrate that the use of ODA funds is not merely to cover shortfalls in budgets, nor to provide additional funds for programmes executed with appropriated funds;	Clear examples of “short falls” and “double dipping” should be given so that there is a clear understanding of the terminology. Applications have been disqualified in the past for not adhering to this guideline and hence efficiency of the process will be enhanced if more clearly understood.
4)	Demonstrate how they support new and more effective ways of implementing government policies and priorities and are aligned to departmental priorities	Not stated however, reference to the point in the 2011 guideline is made in the business plan template. It is stated that Entities may not submit proposals directly but must work through the departments from which they receive their mandate	Clear understanding of the terminology of “government policies and priorities” needs to be given so as to avoid disqualification from the initial assessment process
5)	Must be aligned to ODA guidelines which stipulate that ODA must add value through, <i>Innovation; Piloting and testing; Risk mitigation; Catalytic initiatives/best practices; Skills- transfer and addressing of capacity gaps:</i>	Must be aligned to ODA guidelines which stipulate that ODA must add value through, <i>Innovation; Piloting and testing; Risk mitigation; Catalytic initiatives/best practices; Skills- transfer and addressing of capacity gaps:</i>	As in 2011 and 2013. Specific reference as to HOW this alignment will be achieved should be made. This will assist with M&E processes moving forward
6)	Clearly identify the project objectives, outputs, implementation modalities, and timeline. No business plan template given as a guideline)	Business plan template is provided together with Annexes requiring applicants to complete logical framework and guiding questions relating to objectives, outputs and implementation modalities	As in 2013 with an additional section relating to sustainability and/or the future impact on the fiscus. Key questions may be focussed on how the programme will be self-sustaining beyond the funding cycle and if the programme is likely to have an impact on the fiscus in future years
7)	Provide a financial proposal with expected cash requirements over the duration of the project, set out by financial year – the distribution schedule (not clear if budget template is provided)	Annexes 2 and 3 require a detailed component budget input table and cash use projections for duration of implementation	As in 2013 however Xcel version of budget should be supplied to applicants together with clear definitions of issues relating to the budget like “Economic Classification” and “Government Financial Statistics” (GFS)
8)	Demonstrate that departments have the necessary capacity to implement the project.	Demonstrate that departments have the necessary capacity to implement the project.	Applicants should include the CVs of key project personnel to demonstrate their capability to implement the action and/or move the process forward
9)	Only open to National Departments	Open to National and Provincial Departments	National Departments in partnership with the Private Sector so as to build on the ODA guidelines
10)	Min Value R10 million Max Value: R120 million Implementable over 4 years	Min Value R10 million Max Value: R120 million Implementable over 3 years	Min Value: R10 million Max Value: R100 million Implementable over 3 years
11)	Closing date: 20 August 2011	Closing date: 28 June 2013	Consideration should be given as to how a Cfp could be launched earlier in the financial year. This would allow for a greater time period for applicants to respond to the Cfp thereby ensuring that effective and efficient partnerships are

	Guidelines 2011	Guidelines 2013	Recommendations for future calls
			developed and that supporting documentation is signed off (e.g. budgets approved by CEO) Due consideration would need to be given as to how this would align to the budget process.
12)	Proposal to be submitted to: Donor task team.	Provincial departments must submit proposals through provincial treasuries to the Inter-governmental relations unit of National Treasury. National departments must submit to their public finance official of the National Treasury.	National Departments to submit to PF official. Provincial Departments to submit to IGR official.
13)	Funds available for disbursement: R378 million.	Funds available for disbursement: R600 million.	Funds available for disbursement: R600 million or more.

4.7 Monitoring and Evaluation

South African systems of monitoring and evaluation are used to assess the performance of the projects funded under the programme. The basis for monitoring and evaluation of projects funded with grants from the GBS programme is the Business plan and its subsequent annual revisions. Minimum requirements for the monitoring and evaluation of GBS grant projects are:

- Monitoring of grant expenditure in terms of amounts, procedural compliance and outputs against the business plan;
- Monitoring of progress of activities against the quarterly milestones table;
- Monitoring of outputs and outcomes against indicators described in the results framework.

Reporting requirements on GBS grant funds is in line with the provisions of the Public Finance Management Act (PFMA) and as requested in the Estimates of National Expenditure (ENE), Mid Term Expenditure Committee (MTEC) and Development Cooperation Management Information System (DCMIS) databases.

Reporting needs for the GBS grant funds are met as far as possible through existing reporting mechanisms, modified to reflect the additional actions and resources due to the GBS grant funding. These mechanisms include:

- (ENE)/Annual MTEF process;
- Annual audits, expanded to cover GBS grant funds.

Quarterly progress reports on the GBS grant-funded project are submitted to the National Treasury IDC Unit.

The analysis relating to Programme Design contained in this section clearly indicates that the GBS process is fully aligned to South Africa's priorities, processes and legislation, and thus makes it relevant to the country.

4.8 Recommendations

Table 1 makes key recommendations with respect to the guidelines. Additional recommendations include the following:

- The budget template in the guidelines is confusing to some entities as terminology such as General Financial Statistics (GFS) and Economic Classification is used. This adds confusion to the process and the question as to the necessity of inclusion of these functions and classifications is required. It is recommended that the classifications be omitted and that the budget template perhaps be re-designed to be more "user friendly".

- A budget template in the form of an excel spreadsheet should be provided to applicants for developing their proposals so as to reduce confusion and encourage a uniform approach. This should form part of the “business plan template” that is given to applicants. At present, applicants work off a “MS Word template” and design their own budgets according to the template.
- Where applicants are applying for funds to develop infrastructure, delays with respect to implementation of their projects are often experienced. As such, the state of project “readiness” needs to be assessed during the evaluation process. Applicants applying for infrastructure projects should be asked to provide supporting documentation to show their state of readiness. For example, EIA’s, approved building designs, etc.
- Where possible, evaluation committees should be selected from a diverse range of people/entities so as to ensure that the opinions that form the evaluation outcome are well debated. Where possible, institutional memory should be retained (i.e. a core group of evaluators should perform the task for a number of calls) so as to ensure that there is a constant process of improvement. Mistakes/lessons learnt in the past need to be taken forward and improved upon. High staff turnovers make this recommendation difficult to implement.
- The current assessment grid (Appendix E) used focusses largely on alignment to ODA guidelines, outcomes, capacity to implement and the quality of the proposal. More emphasis needs to be placed on issues around sustainability, value for money (or cost effectiveness), impact on the fiscus beyond the implementation period and operational capacity.
- In order to further develop alignment with ODA criteria, it is recommended that public entities partner with private sector. Private sector is known for its ability to be innovative, have skills that are complimentary of the public sector and to also replicate best practices. Care, however, will need to be exercised so as to ensure that the partnerships formed add value to the process and that the national department takes an active role in this partnership. The expectation should be that there is pooling of financial resources, capacity and/or expertise to address an agreed common objective.
- The design of the programme is relevant to the country, however an efficient monitoring and evaluation system needs to be developed so as to track project progress and inform NT: IDC of issues that need to be addressed before delays in implementation are experienced.

4.9 Conclusion

The Mid-Term Evaluation’s (MTE) view is that the GBS programme’s design is relevant to South Africa’s NDP and Outcomes Approach, the joint South Africa-EU Country Strategy as well as the EU’s broader policy approach. The design places special emphasis on the need to have proposals aligned with Outcomes 4 (decent employment through inclusive growth and outcome 12 (efficient effective and development orientated public service and an empowered citizenship. Furthermore, the alignment with respect to the ODA guidelines of 2003 is relevant in that emphasis is placed on the need for Innovation, Piloting and testing, Risk mitigation, “best practices”, and catalytic initiatives. The process of submission and evaluation of proposals supports the MTEF and overall budget process .Evaluation of proposals is aligned to the guidelines and business plan templates and recommendations from this competitive process are approved ultimately by cabinet.

5. PROGRAMME IMPLEMENTATION AND EFFICIENCY

5.1 Management of General Budget Support

The GBS component of the National Development Policy Support Programme (NDPSP) is managed by National Treasury through the International Development Cooperation unit (IDC). The process to allocate the GBS funds is done through the Donor Funding Cross Function Work Group, one of the many work groups within the budget process. The Working Group is located in the budget office and provides input into the annual South African budget process through the Medium Term Expenditure Committee (MTEC).

One of the objectives of the Working Group is to collect and assess proposals for GBS funding, and make recommendations on the allocation of GBS funds for consideration to the MTEC, and approval within the overall budget. The Work group is led by the Chief Directorate IDC. One of the tasks of the working group is to manage the GBS recommendations within the budget process

At the start of the MTE, NT: IDC programme management was the responsibility of two Directors who were supported by Portfolio Managers responsible for approximately and equal number of individual projects. Key tasks performed by the Portfolio Managers include:

- Processing of work plans and reports
- Ensuring financial compliance of applicants (reconciling budget vs actual expenditure)
- Attendance of PSC
- Motivating for and processing requests for extensions/adjustments
- Monitoring and Evaluation, (mostly remotely and based on reporting).

A Business Manager, who has responsibility for processing all payment requests supports the Directors and Portfolio managers together with personnel who provide administrative support.

From the inception of the GBS programme, the NT: IDC has experienced considerable staff turnover. Portfolio managers who were responsible for monitoring and providing support to applicants, have left NT: IDC over the last 2 years, resulting in two directors holding overall responsibility for the GBS programme, its institutional memory and planning. The workload on the remaining personnel is onerous and whilst part time Technical Assistance has been procured to manage the CfPs, there is a need to adequately resource the team.

5.2 Calls for proposals

At the time of the Mid-term Evaluation (MTE), two CfPs had been issued, each preceded by presentations that explained proposal eligibility and the process to be followed together with the business plan template, which included budget, cash flow, and planning information. Based on the reviewed Power Point presentations, the MTE is of the view that they provided relevant and sufficient information to enable national and provincial departments to prepare and submit potentially eligible Business Plans/Proposals. Despite this, as Figure 4, below, demonstrates; the CfP process from receipt of proposal to award, a substantial number of initial proposals were ruled out because they were not eligible in terms of the criteria. Based on the MTE's observations, the eligibility criteria described in Table 1 (with recommendations for future calls) remain relevant.

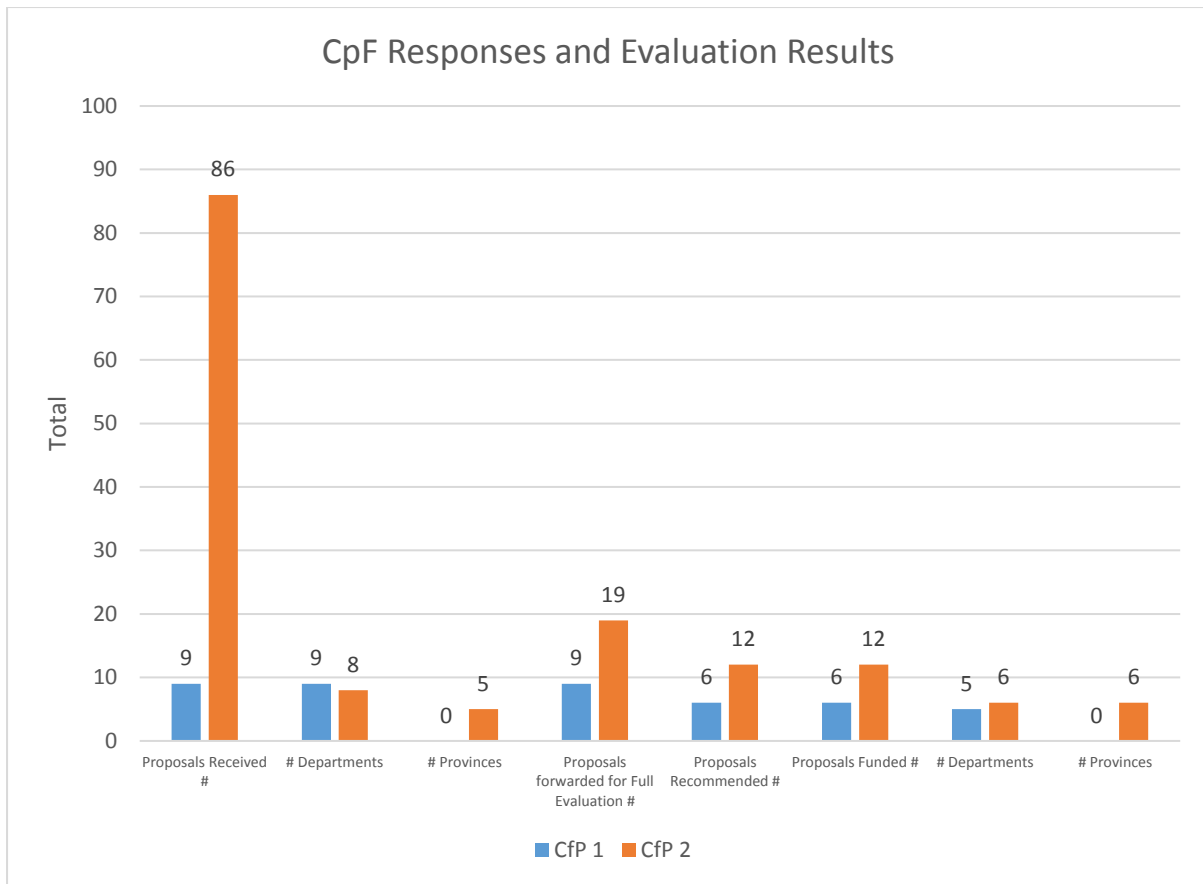


Figure 4: CfP responses and evaluation results.
Source: NT: IDC.

For Call 1 (2011), 9 submissions were received for consideration for GBS funding, with a total request for funding amounting to R1664.7 million. Six were received by 19 August 2011. A further three proposals were received by 23 September 2011. The proposals were subjected to an assessment process described under Section 4 of this report and 6 projects (with a combined value of R617, 6 million) were allocated funding as per Table 2.

Table 2: Table showing projects funded under Call 1

Proposal Title	Applicant	Budget (R million)			
		2012/13	2013/14	2014/15	Total
1. Career Guidance Services	National-DHET	30	30	-	60
2. Smart Metering Implementation Programme	National Department of Energy	71,8	71,8	35,9	179,5
3. Unlocking Innovation in the Public Service	Department of Public Service and Administration	1,8	4,2	4,7	10,7
4. PFM assessment in provinces using PEFA methodology	National Treasury	8,5			8,5
5. General Advisory and Support Services	National Treasury	71,8	71,8	71,8	215,4
6. Innovation partnership for rural development	National-DST	35,9	47,8	59,8	143,5
TOTAL		219,8	225,6	172,2	617,6

A total of 86 proposals were received for Call 2 where Provincial as well as National Departments were allowed to respond to the CfPs for Call 2, a total of 12 projects (with a combined value of R786.4 million) were allocated funding as per Table 3 below.

Table 3: Projects funded under Call 2

Proposal title	Applicant	Budget (R million)			
		2014/ 15	2015/ 16	2016/ 17	Total
1. Career Development and NQF Advice Project	National DHET	44.4	54.6		99.0
2. Open Learning System for Post School Education and Training	National DHET	14.0	18.8	19.0	51.8
3. ICT innovation programme to support development and government service delivery	National DST	42.7	48.1	29.2	120.0
4. Wolwekloof programme for youth at risk (diversion training and income-generating skills development)	Provincial-WC-Community Safety	15.7	11.4	13.7	40.8
5. The Mass participation; Opportunity and access; Development and growth (MOD) Programme to support youth with after school activities and sport	Provincial-WC-Cultural Affairs and Sport	36.0	40.0	44.0	120.0
6. Microzonation model of Johannesburg for seismic risk prediction	National-DMR	3.7	14.8	11.5	30.0
7. Asset management of library materials with Radio Frequency Identification (RFID) Technology	Provincial-FS-Sports, Art, Culture and Recreation	12.0	12.0	0.0	24.0
8. Ecological Resources Management Systems for Schools: System of managing school toilet waste to generate fertilizer and cooking gas for school gardens and feeding schemes.	Provincial-EC-ECDC	2.2	17.5	10.3	30.0
9. Sustainable Rural Villages Project – Chris Hani District Municipality Expansion Programme	Provincial-EC-Economic Development, Environmental Affairs and Tourism	4.6	4.5	2.7	10.4
10. Prevention of Gender-based violence information campaign	National-WCPD	6.8	6.8	6.8	20.4
11. Kwa-Zulu Natal Science Parks	Provincial-KZN-Treasury	41.6	39.1	39.2	120.0
12. Golden Gate Highlands National Park Interpretation Centre	National Tourism	76.3	31.1	12.6	120.0
TOTAL					786.4

What is of considerable concern in Call 2 (as per Figure 4), is the dramatic fall-off of proposals received (89) to the number eligible for evaluation (19), effectively 21% of the total received. This suggests:

- Either the communication strategy is inappropriate (the MTE has reviewed the PP presentations and documentation and finds this explanation unconvincing), or
- Communication of the parameters of the call are not understood by the recipients.

At least part of the reason for this appears to lie with the counterpart officials in National Departments and Provincial Treasuries with whom NT: IDC engages. Communicating the availability of GBS funding and the parameters for it to these counterparts does not mean that those responsible for preparing business plans and budgets necessarily understand the rules or the manner in which the proposal should be developed.

Nearly half of Call 2 responses (42 in total) originated from the Eastern Cape. On enquiry into the background to this, the MTE was informed that the Department for Economic Development, Environmental Affairs and Tourism (DEDEAT) and Eastern Cape Development Corporation (ECDC) had a substantial pipeline of projects that required funding. DEDEAT, with ECDC support, worked with individual EC Departments to develop Business Plans that sought to obtain GBS funding for this pipeline. DEDEAT, in addition, expressed surprise that more of the province's proposals had not been successful.

5.3 Recommendations

- In order to place emphasis on ODA criteria, future calls for proposals should be encouraging partnerships with private and civil society sector actors (e.g. scoring partnerships with additional points) so as to utilise the innovative approach that private sector uses in driving projects through the implementation phase.
- Encouraging public-private/for profit partnerships is also expected to engage other public sector entities, such as the Technology Innovation Agency (TIA), which has a substantial pipeline of projects at this stage. Should this occur, such proposals are expected to make significant potential Outcome 4 contributions, as they would proceed from Development, Testing and Release, thereby having a demonstrable job creation effect.
- The MTE believes that it is important to widen and deepen the focal scope for partnerships that may benefit from GBS support. This will require improved communication between NT: IDC and all project partners, not just the national departments or provincial treasuries since these individuals communicate the possibility of GBS support to other officials, who prepare the Business Plans. This suggests that it may be appropriate that NT: IDC personnel make presentations to those national and provincial departments that express the intention to submit proposals. Both human and financial resources will be required for this purpose
- Should the MTE's recommendation that increased interaction, in particular through NT: IDC presentations on the parameters of GBS eligibility and NT: IDC participation in individual PSC meetings be accepted, it would mean that the NT: IDC must be appropriately resourced and that GBS financial support for travel and subsistence costs for such participation is allocated. The NT: IDC should utilise the EU-allowed provisions for administrative costs support immediately for this purpose.
- Proposal evaluation is undertaken at a technical level and decided at senior management level. The MTE's review of the Evaluation Committee reports in respect of the first calls suggests considerable learning. It must be noted however that the technical evaluations were undertaken by the NT: IDC alone; neither Public Finance, nor Inter-governmental Relations were represented in the technical evaluations, which forwards recommendations to senior management for decisions and in which both Public Finance and IGR are present alongside the NT: IDC. The absence of IGR/Public Finance representation in the technical evaluations has possibly contributed to compensatory decisions to award GBS to projects that fall outside the scope of the funding guidelines. The MTE understands that the alignment of the GBS process to the budgetary cycle means that staff experience a heavy workload at the time that the calls are received and evaluated. Nonetheless, it is desirable that all three units are represented in the technical evaluation. This would promote wider ownership of the results of the technical evaluation and the recommendations presented to senior management for decision.
- There is clear evidence, both anecdotal and recorded, that the current system lets considerations other than the project itself affect final decision-making. The MTE acknowledges the need to take political considerations into account in the budgetary process; this, as referenced above, is standard practice in all democratic political systems. Nonetheless, allocation of GBS is somewhat different to the standard budgetary process, principally for two reasons :
 - First, GBS must be additional, not additional/supplementary (gap replacement) and,
 - It must be innovative and support riskier investments.

In this context, the Evaluation Committee, empowered with the authority to approve projects must avoid compensatory responses and stick by pre-agreed rules for individual project approval. All stakeholders must clearly understand these rules in advance and that, should they fail to meet the pre-identified standards, there will be no appeal (political or otherwise). Greater internal (within NT) and external (to other Departments/Provincial departments) communication is necessary.

- The processing of quarterly reports adds an administrative burden on programme management. The requirements with respect to quarterly reporting could be replaced with an annual submission of reports in line with the Estimates of National Expenditure, the annual MTEF process and annual audits of GBS funds. Narrative reports should only be submitted when requesting the next draw down of funds. This would add to project management effectiveness, reduce reporting while maintaining accountability, and limit the day – to – day management burden. The need for additional personnel in the form of an M&E advisor and Implementation support advisor needs to be urgently addressed so that critical issues from projects can be flagged at an early stage of the implementation cycle instead of relying on quarterly reports, which, in many cases, are non-existent.

5.4 Conclusions

The NT has been successful in ensuring that the RDP account has been credited with the € 200 million fixed and variable tranches. At the time of the MTE, approximately 50% of available GBS had been committed. A total of 18 projects representing a value of R618 million for Call 1 (launched in 2011) and R786 million for Call 2 (launched in 2013) have been awarded. For Call 1, R589 million (95%) of the funds have been disbursed and for Call 2, R413 million (53%) of the funds have been disbursed. The MTE view is that the process is efficient, however, delays with respect to project implementation need to be minimised

6. PROJECT IMPLEMENTATION AND EFFECTIVENESS

6.1 Budget vs Disbursements to date

The figure below reflects the status of budget vs disbursements to date. All departments need to surrender unspent monies at the end of the financial year and submit a request for the money at the start of the new financial year. Net disbursement therefore reflects the actual amount of money disbursed to the applicants. The Table 4 reflects a total disbursement of 95% of the funds allocated for Call 1 as at the end of the 2016/2017 year. Figure 5, below, clearly indicates that two of the projects (with relatively smaller budgets) have not progressed to the desired level. What is of further interest is to note that all Call 1 projects are aligned to Outcome 12.

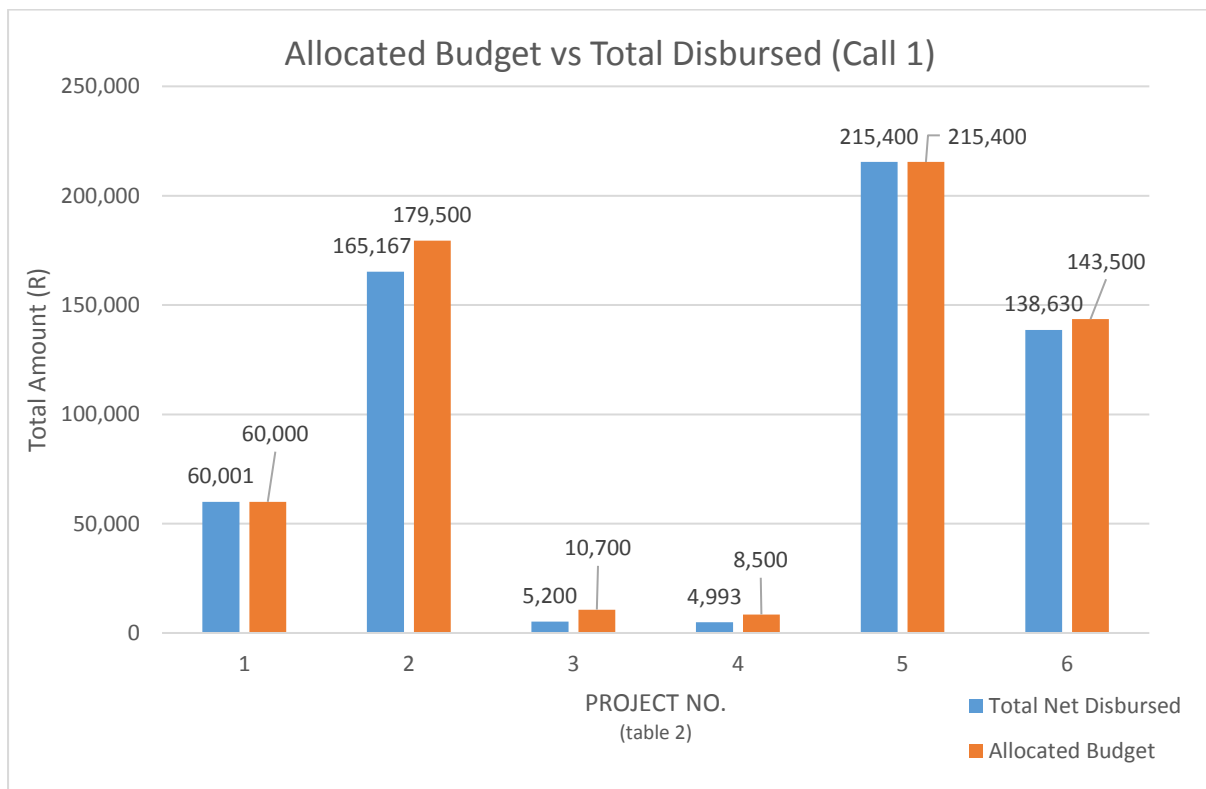


Figure 5: Net disbursement to date vs budget of project for Call 1.

For Call 2 of the process, implementation has not progressed to the same level as that of Call 1. This is understandable as Call 2 projects were launched 2 years after Call 1. Total net disbursement of the projects are at 53% of the budgeted value. The call was open to both provincial and national departments and of interest to note is that most of the delayed projects are those that have been allocated to provincial departments. Figure 6 gives a breakdown of the disbursed amounts vs budgeted values on project-by-project basis.

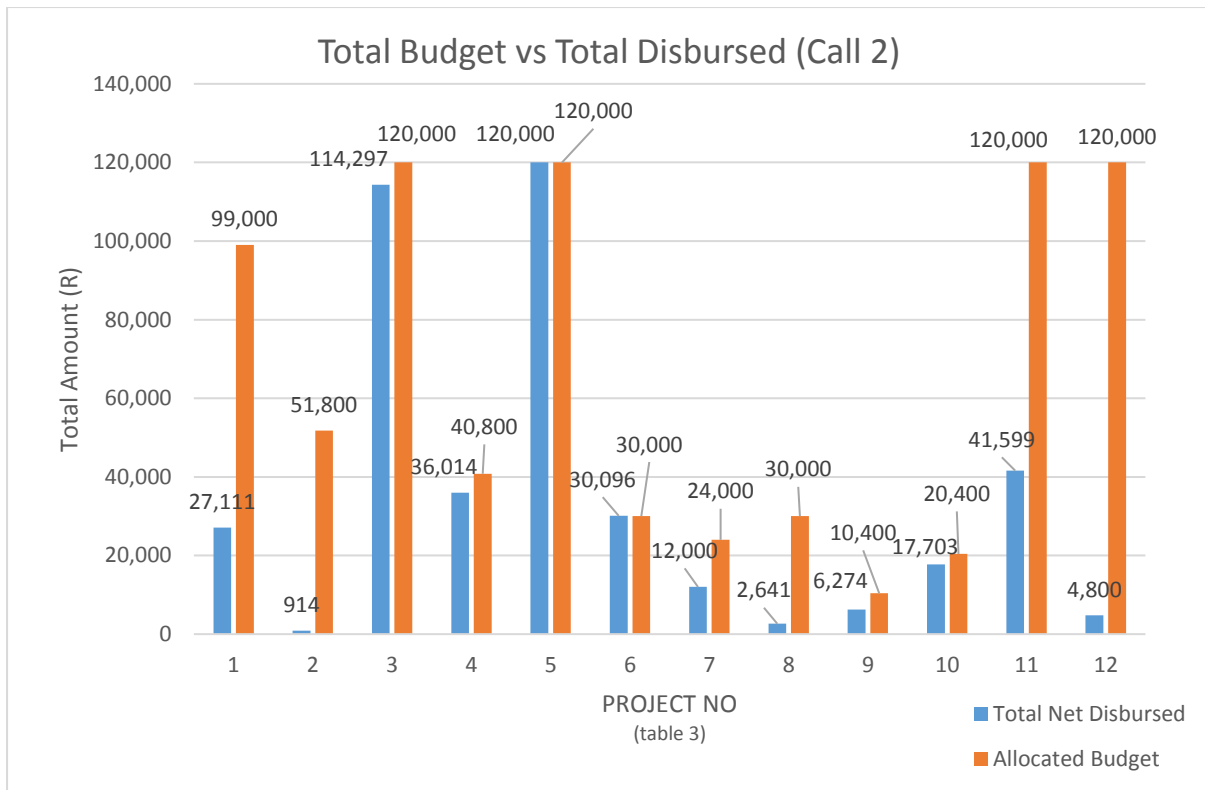


Figure 6: Net disbursement to date vs budgeted amount for Call 2.

In terms of alignment to the Outcomes 4 and 12 (on an overall value basis), Figure 7 is representative of the fact that most of the projects are aligned to Outcome 12. This can principally be explained through the target group – national and provincial government departments. A focus on improving economic conditions by way of improved service delivery was inevitable. Given this, it appears desirable that forthcoming calls for proposals should encourage partnerships with private and civil society sector actors to encourage a greater number of responses to the calls that pursue Outcome 4. Such partnerships can also be expected to encourage proposals that are more innovative. It also underlines the continued relevance of the established criteria for eligibility for GBS funding.

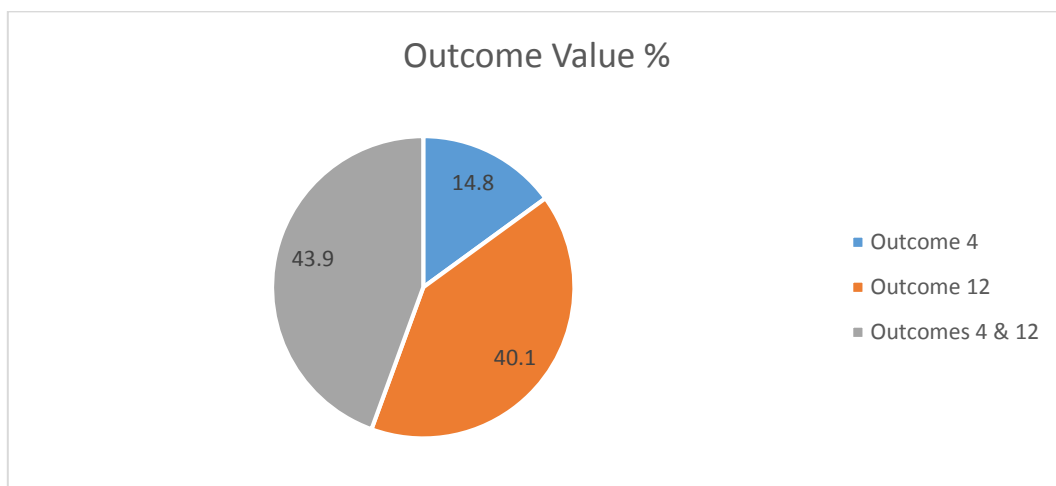


Figure 7: Depicts alignment to outcomes 4 and 12 by value of projects.
Source: Consultant analysis

6.2 Project progress and recommendations

Tables 4 and 5, below, give an indication with respect to project progress to date. A risk profile with respect to the implementation of the projects has also been developed to allow for easy identification of projects that have critical issues that need to be addressed. In terms of the risk profile,

- **Green** – implementation is generally being managed well. There may be a few issues but generally project is on track
- **Amber** – There are issues impacting project delivery, timelines, scope or budget significantly to delay the project
- **Red** – There are issues impacting project delivery, timelines, scope or budget so severely, project is at risk of non-delivery / termination

Table 4: Project progress and recommendations for Call 1.

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/17	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
Career Guidance Services	60 000	12	Skills transfer and addressing capacity gaps	60 001	100%	Largely completed	Intermediate outcomes achieved. . Research completed. Competency framework exists, National Policy with Cabinet for approval. Project has been evaluated – determined that exceeded identified targets.	Sustainability and impact on the fiscus of the country need to be assessed. Review evaluation report and assess against outcomes of proposal. Ensure close out report is developed. Use lessons learnt from implementation for future learning.	Green
Smart Metering Implementation Programme	179 500	12	Innovation, piloting and testing	165 167	92%	Late start due to challenges surrounding establishment of PMU. Extension sought to enable draw down of unused balance.	Expect national outcome – Draft National Policy – by end FY 2017/8. Intermediate outcomes: Clear examples of financial benefit at municipal level through Increased Revenue; Electricity theft hot spots identified; Basis for consumers to understand and adjust energy use. Will have completed all eight pilots by and FY 2017/8.	Project appears to be on track. Challenges that were faced included political challenges (local government elections), Eskom threat to cut off municipalities with debt, negative public perceptions, need to repay unspent budget at Financial year end impacted on contractor implementation. Close out report needs to be finalised and suitability strategy developed.	Green
Unlocking Innovation in Public Service	10 700	12	Innovation, piloting and testing	5 200	49%	Delayed (recruitment freeze) – Extension sought to 2019. Will be seeking	Challenge surrounding sustainability – salaries are still to be included within limited budget (ZAR 30 million core budget) although posts funded until end FY 18/9.CPSI would be interested in seeking programmatic (e.g. Replication, Sector Specific Workshops) support from future GBS calls. There are	Extremely high-risk project due to issues around the funding of personnel. Implementation support is required and alternate mechanisms for potential budget realignment need to be assessed. If appropriate road forward cannot be developed, project should be closed down.	Red

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/17	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
						additional support under next CfP - no sustainability unless contract costs absorbed by national fiscus..	seven/eight replicable projects in their portfolio, which require financial support to roll out. . The available CPSI budget was slightly over ZAR 0.2 million; as a result, they were dependent on Innovation Hub, the National Lottery, the private sector, etc. for outstanding balance (ZAR 1.8 million). Furthermore, to bring the product to the market requires an additional ZAR 3 million.		
PFM Assessment in provinces using PEFA methodology	8 500	12	Skills transfer and addressing capacity gaps	4 993	59%	Intermediate outcomes mostly achieved	All 9 provincial PEFA's have been completed. The individual reports have been consolidated into a single report, which has been presented on two occasions. By FY 2016/7 end, a stakeholder conference had been concluded in which common themes were planned to be identified. Progress towards achievement of the identified outcome – Improved South Africa PFM Management – will commence as of the start of FY 2017/8.	A single disbursement in 2013/14 financial year poses questions on how this programme will achieve its intended outcome. Progress towards the outcome is only intended to start in 2017/18 meaning there is a need for an extension. High risk of non-completion. There is a risk that political dispute over the tech agreement around the way ahead could undermine the achievement of the outcome.	
General Advisory and Support Services	215 400	12	Risk mitigation, piloting and testing 'Skills transfer and addressing capacity gaps	215 400	100%	Incomplete components - Extension sought	The project was intended to provide support to GTAC to enable it to provide technical assistance to major GoSA procurement, in particular support to PRASA. In the event, this support did not eventuate and the project was redesigned to provide support to 10 discrete interventions intended to support improved performance and service delivery by key elements within NT. GTAC project management has experienced challenges in individual project reporting adherence to guidelines (quarterly reports) similar to NT-IDC with respect to individual departments and provinces. Overall, the project has achieved its intermediate outcomes and responded to (possibly unknown) needs of the target groups.	Risk with respect to this project remains high since outcome has not been achieved and additional time is necessary yet all funds have been disbursed. How will additional time required be funded? PER's and close out report needs to be completed.	

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/17	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
							Achievement of the outcome will depend on negotiations into the future.		
Innovation Partnership for Rural Development	143 500	12	Innovation, piloting, testing, catalytic initiatives	138 630	97%	R3 million drawn down in April 2017, so basically complete	Having benefitted from earlier Sector Budget Support (SBS), the Department has applied the lessons learned from this to the management of two GBS-supported projects. The Rural Development Innovation Partnership, which utilises existing technologies that are new to South Africa, is probably best situated at the Development/Testing phases. Both projects have also been subject to delays, albeit for different reasons. On the one hand, the Analysis/Prototyping phase projects necessarily encounter unexpected challenges in the development of the prototypes; having noted this, it is important to state that both the IPTV and the fingerprint acquisition device have both encouraged commercial interest (respectively from IBM and SAPS/Home Affairs supported by a number of SMMEs). Progress in respect of the other sub-projects remains at the testing stage and an extension has been requested to permit the CSIR-led consortium implementing the project to field test the technology.	Evaluation of intermediate and final outcomes needs to be conducted. Use the lessons learnt from the development of PPP's to inform "best practices" approach. Close out report needs to be developed. If necessary, seek a limited extension to finalise the Innovation Partnerships for Rural Development.	
Sub Total	617 600			589 391	95%				

Table 5: Project progress and recommendations for Call 2.

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/2017	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
Career development and NQF Advice	99 000	12.4	Innovative, Skills transfer and addressing capacity gaps	27 111	27%	Quarterly reporting; no delays in drawdowns; committed project management Largely completed	Intermediate outcomes largely achieved: Information Service (multi-lingual help lines) operational: Achieved, to date (Feb. 2017) 50 500 completed interactions (finalised cases); Website – 435 000 first-time users; 900 000+ via the mobile site; 100% (3.9 million listeners, verified by SABC) increase in radio service listeners (10 languages). Evaluation underway.	Need to ensure that the intermediate outcomes are aligned with the results framework of the proposal. Difficult to understand how the use of 27% of the budget allows for the achievements of almost all of the intermediate outcomes Evaluation report should be used to inform IDC Achievement of the outcome is beyond control of project managers as this is part of the political process.	
Open Learning System for Post-school Education and Training	51 800	12.4	Skills transfer and addressing capacity gaps	914	2%	Project just started	DHET has yet to allocate a dedicated team for the project; given the experience of the Career Guidance project, it was assumed that this would be forthcoming. Networking with stakeholders (DoBE, education institutions in the public and private sectors) is expected to be a major contribution to sustainability. HET has yet to identify a dedicated project team; at present, there are two staff.	Appears to be a lack of commitment by DHET and therefore recommend project should be closed and unspent monies returned. These funds could be directed to other projects that are in a better state of readiness and more likely to achieve the intended outcomes.	
ICT Innovation Programme to Support Development and Government Service Delivery	120 000	12.4	Innovative, Piloting and testing, catalytic initiatives/ best practices	114 297	95%	Are clear examples of improved service delivery with the achievement of 70% - 80% of intermediate outcomes?	Having benefitted from earlier Sector Budget Support (SBS), the Department has applied the lessons learned from this to the management of the two GBS-supported projects. Both projects have also been subject to delays, albeit for different reasons. On the one hand, the Analysis/Prototyping phase projects necessarily encounter unexpected challenges in the development of the prototypes; having noted this, it is important to state that both the IPTV	Challenge is to bring the examples of public private partnership and of improved service deliver by rural LMs through learning and sharing of experiences. Close out report needs to be prepared and lessons shared.	

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/2017	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
							and the fingerprint acquisition device have both encouraged commercial interest (respectively from IBM and SAPS/Home Affairs supported by a number of SMMEs). Progress in respect of the other sub-projects remains at the testing stage and an extension has been requested to permit the CSIR-led consortium implementing the project to field test the technology.		
Wolwekloof Programme for Youth At Risk (diversion training and income-generating skills development)	40 800	4	Skills transfer and addressing capacity gaps	36 014	88%	Extension and variation sought and approved because of fire damage to building	The project established a three-week residential modular course offering at risk youth training in community safety followed by 12 month paid (stipend R 1900/month) work placements with municipalities. Municipalities commit to a further 12-month placement, which is funded through the EPWP. Design has had to be adapted in response to significant infrastructure damage to the Wolwekloof facility, which limited its effectiveness. Department is discussing with Chrysalis Academy utilising an unused dormitory for the three-week residential modular training, which will double through put. Is a recognised need to engage with other stakeholders (in particular, Social Development) although SAPS have engaged with Chrysalis. Design adaptation has gone smoothly and variation was approved quickly.	Agreements with Chrysalis academy need to be finalised. Engagement with other stakeholders needs to be finalised. Improvement in reporting regularity is required.	
The mass participation, Opportunity and access, Development	120 000	12.4	Skills transfer and addressing	120 000	100%	No close out report has been received to date	The programme has completed its three-year implementation cycle. Key aspects have been to address historical inequalities, targeting female participants and rural over metropolitan areas. . The programme has limited evidence of	Close out report is required and social gains need to be shared with a broader audience.	

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/2017	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
and growth (MOD) programme to support youth with after school activities and sport			capacity gaps				improved academic performance (better attendance, participation and academic performance) and considerable anecdotal evidence from school principals of the benefits accrued. A central contribution to the programme's achievement of the identified intermediate outcomes) has been the wider stakeholder (Education, Community Safety, Social Development, and Economic Development and Tourism, as well as the Western Cape Sports: Federations) engagement. This has seen contributions to infrastructure improvements at neighbourhood schools and centres.		
Micronization Model of Johannesburg for seismic risk protection	30 000	12	Piloting and testing.	30 096	100%	Intermediate outcomes largely achieved; Combination of data and GIS system for use by municipalities underway	Intermediate outcomes largely achieved, although still in process of inputting geological data into GIS mapping, which will permit its utilisation by Disaster Risk Management teams nationally, provincially and in the affected municipalities. Based on experience will be seeking to conduct similar exercises for all main metropolitan authorities, starting with coastal authorities	Disbursements have been timely and responsive to need. Comment that closer contact with NT-IDC would have made for greater engagement and understanding. All intermediate outcomes have been achieved; final outcome is expected to be handed over by project end. On handover to City of Johannesburg, prepare close out report.	

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/2017	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
Asset Management of Library Materials with Radio Frequency Identification	24 000	12	Piloting and testing.	12 000	50%	No reports received. Both disbursements requested have been returned	The project has achieved little progress to date. Despite requesting the initial disbursement (ZAR 12 million), procurement delays meant that no expenditure was possible in the first year and the funds were returned in line with the PFMA requirements. A second ZAR 12 Million was requested at the start of Year 2, the procurement of a SP having been completed and the SP being in place. However, expectations surrounding the time required to develop the necessary software for an active (i.e. able to be scanned from up to 0.5 metres distance) system led to a poorer performance in the pilot (than the current hand held system. As a result, questions surround the ability of the appointed SP to meet targets and the Department has returned approximately ZAR 11.6 million of the disbursement. An extension has reportedly been requested, but there was no confirmation of this possible at the meeting.	Given the state of the project, ownership of outcome is questionable, probably because of limited understanding of potential outside the small group associated within the department. Finalise investigation of SP capacity to meet the targeted accuracy level. Secure the advisory services of a qualified librarian to support the SP, if necessary. Urgently seek an extension that goes beyond the original MTEF period or conduct assessment to inform a recommendation with respect to closure of the project.	
Ecological Resource Management System for Schools : System of managing school toilet water to generate fertilizer and cooking gas for	30 000	12.4	Piloting and testing.	2 641	9%	Two and a half year delay because of 'administrative challenges' in provincial department); first tranche draw down May 2016; fist PSC soon after; expect request	These projects have been subject to significant delays: 2.5 years elapsed before the first draw down and PSC meeting. To date, none of the c. ZAR 8 Million has been transferred to the project implementers. A SLA between DEDEAT and CHDM remains outstanding, as does one between CHDM and WESSA. ECDC has concentrated on community mobilisation to secure community buy-in to the project and address deep resistance to utilisation of human waste in fertiliser production for food production. DEDEAT experiences major capacity	Review the continued relevance of the two projects to the communities they are intended to serve. If they remain relevant, seek an extension that extends beyond the original MTEF period or close projects down. Finds may better be used elsewhere.	

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/2017	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
school gardens and feeding schemes						for an extension	challenges, the only person dealing with the two projects is the resource mobilisation officer.		High
Sustainable Rural Villages Project, Chris Hani DM Expansion programme	10 400	4	Piloting and testing.	6 274	60%				
Prevention of Gender-based Violence Information Campaign	20 400	12	Unsure	17 703	87%	First tranche drawn down; no reporting. Changing project focus. No received revisions to business plan	Business plan in practice refocused away from direct link to 16 Days of Activism towards a 365-day focus. Intensive province focus in 2016 The project piloted a 365 days p.a. approach on a province-wide basis. As at the time of the engagement with the MTE, 40 of the targeted 540 community/LM workers had been trained in Limpopo Province alongside over 10.000 community members engaged. Believes that GBS brief not clear – not aware of any document that any single document that sets out what can be funded – may be a communications issue. Also, unclear of what should go into reports.	Pursue approach identified throughout all provinces. Seek the necessary additional financial resources to mainstream the permanent presence within all provinces and, if feasibly, DMs. Implementation support is an urgent requirement and IDC needs to engage more actively with applicant.	High
Kwa Zulu-Natal Science Parks	120 000	4	Piloting and testing. Catalytic initiatives/ best practices	41 599	35%	Extension sought. Requisition for last part of funds being submitted to complete programme	Three of the four TechnoHub sites have reached beyond ground level; the Richards Bay site construction has reached beam height. There are clear differences between municipality-implemented projects and the RBIDZ-implemented project. The three municipality-implemented projects have required a greater degree of negotiation to ensure ownership and maintenance of ownership and commitment,	Secure extension required to complete infrastructure development. Finalise agreed marketing strategy. Secure contracts with anchor tenants. Assist the development of LM management approach. Publicise investment opportunities to targeted sectors.	Medium

Project	Budget	Outcome	Link to ODA	Total Net Disbursed 28/02/2017	Disbursed as % of Budget	Summary Status	Project status	Key risk issues/Recommendations	Risk Profile
							particularly as the local government elections have seen new political leaderships emerge.		
Golden Gate Highlands National Park Interpretation Centre (DoT/SANPARKS)	120 000	12.4		4 800	4%	Delayed for full EIA; will be seeking extension once infrastructure design finalised. Programme was redesigned over issues relating to implementation and "ownership"	Delays originated in over-budgeting of infrastructure and resultant need to redesign, with associated EIA. Government rules governing procurement resulted in the need to procure new technical expertise. Redesign and EIA complete, as is tendering for contractor; Board, because of contract size, needs to approve, which is expected by end of current FY. Need for DoL certificates may further postpone commencement of construction due to the impact of winter (concrete curing is delayed in cold weather). Once NT-IDC PSC participation started, there was a significant benefit.	Seek extension that will permit completion of project. Identify, prepare and present business plan for community-based tourism. IDC needs to assess viability of continuation of project and if not viable then close it down	
Sub-Total	786400			413 449	53%				

6.3 Delayed disbursements

Many of the projects were delayed in implementing their programmes. This resulted in delayed requests for disbursements and also required that requests for extension of the implementation period were submitted. Formal requests for extensions had been received or were expected from 40% (seven projects) of the total portfolio of projects. The individual reasons for the delays experienced varied, but were mainly attributable to delays with commencement of implementation. The main reasons for the delays were:

- The evaluation process (e.g. Golden Gate's budget proposal was twice the ZAR 120 million ceiling) but the project was approved),
- Challenges surrounding the procurement process (e.g. Asset Management through RFID, Musuduzi Municipality),
- Departmental failure to make the requisite human resources available to push the project forward (e.g. Open Learning, ECDEDEAT)
- Project "readiness" (approval of designs, EIA's, approval of board for programme implementation) not being at an advanced stage.
- Beneficiary adherence to the reporting requirements set out in the guidelines is best described as sub optimal. Some GBS recipients (e.g. KZN, DHET, and CPSI) have reported scrupulously. For most of the others, reporting has coincided with the request for the next draw down of funds. The absence of adequate, timely reporting has meant that further disbursements are delayed, as additional funds cannot be released until accounting for existing resource utilisation is received. This reality represents a serious challenge to timely implementation of the projects, reflecting the stop – start experience of many. Given that accounting for GBS utilisation should be in line with national procedures (i.e. the PFMA), quarterly timely reporting does not represent an unreasonable burden.

6.4 Recommendations

The following issues with respect to the delays of the project are:

- There is a need for all stakeholders in the approval process to be on the same page regarding the rules of the call. While the MTE appreciates that the budgetary process is inevitably a negotiated one, approval of projects with budgets wildly in excess of the published ceiling or because of the proposer's difficulties and challenges in other areas of the budgetary process does little to achieve the value addition GBS is expected to bring. The NT-IDC, alongside other stakeholders in NT, needs to agree on the parameters of the evaluation and approval process in advance and then stick to these.
- The availability of the human resources required to manage projects is more challenging, especially in the current fiscally constrained environment. Recruiting a consultant through project funds to drive the process is a possibility but experience to date is that projects are most successful where the level of ownership is with the applicant. One way to address the challenge is to require that the Business Plans and Budgets reflect how the proposer plans to address the necessary human resource requirements to drive the project forward in an appropriate manner.
- Delays arising from the necessary adherence to regulatory requirements may be minimised through improved/more detailed project identification and appraisal once the GBS funding has been approved. This suggests that an appropriately funded inception period for this purpose should be built into the Business Plan, which would identify the regulations that need to be addressed and permit appropriate planning to ensure that needs are met at critical moments in implementation. The alternate is to ensure that during the evaluation process that clarity with respect to the state of "project readiness" is given and evaluated
- Disbursements were timely in respect of nearly 53% of the projects. For many of the others, inadequate or non-existent reporting² meant that disbursements were not possible. NT guidelines state that

² In two cases, no request for disbursement was received for two and a half years because of 'administrative challenges in the department'.

quarterly reports are required. In most cases, it was done when requesting the next disbursement (effectively annually). While some interviewees questioned what they perceived as additional reporting requirements, others underlined that they reported as per their standard procedures and say nothing additional was required. A principle of GBS is accountability according to national standards/requirements thereby avoiding multiple reporting formats. If some applicants have not understood this, it represents a communications failure that needs to be addressed.

- The central importance of networking with all relevant stakeholders in order to secure buy-in and ownership needs to be encouraged. This speaks to the need to breakdown the silo culture that informs the public sector generally³; South Africa is no exception in this regard. Interviewees across the board emphasised the need to engage with all stakeholders to achieve outputs, to say nothing of intermediate outcomes. Some of the examples:
 - DHET and DST engaged national, provincial and municipal stakeholders in order to establish walk-in centres for career guidance;
 - DWCPWD engaged with provincial, district and local municipalities, law enforcement, traditional leaders and community members;

Engagement encouraged those engaged to ‘think out of the box’ but underlines the challenges posed by the silo culture, which reinforces ‘doing business as usual’. Thus, it is worth emphasising that in the absence of engagement and networking, there is no challenge to standardised corporate thinking: in its absence, evidence-based policy-making, a pre-condition for joined-up government, is impossible. In addition, networking can speed up the process of information. An example of this would be the time that it takes for an EIA to be approved is often delayed within the relevant government department. If the applicant (for example DHET) has good networks within the government’s structures, this process can be expedited through awareness built around the project that DHET may be trying to implement.

The need to surrender unspent allocations in alignment with Standard Government Practices and the budgeting process poses challenges, particularly in respect of infrastructure-related or service provider-linked projects. This is because such projects require ongoing presence on-site; however, the need to repay balances (26.6% of total disbursements) means that money is unavailable to make payments until the next tranche is released. The result is that in some cases up to 50% of the implementation period is lost due to contractors/service providers decommissioning and then needing to re-commission sites. NT-IDC should explore possibilities to permit retention of unspent balances in respect of infrastructure/service provider-delivery projects. It is recommended that subsequent tranche requests should be submitted at the same time as the surrendered values are returned and a commitment given by NT that new tranches will be disbursed within 30 days of receipt of the request.

Recommendations with respect to Programme Management are:

- Human resource challenges in the NT-IDC (which deepened significantly before the conclusion of the MTE assignment) are problematic. At current staffing levels, NT-IDC personnel are unable to engage with applicants outside of Pretoria, and only infrequently with those in Pretoria (e.g. limited participation in Project Steering Committee meetings). This is clearly undesirable. One interviewee stated, “*We got off on a bad foot; only after the officer began attending PSC meetings were we able to explain the situation. Things were much better once there was direct contact.*” Financial resources for travel and subsistence i remains an issue. The desirability of NT-IDC capacity to engage with individual project steering committees is further underlined in the two Eastern Cape projects. The first disbursement, followed by the first PSC meeting, were delayed by 30 months after the notification of the EC Department of Economic Development, Environmental Affairs and Tourism’ successful bids. However, the absence of budget for travel and subsistence costs meant that the

³ This is not to suggest that this does not affect the private sector too; however, it is arguable that the profit motive, makes it easier for private sector entities to collaborate (cf. the collusion around construction of World Cup stadia and recent reports of Bank collusion fixing exchange rates).

responsible portfolio managers were unable to attend the PSC, which given the time lapse clearly would have been desirable, if only to understand the underlying reasons⁴.

- There is a need for dedicated personnel to provide assistance with respect to Implementation Support together with M&E within the IDC. Many projects require assistance with respect to the processes of reporting, procurement, budgeting, requesting disbursements, budget re-alignment etc. These additional personnel in NT: IDC could be funded through the existing programme budget. It is standard practice to levy administrative charges (max. 5%) of donor funds. Additionally, a business case for the appointment of the Technical Assistance could be made to the EU should this practice not be acceptable
- In the view of the MTE, it is important that both PF and IGR officials play an important part in M&E and Implementation Support when they visit their respective departments and/or provinces. When conducting these visits, the officials need to dedicate time to projects being funded from the GBS funds and report on progress of the funded projects. In order to ensure that the officials submit M&E reports of GBS projects, KPI's with respect to these activities could be included in their employment contracts. Reports from PF and IGR officials could be channelled through the M&E technical assistance within IDC so that the information is consolidated and remedial actions planned where relevant
- In terms of available human resources, the MTE wishes to emphasise that the planned TA to run subsequent calls (See Annex 8 for Terms of Reference) will be inadequate to provide the necessary level of oversight and engagement with project holders and implementers, particularly given the recommendation to encourage partnerships with the private and civil society sectors. NT-IDC must engage NT management urgently to secure additional days for this assistance and/or procure additional personnel to perform the necessary activities.
- The MTE understands that the timing of the process itself poses challenges: both Public Finance and IGR are engaged in the Budget process for the same FY as the CfP and, as with NT-IDC, experience human resource challenges, exacerbated at this stage of the fiscal cycle. Notwithstanding, representatives' participation is critical, not least for ownership of the outcome of the technical evaluation recommendations. NT-IDC successfully negotiated increased IGR engagement in the evaluation of the second CfP; in order to maintain the alignment with the budgetary process, considerable effort at a senior NT-IDC level, for increased Public Finance and IGR engagement in subsequent CfP evaluations is important and senior management in Public Finance and IGR need to make human resources available for the process. In order to broaden the evaluators' experience still further, NT: IDC should give consideration to include representatives of the National Development Finance Institutions.
- Despite the majority of GBS-supported projects either having achieved, or being well on track to achieve, their intermediate outcomes, achievement of the individual outcomes will require additional time. Important contributory reason for this is the need to ensure buy-in from all stakeholders and/or clearly demonstrate the value-added that the project's achievements bring. This would contribute to securing the gains achieved through GBS support and could be conditional on additional funding from the applicant⁵.
- At present, GBS support has largely been to national and provincial administrations. However, the experience in KZN suggests the viability of a partnership with local government, in particular at the District level. There is potential for expanding the eligibility to include all three tiers of government; it is conceivable that this would see more partnerships at local level with civil society and the private sector to ensure delivery.

⁴ The MTE's experience is instructive in this regard as all interviewees viewed the opportunity to discuss their projects with someone external positively.

⁵ In this connection, it is worth noting that the Western Cape Provincial Treasury has committed funding for continuation of both its projects for the next two financial years.

- A number of the projects have been, or are undergoing, evaluation. The NT: IDC should acquire copies of the evaluation reports and information on how the implementers have implemented any recommendations to enhance internal knowledge management and inform the design of any future calls and GBS.

6.5 Conclusions

The MTE's view is that the GBS programme has been effective and that the criteria for GBS funding were and remain relevant. Despite the delays experienced, projects are achieving their intermediate outcomes and some are on the verge of achieving their final outcomes. Collectively, this is expected to promote the achievement of Outcomes 4 and 12, and, in a number of cases, both. Alignment with respect to ODA guidelines remains effective and good examples of innovation, piloting, skills transfer and development of public private partnerships are clearly evident. Overall, the programme is clearly contributing to the enhancement of efficiencies and systems improvement in government.

7. PROJECT IMPACT AND SUSTAINABILITY

Table 6 and 7, below, review the project progress with respect to Impact and Sustainability. The risk profile relates largely to project sustainability

- **Green** – implementation is generally being managed well. The project is able to generate sufficient funds or alternately funding has been committed to ensure sustainability
- **Amber** –There are issues impacting project delivery, timelines, scope or budget. Sustainability is doubtful and dependent on issues that may be beyond the control of the project
- **Red** –There are issues impacting project delivery, timelines, scope or budget so severely, project is at risk of non-delivery / termination. Sustainability of the intervention appears unlikely

Table 6: Impact and sustainability for Call 1.

Project	Department	Summary Status	Impact	Sustainability	Risk profile
Career Guidance Services	National-DHET	Largely completed	Service take up has been significant. This clearly contributes to achievement of Outcome 12 (improved service delivery and an active citizenry).South Africa's slow economic growth and the associated constrained Government finances mean that political prioritisation of the service is necessary. Clear evidence of positive social impact, as well as potential for positive gender and economic impact as service provides advice and support in respect of appropriate career choices by users.	Department has indicated it plans to include provision of service within core budget: Needs sustained political commitment and support but the provision of career guidance services is a core departmental function. Service is provided free of charge to target group; costs are limited to engagement (cell phone/data costs)...	Amber
Smart Metering Implementation Programme	National Department of Energy	Late start due to challenges surrounding establishment of PMU. Extension sought to enable draw down of unused balance.	Evidence of improved revenue collection by municipalities. Also able to identify and cut off electricity theft hotspots. There is draft a national policy on metering	Improved revenue streams will finance replicability in all municipalities. The piloting of the initiative is informing the development of a national policy	Green
Unlocking Innovation in Public Service	Department of Public Service and Administration	Delayed (recruitment freeze) – Extension sought to 2019. Will be seeking additional support under next Cfp - no sustainability unless contract costs absorbed by national fiscus	Noticeable increased capacity to address the organisational mission. More functions can be performed in-house resulting in cost savings. OVIs largely achieved. Continuation dependent on mainstreaming overhead (salary) costs into CPSI's budget.	Sustainability is dependent upon the core (salary) costs of the additional staff being absorbed into the core CPSI budget. This requires (a) convincing DPSA to include these and (b) convincing NT to add to personnel complement. CPSI senior officials recognised the added value that the additional personnel have brought.	Red

Project	Department	Summary Status	Impact	Sustainability	Risk profile
PFM Assessment in provinces using PEFA methodology	National Treasury	Intermediate outcomes mostly achieved	PEFAs are seen by NT as an important contribution to improved PFM. The projects have ensured a core of skilled national PEFA assessors both within NT and wider in society.	Sustainability dependent on the outcome of the National conference. Resolutions from the National Conference will inform participants of the appropriate way forward. It is envisaged that funding for the resolutions adopted will be discussed in detail.	High
General Advisory and Support Services	National Treasury	Incomplete components - Extension sought	Improved PFM performance at national and provincial levels is expected to contribute to improved government service delivery.	Improved PFM is expected to contribute to savings/better utilisation of resources that can be used to support ongoing improvements. Buy-in in the medium- to long-term is in the process of being negotiated. Depending on the result of these negotiations, medium-term sustainability will be determined	
Innovation Partnership for Rural Development	National-DST	R3 million drawn down in April 2017, so basically complete	To date, no unplanned positive or negative effects have been identified. Project is expected to lead to positive environmental, gender and social effects.	Core challenge for sustainability is capacity within rural LMs to manage available, and limited, resources in a manner that permits copying innovative interventions piloted by the project. Municipalities, generally, and rural LMs, in particular, are characterised by weak HR capacity threatening medium-term sustainability.	

Table 7: Impact and sustainability for Call 2.

Project	Department	Summary Status	Impact	Sustainability	Risk profile
Career development and NQF Advice	National DHET	Quarterly reporting; no delays in drawdowns; committed project management Largely completed	Positive social and gender impact can be expected as improved access to advice to young men and women is expected to improve their ability to skill themselves appropriately and, because they are skilled in ways that respond to the job market, increase employment prospects.	DHET has indicated it intends to mainstream the service within its core budget. This obviously depends on the country's general economic growth prospects. However, since the expectation is that a better and more relevantly skilled workforce will increase employment, particularly amongst the youth, this is expected to assist in growing the economy.	
Open Learning System for Post-school Education and Training	National DHET	Project just started	Successful achievement of the intermediate outcomes will contribute to positive social, gender and economic impact on the beneficiary, user population. Potentially negative cultural effects include increasing utility of cultural norms. The delayed start has impacted negatively on ownership and wider external stakeholder engagement.	DHET plans to incorporate costs into core budget. This is obviously subject to general economic considerations but it is expected that an Open Learning System will support appropriate skilling of the workforce and aspirant workforce, which will have a positive effect on the job market and, hence, the economy as a whole.	
ICT Innovation Programme to Support Development and Government Service Delivery	National DST	Are clear examples of improved service delivery with the achievement of 70% - 80% of intermediate outcomes.	Examples of successful public-private partnership in bringing ICT technologies to market.	Project aimed to address service delivery shortcomings through innovative interventions at rural LM level. As such, there is limited policy focus, albeit the projects suggest the need to husband available resources at LM level in order to duplicate examples.	
Wolwekloof Programme for Youth At Risk (diversion training and income-generating skills development)	Provincial-WC-Community Safety	Extension and variation sought and approved because of fire damage to building	In general, the project is expected to (a) improve community safety; (b) encourage a positive life outlook for at risk youth; (c) increase 'employability' of at risk youth; (d) improve social relations within communities through experience of improved safety.	Provincial Treasury has committed limited funding for next two fiscal years. Department is looking to other provincial departments (Social Development, Education) for additional support. Services are free; successful applicants are required to pay a non-refundable R400 deposit before entry onto three-month residential course at Chrysalis Academy. Department is principal funder of Chrysalis Academy and has been since its establishment as an independent trust a decade ago	

Project	Department	Summary Status	Impact	Sustainability	Risk profile
The mass participation, Opportunity and access, Development and growth (MOD) programme to support youth with after school activities and sport	Provincial-WC-Cultural Affairs and Sport	No close out report has been received to date	Participant's achievement of national sporting colours. Increased parental involvement through participating as viewers of sporting club events. Re-engagement of past successful sportspeople as coaches through project.	Province has committed own resources for next two FYs. Stakeholder engagement has resulted in school infrastructure development and improvement. Private sector has demonstrated interest in supporting activities. Demonstrable stakeholder ownership is evident.	
Micronization Model of Johannesburg for seismic risk protection	National-DMR	Intermediate outcomes largely achieved; Combination of data and GIS system for use by municipalities underway	Tool to improve DRM planning exists. Improved DRM planning in respect of earthquakes. No direct impact seen yet.	There are no 'policy' implications; however, the tool will permit greater understanding of seismic risks, as well as allowing for better planning and response in the event. It will allow for better and more response planning and risk management, as well as a better informed response development.	
Asset Management of Library Materials with Radio Frequency Identification	Provincial-FS-Sports, Art, Culture and Recreation	No reports received. Both disbursements requested have been returned.	Given the situation, there are no impacts. Should the project be completed, there is the potential for positive impact. Attempts to address delays are only now being put in place.	If completed, the project is expected to provide a model for asset management within the Department and province-wide. Once in use, the financial implications are limited, while savings are projected. The project will deliver a working system, the cost of maintenance of which will be less than the current model of inventory management, and, certainly, less labour-intensive.	
Ecological Resource Management System for Schools : System of managing school toilet water to generate fertilizer and cooking gas for school gardens and feeding schemes	Provincial-EC-ECDC	Two and a half year delay because of 'administrative challenges' in provincial department); first tranche draw down May 2016; fist PSC soon after; expect	If successfully implemented, the project is likely to be (i) extended to a wider group in the community; (ii) support the school meals programme pursued through the Agriculture Department (iii) support a sustainable environment; (iv) improve learners nutrition; and (iv) achieve savings for the schools, which will remain with them.	Once completed, additional resource requirements appear unlikely; maintenance of the bio-digesters and the biogas distribution system has been demonstrated to be within the capacities of community members. Furthermore, the savings accruing to the school (through utilisation of biogas rather than bottled gas), will be available for any repairs to the digester or system requiring intervention from the established SMMEs.	

Project	Department	Summary Status	Impact	Sustainability	Risk profile
		request for an extension			
Sustainable Rural Villages Project, Chris Hani DM Expansion programme	Provincial-EC-Economic Development, Environmental Affairs and Tourism				
Prevention of Gender-based Violence Information Campaign	National-WCPD	First tranche drawn down; no reporting. Changing project focus. No received revisions to business plan	At the time of the MTE, impact was potential at best and limited to one province (Limpopo). Having said this, the Department plans to extend the current approach to two further provinces. This is reflective of the revised approach but potentially undermines the achievement of any impact.	This is questionable unless the Department continues down the current strategic path, which they have indicated their intention to do	
Kwa Zulu-Natal Science Parks	Provincial-KZN-Treasury	Extension sought. Requisition for last part of funds being submitted to complete programme	It is projected that the completed sites will add significantly to expanding employment opportunities and establishing linkages between tertiary education institutions and incoming industry to the benefit of the local and provincial economies	Sustainability is dependent on completion of agreements with banker tenants, attracting sufficient interest in relocating businesses and new start-ups and in finalising a sustainable business model, particularly with the two DM partners.	
Golden Gate Highlands National Park Interpretation Centre (DoT/SANPARKS)	National Tourism	Delayed for full EIA; will be seeking extension once infrastructure design finalised. Programme was redesigned over issues relating to implementation and "ownership"	Subject to the identification of community-based tourism opportunities arising from the increased tourist footfall, it is expected that local communities will benefit from increased economic opportunities, which will have a positive impact on social and gender relations. The EIA will ensure that there are no, or very limited, negative environmental impact.	Given the delays, the limited engagement with local stakeholders appears appropriate. This will have to be significantly increased once construction starts but the employment creation through the construction phase should ensure this engagement is positively viewed by local communities.	

8. CONCLUSION

The report has described the objectives and methodology used in conducting research. In developing an analysis with respect to the research findings, the structure was to assess the programme in terms of design and relevance, efficiency, effectiveness and finally project impact and sustainability. Findings concerning the design were that the design of the programme is relevant to South Africa's NDP and Outcomes Approach, the joint South Africa-EU Country Strategy as well as the EU's broader policy approach. In terms of efficiency, the MTE's view is that the process is efficient, however, delays with respect to project implementation need to be minimised. For effectiveness, the MTE's view is that the GBS programme has been effective and that the criteria for GBS funding were and remain relevant. Despite the delays experienced, projects are achieving their intermediate outcomes and some are on the verge of achieving their final outcomes. Project sustainability remains an area of high risk as many of the projects being implemented are dependent on funding from the fiscus. In most instances, this has not yet been committed.

9. APPENDICES

9.1 Appendix A: Terms of Reference for this input

SPECIFIC TERMS OF REFERENCE

Evaluation

General Budget Support Programme

National Development Policy Support Programme

FWC BENEFICIARIES 2013 - LOT 11

EuropeAid/132633/C/SER/multi

1. BACKGROUND

1.1 The General Budget Support Programme

1.1.1 Introduction

Within the context of the European Union (EU) country strategy for 2007-2013 the EU has increasingly moved to using country systems to deliver official development assistance (ODA), predominantly through budget support whether sectoral (SBS) or general (GBS). These Terms of Reference related to the assistance provided through general budget support (GBS).

GBS involves a transfer of funds to the partner country for allocation within the country, using country allocation processes, with the aim of supporting a national development policy and strategy of the partner country.

The General Budget Support programme is a component of the EU-funded National Development Policy Support Programme (NDPSP). The GBS component of the NDPSP supports the South African National Development Policy and Plan.

The move towards general budget support signifies confidence that a South Africa has the policies and systems in place to support the policy, both from the sectors chosen, and from a financial management position.

From a South African point of view the following is of importance in respect of GBS:

- There is one Financing Agreement between South Africa (National Treasury) and the EU for a single programme, reducing transaction costs;
- Expenditure is aligned to the priorities of government and to the national budget process; and
- South Africa government systems are used for allocation, planning, implementation, procurement, accounting, reporting, monitoring and evaluation

The GBS component of the NDPSP has a particular focus of support on government Outcome 4: Decent employment through inclusive growth and Outcome 12: An efficient, effective and 1 development-oriented public service and an empowered, fair and inclusive citizenship⁶.

⁶ For more details on the GOSA's outcomes approach: <http://www.gov.za/issues/outcomes-approach>

1.1.2 Management of the GBS Programme

The GBS component of the NDPSP is managed by National Treasury (the Chief Directorate: International Development Cooperation – NT: IDC). The allocation process is done within the budget process, through the Donor Funding Cross Function Work Group, as one of its functions. The Cross Function Work Group collects and assesses proposals from departments for GBS funding, and makes recommendations on the allocation of GBS funds to the budget process, where final recommendations are made together with all budget allocations.

There have been 2 calls within the budget process for GBS allocations to date. Broadly, the calls align to the manner in which ODA is used in South Africa.

The project proposals presented under these two calls should comply with the following key transversal selection criteria:

- Innovation: developing new and more effective approach
- Piloting: pioneering new approaches for replication purpose
- Risk mitigation: creating an enabling environment (thereby attracting investment)
- Skills Transfer and Capacity Building: ensuring that South African institutional capacity is enhanced for sustained, long-term implementation
- Catalytic Initiative and Best Practices: unlocking or leveraging domestic resources.

Moreover, ODA flows cannot be considered as 'Gap Filler' in replacing or supplementing South African funding arrangements.

- And Aligned to outcome 4 and 12 (see footnote 1)

1.1.3 Implementation of the Programme

The National Development Policy Support Programme (NDPSP) consisted of two main components: (1) a general budget support component valued at € 200 million and (2) accompanying measures to support to PFM capacity development, support to pro-poor policies and support to CSOs valued at € 50 million.

The Overall objective of the programme (NDPSP) is to contribute to the implementation of the Medium Term Strategic Framework and the accompanying outcomes-based approach aiming at improving the conditions of life of South Africans and halving poverty and unemployment while being aligned with the Millennium Development Goals.

The EU grant for the budget support component was provided as direct, untargeted general budget support and has been disbursed in fixed and variable tranches. The latest fixed and variable tranches of € 52.000.000 have been released in full in July 2016 while the previous tranches of € 148 million were released in full in 2012, 2013 and 2015. The EU funds have been transferred in local currency to the Reconstruction and Development Programme's bank account.

It is also important to note that ODA to South Africa is not "on-parliament", which means that, although information on donor-funded programmes and projects are submitted as information to Parliament (through the Estimates of National Expenditure - ENE), these funds are not voted on. Budget Support funds can also not be allocated to the National Revenue Fund and is channelled through the Reconstruction and Development Fund (through which all ODA funds are managed). Budget support is however "on-plan" and "on-budget" (i.e. is included in budget planning), and the Auditor General audits externally provided resources together and domestic revenues.

Once programmes are approved, the management of the programmes are aligned to the release of funds from the RDP account, on the basis of approved work plans, financial projections and reporting against these.

So far, two calls of proposals have been launched and NT: IDC intends to launch another two or three calls in the next three financial years.

2. DESCRIPTION OF THE ASSIGNMENT

- . 2.1 The global objective of this assignment to contribute to the sound and efficient management of EU budget support in South Africa, and ascertain that use of this assistance adds value, is aligned and supports national priorities.
- . 2.2 The **specific objectives** of this assignment are threefold:
 - assessing to what extent the use of the Budget Support in South Africa by the recipient (national department) contribute to sector development and performance through innovation, piloting/testing, risk taking, catalytic initiatives, skills transfer and developing capacities;
 - making recommendations for National Treasury and beneficiary departments to address possible weaknesses or shortcomings in the management of the GBS and increase the efficiency and effectiveness of such aid modality.
 - Provide National Treasury with recommendations on the future calls of the GBS programmes

2.3 Requested services

The National Treasury has so far launched two calls for proposals ⁷and awarded 20 projects to 2 be implemented at national and provincial level for a total value of R1, 45 billion

Under the supervision of NT: IDC and in coordination with the beneficiary departments, the consultant will have to carry out a desk review of the selected projects, interviews with the direct beneficiaries and final users. If requested the consultant will have to carry out field trips in the provinces where the project(s) was implemented.

At the end of the assignment, the consultant will have to organise a half-day restitution workshop during which the main conclusions and recommendations will be presented.

2.4 Required outputs

- **Project assessment:** NT: IDC has requested the 18 projects (calls 1 and 2) to be evaluated. For each of the project, the consultant will have to determine the added value of the project at the sector level following (one of more of) the 5 key transversal criteria (innovation, piloting/testing, risk taking, catalytic initiatives, skills transfer and developing capacities). The consultant will also have to elaborate more on the effectiveness and impact of the project at the policy and sector level.
- **Implementation assessment:** For the 18 projects financed so far, the consultant will have to determine if the beneficiary department(s) has(ve) followed the rules and regulations for the management of the GBS cycle (from the notification of GBS allocation to the reporting of the use of GBS funds including variance from project implementation plans).
- Based on the outcomes of the project and implementation assessments, the consultant will have to identify a **series of recommendations** to address possible weaknesses or shortcomings in the overall project, and on the overall GBS programme

⁷ See appendix 1: List of project by department and value

2.5 Language of the Specific Contract: **English**

2.6 Subcontracting: **Not foreseen**

3. EXPERTS PROFILE

3.1. Number of requested experts per category and number of man-days per expert or per category: One (1) Category 1 expert (min 12 years of experience) – 65 working days.

3.2. Profile of the expert or expertise required: Education: - Master Degree in Economics or Public Policy or Management, Developmental Studies or in absence of a MSc 15 years of equivalent experience

Experience:

- at least three references as team leader for multi-disciplinary evaluation teams;
- proven experience of in the field of monitoring, evaluation and knowledge management of projects and budget support modalities.
- Thorough knowledge and experience of South African development and government processes
- Some experience and knowledge of government programmes aligned to outcome 4 and outcome 12 of South Africa
- Experience in development cooperation in general;
- Experience in evaluation methodologies

Language skills:

- proven written and communications skills in English

4. LOCATION AND DURATION

- Starting period: mid-January 2017
- Foreseen finishing period or duration: end of April 2017
- Planning including the period for notification for placement of the staff as per art 16.4 a)

Tentative timeline and allocation:

Location(s) of assignment: Pretoria with field trips in the Provinces of Western Cape, Free State, Eastern Cape, KwaZulu Natal. Project location will be communicated by NT:IDC

- Eastern Cape : 2 projects
- Western Cape: 2 projects
- KwaZulu Natal: 1 project
- Free's State: 1 project

5. REPORTING

- Content: an executive summary and three sections as below (max 40 pages) plus annexes if needed

- i. Assessment of the selected projects
 - ii. Assessment of the implementation of the selected projects (against management modalities of GBS funds)
 - iii. Strengths, weaknesses and recommendations
- Language: English
 - Submission/comments timing: see timeline section 4
 - Number of report(s) copies: 5 hard copies and an e-copy of the report

6. INCIDENTAL EXPENDITURE

The incidental expenditure (maximum € 20.000) will comprise:

- Travel costs (international flights and domestic transportation – cfr section 4 – Location of projects)
- Per diems
- Restitution 1/2 day workshop (non-alcoholic drinks and snacks)

N°	Activity	Time allocation	Deliverable
1.	Inception briefing with NT:IDC and EU	2	Action plan
2.	Desk review of the 20 projects (NT:IDC will provide the list of projects to be evaluated with all the supporting documents)	40	Section 1 of the report
3.	Interview and review with the beneficiary departments	20	Section 2 of the report
4.	Recommendations	2	Section 3 of the Report
5.	Restitution and debriefing with NT:IDC and EU. Revisions of sections 1,2 and 3	3	
6.	Prepare close out report	4	Close out report
	Total	71	

7 MONITORING AND EVALUATION

The consultant will be working under the direct supervision of NT: IDC. No specific performance indicators will be defined for this assessment except:

- Timely implementation of the assignment based on the timeline defined in section 4
- Qualitative review by NT: IDC and EU of the deliverables.

8 CONTRACTING AUTHORITY

The Contracting Authority is the Delegation of the European Union to South Africa. Oversight of the project will be carry out by the National Treasury: International Development Cooperation Directorate

The Project Officer's details are:

Jean-Bernard De Milito

Delegation of the European Union to South Africa

1 Greenpark Estates, 27 George Storrar Drive

Groenkloof, Pretoria, 0181 South Africa

Tel : + 27 12 452 5248

Email: jean-bernard.de-milito@eeas.europa.eu

9 DOCUMENT REQUIRED FOR SUBMISSION OF THE OFFER

- Financial Offer
- CV of the proposed expert
- Statement of availability and exclusivity
- Methodology: the Contractor is requested to present a short methodological note (max 3 pages) describing on the evaluation process. The methodology will be assessed and scored by the evaluation panel (cfr. evaluation grid attached)

9.2 Appendix B: List of Documents Consulted

- Cooperation between the European Union and South Africa: Joint Country Strategy Paper 2007 — 2013
- Action Document: The Republic of South Africa National Development Policy Support Programme ZA/DCI/22802
- Evaluation of Budget Support in South Africa, 2000 – 13
- Multiannual Indicative Programme between the European Union and the Republic and South Africa, 2014 – 20
- IDC: Evaluation of budget support programmes
- IDC: Context of EU funded budget support in South Africa
- NDP 2030: Our future – Make it work, Executive Summary
- SA DPME: The Outcomes Approach
- IDC: Management of grants provided under the General Budget Support Programme
- TORs ODA Budget Committee
- Business Proposals and Related Reports
 - PFM Support to Provinces through the PEFA Framework
 - General Advisory and Policy Support Services
 - National Policy for an Integrated Career Development System for South Africa
 - Career Development Services and NQF Advice
 - Open Learning System for Post-school Education and Training
 - Microzonation Model of Johannesburg
 - Renewable Energy Independent Power Producer: Small Projects Programme
 - Smart Grid Implementation Programme
 - Building Institutional Capacity to Support Public Sector-wide Innovation
 - Innovation Partnership for Rural Development
 - ICT Innovation Programme to Support Development and Government Service Delivery
 - Construction of the Golden Gate Highlands National Park Interpretation Centre (Dinosaur Interpretation Centre)
 - Asset Management of Library Materials with Radio Frequency Identification (RFID) Technology (FS)
 - Wolwekloof Youth Diversion Training (WC)
 - The MOD Programme (WC)
 - KZN Provincial Treasury Infrastructure Management and Economic Services (Techno-Hubs)
 - Ecological Resource Management Systems at Rural Schools (EC)
 - Rural Sustainable Villages of the Chris Hani District Municipality (EC)
- Call for Proposals, 1st Call: Technical Evaluation Committee Report
- Call for Proposals, 2nd Call, Technical Evaluation Committee Report
- Other:
 - Competency Framework for Career Development Practitioners in South Africa
 - Draft Policy Framework for the Provision of Open-learning and Distance Education in South African Post-school Education and Training
 - Career Development Services Profile

- Steps in Performance and Expenditure Review
- Baseline Assessment and Costing of New Policies Training
- The 13th CPSI Public Sector Innovation Awards
- Ideas that Work: Sustainable Development Goals
- Ideas that Work: The Future We Want
- Ideas that Work: Fore sighting and Innovating our Future: Envisioning 2030 and Beyond
- Chrysalis Academy: Interim Quarterly Report, 1 January – 15 February 2017

9.3 Appendix C: Copy of Guidelines 2013



Guideline for GBS funding

National Treasury has funds available for the 2013/14 medium term budget under the General Budget Support component of the EU-funded National Development Policy Support Programme.

Proposals in support of the National priorities and compliant with the appropriate use of official development assistance (ODA) policies⁸ will be considered from national and provincial government departments.

The available GBS funds for allocation for the 2013/14 medium term budget is R600 million. Proposals submitted by departments on the use of GBS funds will be assessed within the MTEF process.

General Budget Support Funding

Within the context of the European Union (EU) country strategy for 2007-2013 the EU has increasingly moved to using country systems to deliver development assistance, most recently through the use of the general budget support (GBS) approach. GBS involves a transfer of funds to the partner country for allocation within the country, using country allocation processes, with the aim of supporting a national development policy and strategy of the partner country.

The move towards general budget support signifies confidence that a South Africa has the policies and systems in place to support the policy, both from the sectors chosen, and from a financial management position. From a South African point of view the following is of importance in respect of GBS:

- There is one Financing Agreement between South Africa (National Treasury) and the EU for a single programme, reducing transaction costs;
- Expenditure is aligned to the priorities of government and to the national budget process; and
- SA Government systems are used for allocation, planning, implementation, procurement, accounting, reporting, monitoring and evaluation.

Criteria for selection of proposals for GBS

⁸ Set out in the ODA Guidelines of 2003

Proposals for the GBS funds available for the 2013/14 medium term budget must fulfil the following conditions.

- 1) Proposals must be submitted by National or Provincial Departments. Entities may not submit proposals directly but must work through the departments from which they receive their mandate.
- 2) Proposals must demonstrate a direct contribution to the achievement of either Outcome 4 (Decent employment through inclusive economic growth) or Outcome 12 (An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship).
- 3) Projects and programmes must be able to demonstrate that the use of ODA funds is not merely to cover shortfalls in budgets, nor to provide additional funds for programmes executed with appropriated funds; rather they should demonstrate how they support new and more effective ways of implementing government policies. This is in line with the ODA Guidelines of 2003, which stipulates that ODA must add value, by supporting:
 - *Innovation*: developing new and more effective approaches;
 - *Piloting and testing*: pioneering new approaches for replication purposes;
 - *Risk mitigation*: creating an enabling environment for SME development;
 - *Catalytic initiatives/best practices*: unlocking or leveraging domestic resources; and
 - *Skills transfer and addressing of capacity gaps*: ensuring that South African institutional capacity is enhanced for sustained, long term implementation.
- 4) Projects may have a multi-year implementation period, up to three years.
- 5) Minimum and maximum amount: Minimum R10 million; Maximum R120 million.

Proposal submission

Proposals submitted for GBS funds will be assessed within the MTEF process. Provincial departments must submit proposals through provincial treasuries to the Inter-governmental relations unit of National Treasury. National departments must submit to their public finance official of the National Treasury.

Proposals must be submitted on the Business Plan for GBS funding 2014 (attached as Annexure 1) by 28 June 2013.

9.4 Appendix D: List of Institutional Stakeholders

Key institutional stakeholders were identified as:

- NT – IDC, a component unit of the Budget Office;
- NT – Public Finance;
- NT – IGR;
- NT – Small Projects Programme unit (Department of Energy); and GTAC;
- Department of Energy;
- Department of Higher Education and Training;
- Department of Public Service and Administration/CPSI;
- Department of Science and Technology;
- Department of Tourism/SA National Parks (SANPARKS);
- Department of Women, Children and People with Disabilities;
- Council of Geosciences;

- Eastern Cape Provincial Department of Economic Development, Environmental Affairs and Tourism;
- Free State Provincial Department of Sports, Arts, Culture and Recreation;
- KZN Provincial Treasury;
- Western Cape Department of Community Safety;
- Western Cape Provincial Department of Sport and Cultural Affairs

9.5 Appendix E: Evaluation Template used in Call 2

INDIVIDUAL SCORE SHEET

Assessor: _____

PROJECT INFORMATION

Proposal number and title						
Proposer:					Duration (y)	Outcome
Other partners:						4, 12
Annual cost (R mill)	2013/14	2014/14	2015/16	2106/17	Total cost (R mill)	% of total support against overall budget

COMPLIANCE CHECK

Recommendation from PF/IGR						
Public Finance/ IGR comment						
Comment on overlap with existing ODA programmes						
Recommend for evaluation by PF/IGR	Recommended by Functional Group	Outcome alignment	Gap filler/add on?	Double dipping?	In cost range?	No overlap with existing ODA
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N

ASSESSMENT

Alignment with priorities	Score	Comment:				
	25					
Alignment to ODA criteria	Score	Comment:				
	25					
Capacity to implement	Score	Comment:				
	25					
Proposal quality Score	Objectives 15%	Outputs 40%	Implementation process 30%	Timeline 15%	Total quality Sum - 100%	
Comment	Proposal quality / Other:					
Recommendation						

Signed: _____

Date: _____

9.6 Appendix F: Provincial field visits timetable

Table 8: Provincial field visit.

Province	Dates	Location	Details
KZN	6 – 7 March	Richards Bay	Arrive 6 March; overnight; RBIDZ and site visit 7 March; overnight
		Pietermaritzburg	Travel PMB (road) 8 March , Arrive 8 March
	9 March	Pietermaritzburg	Msunduzi: site visit and engagement with municipality
	10 March	Pietermaritzburg	ExCo meeting, Clive Coetzee
Eastern Cape	11 March		Travel: PMB – East London
Eastern Cape	15 March	East London	Ecological Resource Management of Rural Schools (Amatole DM) and Sustainable Villages in CHDM, DEDEAT/ECDC/WESSA/Chris Hani DM, DEDEAT Amatole Office, Palm Square, Beacon Bay
Free State	18 March		Travel: East London – Bloemfontein
Free State	22 March	Bloemfontein	Lebo, Tanksi, (RFID Technology Asset Management)
Western Cape		Cape Town:	Travel: Bloemfontein – Cape Town
Western Cape	24 March	Cape Town	Gideon Morris (Wolwekloof & Chrysalis) 4 th Floor, HOD's Office, 35 Wale Street
	28 March, 10.00 – 12.00	Cape Town	Paul Hendricks (MOD Programme), 4 th Floor, Protea Assurance Building, Greenmarket Square
Gauteng	29 March		Travel: Cape Town – Johannesburg

9.7 Appendix G: List of People Interviewed

Table 9: Listed of people interviewed.

Surname	Name	Position	Organisation
Adams	Chris	Director	Budget
Agnew	Errol		GWI (Msunduzi & Newcastle)
Alberts	Ferdie	Economic Development	Newcastle Municipality
Alkane	Gavil	Principal	Hillwood Primary School
Audat	Thabang	Programme Manager	Department of Energy
Bertoldi	Andreas	Revitalisation of Distressed Mining Communities	NT, GTAC
Best	Robert		GWI (Richards Bay & Ray Nkonyeni)
Bono	Thulani		Finishers of Nature Global (FONG)
Cille	Roderick	Programme Manager, Department of Sport, Arts and Culture	Western Cape
Coetzee	Clive	Provincial Treasury	KZN
Coetzee	Ralph	Rural Programme Manager, Department of Sport, Arts and Culture	Western Cape
De Milito	Jean-Bernard	Programme Manager	EUD
Dlamini	Zamokwakhe	Acting Director	ICT and Services Industry
Dlamini	Sabatha		
du Pisani	Julia	TA	NT
Engela	Ronette	Programme Manager, Performance Expenditure Review	NT
Fullard	Donoval	Head of Schools Programme	WESSA
Gengan	David		Musunduzi
George	Phakisa	Head of Risk Capital	ECDC
Hartgovan	Jeets	Advisor	NT, GTAC, PPM Rollout
Hendicks	Paul	Director, Department of Sport, Arts and Culture	Western Cape
Jugmohan	Dhavisha	Finance Administrator, Infrastructure, Provincial Treasury	KZN
KarstDT	Basil		GWI
Lloyd	Gary	Pragamme Manager	IPP
Madgwick	Tim	Infrastructure, Provincial Treasury	KZN
Maganani	Eunice	Projects Administrative support	Projects Administrative support
Makalima	Oyama	Resource Mobilisation	DEDEAT

Surname	Name	Position	Organisation
Maknyama	Nozuku	Project Manager	NQF
Maleki	Letsego	Project Manager	Career Development Services
Manie	Fakeez	Principal	Lavender Hill High School
Marais	Denise		NT-IDC
Marina	Luleka	Environment	CHDM
Matjeka	Mary	Director	Budget
Mbete	Mzikabwe		DEDEAT
Meyer	Lucille	CEO	Chrysalis Academy
Mhalopo	Stanley	Head of Department, Sports, Culture, Arts and Recreation	Free State
Mitheleni	Jack	Director	DHET
Morieo	Tsepang	Director, Sustainable Human Settlements	DST
Morris	Gideon	Head of Department, Community Safety	Western Cape
Mthethwa	Lindani	Head, Solution Support and Incubation	CPSI
Muller	Joe		Richards Bay IDZ
Mzike	Nonhlanhla	Chief Director, ICT Innovation	DST
Naidu	Samantha	Cities Support Programme	NT
Nakani	Akona		NT-IDC
Naran	Seema	Director	NT-IDC
Nqadolo	Phozisa		NT-IDC
Ntou	Rose	International Cooperation	Department of Energy
Oldham	George		GWl (Sustainability)
Pearson	Kirsten	Programme Manager	NT, ERLN, GTAC
Phalwane	Lydia	Chief Director, Enabling Environment for Innovation	CPSI
Pienaar	Matilda	Director, IT, Sport, Arts, Culture and Recreation	Free State
Pietersen	Marlene	Urban Programme Manager, Department of Sport, Arts and Culture	Western Cape
Pillay	Yashina	Chief Director, Secretariat for Safety and Security, Community Safety (Project Manager)	Western Cape
Ramagoshi	Mmabatho		DWCPD
Redman	Nadine	Project Manager	GTAC
Schoonraad	Pierre	Chief Director, Research and Development	CPSI
Shange	Lungile	Secretary, Infrastructure, Provincial Treasury	KZN
Shezi	Neli	DDG, Provincial Treasury	KZN

Surname	Name	Position	Organisation
Sisulu	Ntsiki		DWCPD
Smit	Corrie	PDFI Review	NT, GTAC
Snyman	Anette		Council of Geosciences
Stroud	Hilton	Financial Manager	Department of Sport, Arts and Culture Western Cape
Strydom	Elsa	Small Projects Programme	IPP
Swanepoel	Hennie	Programme Manager	Public Finance Data Analysis and Review ,NT
Takang	Tebogo	Director	Supply Chain Management, Sport, Culture, Arts and Recreation, Free State
Tolo	Chrizelda	Recruitment Manager	Chrysalis Academy
van Wyk	Trudy	Chief Director	Social Inclusion, Access and Equality DHET
van Wyk	Antoinette	Project Manager	SANPARKS
van Wyk	Anette	CFO	CPSI
Vereen	Nathalie	Director	NT-IDC
Wilkinson	Avril	CHDM WESSA Project Manager	CHDM WESSA

9.8 Appendix H: Summary status of projects Call 1

Name of Project	Career Guidance Services			
Department	Department of Higher Education			
Budget(R million)	60	Total Disbursed (R million)	60	
Begin of implementation	2012	Implementation Period (Years)	2	
Comments relating to deviations from original proposal				
Project Description	<p>The Career Advice Services project has already commenced through the CAS project being undertaken by SAQA as a ministerial flagship project. SAQA is managing the following aspects of the project:</p> <ul style="list-style-type: none"> • A mass educational campaign through radio, newspapers, exhibitions, print material and television; • A telephone helpline and walk-in centre that provides citizens with an opportunity to talk through their options and provides them with information to chart their course of studies and work and to make informed decisions and navigate opportunities and resources optimally; • The initial development of the learning pathways for 500 occupations and the learning directory 			
Project Outcomes	All people of all ages, especially those traditional excluded from the economy (women, disabled rural dwellers) empowered to make better and more informed career choices thereby increasing sustainable economic growth and delivering high levels of employment benefitting individuals and the country.			
Indicators				
Interviews conducted with:	Trudy van Wyk, Chief Director ag., Social Inclusion, Access and Equality, DHET, Jack Mitheleni, Director, DHET, Letsego Maleki, Project Manager, Career Development Services, Nozuku Maknyama, Project Manager, NQF, Eunice Maganani, Projects Administrative Support			
Progress to date	<p>Plan exists and is being implemented Guidelines and protocols exist and published International benchmarking through OECD and Commonwealth Research completed Competency framework exists, published and is being implemented Plan under implementation National Policy with Cabinet for approval/adoption Evaluation completed – determined had exceeded targets Outcome 4 by way of Outcome 12.</p>			
Design	<p>Purpose of Career Guidance is to support achievement of Outcomes 4 (sustainable job creation) and 12 (improved service delivery and active citizenry). Aligned with NDP and national budgetary cycle. Support to school and post-school learners through career guidance responds to the target group's needs in terms of advice with respect to support of the direction of further training and employment guidance. Outcomes and Intermediate Outcomes clearly specified; Intermediate Outcomes largely achieved. Indicators are specific (e.g. policy developed); measurable, achievable (e.g. policy has been approved and is being implemented), Realistic and Time-bound (service is being implemented).</p>			

Efficiency	<p>Resources were available when they were required. Regular reporting to NT-IDC ensured drawdowns available as required. Department follows PFMA and manages GBS resources in accordance with the Act's requirements.</p> <p>Project's intermediate outcomes all delivered at the time of the MTE. Achievement of Outcome will require time.</p> <p>Following initial delays (necessitated because of the need to engage stakeholders and to guide draft policy through internal, cabinet committees and Cabinet for approval requires time. Regular monitoring of project progress by departmental project managers reflected in progress reports.</p> <p>Service is well utilised by target group.</p> <p>Department has engaged with all stakeholders in a regular and coherent manner. Demonstrable evidence of stakeholder ownership and utilisation by target group.</p>
Effectiveness	<p>Intermediate outcomes achieved</p> <p>Service is utilised by target beneficiary group.</p> <p>Service operates on a 'case' basis, which means cases remain open until client's/user's support is completed. It also permits recognition of clients who return for assistance/advice.</p> <p>As service reaches deeper into poorer, rural areas, from which a substantial response has already been received, users poverty may limit access. However, this is understood and Department has introduced responsiveness to a 'Please Call Me' request from potential users. To date, no unplanned effects identified; service is demonstrably appreciated by users.</p>
Impact	<p>Clear evidence of positive social impact, as well as potential for positive gender and economic impact as service provides advice and support in respect of appropriate career choices by users.</p>
Sustainability	<p>Department has indicated it plans to include provision of service within core budget: needs sustained political commitment and support but the provision of career guidance services is a core departmental function. Service is provided free of charge to target group; costs are limited to engagement (cell phone/data costs). Service is a core departmental function.</p> <p>Based on take-up to date, the service is likely to be well used - dependent on the quality of advice offered and its relevance to the wider economy. Department has new career guidance policy and is implementing it, enabling Department to fulfil core function. Provision of career guidance is a core departmental function.</p> <p>Department plans to include costs of service within core budget.</p>
Link to ODA criteria	<p>Skills transfer and addressing capacity gaps</p>
Recommendations	<p>Sustainability and impact on the fiscus of the country need to be assessed. Review evaluation report and assess against outcomes of proposal. Ensure close out report is developed. Use lessons learnt from implementation for future learning</p>

Name of Project	Smart Metering Implementation			
Department	Department of Energy			
Budget(R million)	179.5	Total Disbursed (R million)	165.17	
Begin of implementation	2012	Implementation Period (Years)	3	
Comments relating to deviations from original proposal				
Project Description	The programme highlights the role smart meters can play in addressing the challenges faced by the electricity supply industry (ESI) to address the huge backlog in investment, infrastructure maintenance and strengthening. While trying to address these challenges, it is essential that the grid is modernised by deploying the latest technologies. This will lead to among others Regulation compliance, asset management, industry sustainability, service delivery and job creation.			
Project Outcomes	<p>Three levels:</p> <p>1. National:</p> <ul style="list-style-type: none"> • Responsiveness to demand • Enhanced/improved energy management • National technology standards defined • National base line and business case <p>2. Municipal</p> <ul style="list-style-type: none"> • Proven technology under controlled conditions • Capability to enhance/improve two-way customer communication • Improved revenue management (remote connections/disconnections) • Improved demand management • Future project cost saving (Business case, national standards) • Able to introduce net metering and/or net billing • Better technical and non-technical loss management • Better grid management and grid control <p>3. Customer/Society</p> <ul style="list-style-type: none"> • Accurate energy consumption measurement • Ability to interface with utility • Ability to respond to price and demand signals • Alternative energy options • Possible alternative communication options 			
Indicators				
Interviews conducted with:	Rose Ntou, International Cooperation, Department of Energy, Thabang Audat, Programme Manager, Department of Energy			

Progress to date	<p>Nationally, expect draft national policy by end of next FY.</p> <p>At municipal level, have:</p> <ol style="list-style-type: none"> 1. Demonstrated improvement in revenue collection (e.g. Naledi, up by 15 - 17% with completion of 10% of pilot area) 2. Identified 'electricity theft' hot spots 3. Established the basis for consumers to understand and manage their energy consumption <p>Challenges:</p> <ol style="list-style-type: none"> 1. Need for key municipal departments to operate collectively – challenged by 'silo culture' 2. Competition between departmental heads and leaders 3. Past year faced political challenges because of local government elections 4. Governance – requirement to repay unspent balances and delays in disbursements – results in limited possibilities for implementation each year 5. Eskom threat to cut off municipalities with debt – especially challenging because of dependence on electricity for revenue but also an incentive (given evidence of enhanced revenue collection) 6. Negative public perceptions – need for comprehensive communication strategy and 'joined up government'
Design	<p>Project aims to improve service delivery at municipal and national levels (reduce electricity theft, increase revenue recovery and establish a national policy standard) and empower citizenry to make informed choices about energy use (Outcome 12). EC support aims to contribute to achievement of NDP, in particular Outcomes 4 and 12.</p> <p>Results Framework exists within the Business Plan, which clearly outlines outcome, intermediate outcomes and outputs. Indicators are specific, measureable, time-bound and achievable. Activities are necessary steps to achieve intermediate outcomes.</p> <p>All pilot municipalities have been engaged extensively. A major challenge that emerges is the silo culture that has proven challenging to secure the necessary cross-departmental engagement, necessary for the delivery of the design. The design seeks to address energy loss through theft and enable consumers to make informed judgments about their energy use.</p>
Efficiency	<p>Intermediate outcomes have been achieved within the envisaged timeframe. Evidence of revenue advantages to municipalities is emerging, and it is able to identify energy theft hot spots.</p> <p>Evidence emerging of improved revenue streams in municipalities and identification of electricity theft hot spots.</p> <p>Implementers had to invest considerable time in breaking down the silo culture between municipal departments. Once achieved, their participation has occurred. It is also necessary to inform consumers of the benefits of the project to break down resistance to meter installation.</p>
Effectiveness	<p>Municipalities are witnessing benefits through increased revenue recovery and ability to identify electricity theft hotspots. Consumers remain to be convinced of benefits of metering; however, they are able to monitor electricity usage and, as a result, make informed decisions. National policy in process of development - outcome still to be achieved.</p>

Impact	<p>There is evidence of improved revenue recovery in municipalities. Also able to identify, and cut off, electricity theft hotspots. National policy on metering.</p> <p>Major threat is consumer resistance to metering: need for greater investment in information to dispel prejudices.</p> <p>Impacts have been as expected to date. Outcome, a national policy, has still to be achieved but once approved will standardised metering.</p>
Sustainability	<p>Improved revenue streams will finance expansion throughout municipalities. Identification of theft hotspots will increase revenue-raising potential and improve service delivery. Consumers view on benefits still to shift: however, information available to individual consumers will enable them to make informed judgments regarding their energy usage.</p> <p>Municipalities are responsible for service delivery and are often challenged in terms of revenue collection and addressing electricity theft. The project, if rolled out, and the increased revenue utilised for the intended purpose (paying Eskom), it is expected to ensure supply. Implementing the project has required breaking down the silo culture to ensure that key units cooperate with each other. The improved revenue stream available to municipalities from metering and reduction in theft will enable the roll out beyond the pilot areas, increasing revenues and reducing theft still further.</p>
Link to ODA criteria	Innovation, piloting, testing
Recommendations	<p>Project appears to be on track. Challenges that were faced included political challenges (local government elections), Eskom threat to cut off municipalities with debt, negative public perceptions, need to repay unspent budget at Financial year end impacted on contractor implementation. Close out report needs to be finalized and suitability strategy developed</p>

Name of Project	Unlocking Innovation in the Public Service			
Department	Department of Public Service and Administration			
Budget(R million)	10.7	Total Disbursed (R million)	5.2	
Begin of implementation	2012	Implementation Period (Years)	3	
Comments relating to deviations from original proposal				
Project Description	<p>The programme consists of the development of sufficient capacity to drive innovation in the public sector. Contract positions, two-year and three-year contracts, will be created additional to the establishment in order to strengthen the necessary technical and project management capacity of the organisation.</p> <p>The implementation agency will be the Centre for Public Service Innovation. Funding will be received by the principal department, the Department of Public Service and Administration (the DPSA). The CPSI's financial management is done by the DPSA as governed by a Memorandum of Understanding between the two entities. The CFO of DPSA is also the CFO of the CPSI.</p>			
Project Outcomes	Ability to unearth, demonstrate, test, pilot and replicate innovation in the Public Service			
Indicators				
Interviews conducted with:	<p>Pierre Schoonraad, Chief Director, Research and Development, CPSI, Anette van Wyk, CFO, CPSI, Lindani Mthethwa, Head, Solution Support and Incubation, CPSI, Lydia Phalwane, Chief Director, Enabling Environment for Innovation, CPSI</p>			
Progress to date	<p>Implementation delay arising from death of Minister and his replacement. Associated restructuring of reporting lines. Three posts advertised by June. Consultants recruited Consultant salaries paid Financial commitment not budgeted Four, of planned nine, consultancies funded: recruited multi-skilled personnel, effectively filled eight posts. Because of recruitment, which process took longer than expected, have established a multi-talented team, e.g. multimedia skills complemented by design skills that has resulted in savings in services budget.</p> <p>Key achievements include: Save Blood, Save Lives replication – e.g. Baragwanath, after introduction of project has saved ZAR 2.5 million in four months, while KZN hospital where scheme was introduced has saved ZAR 15 million in two years, which has been reinvested in medical personnel recruitment.</p> <p>International contacts through UN, OECD Challenge surrounding sustainability – salaries are still to be included within limited (ZAR 30 million core budget) although posts funded until end FY 18/9. Would be interested in seeking programmatic (e.g. Replication, Sector Specific Workshops) support from future GBS calls. Have seven/eight replicable projects that require financial support to roll out. Also need to move to Demonstration on the Innovation Cycle, which is currently dependent on private sector support – CPSI alarm system that reduced SAPS response time from 48 hours to 10 minutes in informal sector required ZAR 5 million investment to bring it from concept to piloted stage: CPSI budget was slightly over ZAR 0.2 million; dependent on Innovation Hub, Lottery, private sector, etc. for initial balance (ZAR 1.8 million); still need the ZAR 3 million to bring it to the market. Suggests need for GBS to favour riskier projects – public sector 'Venture Capital'.</p> <p>Reporting needs to be in line with GoSA standards – otherwise an unacceptable duplication of effort. If in line, then quarterly reports not an issue as have to prepare them in any event. Outcome 12 through support to HR availability to permit CPSI to perform function.</p>			

Design	<p>Project aims to build capacity in CPSI through adding to human resources enhancing capacity to fulfil organisation's purpose within public sector. Aims to address Outcome 12, a NDSP goal. Additional HR Capacity has increased CPSI's ability to respond to enhanced service delivery in the public sector.</p> <p>Business Plan has a Results Framework, which has largely been achieved according to the indicators. Sustainability dependent on additional HR costs been absorbed by DPSA and CPSI; to date little progress on this although CPSI reports continued lobbying in support of this. Public service recruitment based on skills and experience.</p>
Efficiency	<p>Recruitment of additional HR complete. Added value through identifying multiple skills in recruits, This has resulted in fewer personnel than originally planned recruited but more skills and expertise being available permitting more in-house performance of tasks and resultant cost savings.</p> <p>All recruitment completed. Costs of additional HR managed well. Demonstrable evidence of added value to CPSI's function enabling it to share best practice experience more widely.</p> <p>No partner contribution. Project recruited additional staff for CPSI.</p>
Effectiveness	<p>Project has increased CPSI's capacity to share best practice within the public sector (e.g. Saving Blood, Saving Lives) both within South Africa and internationally (OECD, Commonwealth). Additional recruits have brought additional skills that have resulted in a greater range of functions (e.g. publishing) being performed in-house, resulting in savings because they are no longer out-sourced.</p> <p>Delays meant that fewer than the expected number of people were recruited. However, the project managers identified recruits with multiple skills, which has enabled CPSI to achieve cost savings while increasing its responsiveness to its mission.</p>
Impact	<p>Noticeable increased capacity to address the organisational mission. More functions can be performed in-house resulting in cost savings. OVIs largely achieved. Continuation dependent on mainstreaming overhead (salary) costs into CPSI's budget.</p>
Sustainability	<p>Sustainability is dependent upon the core (salary) costs of the additional staff being absorbed into the core CPSI budget. This requires (a) convincing DPSA to include these and (b) convincing NT to add to personnel complement. CPSI senior officials recognised the added value that the additional personnel have brought. Issue is whether they are able to (i) convince DPSA of this and (ii) convince NT to reverse established policy to reverse public sector recruitment.</p> <p>None; project bears all overheads at present. CPSI senior management is lobbying DPSA for inclusion within core budget. Should this be successful, the gains achieved will be sustainable.</p>
Link to ODA criteria	<p>Innovation, piloting and testing</p>
Recommendations	<p>Extremely high-risk project due to issues around the funding of personnel. Implementation support is required and alternate mechanisms for potential budget realignment need to be assessed. If appropriate road forward cannot be developed, project should be closed down</p>

Name of Project	PFM Assessment in Provinces using PEFA Methodology			
Department	National Treasury			
Budget(R million)	8.5	Total Disbursed (R million)	4.99	
Begin of implementation	2012	Implementation Period (Years)	1	
Comments relating to deviations from original proposal				
Project Description	<ul style="list-style-type: none"> • Conduct PFM assessments for the KwaZulu-Natal, Western Cape, Limpopo and Free State provinces based on the PEFA methodology. • Analyse objectively the existing PFM sector in each province in terms of the 31 high-level indicators that covers the six essential dimensions for the performance assessment of public finance management (inclusive of donor practices); • Compile an objective assessment report aimed at providing an exhaustive and overall evaluation of the performance of the public financial management of the four provinces under review on the basis of the indicators, to identify the main PFM weaknesses in each province, and to evaluate to what extent the institutional mechanisms set up within each province contribute to planning and the implementation of the reforms of public financial management. This Summary Assessment of PFM performance and the impact of PFM weaknesses are of highest importance to the government and donors. It is an important part of the basis of future reform discussions; • Provide a shared information pool for donors with regards to overall public finance management performance in the country. This should lead to increased donor coordination and harmonisation, as well as a basis for policy dialogue in the PFM sector. 			
Project Outcomes	<ul style="list-style-type: none"> • Efficient service delivery and economic development at the provincial level through more effective PFM practices, systems and approaches by provincial government; • A clearer and more detailed understanding of the specific areas of PFM strength and weaknesses in province; • A roadmap for the development of a systematic approach to PFM reform and improvement; and • A tool to influence behaviour in the long-term at both the technical and political levels. 			
Indicators				
Interviews conducted with:	Mary Matjeka, Director, Budget, Chris Adams, Director, Budget, NT			

<p>Progress to date</p>	<ul style="list-style-type: none"> • . Contractual requirement ensured that South Africa PEFA (Ernst & Young and Sechaba) capacity developed and deepened • Deeper understanding of benefits and limits of PEFA framework • NT personnel (Public Finance) participate in training and briefings on updated PEFA framework. • All nine provincial PEFAs completed • Consolidated report finalized and presented on two occasions • Conference involving all provincial stakeholders scheduled for end March (end of FY 2016/7) to identify common themes across provinces • Plan to roll out reforms across provinces based on common themes from FY 2017/8. • Intermediate outcomes largely achieved by end FY 2016/7. • Outcome achievement will start as of FY 2017/8. (Outcome 12)
<p>Design</p>	<p>PEFAs are internationally recognised preconditions for improved PFM, a key contribution to achieving Outcome 12. Between an initial project and a GTAC discrete project PEFAs have been conducted in all nine provinces.</p> <p>EC supports contribution to achievement of NDP and, in particular, OUTCOMES 4 AND 12. Improved PFM is expected to improve service delivery and government performance. Results Framework, part of the Business Plan, stipulates outcomes, intermediate outcomes and outputs. PFM improvement dependent on national and provincial stakeholders agreeing core lessons and way ahead to address these. Process commenced end-March 2017.</p> <p>Sustainability is intended in (i) addressing the core lessons across all provinces and (ii) a strategic way ahead to address these.</p> <p>Furthermore, the requirement for local capacity development in both rounds has resulted in the availability of necessary national skills for the future.</p> <p>PEFAs can only be conducted in the context of mutual participation in the process; as a result, all PEFAs have been characterised by extensive individual stakeholder engagement and participation. This is being expanded to a national level in order to identify core lessons and challenges that can be mutually agreed and subsequently addressed.</p>
<p>Efficiency</p>	<p>In both the original (four provinces) and follow-up GTAC (five provinces) projects, resources were available at the outset and were fully utilised within one year for each intervention. Subsequently, the implementers have produced a consolidated report in respect of all nine PEFAs, which has been presented publically on two occasions and will be collectively reviewed end-March 2017</p> <p>.Conduct of PEFAs was efficiently implemented, in both cases being completed within a year of their commencement. South Africa’s skills in PEFAs were enhanced and lessons (the need to adapt them to local circumstances) learned. A consolidated report has been produced, the lessons learned presented to stakeholders on two occasions to date and will be considered at a stakeholder conference (end-March 2017) to identify core lessons and how these could be addressed.</p> <p>All intermediate outcomes have been achieved. Achievement of outcomes requires stakeholder ownership of core lessons learned across all provinces and the strategic way ahead to resolve these.</p>
<p>Effectiveness</p>	<p>Stakeholder engagement in both projects has enabled the PEFAs to be implemented. The planned stakeholder conference intended to (i) identify common core lessons across all provinces; and (ii) develop a shared strategy to address these demonstrates both (i) flexibility and (ii) responsiveness to reality of the need to negotiate.</p>
<p>Impact</p>	<p>A national stakeholders conference at which common lessons across all provinces will be identified and a strategic approach to address these agreed took place end-March 2017</p> <p>At present, no indirect/unplanned, positive or negative, impact has been identified. There is a risk that political dispute over the technical agreement around the way ahead could undermine the achievement of the outcome.</p>

Sustainability	<p>Dependent on the outcome of the end-March 2017 stakeholder workshop. Substantial stakeholder engagement across the life of the projects has contributed to local ownership of the projects and the results achieved to date. Having said this, the end-March 2017 stakeholder workshop will be critical in cementing stakeholder ownership. Stakeholder conference will determine ongoing policy support.</p> <p>PEFAs are seen by NT as an important contribution to improved PFM. The projects have ensured a core of skilled national PEFA assessors both within NT and wider in society.</p>
Link to ODA criteria	Skills transfer and addressing capacity gaps
Recommendations	<p>A single disbursement in 2013/14 financial year poses questions on how this programme will achieve its intended outcome. Progress towards the outcome is only intended to start in 2017/18 meaning there may be a need an extension. High risk of non-completion. There is a risk that political dispute over the tech agreement around the way ahead could undermine the achievement of the outcome</p>

Name of Project	General Advisory and Policy Support Services			
Department	National Treasury			
Budget(R million)	215.4	Total Disbursed (R million)	215.4	
Begin of implementation	2012	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	The project was intended to provide support to GTAC to enable it to provide technical assistance to major GoSA procurement, in particular support to PRASA. In the event, this support did not eventuate and the project was redesigned to provide support to 10 discrete interventions intended to support improved performance and service delivery by key elements within NT			
Project Description	Experiment in alternative project management – centralized, as opposed to individual project reporting			
Project Outcomes	The capability of government and public institutions to deliver on its mandate			
Indicators				
Interviews conducted with:	Nadine Redman, Project Manager, GTAC, Marcus Rautenbach, Finance Manager, GTAC, Ronette Engela, Programme Manager, Performance Expenditure Review, NT, Jeets Hartgovan, Advisor, PPM Rollout, GTAC, NT, Hennie Swanepoel, Programme Manager, Public Finance Data Analysis and Review, NT, Kirsten Pearson, Programme Manager, ERLN, GTAC, NT, Corrie Smit, PDFI Review, GTAC, NT, Andreas Bertoldi, Revitalisation of Distressed Mining Communities, GTAC, NT, Samantha Naidu, Cities Support Programme, NT			
Progress to date	<p>Umbrella Fund Established Evaluation Committee to assess individual projects under GTAC umbrella.</p> <p>Experiment in alternative project management – centralized, as opposed to individual project reporting: limited success – GTAC project management has experienced challenges in individual project reporting adherence to guidelines (quarterly reports) similar to individual departments and provinces.</p> <p>Need to reconsider reporting frequency (quarterly vs. bi-annual at most) and reporting detail. Overall, the project has achieved its intermediate outcomes and responded to (possibly unknown) needs of the target groups. Achievement of the outcome will depend on negotiations into the future.</p>			
Design	<p>As initially presented, the project was intended to provide support to GTAC to enable it to provide technical assistance to major GoSA procurement, in particular support to PRASA. In the event, this support did not eventuate and the project was redesigned to provide support to 10 discrete interventions intended to support improved performance and service delivery by key elements within NT. As such, it empowered GTAC to meet its purpose and supported improvements in service delivery, as well as contributing to Outcome 12.</p> <p>The Business Plan contains a Results Framework that clearly states outcomes, intermediate outcomes and outputs. The OVI are clear and form a utilitarian management tool through which to measure progress. One risk, which is absent is the potential failure of departments to take up the proposed reforms; this, however, is widely recognised by the individual discrete project managers and is subject to ongoing negotiation.</p> <p>All 10 discrete projects aim to address governance improvements.</p>			

Efficiency	<p>There was a single disbursement at award, which, with one exception, at the time of the MTE, had been 80% disbursed. The major exception to this (PERs) is expected to catch up quickly as SPs are in the process of being recruited to conduct the outstanding ones. Because the drawdown was available from commencement, resource flows have responded to individual project needs and accounted for in a regular way in accordance with PFMA reporting requirements.</p> <p>The Results Framework is too broad for the individual projects; however, it can reflect the contribution to improved service delivery and general governance. In many ways, the project as a whole, is a mirror image of the GBS: an evaluation committee assessed individual bids for resources and awarded funding. GTAC then consolidates individual reports (submitted as part of standard NT procedures) and reports on resource utilisation to NT-IDC. This represents a clear opportunity cost saving to NT-IDC as 10 discrete projects are reported on under a single project. Resources have been available to the individual projects as they were required.</p> <p>All individual outputs have been delivered and, largely, all intermediate outcomes have been achieved. The management structure established (Evaluation and Oversight Committee) has ensured delivery of outputs and intermediate outcomes.</p>
Effectiveness	<p>With a single exception (PER), all intermediate outcomes have been achieved. PER, with the advertised recruitment of SPs (end February), is expected to achieve its intermediate outcomes by scheduled project end.</p> <p>Progress from intermediate outcomes to Outcome is individually dependent on negotiation between stakeholders and, if successful, this is expected to contribute to the achievement of Outcome 12 across the board.</p>
Impact	<p>Improved PFM performance at national and provincial levels is expected to contribute to improved government service delivery.</p>
Sustainability	<p>Improved PFM is expected to contribute to savings/better utilisation of resources that can be used to support ongoing improvements.</p> <p>Buy-in in the medium- to long-term is in the process of being negotiated. Depending on the result of these negotiations, medium-term sustainability will be determined.</p> <p>Most of the 10 projects addressed policy issues and areas of desirable reform either in the short- or medium-term. Their adoption is an area of negotiation and mutual recognition of the advantages of implementing reform.</p> <p>The process of embedding the individual gains achieved in institutional structures is underway. The potential for achievement is dependent on negotiations and achieving stakeholder buy-in through recognition of the gains that will accrue.</p>
Link to ODA criteria	<p>Risk mitigation, piloting and testing 'Skills transfer and addressing capacity gaps</p>
Recommendations	<p>Risk with respect to this project remains high since outcome has not been achieved and additional time is necessary yet all funds have been disbursed. How will additional time required be funded? PER's and close out report needs to be completed.</p>

Name of Project	Innovation Partnership for Rural Development			
Department	Department of Science and Technology			
Budget(R million)	143.5	Total Disbursed (R million)	138.63	
Begin of implementation	2012	Implementation Period (Years)	3	
Comments relating to deviations from original proposal				
Project Description	<p>Through this business plan, the Department of Science and Technology (DST) will build on and re-orientate its portfolio of work in the domain for Science and Technology for Social Impact so that the work makes a stronger contribution to selected priority outcomes of government as well as the National Development Plan (NDP).</p> <p>At the heart of the proposed initiative is the building of science and technology management and leadership capability within the 23 priority rural District Municipalities. The building of this capability will happen through a set of technology-based pilots and demonstration in seven clusters of social and economic infrastructure.</p>			
Project Outcomes	<ul style="list-style-type: none"> • Deployment of ICT technologies supporting improved Government service delivery • Barriers to access, applications, tools enabling digital opportunities overcome • Knowledge management on ICT models and development supporting improved Government service delivery • Evidence-based M&E approach of impact supporting socioeconomic development and improved Government service delivery • Enabling policy environment diffusing good practice and upscaling [sic] of technology demonstrators 			
Indicators				
Interviews conducted with:	Nonhlanhla Mzike, Chief Director, ICT Innovation, DST, Tsepang Morieo, Director, Sustainable Human Settlements, DST, Zamokwakhe Dlamini, Acting Director, ICT and Services Industry			
Progress to date	<p>Project intermediate outcomes 70-80% achieved according to Dec 2016 MTR conclusions – delays experienced largely due to regulatory requirements in specific instances. Contributed to Outcome 4 – creation of jobs; Outcome 12 – resulted in improvements in municipalities service delivery. Also facilitated communities’ ability to engage municipalities in response to service delivery complaints, e.g. able to track situation relating to complaints in the water sector. Also permitted ability to identify policy implications arising out of pilots.</p> <p>Municipalities partnership experienced a number of challenges (1) silo culture – need for constant interaction (implementers, department) to ensure that everyone on board “need to smile a lot’; (2) need to ensure that have agreement with municipal authorities to ensure that everyone on the same page (redeployment of officials/local government elections); (3) municipal capacity and understanding of what is required (site identification, water user licenses from national Department; (3) need for EIAs. All resulted in need to request for no-cost extension.</p> <p>ICT: The in-house work is largely complete; now it is necessary to pilot results achieved in the field. Reason for request of no-cost extension: CSIR to roll out piloting in field.</p> <p>Approach in both projects has been the following:</p> <ol style="list-style-type: none"> 1. To learn from SBS experience and integrate project management into day – to – day work of department (no PIU; PSC, incorporating both units, to oversee GBS management); 2. Emphasise knowledge management to extract information that support evidence-based [policy development and will inform policy development; 3. Seek to pursue engagement further into the Innovation Cycle engaging with private sector (SMME and large international corporations) engagement to bring the developed, proven products (fingerprint recognition and IPT model) to the market. 			

Design	<p>Aims to contribute to Outcome 12; aligned with budgetary cycle. EC support aims to contribute to achievement of NDP, in particular Outcomes 4 and 12 ICT project aims to grow/expand ICT innovation in public-private partnerships Project targets rural municipalities, arguably the weakest tier of government.</p> <p>Business Plan includes a Results Framework, together with cash flow projection. Outcome, intermediate outcomes and outputs clearly stated and demonstrate a logical coherence. Indicators are measurable, specific, realistic and time bound. Planned interventions, if implemented, will contribute to achievement of outcome. A risk associated with the generally weak capacity of local government, and the linked lack of understanding of the need for various permissions (e.g. water user's permit for hydro-power schemes) in order to implement projects was not understood at project outset. This has contributed to departmental learning (as SBS did). The department advised rural local municipalities of the opportunity and received indications of interest, which were pursued on the basis of an equitable distribution. On this basis, there is clear evidence of stakeholder buy-in. However, local politics, and the local government elections in particular, have both reinforced and undermined this. Project cannot be implemented unless the LM partner has secured the necessary permissions which are intended to address environmental and equity issues.</p>
Efficiency	<p>Disbursements have been timely, responsive to cash flow forecasts and in response to need. Challenges have been experienced when discovered that LM partners had not secured all the necessary permissions for their individual projects. To date, with the intermediate outcomes 70% - 80% achieved, there have been no significant cost overruns; in part, this has been achieved through a common PSC (the two GBS projects and SBS) within the department. This latter has contributed to transparent accountability of resource utilisation.</p> <p>The Results Framework is a coherent management tool, supported by a work plan and cash flow forecast, both of which are updated on a regular basis. Individual delays have been experienced as a result of LM partners not having secured all necessary permissions (e.g. water user's permit i.r.o a proposed hydro-power scheme). The team and its partners visit individual projects regularly to monitor implementation progress and advise on areas requiring improvement. Progress towards achieving the intermediate outcomes is estimated at between 70% and 80%; completion is projected in accordance with the timeframe. Department, based on earlier SBS experience, has established a unitary PSC to oversee the projects.</p>
Effectiveness	<p>Given the achievement of intermediate outcomes to date (70% - 80%), it is confidently expected that all project intermediate outcomes will be achieved. Translating this into achievement of outcome (improved service delivery) is dependent on LM partners' learning and capacity development as a result of the project.</p>
Impact	<p>Clear example of improved service delivery with the achievement of 70% - 80% of intermediate outcomes. Examples of successful public-private partnership in bringing ICT technologies to market. Challenge is to translate this to achievement of improved service delivery by rural LMs through learning and sharing of experiences. To date, no unplanned positive or negative effects have been identified. Project is expected to lead to positive environmental, gender and social effects.</p>
Sustainability	<p>Core challenge for sustainability is capacity within rural LMs to manage available, and limited, resources in a manner that permits copying innovative interventions piloted by the project. LMs are local partners and identified the innovative interventions. Suggests that (i) part of local development plans, which are subject of widespread consultation and (ii) is a resulting level of ownership, which will contribute to ongoing utilisation. Knowledge management and information sharing might be a challenge given the capacity shortfalls in LMs. LMs, generally, and rural LMs, in particular, are characterised by weak HR capacity threatening medium-term sustainability.</p>
Link to ODA criteria	<p>Innovation, piloting, testing, catalytic initiatives</p>
Recommendations	<p>Prepare close out report i.r.o. the ICT Innovation Programme to Support Development and Government Service Delivery. If necessary, seek a limited extension to finalise the Innovation Partnerships for Rural Development and prepare close out report. Share the two projects' evaluations with NT-IDC.</p>

9.9 Appendix I: Summary status of projects Call 2

9.9 Appendix I: Summary status of projects Call 2				
Name of Project	Career Development and NQF Advice Project			
Department	National DDHET			
Budget(R million)	99	Total Disbursed (R million)	27.11	
Begin of implementation	2014	Implementation Period (Years)	2	
Comments relating to deviations from original proposal	N/A			
Project Description	Assist all South African citizens (regardless of age and geographical location) to achieve their full potential through employment and have a secure, sustainable livelihood, contribute to their and their families development, and participate fully in economic and social development, thereby reducing the debilitating impact of unemployment, inequality and poverty.			
Project Outcomes				
Indicators				
Interviews conducted with:	Trudy van Wyk, Chief Director Social Inclusion, Access and Equality, DDHET, Jack Mitheleni, Director, DDHET, Letsego Maleki, Project Manager, Career Development Services, Nozuku Maknyama, Project Manager, NQF, Eunice Maganani, Projects Administrative Support			
Progress to date	Information Service is being implemented Help-line (multi-lingual) implemented – 50 500 completed interactions in 2.5 years; 232 000 information sessions; 435 000 first time users via website, 900 000 via mobile site; Radio service listeners (in 10 languages) from 1.9 m/week to 3.5 m/week (SABC Listenership surveys) Agreements with multiple inter-governmental stakeholders Quarterly reporting; no delays in disbursements; committed project management Evaluation under way			
Design	<p>Viable Results Framework included in Business Plan. Outcome, Intermediate Outcomes and Outputs respond to sector needs. Intermediate Outcomes already largely achieved. Progress is measurable, time-bound (except for the need to negotiate the political process) and Realistic. As the intermediate outcomes have been achieved, this is clearly the case.</p> <p>DHET has engaged widely with public (Department of Labour) and private sector in policy development and service design. Stakeholders involved in project oversight and make regular inputs.</p> <p>Completion of intermediate outcomes demonstrates timeframe was realistic; achievement of outcome is beyond the control of project managers as this is part of the political process although they are seeking prioritisation of necessary decisions.</p> <p>Service will address gender inequalities and improve government service delivery to target audience. Improved governance underlined by efforts to engage with public and private sector stakeholders</p>			

<p>Efficiency</p>	<p>Reporting has been adequate to ensure that disbursement have been timely and have not held up project implementation. Need for extensive stakeholder engagement and establishment of widespread ownership of a core DHET function delayed start but once secured, implementation proceeded smoothly. Regular reporting indicates monitoring by dedicated project team.</p> <p>Resource management in accordance with PFMA.</p> <p>Following a slow start, the project's intermediate outcomes have been achieved. Achievement of outcome is dependent on the political process (Cabinet engagement and approval) but officials encouraging this.</p> <p>Stakeholder engagement has encouraged wide ownership, including breaking down of barriers to inter-departmental communication and networking.</p> <p>Given that intermediate outcomes are achieved, outputs were delivered in a timely and successful manner. Substantial evidence of take-up, both telephonically and on-line. Stakeholder engagement manifested through participation in PSC. No other stakeholders had commitment other than in HR terms, which were made available in a timely manner.</p>
<p>Effectiveness</p>	<p>Intermediate outcomes achieved and in use by rising numbers</p> <p>Dedicated and committed team providing increasing responsive services to beneficiary group.</p> <p>Users accessing services telephonically, on line and through radio broadcasts of which the listenership is rising according to independent (SABC) audits</p> <p>Project has not had to adjust as yet; however, the positive take-up suggests that the committed team will adjust as and when the need arises.</p>
<p>Impact</p>	<p>Intermediate outcomes achieved substantial take-up of advice services</p> <p>Breakdown of silo culture between DHET and Labour. Positive engagement with private sector.</p> <p>Positive social and gender impact can be expected as improved access to advice to young men and women is expected to improve their ability to skill themselves appropriately and, because they are skilled in ways that respond to the job market, increase employment prospects.</p>
<p>Sustainability</p>	<p>DHET has indicated it intends to mainstream the service within its core budget. This obviously depends on the country's general economic growth prospects. However, since the expectation is that a better and more relevantly skilled workforce will increase employment, particularly amongst the youth, this is expected to assist in growing the economy.</p> <p>Networking between the public and private sectors and within the public sector has proved positive and underlined ownership under the current political leadership. It is possible that this could change come end-2017 and the elections in 2019.</p> <p>New policy is before the appropriate Cabinet Committee. Once approved it has to go to Cabinet for adoption. Subject to formal approval, and the advice services ensuring more relevantly skilled job entrants, private sector interest is expected to increase.</p> <p>DHET mobilised a dedicated team and recruited committed workforce to handle the requests for advice and assistance. This team remained in place at the time of the MTE and DHET has indicated it intends to mainstream the cost of the service provision within its core budget.</p>
<p>Link to ODA criteria</p>	<p>Innovative, skills transfer and addressing capacity gaps</p>
<p>Recommendations</p>	<p>Difficult to understand how the use of 27% of the budget allows for the achievement for almost all of the intermediate outcomes. Evaluation report must be used to inform IDC of real progress. Achievement of outcome is beyond the control of project managers as this is part of the political process</p>

Name of Project	Open Learning System for Post-school Education and Training			
Department	National DDHET			
Budget(R million)	51.8	Total Disbursed (R million)	0.914	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	Extension required-no dedicated project management staff			
Project Description	<p>One of the obligations of the Department of Higher Education and Training (DDHET) is to increase access to educational opportunities for young people that are not in employment or education and training (NEET) and those who experience barriers to learning. Such barriers would include geographical isolation, discrimination on the basis of race, gender, age, or physical disability, financial abilities, the inability to take time off work for a course, lack of 'appropriate' qualifications, and the use of pedagogical approaches that restrict accessibility to learning.</p> <p>A possible strategy that can be used by the DHET to increase access to educational opportunities is the implementation of open learning in an organised, articulated, structured and systematic manner. It will include free access to education and training opportunities for all and in specific free access to learning support, assessment (on success rates) and development of workplace skills for those who are the poorest 60% of the population</p>			
Project Outcomes	<p>System that provides access to learning and training established by:</p> <ul style="list-style-type: none"> • Piloting enabling environment for open learning approaches • Identify workable models of (especially) adult and youth open learning • Developing technical and vocational skills through open learning 			
Indicators				
Interviews conducted with:	<p>Trudy van Wyk, Chief Director ag., Social Inclusion, Access and Equality, DDHET, Jack Mitheleni, Director, DDHET, Letsego Maleki, Project Manager, Career Development Services, Nozuku Maknyama, Project Manager, NQF, Eunice Maganani, Projects Administrative Support</p>			
Progress to date	<p>Delayed start; requested dedicated project management staff in 2014 – still to be assigned: two staff members.</p> <p>Developing first two learning programmes. Draft policy framework prepared and with cabinet committee for review.</p> <p>Researching experience for publication; drawing on international experience Commonwealth link: presented experience.</p> <p>DHET has yet to allocate a dedicated team for the project; given the experience of the Career Guidance project, it was assumed that this would be forthcoming. Networking with stakeholders (DoBE, education institutions in the public and private sectors) is expected to be a major contribution to sustainability. DHET has yet to identify a dedicated project team; at present, there are two staff.</p>			

Design	<p>Seeks to achieve Outcome 4 by way of Outcome 12. Core DHET function to diversify sources of education access to SAs and promote life-long learning opportunities. Aligned with South Africa’s budgetary system. Business Plan contains a Results Framework that clearly identifies outcome, intermediate outcomes and outputs that are intended to increase access to learning and skills development. Indicators are specific (e.g. policy development), measureable, achievable, realistic and time bound (although the delayed start has extended this). Outputs are logical steps on the path to intermediate outcomes and outcome (although the latter is beyond the control of officials).</p> <p>The project is expected to address both gender (increased access of (especially) young women and girls to relevant learning opportunities, addressing their constitutionally guaranteed human right to education, and is also expected to improve governance (better service delivery and overall governance).</p>
Efficiency	<p>Project has been delayed, which has delayed disbursements. Project staff are monitoring implementation that has been achieved and reporting on it. Lack of a sufficiently staffed project team has delayed implementation. Having noted this, implementation is gaining traction and approaching the identified delivery schedule Project is demonstrating learning from other sources and contributing its own learning internationally. Given the delayed start, the achieved outputs (draft policy, international (OECD and Commonwealth) interaction are in line with expectations. Outputs achieved are in line with expectations. DHET is engaging stakeholders in South Africa and internationally around the project.</p>
Effectiveness	<p>Despite the delayed start, the first two learning programmes are in draft and the draft policy is before the Cabinet Committee for review and onward submission to Cabinet. International experience is being reviewed to establish best practice and South Africa’s experience is being researched for international publication. Based on progress to date, it is expected that the intermediate outcomes will be achieved by the extended completion date. Outcomes, being subject to the political process, are beyond the immediate control of the project.</p>
Impact	<p>Successful achievement of the intermediate outcomes will contribute to positive social, gender and economic impact on the beneficiary, user population. Potentially negative cultural effects include increasing utility of cultural norms.</p>
Sustainability	<p>DHET plans to incorporate costs into core budget. This is obviously subject to general economic considerations but it is expected that an Open Learning System will support appropriate skilling of the workforce and aspirant workforce, which will have a positive effect on the job market and, hence, the economy as a whole. The delayed start has impacted negatively on ownership and wider external stakeholder engagement.</p> <p>DHET has drafted the required policy, which is being considered by the relevant Cabinet Committee. Subject to the achievement of the intermediate outcomes, public and private sector stakeholders are expected to deepen their engagement in the future. At the time of the MTE, DHET had still to dedicate necessary staff (two were in place) to the project's implementation.</p>
Link to ODA criteria	<p>Skills transfer and addressing capacity gaps</p>
Recommendations	<p>Seek extension to complete project. On completion, prepare close-out report.</p>

Name of Project	ICT Innovation Programme to Support Development and Government Service Delivery			
Department	National – DST			
Budget(R million)	120	Total Disbursed (R million)	114.3	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	No cost extension			
Project Description	The aim of this programme is to chart a course for maximizing the social and economic potential of information and communications technologies. Its successful delivery will result in innovation, economic growth and improvements in daily lives of South African citizens, through, for example, better health care, safer and more efficient transport solutions, cleaner environment, new media opportunities and easier access to public services.			
Project Outcomes	Deployment of ICT technologies supporting improved Government service delivery Barriers to access, applications, tools enabling digital opportunities overcome Knowledge management on ICT models and development supporting improved Government service delivery Evidence-based M&E approach of impact supporting socioeconomic development and improved Government service delivery Enabling policy environment diffusing good practice and upscaling of technology demonstrators			
Indicators				
Interviews conducted with:	Nonhlanhla Mzike, Chief Director, ICT Innovation, DST, Tsepang Morieo, Director, Sustainable Human Settlements, DST, Zamokwakhe Dlamini, Acting Director, ICT and Services Industry			
Progress to date	<p>Project intermediate outcomes 70-80% achieved according to Dec 2016 MTR conclusions – delays experienced largely due to regulatory requirements in specific instances. Contributed to Outcome 4 – creation of jobs; Outcome 12 – resulted in improvements in municipalities service delivery. Also facilitated communities’ ability to engage municipalities in response to service delivery complaints, e.g. able to track situation relating to complaints in the water sector. Also permitted ability to identify policy implications arising out of pilots.</p> <p>Municipalities partnership experienced a number of challenges (1) silo culture – need for constant interaction (implementers, department) to ensure that everyone on board “need to smile a lot”; (2) need to ensure that have agreement with municipal authorities to ensure that everyone on the same page (redeployment of officials/local government elections); (3) municipal capacity and understanding of what is required (site identification, water user licenses from national Department; (3) need for EIAs. All resulted in the need to request for no-cost extension.</p> <p>Approach in both projects has been the following:</p> <ol style="list-style-type: none"> 1. To learn from SBS experience and integrate project management into day – to – day work of department (no PIU; PSC, incorporating both units, to oversee GBS management); 2. Emphasise knowledge management to extract information that support evidence-based [policy development and will inform policy development; 3. Seek to pursue engagement further into the Innovation Cycle engaging with private sector (SMME and large international corporations) engagement to bring the developed, proven products (fingerprint recognition and IPT model) to the market. 			

Design	<p>Aims to contribute to Outcome 12; aligned with budgetary cycle.</p> <p>EC support aims to contribute to achievement of NDP, in particular Outcomes 4 and 12</p> <p>ICT project aims to grow/expand ICT innovation in public-private partnerships</p> <p>Project targets rural municipalities, arguably the weakest tier of government</p> <p>Business Plan includes a Results Framework, together with cash flow projection. Outcome, intermediate outcomes and outputs clearly stated and demonstrate a logical coherence. Indicators are measurable, specific, realistic and time bound. Planned interventions, if implemented, will contribute to achievement of outcome.</p> <p>The department advised rural local municipalities of the opportunity and received indications of interest, which were pursued on the basis of an equitable distribution. On this basis, there is clear evidence of stakeholder buy-in. However, local politics, and the local government elections in particular, have both reinforced and undermined this.</p> <p>Project cannot be implemented unless the LM partner has secured the necessary permissions which are intended to address environmental and equity issues.</p>
Efficiency	<p>Disbursements have been timely, responsive to cash flow forecasts and in response to need. Challenges have been experienced when discovered that LM partners had not secured all the necessary permissions for their individual projects.</p> <p>No significant cost overruns; in part, this has been achieved through a common PSC (the two GBS projects and SBS) within the department. This latter has contributed to transparent accountability of resource utilisation.</p> <p>The Results Framework is a coherent management tool, supported by a work plan and cash flow forecast, both of which are updated on a regular basis. Individual delays have been experienced as a result of LM partners not having secured all necessary permissions (e.g. water user's permit i.r.o a proposed hydro-power scheme). The team and its partners visit individual projects regularly to monitor implementation progress and advise on areas requiring improvement.</p> <p>Department, based on earlier SBS experience, has established a unitary PSC to oversee the projects.</p>
Effectiveness	<p>Achievement of the intermediate outcomes is between 70% and 80%. Based on this, it is confidently expected that all intermediate outcomes will be achieved by project completion. Where individual projects have been completed, ultimate beneficiaries are able to access improved services. In some instances, weak lm capacity has meant that not all necessary permissions have been obtained and project has been delayed.</p> <p>Given the achievement of intermediate outcomes to date (70% - 80%), it is confidently expected that all project intermediate outcomes will be achieved. Translating this into achievement of outcome (improved service delivery) is dependent on LM partners' learning and capacity development as a result of the project.</p>
Impact	<p>Are clear examples of improved service delivery</p> <p>Examples of successful public-private partnership in bringing ICT technologies to market.</p> <p>Challenge is to translate this to achievement of improved service deliver by rural LMs through learning and sharing of experiences.</p>
Sustainability	<p>Core challenge for sustainability is capacity within rural LMs to manage available, and limited, resources in a manner that permits copying innovative interventions piloted by the project.</p> <p>LMs are local partners and identified the innovative interventions. Suggests that (i) part of local development plans, which are subject of widespread consultation and (ii) is a resulting level of ownership, which will contribute to ongoing utilisation. Knowledge management and information sharing might be a challenge given the capacity shortfalls in LMs.</p> <p>Project aimed to address service delivery shortcomings through innovative interventions at rural LM level. As such, there is limited policy focus, albeit the projects suggest the need to husband available resources at LM level in order to duplicate examples.</p> <p>LMs, generally, and rural LMs, in particular, are characterised by weak HR capacity threatening medium-term sustainability.</p>
Link to ODA criteria	<p>Innovative, piloting and testing, catalytic initiatives/best practices</p>
Recommendations	<p>Prepare close out report i.r.o. the ICT Innovation Programme to Support Development and Government Service Delivery. If necessary, seek a limited extension to finalise the Innovation Partnerships for Rural Development and prepare close out report. Share the two projects' evaluations with NT-IDC.</p>

Name of Project	Wolwekloof Programme for Youth at Risk (Diversion training and Income-generating Skills Development)			
Department	Provincial – WC – Community Safety			
Budget(R million)	41	Total Disbursed (R million)	36	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	<p>Communication from department advising that facing challenges arising from (i) Fire damage to facility and (ii) Dilapidated state of electric wiring and water system resulting in asbestos being identified in the water, and (iii) the need for structural repairs necessitating architect and engineering interventions. As a result, only 50 of the target 150 youth able to be accommodated at any one time. Arising from this, the Department requested (11 November 2015) that the ring-fencing of the funding for Wolwekloof be lifted and that other partners (the Violence Prevention through Urban Upgrade and the Chrysalis Academy (an independent trust, primarily funded through Community Safety, which receives applications to participate in three-month residential training from at risk 18 – 25 year olds – three courses a year, two male, one female), both Cape Town based) utilized to achieve the core objectives. Variation approved.</p>			
Project Description	<p>The core focus of the Wolwekloof Youth Diversion Training is enhancement of public safety through the training of at-risk youth in the WC province in trade and basic life skills that will maximise the chances of them becoming employable model citizens.</p>			
Project Outcomes	<p>Effective facility for youth training Train graduates in relevant practical skills to maximize their employment rate Evaluate final impact</p>			
Indicators				
Interviews conducted with:	<p>Gideon Morris, Head of Department, Community Safety, Western Cape, Yashina Pillay, Chief Director, Secretariat for Safety and Security, Community Safety (Project Manager), Western Cape, Lucille Meyer, CEO, Chrysalis Academy, Chrizelda Tolo, Recruitment Manager, Chrysalis Academy</p>			
Progress to date	<p>Modular training (three weeks residential) at facility for youth at risk (no convictions) based on three-month residential training at Chrysalis Academy. Emphasis on individual health and training in community safety. Once completed, followed by 12-month placement with municipalities (R1900/month stipend funded through EPWP) in a community safety position with a commitment from municipality to retain trainee for a further 12 months (also to be funded through EPWP). Department provides support to municipalities to enable their utilisation of EPWP resource for this purpose.</p> <p>Department considering switching modular training to Chrysalis, where there is an available 100-bed dormitory that is presently unused. This would double the number of trainees through the modular programme and Chrysalis would maintain its three-month residential programme.</p> <p>Provincial Treasury has committed ZAR 6.4 million (2017/18) and ZAR 7 million (2018/19) for project.</p>			

<p>Design</p>	<p>Project sought to replicate in modular form the experience of Chrysalis Academy, an independent trust established and funded by WC Provincial Government (principally the Department of Community Safety) to address issues of gang culture and 'at risk' youth (18 - 25 years). Provides training intended to build up self-worth in participants through establishing a healthy life style, self-discipline, and employment opportunities. Seeks to improve service delivery (reduction in gangsterism) and improve employment prospects (24 months of paid (Stipend R1900/month) work placements funded through EPWP with municipalities. (Outcomes 12 and 4).</p> <p>Business Plan has a Results Framework, which clearly established both Outcomes and Intermediate Outcomes. Progress towards Intermediate Outcomes (training for 'at risk' youth and improved employment prospects' is being achieved; actual achievement of the Outcome (gangsterism significantly reduced and community safety enhanced significantly) is a long-term achievement to which the project (along with other interventions - policing, MOD programme, improved education, social support) contributes.</p> <p>Design has had to be adapted in response to significant infrastructure damage to the Wolwekloof facility, which limited its effectiveness. Department is discussing with Chrysalis Academy utilising an unused dormitory for the three-week residential modular training, which will double through put. Is a recognised need to engage with other stakeholders (in particular, Social Development) although SAPS have engaged with Chrysalis. Design adaptation has gone smoothly and variation was approved quickly.</p>
<p>Efficiency</p>	<p>Resource transfer has proceeded smoothly. Core utilisation has been in respect of management of stipend transfers and Department has established system. Offering support to municipalities to enable them to utilise EPWP funds for the second 12-month placements. Oversight is regular (Wolwekloof is two hour drive from Cape Town; Chrysalis is located about 30-minute drive from CBD).</p> <p>Project was redesigned (variation approved) to reflect the challenges posed by infrastructural damage to facility. Resource utilisation is timely and well managed; stipend transfers to trainee placements delivered in accordance with undertakings.</p> <p>Trainees have graduated through the modular courses and graduates placed in community safety-related positions in municipalities close to their place of residence. Municipalities have requested additional placements. Work experience is recognised as increasing prospects for permanent placements.</p> <p>Extensive interaction between Department and Chrysalis and with trainers at Wolwekloof. Clear that relationship is positive.</p>
<p>Effectiveness</p>	<p>Trainees have graduated and have been placed with municipalities. Five municipalities have requested additional trainee placements. Stipend disbursed in a timely manner. Department working with municipalities to assist them utilise EPWP funds to meet stipend commitments for second 12-month placement of trainees. Recruitment is through referral and application by youth (18 - 25 years). Places significantly over-subscribed both for three-month residential (Chrysalis) and three week modular (Wolwekloof and expected to be at unused dormitory art Chrysalis).</p>
<p>Impact</p>	<p>At risk youth have graduated and placed in paid work experience opportunities linked to promoting community safety. Demonstrable improvement in their physical health and outlook as a result of the training. Municipalities commit to a second 12-month placement to be financed through EPWP resources. In general, the project is expected to (a) improve community safety; (b) encourage a positive life outlook for at risk youth; (c) increase 'employability' of at risk youth; (d) improve social relations within communities through experience of improved safety.</p>

<p>Sustainability</p>	<p>Provincial Treasury has committed limited funding for next two fiscal years. Department is looking to other provincial departments (Social Development, Education) for additional support. Services are free; successful applicants are required to pay a non-refundable R400 deposit before entry onto three-month residential course at Chrysalis Academy. Department is principal funder of Chrysalis Academy and has been since its establishment as an independent trust a decade ago. It is unlikely that this position will change but Chrysalis is looking to diversify its financial support base, which, if successful, could see private/for profit sector support.</p> <p>Department and Chrysalis staff demonstrates considerable passion for the services provided to at risk youth. Demonstrable commitment of instructors, who are all graduates of the training. As demand exceeds supply (Chrysalis admits 560/year; modular courses would see 120/course), trainees show considerable enthusiasm Work placements since 2012 have increased commitment.</p> <p>Department set up Chrysalis as an independent trust a decade ago and is the main financial supporter; seen as contributing to its core mission. Provincial Treasury has additionally committed limited funds for next two fiscal years. Is potential for additional public sector support and private sector has potential interest.</p> <p>Department has a long-standing relationship with Chrysalis. Introducing three-week modular courses to the Academy's site will deepen this. Chrysalis trainers are all graduates of the three-month residential courses and demonstrate commitment to and ownership of their roles. Chrysalis staff demonstrate deep passion for the Academy's vision and mission, viz. to assist at risk youth realise their potential.</p>
<p>Link to ODA criteria</p>	<p>Skills transfer and addressing capacity gaps</p>
<p>Recommendations</p>	<p>Agreement with Chrysalis academy needs to be finalised. Engagement with other stakeholders needs to be finalised. Improvement in reporting regularity is required</p>

Name of Project	The Mass participation; Opportunity and Access; Development and Growth (MOD) Programme to Support Youth with After School Activities and Sport			
Department	Provincial – WC – Cultural Affairs and Sport			
Budget(R million)	120	Total Disbursed (R million)	120	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	N/A			
Project Description	<p>Initially, only MOD Sport Centres were introduced, so as to provide general sport and movement activities, with exceptional youth being sent to monthly Sport Higher performance and Advancing through Recreation Participation (SHARP) Centres for further talent identification processes; however, there was clearly a need for more code-specific coaching for talented athletes.</p> <p>MOD Focus Centres were introduced, following a pilot project, which utilised softball as a focus code as from August 2011. Then, as from January 2012, baseball, basketball and cross country were added, resulting in this approach taking place in four focus codes for the remainder of the financial year. Fifty-Six (56) MOD Sport Centres were converted into MOD Focus Centres through the hiring of an additional two coaches at each of these said centres. Each of these pairs of coaches, focused on Code Specific- and Code Specialisation- based coaching. This meant that at a MOD Focus Centre, the following activities prevailed:</p> <ol style="list-style-type: none"> Recreation (Modified Activities); School Sport (Specific Activities); and Club Sport (Specialised Activities). 			
Project Outcomes	<p>After-school mass participation of school-going children Creation of opportunities through access to life chances Better access to structured recreation and next level activities (sport, arts, culture, poetry, story-telling) Skills and talent identification and development Growth opportunities for skills and talent Related skills and talent development curricula in place Capacity development and employment for out-of-school youth</p>			
Indicators				
Interviews conducted with:	<p>Paul Hendicks, Director, Department of Sport, Arts and Culture, Western Cape, Roderick Cille, Programme Manager, Department of Sport, Arts and Culture, Western Cape, Ralph Coetzee, Rural Programme Manager, Department of Sport, Arts and Culture, Western Cape, Marlene Pietersen, Urban Programme Manager, Department of Sport, Arts and Culture, Western Cape, Hilton Stroud, Financial Manager, Department of Sport, Arts and Culture, Western Cape, Fakeez Manie, Principal, Lavender Hill High School, Gavil Alkane, Principal, Hillwood Primary School</p>			

<p>Progress to date</p>	<p>Two reports (2015 and 2016); Total disbursement and accounted for. Activities/festivals at schools (where MOD centres located) in nine districts. Resources used for payments to MOD coaches (present daily), school caretakers to keep the schools open until 18.00 and access to services (telephone, fax, work station) at each school. Also kilometre allowance to facilitate M&E.</p> <p>The programme has completed its three-year implementation cycle. Key aspects have been to address historical inequalities, targeting female participants and rural over metropolitan areas. The main focus has been to (i) recruit and provide stipends for coaches at 181 centres at MOD Centres, fund monitoring (transport and fuel) (two visits/week in metropolitan areas, one visit/week in rural areas – 1 543 schools), provision of meals (approximately 116 000 learners). In addition, the programme also operates in school holidays between 10.00 am and 14.00 pm. The programme is centred around neighbourhood district centres, which have primary feeder and secondary schools grouped together. The core secondary school provides additional skills development, building on the neighbourhood feeder units. MOD centres are based at all schools and the core secondary school centre provides higher-level skills. The neighbourhood approach feeds into the establishment of sporting clubs: to date 13 metro and 56 rural clubs have been established.</p> <p>A central contribution to the programme’s achievement of the identified intermediate outcomes has been the wider stakeholder (Education, Community Safety, Social Development, and Economic Development and Tourism, as well as the Western Cape Sports Federations) engagement. This has seen contributions to infrastructure improvements at neighbourhood schools and centres.</p> <p>Outcomes 4 and 12</p>
<p>Design</p>	<p>Project aims to provide support to formerly disadvantaged learners in the province through skilling them in a number of sports, arts and culture related areas after the school day. As such, it addresses Outcome 12 and Outcome 4, through employment for coaches and increased prospects of employment for the children. It also contributes to the learners’ safety and discourages their joining gangs.</p> <p>EC support aims to contribute to the achievement of Outcomes 4 and 12. The project contributes to learners’ life skills and academic performance.</p> <p>The Business Plan includes a Results Framework with clearly defined outcome and intermediate outcomes. The process through outputs to intermediate outcomes is logical and will contribute to the achievement of the outcome. The indicators are clear and measurable and, through linking to the Education’s department’s CEMIS reporting will be statistically measurable.</p> <p>All provincial Departments (Education, Community Safety, Social Development), Premier’s office and sporting federation stakeholders are actively involved in the project. Provincial Treasury has committed funding in next two FYs for project’s continuation although expansion dependent in additional resources.</p> <p>Project addresses improved governance and social and community development goals through its contribution to reducing gangsterism.</p>
<p>Efficiency</p>	<p>Inputs have been provided in a timely manner. Resources have been fully utilised. Monitoring occurs twice weekly in the metro area and weekly in rural areas.</p> <p>Work plan has been followed and achieved. Considerable learner participation evident. Funds are utilised as envisaged.</p> <p>Intermediate outcomes generally achieved. After-school activities demonstrate considerable learner participation and evidence of growing parental interest through attendance at sporting club games.</p> <p>Extensive stakeholder participation involving both the provincial departments (Education, Community Safety, Social Development and the Premier’s office) and the provinces sporting federations. Schools enthusiastic and report academic and social value added through the programme.</p>

Effectiveness	<p>Intermediate outcomes achieved. Reporting has been timely and in line with indicators. Learners' participation enthusiastic and coaches present. The scale of demand limits access to participation, as does the availability of resources.</p> <p>Project has responded to a variety of challenges, including having to deal with outbreaks of gangsterism, which threatens learners' safety. In the main, this has had a limited effect. Participants have been awarded national colours in different sporting areas (mostly softball) and the programme has expanded into other areas of arts and culture.</p>
Impact	<p>Participants' achievement of national sporting colours. Increased parental involvement through participating as viewers of sporting club events. Re-engagement of past successful sportspeople as coaches through project. Development of the project towards locations based around neighbourhoods, where higher levels of skills imparted by coaches.</p>
Sustainability	<p>Provincial Treasury has allocated funding for next two FYs in order to sustain programme activities. Expansion dependent on additional funding. Plan is for wider engagement with additional stakeholders, including introduction of sport apprenticeships.</p> <p>Demonstrable ownership at departmental and school levels. Province has demonstrated buy-in through commitment of financial resources for next two FYs.</p>
Link to ODA criteria	<p>Skills transfer and addressing capacity gaps</p>
Recommendations	<p>Prepare close-out report, Social gains need to be shared with a broader audience</p>

Name of Project	Microzonation Model of Johannesburg for Seismic Risk Prediction			
Department	National - DMR			
Budget(R million)	30	Total Disbursed (R million)	30	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	Request for extension to use unspent balances			
Project Description	<p>The entire Johannesburg area, including areas underlain by abandoned and flooding mines, should be evaluated through this microzonation process. Hence the CGS proposes a microzonation study of Johannesburg area with the following objectives.</p> <ul style="list-style-type: none"> • To carry out a seismic hazard assessment of Johannesburg at bedrock. • To investigate the surface geology of Johannesburg with the aim to identify it's soil layer distribution. • To determine the effect of soil layers on earthquake ground motion. • To calculate the seismic hazard of Johannesburg at the surface. • To produce a microzonation model in a format useful to the departments within COGTA. 			
Project Outcomes	Improved DRM and Housing policies in Johannesburg area			
Indicators				
Interviews conducted with:	Michelle Snyman, Project Manager, Council of Geosciences			
Progress to date	<p>Extensive consultation with all stakeholders Geology completed Incorporating geology into GIS mapping before roll out to municipality. Request for extension to access unused balances Expect finalization early in next FY; looking at joint launch of GIS layered may together with Gauteng Disaster Risk Management and City of Johannesburg DRM department</p> <p>As not a Department, all communication with NT-IDC was via Mineral Resources. Was no dedicated project manager in the department, which meant that had no control over transfer of reporting/request for tranches. [On at least two occasions, documents were lost/mislaid and had to resubmit.] Would be advantageous were it possible to liaise directly with NT-IDC or, at least, submit directly, copied to parent department, who should appoint a dedicated officer to manage project at their end. Also is a need for briefing on GBS of implementing agent once project approved. Project has demonstrated the importance of developing seismic maps for all large metropolitan areas: intend to target coastal cities next.</p> <p>Outcome 12 – at municipal and national levels.</p>			

Design	<p>Project aims to contribute to improved DRM at national and municipal levels: Outcome 12.</p> <p>EC support aims to contribute to achievement of NDP, in particular Outcomes 4 and 12.</p> <p>Understanding the geological risks of earthquakes in and around heavily mined Johannesburg will contribute to improved DRM and better service delivery by first and subsequent responders.</p> <p>Lesson is that is a similar need for all major South African cities.</p> <p>Business Plan contains a Results Framework with clear outcome, intermediate outcomes and outputs. Indicators are specific deliverables which are measurable, achievable, realistic and time bound. Activities are necessary steps to achieve outputs. Sustainability is planned through handing over model to DRM units within municipality and at provincial/national levels.</p> <p>Council of Geosciences (implementing partner on behalf of DoMR) has engaged stakeholders extensively. As a result, appears significant local ownership and buy-in.</p>
Efficiency	<p>Disbursements have been timely and responsive to need. Comment that closer contact with NT-IDC would have made for greater engagement and understanding. All intermediate outcomes have been achieved; final outcome is expected to be handed over by project end.</p> <p>Results Framework has clear deliverables as steps on the way to achieving the intermediate outcomes, all of which are necessary steps to the outcome. Completion of deliverables has generally been on schedule.</p> <p>Only outstanding deliverable is the handover of the GIS map to DRM authorities in the city and at province/national level.</p> <p>Engagement with stakeholders has established an understanding of the value of the tool being developed. Expected to become an integral part of DRM planning and response as necessary.</p>
Effectiveness	<p>All intermediate outcomes are complete and are in the process of being consolidated into the GIS map for delivery to DRM authorities in the city and province/nationally.</p> <p>Expected that outcome will be achieved by project end and that this will contribute to Outcome 12 at municipal level (initially) and at province/national levels in the medium-term.</p>
Impact	<p>Tool to improve DRM planning exists. Improved DRM planning in respect of earthquakes.</p>
Sustainability	<p>Utilisation will be mainstreamed into DRM units planning at municipal and provincial/national levels.</p> <p>Extensive consultation with all relevant stakeholders has seen perceptions of the tool's value. Once the GIS mapping has been handed over, its use will contribute to improved DRM planning and responsiveness.</p> <p>There are no 'policy' implications; however, the tool will permit greater understanding of seismic risks, as well as allowing for better planning and response in the event. It will allow for better and more response planning and risk management, as well as a better informed response development.</p>
Link to ODA criteria	<p>Piloting and testing, innovative</p>
Recommendations	<p>On handover to City of Johannesburg, prepare close out report.</p>

Name of Project	Asset Management of Library Materials with Radio Frequency Identification (RFID) Technology			
Department	Provincial – FS – Sport, Art, Culture and Recreation			
Budget(R million)	24	Total Disbursed (R million)	12	
Begin of implementation	2014	Implementation Period (Years)	2	
Comments relating to deviations from original proposal	Disbursements have been returned largely unspent. Request for extension has been prepared. The project is roughly 20 months behind schedule and achievement of intermediate outcome within the MTEF is probably not achievable			
Project Description	The purpose of the project is to migrate from a bar code based system of asset management to an RFID system of stock management. Every item of library material will be provided with and RFID tag by replacing bar code labels with RFID tags and by implementing a system to provide newly procured items with RFID tags.			
Project Outcomes	Improved implementation of Government policy on asset management of library materials Efficient and effective system of asset management of library materials			
Indicators				
Interviews conducted with:	Stanley Mhalopo, Head of Department, Sports, Culture, Arts and Recreation, Free State, Matilda Pienaar, Director, IT, Sport, Arts, Culture and Recreation, Free State, Tebogo Takang, Director, Supply Chain Management, Sport, Culture, Arts and Recreation, Free State			
Progress to date	<p>ZAR 24 m awarded for FYs 2014/5 and 2015/6. No reports available. Both drawdown requests (ZAR 12 million) have been returned. Procurement challenges surrounding the appointment of a SP meant that there was no expenditure in Year 1.</p> <p>In Year 2, the time needed for the development of the necessary software for an Active (ability to scan from 0.5 meters distance) was underestimated. As a result, the pilot (DeWetsdorp library, c. 2400 books) under-performed (c. 80%) both the current accuracy level (92%) and the expected level (98%). As a result, the SCAR department has reservations around the SP's capacity to deliver on the project and will review this in a meeting with the SP in the immediate future, as well as establishing a closer progress monitoring system.</p> <p>The repayment of the second disbursement (ZAR 12 million) was in the region of ZAR 11.6 million for this reason. The MTE was informed that an extension request has been submitted but there are issues around the remaining time available in the MTEF. Reportedly, the NT-IDC programme manager believed that the project should not have been supported.</p> <p>Outcome 12</p>			
Design	<p>GoSA/NT has moved from an inventory system to one based on assets. EC support aims to contribute to the achievement of Outcomes 4 and 12, and, thereby, to the NDP. More efficient asset management will ensure the potential for improved library services, benefitting existing and future library users.</p> <p>The project has been affected by substantial delays: the time required to procure a SP was seriously underestimated; as a result, a SP was finally procured at the conclusion of the first year.</p> <p>SCAR Department remains committed to the project, as do various units within the department. They are in the process of seeking an immediate (within two weeks) with the SP in order to establish a closer progress monitoring system and a set of criteria against which to judge performance. Department acknowledges the need to support the SP in the area of understanding how libraries function to inform the software development/finalisation. There is a question surrounding the ability to deliver the project's intermediate outcomes within the time remaining within the operational MTEF although an extension has been (reportedly, but unconfirmed) requested.</p>			

Efficiency	<p>Inputs were delivered on time. Procurement timelines clearly underestimated/not fully appreciated. Resources returned in line with PFMA.</p> <p>In Year 1, no outputs, other than the recruitment of a SP by year-end were achieved. In Year 2, the software was unsuccessfully piloted in a small library with much poorer than expected results (c. 80% accuracy, as opposed to c. 92% of existing system and the project's 98% expectation) As a result, the software requires further development and refinement.</p> <p>Given the delays and inadequate performance experienced, the project's management has been challenging and subject to less than adequate management. In the main, this appears to have stemmed from (a) underestimation of the time required for procurement and software development; (b) possibly an inappropriate SP; and (c) personnel turnover within the Department.</p>
Effectiveness	<p>The pilot resulted in an unsatisfactory result. The SP's performance is under review and additional support (capacity to understand library operation) is being considered.</p> <p>Department remains committed to the project, which it perceives to have the potential for a major improvement in asset management and potentially provide an example province-wide. The procurement procedures were the subject of significant underestimation resulting in the first year being totally lost. As with all IT projects, the time required to develop new software was substantially underestimated. The result has been that the project is roughly 20 months behind schedule and achievement of intermediate outcome within the MTEF period must be questioned.</p>
Impact	<p>Given the situation, there are no impacts. Should the project be completed, there is the potential for positive impact. Attempts to address delays are only now being put in place.</p>
Sustainability	<p>Given the position of the project, ownership outside the Department is non-existent. HOD (new - less than two months at the time of the MTE) expects that successful implementation will provide a model for Department and province-wide. Given the state of the project, ownership of outcome is questionable, probably because of limited understanding of potential outside the small group associated within it within the department.</p>
Link to ODA criteria	<p>Piloting and testing</p>
Recommendations	<p>Finalise investigation of SP capacity to meet the targeted accuracy level. Secure the advisory services of a qualified librarian to support the SP, if necessary. Urgently seek an extension that goes beyond the original MTEF period. Project is high risk</p>

Name of Project	Ecological Resources Management Systems for Schools: Systems of Managing School Toilet Waste to Generate Fertilizer and Cooking Gas for School Gardens and Feeding Schemes.			
Department	Provincial – EC – ECDC			
Budget(R million)	30	Total Disbursed (R million)	2.64	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	Two and a half year delay to commencement of implementation. Letter from DEAEEDT stated delay due to administrative challenges in the department, which had been resolved.			
Project Description	The Programme is centred around the pilot rollout of integrated biogas and algal sanitation system (IBASS) at schools linked to rain water harvesting, agricultural digestion of food waste, manures and garden residues, and agro-ecological food garden production based on the success of the of the multi-award winning pilot at Three Crowns School. The system has demonstrated a reliable, robust and low maintenance approach to providing rural schools with decent, dignified and safe waterborne sanitation linked to onsite renewable energy generation for the cooking of school meals, nutrient beneficiation and resource recycling.			
Project Outcomes	Replication of piloted sustainable ecological resource management model Three villages in CHDM more sustainable Roll-out to 30 schools in Amatole DM Improved hygiene and access to water and sustainable power Sustainable enterprise creation at target schools Local economic development and income generating opportunities			
Indicators				
Interviews conducted with:	Oyama Makalima, Resource Mobilisation, DEDEAT, Eastern Cape, Mzikabwe Mbete, DEDEAT, Eastern Cape, Phakisa George, Head of Risk Capital, ECDC, Eastern Cape, Luleka Marina, Environment, CHDM, Thulani Bono, Finishers of Nature Global (FONG) (SP for Amatole), Donoval Fullard, Head of Schools Programme, WESSA, Avril Wilkinson, CHDM WESSA Project Manager			
Progress to date	Two and a half year delay to commencement of implementation. Letter from DEAEEDT stated delay due to administrative challenges in the department, which had been resolved. First draw down May 2016; first PSC 2016. The delays arise from: (i) DEDEAT's capacity challenges – essentially a single person, which has affected disbursements and onward transfer of resources (ZAR 2 million) to ECDC; (ii) Failure to secure a Service Level Agreement (SLA) between DEDEAT and CHDM (it is intended to sign one by end of FY 2016/17), which has prevented any onward transfer of funds (ZAR 6 million); (iii) Failure to agree a SLA between CHDM and WESSA (this will be signed once the SLA with DEDEAT is finalised); (iv) communities' resistance to utilisation of human waste for purposes of fertilizer; (v) the need for extensive community mobilisation, which ECDC has done (at its own costs). Given the foregoing, the existing disbursements (total c. ZAR 8 million) will have to be returned and new requests submitted at the immediate start of FY 2017/18. The delays experienced means that two years remain for implementation, which is inadequate; as a result, a no-cost extension request of one year is likely.			

<p>Design</p>	<p>Aim to contribute to achievement of sustainable jobs (SMME development and associated job creation) and income generating opportunities in rural villages in an environmentally sustainable way: Outcome 4.CHDM will improve service delivery (Outcome 12). Furthermore, it seeks to produce savings for the target schools (free biogas vs. bottled gas costs), improved nutrition for learners (ability to provide cooked meals), and dignified sanitation.</p> <p>EC aims to support achievement of Outcomes 4 and 12</p> <p>Target group requires substantial mobilisation to develop ownership, understand that project will not postpone electrification and overcome resistance to utilisation of human waste for conversion into fertilizer.</p> <p>Results Frameworks, which are clear and set out Outcomes, Intermediate Outcomes and Outputs. OVIs are clear and measurable. Projects aim to ensure sustainability through ensuring community ownership through extensive mobilisation around the project, which was a clear lesson from the pilot.</p> <p>The projects are based on a pilot at Three Crowns School, implemented by WESSA. In the course of mobilisation undertaken by ECDC, the need to address challenges surrounding public perceptions of (a) delays in the roll out of Eskom electrification and (b) resistance to using human waste in fertilizer through the biogas digester has underlined the important of extensive mobilisation and information. This has encouraged better understanding of the planned outcome and intermediate outcomes by stakeholders. Given the delays experienced (2.5 years before the first drawdown and failure to transfer resources to either CHDM (no SLA) or ECDC means a further year has been lost. With two years remaining, a no-cost extension will be requested, accompanied by (a) a narrative report, (b) return of the disbursements and (c) a request for new disbursements</p> <p>It addresses sustainable income generation, from which women are expected to benefit more, through promoting sustainable utilisation of the environment.</p>
<p>Efficiency</p>	<p>Following a 2.5-year delay before any drawdown requested, no resources have been disbursed by DEDEAT to either ECDC or CHDM. This reflects the absence of capacity within the department and the failure, to date, to agree a SLA with Chris Hani. It is intended to finalise the SLA by end FY 2016/17. Subsequently, a SLA between CHDM and WESSA will have to be signed.</p> <p>With the exception of community mobilisation (in Amatole), no outputs have been achieved.</p> <p>The stakeholders meet regularly although communication between DEDEAT and the other stakeholders could be improved; it is characterised by considerable formality (letters are exchanged, rather than telephone communication). It has been agreed that communication will be improved in future and that other partners will support DEDEAT officer when requested.</p>
<p>Effectiveness</p>	<p>No progress has been made for the reasons outlined above</p> <p>Given delays and the failure to disburse onward any of the first drawdown, it appears unlikely that the project will achieve its intermediate outcomes within the remaining two years. As a result, a request for a one-year no-cost extension will be submitted and achievement of the intermediate outcomes, if the extension is approved, appears likely.</p>
<p>Impact</p>	<p>No impacts</p> <p>If successfully implemented, the project is likely to be (i) extended to a wider group in the community; (ii) support the school meals programme pursued through the Agriculture Department (iii) support a sustainable environment; (iv) improve learners nutrition; and (iv) achieve savings for the schools, which will remain with them</p>

Sustainability	<p>Once completed, additional resource requirements appear unlikely; maintenance of the bio-digesters and the biogas distribution system has been demonstrated to be within the capacities of community members. Furthermore, the savings accruing to the school (through utilisation of biogas rather than bottled gas), will be available for any repairs to the digester or system requiring intervention from the established SMMEs.</p> <p>Evidence from the pilot is that subject to community ownership, the projects will survive in the medium- to long-term. The pilot has also demonstrated that day - to - day maintenance and repair is within the capacities of communities, while the establishment/growth of SMMEs provides higher-level technical skills when needed</p>
Link to ODA criteria	Piloting and testing
Recommendations	<p>Review the continued relevance of the two projects to the communities they are intended to serve. If they remain relevant, seek an extension that extends beyond the original MTEF period.</p> <p>Secure additional HR capacity in DEDEAT to manage the project efficiently and effectively. Finalise the necessary SLAs (with CHDM and WESSA) as soon as the extension is secured. Immediately commence the necessary community mobilization to address identified community concerns.</p> <p>Develop and share business plans for community level businesses and income generating activities.</p> <p>Liaise with other stakeholders (DoA, DBE) and link agricultural activities to existing school feeding programme. Investigate other potential markets for agricultural surpluses. Regular intervention from IDC is required</p>

Name of Project	Sustainable Rural Villages Project – Chris Hani District Municipality Expansion Programme			
Department	Provincial – EC – Economic Development Environmental Affairs and Tourism			
Budget(R million)	30	Total Disbursed (R million)	2.64	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	Two and a half year delay to commencement of implementation			
Project Description	Establish two sustainable rural villages - community members equipped with skills & resources to use sustainable technologies & practises			
Project Outcomes	Replication of piloted sustainable ecological resource management model Three villages in CHDM more sustainable Roll-out to 30 schools in Amatole DM Improved hygiene and access to water and sustainable power Sustainable enterprise creation at target schools Local economic development and income generating opportunities			
Indicators				
Interviews conducted with:	Oyama Makalima, Resource Mobilisation, DEDEAT, Eastern Cape, Mzikabwe Mbete, DEDEAT, Eastern Cape, Phakisa George, Head of Risk Capital, ECDC, Eastern Cape, Luleka Marina, Environment, CHDM, Thulani Bono, Finishers of Nature Global (FONG) (SP for Amatole), Donoval Fullard, Head of Schools Programme, WESSA, Avril Wilkinson, CHDM WESSA Project Manager			
Progress to date	Two and a half year delay to commencement of implementation. The delays arise from: (i) DEDEAT's capacity challenges – essentially a single person, which has affected disbursements and onward transfer of resources (ZAR 2 million) to ECDC; (ii) Failure to secure a Service Level Agreement (SLA) between DEDEAT and CHDM (it is intended to sign one by end of FY 2016/17), which has prevented any onward transfer of funds (ZAR 6 million); (iii) Failure to agree a SLA between CHDM and WESSA (this will be signed once the SLA with DEDEAT is finalised); (iv) communities' resistance to utilisation of human waste for purposes of fertilizer; (v) the need for extensive community mobilisation, which ECDC has done (at its own costs). (Note: CHDM/WESSA has yet to commence this but the smaller scale of the project makes it possible) to promote ownership of the project and understanding of (a) the safety of fertilizers based on human, animal and vegetable waste and (b) the potential advantages of the biogas digester and the network.			

<p>Design</p>	<p>Aim to contribute to achievement of sustainable jobs (SMME development and associated job creation) and income generating opportunities in rural villages in an environmentally sustainable way: Outcome 4.CHDM will improve service delivers (Outcome 12). Furthermore, it seeks to produce savings for the target schools (free biogas vs. bottled gas costs), improved nutrition for learners (ability to provide cooked meals), and dignified sanitation.</p> <p>EC aims to support achievement of Outcomes 4 and 12</p> <p>Target group requires substantial mobilisation to develop ownership, understand that project will not postpone electrification and overcome resistance to utilisation of human waste for conversion into fertilizer.</p> <p>Results Frameworks exist, which are clear and set out Outcomes, Intermediate Outcomes and Outputs. OVIs are clear and measurable. Projects aim to ensure sustainability through ensuring community ownership through extensive mobilisation around the project, which was a clear lesson from the pilot.</p> <p>It addresses sustainable income generation, from which women are expected to benefit more, through promoting sustainable utilisation of the environment.</p>
<p>Efficiency</p>	<p>Following a 2.5-year delay before any drawdown requested, no resources have been disbursed by DEDEAT to either ECDC or CHDM. This reflects the absence of capacity within the department and the failure, to date, to agree a SLA with Chris Hani. It is intended to finalise the SLA by end FY 2016/17. Subsequently, a SLA between CHDM and WESSA will have to be signed.</p> <p>As noted, the project has been subject to substantial delay. As such, beyond extensive community mobilisation by ECDC (in rural Amatole), there has been no progress in terms of the Results Frameworks, the activity schedule, etc.</p> <p>The stakeholders meet regularly although communication between DEDEAT and the other stakeholders could be improved; it is characterised by considerable formality (letters are exchanged, rather than telephone communication). It has been agreed that communication will be improved in future and that other partners will support DEDEAT officer when requested.</p>
<p>Effectiveness</p>	<p>No progress has been made for the reasons outlined above</p> <p>Given the delays and the failure to disburse onward any of the first drawdown, it appears unlikely that the project will achieve its intermediate outcomes within the remaining two years. As a result, a request for a one-year no-cost extension will be submitted and achievement of the intermediate outcomes, if the extension is approved, appears likely.</p>
<p>Impact</p>	<p>No impacts</p> <p>If successfully implemented, the project is likely to be (i) extended to a wider group in the community; (ii) support the school meals programme pursued through the Agriculture Department (iii) support a sustainable environment; (iv) improve learners nutrition; and (iv) achieve savings for the schools, which will remain with them</p>
<p>Sustainability</p>	<p>Once completed, additional resource requirements appear unlikely; maintenance of the bio-digesters and the biogas distribution system has been demonstrated to be within the capacities of community members. Furthermore, the savings accruing to the school (through utilisation of biogas rather than bottled gas), will be available for any repairs to the digester or system requiring intervention from the established SMMEs.</p>
<p>Link to ODA criteria</p>	<p>Piloting and testing</p>

Recommendations	<p>Review the continued relevance of the two projects to the communities they are intended to serve. If they remain relevant, seek an extension that extends beyond the original MTEF period.</p> <p>Secure additional HR capacity in DEDEAT to manage the project efficiently and effectively. Finalise the necessary SLAs (with CHDM and WESSA) as soon as the extension is secured. Immediately commence the necessary community mobilization to address identified community concerns.</p> <p>Develop and share business plans for community level businesses and income generating activities.</p> <p>Liaise with other stakeholders (DoA, DBE) and link agricultural activities to existing school feeding programme. Investigate other potential markets for agricultural surpluses. IDC needs to intervene and assist with implementation if projects are still implementable.</p>
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Name of Project	Prevention of Gender-based Violence Information Campaign			
Department	National – WCPD			
Budget(R million)	20	Total Disbursed (R million)	17.7	
Begin of implementation	2012	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	Project design and focus has changed. No new business plan reflecting these changes has been made			
Project Description	<p>In addition to the establishment of the NCGBV, the DWCPD will be developing a National Plan of Action on Gender Based Violence (NPA-GBV), which will then be used by the Council to guide and monitor measures for addressing gender based violence on women, children, and people with disabilities.</p> <p>The NPA-GBV will also be a tool that all stakeholders will use to align their activities to the set common goals aimed at achieving clear targets overtime. This project serves to put into place activities that will be implemented in the next three years, in partnership with the UN Agencies.</p>			
Project Outcomes	GBV awareness raised and mitigated			
Indicators				
Interviews conducted with:	Mmabatho Ramagoshi, Department of Women, Children and People with Disabilities, Ntsiki Sisulu, Department of Women, Children and People with Disabilities			
Progress to date	<p>Single disbursement: last minute requisitions No reporting Changing project focus No received revisions to business plan Business plan in practice refocused away from direct link to 16 Days of Activism towards a 365-day focus. Intensive province focus in 2016 (Limpopo first province - StatsSA data used to identify target DMs) – currently trained 40 of national target 540 community/LM workers (Limpopo, all LMs) and engaged with 10 000 community members. [No baseline awareness information so difficult to say wDHETher/how awareness has increased.] Targeting a similar number in Mpumalanga and North-west as next provinces. [Departmental capacity issues (Department underfunded and under-resourced) but plan to extend to all provinces.]</p> <p>GBS support has enabled Department to carry out three times the level of activity that own budget permits.</p> <p>Believes that GBS brief not clear – not aware of any document that any single document that sets out what can be funded – may be a communications issue. [But guidelines are clear as is PP presentation.]</p> <p>Also, unclear of what should go into reports – possible that a single reporting template would address reporting challenges that they experienced: [But, again, guidelines are clear – have to report against outputs, intermediate outcomes and outcomes identified in Business Plan; maybe, because changed focus of Business Plan, this resulted in the challenges.] Improve DWCPWD performance – Outcome 12 – through support to alternative strategy to address GBV.</p>			

Design	<p>Clearly addressing GBV is a central governmental objective (14 days of violence) but</p> <ol style="list-style-type: none"> 1. project focus has changed over time 2. strategic approach has changed over time 3. Questionable whether the project is (i) innovative - it responds to a core departmental function and (ii) riskier than other initiatives (was a replication of what the Department should have been doing in any event). <p>Should the project succeed, arguably the Department will improve service delivery and contribute to the achievement of Outcome 12.</p> <p>A Results Framework formed part of the Business Plan. Having said this, the project's focus has changed almost year - on - year and the RF has not been updated. Notwithstanding, the current approach appears most likely to achieve sustained change and, if successful, has the potential to achieve sustained change.</p> <p>Department unit (under-resourced) has successfully engaged provincial and DM and LM stakeholders in their efforts to build ownership.</p> <p>Project addresses gender issues; it can be argued that DWCPD's efforts against GBV will be enhanced through an improved model as a result of the project</p>
Efficiency	<p>Utilisation of available resources is inadequate - late reporting affects disbursements, continued redesign has not been accompanied by requests for approval of amendments. Having said this, the current approach - year - on - year, as opposed to the annual event - has potential for achieving outcomes. There appears little understanding of the value of the Results Framework as a project management tool (It is regrettable, for example that the GTAC-managed PFM roll out financed under GBS, has not been taken up by the Department). However, there is evidence within the Department that the refocus of the project has achieved some gains. Notwithstanding this, the apparent inability of the Department to (i) identify a viable and sustainable implementation approach and (ii) implement this across the board suggests clear challenges to Departmental capacity. Having said this, the current year round, provincial-based approach is suggestive of an approach that will achieve at least some of the intermediate outcomes identified in the Business Plan.</p> <p>The current approach is a year-round, province-based approach to develop a core task force to address GBV over the whole year, rather than just during the annual fortnightly campaign. Department states that in the first province (Limpopo) that the approach has worked well and they will be rolling the same approach out to two further provinces in the balance of the financial year.</p>
Effectiveness	<p>Department needs to develop necessary skills to implement, monitor and report on progress, which suggests addition human resources are necessary. Project has adapted year by year in response to new inputs. In fact, it may have adapted too much; having said this, the current direction appears to be on track</p>
Impact	<p>At the time of the MTE, impact was potential at best and limited to one province (Limpopo). Having said this, the Department plans to extend the current approach to two further provinces. This is reflective of the revised approach but potentially undermines the achievement of any impact.</p> <p>To date, no indirect positive or negative impacts have been identified.</p>
Sustainability	<p>This is questionable - although the latest redesign has achieved recognisable progress Learning from previous stages of this project has been successful</p> <p>This is questionable unless the Department continues down the current strategic path, which they have indicated their intention to do</p>
Link to ODA criteria	
Recommendations	<p>Pursue approach identified throughout all provinces. Seek the necessary additional financial resources to mainstream the permanent presence within all provinces and, if feasibly, DMs. Implementation support is an urgent requirement and IDC needs to engage more actively with the applicant</p>

Name of Project	Kwa-Zulu Natal Science Parks			
Department	Provincial – KZN – Treasury			
Budget(R million)	120	Total Disbursed (R million)	41.6	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	Extension sought. Requisition for remaining budget being submitted to complete programme			
Project Description	<p>The project is for the establishment, financing, designing, constructing and operating of four regional innovation and technology hubs in the province.</p> <p>A typical innovation and technology hub is based on the following notion:</p> <p>Put the best scientists and engineers, several promising start-ups and major international corporations in a to-be-constructed town, add global and local technology leaders and Nobel Prize winners to oversee the process, and you have a recipe for a successful new economy.</p> <p>The regional innovation and technology hub project will aim to provide a regional location for the establishment of innovation and technology hubs throughout the province based on a hub-and-spoke system. Such a location can be seen as a one stop shop catering for a fairly homogeneous array of innovation activities.</p>			
Project Outcomes	Four regional innovation and technology hubs with tenants focused on technology and scientific research			
Indicators				
Interviews conducted with:	<p>Neli Shezi, DDG, Provincial Treasury, KZN, Clive Coetzee, Provincial Treasury, KZN, Tim Madgwick, Infrastructure, Provincial Treasury, KZN, Dhavisha Jugmohan, Finance Administrator, Infrastructure, Provincial Treasury, KZN, Lungile Shange, Secretary, Infrastructure, Provincial Treasury, KZN, Basil Karst DT, GWI, Errol Agnew, GWI (Msunduzi & Newcastle), Robert Best, GWI (Richards Bay & Ray Nkonyeni), George Oldham, GWI (Sustainability), Joe Muller, Richards Bay IDZ, Ferdie Alberts, Economic Development, Newcastle Municipality, David Gengan, Musunduzi, Sabatha Dlamini, Ray Nkonyeni (Port Shepstone)</p>			

<p>Progress to date</p>	<p>Project delayed due to SIU investigation of the Department of Economic Development and the utilisation of the Infrastructure Support Team, in particular the department's head. While the investigation was underway, all possible linked projects were put on hold, resulting in a delay of one year in the appointment of the professional team (March 2015). An extension of one year was requested in October 2015 to make up for the lost year at the commencement of implementation.</p> <p>Quarterly, broad-based stakeholder PSC drawing on both national and provincial stakeholders. Regular (monthly) ExCo's has encouraged cross-fertilization of experience and associated reporting. Meant that draw down as required were possible.</p> <p>GWl appointed as service providers for project management of all four hubs. Together with Provincial Treasury, under contract with site-owners, supposed to participate in contracting of contractors/service providers: were both involved i.r.o RBIDZ, partly so with respect to Newcastle municipality. Port Shepstone presented Provincial Treasury and GWl with a <i>fait accompli</i>, appointing a contractor and subsequently altering this to a turnkey solution (</p> <ol style="list-style-type: none"> 1. Newcastle: Airport zone and Techno Hub site plan approved; Techno Hub Building plan approved. Land fenced (January 2016), designs completed, tender published (August 2016), tenders evaluated (October 2016) and contractor appointed (November 2016). Framework, taking into account the legal limitations on public entities under development to guide potential investors. 2. Richards Bay: Design (Design and Construction approach) approved; no requirement to pre-finalise the design before beginning construction. Cooperation agreement between IDZ and TVET. Fencing contract complete; automatic gate to be installed once construction of Information Building complete. Design and specifications of structure to be finalized within Provincial Treasury confirmed financial envelope, which has adjusted the budget accordingly. Expect completion date (of visitor/information center) July/August 2017. At time of MTE visit (March 2017) building had achieved beam height and completion date is realistic. 3. Port Shepstone: Architectural drawing approved; site handover to contractor mid-September 2016. Water, Sanitation and Electricity supply secured; contractor on site and site clearance, access road and concrete footings commenced. Fencing, incorporating wetland buffer zone, 85% complete. Building plans approved; construction drawings with schedule of finishes and costs to be submitted for approval. O&M plan drafted and with municipality for comment. Budget to be adjusted and approved by provincial Treasury; cash flow adjustments. Contractor expenditure and verification of invoices approved and funds transferred to Municipality for payment of contractor. Contractor paid for July and August 2016; contractor subsequently declared dispute for non-payment of invoices; Provincial Treasury's investigation revealed that the money had been used to pay salaries; despite warnings, the second draw-down was irregularly used for the same purpose. Also, despite the contractual requirement to involve Provincial Treasury and GWl in any contracting process, the municipality failed to do this; nor has Provincial Treasury or GWl received a copy of the contract.. Contractor is no longer working. 4. PMB Airport: EIA and RoD required leading to delays. Municipality failed to (i) comment on Inceptive Policy draft, (ii) Municipality-appointed consultants not submitted designs, (iii) Municipality not responded to Letters of Intent/Tenants who submitted letters. <p>Budget will be curtailed and no physical infrastructure provided because of progress at other Techno-Hubs.</p>
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<p>Design</p>	<p>The TechnoHubs seek to respond to the Provincial Growth and Development Plan and make an overall contribution to national Outcome 4. As such, it is fully in line with national and provincial government policies.</p> <p>The project, as identified, contributes to the development of sustainable high-tech jobs that will address labour-market challenges to mid-century.</p> <p>KZN's PGDP targets sustainable job creation as a key aspect. The specific foci of the planned four TechnoHubs are locally specific [e.g. Msunduzi aeronautics industry in line with airport strategy), Port Shepstone (traditional medicine, including patenting/intellectual property), Richards Bay (Maritime (Blue economy as per Operation Phakisa) and wider technologies)</p> <p>A Results Framework is contained within the Business Proposal, which sets out Outcome, Intermediate Outcomes, and Outputs in a logical and coherent manner. The Business Plan sets out a project plan, including cash flow forecasts. As events turned out, these had to be revised because of the suspension of the project director.</p> <p>There is clear evidence of extensive stakeholder engagement, both within and outside the province. Currently Provincial Treasury disburses funding on receipt of approved invoices from the implementers (SPs, Contractors), local partners (Municipalities, RBIDZ) and themselves. Funds are generally disbursed against approved invoices within 30 - 60 days; this proves a challenge for municipalities, as they do not possess the cash flow capacity of RBIDZ.</p> <p>In medium-term, sustainability is envisaged through Provincial Treasury's handover of overall authority to Economic Development and Tourism at provincial level; RBIDZ is confident that the model it follows ensures medium-term sustainability, particularly since an anchor tenant (the local FET college) has been identified and, once the level of support from the National Skills Fund has been specified, will sign a lease for the land. Expressions of interest from other interested parties in respect of the other three hubs have been received, although issues remain around ownership, lease, including length of lease, and the necessary municipal council permissions in this regard. Msunduzi council, for example, has approved leases of up to 50 years in respect of the 25 ha set aside in the Pietermaritzburg airport.</p> <p>RBIDZ are expected to complete the planned infrastructure and deliver construction ready (fully serviced site) ahead of schedule (August/September 2017). Port Shepstone is experiencing challenges (funds have been diverted to salaries). Provincial Treasury is exploring paying contractors and SPs directly to deal with this as, at present, funds are transferred into the municipality's general account. Newcastle is well advanced. All three are expected to achieve expected intermediate outcomes within the extended project timeframe (March 2018). Msunduzi will have all the necessary permissions, designs, studies in place but, because of reallocation of project funds, will not have commenced work to prepare a fully serviced area, although all plans for this purpose are in place.</p> <p>All, the necessary EIAs have been completed. Governance is inclusive (e.g. PSC membership and quarterly meetings, monthly ExCos with reports submitted to NT-IDC) and ensures that there are no delays experienced in disbursements.</p>
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<p>Efficiency</p>	<p>Disbursements by Provincial Treasury are made against approved (submitted by contractors/SPs, approved by implementing agency and subsequently by Provincial Treasury itself) invoices and normally within 30 - 60 days (Provincial Treasury has a bi-monthly payments system). Because RBIDZ has sufficient cash reserves, this enables it to pay contractors within the standard 30 day from invoicing period and, if necessary carry the commitment until reimbursement from Provincial Treasury. Municipalities face cash flow challenges, compounded by the fact that payments are into the general municipal account, which, in Port Shepstone's case, at least, has seen the diversion of funds to payment of salaries and the non-payment of the contractor's invoices, resulting in the declaration of a dispute. Provincial Treasury is exploring the possibility of direct payment of contractors/SPs to address this with all other aspects, which promote transparency and accountability of the process, remaining in place.</p> <p>Results Framework is used to monitor overall implementation and adapt planning at ExCo level. The Work Plans and Resource Schedule are considered at ExCo on a monthly basis and revised in the light of experience and invoicing. By and large, implementation is on track as measured by the planned schedule (post-extension approval) with funds disbursed in accordance with achievement of planned activities. The project SP (GWI) oversees implementation and relates closely with project implementers, contractors/SPs and Provincial Treasury. Project has proved to be very flexible to a changing environment and has worked closely with other, similar projects (EThekwini, Dube Port) in the province and nationally (Gauteng technohubs, DST, TIA, etc.).</p> <p>For three of the four projects, achievement of the intermediate outcomes (construction ready sites) are on track within the envisaged timeframe; one will be achieved in advance with the other two expected by the project end date. The remaining one will have all the necessary permissions/reports etc. in place so that the achievement of the construction-ready site will be rapidly achievable. All four have received clear EOIs in respect of anchor tenants, which will contribute to achieving the overall outcome.</p> <p>Multi-stakeholder, drawn from province and nationally, PSC meets quarterly and provides a clear example of multiple stakeholder interest in and ownership of the project. ExCo, made up of core stakeholders [Hub hosts (RBIDZ, Msunduzi, Newcastle, Ray Nkonyeni - Port Shepstone), Provincial Treasury, GWI) meets monthly and takes executive responsibility and reports to NT-IDC. With limited exceptions, partners' contributions have been delivered. Despite early engagement, DEDAT has not attended in recent times; efforts will be made to secure better engagement as post-project envisaged will play an oversight management role.</p>
<p>Effectiveness</p>	<p>In three of the four projects, the planned intermediate outcomes are either ahead of planned achievement or expected to be achieved by project completion date. Monthly reports are prepared reporting progress and have ensured timely disbursements from NT-IDC. One project is not expected to deliver a construction ready site. As this is an infrastructure development, there are, at present, no services available to target groups. However, in all four, potential target groups have expressed interest in the project with some being willing to be regarded as anchor tenants in the hubs once the next stage of their development is initiated.</p>
<p>Impact</p>	<p>Construction has reached beam height in Richards Bay and has begun in Newcastle and Port Shepstone. All three sites project completion of the initial stage within the agreed extended timeframe. Msunduzi will not initiate construction as the elapsed time means completion is not possible within the available timeframe. Banker tenants have been identified for the three sites although formal agreements have still to be completed. It is projected that the completed sites will add significantly to expanding employment opportunities and establishing linkages between tertiary education institutions and incoming industry to the benefit of the local and provincial economies.</p>
<p>Sustainability</p>	<p>Sustainability is dependent on completion of agreements with banker tenants, attracting sufficient interest in relocating businesses and new start-ups and in finalising a sustainable business model, particularly with the two DM partners.</p>
<p>Link to ODA criteria</p>	<p>Piloting and testing, catalytic initiatives, best practices</p>

Recommendations	Secure extension required to complete infrastructure development. Finalise agreed marketing strategy. Secure contracts with anchor tenants. Assist the development of LM management approach. Publicise investment opportunities to targeted sectors. Once completed, prepare close out report.
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Name of Project	Golden Gate Highlands National Park Interpretation Centre			
Department	National – Tourism			
Budget(R million)	120	Total Disbursed (R million)	4.8	
Begin of implementation	2014	Implementation Period (Years)	3	
Comments relating to deviations from original proposal	Project was significantly delayed due to the need to redesign the programme. Extensions have been requested			
Project Description	The project entails the development of an interpretation centre based on the archaeological and geological evidence of historical existence of dinosaurs to serve as a competitive destination for sustainable tourism growth and economic development with potential for tourism			
Project Outcomes	<p>Development of tourism to</p> <ul style="list-style-type: none"> • Expand economic opportunity of a cultural heritage resource • Increase opportunities for community-based employment creation and SMME development through tourism 			
Indicators				
Interviews conducted with:	Antoinette van Wyk, SANPARKS			
Progress to date	<p>Site location/climate postponed commencement – cannot implement infrastructure development except between spring and autumn.</p> <p>Originally Department of Environment affairs and Tourism; department split into two. Department of Tourism has dedicated project manager – very helpful. But still ‘ownership’ issues with Environmental Affairs, which was unhappy with the need to redesign.</p> <p>Need for redesign (also needed to re-tender for Quantity Surveyors and Mechanical and electrical Engineers) (occasioned by the budget ceiling (ZAR 120 million) equal to c. 50% - original costing ZAR 244 million – approved in 2010, followed by full EIA determined.</p> <p>Redesign and EIA complete. Construction has been tendered and Evaluation Committee has recommended contractor. Board (17 March) has to approve as exceeds the ceiling.</p> <p>Expect to award contract following mid-March Board meeting; do not expect any issues. Construction still to commence – no jobs created. Contract will require that 30% of project’s identified services will go to emerging contractors. Semi- and unskilled jobs are normally recruited locally.</p> <p>Despite the good relations with Department of Tourism, the lack of a direct link to NT-IDC meant that started off on the wrong foot. With greater participation in PSC, communication has been better but would still be advantageous if the link was direct.</p> <p>Delays linked to receiving funding: notified in February that Business Plan was approved but it took until August for the Moan (with Tourism) to be approved, a requirement for formal Business Plan approval, necessary before tendering. Only received 50% of professional services budget (ZAR 4.18 million – 50% of planning money): meant have had to pre-finance some professional services and, in an effort to save time, need to pay Eskom to upgrade the bulk power supply.</p> <p>Despite the challenges would be happy to go through the process again. Having said this, the SANPARKS PMU experiences capacity challenges when additional project money is available; need to reassign tasks internally.</p>			

Design	<p>Project aims to contribute to Outcome 4 - sustainable job creation - as it is expected that increased footfall arising from the centre's construction will create community-based tourism opportunities, as well as recruitment of locals to jobs within the centre. Short-term (construction) jobs will be created through policy of requiring contractor to employ locals in semi- and unskilled positions</p> <p>Initial proposal was halved, which necessitated the redesign of the planned infrastructure. This occasioned delays in commencement of implementation (construction), which is expected to commence, weather permitting, within the next quarter. However, the elevation of the site and extreme cold means that construction proper is unlikely before Spring 2017. An extension will be sought.</p> <p>There is logical coherence in the job creation approach: the infrastructure will contribute to increased tourist footfall, this creating opportunities for the local community in community-based tourism, as well as jobs related to the centre.</p> <p>Indicators are focused on the infrastructure development and contribution to Outcome 4 will have to be monitored once the infrastructure has been developed.</p> <p>SANPARKS will manage the infrastructure going forward. SANPARKS are implementing the project on behalf of the Department of Tourism and will manage the facility once it is completed.</p> <p>There is limited evidence at present that the local community has been sufficiently engaged to establish ownership of the project and understanding of the potential opportunities. However, given the delays associated with the need for redesign of the centre because of the reduced budget, this is probably desirable at this stage. Future attention will have to be paid to this once construction commences.</p>
Efficiency	<p>The original proposal's budget was ZAR 240 million; the project was approved with a budget of ZAR 120 million. This necessitated the redesign of the proposed infrastructure and an associated new EIA. As a result, only one, very limited, drawdown was sought, which is not largely expended. The redesign has been completed, as has the full EIA. Resource utilisation has been accounted for in terms of the PFMA requirements.</p> <p>The project is significantly behind schedule and is at risk of further, weather-induced delays. However, once construction begins in earnest, it is expected to be completed within the requested no-cost extension period.</p> <p>Due to the need for redesign, outputs are behind schedule. However, once construction starts, it is expected to get back on track. A high quality redesign of the infrastructure, full EIA, tender process in line with the PFMA have been completed. SANPARKS' board are expected to approve the recommended award end-March, with the contractor being on site in the course of April for initial site preparation. The coming winter means that little actual construction is expected until Spring 2017 but once construction starts in earnest, it is expected to be completed by late summer/early autumn 2018.</p> <p>SANPARKS/DoT active in PSC. Until fairly recently, there was no NT-IDC engagement;</p>
Effectiveness	<p>Delays associated with the need to redesign the infrastructure have meant that achievement of intermediate outcomes is behind schedule. Achievements to date relate to planning (80% of time in infrastructure projects is linked to planning and preparation); thereafter delivery is exponential, although this is challenged in this case because of weather conditions, arising out of the site's elevation and the associated extreme cold.</p> <p>It is expected that once construction starts, delivery of outputs necessary to achieve intermediate outcomes will be rapid and the achievement of the intermediate outcomes will occur within the extended timeframe. At present, there is no evidence of any unplanned, negative effects; this may change once workers get on site unless social education efforts (in particular, around STIs and other social ills) are part of the contract.</p>
Impact	<p>Subject to the identification of community-based tourism opportunities arising from the increased tourist footfall, it is expected that local communities will benefit from increased economic opportunities, which will have a positive impact on social and gender relations. The EIA will ensure that there is no, or very limited, negative environmental impact.</p>

Sustainability	SANPARKS will be responsible for day - to - day management of the facility. This is the case for all national parks. SANPARKS has managed similar infrastructure development in other national parks; the particular challenge in this regard is weather related and SANPARKS is aware of this.
Link to ODA criteria	Piloting and testing, skills transfer and addressing capacity gaps
Recommendations	Seek extension that will permit completion of project. Identify, prepare and present business plan for community-based tourism. IDC needs to be actively involved in PSC

9.10 Appendix J: Development of final report

The research undertaken in the development of the Mid Term Review was conducted by a Consultant whose findings were captured in two earlier versions of the Mid Term Review. The NT, together with the EC commented on both versions of the report and upon receiving the final version of the report, the NT drafted a letter to the EC declaring their dissatisfaction with respect to the content, quality and layout of the report. A replacement Consultant was then contracted (on the 28th of June) for a limited period of 10 days to finalise the report. It was expressly noted that no field visits would be required. Documentation that was given to the initial Consultant was also made available to the replacement Consultant, together with copies of correspondence between the initial Consultant and his contracted organisation. Additionally, versions of the Inception report, Desk top report, ROM reports, draft and final reports were provided to the replacement Consultant.

In developing the final report, the replacement Consultant has

1. Reviewed comments and inputs from stakeholders relating to the submitted report.
2. Formatted, edited, and re-designed the layout of the report.
3. Completed the missing sections on Methodology, Sustainability and Impact.
4. Made and updated recommendations in all sections of the report.
5. Reviewed and redrafted the project status reports as per Appendices H and I.
6. Incorporated into the report a risk profile with respect to implementation progress and sustainability.
7. Developed a table to show the status of projects with respect to disbursements, alignment with outcomes and ODA principles, progress, impact, sustainability and recommendations on a project-by-project basis.
8. Incorporated the changes as per the matrix of comments that had been sent through to the previous Consultant.
9. Corrected disbursement amounts.
10. Corrected and developed graphs.
11. Developed a comparative analysis on the guidelines.
12. Key issues that arose in the redrafting of the report are as follows:
 - Reference is made in the Inception report to the Theory of Change. It was difficult to follow the logic of the proposed T.O.C and since this was not required per the T.O.R, it has been omitted from the final report.
 - Specific reference in the T.O.R is made to assessing to what extent the use of the Budget Support in South Africa by the recipient (national department) contribute to sector development and performance through innovation, piloting/testing, risk taking, catalytic initiatives, skills transfer and developing capacities. The methodology that has been used by the previous Consultant utilises an approach that links his findings to:
 - Design & Relevance
 - Efficiency
 - Effectiveness
 - Significance
 - Outcomes and Impact
 - SustainabilityLinking the findings of his field visits to ODA criteria is difficult, as the reports made available to the replacement Consultant did not include his analysis. Comment and input has, however, been provided where it is possible to do so as per Appendices H and I, and also Tables 3 and 4.
- Recommendations relating to support for applicants :
 - “An alternative approach, should the NT: IDC continue at the current planned (i.e. including the TA to be recruited) HR levels, would see the GTAC commissioned to monitor individual GBS-funded projects nation-wide.”

- “Particularly in respect of innovative projects that require investment, a pool of money that permits collaborating with other public and private sector organisations appears necessary. The CPSI’s experience of the level of investment required is instructive in this regard: it is surely not right that development of key innovative interventions that have the potential to improve service delivery in key areas is dependent on charitable funding. GBS is supposed to support riskier investments: one can make the process of accessing such a public sector ‘Venture Capital Fund’ dependent on (i) private sector partnership on, at least, an equal burden-sharing basis and (ii) independent product marketability assessments at key points in the product’s development in order to mitigate the risk. “

The logic pertaining to these recommendations could not be followed and were removed from this final report.

Please note that while the replacement Consultant remains confident that the report meets the desired criteria in terms of quality and design, the findings made are not in alignment with what was required in the original Terms of Reference. In addition, interpretation with respect to progress, effectiveness, efficiency, impact and sustainability are based on the subjective conclusions of the previous Consultant and do not necessarily reflect the view of the replacement Consultant.

9.11 Appendix K: Debriefing Presentation to National Treasury

General Budget Support Mid Term Evaluation

Presentation to National Treasury
Presenter: Consultant | 08 August 2017



Contents of Presentation

- Introduction and background
- Objectives of Mid Term review
- Methodology
- Programme Design and Relevance
- Programme Implementation and Efficiency
- Project Implementation and Effectiveness
- Project Impact and Sustainability
- Conclusions
- Recommendations

Introduction and Background

Definition of ODA in SA context:

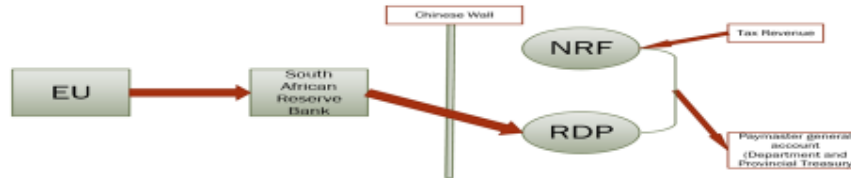
"Official resource flows from the international donor community to South Africa in the form of **grants**, **technical co-operation** and **financial co-operation**, where the South African Government is held at least partially responsible or accountable for the management of such resources".

How is ODA used officially in SA: *to support effective implementation of GoSA policies through*

Innovation	• developing new and more effective approaches
Piloting	• pioneering new approaches for replication purposes
Risk Mitigation	• Creating an enabling environment thereby attracting investment
Skills transfer & capacity building	• ensuring that South African institutional capacity is enhanced for sustained, long term implementation
Catalytic initiatives & Best-Practices	• unlocking or leveraging domestic resources. ODA never a 'gap filler' in replacing/ supplementing SA funding arrangements

Introduction and Background-how does GBS work in S.A?

- Chinese Wall/Competitive Process

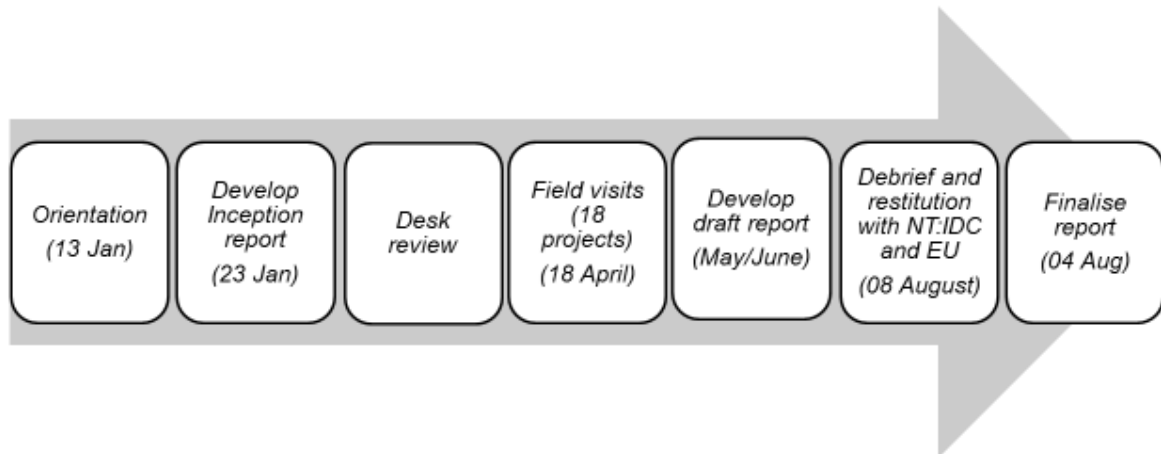


- GBS allocation displays confidence in a partner countries' policies and systems in terms
 - National Development Strategy
 - Public Finance Management
 - National Budget & MTEF
 - Performance Measurement
 - Institutional & Capacity Development
- SA: the allocation of funds through the budget process, and management of funds using SA processes

Objectives of MTR

- **The overall objective** of this assignment is to contribute to the sound and efficient management of EU budget support in SA, and ascertain that use of this assistance adds value, is aligned to, and supports national priorities.
- **Specific Objectives**
 - Assessing to what extent the use of the Budget Support in SA by the recipient (national department) contributes to sector development and performance through
 - Innovation,
 - Piloting/testing,
 - Risk taking,
 - Catalytic initiatives,
 - Skills transfer and developing capacities;
 - Making recommendations for National Treasury (NT) and beneficiary departments to address possible weaknesses or shortcomings in the management of the GBS and increase the efficiency and effectiveness of such aid modality.
 - Provide NT with recommendations on the future calls of the GBS programmes

Methodology



Programme Design and Relevance

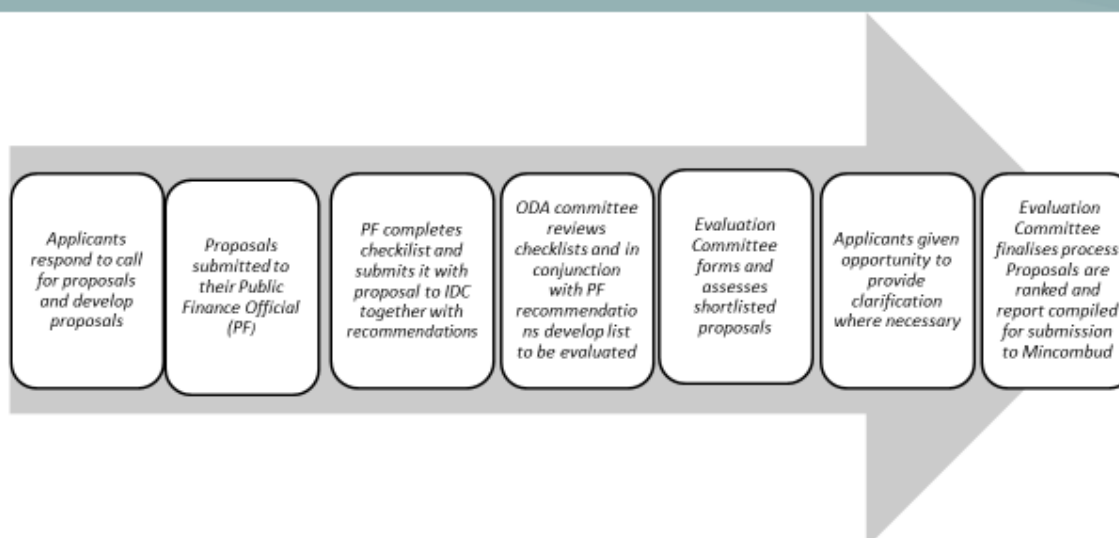
The National Development Plan and Outcomes based approach

- The National Development Plan (NDP) aims to eliminate poverty and reduce inequality by 2030

Three priorities stand out:

- Raising employment through faster economic growth;
- Improving the quality of education, skills development and innovation;
- Building the capability of the state to play a developmental, transformative role.
- The development of the MTSF (2014-2019) is precise and clear in its identification of indicators and targets to be achieved in the 2014-2019 period. The 12 outcomes for 2014 to 2019 are published as annexes to the MTSF.
- **Outcome 4: Decent employment through inclusive economic growth.**
- **Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.**

Programme Design and Relevance-Disbursement of GBS



Programme Design and Relevance-Guidelines and Recommendations

Guidelines 2011	Guidelines 2013	Recommendations for future call
Proposals must contribute directly to Outcome 4 or 5 or 10 or 12	Contribute to Outcome 4 and/or 12	Keep emphasis on Outcomes 4 and 12 but may need to include Outcome 14 since some criteria have shifted from 12 to 14
ODA funds not for "gap filling" nor double dipping"	Same as 2011	Need to have examples of what "gap filling" and "double dipping" relate to (many proposals fail administratively)
Must be aligned to ODA guidelines of 2003	Same as 2011	Reference as to HOW the alignment is achieved (i.e. is it quantifiable and what are the indicators). Will assist with the M&E process.
No business plan template given	Business plan template provided with Results framework	Additional questions relating to sustainability and/or future impact on the fiscus need to be framed in the template
No budget template provided	MS Word format of budget template	Xcel version of budget template must be provided. Also explanation of terms like GFS and Economic Classification
Only open to National Departments	National and Provincial Departments	National and Provincial Departments in partnership with private sector
Min: R10 mill, Max R120 Mill Implementable over 4 years Funds available R378 million Closing Date: 20 August	Min: R10 mill, Max R120 Mill Implementable over 3 years Funds available R600 million Closing Date: 28 June	Min: R10 mil, Max R100 mil Implementable over 3 years Remainder of funds to be made available in 2018 Consideration as to how Cfp can be launched earlier

Programme Design and Relevance-Reporting

- The basis for **Monitoring and Evaluation** is Business plan and its subsequent annual revisions.
- Minimum requirements for the monitoring and evaluation of GBS grant projects are:
 - Monitoring of grant expenditure in terms of amounts, procedural compliance and outputs against the business plan;
 - Monitoring of progress of activities against the quarterly milestones table;
 - Monitoring of outputs and outcomes against indicators described in the results framework.
- **Reporting to the NT**
 - Includes narrative report
 - Project progress etc.
- Financial section echoes the business plan structure
 - expenditure by component
 - detailed BAS report
- Request for disbursement tranches
 - RDP procedures apply, submission of requisition form
 - Report against expenditure
 - Annual update on business plan

Programme Design and Relevance-Recommendations

- The budget template in the guidelines is confusing to some entities as terminology such as General Financial Statistics (GFS) and Economic Classification is used. **It is recommended that the classifications be omitted and that the budget template perhaps be re-designed to be more “user friendly”.**
- Where applicants are applying for funds to develop infrastructure, delays with respect to implementation of their projects are often experienced. **As such, the state of project “readiness” needs to be assessed during the evaluation process.** For example, EIA’s, approved building designs, etc.
- Where possible, evaluation committees should be selected from a diverse range of people/entities so as to ensure that the opinions that form the evaluation outcome are well debated. Where possible, institutional memory should be retained (i.e. a core group of evaluators should perform the task for a number of calls) so as to ensure that there is a constant process of improvement. **Mistakes/lessons learnt in the past need to be taken forward and improved upon.** High staff turnovers make this recommendation difficult to implement.

Programme Design and Relevance-Recommendations

- The current assessment grid focusses largely on alignment to ODA guidelines, outcomes, capacity to implement and the quality of the proposal. **More emphasis needs to be placed on issues around sustainability, value for money (or cost effectiveness), impact on the fiscus beyond the implementation period and operational capacity.**
- In order to further develop alignment with ODA criteria, **it is recommended that public entities partner with private sector.** Private sector is known for its ability to be innovative, have skills that are complimentary of the public sector and to also replicate best practices. Care taken to ensure that the partnerships formed add value to the process and that the national department takes an active role in this partnership.
- The design of the programme is relevant to the country **however an efficient monitoring and evaluation system needs to be developed so** as to track project progress and inform NT: IDC of issues that need to be addressed before delays in implementation are experienced.

Programme Implementation and Efficiency

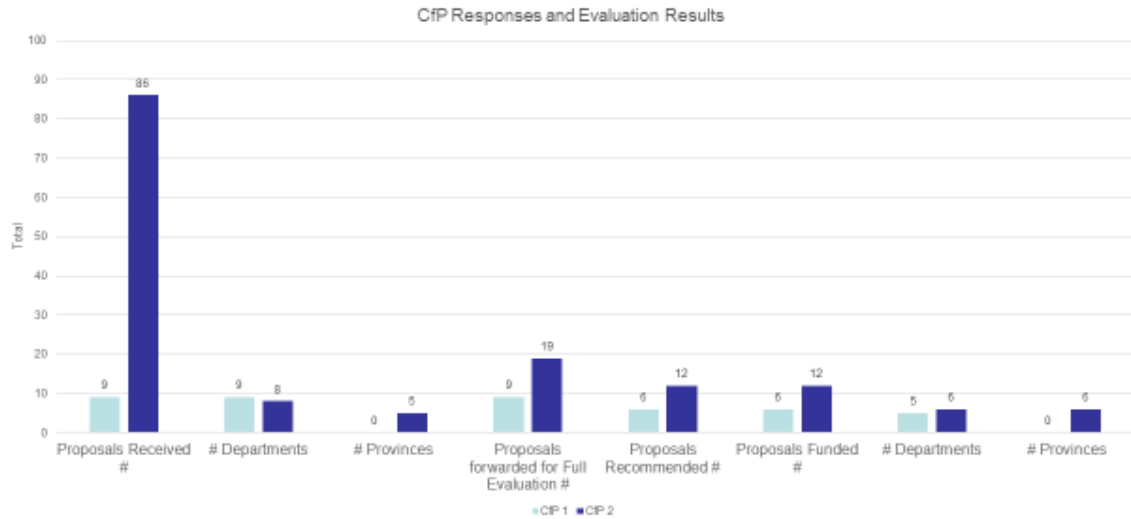
Management

- Managed by the IDC unit in NT
- Managing staff consist of a CD, 2 Directors, a Business Manager and part-time administrator
- Funds allocated through Donor Cross Function Working group which is located in the budget office
- Working group collects and assesses proposals for GBS funding
- Working group makes recommendations on the allocation of GBS funds for consideration to MTEC

Calls for proposals:

- Two calls for proposals have been launched (2011 and 2013)
- Call 1: R617,6 million. Call 2: R786,4 million
- Call 1: 6 projects have been funded
- Call 2: 12 projects have been funded
- For Call 1, R589 million (95%) of the funds have been disbursed and for Call 2, R413 million (53%) of the funds have been disbursed.

Programme Implementation and Efficiency-Proposals Received



Call 1 Projects

Proposal Title	Applicant	Budget (R million)			
		2012/13	2013/14	2014/15	Total
1. Career Guidance Services	National-DHET	30	30	-	60
2. Smart Metering Implementation Programme	National Department of Energy	71,8	71,8	35,9	179,5
3. Unlocking Innovation in the Public Service	Department of Public Service and Administration	1,8	4,2	4,7	10,7
4. PFM assessment in provinces using PEFA methodology	National Treasury	8,5			8,5
5. General Advisory and Support Services	National Treasury	71,8	71,8	71,8	215,4
6. Innovation partnership for rural development	National-DST	35,9	47,8	59,8	143,5
TOTAL		219,8	225,6	172,2	617,6

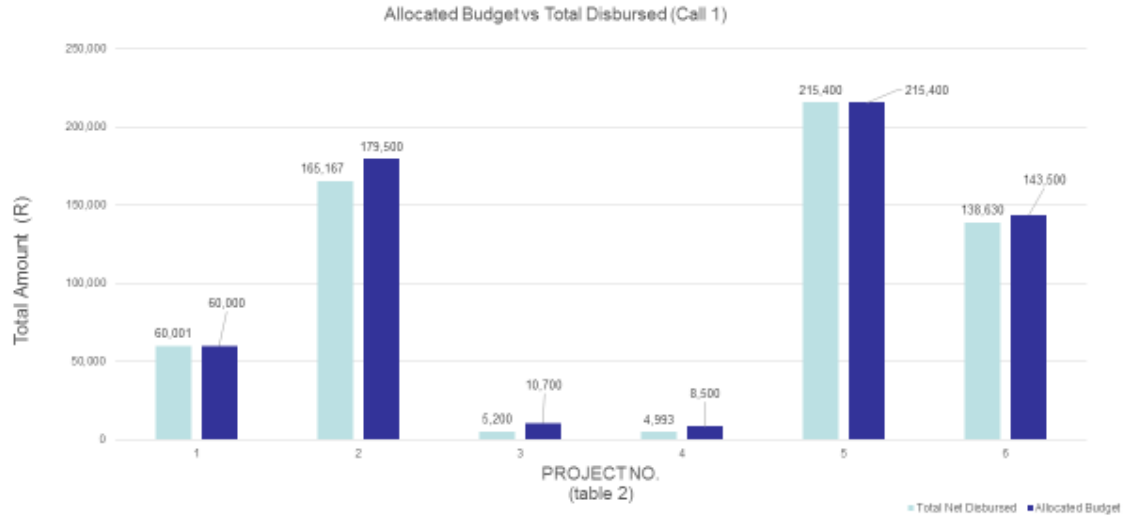
Call 2 Projects

Proposal title	Applicant	Budget (R million)			
		2014/ 15	2015/ 16	2016/ 17	Total
1. Career Development and NQF Advice Project	National DHET	44.4	54.6		99.0
2. Open Learning System for Post School Education and Training	National DHET	14.0	18.8	19.0	51.8
3. ICT innovation programme to support development and government service delivery	National DST	42.7	48.1	29.2	120.0
4. Wolwekloof programme for youth at risk (diversion training and income-generating skills development)	Provincial-WC-Community Safety	15.7	11.4	13.7	40.8
5. The Mass participation; Opportunity and access; Development and growth (MOD) Programme to support youth with after school activities and sport	Provincial-WC-Cultural Affairs and Sport	36.0	40.0	44.0	120.0
6. Microzonation model of Johannesburg for seismic risk prediction	National-DMR	3.7	14.8	11.5	30.0
7. Asset management of library materials with Radio Frequency Identification (RFID) Technology	Provincial-FS-Sports, Art, Culture and Recreation	12.0	12.0	0.0	24.0
8. Ecological Resources Management Systems for Schools: System of managing school toilet waste to generate fertilizer and cooking gas for school gardens and feeding schemes.	Provincial-EC-ECDC	2.2	17.5	10.3	30.0
9. Sustainable Rural Villages Project – Chris Hani District Municipality Expansion Programme	Provincial-EC-Economic Development, Environmental Affairs and Tourism	4.6	4.5	2.7	10.4
10. Prevention of Gender-based violence information campaign	National-WCPD	6.8	6.8	6.8	20.4
11. Kwa-Zulu Natal Science Parks	Provincial-KZN-Treasury	41.6	39.1	39.2	120.0
12. Golden Gate Highlands National Park Interpretation Centre	National Tourism	76.3	31.1	12.6	120.0
TOTAL					786.4

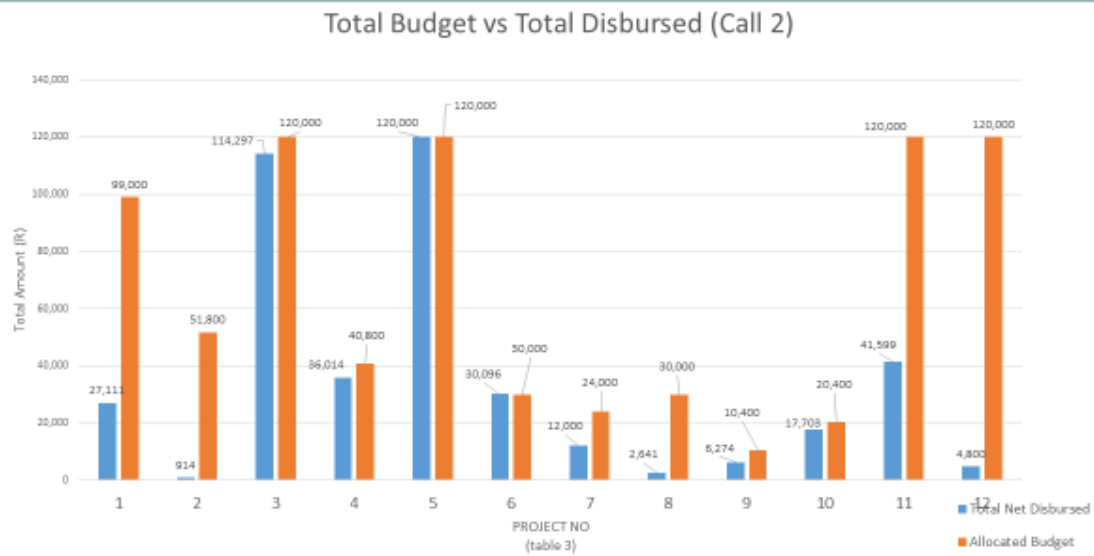
Programme Implementation and Efficiency- Recommendations

- The MTE believes that it is important to widen and deepen the focal scope for partnerships that may benefit from GBS support. This will require improved communication between NT: IDC and all project partners, not just the national departments or provincial treasuries since these individuals communicate the possibility of GBS support to other officials, who prepare the Business Plans.
- NT: IDC must be appropriately resourced and that GBS financial support for travel and subsistence costs for such participation should be allocated for this increased interaction
- Proposal evaluation is undertaken at a technical level and decided at senior management level. The absence of IGR/Public Finance representation in the technical evaluations (Call 1) has possibly contributed to compensatory decisions to award GBS to projects that fall outside the scope of the funding guidelines.

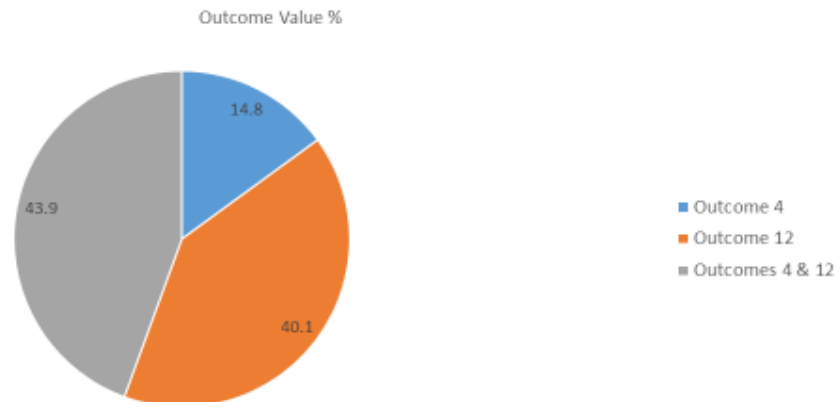
Project Implementation and Effectiveness-Budget vs Disbursed Call 1



Project Implementation and Effectiveness-Budget vs Disbursed Call 2



Project Implementation and Effectiveness-alignment to outcomes



Project Implementation and Effectiveness-Discussion

- **Formal requests for extensions had been received or were expected from 40% (seven projects) of the total portfolio of projects.** The individual reasons for the delays experienced varied, but were mainly attributable to delays with commencement of implementation. The main reasons for the delays were:
 - The evaluation process (e.g. Golden Gate's budget proposal was twice the ZAR 120 million ceiling) but the project was approved),
 - Challenges surrounding the procurement process (e.g. Asset Management through RFID, Musuduzi Municipality),
 - Departmental failure to make the requisite human resources available to push the project forward (e.g. Open Learning, ECDC)
 - Project "readiness" (approval of designs, EIA's, approval of board for programme implementation) not being at an advanced stage.
- Beneficiary adherence to the **reporting requirements set out in the guidelines is best described as sub optimal** Some GBS recipients (e.g. KZN, DHET, and CPSI) have reported scrupulously. For most of the others, reporting has coincided with the request for the next draw down of funds.

Project Implementation and Effectiveness-Discussion and Recommendations

- **The absence of adequate, timely reporting has meant that further disbursements are delayed**, as additional funds cannot be released until accounting for existing resource utilisation is received.
- This reality represents a serious challenge to timely implementation of the projects, reflecting the stop – start experience of many
- The budgetary process is inevitably a negotiated one, approval of projects with budgets wildly in excess of the published ceiling or because of the proposer's difficulties and challenges in other areas of the budgetary process does little to achieve the value addition GBS is expected to bring. **The NT-IDC, alongside other stakeholders in NT, needs to agree on the parameters of the evaluation and approval process in advance and then stick to these.**
- The availability of the human resources required to manage projects . **Business Plans and Budgets should reflect how the proposer plans to address the necessary human resource requirements** to drive the project forward in an appropriate manner.

Project Implementation and Effectiveness-Discussion and Recommendations

- **The central importance of networking with all relevant stakeholders in order to secure buy-in and ownership needs to be encouraged.** This speaks to the need to breakdown the "silo" culture that informs the public sector generally.
- The need to surrender unspent allocations in alignment with Standard Government Practices and the budgeting process poses challenges. . **It is recommended that subsequent tranche requests should be submitted at the same time as the surrendered values are returned and a commitment given by NT that new tranches will be disbursed within 30 days of receipt of the request**
- **Human resource challenges in the NT-IDC (which deepened significantly before the conclusion of the MTE assignment) are problematic.** At current staffing levels, NT-IDC personnel are unable to engage with applicants outside of Pretoria, and only infrequently with those in Pretoria
- There is a need for dedicated personnel to provide assistance with respect to Implementation Support together with M&E within the IDC. Many projects require assistance with respect to the processes of reporting, procurement, budgeting, requesting disbursements, budget re-alignment etc. **These additional personnel in NT: IDC could be funded through the existing programme budget. It is standard practice to levy administrative charges (max. 5%) of donor funds**

Individual Project Analysis – Impact and Sustainability

Project (Call 1)	Summary Status	Impact	Sustainability	Risk profile
Career Guidance Services	Largely completed	Service take up has been significant.. Clear evidence of positive social impact, as well as potential for positive gender and economic impact as service provides advice and support in respect of appropriate career choices by users.	Department has indicated it plans to include provision of service within core budget: Needs sustained political commitment and support but the provision of career guidance services is a core departmental function. Service is provided free of charge to target group; costs are limited to engagement (cell phone/data costs)...	
Smart Metering Implementation Programme	Late start due to challenges surrounding establishment of PMU. Extension sought to enable draw down of unused balance.	Evidence of improved revenue collection by municipalities. Also able to identify and cut off electricity theft hotspots. There is draft a national policy on metering	Improved revenue streams will finance replicability in all municipalities. The piloting of the initiative is informing the development of a national policy	
Unlocking Innovation in Public Service	Delayed (recruitment freeze) – Extension sought to 2019. Will be seeking additional support under next CFP	Noticeable increased capacity to address the organisational mission. More functions can be performed in-house resulting in cost savings. OVIs largely achieved. Continuation dependent on mainstreaming overhead (salary) costs into CPSI's budget.	Sustainability is dependent upon the core (salary) costs of the additional staff being absorbed into the core CPSI budget. This requires (a) convincing DPSA to include these and (b) convincing NT to add to personnel complement. CPSI senior officials recognised the added value that the additional personnel have brought.	

Project (Call 1)	Summary Status	Impact	Sustainability	Risk profile
PFM Assessment in provinces using PEFA methodology	Intermediate outcomes mostly achieved	PEFAs are seen by NT as an important contribution to improved PFM. The projects have ensured a core of skilled national PEFA assessors both within NT and wider in society.	Sustainability dependent on the outcome of the National conference. Resolutions from the National Conference will inform participants of the appropriate way forward. It is envisaged that funding for the resolutions adopted will be discussed in detail.	
General Advisory and Support Services	Incomplete components - Extension sought	Improved PFM performance at national and provincial levels is expected to contribute to improved government service delivery.	Improved PFM is expected to contribute to savings/better utilisation of resources that can be used to support ongoing improvements. Buy-in in the medium- to long-term is in the process of being negotiated. Depending on the result of these negotiations, medium-term sustainability will be determined	
Innovation Partnership for Rural Development	R3 million drawn down in April 2017, so basically complete	To date, no unplanned positive or negative effects have been identified. Project is expected to lead to positive environmental, gender and social effects.	Core challenge for sustainability is capacity within rural LMs to manage available, and limited, resources in a manner that permits copying innovative interventions piloted by the project.	

Project (Call 2)	Summary Status	Impact	Sustainability	Risk profile
Career development and NQF Advice	Quarterly reporting; no delays in drawdowns; committed project management Largely completed	Positive social and gender impact can be expected as improved access to advice to young men and women is expected to improve their ability to skill themselves appropriately and, because they are skilled in ways that respond to the job market, increase employment prospects.	DHET has indicated it intends to mainstream the service within its core budget. This obviously depends on the country's general economic growth prospects. However, since the expectation is that a better and more relevantly skilled workforce will increase employment, particularly amongst the youth, this is expected to assist in growing the economy.	
Open Learning System for Post-school Education and Training	Project just started	Successful achievement of the intermediate outcomes will contribute to positive social, gender and economic impact on the beneficiary, user population. Potentially negative cultural effects include increasing utility of cultural norms. The delayed start has impacted negatively on ownership and wider external stakeholder engagement.	DHET plans to incorporate costs into core budget. This is obviously subject to general economic considerations but it is expected that an Open Learning System will support appropriate skilling of the workforce and aspirant workforce, which will have a positive effect on the job market and, hence, the economy as a whole.	

Project (Call 2)	Summary Status	Impact	Sustainability	Risk prf.
ICT Innovation Programme to Support Development and Government Service Delivery	Are clear examples of improved service delivery with the achievement of 70% - 80% of intermediate outcomes.	Examples of successful public-private partnership in bringing ICT technologies to market.	Project aimed to address service delivery shortcomings through innovative interventions at rural LM level. As such, there is limited policy focus, albeit the projects suggest the need to husband available resources at LM level in order to duplicate examples.	
Wolwekloof Programme for Youth At Risk (diversion training and income-generating skills development)	Extension and variation sought and approved because of fire damage to building	In general, the project is expected to (a) improve community safety; (b) encourage a positive life outlook for at risk youth; (c) increase 'employability' of at risk youth; (d) improve social relations within communities through experience of improved safety.	Provincial Treasury has committed limited funding for next two fiscal years. Department is looking to other provincial departments (Social Development, Education) for additional support. Services are free; successful applicants are required to pay a non-refundable R400 deposit before entry onto three-month residential course at Chrysalis Academy. Department is principal funder of Chrysalis Academy and has been since its establishment as an independent trust a decade ago.	
The mass participation, Opportunity and access, Development and growth (MOD) programme to support youth with after school activities and sport	No close out report has been received to date	Participant's achievement of national sporting colours. Increased parental involvement through participating as viewers of sporting club events. Re-engagement of past successful sportspeople as coaches through project.	Province has committed own resources for next two FYs. Stakeholder engagement has resulted in school infrastructure development and improvement. Private sector has demonstrated interest in supporting activities Demonstrable stakeholder ownership is evident	

Project (Call 2)	Summary Status	Impact	Sustainability	Risk profile
Micronization Model of Johannesburg for seismic risk protection	Intermediate outcomes largely achieved; Combination of data and GIS system for use by municipalities underway	Tool to improve DRM planning exists. Improved DRM planning in respect of earthquakes. No direct impact seen yet	There are no 'policy' implications; however, the tool will permit greater understanding of seismic risks, as well as allowing for better planning and response in the event. It will allow for better and more response planning and risk management, as well as a better informed response development.	
Asset Management of Library Materials with Radio Frequency Identification	No reports received. Both disbursements requested have been returned	Given the situation, there are no impacts. Should the project be completed, there is the potential for positive impact. Attempts to address delays are only now being put in place.	If completed, the project is expected to provide a model for asset management within the Department and province-wide. Once in use, the financial implications are limited, while savings are projected. The project will deliver a working system, the cost of maintenance of which will be less than the current model of inventory management, and, certainly, less labour-intensive	
Ecological Resource Management System for Schools : System of managing school toilet water to generate fertilizer and cooking gas for school gardens and feeding schemes	Two and a half year delay because of 'administrative challenges' in provincial department); first tranche draw down May 2016; fist PSC soon after; expect request for an extension	If successfully implemented, the project is likely to be (i) extended to a wider group in the community; (ii) support the school meals programme pursued through the Agriculture Department (iii) support a sustainable environment	Once completed, additional resource requirements appear unlikely; maintenance of the bio-digesters and the biogas distribution system has been demonstrated to be within the capacities of community members. Furthermore, the savings accruing to the school (through utilisation of biogas rather than bottled gas), will be available for any repairs to the digester or system requiring intervention from the established SMMEs.	
Project (Call 2)	Summary Status	Impact	Sustainability	Risk prf.
Prevention of Gender-based Violence Information Campaign	First tranche drawn down; no reporting. Changing project focus. No received revisions to business plan	At the time of the MTE, impact was potential at best and limited to one province (Limpopo). Having said this, the Department plans to extend the current approach to two further provinces. This is reflective of the revised approach but potentially undermines the achievement of any impact.	This is questionable unless the Department continues down the current strategic path, which they have indicated their intention to do.	
Kwa Zulu-Natal Science Parks	Extension sought. Requisition for last part of funds being submitted to complete programme	It is projected that the completed sites will add significantly to expanding employment opportunities and establishing linkages between tertiary education institutions and incoming industry to the benefit of the local and provincial economies.	Sustainability is dependent on completion of agreements with banker tenants, attracting sufficient interest in relocating businesses and new start-ups and in finalising a sustainable business model, particularly with the two DM partners.	
Golden Gate Highlands National Park Interpretation Centre (DoT/SANPARKS)	Delayed for full EIA; will be seeking extension once infrastructure design finalised. Programme was redesigned over issues relating to implementation and "ownership"	Subject to the identification of community-based tourism opportunities arising from the increased tourist footfall, it is expected that local communities will benefit from increased economic opportunities, which will have a positive impact on social and gender relations. The EIA will ensure that there are no, or very limited, negative environmental impact.	Given the delays, the limited engagement with local stakeholders appears appropriate. This will have to be significantly increased once construction starts but the employment creation through the construction phase should ensure this engagement is positively viewed by local communities.	

Conclusion

Design and Relevance

The Mid-Term Evaluation's (MTE) view is that the GBS programme's design is relevant to South Africa's National Development Plan (NDP) and Outcomes Approach, the joint South Africa-EU Country Strategy as well as the EU's broader policy approach.

- The GBS component of the NDPSP has a particular focus of support on government Outcome 4 (Decent employment through inclusive growth) and Outcome 12 (An efficient, effective, and development-oriented public service and an empowered, fair and inclusive citizenship).
- The funds are used to support new and more effective ways of implementing government policies as set out in the ODA guidelines of 2003.

Efficiency

The MTE view is that the process is efficient, however delays with respect to project implementation need to be minimised.

- National Treasury has been successful in securing the full disbursement of both the fixed and variable tranches resulting in the RDP account being credited with € 200 million.
- At the time of the MTE, approximately 50% of available GBS had been committed.
- A total of 18 projects representing a value of R618 million for Call 1 (launched in 2011) and R786 million for Call 2 (launched in 2013) have been awarded.
- For Call 1, R589 million (95%) of the funds have been disbursed and for Call 2, R413 million (53%) of the funds have been disbursed.

Conclusion

Effectiveness

The MTE's view is that the GBS programme has been effective.

- The criteria for GBS funding were and remain relevant.
- Despite the delays experienced, projects are achieving their intermediate outcomes and some are on the verge of achieving their final outcomes.
- Collectively, this is expected to promote the achievement of Outcomes 4 and 12
- Alignment with respect to ODA guidelines remains effective and good examples of innovation, piloting, skills transfer and development of public private partnerships are clearly evident.
- Overall, the programme is clearly contributing to the enhancement of efficiencies and systems improvement in government.

Impact and Sustainability

The period of implementation of the GBS programme has been relatively short thereby making it difficult to make an accurate assessment with respect to impact and sustainability.

- The progress achieved towards the individual projects' intermediate outcomes and the extent of stakeholder engagement in support of any necessary policy adjustments, suggests that the projects' outcomes are achievable, albeit over a longer than planned time period.
- Sustainability, as a minimum, will require mainstreaming the gains achieved to date and budgeting for the associated financial costs