

# Coordinate Development Planning

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## Experiences from South Africa and Observations for Nepal



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This Knowledge Product was produced with the generous financial support of UKaid and produced by the Forum of Federations through the Support for Managing Fiscal Federalism in Nepal (SMFFN) Programme in collaboration with The Asia Foundation. The views expressed here are those of the authors and do not reflect the views of the UK Government.

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The Support for Managing Fiscal Federalism in Nepal (SMFFN) programme supports Nepal's spheres of governments in implementing their federal fiscal governance system by providing knowledge of comparative practices and guidance to key stakeholders in intergovernmental relations and coordination. The programme is implemented by The Asia Foundation in partnership with the Forum of Federations with funding from UKaid.

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Government of Nepal  
**Ministry of Federal Affairs & General Administration**

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FOREWORD

The Constitution of Nepal has classified the government functional powers into "Exclusive" and "Concurrent" jurisdictions and allotted these powers accordingly for the federal, provincial and local level. With this allocation of power in mind, the Constitution also provisions for intergovernmental relationships between tiers of government based on the principle of "cooperation, coexistence and coordination".

Based on the principles of cooperative federalism, the federal government has the substantial responsibility to coordinate and manage intergovernmental relations. The federal parliament, so far, has formulated *Intergovernmental Fiscal Arrangement Act*, *Local Government Operation Act* and *Intergovernmental Relations Act* to facilitate the implementation of these relationships. As outlined in the existing laws, the Inter-Provincial Council, Intergovernmental Fiscal Council, Provincial Coordination Council, National Coordination Council, National Planning Commission and different sectoral committees function as the crucial instruments for intergovernmental cooperation and development planning coordination between spheres of the government.

Typical functions and processes of intergovernmental relations range from sharing views, dialogues, joint policy planning and implementation of various activities including coordination and consultation on technical aspects of development initiatives, and implementation of sectoral program. Informal meetings and other consultations can help to deepen the intergovernmental relation. These processes are getting shape in Nepal and it is by learning from each other that the intergovernmental relation landscape will continue to grow and advance.

In this context, it is my great pleasure to offer my compliments to the *Forum of Federations* for producing a very informative Knowledge Product entitled "Coordinate Development Planning: Experiences from South Africa and Observation for Nepal." This Knowledge Product focuses on the cooperative governance system in South Africa, highlighting processes around fostering coherence and integration in development planning. It also highlights the structural background "process" of coordinated development planning and how intergovernmental relations (especially those between province and local government) have an important role to play in planning and implementing development work. Finally, it highlights the important role that intergovernmental relations in Nepal can play in aligning planning instruments and targeted interventions in coordinated development planning for the benefit of Nepal as a whole.

I would like to congratulate the *Forum of Federations* for taking this initiative forward and developing this Knowledge Product for providing invaluable insights as to comparative overview of South Africa and how intergovernmental relations has an important role to play in planning and implementing development work in newly federalized countries like Nepal. I believe that this Knowledge Product will be a valuable resource for those who are keen to learn about the intergovernmental relations between spheres of governments for coordinated development planning and better public service delivery.

Bishnu Datta Gautam  
Joint Secretary  
Planning and Development Cooperation Coordination Division  
Ministry of Federal Affairs and General Administration  
Government of Nepal



# INTRODUCTION AND ACKNOWLEDGMENTS

All Federal systems have considerable degrees of interdependence between governments; this is a key feature of federal systems. Federations can deal with this interdependence in a number of ways, through formal mechanisms or ad hoc and informal arrangements. All Federations have some degree of cooperation and conflict when it comes to these interrelationships; these tensions are normal dynamics in the interactions of governments in such systems<sup>1</sup>.

However, it is the manner in which these interactions take place, between politicians and civil servants that is important in determining the nature of relations and in turn the manners in which services are delivered to citizens.

Effective, inclusive and transparent development planning requires a number of key elements in order to meet the development needs of citizens, to deliver quality public services across various sectors.

Coordinated approaches to service delivery and more specifically in development planning are a central and consistent approach to effective development planning within a multilevel system. Coordination is a major pillar in the provision of services in any context, and is certainly true in the context of development planning within a federated system of government as exists in Nepal.

International comparative analysis, and specifically experiences in South Africa, suggests that a coordinated approach to development planning is one of the most effective means to implement development plans.

Plans made in isolation of other government jurisdictions and departments are less likely to be accepted or implemented.

Fundamental to this coordinated approach to development planning are institutions; these provide the platforms for different stakeholders to come together and deliberate and determine development plans and outcomes. Consensus and cooperation are instrumental in successful implementation.

This has been one of the central messages that the Forum of Federations, alongside the leadership from the national government, newly established provinces and local governments, has worked to instil through its work in support of Nepal's federal transition, building political and administrative capacity to support the federalisation process.

This has been the focus of the Support to Managing Fiscal Federalism in Nepal (SMFFN) which we have implemented in partnership with The Asia Foundation and the generous support and guidance of UKaid.

The SMFFN programme's pillars were forged around three principle challenges of the federal transition, and were also determined by Nepal's Constitution, rooted in the reality of Nepal's political economic landscape, and informed by global experiences.

Thus the SMFFN programme orientation has been aimed towards federal fiscal practices, focused specifically on knowledge sharing and capability building to:

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1 G. Anderson, *Federalism An Introduction*, Forum of Federations, Oxford University Press, 2008



- Enhance the knowledge and the capacity of beneficiaries in their roles and responsibilities across all three spheres of government;
- Strengthen understanding of intergovernmental practices (IGR) and coordination in development planning and budgeting, targeted at provinces;
- Strengthen the institutional capacity of NNRFC to design an intergovernmental fiscal transfer (IGFT) system and procedures.

This knowledge product is presented with observations for Nepal that are made with great humility as we do not pretend to understand the complexity of all the challenges of Nepal. It is meant to enrich discussion and debate. It is important to emphasize that the histories and contexts of countries are vastly different. However, with this in mind there are observations and experiences that will be useful for Nepal too.

Learning from one another, as we did during the SMFFN programme, this knowledge product has been tested over the duration of the programme, with its varied stakeholders, along with inputs from many Nepali experts. It is our sincere hope that these resources are useful and impactful.

In this context, and for this knowledge product, titled “Coordinate Development Planning: Experiences from South Africa and Observation for Nepal”, we must thank with much gratitude all those that have given their insights and time to the development of this knowledge product over the course of the SMFFN programme.

In particular we must thank Reuben Baatjies, who has written this impressive contribution which provides invaluable insights. His observations are drawn from his vast experience working across three spheres of government in South Africa; and while those experiences are not directly replicable in Nepal, they do offer a wonderful road map and powerful observations given the substantial architecture in coordinate development planning that South Africa provides.. We also thank the Forum team who have inputted in the programme and this publication, Sagar Manandhar, George Stairs as well as our friend and Nepal expert Purusottam Nepal.

We express our sincere gratitude to all of our government partners whom supported us and our efforts without hesitation from government departments such as MOFAGA. This programme’s successes and outputs owe much to the representatives of the Governments of Nepal – the Federal government, Provincial governments, and Local governments, to them, our profound thanks.

During the implementation phase we worked extensively with a number of Nepal based organisations, incredible and dedicated professionals who have enriched this knowledge product enormously, there are many and so we name these organisations but all involved have our heartfelt thanks.

Gandaki Province Training Academy, Nepal Administrative Staff College, Rural Development Training Center (Province 2), Rural Development Foundation (RDF), and the National Forum of Parliamentarians for Population and Development (NFPPD).

I would like to express my sincere gratitude to Dr. Surya Dhungel for his advisory role and also to Purusottam Nepal for his role as a national expert for the successful implementation of the programme.

Importantly, we would like to sincerely thank UKAID for the generous financial support to the SMFFN programme and also many thanks to the TAF team for the cooperative partnership throughout the programme.

It is our hope that this study drawn from the wealth of global experiences will inspire practitioners and other researchers working in the area of fiscal federalism and the role of fiscal commissions in federal systems. This knowledge product is not merely a snapshot of the present moment in Nepal, but is a tool developed to lead in the implementation of the constitutional spirit of federalism in Nepal.

Federal Transition is a long process and as with any federation the process has no completion point, but each federation continues to evolve and mature, for "federalism is more easily understood if it is seen as a process, an evolving pattern of changing relationships rather than a static design regulated by firm and unalterable rules."<sup>2</sup>



**Phillip Gonzalez**  
Senior Director, Asia and Australia  
Forum of Federations

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2 P. 173, Friedrich, C. J. 1968. *Trends of Federalism in Theory and Practice*. New York: Frederick A. Praeger.

# ABOUT THE RESEARCH AND IMPLEMENTATION TEAM

## REUBEN BAATJIES

Reuben Baatjies was previously the General Manager of Strategy and International Relations at South African Local Government Association (SALGA) from 2014 to 2016, and between 2009 and 2014 was the Director for Intergovernmental Relations at SALGA. Prior to that he was a Deputy Director in the Premier's Office of the Western Cape Provincial Government, where he was responsible for Constitutional Roles and Responsibilities. He was also formerly a researcher at the Dullah Omar Institute at the University of the Western Cape and Managing Editor of the Local Government Bulletin (2005).

## PHILLIP GONZALEZ

Phillip Gonzalez is the Senior Director, Asia/Australia Program, Forum of Federations. He has over 10 years' experience and has contributed as a governance expert in support of constitutional and democratic reform in Nepal, Pakistan and the Philippines. Phillip has worked extensively across Asia with political leaders and various stakeholders on issues of multilevel governance, providing technical training in devolved and federal governance; supporting efforts towards democratic devolution. Additionally, he has also worked on governance projects in Brazil, Canada, Ethiopia, India, Sri Lanka, Russia and Ukraine where he has provided technical advice and implemented projects with partners to provide options for complex policy issues and governance questions. Phillip has a Master's degree in International Relations from Monash University, Melbourne, Australia. He received his Bachelor's degree from La Trobe University, Melbourne, Australia. He has previously worked at the Canadian Foundation for the Americas as well as the Australian High Commission in Ottawa. He is fluent in English and Spanish.

## SAGAR MANANDHAR

Sagar Manandhar is the Senior Program Manager, Forum of Federations. He has managed the Nepal program for over 10 years, working across the Asia region in support of the program. Sagar has a degree from Tribhuvan University, Nepal and prior to joining the Forum he worked at a financial institution.

## PURUSOTTAM NEPAL

Purusottam Nepal has a wealth of experience working for and as a consultant to governments across all spheres in Nepal. He served both federal and local governments as policy maker, programme designer, implementer and monitor of different aspects of federalism, decentralization, local governance, organization and development, human resource management, management audit, public financial management, local finance, planning & monitoring, community mobilization, inclusive development, industry and economic development. He was the former National Programme Director and National Programme manager of the Local Governance and Community Development Programme (LGCDP).

## KEYWORDS

Alignment,  
Coordination and Integration,  
Cooperative Governance,  
Development Planning Process and Instruments,  
IGR Coordination Structures,  
IGR Structures and Processes,  
Institutional Relations and Interactions,  
Integrated Development Plan (IDP),  
Integrated Planning Approach,  
Inter-institutional Coordination,  
Medium Term Strategic Framework (MTSF),  
Policy and Legislative Challenges,  
Provincial and Local Government,  
Quasi Federal System,  
Relative Autonomy,  
Sectoral Approach,  
Sectoral Plans,  
Programs and Budgets,  
Spatial Planning

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## **Coordinate Development Planning: Experiences from South Africa and Observations for Nepal**

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## WHY COORDINATE DEVELOPMENT PLANNING?

In this paper, we focus on what constitutes the substance of the cooperative governance system in South Africa, namely forging coherence and integration in **development planning**.

- Whereas **IGR** is the how – how spheres of government work together and serve the same citizenry;
- **Development planning**, budgeting and implementation is the ‘what’ – i.e. the subject matter of discussion in the IGR arena.

South Africa’s integrated planning approach was launched after 1994 to identify and prioritise strategic development interventions with both short and long term impact. This process has provided a space for engagement between national, provincial and local politicians and officials on long term development strategies and implementation plans, as well as more immediate ones over a five-year period. While it is yet to be perfected or maximised, significant progress has been made in extending key services (electricity, water, sanitation, roads, etc.) required for social and economic development to over 80% of the population (from serving a small minority during the apartheid era).

However, in the early years of South Africa’s transition to a (quasi) federal system during the late 1990’s and early 2000’s, there were numerous examples of infrastructure being developed by one sphere of government without consulting and engaging with other spheres that had some area of responsibility within that function. For example, schools and hospitals built by provincial government, with no local government involvement, resulted in empty buildings that had no services such as (water, electricity, sewerage, connecting roads, etc.). More embarrassingly, and though rare nowadays, there are recent examples of this lack of coordination such as a province building a 24-hour medical clinic which was rejected by local communities because it is not what they had asked for and does not respond to their needs. Another recent example of poor coordination is the building of a \$5 million state-of-the-art school built on wetlands, which remains unoccupied three years later.

The result of putting egos and politics (i.e. ‘exercising our autonomy’) before coherent and coordinated development is an enormous waste of resources (time/ money) and an embarrassment for government as a whole, as citizens consider both spheres of government ‘incompetent’ for blaming each other instead of having communicated and cooperated to produce what communities needed. The net effect is the erosion of confidence in all levels of government, regardless of which sphere or institution is actually to blame for failures. Communities only care about their needs being met and the quality of their lives and livelihoods being improved.

This is why the South African system of governance is stated by the Constitution as ‘cooperative governance’, in which the three spheres of government are distinct (have their own powers, functions and relative autonomy), but far greater emphasis is placed on the fact that they are interrelated and interdependent, meaning that they need one another to provide coherent governance to the country and its constituent parts. The Constitution compels the spheres of government to work together, assist and support one another and coordinate their efforts to develop the spaces and places of the country. In fact, it forbids spheres of government from taking one another to court unless all means and attempts at coordination and cooperation have been exhausted. Even the manner in which revenue is divided and shared between the spheres of government is consultative and cooperative in nature.

This is so because ultimately all spheres of government, their entities and institutions operate in the same physical spaces and serve the same citizenry, whatever the legal powers or mandate of each may be. It is the same citizen experiencing the consequences of development cooperation (or the lack thereof) between the different actors of government. If improving the quality of life and livelihoods is truly the objective of these levels of government, then practical and effective IGR is the tool to ensure collaboration, communication and coordination on key priorities (development planning) so that citizens experience one government working for them.

## 1. DEVELOPMENT PLANNING - THE WHAT

The democratic government, elected in 1994, faced the task of transforming a society built on centuries of racial segregation and apartheid, resulting in wide disparities in levels of income and development. The developmental goal of the government was then and still is now, to democratize state institutions, redress inequality and extend services to all. Its key objectives (purpose of government) are to:

- Provide and extend basic services to as many (if not yet all) South Africans as possible to restore decency and dignity to many who had been impoverished and discriminated against, as well as to service **its** current and future economic needs; and
- Transform the spatial legacy of apartheid – build integrated human settlements and social cohesion through greater integration of spaces into liveable places that inspires a productive and inclusive economy.

Of course, coordinating and attempting to integrate development planning is a challenge at the best of times in one institution, much less across multiple levels of government and their numerous of agencies and institutions to achieve these outcomes. Therefore, the focus of this piece is to unpack the role of the different spheres of government in development planning in South Africa and how they have successfully coordinated their actions for the common good so far (so as to draw lessons for Nepal).

While several key components of government planning do work well in the South African context, there are many that do not yet contribute to the achievement of meaningful integrated development gains. The multiplicity of arrangements across government over the last two decades were, and largely remain, unsuited to the task of long-term planning for the development of the country. This is due to the significant fragmentation in roles and powers across spheres and departments of government, resulting in sub-optimal outcomes relative to the resources spent by the State in preparing and implementing them. Spatial planning is a key example in which coordinated development planning and implementation is as yet still elusive on any meaningful scale. There are lessons to be drawn from these shortcomings as well, which are briefly addressed through suggestions and recommendations for Nepal.

## 2. PLANNING PROCESS AND INSTRUMENTS - AUTONOMY AND HIERARCHY

The South African governance system has a complex planning landscape to achieve these objectives, with laws and regulations related to planning located in different areas within the country's constitutional framework. Several policies and pieces of legislation influence the nature of planning in South Africa, all with the aim of improving coordination of planning and integration of outcomes.



## What is the development planning hierarchy and set of instruments that guide infrastructure and service delivery?

- National Development Plan Vision 2030 – this is the guiding framework for national planning – each chapter in the plan has been translated into development outcomes that are implemented through the
  - Medium Term Strategic Framework (MTSF)
    - The MTSF is both a five-year implementation plan and an integrated monitoring framework. The plan focuses on the priorities and related interventions of government, and the integrated monitoring framework focuses on monitoring outcomes, indicators and targets towards the achievement of the priorities.
    - The MTSF promotes alignment, coordination and ultimately full integration of all development planning instruments into an integrated framework bearing results without duplication, role conflict and development contradictions, better coordination through IGR.
  - Medium Term Expenditure Framework (Financial Expenditure)
    - The Medium Term Expenditure Framework (MTEF) sets out three-year spending plans of the national and provincial governments. It aims to ensure that budgets reflect government's social and economic priorities and give substance to government's reconstruction and development commitments. The MTEF is one of the most important reforms of the budgetary process this government has introduced.
- Provincial Growth and Development Strategies – the provincial plan outlining and guiding the objectives, priorities and activities of the provincial government in the next 5 years, and giving effect to the National Development Plan at the provincial level.
  - This is further divided into sectoral plans, program and budgets, be it education, housing, health, social welfare, etc.
- Local Integrated Development Plans (IDP) – individual municipal plan for 5 years, includes
  - Spatial planning and transformation, infrastructure and economic development, environmental management
  - Service provision (water, electricity reticulation, refuse removal and waste management, etc.)
  - It also tries to convey and all of government perspective for that municipal area, but of course cannot commit other spheres and entities to its own development programmes and initiatives.
    - At one time in the early 2000's it was the government's plan to have these IDPs be the single government plan for an area, but that was demonstrated to be unrealistic in the vast landscape of government departments and entities all having their own plans based upon their own legislative mandates.
    - The result is, of course, significant fragmentation and an attempt, using IGR, to find common priorities and programmes and seek to align these only as far as possible (as will be demonstrated by the example below).

## Overview of the development planning framework in South Africa



### The Planning Process

The Cabinet, as the executive of government, meets each year in a Lekgotla (planning meeting) to develop goals and plans for the year (in line with the National Development Plan) and to assess progress made in the previous year.

- The President outlines these priorities in the opening of Parliament (State of the Nation address)
- Once the Cabinet has set the broad goals and strategies, every department, and every unit within a department, must develop implementation and action plans based on the overall strategic plan of the government.
- The budget drawn up by the Treasury must take these plans into account and no plans can be finally approved unless there is funding available for them. The Treasury develops a medium term expenditure framework (MTEF) for every three-year period so that departments can see approximately how much money they can plan to spend in the medium term.

The President and the Cabinet are responsible for overall monitoring and for ensuring that plans are implemented (performance agreements for Ministers and executives). They use mechanisms like the MINMECs and the Presidential Coordinating Committee (explained below).

- Directors-General (DGs) of all depts and provinces come together to make more concrete plans, and they meet in a structure called the Forum of South African Directors General (FOSAD).
  - Every Director-General must ensure that their dept has clear implementation plans and that these will help to meet the overall goals of government for that year. Concrete plans are presented to the Cabinet and also to Parliament, usually in the Budget Vote for that Ministry.
- Provincial IGR forums (PIFs) are used to ensure reasonable cohesion between local and provincial government plans.
- At the local level, the Integrated Development Plan aims to co-ordinate the work of local and other spheres of government in a coherent plan to improve the quality of life for all the people living in an area. It should take into account the existing conditions, problems and resources available for development. The plan should look at economic and social development for the area as a whole. It must set out a framework for how land should be used, what infrastructure and services are needed and how the environment should be protected.

### **Integrated Development Planning - managing great expectations**

As previously mentioned, IDPs were intended to be a super-plan that provides a framework for development, enabling the creation of plans for infrastructure and local economic development based on the needs of the community, drawing in stakeholders and other spheres of government. Every municipality, after the State of the Nation address, had to review its Integrated Development Plan (IDP) annually and ensure that it is an all of government development perspective for that locality.

In reality, however, and soon thereafter, IDPs as a coordination of all of government plans in one municipal area proved to be unrealistic in the South African constitutional and legal landscape.

- It is ideal, but unrealistic once the system had evolved to the stage of having so much entrenched and disparate planning, budgeting and implementation for projects and programmes. That would require a clear geographic (multi-year) investment plan and spatial logic that guides the whole of government in a geographical area, resulting in better co-ordination of planning and budgeting for that area, as well as very clear roles and responsibilities (who does what, when).

Now, municipalities largely only cover their own plans and contributory planning (on concurrent functions that it performs with provincial government for example, the role that provincial government will play in delivering x or y service or function).

### **The role of IGR in Planning**

- In the planning phase IGR is used to:
  - Negotiate consensus driven prioritisation and trade offs
    - What shall be delivered, by whom
    - How shall it be funded
    - How are we going to monitor and measure performance, etc.?

- In the implementation phase:
  - monitoring and reporting progress, challenges; and
  - recommending adjustments
    - policy and legislative challenges that should be amended, budget constraints, adjustment of funding formulas, etc.

**With regard to planning alignment, a number of questions must be considered** in this regard (perhaps in provincial workshops), including:

- What is ideal and what is practical in terms of integrated planning?
- What is the key planning instrument that should run like a thread throughout the IGR system and be the focal point of engagement between different levels of government, particularly provincial-local?
- How should IGR engagements be structured so that the strategic agenda guides the functional line discussions?

The focus of provincial-local IGR should be on aligning the provincial development plans with municipal plans in concurrent areas where both have powers and functions and are doing something (common interests). This can be done in the following ways:

- The agenda for IGR forums, based on the South African experience, should be split into standing items and ad hoc issues
  - The standing items would include, for example, strategic planning priorities while the ad hoc issues could be any item which is current (government response to disasters, ethnic clashes, etc.)
  - The issues on the ad hoc agenda would be fluid depending on the major events at the time of the meeting
  - But the substance of the meeting should be focused on the standing items since this is the development planning agenda
- Technical forums could be the focal point for initiating strategic and planning alignment, while political forums champion the key issues, negotiation and agreements
  - Technical forums are where policy alignment, planning and implementation should be coordinated and should be the backbone of the IGR system in the province
  - Technical forums develop the draft policies, plans and implementation maps, and then recommend them to the political forum for negotiation and consensus-driven agreement (with any changes the political structures may direct)
  - Thus, technical structures serving as the secretariat for the political structures should meet in advance of the political structures (usually two weeks prior).
  - This approach also ensures politicians' time is used in meetings discussing options and recommendations to resolve challenges, rather than starting from scratch.
- The number of meetings to be held during a financial year should be pre-determined according to these key moments (planning approvals, budget formulation and approvals) in the calendar.

### KEY ISSUES:

- o Given the dense and extensive network of relationships between provincial departments and local government, the key question is how to manage and structure these relationships to achieve optimal synergy (on common priorities) and efficiency?
- o Also, how to manage relationships between national departments, between provincial departments and between key stakeholders and role players in the development space?
- o This must inform shorter term plans, resource allocation and trade-offs

## 3. THE SECTORAL APPROACH: A MEANS TO COORDINATE AND INTEGRATE DEVELOPMENT PLANNING, BUDGETING AND IMPLEMENTATION

Sectoral IGR is the substance of an integrated governance and developmentally orientated system. Within each sector (education, health care, roads and transport, energy, etc.) are the tangible development issues and services that citizens care about, whether it be schools, hospitals, electricity and energy, or roads and transport, to name a few. Focusing IGR between the spheres of government (particularly provincial and local government) on these sectoral priorities will assist in forging collaborative and integrated development outcomes that citizens expect from their government.

For example, in the education sector, each sphere of government has a distinct and clear role to play in providing effective education to communities. In fact, in the early days before IGR was formalised, IGR mechanisms and processes were often non-existent – disparate and embarrassing outcomes were not uncommon. Ongoing communication and structured engagement can ensure that in each sector there is a clear understanding of the roles and responsibilities of each sphere required to produce coherent services, such as schools' infrastructure in the example provided below.

The purpose of this example, which comes from the Gauteng Province in South Africa, is to outline the various roles of provinces in relation to local government as well as other institutional partners in a government system when executing development planning in a specific sector, in this case education. It is largely the same across most sectors i.e. can be applied to any sector.

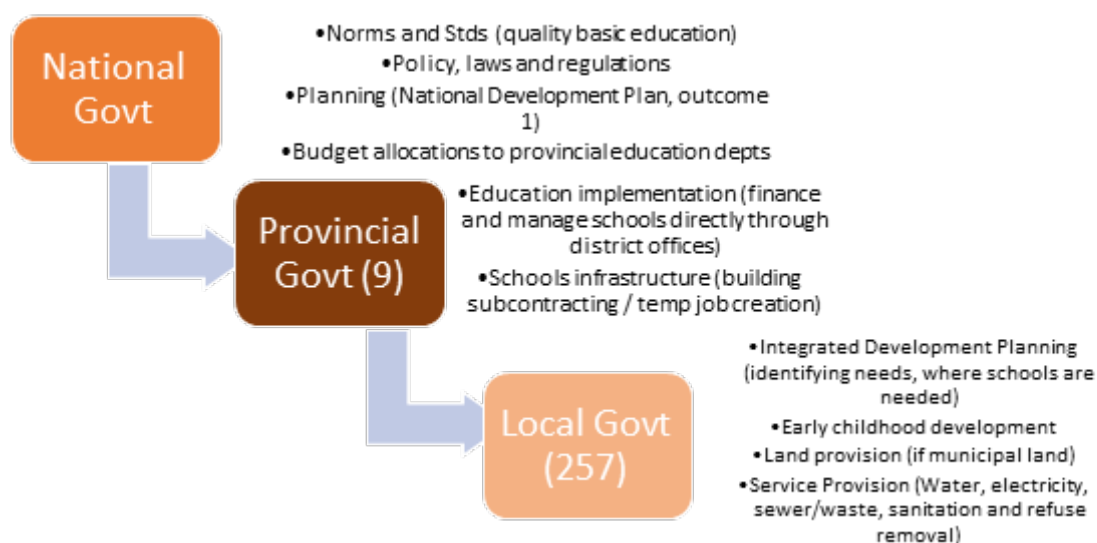
We can briefly detail the institutional relations and interactions with respect to:

- the policy making process and the key actors and decision-makers at both administrative and political decision-making levels, in realising the policy outcome;
- how the public sector policy process was undertaken from planning, consultation, budgeting and coordination, to the implementation of the policy outcome;
- lessons learned from the process, specifically with regards to the institutional co-ordination challenges and highlights between provinces and local government.

To illustrate this interplay of roles and institutional relations, this example focuses on the public education sector and the roles played by the national, but particularly the provincial and local government in the provision of school infrastructure (the building of a school) by the Gauteng Province in the Metropolitan City of Johannesburg.

### Roles and responsibilities in Education Infrastructure Planning and provision in the Gauteng Province

National and provincial governments share concurrent constitutional responsibility for the education system. The role of the national government is centered on providing the planning, norms and standards, while provincial governments are responsible for financing and managing schools, including infrastructure. Local governments, meanwhile, are constitutionally responsible for the reticulation and provision of services which, in this case, is to educational facilities.



### NATIONAL GOVERNMENT

The National Department of Basic Education plays a policy oversight role and provides regular guidance to sub-national governments for policy implementation. The National Department of Basic Education issued regulations and guidelines in 2012 to ensure national minimum norms and standards for public school infrastructure where the availability, adequateness and reliability of the following key provisions must be considered and adhered to.

#### GUIDELINES RELATING TO PLANNING FOR PUBLIC SCHOOL INFRASTRUCTURE (2012)

- Planning and identification of school
- Basic service provision (water, sanitation, electricity)
- School safety and security
- Density- average space per learner
- Lighting and electrical power supply
- Acoustics
- Comfort levels
- Sporting facilities

Nationally, education receives about 50% of the total equitable share based on the size of the school-age population and as per the governing party's election manifesto to improve access to decent quality education for all.

## PROVINCIAL GOVERNMENT

All provincial departments are required to develop a departmental strategic and sectoral plan, and reports to the national government on the implementation of the education system. In 2017, for example, the Gauteng Department of Education (2017) published a Status Report on the Implementation of the Regulations [national] on Minimum Uniform Norms and Standards of Public School Infrastructure.

The provincial process (to build schools) takes on the following planning activities:



In addition to the provincial department of education, the Gauteng Department of Infrastructure Development is responsible for large provincial infrastructure and flagship projects like mega-housing development projects, for example. However, they also have an oversight role over other smaller infrastructure projects executed by sector departments, like schools, for monitoring and reporting purposes and, where required, technical assistance for project management.

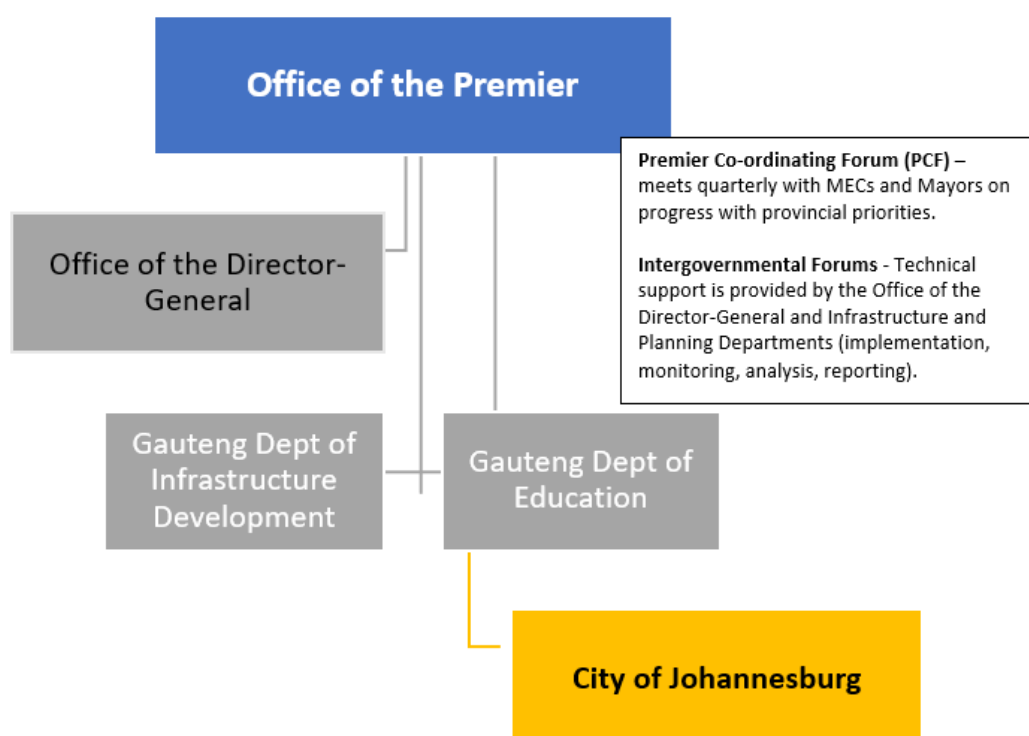
Institutional co-ordination to facilitate this interaction and provide progress updates was created through the Gauteng Infrastructure Co-ordinating Committee (GICC), attended by Heads of Department (HoDs) at the technical level and MECs at the political level.

While building the Noordgesig Primary School facility, opportunities with a value of nearly R40m were given to 59 local sub-contractors and almost 150 labourers for the construction work. This included 30 public works skilled learners who would be accredited with training in work skills for participating in the 18-month project (News24, 2020).

Local government representation (technical and political) is invited depending on the scope of the project and the extent to which municipal services and approval is needed (land acquisition, re-zoning, provision of bulk water and sanitation services). Of course, implementation of any provincial project must happen within a municipal space and must be aligned to the municipal IDP process.



*Figure 2: Simple depiction of the involved parties in the province*



### Local Government - Role of the City of Johannesburg Metropolitan Council

The City of Johannesburg developed its 2017/18 IDP following the local government elections that were held in 2016. The new IDP focussed on a new vision and strategic projects, and consideration was made to incorporate existing provincial sector programmes as much as possible. However, given that the planning timeframes differed between provinces and budgets could not be aligned, the planning of new schools was not incorporated in the municipal IDP. Issues could later arise such as land provision (if municipal land is required) and the provision of services such as water, sanitation and electricity.

In the case of the **Noordgesig Primary School**, however, municipal approvals were in place prior to the local government elections in 2016 and thus construction could proceed. Ideally, even if provincial projects are not budgeted for by municipalities, it should reflect in the municipal IDP as part of its development agenda and footprint.

This consultation between provincial and local government must happen during the planning phases of both the provincial Education Strategic Plan and the local government Integrated Development Plan. Once the plans are approved, they serve as legally binding documents.

## THE END RESULT OF PROVINCIAL AND LOCAL COORDINATION: NOORDGESIG PRIMARY SCHOOL



Source: [thesouthafrican.com](http://thesouthafrican.com), 2020

The newly designed R110 million Noordgesig Primary School in Soweto was officially opened by the political principals of provincial and local governments involved in the building and servicing of the school.

### Inter-institutional coordination flow

Lead and representatives	Co-ordination Mechanism	Key Stakeholders Involved
<b>Office of The Premier and Members of Executive</b> (responsible for sector portfolios)  MEC for Co-operative Governance (COGTA) MEC Community Safety MEC Education MEC Health MEC Infrastructure MEC Treasury MEC Roads & Transport MEC Social Development MEC Sport, Arts & Recreation	<b>Premier's Co-ordinating Forum</b> - chaired by Premier,  Eg. Development of the Gauteng Employment, Growth and Development Strategy (GEGDS)  Forum meets quarterly, where all MECs update Premier on progress with implementation of the GEGDS and sector strategic plans (Eg. Education Strategic Plan)	Attended by all MECs, mayors, heads of departments of provincial sector departments, municipal managers of local municipalities and technical municipal support staff (by invitation only, depending on the sector issue to be addressed)

<b>MEC for Education</b> <ul style="list-style-type: none"> <li>• Head of the Department of the Education</li> <li>• Head of Infrastructure Development</li> <li>• Head of Treasury</li> </ul>	<p>Development of Education Strategic Plan (2015-2020)</p> <p>Education Infrastructure Planning Forum - this forum is chaired by the Head of the Department of the Education and attended by provincial Infrastructure, provincial Treasury, Municipal/City Manager of Johannesburg and the Head of Planning (in Johannesburg Metro)</p> <p>Target: Building of 113 new schools</p> <p>Budget: R6,8 billion (approximately US\$120m)</p> <p>Local government involvement in this phase of the strategic planning process is to confirm that planned provincial initiatives are also reflected in the municipal plans (IDP) and that the municipality has planned and allocated a budget for such initiatives (eg. allocation of land according to the SDF, provision of bulk water and services)</p>	<ul style="list-style-type: none"> <li>• Mayors of Local Municipalities</li> <li>• Municipal Managers</li> <li>• Head of Planning (IDP)</li> <li>• Head of GIS &amp; Land-Use Management (SDF)</li> </ul>
	<p><b>Provincial Project: Building of Noordgesig Primary School in City of Johannesburg (2018-2019)</b>  <b>Budget: R110 million (approximately US\$7m)</b>  <b>Location: Soweto, Johannesburg</b>  <b>Completed: December, 2019</b></p>	<ul style="list-style-type: none"> <li>• Provincial Infrastructure</li> <li>• City of Johannesburg (Planning)</li> <li>• Noordgesig Community Forum</li> </ul>
<b>Mayor of the City of Johannesburg</b> <p>Municipal Manager</p> <p>Head of Planning (IDP)</p> <p>Section 57 Managers (all key municipal functions)</p>	<p><b>Development of the City of Johannesburg IDP 2017/18</b></p> <p>The new IDP focussed on a new vision and strategic projects of the city, and consideration was made to incorporate existing provincial sector programmes as much as possible.</p> <p>Ideally the Noordgesig Primary School should have featured in the IDP but given that the planning timeframes differed between provinces and budgets could not be aligned, the planning of the new schools was not incorporated in the municipal IDP (although approvals had been obtained prior to the new IDP).</p>	<p>All city regions and residents of the city are engaged during the IDP process, to present the vision, projects, budgets allocated and timeframes.</p> <p>The IDP must also be posted for public comments.</p> <p>Approval by the Municipal Council (made up of various political parties) of the IDP makes it a legal document (as per the Municipal Systems Act).</p>

## LESSONS FOR EFFECTIVE INTER-INSTITUTIONAL DEVELOPMENT PLANNING COORDINATION

- Clearly defined roles and responsibilities (who is responsible for what – planning, budgeting, implementation – and when in the process) is key.
  - Not having this can lead to protracted disputes and untimely delays that affect the speed of service delivery and reflect poorly on the capability of the government in the eyes of the people, creating a trust deficit.
  - Planning and budgeting frameworks and guidelines can be useful for institutional co-ordination to ensure predictable planning and budgeting, irrespective of provincial and local government's competing priorities.
- Administrators at the provincial and local level are essential to the success of any infrastructure (like school building) project. Technical capacity of, and good working relationships between, administrators at the provincial and local level is vital and ultimately things get done at the technical level. Planning, budgeting and implementation are technical exercises which require effective know-how (expertise) and execution capability (appoint service providers, quality management, meeting deadlines, etc.).
- The role of coordination structures – IGR structures can assist with securing political buy-in and general consensus for joint infrastructure initiatives and projects, as well as coordinate monitoring, reporting and communication with the public on progress. It also provides the political backing for administrators to implement activities and projects.

The sectoral approach to IGR as the means to achieve coordinated service delivery works. It ensures much more targeted engagement (towards specific outcomes/ targets), planning and budgeting, and thus a higher probability of success in meeting targets and deadlines (commitments made to the citizens).

## 4. OBSERVATIONS FOR NEPAL

To ensure sustainable development (whether it is economic, social, or environmental sustainability), the government and its institutions should focus on capacity building as well as institutional strengthening. Capacity defines the potential for development.

Practice, however, shows that the IGR system is hampered by two main deficiencies:

- The determination and execution of key national development priorities involving all three spheres of government is an unpredictable and incoherent process across most, if not all, levels of government with the clear exception of the budget process. A variety of processes and structures exist whose status, role and interrelationships remain uncertain.
- The management of service delivery programmes is based on questions of jurisdiction between departments, organs of state or spheres of government when policy priorities cut across ministerial mandates and traditional policy fields. The result is often poor integration of services at the community level, duplication, real or perceived unfunded mandates, and an inability to forge partnerships or find common ground for joint action.

## DEVELOPMENT MINDSET OVER TURF PROTECTION – IT'S THE SAME CITIZENRY!

Rapid and sustainable development requires the three spheres of government to forge strong, flexible goal-oriented partnerships that can promote collaboration without weakening performance and accountability. This can only happen if political office-bearers and officials in the public sector change their mindsets to integrated development co-operation.

All tiers of government and their agencies and institutions are 'playing' in the same physical spaces, serving the same citizenry. Since local needs and priorities are often inconsistent with national and provincial priorities and interests, the actors involved should engage in a structured and systemic manner (using IGR structures and processes) to deliberate and agree on service delivery issues – i.e. develop a shared understanding of which objectives to focus on, as well as the best strategies to reach those objectives.

It is imperative, therefore, that all spheres of government understand the importance of co-operation and see themselves as one government with the overarching goal of the wellbeing of the population. If the local or provincial government fails, the people suffer.

- Concurrency can obscure accountability and cause confusion, inaction or the blame-game
  - To avoid this, focus IGR engagement on those issues that require collaboration and cooperation between state levels and tiers to deliver integrated and holistic services, and incentivise mutual trust and cooperation.
  - IGR is about driving the content that citizens care about (infrastructure, education, hospitals and clinics, roads, etc.). Ultimately, citizens care less about which sphere is responsible for what, they only focus on results.
    - Human settlements, road and transport networks, education, healthcare, etc.
    - How: Focus formal structures on key deliverables, roles and responsibilities, resources and the required flow of decision making (why, what, when, where, how – set the direction)
- The main objective of your IGR strategy must be to shape / guide the content of development planning and implementation in order to achieve maximum impact
  - A measure of flexibility must be a key feature of approaches to IGR and each sphere must recognise the limits and constraints of the other, particularly in funding
  - At the very least, if duplication and disparate planning and investment can be largely prevented or minimised, then some useful gains will already be made
- Use oversight and monitoring of IGR to focus on the things that citizens care about that enhance their quality of life and improve their livelihoods (infrastructure, education, hospitals and clinics, roads, etc.)

## ALIGNMENT OF PLANNING INSTRUMENTS

Three types of intergovernmental planning instruments should be aligned (or attempted to as far as possible) to ensure unity of effort, namely: planning and budgeting processes, as well as monitoring mechanisms.

**IGR structures can also be used as monitoring and evaluation mechanisms** to jointly measure and assess whether implementation is taking place in accordance with the set priorities and desired outcomes, and matched with appropriate resource allocations, as well as to take corrective measures when and where necessary.

**At the provincial level, technical committees meet regularly to facilitate contact between provincial departments and municipalities** to make sure that there is a reasonable degree of alignment of planning priority strategies and resources between provincial and local governments. It is not

enough for discussion, negotiation and consensus to be reached in high-level executive structures; regular contact is necessary (especially at the technical level) to ensure that development planning, budgeting and implementation is coordinated, fast-tracked where necessary and that the obstacles that impede delivery are quickly removed. This requires ongoing communication and open lines between the different spheres of government and their various institutions. IGR is therefore a developmentally-oriented governance culture, much more than it is about periodic events.

## TARGETED INTERVENTIONS

Investment decisions and allocation of resources should be informed by the regions / areas of greatest potential and planners should distinguish between regions with significant development potential (i.e., the best areas for economic growth, expansion, job creation, etc.) and those with limited growth potential.

Regions with significant development potential should become the primary focus areas for government spending and infrastructure development over the short-to-medium term to catalyse economic development. Ultimately, these regions can serve as building blocks and anchors for longer-term development processes. High-potential areas should also serve as basic units that drive multi-sectoral planning and budgeting between various spheres and sectors. Thus, different actors should jointly prioritise and concentrate development actions and resources in the context of a shared area of 'impact'. This, in turn, increases confidence in the government which leads to more investment and economic confidence.

**While South Africa is yet to fully implement some of these recommendations, much has been accomplished in coordinating and improving development planning, budgeting and implementation.**

**South Africa's model and quest for creating a seamless intergovernmental policy environment for development planning and implementation is unquestionably ground-breaking. Much can be learnt from the case of South Africa, some of which has been highlighted in this paper, which will hopefully be beneficial and act as a practical tool for strengthening development planning and cooperative governance in Nepal.**

## ANNEXURE:

### Planning, Budgeting Instruments and key IGR Structures (of National, Provincial and Local Government)

	Planning Instrument	Budgeting Instrument	Timeframes	Points/Mechanisms of Co-ordination
National Government	*MTSF- Government's programmes and policies are set out at the beginning of each term of office in a medium-term strategic framework (MTSF) approved by the Cabinet and published by the Presidency.	MTEF (expenditure framework) & Annual Budget Speech (Minister of Finance)	5-year plan, annual implementation plans based on budget revisions.	<ul style="list-style-type: none"> <li>• President's Co-ordinating Council (Executive) - consists of the President, Deputy President, Minister in the Presidency, Ministers of Finance and other sector portfolios, the Premiers of the nine provinces and the Chairperson of the South African Local Government Association</li> <li>• MINMEC (Executive) Meetings (represented by all Ministers of all sector departments and provincial MECs. In this example, an Education MinMEC)</li> <li>• Cabinet/ Technical Cluster Meetings (represented by Heads of Departments in the Economic, Infrastructure, Social Clusters)</li> </ul>
National Government Provincial Government	**PDGS -Premiers and the Executive Committees create provincial growth development strategies (PDGS) aimed at translating the election manifesto into a programme of action for the provincial government why also ensuring alignment to national plans in the case of concurrent functions (responsibility of both national and provincial) where budgets are shared.	Provinces get the largest share of the budget allocation for three key public sector functions (health, education, housing)	5-year strategic plan, 3-year implementation plan.	<ul style="list-style-type: none"> <li>• Premier's Co-ordinating Forum (chaired by the Premier, representation by MECs and mayors as stipulated by section 17 of the IGRF Act.)</li> <li>• Sector Cluster Co-ordination Committees (MEC meets with municipal portfolio mayoral committee members)</li> <li>• Various Intergovernmental Fora (incl. representation from local government, private sector, civil society)</li> </ul>



Local Government	<p>***IDP - Local sphere entities (municipalities) are required to prepare local integrated development plans (IDPs) by law (Municipal Systems Act, 2000) to plan for the delivery of basic goods and services. The IDP is reviewed annually for council approval.</p> <p><b>National and provincial governments must ensure that their plans are aligned to or informed by local government IDPs</b></p>	<p>Medium Term Revenue and Expenditure Framework (MTREF)</p> <p>Budgets are allocated to local governments through the Division of Revenue Act (but many cities raise a substantial portion of their own revenue. In some cases 85% of their revenue is derived from property taxes and service charges)</p>	5-year plan, reviewed annually	<ul style="list-style-type: none"> <li>• IDP Steering Committee (including representation from various technical municipal functions, provinces and selected national sector departments)</li> </ul>
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(National Treasury, 2010)

\*MTSF - Medium Term Strategic Framework

\*\*PDGS - Provincial Development Growth Strategy (not legislated)

\*\*\*IDP - Local Integrated Development Plan (legislated)

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