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GOVERNMENT NOTICES • GOEWERMENTSKENNISGEWINGS

DEPARTMENT OF PLANNING, MONITORING AND EVALUATION

NO. 471

04 MAY 2018

30 April 2018**Invitation for Comments on the Draft Integrated Planning Framework Bill, 2018**

The Department of Planning, Monitoring & Evaluation (DPME) hereby invites comments on the Draft Integrated Planning Framework Bill, 2018.

Introduction

The imperative of institutionalising planning in Government has been fully recognised, and work is currently underway, led by the DPME to ensure that it finds expression in how Government substantially improves on how it functions more optimally. This process has intensified, more particularly, since the adoption in 2012 of the National Development Plan: Vision 2030 (NDP) which represents the apex plan and policy implementation framework across the whole of Government and the country.

In July 2014, through Proclamation 47, the DPME was established. DPME was created to introduce a renewal system for the three functions of Planning, Monitoring and Evaluation. However, its establishment did not yield the necessary strategic clarity on the new role of DPME. The Draft Integrated Planning Framework Bill, 2018 was developed and aims to provide the necessary strategic clarity.

The entire process is premised on the urgent need to improve the impact, delivery and implementation of Government's transformation and development policies and programmes. This will be achieved through the more effective coordination and integration of the planning powers and functions that the Constitution assigns to all three spheres of Government.

Experience and practice to date have shown that the disparate and diffused nature of planning has resulted in a complex plethora of plans, legislation and structures. This fragmented planning landscape has led to sub-optimal outcomes and asymmetrical impacts of Government policies and programmes and sub optimal returns on the resources allocated to them.

Following the recommendations of both the first and second National Planning Commission (NPC) for the reform of Government's national planning system, DPME has been undertaking consultations and policy development aimed at overcoming a range of systemic challenges in South Africa's planning landscape, and to introduce improved coordination, alignment and integration in planning, guided by the long-term developmental perspective of the NDP.

Specifically, DPME now introduced the Draft Integrated Planning Framework Bill, 2018 to address and remedy the disparities and fragmentation in systems of planning, monitoring and evaluation across Government, and to ensure a functionally more effective system to drive South Africa's development agenda, in which all plans across all spheres are aligned to the NDP.

The following are among the key improvements to the planning landscape that DPME seeks to introduce through the legislation:

- a) To establish a formal process for preparing national plans
- b) To enhance intergovernmental structures for co-ordination of effective planning between the three spheres of government
- c) To align national planning with the national budget and its related processes;
- d) To deepen planning for spatial transformation
- e) To institutionalise the integration and use of a central information repository and data tools in planning across government.

Background

In 2010 the President announced the establishment of the NPC. The NPC compiled the NDP which was adopted by a joint sitting of Parliament and by Government in 2012. The NDP was adopted by Government and is being implemented through the Medium-term Strategic Framework (MTSF): 2014-2019. In 2014, the President proclaimed the establishment of DPME with responsibility for planning, monitoring and evaluation from the centre of Government.

In its close-out report, the NPC stressed the need to institutionalise planning in Government, based on the *Reforming the South African Government Planning System* discussion document the NPC produced. Subsequent consultations by DPME with key departments at national, provincial and local level have informed the conceptual approach to institutionalising planning as outlined in this memorandum in summary, and in the attached proposed draft bill.

While the proposed reform is focused on improving and integrating national planning, the approach taken also extends to the monitoring and evaluation components of the value-chain, in accordance with the scope of the mandate of DPME.

Planning powers and functions in Government are provided for in the Constitution and straddle the national, provincial and local spheres. In system terms, planning in Government undertaken at multiple levels, by multiple entities, through multiple frameworks and time cycles, resulting in multiple plans.

The current system is thus characterised by dispersed, disparate and diffused planning responsibilities with a plethora of structures and legislation, leading to parallel plans, processes and initiatives that affect policy coherence, co-ordination and effective implementation.

Also, while the resource allocation function is constitutionally assigned to National Treasury, the separation between planning and budgeting creates risks of misdirection of resources and under-resourcing of critical policy priorities. This is both a planning and budgeting concern. The setting of focused priorities and performance targets and their resourcing in line with the NDP has not been optimal.

Another critical challenge is to turn the priorities into operational decisions in government as well as State-Owned Companies (SOCs) and Development Finance Institutions (DFIs) and Public Entities.

The absence of a National Spatial Development Framework (NSDF) is limiting government's ability to lead the spatial location of development and shape the investment in and character of places, and overcome apartheid spatial settlement patterns.

Despite the existence of robust planning methodologies and measuring tools, these have not been sufficiently integrated into the planning system. Data and research for evidence-based policy, decision-making and planning have a pivotal role in streamlining priorities and generating buy-in from all stakeholders. Statistics, in particular, play a critical role in illuminating policy choices and programme design, monitoring and evaluating the implementation of plans and impact of policies.

An important part of the intent of the NDP is to encourage and mobilise social actors to work jointly and through participatory approach to achieve the country's common ideals. This aspect of the NDP has not yet been attained.

There has thus been a need for the complex plethora of plans, legislation, data sources, roles and responsibilities to be coordinated to ensure systematic and integrated planning across the whole of Government for socioeconomic transformation and development in South Africa guided by the NDP.

The institutional foundations of Government's planning system have been laid in 'waves' from the advent of the democratic dispensation in 1994. In the first wave 1994-2000, the Public Finance Management Act of 1999 was introduced to organise resource planning and associated processes and the Municipal Systems Act of 2000, institutionalised Integrated Development Planning (IDPs).

The second wave 2001-2008 saw innovations for intergovernmental coordination from the Presidency such as the Policy Coordination and Advisory Services (PCAS) unit, interdepartmental Clusters, the Forum of South African Directors-General (FOSAD), the MTSF, as well as the Intergovernmental Relations Framework Act of 2005, and Provincial growth and Development Strategies, amongst others.

In the third wave from 2009, Ministers in the Presidency for National Planning and for Monitoring and Evaluation were appointed, and the NDP was duly adopted. Additional planning and monitoring instruments, including Socio-economic Impact Assessments, a National Evaluation System and Operation Phakisa, among others, were introduced to improve planning, monitoring and evaluations across government. A significant recent addition is the promulgation of the Spatial Land-Use and Management Act of 2014.

The adoption of the NDP marks an important shift, introducing a long-term perspective to planning, and setting a benchmark for subsidiary short- to medium-term plans. The NDP serves as a consensus framework not only in Government but across the political spectrum and society, for clear and consistent developmental objectives, and priorities, as well as the necessary resource allocation to drive implementation in a coordinated and determined manner.

The DPME has the responsibility to further advance the institutionalization of planning in Government, with a view to overcoming the systemic challenges which account for sub-optimal outcomes and impact of Government policies and plans.

In this context institutionalisation means developing and strengthening the institutional, technical and administrative foundations (capacities, systems and processes) for a more coordinated and responsive state that would be more effective in promoting the structural changes required for inclusive growth, and for developing the country's human resource base and a stronger democracy.

To achieve this requires a review of, and where necessary a reversal of, some of the aspects of past systems of planning, monitoring and evaluation to align with the current challenges which supervene across the three spheres of Government.

It is also necessary to strengthen mechanisms for accountability to address poor or non-performance against NDP targets and priorities.

Main Objects of Bill

The main objects of the proposed Draft Integrated Planning Framework Bill, 2018 are to:

- a) Provide for stronger integration, coordination and joint planning among the different spheres of Government;
- b) Create structures for accountability to Cabinet and Government stakeholders on planning decisions and national progress towards the implementation of development goals on a disaggregated basis;
- c) Outline the roles and responsibilities of the Minister in the Presidency for Planning, Monitoring and Evaluation and DPME in relation to national planning;
- d) Formalize the advisory role and functions of the NPC;
- e) Provide for accountability measures for poor performance related to Planning, Monitoring and Evaluation;
- f) Integrate state owned and funded data warehouses for forecasting and to enhance long term planning; and
- g) Provide for the domestication into South Africa's legal and institutional framework of international, continental and regional development plans and treaties, such as UN's Sustainable Development Goals and the AU's Agenda 2063.

Institutionalising planning is in line with the NDP and seeks to give effect to the commitment in the MTSF 2014-2019 to establish mechanisms and capacity within the state to undertake long-term development planning. The Draft Integrated Planning Framework Bill, 2018 seeks to achieve coordinated and integrated planning across all the spheres of Government, and to promote more effective implementation of the NDP.

DPME has thus been undertaking a review and consultation process, including with the NPC, from which it is proposed to introduce legislation (the Integrated Planning Framework Bill, 2018) to direct planning in Government.

The Bill seeks to provide for joint/coordinated planning among the different spheres of government, SOE's and Public Entities guided by the NDP, and future national development plans in general. This will include setting developmental principles, national norms and standards and a broad and effective framework for planning, monitoring and evaluation.

More comprehensively, the Bill will seek:

- a) To provide for the NDP as the primary long-term plan and vision that will guide all government planning;
- b) To introduce a renewed operational framework together with a set of broad principles for the workings of DPME;
- c) To provide greater detail on the distinctive and respective roles of the components of planning, monitoring and evaluation;
- d) To reaffirm the custodianship of the planning, monitoring and evaluation system for the whole of Government in the DPME;
- e) To institutionalise the planning, monitoring and evaluation system across government and the rest of the society;
- f) To ensure better co-ordination, collaboration and alignment of Planning, Monitoring and Evaluation between and across the national, provincial and local spheres of government, and including State Owned Enterprises, Public Entities as well as Development Finance Institutions;
- g) To ensure that planning, monitoring and evaluation and national budgetary decisions contribute to Government's developmental objectives and for improved coordination of high impact outcomes;
- h) To clarify the powers and functions of the NPC;
- i) To provide for the powers and functions of the Minister in the Presidency and the Department of Planning, Monitoring and Evaluations;
- j) To provide for the establishment of a central integrated information data warehouse at the DMPE and enable access to and linkages with Statistics and Data Services, Knowledge Hubs and Research Institutions; and
- k) To provide for all matters connected, related and incidental hereto.

The contemplated institutionalisation of planning is not about the centralisation of responsibility of planning or policy-making. Rather, building on the existing constitutionally assigned powers, structures and processes, the focus is on co-ordination, strategic leadership and integration, recognising that planning happens at different levels and there are different plans. The proposed planning framework, the strategic co-ordination and problem-solving focus of national planning is to ensure these plans are mutually reinforcing and work cohesively.

Structure of the Bill:

The Bill is structured as follows:

- Chapter 1: Definitions, applications and objectives of the Bill.
- Chapter 2: Development Principles and Norms and Standards
- Chapter 3: Custodianship and institutionalisation of Planning System
- Chapter 4: National Planning Commission
- Chapter 5: Planning, Monitoring and Evaluation Framework
- Chapter 6: Accountability Management
- Chapter 7: General Provisions

Access to Draft Integrated Planning Framework Bill, 2018 and submission of public comments

The closing date for comments is 8 May 2018. Please note, comments received after the closing date will not be considered. The Draft Bill and Memorandum of its Objects are available on the DPME website at www.dpme.gov.za

Comments on the Bill may be sent:

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