

Interim Evaluation 2008

Strengthening Local Governance Programme (SLGP), South Africa

Brief Report

gtz

ded
Deutscher
Entwicklungsdienst

Produced by: Arnold-Bergstraesser-Institut Freiburg
This report was produced by independent external experts.
It reflects only their opinion and assessment.

Published by:
Deutsche Gesellschaft für
Technische Zusammenarbeit (GTZ) GmbH

Evaluation Unit

Dag-Hammarskjöld-Weg 1-5
65760 Eschborn
Germany
Internet: <http://www.gtz.de>

German Development Service (DED)
Group Quality- and Knowledge Management,
Controlling

Tulpenfeld 7
53113 Bonn
Germany
Internet: <http://www.ded.de>

Eschborn, 17 April 2009

Tabular overview

The evaluation mission

Evaluation period	10 -12/2008
Evaluating institute/ consulting firm	Arnold-Bergstraesser-Institut (ABI), Freiburg
Evaluation team	Prof. Dr. Heribert Weiland, ABI, Freiburg Martin Adelman, ABI, Freiburg David Schmidt, Strategies for Change, Cape Town

The development measures of the German Agency for Technical Cooperation (GTZ)

Title of the project/programme according to the order	Strengthening Local Governance Programme (SLGP)
Project/programme number	2006.2155.7 2002.2484.0
Overall term broken down by phases	03/2004-02/2007 03/2007-02/2010 03/2010-02/2013
Total costs	Total: 29.000.000 EUR 1 st phase: 5.200.00EUR 2 nd phase: 12.700.00EUR
Objective of the project/programme	Municipal development (social, political, economic) is coordinated and supported within and across spheres of governments and is geared to balancing interests with civil society, the private sector and the public sector. Component Goal 1: Municipal development is strengthened through the interaction of all government spheres. Component Goal 2: The institutional capacity of selected municipalities has improved. Component Goal 3: Local economic development is planned and implemented in a competitiveness-oriented manner and with participatory cooperation amongst the municipalities, the private sector and civil

	<p>society.</p> <p>Component Goal 4: Public participation and accountability in municipal decision making and implementation processes as well as in municipal service monitoring have been strengthened.</p> <p>Component Goal 5: The German-South African Focal Area “Local Governance and Development” is deepened and coordinated towards achieving joint development results.”</p>
Lead executing agency	<p>Department for Provincial & Local Government - DPLG</p> <p>National Treasury - NT</p> <p>South African Local Government Association - SALGA</p>
Implementing organisations	<p>Multiple (national, provincial, local administration; non governmental organisations; private sector and others; especially in Mpumalanga and the Eastern Cape)</p>
Other participating development organisations	<p>German Development Service - DED</p> <p>Capacity Building International - InWEnt</p>
Target groups	<p>The population of South Africa with a special focus on the impact zones in Mpumalanga and the Eastern Cape</p>

The development measure of the German Development Service (DED)

Title of the DED development measure	<ul style="list-style-type: none"> • Mdantsane Urban Renewal Programme • ASPIRE (Amathole Economic Development Agency) • Chris Hani District Municipality • Mpumalanga Tourism and Parks Agency • Ehlanzeni District Municipality • Strengthening Civil Society in Mpumalanga und Eastern Cape • Media Empowerment in the Eastern Cape
Number of the DED development measure	<ul style="list-style-type: none"> • ZAF-1 • ZAF-2 • ZAF-3

	<ul style="list-style-type: none"> • ZAF-6 • ZAF-7 • ZAF-11 • ZAF-12
Overall term	<ul style="list-style-type: none"> • 05/06-08/10 • 07/07- 07/10 • 07/04-08/10 • 07/06- 12/10 • 04/08-04/10 • 04/06- • 04/06-04/10
Total costs	<ul style="list-style-type: none"> • 140.000 EUR • 100.000 EUR • 400.000 EUR • 145.000 EUR • 65.000 EUR • 82.000 EUR (until 12/08) • 130.000 EUR
Objective of the DED development measure	<ul style="list-style-type: none"> • 1 Development Worker: Strengthening the capacity of "Mdantsane Urban Renewal Programme" department (BCM) and strengthening the participation of local population in planning processes • 1 Development Worker: Strengthening sustainable development, management and contribution to the N6 corridor within the Amathole District Municipality by focusing on locality development and sectors with comparative and competitive advantages (Tourism, forestry, agriculture). • 2 Development Workers: Strengthening the institutional framework for local economic development and planning in Chris Hani District Municipality. • 1 Development Worker: Support MTPA with implementation of a support strategy for income

	<p>generation from Community Based Natural Resource Management and for sustainable co-management of protected areas.</p> <ul style="list-style-type: none"> • 1 Development Worker: To improve municipal service delivery by having a district wide geo-referenced information management system to support decisions during planning and implementation and monitoring results at the district and local levels. • 2 Development Worker (Mpumalanga and Eastern Cape): Organisational development of CSOs und CSONetworks; training of CSOs on public participation • 1 Development Worker: Organisational development of community media. Networking among community media and with CSOs and local administration
<p>Lead executing agency (in cooperation with GTZ, see above)</p>	
<p>Partner Organisations</p>	<ul style="list-style-type: none"> • Buffalo City Municipality • Amathole Economic Development Agency • Chris Hani District Municipality • Mpumalanga Tourism and Parks Agency • Ehlanzeni District Municipality • Non Governmental Organisations and Community Based Organisations • Walter Sisulu University / Eastern Cape Communication Forum
<p>Other participating development organisations</p>	<ul style="list-style-type: none"> • SLGP/GTZ, KfW • SLGP/GTZ, InWEnt • SLGP/GTZ, InWEnt • MRDP/GTZ • MRDP/GTZ • GTZ/InWEnt • GTZ
<p>Target groups</p>	<ul style="list-style-type: none"> • Population of Mdantsane, especially poor and

	<p>disadvantaged groups</p> <ul style="list-style-type: none"> • The economic active population adjacent to the N6 corridor within the Amathole District, such as employment seekers, start-up enterprises and entrepreneurs that will have a direct benefit from exploring the newly created economic development opportunities within the area. • Municipal administration and private enterprises, especially small enterprises • Population in Mpumalanga, especially poor and disadvantaged groups and small enterprises • Locale administration and decision makers in district administration • Disadvantaged groups in the impact zones. • Disadvantaged communities in the Eastern Cape
--	--

The rating

<p>Overall rating <i>On a scale of 1 (very good, significantly better than expected) to 6 (the project/program is useless, or the situation has deteriorated on balance)</i></p>	<p>2</p>
<p>Individual rating</p>	<p>Relevance: 1 Effectiveness: 3 Impact: 3 Efficiency: 2 Sustainability: 2</p>

Mission: On behalf of the German Agency for Technical Cooperation (GTZ) and the German Development Service (DED), Prof. Dr. Heribert Weiland (Arnold-Bergstraesser-Institute Freiburg), Martin Adelman (Arnold-Bergstraesser-Institute Freiburg) and David Schmidt (Strategies for Change, Cape Town) undertook an independent evaluation of the Strengthening Local Governance Programme (SLGP) as well as the DED development interventions in this field in South Africa. On the basis of programme documents and the e-VAL report, an inception report was prepared in October 2008. The subsequent field mission took place from 3rd November until 26th November 2008. This evaluation report is based on the results of over 50 individual interviews, some group interviews as well as over 250 written documents (general and programme related) analysed in the course of the evaluation.

Framework conditions and problem analysis: Since the end of Apartheid, South Africa has made considerable progress in building a democratic society with a growing economy. Yet, major development problems such as high unemployment, widespread poverty, crime, HIV/AIDS and a big skills deficit, persist. According to the concept of “developmental local government” (White Paper 1998), local government is intended to play a critical role in addressing these development challenges both through the delivery of basic services (such as water and electricity) but also through fostering local economic development. Public participation is supposed to play a major role in this process.

The 1996 Constitution of the Republic of South Africa established a three sphere system of governance. After the adoption of a local government White Paper (1998) and the demarcation of 283 municipalities, a range of laws and regulations were passed governing the functioning of the newly established municipalities. However, despite significant progress in establishing a new system of local government and extending services, local government, especially outside the major urban areas, has experienced problems of low capacity and instability and has struggled to make the intended developmental impact. Inter-governmental relations have also been a challenge. A major policy review is currently underway and a new White Paper expected in 2009 is likely to refine the local governance system and its relationships with other spheres.

In order to improve the functioning of local governance, especially in terms of human resource capacity and organizational skills, the South African Government launched a major hands-on support initiative (Project Consolidate) in 2004. In 2006 cabinet adopted a Five-year Local Government Strategic Agenda (5YLGSA) which is the current framework for all government and donor interventions in this field.

Programme concept and technical implementation: The current Strengthening Local Governance Programme (SLGP) II of GTZ is the product of the ongoing restructuring of German Development Cooperation (GDC) in South Africa. The programme has successfully managed the integration of a number of other formerly independent programmes into SLGP. Only the Peace Development Project (PDP) of GTZ is not yet fully integrated due to a different methodological approach. SLGP II is part of the larger “Focal Area Local Governance and Development”. The Focal Area, which will according to the latest Government to Government negotiations be merged with the Focal Area “Good Governance”, is aligned to the South African 5YLGSA. The Focal Area goals are: a functional and efficient local government, improved service delivery, improved resilience and vibrancy of local economies, financially viable local municipalities and strengthened local democracy. The main partner of SLGP, which is planned for 10 years (2004-2013) at a cost of 29.000.000 EUR, is the Department of Provincial and Local Government (DPLG). Other national partners are the National Treasury and the South African Local Government Association (SALGA). In addition to the national partners, provinces, local government, civil society and the private sector are the main beneficiaries of the programme.

SLGP is not only a multi-stakeholder, but also a multi level programme. The local level support is concentrated on impact zones¹ in the provinces of the Eastern Cape and Mpumalanga. Besides the direct results of the local support (implementation, municipal capacity development) the impact zones also serve as testing and pilot sites and ideally relevant lessons are fed back into the policy cycle. The provincial level, which has responsibilities for supporting local government, is a weak link in the South African institutional and political set up. It has so far been targeted by SLGP mainly from above (via national government) and from below (via district and local municipalities).

The programme consists of five components with a total of 18 indicators, all following the overall goal: “Municipal development (social, economic, political) is better coordinated and supported within and across spheres of government and is geared to balancing interests with civil society, the private sector and the public sector.” Component one covers the thematic fields of municipal development planning and inter-governmental relations (including the South African Local Government Association and knowledge networks); component two refers to the institutional capacity of municipalities (mainly municipal finance and training

¹ In the South African context, the term impact zone refers to a geographical area, in which the development interventions of a thematic Focal Area are concentrated. The term is not to be confused with the DAC definition of impact.

opportunities, but also conflict prevention and urban renewal); component three covers local economic development; component four public participation and component five is dedicated to the coordination of the Focal Area. The activities of the programme in all thematic fields comprise the areas of human resource development, organisational development, improvement of framework conditions and networking. As an output, the programme contributes to enhanced human and institutional capacities and the availability of policy implementation guidelines and further training opportunities. Government and civil society are hence better equipped to fulfil their mandate. A better functioning and democratic local government will have an impact on development as socio-economic living conditions are a responsibility of local government. In the past, the focus of activities has been in the area of framework conditions but it will move further towards implementation in the future. All in all, the evaluators rate the planning concept of SLGP as sound.

The DED also contributes prominently to the Focal Area goals. The current 16 development workers have also been concentrated in the impact zone municipalities, where they advise their local partners on planning, local economic development and public participation. Due to the different DED approach, its goals are in most cases directed towards the local level (immediate environment of the DED development worker or partner organisation). On top of the hands-on work, the DED also potentially contributes to the policy cycle by channelling feedback to the national level via GTZ. The envisaged joint GTZ-DED programme proposal will lead to a closer alignment of the work of both organisations and further strengthen the multi-level approach. The integration of DED and GTZ planning logics towards a joint results chain will be a major task for both organisations in 2009.

Partner Capacities: The Focal Area activities have had a strong emphasis on developing the capacity of the implementing partners at national and local level in the impact zones. There is evidence that this has made a positive contribution to the capacity of the three national partners, DPLG, SALGA, and the National Treasury. The greater challenge remains the lack of capacity on provincial, district and local level. A number of new approaches to enhance institutional capacity, most notably in the field of municipal finance, have emerged through the SLGP and other initiatives and need to be properly tested and mainstreamed. Yet, meaningful capacity development at the municipal level in the impact zones remains a challenge. The ability of local government especially outside of the major urban centres to attract professional skills remains weak. On top of the poor performance of the education system and a national shortage of managerial and professional skills, political interference in administration also undermines administrative capacity. It does appear that there is still a lack of a coherent national strategy for addressing municipal capacity with different

departments following different approaches. Capacity development will thus remain central to SLGP and DED work in the years to come.

Based on the DAC-criteria, the evaluators assess GTZ-SLGP and DED programme as follows:

Assessment of relevance: Strengthening local government is viewed by national government as a key national development priority because it is seen as critical to the local service delivery, infrastructure and regulatory environment required to support economic development, social stability and poverty reduction. There are however major challenges of municipal capacity and poor performance especially outside metropolitan areas. The SLGP is tightly aligned with national government's 5YLGSA to address these challenges. It also helps to give effect to the Constitution which establishes local government as a distinctive "sphere of government." The impact zones as sites of more hands-on support were determined in accordance with specific requests of the South African government. GTZ and DED support to local government is also clearly located within one of primary areas of German development assistance and reflects these priorities. In the field of local government, German Development Cooperation is South Africa's main international partner. While SLGP does not have explicit components directly focused on poverty reduction, its focus on integrated development planning, service delivery improvement and public participation are all important instruments for poverty reduction and improved access and voice for the poor. Effective local service delivery and effective administration are key to achieving the MDGs. SLGP has a cross-cutting focus on HIV/AIDS and gender equity. The SLGP and the associated DED local government support activities that fall within the framework of the Focal Area Local Governance and Development are assessed as **highly relevant and receive a relevance rating of 1.**

Assessment of effectiveness: The SLGP goals are ambitious given the challenging environment in which they are to be achieved. However, there is progress visible in nearly all intervention areas. The indicators will at least partly be achieved. It can be expected that during the next phase (SLGP III) more indicators will reach full achievement. In many instances, the SLGP interventions go beyond what is expressed in the indicator and the activities are often mutually supportive. Yet, while SLGP is on the right track, a full achievement of indicators is often not possible in the given time mostly due to factors outside the programme. **Overall, the evaluators assess effectiveness as satisfactory and give it a rating of 3.**

Assessment of impact: Significant progress has been made in implementing a new democratic and poverty oriented system of local government. However, many of the intended outcomes of this reform agenda have not been realised and much of the intent of “developmental local government” able to drive economic and social development and local democracy at municipal level has not been achieved. Many places in the hinterland especially are experiencing decline. The skills deficit is the main hindrance in implementing government programmes at a faster pace. The complexity of South Africa’s policy approach and the frequency of reform and change further contribute to a lack of implementation. In the field of public participation, apathy and a culture of entitlement are widespread and stand in the way of a more dynamic democratic involvement. While SLGP can link its outputs to direct and indirect results on paper and some impacts may indeed materialise at a later stage a gap between foreseen and real impacts seems likely at least for some impact zone municipalities, due to the adverse background conditions. **The evaluation team consequently assesses the impact of the programme as satisfactory and gives it an impact rating of 3.**

Assessment of efficiency: The GTZ and DED programmes have a high rate of outputs in relation to invested resources. 5 international and 11 national advisors work for SLGP. In addition, a considerable number of short term experts (around 140 in the years 2007-2008) are recruited from time to time for specific purposes, such as background studies, workshop facilitation or trainings. The DED employs currently 16 development workers. The excellent relationships with government, the close cooperation of GTZ and DED, lean management and streamlined procedures all contribute to low transaction costs in the programme. The trust that the long term advisers enjoy (compared to other international consultants), in particular seems key to a productive relationship with the partner. A strong work ethic also contributes to the considerable outputs. SLGP enjoys a good working relationship with other international support programmes. The impact zone concept has minimised overlap and as DFID and USAID programmes are phasing out, SLGP will be the only major programme in the local government field in the future. With regard to German Development Cooperation, the focal area provides a joint platform for co-operation for all German development agencies. GTZ and DED already co-operate closely in several thematic fields in the impact zones. The envisaged joint GTZ/DED programme proposal (2009) will enhance co-operation and potentially leads to further efficiency gains. **The efficiency of the SLGP and the associated DED local government support activities are assessed as good and received an efficiency rating of 2.**

Assessment of sustainability: German Development Cooperation support in the Focal Area shows strong sustainability given the programme design, the level of ownership of the local partners and the potential for South Africa to commit the financial resources needed to sustain the programme activities into the future. The outputs of the programme could be used way beyond the end of the programme and the policy advice will leave a lasting legacy. Sustainability challenges for individual parts of the SLGP programme and DED measures include the skills deficit, the scale of institutional memory loss and high staff turnover especially of skilled personnel. While the comprehensive approach aims at addressing these challenges, it needs to be accepted that it will take a long time frame and resources to change the root causes challenging sustainability. **The SLGP and the associated DED local government support activities are assessed as good from a sustainability perspective and receive a sustainability rating of 2.**

Overall rating: Based on the above findings, the evaluation team rates the success of the programme as good (2), fully in line with expectations.

Special evaluation questions: The programme has no specific **gender** focus, yet, gender is a cross-cutting issue that is addressed in several parts of the programme. Equity questions feature, for example, prominently in municipal Integrated Development Plans (IDPs) and also in matters of public participation or local economic development. A GTZ advisor has supported DPLG in the development of a local governance gender framework and will further support its implementation.

With regard to **poverty reduction** and the **MDGs**, the programme addresses poverty reduction mainly through the IDPs and the overall strengthening of local government as a key agent of delivery to the poor. So far, the affordable provision of basic services to all residents has been at the heart of the South African local government agenda. In order to become economically more sustainable, this emphasis on consumption oriented activity of the South African government should shift to some degree towards interventions that support economic productivity. The SLGP and DED Local Economic Development (LED) - programme components address this need.

Public participation has been an important area of German Development Cooperation activity focused on supporting civil society as well as the consolidation of ward committees. It is recognised that despite a history in the 1980s particularly, of strong civil society mobilisation, that participation is an area of considerable weakness. Civil society is now generally weak and tends to lack the managerial and intellectual resources to engage proactively and constructively in the process of development and building democracy. Local

government mechanisms for participation such as ward committees have not as yet shown any real success in creating vibrant and meaningful participation. Participation processes tend to be compliance and process focused and tend not to have any substantial results for either civil society or the municipality. Apathy and a growing phenomenon of protests outside the formal mechanisms of participation seem to be increasing. The joint GTZ, DED, InWEnt Civil Society Support Programme aims at counteracting the downward trend in public participation through improving civil society capacity in Mpumalanga and the Eastern Cape. Other measures are directed at informing the public (e.g. DED community media project) or working with councillors and ward committees. Due to the nature of the issue, public participation is the most complex and difficult area for achieving quick successes. Changes in political culture need time and start in the general education system.

In regard to **conflict sensitivity**, South Africa has achieved a strong measure of democratic stability post-1994 and the need for strong local government is supported by all major political parties. GDC work has thus aligned neatly with the consensus within the South African political mainstream and can be seen as contributing to conflict management capacity within society broadly. The current political flux does create some uncertainty that will need to be monitored and addressed.

Overarching conclusions and recommendations: The evaluation team has a very positive impression of the DED and GTZ work within the focal area and has given it a **good overall rating of 2**. The programme is seen to be very relevant with high levels of alignment with the objectives and strategies of the South African Government. It also scores well on efficiency and sustainability. The indicators are ambitious regarding circumstances, but there is satisfactory progress visible in all programme components. The bigger challenge lies in the question of impact where the linkage between strengthened local governance and poverty reduction and development needs to be more firmly established.

The team notes that DED and GTZ planning has generally been sound and that the integration of other programmes into SLGP has been effective with the exception of the alignment challenge regarding PDP. The evaluation team was struck by the impressive capability, commitment and contribution of GTZ and DED staff and by the very positive acknowledgement and appreciation of the GDC contribution by all the South African partners and stakeholders interviewed.

There are two overarching recommendations that the team would want to underline:

- SLGP and DED together with their DPLG partner need to put effort into creating even better linkages between national policy/programme support and implementation support

at the local level. This will enhance multi-level working and will strengthen the influence, leverage and value-add of German Development Cooperation in the local governance and development area.

- There is a need to shift from a focus on establishing structures and processes to one of enabling their effective functioning through a focus on institution-building and decision-making.