



**CTB**



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

# ANNUAL REPORT- STUDY AND EXPERTISE FUND 2012 BELGIAN-SOUTH AFRICAN STUDY AND CONSULTANCY FUND



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# 1 Intervention at a glance

## 1.1 Intervention form

Intervention name	A Belgian-South African Study and Consultancy Fund
Intervention Code	SAF090 17 11
Location	National Treasury
Budget	2.092.207,33 EUR
Partner Institution	IDC
Date of implementation Agreement	16 April 2010
Duration (months)	60
Objective	To strengthen the capacity of public institutions of South Africa, on the one hand in support of the prioritised sectors of the Belgian cooperation and the preparation of a new indicative program of cooperation, and on the other hand through the implementation of the Paris Declaration on harmonisation and alignment of aid.

## 1.2 Budget execution

Total Budget	Expenditure year N	Balance	Total Disbursement rate
€2 092 207.33	€567 408.33	€1 524 799.00	27.12% p.a.

National execution official <sup>1</sup>	BTC execution official <sup>2</sup>
<b>MR. ANDILE KUZWAYO</b> <b>FUND DIRECTOR</b> <b>DIRECTOR: SOCIAL AND GOVERNANCE</b> <b>CLUSTER</b> <b>CD:IDC-BUDGET OFFICE</b>	<b>MR. TOM SMIS</b> <b>FUND CO-DIRECTOR</b> <b>RESIDENT REPRESENTATIVE</b> <b>BELGIAN DEVELOPMENT AGENCY</b>

<sup>1</sup> Name and Signature

<sup>2</sup> Name and Signature

## 2 Context

### 2.1 General context

*Describe any important general contextual elements that have had an important influence (positive or negative) on the intervention. These events should have occurred during the reporting period and can relate to changes in institutional contexts, sector policies, decentralisation and deconcentration policies, major political events, etc. Limit yourself to the description of key evolutions during the reporting period, if any.*

*Max length: 250 words*

This fund has been instrumental in fact finding through consultancy on issues related to the functionality of public institutions of South Africa. Most of the studies have been in the Health sector, with the PFMA and Service delivery (in local municipalities) coming second. Some The Capacity Building Directorate in the Accountant General's Office of National Treasury had some of their proposals for funding not approved because they had oversubscribed their proposals, taking advantage of their knowledge about the Fund.

The inflow of applications has not been as expected, that is, €418 441 per annum, representing 20% of total budget. The reason has been attributed to the low or non publicity of the existence of the fund and as a result IDC and BTC conducted a workshop aimed at revitalising the call for proposals.

The quality of proposals was also not up to standard as most applications were turned down by the Fund Directors due to lack of clarity of objectives and deliverables from studies.

The selection/approval process of studies has not been efficient enough since it has not always been possible for Fund Directors to meet specifically for this purpose. The Fund Directors finally agreed on the procedures to be followed in future at a workshop held in December 2013. In addition other departments in the Belgian-South African cooperation were invited so that they could, in future, participate in the publicity and call-for-proposals. These are the Department of Health, Department of Rural development and Land Reform, the Department of the Public Service and Administration.

### 2.2 Management context: execution modalities

*Assess the effects (positive or negative) of the execution modalities on the advancement of the intervention. Provide a score (Very Appropriate, Appropriate, Not appropriate, Not appropriate at all) and comment on the attributed score (current situation, strengths, weaknesses, influence on the progress of the intervention). Limit yourself to the description of key evolutions during the reporting period*

*Max length: 250 words*

The execution modalities on the advancement of the fund have been appropriate as far as the membership of the steering committee and activity approval processes are concerned. The Steering Committee membership, as defined in the Specific Agreement is small and involves only two institutions (BTC and IDC).

Current situation:

- The key changes to the management of the fund were the involvement of other departments within the Belgian-South African cooperation sectors (Health, Land Reform and Public Service) in the call-for-proposals and publicity of the Fund. However, the administrative procedure remains the same.

Strengths:

- Approval process is quicker and short and can be done electronically.

- Potential for the elimination of bureaucratic delays in the decision making processes during monitoring of activities implementation because approvals/consensus can be reached through mails without convening meetings.

Weaknesses:

- Lack of publicity to create awareness on the existence of the fund.
- Low inflow of proposals from public institutions.
- The current funding does not allow for bigger budget studies/ consultancies above €60 000 to be expeditiously approved locally, according to BTC management modalities.
- Lack of participation in the monitoring of activity implementation by the IDC creates bureaucratic delays in the signing-off of completed interventions.

## 2.3 Harmo-context

*Describe how other actors influenced the intervention and vice versa: harmonisation initiatives with other development actors (or other BTC interventions), the alignment with partner strategies, ownership by the partner. Limit yourself to the description of key evolutions during the reporting period*

*Max length: 250 words*

The Health Facilities Improvement project (HFIP) spearheaded by the National Department of Health brought together a number of international actors like the EU, DFID, and Atlantic Philanthropists. The Study Fund provided financial resources for the implementation of the piloting of the Risk Management for the South African Health sector and National Health Insurance activities that complemented the HFIP directly. The HFIP came as a result of preparations for the implementation of the National Health Insurance. The HFIP has no Risk Management component in it and as such the activity funded through the fund has a direct influence towards the HFIP. The activities of the fund are planned and implemented through the collaboration of and coordination of the National Department of Health and National Treasury. The activities of the fund compliment the efforts and plans of the beneficiary departments and therefore ownership of the results rests within the beneficiary departments.

Other activities of the fund that satisfied the Harmo-context as they collaborated with municipalities and other actors are the following:

<b>Study</b>	<b>Beneficiary institution</b>	<b>Other actors</b>
Feasibility study for a comprehensive Poverty Reduction, Improved Service Delivery and Integrated Development Programme	Ba-Phalaborwa Local Municipality in Limpopo Province	DBSA
Technical Assistant for Free State Provincial Treasury to assist the Free State Provincial Department of Police, Road and Transport	Department of Police, Road and Transport in Free State Province	SANRAL; EU; UNDP; SECO
Technical Assistant for Gauteng Provincial Treasury to assist the Gauteng Provincial Department of Health	Department of Health in Gauteng Provincial	UNDP; EU; SECO
Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality	Nkangala District Municipality in Mpumalanga Province	DFID, GIZ

### 3 Analysis of progress made

Only three activities were approved during the year under review. Seven activities were continuations of implementation from the previous year. Of the three 2012 approvals only one activity was concluded on scheduled time.

At the current rate of the inflow of activities the fund will not be utilised fully within Specific Agreement period of five years. However, at a workshop held in December the Fund Directors restructured on how the public institutions could be made aware of the existence of the Fund. This included the way the Fund could be publicised in order to improve the inflow of applications through call for proposals by the departments within the Belgian-South African Bilateral Cooperation sectors – and these are Health, Land Reform & Agriculture, and departments that provide frontline service delivery to the public.

## 3.1 Studies

### 3.1.1 Progress of studies

Progress of studies <sup>3</sup>	A	B	C	D	Comments (only if the value is C or D)
1. Feasibility study for a comprehensive Poverty Reduction, Improved Service Delivery and Integrated Development Programme for Ba-Phalaborwa Local Municipality		X			
2. Feasibility study for Finance Capacity Building Programme in Free State - SALGA Free State			X		Appointment of consultants was delayed by six months due to internal SALGA procurement processes
3. Review of State Owned Enterprises -Presidential Review Committee			X		Appointment of consultants was delayed due to the procedure of pre-appointment of service provider that was rejected by the Fund directors
4. Technical Assistant for Free State Provincial Treasury to assist the Free State Provincial Department of Police, Road and Transport	X				
5. Technical Assistant for Gauteng Provincial Treasury to assist the Gauteng Provincial Department of Health		X			
6. Consultancy for the establishment of a Competency Framework & Capacity Building curriculum for the Nelson Mandela Bay District Municipality				X	Bureaucratic delays in appointing consultants have delayed implementation.
7. Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality - DARDLA Mpumalanga			X		Provincial department of rural development and Agriculture bureaucratic processes delayed the appointment of service provider.
8. Expert in the Development of Implementation Guidelines for the Standards of Generally Recognised Accounting Practice (GRAP) - National Treasury, Chief Directorate: Capacity Building	X				
9. Expert in Risk Management for the South African Health sector - National Treasury, Chief Directorate: Capacity Building		X			
10. Supporting South Africa's National Health Insurance Reform			X		Implementation was delayed by the decision by the applicant of changing the implementation and deliverables of the study. This required to be approved by the JLCB before implementation.

<sup>3</sup>

A:	Ahead of schedule
B:	On schedule
C:	Delayed, corrective measures are required.
D:	Seriously delayed (more than 6 months). Substantial corrective measures are required.



### 3.1.2 Analysis of studies completed

<For every Study that has been completed during the reporting period: fill in a box like the one underneath. You can just copy paste the box for every study. Be succinct>

<b>Title of study:</b>	<b>Feasibility study for a comprehensive Poverty Reduction, Improved Service Delivery and Integrated Development Programme for Ba-Phalaborwa Local Municipality</b>
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The study was organised by and for the Ba-Phalaborwa Local Municipality. The intervention is about developing an development implementation programme for Ba-Phalaborwa Municipality within the key performance areas. Specific attention being given to the land reform process and sustainable, economically viable solutions for the new landowners.
<i>Have the studies been used as intended?</i>	The study deliverables have been incorporated in the Integrated Development Plan for 2013 of the local municipality that is aimed at (a) facilitating local economic growth and provide for mobility and access to resources by communities' (b) stimulate financial viability (c) development of effective and sustainable stakeholder relationships and partnerships
<i>To what did the study contribute?</i>	The study's contribution was the provision of (1) a comprehensive development plan; (2) a funding model with funding options; and (3) a governance and capacity development framework.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	The availability of senior public officials for scheduled interviews with service providers at both Provincial and District levels delayed the data collection phase of the study thereby prolonging the duration of implementation. Sometimes progress review meetings had to be rescheduled in order to accommodate some stakeholders' agendas – this also prolonged the duration of implementation. The local Acting Mayor was always available at progress review meetings and also at the closure meeting to ensure the alignment of the study's deliverables to the municipal priorities.

<b>Title of study:</b>	<b>Feasibility study for Finance -Capacity Building Programme in Free State - SALGA Free State</b>
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The South African Local Government Association (SALGA) is an organisation mandated by the new South African Constitution to assist in the wholesale transformation of local government in South Africa from the pre-1994 regime to the new dispensation under the country's first democratically elected government. The study was organised for and by the SALGA Free State after they discovered widespread capacity constraints on municipal financial management in the province. The broad programme principle is to enhance the capacity of both municipal officials and councillors responsible for finances. The purpose of the study was to lay the foundation for the roll-out of a finance capacity building programme that would contribute to effective financial viability to all municipalities in the Free State Province
<i>Have the studies been used as intended?</i>	The study is 75% complete and therefore the deliverables have not yet been realised. The results of the study will be utilised in 2013 after the completion of the implementation.
<i>To what did the study contribute?</i>	Implementation is still in progress and spilling over into Q1-2013.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	The issue of subsequent rescheduling of training sessions and meetings has been prevalent so far. This has been due to the availability of both political and public officials for training. As a result the implementation duration has been further prolonged than scheduled. However, the study has not been allowed to go beyond 12 months as this is a constraint stipulated in the Fund's Specific Agreement. Implementation was at one time stalled by the issue of VAT since it had not been clarified to the service provider that the Fund was not intended to finance taxes. This

	was however clarified and resolved.
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<b>Title of study:</b>	<b>Review of State Owned Enterprises - Presidential Review Committee (Office of the Presidency)</b>
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The study was meant for the Presidential Review Committee (PRC). This study was led by the Development and Transformation work stream of the Office of the Presidency for the purpose of undertaking an in-depth assessment of State Owned Enterprises (SOEs) within this case study, the PRC sort to appoint external service providers to undertake the work. Four service providers were appointed in order to address three specialised analysis of the study and these are: (1) Africa Vukani - Analysis of SOEs' Procurement plans, and socio-economic policies such as Job Creation and Supplier development (2) Empowerdex - Analysis of Procurement budgets of SOEs; (3) SAYAKHA Consulting Analysis of Key Economic Sectors within Procurement and (4) TISO - Potential contribution to job creation and enterprise development and Creation of new industries aligned to New Growth Path (NGP) and Industrial Policy Action Plan (IPAP)
<i>Have the studies been used as intended?</i>	The deliverables of the study are being used by the PRC in the review of SOEs functions, alignment, contribution and procurement processes in line with current government policies and priorities.
<i>To what did the study contribute?</i>	The study contributed to the production of the report to the PRC on current Procurement by SOEs that outlined recommendations on aligning procurement to state's Development & Transformation Plans.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	The intervention experienced a delayed start owing to the procurement process of service providers. In the beginning only one service provider had been foreseen, the HSRC. Later on the council could not come on board due to their commitments and the PRC decided to engage specialised entities after breaking down the deliverables of the study. This process prolonged the implementation duration of the intervention beyond the initially foreseen. However, the implementation took place within the scheduled 12 months, maximum time according to the Fund's Specific Agreement.

<b>Title of study:</b>	<b>Technical Assistant for Free State Provincial Treasury to assist the Free State Provincial Department of Police, Road and Transport (DPRT)</b>
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The overall objective is to also raise the Provincial Treasury's financial management and monitoring and oversight performance in Free State and to accomplish this on a sustainable basis. The purpose of the intervention is to ultimately strengthen the finance management capacities and capabilities in the department of Police, Roads and Transport through supporting the implementation of the PFMA and from there initiate the professionalization and capacity-building processes. The intervention was completed on schedule.
<i>Have the studies been used as intended?</i>	The results of the study were used for their intended purpose, that is, <ul style="list-style-type: none"> <li>• To support DPRT in identifying and quantifying their liabilities, commitments in terms of signed contracts and funding needs for priorities which have not yet been contracted.</li> <li>• To support and guide the DPRT management in dealing with their short term challenges around critical issues, including but not limited to delayed projects, risk management, asset management, contract management, legal and disciplinary issues, etc.</li> <li>• To consider the mandate of the DPRT in terms of national guidelines, legislation and benchmarking against other provinces, and also whether policies support the mandate and whether the strategy is aligned,</li> <li>• To consider structures, people, skills, processes and systems to support the strategy and mandate in the DPRT.</li> <li>• To advise and make inputs into areas of change management and human resource development initiatives undertaken by the Provincial Treasury.</li> <li>• To assess delegations and ensure that all relevant stakeholders are familiar to</li> </ul>

	<p>their responsibilities.</p> <ul style="list-style-type: none"> <li>• To implement reporting structures to ensure accountability.</li> </ul>
<i>To what did the study contribute?</i>	<p>The study contributed to the following aspects in the DPRT:</p> <ul style="list-style-type: none"> <li>• Development of a turnaround and transformation strategy process for the department.</li> <li>• Set up parameters to enable the measurement of the achievement of the key deliverables and assessment of specific outputs. These shall include, but not limited to: <ul style="list-style-type: none"> <li>○ Review assessment report detailing areas of financial management problems, and challenges (findings) and recommendations;</li> <li>○ Detailed financial management turn-around strategy for the DPRT in terms of the budgeting system;</li> <li>○ Sharing knowledge and skills with provincial treasury and DPRT staff in designing and developing and turn-around strategy and implementation plan;</li> <li>○ Regular monitoring reports documenting progress of actions taken and lessons learned, including capacity building activities.</li> </ul> </li> <li>• Provision of hands on support to ensure the transfer of knowledge and skills to the DPRT and provincial treasury staff.</li> </ul>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	<ul style="list-style-type: none"> <li>• Capacity issues were fully addressed as a professional engineer was appointed to carry on work done by the TA's departure.</li> <li>• Clarity has been obtained in aligning the cost of the roads with the department's budget since the last Technical Advisory Panel (TAP) meeting. A clear way forward was determined with respect to the 23 roads projects that have been behind schedule of implementation.</li> <li>• A task team and a TAP were established as a result of this project to assist with technical capacity.</li> <li>• The final month of the intervention focused on building capacity and sustainability in the department. The intervention also linked the Free State Department of Police, Roads and Transport (FSDPRT) officials with the Infrastructure Development Management System (IDMS) training.</li> <li>• Challenges such as competent staffing, appropriate asset management and related accounting policies and procedures, as well as effective internal controls and risk management were addressed comprehensively as part of the Section 18 intervention initiative imposed by Provincial Treasury on DPRT.</li> <li>• Considerable attention had to be devoted to the problems associated with the preparation of a budget for the 2012/2013 fiscal year, during which provision had to be made for the anticipated negotiated conclusion of the 23 Roads Programme. This budget preparation process highlighted the need for a better understanding of and commitment to relevant PFMA and Division of Revenue Act (DORA) requirements by both officials and politicians. Especially the lack of political will and buy-in to honour and follow correct procedures proved to be a serious problem. The lack of appropriate financial delegations in line with PFMA and organizational needs is a further specific problem closely associated with the above.</li> </ul>

<b>Title of study:</b>	<b>Technical Assistant for Gauteng Provincial Treasury to assist the Gauteng Provincial Department of Health</b>
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	<p>The study was prepared by the Gauteng Provincial Treasury for the purpose of technically assisting the Gauteng Provincial Department of Health and Social Development in correcting the results from previous diagnostics that revealed serious challenges around revenue management, duplication or poor integration of functions, uneconomical utilization of human and other resources, the need to devise strategies to reduce the cost of running institutions, the effective management of the compensation of employees budget and the implementation of risk management strategy which must include a fraud prevention plan and effective internal controls. The overall objective of the intervention was to raise the GDoH financial</p>

	management performance and accounting practices on a sustainable basis by providing advice and spearheading the implementation of the necessary structure, development of policies for critical discipline in the department such as and not limited to contract management, risk management and internal controls. The purpose of the intervention was to strengthen the finance management capacities and capabilities at the GDoH through supporting the implementation of the PFMA and from there initiate the professionalization and capacity-building process in the GDoH.
<i>Have the studies been used as intended?</i>	The study has been correctly used as intended despite some challenges highlighted below.
<i>To what did the study contribute?</i>	<p>The intervention contributed to the functionality of the Gauteng Department of Health in various ways and they are as follows:</p> <ul style="list-style-type: none"> <li>• Contained growth and reduction of accruals of unpaid suppliers to the health institutions.</li> <li>• Contained growth in key cost drivers.</li> <li>• Improved cash flow over time.</li> <li>• Introduction of informed expenditure norms, going forward</li> <li>• Expenditure proposals reflect the accommodation of the main cost drivers as the 1<sup>st</sup> charge against the expendable budgets.</li> <li>• Expenditure incurred in line with expenditure priorities and norms and output targets of the APP.</li> <li>• No incidence of in-year suspensions and virements that significantly alters the Department's declared service priorities.</li> <li>• Cost containment measures in place.</li> <li>• Effective referral system in place to ensure patient intake at appropriate levels of care.</li> <li>• Effective utilization of available step-down facilities.</li> <li>• Clear evidence of a high level staff awareness of ongoing need to adhere to cost-containment in conducting functions and executing day-to-day operations.</li> <li>• Processes in place to ensure that all spending plans are net of the funding requirements to defray unpaid accruals.</li> <li>• Expenditure reports reflect programme expenditure within allocated funds and in line with expenditure priorities and norms.</li> <li>• No significant incidence of "out-of-adjustment" salary payments.</li> <li>• Over-time payments maintained within affordable levels.</li> <li>• Inventory maintained at acceptable levels to sustain operations of end-users.</li> </ul>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	Challenges with regard to the implementation of Action Plan 3 (Improved Supply Chain Management) was somewhat more serious and this prompted the Advisor to allow for a run-over of the intervention implementation timeline (until 18 May 2012) to ensure that issues around the implementation of this Plan could be adequately dealt with.

<b>Title of study:</b>	<b>Expert in the Development of Implementation Guidelines for the Standards of GRAP - National Treasury, Chief Directorate: Capacity Building</b>
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	<p>The Office of the Accountant-General (OAG) within the National Treasury is responsible for the development of implementation guidelines for the Standards of Generally Recognised Accounting Practice (GRAP). These guidelines are to be used by public sector entities that are required by law to prepare financial statements in terms of these standards.</p> <p>The purpose of this intervention was to develop implementation guidelines on the remaining set of GRAP standards. The appointment of a competent and experienced service provider would enable the OAG to design and develop the guide.</p>
<i>Have the studies been used as intended?</i>	The intervention was used as intended and expected results were achieved.
<i>To what did the study contribute?</i>	In total, 8 GRAP Implementation Guides were developed, finished and sent through to the relevant team members for the OAG, based on the following selected Standards of GRAP:

	<ul style="list-style-type: none"> <li>• GRAP 6 Consolidated and separate financial statements;</li> <li>• GRAP 7 Associates;</li> <li>• GRAP 8 Joint ventures;</li> <li>• GRAP 20 Related Party Transactions*;</li> <li>• GRAP 18 Segments Reporting;</li> <li>• GRAP 105 Transfers of Functions between Entities under Common Control;</li> <li>• GRAP 106 Transfers of Functions between Entities Not Under Common Control;</li> <li>• GRAP 107 Mergers</li> </ul>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	Due to the fact that the service provider had prepared the previous 24 GRAP Implementation Guides, the intervention went very well as the service provider knew what was expected from them. Any issues or obstacles hampering the development of the guides were quite easily resolved.

<b>Title of study:</b>	<b>Expert in Risk Management for the South African Health sector - National Treasury, Chief Directorate: Capacity Building</b>
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	<p>The intervention was organised by National Treasury and was piloted in the Eastern Cape Department of Health. The National Treasury completed a financial management capability maturity assessment of various government departments, and identified, among other things, the need to strengthen the risk management strategies of the Health Sector. Health, disease and well-being are complex states that are influenced by a range of factors such as gender, socio-economic development, health care access, physical environment and inequity. However, the Health Sector does not have a reliable and validated evidence base of the various risk factors that undermine the objective of providing quality health care. It is well recognised that progress toward sustainable development requires quality information for decision-making and risk management. The regular measurement of indicators allows one to track trends, providing information for more informed choices, as well as allowing for continuous improvement. More specifically, the identification and prioritisation of risk factors for the health sector will enable more targeted and needs-based intervention strategies to mitigate risks and enhance the chances of successful strategic outcomes. Thus, informed risk mitigation strategies will contribute immensely towards sustainable health care and improvement in the general health of the public.</p> <p>This intervention was designed for the purpose of addressing the lack of timely information and measurement indicators which prevent robustness and rigour in risk management. The Eastern Cape Department of Health was identified as the pilot department for rectifying the poor risk management practices in the broader health sector. The intention was to then replicate the positive experiences from this department to the other provincial health departments, thus securing an incremental and sustainable improvement in risk management across the health sector. The department was chosen given the demonstrated strong leadership to improve the department's performance.</p>
<i>Have the studies been used as intended?</i>	The intervention is still being implemented and should be completed in Q1-2013.
<i>To what did the study contribute?</i>	No contribution has been realised as yet since the intervention is still under implementation.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	Having to pay for unexpected accommodation and catering needs of participants. This cost had not been foreseen as a service provider's responsibility. The beneficiary institution was supposed to provide these but unfortunately they did not contribute. This is likely to increase the foreseen and approved budget. A formal request for approval is expected to be received by the fund Directors.

<b>Title of study:</b>	<b>Supporting South Africa's National Health Insurance Reform</b>
<i>Describe, in a few sentences, for who the study was organised, and what it</i>	The intervention was organised by the National Treasury's Chief Directorate for Health and Social Development working with the National Department of Health for

<i>was about</i>	the purpose of determining more precise benchmarks and/or norms and standards for particular areas of expenditure regarding the implementation of the National Health Insurance (NHI).
<i>Have the studies been used as intended?</i>	The intervention is still being implemented and should be completed in Q1-2013.
<i>To what did the study contribute?</i>	No contribution has been realised as yet since the intervention is still under implementation.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	No issues have arose as yet since implementation has just started and all parties working together amicably.

## 3.2 Expertise

### 3.2.1 Progress of expertise

Progress of expertise <sup>4</sup>	A	B	C	D	Comments (only if the value is C or D)
1. Feasibility study for a comprehensive Poverty Reduction, Improved Service Delivery and Integrated Development Programme for Ba-Phalaborwa Local Municipality		X			
2. Feasibility study for Finance Capacity Building Programme in Free State -SALGA Free State		X			
3. Review of State Owned Enterprises -Presidential Review Committee	X				
4. Technical Assistant for Free State Provincial Treasury to assist the Free State Provincial Department of Police, Road and Transport	X				
5. Technical Assistant for Gauteng Provincial Treasury to assist the Gauteng Provincial Department of Health		X			
6. Consultancy for the establishment of a Competency Framework & Capacity Building curriculum for the Nelson Mandela Bay District Municipality				X	Service provider has not started working.
7. Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality - DARDLA Mpumalanga		X			
8. Expert in the Development of Implementation Guidelines for the Standards of GRAP - National Treasury, Chief Directorate: Capacity Building	X				
9. Expert in Risk Management for the South African Health sector - National Treasury, Chief Directorate: Capacity Building	X				
10. Supporting South Africa's National Health Insurance Reform		X			

<sup>4</sup> A: Expertise completed in year N  
B: Expertise ongoing  
C: Expertise in preparatory phase: preparation going as planned (writing ToR, procurement procedure, etc.)  
D: Expertise planned but delayed

### 3.2.2 Analysis of expertise

<For every expertise, be it planned, on-going or completed in year N: fill in a box like the one underneath. You can just copy paste the box for every expertise. Be succinct >

<b>Title of expertise – name of expert:</b>	<b>Feasibility study for a comprehensive Poverty Reduction, Improved Service Delivery and Integrated Development Programme for Ba-Phalaborwa Local Municipality - NRM Consulting &amp; Mac Milton consulting</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	NRM Consulting and Mac Milton Consulting help clients with strategic advice in natural resources management. They provide tailored solutions to help their clients address social, environmental and economic development imperatives. The consultants were required to deliver to Ba-Phalaborwa Municipality: <ul style="list-style-type: none"> <li>• a comprehensive development implementation plan;</li> <li>• a funding model and funding options; and</li> <li>• a governance and capacity development framework</li> </ul>
<i>To what extent is the expertise delivering results?</i>	The consultants delivered the intervention satisfactorily in 2012.
<i>To what has the expertise contributed?</i>	The expertise contributed the following: <ul style="list-style-type: none"> <li>• Provision of critical information on the current status quo of the Municipality in terms of social, economic, infrastructural and other key issues.</li> <li>• Identification of potential high impact economic and infrastructural projects that could be implemented to alleviate poverty and improve service delivery in the area.</li> <li>• Packaged the identified economic and infrastructural projects</li> <li>• Developed an appropriate funding model and strategy detailing various funding options.</li> <li>• Provided a detailed implementation plan for the integrated development plan (IDP).</li> </ul>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	<ul style="list-style-type: none"> <li>• There are vast opportunities for economic and infrastructural development in the Ba-Phalaborwa area. The current infrastructure will need to be upgraded to leverage private sector investments.</li> <li>• Various social amenities such as schools, health facilities, police stations, housing, access to water and other services in Ba-Phalaborwa have been fairly developed compared to other municipalities in the Province.</li> <li>• There is however a growing pressure from the rural settlements to provide bulk infrastructure, roads and public and recreational facilities.</li> <li>• Recreational facilities exist in some areas but need to be rehabilitated and promoted to encourage usage by the local people.</li> <li>• Crime and abuse of alcohol seem to be on the higher side which may work against sustainable development initiatives and this will need to be addressed.</li> <li>• Recreational facilities then keeps youth busy and have a chance of developing well as supposed to doing nothing which may create unwanted social behaviour.</li> <li>• The income levels are also slightly higher when compared to other local municipalities in Limpopo but not significantly high to afford services especially in the rural nodes. There is however an opportunity for commercial developments related to retail, manufacturing and supply y of materials.</li> <li>• Clear opportunity exists in tourism and agribusiness. There is a need to promote tourist related industries (agric- tourism) and improvement of infrastructure. Utilize land near Selati River and Letaba River to plant variety of horticultural crops.</li> <li>• To minimize the environmental degradation, proper environmental impact assessment should be considered when new development is initiated.</li> <li>• The issue of land ownership and development schemes needs to be sorted. At high level it can be observed that in certain areas developments are not well</li> </ul>

	controlled and this will work against the noble idea of creating environmental and clean municipality in the long run and affected commercial developments that have the potential of creating sustainable jobs and income for locals.
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<b>Title of expertise – name of expert:</b>	<b>External Review of the Institute for the Programme on Land and Agrarian Studies Teaching Programme at the University of Western Cape - Mr. H. Bernstein and Mr. S.D. Turner</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	Given the changes over the past 10 years, there was a need to evaluate the purpose and objectives of the teaching Institute of Poverty, Land and Agrarian Studies (PLAAS) programme; to evaluate whether the curriculum was still aligned with the student needs; and to evaluate the target groups. The alignment of the potential employees needs, student needs, PLAAS' original goal of training new generation of applied social science researchers, and emerging PLAAS research agenda (for example on agro-food regimes, etc.) in order to equate the institute with current trends to remain relevant and useful.
<i>To what extent is the expertise delivering results?</i>	The experts satisfactorily delivered the results, given their vast knowledge of teaching in local and international universities and also in the fields of land, rural development, agro-food regimes, government, natural resources management that are particular to the Institute of Poverty, Land and Agrarian Sties (PLAAS).
<i>To what has the expertise contributed?</i>	The experts assessed the relevance of the teaching programme to government departments (for example Rural Development and Land Reform; Agriculture, Forestry and Fisheries; human settlements – also include provincial and local governments) NGOs (local, national and international) and to made suitable recommendations for improvement of the teaching programme and curriculum.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	<p><b>Achievements:</b></p> <p>The experts commended the following achievement that PLAAS has multiple achievements that its postgraduate teaching programme represents:</p> <ul style="list-style-type: none"> <li>• The programme is of high academic quality in its content, teaching and supervision.</li> <li>• Unique in Southern Africa, the programme clearly meets a widespread need, despite the sometimes low profile of the land and agrarian sector. This need is more explicitly and fully articulated by NGOs than by government employers, but it is real for both types of organisation. PLAAS is making a substantive, but inevitably insufficient, contribution to meeting it.</li> <li>• PLAAS manages to deliver a worthwhile Diploma programme while providing opportunities for progression to MPhil coursework and thence to M.Phil. Research and Ph.D. for suitably motivated and qualified students, while also attracting able students through direct entry to research degrees.</li> <li>• There are very high levels of student satisfaction with the administration, content, delivery and results of the programme.</li> <li>• Although it is always hard to assess the impact of a teaching programme objectively, we find that the PLAAS programme is achieving a significant positive intellectual impact for its students. Many of them report a positive career impact too, which – naturally and justifiably – is a major reason for applying to study at PLAAS.</li> <li>• Indirectly, we judge that PLAAS is achieving significant development impact through the work of its graduates. People with PLAAS qualifications are attractive to employers in the sustainable development and land reform sectors. PLAAS scholarship is deemed highly relevant to enhancing effectiveness in these sectors.</li> <li>• PLAAS manages to achieve all this with improbably slender resources and in the face of heavy multiple work pressures on its small and recently reduced</li> </ul>



	<p>staff team.</p> <p><b>Challenges:</b></p> <p>The last achievement identified above encapsulates some of the challenges and constraints with which PLAAS must contend in its teaching programme. Our review has identified other issues, too.</p> <ul style="list-style-type: none"> <li>• PLAAS delivers its teaching programme at the margins of its capacity. Lecturers and funds must be reconfirmed each year. Budgets are inadequate: those from internal UWC sources as well as those generously provided by donors. Not all teaching staff are compensated adequately for their inputs; some do the work for nothing. Not all modules can be offered every year, and the juggling of commitments means that they cannot always be offered in the same or optimum sequence.</li> <li>• There has been little change in the basic design and structure of the programme since its inception. The need for adjustments is increasingly obvious.</li> <li>• Part of this challenge is to decide how much of the programme's current focus on land reform and agrarian issues in South Africa should be maintained. The alternative is to affirm the programme as spanning southern Africa.</li> <li>• A related challenge is to decide how much of the original land reform emphasis should be maintained. As we have shown, many students would benefit from a more comprehensive approach to understanding and enhancing development interventions, as well as a thorough grounding in questions of chronic poverty and food (in) security.</li> <li>• New challenges appear to be emerging with regard to the formal requirements for course content at Diploma and Master's levels in South African universities – implying the need to expand the taught content of the PLAAS M.Phil. by coursework.</li> </ul>
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<b>Title of expertise – name of expert:</b>	<b>Feasibility study for Finance Capacity Building Programme in Free State : SALGA Free State - Akhile Management and Consulting</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	The experts were required to carry out a feasibility study at all municipalities in the Free State Province in accordance with recognised accounting practices that will lay the foundation for a roll-out of a finance capacity building programme.
<i>To what extent is the expertise delivering results?</i>	The experts have delivered at least 80% of the intervention and should be concluding in Q1-2013.
<i>To what has the expertise contributed?</i>	<p>The experts are providing training to new councillors and administrative staff in the following fields:</p> <ul style="list-style-type: none"> <li>• Financial Management – budgeting, safeguarding, monitoring (financial reporting) and auditing;</li> <li>• The budgeting cycle and community participation;</li> <li>• Sources of municipal income</li> <li>• Tariffs and municipal services</li> <li>• Property rates</li> <li>• Managing money flow</li> <li>• Ward Committee role</li> <li>• Service delivery budget implementation plan</li> </ul>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	No surprises have been raised as yet. we wait for the conclusion of the implementation phase.

<b>Title of expertise – name of expert:</b>	<b>Review of State Owned Enterprises by The Presidential Review Committee - (1) Africa Vukani, (2) Empowerdex, (3) SAYAKHA Consulting and (4) TISO</b>
<i>Describe, in a few sentences, what the</i>	The review of State Owned Enterprises (“SOEs”) was intended to facilitate

<p><i>expertise is/was about</i></p>	<p>Government's efforts towards strengthening government oversight on state owned enterprises, and specifically to achieve the goal of aligning SOEs to the developmental agenda. Whilst recognising that there have been SOE reforms and some improvements in the past years, the current national debate on the state and future of SOEs suggest that there is a need to review and make cardinal recommendations on the role and relationship of SOEs with government.</p> <p>The rationale for establishing the PRC is to review and recommend measures to align SOEs to the state's developmental objectives. To respond to this, the PRC's TORs provide specific areas that need to be address in the review.</p>
<p><i>To what extent is the expertise delivering results?</i></p>	<p>The expertise fully addressed the areas of concern as stipulated in the ToR that focused on the following four analytical areas:</p> <ul style="list-style-type: none"> <li>• Development and Transformation (D&amp;T),</li> <li>• Governance and Ownership (G&amp;O),</li> <li>• Business Case (BC), as well as</li> <li>• Strategic Management &amp; Operational Effectiveness (SMOE).</li> </ul> <p>Each of the analytical areas was assigned to a specialised expert service provider</p>
<p><i>To what has the expertise contributed?</i></p>	<p>The experts reviewed the following parameters as outlined in the Terms of Reference of the intervention:</p> <ul style="list-style-type: none"> <li>• A common understanding and definition for State Owned Enterprises;</li> <li>• The place of State Owned Enterprises in a developmental state;</li> <li>• Strategic importance and value creation of State Owned Enterprises;</li> <li>• The viability and funding of State Owned Enterprises;</li> <li>• Existing portfolio of investments by the state in strategic businesses;</li> <li>• The efficiency and effectiveness of State Owned Enterprises with respect to service delivery;</li> <li>• Current policy and regulatory framework and the impact thereof on the management of State Owned Enterprises;</li> <li>• The balance of social, political and economic imperatives in delivering objectives for State Owned Enterprises;</li> <li>• Harmonisation of performance measurements among State Owned Enterprises;</li> <li>• Standardisation of accounting and reporting processes for State Owned Enterprises;</li> <li>• Shareholder oversight and governance of State Owned Enterprises.</li> <li>• Recruitment, selection and appointment of boards and executive management of State Owned Enterprises;</li> <li>• Remuneration policies of State Owned Enterprises taking into account wage differential aspects;</li> <li>• Current restructuring initiatives (privatisation, retrenchments, PPPs etc) of State Owned Enterprises, and implications thereof;</li> <li>• State Owned Enterprises as a platform for sustainable human capital development and a catalyst for scarce skills;</li> <li>• Establishment of a comprehensive database of State Owned Enterprises across all spheres of government;</li> <li>• Policy for the establishment and de-establishment of State Owned Enterprises;</li> <li>• Criteria and framework for identifying and establishing priority State Owned Enterprises; relevant global benchmarking and best practices;</li> <li>• Alignment, collaboration and cooperation among State Owned Enterprises for the purpose of optimising state resources;</li> <li>• Relationship and collaboration between Government Ministries to facilitate achievement of SOE objectives;</li> <li>• Compliance of State Owned Enterprises to the government's development and</li> </ul>

	transformation agenda.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	The PRC had initially predetermined and appointed a specific service provider without having gone through a competitive procurement process. This was rejected by the Fund Directors and the intervention had to be redesigned. Stakeholder workshops were then conducted and presentations from experts made in a professional way.

<b>Title of expertise – name of expert:</b>	<b>Technical Assistant for Free State Provincial Treasury to assist the Free State Provincial Department of Police, Road and Transport - Mr. Theodore LOUW</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	<p>The primary objective of the intervention was to provide technical support, advise and assist the Provincial Treasury with their capacity to provide technical assistance to Department of Police Roads and Transport (DPRT) in identifying and quantifying their liabilities, commitments in terms of signed contracts and funding needs for priorities which have not yet been contracted.</p> <p>Secondly the expertise was to strengthen the financial management capacities and capabilities in the department of Police, Roads and Transport through supporting the implementation of the PFMA and from there initiate the professionalization and capacity-building processes. The intervention mainly focused on supporting and guiding the DPRT management in dealing with their short term challenges around critical issues, including but not limited to <b>delayed projects, risk management, asset management, contract management, legal and disciplinary issues</b>, etc. This would entail giving consideration to structures, human capital, skills, processes and systems to support the strategy and mandate in the Department of Police, Roads and Transport. The expertise further assessed the delegations to ensure that all relevant stakeholders were familiar with their respective reporting structures to ensure accountability.</p>
<i>To what extent is the expertise delivering results?</i>	The expert fully delivered his mandate to the satisfaction of all stakeholders and this was done on record scheduled time.
<i>To what has the expertise contributed?</i>	<p>The performance of the contractor was monitored by way of regular meetings of a Project Steering Committee, supplemented by monthly progress and impact reports. Satisfactory performance was regularly reported to the NT/BTC Steering Committee. There seems to be considerable consensus that the consultant achieved remarkable impact within the relatively short duration of his assignment.</p> <p>Performance monitoring was guided by a Logframe and Work Plan based on the Terms of Reference (ToR) and Project Brief, consolidated into 5 measurable Outputs. These moved progressively from a focus on identifying immediate short term “quick wins” to recommending sustainable long term capacity building</p>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	<ul style="list-style-type: none"> <li>• Within the first weeks the contractor drafted and obtained sign-off of his Logframe and Work Plan. In terms of these, he also identified and successfully recommended short term interventions and “quick wins” such as a infrastructure construction focus on the Section 18 Supply Chain Management (SCM) and capacity building interventions. It also included recommendations to mobilise a Technical Advisory Panel (TAP), as well as on new approaches to the 23 Roads programme (including curtailment of further work and payments).</li> <li>• Unfortunately not all TA recommendations on better management of the programme were accepted and implemented and consequently too much of the TA's time and attention continued to be demanded on this ongoing crisis</li> </ul>

	<p>situation of management.</p> <ul style="list-style-type: none"> <li>• In terms of the contractor's prescribed implementation schedule, a multi-year turn-around strategy proposal and action plan was formulated by the contractor. This is to a large extent in line with the turn-around strategy that has now been adopted by the department under its new HoD and is currently being implemented.</li> <li>• A crucial impact of the contractor's tenure was his identification and recommendation that the focus of the Section 18 intervention on the department should be adjusted to include special attention to the specific infrastructure construction related SCM and capacity building needs of the Chief Directorate Roads. This includes full integration of the department into the Infrastructure Development Management System (IDMS) coordination strategy of Provincial Treasury, in line with the latest DoRA requirements.</li> <li>• A major concern identified immediately by the contractor is the very serious and ongoing lack of professional skills and manpower in the Chief Directorate Roads. Unfortunately his recommendations on how to address this problem were only partly accepted and ineffectively attended to up to now. This has remained a serious problem even on the post intervention period.</li> </ul>
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<b>Title of expertise – name of expert:</b>	<b>Technical Assistant for Gauteng Provincial Treasury to assist the Gauteng Provincial Department of Health - Mr. Donald R BARLOW</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	<p>The overall objective of the intervention expertise was to raise the Gauteng Provincial Department of Health's (GDoH) financial management performance and accounting practices on a sustainable basis by providing advice and spearheading the implementation of the necessary structure, development of policies for critical discipline in the department such as and not limited to contract management, risk management and internal controls. The purpose of the program is to strengthen the finance management capacities and capabilities at the GDoH through supporting the implementation of the PFMA and from there initiate the professionalization and capacity-building process in the GDoH.</p>
<i>To what extent is the expertise delivering results?</i>	<ul style="list-style-type: none"> <li>• Intervention implementation progressed well on schedule with the original plan for the first five months. The sixth month was delayed, not because of the expert's fault but the beneficiary department.</li> <li>• Generally, there was improvement of work performed by the Chief Directorate responsible for budgeting in the Department largely as a result of work undertaken by the Chief Director himself through: <ul style="list-style-type: none"> <li>○ Effectively aligning the Annual Performance Plan (APP) to the expendable budget in a way that could effectively strengthen Primary Health Care in order to divert patients from expensive services to appropriate levels of care. The considered view is that this is the most vital aspect of ensuring effective cost containment going forward. It is planned that the Budget Chief Directorate will shortly engage in a strategic review process to ascertain how these matters can be best dealt with. A need to review operational plans to ensure adequate alignment with the APP have also been identified, as operational plans have also been generally weak and could not be utilized as a tool to track actual in-year performance.</li> <li>○ Review some of the protocols, procedures and processes in swing to ensure that it supports effective adherence to expenditure norms and the avoidance of over-expenditure.</li> </ul> </li> <li>• Finally, it should be noted that the initial implementation timeline of 10 February 2012 for the full implementation of this Action Plan was too optimistic as several related matters in addition to proposed budget figures still need to be attended to. However, most of the issues contained in the Action Plan are in the process of going through final review processes before its finalization</li> </ul>

	and current indications are that the full implementation timeline.
<i>To what has the expertise contributed?</i>	<p>The expert contributed to the accomplishment of the intervention objectives. The delineation of the particular main objectives of the turnaround project was informed by an assessment of the specific financial management challenges facing the Gauteng Department of Health (GDOH) which was informed by an understanding of pertinent issues gained through:</p> <ul style="list-style-type: none"> <li>• Engaging relevant Provincial Treasury Officials.</li> <li>• Reviewing the Health Department's recent Annual Reports and Special Audit Reports.</li> <li>• Reviewing recent Provincial Treasury reports on financial management challenges facing the Health Department.</li> <li>• Interacting with relevant Health Officials.</li> </ul>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	<ul style="list-style-type: none"> <li>• The Department of Health, the Department was still confronted with significant financial management challenges.</li> <li>• Key to such prevailing challenges was the manifestation of a sizeable build-up of unpaid accruals (accumulated unpaid suppliers from previous years) due to a growing year-on-year carry-over of unfunded accruals into ensuing years over the past few financial years.</li> <li>• The negative impact of this on the credibility and sustainability of the Department's published Medium Term Expenditure Framework (MTEF) budget was further exacerbated by projected over-expenditure on compensation of employees and goods and services.</li> <li>• The National fiscal outlook for the immediate future indicate that it is inconceivable that the budget of the Provincial Department of Health will grow significantly enough to move to a situation where accumulated unpaid accruals could be matched by available cash on hand. It thus became imperative for the GDOH to put all effort into ways and means of addressing financial management challenges at hand.</li> </ul>

<b>Title of expertise – name of expert:</b>	<b>Consultancy for the establishment of a Competency Framework &amp; Capacity Building curriculum for the Nelson Mandela Bay District Municipality – consultant still to be appointed</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	<p>To establish a competency framework and capacity building curriculum for MURP key stakeholders at a political, strategic, project management and administrative level with particular focus on the following areas:</p> <ul style="list-style-type: none"> <li>• investment in economic and social infrastructure</li> <li>• human resource development</li> <li>• enterprise development</li> <li>• the enhancement of the development capacity of local government</li> <li>• poverty alleviation</li> <li>• the strengthening of the criminal justice system</li> </ul>
<i>To what extent is the expertise delivering results?</i>	Implementation delayed by the appointment of consultant.
<i>To what has the expertise contributed?</i>	There is no contribution as yet.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	No issues as yet.

<b>Title of expertise – name of expert:</b>	<b>Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality: DARDLA Mpumalanga Province - Agrimegalo Consulting</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	<p>The consultants were required to develop feasibility and sustainability mechanisms that would allow the testing and implementation of sustainable agricultural initiatives in support of emerging black farmers. Therefore it was necessary to have a balanced approach between household food production for food security to commercial production, in order to promote overall rural development. Additionally; it would be essential that the skills and capacity of all role-players within the agricultural sector were coherently developed. This includes but is not limited to ensuring that agricultural advisors/ extension officers were able to support farmers in a manner that would allow them to compete with and stand on equal footing with farmers all over the world.</p> <p>The provincial government also developed a Mpumalanga Economic Growth and Development Policy (MEGDP) focusing on five (5) areas including infrastructure, mining, agriculture, the green economy, and tourism and cultural industries. It is therefore against this background that a thorough study was conducted to solicit the scientific data that would ensure the success of the intervention.</p> <p>The overall objective of this intervention was to create sustainable profitable, large scale agri-businesses to utilize the large areas of redistributed land, provide additional employment to the local communities and provide capacity and skills to train the local small holders and enable the relevant local educational institutions to transfer knowledge more effectively.</p>
<i>To what extent is the expertise delivering results?</i>	The intervention is still in progress and is foreseen to conclude in Q1-2013.
<i>To what has the expertise contributed?</i>	The intervention is still in progress and is foreseen to conclude in Q1-2013.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	The attendance of beneficiary institution's representatives to Progress reporting meetings needs to be improved as no member is consistent (even the Chairperson). This reduces the knowledge base and continuity of resolutions as each time someone has to brief the new representatives on the intervention and status of the implementation.

<b>Title of expertise – name of expert:</b>	<b>Expert in the Development of Implementation Guidelines for the Standards of GRAP: National Treasury, Chief Directorate: Capacity Building - ALTIMAX (Pty) Ltd</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	The expertise requirements of this intervention were the ability to develop implementation guidelines on the eight remaining set of the Generally Recognised Accounting Practice (GRAP) standards within a period of 3 months. The appointment of a competent and experienced service provider would enable the Office of the Accountant-General (OAG) to design and develop the guides to be used by public sector entities that are required by law to prepare financial statements in terms of these standards.
<i>To what extent is the expertise delivering results?</i>	The experts professionally delivered the expected results and were approved by the intervention Steering Committee that comprised of representatives for the OAG's office, the BTC and the service provider.
<i>To what has the expertise contributed?</i>	<p>The expertise successfully completed the following standards:</p> <ul style="list-style-type: none"> <li>• GRAP 6 Consolidated and separate financial statements;</li> <li>• GRAP 7 Associates;</li> <li>• GRAP 8 Joint ventures;</li> </ul>

	<ul style="list-style-type: none"> <li>• GRAP 20 Related Party Transactions*;</li> <li>• GRAP 18 Segments Reporting;</li> <li>• GRAP 105 Transfers of Functions between Entities under Common Control;</li> <li>• GRAP 106 Transfers of Functions between Entities Not Under Common Control;</li> <li>• GRAP 107 Mergers</li> </ul> <p>The output was approved by the stakeholders who were involved in the drafting of the standards.</p>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	Positively: the experts had previously been involved in the drafting of 24 GRAP Implementation Guides and as such they knew what was required of them.

<b>Title of expertise – name of expert:</b>	<b>Expert in Risk Management for the South African Health sector: National Treasury - Chief Directorate: Capacity Building - Health Systems Trust (HST)</b>
<i>Describe, in a few sentences, what the expertise is/was about</i>	<p>The expertise was required to identify and develop systems that would strengthen the risk management strategies of the Health Sector, with Eastern Cape Department of Health as the pilot. Health, disease and well-being are complex states that are influenced by a range of factors such as gender, socio-economic development, health care access, physical environment and inequity. However, the Health Sector does not have a reliable and validated evidence base of the various risk factors that undermine the objective of providing quality health care. This is a serious gap given the following 10 point strategic objectives of the National Department of Health, aimed at creating a well-functioning health system capable of producing improved health outcomes.</p> <ol style="list-style-type: none"> <li>i. Provision of strategic leadership and creation of a social compact for better health outcomes;</li> <li>ii. Implementation of National Health Insurance (NHI);</li> <li>iii. Improving the Quality of Health Services;</li> <li>iv. Overhauling the health care system and improve its management;</li> <li>v. Improving Human Resources Management, Planning and Development;</li> <li>vi. Revitalization of infrastructure;</li> <li>vii. Accelerated implementation of HIV &amp; AIDS and Sexually Transmitted Infections National Strategic Plan 2007-11 and increase focus on TB and other communicable diseases;</li> <li>viii. Mass mobilisation for better health for the population;</li> <li>ix. Review of the Drug Policy; and</li> <li>x. Strengthening Research and Development</li> </ol>
<i>To what extent is the expertise delivering results?</i>	The experts have successfully maintained the delivery deadlines and achievement of milestones as set out in the ToR.
<i>To what has the expertise contributed?</i>	<p><b>Inception Report:</b> HST has documented the inception phase of the intervention and this was approved by the stakeholders.</p> <p><b>Desktop Research and Development of a Risk Determination Framework:</b> HST has undertaken a literature review, stakeholder analysis and organisational document review to determine priority health programmes of the EC DoH APP and how to identify risks in a systematic manner. HST has studied relevant risk registers to ascertain work already done in this regard and has developed a risk determination framework. The risk determination framework will be used to identify the categories of staff. HST has further refined the data collection tools in</p>

	<p>accordance with requests from NT to include criteria to guide the risk rating process</p> <p><b>Planning for fieldwork:</b></p> <ul style="list-style-type: none"> <li>• Piloted the Risk determination and risk rating tools at Tshwane Municipality in Pretoria.</li> <li>• Study participants selection: HST will use a combination of purposive and stratified random sampling to select staff at district and lower levels for inclusion in focus group discussions.</li> <li>• Study site selection: HST will use data from the District Health Barometer to identify poorly performing districts and will identify those where different sub-districts can provide for urban and rural perspectives.</li> </ul> <p><b>Project Fieldwork: Data collection:</b> Successive focus group discussions consisting of 10 to 15 participants per group will continue until saturation point is reached. The risk determination framework will be used as a tool during focus group discussions</p> <p><b>Report Development:</b> All activities and findings documented. Report containing the EC DoH risk profile and risk indicators pertaining to health programme objectives.</p> <p><b>Dissemination:</b> Training workshop for skills transfer convened and a soft copy report disseminated and final training session conducted.</p>
<p><i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i></p>	<ul style="list-style-type: none"> <li>• Delays in signing-off and approval of the Inception report resulted in a shift in timelines to subsequent phases in the intervention.</li> <li>• HST has used delays in phase 1 to develop methodological tools in readiness for fieldwork.</li> <li>• Information flow delays from the pilot districts to HST had a negative effect to the delivery timelines.</li> </ul>

<p><b>Title of expertise – name of expert:</b></p>	<p><b>Supporting South Africa's National Health Insurance Reform - Team of Consultants / Experts in Health - KPMG SERVICES (PTY) LTD</b></p>
<p><i>Describe, in a few sentences, what the expertise is/was about</i></p>	<p>The expertise is required to conduct a research on financing mechanisms for National Health Insurance (NHI). Another is on international comparative research to locate the proposed SA reforms within the context of best international health financing practice and experience.</p> <p>The NHI reforms are extremely far reaching and complex. SA needs to gain expertise from international experts on health reform in a number of areas.</p> <p>The consultancy is expected to conduct a review of international perspectives on financing of NHI. The work will entail (a) the review of emerging proposals for NHI in South Africa in the context of lessons from other countries that have implemented NHI and (b) the review of different approaches to raising revenue for NHI internationally and their application in the SA context.</p>
<p><i>To what extent is the expertise delivering results?</i></p>	<p>The panel of experts has presented a review of the SA NHI proposals within the context of global NHI systems and development, particularly in similar income countries.</p> <p>The findings and recommendations on financing mechanisms and tax and revenue considerations for South Africa's NHI system have also been presented.</p>
<p><i>To what has the expertise contributed?</i></p>	<p>The service providers, a panel of health experts, has already facilitated a stakeholder symposium in which the following presentations were made:</p> <ul style="list-style-type: none"> <li>• Designing and implementing explicit health benefits packages;</li> <li>• Optimizing financing;</li> <li>• Mobilizing Revenue for NHI - A Review of Country Experience</li> <li>• Learning Session on NHI Financing - Overview of session structure,</li> </ul>



	<p>purpose, and expected outcomes</p> <ul style="list-style-type: none"> <li>• Actuarial Society of South Africa (ASSA) Costing Model for SA NHI</li> <li>• Learning session on NHI financing: Health financing systems that combine tax and insurance mechanisms India, Ghana and the Philippines</li> <li>• The Dynamics of Introducing an NHI System</li> <li>• Governance and NHI systems</li> <li>• Strategies for Universal Health Coverage: The Cases of Argentina, Brazil and Chile</li> <li>• NHI Contracting and Payment: How to Drive Efficiency, Quality, and Cost Containment</li> </ul>
<p><i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i></p>	<ul style="list-style-type: none"> <li>• The beneficiary institution delayed the start of implementation as they had to revise the implementation methodology.</li> <li>• BTC is co-funding this initiative with Atlantic Philanthropists</li> </ul>

### 3.3 Budget execution

Add – in annex – the “Budget versus current (y – m)” Report, which includes the data up to 31/12/2012, and refer to the annex here. Comment briefly on this financial report if relevant.

### 3.4 Quality criteria

On the basis of the elements above, attribute a simple A, B, C or D score<sup>5</sup> to the following criteria

Relevance: The degree to which studies and expertise are in line with local and national priorities

Efficiency: Degree to which studies and expertise have been executed on time and on budget.

Effectiveness: Degree to which studies and expertise actually contribute to their intended objectives

Criteria	Score
Relevance	A
Efficiency	B
Effectiveness	A

<sup>5</sup>

- A: Very good performance
- B: Good performance
- C: Performing with problems, measures should be taken
- D: Not performing/ having major difficulties: measures are necessary

If a criterion cannot be assessed (e.g. because the intervention has only just started), attribute the criteria with an 'X' score. Explain why the criterion has not been assessed.

### 3.5 Risk management

Provide the evolution of risks<sup>6</sup> and how they have been managed. Identified risks consist of risks emanating from the TFF and significant risks that have been identified during the implementation of the intervention. Risks can also be identified during the Annual reporting.

- Describe the risk
- Score the probability that the risk might occur: High, Medium, Low
- Score the impact if the risk would occur: High Medium, Low

If a risk is attributed with a High or very high score, detail the measures that have been taken/will be taken and indicate the person/actor responsible.

Risk Identification			Risk analysis			Risk Treatment			Follow-up of risks	
Description of Risk	Period of identification	Risk category	Probability	Potential Impact	Total <sup>7</sup>	Action(s)	Resp.	Deadline	Progress	Status

<sup>6</sup> Limit yourself to Development Risks, Reputational Risks

<sup>7</sup>

Potential impact	High	B	C	D
	Medium	A	B	C
	Low	A	A	B
		Low	Medium	High
	Probability			

## 4 Steering and Learning

### 4.1 Action Plan

*On the basis of the data and analysis above, formulate actions to be taken (/decisions to be taken) These can be both strategic as operational.*

Action plan	Source	Actor	Deadline
<i>Description of the action/decision to be taken</i>	<i>The sub-chapter to which the action /decision refers (e.g. 3.2.3)</i>	<i>The person responsible for taking the decision/taking action</i>	<i>e.g. Q1, Q2, Q3 or Q4 of year N+1</i>
Involvement of Belgian-South African ICP sectors beneficiaries (NDoH, DRDLR, DPSA) in the publicity and call-for-proposals processes.	3	Fund Directors	Continuous process

### 4.2 Lessons Learned

*Capture important Lessons Learned from the intervention's experience. Lessons Learned are new insights that must remain in the institutional memory of BTC and partners.*

Lessons learned	Target audience
Description of the lesson learned.	The audience that may be interested in the lesson learned.
There is need for the publicity of the fund through the government media and other means in the government system so that the existence and mode of operation of the Fund is known.	Public institutions of South Africa

## 5 Annexes

### 5.1 “Budget versus curent (y – m)” Report

*Provide "Budget versus current (y – m)" Report (this can be annexed to this document and doesn't have to be included in the report as such.)*

## Budget vs Actuals (Year to Month) of SAF0901711

Project Title : **Creation of a Belgo South African Fund for Transfer of Know-How, Studies and Consultancies**

Budget Version: **C07**  
 Currency : **EUR**  
 YtM : **Report includes all closed transactions until the end date of the chosen closing**

Year to month : 31/12/2012

	Status	Fin Mode	Amount	Start to 2011	Expenses 2012	Total	Balance	% Exec
<b>A FONDS NON-ALLOUÉS</b>			1.351.354,33	-343,67	<b>-210,45</b>	-554,12	1.351.908,45	<b>0%</b>
<b>01 Fonds non-alloués</b>			1.351.354,33	-343,67	<b>-210,45</b>	-554,12	1.351.908,45	<b>0%</b>
01 Fonds non-alloués		COGES	1.351.354,33	-343,67	<b>-210,45</b>	-554,12	1.351.908,45	0%
<b>Z ALLOCATED FUNDS</b>			740.853,00	239.533,03	<b>328.429,42</b>	567.962,45	172.890,55	<b>77%</b>
<b>01 Department of Higher Education &amp; Training</b>			32.750,00	32.749,66	<b>0,00</b>	32.749,66	0,34	<b>100%</b>
01 FET College Lecturer Development		COGES	32.750,00	32.749,66	<b>0,00</b>	32.749,66	0,34	100%
<b>02 National Department of Health</b>			7.353,00	7.353,09	<b>0,00</b>	7.353,09	-0,09	<b>100%</b>
01 Seminar-Lean Methodology to Public Sector		COGES	7.353,00	7.353,09	<b>0,00</b>	7.353,09	-0,09	100%
<b>03 National Treasury - SCOA</b>			73.722,00	73.721,72	<b>0,00</b>	73.721,72	0,28	<b>100%</b>
01 Development of Standard chart of accounts for Local		COGES	73.722,00	73.721,72	<b>0,00</b>	73.721,72	0,28	100%
<b>04 National Treasury - GRAP</b>			63.610,00	63.610,38	<b>0,00</b>	63.610,38	-0,38	<b>100%</b>
01 Seminar - Municipal Mngmnt Reform		COGES	63.610,00	63.610,38	<b>0,00</b>	63.610,38	-0,38	100%
<b>05 Ba-Phalaborwa Municipality</b>			53.000,00	15.680,54	<b>31.351,26</b>	47.031,80	5.968,20	<b>89%</b>
01 Feasible Solution on Poverty reduction, improved service		COGES	53.000,00	15.680,54	<b>31.351,26</b>	47.031,80	5.968,20	89%
<b>06 University of Western Cape</b>			27.704,00	27.703,54	<b>0,00</b>	27.703,54	0,46	<b>100%</b>
01 External review of Plaas Teaching Programme		COGES	27.704,00	27.703,54	<b>0,00</b>	27.703,54	0,46	100%
<b>07 South African Local Government Association - SALGA</b>			55.000,00	0,00	<b>23.341,36</b>	23.341,36	31.658,64	<b>42%</b>
01 Feasibility study on Roll out of Finance Capacity Building		COGES	55.000,00	0,00	<b>23.341,36</b>	23.341,36	31.658,64	42%
<b>08 Presidential SOE Review Committee</b>			62.000,00	0,00	<b>38.031,84</b>	38.031,84	23.968,16	<b>61%</b>
01 Establishment of the Presidential State owned Enterprises		COGES	62.000,00	0,00	<b>38.031,84</b>	38.031,84	23.968,16	61%
<b>09 Free State Provincial Treasury</b>			57.143,00	9.357,05	<b>52.302,30</b>	61.659,35	-4.516,35	<b>108%</b>
01 Technical Assistance for the Public Sector Financial		COGES	57.143,00	9.357,05	<b>52.302,30</b>	61.659,35	-4.516,35	108%
		<b>REGIE</b>						
		<b>COGEST</b>	2.092.207,33	239.189,36	<b>328.218,97</b>	567.408,33	1.524.799,00	27%
		<b>TOTAL</b>	2.092.207,33	239.189,36	<b>328.218,97</b>	567.408,33	1.524.799,00	27%



## Budget vs Actuals (Year to Month) of SAF0901711

Project Title : **Creation of a Belgo South African Fund for Transfer of Know-How, Studies and Consultancies**

Budget Version: **C07**  
 Currency : **EUR** Year to month : 31/12/2012  
 YtM : **Report includes all closed transactions until the end date of the chosen closing**

	Status	Fin Mode	Amount	Start to 2011	Expenses 2012	Total	Balance	% Exec
<b>10 Gauteng Provincial Treasury</b>			57.143,00	9.357,05	<b>49.979,85</b>	59.336,90	-2.193,90	<b>104%</b>
01 Technical Assistance to strengthen PFM Capabilities at		COGES	57.143,00	9.357,05	<b>49.979,85</b>	59.336,90	-2.193,90	104%
<b>11 NMBM</b>			45.714,00	0,00	<b>0,00</b>	0,00	45.714,00	<b>0%</b>
01 Establishment of a Competency Framework & Capacity		COGES	45.714,00	0,00	<b>0,00</b>	0,00	45.714,00	0%
<b>12 DARDLA-MPU</b>			45.714,00	0,00	<b>40.104,95</b>	40.104,95	5.609,05	<b>88%</b>
01 Feasibility Study for the Dev of a Sustainable Agric Dev		COGES	45.714,00	0,00	<b>40.104,95</b>	40.104,95	5.609,05	88%
<b>13 GRAP_National Treasury</b>			45.714,00	0,00	<b>54.848,58</b>	54.848,58	-9.134,58	<b>120%</b>
01 Expert in the Development of Implementation Guidelines		COGES	45.714,00	0,00	<b>54.848,58</b>	54.848,58	-9.134,58	120%
<b>14 National Treasury- Health sector</b>			57.143,00	0,00	<b>37.285,61</b>	37.285,61	19.857,39	<b>65%</b>
01 Expert in Risk Management for the South African Health		COGES	57.143,00	0,00	<b>37.285,61</b>	37.285,61	19.857,39	65%
<b>15 National Health Insurance Reform</b>			57.143,00	0,00	<b>1.183,67</b>	1.183,67	55.959,33	<b>2%</b>
01 Supporting South Africa's National Health Insurance		COGES	57.143,00	0,00	<b>1.183,67</b>	1.183,67	55.959,33	2%
<b>99 Conversion rate adjustment</b>			0,00	0,00	<b>0,00</b>	0,00	0,00	<b>?%</b>
99 Conversion rate adjustment		COGES	0,00	0,00	<b>0,00</b>	0,00	0,00	?%

REGIE							
COGEST	2.092.207,33	239.189,36	<b>328.218,97</b>	567.408,33	1.524.799,00	27%	
<b>TOTAL</b>	<b>2.092.207,33</b>	<b>239.189,36</b>	<b>328.218,97</b>	<b>567.408,33</b>	<b>1.524.799,00</b>	<b>27%</b>	



## 5.2 Decisions taken by the JLCB and follow-up

Provide an overview of the important strategic decisions taken by the JLCB and the follow-up of those decisions since the beginning of the intervention.

Decision to take					Action			Follow-up	
Decision to take	Period of identification	Timing	Source	Actor	Action(s)	Resp.	Deadline	Progress	Status
Procedure for approving proposals: Concept Note first submission and then full proposal after approval of concept	Q4-2012	10/10/2012	JLCB Minutes	Fund Directors	No concept note required but full proposal to be submitted at once	Fund Directors	Continuous process	No activity proposals received in Q4 (when the decision was taken)	To be implemented on future submissions
VAT charged on Service Provider invoices	Q4-2012	10/10/2012	JLCB Minutes	Fund Directors	The representative of the foreign donor funded project may apply for VAT registration and forward it to the SARS branch office in the area together with the following documents	Beneficiary institution	Continuous process	No activity proposals received in Q4 (when the decision was taken)	To be implemented on future submissions
Teamwork as expected from IDC regarding follow-up meetings during preparations and implementations of studies and closure of studies.	Q4-2012	10/10/2012	JLCB Minutes	Fund Directors	That team-work and follow up would be provided to ensure ownership of interventions by GoSA.	Fund Directors	Continuous process	No activity proposals received in Q4 (when the decision was taken)	To be implemented on future submissions