Establishment of SADPA

Presentation to the NCOP Select Committee on Trade and International Relations

3 August, 2011
CONTENTS

• Understanding Development Cooperation
• South Africa and Development Cooperation
• Work Done within the Framework of the ARF
• Cabinet Decision to establish SADPA
• Emerging Issues around SADPA
  – The Institutional Arrangements
  – The SADPA and SADPA Fund Bill
  – Project Plan
  – Summary on SADPA
  – The SADPA Strategic Framework and Programme Cycle
• Development co-operation is more than just ODA (Official Development Assistance)

• Donors have different historical backgrounds and different motives

• Present debate is on:
  – Aid effectiveness
  – Monterrey ODA targets – for countries of the North (0.7% of GDP)
  – Innovative Financing for Development
DEFINITIONS

• Development Co-operation
The co-operation between developing and developed countries in the field of aid, trade, security and politics to promote economic and social well-being in developing countries

• Development Assistance
The transfer of goods, services or money on concessional terms to developing countries with its main objective of the economic and social development of countries.
## HISTORY

<table>
<thead>
<tr>
<th>Decade</th>
<th>Events</th>
<th>donor Strategies</th>
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<tbody>
<tr>
<td>1950'S</td>
<td>Cold War USA Dominated</td>
<td>Technical Assistance Multilateral Aid</td>
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<td>1960'S</td>
<td>Development Decade 1 (DD1) New Donors emerge</td>
<td>Financial Aid Aid for Infrastructure</td>
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<td>1970'S</td>
<td>Oil Crisis Cold War politics</td>
<td>Redistribution (WB) Basic Needs (ILO)</td>
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<td>1980'S</td>
<td>Debt crisis Asian Miracle</td>
<td>Structural adjustment policies</td>
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<td>1990'S</td>
<td>Critiques on Structural Adjustment Programmes (SAP) New poverty thinking</td>
<td>Poverty Reduction Strategic Papers (PRSP’s) Sector wide approaches Donor co-ordination</td>
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<tr>
<td>2000'S</td>
<td>Growth harmonisation and co-ordination Aid effectiveness &amp; Policy Coherence New emerging economy donors</td>
<td>MDG’s Return of PRSP’s South-South initiatives Aid for trade</td>
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</table>
INTERNATIONAL INSTITUTIONS AND DEVELOPMENT

• Approx 240 multilaterals listed at OECD DAC
  – +/- 47 are important
• UN organisations
  – UNDP, WHO, FAO, UNEP, UNICEF
  – Linked to UN but have own governance structures
    • IMF, WB and WTO
• Global Funds
  – GAVI Alliance – Vaccinations
  – Montreal Protocol – Environment
  – FTI/EFA – Fast Track Initiative/Education for ALL
• Private Aid (implement without gov approval)
  – World Vision
  – Oxfam
  – Doctors without Borders
  – Plan International
• Others
  – IDB, AfDB, DBSA….etc.
## THE AID RATIONALE

<table>
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<th>Political/strategic</th>
<th>Economic/commercial</th>
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<tr>
<td>Instrument of domination</td>
<td>Landing rights/access to ports and points of entry</td>
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<td>War against terrorism/drugs</td>
<td>Export promotion</td>
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<tr>
<td>Influence in international situations</td>
<td>Anti-cyclical instrument (combat recessions)</td>
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<tr>
<td>Access to local authorities</td>
<td>Promotion of investments (risk mitigation)</td>
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<td>Friendships/neighbours</td>
<td>Access to primary products/minerals</td>
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<td>Ethical/humanitarian</td>
<td>Refugees/migration</td>
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<td>Feed and house</td>
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<tr>
<td>Solidarity after natural disasters</td>
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<tr>
<td>Peace, human rights and entitlements</td>
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</table>

- Environmental
NEW INITIATIVE: POLICY COHERENCE FOR DEVELOPMENT – means working to ensure that development policies support and are supported by other initiatives
Common endeavour of people & countries, pursued as an expression of:

- Solidarity & strategy for economic independence and self-reliance
- Not as a replacement of developed world interest
- Fin assist– not seen as ODA but solidarity arising from shared experiences
- Based on strong broad-based partnerships
- Respects national sovereignty in context of shared responsibility
- Strives for strengthened multilateralism
- Exchange best practices & support in all areas, not just financial & technical
- Collective self-reliance of developing countries
- Seeks to enable South to be more active in international policy and decision-making processes to achieve sustainable development
- Modalities include bilateral, multilateral, trilateral, regional and sub-regional co-operation and integration
SA AND DEVELOPMENT COOPERATION

- SA engaging in development cooperation for many years, even before 1994
- Many national, provinces and local government structures engaged in development cooperation but no specific unit managing or facilitating implementation
- No overall development cooperation policy or coordination structures
- Different development partners access SA as a partner through different channels
- Impact of global financial situation – emphasis on improving effectiveness of programmes and reducing aid dependencies
SA AND DEVELOPMENT COOPERATION

• Development cooperation – a vehicle to advance South Africa’s foreign policy to address challenges of poverty, underdevelopment and marginalisation in Africa and the South

• SA ideally placed to implement innovative and progressive approaches to development cooperation with Africa –
  – Not just as donor but as a development partner
  – Develop partnerships with all relevant stakeholders

• Current programmes include:
  – African Renaissance Fund
  – Programmes at National, provincial and Local level
  – IBSA Poverty Alleviation Fund
  – Multilateral programmes through concessional lending institutions such as AfDB and WB
  – SACU Agreements on revenue sharing

• Other South Africa partners
  – IDC
  – DBSA
• Earlier work on SADPA
  – National Treasury – conducted an extensive critique of ARF
  – DIRCO reviewed several countries Agencies, and the Development Model used, and made recommendations to DIRCO Management
  – DIRCO developed a conceptual framework and submitted to Cabinet

• Conceptual Framework approved by Cabinet on 2 December 2009
SADPA ORIENTATION

• Cabinet Decision
  – SADPA must be an entity within DIRCO
  – Established in terms of the Public Service Act
  – Staffed by combination of diplomats and technical experts
  – Financial arrangements need further attention
  – Cabinet agreed that the task of establishing SADPA vests with DIRCO Minister
  – DIRCO – working on proposals and models for the operationalisation of SADPA
    • Comparative study of other agencies – governance structures, legislative frameworks, organisational arrangements, etc.

• Guiding principles
  – Focus to be on integration rather than initiating a new process given that we have the ARF
  – SADPA will be established through a Bill and ARF Bill will be repealed

• SADPA will need systems and processes to engage in complex funding, financial and procurement arrangements currently not possible with DIRCO or ARF

• Need to assess and advise on appropriate model for SADPA
Government Component, Specialised Service Delivery Unit – PSA, Public Entity - PFMA

- Executive Authority
  - Accounting Officer HOD
  - Accounting Officer HOC
- Government Component
  - LF 1
  - LF 2
  - CS
  - Gov Unit
  - SSD Unit
- Department
  - Similar requirements as G Comp
  - Feasibility study
  - EA approve Protocol
  - AO of a department shall delegate all powers conferred, and duties imposed, in respect of HR and financial management
- Public Entity
  - Separately Juristic Person
  - Functions conferred by legislation
  - Listed in PFMA
- Outside PS
  - Governing Board
  - Accounting Authority
  - (PFM A)

- Functions conferred, assigned, or delegated
- Assignment subject to approval by Parliament
- Listed in PSA & feasibility study
  - Notice in the Gazette
  - Reporting requirements to the head of the principal department to enable that head to advise the EA on:
    - Performance
    - Policy implementation
    - Integrated planning, budgeting and service delivery
    - Any administrative or operational matter
    - May establish an advisory board

- Accounting Officer HOC
- Protocol
- AO of a department shall delegate all powers conferred, and duties imposed, in respect of HR and financial management
## Options and Descriptions

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<th>Govt. Component</th>
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**Established in terms of….**

**Notice of Establishment**

**Parliamentary Approval Requirement**

**Can be transformed**

**YES**

POSSIBLE

NOT POSSIBLE
## Options and Descriptions (contd.)

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<td>• N / A</td>
<td>• Government Pensions Admin Agency (NT)</td>
<td>• FFC – Schedule 1</td>
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<td>• Water Trading Entity (DWA)</td>
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<td>• Government Printing Works (DHA)</td>
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<td>• Property Management Trading Entity (DPW)</td>
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<td>• Sch. 3A: <em>(NPE)</em></td>
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<td>• TISA (now no longer exists)</td>
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<td>• SEDA - Small Ent Dev Agency</td>
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<td>• Deeds Office</td>
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<td>• SA Tourism</td>
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## Preliminary Viability: Legislation

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- **Established in terms of**:
  - Established in terms of...

- **Notice of Establishment**:
  - None required

- **Parliamentary Approval Requirement**:
  - None

- **Used in hospital settings, no fixed establishment**

- **SADPA Fund is Public Entity Agency**
  - Note Cabinet decision, within gov & est ito PSA
## Preliminary Viability: Multiple Funding Arrangements

### Branch

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### Principal Functionary

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### Accounting Officer

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### Salary Scales

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### Applicable Accounting Standards

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### Remuneration Policy

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- GRAP* (as specified in government notice)
- GRAP for public entities (accruals basis)

### Annual Report

- Included with department
- Included with department
- Included with department
- Stand-alone
- Stand-alone

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Not Viable
## Preliminary Viability: Oversight and Accountability

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## Preliminary Viability: Primary Differences

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<tr>
<td><strong>Principal Authority</strong></td>
<td>Minister DG of DIRCO</td>
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<td><strong>Accounting Officer</strong></td>
<td>DG of DIRCO</td>
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<tr>
<td><strong>Budget Allocations</strong></td>
<td>Budget allocation for trading entity not explicit – hence can be materially changed without raising awareness</td>
</tr>
<tr>
<td><strong>Audit Implications</strong></td>
<td>Part of DIRCO so audit queries become DIRCO responsibilities</td>
</tr>
<tr>
<td><strong>Risk Exposure</strong></td>
<td>Expose DIRCO to risks of SADPA. Procurement challenges for DIRCO</td>
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<tr>
<td><strong>Annual Report</strong></td>
<td>Included as part of DIRCO report</td>
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Findings

• Public Entity – although included in the analysis is excluded as an option at this stage because it falls outside DIRCO
  – the time line of June 3 for the Bill establishing SADPA as a Public Entity is not viable
  – If use this option, we can’t later on bring SADPA back into DIRCO, but if establish SADPA within DIRCO, then later it can graduate as a Public Entity with DIRCO oversight, if so desired (as with SEDA)

• Trading Entity is (administratively) easier to establish than a Government Component

• Both a Trading Entity and Government Component meet the requirements for SADPA operability

• Both will be under the political authority of the Minister

• Major Differences are in Management and Risk Profile
  – Trading Entity – means DG DIRCO is accounting Officer reporting to Minister or Deputy Minister (as delegated)
  – Gov Component – means Head of SADPA is accounting officer reporting to Minister, and could have its own CFO
    • However, functionally can still report to DG DIRCO if so required
  – Span of Control – for DG DIRCO
    • will be extensive covering 2 major institutions
    • Political Risk – SADPA seen as extension of DIRCO

• SADPA Fund – should remain a Schedule 3A institution (as the current African Renaissance Fund is)
  – This will offer flexibility for complex financial arrangements
FINDINGS

Therefore, with SADPA as Trading Entity:

• All SADPA risks will accrue to DIRCO
  – Since it is a new entity operating in an environment with some risk – it represents a challenge

• Any Audit Findings on SADPA will become Audit Finding on DIRCO

• DIRCO will have to operate 2 accounting and procurement systems
# Preliminary Viability: Summary

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<th>Branch</th>
<th>Trading Entity</th>
<th>SSDU</th>
<th>Govt. Component</th>
<th>Public Entity / GBE</th>
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<td>EA DG</td>
<td>EA DG</td>
<td>EA DG</td>
<td>EA Head of Component</td>
<td>EA Board via CEO</td>
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<tr>
<td>DG</td>
<td>Delegated</td>
<td>Delegated</td>
<td>Head of GC</td>
<td>CEO</td>
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<td>Remuneration Policy approved by Board</td>
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<td>GRAP for departments (modified cash)</td>
<td>GRAP for trading entities (accruals basis)</td>
<td>GRAP* (as specified in government notice)</td>
<td>GRAP* (as specified in government notice)</td>
<td>GRAP for public entities (accruals basis)</td>
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<td>Included with department</td>
<td>Included with department</td>
<td>Stand-alone</td>
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</tbody>
</table>

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Proposal

Use model analogous to Govt. Pensions:

• **Retain Schedule 3A status** for the Fund
  - Repeal ARF and create SADPA Fund Bill (transitional arrangements to ensure continuity)
  - Board of Trustees supported by Technical Units
  - Good governance, financial management and procurement principles

• **Establish SADPA as Govt. Component** for purposes of administration of Fund
  - A separate component within ministerial portfolio
  - Minister could delegate oversight to one of the Deputy Ministers
  - Policy direction and oversight by DIRCO
  - Head of Component is the accounting officer
Process to Establish a Government Component

- EA may only request the establishment of a government component if the prescribed feasibility is conducted and its findings recommend the establishment of GC.

- Feasibility study includes:
  - Option analysis of organizational forms.
  - Business case of preferred option.
  - Government Notice.

- Inter-departmental Evaluation Committee makes recommendation.

- Minister for Public Service and Administration and Minister of Finance advise relevant EA on establishment and amendments to business case or Government Notice.

- DPSA process Proclamation to list in PSA.

- Principal department process Government Notice for Gazetting.
Government Components can be created to provide for:

- Administrative and operational arrangements that can be customized to suit a particular service delivery environment
- Improved governance through direct accountability and decision-making as close as possible to the point of service delivery
- Direct control and influence by executive authorities over service delivery outcomes without the need to create institutions outside the public service such as public entities
- An institutional mechanism to reincorporate some public entities, if required, into the public service
- The establishment, if required, of an advisory board to advise the Executive or HOC on service delivery matters and to accommodate stakeholder interests
- Flexibility to deliver government functions/services with appropriate accountability arrangements, but within the same Budget Vote

- A government component is listed in Schedule 3 of the PSA but partnered with a principal department (listed in Schedule 1 to the PSA)

- Principal department will assist its executive authority with exercising oversight over an component on policy implementation, performance, integrated planning, budgeting and service delivery

- The GC and SSDU organisational forms were adopted in terms of the Public Service Amendment Act, 2007 and came into operation 1 April 2008 with the publication of Chapter 6 of the PSR

- Chapter 6 of the PSR provides for:
  - Conducting a feasibility study; and
  - Establishing an Interdepartmental Evaluation Committee to assess feasibility studies.
• Public Service Amendment Act, No 30 of 2007 in fact amended section 1 of the PFMA —
• by the substitution for the definition of "department" of the following definition:
  "'department' means a national or provincial department or a national or provincial government component"
• The word “department”, wherever it occurs in the PFMA (including the definition of “trading entity” amongst others), should therefore be read to include “government component”, and the reference in section 36 of the PFMA to “head of a department” therefore automatically also refers to “head of a government component”.
• **Section 36(2) of the PFMA therefore automatically provides that the Head of a Government Component would be the accounting officer of the component.**
DRAFT
SADPA AND
SADPA FUND BILL
CONTENTS OF THE BILL

Preamble
1. Definitions
2. Establishment of SADPA
3. Objectives of the Agency
4. Functions of the Agency
5. Establishment of the SADPA Fund
6. Application of the Fund
7. Management of the Fund
8. Control of the Agency and Fund, and the auditing of accounts
9. Appointment of and annual review by actuary
10. Unexpended balances in the Fund
11. Converting to Grants outstanding debts
12. Repeal of Laws
13. Short Title and Commencement
Preamble

• Dirco responsible for promotion and co-ordination of relations and lead in foreign policy formulation
• Gov seeks to advance SA foreign policy through Dev Co-operation initiatives focused primarily on
  – advancement of Africa,
  – regional integration,
  – South-South co-operation and
  – MDGs
• Gov deems it necessary to:
  – Establish and Agency
  – Establish an Agency Fund
  – Repeal the ARF
Establishment of SADPA

- An Agency to be known as South African Development Partnership Agency (SADPA) is established
- Agency shall be a ring-fenced entity of government established in terms of Public Service Act, 1994, and located in the Portfolio of the Minister
- Shall manage the SADPA Fund
Objectives of the Agency

• Assume responsibility for all SA’s outgoing international dev co-op and assistance, including bilateral, trilateral and multilateral partnerships with countries, dev institutions, civil society and the private sector

• Co-ordinate policy formulation on SA Dev Co-op and ensure coherence throughout gov in implementation

• Use SADPA Fund for dev co-op initiatives such as:
  – Co-op between SA and other countries, esp African
  – Promote development, Human Rights, Democracy and good governance
  – Security sector reform, conflict prevention and resolution
  – Institution and capacity building for development
  – Exchange of technical expertise
  – Socio-economic dev and integration
  – Humanitarian assistance and human resource development
Functions of the Agency

1. SADPA shall:
   • Implement policy of national government on dev co-op
   • Develop an Annual Work Plan
   • Facilitate an Annual Accountability Audit for all outgoing dev co-op
   • Develop systems and tools for programme and project identification, design, preparation, promotion, implementation, facilitation and Monitoring and evaluation
   • Ensure effective management and admin of SADPA and SADPA Fund
   • Comply with relevant Financial Regulatory Framework including PFMA and Treasury Regulations and other relevant prescripts
   • Promote and market SADPA and projects

2. Shall build partnerships for project implementation
   • Expertise in and outside SA Government
   • Expertise in recipient countries
   • Other international institutions

3. Oversight anchored in SA Missions in recipient countries

4. SADPA may:
   • Institute and conduct any civil proceedings required
   • Enter into contracts
   • Acquire and dispose of assets
   • Invest monies not used

5. Do all that is necessary and convenient
SADPA Fund

- SADPA Fund is established by the Bill
- All Assets and Liabilities of ARF ceded to SADPA Fund and all commitments of ARF ceded to SADPA Fund
- Allocation of funds:
  - Appropriated by parliament
  - Unexpended monies from ARF
  - Repayments from loans
  - Interest received
  - Money vested in Fund from foreign governments
  - Money earmarked for trilateral co-operation
  - From private sector or charitable organisations
  - Money accruing from any other source
Application of the Fund

Fund may be used for:

• Payment of expenditure for development co-operation and assistance benefits in terms of this Act

• Payment of:
  – Remuneration and allowances of the Board and its operation
  – Any other expenditure reasonable incurred and relating to the application of this Act
Governance of the Agency and Fund

- Minister appoint a Board of Trustees
- Board: ensure functions and objectives met
- Consist of min 7 and max 15 members
  - Delegate of Min
  - DG or DG delegate
  - Official of DIRCO app by Min
  - Official from dti
  - Official from Nat Treasury
  - Head of SADPA, ex-officio
  - Fin Manager of SADPA, ex-officio
- May include
  - Members with experience in dev co-op and assistance
  - Those on account of their training and experience
    - Knowledgeable on international relation, dev co-op and dev assistance
    - Have legal knowledge
- Minister may prescribe other criteria
Governance of the Agency and Fund (cont…)

• Board members appointed as part-time members, except Head and Fin Manager of SADPA
• Serve for 3 years, and Minister may extend for further 3 year periods or shorter periods
• Minister shall, with concurrence from Minister of Finance, determine remuneration and allowances of Members of the Board
• Civil servants on the Board – no additional remuneration
• Must meet at least once a quarter:
  – Review reports and project updates
  – Approve work plan
  – Consider any other matters submitted to it
Management of the Fund

• Board shall manage the Fund and exercise powers, perform the functions and carry out the duties conferred upon, assigned to or imposed upon in terms of this Act.

• The Board, acting in consultation with the Minister Finance, shall determine the investment policy of the Fund.

• Board may delegate any of its powers, functions or duties to:
  – A management committee; and/or
  – The Head of the Agency.

• Any delegation:
  – Is subject to any limitations and conditions specified by the Board
  – Shall be in writing
  – And may be withdrawn at anytime.
Control of the Agency and Fund, and the auditing of accounts

- Agency and Fund, by direction of Minister, under authority of the Head of Agency
- Head must establish structures and systems for proper functioning
- Loans, grants and other fin assistance must be granted or rendered in accordance with an agreement entered into between the Agency, third parties and recipients (as applicable)
- Head of SADPA is Accounting Officer for the Fund
Appointment of and annual review by an actuary

- Board may appoint an actuary (member of the Actuarial society of SA) or who is supervised by a member of the society to perform the functions specified in this Act
- Within 2 months of end of financial year the actuary must:
  - Review the soundness of the Fund
  - Provide an actuarial valuation report for the Board and Minister
- Actuarial Report must contain
  - A statement
    - Reflecting the actuarial value of assets and liabilities of the Fund
    - On the financial soundness of the Fund
    - On whether or not there was a surplus or deficit in the fund for the financial year
Appointment of and annual review by an actuary (cont...)

- Actuarial Report must contain
  - An indication of:
    - The basis and method used to value the assets and liabilities of the Fund
    - Any changes made to the basis of valuation as compared to last valuation basis and method
    - Any special consideration or restriction that the Head of the Agency brought to the attention of or made application to the actuary in performing the functions ito this section
    - An explanatory note or any matter relevant to obtaining a true and meaningful statement of the financial position of the Fund
    - Recommendations for the maintenance or improvement of the financial soundness of the Fund
Unexpended balances in the Fund
• May be invested
• At end of financial year, carried forward to the next succeeding year

Converting to Grants Outstanding Debts
• Minister may, upon recommendation of the Board, convert outstanding debts to Grants

Repeal of Laws
• ARF is repealed
SADPA BUILDING BLOCKS

AFRICAN RENAISSANCE FUND (ARF)

ANALYSIS OF OPTIONS- DIRCO TASK TEAM

ARF EVALUATION- NAT TREASURY -TAU

SADPA CONCEPT - CABINET APPROVED

SADPA BILL - DRAFT

BUSINESS CASE AND STRATEGY FRAMEWORK (POLICY GUIDELINES) FOR THE OPERATIONALISATION OF SADPA
WHERE ARE WE NOW

• Concept Paper on SADPA approved by Cabinet – 2 Dec 2009
• Research suitable models for SADPA: Jan 2010 - Feb 2011
• Draft Bill – with DoJCD for clearance and then to be submitted to Cabinet & Parliament
• Work in Progress:
  – Business Case/Feasibility Study - target date end Sept 2011 (submit to Min PSA and Min Nat Treasury for concurrence, then can activate SADPA)
    • Consultations with stakeholders: Oct 2011 – Jan 2012
    • ICT Platform for Dev Co-op, and IPPM from Nat Treasury for Project Development and Management (Oct/Nov 2011).
    • Training and staff development – April 2011 to end 2013
    • Tool kits – Nov 2011 – March 2012
    • Develop org structure & profiles for units/staff & advertise posts: Sept- Nov 2011
  – Appointment of the Board of Trustees – March 2012
    • Subject to Bill being passed
    • Develop contract and letters of appointment – Oct/Nov 2011, for activation in 2012
SUMMARY

• SADPA is to promote developmental partnerships with other countries on the continent and the South, and will create opportunities for bilateral and trilateral partnerships with SADPA assuming the role of a bridge with countries South and North.

• The Bill for establishing SADPA and the SADPA Fund is currently with Department of Justice for legal clarifications and then it will be submitted to Cabinet and then to Parliament for approval.

• The aim is to start with a modest Agency and build a strong institutional capacity that will give it a strong base and roots, and then to gradually expand its operations.

• The Agency will be conceptualized, hosted and administered at DIRCO under the Minister’s political mandate. However it will be a government component and have its own Head as Accounting Officer. The SADPA Fund will be a public entity with its own legal identity that will allow it to engage in complex and exotic financial arrangements. The Fund will be under the governance of a Board of Trustees.

• SADPA will be subjected to audits by the SA Auditor General.
SUMMARY

• We are currently drafting the business case and are hoping to complete it by the end of September 2011. A Strategic Framework will be completed by Nov 2011, and SADPA should be operational in the first quarter of 2012 (although officially on the 1 day of the new financial year)

• SADPA 3 sections:
  – Policy, Strategy & Learning Forum which will be constituted by small task teams as needed,
  – Technical Unit/Project Unit - assess all project proposal for technical and quality compliance,
  – Monitoring & Evaluation Unit to administer the budget and set the targets, time frames and delivery criteria for each project.

• The Head of SADPA will be supported by :
  – a Secretariat who will facilitate and coordinate the work plan, the various Budget line expenditures, the legal aspects and support the Board.

• SADPA will use both Paris declaration principles and South-South principles, will use a result based management approach and a rigorous project methodology.

• SADPA will not implement projects but will initiate, facilitate, coordinate and Monitor & Evaluate projects based on sound policy and strategy.
SUMMARY

• SADPA – will be a GOVERNMENT COMPONENT under Ministerial Portfolio of DIRCO, and
• A SADPA Fund – Schedule 3A Institution with flexibility to engage in complex/exotic financial arrangements
• Start with a ‘small’ entity with a strong and rigorous strategic and operational intention and focus on:
  – building partnerships with relevant institutions,
  – a big emphasis on learning,
  – a rigorous methodology,
  – with strong systems and tools for project development, implementation and co-ordination,
  – effective Accountability components, and
  – complying with relevant government prescripts
• Use the next 3-5 years to build a strong institution that is well resourced, capacitated and respected to play a leading role in the foreign policy development agenda of SA
SADPA STRATEGIC FRAMEWORK
This is work in progress

- Policy and Strategic Orientation
- SADPA Programme Life Cycle
- SADPA Project Management
- Legal Framework
- Financial Framework
- Accountability Framework
- Systems and Tools
SADPA STRATEGIC ORIENTATION

• Dev Co-operation – vehicle to advance foreign policy, as informed by domestic development agenda
• Supports the vision “…of a better country, a better Africa and a better world”.
• Prioritise Africa, and the South
• Create the political, economic and social space to fight poverty, underdevelopment and marginalization of Africa and the South
• Development agenda pursued through bilateral, trilateral and multilateral PARTNERSHIPS
• SADPA PARADIGM – PEOPLE CENTRED DEVELOPMENT
  – Build partnerships that create sustainable societies and reduce aid dependencies
  – Build state and non-state institutions, support use of state initiatives to drive development focused on uplifting the people (esp marginalised)
  – Support state projects aimed at service delivery
  – Involve local population in development, planning and implementation of programmes and projects
  – Support transformation of sectors towards creation of modern societies
  – Help people become independent and autonomous, sustain a good Quality of Life
• Build partnerships with North and South, non-state actors and private sectors (SADPA as a bridge)
SADPA STRATEGIC FRAMEWORK

Development of, or review existing, Country Strategy Paper (CSP’s)

Policy and Strategy Development

Project Initiation and Implementation

Monitoring, Reporting, and Evaluation

Project Review & Termination

Bilateral/Other Partnership at Political Level

Development Gap(s)/Needs

Accountability Framework encompasses all SADPA Elements

Contracted to implementing Gov Dept/Agency/Org/Inst

SADPA, DIRCO and INT Partners
BILATERAL PARTNERSHIP AT POLITICAL LEVEL

PROJECT INITIATION AND IMPLEMENTATION

MONITORING, REPORTING AND EVALUATION

PROJECT REVIEW & TERMINATION

DEVELOPMENT OF OR REVIEW OF EXISTING COUNTRY STRATEGY PAPER

DEVELOPMENT GAP(S)/ NEEDS

POLICY AND STRATEGY DEVELOPMENT

SA GOVERNMENT DEPARTMENT

IMPLEMENTATION BY

RESULTS BASED MANAGEMENT APPROACH

INTEGRATED PROGRAMME AND PROJECT MANAGEMENT

LEGAL FRAMEWORK

FINANCIAL FRAMEWORK

SYSTEMS AND TOOLS

ACCOUNTABILITY FRAMEWORK ENCOMPASSES ALL SADPA ELEMENTS

OTHER PARTNERS: SA & INT
RESULTS BASED MANAGEMENT APPROACH

- Provides integrated and coherent framework for policy and programme planning, strategy development, resource allocation, learning, and monitoring and evaluation – USED BY MOST AGENCIES

- Consistent with outcomes approach of SA Government, and the MTSF and PFMA principles

- Aims to enhance management effectiveness:
  - Define clear and achievable policy goals, and specific project goals
  - Realistic results: outputs, outcomes and impact
  - Aligning processes and resources
  - Monitoring progress continuously
  - Integrating lessons into management decisions
  - Building partnerships

- Consists of 3 components
  - A Policy Results Framework
  - A Multiyear Budget Process
  - An Annual Accountability Audit
• All Development Co-operation Partnerships elaborated in a Legal Framework/Contract

• Contracted between all parties, and defining:
  – levels of responsibility attached to each party – from conceptualization to termination
  – define levels of funding for each phase
  – compliance indicators for funding disbursements
  – overall programme/project indicators
  – mechanisms for monitoring and evaluation

  • Refer to section on M&E for quality assurance criteria and performance indicator guidelines

• Currently work in progress
FINANCIAL MANAGEMENT
WORK IN PROGRESS

• SADPA Account budget lines:
  – Humanitarian (natural disasters) - Fixed annual appropriation
    • Emergency response procedure – work in progress
    • If not used, roll over
  – Support for International Peace Missions (as per White Paper)
    • Preventive Diplomacy
    • Peacemaking
    • Peacekeeping
    • Peace Enforcement
    • Peacebuilding
    • Post Conflict Reconstruction and Development
    • Humanitarian Assistance (political disasters)
    • Intervention (AUPSC intervention in grave circumstances)
  – Elections support
    • Annual request submitted with work plan
  – Multilateral, for example:
    • Multilateral commitments to International institutions e.g. AfDB, UN agencies, International Financing Facility, IMF
    • IBSA, NEPAD, APRM, AU/SADC PROJ, BRICS
  – Bilateral and Trilateral Programmes and Projects - Based on Annual Work Plan
    • e.g. Infrastructure Development in SADC

• Procurement Guidelines – work in progress
ACCOUNTABILITY FRAMEWORK

SADPA Accountability – elements include:

• Submission of an Annual Work Plan, reviewed by Board of Trustees and approved by Minister
• Progress report to ICTS Cabinet Committee
• Report to Parliament – Annual Report
• Audited by office of the Auditor-General
• Public Information – website, brochures and media briefings
• Reviews of lessons learnt by Policy Forum
• Annual Accountability Audit
• SADPA Peer evaluation by external body – 3-5 years
• Apply Quality Assurance guidelines
• Apply Performance Indicators