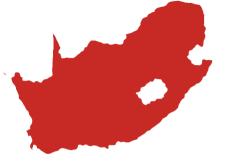






Background

- In 2004 Cabinet directed that work should continue apace to realise the alignment of PGDS and municipal IDPs with the NSDP
- This directive was in response to a number of important considerations related to bolstering the performance of the state which entails three things:
 - Government as a whole working better in meeting common objectives and outcomes by creating the conditions for various institutions of the state to act together in a coordinated fashion;
 - Improving state's capacity to spend and deliver services in ways that maximises the social and economic returns on public investment;
 - Specifically including a geographic dimension to poverty reduction and growth and employment creation, that is include regional or decentralised territorial approaches.



Background

- National spatial guidelines are increasingly recognised as tools to:
 - coordinate government action and alignment
 - maximise overall social and economic impact of government development spending
 - provide a rigorous basis for interpreting strategic direction
- The NSDP is South Africa's first set of national spatial guidelines, that establishes an overarching mechanism which:
 - Enables a shared understanding of the national space economy
 - Provides a principle-base approach to coordinate and guide policy implementation across government
 - An interpretation of the spatial realities and the implications for government intervention



Background

The **NSDP** assists government in confronting three fundamental planning questions (given our objective to grow the economy, create jobs, address poverty and promote social cohesion):



Where should government direct its investment and development initiatives to ensure sustainable and maximum impact?



What kinds of spatial forms and arrangements are more conducive to the achievement of our objectives of democratic nation building and social and economic inclusion?



How can government as a whole:

- Capitalise on complementarities and facilitate consistent decision-making?
- Move beyond mere focusing on integration and coordination procedures to establishing processes and mechanisms that would bring about strategic co-ordination, interaction and alignment?

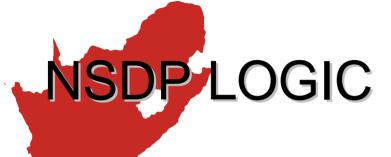
Meeting the challenge

 Our ability to meet our objectives depends on the performance of different areas and regions

NSDP argues that 'macroeconomic considerations important but...'development is strongly shaped by processes on the ground, in specific regions

Need to focus on geographical foundations of growth – regions are the critical foundations of development processes...

- ■Coherent understanding of regional economic development and territorial patterns of economic development, social exclusion and resource use
- Undertaking infrastructure investment and development spending decisions on the basis of an area's unique potential
- ■Decentralised approach district and metro municipalities pivotal sites to facilitate understanding of development challenges and priorities and coordinating government response





Thinking behind the NSDP principles: Regions are important, but they are not uniformly good at everything.

That is:

- Dynamic qualities of areas are developed historically and culturally over a long period of time.
- Different regions have different economic potentials and the spatial variations in the incidence of poverty are also vastly different.
- Thus policy response itself should be differentiated and respond to the distinct challenges, opportunities and potential of each region –



...functional coherent regions, using District/Metro Areas as building blocks...

To assume strategic responsibility for building an understanding of the nature and extent of development potential, poverty and inequality in spatial terms

To promote a
democratically and
interactively
pluralistic process
that draws together
state and non-state
institutions and
groups in particular
the poor and
marginalised

To integrate and coordinate implementation in terms of geographical space and time - inform and be informed by the planning of other spheres of government



Objectives of this project...

- To position district and metro IDPs as expressions of development plans of the 3 spheres of government;
- To contextualize and apply the NSDP in district and metro areas to strengthen IDP development process
- To promote the district/metro as shared unit of analysis and planning in government



certain Key Questions arise...

How best can the NSDP be contextualised?

How can the strategic role of district/metro areas be enhanced?

For each DM/MM THROUGH...

- A shared analysis & understanding
- A Shared socio- economic vision or development trajectory
- Priority Interventions and Critical strategies
- Building the institutional base for multi-stakeholder co-operation and action



Framework for contextualising the

NSDP: Developing a shared analysis

- The purpose of the shared analysis is for state and non statestakeholders to understand growth and development potential.
- Move beyond generating data to insightful analysis
- This entails a comprehensive analysis of past and future trends with respect to poverty, inequality and economic development in spatial terms. The shared analysis is meant to support proper planning and effective decision making by:
 - Identifying poverty determinants and social exclusion
 - Identifying areas of competitive and comparative advantage
 - Identifying potential distinct industrial complexes or territorial complexes
 - Identifying renewable and non renewable sources of energy and the associated risks and opportunities

An analytical framework which will enable the analysis covering the project brief will be provided to the appointed service provider...



Areas to be covered in the analysis...

- Demography and population flows
- Indicators of economic performance
- Regional disparities
- Structure of the district economy
- Innovative capacity and R&D
- Firms' agglomeration: clusters and networks
- Education and human capital
- Accessibility
- Poverty and inequality
- Housing
- Environmental sustainability
- Social capital and community life
- Strengths and weaknesses, challenges and opportunities
- Overview of district policies
- Governance overview



Framework for contextualising the

NSDP: *shared socio-economic vision or development trajectory*

- The development of a shared socio-economic vision through strategic dialogue with stakeholders in and outside of government, the purpose of which is to identify long term social and economic outcomes.
- The shared development trajectory will be used to contextualise the application of the NSDP principles.
- Not a catchy statement but a compelling story of the strategic outcomes to be achieved



Framework for contextualising the NSDP: Priority interventions and critical strategies

- The development trajectory (or overarching spatial strategy) will be translated into priority interventions with clear goals backed by coherent strategies.
- These priority interventions will find concrete expression in the IDP's as plans and programmes
- The IDP should serve as a tool to integrate and to coordinate the implementation of priority intergovernmental action.



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Deliverables/outputs...

- **Deliverable 1**: Social, economic and environmental analysis including an institutional and governance review the purpose of which will be to describe the magnitude and location of poverty and economic potential in spatial terms (at the end of 4 months)
 - Several outputs in the form of reports will be delivered by the service provider leading to a comprehensive report covering all the elements of this deliverable
- **Deliverable 2**: Indicative strategic development framework (at the end of six months) that includes principles for and instruments to link the PGDS, IDPs and the NSDP.
 - It is envisaged that long-term planning methodologies such as scenario planning will be utilised by the service provider to meet the requirements of this deliverable.