

## **DISCLAIMER**

### **DEVELOPMENT CO-OPERATION REPORT: DEMOCRACY AND GOOD GOVERNANCE**

Report on Democracy and Good Governance for the Swiss Development Co-operation (SDC) by Glenda White, Chris Heymans, Merle Favis and Jeets Hargovan

#### **Responsibility**

This report was financed by SDC as part of their aid programme to the Government of South Africa. However, the views and recommendations contained in this report are those of the consultant, and SDC is not responsible for or bound to the recommendations made.

In particular, the authors wish to note here that they would like to have had greater access, and fuller information, from DFID (SA). The authors' expectations in this respect were only partially met, and regret that a more complete account was not made available in time for inclusion in this report.

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## **LIST OF ABBREVIATIONS**

AGO	Office of the Auditor-General
ANC	African National Congress
AusAID	Australian Agency for International Development
CBO	Community Based Organisation
CGE	Commission for Gender Equity
CIDA	Canadian International Development Assistance
COSATU	Congress of South African Trade Unions
CPIA	Country Policy and Institutional Assessment
CPS	Centre for Policy Studies
D&GG	Democracy and Good Governance
DAC	Development Assistance Committee
Danida	Danish International Development Assistance
DCR	Development Co-operation Review
DFID	Department for International Development
DOF	Department of Finance
DPLG	Department of Provincial and Local Government
DPSA	Department of Public Service and Administration
DSS	Department of Safety and Security
DWAF	Department of Water Affairs and Forestry
EC	Eastern Cape
EISA	Electoral Institute of Southern Africa
EU	European Union
EUFHR	European Union Foundation for Human Rights
FS	Free State
GEAR	Growth, Employment and Redistribution Strategy
GTZ	German Development Assistance
HRC	Human Rights Commission
HRD	Human Resource Development
IDASA	Institute for Democracy in South Africa
IDC	International Development Co-operation
IDP	Integrated Development Planning
IPSP	Integrated Provincial Support Programme
ISS	Institute for Security Studies
JICA	Japanese International Co-operation Assistance
JUPMET	Joint Universities Public Management Education Trust
KZN	Kwazulu-Natal
LHR	Lawyers for Human Rights
LRC	Legal Resources Centre
LGTP	Local Government Transformation Programme
MIP	Multi-Indicative Programme
MP	Mpumalanga
MTEF	Medium Term Expenditure Framework
NC	Northern Cape
NCPS	National Crime Prevention Strategy
NDA	National Development Agency
NGO	Non-Governmental Organisation
NLC	National Land Committee
NW	North West

OD	Organisational Development
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PD/GG	Participatory Development & Good Governance
PRC	Presidential Review Commission
RDP	Reconstruction and Development Programme
SA	South Africa
SACP	South African Communist Party
SADC	South African Development Community
SAG	South African Government
SAMDI	South African Management Development Institute
SAPS	South African Police Services
SARS	South African Revenue Services
SDC	Swiss Development Co-operation
SIDA	Swedish Agency for International Development Co-operation
Stats-SA	Statistics – South Africa
TA	Technical Assistance
TBVC	Transkei, Bophuthatswana, Venda, Ciskei
TISA	Transparency International – South Africa
TNDT	Transitional National Development Trust
TRC	Truth and Reconciliation Commission
UCT	University of Cape Town
UN	United Nations
UNDP	United Nations Development Programme
UNESCO	United Nations Economic, Social and Cultural Organisation
USAID	United States Agency for International Development
UWC	University of the Western Cape
WB	World Bank
WC	Western Cape
ZAR	South African Rands

## **EXECUTIVE SUMMARY**

The Department of Finance has commissioned a study into official donor assistance (ODA) to South Africa (SA) during the period 1994-99. The 'Democracy and Good Governance (D&GG)' component is one of thirteen studies conducted within the Development Co-operation Review (DCR).

The findings of the report are contextualised within a broader understanding of the current political landscape in South Africa, as well as factors that have been of importance in the five year period under review.

Firstly, there are varying notions of democracy at play, which highlight tensions within the governance framework. These range from liberalist notions of the role of the elected representative to the engagement between the state and civil society in populist and pluralist models.

Secondly, the nature of social and economic human rights is contested, resulting in basic needs being approached in varying ways. The issue of whether South Africa has a rights-based approach to development or not remains contested.

Thirdly, public sector reform and service delivery are undergoing massive upheavals, with differing understandings informing the extent to which greater efficiency of the bureaucracy will in fact lead to improved access to services. Within this debate the issue of poverty alleviation is central, and the extent to which there is a coherent policy framework in place to address it is questioned.

Finally, the importance of the region, and SA's role within it, is attracting increasing attention. There are varying views about the leadership position that SA could and should take, and the likely impact of economic integration.

Against this backdrop the team collected data and analysed it across six key areas:

- ◆ Donor Strategy – SA Recipient Need
- ◆ Nature of Engagement
- ◆ Nature of Contribution
- ◆ Patterns of Expenditure
- ◆ Institutional Arrangements
- ◆ Impact

In relation to **donor strategy and SA recipient** the critical finding is that there is a lack of an overall SA programme for democracy and good governance. The Growth, Employment and Redistribution Strategy (GEAR) contains the detailed growth strategy of the Reconstruction and Development Programme (RDP), but there is no comparable framework for development and poverty alleviation. This results in donors developing their strategies in a range of ways, varying from cross-cutting or sectoral approaches, and programmatic or responsive approaches.



The successful implementation of these approaches is related to a range of contextual factors, and not the choice of approach itself. In the initial post-1994 period, donors tended to programme their funds based on the nature of support provided prior to 1994. Funding is also influenced by any political or cultural similarities between SA and the donor country that are perceived to exist. The lack of a clear framework also results in SA government recipients defining their role within the D&GG arena based on their own understanding of the role that they play.

The lack of a comprehensive framework is felt to be less important in sectors such as local government and justice where there are very clear strategies in place, but significant in terms of broader issues such as engagement with civil society. Recent funding trends show an increasing emphasis on addressing issues that may undermine the democratic state, such as weak local governance, crime and state-civil society partnerships.

The shifting focus from civil society (in the immediate post-'94 period) to government has resulted in declining support to civil society bodies, particularly in relation to their watchdog or advocacy functions. There is a strong perception that the responsiveness of donors to government means that they will not support civil society in critiquing weak or incomplete policy frameworks. Donors, for their part, feel that they are supportive of civil society in this regard. The contestation of social and economic rights intersects with the debate on the role of civil society.

There is strong debate as to whether or not SA has a rights-based approach to development. The apparent lack of a poverty reduction framework provides the focal point for this debate, because there is no clear strategy for addressing basic needs in a comprehensive manner.

The importance of the role played by the statutory or Chapter Nine bodies and other Commissions is unclear. This is reflected in the decreasing national budget allocations and growing dependence on ODA. The mandate of the bodies does not appear to be agreed upon.

There is a growing emphasis on the parts of donors, civil society bodies and the SA government to contextualise programmes and funding within the region. However, there is little joint discussion on the impact of the regional context. It is an issue of increasing importance in the context of ODA.

The **nature of engagement** between donors and the SA government can be characterised as one of general responsiveness to the needs of the government. This is due to positive views held by donors of the governance and macro-economic framework in place in SA. At the level of the bi-lateral agreements, consensus is easily reached on the areas that will be supported. Identification of key programmes takes place both through detailed planning on the part of government (executive, legislative and judicial), and in more ad hoc and responsive ways.

However, once implementation takes place, a number of donors become increasingly bound to rules and procedures. The general responsiveness does not extend to civil society bodies who feel that some of their critical advocacy functions are not supported, thereby making the democracy and governance

framework increasingly focused on government, as opposed to a broader spectrum of interest groups.

Issues of dissent are generally dealt with amicably, unless they are seen to intersect with political debates that may be taking place within government, and the majority party in particular. Where government feels that it is being told how to govern by donors, it will respond forcefully. The speech by President Mandela to the ANC Mafikeng Conference is an example of this. These issues will then get taken up at an appropriate political level.

The capacity of SA recipients to engage with donors and effectively articulate their needs has been built over time. However, donor co-ordination continues to be an issue of difficulty. At the macro level the International Development Co-operation (IDC) section in the Department of Finance has succeeded in providing some technical co-ordination, but the perception amongst some donors is that it lacks the mandate to deal with policy and strategic choices.

Arguably, the greatest impact in the sector in relation to the **nature of contribution** has been derived through accessing knowledge and international 'best practice'. While there are varying degrees of acknowledgement of the value of knowledge-based assistance, in general technical assistance arrangements between donors and recipients have provided exponential benefits. The two percent contribution which ODA constitutes within the SA government's budget therefore does not adequately reflect the perceived extent of the contribution that has been made in certain areas.

Knowledge banking in particular presents an approach to donor support that has had a significant impact in South Africa. Both the inputs and measurable impact of this nature of support are impossible to quantify. A large amount of this form of assistance was provided in the early nineties in the lead up to the first democratic elections, when critical debates about the form and nature of governance were being undertaken.

**Patterns of expenditure** reflect that most ODA programmes have evolved over time, moving from historical support patterns (with a stronger emphasis on civil society), into policy-making, and then into the 'consolidation' activities of piloting and capacity-building. The initial phases reflect both strategic and 'ad hoc' funding tendencies on the part of the donors as they finalised historical civil society relationships and introduced new partnerships with government.

The third phase is notable because of its focus on the issues most likely to jeopardise the democratic process within South Africa, e.g. weak local governance, crime, extreme poverty. Also notable within these patterns is the decrease in funding to civil society that has taken place, as noted above.

**Institutional arrangements** for co-ordinating ODA have improved over time, but still have short-comings. The demise of the RDP Office reflected the earlier difficulties of centralised mechanisms of control of ODA. The current structure of the IDC has been more successful in this regard, but lacks the mandate to make decisions of a policy nature. Generally government recipients see the IDC's role as valuable, but donors have varying opinions of its success.

At the recipient level, SA shows varying levels to engage effectively. Donor desks are increasingly becoming active, based on a recognition of the significant weaknesses inherent in past attempts at donor co-ordination. Sectoral attempts at co-ordination have shown varying degrees of success. The EU's Parliamentary Support Programme (PSP) and DPLG's Local Government Transformation Programme (LGTP) are two examples in this regard.

Finally, ODA has made a significant contribution to assisting in the establishment of the current democracy and governance framework, but **impact** at this stage is difficult to define. Great success is noted in relation to policy and legislation, but far less in relation to quality of life differences, and changes in behaviour. The manner in which impact should be measured is not agreed upon between recipients and donors and therefore the impact of particular areas of ODA is difficult to specify.

More attention is being given to developing mechanisms for monitoring and evaluation, as well as lesson learning, but these are still new and largely untested. The scope of the study also limited the extent to which impact could be measured effectively because it did not canvass the opinions of actual recipients of government services.

In relation to these findings, the following seven recommendations are proposed:

**Build capacity within government to manage donor co-ordination, both at a central and departmental level** – in order to provide a more coherent overall programme for growth and development, and provide appropriate structural arrangements in order to do this. In this regard the policy and financial aspects of developing an integrated programme should be separated institutionally. The IDC should build on its role as focal point for donor co-ordination by providing a reference point to the donor desks in the departments and other institutions, and the public servants tasked with this function. Donor desks within line departments should be situated at a sufficiently senior level of responsibility, in order for co-ordination to be handled through senior management processes, and not requiring senior level people to only become involved in issues of dissent.

**Design and implement a more systematic programmatic approach to funding the Chapter Nine bodies.** This will include clarifying the nature of the bodies' autonomy and watch-dog function, by the Chapter Nine bodies themselves initially, with an appropriate structural solution following. Once this has been done, support should then focus on building the capacity of the bodies to function effectively. In this context, the issue of future sustainability of the bodies can be addressed. This support will also serve to open up the debate on the status of, and approach to, human rights in the current context.

**Clarify the role of civil society in the current governance framework.** All three spheres of government should work together to create an enabling framework within which dialogue on the role of civil society can take place. The current policy trend which emphasizes partnerships between government and civil society to support service delivery, needs to be interrogated. This will build a common understanding of the nature of these partnerships.

Partnerships may become the only mechanism through which civil society can access donor support, because they are seen as being part of government policy. This is not necessarily problematic but for two issues that may arise. Firstly, the watchdog role of civil society is further reduced (the 'player' and 'referee' syndrome) and the type of civil society bodies that will be able to access funding will be limited to those that can transform themselves into particular types of 'service delivery' vehicles.

This will effectively further cut advocacy based institutions out of the governance framework. For their part, civil society needs to better define what is understood by advocacy, and to what extent this is tempered by a support function. In other words, it is not enough to demand that government addresses certain issues, without being able to provide some guidance on how they should be addressed.

**Facilitate discussion on the current and future role of ODA in the region, and its impact on South Africa** - Increasingly support for democracy and governance related activities are being defined within an understanding of the Southern African region. The SA government and donors need to be more actively discussing the likely nature of ODA in the region in the future, and how this will impact on the current levels of support that SA is receiving. This discussion should also provide a clear definition of how engagement within the region is understood, and what the expected impact of such support is likely to be. The policy and funding mechanisms discussed in Recommendation 1 would be the appropriate institutional structures through which to facilitate this discussion.

**Address the current lack of institutional memory on the part of the SA government** - Current information sources on the story behind ODA since (and just prior to) 1994 are severely lacking. In order to address effective lesson learning and sharing of information in the future, there is a stark necessity for the issue of institutional memory to be actively addressed. At present too much information and understanding of what has taken place in the past rests with key individuals and is not captured systematically. Therefore, the information base on programme activities that have been supported by donors must be developed, and mechanisms put in place to facilitate documentation of lessons and information-sharing. This should not be solely sector based initiatives, but should inform macro level approaches to donor engagement.

**Develop a programmatic approach to knowledge-based support and knowledge banking** - In order to capitalise in an even more significant manner on these forms of assistance, the SA government needs to develop a framework for capturing, synthesizing and mainstreaming the learning that derives from such support. This will help to ensure that during this period of piloting and implementation, lessons learned can be fed back to policy-making structures, to ensure that SA's policy and legislative framework is appropriate and responsive to needs on the ground.

**Incorporate ODA into the MTEF, in order to reflect the full costs of programmes** - While certain types of grants and forms of technical assistance are provided as 'once-off' support to kick-start programmes either through policy development or piloting, they often obscure the real costs of programme

implementation, as they are allocated in the MTEF. There needs to be an approach developed to fully costing programmes, identifying the support required from ODA, and reflecting this in its totality in the MTEF. This will more closely integrate donor assisted activities within the medium term plans of government. A word of caution must be raised in relation to the Chapter Nine bodies. Incorporating donor funding into the MTEF may impact negatively on their ability to negotiate with donors for support. A similar difficulty may arise with regards to the NDA. These are institutions that should legitimately be able to access funding.

## **1 INTRODUCTION AND TERMS OF REFERENCE**

### **1.1 BACKGROUND**

Building strong and accountable government is a critical component of the programme of the South African Government, and has been prioritised since 1994.

Much of the focus in the immediate post-1994 period was therefore on laying the basic foundation for democracy and good governance. This included an emphasis on ensuring respect for human rights, improving the electoral process, writing the Constitution and Bill of Rights and creating a single, integrated public service. This period was characterised by an intense focus on consultation, policy formulation and institutional amalgamation.

Towards the end of the term of office of the first democratic government, a significant shift in focus began to emerge. This has since been intensified with the President's Opening Addresses to Parliament in 1999 and 2000, emphasising the need to move from policy development to implementation. The recognition informing this shift was that South Africa had been through a comprehensive, and to some, exemplary consultative process to fine-tune the democracy and governance framework.

Adequate growth and job creation, effective redistribution and improved service delivery would only become reality with substantial change taking place in individual institutions and across sectors.

The international community has played an active role in supporting the emergence of a democratic South Africa, through the provision of official development assistance (ODA) in a range of sectors and broad thematic areas. While constituting only 2% of the national budget, ODA has provided the South African government with access to particular knowledge and technical expertise. This has assisted in putting in place the framework and programme to address reconstruction and development.

### **1.2 DEVELOPMENT CO-OPERATION REPORT**

The Department of Finance (DoF), together with the support of a range of donors, is in the process of developing a Development Co-operation Report (DCR) to evaluate donor assistance in South Africa in the period 1994-99. The objectives of the study into Official Development Assistance (ODA) are to:

- ◆ Conduct an evaluation of ODA to South Africa in the period 1994-99;
- ◆ Offer recommendations as to how present and future ODA should be co-ordinated and aligned to the articulated needs and priorities of the South African government as reflected in the MTEF and
- ◆ Develop appropriate systems, mechanisms and tools to be used to conduct evaluations of ODA expenditure in South Africa on a regular basis

A number of key sectors and thematic areas have been selected as part of the evaluation process of past and current practice in ODA. In recognition of the importance of assisting the South African Government to put in place the building

blocks for reconstruction and development, the donor community has provided significant support to 'Democracy and Governance' related activities since 1994. Captured within this cluster are areas such as law-making, human rights, access to justice, safety and security, public sector reform, civil society participation and decentralisation through local government. One aim of the DCR is to determine how effective ODA has been to the democracy and good governance cluster.

The overall objective of this study is therefore to provide a comprehensive picture and analysis of ODA within the thematic area of Democracy and Governance, over the period 1994-1999. This study should explore how ODA in this area should contribute towards stated government policies, as outlined in the Medium Term Expenditure Framework, during the next period.

Specific objectives of the study are to:

*Depict:*

- ◆ donor strategies, programmes and projects;
- ◆ the flow, target and overall character of ODA.

*Evaluate:*

- ◆ the extent to which ODA to the sector is aligned to the development priorities of the Government of South Africa;
- ◆ the form and function of institutional arrangements relating to ODA;
- ◆ donor complementarity and co-ordination;
- ◆ the type and extent of the impact of ODA;
- ◆ the nature of support gaps and constraints to the effectiveness of ODA;
- ◆ the extent of sustainability in relation to ODA

*Recommend:*

- ◆ development of mechanisms and tools for monitoring and evaluation of ODA;
- ◆ mechanisms for improved donor co-ordination
- ◆ way forward for ODA in terms of strategic direction for the South African Government (SAG), in the area of democracy and good governance.

## **2 METHODOLOGY AND APPROACH**

### **2.1 INTRODUCTION**

In approaching the study in line with the defined objectives, the team quickly realised that behind the name 'Democracy and Good Governance' lies the story of South Africa's transition from authoritarian minority rule to a free and equal dispensation. There was certainly a temptation to attempt to capture this story in its entirety. This was not possible, largely because in order to present the story comprehensively and accurately, the team would have required a wider brief and more time. In addition, the primary purpose of the study is to understand the role of ODA in the democratisation process, and not to enter into the broader debates in this arena.

## **2.2 DEFINING THE CLUSTER**

As it stands, the cluster 'Democracy and Good Governance (D&GG)' is wide ranging and does not conform to one definitional understanding of the terms. As is reflected in both the discussion on donor strategy and recipient need, there is not one generally accepted understanding of all core components of the cluster. In approaching the study, the team made use of the base documents of the RDP, MTEF, GEAR and the Constitution, as well as analyses of D&GG undertaken by donor co-ordination bodies and donors themselves. (see discussion in Section Three).

In this manner we identified the following component areas:

- ◆ Human rights
- ◆ Justice
- ◆ Safety and security (including defence)
- ◆ Law-making process
- ◆ Public Sector Reform (including financial accountability)
- ◆ Decentralisation
- ◆ Media and access to information

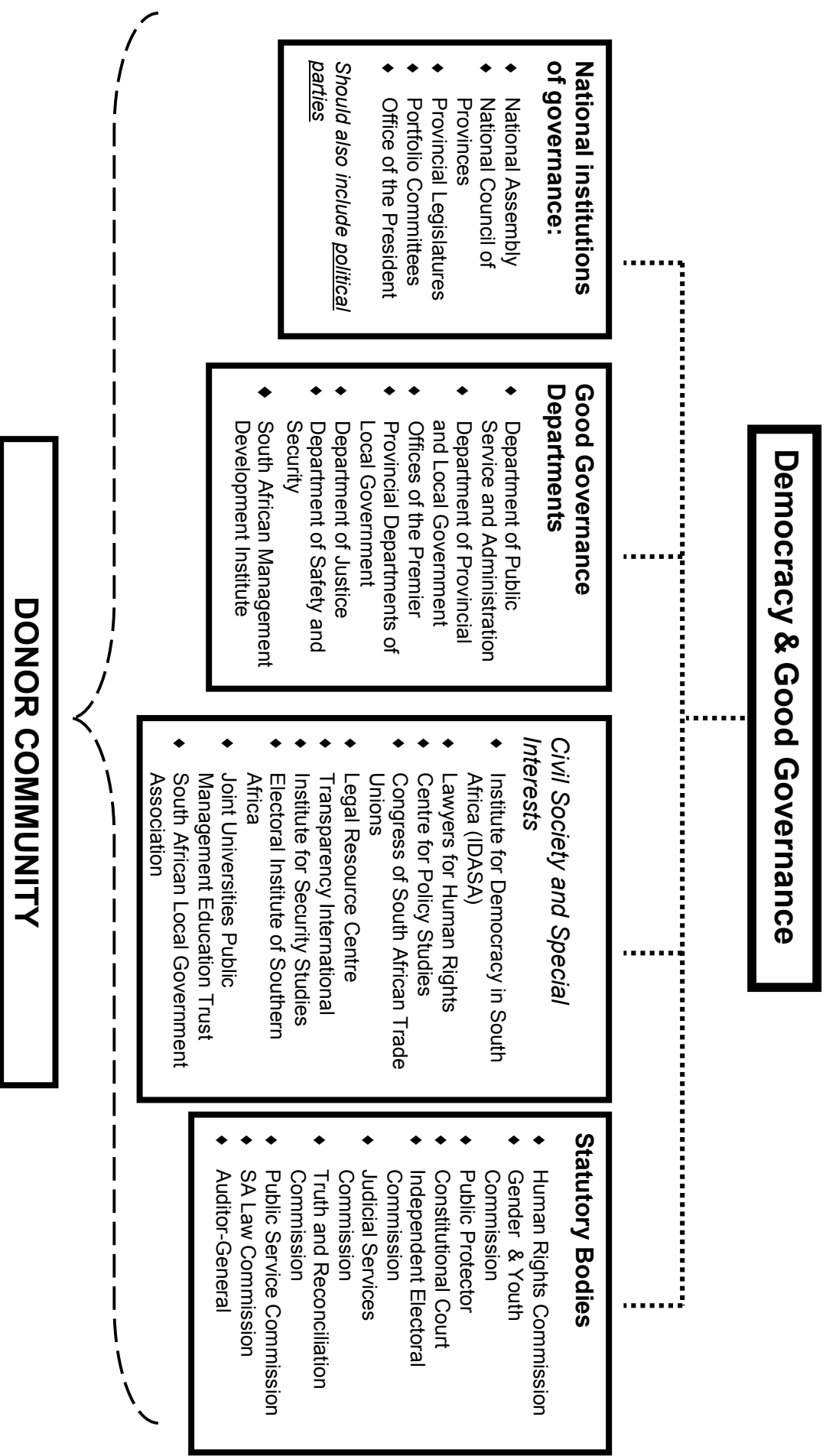
Given that very little money had been provided by the target donors to supporting the 'media and access to information' area, and that there was not sufficient time to speak to all of the key respondents, it was excluded from the study. However, freedom of expression and a free press are critical components of an effective democracy and are worthy of further study.

Similarly, while we identified the key role that political parties played in the D&GG arena (See Table 1), we did not identify them as priority respondents and hence they were not interviewed. A more detailed ODA investigation in this arena would need to incorporate their views.

Based on the time available for the study, the team elected to focus on the issue of decentralisation from the national and provincial perspective, and did not include local authorities as respondents.

In relation to the areas listed above, the team then identified four core groups of institutions, depicted in Figure 1 below. These may not be the full range of institutions in the D&GG arena supported by foreign donors. However, they represent the most prominent collection of institutions, and their activities represent a good spread of the types of activities donors support in the South African public sector and civil society.





**Figure 1: Core institutions involved in the Democracy and Good**

The team then identified six focus study areas. These were built on the broad hypothesis that a key trend defining the democracy and good governance cluster was likely to be the nature of engagement between the South African recipients of ODA and the donors themselves.

ODA only makes a small contribution to the SA budget (approximately 2%). However, South Africa is perceived to have strategic importance within the region and as a trading partner. We therefore felt the process of matching donor programmes and SA recipient needs (in particular those of government) would reflect interesting trends. The areas identified in Figure 2 below followed a basic set of assumptions made by the team about the interface between donors and recipients in the SA context:

- ◆ Donor programmes are developed both on the basis of the perceived needs of the SA government, as well as in relation to the donors' understanding of how effective democracy and good governance should be built;
- ◆ At the same time, the SA government determines its strategic programme for growth and development, and civil society bodies define their role in relation to this, thereby identifying the areas within which ODA support is required;
- ◆ The programme and need are matched through a process of engagement in which SA recipients are likely to play a strong and vocal role;
- ◆ Based on this engagement, the nature and purpose of the contribution is identified;
- ◆ Institutional arrangements are established to manage the relationship between donor and SA counterpart;
- ◆ This process is reflected in time through deliverables, activities and certain patterns of expenditure;
- ◆ Finally, the process should produce the desired impact for SA recipients..

## Evaluation of ODA to DEMOCRACY and GOOD GOVERNANCE

### DONOR

- What underpins the donor's particular approach to funding 'D&G'?
- What definition of 'D&G' does this reveal and how consciously has this definition been arrived at?
- Is there a common understanding amongst donors on 'D&G'?
- What sectors and/or combination of focus areas have the donors selected?
- What have they hoped to achieve by selecting these institutions, within their particular conceptual framework?
- How have donor strategies changed over time and why?

### NATURE OF ENGAGEMENT

- Is there a common understanding of D&G between donors and SAG?
- What are the main points of convergence and divergence?
- What has characterised SA's engagement with donors in the arena of 'D&G'?
- How has the engagement changed over time?
- How has this impacted on programme design?

### SAG NEED

- How have various target depts. / institutions within the SAG and civil society defined their need in the area of 'D&G'?
- How much consensus is there in the approach to "D&G"? To what extent has this been formulated?
- What are the major shifts in needs on the part of the SAG and civil society?

### IMPACT

- What has the impact of ODA been in the 'Democracy and Good Governance' sector?
- Has actual impact met planned impact?
- Where have the significant differentials been seen?
- Have the contributions been appropriate to the identified need?

- What are the interface arrangements with IDC?
- How could this be improved?
- Is there evidence of a sector approach to funding?
- Is there evidence at an institutional level of proper co-ordination with and amongst donors?

- What are the shifts in ODA from 1994-99?
- Policy / legislation to implementation
- Have there been areas of significant complementarity or duplication / fragmentation

### PATTERNS OF EXPENDITURE

### NATURE OF CONTRIBUTION

- What is the particular nature and value of donor contributions?: Amount; or Knowledge?
- If the amount of ODA is small relative to departmental budgets, has it been focused strategically?
- Have donors funded both governance and statutory bodies and what has been the impact of this?
- Too what extent have contributions responded to the SAG need and donor strategy stated?

Figure 2: Research Framework

## 2.3 SAMPLING

The sample of respondents was identified as follows:

- ◆ The team conducted a desk-top review of eighteen donors and identified the most significant donors in terms of:
  - Relative size of the overall budget allocated to D&GG
  - Percentage of the donor budget allocated to D&GG compared to other sectors or thematic areas
  - Particular contribution beyond monetary value

Fourteen donors focusing on democracy and good governance were identified and based on the criteria outlined above the following donors were identified as respondents in the study:

**Table 1: Selection of donor agencies according to criteria**

DONOR AGENCY	MAJOR CRITERIA FOR SELECTION
Department for International Development (DFID)	1, 2
United States Agency for International Development (USAID)	1, 2
European Union (EU)	2
United Nations Development Programme (UNDP)	1, 2
Canadian International Development Agency (CIDA)	1
Swedish International Development Agency (SIDA)	2
Australian Aid (AusAid)	3
World Bank (WB)	3
Netherlands	1, 2
NORAD	2

In relation to the provinces, the team worked on the following premise:

- ◆ The most significant implementation within the sector has largely been located at the national level
- ◆ The institutions of greatest significance at the provincial level are the legislatures, with the Offices of the Premier, and the departments of local government
- ◆ The provinces selected should reflect the following criteria:
  - Are they the focus of national reconstruction programmes and have therefore received significant support from donors?
  - Do they have particular issues of interest within the realm of D&GG?

Based on these criteria the following provinces were selected:

**Table 2: Selection of provinces according to criteria**

PROVINCE	REASON FOR SELECTION
Eastern Cape	One of the poorest provinces in South Africa, included in DPSA's Integrated Provincial Support Programme (IPSP) and prioritised by several donors
Mpumalanga	Having the highest provincial economic growth rate in the country, the province has received particular attention from donors.
Kwazulu-Natal	One of only two provinces not led by the African National Congress as the majority party in the National Assembly. KZN has undertaken, in some instances, unique approaches to D&GG. Also part of the DPSA's IPSP
Western Cape	The second province not led by the majority party, the Western Cape has presented a legal challenge to the constitution in an attempt to entrench provincial autonomy
North West	One of the provincial governments considered to have implemented innovative public sector reform processes

## 2.4 PROCESS OF ANALYSIS

In analysing the data, the team used a matrix approach, comprising three categories:

1. **D&GG focus areas**, consisting of the core components generally accepted as being part of democracy and governance, such as human rights and justice
2. **Key types of institutions** involved, according to Figure 1
3. **Categories of investigation**, according to Figure 2

This is presented in Table 4 below:

**Table 3: Matrix forming basis of analysis**

Focus area	Human Rights	Justice	Public sector reform	Decentralisation (local government)	Safety and Security	Representativity
National institutions of democratisation and governance						
Good governance departments						
Civil Society						
Statutory Bodies						
	Donor Strategy / SA Recipient Need	Nature of Engagement	Nature of Contribution	Patterns of Expenditure	Institutional Arrangements	Impact

## **2.5 LIMITATIONS OF THE STUDY**

The study was limited by the following factors:

- ◆ The time frame within which the study took place was extremely short, and took place over an extended holiday period. This resulted in the team having great difficulty accessing respondents, particularly in the provincial legislatures and departments. In addition, it resulted in the sample size being fairly limited, particularly with regards to civil society bodies.
- ◆ A great deal of interaction with donors on developing the governance framework for South Africa and putting in place interim arrangements took place prior to 1994, and therefore falls outside of the review period. This information would have been extremely valuable to capture and reflect. However, it is also largely anecdotal and difficult to verify.
- ◆ In many instances governance is seen as a cross-cutting theme and not as a single sector. It is therefore often 'hidden' in other programmes that donors may be supporting. This makes it difficult to capture precise figures on expenditure and the nature of contribution.
- ◆ It was not possible to interview the following respondents:
  - CIDA
  - North West Province
  - Truth and Reconciliation Commission
  - Northern Province Legislature
  - Office on the Status of Women
  - Office of the President
  - Judicial Services Commission
  - Public Service Commission
  - South African Local Government Association (interviewed nonetheless as part of the capacity building study)
  - Congress of South African Trade Unions

The study would have been richer for their inputs but all reasonable steps were taken to include them within the time constraints that the team were subject to.

## **3 DEFINITIONS AND CONCEPTS**

### **3.1 DEFINING DEMOCRACY AND GOOD GOVERNANCE**

In its narrowest form, democracy is defined as 'government by the people or their elected representatives' (Collins English Dictionary: 1986). The term has manifested itself differently in various contexts, reflecting a range of emphases. Democracy can therefore refer to:

- ◆ free and fair electoral processes, including engagement between elected representatives and the citizenry
- ◆ socio-economic equity and political equality; or

- ◆ 'contestation and consent to the uncertain outcomes of the contest'<sup>1</sup>.

A comprehensive definition of democracy directly linked to the concept of good governance includes both procedural and substantive dimensions such as fair, free and regular elections, an independent judiciary, the prevalence of the rule of law, institutional guarantees of rights; and structural promotion of social, economic and political opportunity.<sup>2</sup>

The definition adopted supports what is presented in both the Constitution and the Reconstruction and Development Programme (RDP).

Governance can be defined as 'the exercise of political power to manage a nation's affairs ... It encompasses the state's institutional and structural arrangements, decision-making processes and implementation capacity, and the relationship between government officials and the public'<sup>3</sup>.

Good governance, on the other hand, 'indicates a preferred relation that should ideally govern relations between state and society, and between a government and citizens'<sup>4</sup>. Good governance is normally used to refer to one or all of the following attributes of governance:

- ◆ Accountability based on the notion of popular sovereignty and public choice
- ◆ A legal framework that guarantees the rule of law and due process
- ◆ Popular participation in decision-making processes based on political and social pluralism
- ◆ Freedom of association and expression
- ◆ Bureaucratic accountability based on impersonality of office, uniform application of rules and rationality of organisational structure<sup>5</sup>

Democracy and good governance are often integrally linked to economic growth and development. While there is general acceptance of this at a theoretical level, the manner in which it occurs, differs in reality.

Through research conducted in developing countries, the notion of development being in part directly attributable to good governance has been challenged. Donors have been contributing to promoting reform in parliamentary systems, the judiciary, public administration, budgeting, promotion of human rights, public advocacy, capacity building, challenging corruption and decentralisation to the local level.

However, it is extremely difficult to establish the extent to which improvements in, for example, administrative transparency or the quality of the judiciary, have contributed to an improvement in development performance.<sup>6</sup>

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<sup>1</sup> Monshipouri, M. & Dorraj, M. (1997), 'Democracy and Human Rights in the Third World: A Comparative Assessment' in *Journal of the Third World Spectrum*, Spring 1997, p. 85

<sup>2</sup> *ibid*: 87

<sup>3</sup> Landell-Mills and Serageldin, I, 1992, quoted in Hamdok, A. & Kifle, H. (2000), 'Governance, Economic Reform and Sustainable Growth: The Policy Challenge for International Development Organisations' paper presented at the Emerging Africa Conference – Paris, 3-4 February 2000, pgs 7-87

<sup>4</sup> Hamdok, A. & Kifle, H. (2000), *op cit* 7-8

<sup>5</sup> *ibid*

### **3.2 DEFINING D&GG IN THE SOUTH AFRICAN CONTEXT**

Increasingly, notions of good governance, democratisation and development have become linked. Within the South African context this linkage is best represented in the RDP.

The RDP functions as a sort of 'blueprint' for transforming social, economic and political structures within South Africa, in order to address past inequality and create a basis for growth and sustainability in the future.

In a key section, the RDP addresses the specific meaning of democratisation in the South African context, as 'fundamental changes in the way that policy is made and programmes are implemented ... the people affected must participate in decision-making ... Democracy is not confined to periodic elections. It is, rather, an active process enabling everyone to contribute to reconstruction and development'<sup>7</sup>

The role of the state in facilitating growth and development has always been recognised as being of central importance, in order to address the unrepresentative, undemocratic and highly oppressive machinery inherited in 1994 by the first democratically elected government<sup>8</sup>. The problem statement linked to the RDP's democratisation pillar recognises that certain areas need to be addressed, namely:

- ◆ Enfranchisement of all South Africans and the extension of equal citizenship rights to all
- ◆ Redefining of the structures and functioning of government to make them more strategic and responsive
- ◆ Transformation of the defence force, the police and intelligence services 'from being agents of oppression into effective servants of the community'<sup>9</sup>
- ◆ Development of a wide range of institutions of participatory democracy linked to civil society
- ◆ Enhancement of the capacity of trade unions, mass organisations, sectoral movements and community based organisations
- ◆ Development of non-government organisations to continue to play an effective role in 'service delivery, mobilisation, advocacy, planning, lobbying and financing'<sup>10</sup>
- ◆ Protection and promotion of fundamental human rights, including equal access to information
- ◆ Ensuring gender equality.

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<sup>6</sup> Sobhan, R. (1998) 'How Bad Governance impedes Poverty Alleviation in Bangladesh' Technical Paper no 143. Research programme on Good Governance and Poverty Alleviation, OECD Development Centre

<sup>7</sup> African National Congress (1994), Reconstruction and Development Programme, Johannesburg: Umanyano Publications: 7; RSA (1994) White Paper on Reconstruction and Development, Government Gazette: Pretoria and Cape Town

<sup>8</sup> *ibid*

<sup>9</sup> *ibid*: 120

<sup>10</sup> *ibid*: 121



Through concentrating on these areas, the reconstruction and development process, it is proposed, will develop a population 'empowered through expanded rights, meaningful information and education, and an institutional network fostering representative, participatory and direct democracy'<sup>11</sup>

Based on this understanding, the RDP targeted critical organs of the state and civil society as having a role to play in democratisation. These are identified in Table 4:

**Table 4: Institutions critical to democratisation, as identified in the RDP**

INSTITUTION	ROLE AND FUNCTION
<b>Constituent Assembly</b>	tasked with producing the new Constitution through open and transparent consultative processes
<b>National and Provincial Assemblies</b>	established to facilitate access to the law-making process
<b>National and Provincial Governments</b>	tasked with governing the country and the nine provinces, in such a manner as to allow historical disparities to be addressed, particularly through the incorporation of the former TBVC states (Transkei, Bophuthatswana, Venda and Ciskei)
<b>Security Forces</b>	Including the defence force, the police and the intelligence services, tasked with upholding the constitution, and being directly accountable to civilian rule
<b>Administration of Justice</b>	Required to provide access to justice through being affordable, credible and legitimate. Included courts to support the industrial relations process, and to protect the rights of women
<b>Prisons</b>	Jointly protect the rights of prisoners, as well as focusing on rehabilitation and retraining.
<b>Restructuring the Public Sector</b>	Serves to provide effective and accountable delivery of public services. The RDP set out, first, to enable the considerable resources located in the public sector (public service, police and defence force, intelligence service, parastatals, public corporations and advisory bodies to be harnessed to facilitate growth and development. The RDP also proposed to transform the public service in order to make it service delivery oriented, in an accountable manner, free of corrupt practices
<b>Parastatals and State Development Institutions</b>	Restructuring of such institutions to support the RDP, through institutional autonomy and accountable financial practices
<b>Local Government</b>	Serves as a tool of democracy as it provides access to political process close to where people live. It also, in SA, has a service delivery role in some social and infrastructural areas. The RDP and subsequent reforms set out to enhance direct service delivery to communities through transforming the form and function of municipalities, thereby creating non-racial and appropriately resourced entities. Need to directly address the requirements of metropolitan areas versus those of rural constituencies

<sup>11</sup> *ibid*: 120

INSTITUTION	ROLE AND FUNCTION
<b>Civil Society</b>	The RDP encouraged trade unions, sectoral social movements and NGOs (particularly civics) to transform in line with the programmes of the RDP, in order to engage in policy-making, advocacy and direct implementation
<b>Democratic Information Programme</b>	The role of the media in governance is to ensure a flow of information on matters of public concern and to provide avenues for effective public scrutiny of the process of governance. The RDP saw this as an important area, proposing to transform public, private and community based media to ensure freedom of expression, transparency and accountability

While the RDP presents a programme of action, many of its key components have been formalised through the legislative and policy-making process. The Constitution, the Growth, Employment and Redistribution Strategy (GEAR) and the Medium Term Expenditure Framework (MTEF) have provided mechanisms for implementing the RDP. This has not taken place in an uncontested manner. For example, a number of the growth principles within GEAR could arguably be seen to work in tension with the more redistributive nature of the RDP.<sup>12</sup>

However, for purposes of presenting the framework, these policy frameworks are briefly summarised below:

### 3.2.1 Constitution of the Republic of South Africa

The Preamble to the Constitution refers to its adoption as the supreme law of the country, so as to:

- ◆ focus on human rights in both a collective or societal as well as an individual context
- ◆ build a social order which facilitates the exercising of these rights
- ◆ develop a state directly answerable to the people, which is empowered to enforce and protect rights
- ◆ provide the enabling mechanisms for sustainable socio-economic development.

### 3.2.2 Growth, Employment and Redistribution Strategy (GEAR)

GEAR – generally accepted as a macro-economic policy - supports the linkages between democratisation and economic growth through identifying the need to guide economic transformation, in the same way that political change has been designed and driven. Premised on the need for economic growth, it provides a strategic framework within which decisions on monetary and fiscal policy, and the labour market have been taken since 1996. It states

<sup>12</sup> Refer to section 3 dealing with the current political landscape in SA in relation to the D&GG cluster.

‘[through this] integrated economic strategy, we can successfully confront the related challenges of meeting basic needs, developing human resources, increasing participation in the democratic institutions of civil society and implementing the RDP in all its facets’<sup>13</sup>

GEAR also refers to institutional changes that will impact on governance, reform of parastatals, and private sector involvement in service delivery being the most prevalent.

### **3.2.3 Medium Term Expenditure Framework (MTEF)**

The MTEF – a nationally driven budgetary framework - is a critical tool, designed to provide a framework within which government departments can plan for the implementation of policy. It aims to reduce unfunded mandates and unactionable policy proposals in the longer term. It will also provide a basis for better dialogue with civil society bodies and the general public on expenditure priorities. For example, the Ministry of Finance now engages with provinces from around August in the preceding year. It is said that Budget Day no longer holds any surprises as most of the key aspects have been in the public realm through this consultative process.

‘The primary objective of the MTEF is to ensure that the Government is able to deliver its reconstruction and development in the context of three-year estimates of expenditure that are consistent with a sound macroeconomic framework. The MTEF is intended to enhance the transparency of the budget process and budget documentation so that policy goals and resource allocations are clearly set out, and thereby to enable political prioritisation of budgets.’<sup>14</sup>

The impact of implementing these particular frameworks in relation to ODA are elaborated on in Section 5.

## **3.3 D&GG AND OFFICIAL DEVELOPMENT ASSISTANCE**

Underpinning ODA now is the general acceptance in the donor community that free and democratic processes are essential for sustainable development. In 1989 the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) focused on introducing the concept of participatory development as a central term in its vocabulary. In essence, this recognises that there is a vital connection between open, democratic and accountable political systems, individual rights and the effective and equitable operation of economic systems. It implies that more democracy, a greater role for local organisations and self-government, respect of human rights, competitive markets and dynamic private enterprise will improve effective

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<sup>13</sup> Republic of South Africa, (1996) Growth, Employment and Redistribution Strategy: A Macroeconomic Framework for South Africa

<sup>14</sup> Republic of South Africa (1998) *Medium Term Expenditure Framework*

resource use, growth and employment, and will create more favourable conditions for more equitable income distribution'<sup>15</sup>

The first key conclusion reached by the DAC's *ad hoc* Working Group on PD/GG was that democratisation and good governance are central to the achievement of development goals. Thus '[for] poverty reduction, promoting gender equality, raising basic education and health standards and reversing environmental degradation – the emergence of more participatory, transparent and accountable societies is essential.'<sup>16</sup> The second key conclusion follows closely, 'participatory, accountable and efficient governance harnesses the activities of the state and its citizens to the objectives of sustainable social and economic development'<sup>17</sup> It is important that there is common agreement between donors and partners on the link between development, governance and democracy.

Having made this recognition, the DAC focused on identifying the key components of democratisation and good governance that could be utilised to support economic development.

The DAC Orientations on Participatory Development and Good Governance include the following components and sub-sets<sup>18</sup>:

Focused more on good governance as it relates to financial accountability, the African Development Bank, working closely with the World Bank, has developed a Country Policy and Institutional Assessment (CPIA) matrix. This consists of four clusters of performance indicators:

- (i) macro-economic policies,
- (ii) structural policies,
- (iii) policies for growth with equity and poverty reduction and good governance and
- (iv) public sector performance. With regards to the fourth cluster, six indicators are used<sup>19</sup>:

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<sup>15</sup> Fuhrer, H. (1996) 'A History of the Development Assistance Committee and the Development Co-operation Directorate in Dates, Names and Figures' Paris: OECD, p. 52

<sup>16</sup> OECD (1997) Final Report of the Ad Hoc Working Group on Participatory Development and Good Governance, Paris: OECD, p. 7).

<sup>17</sup> *ibid*

<sup>18</sup> *op cit* p. 11

<sup>19</sup> Hamdok, A. & Kifle, H. (2000), 'Governance, Economic Reform and Sustainable Growth: The Policy Challenge for International Development Organisations' paper presented at the Emerging Africa Conference – Paris, 3-4 February 200010-11

**Table 5: African Development Bank: Country Policy and Institutional Assessment (CPIA) matrix**

INDICATOR	ELEMENT MEASURED
<b>Political and Institutional Framework</b>	Assesses the extent to which institutions and policies supporting effective participation by citizens and civil society organisations in the political and economic decision-making processes have been set up
<b>Property Rights and Rule-based Governance</b>	Assesses the extent to which private economic activity is facilitated by a rule-based governance structure
<b>Quality of Budget and Public Investment Process</b>	Assesses the quality of the budgetary process for both investments and public expenditure. Also assesses allocation of resources between national and provincial or local government structures
<b>Revenue Mobilisation Efforts and Rationalisation of Public Expenditures</b>	Assesses the overall pattern of revenue mobilisation, and addresses the overall equity and efficiency of public expenditure
<b>Accountability and Transparency of the Public Service</b>	Assesses the ability to account for the allocation, use and control of public assets and properties in accordance with accepted standards of budgeting, accounting and auditing
<b>Anti-Corruption Policies</b>	Assesses the degree to which policies that are designed to minimize corruption are in place and whether there is a satisfactory anti-corruption programme.

These indicators provide a useful basis for understanding the manner in which impact in the arena of D&GG can be measured.

### **3.4 THE POLITICAL LANDSCAPE IN SOUTH AFRICA**

The political landscape within which this study took place has a significant impact on the findings. While it is useful to work from certain base definitions of democracy and governance, it is also essential to locate them within a particular historical context. This serves to provide nuance and direction to the manner in which these terms get interpreted through programmatic implementation, and hence support by donors. The issues as they are captured here will again be reflected in the discussion on findings in section 5.

For purposes of analysis, the team highlighted four key issues that impact on the manner in which democracy and good governance are interpreted:

#### **3.4.1 Political representation**

Within South Africa there are contesting notions of democracy at play. These are at the centre of understanding how government functions and what describes the particular framework of accountability within which it operates. In a simplified form, there are three approaches:

- ♦ **liberal representative** – represents the view that a free and fair electoral process, with effective rule of law and an autonomous public service

provides the model for an effective state. The act of election of representatives provides the direct mechanism for participation by citizens

- ◆ **populist/ participatory** – argues that the state should work in partnership with civil society bodies to ensure effective governance. By electing representatives, citizens do not forego their right to actively engage in policy-making. Proponents of the populist view embrace a spectrum of views from consultation with the electorate to their active participation in decision-making
- ◆ **pluralist** – postulates that the state needs to accommodate various interest groups, in order to ensure that one view does not dominate. There needs to be an active 'give-and-take' which allows groups to periodically have preference given to their particular interests

The period of review – 1994-99 – shows interesting shifts from strongly popular / participatory views of democracy and governance (as captured in the 'people-driven process' of the RDP) towards more liberal representative views. While the RDP White Paper argues strongly against the view that procedural notions of democracy are sufficient, the manner in which both civil society and the private sector are drawn into supporting the state does not reflect a consistent approach.

The apparent shift in government has been questioned both by organised labour and by broader civil society, led by NGOs, attempting to define the particular role that they play in governance. However, this debate needs to be contextualised within an analysis of the impact of globalisation on SA, and our need to become economically competitive.

Most recent policy shifts towards the language of 'partnerships', particularly in relation to alternative models of service delivery, represent attempts to redefine the role of the state in relation to civil society bodies and the private sector. This approach reflects a process of redefining the role of the state, particular with regards to its capacity to deliver, and the manner in which it draws these stakeholders into the implementation process.

The integrated development planning process (IDP), which forms the cornerstone of the new policy framework for local government represents government's intention to include social partners in the process of planning. The difficulties currently being encountered in the IDP process reflect some of the tensions of trying to involve communities in a complex planning process, impacted upon by the reality of limited resources in the face of growing needs.

The significant challenge that may arise out of the IDP process is the extent to which it represents a truly participatory, needs -driven process, or simply a legislative requirement that must be addressed.<sup>20</sup>

The complexity of this issue is reflected throughout the findings of the research, particularly in relation to how South African needs for support are identified and articulated, and how donors construct their agenda for engagement.

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<sup>20</sup> The IDP pilots being conducted by the DPLG represent attempts to try and address the inherent difficulties of integrated development planning, and make them more genuine participatory processes.

### **3.4.2 The nature of human rights**

The relationship between civil and political rights, and economic and social rights has been on the agenda of international bodies for many years. Historically civil and political rights have received greater attention, despite an international agenda that recognises the indivisibility and interdependence of both sets of rights.

The United Nations Committee on Economic, Social and Cultural Rights notes the following: 'Economic, social and cultural rights are often viewed as effectively 'second-class rights'-unenforceable, non-justiciable, only to be fulfilled 'progressively' over time.... Such perspectives, however, overlook a postulate of the global human rights system ... namely, that the indivisibility and interdependence of civil and political rights and economic, social and cultural rights are fundamental tenets of international human rights law.'<sup>21</sup>

Within this context, the approach to human rights within South Africa, and its link to democratisation and development, reflect some important dynamics.

With regard to political and individual rights, South Africa can claim significant victories in the period of review – right to life, to vote, to freedom of expression and association, right to choose (in relation to abortion) etc. There is a generally accepted view that the country has gained considerable ground and put in place a strong basis for democratic rule.

However, in relation to social, economic and cultural rights there are substantial differences in opinion. These centre on the distinction between human rights and basic needs. Proponents of a rights-based approach to development argue that addressing basic needs (the 'right' of access to land, housing, economic opportunity) must be seen as addressing human rights.

An alternative view argues that these needs must receive priority, but are not human rights defensible by law. The differing interpretations represent the challenge often put to government by sector-based NGOs (such as the National Land Committee). The success record in relation to these second generation rights is much poorer. The government does not as yet have a clear framework for poverty alleviation which addresses the relationship between human rights and basic needs, and which defines the role of the state and civil society in relation to it.

While the role of human rights is broadly accepted in the democratisation process, the ongoing debate is located around which rights are fundamental,

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<sup>21</sup> UNESCO (1998) The Committee on Economic, Social and Cultural Rights: Fact Sheet No.16 (Rev.1) UNESCO further notes: 'Economic, social and cultural rights are fully recognized by the international community and throughout international human rights law. Although these rights have received less attention than civil and political rights, far more serious consideration than ever before is currently being devoted to them. The question is not whether these rights are basic human rights, but rather what entitlements they imply and the legal nature of the obligations of States to realize them.'

and therefore what obligation is placed on the state to prioritise them being addressed.<sup>22</sup>

### **3.4.3 Public sector reform and service delivery**

The debate around form and function of the public sector, in particular the public service, reflects the relationship between governance and development. The current single service has been integrated together out of fourteen former administrations, through a process of compromise and political deal-making rather than on the basis of efficiency and functionality.

South Africa has adopted a programme of efficiency and right-sizing, strongly based on the experience of Commonwealth countries. The general reform agenda of the current Minister differs in part from the wide-ranging changes recommended by the Presidential Review Commission (PRC) and takes a more cautious approach to developing a lean bureaucracy.

The PRC guidelines on the role of the public service are comprehensive, and provide a general basis upon which public sector reform is taking place<sup>23</sup>. Included here are the following roles:

- ◆ Protecting and enhancing representative and participatory democracy;
- ◆ Supporting civil society and its interaction with government;
- ◆ Promoting economic and social development and the advancement and empowerment of disadvantaged people and communities;
- ◆ Shifting power and authority from central government to provincial and local government, within a framework of national norms, standards and values;
- ◆ Locating responsibility for achieving efficient and effective delivery of services to the lowest possible level;
- ◆ Ensuring that ethical and professional standards are developed and maintained throughout the public service and all other organs of state;
- ◆ Ensuring that the functions and records of government are open to public view and appraisal;
- ◆ Securing accountable and transparent stewardship of public resources, so as to build the kind of society envisaged in the 1996 Constitution;
- ◆ Rewarding achievement, acknowledging failure and giving redress to grievances.<sup>24</sup>

The appropriate nature of government's reform agenda has been challenged, mainly by civil society partners such as labour. Major points of conflict relate to whether the state can afford to shed the number of jobs that are planned.

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<sup>22</sup> The OECD DAC (1997) report on Participatory Development and Good Governance reflects that a direct link between political and individual rights, and socio-economic development was only explicitly made in the late eighties. Prior to this period very little ODA was directed at civil and political rights. This area of support was largely left to international NGOs and private or 'political' foundations.

<sup>23</sup> The recommendations of the PRC were broadly accepted, but do not represent the entire reform agenda in relation to the public service. (noted in interview with DPSA respondent, Ruan Kitshoff and Veronica Motalane, 11 April)

<sup>24</sup> Presidential Review Commission (1998) Report of the State of Transformation in the South African Public Service, p. 5



This is a sensitive issue, particularly where the state is the sole employer in certain impoverished rural areas, and entire families are therefore dependent on the income derived from public sector employment. This is countered by the widely accepted argument that the state cannot continue to employ non-productive workers, and has to down-size to become more cost efficient.

The debate is clearly not as stark as this. The public sector needs to become more efficient, but not in such a manner that the socio-economic problem of retrenched workers is simply transferred from the public service to the welfare system, or worse still, to nobody.

The political and economic difficulties inherent in dealing with sensitive issues such as supernumeraries (public servants deemed surplus to the organisational establishment) has resulted in a general lack of action in this regard.

This leads to a second area of dissent - the argument that greater efficiency in the public service automatically leads to improved service delivery. The assumption that significant input into improved organisational structures and systems will automatically translate into more effective outputs has been shown to be flawed. It is only valid if it is undertaken with a parallel assessment of the external environment and the resources available within civil society that could be harnessed in partnership with the state.

In the search for creative solutions, alternative service delivery mechanisms such as private sector or corporatised service delivery, that could arguably provide employment opportunities to workers that might otherwise be retrenched, are increasingly being suggested. The challenge is to find the most effective ways in which to accelerate service delivery. But these mechanisms should not be seen in a narrow way of simply outsourcing non-core functions or corporatising service delivery units. They are also a means for developing social contracts between public, private and community interests, thereby creating sustainable solutions. It is also necessary to ensure that institutional arrangements are in place that would be accountable and not undermine the public good. The notion of alternative service delivery is very much in its infancy in government thinking, with few significant processes having taken place to date. Very few examples of best practice in SA therefore exist.

#### **3.4.4 The role of South Africa in the region**

Globalisation has led to increasing emphasis on the importance of building regional relationships. The European Union is the starkest example of this, with other developing world examples such as Mercosur also providing evidence of this. In an input provided by the Minister of Finance to the IMFC discussion on the World Economic Outlook it is noted that a key policy priority for all developing countries should be greater regional integration<sup>25</sup>.

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<sup>25</sup> Accompanied by prudent monetary and fiscal policies, increased investment in infrastructure and human capital, bridging of the technological gap with the rest of the world, pursuance of economic diversification, improved access to markets of industrial countries and making a stronger case for more generous debt relief and supplementary financial support (from 'From

The role of South Africa within the region, and within the formal structure of the Southern African Development Community (SADC), is one that has raised a number of issues. South Africa is seen as the economic giant of the region, with the greatest potential for attracting foreign direct investment. However, it has significant trade dependencies which does not allow it to be set apart from the realities of these countries. Recent events in the build-up to the Zimbabwean elections and the impact that this has had on the South African currency reflect the reality of this. Similarly, the devastation caused by floods in Mozambique has had an impact on South Africa, through the country having to accommodate the influx of displaced people. Therefore, the government has also taken care not to come across in a 'big brother' role which sets it apart from other countries. The interdependency of economies in southern Africa, coupled with the need to address human security issues, has led to South Africa taking a programmatic approach to developing its role and relationships with neighbouring countries.

The issue has several implications for donor involvement. Firstly, donors might want to increasingly link support to SA to the wider regional impact. Secondly, they might jointly decide that the rest of the region requires more focused attention than SA. Finally, new opportunities for SA NGOs might open up, compelling them to shift towards a more regional role, in part to access donors funds designated as such.

The four issues listed above are not the only issues that arise within the arena of Democracy and Good Governance, but are the ones that came through the research process, and are therefore useful as a scene setter within which to locate the specific findings presented in section 5.

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Recovery to Sustained Growth in Emerging Markets and Other Developing Countries', input by Minister Trevor Manuel to the IMFC discussion on the WEO, 16 April 2000)

## 4 DATA GATHERED

The data gathered during the course of the research is presented below, reflecting three specific areas:

### 4.1 DONOR PROGRAMMES – BUDGETS AND RELATIVE VALUES

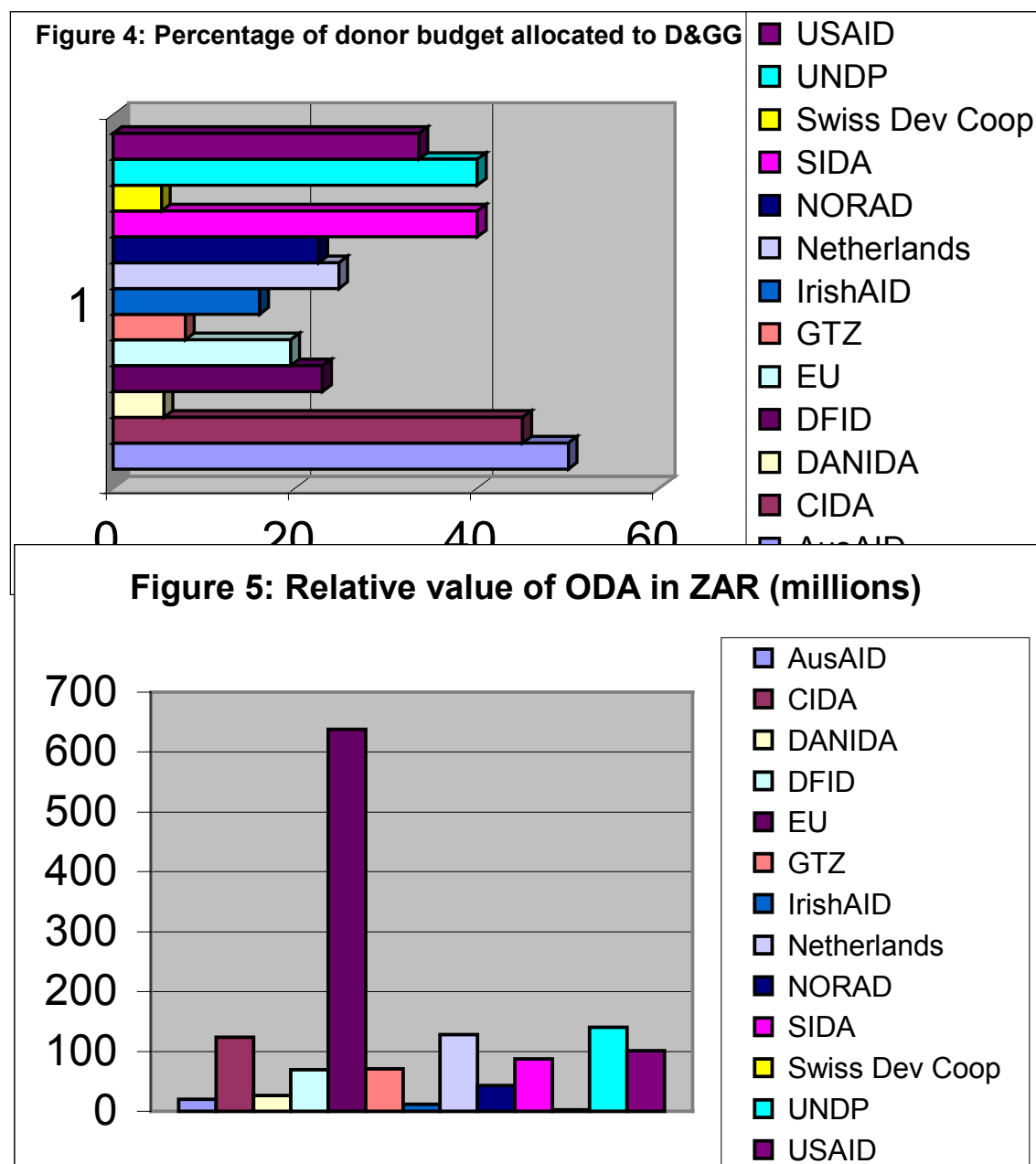
Table 6: Donor programmes – budgets and relative values

Donor	Value of total contribution to D&GG (ZAR)	Percentage of total assistance to South Africa	Programmes	Recipients	Period of support	Value of programme (in donor currency)
AusAID	20m	50%	Wide variety of Exchange activities and TA placements	30 different SA government agencies	Ave of 3 week exchanges	—
CIDA	124m	45%	-Public Sector Reform -Justice Linkage - Education Management	— — Dept of Education	— — —	Cdn\$9.8m Cdn\$5m Cdn\$5m
DANIDA	25.92m	5.6%	-Parliamentary Support Programme	National Legislature		
DFID	68.9m	23%	-Local Government policy/legislation -Public ServiceTransformation -SARS Transformation -Prov governance support (NW;NC) -Prov governance support (MP, FS, NC) -Community Policing	-DPLG -DPSA -SARS -NW/NC Provinces -MP/FS/NC Provinces -FS/WC/EC Provinces	1999	GBP 1m GBP 750 000 GBP 9m GBP 2.5m GBP 4.2m GBP 5m
EU	638m	19.5%	-EU Foundation for Human Rights -Parliamentary Support Programme - Policing (Institutional Development) -Local Government support: MP, NP	-Foundation for HR -Legislature -DSS (EC/KZN)	1996-9 1996-9	R101,1m R101,1m R116,9m
GTZ	70.47m	7.93%	-Decentralised Development Planning -Legislative drafting	-DPLG - Dept of Justice	1994-2004	
IrishAID	11.8m	16.1%	- Citizens Advice desks (Courts)	- Dept of Justice	1999	
Netherlands	128m	24.8%	-Management of Courts	- Dept of Justice		

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Donor	Value of total contribution to D&GG (ZAR)	Percentage of total assistance to South Africa	Programmes	Recipients	Period of support	Value of programme (in donor currency)
NORAD	43m	22.6%	-Local Gov Capacity/Bldg Prog -Training in Financial Mgmt	- DPLG - DPLG	1998-2000 1998-2000	NOK 30m NOK12m
SIDA	87.6m	40%	-TRC -Human rights training for police service -Office of the Status of Disabled Persons -Legal Advice Offices etc	-TRC -DSS -Presidents Office -Various	1995-99 1995-99 1998-2002 1996-2000	SEK 14.8m SEK 20m SEK32.5m SEK 85m
Swiss Dev Co-op	2m	5.3%	-Parliamentary monitoring	- NGOs	1998	SwissFr 513 000
UNDP	140.8m	40%	-Provincial & Management Programme -Legislatures Capacity Support -Project Management Skills pilot	-Provinces -legislatures -Dept of Public Works	1997-2001	
USAID	101.5m	33.6%	-Equitable Justice -Local Government Strengthening Prog - Civil society-government partnerships	-Dept of Justice -DPLG -Various	1994-2001 1998-2001	\$16.5m \$18m

The values listed above are shown in graphic form in the following bar charts:



## 4.2 DONOR PROGRAMME DETAILS

Table 7: Donor programme details

Donor Agency	Programme Title and/or Objectives	Focus Areas	Total value (donor currency or ZAR)	Form of Assistance	Key recipients
<b>AusAid</b>	Facilitating of exchange of expertise	<p>Entirely responsive to government and therefore has provided support across a range of focus areas, as diverse as:</p> <ul style="list-style-type: none"> <li>• Telephone numbering system</li> <li>• Property management system for DPW</li> <li>• System of tax collection</li> <li>• Performance budgeting system</li> <li>• Electoral system training</li> </ul>	R 20m per annum	Almost entirely short term TA support activities, such as study trips to Australia of placement of Australian specialist in counterpart SA institutions	Approximately 30 key government departments and institutions
<b>DFID</b>	Governance	<p>Largely funding to government departments</p> <p>Continuity of areas of engagement from Pre-Labour Party Government period (1994-7) to the present, with slight shift of current emphasis to poverty reduction and building private sector-civil society-government partnerships for delivery and implementation</p>	ZAR 68.9m (1999)	Technical assistance and related activities	DPSA DPLG SARS Provinces
<b>EU</b>	<b>Pre-1994:</b> Special Programme for	<b>Second MIP:</b> <ul style="list-style-type: none"> <li>• Human rights</li> <li>• Safety and security</li> </ul>	Second MIP: R 638m	Number of mechanisms: ♦ 3 grant-	Pre 1994: all anti-apartheid civil society bodies <b>1<sup>st</sup> and 2<sup>nd</sup> MIP –</b>

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Donor Agency	Programme Title and/or Objectives	Focus Areas	Total value (donor currency or ZAR)	Form of Assistance	Key recipients
	<p>Victims of Apartheid</p> <p><b>1994-96:</b></p> <p>continuation of many previous commitments and beginnings of a bilateral programme</p> <p><b>1997-99:</b></p> <p>First multi-annual Indicative Programme (MIP)</p> <p><b>2000-02:</b></p> <p>Second MIP</p>	<ul style="list-style-type: none"> <li>• Support to civil society (continuing support to:</li> <li>• Parliamentary Support Programme</li> <li>• EU Foundation for Human Rights</li> <li>• SA Labour Development Trust</li> <li>• Financial Management Improvement Programme</li> <li>• Local Government)</li> </ul>		<p>making facilities</p> <p>◆ long and short term technical assistance</p> <p>◆ Project; programme and budget support</p>	<p>◆ EUFHR</p> <p>◆ Parliament and the Legislatures Department of Safety and Security</p> <p>◆ Department of Public Works</p> <p>◆ Local authorities in target provinces</p> <p>◆ IDASA</p> <p>◆ TRC</p> <p>◆ ISS</p> <p>◆ CPS</p>
Nether-lands	<p><b>Pre 1999:</b> -</p> <p><b>Varied portfolio focusing on human rights and governance support</b></p> <p><b>Post 1999:</b></p> <p>Management of Courts</p>	<p><b>Pre 1999:</b></p> <p>Continuing support for human rights, conflict resolution, legal aid and in relation to government:</p> <ul style="list-style-type: none"> <li>• SAPS</li> <li>• Elections</li> <li>• Justice</li> <li>• Public Administration</li> </ul> <p><b>Post 1999:</b></p>	R 128m (1994-98)	<p>Core funding budget support</p> <p>Pilot project support</p> <p>Institution to institution exchanges (Practically no TA support)</p>	<p>Dept of Justice</p> <p>DPSA</p> <p>Dept of Safety &amp; Security</p>

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Donor Agency	Programme Title and/or Objectives	Focus Areas	Total value (donor currency or ZAR)	Form of Assistance	Key recipients
		<ul style="list-style-type: none"> <li>Justice</li> </ul>			
<b>SIDA</b>	<p><b>Pre 1999:</b></p> <p>Public Administration; Human Rights and Democracy</p> <p><b>Post 1999:</b></p> <p>single sector: Programme on Democratic Governance</p>	<p><b>Post 1999: (Four areas)</b></p> <ul style="list-style-type: none"> <li>Public Sector Support (improved efficiency)</li> <li>Security and decreased violence (particularly in respect of women and children)</li> <li>Civil society's role in defending the rights of the poor</li> <li>Democratic support (elections, parliamentary support etc)</li> </ul> <p><b>Projects:</b></p> <ul style="list-style-type: none"> <li>Public Sector Reform: DPSA national; prov projects (EC; NC). local govt.</li> <li>Juvenile Justice: DoJ</li> <li>Public Financial Management: DoF</li> <li>Truth and Reconciliation Commission</li> <li>Office of the Status of Disabled persons</li> <li>Voter education training (ETU, EISA)</li> <li>Human rights and Legal Aid financing; training and capacity building for para-legal projects, law clinics and HR promotion</li> <li>Magistrates training (UCT) on gender, race, children issues</li> <li>Research on gender issues and juvenile justice (UWC)</li> <li>Land Rights (NLC and Affiliates)</li> </ul>	<p>Year 2000: 120m SEK (approx. R90m)</p>	<p>Twinning agreements</p> <p>Technical Assistance</p> <p>Direct grants (mainly to NGOs)</p>	<p><b>Government</b></p> <ul style="list-style-type: none"> <li>DPSA national, provincial projects and local government (EC; NC)</li> <li>DoJ</li> <li>DoF</li> <li>TRC</li> <li>Office of the Status of Disabled persons</li> <li>Statistics SA SARS</li> <li>SAPS</li> <li>National and Provincial parliaments</li> <li>NocLOGA</li> </ul> <p><b>Civil Society:</b></p> <ul style="list-style-type: none"> <li>ETU &amp; EISA</li> <li>Legal Aid NGOs (NCBPA, AULA, LHR, LRC, NADEL, etc0</li> <li>University of Cape Town</li> <li>University of the Western Cape</li> <li>NLC and Affiliates</li> <li>NGOs in KZN (NIM, Practical Ministries, Diakonia)</li> <li>Masimanyane, KCC</li> </ul>



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Donor Agency	Programme Title and/or Objectives	Focus Areas	Total value (donor currency or ZAR)	Form of Assistance	Key recipients
		<ul style="list-style-type: none"> <li>• Conflict Resolution (NGOs in KZN)</li> <li>• Violence against women and Children (various NGOs)</li> <li>• Women's Empowerment Unit</li> <li>• Institutional Operations = SAPS – Swedish police, Stats SA – Stats Sweden</li> </ul>			
<b>UNDP</b>	<b>UNDP-SA Country Co-operation Framework</b>  Livelihood and Employment Creation (establishing the conditions for people to improve their situations in a sustainable fashion)  Good Governance (creating an enabling environment for sustainable human development  Rights based approach to	<p><b>Decentralisation</b></p> <ul style="list-style-type: none"> <li>• Provide a flexible funding mechanism to provincial government for management capacity building</li> <li>• Local government capacity building programme</li> <li>• 'People's Participation in Public Policy'</li> </ul> <p><b>Democratisation</b></p> <ul style="list-style-type: none"> <li>• Capacity building in the legislatures (National Inter-parliamentary Service)</li> <li>• TNDT-NDA transition</li> <li>• Empowering women in government (support to elected women councillors)</li> <li>• Electoral support</li> </ul> <p><b>Safety and security</b></p> <ul style="list-style-type: none"> <li>• Safety and security white paper</li> <li>• National Crime Prevention Strategy (NCPS)</li> <li>• Guidelines for child justice related issues</li> </ul>	<i>No figures available</i>	Largely takes the form of technical assistance, aimed at linking up with international best practice and providing funding to stimulate the involvement of other donors through cost sharing arrangements that promote programme co-ordination	<ul style="list-style-type: none"> <li>• DCD/DPLG</li> <li>• Legislatures</li> <li>• TNDT/NDA</li> <li>• IEC</li> <li>• Department of Safety and Security</li> <li>• Department of Public Works</li> <li>• North West and Northern Province on local government (and target municipalities</li> <li>• Department of Justice</li> </ul>

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Donor Agency	Programme Title and/or Objectives	Focus Areas	Total value (donor currency or ZAR)	Form of Assistance	Key recipients
	development is emphasised	<ul style="list-style-type: none"> <li>National network for violence against women</li> </ul>			
		<p><b>Development management</b></p> <ul style="list-style-type: none"> <li>Project management skills on DPW</li> <li>General support for development management and aid co-ordination</li> <li>Disaster management programme, including training through DPLG</li> </ul>			
<b>USAID</b>	<b>1995 - 1998:</b> Strengthening democratic institutions through civil society participation  <b>Post 1998:</b> Democratic consolidation advanced through improved government delivery and effective citizen engagement	<p><b>1995 – 1998:</b></p> <ul style="list-style-type: none"> <li>Access to justice</li> <li>Rights education</li> <li>Conflict resolution</li> <li>Public policy participation</li> <li>Managing participatory development</li> <li>Civil society-government partnerships</li> </ul> <p><b>Post 1998:</b></p> <ul style="list-style-type: none"> <li>More effective and accessible criminal justice system</li> <li>Effective and democratic local governance</li> <li>Strategic civil-society government partnerships are strengthened for improved policy development and service delivery</li> <li>Senior public management capacity strengthened</li> </ul>	'95 - \$21, 7m '96 - \$23,6m '97 - \$16,6m '98 - \$14,5m '99 - \$15,75m '00 - \$11,052 '01 - \$10m '02 - \$9m '03 - \$8m '04 - \$8m '05 - &8m	Direct grants  Technical assistance  Study tours and capacity building	<p><b>Civil society:</b></p> IDASA HRC <p><b>Government:</b></p> DPLG DoJ TRC CGE DPSA IEC

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Donor Agency	Programme Title and/or Objectives	Focus Areas	Total value (donor currency or ZAR)	Form of Assistance	Key recipients
World Bank	<p>Promoting higher growth and employment</p> <ul style="list-style-type: none"> <li>Fostering social and environmental sustainability</li> <li>Strengthening SA's constructive role in regional development</li> </ul> <p>In relation to institution building and Governance, focus on:</p> <ul style="list-style-type: none"> <li>Transparency</li> <li>Inclusion</li> <li>Corruption</li> </ul>	<p><b>Pre 1994:</b></p> <ul style="list-style-type: none"> <li>Trade policy</li> <li>Macroeconomic management</li> <li>Land reform</li> <li>Poverty analysis</li> </ul> <p><b>Post 1994:</b></p> <ul style="list-style-type: none"> <li>Fiscal relations</li> <li>Infrastructure finance</li> <li>Health expenditure</li> <li>Medium term framework for public expenditure (including GEAR)</li> <li>Poverty-related assessments</li> <li>Limited focus on job creation and bio-diversity conservation</li> <li>Promoting capacity building and training in various aspects of development management, including financial management &amp; budgeting</li> </ul>	No figures available	Engagement primarily through knowledge banking – knowledge resource provision	

It should be noted that the amounts stated in the above tables are approximate and are intended to provide an indicative sense of donors' contribution to the GG&D sector.

### 4.3 RECIPIENT DATA

Table 8: Recipient data

Recipient	Core focus / function	Focus Areas (including those receiving ODA)	Form of Assistance	Total Amount Received and % of overall budget	Key ODA donors
Centre for Policy Studies	Provide critical commentary and research on the democracy and governance framework within South Africa, through focuses on critical areas of policy development and implementation	<p>Policy research on and analysis of:</p> <ul style="list-style-type: none"><li>• Governance</li><li>• Democracy and civil society</li><li>• Foreign relations</li><li>• Development and delivery</li><li>• Employment and enterprise</li></ul>	Direct grants	Approx. R2,5m per annum (50% of overall budget)	EU CIDA
Commission on Gender Equality	<p>To promote the role of women specifically in the context of D&amp;GG. While this does not appear to be within the overall definition accepted by the CGE, the respondents gave the following definition:</p> <p>Turning women from listeners to decision makers and therefore the need for greater representivity</p> <p>The product of good governance was a society free of violence, discrimination and the provision of basic needs in terms of the constitution.</p>	<ul style="list-style-type: none"><li>• Gender, policy and institutional development</li><li>• Public awareness and education</li><li>• Law and Justice</li><li>• Safety and Security</li><li>• Economic Empowerment</li><li>• Political Empowerment and Capacity building</li></ul>	Mix of technical assistance, grants for implementation, support for study tours and workshops		UNDP

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<b>Recipient</b>	<b>Core focus / function</b>	<b>Focus Areas (including those receiving ODA)</b>	<b>Form of Assistance</b>	<b>Total Amount Received and % of overall budget</b>	<b>Key ODA donors</b>
<b>Constitutional Court</b>	Provides an independent watchdog function that upholds constitutional principles in the process of governance	Relatively ad hoc, mainly focused on setting up the library, supporting placement of staff on internships (law clerks programme) and limited number of scholarships for study in the United States	Donations made to a special trust, through which allocations are made	Approx. R6 million	NORAD
<b>Department of Justice</b>	Administration of Justice	<ul style="list-style-type: none"> <li>• Court system development</li> <li>• Legal research</li> <li>• Gender and law</li> <li>• Child / Youth Justice</li> </ul>	Grants and technical assistance	USAID – R60m Danida – R17,5m DFID – R23,000 Norad – R1,19m SIDA – R200,000 Finland – R3.4m Ireland – R2,19m UNDP - \$100,000	USAID Danida DFID Norad SIDA Finland Ireland
<b>Department of Provincial and Local Government</b>	Support for the transformation of local government  Building stronger and accountable political institutions and effective delivery vehicles that can meet basic needs	Focus on developing capacity in the provincial and local government spheres for programming, implementing and monitoring delivery.  Early stages focus was on policy development, now focused on implementation, particularly through piloting new initiatives, as well as capacity-building for local authorities:  Councillor training	Direct grants, technical assistance, study tours	R341 million since 1998 DFID - £3 million (+ a possible £2 million) USAID - \$18 million UNDP – R33 million Norad – R23 million	DFID - White Paper; pilots focused on developmental local government), USAID – policy changes particularly in fiscal and financial reform an information management,

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<b>Recipient</b>	<b>Core focus / function</b>	<b>Focus Areas (including those receiving ODA)</b>	<b>Form of Assistance</b>	<b>Total Amount Received and % of overall budget</b>	<b>Key ODA donors</b>
		Skills development for officials Process support, e.g. through the MILLU to pilot new approaches to service delivery and through the Municipal Services Partnerships (MSP) framework			and pilots with local authorities GTZ – IDPs, capacity building UNDP – policy refinement, capacity building and piloting NORAD – financial management (Project Viability) disaster management, training or councilors and officials on IDPs and performance management
<b>Department of Public Service and Administration</b>	Maintain an effective public administration, guided by the strategic interests of the government of the day, but functionally capable to technically support government to formulate policies and implement programmes	Post 1999: <ul style="list-style-type: none"> <li>• Effective management</li> <li>• Strengthened institutional performance</li> <li>• Better quality services</li> <li>• Improved people management</li> <li>• Human resource development</li> <li>• Information technology and information management</li> <li>• Curbing corruption</li> </ul>	Direct grants and technical assistance	Netherlands - R7,5 million DFID – R25 million SIDA – R7 million GTZ – R5 million (still in negotiations)	Netherlands – information technology DFID – Integrated Provincial Support Programme SIDA – labour relations and improved conditions of

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<b>Recipient</b>	<b>Core focus / function</b>	<b>Focus Areas (including those receiving ODA)</b>	<b>Form of Assistance</b>	<b>Total Amount Received and % of overall budget</b>	<b>Key ODA donors</b>
		<ul style="list-style-type: none"> <li>Cross-cutting policy support</li> </ul>			service GITZ – training and provincial capacity-building
<b>Department of Safety and Security (including the South African Police Services – SAPS)</b>	Support development of an effective criminal justice and policing system	HRD development Best practice Leadership and management development	Grants and technical assistance	DFID – R5m DFID/EU – R80m UN – R6m Belgium – R25m Denmark – R2,5m UNDP - \$943,298	DFID – know-how fund DFID/EU – Eastern Cape policing project Danida Belgium UNDP
<b>Eastern Cape Provincial Legislature</b>					
<b>Electoral Institute of South Africa</b>	Facilitates election processes, at national and other levels of government, and also in organisational contexts. Includes raising awareness, resolving conflicts and running elections	Managing elections Research Information dissemination Capacity-building (voter education)	Grants and technical assistance	Unknown	<ul style="list-style-type: none"> <li>Danida</li> <li>Norad</li> <li>Sida</li> <li>Netherlands</li> </ul>
<b>Human Rights Commission</b>	Protect and promote human rights in the country in accordance with the Constitutional requirement	Promoting awareness and investigating human rights violations in the following key areas: Equality (addressing racial	Largely TA placements and exchanges, but also some project support	Varies each year depending on govt allocation to the Commission. The Commission approaches donors to support the	USAID AusAID UNICEF UNESCO

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Recipient	Core focus / function	Focus Areas (including those receiving ODA)	Form of Assistance	Total Amount Received and % of overall budget	Key ODA donors
		<ul style="list-style-type: none"> <li>discrimination in schools; media and xenophobia)</li> <li>Human rights in the criminal justice system</li> <li>Rights of the elderly and children</li> </ul>		<p>shortfall between the budget proposal submitted to government and the allocation made. This shortfall is tending to grow each year.</p>	<ul style="list-style-type: none"> <li>CIDA</li> <li>EUFHR</li> <li>UNHCR</li> </ul>
<b>Independent Electoral Commission</b>	Election management and promotion	<ul style="list-style-type: none"> <li>Voter education</li> <li>Public awareness</li> <li>Logistics and elections management</li> </ul>	Technical assistance and resources	<p>DFID – R11m</p> <p>Netherlands – R300,000</p> <p>Austria – R500,000</p> <p>Japan – R1,4m</p> <p>USAID – R6m</p>	<ul style="list-style-type: none"> <li>Australia</li> <li>GTZ</li> <li>Norad</li> <li>Sida</li> <li>Danida</li> <li>JICA</li> <li>UNDP</li> <li>CIDA</li> </ul>
<b>Institute for Democracy in South Africa</b>	Is a public interest organisation committed to building a sustainable democracy in South Africa by building democratic institutions, educating citizens and advocating social justice	<ul style="list-style-type: none"> <li>Voter education</li> <li>Migration and refugee policy</li> <li>Policy research</li> <li>Parliamentary monitoring</li> <li>Local government</li> </ul>	<p>Direct grants</p> <p>Has only used TAs twice, for short period in junior research positions</p>	<p>DANIDA – R11m</p> <p>EU – R6,6m</p> <p>Netherlands – R3,8m</p> <p>DFID – R15m</p> <p>Sida – R2,7m</p> <p>SDC – R19m</p> <p>USAID – R10m</p>	<ul style="list-style-type: none"> <li>DFID</li> <li>USAID</li> <li>NORAD</li> <li>SDC</li> <li>CIDA</li> <li>EU</li> <li>Netherlands</li> <li>Sida</li> <li>Danida</li> </ul>
<b>Institute for Security Studies</b>	to conceptualise, inform and enhance the security debate in Africa, mainly	<ul style="list-style-type: none"> <li>Anti-corruption and governance</li> <li>Human Security</li> </ul>	Direct grants (pays for researchers)	R13,000,000	EU



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Recipient	Core focus / function	Focus Areas (including those receiving ODA)	Form of Assistance	Total Amount Received and % of overall budget	Key ODA donors
Joint Universities Public Management Education Trust (JUPMET)	Mobilising resources for public management schools and collaborative initiatives including national training initiatives for government, focusing on service delivery	<ul style="list-style-type: none"> <li>Public and Development Management Training</li> </ul>	Grants and technical assistance	Ford Foundation - R1,8m Open Society Foundation – R2,8m EU – R45m Netherlands – R13m	EU Netherlands
Lawyers for Human Rights	Promotes the implementation and protection of human rights, particularly amongst marginal groups	<ul style="list-style-type: none"> <li>Paralegal training</li> <li>Advice Office support/legal aid</li> <li>Human Rights Education and Training</li> <li>Public Protector Awareness</li> <li>Refugee Rights</li> <li>Child Rights</li> <li>HIV/AIDS</li> <li>Women's Empowerment and Development</li> <li>Farm Worker Security</li> <li>Gender</li> <li>Penal Reform</li> <li>Constitution and Bill of Rights</li> </ul>	Mostly project support, although a few donors provide core funding (SDC and Bilance)		<ul style="list-style-type: none"> <li>EUFHR</li> <li>Netherlands</li> <li>SIDA</li> <li>SDC</li> <li>Danida</li> <li>Interfund</li> <li>KFS</li> </ul>
Legal	Provides access to legal	<ul style="list-style-type: none"> <li>Women's Rights</li> </ul>	Donors largely	R16,000,000 (80%)	<ul style="list-style-type: none"> <li>Cida (LBA)</li> </ul>

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<b>Recipient</b>	<b>Core focus / function</b>	<b>Focus Areas (including those receiving ODA)</b>	<b>Form of Assistance</b>	<b>Total Amount Received and % of overall budget</b>	<b>Key ODA donors</b>
<b>Resources Centre</b>	<p>services for the most marginalised groups.</p> <p>LRC selects its cases and projects according to its established programme areas and objectives with the overall aim of achieving an interpretation of the Constitution that:</p> <p>allows everyone to enjoy civil and political rights</p> <p>b)allows the most disadvantaged and poverty-stricken citizens to maximise their social and economic rights.</p>	<ul style="list-style-type: none"> <li>• Social Welfare</li> <li>• Land Rights (including farm worker evictions)</li> <li>• Environmental Justice</li> <li>• Candidate attorney training</li> <li>• Equality concerns</li> <li>• Access to Justice</li> </ul>	<p>support LRC's project budgets. In a few rare cases, LRC still receives core funding (Luxembourg gov't) and in a few other cases receives a mix of project and core funding. In the case of one of its largest funders, CIDA, the facilitation of knowledge-based input (networking with Canadian lawyers) has been given priority. This approach is, however, the exception in the LRC's experience.</p>		<ul style="list-style-type: none"> <li>• Luxembourg government</li> <li>• EU</li> <li>• SDC</li> <li>• SIDA (ICJ)</li> <li>• EZE</li> <li>• Netherlands</li> </ul>
<b>Mpumalanga Office of the Premier and government</b>	Capacity building in provincial government	<ul style="list-style-type: none"> <li>• Premiers Office</li> <li>• Public Administration</li> <li>• Local Government Support</li> <li>• Education</li> </ul>	Grants and technical assistance	<ul style="list-style-type: none"> <li>• NORAD – 7m kronen</li> <li>• DFID – R12m</li> <li>• EU Local Govt. – R17,9m (with the Northern Province)</li> </ul>	<ul style="list-style-type: none"> <li>• Noard</li> <li>• DFID</li> <li>• EU</li> <li>• UNDP</li> <li>• JICA</li> </ul>

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Recipient	Core focus / function	Focus Areas (including those receiving ODA)	Form of Assistance	Total Amount Received and % of overall budget	Key ODA donors
<b>Mpumalanga Provincial Legislature</b>		As per EUPSP	Grants and technical assistance	R695,000 (EU PSP) R12,500 (AWEPA) (2.83%)	<ul style="list-style-type: none"> <li>• Danida</li> <li>• EU</li> <li>• AWEPA</li> </ul>
<b>National Youth Commission</b>	<p>Promotes and supports the rights responsibilities and obligations of the youth</p> <p>The are (amongst others):</p> <p>Participation in policy formulation, decision making, leadership and national development</p> <p>Access to all benefits of citizenship</p> <p>A secure future through policies and practices ensuring sustainable development.</p>	<ul style="list-style-type: none"> <li>• National Youth Service Process and Organisational Development</li> <li>• National Youth Policy</li> <li>• HIV / Aids</li> <li>• Youth Information Services</li> <li>• Youth Economic Participation</li> <li>• Research Development</li> </ul>	<p>Mixture of technical assistance, grants for programming and support for operational funding</p>	<ul style="list-style-type: none"> <li>• US\$3,000,000 (USAID)</li> <li>• R2,900,000 (Netherlands)</li> </ul>	<ul style="list-style-type: none"> <li>• USAID</li> <li>• Netherlands</li> <li>• Belgium – State of Flanders</li> <li>• Australian Aid</li> <li>• Commonweal</li> <li>• Youth Programme</li> <li>• UN</li> <li>• Education, Science &amp; Cultural Organisation</li> <li>• British Council</li> <li>• Awepa – Association of European Parliamentarians for Africa.</li> </ul>
<b>Office of the Premier, Western Cape Provincial</b>		Ad hoc grants – extremely limited			

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<b>Recipient</b>	<b>Core focus / function</b>	<b>Focus Areas (including those receiving ODA)</b>	<b>Form of Assistance</b>	<b>Total Amount Received and % of overall budget</b>	<b>Key ODA donors</b>
<b>Government</b>					
<b>Office on the Status of Disabled Persons</b>	Facilitation and co-ordination of policy that promotes and protects the interests of disabled persons.  The OSDP is responsible for the implementation and integration of the National Strategy on Disability (this has the status of a White Paper) through:  Engaging provinces & national departments on research, policies  Training of management & staff  Sensitisation of public service	National Disability Strategy	Grant for implementation of strategy	R2,400,000	SIDA
<b>Parliament</b>	Parliament provides for mechanisms to ensure accountability and maintain oversight of the National Executive and any organ of state (s55(2) of the Constitution)  An absolute necessity for democracy.				
<b>Public</b>	Act as a fair interface between the state and	Relatively ad hoc, mainly focused on staff training,	Direct grants and support for	R287,000 (training workshop for ombudsman	NORAD, UNDP, Netherlands Dev.

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<b>Recipient</b>	<b>Core focus / function</b>	<b>Focus Areas (including those receiving ODA)</b>	<b>Form of Assistance</b>	<b>Total Amount Received and % of overall budget</b>	<b>Key ODA donors</b>
<b>Protector</b>	individuals, protecting the latter against improper invasion of private rights by state agencies – ensuring proper administration	workshops, conference attendance and public awareness	conference attendance and training (funds flow through Lawyers for Human Rights in the case of the public awareness funding)	investigators in Africa) R600,000 (public awareness campaign) R72,000 for video on public protector	Corp. Cmwealth Secretariat – ombudsman European Foundation – public awareness
<b>Public Service Commission</b>	<i>No details provided</i>				
<b>South African Law Commission</b>	Maintain and modernise the legal system – Since 1996 also focuses on transformation	Research into issues like child care law, indigenous law, euthanasia and other contemporary legal themes  Administrative law	Direct grants and technical assistance (GTZ has a full-time manager placed within the SALC to oversee GTZ's relationship with the Commission)		UN agencies such as UNICEF and UNDP (child care law) GTZ (indigenous law)
<b>South African Management Development Institute</b>	Develop management capacity within the public service –	developing leadership, technically capable of executing its task and aware of new policies, regulations and approaches of improving performance and service delivery	Grants and technical assistance	R48 million over three years (89% of total budget)	EU
<b>South African National Defence Force</b>		Regional Peace Keeping Exercise(conducted in South Africa)	Grants, Logistical Support & Observer Status	R1.98 Million – France R3 Million – Germany R1.1 Million – U K	

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<b>Recipient</b>	<b>Core focus / function</b>	<b>Focus Areas (including those receiving ODA)</b>	<b>Form of Assistance</b>	<b>Total Amount Received and % of overall budget</b>	<b>Key ODA donors</b>
				R1.5 Million – Netherlands R 304 000 – Austria (SANDF Total Budget = R10.1 Billion)	
<b>Transparency International – South Africa</b>	Address corruption and good governance	Public support services Public awareness Policy intervention Research and monitoring	Grants		DFID Open Society Foundation Ford Foundation EU
<b>Western Cape Provincial Legislature</b>		Ad hoc support		R695,000 (EU PSP) R12,500 (AWEPA) (2.83%)	

## **4.4 ANALYSIS OF DATASET**

Due to the fact that the information reflected above is incomplete, the data-set developed for DCR II was analysed to support the D&GG data. While the team wished to represent the figures in this report, the analysis would remain incomplete for the following reasons:

- ◆ Most of the donors have reflected the sectors within which projects are located, and from this information it is easy to identify allocations that fit within the 'Democracy and Good Governance' arena. However, a number of donors have large sector allocations that are described. It would therefore be inaccurate to compare the relative contributions that donors have made. In addition donors such as AusAid and the Austrian Embassy have not allocated any sector descriptions at all to their projects.
- ◆ The DAC sector description 'Government and Civil Society (GCS)' incorporates most of the topics covered in this report. However, there are also a number of significant differences that make comparability of the data very difficult. For example:
  - The IDRC includes funding for environmental projects, economic policy development, land reform and telecommunications under the GCS code. None of these topics are explicitly covered in the report
  - Support to SAQA is included under the GCS code by the Danish Embassy, rather than under education. Prevention of violence against women is also included, rather than being allocated to 'Women in Development'
  - The Finnish Embassy has allocated 'Support to Justice 2000' under 'Education'
  - IrishAid has split D&GG allocations across a range of codes. For example, support to the Truth and Reconciliation Commission is denoted as being 'unallocated', the 'Local Government Civic Education Project' as 'Education' and 'Support for Democratisation' as 'Education' as well
  - Support to the Electricity Sector and Cultural Grants are all included under GCS by NORAD
- ◆ With regards to the funding of civil society, it is difficult in some cases to identify whether programme funding is going directly to government, to civil society, or is in fact split between both

## **5 ANALYSIS AND INTERPRETATION OF FINDINGS**

### **5.1 INTRODUCTION**

Analysis of the findings of the research process was undertaken according to the focus areas identified in the methodology section. The team's analysis has been synthesised under the methodological headings and, where appropriate, illustrated with examples from the focus areas.

The findings are therefore presented according to the following areas:

- ◆ Identification of donor strategy and South African Government needs or requirements
- ◆ Nature of engagement
- ◆ Nature of contribution
- ◆ Patterns of expenditure
- ◆ Institutional Arrangements
- ◆ Impact

Under each area the key findings are identified and then analysed.

## **5.2 IDENTIFICATION OF DONOR STRATEGY AND GOVERNMENT REQUIREMENTS**

### **5.2.1 Finding 1: The SA government does not provide a comprehensive framework that informs donor approaches to D&GG**

The RDP, particularly in the immediate post-94 period, presented a blueprint of government's programme for transforming the state and economy. It was therefore believed to be an effective mechanism through which priorities could be identified and ODA directed.

Since the demise of the RDP Ministry, and the autonomous development of policies by various line departments, the nature of South Africa's common growth and development framework has become less clear. GEAR represents a particular strategy for ensuring growth, but the developmental components, particularly those dealing directly with poverty alleviation, are less clearly formulated.

This is further reflected in the apparent duplication of functions and contradictions in policy that are witnessed between line departments. For example, legislation impacting on local authorities has been produced by DPLG, Department of Finance and Department of Water Affairs and Forestry (DWAF). Conflicting approaches to tariff setting and varying approaches to decentralisation are just two instances of such contradictions. On the part of a number of the donors interviewed, this presents some challenges in understanding where to locate particular requests received for funding, and what the nature of impact is likely to be.

The need for a more co-ordinated approach to planning has been recognised, as is recognised in part by the formation of the Policy Co-ordinating Unit in the Office of the President. However, the mandate of this unit is unclear and it has therefore had varying success in getting departments to engage in joint planning and impact monitoring. The policy co-ordination function needs to be given more attention, and addressed in a manner which complements rather than confuses the current role of IDC.

Donors have responded to the lack of a SA framework by developing their approach in either a thematic or sectoral manner or by being responsive and funding in an *ad hoc* manner. There are strengths and weaknesses to all of



these approaches, depending on the extent to which they meet particular needs in specific sectors under the D&GG umbrella.

Some donors approach D&GG as being cross-cutting issues that impact on their entire programme with the SA government (thematic approach). Others see it as a specific sector of funding, with clearly defined areas of focus and expected outputs (sectoral approach).

The distinction between these approaches is largely definitional, as noted by the EU: 'In aid activities, the label 'Democracy and Human Rights' denoting a separate sector continues to be a useful heuristic tool. However, one should not confuse the tool with the goal. While one speaks of a specific 'Democracy and Human Rights' sector for practical purposes, the goal is to have democracy and human rights mainstreamed in such a way that they genuinely cut across the whole society.'<sup>26</sup>

The distinction is, however, useful in understanding the manner in which funding in the sector is approached.

In addition, donors also elect to take either a programmatic, or generally responsive (*ad hoc*) approach to funding. The programmatic approach reflects well thought through plans of action, again with defined areas of focus. The responsive or *ad hoc* approach reflects the preference of providing assistance in reaction to the SA government's request for particular assistance. Many donors use a range of these approaches, while some, such as AusAid, have only one preferred approach.

Arguably, the extent to which donors have developed sophisticated approaches to funding in the arena of D&GG reflects the importance they place on support to the component areas of D&GG (e.g. justice, public sector reform, etc). While ODA is a mere 2% of the South African budget, this obscures the importance that may result from an exchange of knowledge and technical expertise in particular areas (see discussion under nature of contribution below). It also does not adequately reflect the extent to which this may impact on the broader interests of the donor country in its engagement with South Africa. While the value of knowledge based assistance is undeniable, it is important that South Africa engages in the knowledge exchange process in a considered manner, alert to the dynamics and interests that may be at play in the process.

Focus areas of funding certainly do reflect certain conceptions of the role of the state in development, and what the 'strategic change drivers' are in the South African context. Some respondents were particularly reflective of the thinking informing the approach that they have adopted, while others defined it as complete responsiveness to government's needs. The extent to which donors see particular models as desirable, or rather wanting to simply expose South Africa to a range of alternatives, varied between respondents.

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<sup>26</sup> European Union (1999) 'Consultation process for preparation of EU Country Strategy Paper 2000-2002, Human Rights and Democratisation: Meeting with representatives of the Member States on 20/04/99'

The post-'94 period was a time of much re-strategising and reformulation of programmes. It is therefore only in the period of the second term of office that we are beginning to see more strategically focused and well thought through approaches.

However, such coherence was only apparent in half of the donor agencies interviewed. In some cases, the donors seem to be more interested in creating a presence for the grant-making country in South Africa, rather than pursuing a particular D&GG strategy, informed by particular policy frameworks.

The general approach adopted by each donor interviewed is captured in the table below. By defining approaches as primarily sectoral rather than cross-cutting, this does not suggest that donors do not understand the democracy and governance as informing other programmes. Instead it defines their particular approach to programming in this arena:

**Table 9: Approaches adopted by donors in the D&GG arena**

Donor	Cross-cutting <sup>27</sup>	Sectoral <sup>28</sup>	Programmatic <sup>29</sup>	Responsive <sup>30</sup>	Description
AusAid				✓	The nature of the AusAID programme (primarily short-term TA exchanges) means that it is overwhelmingly responsive to the needs of the SA government departments and institutions that approach the agency. AusAID's attempts to facilitate maximum contact between South African and Australian institutions in order to bring Australian Best Practice into the South African context. The agency has therefore provided support to between 25 and 30 government departments or institutions.
DFID	✓	✓	✓		DFID sees funding in the arena of D&GG as being both cross-cutting and sectoral. While having a specific governance programme, the agency also ensures governance components are built into other programmatic areas. What has been integrated into the governance programme is the cross-cutting issue of poverty reduction. Since the Labour government came into office in 1997, DFID has adopted overtly 'pro-poor' development aid policies and strategies. A key component of this is the establishment of political systems that 'provide opportunities' for the poor and disadvantaged. (DFID Target Strategy Paper, pg 6). In the South African context, this poverty reduction approach is integrated into most of the individual departmental governance programmes, by, for example including support for poverty studies and the improvement of services specifically for poor people.
EU		✓	✓		The EU has a largely sectoral approach to funding and has focussed its involvement in the sector around the consolidation of democracy. In terms of its new three-year Indicative Programme, the primary objective is to promote awareness and effective respect of political and socio-economic rights as reflected in the Constitution and to improve law enforcement mechanisms. Within the context of the MIP, the EU has identified a number of specific programmes, such as the Parliamentary Support Programme and the Management Development Programme which then provide support to particular areas.

<sup>27</sup> D&GG is seen as informing all programming rather than comprising of a discrete sector in and of itself

<sup>28</sup> D&GG is treated as a specific sector within which activities and programmes can be ring-fenced

<sup>29</sup> Donor develops a clearly outlined programme for funding in D&GG, which includes stated objectives, defined activities and expected outcomes

<sup>30</sup> Funding is not captured within one programme, but is rather ad hoc, based directly on the needs of the SA government, as they arise

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<b>Donor</b>	<b>Cross-cutting<sup>27</sup></b>	<b>Sectoral<sup>28</sup></b>	<b>Programmatic<sup>29</sup></b>	<b>Responsive<sup>30</sup></b>	<b>Description</b>
Netherlands	✓			✓	The Netherlands views its engagement with SA as primarily responsive although it has identified Democracy and Good Government as being one of four priority sectors and Justice as the key issue within the sector. Justice now receives exclusive support from the agency.  In general, the bilateral Programme makes a contribution to particular government programmes rather than specific projects. Government can decide which of its projects it would like to put the funding into.
NORAD			✓		NORAD has developed a very specific programme focused on support to local government. The agency does not have a broader programmatic approach to D&GG as a whole
Sida	✓	✓	✓		Sida has increasingly moved towards a more programmatic approach to funding in D&GG. Prior to 1999, the sector was divided into two areas: Public Administration and Human Rights and Democracy. Civil society support has been linked largely to local and/or grassroots initiatives, whilst bilateral support has mainly taken the form of inter-institutional linkages, (winning arrangements with counterpart Swedish institutions) and placement of Swedish technical expertise in public sector settings.  Since 1999 these two areas have been integrated to form a single sector Programme on Democratic Governance, with the number of funded projects reduced from 30 to 25. The newly consolidated Programme has also streamlined its focus, now narrowed down to four 'clusters of support':

<b>Donor</b>	<b>Cross-cutting<sup>27</sup></b>	<b>Sectoral<sup>28</sup></b>	<b>Programmatic<sup>29</sup></b>	<b>Responsive<sup>30</sup></b>	<b>Description</b>
UNDP			✓		<p>The UNDP has a programmatic approach to funding which is informed by its international approach to tackling poverty reduction, including:</p> <ul style="list-style-type: none"> <li>• Livelihood and Employment Creation (establishing the conditions for people to improve their situations in a sustainable fashion)</li> <li>• Good Governance (creating an enabling institutional environment that is able to manage resource distribution)</li> </ul> <p>Programmes have been developed with, among others, DPLG and Department of Safety and Security.</p>

Donor	Cross-cutting <sup>27</sup>	Sectoral <sup>28</sup>	Programmatic <sup>29</sup>	Responsive <sup>30</sup>	Description
USAID		✓	✓		<p>USAID has a very tightly conceptualised and well thought through approach to funding in D&amp;GG and was one of the few donors to present their strategic framework for the D&amp;GG sector as an overt, up-front and transparent aspect of their Programme. The strategic framework (conceptualised during the 'critical' 1998 period<sup>31</sup>) is rigorous, coherent and elegant. The framework notes (and describes in detail) the degree to which SA has achieved a democratic transformation 'to a constitutional democracy based on fundamental human rights, democratic values and social justice for all citizens' since the apartheid era. The consolidation of these trends is, however, another matter – in fact, a long term proposition, since the very culture and fabric of society has to adapt accordingly and this takes a long time. USAID thus identifies the 'Consolidation of Democracy' as its central strategic objective.</p> <p>At the heart of this challenge is the need for the state to 'cement a 'social contract' with society, in which government protects the rights of, and delivers services to, citizens who, in turn meet their obligations and are committed to democratic government'. In other words, in order to consolidate democracy, what is needed is a) <i>effective delivery</i> (this creates legitimacy, a critical factor), and b) a <i>robust civil society</i>. In accordance with the above analysis, USAID has identified its strategic objective as:</p> <p>'Democratic Consolidation Advanced through Improved Government Delivery and Effective Citizen Engagement'</p> <p>And, accordingly, its three strategic results (or outputs) for its programme:</p> <ul style="list-style-type: none"> <li>• A more effective and accessible criminal justice system</li> <li>• Effective and democratic local governance</li> <li>• Strategic civil society-government partnerships are strengthened for improved policy development and service delivery</li> </ul>

<sup>31</sup> This period refers to the challenge presented to donors, in particular USAID, by President Mandela at the ANC's Mafikeng Conference in November 1997. In his speech he challenged donors about the extent of their interference in the process of governance in South Africa

Donor	Cross-cutting <sup>27</sup>	Sectoral <sup>28</sup>	Programmatic <sup>29</sup>	Responsive <sup>30</sup>	Description
World Bank				✓	<p>The analytical view in the World Bank is that three factors strongly influence development potential: financial, fiscal and institutional. The IMF addresses the first two factors: the Bank makes the third factor the central focus of its intervention. Globally the Bank's experience is that the least developmental progress has been made where there are weak institutions. There are three key areas of Bank concern in respect of institutional development:</p> <ul style="list-style-type: none"><li>• Transparency (how fiscal issues get decided on)</li><li>• Inclusion (participation of weak or marginal target groups in political processes</li><li>• Corruption</li></ul> <p>The Bank therefore identifies mechanisms through which it can help to support institutional capacity building and responds accordingly. This does not, therefore, constitute a formal programme in the SA context.</p>

The nature of impact (see below) is not dependent on donor programmes being either cross-cutting or sectoral, programmatic or responsive. Success is determined more by the extent to which the process of identifying needs and developing programmes accordingly has been undertaken, and the extent to which there has been flexibility on the part of the donors to change the nature of their contribution when required.

Donors do not have consistent concern about the lack of an overall framework. In the case of sectors such as local government and justice, it is felt by some donors (e.g. USAID) that there is sufficient vision and planning for donors to respond accordingly.

There is, however, a more significant gap in relation to civil society. Other donors, such as Sida, would welcome a more comprehensive framework in the D&GG arena.

What is of particular interest is the underlying theory apparent in some of the donors approaches. USAID appears to present a strong argument that service delivery, economic development and a robust civil society are prerequisites for the consolidation of democracy and good governance.

World Bank and the European Union, on the other hand, seem to argue that development will only take place once good governance is in place and human rights are properly enforced and protected. The entry point into programming is therefore different. On closer interrogation, it is likely that these causalities would not be so strongly contrasted. There is most likely a dynamic relationship at play between all of these factors, evident within the programming approach of these donors.

For the social democratic donors such as SIDA, a rights-based approach is clearly evident in their approach to poverty reduction - human rights can only be truly meaningful when poor and powerless people have access to the law and processes of redress. In SIDA's case this accounts for the considerable support given to legal advice centres based in the most socially disadvantaged environments and to the development of para-legal community-based capacity.

In the case of DFID, poverty reduction is also a central focus, but this is far more strongly influenced by a governance approach – if governance systems function effectively, the needs of the poor will be met. In other countries, DFID might well challenge government policy that overlooks the poor. In SA this does not seem to be necessary. The argument is that if government functions effectively, it will deal with its constituency's needs. This is a very similar position to that adopted by SIDA.

The extent to which differing approaches, or entry points, satisfy particular needs is discussed in the section 5.6.

Donor strategies have also evolved out of donors' historical, pre-1990 relationship with South Africa. For example, the form, content and strategic orientation of Sida's Human Rights and Democracy Programme is strongly influenced by its historical support for the SA liberation struggle. Many of Sida's non-governmental partners, contacts and areas of support and commitment, were established during this time, and reflected Sweden's concern to contribute



to the anti-apartheid struggle. In the post-94 period, there was a significant degree of continuity in Sida's original programme (in terms of partners and areas of involvement), although this was adapted to reflect post-94 realities. Other agencies such as the Netherlands and NORAD, and to some extent USAID and EU, reflect similar trends.

The nature of support is also determined by the extent to which there are either perceived cultural or political similarities with the form of government adopted.

For example, AusAid's programme of support aims to facilitate maximum contact between South African and Australian institutions in order to bring Australian Best Practice into the South African context. There are a number of critical similarities between the two countries in respect of public sector dynamics: Both are English-speaking, Commonwealth countries that have emerged from a British colonial background. Both have three-tiered government and, while SA is in the process of public sector reform, Australia has already implemented a (arguably) highly successful (in some respects, cutting edge) reform process that offers relevant lessons and models to the South African change process<sup>32</sup>.

### **5.2.2 Finding 2: South African recipients of ODA identify their needs in relation to their interpretation of the role they play within democracy and good governance**

The lack of a national framework informing democracy and good governance has a specific impact on the recipients of ODA, as it does on the donors themselves. Respondents both from government and civil society presented a range of definitions of D&GG, depending on the particular areas in which they are involved and their specific mandates (in the case of government institutions).

In some cases these approaches are clearly shaped by a common understanding of D&GG, while in others they are seen in a particularly narrow light. In a number of cases, the institutions do not work from the basis of a clear definition. It almost appears as if it is so self evident that there is a common understanding of the term, that they have not interrogated it. The difficulties that they may then be experiencing in relation to their own ability to function are not directly linked to the possibility that there actually are understandings of D&GG that are at variance. For example:

- ◆ The Commission on Gender Equity (CGE) focuses on the role of women specifically in the context of D&GG.
- ◆ The National Youth Commission (NYC) sees the participation of youth in government & governance as critical. This is linked directly to the rights, responsibilities and obligations of young people.
- ◆ The Department of Defence (DoD) is a separate independent institution from the SANDF and views its responsibility as instilling civilian oversight of the

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<sup>32</sup> Interview: Amanda Gillett, Senior Programme Officer, AusAID

SANDEF and being responsible for the political role of the military. The DoD only approached donors for funding:

- after the decision to have the peace keeping operation and
  - to avoid the undue influence of South Africa in the operations, (if funded by South Africa) and
  - if all other military projects are funded from the budget allocation.
- ◆ The form that civil society bodies take determine the manner in which they approach D&GG. ISS focuses particularly on the role of human security, while IDASA's key focus is on promoting and consolidating democracy and a culture of tolerance. For this reason it concentrates on designing and facilitating processes and programmes that transform institutions and empower individuals and communities as the basis for sustainable development.

In general, the identification of needs in relation to democracy and governance issues is context and institution specific. Recipients do not reflect any negative impact resulting from their needs identification being undertaken outside of a national framework, perhaps with the exception of the statutory (Chapter Nine) bodies.

### **5.2.3 Finding 3: There is a strong focus on addressing issues that could undermine the democratic state**

The general view of donors by the end of the period of review is that South Africa has achieved the basis of sound democratic practice. They generally believe that the focus now needs to shift to the consolidation of democracy, and that there is a need to deal in a targeted manner with factors that may challenge democracy.

The emphasis has moved from policy to implementation, but the two are not necessarily mutually exclusive because so many of the implementation challenges are linked to policy concerns. Support around policy also gives donors more leverage: the terrain is more open to make impact. For example,

- ◆ The DPLG has received R361 million from donors since the publication of the White Paper on Local Government in 1998: an indication perhaps of the continued support that has become increasingly targeted at implementation. For DPLG, the consolidation process means the priority is to develop capacity in the provincial and local government spheres for programming, implementing and monitoring delivery. Piloting delivery modes, such as IDPs, PPPs etc, form an important part of their programme.
- ◆ DPSA views management development and strategic organisational development as crucial areas and is also engaged in a supportive capacity with donor programmes to help public sector reform in the provinces. In the current phase of public sector transformation, provincial administrations receive a great deal of attention. For example, the DFID - funded Integrated Provincial Support Programme (IPSP).
- ◆ SAMDI has some R38 Million of its R48 million allocation from the EU still available. Its priority is to reschedule the disbursement plan over a longer

period and to broaden the programme beyond training, linking it more with strategic planning and fundamental organisational transformation within SAMDI itself and the broader public service.

- ◆ Across the justice agencies, there is a strong emphasis on strengthening the court system. The Department of Justice has a specific programme priority aimed at lower courts here, while the Constitutional Court attempts to build its own capacity and to share the benefits with other courts. For example, an interviewee pointed out that most courts find it difficult to build up good legal libraries; hence the Court is attempting to open use of its own library to other courts. This library has been developed through funds of around R6 million from NORAD. There are concerns, however, about the sustainability of this initiative as the funds are almost depleted and the SA budget allocation has been decreased.

Donors thus seek to support initiatives that help counter particular challenges to democracy:

- ◆ Increase in crime
- ◆ Lack of effective state-civil society partnerships
- ◆ Lack of public participation (particularly with regard to the legislatures)
- ◆ Failure by the government to implement its policies.
- ◆ Racism impacting on political engagement and rational political debate.
- ◆ The failure of any economy in the region having a negative impact on other economies, including SA
- ◆ Failure of the provinces and local government to deliver
- ◆ Inadequate leadership development

#### **5.2.4 Finding 4: The interpretation of human rights is widely contested, in relation to both donor/government relationships, and between government and civil society bodies**

In line with the discussion presented in the section on conceptual issues, there is a substantial contestation of the understanding of human rights and the impact that this has on the rights of the poor and most marginalised groups.

In general, pre-1994 funding relationships, e.g. SIDA, focused on support for struggle organisations in their attempt to promote political and economic equality and secure the demise of apartheid. The battle for equality was soundly placed within a human rights framework generally accepted by local and international activists alike. In the 1994 period, funding focused on supporting activities directed at putting a general rights framework in place (the Bill of Rights and Constitution). It also focused on the mechanisms required for exercising civil and political (individual) rights, e.g. the right to vote, through the national and subsequent local government elections.

With the passing of the constitution into law, attention on human rights has decreased, despite the considerable need for implementation beyond the stated objectives in the Bill of Rights.

The greatest arena of contestation relates to social, cultural and economic rights, particularly where they are seen to violate individual rights.<sup>33</sup> The reality has been that government funding for human rights has fallen between the cracks, with no agency taking particular responsibility for this. This strongly links to the lack of a common framework for dealing with poverty, and the status of socio-economic rights in the context of poverty alleviation and the protection of marginalised groups.

The Human Rights Commission feels that many of the human rights problems encountered have their roots in poverty, which presents a breeding ground for human rights abuses. Poverty presents one of the most considerable long term threats to the protection of human rights.

This lack of conviction with regards to the status of socio-economic rights has a number of significant consequences in relation to ODA, particularly for civil society bodies. Donors, where they are more responsive to government, tend to steer away from funding advocacy work (see section on nature of engagement below) as they do not want to be seen as directly challenging government's programmes. In addition, support to the Chapter Nine bodies varies substantially, depending on the light in which the particular rights that they monitor are viewed. This impacts on civil society bodies focusing on rights work. They feel that only the less controversial aspects of their work is supported and therefore unable to play their primary watchdog role (see analysis below).

While donors do not appear keen to openly challenge government's lack of a particular stance on socio-economic rights and poverty alleviation agenda, there are still notable differences amongst them in how the issue is integrated into their funding programmes. Although funded exclusively by the EU and directed by an EU appointee, the Foundation for Human Rights is established as a fully independent entity. The Foundation was set up with a view to:

- ◆ Ensuring the responsiveness of the new SA public institutions
- ◆ Contributing to the redress in inequality of access to basic rights and services
- ◆ Strengthening and encouraging the NGO sector in its watchdog function
- ◆ Promoting human rights awareness

Thus the two themes that run through the Foundation's work are the concerns that the Chapter Nine institutions are functioning properly on the one hand and that the constitutional principles are carried through into all aspects of legislation and practice, on the other hand.

The Foundation has recently identified five priority areas, which signal the general strategic course taken by the agency:

- ◆ increasing access to justice for the poorest
- ◆ strategic litigation funding to ensure that human rights precedents are set in law

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<sup>33</sup> A clear example of this is Radio Islam case, where the community radio station was taken to court for refusing to allow women to broadcast on the air, inline with Muslim beliefs.

- ◆ increasing awareness among marginalised groups in respect of both their rights and the enforcement and protection mechanisms available to them
- ◆ monitoring and lobbying in areas of socio-economic rights
- ◆ providing counselling and support to victims of violence, especially women and children.

The de-linking of the Foundation for Human Rights from the European Union reflects 1) the importance that is still placed on human rights work, linked to 2) the recognition that this is contentious ground and therefore a more autonomous institution may be the more appropriate mechanism for dealing with it. However, the extent to which the FHR is prepared to monitor and lobby in the area of socio-economic rights, within the current governance framework in South Africa, is not entirely clear.<sup>34</sup>

About half of the donors interviewed as part of the research study reflected on the importance of human rights in the context of allowing the poor and powerless access to the law and processes of redress and poverty alleviation. However, a clear reflection on how this approach *actually unfolds* in the context of a developing country where a liberal governance agenda is being implemented (and supported by the donor community), was not forthcoming. A general trend of note, however, is the increasing attention that is being paid to women's and children's rights, in particular violence against women and child care

The UN Rights-based Approach to Development which focuses on both socio-economic and civil and political rights is still in an early stage of development within the UN system. However, it is expected that it will become increasingly important in the work of the UNDP in the future. It is possibly a model to watch in the South African context. In contrast, DFID considers a rights-based approach inappropriate in the South African context as it will lead to 'long and useless processes of litigation and step on the toes of the authorities, who should be given a chance to deliver'<sup>35</sup>.

### **5.2.5 Finding 5: Donor funding reflects comparative advantages and own experiences**

In relation to the general donor approaches outlined above, there are clear areas in which particular donors are interested and therefore active. While it was clear from the responses of donors that they do not see themselves as directly implementing particular models of governance, this has occurred indirectly through the use of technical assistance because donors are naturally drawn to areas in which they believe they have particular expertise.

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<sup>34</sup> The monitoring and lobbying role is one of five priority areas of the FHR. The others are increasing access to justice for the poor; strategic litigation to ensure human rights precedents are set in law; increasing rights awareness amongst marginalised groups and providing counselling and support to victims of violence, particularly women and children

<sup>35</sup> Interview: Asha Newsum, Senior Governance Adviser, DFID

For example, the SIDA D&GG Programme reflects (though is not overly concerned with) key areas of Swedish expertise and achievement. Swedish 'models' are seen as emerging from:

- ◆ The Statistics system
- ◆ Revenue management
- ◆ The Labour Relations system
- ◆ The process of modernising the Information Technology systems of recipient countries

In part this is reflected by certain models or approaches being adopted (or adapted) by the South African government on the basis of exposure to overseas systems as facilitated by ODA. The strongest example of this is in public sector reform, and the dominance of the British, or Commonwealth approach to right-sizing, and developing the efficiency and autonomy of the public service. However, this is not an overtly strong or dominant trend in other areas of governance.

In certain areas of priority it is evident that the active engagement of a range of donors has led to a richer debate in the nature of approaches adopted, thereby benefiting the South African government. A good example of this is in local government where most of the significant donors interviewed (as well as others) are active – DFID, USAID, UNDP, EU and GTZ. The White Paper on Local Government was funded by DFID. Other critical policy areas have been strongly informed by the support of other donors (such as fiscal reform in the case of USAID and integrated development planning in the case of GTZ). It is also interesting to note that practice from other developing countries is also being cited as examples from which South Africa could learn (e.g. the Philippines).

#### **5.2.6 Finding 6: There are tensions in the South African governance framework, particularly with regards to statutory bodies (Chapter Nine bodies)**

Increasingly the role and function of the Chapter Nine bodies is being debated nationally. The findings contained in the 1999 Corder Report<sup>36</sup> reflect the nature of the debate, largely from the point of view of the bodies themselves.

The Chapter Nine bodies are established in terms of the Constitution to 'strengthen constitutional democracy' (s181(1)). They do this through calling government to account for its activities and strengthening and promoting respect for the Constitution and the law. The bodies help to support Parliament in its oversight role.<sup>37</sup>

These bodies are not able to adequately achieve their objectives, primarily because they are accountable to the same Minister as the departments that

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<sup>36</sup> Corder et al, 1999, The terms of reference cover the issue of accountability of Parliament, with the fourth requirement referring directly to the Chapter Nine bodies: 'How does Parliament ensure the accountability of State Institutions Supporting Constitutional Democracy without infringing their independence?'

<sup>37</sup> See Corder et al for further discussion on this issue

they oversee, and their budgets are approved through these departments. Significant budget cuts have led to the institutions having to cut down on programmatic activities, thereby reducing their ability to provide effective watchdog functions. The gap between the budgetary requirements of these bodies and their allocation from government also tends to grow each year, given that the scope of their programmes is expanding over time.

The nature of the watchdog function, however, is precisely what remains contested. The Speaker of Parliament presents the view that the greater trend in the last century has tended toward support for a political party rather than an individual. No individual is therefore in a position to implement policy, as this was the function of the majority party.

Thus, a party that deals with constituencies and has strong and functional branches will win elections. This provides built in mechanisms of accountability and representivity. Parliament as the supreme body should receive recommendations, but not directives from the Chapter Nine bodies<sup>38</sup>.

The major impact of this debate in relation to ODA is that the Chapter Nine bodies and other Commissions are increasingly dependent on donor support, both for programmatic and operational activities. In the case of the National Youth Commission, almost 50% of its budget for the year 1999/2000 is comprised of donor funds.

The increasingly ambivalent role of the Chapter Nine bodies is also reflected in the fact that civil society watchdog bodies do not feel confident in the ability of the official government structures to perform the watchdog function.

Civil society presents the argument that, in addition to monitoring departmental implementation, they should also monitor the Chapter Nine bodies themselves. This dynamic is further compounded by the contested role of civil society bodies themselves in the overall governance framework and the extent to which their programmatic activities are supported (see below)

### **5.2.7 Finding 7: Support for the advocacy and watchdog role of civil society bodies is declining**

Related to the discussion above on the contested nature of human rights in the South African context, is a broader debate on the role of general civil society bodies in the current governance framework. Having performed a highly effective watchdog role in the previous dispensation, mostly in the struggle against apartheid, many civil society bodies have found it difficult to define their role since 1994.

The decline in support is clearly located within the context that civil society's role has had to shift in the light of the advent of the democratic state. Increasingly, however, it seems that a contributing factor to the decline is government's lack of a clear framework within which they wish to engage civil society. Underpinning the attack on foreign donors presented by President

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<sup>38</sup> Interview: Dr Frene Ginwala, Speaker: National Assembly, 26 April 2000

Mandela in late 1997 is the suggestion that the role of civil society is one that needs to be determined by government, and not driven by bodies outside of government, be they donors, NGOs or other representative structures. The government, however, has not presented a clear formulation of the nature of its relationship with and conceptions of the role of these bodies.

As a result of this approach, the channelling of ODA through government has resulted in NGOs receiving substantially less support, in particular for their advocacy function. Donors have made little, if any, money available for the monitoring of government policies and for advocacy work to be done around weak and inadequate areas of policy or practice.

Some respondents went as far as to argue that the lack of ODA support for watchdog functions has resulted in them not being able to fulfil what they believe is their primary role – that of advocacy. In this instance, these recipient organisations do not share a common understanding of D&GG with their donor base, whose particular focus is on supporting government policy (or at least not facilitating a challenge to it). They argue that there is a danger that government and donors will end up in a self-referencing loop, both agreeing with the framework of governance without really interrogating it. This role should be the key function of civil society.

Some respondents also complained that where NGOs did receive funds, this reflected an urban bias. The high profile NGOs, who are able to draft good proposals, are often better placed to access funding.

The most noticeable recent trend in relation to funding civil society bodies is reflected in government working together with donors to develop public-private partnership based models for funding. Civil society bodies receive funding where they are able to become part of service delivery models in partnership with government.

For example, the World Bank has developed the concept of the Social Fund as a mechanism of promoting civil society involvement in demand-driven development delivery. This model involves loan funding from both government and the Bank whilst civil society organisations provide project oversight, financial management etc for the project. The Bank has developed this as a sustainable model in Francophone countries and believes that it helps the process of decentralisation.

DFID has also chosen to go the civil society-government partnership route as a 'vehicle' for supporting the 'process of empowering communities'. The agency's reasoning is that the SA government has developed many policies for working with communities and that these policies should be translated into practice with the support of the donor community.



### **5.2.8 Finding 8: Increasingly there is a focus on the regional context, on the part of government, civil society and donors, but little joint discussion on it**

South Africa's role in southern Africa is an important component of the country's foreign policy, as is outlined above. Increasingly the approach to economic growth, security and disaster management is seen in a regional context.<sup>39</sup>

A number of civil society bodies that have been more successful in surviving the post-94 period have also begun to see the region as an important area of engagement. This is illustrated by IDASA, ISS and EISA. ISS is particularly interested in working within the region to promote human security, while EISA is working to support election processes in other countries in the region.

For their part, a number of donors take a regional perspective in their approach to funding. DFID's southern African office programmes not only for South Africa, but also Botswana, Namibia, Lesotho and Swaziland<sup>40</sup>. Whilst DFID has not reached the stage of developing a regional programme, the agency is aware of the significance of a regional perspective and is beginning to undertake a regional analysis in order to eventually to mainstream regional contributions into most projects.

The World Bank has as one of its three explicit development objectives, the strengthening of South Africa's constructive role in regional development.

NORAD has a general concern that any area of involvement in South Africa should have as one component regional co-operation in the sub-continent and is instrumental in promoting this approach. For example, NORAD would like to see issues such as petroleum and electricity dealt with on a regional basis. The agency considers that it is extremely important for the government to co-ordinate its efforts in the Southern African region particularly where resource utilisation and services can more naturally and effectively be provided on a regional basis. From its point of view, to engage separately with a range of countries from the sub-region would create a wastage of money and constitute a bad investment. Regional engagement is reflected as a priority in the overall memorandum of understanding with the government.

With respect to new UNDP focus areas for expenditure, the UNDP met with the President's Office in 1999 to prepare for the new Country Co-operation Framework Agreement in 2002. Regional integration was identified as one of three key areas for support.

The future role of ODA may therefore take on more of an integrated regional focus in the future. South Africa may officially wish to explore this with the donor community and one could expect more NGOs to seriously explore this option.

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<sup>39</sup> The extent to which South Africa is prepared to play a regional role was exemplified in the response of the SANDF and other bodies to the devastation caused by flooding in Mozambique early in 2000.

<sup>40</sup> The substantial part of DFID's budget is currently allocated to South Africa.

### **5.3 THE NATURE OF ENGAGEMENT**

#### **5.3.1 Finding 9: In general, donors are responsive to the needs of the South African government, due to their overall positive views about South Africa's governance and macro-economic framework.**

By and large the response from government recipients is that donors have generally been responsive to their particular needs and requirements. A number of factors are important in describing and explaining this phenomenon:

- ◆ The strength of the South African economy has meant that ODA only contributes 2% to the national budget. This substantially reduces the directly interventionist role that donors can play in policy-making and programme implementation. In addition, the consequences of donor withdrawal would not be fatal to most of SA's programmes, and therefore officials are less afraid to demonstrate their preferences as well as where relevant their lack of knowledge and competency.
- ◆ South Africa has proven willing to adopt practices that are universally accepted as democratic and providing an enabling framework for economic growth. They therefore find strong correlations with the prevailing views in industrialised Western nations.
- ◆ South Africa has proven capable of engaging donors in debate about the nature of the country's requirements in support of policy-making in particular. This capability has developed amongst donors a respect for the South African approach and a general belief in the capacity of South Africans to identify their needs and address them appropriately. The capacity to engage can in part be attributed to the culture that emerged from the historical context of dissent and challenge, and also the time spent in exile understanding international models and developing relationships.
- ◆ South Africa, particularly in the immediate post-'94 period, has basked in the sunshine of the 'Mandela miracle'. This has been a significant draw-card to foreign nations who wanted to share in the success, and who wanted to be seen as supportive of it. This is also coupled with a sense of realism on their part that the post-election euphoria would very soon be replaced with the need to directly tackle socio-economic inequality and poverty reduction.

While the general statement on responsiveness does hold true, the extent to which donors are seen as responsive does vary from one to another. The nuances and different emphases of donors created some difficulties in the early years after democratisation, especially in the days of the RDP office. Donors also have project preferences, so that it is not always easy to get a good spread of projects.

Some donors are seen as being overly bureaucratic, and inflexible in relation to the dynamic conditions within which departments find themselves. This is demonstrated in the extremely lengthy lead times from when projects are designed and agreed to, and when the money is actually released. The EU is particular is seen as too rigid and rule bound, particularly for SA conditions. The

development environment moves rapidly, requiring people to think on their feet. The view was presented that the EU, more than any other agency, lacks a strategic perspective of what it wants to do; hence its over elaboration around rules and procedures.

Also, the EU's monitoring procedures are seen as too detailed: EU officials get so absorbed by these that they lose sight of the 'bigger picture'. While there can be little doubt as to the need for procedures and auditing, the implications are sometimes unduly tedious. For example, the EU insists on three quotations for catering at workshops or requires documents to be resubmitted when there are staff changes.

However, other views were presented in part to counter these perceptions. Firstly, the unhappiness with EU's procedures may in part be due to a general dislike of a record-keeping and attention to detail. Secondly, recipients often fail to recognise that the EU is accountable to 15 members states, and not just one government's set of procedures.

The general mode of responsiveness in relation to government recipients does not extend in the same way to donors' relations with civil society bodies. Responsiveness to government has had the indirect impact of steering funding away from advocacy or contentious programmes within 'watchdog' bodies.

Therefore, rights based organisations will continue to receive funding for general public awareness work, capacity –building and other activities, but not for direct advocacy where it may be seen to be opposing government policy. Donors appear to rather want to see NGOs and civil society in 'partnership' with government rather than in a challenging position (see discussion below). In some cases, funding to NGOs has been delayed, awaiting the outcome of broader government initiatives. Donors appear to be more responsive to the needs of the Chapter Nine bodies. However, as discussed above, these bodies are hamstrung about the extent to which they can actually engage effectively.

### **5.3.2 Finding 10: Issues of serious dissent occur only when there is perceived interference at the political level, and this is dealt with accordingly**

An extremely difficult issue to understand during the course of the research was the causal factors behind some of the more serious clashes between donors and government during the period under review. The open challenge to USAID issued by the President at the ANC Mafikeng conference in 1997 is a stark example of this, but there are others.

There is little open analysis on the causal factors of both the issues of conflict, as well as government's decision to take particular action with regards to them. The analysis presented here is largely an interpretation of these events.

As outlined above, donors are largely seen as responsive and supportive of government policy. They recognise the extremely small component that donor funding forms in the South African budget and present their case accordingly. On a day to day basis more frustration arises from procedural issues than in relation to substantive content or interpretation and at this level officials are left

to sort out the detail. Where donors are perceived to become engaged in, or intersect with, debates that may be taking place in the political arena, and within the majority party in particular, then these are likely to be taken up in a political forum.

This has resulted in a more subtle use of language and approach in some areas. The growing emphasis by donors on building partnerships between government and civil society is an interesting example of this. On the one hand it is a central component of government's strategy for improving service delivery – a recognition that government cannot meet basic needs by itself. On the other hand, however, it is a mechanism for ensuring that civil society monitors government, but in a less openly confrontational manner.

Over the past five years, where there have been issues of significant conflict, donors have been overwhelmingly open to addressing the areas of their programming that are seen as problematic. In general relationships between government and donors have been able to move forward in an effective manner.

### **5.3.3 Finding 11: Donors and programmes are selected in different ways: through detailed organisational planning, as well as through more *ad hoc* targeting of particular areas of interest**

The process of identifying areas for funding normally entails joint discussion - the donors excluding or prioritising particular areas or the SA agency approaching donors with its own priorities.

Even the most critical government respondents said that they have mostly been able to discuss problems with donors. They have thus been able to facilitate programmes more or less in line with what SA wanted. This has improved over time as South African negotiators have come to know the donors and their particular approaches better.

Some donors have more fixed ideas, but it is mostly possible to talk through ideas and options with donors. As far as prioritisation is concerned. The following points indicate some trends:

- ◆ DCD/DPLG focused on policy development until 1998 and subsequently on capacity-building, new delivery modes and piloting of new approaches. This is reflected in the White Paper process, the MSP initiatives (including MIU) and the local authority based projects such as the ones embarked on through DFID and USAID funding. In later stages the department has been more able to direct donor funds to specific activities. DFID concentrates on IDPs, LED and 'softer' development; USAID on service delivery, finance, PPPs and governance issues; the UNDP on the areas of policy development and some pilot projects; and the EU on service delivery pilot projects in selected provinces.
- ◆ DPSA's agenda was first set around the PRC. Lately, the broad transformation agenda opened to scope for targeting of particular themes with specific donors.

- ◆ The Department of Safety and Security's focus is on HRD and OD. The Department believes that it knows different donors' preferences and it is hence able to approach specific donors with specific requests.
- ◆ Smaller government agencies, like the Chapter Nine bodies, tend to engage with donors in a more ad hoc manner. Engagement is usually based on their business plans, or through discussions with donors in which particular areas of interest are identified. Donors are targeted through potential recipients pinpointing the particular issues in which they may be interested. For example the Public Protector knows that the notion of Ombudsman is strongly supported in Europe, hence European funding has been obtained.

#### **5.3.4 Finding 12: The capacity of South African recipients to engage with donors has been built over the period under review**

Over time, South African departments and agencies have become better at negotiating with donors on the basis of what is required. Much needs to improve still, but the South African perspective is that they are better able to articulate their own perspectives, to influence donors and to better accommodate them. They see some donor priorities as quite compatible with what South Africa wants.

Donors have experienced engagement with politicians as being specifically challenging, because of the manner in which they understand their role in the governance framework. The general sentiment is that the more politicised the direct counterparts, the greater the time and energy required to reach consensus on programme form and content. However, donors in general feel that engagement in South Africa has been an overwhelmingly positive experience, because of the government's capacity to lead, unlike in other developing countries where they provide support.

#### **5.3.5 Finding 13: Donor co-ordination presents a significant challenge to government recipients**

Donor co-ordination is a critical issue for maximising impact, both on the part of donors and recipients. Recipients generally perceive donors as having their own priorities and therefore not being overly keen to be drawn into a coherent programme.

Formats differ, and while donor requirements are often similar, tiny differences easily become tantamount to deal-breakers. Linked to this is the issue that procedures are often far more problematic than the contents of programmes. Donors are responsive to the content of programmes (as outlined above) but become procedurally minded once it comes to tying down the actual finer points of the nature of support.

On the other hand, a number of recipients, particularly government recipients, do not have clearly defined objectives translated into implementation plans, around which donors can be easily co-ordinated. The task descriptions of some co-ordinating mechanisms are also not always clear. The Eastern Cape

Premier's Office, for example, introduced this function in September 1999, but its exact relationship with line departments is still unclear.

The Local Government Transformation Programme (LGTP) presents a good example of government's attempt to co-ordinate activities in an entire sector. It is interesting though that DPLG has now decided to reincorporate the LGTP into the department, suggesting that additional structures might not have appropriate institutional authority to be effective. Individual departments have also established donor desks as mechanisms for co-ordination (see below).

There are examples, however, of both donors and recipients taking the initiative to drive co-ordination. For example, the World Bank has developed its Comprehensive Development Framework – a three dimensional matrix and tool to analyse the institutional environment in a host country and the degree to which the Bank's Poverty Reduction Strategy can potentially be addressed in that context. The Framework allows the Bank (and importantly, other bilateral and multilateral agencies) to define the key areas of intervention.

It is possible that this framework might become an increasingly important tool for determining all foreign development co-operation interventions. In a similar vein, Integrated Implementation Processes, linked to the MTEF, provide a framework for donor alignment to general strategies, nationally, provincially and within departments.

## **5.4 THE NATURE OF CONTRIBUTIONS**

### **5.4.1 Finding 14: The greatest impact in the sector has been derived through accessing knowledge and international 'best practice'**

There is a range of mechanisms utilised by donors in providing assistance in the Democracy and Good Governance arena. These are contained in the table below, together with an indication of the model preferred by the donors reviewed in the study:

**Table 10: Forms of donor assistance**

Form of assistance	Definition	Donor – Recipient Examples	Donor Preference
<b>Core funding</b>	Funding provided directly to institutions both for flexible operational expenditure. Usually applied in cases for civil society and watchdog bodies. Is often provided together with budget support for particular programme areas	<b>NYC</b> – direct operational costs, training, travel (?) <b>ISS</b> – researchers' salaries and project costs (EU) <b>LRC</b> – only in the case of the Luxembourg Govt.	EU
<b>Budget support</b>	Funding provided to complement allocations already made on the recipients budget. Utilised to support programmatic areas (service delivery programmes in the case of government recipients)	<b>DCD / DPLG</b> –fiscal reform, development of national support systems for LED, IDP, performance management (from USAID) <b>DPSA</b> –labour relations, improved conditions of service, information technology (establishment of SIT A) – (SIDA, Netherlands) <b>DoJ</b> – transformation of the courts – (USAID) <b>SAPS</b> <b>EISA</b>	USAID EU Netherlands Danida NORAD
<b>Pilot projects</b>	Provides support to recipients to implement policy initiatives in representative communities / institutions across the country. Often combined with technical assistance so that expertise can be brought into the piloting environment, in order to facilitate lesson learning	<b>DPLG</b> – IDP implementation, service delivery innovations in local authorities <b>DPSA</b> – alternative service delivery pilots in selected provinces (Northern Province, Eastern Cape, Kwazulu-Natal)	USAID DFID GTZ SIDA UNDP
<b>Institution to institution exchanges, including twinning</b>	Recipient institutions in South Africa matched with institutions in the donor country, to facilitate information exchange and networking. Exchanges can extend from short term study tours of 5-10 days, to three month visits	Twinning arrangement between Stats SA and Stats-Sweden Twinning between Oslo and Nelspruit, Birmingham and Johannesburg	SIDA NORAD AusAID
<b>Capacity building</b>	Support provided for a range of activities	<b>Constitutional Court</b> – training in US for staff	CIDA

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<b>Form of assistance</b>	<b>Definition</b>	<b>Donor – Recipient Examples</b>	<b>Donor Preference</b>
<b>and networking</b>	such as training (either through grants for courses or exchanges) and development of networks with other experts or specialists	<b>LRC</b> – networking with Canadian lawyers <b>SAPS</b> <b>Public Protector</b>	AUSAID DFID EU
<b>Technical assistance</b>	Placement of a technical expert in a recipient institution for a period of anything from a few weeks to multiple years to work directly with staff in the development and implementation of policy	<b>SAMDI</b> – support from the Civil Service College in the UK on programme development <b>HRC</b> – placement of foreign specialists in HRC projects	EU DFID USAID AusAid
<b>Knowledge banking</b>	Exchange of information and ideas in particular areas which it reflected in policy and strategies of the recipient country. The value of the contribution is impossible to quantify. It is closely aligned to technical assistance, which represents a more structured, programmed and costed form of knowledge banking	Local government infrastructure development and financial reform through interaction with <b>DPLG</b> and <b>DoF</b>	World Bank USAID DFID
<b>Loans</b>	Provision of finance at favourable rates and through specific mechanisms to ensure that impact is maximised and sustainability is ensured	Over the past two years a flagship Local Government Programme has been implemented on the World Bank concept of the Social Fund. Loan finance is provided through central government for both current and infrastructural costs to a number of pilot municipalities. The specific projects funded must have some level of demonstrable community participation to qualify for support. The province selects projects on the basis of agreed upon selection criteria.	-



Knowledge banking presents a particular approach to donor support that has had a significant impact in South Africa. Both the inputs and measurable impact of this nature of support are impossible to quantify.

By far the greatest value has been derived through the more qualitative engagements with donors, in the areas of knowledge and expertise exchange. Technical assistance programmes, which comprise significant elements of all donors reviewed for the study (with the exception of the Netherlands), have linked local recipients with international expertise. This is reflected in many of the White Papers produced during the 1994-99 period (National Disability Strategy, Green Paper on National Youth Service, White Paper on Transformation of the Public Service, White Paper on Local Government, White Paper on Safety and Security). TA is not uncritically accepted by South African recipients.

The HRC, for example, whilst recognising that the many foreign experts who come to work in the institution bring in international best practice, feel that the job can often better be done by South Africans who have local know-how and understanding. An interesting perspective also emerges from DFID: whilst acknowledging that the importation of ideas has had a huge impact on policy development in SA, perhaps too much of this has characterised ODA. A different kind of exchange is now necessary, involving technical assistants engaging in implementation work inside the country.

Knowledge-based activities or knowledge banking brings about enormous impact in the recipient country – perhaps, given the small percentage of the GDP represented by donor funds, - more than the value of grant funding *per se*. Foreign experts bring in methodologies and policy approaches that exert a hidden impact on local contexts. They ultimately determine the framework within which people think and operate. Particularly where policy formulation is concerned, this subtle effect should not be underestimated. While it is clear that government departments have considerable influence over the direction and shape of donor assistance, the content of donor assistance is much more subtly determined by those in control of knowledge resources.

The World Bank has put considerable time and resources into understanding the role that knowledge plays in the context of development. The World Development Report of 1998/9 provides a detailed analysis of knowledge banking, as outlined below:

‘The global explosion of knowledge presents urgent threats and opportunities. The globalisation of trade, finance and information flows may be making it easier in principle to narrow knowledge gaps between countries, but the accelerating pace of change in the industrial countries means in many case a widening gap in practice... For developing countries, then, the global explosion of knowledge contains both threats and opportunities. If knowledge gaps widen, the world will be split further, not just by disparities in capital and other resources, but by the disparity in knowledge. Increasingly, capital and other resource will flow to those countries with the stronger knowledge bases, reinforcing inequality ... But threat and opportunity are opposite sides of the same coin. If we can narrow knowledge

gaps and address information problems ... it may be possible to improve incomes and living standards at a much faster pace than previously imagined.'<sup>41</sup>

Prior to the 1994 elections, the Bank launched an intensive programme of policy-oriented analytical studies which included foci on trade policy, macroeconomic management, land reform and poverty analysis. These studies were conducted with a broad selection of civil society as well as government.

Following the elections, the Bank's role shifted to provide more detailed policy advice to government around areas such as fiscal relations, infrastructure finance, health expenditure and the medium term framework for public expenditure (including GEAR). The Bank also continued to engage in poverty-related assessments. Limited lending also ensued with a focus on job creation and bio-diversity conservation.

Arguably, what the Bank has achieved is the crafting of the broader donor framework through knowledge provision rather than loans. In other words, whereas in other African countries the ODA agenda has been set by structural adjustment loans of the Bank, in South Africa, in the absence of such loans, it has been set by the Bank's intellectual engagement with policy-makers. This view is, however, not uncontested. It is important to note that there may be reservations on the part of some recipients about the extent to which the World Bank has been allowed to set a framework of engagement within the country (as it has in other African countries). This should be seen against the back-drop of South Africa being able to effectively engage with international bodies on the nature of support required (see above).

## **5.5 PATTERNS OF EXPENDITURE**

### **5.5.1 Finding 16: Patterns of expenditure show distinct periods within the South Africa democratisation process**

Three specific phases of funding are clearly evident in the donor programmes analysed:

**Table 11: Phases in ODA – 1994-99**

	<b>Phase 1</b>	<b>Phase 2</b>	<b>Phase 3</b>
<b>Time-frame</b>	<b>1994 – 1996</b>	<b>1996 – 1998/9</b>	<b>1999 – 2002</b>
<b>Dominant theme</b>	Programmes largely determined by continued support for civil society organisations fighting apartheid and preliminary policy-	Policy-making, in the form of Green and White Papers, legislation and implementation strategies Capacity-building for management and key decision-makers	Programme implementation, through piloting and capacity-building, targetting the most significant challenges to SA's fledgling

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<sup>41</sup> World Bank (1999) World Development Report 1998/99: Knowledge for Development, New York: Oxford University Press, p. 14

	Phase 1	Phase 2	Phase 3
	making		democracy
Types of activities supported	1994 elections, including voter education Policy support in most areas Public awareness campaigns Access to legal services Public service restructuring (amalgamation of SA & homeland administrations)	Departmental public service restructuring National Crime Prevention Strategy GEAR Policy support	Development of support, piloting and implementation mechanisms – public service and local government Institutional restructuring Alternative service delivery pilots Training for implementation
Key recipients	NGOs such as LHR, LRC, CPS, IDASA Transitional executive and legislative structures	DPSA DCD/DPLG Parliament and legislatures	Provinces through bi-laterals with DPSA and DPLG Local authorities through DPLG Department of Justice / SAPS

What is clearly evident in the donor programmes is that most of them have evolved over time, moving from historical support patterns, into policy-making, and then into the 'consolidation' activities of piloting and capacity-building. The third phase is also notable because of its focus on the issues most likely to jeopardise the democratic process within South Africa, e.g. weak local governance, crime, extreme poverty.

Foremost is the shift from policy development to implementation. This shift has been instigated jointly by donors and the SA government. There is a perception that the policy phase was very successful, but implementation lags behind. This shows the general sentiment that a shift to implementation has become essential.

In the period immediately after 1994, a considerable amount of energy and resources went to policy development. With the exception of Justice, the major departments under scrutiny here published various white papers and other documents, mostly with donor assistance. Now the focus has shifted to implementation related activities, such as pilot projects, capacity-building and lesson learning. These activities often have policy relevance, and the feedback mechanisms set up in projects aim to ensure that such linkages are well identified and explored. But the focus is distinctly not on policy; and in fact some donors would officially not even consider proposals that emphasise policy or research.

### **5.5.2 Finding 17: Funding for civil society bodies has reduced substantially**

The significant reduction in the funding of civil society bodies has been discussed in detail above. It is however, important to note as key pattern in funding the D&GG arena. There are notable trends of expenditure away from civil society bodies in 1998, possibly in response to the Mandela speech of late 1997. Civil society recipients make an explicit link between the two events.

## **5.6 INSTITUTIONAL ARRANGEMENTS**

### **5.6.1 Finding 18: Institutionalised attempts to co-ordinate ODA have improved over time, but still have short-comings**

The former RDP office formed a focal point of donor support from 1994 to early 1996 and represented the first institutionalised attempt to co-ordinate ODA<sup>42</sup>. Its governance role centered around facilitating cross-cutting policy approaches across departments. It also targeted institutional support at different levels of government to enhance delivery and to ensure stakeholder input. A major aim was to encourage new approaches to public sector management and budgeting that would guide the broader state machinery in meeting government's overall strategic objectives.

This has been described as a 'naïve' approach, obscuring the difficulties of aligning donor objectives to government needs, and of getting autonomous departments to co-operate. In reality this has proved to be more complex and requires far more delicate interaction to achieve some consolidation of donor activities in line with South Africa's strategic goals.

In the opinion of some, the old RDP system imposed an additional level of bureaucracy that hampered the link between departments and donors. This, coupled with the general resistance on the part of departments to be accountable to another line department, resulted in the disbanding of the Ministry and the location of the co-ordinating function in the Department of Finance. The IDC is now responsible for conducting an annual donor meeting at which the funding priorities for the next year are presented. Co-ordination therefore takes place at a macro-level, through the IDC, and at a micro-level, through the individual departments.

From a government perspective, the IDC has effectively managed to engage all departments in advance in preparation for a round-table donor interaction, as the basis for the various bilateral meetings between specific departments and donors. Most respondents stressed that this has improved the system considerably and that the South African agencies are far better prepared and co-ordinated than in the early years after 1994. However, the IDC has been described as not being strategic enough. It is essentially an operational mechanism without a strategic mandate and powers.

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<sup>42</sup> Allocations from the RDP Fund to line departments reflect the priorities of the South African Government in the first years of democracy. The allocations are contained in Appendix 2

The perspective of Chapter Nine bodies, like the HRC, reflects enormous frustration with a perceived *lack* of co-ordination by the IDC. It takes far too long to access funds through the IDC/state bureaucracy. Moreover, the IDC does not have the capacity to undertake regular assessments of foreign funded activities and is thus not able to respond flexibly to changing needs.

The HRC is also critical of the lack of capacity within the IDC to provide basic information as to the flow of human rights funding to departments and local government councils. Such information would both enable the HRC to monitor human rights implementation by government departments and to avoid funding duplication and inefficiencies between itself and departments.

On the part of donors, the annual IDC meeting is regarded as an important way of feeling the pulse – at a general level. However the IDC does not have decision making powers around issues that really count, such as ensuring that the government's key priorities are systematically reflected in the individual development co-operation agreements. Its focus is largely on financial flows and cannot deal with the substantive programming / direction issues. Donors and the SA government representatives never get together to discuss the *overall* framework of their co-operation, and this represents a significant gap. This is linked to the perceived lack of an overall SA framework for development, linked to ODA, as presented above.

The critical issues underlying this then is to what extent there is in fact a body on the South African side that is mandated to deal directly with donors on issues of policy. In the case of the UNDP, the Policy Co-ordination Implementation Unit (PCU) in the President's Office initially worked closely with the UNDP and was considered an appropriate channel for co-ordination with government. However, changes in the PCU have left it too weak to carry out this role in more recent times.

A number of the donors interviewed feel that they require a government counterpart that has a global view and co-ordination capacity – including oversight and co-ordination responsibilities at an inter-departmental level. A co-ordinating unit that simply provides the mechanism but very little of the content is largely insufficient.

#### **5.6.2 Finding 19: More specific attention is being given to donor co-ordination but capacity within government departments to manage donor programmes is weak**

In general, government recipients now have donor desks or units, with one or more members of staff dedicated to administer the links with donors. In smaller government entities like the Public Protector and the Constitutional Court, the top administrative officials would likely be responsible for this task.

These desks rarely administer funds directly: the system at play tends rather to entail the line function approving payment on any claims, the donor desk facilitating the interface with the donor and the latter managing the funds. The desks are generally not tasked with a strategic role; the strategic dealings with donors therefore occur at higher levels, such as through Chief Directors, Deputy

DGs and DGs. Ministers play a role on odd occasions, typically during initial discussions or when major problems arise. For example, the Minister of Public Service and Administration has taken a particularly strong interest in donor engagement and works closely with her officials in targeting donors for support.

Donors tend to want to engage with more senior members of the department. This is due either to a perception of incapacity in some departments, or simply based on a desire to engage more directly with decision-makers who have a clearer sense of the 'big picture'. However, recipients feel that many operational issues could be dealt with through the officials tasked to deal with donors.

The donor preference for senior level contact has led to delays that could be avoided by direct functional relationships aimed at effectively managing the donor activities. Some of the most productive relationships exist where donors have full-time staff working closely with the counterpart, even in the department.

For example, DFID now prefers a managing consultant to manage all procurement and it also proposes in some projects the appointment of full-time advisors, paid for by DFID (in the case of Resident Advisors appointed for the three target provinces of the IPSP).

The EU's programme management units are placed within the recipient institutions (e.g. the Parliamentary Support Programme which includes support to all nine provincial legislatures, is located in Parliament. In addition, Parliamentary Support Officers are placed in each of the legislatures). In the case of the Law Commission, a full-time GTZ staff member works in the Commission's offices to administer the programme of support.

These arrangements are generally seen as effective. However, there are some cases of dissent around roles and responsibilities of such appointees. While they are obviously accountable to the recipient institution in which they are placed, at times there is concern that they feel accountable mainly to the donor. Donors, on their part, are frustrated that people sponsored by them for particular roles often get caught up in other departmental activities, often due to the general lack of capacity, and neglect the primary duties for which they are sponsored.

While the donor desks are becoming operational, the ability to effectively co-ordinate donors, rather than simply deal with them on an individual basis, is still lacking. There are a number of issues of difficulty on the side of both the donors and recipients.

- ◆ Donors, as stated above, would like to be drawn into more strategic programming through having a far better understanding of the overall programme of implementation of individual departments, and how this fits into government's larger programme. Hence their wish to deal with more senior government officials. They also want to have more comprehensive understandings of what other donors are funding in particular areas, in order to ensure that there is no duplication
- ◆ On the other hand, the ability of SA counterparts to respond is often seriously hampered by having to accommodate dissimilar processes on the part of donors. There is a perception that some donor requirements after

signature are unduly complex, requiring differing versions of similar plans, to meet their specific requirements. One respondent described the official set of forms that had to be filled out during the application process as having changed three times, requiring the same information to be repeatedly reworked. The use of the logframes is found to generally be useful, but South Africans do not always have the level of detailed understanding about it that donors require. Even though most donors use some version of the log-frame, counterparts are still expected to reproduce the information each time.

There is therefore a dual need to continue to build capacity within departments to manage donor engagement more effectively, but also to develop appropriate mechanisms to draw donors together, at both the planning and implementation levels.

**5.6.3 Finding 20: Sector-based institutional arrangements have proven to be difficult to implement and manage – donors will be drawn to a picture of coherence and retreat into procedures where they perceive significant risks**

In particularly complex environments, or where there is a perceived need to provide specific structures for co-ordination, donors have been involved in setting up specific co-ordination mechanisms. These have met with varying degrees of success. Two examples are illustrative of this:

♦ **EU Parliamentary Support Programme**

The EU has established a Project Management Unit (PMU) for the Parliamentary Support Programme (PSP), based in Cape Town. The EUPSP was developed through the National Speakers Forum that negotiated the final agreements. There was joint agreement on the areas of work and the legislatures were given portions for specific agreed areas.

The EUPSP is managed by the Speakers' Forum for policy issues and a steering committee for operational matters. The legislatures that have managed to work through the political dynamics of the provinces and could guarantee the consequential costs have been successful within the programme (a South Africa precondition established that all consequential costs of a long-term nature (including salaries) had to be budgeted for within three years). The political dynamics referred to constitute the competition between the caucus, the executive, the secretary, presiding officers and the constitutional structures with regards to who actually runs the provinces.

The EU programme manager felt that the former TBVC and self-governing territories amalgamation into the new provinces created additional difficulties for the programme.

In general, the PSP has been viewed as overly bureaucratic, and slow to respond to government needs. This is no doubt partly because of the complexity of EU structures having to be accountable to the 15 member states and therefore responsible for more than one governments' taxpayers resources.

It should also be noted that other donors have provided assistance to the legislatures directly, without co-ordinating with the PSP.

However, it has also been successful in facilitating contact between the nine legislatures and Parliament, and providing the legislatures with support for organisational development activities and capacity building.

#### ◆ **Local Government Transformation Programme**

In 1999 the Local Government Transformation programme has launched in an attempt to co-ordinate donor activities around local government. The LGTP, run through a section 21 company with a representative board, and a Unit with a fulltime LGTP Manager, was established as an external body to provide it with a separate corporate identity. This presumably removed it from the direct influence of any one of the stakeholder groups. However, while the LGTP had great potential, it gave rise to a number of issues of conflict. Its actual role and function was not clearly articulated, leading to confusion as to whether or not it presented:

- ◆ a central fund into which all donor money earmarked for local government would be directed, and then allocated according to priorities determined by government, or
- ◆ a mechanism for ensuring that donor funding is adequately distributed both geographically and according to key policy areas, and that lessons learned from these programmes could be synthesized and fed into government decision-making processes

The status of the LGTP was further confused by the fact that bi-lateral relationships are between DCD/DPLG and not directly with the LGTP.

The structure was contested and eventually the decision was taken to disband the Board and draw it back into the DCD/DPLG, directly accountable to the DG and Minister (through making it a sub-committee of MinMec).

In the meantime, all bi-lateral programmes have gone ahead, established their own programme management structures and are disbursing funds to recipient provincial departments of local government, local authorities and other bodies. While the LGTP still has political backing, it is unclear as to what its role within the department will be, and how it will relate to the line department functions that are already in place.

The LGTP experience raises a number of important issues:

- ◆ government's approach to setting up the LGTP created greater confusion and dissent than the so-called co-ordination it was meant to provide
- ◆ the overall approach adopted by government to multi-level, multi-institutional implementation, in an extremely complex environment, and to what extent capacity within government exists to manage this remains unclear
- ◆ the extent to which donors are prepared to work within a highly co-ordinated framework is not clear. Clearly some donors are more eager and positive about the LGTP than others



The LGTP is currently operational, but is awaiting the appointment of a senior level National Co-ordinator to enable it to become fully effective.

## **5.7 IMPACT**

### **5.7.1 Finding 21: ODA has played a significant role in building SA's new democracy, but it is difficult to define**

Major achievements have been recorded since the elections of 1994. The elections in and of themselves represented the first notable achievement of basic civil and political rights within the country. In the review of government performance to the citizens of SA at the end of 1997, the government noted the following achievements in the arena of governance and democratisation:

- ◆ Effective promulgation and subsequent promotion of the Constitution
- ◆ Establishment of the National Council of Traditional Leaders, to identify ways in which traditional leadership can work together with elected local representatives
- ◆ Establishment of the National Youth Commission (1996) and the Office on the Status of Women and the Office on the Status of the Disabled, both established in the Presidency during 1997
- ◆ Establishment of the National Council of Provinces as the key mechanism for facilitating inter-governmental relations
- ◆ Establishment of the nine provinces, the strengths and weaknesses of which were captured in the 1996 'Ncholo' Reports. In addition, the development of the capacity of the provinces to budget for themselves
- ◆ Election of local councilors, through the 1996 elections, thereby creating a legitimate foundation for local government, so that the transition process can be completed in the year 2000
- ◆ Initial development of policy on transforming the public service, in particular Batho Pele, the White Paper on Public Service Delivery, and the completion of the report of the Presidential Review Commission

With regards to the implementation of the National Crime Prevention Strategy, the following success was noted:

- ◆ The NCPS reflects much better co-ordination between government ministries and departments as well as the security forces.
- ◆ Initial steps for integrating the justice system and improving access to justice and protection of witnesses and victims of crime
- ◆ Creation of the office of the National Director of Public Prosecutions to help streamline the system
- ◆ Holding of provincial crime summits, to facilitate the involvement of provincial governments and local authorities in crime prevention.<sup>43</sup>

The above successes reflect a mixture of outcomes having actual impact on the SA people, as well as policy initiatives that only lay the basis for impact.

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<sup>43</sup> Republic of South Africa (1997), 'The building has begun: Government's report to the nation'

While the respondents interviewed did not reflect substantially on impact achieved to date, there is general consensus that the most significant impact, derived in tandem with support from donors, involves the implementation of the mechanisms required to exercise civil and political or individual rights – right to life/death penalty/right to free, fair trial, right not to be subjected to cruel and inhuman punishment). What has also been achieved is the establishment of an effective system of government with clear separation of powers, in which the people of SA can participate, both through voting, and through the public participation processes Parliament and the provincial legislatures.

The examples of successful impact that were cited by donors during the interviews are as follows:

Sida considers the following project areas as having delivered the most tangible and notable impact:

- ◆ The Northern Province government capacity building initiative: the province has achieved what was originally set out to do, ie. building relatively efficient public administration (particularly given the turnover of staff). The indicators have been realised. To some extent, the work done here does provide some best practice experience that can be applied in other contexts
- ◆ the Legal Aid Pilot providing a link between the (Dept of Justice) legal aid service and community-based models and capacity has worked very well and has much potential as an initiative to integrate a government service need and provision from the non-governmental sector. The project adds an important new (people-driven) dimension to the nature of this service. Sida hopes it will be fully financed beyond the pilot phase. This would indicate long term impact has been achieved.

The form of the AusAID programme has allowed it to be highly strategic in nature. Agency personnel assess proposals against the criterion of strategic relevance and institutional sustainability and viability. However, the success of an initiative ultimately depends on the role players involved and their strategic capabilities. Key areas of impact have been in the exchanges around education qualification frameworks, electoral systems management and practice and labour relations. After a one-week TA exchange, SARS had sufficient information and ability to add R400m to its revenue income.

The two areas where USAID considered they had had the greatest impact were in the conflict management/resolution field (in KZN) and in assisting 'policy-directed' organisations like IDASA develop capacity. Other donors could also take the credit for investing in policy initiatives – which has paid off because the policy framework is now in place. However, USAID did make a special contribution to the Gender Commission and TRC.

For the UNDP, the Disaster Management programme has had the largest impact. This is because very little had been done in the Disaster Management arena in South Africa before. The intervention has significantly impacted on both the policy and institutional environment in Disaster Management (White and Green Papers have been produced and there is now a chief directorate for Disaster Management in the DLPG)

Other areas of impact are given as:

- ◆ the Department of Public Works Development Management Programme which has brought fairly wide-spread awareness of project management to the public sector
- ◆ the programme aimed at engendering local government service delivery, which is considered a cutting edge initiative that also has potential multiplier effects within other institutions
- ◆ the National Inter-parliamentary Services network which has brought international Best Practice into SA

In addition to the examples of successful implementation (impact may in fact be too strong a term), there are various examples of projects that have been unsuccessful. In the case of the EU, although budgets have been allocated for both financial management and judicial projects, no spending has yet to take place in these areas.

The EUPSP (including the Women's Empowerment Project) was initially very difficult to implement: it seems that with quite a number of donors targeting this arena for support, it has suffered from a lack of absorptive capacity on the one hand, and a lack of common expectations amongst stakeholders. This is interpreted as being difficult due to the political nature of the sector. Gradually, however, the programme has begun to take off. Another targeted sector – the labour movement – has also yielded disappointing results for the EU, partly because of the organisational and ideological divisions between sections of the movement.

There is general consensus on the part of donors and recipients (particularly government) with regards to impact on the lives of the majority of South Africans, there is still much to be done. While there are improvements in access to primary health care services, free general education and welfare benefits for the destitute, these are not seen as sufficient to meet growing needs. Arguably, the real test of impact will be seen in an improvement of the quality of lives of all South Africans.

#### **5.7.2 Finding 22: There is no agreed upon framework for measuring impact between government, civil society and donors**

The manner in which impact should be measured is not agreed upon and therefore the impact of particular areas of ODA is difficult to specify. As noted above, the most significant contribution received has been through technical assistance and knowledge banking, often not in structured situations where the information was directly transferred into departmental practice.

The impact that has been felt through input into policy processes is very difficult to quantify, and again, it may be too soon to be able to specify the nature of impact. In part this is an issue of definitions – is influencing a critical policy framework such as GEAR an 'impact', or can this only be termed impact once there are measurable changes in the economic well-being of the country and its citizens? A number of the donors interviewed noted that impact is difficult to

quantify but significant attention on their part is put into developing appropriate mechanisms for measurement. However, a number of recipients reflected that donors often seem to be more focused on input and output measurement, and are budget driven. There is not a clearly identifiable focus on impact.

There are, however, indications that impact is of concern and that a number of mechanisms need to be harnessed to assist in measurement. The Public Finance Management Act (PFMA) can be used to link departmental performance to reporting on ODA, along with proper disclosure measures. Consolidated financial statements could be used to report on sector-wide impact. Stats-SA has also been transformed to be able to provide more reliable information, through which progress can be tracked<sup>44</sup>. As ODA becomes increasingly mainstreamed into departmental programming and budgeting, the measurement of its impact will form part of routine processes.

Impact can only truly be measured through engagement with the final recipients of target groups – generally speaking the most marginalised communities, or most vulnerable groups. This review did not incorporate such views at all.

The glitch is in sect 6 recommendations

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<sup>44</sup> The support provided by agencies such as Sida and DFID to Stats-SA reflects a recognition on the part of donors of the importance of working with government to develop its capacity to monitor

## **6 RECOMMENDATIONS**

Based on the findings of the report, seven key recommendations have been formulated. The team believes that these will play the most significant role in informing the approach adopted to funding in the arena of 'Democracy and Good Governance'. Jointly these recommendations would assist to overcome the definitional lack of clarity that mark this area of funding. It would also facilitate greater coherence in the approach between recipients, at least in the public sector.

### **6.1.1 Recommendation 1: Build capacity within government to manage donor co-ordination, both at a central and departmental level**

Increasingly D&GG donor funding has become more narrowly focused on critical implementation areas such as local government and justice. With greater numbers of donors working in the same areas, the need for more effective donor co-ordination on the part of government at both the macro and departmental levels is marked at this point in time. With regards to this, a number of steps are proposed:

- ◆ Government should present a more coherent overall programme for growth and development, which uses the MTEF as a starting point, but gives it content and detail to which donors can respond. The programme should focus on addressing the gap presented by the lack of a poverty reduction framework
- ◆ The policy and financial aspects of developing an integrated programme should be separated institutionally.
- ◆ The IDC should build on its role as focal point for donor co-ordination by providing a reference point to the donor desks in the departments, and the public servants tasked with this function. This would involve being able to provide line departments with direct assistance in developing cohesive programmes which could be presented for funding and for setting up co-ordinating mechanisms such as annual report-back meetings. The IDC should also serve as a central point for facilitating networking between donor desks in departments.
- ◆ Donor desks within line departments should be situated at a sufficiently senior level of responsibility, in order for co-ordination to be handled through senior management processes, and not requiring senior level people to only become involved in issues of dissent.

Effective donor co-ordination has to be handled at the macro level first, providing a framework within which departments can then locate their individual processes.

### **6.1.2 Recommendation 2: Design and implement a more systematic programmatic approach to funding the Chapter Nine bodies**

The debate surrounding the role and function of the Chapter Nine bodies requires both a clarification of mandate and a structural solution on the part of Parliament. In the current context, continuing budget cuts will further dis-enable the Chapter Nine bodies to function, causing them to become increasingly dependent on ODA.

In order to address this, the nature of their autonomy and watch-dog function should be clarified, by the Chapter Nine bodies themselves initially, and then translated into an appropriate structural solution. Based on this, the fact that fairly significant funding is being directed at Chapter Nine bodies, but in a highly unco-ordinated and unstrategic manner, can then be addressed.

It is proposed that a more programmatic approach to supporting the bodies should be undertaken, with a primary aim of developing a consistent definition of their role and function, and clarifying and consolidating their institutional autonomy. Once this has been done, support should then focus on building the capacity of the bodies to function effectively. In this context, the issue of future sustainability of the bodies can be addressed. This support will also serve to open up the debate on the status of, and approach to, human rights in the current context.

### **6.1.3 Recommendation 3: Clarify the role of civil society in the current governance framework**

The role of civil society has been presented as a significant issue of conflict and concern both on the part of donors and recipients. While manifested in a range of ways, it goes to the heart of defining the nature of democracy, and the manner in which it matures. The South African framework, it would appear, has moved away from some of the principles enshrined in the RDP. This may be in part attributable to significant ideological differences, but also to the difficulties of facilitating popular, participatory governance in a complex environment.

This debate needs to be actively addressed, with an enabling framework created within which dialogue on the role of civil society can take place. The current policy trend which emphasizes partnerships between government and civil society to support service delivery, needs to be interrogated. This will build a common understanding of the nature of these partnerships. Otherwise there may continue to be varying understandings of what can be achieved through implementing them (on the part of recipients) and supporting them (on the part of donors).

Partnerships may become the only mechanism through which civil society can access donor support, because they are seen as being part of government policy. This is problematic for two reasons. Firstly, the watchdog role of civil society is further reduced (the 'player' and 'referee' syndrome). Secondly, the type of civil society bodies that will be able to access funding will be limited to those that can transform themselves into particular types of 'service delivery'

vehicles. This will effectively further cut advocacy based institutions out of the governance framework.

For their part, civil society needs to better define what is understood by advocacy, and to what extent this is tempered by a support function. In other words, it is not enough to demand that government addresses certain issues, without being able to provide some guidance on how they should be addressed.

#### **6.1.4 Recommendation 4: Facilitate discussion on the current and future role of ODA in the region, and its impact on South Africa**

Increasingly support for democracy and governance related activities are being defined within an understanding of the Southern African region. The SA government and donors need to be more actively discussing the likely nature of ODA in the region in the future, and how this will impact on the current levels of support that SA is receiving. This discussion should also provide a clear definition of how engagement within the region is understood, and what the expected impact of such support is likely to be. The policy and funding mechanisms discussed in Recommendation 1 would be the appropriate institutional structures through which to facilitate this discussion.

#### **6.1.5 Recommendation 5: Address the SA government's current lack of institutional memory**

Current information sources on the story behind ODA since (and just prior to) 1994 are severely lacking. In order to address effective lesson learning and sharing of information in the future, there is a stark necessity for the issue of institutional memory to be actively addressed. At present too much information and understanding of what has taken place in the past rests with key individuals and is not captured systematically. Therefore, the information base on programme activities that have been supported by donors must be developed, and mechanisms put in place to facilitate documentation of lessons and information-sharing. This should not be solely sector based initiatives, but should inform macro level approaches to donor engagement. Gaps in donor records and institutional memory should also be addressed.

#### **6.1.6 Recommendation 6: Develop a programmatic approach to knowledge-based support and knowledge banking**

The emphasis placed on the value derived from technical assistance and knowledge banking has been noted. In order to capitalise in an even more significant manner on these forms of assistance, the SA government needs to develop a framework for capturing, synthesizing and mainstreaming the learning that derives from such support. This will help to ensure that during this period of piloting and implementation, lessons learned can be fed back to policy-making structures, to ensure that SA's policy and legislative framework is appropriate and responsive to needs on the ground.

Donors are increasingly focused on the importance of establishing learning networks, and would therefore welcome this approach. The manner in which these mechanisms are established needs to be feed directly into the donor co-ordination structures, to ensure that there is streamlining of structure and function.

#### **6.1.7 Recommendation 7: Incorporate ODA into the MTEF, in order to reflect the full costs of programmes**

While certain types of grants and forms of technical assistance are provided as 'once-off' support to kick-start programmes either through policy development or piloting, they often obscure the real costs of programme implementation, as they are allocated in the MTEF. There needs to be an approach developed to fully costing programmes, identifying the support required from ODA, and reflecting this in its totality in the MTEF. This will more closely integrate donor assisted activities within the medium term plans of government.

A word of caution must be raised in relation to the Chapter Nine bodies. Incorporating donor funding into the MTEF may impact negatively on their ability to negotiate with donors for support. A similar difficulty may arise with regards to the NDA.



## APPENDIX 1: LIST OF RESPONDENTS

Name	Position	Organisation	Date Interviewed	Contact Numbers
Adv. Dirk Brunt	Director : Intergovernmental Relations	Office of the Premier, Western Cape Provincial Government	26 April 2000	Private Bag X9043 Cape Town, 8000; Tel: (021) 483 4705/6
Adv. Peter Mothle and Ms Tselane Mokuena	Chief Director, Democracy Development and Director: International Liaison	Independent Electoral Commission	3 May 2000	<a href="mailto:Mokuena@elections.org.za">Mokuena@elections.org.za</a>
Advocate Elaine Venter	National Co-ordinator – Official Donor Assistance	South African Police Services	3 & 5 May 2000	Private bag X94, Pretoria, 0001; Tel: (012) 339 3202 <a href="mailto:Venter@saps.org.za">Venter@saps.org.za</a>
Amanda Gillett	Senior Programme Officer	AusAID	11 April 2000	(012) 342 7274 (tel) (012) 342 4201 (fax)
Asha Newsom	Senior Governance Advisor	Department for International Development	2 May 2000	(012) 342-3360 (tel) (012) 342 3429 (fax)
Beth Hogan	Team Leader, Democracy and Governance Program	USAID/SA	12 April 2000	(012) 323 8869 (tel) (012) 321 7700 (fax)
Bobby Rodwell	Consultant	National Development Agency		(011) 403 6650 (tel)
Bongani Majola	National Director	Legal Resources Centre	10 April 2000	(011) 403 7694 (tel) (011) 403 1058 (fax)
Brecheje Schwachofer	Development Co-operation	Royal Netherlands Embassy	5 April 2000	(012) 344 3910 ext. 235/248 (tel) (012) 343 9950 (fax)
Commissioner Mala Singh	Commissioner : Career Management	South African Police Services	28 April 2000	Private bag X94, Pretoria, 0001; Tel: (012) 339 3202
Dan Temu	Deputy Resident Representative (Programme)	United Nations Development Programme	17 April 2000	(012) 338 5300 (tel) (012) 320 4353 (fax)

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<b>Name</b>	<b>Position</b>	<b>Organisation</b>	<b>Date Interviewed</b>	<b>Contact Numbers</b>
David Urquhart	First Secretary (Development),	AusAID	11 April 2000	(012) 342 7274 (tel) (012) 342 4201 (fax)
Dr Chippy Oliver	Director General	Dept Environmental Affairs and Tourism	1 April 2000	
Dr Frene Ginwala	Speaker	National Assembly, South Africa Parliament, Cape Town	26 April 2000	P O Box 15, Cape Town, 8000 Tel. (021) 403 2911
Dr J. Cilliers	Executive Director	Institute for Security Studies, Pretoria	20 April 2000	<a href="mailto:jkc@iss.co.za">jkc@iss.co.za</a>
Dr Job Mokgoro	Director-General	SAMD	18 April 2000	(012) 314 7911
Dr Tinus Schutte	Assistant to Public Protector	Public Protector	11 April 2000	Publicprotector@hotmail.com
Dumisani Mngadi	Assistant Resident Representative	United Nations Development Programme	17 April 2000	(012) 338 5300 (tel) (012) 320 4353 (fax)
Eddie Stepforth	Accountant	Foundation for Human Rights	12 April 2000	(012) 346 6842 (tel) (012) 346 6845 (fax)
Ena van Rensburg	Senior Programme Officer	AusAID	11 April 2000	(012) 342 8267 (tel) (012) 342 4201 (fax)
Francois Dronnet		EU Delegation in SA	19 April 2000	(012) 46 4319 (tel) (012) 46 9923 (fax)
George Mathebula	Senior Programme Officer	AusAID	11 April 2000	(012) 342 7272 (tel) (012) 342 4201 (fax)
Harold Motshwane	Program Manager: Rule of Law & Rights Education Unit,	USAID/SA	12 April 2000	(012) 323 8869 (tel) (012) 321 7700 (fax)
James Kuklinski	Democracy Fellow	USAID/SA	12 April 2000	(012) 323 8869 (tel) (012) 321 7700 (fax)
Kam Chetty	Senior Institutional Specialist	World Bank, Resident Mission in SA	13 April 2000	(012) 342 3111 (tel) (012) 342 5151 (fax)

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<b>Name</b>	<b>Position</b>	<b>Organisation</b>	<b>Date Interviewed</b>	<b>Contact Numbers</b>
Lindiwe Mokate	Chief Executive Officer	Human Rights Commission	5 May 2000	(011) 484 8300 (tel) (011) 484 7146 (fax)
Mr Barrie Engelbrecht	Deputy Director: Budget Control	Department of Defence – Defence Secretariat	19 April 2000	Finance Division, Private bag X175, Pretoria, 0001; Tel (012) 355 5803 <a href="mailto:Beejay@yabo.co.za">Beejay@yabo.co.za</a>
Mr BB Mtinkulu	Director Operations Policy	Department of Defence – Defence Secretariat	28 April 2000	Private Bag X910, Pretoria, 0001 Tel: (012) 355 6272
Mr Bennie Palime	Deputy Director: Liaison Services	Office on the Status of Disabled Persons Office of the Presidency Pretoria	4 April 2000	Private Bag X1000, Pretoria, 0001 Tel: (012) 337-5102
Mr Du Plessis and Judge O'Regan	Director and Judge	Constitutional Court	6 April 2000	First Floor, Forum II, Constitutional Court
Mr Nkambule and Ms. E. Johnson	Director and Deputy-Director	Department of Justice	17 April 2000	(012) 315 1025
Mr Paul Graham	Executive Director	Idasa, Pretoria	20 April 2000	P O Box 56950, Arcadia, 0007; Tel (012) 461-2559 <a href="mailto:Paul@idasa.org.za">Paul@idasa.org.za</a>
Mr Peter Gastrow	Director: Cape Town Office	ISS Cape Town	26 April 2000	67 Roeland Square, Drury Lane, Cape Town, 8001 Tel (021) 461 7211 <a href="mailto:Gastrow@iss.co.za">Gastrow@iss.co.za</a>
Mr Pieter Pretorius	Secretary	Western Cape Provincial Parliament, Cape Town	25 April 2000	P O Box 648, Cape Town, 8000; Tel: (021) 483 4405 <a href="mailto:Ppretor@pawc.wcape.gov.za">Ppretor@pawc.wcape.gov.za</a>
Mr R Kishoff and Ms V. Motalane	Director and Deputy-Director	Department of Public Service and Administration	11 April 2000	<a href="mailto:ruank@dpsa.pwv.gov.za">ruank@dpsa.pwv.gov.za</a>

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<b>Name</b>	<b>Position</b>	<b>Organisation</b>	<b>Date Interviewed</b>	<b>Contact Numbers</b>
Mr S R Mutige	Head: Administration	KwaZulu-Natal Legislature	9 May 2000	Private Bag X100, Ulundi, 3838 Tel: (035) 870 1259
Mr S. Friedman	Director	Centre for Policy Studies, Johannesburg	6 April 2000	<a href="mailto:CPS@wn.apc.org">CPS@wn.apc.org</a>
Mr S. Mogape	Director	Department of Provincial and Local Government	12 April 2000	Tel. (012) 334 0600
Mr. B Nkambule	Chief Director, Intergovernmental Relations Office of the Premier	Mpumulanga Premier's Office	4 May 2000	(013) 759 3773
Mr. Lwazi Mboyi	Chief Executive Officer	National Youth Commission, Office of the Presidency, Pretoria	5 April 2000	Private Bag X938, Pretoria, 0001; Tel: (012) 325 3702 <a href="mailto:Mboyil@nyc.pwv.gov.za">Mboyil@nyc.pwv.gov.za</a>
Mr. M Robert Mzimela	Provincial Secretary	KwaZulu-Natal Legislature	9 May 2000	Private Bag X100, Ulundi, 3838 Tel: (035) 870 1259
Mr. Paul Johnson	Director: Communications	National Youth Commission Office of the Presidency Pretoria	5 April 2000	Private Bag X938, Pretoria, 0001; Tel: (012) 325 3702 <a href="mailto:Johnson@nys.pwv.gov.za">Johnson@nys.pwv.gov.za</a>
Mr. W. Baleka	Director, Office of the Premier, Eastern Cape	Eastern Cape Premier's Office	9 May 2000	(040) 639 2593
Mr. W. Henegan	Chief Director	SA Law Commission	18 April 2000	(012) 322 6440
Ms Charmaine Estment	Liaison Officer EUPSP	EUPSP, Eastern Cape	9 May 2000	(083) 788 0417
Ms Colleen Purkis	Director	Jupmet	2 May 2000	(011) 646 7771
Ms Dren Nupen	Executive Director	EISA	3 April 2000	<a href="mailto:dnupen@eisa.org.za">dnupen@eisa.org.za</a>
Ms Eileen Meyer	National Programme Director	EU Parliamentary Support Programme Cape Town	26 April 2000	P O Box 490 Cape Town, 8000; Tel: (021) 403 0080 <a href="mailto:Eileenm@lafica.com">Eileenm@lafica.com</a>
Ms F Van Rensburg	Liaison Officer EUPSP	EUPSP, Mpumalanga	4 May 2000	

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<b>Name</b>	<b>Position</b>	<b>Organisation</b>	<b>Date Interviewed</b>	<b>Contact Numbers</b>
Ms Lala Camerer	Project Head: Anti-Corruption Strategies	Institute for Security Studies, Pretoria	5 April 2000	<a href="mailto:Lala@iss.co.za">Lala@iss.co.za</a>
Ms N P Dube	E U Liaison Officer	KwaZulu-Natal Legislature	9 May 2000	Private Bag X100, Ulundi, 3838 Tel: (035) 870 1259
Ms Peggie Photolo	Head: Finance	Commission on Gender Equality, Johannesburg	6 April 2000	
Ms Pinkie Rajuili-Mbowane	Commissioner (Northern Province)	Commission on Gender Equality, Johannesburg	6 April 2000	
Nomea Masinleho	Unit Leader: Civil Society Program, Democracy and Governance Team	USAID/SA	12 April 2000	(012) 323 8869 (tel) (012) 323 6443 (fax)
Prof. Khubisa	Chairperson: Constitutional Committee	KwaZulu-Natal Legislature	9 May 2000	Private Bag X100, Ulundi, 3838 Tel: (035) 870 1259
Roberto Rensi		EU Delegation in SA	11 April 2000	(012) 46 4319 (tel) (012) 46 9923 (fax)
S Ngubane	Senior Administration Officer: Speakers Office	KwaZulu-Natal Legislature	9 May 2000	Private Bag X100, Ulundi, 3838 Tel: (035) 870 1259
Stiaan van der Merwe	Chief Executive Officer	Transparency International – South Africa	18 April 2000	(011) 403 – 4331 (tel) (011) 403 – 4332 (fax)
Thomas Kjellson,	First Secretary (Development),	Swedish Agency for International Development	5 April 2000	(012) 426 6453 (tel) (012) 426 6464 (fax)
Thulani Mabaso	Programming Support Unit	United Nations Development Programme	17 April 2000	(012) 338 5300 (tel) (012) 320 4353 (fax)
Tor Oivind Tanum	First Secretary	NORAD	12 April 2000	(012) 342 6100 (tel) (012) 342 6099 (fax)
Tseliso Thipanyane	HOD: Research and Documentation	Human Rights Commission	5 May 2000	(011) 484 8300 (tel) (011) 484 7146 (fax)
Vinodh Jaichand	National Director	Lawyers for Human Rights	7 April 2000	(012) 320 2943 (tel)

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<b>Name</b>	<b>Position</b>	<b>Organisation</b>	<b>Date Interviewed</b>	<b>Contact Numbers</b>
				(012) 320 2949 (fax)
Xavier MacMaster	HOD: Finance and Administration	Human Rights Commission	5 May 2000	(011) 484 8300 (tel) (011) 484 7146 (fax)

## APPENDIX 2: RDP FUND ALLOCATIONS<sup>45</sup>

### Departments

Agriculture	R7 384 000
Arts, Culture, Science and Technology	R20 000 000
Constitutional Development	R2 040 832 000
Correctional Services	R21 905 000
Education	R925 699 000
Health	R2 050 800 000
Housing	R2 897 000 000
Justice	R65 752 000
Land Affairs	R703 628 000
Minerals and Energy	R101 599 000
Public Works	R350 000 000
South African Police Service	R195 000 000
State Expenditure	R1 068 000
Transport	R365 100 000
Water Affairs and Forestry	R1 334 037 000
Trade and Industry	R2 020 000
Welfare	R25 484 000
Sport and Recreation	R20 000 000
<b>Sub-total</b>	<b>R11 127 308 000</b>

### Additional Beneficiaries

Provincial Administrations	R4 163 582 000
Executive Deputy President	R701 000
Finance	R3 139 000
Parliament	R34 052 000
Public Service Commission	R5 000 000
Promoting the RDP	R39 131 000
Sub-total	R4 345 605 000
<b>TOTAL</b>	<b>R15 472 913 000</b>

<sup>45</sup> Interpellations, Questions and Replies of the National Assembly, First Session, Second Parliament, 9-19 June 1997, Hansard, p.1546 quoted in P. Bond & M. Khosa (eds.) (1999) *An RDP Policy Audit*, Pretoria: HSRC Publishers

## **APPENDIX 3: INTERVIEW SCHEDULE: RECIPIENTS**

### **1. Identification of Need**

- What do you understand by the term 'Democracy and Good Governance (D&GG)'?
- What do you think are the key threats / constraints to good governance in South Africa?
- What is your role/function in the area of 'Democracy and Good Governance (D&GG)'?
- What key programmes/outputs have you been responsible for during the period 1994-99?
  - What is the specific contribution that you have made to D&GG? (1994-99).
  - What programmatic shifts have taken place over this period (e.g. from policy to implementation?)
  - List any White Papers / policy documents / legislation that you have produced during this period. How many of these received donor funding?
- What has your overall expenditure on these programmes been?
- How did you identify particular programmatic areas requiring support?
- How did you identify the nature of support required?
  - Technical assistance
  - Knowledge banking
  - Finance for implementation
- Where do you feel the greatest areas of attention lie now, post-1999?

### **2. Nature of engagement**

- How did you identify donors who could provide support to your programmes?
- Why did you select them instead of others?
- How many donors did you approach, and how many finally funded you?
- How did you decide in conjunction with the donor what areas would get funded?
  - Joint discussion
  - Donor excluding particular areas
  - Prioritisation on your part
  - Prioritisation on the part of the donor
- Did you explicitly agree on a definition of D&GG and the required outcomes of your programme?
- Have you felt that donors have brought a particular ideological or political perspective to their support?
  - How has this impacted on the support that you have received?



- Have you noted whether or not donors have funded other institutions in the D&GG sector, and what is your opinion on this?
- To what extent did your original programme design have to be adjusted based on the input of donors?
- How would you characterise your engagement with donors? Have you felt forced to argue your need to a particular type of TA, or has there been a common meeting of minds on the support required?
- What have been some of the most significant challenges you have faced in dealing with donors?
- Do you feel better equipped now to engage with donors on your support requirements, than you did in 1994?
- Do you feel that there have been significant changes in how donors approach support to the D&GG sector, from 1994 until now?

### **3 Nature of contribution**

- How much support have you received over the period 1994-99, in rand terms, per programme?
- What percentage of your overall budget was this support?
- In what form have you received the support?
  - Local or International Technical Assistance
  - Financial support for piloting/implementation
    - To what extent could you determine the form that the support took?
    - What form of support has provided the greatest value for you?
- For what discrete periods of time has funding been provided?

### **4. Patterns of expenditure**

- What key shifts in programming have you experienced over the period 1994-99 (e.g. from policy development to implementation)?
- What shifts in funding have you experienced from 1994-99?
  - Have they been instigated by yourselves, or by the donors?
- Have you identified programmatic areas that a range of donors wish to fund?
- Have you identified programmatic areas that very few/or no donors wish to fund?

### **5. Institutional arrangements**

- How have you liaised with the donors?
  - What structures have you set up?
  - Are they for managing individual donors, or a series of donors?
  - What formal / informal systems have you put in place to manage liaison?

- Have these structures and systems proven to be effective? Provide reasons for your answer.
- Do you relate to IDC? If yes how, and to what extent has it been effective?
  - How could this be improved?
- Is there evidence of a sector approach to funding?

## **6. Impact**

- Did you receive the support that you required in order to implement your programmes?
- What success has the support received led to?
  - Was this an intended or unintended consequence?
- How has impact been measured by you, and how have the donors been involved in the evaluation / review process?
- What failures have ensued despite the support received?
  - Were these failures anticipated? Could they have been avoided?
- What would have happened to your programmes without the support of donors?
- What do you feel the overall impact of ODA in the 'Democracy and Good Governance' sector has been?

## **APPENDIX 4: INTERVIEW SCHEDULE: DONORS**

### **1. Identification of Need**

- What do you understand by the term 'Democracy and Good Governance (D&GG)'?
- How have you structured your support in the D&GG sector?
- Are there any particularly useful foreign governance models from which SA could learn? Describe these.
- Have these, or aspects of these, been implemented in SA to date?
- Have you discussed these with the relevant government stakeholder? What response did you get?
- What do you think are the key threats / constraints to good governance in South Africa?
- How did you identify particular programmatic areas of the South African government or civil society requiring support?
- What range of institutions have you provided support to and why?
- How did you identify the nature of support required?
  - Technical assistance
  - Knowledge banking
  - Finance for implementation
- Where do you feel the greatest areas of attention lie now, post-1999?

### **2. Nature of Engagement**

- How did you approach the SA counterpart identified for support? Were you approached by them?
- How did you decide in conjunction with the recipient what particular areas of their programme would get funded?
  - Joint discussion
  - Recipient excluding particular areas
  - Prioritisation on your part
  - Prioritisation on the part of the recipient
- Did you explicitly agree on a definition of D&GG and the required outcomes of the programme?
- Did you identify a strong commitment to a particular model of governance or democracy on the part of the recipient, if so, what was this?
- To what extent did your original programme design have to be adjusted based on the input of recipients?

- How would you characterise your engagement with recipients? Has there been a common meeting of minds on the support required?
- What have been some of the most significant challenges you have faced in dealing with the recipients?
- Do you feel that there have been significant changes in understanding of the D&GG arena, on the part of recipients, from 1994 until now?

### 3. Nature of Contribution

- How much support have you provided over the period 1994-99, in rand terms, per programme?
- What percentage of your overall programme was this support? Has this figure shifted over the period 1994-99?
- In what form have you provided the support?
  - Local or International Technical Assistance
  - Financial support for piloting/implementation
    - How did you structure your particular support package and why?
    - What form of support do you believe has provided the greatest value for to the recipient?
- For what discrete periods of time has funding been provided?

### 4. Patterns of Expenditure

- What key shifts in programming have you experienced over the period 1994-99 (e.g. from policy development to implementation)?
- What shifts in funding have you experienced from 1994-99?
  - Have they been instigated by yourselves, or by the donors?
- Have you identified programmatic areas that a range of donors wish to fund?
- Have you identified programmatic areas that very few/or no donors wish to fund?

### 5. Institutional Arrangements

- How have you liaised with recipients?
  - What structures have you proposed get set up?
  - Have you been part of structures established by recipients to manage multiple donors?
  - What formal / informal systems have been put in place to manage liaison?
- Have these structures and systems proven to be effective? Provide reasons for your answer.
- Do you relate to IDC? If yes, how, and to what extent has it been effective?
  - How could this be improved?

- Is there evidence of a sector approach to funding in what you have experienced in South Africa? Motivate your answer.

## 6. Impact

- What success has the support provided by you to recipients led to?
  - Was this an intended or unintended consequence?
- How has impact been measured by the recipient, and how have you been involved in the evaluation / review process?
- What failures have ensued despite the support received?
  - Were these failures anticipated? Could they have been avoided?
- What do you believe would have happened to the recipients' programmes without your support?
- What do you feel the overall impact of ODA in the 'Democracy and Good Governance' sector has been?

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