



CTB



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

ANNUAL REPORT- STUDY AND EXPERTISE FUND 2013

INTERVENTION SAF0901711

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Acronyms

BTC	Belgian Technical Cooperation, the Belgian development agency
DPSA	Department of the Public Service and Administration
DRDLR	Department of Rural Development and Land Reform
GoSA	Government of South Africa
GRAP	Generally Recognised Accounting Practice
HFIP	Health Facilities Improvement project
HR	Human Resources
HSRC	Health Services Research Council
HST	Health Systems Trust
IDC	International Development Cooperation
IPAP	Industrial Policy Action Plan
JLCB	Joint Local Consultative Body
M&E	Monitoring and Evaluation
MTEF	Medium Term Expenditure Framework
MURP	Motherwell Urban Renewal Programme
NDoH	National Department of Health
NGP	New Growth Path
NHI	National Health Insurance
NT	National Treasury
PFMA	Public Finance Management Act
PRC	Presidential Review Committee
Res Rep	Resident Representative
SALGA	South African Local Government Association
SCOA	Standard Chart of Accounts for Local Government
ToR	Terms of Reference

1 Intervention at a glance

1.1 Intervention form

Intervention name	Belgian-South African Study and Consultancy Fund
Intervention Code	SAF0901711
Location	National Treasury
Budget	2,092,207.33 EUR
Partner Institution	IDC
Date of Specific Agreement	16 April 2010
End date Specific Agreement	15 April 2015
Objective	Strengthen the capacity of public institutions of South Africa, on the one hand in support of the prioritised sectors of the Belgian cooperation and the preparation of a new indicative program of cooperation, and on the other hand through the implementation of the Paris Declaration on harmonisation and alignment of aid.

1.2 Budget execution

Total Budget	Expenditure year 2013	Balance	Total Disbursement rate
2,092,207.33	87,003.25	1,437,795.77	31%

National execution official	BTC execution official
ROBIN TOLI Fund Director Chief Director International Development Cooperation	PAUL VAN IMPE Fund Co-Director Resident Representative Belgian Development Agency

2 Context

2.1 General context

The key changes to the management of the fund were related to a low inflow of proposals during 2013. Most of the proposals received had lacked the quality component leading to rejection of some of the studies. The development of a Terms of Reference template together with simplified procedures had become crucial. These should be developed and shared with all departments that could potentially benefit from particular studies.

The study fund has a number of strengths but also weaknesses as elaborated further:

Strengths:

- Approval process is quicker and short and can be done electronically.
- Potential for the elimination of bureaucratic delays in the decision making processes during monitoring of activities implementation because approvals/consensus can be reached through mails without convening meetings.

Weaknesses:

- Lack of publicity to create awareness on the existence of the fund.
- Low inflow of proposals from public institutions.
- Lack of participation in the monitoring of activity implementation by the IDC creates bureaucratic delays in the signing-off of completed interventions.

A major bottleneck in the implementation and publicity of this funding mechanism, during 2013, was caused by the sudden death of the Programme Officer in April 2013, responsible for the follow up of the Fund. The new Programme Officer was appointed on 1st July 2013. However the follow up and monitoring of the fund has suffered a delay during the appointment process.

2.2 Management context: execution modalities

The execution modalities on the advancement of the fund have been appropriate as far as the activity approval processes are concerned. The JLCB was not scheduled during 2013, due to low number of approved proposals. Currently, only 31% of the budget has been utilised.

The inflow of applications during 2013 has been very limited. In addition the quality of proposals was also not up to standard as most applications were turned down by the Fund Directors due to lack of clarity of objectives and deliverables from studies, as mentioned above. Only two new studies were approved during 2013. All other studies under implementation were successfully completed during 2013.

Big efforts were made during the second half of 2013 to increase the awareness of the existence of this funding mechanism within Government Agencies. Consequently 9 study proposals are currently in the pipeline for approval. It is expected that 1,3 mil EURO will be committed in the 1st quarter of 2014 based on the pre-approval of these studies.

In addition, as the mandate of the Res Rep was brought up to 200,000 EURO, proposals can be accepted for a higher amount than what it was approved so far.

2.3 Harmo-context

The Health Facilities Improvement project (HFIP) spearheaded by the National Department of Health brought together a number of international actors like the EU, DFID, and Atlantic Philanthropists. The Study Fund provided financial resources for the implementation of the

piloting of the Risk Management for the South African Health sector and National Health Insurance activities that complemented the HFIP directly. The HFIP came as a result of preparations for the implementation of the National Health Insurance. The HFIP has no Risk Management component in it and as such the activity funded through the fund has a direct influence towards the HFIP. The activities of the fund are planned and implemented through the collaboration of and coordination of the National Department of Health and National Treasury. The activities of the fund compliment the efforts and plans of the beneficiary departments and therefore ownership of the results rests within the beneficiary departments.

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

Study	Beneficiary institution	Other actors
Feasibility study for a comprehensive Poverty Reduction, Improved Service Delivery and Integrated Development Programme	Ba-Phalaborwa Local Municipality in Limpopo Province	DBSA
Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality	Nkangala District Municipality in Mpumalanga Province	DFID, GIZ

The utilisation of the fund is well harmonised with the initiatives of other development actors in such a way that some activities are jointly funded, for example, activities with GIZ in the Capacity Building Directorate of the Accountant General's Office at National Treasury.

The activities of the fund are also properly aligned with partner strategies, and also that the results of activities are owned by the beneficiary partner departments. Although, according to Article 10 of the Specific Agreement, "neither the South African authorities nor the beneficiary departments may sell or give the results of the studies without the foregoing written consent of Belgium", the studies/consultancies remain the property of the South African institutions.

3 Analysis of progress made

3.1 Studies

3.1.1 Progress of studies

17 activities have been approved from the beginning of the implementation of the intervention, out of which:

- 10 activities were completed and reported during the reporting period Jan – Dec 2012
- 5 activities, already initiated in 2012, have been completed during the current reporting period (Jan – Dec 2013)
- 1 activity was approved and implemented during the current reporting period (Jan – Dec 2013)
- 1 activity has been approved during the current reporting period and is under implementation

Progress of studies ¹		A	B	C	D	Comments (only if the value is C or D)
1	Feasibility study for Finance Capacity Building Programme in Free State_SALGA Free State. The activity is now completed.			X		The issues arose from the final feedback report were related to poor attendance of delegates from the Municipalities, which resulted in cancellation of some courses.
2	Consultancy for the establishment of a Competency Framework & Capacity Building curriculum for the Nelson Mandela Bay District Municipality. The activity is now completed.				X	The implementation was majorly delayed by the appointment of consultant. The contract was only signed in March 2013, and the activities were completed at the end of August 2013. The biggest challenge in getting this activity moving was related to a misunderstanding from Supply Chain Management in terms of availability of funding. This delayed the procurement process of the service provider and therefore the overall implementation of the activity. The service provider delivered all required milestones as defined by the TOR.
3	Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality DARDLA Mpumalanga. The activity is now completed.		X			
4	Expert in Risk Management for the South African Health sector National Treasury, Chief Directorate: Capacity Building. The activity is now completed.			X		On 8 February 2013, a letter from HST was received requesting an additional funding of R 273,466 to cover unforeseen additional expenses. These related to logistical arrangements covered by HST to ensure a good response rate and high quality data being produced. These expenses were initially agreed at project inception to be covered by Eastern Cape Department of Health who failed to fulfil this commitment. Consequently HST covered these costs outside the contractual agreement. Unfortunately, this arrangement was not accepted by BTC and the request for additional funding was rejected as it was not part of the initial contractual agreement and would have not comply with the procurement process embarked on.

¹ A: Ahead of schedule
B: On schedule
C: Delayed, corrective measures are required.
D: Seriously delayed (more than 6 months). Substantial corrective measures are required.

Progress of studies		A	B	C	D	Comments (only if the value is C or D)
5	Supporting South Africa's National Health Insurance Reform. The activity is now completed.		X			
6	Workshop on Future Development Cooperation between South Africa and Belgium. The activity is now completed.		X			
7	Seed Funding for the appointment of a Provincial HR Specialist at the KwaZulu Natal Provincial Treasury.			X		Delays in procurement process are observed. The responsible department hasn't yet completed the procurement process as no suitable candidates were found. The process will be restarted in January 2014.

3.1.2 Analysis of studies completed

Title of study:	Feasibility study for Finance Capacity Building Programme in Free State_ SALGA Free State.
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The South African Local Government Association (SALGA) is an organisation mandated by the new South African Constitution to assist in the wholesale transformation of local government in South Africa from the pre-1994 regime to the new dispensation under the country's first democratically elected government. The study was organised for and by the SALGA Free State after they discovered widespread capacity constraints on municipal financial management in the province. The broad programme principle is to enhance the capacity of both municipal officials and councillors responsible for finances.
<i>Have the studies been used as intended?</i>	The results of the study will be utilised in 2013 after the completion of the implementation. The feedback on the training programme was generally good. 59% of attendees indicated "Very Good" on the course evaluation; 39% indicated "Good" and 2% rated it as "Poor".
<i>To what did the study contribute?</i>	The purpose of the study was to lay the foundation for the roll-out of a finance capacity building programme that would contribute to effective financial viability to all municipalities in the Free State Province. A Finance Capacity Building Programme was implemented to enhance the skills and expertise of Councillors and Municipal Officials.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	No further issues were identified at the end of implementation.

Title of study:	Consultancy for the establishment of a Competency Framework & Capacity Building curriculum for the Nelson Mandela Bay District Municipality.
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The Purpose of the Study was to establish a competency framework and capacity building curriculum for MURP key stakeholders at a political, strategic, project management and administrative level. The beneficiary of the study was Motherwell Urban Renewal Programme and

	Relevant Stakeholders
<i>Have the studies been used as intended?</i>	The study contributed to the objective as all agreed deliverables were approved by all stakeholders. The study produced a Competency Assessment, Personal Development Planning Model, as well as a funding model for the project.
<i>To what did the study contribute?</i>	The study contributed to establishing a competency framework and capacity building curriculum for MURP key stakeholders at a political, strategic, project management and administrative level.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	Major delays experienced at Supply Chain Management level.

Title of study:	Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality DARDLA Mpumalanga.
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	<p>The study was carried out in Nkangala District and it aimed at showing practical and pragmatic innovative solutions with best practice to create sustainable farming. The specific objective of this project is to conduct a feasibility study and make recommendations aimed at:</p> <ul style="list-style-type: none"> • Increased support to agrarian reform through provision of pre and post settlement support; • Increased access by farmers to comprehensive technical support through competitive and specialized advisory services; • Increased household level food security through the implementation of appropriate household level interventions; • More facilitated sustainable agricultural development to agri-businesses; • Provision of specialized pre and post agricultural disaster and risk advisory services to farmers and other relevant stakeholders; • Support to development of credible IDP's ; • Improved tenure security; and • Effective use of rural and urban land • Creating sustainable job opportunities for the Youth and Women of Mpumalanga within the agricultural sector • Outlining a mentoring and training strategy and curriculum for the Youth and Women in agriculture according to international best practice and SABS and ISO standards in order to build capacity and lifelong skills • Assisting relevant, local educational bodies to provide suitable agricultural education. • The provision of on farm agricultural services support; and • Linking production with sustainable markets
<i>Have the studies been used as intended?</i>	The study was implemented according to the TOR and the report was accepted by all stakeholders.
<i>To what did the study contribute?</i>	<p>The study contributed to identifying the major issues and challenges that make the farming unsustainable. Recommendation an all identified aspects have been put forward. Since the Study Fund makes no provision for further follow up once a report is presented it is difficult to say whether this has been taken forward by DARDLA in ensuring sustainable farming.</p> <p>The project deliverables comprised of the inception report, natural resources report, feasibility study report with recommendations, presentation of the full</p>

	report and the final report incorporating inputs made at the presentation.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	The implementation was delayed by procurement process followed.

Title of study:	Expert in Risk Management for the South African Health sector National Treasury, Chief Directorate: Capacity Building.
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	<p>The intervention was organised by National Treasury and was piloted in the Eastern Cape Department of Health. The National Treasury completed a financial management capability maturity assessment of various government departments, and identified, among other things, the need to strengthen the risk management strategies of the Health Sector. Health, disease and well-being are complex states that are influenced by a range of factors such as gender, socio-economic development, health care access, physical environment and inequity. However, the Health Sector does not have a reliable and validated evidence base of the various risk factors that undermine the objective of providing quality health care. It is well recognised that progress toward sustainable development requires quality information for decision-making and risk management. The regular measurement of indicators allows one to track trends, providing information for more informed choices, as well as allowing for continuous improvement. More specifically, the identification and prioritisation of risk factors for the health sector will enable more targeted and needs-based intervention strategies to mitigate risks and enhance the chances of successful strategic outcomes. Thus, informed risk mitigation strategies will contribute immensely towards sustainable health care and improvement in the general health of the public.</p> <p>This intervention was designed for the purpose of addressing the lack of timely information and measurement indicators which prevent robustness and rigour in risk management. The Eastern Cape Department of Health was identified as the pilot department for rectifying the poor risk management practices in the broader health sector. The intention was to then replicate the positive experiences from this department to the other provincial health departments, thus securing an incremental and sustainable improvement in risk management across the health sector. The department was chosen given the demonstrated strong leadership to improve the department's performance.</p>
<i>Have the studies been used as intended?</i>	The study was used as intended and a risk management report has been produced.
<i>To what did the study contribute?</i>	The study contributed to the development of EC DoH risk profile and risk indicators pertaining to health programme objectives. The tools developed for this study were piloted to gauge its rigor and validity. HST further developed a guide for the risk determination and rating processes. These refinements were made in response a request from National Treasury for policy informed criteria to guide the risk rating process.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	No issues arose regarding the actual delivery of the study.

Title of study:	Supporting South Africa's National Health Insurance Reform.
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The intervention was organised by the National Treasury's Chief Directorate for Health and Social Development working with the National Department of Health for the purpose of determining more precise benchmarks and/or norms and standards

	for particular areas of expenditure regarding the implementation of the National Health Insurance (NHI).
<i>Have the studies been used as intended?</i>	<p>A final report was produced for the selected Non-Negotiable Goods and Services where the following were reported on:</p> <ul style="list-style-type: none"> • Quantify the last 3 years' expenditure per province • Define benchmarks for each of the non-negotiables • Quantify per province and per level of care the required budget, according to the benchmarks, for the next 2 years <p>Compare existing Medium Term Expenditure Framework (MTEF) budgets with suggested MTEF budgets.</p>
<i>To what did the study contribute?</i>	<p>This study has defined two sets of 'bottom' benchmarks for selected NNs: one benchmark based on the average of the provinces expenditure over the last three years, and the second one on the 60th centile of these provinces. Analysis of the past expenditure per NN showed large variations between provinces, with some provinces at a very worrying low level of expenditure. Some variations in expenditure may reflect data quality issues. In some cases, low/high expenditure may be partly due to mis-coding of expenditure by Item, inaccurate allocation of expenditure to individual facilities and level of care. Total expenditure on vaccines per province stands at R825 million in 2012/13, whilst it is R1.2 billion according to the NDoH, pointing to coding issues. The same coding issues may affect the breakdown of the budgets. Data from some provinces were much more consistent and comprehensive than in others. Variation in hospital expenditure also partly reflects the issue of mixed levels of care in hospitals, like combos (KZN) or hospital complexes (EC). Large outliers need to be investigated to assess whether these are justified by different scopes of services due to the local situation or due to other issues including inefficiencies.</p>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	No issues have arose during the project implementation.

Title of study:	Workshop on Future Development Cooperation between South Africa and Belgium.
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The objective of this activity was to finance consultancies to investigate instruments for South Africa- Belgium future development cooperation. The South Africa- Belgium Workshop on Future Development Cooperation was scheduled on 12 June 2013.
<i>Have the studies been used as intended?</i>	The expertise was solicited and the workshop took place as planned. A report on discussed points was produced.
<i>To what did the study contribute?</i>	<p>The workshop contributed to discussions and sharing of ideas on future development cooperation.</p> <p>Based on the above mentioned focus three consultants were appointed to provide inputs at the South Africa- Belgium Workshop on Future Development Cooperation, as follows:</p> <ul style="list-style-type: none"> • Dr. Siphamandla Zondi for his inputs based on his experience in Official Development Assistance. • Ms. Matshidiso Kgothatso Serote for her inputs based on her experience in Official Development Assistance. • Ms. Hermine Engel who will prepare a report for the South Africa- Belgium Workshop. <p>The activity took place as planned and reported accordingly.</p>

<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	None.
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Title of study:	Seed Funding for the appointment of a Provincial HR Specialist at the KwaZulu Natal Provincial Treasury
<i>Describe, in a few sentences, for who the study was organised, and what it was about</i>	The purpose of the activity is to assist the KwaZulu Natal Provincial Treasury as a custodian of the fiscus to improve the ability of better budgeting for HR across the province (KwaZulu Natal), as per below: <ul style="list-style-type: none"> To assist with benchmarking on whether the remuneration of public service is in line with productivity expectations Determine the extent to which departmental personnel structures are aligned with core mandates Ensure that the Provincial Treasury and departments, budget appropriately for HR line items, especially when conditions of employment are reviewed.
<i>Have the studies been used as intended?</i>	This activity is under implementation, pending the appointment of a consultant.
<i>To what did the study contribute?</i>	This activity is under implementation, pending the appointment of a consultant.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did they impact the study or the use of the study?</i>	Delays in procurement are observed. The responsible department hasn't yet completed the procurement process as no suitable candidates were found. The process will be restarted in January 2014.

3.2 Expertise

3.2.1 Progress of expertise

Progress of expertise	A	B	C	D	Comments (only if the value is C or D)
1 Feasibility study for Finance Capacity Building Programme in Free State : SALGA Free State - Akhile Management and Consulting	X				
2 Consultancy for the establishment of a Competency Framework & Capacity Building curriculum for the Nelson Mandela Bay District Municipality – Spontaneous Management Consulting	X				
3 Feasibility Study for the development of a Sustainable Agricultural Development Projects for Nkangala District Municipality DARDLA Mpumalanga – Agrimegalo Consulting	X				
4 Expert in Risk Management for the South African Health sector National Treasury, Chief Directorate: Capacity Building – Health Systems Trust (HST)	X				
5 Supporting South Africa's National Health Insurance Reform – HST	X				
6 Workshop on Future Development Cooperation between South Africa and Belgium – three consultants appointed	X				
7 Seed Funding for the appointment of a Provincial HR Specialist at the KwaZulu Natal Provincial Treasury			X		The procurement process is taking longer than anticipated and this is causing a delay in the start-up of the implementation.

3.2.2 Analysis of expertise

Title of expertise – name of expert:	Feasibility study for Finance Capacity Building Programme in Free State : SALGA Free State - Akhile Management and Consulting
<i>Describe, in a few sentences, what the expertise is/was about</i>	The study was organised for and by the SALGA Free State after they discovered widespread capacity constraints on municipal financial management in the province. The broad programme principle is to enhance the capacity of both municipal officials and councillors responsible for finances.
<i>To what extent is the expertise delivering results?</i>	The contract was completed and the service provider has delivered according to the TOR. Final report was approved by all concerned.
<i>To what has the expertise contributed?</i>	The experts are providing training to new councillors and administrative staff in the following fields: <ul style="list-style-type: none"> • Financial Management – budgeting, safeguarding, monitoring (financial reporting) and auditing; • The budgeting cycle and community participation; • Sources of municipal income • Tariffs and municipal services • Property rates • Managing money flow • Ward Committee role • Service delivery budget implementation plan
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	None.

Title of expertise – name of expert:	Consultancy for the establishment of a Competency Framework & Capacity Building curriculum for the Nelson Mandela Bay District Municipality – Spontaneous Management Consulting
<i>Describe, in a few sentences, what the expertise is/was about</i>	To establish a competency framework and capacity building curriculum for MURP key stakeholders at a political, strategic, project management and administrative level with particular focus on the following areas: <ul style="list-style-type: none"> • investment in economic and social infrastructure • human resource development • enterprise development • the enhancement of the development capacity of local government • poverty alleviation • the strengthening of the criminal justice system
<i>To what extent is the expertise delivering results?</i>	The experts have delivered in accordance with the approved TOR. Final deliverables were approved by all concerned.
<i>To what has the expertise contributed?</i>	The expertise contributed to establishing a competency framework and capacity building curriculum for MURP key stakeholders at a political, strategic, project management and administrative level.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	The major issue which delayed the implementation of the project was related to the lack of understanding of financial disbursement procedures as well as Supply Chain Management Processes. A meeting was convened between the relevant parties where all the issues were discussed and a way forward in continuing the implementation was reached.

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

Title of expertise – name of expert:	Expert in Risk Management for the South African Health sector National Treasury, Chief Directorate: Capacity Building – Health Systems Trust (HST)
<i>Describe, in a few sentences, what the expertise is/was about</i>	<p>The expertise was required to identify and develop systems that would strengthen the risk management strategies of the Health Sector, with Eastern Cape Department of Health as the pilot. Health, disease and well-being are complex states that are influenced by a range of factors such as gender, socio-economic development, health care access, physical environment and inequity. However, the Health Sector does not have a reliable and validated evidence base of the various risk factors that undermine the objective of providing quality health care. This is a serious gap given the following 10 point strategic objectives of the National Department of Health, aimed at creating a well-functioning health system capable of producing improved health outcomes.</p> <ol style="list-style-type: none"> i. Provision of strategic leadership and creation of a social compact for better health outcomes; ii. Implementation of National Health Insurance (NHI); iii. Improving the Quality of Health Services; iv. Overhauling the health care system and improve its management; v. Improving Human Resources Management, Planning and Development; vi. Revitalization of infrastructure; vii. Accelerated implementation of HIV & AIDS and Sexually Transmitted Infections National Strategic Plan 2007-11 and increase focus on TB and other communicable diseases; viii. Mass mobilisation for better health for the population; ix. Review of the Drug Policy; and x. Strengthening Research and Development
<i>To what extent is the expertise delivering results?</i>	<p>The experts have successfully maintained the delivery deadlines and achievement of milestones as set out in the ToR.</p>
<i>To what has the expertise contributed?</i>	<p>The expertise contributed to development of the risk determination framework which will be used to identify the categories of staff. HST has further refined the data collection tools in accordance with requests from NT to include criteria to guide the risk rating process. The Risk determination and risk rating tools were piloted at Tshwane Municipality in Pretoria.</p> <p>All activities and findings were documented in a report containing the EC DoH risk profile and risk indicators pertaining to health programme objectives.</p> <p>Training workshop for skills transfer convened and a soft copy report disseminated and final training session conducted.</p>
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	<p>On 8 February 2013, a letter from HST was received requesting an additional funding of R 273,466 to cover unforeseen additional expenses. These related to logistical arrangements covered by HST to ensure a good response rate and high quality data being produced. These expenses were initially agreed at project inception to be covered by Eastern Cape Department of Health who failed to fulfil this commitment. Consequently HST covered these costs outside the contractual agreement. Unfortunately, this arrangement was not accepted by BTC and the request for additional funding was rejected as it was not part of the initial contractual agreement and would have not comply with the procurement process embarked on.</p>

Title of expertise – name of expert:	Supporting South Africa's National Health Insurance Reform – HST
<i>Describe, in a few sentences, what the expertise is/was about</i>	The intervention was organised by the National Treasury's Chief Directorate for Health and Social Development working with the National Department of Health for the purpose of determining more precise benchmarks and/or norms and standards for particular areas of expenditure regarding the implementation of the National Health Insurance (NHI).
<i>To what extent is the expertise delivering results?</i>	The results have been produced in accordance with the TOR.
<i>To what has the expertise contributed?</i>	A final report was produced for the selected Non-Negotiable Goods and Services where the following were reported on: <ul style="list-style-type: none"> • Quantify the last 3 years' expenditure per province • Define benchmarks for each of the non-negotiables • Quantify per province and per level of care the required budget, according to the benchmarks, for the next 2 years Compare existing Medium Term Expenditure Framework (MTEF) budgets with suggested MTEF budgets.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	No major issues arose during the implementation of the activity.

Title of expertise – name of expert:	Workshop on Future Development Cooperation between South Africa and Belgium – three consultants appointed: Dr. Siphamandla Zondi; Ms. Matshidiso Kgothatso Serote; Ms. Hermine Engel
<i>Describe, in a few sentences, what the expertise is/was about</i>	The objective of this activity was to finance consultancies to investigate instruments for South Africa- Belgium future development cooperation. The South Africa- Belgium Workshop on Future Development Cooperation was scheduled on 12 June 2013.
<i>To what extent is the expertise delivering results?</i>	The consultants have provided their input and participated in the discussions as foreseen.
<i>To what has the expertise contributed?</i>	The consultants were appointed to provide inputs at the South Africa- Belgium Workshop on Future Development Cooperation, as follows: <ul style="list-style-type: none"> • Dr. Siphamandla Zondi for his inputs based on his experience in Official Development Assistance. • Ms. Matshidiso Kgothatso Serote for her inputs based on her experience in Official Development Assistance. • Ms. Hermine Engel who will prepare a report for the South Africa- Belgium Workshop. The activity took place as planned and reported accordingly.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	No issues arose regarding the implementation of this activity.

Title of expertise – name of expert:	Seed Funding for the appointment of a Provincial HR Specialist at the KwaZulu Natal Provincial Treasury
<i>Describe, in a few sentences, what the expertise is/was about</i>	The TOR for the expertise is yet to be agreed on by all concerned.
<i>To what extent is the expertise delivering results?</i>	The start of the actual implementation is pending the appointment of the service provider.
<i>To what has the expertise contributed?</i>	This cannot yet be determined, as the implementation of the activity has not yet started.
<i>Issues that arose, influencing factors (positive or negative)? Unexpected results (positive or negative)? How did these impact the expertise and the result of this expertise</i>	Delays in procurement are observed. The responsible department hasn't yet completed the procurement process as no suitable candidates were found. The process will be restarted in January 2014.

3.3 Budget execution

As per FIT. The budget vs. current is attached to the annual report. Refer to Annex 5 for details.

Currently, only 31% of the budget has been utilised.

The inflow of applications during 2013 has been very limited. In addition the quality of proposals was also not up to standard as most applications were turned down by the Fund Directors due to lack of clarity of objectives and deliverables from studies, as mentioned above. Only two new studies were approved during 2013. All other studies under implementation were successfully completed during 2013.

3.4 Quality criteria

On the basis of the elements above, attribute a simple A, B, C or D score² to the following criteria

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

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

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

Criteria	Score
Relevance	A
Efficiency	B
Effectiveness	A

²

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

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

3.5 Risk management

Provide the evolution of risks³ and how they have been managed. Identified risks consist of risks emanating from the TFF and significant risks that have been identified during the implementation of the intervention. Risks can also be identified during the Annual reporting.

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

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

Risk Identification			Risk analysis			Risk Treatment			Follow-up of risk	
Description of Risk	Period of identification	Risk category	Probability	Potential Impact	Total	Action(s)	Resp.	Deadline	Progress	Status
Tender Procedures	2013	Operational	M	L	A	Revise the Procedure Manual to include the acceptable tender procedures.	BTC	Q1 2014	Action to be initiated	In progress
						Design a comprehensive ToR template to address potential bottlenecks in the procurement process	BTC	Q1 2014	Action to be initiated	
						Ensure constant follow up on the tender process steps to avoid potential cancellation/non-acceptance of the procedure	BTC	Continuous	Action to be initiated	
In flow of proposals	2013	Operational	M	H	C	Continuous publicity of the funding mechanism	BTC & NT	Continuous	This has been successful so far. 9 proposals are currently in the pipeline for approval.	In progress
						Ensure a faster approval process of proposals	BTC & NT	Continuous	Action to be initiated with the first request for funding	

³ Limit yourself to Development Risks, Reputational Risks

4 Steering and Learning

4.1 Recommendations

Recommendations	Actor	Deadline
Revise the Procedure Manual. The procedure manual could be revised to include the tender procedures expected to be followed.	Fund and Co-Fund Directors	Q1 2014
Draft a comprehensive template for Terms of Reference with specific guideline regarding the expected content of the proposal, to avoid delays in approval as well as rejection of the proposal due to low quality.	Fund and Co-Fund Directors	Q1 2014
Reinforce the strengths of the Fund modalities (e.g. utilise the electronic system for approval of proposals), which can eliminate the bureaucratic delays caused by convening meetings. Shorten the duration of proposal revision and provide comments within a maximum of 2 weeks from receiving the proposal.	Fund and Co-Fund Directors	On-going
Inform the Idea Generators of the funding ceiling (which is now equal to the amount of the mandate of the Res Rep).	Fund and Co-Fund Directors	Q1 2014
Convey frequent meetings with different Government Agencies to ensure continuous awareness being created on the existence of the fund.	Fund and Co-Fund Directors	On-going
Constant follow up and monitoring of each activity to avoid delays in implementation.	Fund and Co-Fund Directors	On-going
Discuss the above in the next JLCB and formalise the required procedures.	Fund and Co-Fund Directors	Q1 2014
Include a monitoring process post implementation to avoid having another report on the desk not being implemented.	Fund and Co-Fund Directors	Q1 2014

4.2 Lessons Learned

Lessons learned	Target audience
Active publicity has a very good result. This need to be maintained to ensure a good number of qualitative proposals received in future	BTC and NT
Provision of detailed but short guidelines and templates regarding the procedures of the fund is beneficial and ensures a better quality of proposals	Beneficiaries, NT and BTC

5 Annexes

5.1 “Budget versus current (y – m)” Report

Budget vs Actuals (Year to Month, Last 5 Years) of SAF0901711											
Project Title : Creation of a Belgo South African Fund for Transfer of Know-How, Studies and Consultancies											
Budget Version : C8 Year to month : 31/12/2013											
Currency : EUR											
YtM : Report includes all closed transactions until the end date of the chosen closing											
Status	Fin Mode	Amount	Start to 2009	2010	2011	2012	Expenses	Total	Balance	% Exec	
A	FONDS NON-ALLOUÉS	1.390.889,00		-215,85	-127,82	-210,45	-12.264,45	-12.818,57	1.403.707,57	-1%	
	01 Fonds non-alloués	1.390.889,00		-215,85	-127,82	-210,45	-12.264,45	-12.818,57	1.403.707,57	-1%	
	01 Fonds non-alloués	COGES	1.390.889,00	-215,85	-127,82	-210,45	-12.264,45	-12.818,57	1.403.707,57	-1%	
B	ALLOCATED FUNDS	37.100,00					2.918,42	2.918,42	34.181,58	8%	
	01 IDC - Workshop	2.100,00					2.918,42	2.918,42	-818,42	139%	
	01 Workshop on Future Development	COGES	2.100,00				2.918,42	2.918,42	-818,42	139%	
	02 KwaZulu Natal Provincial Treasury	35.000,00					0,00	0,00	35.000,00	0%	
	01 Seed Funding for the appointment of a	COGES	35.000,00				0,00	0,00	35.000,00	0%	
Z	ALLOCATED FUNDS	664.218,33	86.429,81	153.103,21	328.429,41	96.349,29	664.311,71	-93,38	100%		
	01 Department of Higher Education & Training	32.750,00			32.749,66		0,00	32.749,66	0,34	100%	
	01 FET College Lecturer Development	COGES	32.750,00		32.749,66		0,00	32.749,66	0,34	100%	
	02 National Department of Health	7.353,00		7.353,09			0,00	7.353,09	-0,09	100%	
	01 Seminar-Lean Methodology to Public Sector	COGES	7.353,00	7.353,09			0,00	7.353,09	-0,09	100%	
	03 National Treasury - SCOA	73.722,00		15.466,34	58.255,38		0,00	73.721,72	0,28	100%	
	01 Development of Standard chart of accounts	COGES	73.722,00	15.466,34	58.255,38		0,00	73.721,72	0,28	100%	
	04 National Treasury - GRAP	63.610,00		63.610,38			0,00	63.610,38	-0,38	100%	
	01 Seminar - Municipal Mngmnt Reform	COGES	63.610,00	63.610,38			0,00	63.610,38	-0,38	100%	
	05 Ba-Phalaborwa Municipality	47.031,79			15.880,54	31.351,26	0,00	47.031,79	0,00	100%	
	01 Feasible Solution on Poverty reduction,	COGES	47.031,79		15.880,54	31.351,26	0,00	47.031,79	0,00	100%	
	06 University of Western Cape	27.704,00			27.703,54		0,00	27.703,54	0,46	100%	
	REGIE										
	COGEST	2.092.207,33	86.213,96	152.975,39	328.218,96	87.003,26	654.411,56	1.437.795,77	31%		
	TOTAL	2.092.207,33	86.213,96	152.975,39	328.218,96	87.003,26	654.411,56	1.437.795,77	31%		

Budget vs Actuals (Year to Month, Last 5 Years) of SAF0901711 Printed on vrijdag 28 februari 2014

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Budget vs Actuals (Year to Month, Last 5 Years) of SAF0901711

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

Budget Version : **C8**

Currency : **EUR**

YtM :

Year to month : 31/12/2013

Report includes all closed transactions until the end date of the chosen closing

	Status	Fin Mode	Amount	Start to 2009	2010	2011	2012	Expenses	Total	Balance	% Exec
01 External review of Plaas Teaching		COGES	27.704,00			27.703,54		0,00	27.703,54	0,46	100%
07 South African Local Government			29.084,95				23.341,36	5.742,99	29.084,35	0,60	100%
01 Feasibility study on Roll out of Finance		COGES	29.084,95				23.341,36	5.742,99	29.084,35	0,60	100%
08 Presidential SOE Review Committee			38.031,84				38.031,84	0,00	38.031,84	0,00	100%
01 Establishment of the Presidential State		COGES	38.031,84				38.031,84	0,00	38.031,84	0,00	100%
09 Free State Provincial Treasury			61.659,06			9.357,05	52.302,30	0,00	61.659,34	-0,26	100%
01 Technical Assistance for the Public Sector		COGES	61.659,06			9.357,05	52.302,30	0,00	61.659,34	-0,26	100%
10 Gauteng Provincial Treasury			59.336,89			9.357,05	49.979,85	0,00	59.336,89	0,00	100%
01 Technical Assistance to strengthen PFM		COGES	59.336,89			9.357,05	49.979,85	0,00	59.336,89	0,00	100%
11 NMBM			45.714,00					37.870,74	37.870,74	7.843,26	83%
01 Establishment of a Competency Framework		COGES	45.714,00					37.870,74	37.870,74	7.843,26	83%
12 DARDLA-MPU			46.407,91				40.104,95	6.302,43	46.407,38	0,53	100%
01 Feasibility Study for the Dev of a Sustainable		COGES	46.407,91				40.104,95	6.302,43	46.407,38	0,53	100%
13 GRAP_National Treasury			54.848,59				54.848,58	0,00	54.848,58	0,01	100%
01 Expert in the Development of Implementation		COGES	54.848,59				54.848,58	0,00	54.848,58	0,01	100%
14 National Treasury- Health sector			46.964,28				37.285,61	17.425,82	54.711,43	-7.747,15	116%
01 Expert in Risk Management for the South		COGES	46.964,28				37.285,61	17.425,82	54.711,43	-7.747,15	116%
15 National Health Insurance Reform			30.000,00				1.183,67	29.007,31	30.190,98	-190,98	101%
01 Supporting South Africa's National Health		COGES	30.000,00				1.183,67	29.007,31	30.190,98	-190,98	101%
99 Conversion rate adjustment			0,00					0,00	0,00	0,00	7%
		REGIE									
		COGEST	2.092.207,33		86.213,96	152.975,39	328.218,96	87.003,26	654.411,56	1.437.795,77	31%
		TOTAL	2.092.207,33		86.213,96	152.975,39	328.218,96	87.003,26	654.411,56	1.437.795,77	31%



Budget vs Actuals (Year to Month, Last 5 Years) of SAF0901711 Printed on vrijdag 29 februari 2014

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Budget vs Actuals (Year to Month, Last 5 Years) of SAF0901711

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

Budget Version : **C8**

Currency : **EUR**

YTM :

Report includes all closed transactions until the end date of the chosen closing

Year to month : 31/12/2013

	Status	Fin Mode	Amount	Start to 2009	2010	2011	2012	Expenses	Total	Balance	% Exec
99 Conversion rate adjustment		COGES	0,00					0,00	0,00	0,00	??

REGIE

COGEST	2.092.207,33	86.213,96	152.975,39	328.216,96	87.003,26	654.411,56	1.437.795,77	31%
TOTAL	2.092.207,33	86.213,96	152.975,39	328.216,96	87.003,26	654.411,56	1.437.795,77	31%



5.2 Decisions taken by the JLCB and follow-up

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

Decision to take					Action			Follow-up	
Decision to take	Period of identification	Timing	Source	Actor	Action(s)	Resp.	Deadline	Progress	Status
Due to low amounts of proposals submitted during 2013, the JLCB did not meet as planned. No decisions are recorded during the reporting period.								The next JLCB is planned in Q1 2014	