



cooperative
governance

Department:
Cooperative Governance
REPUBLIC OF SOUTH AFRICA

IUDF PRESENTATION TO THE ETHIOPIAN CITIES ASSOCIATION DELEGATION 11 MAY 2022



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WORLD BANK



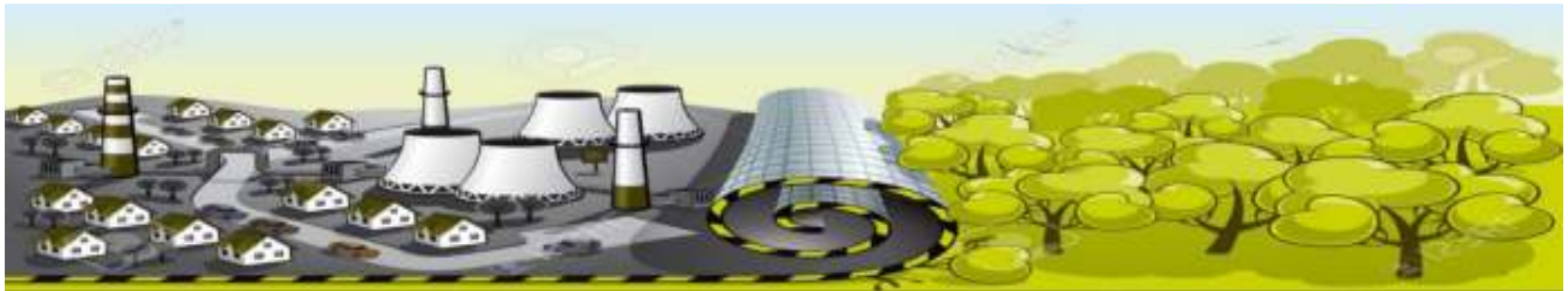
Urbanisation in the global context

- Africa will be the fastest urbanizing region between 2020 to 2050. By 2050 world urban population will be concentrated in Asia (52%) & **Africa (21%)**

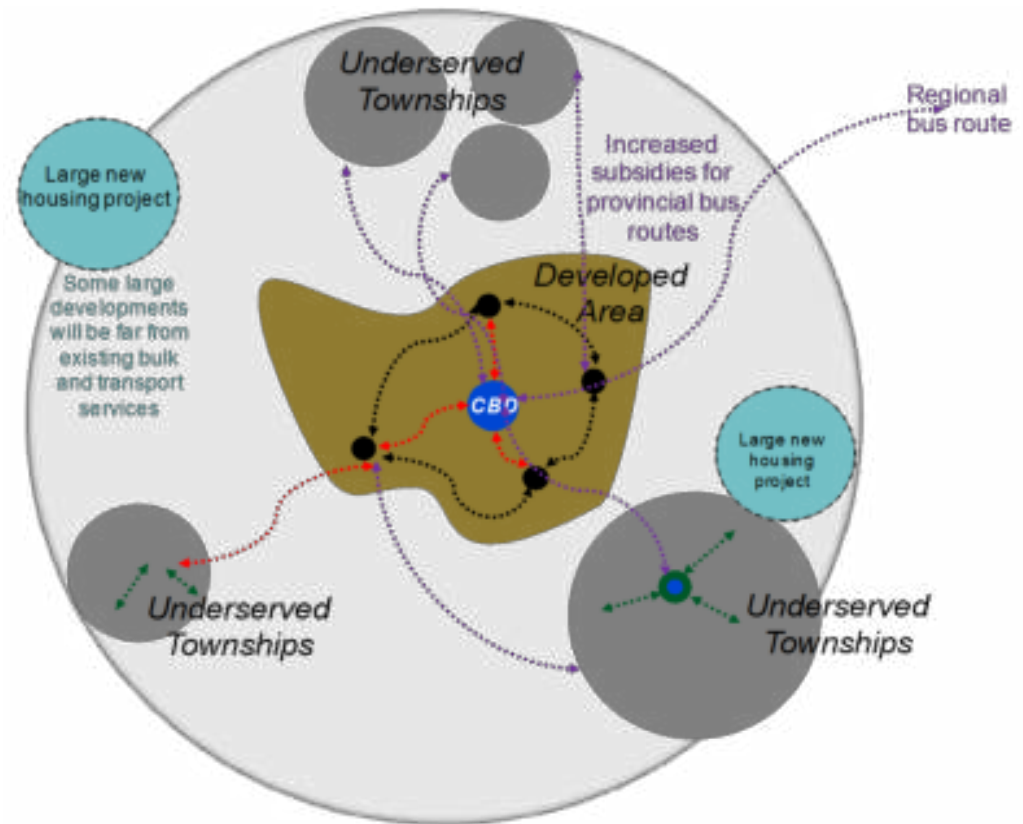


South Africa is urbanizing rapidly

- 63% of South Africans already live in urban areas
- This will rise to 71% by 2030
- By 2050, 8 in 10 South Africans will live in Urban Areas
- South Africa should be benefitting from an `urban dividend`, instead:
 - a. it is home to the most unequal cities on the planet
 - b. economic growth & job creation is insufficient & not inclusive
 - c. People trade in informality & live informal settlements
 - d. The poorest in most `at risk` areas



Spatial Inequality – a reality in South Africa



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Overview of the IUDF



Genealogy of the IUDF

Development of the IUDF started in **November 2012.**

PHASE 1

Discussion Document launched in **October 2013.**



PHASE 2

Draft IUDF approved by Cabinet in **September 2014** for public consultation.



PHASE 3

Consultation Process **October 2014 – July 2015**



PHASE 4

CABINET APPROVES IUDF

26 April 2016.



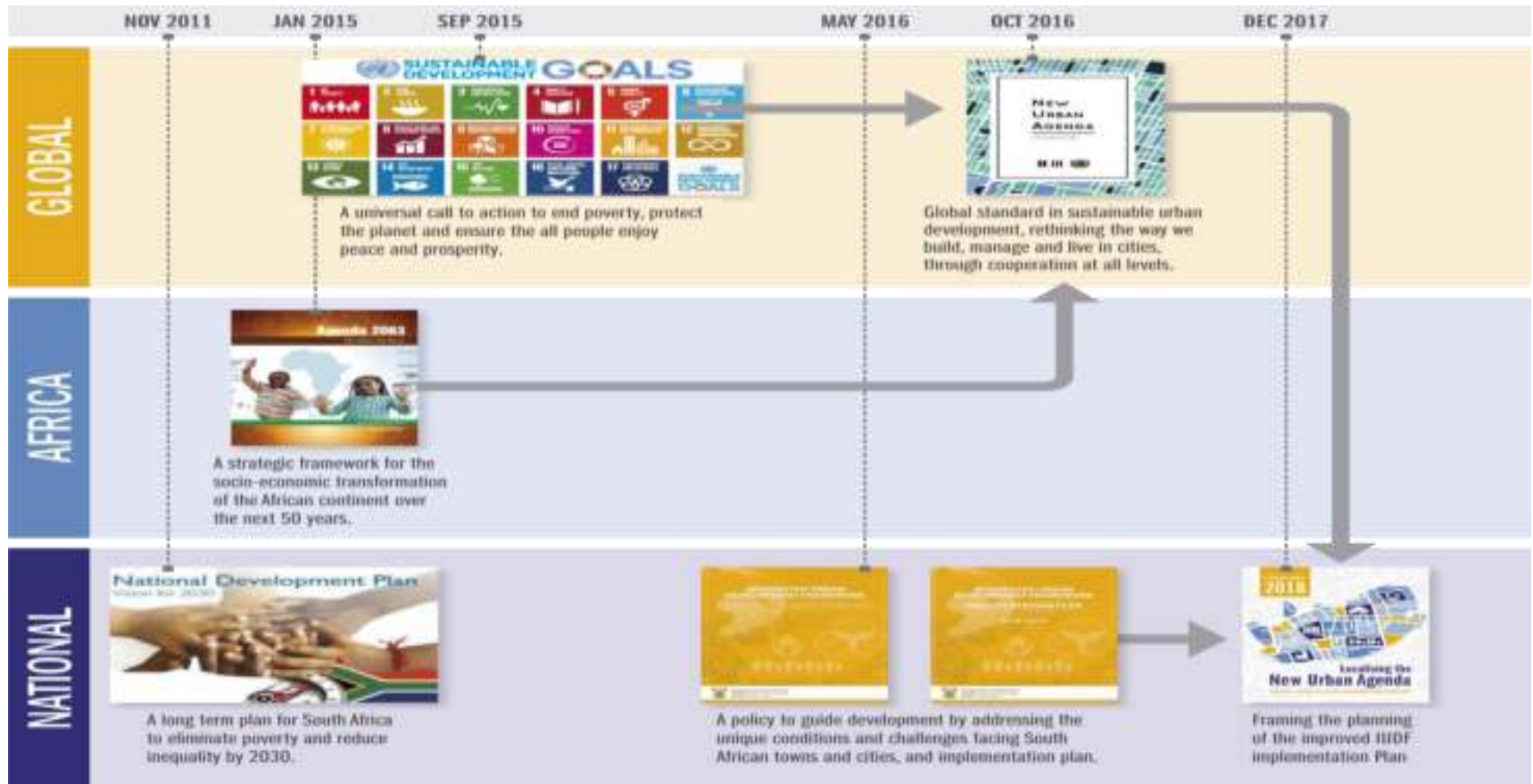
PHASE 5 (2016-2019)

Implementation of the short term (2016/19) priority actions as identified in the IUDF Implementation Plan.

Currently on Phase 6 with an Implementation Plan for 2020-2025



Alignment with other policy imperatives



IUDF Vision and Strategic goals



IUDF critical elements

The IUDF's overall outcome – **spatial transformation**: reversing the inefficient spatial patterns in a way that promotes both social and economic development while protecting the environment.

The IUDF proposes an **urban growth model** of **compact**, **connected** and **coordinated** cities and towns.

Land, transport, housing, and jobs are key structuring elements critical for the attainment of the outcome.

The overall objectives is to create efficient urban spaces by:

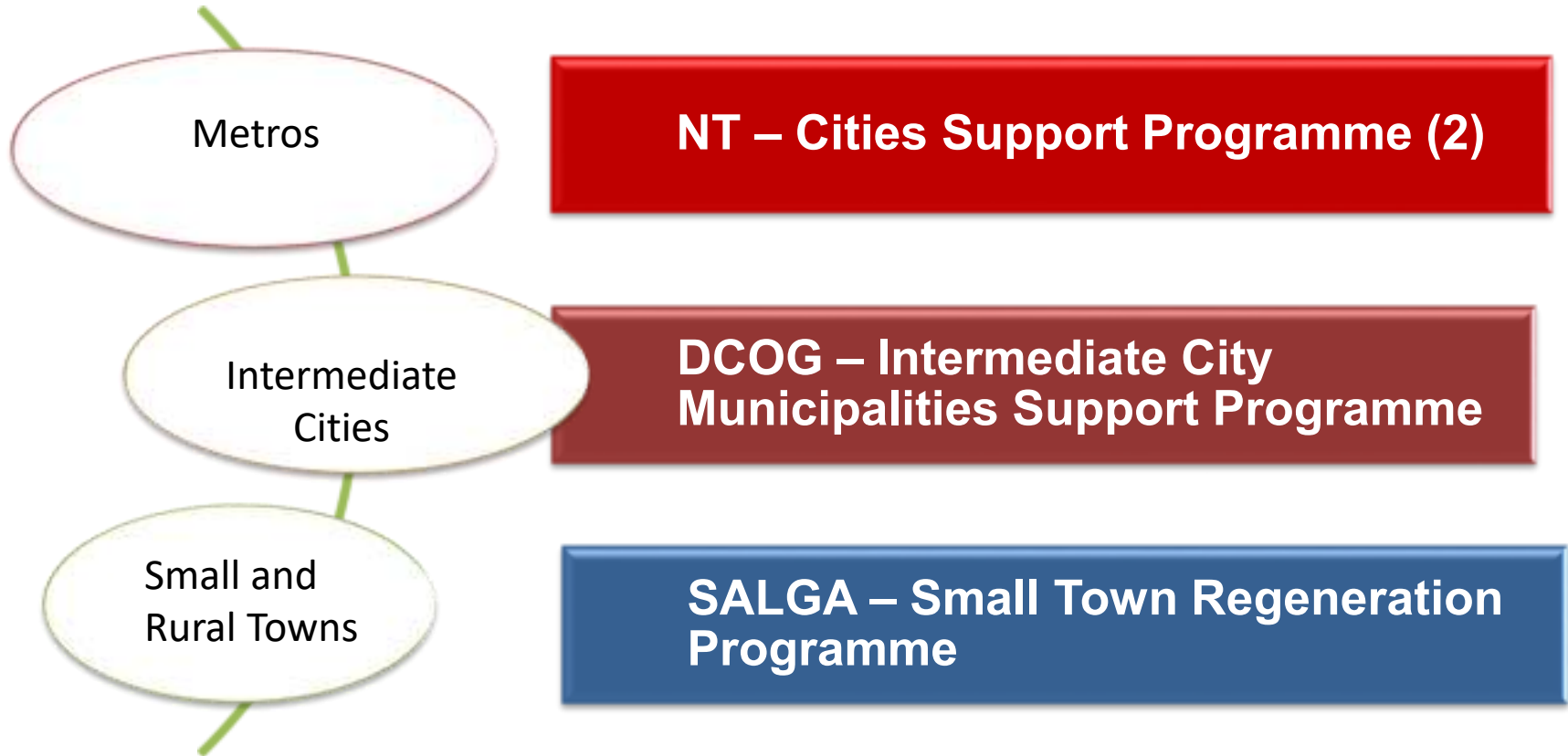
- Aligning land use, transport planning and housing
- Preventing development of housing in marginal areas
- Increasing urban densities and reducing sprawl
- Shift jobs and investment towards dense peripheral townships
- Improve public transport and the coordination between



IUDF IMPLEMENTATION



IUDF Implementation approach



Intermediate Cities Support Programme – why?

- Internationally, there is growing interest in intermediate cities because many are growing faster than the metropolitan cities and find themselves unable to cope effectively with the pace of urbanization.
- This often results in:
 - *weak strategic planning,*
 - *poor infrastructure,*
 - *weak leadership,*
 - *low ability to attract and retain strong expertise,*
 - *weak access to fiscal resources*
 - *poor liveability*



Why a focus on intermediate cities?

- Whilst ICMs face a number of problems/challenges which are similar to the challenges encountered by metropolitan cities, ICMs in South Africa are characterized by their high degree of variability (by comparison with the Metros).
- Key specificities of the ICMS:
 - The dynamics of land use on traditional land – large percentages of land under the ownership of traditional leaders.
 - ICM size and spatial extent – generally smaller than metros and have significant development challenges
 - Economically, generally dependent on one or two economic sectors.
 - Weaker capacities in governance, service delivery and financial management.
 - Poor performance in infrastructure investment.



Focus of the ICM Support Programme

- The ICM theory of change starts from the premise that it will not be possible to give all nine IUDF levers the same emphasis.
- Although all of the levers will receive some attention, ICMSP places focus on the following:
 - Efficient Land Governance and Management (**Lever 5**)
 - Sustainable Finances (**Lever 9**)
 - Integrated Urban Planning and Management (**Lever 1**)
 - Inclusive Economic Development (**Lever 6**)
 - Integrated Urban Infrastructure (**Lever 4**)



ICM SP Focus areas

ICM Theory of change: compact and connected cities and towns.

Restructured system of inter-governmental grants that incentivise cities to focus on outcomes & leverage other sources of finance – programme not project focus

Policies & planning instruments that enable cities to lead urbanisation process

Enabling environment support

Fiscal framework support

Implementation support

Technical assistance to compile SPLUMA compliant SDFs, Infr. Inv programmes (CEFs) & project linked to SDFs monitor implementation



ICM Support Programme Outcomes

Policy Levers	Outcomes	Overall impact
Efficient Land Governance & Management	Better Financial & Leadership Platform	<p>Strategic Outcome: Spatial Transformation</p> <p>Impact Outcome: IUDF vision, goals and objectives achieved</p>
Sustainable Finances	Spatial plan linked to Development Plan	
Integrated Urban Planning & Management	SDF/Dev Plan linked to CEF	
Integrated Urban infrastructure	IUDG in place Incentivising outcomes	
Inclusive Economic Development	Sustained implementation	



Implementation of the IUDF to date

- **Cities Support Programme** – implemented by National Treasury and in its final phase focus on embedding learnings.
- **The Intermediate Cities Support Programme** was developed and implemented in partnership with the Swiss State for Economic Affairs and the World Bank. Implementation methodology has been developed.
- The implementation methodology was tested Polokwane and uMhlathuze municipalities - lessons learnt documented, currently aspects of it being implemented in various municipalities.
- Technical assistance on Spatial Planning and project management
- First phase of the roll out in Rustenburg, Steve Tshwete, KwaDukuza; Thulamela , Mogale City, Sol Plaatje and Drakenstein. Diagnostic assessments conducted in 9 municipalities in order to identify areas of further support.
- Established a peer-to-peer learning network for Intermediate Cities as a platform to share knowledge, ideas, co-creation and seeking of innovative solutions to urban development challenges.
- **Small Town Regeneration Programme** - implemented in partnership with SALGA. Strategy recently developed and launched.



Projects implemented under the ICM Support Programme

- Introduction of long-term infrastructure planning in ICMs – to date 12 ICMs have been supported. Plans focusing on planning, infrastructure provision and financing.
- Infrastructure Asset Management Plans
- Institutionalizing long term sustainable urban development – SDG localization.
- Introduction of a grant mechanism in support of the IUDF, specifically for intermediate cities – with incentives for good performance.
- Mainstreaming aspects of urban safety and resilience in urban development.
- Establishment of a peer learning network as a platform for exchange of knowledge amongst practitioners.



Projects implemented under ICM Support Programme

Gauteng	Western Cape	Mpumalanga	Limpopo	Kwa Zulu-Natal
<p>West Rand District Mogale City IUDG, CEF, ICM Support Programme SDG Localisation</p>	<p>Cape Winelands Stellenbosch IUDG, Peer Learning Network Infrastructure Asset Management Plan</p>	<p>Ehlanzeni District Nkomazi CEF Development to support SEZ establishment</p>	<p>Capricorn District Polokwane IUDF Pilot Learning Network IUDG</p>	<p>King Cetshwayo District Umhlathuze IUDF Pilot IUDG</p>
<p>Merafong – CEF Development with Gauteng Provincial Government SDG Localisation</p>	<p>Cape Winelands Drakenstein IUDG, ICM Support Programme</p>	<p>Ehlanzeni District Mbombela Peer Learning Network Long term planning with GIZ SDG Localisation</p>	<p>Vhembe District Thulamela ICM Support Programme</p>	<p>Ilembe District Kwa-Dukuza Learning Network ICM Support Programme Climate Change SDG Localisation</p>
	<p>Garden Route George CEF Development Infrastructure Asset Management Plan</p>	<p>Nkangala District Steve Tshwete ICM Support Programme Urban Safety Climate Change – Just Transition strategy with AFD</p>	<p>Greater Sekhukhune District Greater Tubatse/ Fetakgomo CEF Development</p>	<p>Ugu District Ray Nkonyeni IUDG CEF Development Infrastructure Asset Management Plan</p>
				<p>Amajuba District Newcastle CEF Development</p>



Projects implemented under ICM Support Programme

Free State	North West	Eastern Cape	Northern Cape
Fezile Dabi District Metsimaholo CEF Development	Bojanala District Rustenburg ICM Support programme CEF Development	O.R. Tambo District King Sabata Urban Safety with GIZ	Francis Baard District Sol Plaatjie ICM Support Programme Climate Change



Other implementation partners...

- Implementation of the programme in progress through internal grant and partnerships :
 - ICLEI: Urban Resilience and SDG localisation
 - African Development Bank: TA emanating from Diagnostic Reports
 - French Development Agency: Economic Development
 - GIZ: Urban Safety, Long-term planning and Climate Mitigation
 - DBSA: Project preparation and alternative funding solutions for infrastructure projects.
 - National Treasury: Long Term Financial Strategies and Precinct Management as an approach to Township Economic Development
 - USAID Washfin – credit worthiness and ratings, workshops on PPPs in partnership with NEPAD Business Foundation.





THANK YOU

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