

Denmark - South Africa

Urban Environmental Management Programme

Programme and Component Documents

Cover Page

Country:	South Africa	Sector:	Environment
Sector Programme:	Urban Environmental Management Programme		
Programme Partner:	Department of Environmental Affairs and Tourism (DEAT)		
Duration:	Five years from January 2006		
Overall Budget:	DKK 220 million from the Danida Country Programme (Special Environmental Assistance)		

Programme Description: The Urban Environmental Management (UEM) Programme provides support to South Africa's priorities in urban environmental management and development. The programme is derived from South Africa's national development policies and aims to promote a sustainable development path that contributes to poverty reduction, economic growth and the achievement of the Millennium Development Goals. The UEM Programme also supports enhanced inter-governmental cooperation for coordinated and effective municipal implementation of public sector services.

The UEM Programme is developed in response to South African priorities for Urban Environment, and in accordance with the Danida Environmental Strategy, the strategy for Danish-South African development cooperation, and the Danida Aid Management Guidelines. The UEM programme marks a shift from implementation through environmental projects to a sector programme support with an emphasis on poverty reduction. The strategic focus of the UEM Programme is:

- to develop institutional capacity for UEM at national, provincial and in particular municipal levels in selected locations with a particular focus on enabling implementation,
- to enhance the quality of the urban environment in cities of South Africa through mainstreaming of urban environmental challenges into planning and implementation of general development plans,
- to apply Danida assistance in a catalytic manner that adds value to the existing South African resources available to UEM.

The Development Objective of the UEM Programme is: "*Sustainable and poverty-oriented environmental management of urban areas in South Africa*".

The Development objective is achieved through three Components each with their own specific immediate objectives:

- Component 1: National and Provincial Urban Environmental Management
- Component 2: Knowledge Management and Civil Society Support
- Component 3: Local Government Support for Urban Environmental Management in selected Municipalities (Johannesburg, Sedibeng, Ekurhuleni, eThekweni and Cape Town).

The components constitute a continuation of past environmental co-operation between and South Africa and Denmark with a vision for the future. The components respond to emerging national priorities and can provide impetus and learning models informing efforts at inter-governmental cooperation for poverty-focussed environmental management in urban areas.

Pretoria, [Date]

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Government of South Africa

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Royal Danish Embassy, Pretoria

“Urbanisation and industrialisation in South Africa have impacted negatively on the quality of life of the urban poor and those living in dense settlements. Poor air quality, deficient waste management, inadequate water and sanitation systems, lack of access to electricity and other essential services have compounded environmental problems. The poor and disenfranchised have historically borne the burden of environmental pollution and degradation.”

Department of Environmental Affairs and Tourism (2004): “10 Year Review” (p.57).

Map of South Africa



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List of Abbreviations

AMG	:	Danida Aid Management Guidelines
BCSD	:	Business Council for Sustainable Development
CAIA	:	Chemical and Allied Industries Association
CEC	:	Committee for Environmental Coordination
CGE	:	Commission for Gender Equality
CSO	:	Civil Society Organisation
Danida	:	Danish International Development Assistance
DDG	:	Deputy Director General
DEAT	:	Department of Environmental Affairs and Tourism
DfID	:	United Kingdom Department for International Development
DKK	:	Danish Kroner
DME	:	Department of Mineral and Energy Affairs
DoH	:	Department of Health
DWAF	:	Department of Water Affairs and Forestry
EIA	:	Environmental Impact Assessment
EIP	:	Environmental Implementation Plan
EMP	:	Environmental Management Plan
IDC	:	International Development Cooperation, Chief Directorate in National Treasury
IDP	:	Integrated Development Plan
JAPR	:	Joint Annual Programme Review
KMCSS	:	Knowledge Management and Civil Society Support (Component 2)
LGS	:	Local Government Support (Component 3)
MDG	:	Millennium Development Goals
MFMA	:	The Municipal Finance Management Act
MinTECH	:	Forum of administrative heads of the national and provincial departments concerned with environment
MinMEC	:	National Minister and nine Members of provincial Executive Committees responsible for Environment
MoU	:	Memorandum of Understanding
MRC	:	Medical Research Council
MTEF	:	Medium Term Expenditure Framework
NAQMA	:	National Air Quality Management Act
NEAF	:	National Environmental Advisory Forum
NEMA	:	National Environmental Management Act
NEPAD	:	New Partnership for Africa's Development
NGO	:	Non-Governmental Organisation
Norad	:	Norwegian Agency for Development Cooperation
NPUEM	:	National and Provincial Urban Environmental Management (Component 1)
ODA	:	Official Development Assistance
PDAC	:	Programme Development Advisory Committee
PFMA	:	Public Finance Management Act
PGDS	:	Provincial Growth and Development Strategy

PSC	:	Programme Steering Committee
RDE	:	Royal Danish Embassy, Pretoria
RDP Fund	:	Reconstruction and Development Programme Fund
SACN	:	South African Cities Network
SALGA	:	South African Local Government Association
SOE	:	State of the Environment
TA	:	Technical Assistance
ToR	:	Terms of Reference
ZAR	:	South African Rand

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Executive Summary

South Africa and Denmark have cooperated on environmental projects in South Africa since 1995 with a contribution from Denmark of approximately 650 million Danish Kroner (DKK). The five-year Urban Environmental Management (UEM) Programme (2006-2010) builds on previous collaboration and results. A change from previous collaboration is an increased emphasis on poverty reduction as the development objective, and the shift from 'project' to 'programme' implementation.

Urban Environmental Management and Poverty reduction

South Africa is an urbanised economy with 58% of the population living in cities and towns. By 2015, it is expected that 68% of the population will live in urban areas due to a continued migration from rural areas mainly to the larger cities. Forty percent of South Africa's current urban population live under the poverty line. More than half of South Africa's unemployed people live in cities.

Urban environmental challenges in South Africa are comparable to many other countries, and include air, soil, and water pollution. In addition, the legacy of apartheid is still felt with immense inequalities between wealthier neighbourhoods and underdeveloped low-income townships. In the latter, poor, predominantly black communities are suffering from proximity to industrial pollution, lack of access to proper infrastructure (water supply, sewerage and electrification), and inadequate waste management services. The connections between urban environmental quality, poor health and the incidence of poverty are evident.

South Africa has enacted policies and laws to rectify the legacy of a poor urban environmental management and apartheid planning. However, ineffective implementation and weak enforcement at local level, due to capacity limitations, has become a key constraint. A further constraint is the process of ongoing institutional development in which roles and functions across spheres of government require clarification.

Programme development

This programme has been developed in close cooperation with South African partners at all levels, and has been guided by a Programme Design Advisory Committee (PDAC) composed of Deputy Directors General (DDG) and Chief Directors from seven national government departments. The Embassy in Pretoria (RDE) has prepared a note outlining the process of programme development (March 2005). The development of the programme has also been guided by recommendations made by Danida Technical Advisory Service (BFT) in the Annual Programme Review (June 2004) and comments from the Danida Programme Committee (November 2004) following the presentation of the programme concept paper.

Programme Design and Objectives

The Programme aims to promote a sustainable development path through cooperation and support for effective Urban Environmental Management (UEM). The cooperation on UEM agreed at the annual consultations has been developed into:

1. A targeted approach supporting the urban environmental sector in South Africa, i.e. the Danida support will address selected thematic topics, organisations and geographical areas ('hot-spots').
2. Supporting urban environmental interventions which prioritise poverty reduction and contribute to the achievement of the Millennium Development Goals.
3. Collaborating on national priorities as reflected in policies and strategies of the Government of South Africa to enhance institutional capacity and implementation of urban environmental management. This includes support for the development and use of manuals and guidelines by officials, as well as for the empowerment of elected municipal councillors given responsibility for functions related to UEM.
4. Adding value to existing priorities by strategically positioning relatively small amounts of resources to catalyse a more effective implementation of existing budgets and plans.
5. Supporting applied research and knowledge management which develops wider awareness and understanding of the practical relationships between improved UEM and poverty reduction.
6. Enabling participation and voice of poor communities adversely affected by degraded urban environments through support to selected Civil Society Organisations.

The development objective of the UEM Programme is:

- *Sustainable and poverty oriented environmental management of urban areas in South Africa.*

The immediate objectives of the UEM Programme are:

- *National and provincial framework for pro-poor integrated urban environmental management operational*
- *Knowledge creation, awareness and advocacy on best practices and poverty alleviation in urban environmental management created and applied*
- *Improved local urban environmental management and planning for poor communities*

UEM Programme Components

The three components making up the UEM Programme are:

1. **National and Provincial Urban Environmental Management (NPUEM).** This component includes support and management arrangements with the Department of Environmental Affairs and Tourism (DEAT), the Department of Health (DoH), and provincial government departments responsible for environment. Component management is integrated into existing intra-departmental structures, with all partners reporting via DEAT to the Environment MinTECH and to the Programme Steering Committee. Financial support allocated is disbursed directly from the Reconstruction and Development Programme (RDP) Fund in National Treasury to DEAT and to

Provincial Treasuries respectively. Financial support for DoH will initially flow via DEAT, and later directly to DoH from the RDP Fund.

- 2. Knowledge Management and Civil Society Support (KMCSS).** This component concerns knowledge management and includes a partnership with the South African Cities Network (SACN) and selected research institutions. The component will provide grants to civil society organisations working to support poor urban communities adversely affected by environmental degradation, through developing awareness, advocacy and voice in public participation. The RDE will enter into a direct agreement with SACN to implement the agreed outputs related to SACN. A research contract management modality will be agreed between RDE and SACN or through a third party identified in a public tender process. Support to civil society will comprise a relatively small number of contracts and will be managed directly by the RDE.
- 3. Local Government Support (LGS).** The component will support interventions on strengthening integrated urban environmental management in four metropolitan municipalities and one district municipality in three provinces, i.e. Johannesburg, Sedibeng, Ekurhuleni, eThekweni and Cape Town. The component will be implemented by each of the municipalities with cross-learning activities and linkages, a number of which will occur through the KMCSS component. The Programme is designed to enable additional cities to join in the course of implementation. Financial support allocated is disbursed directly from the RDP Fund in National Treasury to Municipal Treasuries.

Programme focus

The thematic focus of the programme support includes:

- Integration of environmental planning into broader planning processes including spatial planning and Integrated Development Plans (IDP).
- Environmental Health, including a functional analysis to clarify roles and mandates, across departments and spheres of government, with a view to improved monitoring and enforcement at municipal level.
- Implementation of the Waste Management Bill at national, provincial and municipal level.
- Implementation of the National Air Quality Management Act (NAQMA) (promulgated in March 2005) at national, provincial and municipal level, with a particular focus on developing locally appropriate management models for replication in designated 'hotspots' around the country.
- Support to the development and implementation of City Sustainable Energy Strategies in Ekurhuleni and Cape Town, and possibly Johannesburg from year two of the programme.
- Support to civil society organisations working with poor urban communities adversely affected by environmental degradation.
- Support to applied research and knowledge management in response to UEM challenges being faced by cities. Supporting monitoring, networking and dissemination of findings and experiences via the Sustainable Cities Reference Group of the South African Cities Network (SACN).
- Support to innovative projects facility that is responsive to emerging opportunities for supporting and learning from short-term interventions aimed at integration, inter-governmental and multi-stakeholder (private sector and civil society) cooperation

in UEM in current programme themes, and also in the areas of water, sanitation and transport.

- The programme thematic focus has been selected based on: a) requests from DEAT and other partners involved, b) past collaboration, c) potential for contributing to poverty reduction, and d) scope for added value.

In recognising the complementary and interconnected roles of all three autonomous spheres of government in the effective delivery of UEM, support will be provided to relevant departments in all all three spheres.

Component 1:

- DEAT for national level coordination and facilitation of urban environmental planning, implementation of policies and strategies for urban environmental planning mainly in waste and air quality management, and environmental health.
- Support to Department of Health (DoH) in addressing environmental health issues, particularly with respect to clarifying and then supporting agreed local roles and responsibilities in environmental inspection and enforcement.
- The environmental departments in the Provincial Governments of Kwa-Zulu Natal, Gauteng and the Western Cape with a provision for additional provinces to receive support in the course of the programme.

Component 2:

- The South African Cities Network (SACN) and activities associated with its Sustainable Cities Reference Group.
- Universities and research organisations for UEM-related knowledge creation and management with a focus on applied research to address questions and priorities formulated by stakeholders in the Sustainable Cities Reference Group (SCRG) of the SACN.
- Civil society organisations working with poor urban communities adversely affected by degraded and health-threatening environmental conditions.

Component 3:

- The municipalities of Sedibeng, Ekurhuleni, Johannesburg, eThekweni and Cape Town with provision for additional cities to receive support in the course of the programme.

Programme level:

- Support for small and innovative projects with existing and new partners, and involving more than one government institution. Support for these projects is managed directly from the Embassy.
- Unallocated funds are available for new outputs, e.g. involving additional municipalities and/or themes. The unallocated funds can be allocated to new outputs in the existing components or new components at the recommendation of the Joint Annual Programme review (JAPR) and as endorsed by the Programme Steering Committee.

- Funding for JAPRs, management of the programme and other support provided by RDE.

Implementation Strategy

The UEM Programme supports the development of institutional capacity for urban environmental management and implementation at local government levels. This is achieved by working directly with selected provinces and municipalities, and assisting partner organisations in developing institutional delivery mechanisms. Simultaneously at the national level, capacity is developed within DEAT and DoH to support and coordinate harmonised approaches to local implementation. Horizontal and vertical linkages, with replication of results achieved in other geographic locations, and processes to inform policy making are actively pursued as part of the UEM Programme implementation.

The implementation strategy of the UEM Programme is informed by the following context:

- Resources provided by Danida for the UEM Programme are relatively small compared to existing and growing government budgets for UEM. The deployment of Danida resources will be designed so as to play a catalytic and supportive role in further developing institutional and intergovernmental capacity for local delivery.
- The outputs and activities of the UEM Programme are addressing issues related directly to urban environmental management and have a direct or indirect impact on poverty reduction.
- The programme is responsive to the priorities of local partners and supportive of the process of decentralisation in South Africa. The outputs and activities that will be supported are informed by government priorities as described in existing business and strategic plans. Emphasis is on support for local implementation.
- The ‘on-budget’ programme approach allows flexibility of activities in response to changing and emerging priorities as identified by the appropriate existing institutional decision-making structures within government. Annual work-plans and budgets for programme-supported activities will be developed, approved, implemented and reported upon using the same procedures and committees as required for normal government operations.
- A budget is allocated towards innovative projects supporting government-identified priorities involving more than one government department, and also for promising actions that are not yet part of the programme-targeted business plans and budgets.
- For reasons of cost effectiveness and simplicity of overall programme management, three component documents have been developed, each having a number of thematically connected outputs.

Programme Management

The lead agency for the UEM Programme is the Department of Environmental Affairs and Tourism (DEAT). DEAT will be responsible for coordinating UEM Programme implementation with other stakeholders. Each of the outputs for components one and three will be anchored specifically in a national, provincial or municipal directorate or similar. The

collaboration will be on request by the South African partners and chosen activities will be in line with those already prioritised and approved in Government's annual business plans.

A Programme Steering Committee (PSC) is established at programme level for oversight and decision-making on overall programme direction, and for considering and deciding upon the recommendations of the Joint Annual Programme Review (JAPR). Given the staggered financial-year timeframes of the different levels of government, the PSC shall meet at the end of February and May each year to enable consideration of work plans and budgets submitted by programme partners. Additional meetings of the PSC may be called by the Chair if and when necessary. A PSC Secretariat will operate from within DEAT, and will be assisted by the International Programme Advisor.

Components one and three will be managed using existing intra- and inter-departmental structures of government. For purposes of component-specific integration and coordination, some cities will establish dedicated inter-departmental coordinating committees. Combined component reporting from each city and province will be collated through the PSC Secretariat, assisted by the International Programme Advisor, and submitted to the PSC. Component two partners, outside of government, will report via the RDE to the PSC.

Budget

The total budget of the Programme is DKK 220 million.

“If there is a typical ‘face of poverty’ in South Africa, then this picture is no longer only a rural woman engaged in subsistence agriculture production. It is an HIV+ child living in an environmentally degraded informal settlement in a rapidly growing city – without services – who is subjected to organised and household violence and is vulnerable to global economic and political trends.”

Mr F.S. Mufamadi, Minister for Provincial and Local Government at the launch of the South African Cities Network (7 October 2002).

1. Introduction

The five-year Urban Environmental Management (UEM) Programme (2006 to 2010) is a programme in collaboration between the Governments of South Africa and Denmark. The Annual Consultations on Development Co-operation between South Africa and Denmark in 2003 resulted in an agreement to develop the UEM Programme. The partners approved in principle the preparation of the Urban Environmental Management Programme for approval in 2005 with a Danida financial frame of DKK 220 million (approximately ZAR 230 million).

South Africa and Denmark have co-operated jointly on environmental projects since 1995. To date, approximately DKK 650 million has been allocated from Denmark for the co-operation. Many spheres of government in South Africa have been involved, as well as the private sector and civil society. The key priority has been to assist projects concerned with a wide spectrum of environmental policy, planning and regulation through legislative and institutional strengthening and capacity development in many aspects of environmental management.

In line with the Danida country strategy for collaboration with South Africa and in response to objectives set out in South African legislation and policy, the collaboration has since 2003 shifted towards a focus on developing an Urban Environmental Management Programme. Co-operation efforts have focused on projects within capacity development, waste management, air quality management, renewable energy and energy efficiency.

The UEM Programme Document has been prepared in consultation with prospective partners to ensure dialogue and ownership at all spheres of Government in South Africa. The programming process was initiated in the first half of 2004 by the Royal Danish Embassy (RDE). The UEM programme development has been guided by the PDAC chaired by the Deputy Director General (Environment Quality and Protection) of DEAT. In June 2004 the Danida Annual Programme Review assessed the lessons learned from earlier project implementation and made recommendations for the future UEM Programme.

The Programme has been prepared in conformity with Danida Aid Management Guidelines (AMG), within the framework of the Strategy for Danish-South African development cooperation (2003), Danida policy on development assistance, and the priority on urban environmental management in the Strategy for Danish Environmental Assistance in Development Co-operation (2004). The Programme has also been developed in line with strategies expressed by the Government of South Africa and priorities included in development and business plans.

The UEM Programme follows the principles of development policies of South Africa, and Danish development cooperation and special environmental assistance, notably with respect to a focus on poverty reduction. The UEM programme will apply a programmatic approach as mandated by the Danida AMG. The UEM programme has been designed with regard to the potential for replication and in the event that the cooperation may be extended for a further five years beyond year 2010.

2. National Sector Context

For more than three hundred and fifty years in South Africa environmental governance has been used as a tool to strengthen the power of white people over black people. Colonialism and apartheid dispossessed black South Africans of land to make way for privileged access to protected natural resources, and also forcibly located pools of black labour to townships within or next to unregulated polluting industries and waste dumps. “The apartheid government was often viewed as an apologist for industry and special interest groups, rather than a champion for the environment”. This deeply ingrained planning legacy means that millions of urban poor black South Africans continue to suffer a significant and unfair burden of ill-health and poor life quality because of industrial pollution (*Ibid.*). While much still remains to be done in dismantling this inheritance, and the negative perceptions of environmental management that accompany it, significant and positive changes have taken place in developing an environmental management framework.

Upon entering South Africa’s second decade of democracy DEAT is now perceived in Government as “a core economic growth department” that is taking active and balanced steps towards fulfilling the Constitutional right of people to an environment that is not harmful to their health or well-being. South Africa’s Constitution requires that the environmental right is balanced with the right to justifiable social and economic development. DEAT’s strategy as the lead government agency for environment is to balance and integrate environmental quality and protection, economic growth and socially just development. This balancing act takes place in the context of significant and ongoing government-driven social, economic and institutional transformation. It also takes place in a decentralising context in which the national department is constitutionally required to develop cooperative arrangements with autonomous provincial and local departments who share responsibility for urban environmental management.

While the goals of improved environmental management are increasingly supported within a legal framework, it is acknowledged that the environmental pillar of sustainable development is a “gap” that has not yet been “substantially” addressed. Poverty, unequal distribution of wealth, and unemployment all pose a more immediate and urgent threat to the achievement of a sustainable development path in South Africa. Widespread perceptions remain of environmental concerns being interests of the privileged, which, in some instances, are used as a tool to frustrate economic growth and hinder the necessary transformation of a post-apartheid society. Environmental governance at all levels faces the challenge of expanding what are currently “limited and inadequate budgets” through increasingly demonstrating and motivating to decision-makers its contribution to promoting the national development priorities of reducing poverty and inequality.

1 Socio-economic context for urban environmental management

In the five years following South Africa’s first democratic elections ten percent of the entire rural population migrated to cities in search of a better life. Fifty eight percent of South Africa’s people now live within urban areas, with this figure predicted to rise to 68% in the next ten years.

The urbanisation of poverty in South Africa is a rapidly expanding phenomenon in a country with one of the highest income inequalities in the world. In 2001 the Gini coefficient was 0.635. Despite being centres of wealth, South Africa's cities also contain the highest concentrations of poverty and inequality in the country.

The four largest metropolitan areas in South Africa (Johannesburg, eThekweni, Cape Town and Ekurhuleni) account for one quarter of South Africa's 45 million population. These four cities 'house' more than 1.5 million unemployed adults, a million slum dwellers, and 1.5 million households without adequate access to services such as water, sanitation, waste removal, and electricity.

Despite impressive government efforts to address the backlog of service delivery, millions of urban poor continue to live in polluted and unhealthy conditions. The combination of ill-health, unemployment, absence of basic services and social safety nets, and living in unhealthy environmental conditions all combine in pushing individuals and households into a cycle of impoverishment that is difficult to reverse.

South Africa's levels of poverty and inequality are also expressed in terms of the ongoing unfair burden experienced by poor people as a result of environmental degradation. According to the Medical Research Council (MRC), the health of poor urban people in South Africa is threatened more by environmental degradation caused by others, than it is by their own lifestyle choices. Poor households spend significant amounts of their limited income on combating illness. Poor households in Cape Town, for example, spend nine percent of their total income on health-related matters. Diarrhoeal diseases and respiratory infections are the fifth and sixth highest causes of death in South Africa, resulting in a combined loss of more than 900 000 years of human life per year due to premature mortality. Asthma is ranked as the 18th highest cause of mortality, and is responsible for the loss of 94,069 years of life per annum due to premature mortality.

Twenty percent of adults between 15-49 years are HIV-positive and 77% of youth with HIV are women. The catastrophe of HIV/AIDS will result in zero population growth in the next ten years, there will just be a greater migration towards big cities. It is estimated by the MRC that in the five years from 2010 to 2015 there will be 880,000 deaths annually related to HIV/AIDS. The current annual mortality rate related to HIV/AIDS is estimated at 365,000.

Vulnerable people with compromised immune systems, such as people living with HIV/AIDS, are more affected by air pollution and unhealthy environmental conditions than others, leading to impaired health consequences and the early onset of AIDS-related complications.

2 Location of urban environmental impacts

South Africa's urban population distribution remains significantly skewed as a result of apartheid planning and industrialisation, generating a core-periphery pattern of uneven development across the country's space economy. Industries have in many instances been localised in relation to apartheid settlement plans.

South Africa's urban-industrial core is made up of:

- A national core region in the centre of the country on the highveld plateau. This incorporates and is strongly focused on Gauteng (and the national economic hub,

Johannesburg), and is bounded by secondary industrially-based cities in Northwest Province (Rustenburg-Brits), the Free State (the Goldfields cities), Mpumalanga (Witbank-Middelburg), and KwaZulu-Natal (Newcastle).

- A sub-core, the wider Durban-Pietermaritzburg area in KwaZulu Natal
- Another sub-core, the wider Cape Town area in the Western Cape
- Two core outliers, the Port Elizabeth and East London areas in the Eastern Cape

The former apartheid regime's racially-structured urban planning policies contributed to urban environmental problems that particularly affect poor black communities:

- Poor black neighbourhoods were consistently placed downwind and downstream of polluting industries, exposing communities to ambient air pollution, and wastewater pollution.
- Poor black neighbourhoods served consistently as areas for location of hazardous and other unregulated waste disposal sites.
- Poor black neighbourhoods were chronically under-serviced with respect to basic services such as water and sanitation, energy supply and refuse removal, leading to water-borne diseases and indoor air pollution.
- Workers who lived in the most environmentally degraded zones often experienced double exposure due to occupational health hazards, including pollution in nearby industries.

DEAT have developed a “hotspot” strategy, now formalised in the NAQMA, to prioritise inter-governmental cooperation and focus available resources in reducing health-threatening pollution in areas. In April 2005 the Deputy Minister of Environmental Affairs named the country’s air pollution hotspots in her budget speech to Parliament – Boipatong (Ekurhuleni), Sasolburg and Secunda (Sedibeng), Durban South (eThekweni), Milnerton (Cape Town), Rustenburg (North West) and Witbank (Mpumalanga). In June 2005 the Minister of Environmental Affairs and Tourism announced that as soon as NAQMA became law in September 2005, he would designate the Vaal Triangle (Sedibeng and Sasolburg) as the first ‘hotspot’ to receive priority attention.

While the disposal of waste as well as management of landfills in urban areas has improved since 1994, illegal dumping of waste remains a significant problem in many cities, with, for example, 22% of total waste in the City of Johannesburg being illegally dumped.

3 Urban governance framework

The reduction of poverty and inequality is the over-arching goal of South African economic and social policy. Urban environmental management challenges in South Africa are located within a policy frame that seeks to specifically manage and enhance the positive role of urbanisation and urban growth in society. South Africa’s identity as a “developmental state” in which government intervenes to correct historical imbalances and promote national priorities is extended to local government.

South Africa’s 284 municipalities span the entire country, both rural and urban. In this sense, the governance framework for the environment and local government sectors apply uniformly

throughout the country. Since the establishment of entirely new municipalities in 2000, the legislative and institutional development focus has been upon developing the planning and financial frameworks necessary for effective functioning, and for enhancing the inter-governmental cooperation essential for effective functioning.

Local authorities are required to develop standards and bye-laws aligned with provincial and national laws and provide for monitoring and enforcement. If a municipality has capacity, other functions listed under Sections 4A and 5A of the Constitution, that can be more effectively administered locally, can be assigned or delegated by the National and Provincial Governments.

Environmental management functions and responsibilities are located in relation to national policy and legislation. In addition to the Constitution and National Environmental Management Act (NEMA), the following are relevant to the effective implementation of Urban Environmental Management:

- The Development Facilitation Act 67 of 1995. The Act promotes integrated land use development through the establishment of a number of general principles. These include the encouragement of "environmentally sustainable land development practices and processes." The Act also incorporates the evaluation of the environmental impacts of proposed land use.
- The Local Government Municipal Structures Act 117 of 1998 establishes the distinctive developmental role of municipal government within the cooperative governance system.
- The Municipal Systems Act, 2000 (Act 32 of 2000), and accompanying Regulations. The Act defines Integrated Development Planning as a core function of a municipality and sets forth minimum requirements for the substance and process to be followed in developing an Integrated Development Plan (IDP), as "a single, inclusive and strategic plan for the development of the municipality." It also establishes a framework for, performance-management systems, effective use of resources and organisational change.

IDPs must be developed through a participatory process every five years, integrating and coordinating other plans in accordance with available resources and capacity. These plans should also be reviewed annually and be the basis from which budgets are justified. The IDP must describe the institutional framework, performance management systems, key performance indicators and a spatial development framework.

Municipalities are now further challenged by an increasing number of national sector legislative requirements for other local plans to link with the IDP, including:

- Water Services Development Plans
- Transport Plans
- Integrated Waste Management Plans
- Air Quality Management Plans
- Biodiversity Management Plans

The South African Government is giving increasing priority through a number of programmes and emerging policies to densely populated industrialised urban settlements which are recognised as key locations for the production of goods and services, the generation of economic growth, and the development of skills.

Table 1: Key national and international urban poverty reduction policies and objectives

National policy imperatives and targets for reducing urban poverty	International policy imperatives and development targets on urban poverty
<ul style="list-style-type: none"> • <i>Reconstruction and Development Programme(1994)</i> • <i>The Urban Development Strategy(1997)</i> • <i>The Urban Development Framework (1997)</i> • <i>Developmental Local Government – Local Government White Paper (1998)</i> • <i>Urban Renewal Programme</i> • <i>National Urban Development Perspective (2005)</i> 	<ul style="list-style-type: none"> • <i>Millennium Development Goals for 2015</i> • <i>Habitat Agenda</i> • <i>New Partnership of Africa’s Development (NEPAD)</i> • <i>Cities Alliance without slums</i> • <i>World Summit on Sustainable Development, Johannesburg Plan of Action</i>

The National Urban Development Perspective (2005) is a strategic document commissioned by the President’s Office and tabled in Cabinet during April 2005 with a view to informing the development of future urban strategy and policy. The document is founded on a sustainable development perspective and gives specific attention to the challenges of poverty and growth for urban environmental management.

4 Environmental management policies and legislation

The White Paper on Environmental Management (1997) was informed by the 1996 Constitution and the Consultative National Environmental Policy Process. The National Environmental Management Act (NEMA) was promulgated in 1998. NEMA is a framework law providing overarching principles for sustainable development that apply to all activities of the state. It sets out the vision, principles, strategic goals, objectives and regulatory approaches that guide environmental management in South Africa.

A number of principles in the Act address the links between poverty and environment. For example, Section 2(4)(c) requires that “*adverse environmental impacts shall not be distributed ... to unfairly discriminate against any person, particularly vulnerable and disadvantaged persons*”.

The Integrated Pollution and Waste Management consultative process led to the publication of a White Paper on Integrated Pollution and Waste Management in 2000. This policy marked an important shift from reactive or ‘end-of-pipe’ pollution control and waste management to a proactive approach aimed at pollution prevention and minimisation at source.

Within the NEMA framework a number of pieces of legislation have come before parliament. These include:

- NEMA First Amendment Act. This first amendment strengthens compliance and enforcement functions through the provision of powers to environmental management inspectors to enforce environmental legislation.
- NEMA Second Amendment Act concerns streamlining the environmental impact assessment (EIA) regulations.
- Air Quality Management Act: This Act was promulgated in March 2005 and came into effect in September 2005. Draft ambient air quality standards are due for publication during 2005.
- Environment Conservation Amendment Act (2004): Concerns the permitting of waste facilities, product bans and the use of economic instruments for waste management. The Deputy Minister announced to Parliament in April 2005 that regulations banning the use of asbestos would be published for comment during 2005.
- The Deputy Minister also announced that a National Waste Management Bill would be published for comment in 2005. The Bill will provide an overarching framework for the management of waste and will establish norms and standards for the management of both general and hazardous waste.
- A White Paper on Energy was released by the Department of Mineral and Energy Affairs (DME) in December 1998. A White Paper on the Promotion of Renewable Energy (RE) and Clean Energy Development was released in August 2002.
- A draft National Strategy for Cleaner Production and Sustainable Consumption was released for comment in November 2004.

Several national departments retain some legislative and management competency for key environmental issues. These include:

- **The Department of Water Affairs and Forestry** is responsible for water quantity and quality aspects of pollution and waste management (National Water Act No. 36 of 1998). Responsibility for regulation of landfill sites is set to be transferred to DEAT during 2005, with the Department of Water Affairs and Forestry (DWAF) retaining responsibility for liquid waste.
- **The Department of Minerals and Energy** determines national policy, regulations and guidelines for energy issues. DME sets regulations, norms, standards and guidelines in consultation with DEAT for mining, radioactive and coal combustion waste, and regulates the mining and nuclear industries within the context of environmental legislation
- **The Department of Health** sets regulations and guidelines for all medical wastes and treatment facilities, in consultation with DEAT, and regulates the medical industry within the context of environmental and health legislation. The Department of Health, through the National Health Act (2004), is also responsible for the regulation of environmental health services, and is responsible for policy and coordination concerning 2,300 environmental health practitioners located within municipal and provincial governments.
- **The Department of Agriculture** develops the necessary regulations and guidelines for all agricultural wastes, in consultation with DEAT. The Department of Agriculture is

also responsible for other environmentally related regulation including soil erosion, genetically modified organisms and pesticides.

Provincial level

NEMA requires every province and National Department whose functions impact upon the environment, to prepare and submit Environmental Implementation Plans (EIP) and Management Plans (EMP) to the Committee for Environmental Coordination (CEC) every four years. The purpose of EIPs and EMPs, in the words of the Act, is to "coordinate and harmonise the environmental policies, plans, programmes and decisions of national departments and of provincial and local spheres of government." Local government prepares IDPs which in turn must inform the provincial EIP and EMP.

Table 2: Key challenges and objectives as identified in DEAT 10 Year Review

Key Challenges	Strategic Objective	Example
Complete development of regulatory framework	Balance environmental, social and economic imperatives.	Publish Waste Management Bill in 2005 for public comment
Extension of environmental governance cooperation system to local level	Cooperative governance for improved environmental management	Pilot projects for learning and replication, such as the Air Quality Management Plan in South Durban Basin.
Ensure compliance with law	Increased compliance with Environmental Quality and Protection legislation	Chief Directorate: Enforcement, established in 2003. Training courses for "Green Scorpions" empowered by NEMA First Amendment Act
Mobilise resources to enable implementation - expand budgets and human resources – especially at provincial and local levels	Demonstrate relevance of urban environmental management to national objectives of poverty reduction and economic growth	Highlight success stories, develop knowledge and research.
Strengthen communications with industry, labour and civil society	Social inclusion and shared responsibility for common vision	National Environmental Advisory Forum (as per NEMA) established in 2005
Streamline monitoring and reporting systems and make these accessible to the public	Further develop environmental information and reporting mechanisms	Integrate minimum environmental requirements into IDPs

Table 3: Urban Environmental Management: Overview of programme-related institutional responsibilities

	National Government (DEAT, DoH)	Provincial Government	
Environmental planning (mainstreaming and inclusion in IDP)	DEAT develops national legislation and regulations which require local government to produce plans for waste management, air quality and biodiversity – all of which are required to be included IDPs. DEAT has developed set of uniform indicators for monitoring urban environmental management. DEAT Chairs CEC which, every four years, receives EMPs, and EIPs from all national government departments whose functions may affect the environment, and from every province.	Provincial Government must review and approve municipal IDPs, and, directly informed by these, produce a Provincial Growth and Development Strategy (PGDS). In turn, the National Spatial Development Perspective must be informed by the PGDSs. Provincial Environment Department must support all municipalities in integrating environment into IDPs, and also reviewing and ensuring presence of environmental elements in IDPs submitted by municipalities. Provinces prepare and submit EIPs and EMPs to CEC every four years.	IDPs for environmental provincial policy m Required Manage and Bio
Environmental Health (inspection and enforcement)	DoH: Policy and coordination regarding 2,300 environmental health practitioners located within municipal and provincial governments.	Provincial Health Department employs a number of Environmental Health Officers.	The Nat inspectio municip
Integrated Waste Management	DEAT: Regulation of Hazardous Waste sites being transferred from DWAF to DEAT, and will be devolved to Provincial Governments. Waste Management Bill will require local governments to produce Integrated Waste Management Plans	Provinces will assume responsibility for regulating hazardous waste management sites. Provinces will be required to review and approve municipal Integrated Waste Management Plans	Local G manager municip inspectio industria
Air Quality Management	DEAT: Air Quality Management Act	Review IDPs and provide support to local government in planning. Key role in Environmental Impact Assessment approvals. Provincial monitoring networks to be established.	Air Qua for mon Air qual and link
Sustainable energy	DME: Responsible for policy making and strategy development.	No direct responsibility for energy matters at provincial level	Local go conserva

5 Decentralisation and Coordination in Governance

Schedule Four of the Constitution defines environment as a sector for which national, provincial and local government share concurrent responsibility. DEAT is responsible for policy-making, and determining the regulatory framework, and should also establish minimum norms and standards for monitoring the implementation of these policies which must take place at provincial and local level.

While there have been improvements in the financial and administrative capacity of many provincial governments over the past few years, they remain under-capacitated and unable to provide the environmental management support required by local governments to fulfil their increasing number of functions.

The statutory definitions of mandates and responsibilities for environmental management remain unclear. The 1996 Constitutional assignment of functions resulted in provincial and local government being given new environmental mandates without a specific budget allocation from the national treasury. There are differences of interpretation between national, provincial and local government departments as to who is responsible for providing the budget for these functions. The devolution and decentralisation of mandates and responsibilities are not yet matched in terms of local capacity and experience for planning and implementation.

According to DEAT, *“strategic interventions that seek to practically promote cooperative environmental governance remain one of the key challenges that face government, especially extending these to include the local government level.”*

Various inter-governmental cooperation and multi-stakeholder mechanisms have been established to promote the integration and coordination of environmental functions. These include:

- The Committee for Environmental Coordination (CEC) is the highest-level multi-sector horizontal coordination mechanism that has environmental management as its central purpose. It is an administrative body made up of a number of Directors General from national departments, nine provincial heads of department, and the South African Local Government Association (SALGA). The CEC is chaired by the DEAT Director General.
- The major instrument for vertical integration of environmental governance is MinMEC comprising the National Minister and nine, politically elected, Members of the Executive Committees responsible for environment in the provinces. This forum focuses on the policy and political aspects related to environmental governance. MinMEC is supported technically and in an advisory capacity by the MinTECH, comprising all the administrative heads of the national and provincial departments concerned with environment. The Environment MinTECH meets quarterly and has four working groups made up of senior managers from within DEAT and the nine provinces.
- The National Environmental Advisory Forum (NEAF) is defined in NEMA as a multi-stakeholder advisory body to the Minister. This forum was established in 2005 and comprises individuals from organised community structures, Non-Governmental Organisations (NGO), trade unions, industry and the scientific sector.

At the legislative level coordination and oversight in Government is undertaken by the national and provincial parliaments and the respective portfolio committees with responsibility for environment.

The Intergovernmental Relations Framework Act was promulgated in Parliament in June 2005. Its purpose is to facilitate intergovernmental relations, and to provide mechanisms and procedures to facilitate the resolution of intergovernmental disputes. The Act provides for MoUs as binding agreements to describe and facilitate cooperative activities between government departments and spheres.

6 Financing of environmental governance

Environmental management functions are cross-cutting and spread across several national, provincial and local government departments and agencies. It is not possible to track government expenditure on environmental management.

The South African Government currently works on a three-year Medium-Term Expenditure Framework planning cycle. The budget for DEAT has increased from ZAR 397 million (0.2% of total government expenditure) in 1997/98 to ZAR 1,754 million (0.45% of government expenditure) in 2006/07. The annual budget allocation for tourism in DEAT counts for significant growth in DEAT's budget over the past few years. The Environment Quality and Protection Branch in DEAT is experiencing a 150% growth in budget from ZAR 85 million in 2000/01, to ZAR 212 million in 2006/07.

Environmental governance at local and provincial level is funded from an "equitable share" grant from national government. As provinces and municipalities use their own discretion in how they allocate the grant, there is a significant variance in environmental governance capacity across provinces and cities. In his 2005 budget speech, the Minister of Finance indicated that national government intended to increasingly use "conditional grants" in order to ensure that sufficient funding was allocated to enable functions for which provinces and local governments had concurrent responsibility.

The Minister of Finance recently indicated in his 2005 Budget Review that government was "keen to make a serious beginning ... on drafting legislation for the imposition of environmental charges. These structural changes could firstly make resources available for the introduction of clean technologies in support of the environment, as required by our Constitution, and secondly, alleviate fiscal pressures on employment income." (p. 88). The Minister of Finance also indicated an extension of tax incentives for energy efficiency through an accelerated depreciation regime for investments in "environmentally friendly energy sources".

7 Civil society organisations

Civil society in South Africa continues to play a significant rights-based advocacy role in driving positive change through monitoring, increasing public awareness, and supporting poor communities adversely affected by environmental degradation. From government's perspective, increased public participation in governance is one of four ten-year framework priorities for achieving sustainable development in South Africa. While considerable

resources are donated from within South Africa in support of “green” conservation issues, there is limited support for those communities and NGOs working on “brown” pollution-related issues.

The environmental justice sector of South African civil society often works closely with affected community-based organisations, trade unions (on occupational health and community issues) and religious groupings in highlighting specific and systemic environmental injustices in which the poor suffer an unfair burden resulting from inadequate urban environmental management. South Africa has several recognised established environmental NGOs in this sphere.

GroundWork is the leading national NGO with respect to advocacy and supporting affected poor communities on issues of waste and air quality. Other NGOs with an active interest in urban environmental management include Earthlife Africa; the Wildlife and Environmental Society of South Africa; the Environmental Monitoring Group; the Group for Environmental Monitoring; Community Environmental Network and the Environmental Justice Networking Forum. In the energy sector, two NGOs are prominent, ‘Sustainable Energy Africa’ and the ‘Sustainable Energy and Climate Change Project’. The Legal Resources Centre, a public-interest law NGO, has an environmental unit which provides legal assistance to selected NGOs and poor communities affected by environmental degradation.

There are currently fifteen community-based urban initiatives around South Africa working in an organised fashion to address issues of local pollution affecting them. The most organised is the South Durban Community Environmental Alliance. From time to time, community organisations and conservancies do create awareness and public pressure around local pollution incidents. South Africa has an active “social movement” mobilising in the major centres against the “privatisation” of municipal services, especially for electricity and water.

8 Private Sector

From an environmental perspective, the private sector has organised itself into various collaborating interest groups. The Industrial Environmental Forum and the Chemical and Allied Industries Association (CAIA) played significant roles in the Consultative National Environmental Policy Process leading to the promulgation of NEMA in 1998.

The Industrial Environmental Forum is the South African representative of the Business Council for Sustainable Development (BCSD). BCSD South Africa has 24 corporate members comprised mostly of trans-national corporations and works closely with the Chamber of Mines, Business South Africa, the South African Chamber of Business, and the CAIA. CAIA has 202 members of which 120 are signatories to the Responsible Care Charter. Membership is open to companies and individuals related to the chemical industry. The South African business sector has been advocating for flexibility in environmental governance through the use of voluntary agreements as opposed to legally binding regulations.

Business influence and advocacy on environmental governance is often promoted through other government ministries such as Trade and Industry, and, on occasions, through the Big Business Consultative Group with the President. The Business Sector representative on the NEAF is the Deputy Chairperson of the forum.

9 Donor Involvement

There are few donors focussed on supporting issues of Urban Environmental Management in South Africa. Higher levels of support are evident in the water and sanitation sector, especially in the provision of infrastructure for new services.

DEAT has indicated that it will seek to coordinate among its three key donor partners – Danida, the Norwegian Agency for Development Cooperation (Norad), and the United Kingdom Department for International Development (DfiD). The Norwegian Government is in the process of entering into a flexible funding agreement with DEAT to the value of ZAR 30 million over three years. The Norad funding extends beyond waste and air quality to include biodiversity management as well.

DEAT has also accessed, through UNDP, more than US\$ 80 million of Global Environment Facility grants for national and regional (Southern Africa) environmental projects. While mostly biodiversity related, US\$ 499,000 has been made available for Enabling Activities for the Stockholm Convention on Persistent Organic Pollutants.

10 Cross-cutting and Priority Issues

Cross-cutting and priority issues refer to those identified in the Danida AMG. These issues are elaborated in more detail in section 3.7.

3. Agreed Assistance

The agreed assistance to be provided by Danida for the collaboration between South Africa and Denmark on urban environmental management is outlined. This section includes the main objectives of the programme, implementation strategy, and the selection of thematic and geographic focus.

1 Urban Environment and impacts on poverty reduction

The overarching focus of the UEM Programme is on poverty reduction in an urban environmental management context. The following table outlines how the UEM Programme provides responses to common causes of urban poverty.

Table 4: Poverty and urban environmental management nexus

Causes of urban poverty	Examples	UEM Programme Response
Vulnerability	Poor people are vulnerable to impacts from pollution and other factors like inadequate nutrition, housing standards, and health.	The UEM Programme will address the links between urban environmental degradation, poverty and health.
Location	Poor households are often located on marginal lands adjacent to polluting industries and mining in makeshift settlements. These locations are least desirable for other residential development due to environmental hazards.	The UEM Programme will support mainstreaming of environmental planning including physical planning of location of industries and settlements.
Inadequate access to services	Low-income households pay a proportionally high share of their income for basic environmental services and infrastructure or measures to compensate for lack of these services.	The UEM Programme will through support to policy development and knowledge management identify links and actions to relieve urban poverty and improve service delivery.
Inability to respond	Poor people cannot respond to environmental degradation. They have no means to relocate or for defensive actions (e.g. water purification). They have limited power politically or legally to influence change.	The UEM Programme will support civil society organisation to enable poor communities to improve their level of response and to take action against environmental degradation and injustice.

Some of the foreseen impacts on poverty reduction in an urban environmental context are:

- Research has clearly demonstrated how inadequate waste management and poor air quality contributes to poor health and hence poverty.
- An emphasis on reducing health risks created from hazardous and toxic waste can result in reduction amongst the poor in the development of AIDS-related illnesses, cancer and skin diseases.
- Air quality interventions focusing on the development of air quality standards, these followed by strengthened enforcement measures, will have a longer-term impact on ambient air pollution-related diseases in poor communities.
- Short-term impact can be obtained through implementation of pilot projects at local level, e.g. interventions to reduce indoor air pollution will have impact on related respiratory diseases and health of communities.
- Activities seeking to strengthen the government's enforcement measures through training of Environmental Health Officers and the application of the "polluter pays principle" may transfer part of the pollution burden from the poor to those who create it and have better means and control to reduce the emissions.
- A reduction in the environmental health burden will have a positive impact on the lives of poor people who are often the most severely affected by environmental health problems.
- Support to civil society will seek to give voice to poor people adversely affected by environmental degradation, promote capacity for local-level monitoring and advocacy, and enable expression of environmental concerns through organised public participation in addressing urban environmental management and environmental health issues. Support will also be provided to enable civil society organisations to meaningfully contribute to mandatory public participation processes in integrated development planning.
- The impact on poverty reduction is also a long-term effort through the integration of urban environmental sustainability concerns in development planning, i.e. preventing future environmental problems.
- While knowledge management will not directly contribute to poverty reduction, the long-term impact of properly conducted applied research linking, e.g. a degraded environment and poor health, can have powerful policy implications.

2 Urban Environmental Programme Objectives

The Programme supports a sustainable development path through promotion of integrated Urban Environmental Management (UEM) that will contribute to poverty reduction, sound economic development and achieving South Africa's development objectives.

The objective of the Danida support for collaboration with South Africa is in accordance with Danish development policies to contribute to poverty reduction and sustainable urban development.

The development objective of the UEM Programme is:

- *Sustainable and poverty-oriented environmental management of urban areas in South Africa.*

The immediate objectives of the UEM Programme are:

- *National and provincial framework for pro-poor integrated urban environmental management operational*
- *Knowledge creation, awareness and advocacy on best practices and poverty alleviation in urban environmental management created and applied*
- *Improved local urban environmental management and planning for poor communities.*

The objectives are developed to concur with South Africa's priorities and are consistent with key framework policies and developmental priorities for urban environmental management. The immediate objectives address issues of institutional capacity development, ongoing policy development, planning including IDPs, air quality management plans and integrated waste management plans at local level, and implementation of these plans through skilled management practices, mainstreaming, regulation and enforcement.

3 Programme Strategy and Rationale

The foundation of the UEM Programme is:

- **Reduction of urban poverty** by addressing environmental management concerns that directly and indirectly impact upon the health and well-being of poor people, e.g. access to environmental services, externalities from air pollution and hazardous waste, location of informal settlements adjacent to sources of emissions, and mainstreaming environment in spatial and socio-economic planning.
- **Institutional capacity development** with a view to improving the functioning of government in a context of devolving mandates to local government and enhancing the inclusion of urban environmental management at all tiers of governmental planning.
- **Support to civil society organisations** working in the urban environmental management context in support of poor communities affected by environmental degradation, to enhance public participation in planning and governance, monitor conditions, and advocate for improvements to local conditions and the implementation of policy and laws.
- **Knowledge creation and dissemination** on poverty-oriented urban environmental management is specifically designed into the UEM Programme and developed in partnership with the SACN. Applied research and lessons learnt at local level will be used actively to inform policy processes at national level and decision-making and budgeting at local level.

The collaboration as agreed between South Africa and Denmark emphasises the following strategic interventions:

- Support to urban environmental interventions which prioritise poverty reduction and contribute to the achievement of the Millennium Development Goals (MDG).

- Collaborate on national priorities as reflected in policies and strategies of the Government of South Africa to enhance institutional capacity and implementation of urban environmental management.
- Add value to existing priorities by strategically positioning relatively small amounts of resources from Danida to catalyse an effective implementation of existing budgets, capacity and plans.
- Develop targeted support for Urban Environmental Management with selected thematic topics, organisations and geographical areas, i.e. ‘hotspots’ of pollution and urban poverty.

The strategic approaches below are the overall guidance for the implementation of the UEM Programme. They have formed the basis for development of the components and will guide the implementation.

- **Follow Government priorities and business plans.** The UEM programme is fully integrated into national priorities. The UEM programme will prioritise collaboration with Government on those activities already described in approved business plans and strategies.
- **Follow national procedures for planning and implementation.** The UEM Programme will follow government procedures for implementation and should avoid parallel management, reporting or financial procedures.
- **Adding value and catalytic effect.** The Danida support is a significant contribution but it is relatively small compared to the Government budget in South Africa. The Danida programme will seek to play a catalytic role in ‘triggering’ the use of existing government resources in more effective and efficient ways. Danida funds should not just be filling gaps or doing ‘more of the same’ without a purpose.
- **Flexibility.** The programme is flexible and can accommodate targeted support to additional cities identified as in need of coordinated action to address pollution hotspots. It also allows for shifts in emphasis and choice of activities (not outputs) to receive support, as determined by the annual business plans and budgets that are developed and approved according to government procedure.
- **Joint Annual Programme Review (JAPR).** Provides the forum for joint review of progress and will make recommendations to the PSC, based upon observed performance, for re-allocations of budgets across components, and across partner organisations within components. The JAPR may also make recommendations to the PSC on possible adjustments to specific outputs. The JAPR can also recommend to the PSC on the inclusion of additional cities and partners into the programme.
- **Institutional anchoring.** The UEM Programme is anchored in DEAT. The collaboration will include other national, provincial and local government departments with responsibilities related to assuring improved management of the urban environment. The assessment of the absorptive capacity of the partner institutions guides the level of possible support and the scope for institutional capacity development.

4 Selected Thematic Programme Issues

The thematic foci have been selected in response to national priorities, and in relation to the potential depth of impact the available programme resources could have. The thematic focus of the programme support covers:

- Integration of environmental planning into broader planning processes, including IDPs.
- Environmental health considering clarification of functions, and improved inspection and enforcement roles at local level.
- Implementation of the Waste Management Bill at national and municipal level.
- Implementation of the NAQMA at national level and in particular the new mandates according to the Act for provincial and local government.
- Support to implementation of Sustainable Energy interventions at local level.

The thematic issues have been selected based on requests from DEAT and other partners, building on past collaboration, and the scope for added value. 'Water supply and sanitation' is not included as a thematic issue since substantial funds are allocated to these sectors from the Government of South Africa. Additional funding from Danida was assumed to be insufficient to provide an added value. Air Quality, Waste Management, environmental health, sustainable energy and integrated urban planning are identified as priority thematic areas to be addressed.

5 Selected Geographic Programme Focus

The key policy imperative of the UEM Programme is to provide pro-poor support to environmental management within urban areas prioritised for intervention by South African institutions that share responsibility for UEM. The selection of cities for support has been informed by the South African Government, and according to the following criteria:

- Concentrations of urban poverty
- The most pressing Urban Environmental Management challenges
- Located in core areas of South Africa's urban-industrial economy
- Government priorities in policies and strategies
- Basic level of institutional capacity in government agencies and other potential civil society organisations for implementation.

Based on these criteria, the geographical focus of the UEM Programme has been agreed as:

- The four largest metropolitan areas in South Africa:
 - Johannesburg and Ekurhuleni in Gauteng Province
 - Cape Town in Western Cape Province
 - eThekweni in KwaZulu-Natal Province,
- The three provincial governments in which these cities occur: Gauteng, KwaZulu-Natal and the Western Cape,
- A district council in an identified pollution 'hotspot':
 - Sedibeng District Council (Vaal Triangle) in Gauteng province

Following the selection criteria, including the targeting of poverty reduction and pollution 'hotspots', the UEM Programme has a focus on larger cities. This is where the complex nexus of urban environment, health and poverty is critical due to vulnerability, pollution and population concentration. The negative impacts are exacerbated by migration to larger cities and expansion of informal settlements. The Deputy Minister of Environmental Affairs in her 2005 budget speech has identified six 'hot spots' for air pollution and four of these (Boipatong (Ekurhuleni), Secunda/Sasolburg, (Vaal, Sedibeng), Durban South (eThekweni) and Milnerton (Cape Town)) are located in four of the Municipalities included in the UEM Programme (all municipalities except Johannesburg).

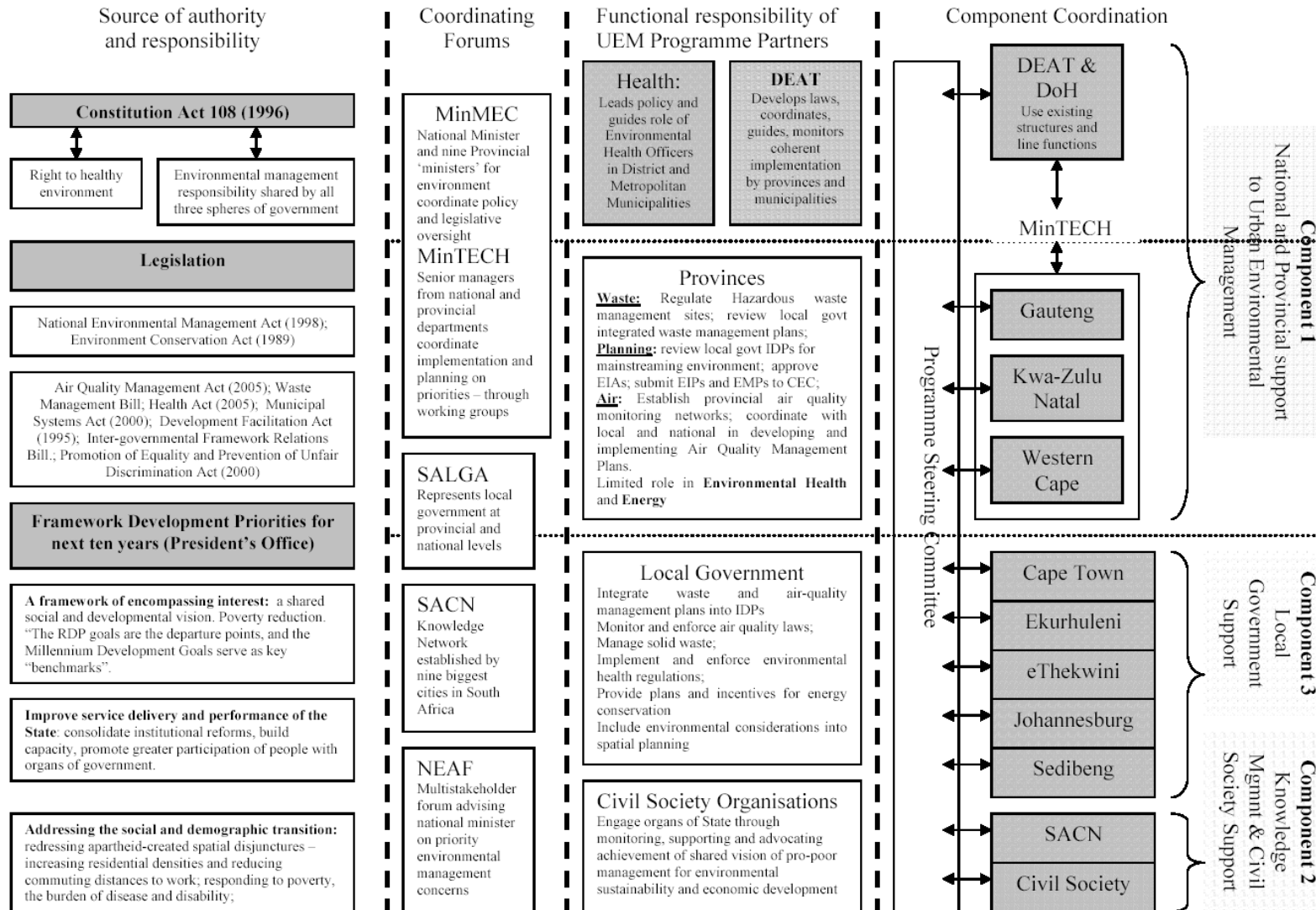
The combination of economic potential and urban poverty in the metropolitan areas is recognised in the South African Government's National Spatial Development Perspective. Issued by the Presidency, this perspective argues that the two key Government objectives of promoting economic growth and poverty reduction can both be achieved in the metropolitan areas. South Africa's urban strategy is currently undergoing a major revision and consideration through the National Urban Development Perspective (2005) commissioned by the Office of the President and being considered at Cabinet. Key elements to this document are concerned with the urbanisation of poverty, migration and urban development planning.

6 Selection of UEM Programme Components

The programme objectives, cornerstones, implementation strategy, thematic issues and selected geographical areas have all in combination guided the programme towards the identification of three components. The components outline and guide the implementation of the UEM Programme. The proposed three components making up the UEM Programme are:

- **National and Provincial Urban Environmental Management (NPUEM).** This component includes support and management arrangements with DEAT, DoH, and provincial departments. Component management will be integrated into existing intra-departmental structures, with all partners reporting via DEAT to the Environment MinTECH and to the Programme Steering Committee. Financial support allocated to DEAT and the provinces will be disbursed directly from the RDP Fund in National Treasury to DEAT and to Provincial Treasuries respectively. Financial support for DoH will initially flow via DEAT, and later directly to DoH from the RDP Fund.
- **Knowledge Management and Civil Society Support (KMCSS).** This component concerns knowledge management and includes a partnership with the South African Cities Network (SACN) and selected research institutions. The component will provide grants to civil society organisations working to support poor urban communities adversely affected by environmental degradation, through developing awareness, advocacy and voice in public participation.
- **Local Government Support (LGS).** The component will support interventions on strengthening integrated urban environmental management in four metropolitan municipalities and one district municipality in three provinces, i.e. Johannesburg, Sedibeng, Ekurhuleni, eThekweni and Cape Town. The component will be implemented by each of the municipalities with cross-learning activities and linkages, a number of which will occur through component two.

Relations between Government institutions/organisations and the UEM Programme



The components are further detailed in chapter 4 and in the three component documents. The coherence between components is developed as part of the design taking into account different spheres of government, institutional anchoring and impacts.

7 Approach to use of Technical Assistance

Approach to Use of Technical Assistance

The use of technical assistance in the UEM Programme is informed by the Danida policy on Technical Assistance in the AMG. The technical advisors are strategically located to support the programme implementation as technical advisors and to provide some support to additional Programme-specific administrative workload from Government staff.

Some municipalities have specifically requested management support in order to limit additional demands on already stretched capacity for implementation. The technical advisers shall not substitute management requirements in the supported institutions but the assistance to institutional development will also include improved management. EThekweni, on the other hand, has chosen not to engage a long-term national advisor, but rather to access short-term assistance to undertake targeted coordination support and technical tasks.

In the absence of environmental departments being supported by a technical branch, equivalent to an environmental protection agency, it is the practice of government to secure the services of professionals in certain fields to undertake specific technical activities. These activities can include support in relation to project management, as is the case presently in the Air Quality Chief Directorate at DEAT, where a long-term consultant has been employed to provide a coordination function for the various air quality activities being undertaken.

The key principles for employment of TA will be developed further during the inception phase. The principles for deployment of TA will include:

- Each input of TA shall have a clearly defined counterpart, i.e. an identified client or representative of multiple clients. The client cannot be the component advisors.
- No input of TA will commence without ToR signed by the client and approved by the PSC representative from the relevant city, province or national department. Procedures for short-term TA hired by a national, provincial or municipal department as part of their own output budgets will follow the government's rules and regulations. Procedures for short-term TA provided through the draw-down facility will be according to procedures agreed for the procurement agent.
- Upon beginning an assignment, the consultants shall present a detailed work plan for their activities during the coming mission to the client procuring the services.
- It is the responsibility of both consultants and the client that the work does not repeat work that has already been done.
- It is the responsibility of the client and component managers to circulate within the programme information on specific TA input and availability that may be useful to others. Ideally, information about upcoming input of TA shall be made available on a website. For all TA and in particular international TA an inquiry shall be made within

the programme with a view to sharing use of the expertise with other components and outputs.

- Consultants providing short-term TA shall prepare brief minutes of meetings with counterparts and departments/organisations. These minutes, along with all data and reports generated by the consultant, must be given to the client for filing and be annexed to the final report.
- Before the completion of each assignment the consultant shall deliver a report to the client. The report will form the basis for a debriefing session with the client and relevant national, provincial and municipal staff and other stakeholders.
- The outputs will be compared with the original work plan and ToR. The client will have to approve the reports received prior to authorization of payment for their services.
- The TA input responds specifically to partner requirements, and long-term TA arrangements reflect both the needs and the capacity of the partners.

The programme provides for the following technical support:

- One full-time international programme advisor;
- One full-time national component advisor in NPUEM;
- Three full-time national advisors based in Ekurhuleni (shared by Johannesburg), Sedibeng, and Cape Town;
- A provisional sum for short-term national and international expertise for use by UEM component partners as a draw-down facility.

The international programme advisor will play a central coordinating role, also providing the link with the procurement company designated by DEAT for the procurement of short-term international technical assistance.

In addition to supporting the designated programme manager in DEAT, the international advisor will coordinate programme implementation efforts with the other advisors in the programme. The national component advisor in NPUEM will play a key role in supporting coordination among the various provincial outputs, while bringing own or contracted technical skills to be used as required by programme partners.

The international programme advisor and the national component advisor in NPUEM are to be located within the DEAT offices and will support DEAT and other programme partners with day-to-day project management, technical support and capacity development.

In addition to providing assistance in component-related and inter-departmental coordination and reporting within cities, the full-time national municipal component advisors will play a networking role, sharing responsibilities for assisting in reporting and coordination of joint outputs across the cities described in output five of component three.

The RDE will be responsible for contracting the international full time programme advisor and the three national municipal advisors. DEAT will be responsible for contracting the national full time component advisor in NPUEM. For more detail on the roles and responsibilities of the advisors refer to the ToR in annexes.

8 Alignment with Danida development objectives and policies

This section includes issues of particular relevance for alignment of the UEM Programme to Danida's objectives and policies for development assistance, collaboration with South Africa and the Danida Special Environmental Assistance.

In the Danish Government's priorities on collaboration with Africa ("Africa development and security: The Government's Priorities for Cooperation with Africa 2005-2009") it is noted: "*Poverty, poor health and environmental degradation are cumulative ... the poor are most severely affected by polluted water, degradation of cultivated land, air pollution and waste problems ... Growing urban areas constitute a challenge for public health and the environment*". The Danish priorities on collaboration with Africa coincide with the UEM programme objectives and strategy.

Danida Aid Management Guidelines

The Programme has been prepared in conformity with the Danida AMG and within the framework of the Strategy for Danish-South African development cooperation (2003), Danida policy on development assistance, and the Strategy for Danish Environmental Assistance in Development Co-operation (2004). The UEM programme marks a shift for Danida in South Africa from implementation through environmental projects to a sector programme support with emphasis on poverty reduction.

The AMG promote national ownership and a programmatic approach for implementation using national procedures. As an example, the options for thematic issues have been selected in a dialogue during programme formulation. DEAT, the provinces and municipalities have determined their thematic priority focus from within the available options.

Donor Coordination

DEAT is the lead agency for environment. DEAT has committed to coordinating donor activities between the major donors in the urban environmental management sector – Danida, Norad and DfID. The DoH is coordinating synergies between a small grant from the WHO and the support provided by this programme for environmental health. The City of Cape Town will be coordinating and aligning UEM project support provided by the United Nations Development Programme and support provided by this programme, as will eThekweni in aligning support provided by the European Community for their Area-Based Management initiative.

Norad and other relevant donors will be invited to attend PSC meetings.

Danida will adhere to any direction and guidance from DEAT and other partners for improved donor coordination. Danida is committed to harmonise the assistance provided to the UEM programme with support provided by other donors. The support provided by Norad for TA in DEAT gives opportunities for collaboration, and Danida will encourage that synergies for TA inputs are explored.

Integration of ongoing Danida projects

The UEM Programme formulation and implementation is informed by previous environmental projects in South Africa. Existing networks and collaborations are established and will continue, and lessons learned are lifted into the UEM Programme.

Ongoing Danida-supported projects on Waste Management and Air Quality Management will continue in 2006 and be coordinated with the UEM Programme.

9 Danida cross-cutting and priority issues

Democratisation and Respect for Human Rights

- South Africa's Constitution (Act 108 of 1996) establishes a society based on democratic values, social justice and fundamental human rights and seeks to improve the quality of life of all citizens and to free the potential of each person.
- In terms of the Bill of Rights as set out in the Constitution, everyone has inherent dignity and the right to have their dignity respected and protected. The State must respect, protect, promote and fulfil the rights in the Bill of Rights.
- Chapter Nine of the Constitution provides for the establishment of six independent, State-funded, institutions for the purpose of strengthening constitutional democracy. These institutions are subject only to the Constitution and the law, and no organ of State may interfere with the functioning of these institutions:
 - Public Protector, to investigate any conduct in state affairs, or in public administration alleged or suspected to be improper;
 - Human Rights Commission, to promote respect for human rights and a culture of human rights;
 - Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities;
 - Commission for Gender Equality, to promote respect for gender equality and the protection, development and attainment of gender equality;
 - Auditor General, to audit and report on the accounts, financial statements and financial management of all national and provincial state departments, all municipalities
 - Electoral Commission, to manage elections of national provincial and municipal legislative bodies in accordance with national legislation..
- In giving effect to Sections 9 and 23(1) (Schedule 6) of its Constitution, South Africa promulgated the "Promotion of Equality and Prevention of Unfair Discrimination Act (2000)" so as to "prevent and prohibit unfair discrimination and harassment; to promote equality and eliminate unfair discrimination; to prevent and prohibit hate speech". The purpose of the Act is to redress social and economic inequalities, "especially those that are systemic in nature, which were generated in our history by colonialism, apartheid and patriarchy, and which brought pain and suffering to the great majority of our people".
- South Africa has accepted its international obligations under binding treaties and customary international law in the field of human rights which promote equality and

prohibit unfair discrimination. South Africa has ratified the United Nations Convention on the Elimination of All Forms of Discrimination Against Women and the Convention on the Elimination of All Forms of Racial Discrimination.

- The South African government has a critical responsibility in ensuring that no community is exposed to an unhealthy environment as stipulated in the Constitution's Bill of Rights (Section 24). Government recognises the need to accelerate work in championing environmental justice and environmental rights in South Africa, including the development of better regulative and enforcement measures to reduce industrial pollution, as well as empowering poor people adversely affected by environmental degradation to participate and give voice to their concerns.
- Advocacy and participation by affected communities is included in programme support to civil society organisations working with poor communities unfairly affected by environmental degradation. Unlike Government agencies, civil society organisations have few other means of support, and the Danish assistance will continue to be unique and make a substantial contribution in supporting the pro-poor, non-racial transformation of South African society.

Gender

- South Africa's commitment to gender equity is entrenched in its Constitution, and in various pieces of legislation and policies that were developed during the first decade of democracy, including the "Promotion of Equality and Prevention of Unfair Discrimination Act (2000)".
- Chapter 9 of the Constitution provides for the establishment of the Commission for Gender Equality (CGE). Section 187 of the Constitution specifically grants the CGE powers to promote respect for, and to protect, develop and attain gender equality. The composition, functions and objectives of the CGE are outlined in the CGE Act, 1996 (Act 39 of 1996).
- The South African Government recognises that the current dominant pattern of gender-based division of labour links closely to environmental health, exposing women to additional indoor air pollution. Furthermore, with exposure to air pollution exacerbating the earlier development of full-blown AIDS, women's high exposure to indoor pollution has dire consequences, with seventy-seven percent of infected people between the ages of 15 and 29 being women.
- The South African Government has a strong affirmative action programme towards eliminating gender and racial disparities in public life, the economy and in government employment and procurement. The cooperation represented by the Programme, will, as a matter of course, be subject to the same principles.

Good Governance

- Following the World Summit on Sustainable Development in 2002, and in keeping with the objectives of the New Partnership for Africa's Development (NEPAD), the South African Government has placed an increasing emphasis on improving governance, including governance and management of the environment.
- The key governance challenge in relation to environmental management lies in enhanced inter-governmental cooperation, and the mainstreaming of environmental concerns into the planning and implementation of general development programmes. Drivers for

mainstreaming need to be strengthened and institutional capacities need to be developed further.

- In supporting the mainstreaming of environmental concerns into the Integrated Development Planning process, the South African objective of public participation will be highlighted. Synergies between the Programme and Danida's Good Governance Programme in South Africa will be actively pursued.

Corruption

- South Africa has, over the past ten years, developed an advanced infrastructure and framework of law, strategy and institutions with a mandate to combat corruption. Specialised anti-corruption institutions with a constitutional remit to support the democratic dispensation have been created, and the Prevention and Combating of Corrupt Activities Act has been promulgated, among others. Other measures include:
 - The Protected Disclosures Act, Promotion of Access to Information Act, Financial Intelligence Centre Act, Promotion of Administrative Justice Act.
 - Establishment of strong institutional capacity at national level to complement basic police work, including the Public Protector, the National Prosecuting Authority, the Special Investigating Unit (Scorpions), the Public Service Commission, the Financial Intelligence Centre and the Auditor-General.
 - The establishment of an Asset Register for Accounting Officers and mandatory financial disclosure of assets and interests for all Senior Managers.
 - The enactment of the Public Finance Management Act (PFMA), including the requirement for all departments to undertake risk assessments and develop fraud prevention plans. As part of implementation the whole supply chain management system has been reformed and pertinent anti-corruption measures have been established.
 - A national public service anti-corruption hotline system was established in 2004 (toll-free number is 0800 701 701).
- In the area of local government, Government has introduced the Municipal Finance Management Act (MFMA) in order to bring greater accountability and transparency into municipal operations. This Act also introduces risk management and fraud prevention as statutory requirements in local authorities.
- South Africa has ratified the Southern African Development Community (SADC) Protocol against Corruption as well as the United Nations Convention against Corruption. South Africa has requested accession to the OECD Convention on Bribery of Foreign Public Officials in International Business Transactions.

Environmental Management

- The right to an environment not detrimental to health or well-being is a basic human right according to the Bill of Rights in the South African Constitution.
- In addition to various pieces of environmental legislation, (National Environmental Management Act (1998); Environment Conservation Act (1989)), the requirement for environmental sustainability is mainstreamed into other sectoral legislation. For

example, the Municipal Systems Act (2000) requires local government to provide services in an environmentally sustainable manner.

- The requirement to heed environmental issues is embedded in national policy, legislation and planning. The proposed Programme presents a number of opportunities for connecting environmental improvements with poverty reduction and enhanced public health.
- The key focus is urban environmental management in accordance with the Danida environmental strategy. An environmental screening note has been prepared.

HIV/AIDS

- A National Strategy on HIV and AIDS was adopted by Cabinet in 2000. This strategy requires every government department to develop their own specific strategies and intervention plans. A ‘Comprehensive HIV and AIDS Care, Management and Treatment Plan’ was approved by Cabinet in November 2003. The Comprehensive Plan emphasises prevention of HIV infection and strengthening of the health system to provide a series of interventions aimed at mitigating the impact of AIDS. The budget for this programme has increased by 45% from ZAR 782 million in 2004/5 financial year to ZAR 1,135 billion in 2005/6.
- In South Africa, 20% of adults between 15-49 years are HIV-positive and 77% of youth with HIV are women. The catastrophe of HIV/AIDS will result in zero population growth in the next ten years. It is estimated that in the five years from 2010 to 2015 there will be 880,000 deaths annually related to HIV/AIDS up from the estimated 365,000 annual deaths attributable to HIV/AIDS.
- South African research has demonstrated a close correlation between poverty and ill-health, including HIV/AIDS. The impact of environmental degradation amplifies in the presence of poverty, leading to even poorer conditions for those infected, facilitating the transmission of HIV and the faster development of full-blown AIDS.
- Vulnerable people with compromised immune systems, such as people living with HIV/AIDS, are more affected by air pollution and unhealthy environmental conditions than others, leading to impaired health consequences such as the earlier onset of AIDS.
- A reduction in the environmental health burden of the poor will impact positively on the transmission and early onset of AIDS, and secondary health impacts, e.g. respiratory diseases. HIV/AIDS awareness will also be integrated into the cooperation where relevant in accordance with national HIV/AIDS initiatives and strategies.

Children and Youth

- The Children’s Bill (March 2005) gives effect to the rights of children as contained in the Constitution. It sets out principles relating to the care and protection of children, and defines parental responsibilities and rights.
- NEMA recognises that the “vital role of women and youth in environmental management and development must be recognised and their full participation therein must be promoted”.

4. UEM Programme Components

The UEM Programme will be implemented through three components:

- Component 1: National and Provincial Urban Environmental Management (NPUEM)
- Component 2: Knowledge Management and Civil Society Support (KMCSS)
- Component 3: Local Government Support for Urban Environmental Management in selected Municipalities (LGS)

Each of the three components has been designed in a separate formulation process. While each of the components have their unique focus, institutional anchoring and outcome, they are mutual parts of an integrated UEM Programme and in combination they contribute to the achievement of the development and immediate objectives of the Programme.

Table 5: Outline of components and outputs of the UEM Programme

Component 1:	National and Provincial Urban Environmental Management (NPUEM)
Output 1	Framework in place for integration of Urban Environmental Management in planning
Output 2	The Waste Management Act implemented
Output 3	The National Air Quality Management Act implemented
Output 4	Section 20 waste facility permitting operational
Output 5	Joint DEAT and DoH mandate on environmental health prepared and operational
Output 6	Integrated Urban Environmental Management implemented in Western Cape province
Output 7	Integrated Urban Environmental Management implemented in Gauteng province
Output 8	Integrated Urban Environmental Management implemented in KwaZulu-Natal province
Component 2:	Knowledge Management and Civil Society Support (KMCSS)
Output 1	Partnership with SACN for the creation and dissemination of knowledge on UEM
Output 2	A programme of UEM research is carried out.
Output 3	Selected environmental Civil Society Organisations are supported.
Component 3:	Local Government Support to Urban Environmental Management in selected Municipalities (LGS)
Output 1	UEM integrated in city planning cycle and city management
Output 2	Environmental Health capacity and implementation
Output 3	Local air quality monitored and managed
Output 4	Local sustainable energy solutions developed and implemented
Output 5	UEM Capacity development and coordination

The following pages provide a brief outline of the key content of each component. Further information on each of the components is found in the more detailed component documents.

1

Component 1: National and Provincial UEM (NPUEM)

Development Objective	National and provincial framework for pro-poor integrated urban environmental management operational.
Context	The component will support the development at national and provincial level of the legal, institutional and planning framework for UEM. The component supports the development of skills and institutional capacity development.
Institutional Anchoring	DEAT Environmental Quality and Protection Branch has overall responsibility for management and implementation of the UEM Programme. Outputs are anchored in DEAT, DoH and respective departments of the Provinces involved.
Stakeholder involvement	The component is developed by DEAT, DoH and environmental departments in three provincial governments, i.e. Western Cape, Gauteng and KwaZulu-Natal. DEAT will have a key role in the coordination of the component and inclusion of relevant stakeholders including coordination with other donors. Within the UEM Programme there are opportunities for collaboration with stakeholders in municipalities and civil society organisations.
Component Management	Component management will be integrated into existing intra-departmental structures, with all partners reporting via DEAT to the Environment MinTECH and to the Programme Steering Committee. Financial support allocated to DEAT and the provinces will be disbursed directly from the RDP Fund in National Treasury to DEAT and to Provincial Treasuries respectively. Financial support for DoH will initially flow via DEAT, and later directly to DoH from the RDP Fund.
Implementation strategy	<p>The UEM Programme aims at contributing to poverty reduction. The support is tied directly to ongoing priorities as included in business plans. The Danida support complements the National and Provincial level activities and adds value. Outputs are in selected strategic areas and thematic topics that are also addressing new mandates and responsibilities.</p> <p>The NPUEM Component aims at strengthening the national and identified provincial environmental departments within South Africa.</p> <p>A key aim is to establish a legal and supportive framework for local level implementation of urban environmental management. Though there will be some pilot projects driven from the national level these shall be to develop good practice experiences for replication and in close collaboration with the relevant municipalities. The pilot cities to be supported via DEAT will be chosen at programme inception, but could well result in the inclusion of additional ‘hotspot’ cities such as Witbank in Mpumalanga and Richards Bay in Kwa-Zulu Natal, with the possibility of these pilots leading to later inclusion of that city via component three.</p>
Summary of key outputs	The DEAT outputs will provide support to three themes: air quality management, waste management and urban environmental planning. The support will be directed to: developing policies and plans that provide leadership, developing tools, manuals, training courses and capacity through hands-on training, and undertaking or supporting the implementation of pilots

	<p>and case studies to inform the policies, planning, and the capacity development interventions.</p> <p>The joint DEAT and DoH output on environmental health will seek to strengthen and enhance capacity in terms of the joint mandate of the two departments.</p> <p>In the provincial outputs the planning aspect is supported in all three provinces and the provinces have all selected the waste management theme as their priority. Gauteng and KwaZulu Natal provincial governments will also engage the programme as the critical links between national and local interventions on air quality. The provincial outputs will develop models and pilots for supporting UEM, for example, in supporting implementation of waste management planning in secondary cities and municipalities not directly targeted by component three. The findings of the case studies will be used to document findings for further roll out and replication.</p>
<p>Activities</p>	<p>Experience from the interventions will form the basis for the development of an array of technical standards, guidelines, hands-on manuals and intra- and intergovernmental procedures designed to enhance the efficient implementation of UEM in DEAT and the identified provinces initially, with the view to benefit all areas of South Africa through future replication and roll out, which will represent a key indicator of success of the component.</p> <p>Relevant short-term consultants and other technical assistance will be available to develop procedures, technical papers and case studies, monitoring and capacity development. Capacity development is mainly of institutional structures and procedures but also of staff to understand and implement their roles and functions, e.g. within environmental health.</p>
<p>Sustainability and replicability</p>	<p>Success criteria will especially focus on poverty reduction and will in the broader programme be monitored against the achievement of the Millennium Development Goals and the Johannesburg Plan of Action.</p> <p>The component will seek cases of good practice of implementation and assist in sharing of experiences through replication where relevant, e.g. within planning and implementation of air quality and waste management action plans.</p> <p>It is presumed that the targeted approach to ‘add value’ and work ‘on budget’ with existing priorities will improve the institutional capacity at national and provincial level. The support to integrated planning and environmental health will also have derived effects on sustainability.</p> <p>The development of an institutional and legal framework within urban environmental management will contribute to enhanced sustainability of local level implementation.</p>
<p>Alignment with other components in the UEM Programme</p>	<p>The NPUEM Component is contributing to securing the establishment of the national and provincial implementation framework for UEM. With the devolution of responsibilities there are strong requirements for coordination, support and intervention from provincial and national spheres of government. The balance, synergy and integration of the NPUEM component, the KMCSS and the LGS component with local level implementation are critical for the UEM programme. Experiences from the LGS component can be lifted via the</p>

	<p>NPUEM component to other locations not currently in the geographical coverage area of the UEM Programme.</p> <p>The KMCSS component will be critical to inform the directions of activities in the NPUEM component from: 1) the applied research and networking taking place among stakeholders within the Sustainable Cities Reference Group of the SACN, and; 2) from civil society voice, in particular on poverty issues related to UEM. Issues relevant for knowledge creation arising from the NPUEM component can be addressed in the KMCSS component.</p>
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2 Component 2: Knowledge Management and Civil Society Support (KMCSS)

Development Objective	<p>Knowledge creation, awareness and advocacy on best practices and poverty reduction in urban environmental management created and applied</p>
Context	<p>Civil society organisations have a pivotal role in advocating sustainable urban environmental management in the interests of poor communities. Civil society organisations will assist in bringing key topics to the policy agenda and help bring awareness and empower communities to have a voice to claim legal rights for access to environmental services and protection against impacts on livelihoods from environmental degradation.</p> <p>Urban environmental management knowledge creation will be developed with support to applied research and documentation on urban environmental management and poverty reduction. The demand for knowledge on UEM and in particular the linkages with poverty incidence and reduction are a key topic of the component.</p> <p>The SACN is a key partner in urban environmental management, being a network established and owned by South Africa’s nine largest cities, and also by the Department of Provincial and Local Government. The work of SACN, for example the “State of the Cities Report 2004” report is a key to monitor developments in urban environmental management and to create policy attention around linkages between urban environment, health and poverty reduction.</p>
Institutional Anchoring	<p>SACN will be a key partner in this component, availing the Sustainable Cities Reference Group to defining applied research questions, and disseminating and discussing the findings.</p> <p>RDE will directly provide grants to civil society organisations.</p>
Stakeholder involvement	<p>Civil society organisations will help ensure a broader stakeholder involvement in urban environmental management. The outcome is improved awareness and voice of poor communities to obtain the benefits from urban environmental management and mitigate the costs of urban environmental degradation.</p> <p>City management stakeholders coordinated by the SACN sustainable cities reference group will assist in defining research questions for applied research.</p>

	<p>SACN will more broadly develop support to address urban environmental management among metropolitan city officials.</p> <p>The research and other knowledge institutions supported will mainly be from South Africa unless as a special case a selected topic only can be addressed abroad or in comparative partnership. Other Danida supported knowledge networks may enter into collaboration using their existing Danida grants as leverage for additional new funds in such collaboration.</p>
Component Management	<p>The component will be managed by RDE.</p> <p>A partnership contract will be entered into with SACN and may also include the management of the UEM research programme.</p>
Implementation strategy	<p>The implementation strategy for the UEM Programme is to add value to national and local government budgets with a relatively small amount of additional funding. The budget situation is quite different for civil society organisations. The Danida support will be a substantial support to the environmental justice urban sector in South Africa. The support from Danida via RDE will be a relatively large share of the total support available to environmental civil society organisations in South Africa.</p> <p>The Sustainable Cities Reference Group of SACN will outline the formulation of research questions and directions. A business plan and proposal will be prepared by SACN to define the agreed support from RDE to SACN. The functioning of the SACN sustainable cities reference group and the SACN business plan and proposal is the basis for Danida support.</p> <p>A similar situation concerns the funding of short-term applied research and other knowledge creation. The focus on applied research is deliberate and should be seen as being complementary to more long-term research funded through other sources. The Danida support will help bring the existing basic research into a more applied and policy-relevant format.</p>
Summary of key outputs	<p>The key outputs of the component are: a) improved capacity of civil society organisations and documented outcomes of these organisations' support to poor urban communities adversely affected by environmental degradation, b) outputs from research projects disseminated in an accessible form (i.e. policy briefs and concise research reports), and c) reference material on UEM produced in collaboration with SACN including updated 'State of the Cities' reports and new sections on 'sustainable cities'.</p> <p>There will be annual forums presenting results from knowledge creation within annual topics selected in cooperation with SACN.</p>
Activities	<p>Key activities are: a) collaboration with SACN SCRG, b) make contracts with selected civil society organisations working on urban environmental management in the interest of poor communities adversely affected by environmental degradation, and c) enter into and manage applied research contracts with selected knowledge institutions and researchers.</p>
Sustainability	<p>Support to CSOs shall also include support towards developing the funding base</p>

and replicability	for the UEM CSO sector. The SACN is financially supported by its member cities, securing a continued existence and internalisation of the assistance provided.
Alignment with other components in the UEM Programme	Applied research and knowledge management driven by demand from decision makers, municipal environmental managers and civil society will not by itself bring an improvement in urban environment and poverty reduction. It is how this awareness and knowledge is utilised in the development of policies and strategies (component 1) and the local level implementation (component 3) that will determine the effectiveness of this component to achieve its outcome.

3 Component 3: UEM in selected Municipalities

Development Objective	Improved local urban environmental management and planning for poor communities
Context	The implementation of urban environmental management takes place at the municipal level. Larger metropolitan municipalities have been identified for the beginning of the component due to identified urban environmental management challenges, e.g. air pollution hotspots, migration and informal settlements, and close proximity of settlements and industry.
Institutional Anchoring	The component will be anchored in each of the relevant departments or directorates of the five municipalities.
Stakeholder involvement	The municipalities will involve stakeholders as per statutory requirements pertaining to local government. It is the intention that the support provided through the UEM Programme will specifically target and benefit poorer communities.
Component Management	Management issues will be addressed in each partner city by the manager designated to coordinate component activities across the participating departments. Each designated coordinating manager shall represent their city on the PSC. Support for component management in three of the cities will be provided by national component advisors. Programme-related decisions will be forwarded to the PSC for decision-making. The JAPR will also have the opportunity to address the management and implementation of the component.
Implementation strategy	A key local component strategy is to support city priorities and plans within the overall UEM Programme framework. In this way the “national” legislative and policy perspective is matched by a “local” implementation point of view. A challenge is to ensure synergy between the two. In addition to using every-day inter-governmental communications, programme-related cooperation and integration possibilities will be considered at the annual programme ‘best-practice’ workshop to be hosted by DEAT.
Summary of key outputs	The component has five outputs directly responsive to the immediate objective. They relate to all five municipalities and to the requirements for strengthening inter-governmental relations. The outputs reflect key elements of local

	<p>government's business, as captured in the Municipal Systems Act (2000). The outputs are: Capacity for integrated environmental policy formulation, planning and strategy preparation developed and supported, Capacity for developmental and community-responsive environmental service delivery developed and supported, Effective and accountable management guiding and integrating urban environmental programmes and projects fostered, Participatory mechanisms for the involvement of the public in the identification, deliberation and negotiation of UE interventions fostered and Environmental cooperation and mutual capacity development between spheres of government and among municipalities fostered.</p>
Activities	<p>Given the complex and diverse environmental priorities and responsibilities of the cities, the precise activity details within city programmes will be planned and budgeted according to standard city procedures ahead of inception in July 2006. In preparation for the execution of component activities for the fiscal year 2006-2007, the participating cities will develop detailed Action Plans and Budgets based on the outputs and thematic areas defined in this component document. Activities between January 2006 and July 2006 will thus be of a preparatory nature and will be undertaken by the cities within a guiding framework provided by Danida. Activities from July 2006 onward need to be confirmed by the new municipal councils through approval of submitted Action Plans and Budgets.</p>
Sustainability and replicability	<p>All activities at the municipal level should ultimately aim at replication and national rollout, and not to be seen as a specific support to solve a specific environmental problem in a community.</p>
Alignment with other components in the UEM Programme	<p>The implementation of the component will be within the framework for urban environmental management developed with the assistance provided through the NPUEM component. The experiences from the LGS component from local level implementation can inform policy formulation for UEM and provide cases for replication in other municipalities with the assistance of DEAT and provinces.</p> <p>The local level implementation can be in collaboration with civil society organisations, e.g. where social issues and poverty reduction are critical for the implementation. Knowledge management activities will also link this component to the KMCSS component.</p> <p>Municipalities can be guided from the outcome of the knowledge management, e.g. from policy briefs. The municipalities can provide inputs to 'user driven' research questions. Four of the five municipalities are part of SACN and will be key actors in the forthcoming SACN sustainable cities working group. Sedibeng will be invited to participate in the reference group and other component-related activities of SACN.</p>

Component institutional anchoring and implementation management

	Component 1: NPUEM	Component 2: KMCSS	Component 3: LGS
Implementing agencies	DEAT together with Department of Health, and relevant environment departments in provincial governments of Gauteng, Western Cape and KwaZulu-Natal	SACN and selected CSOs	Municipalities in Cape Town, Ekurhuleni, eThekweni, Johannesburg and Sedibeng, with the possibility of other cities joining in course of programme.
Institutional anchoring	An executing agency within DEAT and provincial departments or divisions is responsible for each output.	RDE will contract: a) SACN and b) civil society organisations. Sub-contracting of research institutions to be determined.	An executing agency (department or unit) within each of the municipalities is responsible for each activity.
Implementation strategy	Priorities according to business plans within UEM Programme objectives	SACN business plan. A UEM research programme will be prepared by SACN.	Priorities according to business plans within UEM Programme objectives
Component organisation	Existing intra-departmental structures for coordination. Component Manager in DEAT reports to MinTECH and to PSC.	SACN SCRG	Intra-city coordination managed by component coordinator in city. With assistance of national technical advisors, cities share responsibility for combined reporting to PSC.
Component Management	Integrated in government procedures. DEAT appoints component manager.	SACN and RDE	Integrated in government procedures. Each municipalities appoint a component coordinator.
Technical Assistance	DEAT will be supported by an international (Danida contracted) and a national programme advisor (DEAT contracted). Access to short term TA (national and international).	None.	Three national long-term advisors for support to component management to be contracted by Danida. Access to short term TA (national and international)
Budget *)	DKK 56.0 million	DKK 42.0 million	DKK 70.0 million
Flow of funds	Annual transfer from Danida through RDP fund mid March to each implementing agency. Government procedures for financial management will apply.	Six-monthly transfers from RDE to sub-contracted CSOs. Six-monthly transfers from Danida to SACN.	Annual transfer from Danida via RDP fund to each implementing agency. Government procedures for financial management.
Reporting	Governmental procedures for performance reporting including progress on business plans.	Compiled reports from sub-contracted research. SACN 'state of cities report'. CSO reports.	Governmental procedures for performance reporting including progress on business plans.

*) The budget is further explained in Chapter 5. Of the total budget of DKK 220 million there is DKK 52 million not allocated to the three components.

5. Programme Budget

The budget provided for the UEM Programme from the Danida country programme is DKK 220 million (approximately ZAR 230 million).

A detailed budget for the programme and the components is attached (Annex 2). In this section there is an overview of the budget allocation into activities and technical assistance (Table 6) and a budget cash flow (Table 7).

1 Programme Budget

Table 6: UEM Programme Budget for Technical Assistance (TA) and Outputs

UEM Programme Budget, million DKK	International TA	National TA	ST TA	Civil Society and Knowledge Management	Thematic issues - Investment	Thematic issues - Operational	Training and Capacity Development	Management and Reviews	Contingency and unallocated budget	Total	
1: UEM at national and provincial level	5.0	3.0	10.0		7.0	26.0	5.0			56.0	25.5%
2: Knowledge Management and Civil Society				42.0						42.0	19.1%
3: UEM at municipality level		9.0	10.0		11.0	26.0	14.0			70.0	31.8%
Total Component Budget	5.0	12.0	20.0	42.0	18.0	52.0	19.0			168.0	
Programme coordination and administration								15.9		15.9	7.2%
Innovative projects									7.5	7.5	3.4%
Programme reviews								2.0		2.0	0.9%
Contingencies									3.0	3.0	1.4%
Total Allocated Budget								17.9	10.5	28.4	
Unallocated budget									23.6	23.6	10.7%
Grand Total	5.0	12.0	20.0	42.0	18.0	52.0	19.0	17.9	34.1	220.0	
	2.3%	5.5%	9.1%	19.1%	8.2%	23.6%	8.6%	8.1%	15.5%		

Highlights from the budget:

- Technical assistance is DKK 37.0 million or less than 17 % of the budget.
- Direct support to Civil Society is DKK 25 million (11%).
- Support to Knowledge Management is DKK 17 million (8%), which includes an applied UEM research programme of DKK 11.0 million (5%).
- The budget for implementation of thematic issues is DKK 70.0 million or 32% of the budget
- Training and direct capacity development support is DKK 19 million or 8 % of the budget.
- Unallocated budget for new activities and contingencies is DKK 34.1 million (16.5 %) of the budget.

- There is no budget in the UEM Programme for government recurrent costs, government staff salaries or large capital investments.

The budget for Technical Assistance includes:

- A full time international programme advisor position for 5 years (@ DKK 1.0 million / year including salary, operational budget and all other expenses)
- A national component advisor with emphasis on planning in component 1 (60 person months @ maximum DKK 50.000 / month. This includes salary and a minimum of 20% for operational budget and other expenses).
- Three national full-time advisor positions for five years (3 * 60 person months @ DKK 50.000 / month. This includes salary and a minimum of 20% for operational budget and other expenses).
- A provisional sum for national and international short term technical assistance is managed via DEAT and divided with DKK 10.0 million at national and DKK 10.0 million at municipal level.

The budget allocation is not fixed. Reallocations can be made within components between outputs, within outputs (e.g. between municipalities), and between components. Reallocations can only be decided by the PSC based on recommendations by component partners and the JAPR.

2 Programme Cash Flow

Table 7: UEM Programme cash flow by component (DKK million)

UEM Programme Budget, million	200	200	200	200	201	Tota
1: UEM at national and provincial	10.	13.	13.	10.	8.	56.
2: Knowledge Management and Civil	8.	8.	8.	8.	8.	42.
3: UEM at municipality	14.	14.	14.	12.	12.	70.
<i>Total Component</i>	<i>33.</i>	<i>36.</i>	<i>37.</i>	<i>31.</i>	<i>29.</i>	<i>168.</i>
Programme coordination and	2.	2.	2.	2.	2.	14.
Innovative	1.	1.	1.	1.	1.	7.
Programme	0.	0.	0.	0.	0.	2.
Contingencie	1.	1.	1.	1.	1.	6.
<i>Total Allocated</i>	<i>39.</i>	<i>42.</i>	<i>43.</i>	<i>37.</i>	<i>35.</i>	<i>196.</i>
Unallocated	4.	4.	4.	4.	4.	22.
Grand	43.	47.	47.	41.	39.	220.

Budget Cash Flow notes:

- The cash flow shows expected disbursements and does not include commitments, for example part of the year 5 budget disbursement may have been committed in year 3.
- The inflation in South Africa is ca. 5% p.a. which has to taken into account in management expenses and fees for long-term national consultants.

The South African Financial Year begins July 1st for municipalities and April 1st for national and provincial government. The cycle of five annual budgets for the components will begin accordingly. Component two will begin in January 2006. Given the ‘on-budget’ approach, component partners in government will begin preparing their component-related business and activity plans once the government-to-government agreement is signed – expected in November 2005. These preparations will be conducted as part of normal government business and will follow standard approval procedures. Upon receiving official approval, the component-related business plans will be forwarded to the PSC Secretariat who will compile and collate an additional summary report for the PSC. The Secretariat, assisted by the International Programme Advisor, shall specifically point out to the PSC any inconsistencies between the submitted plans and budgets, and the budgets, objectives and outputs of this programme document and the associated component documentation. Following the PSC’s endorsement of a budget and plan, the RDE shall administer the process of transferring the necessary finances to the RDP Fund.

Programme level budget

The programme level budget is those budget lines not included in one of the component budgets. Budget lines are included at programme level if these do not fall under the management or logic role of the components. The programme level budget includes:

- A budget for the operation, programme management and coordination by the RDE.
- A budget for innovative projects. These are small projects involving partners in government, private sector and NGOs that are not directly involved as component partners. These innovative projects are managed by RDE and the use of the budget is reported by RDE to the PSC. The focus is on support to strategic conferences, inter-governmental and inter-sector activities and development of innovative bankable project proposal.
- A budget for the Joint Annual Programme Reviews (JAPR).
- Unallocated funds are available for involving additional municipalities and/or themes. The unallocated funds can be allocated to new outputs in the existing components or new components at the recommendations by the JAPR and approval by the PSC.

6. Management and Organisation

The UEM Programme Document specifies the programme level management and organisation. The component management and organisation is specified in more detail in each of the component documents.

1 Programme Steering Committee

The PSC will be chaired by the DDG (Environment Quality and Protection) in DEAT and will include a senior representative from the National Department of Health, the designated component coordinator in each of the participating cities and provinces, and a representative from RDE. The Executive Director of SACN, a senior representative of the South African Local Government Association (SALGA), and a representative of civil society will also be invited to sit on the PSC. Additional active representatives of the Programme Design Advisory Committee (PDAC) will also constitute the PSC. This includes senior representatives of DME, the Housing Department, and National Treasury. The PSC Chair can invite additional sector representatives to participate on an *ad hoc* basis.

While endorsing the commitment to avoid parallel programme management committees, the PDAC, in recognising that the environment sector cuts across many different departments, has recommended a dedicated programme management structure. The Committee for Environmental Coordination (CEC), established in terms of NEMA was considered for taking on the PSC function, but the assessment was that the CEC does not attract sufficiently high level attention and cross-sector participation. The mandate of the CEC is also broader and any specific attention to the UEM programme would be outside the interests of various members.

The PSC will receive reports upon and give direction to overall programme progress, and also consider and decide upon the recommendations of the Joint Annual Programme Review (JAPR). Given the staggered financial-year timeframes of the different levels of government, it becomes challenging to convene meetings in time to scrutinise and individually approve the work-plans and budgets of the individual cities, provinces and national departments. It is suggested that the PSC meet in February (prior to national and provincial financial years beginning) and May (prior to municipal financial year beginning). Additional meetings of the PSC may be called by the Chair, if and when necessary.

The PSC will be served by a Secretariat, coordinated from within DEAT and assisted by the International Programme Advisor. The Secretariat will take responsibility for the timely collection, collation and preparation of necessary reports for the PSC. The Secretariat will also scrutinise the plans and budgets submitted by partners for alignment with the allocations and objectives as described in this programme document, and the corresponding component documents. In addition to the plans and reports submitted by partners, the Secretariat will submit an executive summary of submitted plans and reports, and indicate to the PSC those reports and/or plans and budgets requiring further attention.

Draft Terms of Reference (ToR) for the PSC are Annex 5. These will be finalised during the inception phase for approval at the first meeting of the PSC. The draft ToR outline the proposed PSC composition, and:

- Resource persons may be invited to attend PSC meetings, e.g. representatives from donors like Norad, private sector representatives, civil society, the programme advisor, and component managers and advisors.
- The DEAT appointed Programme Director will be responsible for organising the PSC sessions and will report on programme progress, based on Component specific inputs, and prepare minutes from the PSC meetings.
- The PSC sessions will be conducted at least every six months with extraordinary meetings possible on request from any PSC member.
- PSC meetings will be called by DEAT in coordination with RDE.

2 Programme level management

DEAT is the lead agency responsible for the UEM programme implementation and for coordinating with other national, provincial and local government agencies, including other donor-supported national environmental management interventions. The Environmental Quality and Protection Branch within DEAT is responsible for the overall internal and external national level programme coordination.

The programme management decision authority and responsibility is with the DEAT appointed Programme Director with support from the International Programme Advisor. This management authority does not extend to overall management of the components, because this is mostly integrated in the existing government procedures. Management decisions are informed by the decisions and endorsements made by the PSC.

At programme level the management is related to activities of PSC, the liaison between the three Components, and programme level coordination between DEAT and RDE. The DEAT Programme Director can delegate relevant programme management authority.

3 Component Management

Decision-making with respect to component implementation will be taken within normal line functions and committees that exist to manage the associated functions in government. There will be no parallel committee with decision-making responsibility that may contradict official processes. Checks and balances for coherence and alignment of partner plans and budgets with respect to the component and programme agreements will be processed through the PSC Secretariat to the PSC.

Components one and three will be managed using existing intra- and inter-departmental structures of government. For purposes of component-specific integration and coordination, some cities will establish dedicated inter-departmental coordinating committees. Combined component reporting will be collated with support from the national component advisors.

Locally approved work plans and budgets of component partners will be submitted to the PSC Secretariat to the PSC as part of the process of effecting programme coherence and triggering transfer of funds. Collated component-wide progress and financial reports will be submitted to the PSC Secretariat, for tabling at the PSC. Component two progress will reported to the PSC via the RDE.

The management of the three components is further outlined in the Component documents.

NPUEM: The management decision authority and responsibility for Component 1 is with the designated Component Manager from DEAT in collaboration with the international programme advisor and the component advisor in DEAT. The management decisions are guided by decisions made by the PSC. Component implementation is fully integrated into the Government business plans, and management decision authority will be delegated to the respective government institution for each of the outputs in Component 1, i.e. in the three provinces (Gauteng, Western Cape and KwaZulu-Natal) and relevant sections in DEAT (air quality, waste management, planning, etc.) and Department of Health.

KMCSS: The management decision authority is with the RDE and with SACN as agreed in the partnership contract with RDE.

LGS: the management decision authority is delegated to each of the participating five municipalities. The participating municipalities will each nominate a component coordinator in charge of overall component management and coordination. Each city component coordinator will represent their cities on the PSC. Where applicable, component coordinators will receive assistance from national component advisors. Each municipality will submit their plans, budgets and reports through the PSC Secretariat to the PSC.

In the inception phase each municipality will designate a city component coordinator who will have responsibility for promoting coordination and collaboration among participating departments/sections (e.g. environmental health, planning, waste management and air quality).

Though the implementation is integrated in the Government system for component 1 and 3 there will be a concise Component Procedures Manual prepared by the Technical Advisor Team (i.e. the international Danida programme advisor in collaboration with the three national component advisors) for component 1 and 3 during the inception phase. The component procedures manual will outline key administrative procedures as needed for the collaboration between Danida and partners on the UEM Programme implementation including organisation of PSC, and management, monitoring, reporting and financial procedures.

7. Financial Management and Procurement

Danida is committed to applying existing South African Government procedures for financial management and procurement in the UEM Programme. In this chapter the financial management of the UEM Programme is outlined, including the legal framework and procedures for public sector financial management in South Africa. The financial management of the UEM Programme complies with Danida requirements.

1 Regulation of public sector financial management

Public sector financial management in South Africa is directed by:

- The Public Finance Management Act (PFMA)
- The Municipal Finance Management Act (MFMA)

Planning, budgeting and reporting are all an integrated process in Government. Budgets are prepared annually and planned in a three-year Medium Term Expenditure Framework. Implementation and budgeting at municipal level is required by the Municipal Systems Act (2000) to be guided by IDPs. For all levels of Government implementation is structured in annual business plans. The financial year for national and provincial government begins April 1st and for municipalities on July 1st. The three-month gap is to allow local government sufficient time to prepare their budgets following the Division of Revenue Act notification of their fiscal transfers.

The PFMA requires Provinces to establish Provincial Authorities responsible for preparing and managing provincial budgets. National funding for municipalities is routed through provincial treasuries.

According to the MFMA a provincial treasury must monitor: (i) compliance of MFMA by municipalities and municipal entities in the province; (ii) municipal budget preparation; (iii) the monthly outcome of those budgets; and (iv) the submission of reports by municipalities in the province as required in terms of the MFMA. The provincial treasury must submit all information provided to it in terms of this Act to the National Treasury on a quarterly basis.

The MFMA differentiates between the roles of executive counsellors and their officials by making the executive mayor or committee responsible for policy and outcomes and the municipal manager and other senior managers for implementation and outputs in the municipalities.

The MFMA allows for municipalities to enter directly into international financial transactions including agreements with donors. It, however, does not imply approval of, or permission to bypass the financial management procedures or requirements, e.g. bypassing the prescribed planning procedures or flow of funds mechanism.

2 Compliance with Danida requirements for financial management

Donor funding in South Africa is coordinated by the International Development Cooperation (IDC) Chief Directorate in National Treasury. The Reconstruction and Development

Programme (RDP) Fund is established in terms of the RDP Fund Act (1994) as amended, to channel and account for donor funding in the public sector.

Financial accounting procedures will follow the procedures as described in the accounting practice note prepared by the Office of the Accountant-General (Accounting Practice Note 16 of 2001, Ref SX 8/1 – distributed to all Chief Financial Officers in October 2001 by National Treasury). A synthesis of these procedures is contained in chapter eight of Annex A (Accounting Procedures for the RDP Fund) of the “Policy Framework and Procedural Guidelines for the Management of Official Development Assistance” (www.dcis.gov.za). All component financial management and reporting will comply with the above requirements.

South African implementation agencies, i.e. national departments, provincial governments and municipalities, are subject to stringent reporting requirements in terms of the South African legislation and the Official Development Assistance (ODA) guidelines. These requirements not only meet the Danida reporting requirements, but exceed them. Danida can adopt the South African reporting guidelines, when implementing ‘on budget’ support through the RDP Fund. The UEM Programme Identification Report found that the fiduciary risk in South Africa is assessed to be low.

3 Funding flow Mechanisms

There are three main funding flow mechanisms for ODA in South Africa recognised by the Ministry of Finance. These may all be applied in the UEM Programme.

Table 8: Funding flow Mechanisms

Funding flow	Comments and application in the UEM Programme
a) Direct payment by donor ('project mode')	<ul style="list-style-type: none"> • May be used for procurement of technical assistance, i.e. international and national programme advisors and short-term consultants. • May be used in instances where the implementing agency is incapable of the required level of financial management – especially activities-related budget reporting. • Danida has full responsibility for financial management and accountability.
b) Third party management	<ul style="list-style-type: none"> • The RDE manages funding contracts with respect to SACN, the research programme and CSOs.
c) RDP Fund mechanism	<ul style="list-style-type: none"> • RDP Fund is a central repository for donor funds. • The Government takes full accountability for funds transferred through the RDP Fund to implementing agencies. • The process from payment into the account at the Reserve Bank to the transfer payment into the implementing agency’s account can be done in a week. • Recipient partners open and operate a specific RDP Grant Account for Danida (as described in Section 8 of the reference)

Reference: Adapted from “Policy framework and procedural guidelines for the management of Official Development Assistance (ODA)”, Annex A, section 6. (Ministry of Finance, October 2003)

The guideline for management of ODA includes a clear statement regarding third party management:

“In some cases, so-called fund managers are used to implement donor-supported projects, mostly to circumvent real or perceived inefficiencies in the RDP Fund mechanism. This mechanism [third party management] should not be used simply to bypass the RDP Fund”.

Third party financial management can only be justified if the municipalities do not have the capacity to manage “on-budget” funding transferred via the RDP Funds and therefore require the services of a fund manager. Many municipalities are not able to specifically track and report upon the utilisation of specifically earmarked funds related to operational budgets. It is usually possible for metropolitan municipalities to track specific capital expenditures.

4 Transfer of funds

With respect to the RDP Fund, Danida deposits funds into the RDP Fund account at the South African Reserve Bank. The Accountant-General facilitates the transfer of funds to the financial managers of implementing agencies.

In order to facilitate the budget execution it is important that donor funds should be disbursed to the RDP Fund in time:

- National and Provincial level: One annual payment from Danida to RDP Fund completed before end of March in time for the start of the financial year April 1st.
- Municipal level: Municipalities receive national government grants (as separate from their own locally-generated revenue) in four annual instalments; end of May, August, November and February. Transfer of funds for municipalities from Danida to the RDP Fund will take place in June each year, subject to and following PSC approval of submitted work plans and budgets.

Upon transfer of funds RDE must notify the IDC Chief Directorate, National Treasury and the programme manager of the implementing or managing agency. Upon notification of payment from IDC to the Office of the Accountant General, a letter of acknowledgement is forwarded from IDC to RDE.

The transfer of funds from the RDP Fund to the implementing agency is made by the Accountant-General following South African procedures. For national departments a payment is made to the Agency’s Paymaster-General account. Where the implementation agency is a provincial department or a municipality the funds flow via provincial or municipal treasury.

The entire process, from payment into the account at the Reserve Bank to the transfer payment into the implementing agency’s account should not take longer than one week. However, delays may occur if there is no proper notification of payment by the donor, failed requests by the recipients, or the Accountant-General’s office does not have all the information required to make the transfer payments

The flow of fund mechanism is further outlined in the RDP Fund Amendment Act.

Funding for the annual budget of SACN (Component 2) is transferred from RDE to SACN in two six monthly instalments. Fund transfers to sub-contracted institutions and to CSOs will be six-monthly as per the frequency of progress and financial reporting.

Failure to submit six-monthly accounts will result in the withholding of the transfer. In addition, fund transfers will depend on timely release of agreed counterpart funds to relevant institutions.

5 Disbursement authorisation

Funding flows through the RDP Fund follow disbursement authorisation according to the PFMA and MFMA procedures. Treasury Regulations under the PFMA provide that the accounting officer of an institution must ensure that internal procedures and internal control measures are in place for payment approval and processing.

For third party management the disbursement authority is with the account holder.

6 Procedures for budgeting

The budgeting procedure for support to national, provincial and municipal level is part of the Government system for budgeting. Budgets prepared for annual business plans will include line-items for the amounts to be transferred through the RDP Fund for national departments, provinces and municipalities. The process of releasing Danida funds can only occur in response to business plans and budgets that have been approved in the same manner that official plans and budgets are approved.

Process	National and Provincial	Municipal
Draft budget prepared	October	January
Final budget submitted / approved	February	May
Start of the Financial Year	April 1 st	July 1 st

Annual budgets and work plans have to be approved by the PSC before RDE can implement requests for transfer of funding to the RDP Fund.

Municipalities are required to develop annually reviewable five-year IDPs for their areas. These should include development strategies, programmes and projects to be undertaken, sector plans, as well as a monitoring framework. These in turn are required to inform the Medium Term Expenditure Framework (MTEF) and budget planning.

Budgets for activities supported by the SACN and for research projects, will be part of the project agreements. These project budgets may span over more than a year but the budget is released in six-monthly tranches from the RDE.

Unspent funds in one financial year are rolled over as an initial amount towards the budget of the following financial year, whether it is in the RDP Fund, or from non-governmental partners (including SACN) supported via the RDE.

7 Accounting principles and procedures

Accounting principles and procedures of the Government of South Africa are used for funding managed through the RDP Fund. These accounting principles and procedures meet Danida requirements. The PFMA and MFMA are new and promising financial management requirements. There are challenges in rolling out the requirements of these acts, resulting in some counterparts receiving unsatisfactory audit reports from the Auditor General. A number of proposed partners are receiving audit reports with no or minor comments. The programme

can provide programme-related financial management support through the pool of Short-Term TA to municipalities and other government departments with unsatisfactory audit reports.

National and provincial government departments have to report budget execution, suspense account and bank account balance (in the case of provinces) information to National Treasury monthly and quarterly, as well as annually. Reports have to be submitted by the 22nd of each month to National Treasury. Provincial government departments have to report to the provincial treasury by the 15th of the month.

The SACN and partner CSOs and research institutions will follow accounting principles procedures as required by law. These will meet Danida requirements as informed by RDE. It is the responsibility of the contract signatories to ensure that their organisations follow good practice in accounting and bookkeeping, and are in line with relevant Danida Guidelines.

8 Procedures for procurement

South Africa has a policy of Supply Chain Management including procedures for procurement. The UEM Programme will follow the Supply Chain Management General Procurement Guidelines. The procurement of national and international long and short-term TA will be either by Danida, the involved government agency or the procurement agency. Procedures for transparency in selection through competitive tender procedures shall be applied.

Table 9: TA procurement

TA	Long term TA	Short term TA (pool)	Short Term TA (outputs)
<i>International</i>	Danida hire.	Procurement Agent	Procurement Agent (exceptions may apply for using direct hire by government; e.g. small contracts);
<i>National</i>	DEAT or Municipality hire	Procurement Agent	DEAT, provincial and municipal procedures (exceptions may apply for using the Procurement Agent)

The 'pool' is the provisional sum for short term TA available. The programme director and component coordinators with assistance from the international programme adviser will coordinate this input. The TA for 'outputs' is what is included as part of the business plan support.

9 Auditing procedures

According to the PFMA, Government Departments are required to have and maintain systems of internal audit under the control and direction of an audit committee. The Auditor General's report, including a financial statement for the financial period audited, is to be submitted to RDE not later than six months after the end of the financial year. A final audit will be undertaken within three months after the completion of the components.

South African Treasury Regulations require that annual financial statements of departments, which are audited annually by the Auditor General, have to include the following information with regard to donor funding:

- Balance sheet (current assets, amounts recoverable from donors, current liabilities, amounts repayable to donors)
- Income statement and amount spent in respect of local and foreign donor assistance
- Notes to annual financial statements (use of foreign aid assistance, detailing the source and intended use of the assistance, performance information on the institution using the assistance, any pending application for assistance).
- Analysis of donor funded expenditure (expenditure per item, e.g. administration, equipment, etc).
- Statement of foreign aid assistance received (intended use, amount rolled over from previous year, amount received in current year, amount spent during the year, balance at the end of current year, performance information on the use of assistance).

RDE will request annually audited accounts from the supported organisations as a condition for support in component 2. The audits shall be prepared by audit firms of good reputation. A compiled audit report shall be forwarded to RDE not later than six months after the end of the financial year.

The municipalities will ensure that audits are prepared of funds managed for municipalities. A compiled audit report shall be forwarded to RDE not later than six months after the end of the financial year. RDE may initiate assistance to financial management in the municipalities where the Auditor General's reports are not satisfactory on issues relevant for the UEM Programme formulation.

The RDE retains the right to institute and fund external audits on the use of programme funds at all the three levels of government if and when considered necessary. In the case of government institutions, these will be initiated in consultation with the PSC chairperson. It is possible within the scope of this programme to provide special financial management capacity development assistance to partners. Such support will be considered for those government departments that receive qualified reports from the Auditor General. For partners outside of government, the re-allocation of funds towards financial management capacity development will be informed by management reports from the independent or Danida appointed auditors.

Table 9: UEM Programme – An overview of financial management

	Transfer from Danida to account holder	Transfer to implementing agency	Reporting and accounting responsibility	Audits
Component 1: NPUEM	Annual transfer to RDP Fund in March after PSC approval.	Annual transfer to implementing agency Paymaster General account / province treasury	The Department, National and Provincial Treasury	Internal audits and reporting to Auditor General’s office. Option for RDE to call for external audit.
Component 2: KMCSS	Six-monthly transfers to SACN and partner CSOs.	Six-monthly transfers to projects (SACN, civil society and research institutions)	Each project prepares accounts and reports six monthly to RDE.	Each project has independent audit. RDE can commission additional audit
Component 3: LGS	Annual transfer to RDP Fund in June after PSC approval	Direct transfer from RDP fund to municipal treasury.	The municipal treasury prepare accounts and financial reports.	Internal audit and reporting to Auditor General’s office. Option for RDE to call for external audit.

8.

Monitoring and Reporting

1 Approach to programme monitoring

The monitoring of the UEM Programme is based on existing national, provincial and local government monitoring and evaluation systems or procedures. A parallel and programme-specific monitoring of outcome shall be avoided. The monitoring of the UEM Programme will focus on outcomes of urban environmental management and links to poverty reduction.

The UEM Programme and Component indicators will reflect existing government indicators, e.g. DEAT published "Development of a Core Set of Environmental Performance Indicators" (2004) aimed at local level reporting for air quality, waste management and the planning process. The UEM Programme can assist DEAT to report on those indicators of relevance to UEM.

At the implementation level, references are made to existing provincial and local government indicators, including those required in EIPs and EMPs as well as in IDPs. Relevant information on the outcome of the programme on urban environmental management will also be compiled by civil society organisations and the SACN.

2 Programme and Component Monitoring

Programme level monitoring is based on already developed government indicators and current development work such as the definition of human development indicators, proxy indicators in the Ten Year Review, and the City Development Index applied by SACN.

A key means of verification for the UEM Programme is the "State of the Cities report 2004" prepared by SACN. The SACN includes nine large cities including all the municipalities in the UEM Programme except Sedibeng district municipality. The "State of the Cities report 2004" includes:

- key social trends indicators including general access, poverty and exclusion indicators,
- core sustainable cities indicators,
- general environmental and liveability indicators, and
- cities governance indicators.

The indicator framework from the "State of the Cities report 2004" and future updates is a relevant monitoring and indicator framework for the UEM Programme.

Other means of verification are the annual reviews of the departmental and local government business plans, performance reviews of staff, national monitoring of MDG, reports and studies on urban environment and poverty reduction, and national and local level State of the Environment (SoE) reporting. SoE reports are prepared for Johannesburg, Cape Town, Ekurhuleni and eThekweni.

In South Africa a national monitoring and evaluation framework and a national statistics system is currently under development for MDG monitoring in response to the information gaps identified during the DEAT Ten Year Review. Planned deliverables will include,

amongst others, the development of a national indicator compendium as well as a Management System for Statistical Information. Statistics South Africa is the lead agency that manages the process with the support of a team consisting of representatives from government departments, civil society organisations, foundations and the private sector. As for specific UEM Programme indicators, the following have been tentatively identified based on the development objectives for the UEM Programme and the three components, which correspond with immediate objectives for the UEM Programme.

Table 10: Overview of programme level monitoring framework

Development Objective	Impact Indicators	Means of Verification
Sustainable and poverty oriented environmental management of urban areas in South Africa	<ul style="list-style-type: none"> Urban poverty reduced as per Government monitoring of national targets, MDG and the Johannesburg Action Plan. 	<ul style="list-style-type: none"> National and provincial reporting on urban environment and reduction of poverty
Programme Immediate Objectives	Outcome Indicators	Means of Verification
Component 1: National and provincial framework for pro-poor integrated urban environmental management operational	<ul style="list-style-type: none"> Increase in government capacity for Environmental Management (EM09) Increased environmental reporting by government (EM10) 	<ul style="list-style-type: none"> Reports on and reviews of DEAT and provincial business annual progress reports Municipal, provincial and national SoE reports reporting on reduced air pollution, improved living environments and increased number of urban dwellers having access to basic services Number of staff in departments with a mandate to protect the environment Policies plans and programmes for the environment developed and being implemented
Component 2: Knowledge creation, awareness and advocacy on best practices and poverty alleviation in urban environmental management created and applied	<ul style="list-style-type: none"> Outcome of research programmes (number of trained staff, access to relevant knowledge increased, formulated/documentated UEM practices) Level of civil society organisation involvement in UEM and influence 	<ul style="list-style-type: none"> Policy briefs and research reports 'State of the Cities' report by SACN Civil society organisations reporting
Component 3: Improved local urban environmental management and planning for poor communities.	<ul style="list-style-type: none"> Targets of local government IDPs and business plans for relevant UEM issues Institutional capacity in local government for UEM and pro-poor service delivery 	<ul style="list-style-type: none"> Reporting on and review of IDPs and local government business plans Staff performance reviews Local State of the Environment reports

Programme Reviews

Programme Reviews will be undertaken on an annual basis. The decision on timing of a Programme Review will be made by DEAT and RDE and endorsed by the PSC. An annual status assessment by the PSC, initiated by DEAT and RDE, can make recommendations and the PSC can decide on management issues and budget reallocations.

The Programme Review ideally should be held in order to inform implementation in the following financial year, i.e. in sufficient time before the business plans and budgets for the subsequent financial year are finalised.

The Programme Review will be carried out jointly by DEAT and Danida. Optional representatives on the Programme Review are from local government, SACN and civil society organisations. Other donors working in the sector such as Norad will also be invited as observers for the Programme Review. RDE will determine whether the assistance of the Danida Technical Advisory Service (BFT) is required. There are three options: a) a technical advisor from BFT (Danida Head Office or the region) can attend the Programme Review, b) BFT can be asked to lead the Programme Review and include a team of external consultants, or c) the Programme Review can be done by RDE and DEAT without BFT assistance.

RDE and DEAT may decide to have Technical Reviews preceding the Programme Review and/or annual status meetings in order to address specific issues in any of the components.

The purpose of the Programme Review is to assess progress within the UEM sector, the UEM Programme implementation, monitoring of risks and assumptions, and make recommendations within the available flexibility of the programme.

The Programme Review can make recommendations on the reallocation of the budget, unspent funds and release of the unallocated budget for new activities. The findings and recommendations of the Programme Review will be presented in a *Review Aide Memoire* signed by the RDE and DEAT. The *Review Aide Memoire* will be endorsed by the PSC and guide the work plans.

Towards the end of year four of the UEM Programme, the review will be extended to also include assessment of lessons learned from the programme and each component with the overall aim of developing an optional five-year UEM Programme phase 2 (2011-2015). The preparation of a second five-year programme is subject to agreement by South Africa and Denmark on continued collaboration on urban environmental management, e.g. as documented in signed minutes from the high level Annual Country Consultations between the two countries.

4 Programme reporting

The reporting of the UEM Programme by the involved agencies at national, provincial and municipal level will be embedded in the required reporting as outlined in government procedures including South Africa requirements for reporting on ODA. The UEM Programme does not foresee additional reporting to Danida to be prepared by Government officials.

Additional reporting to Danida if necessary will be according to AMG for Programme Management (Chapter 10 and 11). UEM Programme specific reporting will be based on reporting already made using government reporting requirements.

The reporting within the UEM Programme has a dual purpose. The *first* purpose of the reporting is programme implementation and this is fully aligned with South African procedures, e.g. on reporting on the business plans, and brief progress reporting prepared by the UEM Programme management according to Danida procedures and guidance from RDE.

The reporting will include:

- Programme level: The Programme Director with assistance of the international programme advisor will be responsible for issuing a compiled Inception Report, six-monthly progress and financial reports and annual work plans. These reports will include a compilation of the component reports based on existing government reporting on business plans. The programme annual report will also address cross-cutting themes and monitoring of risks and assumptions.
- Component level: Each Component Manager will be responsible for issuing an Inception Report, and, assisted by national advisors (where available) six-monthly progress and financial reports and annual work plans to be compiled in the programme reporting. The component report is based on existing reporting in the government system.

The management reporting will address performance for the overall UEM Programme and progress of each of the components' performance as defined by indicators in the supported business plans.

The *second* purpose of the reporting will address outcomes and lessons learned. This will in particular be supported by activities in Component 2 addressing knowledge management and applied research on UEM. A specific feature is the compilation of the available monitoring information on UEM. The overall development in the UEM sector will be addressed by updates of the SACN "State of the Cities Report".

9. Assessment of key assumptions and risks

The key assumptions are those that will have to be met in order for the programme outputs to result in the outcomes and impacts envisioned in the immediate and development objectives.

The risks are external events with little probability but critical impacts that may change the premises on which the UEM Programme has been prepared and agreed. The UEM Programme risks are monitored by the PSC and addressed during the Programme Reviews.

Preconditions are actions to be taken by Danida, DEAT or other agencies before the UEM Programme can be launched. Preconditions have to be met before the support (inputs) can be turned into delivered outputs.

1 Key assumptions

The UEM Programme is developed in collaboration between DEAT and other stakeholders in South Africa, and Danida. The commitment for the UEM Programme among stakeholders is a foundation for the programme development and thus not considered as an assumption. The key assumptions include:

- **Alignment with business plans.** It is an assumption that the Programme activities in Government departments and local government are aligned with existing priorities and respond to business plans. Otherwise there is the risk that the Programme activities may be regarded as an unexpected additional burden being placed on staff and resources. Component activities will be integrated into and support existing work plans of stakeholders, thereby limiting such possible burdens as well as potentially building staff morale.
- **Counterpart contributions.** An assumption for programme implementation is that stakeholders are prioritising specified inputs in terms of staff, funds, and office facilities for urban environmental management, because the UEM Programme support is additional to existing government budget in order to add value.
- **Alignment with development policies.** It is a weakness for the budget allocation for urban environmental management that it is perceived to be associated with obstacles to economic development. Urban environmental management is included too late if at all as development projects. The UEM Programme's design mitigates these risks by focusing on interventions that support South African policy to alleviate poverty and working towards achieving the MDG while at the same time not conflicting with the economic growth strategies of the Government. Some emphasis in the programme implementation on environmental economics may sharpen the attention of complementing interventions.
- **Government absorptive capacity.** It is an assumption that the proposed interventions do not exceed the absorptive capacity of government agencies. It is a critical assumption that the absorptive capacity of departments is assessed prior to the determination of activities and budgets in order to ensure realistic planning and implementation.

2 Key programme risks

The integration of the programme into existing priorities and business plans mitigates the risks of programme implementation. Some of the risks in urban environmental management relate to the aim of the programme, i.e. to develop urban environmental management as a proactive tool towards sustainable development and to avoid increased poverty. The aim of the programme is to add value and improve the use of already available resources, and part of this is risk management.

- **Institutional capacity.** There is a medium risk that capacity is stretched due to the transfer of new and sometimes unfunded legal responsibilities for various environmental functions from national government to newly-established provincial and local government structures. Delays in clarifying inter-governmental environmental mandates, functions and release of funding may lead to a set of poorly coordinated institutional arrangements at provincial and local levels. Institutional and system changes and restructuring and disputes over the division of expenditures may delay implementation.
- **Financial flow delays.** There is a small risk of delays in financial flows. Partners at municipal level have expressed concerns about long delays in disbursement via the RDP Fund. The risk is addressed by ensuring that there is flexibility to the timing of output delivery in the programme. The preferred action is to work with the existing financial system despite its real or perceived weaknesses and seek ways to improve the rate of disbursement. It is not an option to develop parallel flow of funding mechanism due to delays in disbursement of RDP Funds. Third party fund managers will only be engaged if the municipalities lack the capacity to manage funds.
- **Strong focus on implementation through projects.** There is medium risk that the implementation is project driven because there is a demand in South Africa at local government level for visible results responding to demands from politicians. The drawback is that local level government is chasing projects to demonstrate visible results while not addressing their institutional capacity development or the overall quality of municipal services for poor communities. The UEM Programme will respond to this by aiming at results but also secure means for institutional capacity development and replication of lessons learned.
- **Staff capacity and availability.** There is a medium risk of limited staff capacity. Limited capacity and vacancies in key positions in government departments may result in insufficient staff allocations for the management and implementation of the UEM Programme.
- **Local Government elections.** There are high risks for delays in local development programmes in South Africa due to possible delays associated with the upcoming local government elections. Local government elections will take place by March 2006 and could have the effect of delaying the inception of Programme activities, especially those occurring at local government level.
- **Delays in disbursements.** Multiple funding pipelines from national government to provincial and local government may add to a small risk of real or perceived delays in disbursement. Likewise, long response time to appoint consultants, and limited experience and capacity on procurement may result in funding flow bottlenecks and delays in the implementation of Programme activities.

3 Preconditions

The main precondition for launching the UEM Programme is a government-to-government agreement before the end of 2005.

- In Component 2 a precondition for support to the SACN is the approved business plan for the reference group on sustainable cities.
- The Waste Management Act shall be promulgated prior to initiating activities in the implementation of the waste management theme, nationally and provincially.
- Authorisation of funds transfer to government programme partners via the RDP Fund, can only occur following approval of prepared business plans and activities by the committees and mechanisms applicable to that department's normal planning and budgeting procedures. The PSC Secretariat is responsible for a) confirming proper departmental approval, b) alignment of the proposed budgets and activities with the component objectives, outputs and allocated budgets. The PSC is responsible for recommending the RDE to effect financial transfers to the RDP Fund.

4 Programme sustainability and replication

Programme sustainability is concerned with the continuation of the supported interventions after the support has ceased. Replication is the expansion of the lessons learned either by duplication from one location to another or by providing additional support for new activities from the unallocated programme budget.

The Programme is designed to develop institutional capacity that will be sustained over the time horizon of the programme and beyond. Building institutional capacity by procedures, guidelines and actively functioning systems will contribute to enhance sustainability. There is a risk that individual capacity developed during the UEM Programme implementation will gradually vanish after Programme completion, particularly given the high turnover of staff in Government.

The sustainability probability of the programme is augmented with the strategy of adding value to existing priorities and resources. South Africa has many urgent priorities competing for limited funds and human resources. But there is evidence that available budgets are not fully utilised because of capacity constraints. There is also evidence that justifications for local level budget allocation for environmental management cannot be made due to lack of skills, knowledge, or integration in planning.

Depending on performance and outcome of the UEM Programme implementation, there is a possibility that the cooperation between the Governments of South Africa and Denmark may continue in a second phase (2011-2015) thus aligning the UEM programme with the target period of the MDG achievements towards 2015.

10. Implementation Plan

The UEM Programme implementation will be initiated in January 2006. Some activities will be initiated in collaboration between DEAT and RDE prior to the inception, for example, identification of the international Danida long-term programme advisor and hired from January 2006.

Preparation for implementation of all three components commence upon signing of government-to-government agreement, with in-house preparation of component-related business plans and budgets for passage through normal approval procedures. Once plans and budgets are locally approved, these are forwarded to the PSC Secretariat for collation ahead of the funds transfer approval at the next PSC meeting.

1 The inception phase

The outcome of the inception phase is detailed working plans and budgets. For each component an inception report will be prepared (guided by the AMG for Programme Management, Chapter 9). A draft Process Action Plan for the Inception Phase is included in the UEM Programme document (Annex 6).

The Programme Director from DEAT, assisted by the international programme advisor based in DEAT, will enable the launch of the UEM Programme and Component 1 and 3.

- Component 1 will have an inception period until the beginning of the April 1, 2006 financial year. During the inception alignment of the component working plan and budget to the Government business plans and budget has to be ensured. Inception Report prepared by March 15, 2006.
- Component 2 will begin activities immediately from January 2006, e.g. preparing MoU with SACN, call for interest of support to civil society organisations, and call for expression of interest for research projects as identified by SACN and other users. Inception Report Prepared by March 31, 2006.
- Component 3 will have an inception period from January 2006 with preparation of working plans and budgets for the subsequent financial year beginning July 1, 2006. The Inception Report will be prepared by May 31, 2006 for presentation to the PSC.

During the Inception Phase, key issues below are addressed:

- DEAT to nominate a programme director.
- Identification and hire of: a) a national component 1 advisor by DEAT, and b) three national long-term advisors for component 3 by Municipalities.
- DEAT and provinces to appoint component managers and each municipality a city component coordinator.
- DEAT to nominate the PSC Secretariat.
- Establishment of Programme Steering Committee and holding inaugural meeting to approve PSC ToR and other business before March 15, 2006.

- Development and agreement of the financial management system and flow of funds mechanism.
- Preparation of financial management manuals following the national RDP Fund procedures. There should not be a development of separate formats for financial reports, transfer requests and budgets during the inception phase. These may only be further developed because what is required is not adequately covered by the national procedures.
- Preparation of an operational manual, which shall secure alignment to the greatest extent possible with national reporting systems, but otherwise make sure additional procedures are only established for cases when national procedures may not be adequate for the UEM Programme. If the supported activities are already reported as part of the business plan implementation there will be no need for additional Danida reporting.
- Procedures for procurement of short-term national and international TA in Component 1 and 3, and procedures to utilise TA effectively across components and municipalities in Component 3.

2 The implementation phase

The implementation of the UEM Programme shall be aligned entirely to the Governmental business plans and implementation procedures for Component 1 and Component 3. No parallel reporting or management procedures will be established to serve only Danida requirements, and the only programme reporting will be to enhance coordination and ‘lessons learned’.

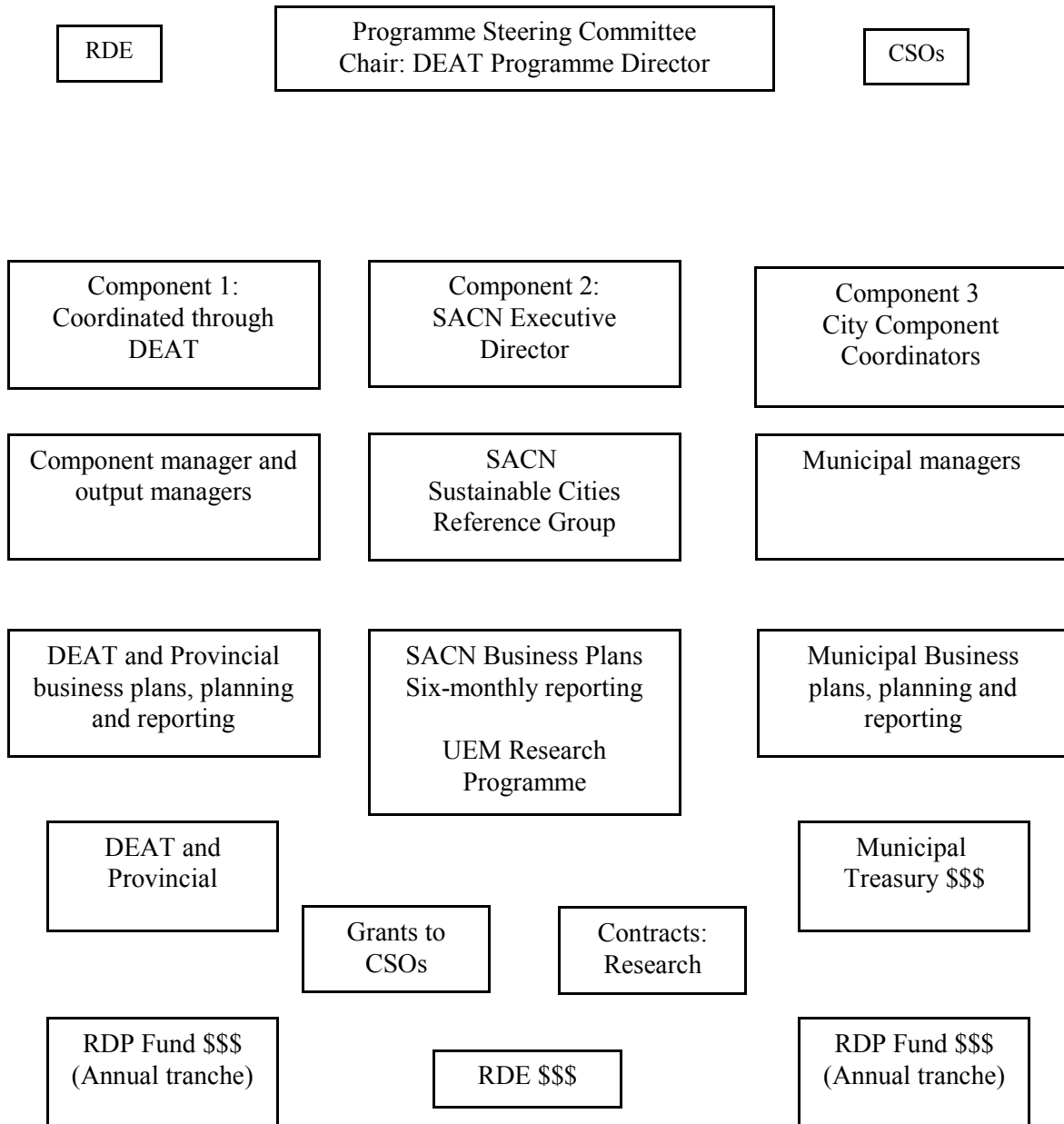
The overall responsibility for leading and guiding the programme implementation is with the PSC. The PSC and programme partners are supported by the long term Technical Advisors. Government-employed managers in DEAT, each province, and each municipality will be nominated by their respective sphere to function as component coordinators.

During implementation national procedures are adhered to as much as possible. The proposed meeting schedules are:

- The PSC will meet in February each year in time to consider JAPR recommendations, and national/provincial work plans and budgets. The first PSC meeting will, however, be in March 2006 in order to give sufficient time for the inception of component 1. A second PSC meeting will be scheduled in June each year in time to approve the municipal work plans and budgets. Additional PSC meetings may be called by the Chair in response to requests of PSC members.
- The JAPR is ideally held in January/February.

Annexes

Annex 1: Organisational set-up



Annex 2: Programme budget

Programme Budget:

UEM Programme Budget, million	International LT TA	National LT TA	ST TA	Civil Society and knowledge management	Operational	Development	Reviews and	Annual budget	Total	
1: UEM at national and provincial level	5.	3.	10.		7.	26.	5.		56.	25.5%
2: Knowledge Management and Civil Society				42.					42.	19.1%
3: UEM at municipality		9.	10.		11.	26.	14.		70.	31.8%
<i>Total Component Budget</i>	<i>5.0</i>	<i>12.0</i>	<i>20.0</i>	<i>42.0</i>	<i>18.0</i>	<i>52.0</i>	<i>19.0</i>		<i>168.0</i>	
Programme coordination and administration							14.		14.	6.5
Innovative Programme								7.	7.	3.4
Contingencie							2.		2.	0.9
<i>Total Allocated Budget</i>							<i>17.9</i>	<i>10.5</i>	<i>28.4</i>	
Unallocated								22.	22.0	10%
Grand	5.	12.	20.	42.	18.	52.	17.	34.	220.	
	2.3	5.5	9.1	19.1%	8.2	23.6%	8.6	8.1	15.5%	

Component 1 budget:

NPUEM component 1 budget (million DKK)	International LT TA	National LT TA	ST TA	Thematic issues - Pilots: investments	Thematic issues - Pilots: Operational	Training and Capacity Development	Total	
International Programme Adviser	5.0						5.0	8.9%
National Component Adviser		3.0					3.0	5.4%
Unallocated Pool of ST TA			10.0				10.0	17.9%
<i>Outputs</i>								
1. Framework in place for integration of Urban Environmental Management in planning					5.0	2.0	7.0	12.5%
2. The Waste Management Act implemented				2.0	2.0	0.5	4.5	8.0%
3. The National Air Quality Management Act implemented				2.0	2.0	0.5	4.5	8.0%
4. Section 20 waste facility permitting operational					1.5		1.5	2.7%
5. Joint DEAT and DoH mandate on environmental health prepared and operational					0.5	2.0	2.5	4.5%
6. Integrated Urban Environmental Management implemented in Western Cape province				1.0	5.0		6.0	10.7%
7. Integrated Urban Environmental Management implemented in Gauteng province				1.0	5.0		6.0	10.7%
8. Integrated Urban Environmental Management implemented in KwaZulu-Natal province				1.0	5.0		6.0	10.7%
Total NPUEM component 1	5.0	3.0	10.0	7.0	26.0	5.0	56.0	
	8.9%	5.4%	17.9%	12.5%	46.4%	8.9%		

Component 2 budget:

KMCSS component 2 budget (million DKK)	Civil Society and Knowledge Management	Total	
1. Partnership with SACN for the creation and dissemination of knowledge on UEM	6.0	6.0	14.3%
2. A programme of UEM research is carried out.	11.0	11.0	26.2%
3. Selected environmental Civil Society Organisations are supported.	25.0	25.0	59.5%
Total KMCSS component 2	42.0	42.00	

Component 3 budget:

LGS component 3 budget (million DKK)	National TTA	Pool of STTA	Thematic issues - Investments	Thematic issues - Operational	Networking, Training and Capacity Development	Total	
National Component Advisers	9.0					9.0	12.9%
Short Term TA (provisional sum)		10.0				10.0	14.3%
<i>Outputs</i>							
1. UEM integrated in city planning cycle and city management				6.0	4.0	10.0	14.3%
2. Environmental Health capacity and implementation			5.0	8.0		13.0	18.6%
3. Local air quality monitored and managed			5.0	5.0		10.0	14.3%
4. Local sustainable energy solutions developed and implemented			1.0	2.0		3.0	4.3%
5. UEM Capacity development and coordination				5.0	10.0	15.0	21.4%
Total LGS component 3	9.0	10.0	11.00	26.00	14.00	70.00	

12.9% 14.3% 15.7% 37.1% 20.0%

Annex 3: UEM Programme Logical Framework

Development Objective	Impact Indicators	Means of Verification
Sustainable and poverty oriented environmental management of urban areas in South Africa	<ul style="list-style-type: none"> Urban poverty reduced as per Government monitoring of national targets, MDG and the Johannesburg Action Plan. 	<ul style="list-style-type: none"> National and provincial reporting on urban environment and reduction of poverty
Programme Immediate Objectives	Outcome Indicators	Means of Verification
<i>Component 1: UEM at National and Provincial level</i>		
National and provincial framework for pro-poor integrated urban environmental management operational	<ul style="list-style-type: none"> Increase in government capacity for Environmental Management (EM09) Increased environmental reporting by government (EM10) 	<ul style="list-style-type: none"> Reports on and reviews of DEAT and provincial business annual progress reports Reviews of PSC minutes, and programme reviews Municipal, provincial and national SoE reports reporting on reduced air pollution, improved living environments and increased number of urban dwellers having access to basic services Number of staff in departments with a mandate to protect the environment Policies plans and programmes for the environment developed and being implemented
Programme Immediate Objectives	Outcome Indicators	Means of Verification
<i>Component 2: Knowledge Management and Civil Society Support</i>		
Knowledge creation, awareness and advocacy on best practices and poverty alleviation in urban environmental management created and applied	<ul style="list-style-type: none"> Outcome of research programmes (number of trained staff, access to relevant knowledge increased, formulated/documentated UEM practices) Level of civil society organisation involvement in UEM and influence 	<ul style="list-style-type: none"> Policy briefs and research reports 'State of the Cities' report by SACN Civil society organisations reporting
<i>Component 3: UEM in selected municipalities</i>		
Improved local urban	<ul style="list-style-type: none"> Targets of local government 	<ul style="list-style-type: none"> Reporting on and review of

environmental management and planning for poor communities.	IDPs and business plans for relevant UEM issues <ul style="list-style-type: none">• Institutional capacity in local government for UEM and pro-poor service delivery	IDPs and local government business plans <ul style="list-style-type: none">• Staff performance reviews• Local State of the Environment reports
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Component 1: UEM at national and provincial level

Component Development Objectives	Indicators	Means of Verification	A
National and provincial framework for pro-poor integrated urban environmental management operational	<ul style="list-style-type: none"> • Increase in government capacity for Environmental Management (EM09) • Increased environmental reporting by government (EM10) 	<ul style="list-style-type: none"> • Reports on and reviews of DEAT and provincial business annual progress reports • Reviews of PSC minutes, and programme reviews • Municipal, provincial and national SoE reports reporting on reduced air pollution, improved living environments and increased number of urban dwellers having access to basic services • Policies plans and programmes for the environment developed and being implemented • Increased number of staff in departments with a mandate to protect the environment 	• •
Component Immediate Objective	Outcome Indicators	Means of Verification	A
National and Provincial governance institutional capacity for Urban Environmental Management enhanced	<ul style="list-style-type: none"> • Intergovernmental cooperation around environmental matters strengthened 	<ul style="list-style-type: none"> • Inspection of IDPs and strategic development plans • Review of development planning tools and systems within provincial and municipal government departments • Environmental Management information system developed and being used as an information source • Review of annual conferences on UEM proceedings and registration forms • Review of registration forms of information sharing workshops within the waste, air and environmental planning fields • Review of agendas and attendance registers for MinTECH working group 2 and 4 meetings • Review of agendas and attendance registers for the South African Cities Network 	• • • • • • •
Component Outputs	Output Indicators	Means of Verification	A
1. Framework in place for integration of Urban Environmental	<ul style="list-style-type: none"> • Integrated Environmental Management (IEM) is included into IDPs and spatial development 	<ul style="list-style-type: none"> • IDPs, spatial development plans and EMFs reflect the principles of UEM as identified in the 	• •

Management in planning	plans (EM05) <ul style="list-style-type: none">• A framework and implementation tool box to facilitate sustainable UEM within municipalities developed jointly by DEAT and the provincial outputs	framework <ul style="list-style-type: none">• Planning systems being utilised in provincial and municipal departments for decision support• Generic procedures for approving of EIAs and EMFs available
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Component 1 – continued:

Component Outputs	Output Indicators	Means of Verification	A
<p>2. The Waste Management Act implemented</p>	<ul style="list-style-type: none"> • Waste management models, regulations, standards, manuals, training courses and implementation tools developed through learning from pilot projects • Waste management tool box developed, distributed and communicated to all institutions who can effect improved waste management in the country • Coordination and cooperation between government institutions who have a mandate with respect to waste management enhanced 	<ul style="list-style-type: none"> • IDPs and EMFs reflect the principles of integrated waste management as identified in the integrated waste management policy • Waste Information system operating and providing planning support information • Guideline documents for Integrated Industrial plans developed and being used by provincial departments and industries • Norms and standards developed for 2 priority industries available and implementation plans to achieved the objectives in place and being enforced • Waste management research available on the waste information system • Information sharing workshop attendance registers • Annual environmental conference proceedings including papers on waste systems • Minutes of environmental management reference group 	<ul style="list-style-type: none"> • •

Component 1 – continued:

Component Outputs	Output Indicators	Means of Verification	A
3. The National Air Quality Management Act implemented	<ul style="list-style-type: none"> • Air quality management models, regulations, standards, manuals, training courses and implementation tools developed through learning from pilot projects • Air quality management tool box developed, distributed and communicated to all institutions who can effect improved air quality in the country • Coordination and cooperation between government institutions who have a mandate with respect to air quality management enhanced 	<ul style="list-style-type: none"> • Inspection of air quality management tools published • 3 provinces reporting to the DEAT Air Quality Information System • Review of the air quality monitoring plan for the country • Visits to increased numbers of air quality monitoring stations • SOE report reflecting decrease in the air pollution in 2 hot spot areas • Inspection of air quality conference attendance lists and conference proceedings • Minutes of air quality reference groups 	•
4. Section 20 waste facility permitting operational	<ul style="list-style-type: none"> • Average processing time for landfill EIA and permitting approvals reduced by 40% in 2010 compared to 2006 	<ul style="list-style-type: none"> • Environmental Management information system 	•
5. Joint DEAT and DoH mandate on environmental health prepared and operational	<ul style="list-style-type: none"> • Documented mandate and inter-departmental agreement between DEAT and DoH. • 50% more Environmental Health Practitioner interventions in 2010 compared to 2006 	<ul style="list-style-type: none"> • Environmental Management information system 	•

Component 1 – continued:

Component Outputs	Output Indicators	Means of Verification	A
6. Integrated Urban Environmental Management implemented in Western Cape province	<ul style="list-style-type: none"> • Hazardous waste management plan developed • Environmental priorities in Urban Environmental Management included in integrated planning • Coordination and cooperation between provincial and municipal authorities responsible for the environment enhanced 	<ul style="list-style-type: none"> • Inspection of published plan • Inspection of IDPs and EMFs • Inspection of the WC WIS • Inspection of pilot project results • Inspection of waste management meetings with municipalities • Inspection of pilot project working groups for attendance by affected municipalities and open days at the pilot project 	• • •
7. Integrated Urban Environmental Management implemented in Gauteng province	<ul style="list-style-type: none"> • Hazardous waste management plan developed • Environmental priorities in Urban Environmental Management included in integrated planning • Coordination and cooperation between provincial and municipal authorities responsible for the environment enhanced 	<ul style="list-style-type: none"> • Inspection of published plan • Inspection of IDPs and EMFs • Inspection of the GP WIS • Inspection of pilot project results • Inspection of waste management meetings with municipalities • Inspection of pilot project working groups for attendance by affected municipalities and open days at the pilot project 	• • •
8. Integrated Urban Environmental Management implemented in KwaZulu-Natal province.	<ul style="list-style-type: none"> • IWMP developed and reflected in IDPs • Environmental priorities in Urban Environmental Management included in integrated planning • Coordination and cooperation between provincial and municipal authorities responsible for the environment enhanced 	<ul style="list-style-type: none"> • Inspection of published plan • Inspection of IDPs and EMFs • Inspection of the KZNP WIS • Inspection of pilot project results • Inspection of waste management meetings with municipalities • Inspection of pilot project working groups for attendance by affected municipalities and open days at the pilot project 	• • •

Component 2: Knowledge Management and Civil Society

Component Development Objective	Indicators	Means of Verification	A
Knowledge creation, awareness and advocacy on best practices and poverty alleviation in urban environmental management created and applied	<ul style="list-style-type: none"> • Outcome of research programmes (number of trained staff, access to relevant knowledge increased, formulated/documented UEM practices) • Level of civil society organisation involvement in UEM and influence 	<ul style="list-style-type: none"> • Policy briefs and research reports • ‘State of the Cities’ report by SACN • Civil society organisations reporting 	• • •
Component Immediate Objective 1	Outcome Indicators	Means of Verification	A
1: Decision making for pro-poor UEM is informed by demand driven knowledge formation and responsive to innovations	<ul style="list-style-type: none"> • Research integrated into ‘State of Cities Report’ • Policy briefs produced • Media coverage of research • Initiatives and innovations address real needs 	<ul style="list-style-type: none"> • ‘State of the Cities Report’ chapters/inputs • Senior Politician’s speeches • References in media and official documents • Media material • Publications and reports 	•

Outputs	Output Indicators	Means of Verification	A
1: Partnership with SACN for the creation and dissemination of knowledge on UEM	<ul style="list-style-type: none"> • SACN Seminars attract senior officials and civil society • ‘State of the Cities Report produced’ and distributed • Web site with UEM material 	<ul style="list-style-type: none"> • Seminar registers • Report and distribution list • Web-site statistics • SACN ‘Sustainable Cities Reference Group’ business plan. 	<ul style="list-style-type: none"> • •
2: A programme of UEM research is carried out.	<ul style="list-style-type: none"> • Meet criteria for selection • Research output meets targets • Peer reviewed outputs 	<ul style="list-style-type: none"> • Research ToR • Policy briefs and research reports • Annual UEM Research Monograph 	<ul style="list-style-type: none"> •

Component 2 – continued:

Component Immediate Objective 2	Outcome Indicators	Means of Verification	A
2: The capacity of civil society for pro-poor UEM advocacy and participation is enhanced	<ul style="list-style-type: none"> • Local organisations and groups make UEM related demands • Local groups linked • Greater coordination of CSO voice nationally and locally • Submissions engage with technical issues and substance 	<ul style="list-style-type: none"> • CSO plans and reports • Component reports and documented site visits • Joint submissions • Submissions 	•
Outputs	Output Indicators	Means of Verification	A
3: Selected environmental Civil Society Organisations are supported.	<ul style="list-style-type: none"> • Meet criteria for support • Partner CSOs are effective 	<ul style="list-style-type: none"> • Project docs, reports • Partner evaluations • Selection procedure • Progress and completion reports 	•

Component 3: UEM in selected municipalities

Component Development Objective	Objectively Verifiable Indicators	Means of Verification	
Improved local urban environmental management and planning for poor communities.	<ul style="list-style-type: none"> • Targets of local government IDPs and business plans for relevant UEM issues • Institutional capacity in local government for UEM and pro-poor service delivery 	<ul style="list-style-type: none"> • Reporting on and review of IDPs and local government business plans • Staff performance reviews • Local State of the Environment reports 	<ul style="list-style-type: none"> • P ar
Component Immediate Objective	Objectively Verifiable Indicators	Means of Verification	
Improved municipal capacity for integrated urban environmental management, planning and monitoring.	<ul style="list-style-type: none"> • City Development Strategies incorporating UEM completed • Sectoral plan incorporating UEM in each city • All IDPs developed after 2006 contain clear UEM targets and indicators • All environmental reports developed after 2006 refer to UEM and poverty reduction • UEM performance discussed regularly in Councils 	<ul style="list-style-type: none"> • IDP reports and regulator evaluations • Local State of the Environment reports • Council records 	<ul style="list-style-type: none"> • L U d • M d
Outputs	Objectively Verifiable Indicators	Means of Verification	
1. UEM integrated in city planning cycle and city management	<ul style="list-style-type: none"> • UEM is included in the IDPs • Budgets for UEM • UEM integrated in urban development 	<ul style="list-style-type: none"> • IDPs • Business plans • Planning sessions and committee minutes 	<ul style="list-style-type: none"> • In o ir d

Component 3 – continued:

Outputs	Objectively Verifiable Indicators	Means of Verification	Assur
2. Environmental Health capacity and implementation	<ul style="list-style-type: none"> • EH practitioners active in all areas of the city, and particularly in poor areas. • Prosecutions for EH infringements increased by 50% • Senior management posts filled in all environment-related departments • All environmental services supported by by-laws • No of health practitioners trained • Environmental health strategies 	<ul style="list-style-type: none"> • Local State of the Environment reports • EH plans and strategies 	•
3. Local air quality monitored and managed	<ul style="list-style-type: none"> • EH and AQM practitioners active in all areas of the city, and particularly in poor areas. • Prosecutions for AQM infringements increased by 50% • Pilot projects 	<ul style="list-style-type: none"> • Local State of the Environment reports • Air quality plans and strategies 	• S a d
4. Local sustainable energy solutions developed and implemented	<ul style="list-style-type: none"> • Sustainable Energy Strategies produced and implemented • Pilot projects implementation 	<ul style="list-style-type: none"> • Sustainable energy plans and strategies 	•
5. UEM Capacity development and coordination	<ul style="list-style-type: none"> • Municipal institutional capacity for UEM • Four joint UEM municipal conference launched by UEM component municipalities 	<ul style="list-style-type: none"> • Municipal institutional procedures • Human resource development register at municipalities • Annual conference report 	• E o a r e

Annex 4: Job Descriptions - long-term technical advisors

Draft ToR: International UEM Programme Advisor

a) Background

The Urban Environmental Management (UEM) Programme is a five-year development collaboration programme between South Africa and Denmark. The programme will be launched in January 2006. The programme will be implemented at national, provincial and at local level in five municipalities. The thematic focus is on environmental planning, environmental health, waste management, air quality management and sustainable energy. The UEM Programme is designed with three components.

b) Responsibilities

The responsibilities of the Programme Advisor are to:

- Support Programme implementation and provide relevant capacity development and management support to the national, provincial and local components, with a view to supporting institutional capacity development across the three spheres of government.
- Provide technical assistance to establishment of coherent indicators and performance monitoring systems across the 3 spheres of government in the field of UEM and help integrating these indicators into the general reporting and budgeting system.
- Contribute with technical assistance for the implementation of the programme in the field of urban environmental management and planning.
- Contribute to planning, coordination, monitoring and quality assurance of the programme implementation in as informed by the Programme Director.
- Support the development of indicator and reporting systems for the State of the Cities Report
- Assist the components in the coordination of activities of all international short-term TA in the UEM Programme
- Collaborate with the national component advisors with a view to promoting opportunities for sharing resources and ensuring capacity building and sharing of experience across the programme
- Support to analysis of job descriptions and development of training activities across the programme partners
- Provide technical assistance for establishment of procedures, clarification of reporting lines and responsibilities of national advisers etc. during the Inception Phase.
- Provide support to clarification of recruiting procedures for short term technical assistance and provide training as needed in development of ToR, tendering and contract management to component managers and national advisers
- Facilitate coordination of all short-term consultancies with a view of optimising the use of resources across the three spheres of government
- Assist in coordination, back-up, and QA of International Short Term consultants hired via the central programme facility under DEAT.

- Assist in the preparation of the consolidated programme inception report and assist and coordinate preparation of and input from component inception reports.
- Assist the Programme Committee in relevant management issues.

c) Qualifications

The Programme Advisor will have the following qualification:

- Higher education (minimum master level) in urban planning, environmental management or social science with subsequent urban environmental management experience.
- Relevant technical qualifications and experience in at least one of the thematic areas of the UEM programme (waste management, air quality, renewable energy or planning) will be an asset.
- Professional experience with urban environmental management and planning in the public and/or private sector. A good understanding of the importance of governance in the urban environment sector including social issues and linkages to poverty reduction.
- Senior level experience with preparation and/or implementation of development programmes from Danida and/or other donor organisations.
- Minimum 15 years of relevant professional experience with applied urban environmental management and development programmes including poverty reduction.
- Essential personal skills are the ability to work with complex problems in diverse institutions and cultural settings. The ideal candidate has excellent interpersonal skills and understanding of the advisory role.
- Good leadership, management and coordination skills are essential.

d) Other information

- Duty station is at DEAT in Pretoria. The advisor will be posted from January 2006 or as soon as possible thereafter.
- The selection of the programme advisor is jointly by DEAT and RDE. The programme advisor will be contracted by Danida for an initial two years with possible extension.
- The international programme advisor will report to the DEAT appointed Programme Director
- The advisor position is developed according to the Danida policy for Technical Assistance. The position is a technical position and not a 'chief' position.

Draft ToR: National NPUEM advisor (component 1)

a) Background

The Urban Environmental Management (UEM) Programme is a five-year development collaboration programme between South Africa and Denmark. The programme will be launched in January 2006. The programme will be implemented at national, provincial and at local level in five municipalities. The thematic focus is on environmental planning, environmental health, waste management, air quality management and sustainable energy. The UEM Programme is designed with three components.

The national advisor will support the implementation of the National and Provincial UEM component.

b) Responsibilities

The responsibilities of the National UEM Component Advisor are:

- To provide technical assistance with relevance to urban environmental management at national and provincial level, e.g. waste management. The technical assistance shall complement that of the other long term advisers.
- Assist DEAT and provinces with the implementation of the NPUEM component. The key role is on technical inputs, support to coordination and some management.
- Assist in the coordination with DEAT and Provinces on the implementation of the component. Support activities aimed at integration and communication across partner departments in the component.
- Prepare ToR and assist in the management of short term Technical Assistance applied for DEAT and Provinces by the UEM Programme under guidance of the DEAT Component Manager.
- Assist in the preparation of reporting for DEAT and provinces as required for the PSC.
- The component advisor will work closely with the international programme advisor and the three national municipal advisors. The component advisors will coordinate with the programme advisor in DEAT, but do not report directly to the programme advisor.

c) Qualifications

The National NPUEM Component Advisor will have the following qualification:

- Higher education in urban planning or technical urban management topics.
- Excellent professional skills and relevant professional experience with urban environmental management and planning in the public and/or private sector at national, provincial and/or metropolitan areas of South Africa.
- Management experience with implementation of government or development programmes. Experience with the preparation of ToR and review of consultancy outputs.

- Essential personal skills are the ability to work with complex problems in diverse institutions and cultural settings. The ideal candidate has good interpersonal skills and understands the advisor role.
- Good programme management and coordination skills are essential.

d) Other information

- The advisor will report to the designated DEAT component manager.
- The duty station is DEAT, Pretoria.
- The advisor will be posted from April 2006 or as soon as possible thereafter.
- The selection and hire of the advisor is done by DEAT. The component advisor will be contracted by DEAT according to government procedures and employment rules and regulations.
- The selection will be according 90/10 'preference point system' as per the Preferential Procurement Policy framework Act (Act 5 of 2000).
- The Advisor positions are developed according to the Danida policy for Technical Assistance.

Draft ToR: National municipal advisors (3 positions) (Component 3)

a) Background

The Urban Environmental Management (UEM) Programme is a five-year development collaboration programme between South Africa and Denmark. The Programme will be launched in January 2006. The Programme will be implemented at national, provincial and at local level in five municipalities.

The UEM Programme is designed with three components. In the Local Government Support Component the Programme will provide assistance in four metropolitan municipalities and one district municipality in three provinces, i.e. Johannesburg, Sedibeng, Ekurhuleni, eThekweni (Durban) and Cape Town. The thematic focus is on environmental planning, environmental health, waste management, air quality management and sustainable energy.

b) Responsibilities

The responsibilities of the three National Municipal Component Advisors are:

- To provide technical assistance with relevance to urban environmental management to the host municipality and also to other municipalities. The element of capacity development is an important part of the technical assistance.
- Support the municipalities with the coordination and implementation of the relevant municipal component outputs. The advisors shall not be component or output managers but assist the municipality within the existing procedures and ensure that the UEM Programme does not add excessive management demands on the municipal administration.
- Assist in component and programme-wide coordination with the municipalities, and support the appointed city component coordinators in the implementation of the component.
- Assist in preparing ToR and facilitating the input of short-term TA supplied for the municipality by the UEM Programme on behalf and under the guidance of the municipality. Quality control of the TA inputs. The Municipal Component Advisors should facilitate that other municipalities in the components and other components are informed about short-term TA deployment.
- Assist in preparing on the behalf of the municipalities the compiled programme reporting as required by the RDE for the PSC. This reporting is based on existing city reporting and it will be coordinated and compiled by the programme advisors.

c) Qualifications

The three National Municipal Component Advisors will have the following qualification:

- Higher education in urban planning, environmental management or social science with subsequent urban environmental management experience. The three advisors

will each cover thematic issues like: environmental planning, environmental health, waste management, air quality management and sustainable energy.

- Professional experience with urban environmental management and planning in the public and/or private sector in metropolitan areas of South Africa. A good understanding of developmental local government and its role in furthering sustainable development and poverty reduction.
- Experience with implementation of government or development programmes. Experience with the preparation of ToR and review of consultancy inputs.
- Minimum 8 years of relevant professional experience with applied urban environmental management and development programmes including poverty reduction.
- Essential personal skills are the ability to work with complex problems in diverse institutions and cultural settings. The ideal candidate has good interpersonal skills and understands the advisor role.
- Good implementation and coordination skills with an understanding of management by objectives are essential.

d) Other information

- The duty stations for the three positions will be Cape Town Metro, Sedibeng District Municipality and either Ekurhuleni Metro, (the latter station also providing support to Johannesburg Metro)..
- The advisor will be posted from July 2006 or as soon as possible thereafter.
- The selection of the Municipal Component Advisors is by the concerned municipalities, with support from DEAT and RDE. The advisors will be contracted by the municipality concerned and be deployed according to municipal procurement procedures.
- The selection will be according to the 90/10 'preference point system' as per the Preferential Procurement Policy Framework Act (Act 5 of 2000).
- The selection of the municipal component advisors will give preference to ensure a good coverage of different skills and experience in the thematic areas and diversity so that the advisors in the UEM Programme can operate across components and municipalities as a team.
- The municipal component advisors will report to the Municipal Component Manager on overall component implementation and to the representative from the relevant municipality on day-to-day management.
- The positions are advisor positions according to the Danida policy for Technical Assistance. The position is a technical advisor position and not a management or 'chief' position.

Annex 5: Draft ToR for Programme Steering Committee

The draft ToR for the UEM Programme Steering Committee (PSC) will be finalised during the inception phase and endorsed by the PSC at its first session planned for March 2006.

a) Background

The Steering Committee is the formal mechanism for joint decision-making and oversight concerning the Urban Environmental Management (UEM) Programme between the Department of Environmental Affairs and Tourism (DEAT) and the Royal Danish Embassy (RDE) in South Africa.

b) Mandate and scope

The PSC exercises oversight with respect to ensuring that the programme is implemented, outputs achieved and funds managed efficiently and effectively, in accordance with the programme document, Government-to-Government Agreement, and other legal documents. Where deviations from the programme document are considered necessary, the PSC takes the decisions. Programme objectives cannot be altered by the PSC.

The mandate of the PSC includes:

- delegation of specific management tasks to the PSC Secretariat that may otherwise cause implementation bottlenecks between PSC meetings.
- overall responsibility for monitoring of programme outputs,
- monitoring of technical assistance,
- monitoring of auditing procedures and results

c) Composition

The most senior member responsible for component coordination in each partner government department shall be a member of the PSC. This includes: DEAT, DoH, one representative from each of the provincial government department partners, and one representative from each partner city. The Executive Director of SACN will be invited as a member, as will one representative of a civil society organisation receiving support from this programme.

Past members of the Programme Development Advisory Committee (PDAC) are invited to continue their involvement in the programme. In addition to those already mentioned, these include:

- Department of Minerals and Energy
- Department of Housing
- National Treasury
- SALGA
- Royal Danish Embassy

Resource persons, who may be invited to attend to the PSC meetings, include:

- Representatives from Norad (Norwegian Embassy) and other donors
- The international programme advisor and Component advisors

d) The specific tasks of the PSC comprise:

- Receipt of annual work plans and budgets as submitted through the PSC Secretariat (Component 1 and component 3). Considering alignment and coherence of submitted plans and budgets with respect to programme and component documentation. Where alignment and coherence is satisfactory, to endorse submitted plans and budgets, and request RDE to effect transfer of funds.
- Ensuring that the programme is aligned to existing government UEM priorities and business plans based on information provided in the 'cover page check lists'.
- Promote coordination between the Components
- Monitoring of overall progress of the programme with the obligation to take action on delays, problems and bottlenecks.
- Approval of progress and financial reports and decisions on follow-up activities.
- Monitoring of audit procedures and results, ensuring follow-up on unsatisfactory reports.
- Monitoring the continued coherence between the programme and urban environment sector development.
- Decisions concerning deviations from the programme outputs, and consideration of new outputs.
- PSC representatives attending meetings of the JAPR and the PSC shall approve the *Review Aide Memoire* and make recommendations for follow up.

e) Working procedures

- The PSC meetings will be chaired by the Programme Director nominated by DEAT
- Decisions will be made by consensus.
- The PSC will meet at least twice annually (February and June) but extraordinary meetings may be called at the request of any PSC member to the PSC Chairperson.
- The agenda for the PSC meeting will be forwarded three weeks before the meeting. Proposals and documents for discussion shall be forwarded two weeks before the meeting to the PSC members.
- DEAT is responsible for drafting the minutes of the PSC meetings and distributing these to all participants within a week after the meeting. The PSC approves the minutes at the subsequent meeting.

f) PSC Secretariat

Given the staggered nature of component implementation cycles in the programme, it is not possible to align all reporting and planning to be submitted to the PSC for approval at the same time. The PSC Secretariat may be delegated by the PSC to perform specific tasks that become necessary between PSC meetings. In addition to compiling and collating reports submitted by each programme partner, the PSC Secretariat will report to the PSC on general progress in overall programme management and coordination, and any other matter deemed necessary by the PSC.

The PSC Secretariat will be composed of:

- Chairperson of the PSC
- A senior DEAT manager
- International Programme Advisor.
- Other representatives nominated by PSC (can be *ad hoc* representations for specific tasks)
- DEAT will host the secretariat for the PSC.

Annex 6: Draft Process Action Plan for Inception Phase

Action	Completed by	Responsibility
Identification and hire of international programme advisor	By December, 2005 (starting date from January 2006 or soonest thereafter)	RDE and DEAT
Identification and confirmation of Programme Director, Component One Manager and PSC Secretariat within DEAT	By January 15, 2006	DEAT
Identification and hire of component one national programme advisor	Completed by February 28, 2006 (starting date from April 2006)	DEAT
Inception Report Component 1 prepared and submitted to PSC Secretariat	Prepared by March 1, 2006	DEAT component one Manager assisted by international programme advisor
Inaugurate PSC meeting	March 15, 2006	DEAT Programme Director and RDE
Inception Report Component 2 prepared and submitted to RDE.	Prepared by March 31, 2006	SACN
Optional JAPR	May 2006	(PSC will decide on first meeting in March 2006).
Inception Report Component 3 prepared and submitted to PSC Secretariat	Prepared by May 31, 2006	Component Manager assisted by Programme Advisor
Identification and hire of component 3 national advisors	Completed by May 31, 2006 (starting date from July 2006).	Municipalities
Second meeting of PSC	Early June 2006 in time for fund transfer to municipalities	DEAT Programme Director and RDE