

SCM /Tender Ref #:	DPME 01-2023/24
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Request for proposals for:	Appointment of a service provider to develop the 2024-29 Medium-Term Strategic Framework (MTSF), including a review of the methodology and approach of current and previous MTSFs
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1. BACKGROUND

- 1.1 The National Development Plan (NDP) 2030 adopted in 2012 sets out a long-term plan that outlines a coherent vision for the country’s future, based on the foundational pillars to build the capabilities of people, the state and the economy. The plan aims to eradicate poverty and reduce unemployment and inequality by 2030. The achievement of the NDP 2030 goals is dependent on leadership from and a compact between all sectors of society.
- 1.2 The implementation of the NDP 2030 is supported by the Medium-Term Strategic Framework (MTSF), which reflects the country’s strategic intentions and objectives over the medium-term for a particular administration’s five-year term of office. The MTSF translates the NDP 2030 priorities into strategic priorities, interventions and targets for the defined five-year period whilst also taking into consideration the electoral mandate for that term of office. In addition, it aims to ensure that the country’s medium-term development agenda is aligned with regional and international development plans such as the African Union Agenda 2063 and the United Nations Sustainable Developmental Goals (SDGs) of 2030. The MTSF provides direction and guidance to all-of-government planning and resourcing towards the achievement of the country’s development goals within a five-year period.
- 1.3 As the custodian of the country’s planning system, the Department of Planning, Monitoring and Evaluation (DPME) is initiating a process to review the current approach to medium-term planning with a view to developing the draft medium-term country plan for the 7th Administration of Government for the period 2024 to 2029. The approach to medium-term planning and the development of the MTSF has evolved over time, with a combination of methodologies and designs being adopted in line with accepted development planning and strategic planning methodologies.
- 1.4 The MTSF as a medium-term plan for government was first introduced in 2004 for the period 2004-2009, with subsequent five-year plans for 2009-2014, 2014-2019 and 2019-2024. The 2019-2024 MTSF served as both an integrated planning instrument as well as a monitoring framework. While the 2019-24 MTSF is government-led, it reflects the goals and aspirations of society as a whole. The 2019-2024 MTSF was developed in consultation with all spheres of government, the private sector and civil society. However, more work needs to be done to facilitate the participation of non-government stakeholders in the MTSF development process.
- 1.5 The 2019-2024 MTSF took into consideration an assessment of the country’s performance against NDP 2030 targets and reflects on both the achievements and challenges, including poor economic performance, hindering South Africa’s national development. It further draws on lessons learned from the previous 2014-2019 MTSF,

including government's initial approach and methodology to implement the NDP 2030, which may have impacted on the country's ability to achieve the desired results. There are seven developmental priorities which guide the 2019-2024 MTSF for the 6th Administration of Government. Within the framework of the seven priorities, results chains were developed, using planning methodologies that were results-based, theory-based and evidence-based. The MTSF included an integrated monitoring framework with outcomes, interventions, indicators and targets.

2. PROBLEM STATEMENT AND PURPOSE

Problem Statement

2.1 Despite the existence of multiple planning instruments and complex planning processes across government, South Africa's performance in achieving its development goals has been sub-optimal. While this cannot necessarily be attributed to the quality of planning processes and the related planning instruments, a number of strengths and weaknesses have been identified over time, which should be part of a systematic review and assessment of current and previous approaches to the development of the MTSF. Among the identified challenges include the complexity of the plan; inadequate prioritization as well as a lack of modelling and foresighting to inform the planning process. In addition, consideration should be given to the inter-governmental nature of the plan as well as participation of non-state actors in the planning process and the implementation of the plan.

Purpose

- 2.2 The review of the MTSF must include a development methodology to draw from a wide knowledge base of theory and practice on national development planning, particularly medium-term planning, and identify new approaches and tested methodologies, including those which are evidence-based, theory-based with multiple stakeholders and multiple objectives.
- 2.3 Based on the review, the purpose of the second phase of the project will be to apply the new knowledge in the development of a proposed planning process and draft medium-term plan for the period 2024-2029, including stakeholder engagements.
- 2.4 This is particularly important given the centrality of the country's medium-term plan in catalyzing action across sectors and spheres of government and in achieving the country's development goals.
- 2.5 The review should examine whether the planning process, design methodology, structure and development approach contributes towards the goals the plan seeks to realize as well as directing, guiding and supporting the achievement of the results associated with this plan. The review should further propose an annual implementation framework for the 2024-2029 MTSF that is linked to the impacts and outcomes that the plan seeks to achieve in support of the 7th Administration of Government.
- 2.6 Technical expertise is required to (1) review the appropriateness and effectiveness of the current framework, planning process, methodology and structure in relation to the 2019-24 MTSF, previous MTSFs (2004-2009; 2009-2014; 2014-2019); as well as assess the development process followed in producing the plans, and (2) to develop and support the management and coordination of the proposed planning process and

draft the 2024-2029 MTSF in line with government's strategic focus and priorities for the 7th Administration of Government.

3. OBJECTIVES AND SCOPE OF THE PROJECT

Objectives

- 3.1 The objectives of this project are two-fold: 1) to review the methodology, structure and approach for the 2019-2024 MTSF and prior MTSFs; 2) to develop the planning process and methodology and draft the 2024-2029 MTSF in line with government's strategic focus and priorities. The project will thus be undertaken over two phases and the duration is estimated at 16 months, cutting across the 2023/24 and the 2024/25 financial year.

Phase 1: To review the methodology, structure and approach for the 2019-2024 MTSF and prior MTSFs

- 3.1.1 To produce a review report on the appropriateness and effectiveness of the current framework, planning process, methodology, design and structure and development process implemented in the production of the 2019-2024 MTSF and previous MTSFs, and to provide recommendations for the improvement thereof. The review must identify the current state of the art and best practice in relation to medium-term development planning, including new and innovative planning methodologies. The review must inform the development of the next medium-term plan and provide a supporting conceptual framework and planning process for subsequent iterations of this medium-term plan.

Phase 2: To develop the planning processes, methodology and draft the 2024-2029 MTSF

- 3.1.2 To develop the proposed planning process and methodology for the development of the draft 2024-2029 MTSF; to support the management and coordination of the development process and to develop the draft 2024-2029 MTSF in line with government's strategic focus and priorities.

Scope

Phase 1: To review the methodology, structure and approach for the 2019-2024 MTSF and prior MTSFs

- 3.3 In addition to the critical issues outlined in paragraph 3.1.1, the **Final Review Report** that is produced must:
- a) Assess and make recommendations on the approach and methodologies behind the development of the 2019-2024 MTSF and previous MTSFs;
 - b) Assess and make recommendations on the diagnostic process that was undertaken as part of the development of the 2019-2024 MTSF;
 - c) Assess and make recommendations on the results-chain and the processes undertaken to develop the results-chains per priority for the 2019-2024 MTSF and the approach and weighting of priorities;

TERMS OF REFERENCE: ANNEXURE A

- d) Assess and make recommendations on the structure of the MTSF given its role as a strategic medium-term development plan and the manner in which the plan contributes to policy coherence;
- e) Assess and make recommendations on the processes undertaken to develop the MTSF and the integrated monitoring framework of the 2019-24 MTSF and the role of non-state actors in the development of the plan;
- f) Assess and make recommendations on the extent to which the MTSF adequately addresses medium-term sectoral considerations and priorities, including planning relating to the economy and employment; infrastructure; climate change; social sector policy; local government; science and innovation and the capacity of the state.
- g) Assess the institutional arrangements and coordination mechanisms which support the implementation of the 2019-2024 MTSF including how the MTSF intersects with national, provincial and local government development and institutional plans;
- h) Assess alignment to Spatial Planning Policies such as the Integrated Urban Development Framework (IUDF), Spatial Planning and Land Use Management Act (SPLUMA), National Spatial Development Framework (NSDF), Intergovernmental Relations (IGR) and the Programs such as District Development Model (DDM);
- i) Investigate the synergies and gaps relating to the development processes and actual planning instruments in relation to the 2019-2024 MTSF, the Provincial Development Plans, and local government plans, including the DDM One Plans;
- j) Identify international standards and best practice for medium- and short-term development planning processes and plans that can be implemented within the South African context;
- k) Investigate foresighting, scenario planning, economic modelling and other innovative planning methodologies that can be adopted in the development of short and medium-term plans, including the required capabilities and processes to implement such methodologies;
- l) Make recommendations for the required design methodology, structure and development approach to inform the development of the 2024-2029 MTSF. This should be supported by the appropriate conceptual framework; and
- m) Make recommendations on how an annual implementation plan can be used to support the institutionalisation of the MTSF.

Phase 2: To develop the planning processes, methodology and draft the 2024-2029 MTSF

3.3 In addition to the critical issues outlined in paragraph 3.1.2, the **Final draft 2024-29 MTSF** that is produced by the service provider must:

- a) Be developed in line with the conceptual framework and the design methodology that is approved by DPME from Phase 1;
- b) Manage the consultation processes with government stakeholders and keep records of consultation and factor in relevant inputs; and
- c) Propose an annual implementation framework for the 2024-2029 MTSF that is linked to the developmental outcomes and impacts that the MTSF seeks to achieve.

4. PROPOSED METHODOLOGY / APPROACH

4.1 The potential service provider should propose an appropriate methodology to respond to the objective and scope of the project.

5. KEY DELIVERABLES

5.1 The following are the expected key deliverables of the project by phase:

5.1.1 Phase 1: To review the methodology, structure and approach for the 2019-2024 MTSF and prior MTSFs

- a) Submission of inception report, including detailed and comprehensive project plan Research Report;
- b) Submission of literature review including International Comparative Study Presentations;
- c) Submission and presentation and approval of methodology, data collection instruments, analytical framework, report structure and other tools;
- d) Produce, submit and present the first draft review report; and
- e) Produce, submit and present the **final draft review report**

5.1.2 Phase 2: To develop planning processes, methodology and draft 2024-2029 MTSF

- a) Submission of proposed planning processes and methodology for the development of the draft 2024-2029 MTSF;
- b) Implementation of technical planning processes and facilitation of planning engagements to inform the development of the 2024-29 MTSF;
- c) Produce, submit and present the first draft 2024-29 MTSF;
- d) Facilitate stakeholder engagements on the first draft 2024-29 MTSF;
- e) Produce, submit and present the second draft 2024-29 MTSF;
- f) Facilitate stakeholder engagements on the second draft 2024-29 MTSF; and
- g) Produce, submit and present the **final draft 2024-29 MTSF**

5.2 Complementary to the expected key deliverables as outlined in paragraphs 5.1.1 and 5.1.2, the successful service provider is expected to submit Power-point or audio-visual presentations of the results and provision of all datasets, metadata and survey documentation including interview transcripts.

6. TIMEFRAMES

6.1 The deliverables of the project by phase are required over a period of two financial years, that is from the 2023/24 financial year to the 2024/25 financial year.

Description	Expected Timelines	% of project (Payment)
Phase 1 – MTSF Methodology Review Report		
1. Inception meeting	September 2023 (After Award)	-

TERMS OF REFERENCE: ANNEXURE A

2. Submission of inception report, including detailed and comprehensive project plan	September 2023	-
3. Approval of Inception Report	September 2023	
4. Service Level Agreement (SLA) Signed	September 2023	-
5. Submission of Literature review including International Comparative Study	October 2023	10%
6. Submission and Presentation and approval of methodology, data collection instruments, analytical framework, report structure and other tools	October 2023	-
7. Submission and presentation of first draft review report	November 2023	10%
8. Submission and presentation of the final review report	November 2023	10%
9. Submission of power-point or audio-visual presentation of the results and provision of all datasets, metadata and survey documentation (including interview transcripts).	November 2023	-
Phase 2 – Development of the 2024-29 MTSF		
1. Submission of proposed planning process and methodology for the development of the draft 2024-2029 MTSF	December 2023	
2. Implementation of technical planning processes and facilitation of planning engagements to inform the development of the 2024-29 MTSF	January 2024 – February 2024	10%
3. Submission and presentation of first draft 2024-29 MTSF	March 2024	10%
4. Facilitate stakeholder engagements on the first draft 2024-29 MTSF	April 2024 – May 2024	
5. Submission and presentation of second draft 2024-29 MTSF	June 2024	10%
6. Facilitate stakeholder engagements on the second draft 2024-29 MTSF	July 2024 – August 2024	
7. Submission and presentation of final draft 2024-29 MTSF	September 2024	20%
8. Submission of Annual Implementation Framework after finalization of the 2024-2029 MTSF	October 2024	10%
9. Submission of power-point or audio-visual presentation of the results and provision of all datasets, metadata and survey documentation (including interview transcripts)	November 2024 - March 2025	10%
		100%

7. STEERING COMMITTEE

- 7.1 A Steering Committee will be established to oversee the different phases of the project, comprising of officials from the:
- a) National centre of government departments including DPME, the Presidency, National Treasury, the Department of Cooperative Governance, Department of Public Service and Administration;
 - b) Offices of the Premier; and the
 - c) South African Local Government Association
- 7.2 DPME will further establish a Reference Group including external stakeholders and experts to provide strategic guidance and advice on the project.
- 7.3 The Programme Manager will approve the project milestones or deliverables.

8. PEER REVIEW

- 8.1 Not applicable.

9. OTHER

- 9.1 Special Conditions: None