

2022 - 2023



















#### **South African Cities Network**

Quarter Four Newsletter | 2022 - 2023



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# **Editor's Note**



#### **Dear Stakeholder**

# Welcome to our quarterly online stakeholder newsletter.

Water availability is vitally important for food and energy security, economic growth, and sustaining the livelihoods of people across the globe. Failure to adequately invest in water services and to collect, treat and reuse water efficiently is exacerbating water shortages in many parts of the world and contributing to a situation where global water demand could outstrip supply within 20 years, according to United Nations Environmental Programme (UNEP) estimates. However, as the world's population grows, coupled with factors such as increased levels of urbanisation, mounting demand from user sectors, a lack of investment in infrastructure, deteriorating water quality, and the effects of climate change, the significance of water in economic and social development is increasingly being recognised.

Current water usage in South Africa already exceeds the reliable supply, so during dry periods, water shortages can be expected, and many cities are forced to implement water restrictions. Going forward, water scarcity, poor water quality, infrastructure and capacity challenges, and water pricing will be at the forefront of local government agendas. Providing broader social and economic access to scarce and undervalued resources will require new urban planning and management approaches and innovation.

Given this tremendous responsibility placed on cities, understanding their performance and associated trends through data that supports key urban indicators is crucial. The South African Cities Network (SACN), through its Sustainable and Resilient Cities and Innovation programmes, for the past 5 months (January - May 2023) participated in the Open Data Institute ODI-Microsoft Data for Climate Resilience Peer-Learning Network. Microsoft and the ODI selected six organisations and collaborations - that are working to collect, share and/or use data on climate resilience and sustainability challenges to receive support and guidance. The SACN is committed to building its capacity and that of cities in Improving the urban data ecosystem and data collection methods applicable to South African cities.

In this edition, under Inclusive Cites, we report on the Built Environment Integration Task Team (BEITT) engagement hosted by the City of Ekurhuleni; Productive Cities highlights the Public Employment Programmes and the Youth Day Webinar; Sustainable and Resilient Cities in partnership with SALGA hosted a series of Cities' Lunchtime Chats: The Solutions Edition. Lastly, Well-Governed Cities looks at the Capability Development Problem-led Approach (CPDL).

The not-so-good news is the departure of our longtime CEO, Sithole Mbanga. We wish Sithole well in his future endeavours. We also wish to welcome Ashraf Adam as our Interim CEO.

Enjoy this latest edition of our quarterly newsletter and thank you for being a loyal reader.

Best Wishes,

**Luncedo Njezula: Editor** 



# Farewell





Mr Mbanga has been with the South African Cities Network (SACN) since 2002. He is arguably one of the most knowledgeable people in the country about the journey that our current system of local government has travelled, and particularly the evolution of our municipalities. He has been a consistent advocate and informant of the urban development agenda, and his extensive experience has helped steadily grow the influence and contributions of the SACN to improving urban governance practice and analysis.

His departure is a loss for the SACN team but certainly a gain for the local government sector. We wish him well as he embarks on his new chapter as the incoming CEO of the South African Local Government Association (SALGA).

# **Inclusive Cities**

**BEITT Meeting: Ekurhuleni** 

After gathering under the iconic statue of Oliver Tambo at the OR Tambo International Airport, the group made its way to the City's tourism kiosk to kickstart a conversation about the City's recently launched Harambee bus rapid transit (BRT) service. We had the opportunity to experience Harambee for ourselves by taking the bus to Thembisa. Throughout the ride, we heard from the Ekurhuleni Transport colleagues about the successes and ongoing challenges of the project. Other Cities congratulated Ekurhuleni on making the strategic decision to link Thembisa and the ORT economic precinct through Harambee infrastructure. Led by a community activist from EnviroCare, the group was taken through Thembisa to experience the impact of insufficient waste management on the Kaalspruit Wetland Catchment Area. The Thembisa

On the 18 and 19 of April, the Built Environment Integration Task Team (BEITT) convened in person for the first time since the Covid-19 pandemic took the group's engagements online in 2020. Continuing the tradition of partnering with a city to host the group, Ekurhuleni's City Planning Department graciously put up its hand to welcome the BEITT. This BEITT Meeting was planned slightly differently than usual and took on the format of a "travelling meeting", moving around Ekurhuleni to visit different sites. The programme for the two days worked with the multiple interpretations of "connection", with transport/mobility connectivity featuring as a key focus area, as well as the physical connection of BEITT practitioners meeting again after so long.

tour ended at the well-run Thembisa West Library where the group discussed current research about Small-Scale Affordable Rental (SSAR) housing that uses Thiteng in Thembisa as a case study.



Day two had the group convene at the impressive Germiston Library where a variety of creative initiatives demonstrated the role that libraries can play as a critically important community facility and a space of connection. Using a stage of musical instruments, the group role-played how coalitions and instability in local government is affecting city officials and communities. To end off with a sense of purpose in developing more inclusive Cities, the Chris Hani Memorial and gravesite was the final gathering site of the meeting. The Ekurhuleni team took us through the conceptualisation of the design of the memorial site, the remarkable legacy of Hani, as well as some challenges such as the tragic vandalism of the site.

The themes emerging from the meeting – both planned and unplanned – will continue to feed into the BEITT work and its research projects. This meeting confirmed how important a safe, engaging space of connection the BEITT provides, especially at this time of institutional instability and ever-more complex working environments for practitioners. We thank our partners, notably the EnviroCare Thembisa as well as the City of Ekurhuleni for joining hands with us.



# **Innovative Cities**

The South African Cities Network through its Sustainable and Resilient Cities and Innovation programmes, for the past 5 months (January – May 2023) participated in the Open Data Institute ODI-Microsoft Data for Climate Resilience Peer-Learning Network. Microsoft and the ODI selected six organisations and collaborations – that are working to collect, share and/or use data on climate resilience and sustainability challenges to receive support and guidance. The other five organisations from across the globe included the Women Income Network (WIN), Data Kind, Gender and Environment Data Alliance (GEDA), PlanAdapt and the International Centre of Expertise in Montreal on Artificial Intelligence (CEIMIA).

This peer learning network had a focus on climate resilience and the participating organisations were provided an opportunity to learn from data experts and from each other to address the challenges they encounter through a better understanding of relevant data topics.

During the course of the programme, the ODI provided lessons on a ranging data topics. These included topics on data Maturity, data infrastructure, data ecosystem mapping etc. This peer learning network came when the South African Cities Network is developing its new data strategy. The team will surely take advantage of the lessons learnt to advance and implement data work in the organisation.

The SACN's main aim is to support cities in understanding their reporting requirements and tracking their performance, as per the Municipal Finance Management Act (MFMA) Circular-88, and to offer further guidance for sustainability reporting through the State of Cities Report (SoCR) and the development of SCODA to provide consistency, as cities are often unsure about how to measure or report on certain indicators. Other government spheres and departments are also interested in rationalising the reporting process and reducing the reporting burden on cities. Most importantly, the SACN has a great interest in helping cities to collect and use data for decision-making.

A proud partnership between:





With regard to sustainability and climate resilience data, the SACN will continue to build its capacity and that of cities in the following areas:



Developing a systemic approach that aligns the various reporting systems and frameworks that cities use;



Improving the urban data ecosystem, and data collection methods applicable to South African cities;



Improving the usability of the SCODA portal and accessibility of data for knowledge sharing among cities;



Advancing and advocating for best data practices and increasing data sharing among cities.

Through SCODA and other data interventions, the SACN seeks to enable cities to monitor their transition towards sustainability holistically and effectively, in relation to other cities and their own stated priorities.



SCODA is a city-centric data portal that provides

Evidence, Analysis & Insight

Of current and comparable information

About South African cities

To help inform evidence-based decision-making and reporting.



Visit the website to learn more about SCODA

Go to website

## **Productive Cities**

The Youth Day webinar revisits the mandate and objectives of Public Employment Programmes to transform the livelihoods of the youth.

South Africa's Youth Day commemoration recognises the struggles of the youth of (June) 1976 and celebrates the impact they had on the liberation of our country. The motivation behind the Soweto uprising was the opposed directive from the then Bantu Education Department that Afrikaans had to be used on an equal basis with English as a language of instruction in secondary schools.

Education and training were viewed as tools of the overall oppressive system, including urban restrictions, pass laws and job reservations. The youth demanded education and training that enabled their empowerment and freedom. While significant socio-economic improvements are notable under the democratic dispensation, the plight of youth in all facets of life remains a concern.

Beyond this, youth are confronted with persistent challenges such as a lack of access to quality education and inadequately resourced youth development services. Youth empowerment and freedom should be determined by the quality and level of opportunities that enable youth to generate a decent livelihood irrespective of their starting point in life. Therefore, consideration should be given to prevailing social and economic circumstances, such as education, skills and capabilities, demographics, and location so that everyone is empowered to the greatest extent possible.



Public Employment Programmes are part of the government's efforts to facilitate the socioeconomic transformation and implementation of the empowerment programmes for youth participation in transformative economic activities. Collectively, the PEP ecosystem does not only create an agile workforce through demand-led skilling approaches and improved responsiveness of the skilling system but links youth and communities to employment and learning opportunities.

As part of youth month public events, the South African Cities Network will, through its Productive Cities Programme, host a webinar: An Ecosystem Approach to Job Creation: a conversation focused on building the next rung of the employment ladder.

While many youth programmes and initiatives have been implemented, they have not adequately created sustainable livelihood pathways, nor have they leveraged innovation to increase earning opportunities for youth. In addition, programmes and initiatives in the skills development and employment value chain remain largely fragmented. The conversation is part of the response to the need to promote peer-to-peer learning among metropolitan municipalities as central organs for implementing PEPs, and other complementary ecosystem actors.

The programme for the conversation features the Youth Employment Service, Seriti Development Facilitation Agency, and Harambee Youth Employment Accelerator.

The role of these organisations in linking partners in the skills development and employment ecosystem is necessary for the required system integration and breaking silos. The common efforts to link youth to opportunities and strategically support job



creation and skills development is the potential to drive system change in a coordinated way. The conversation will focus on the `role and impact of PEPs in the context of changing labour market dynamics and the need for demand-led skilling approaches for sustainable employment. It is hoped that such strategic conversations between key players in the ecosystem will support the continuous improvement of interventions meant to improve youth livelihoods.

# Sustainable & Resilient Cities

Cities' Lunchtime Chats: The Solutions Edition

A new series of lunchtime conversations on solving city challenges

The South African Cities Network (SACN) and the South African Local Government Association (SALGA) hosted a series of online lunchtime conversations to explore solutions that can address some of the different challenges our cities face.

Designed to stimulate, inspire, and connect city officials across different municipalities in the country, the "*Cities' Lunchtime Chats*" brought together city practitioners and invited experts to discuss solutions, potential opportunities and innovative strategies for delivering municipal services.

The series launched with "Flowing Towards Resilience: Unlocking Urban Water Resilience Solutions in African Cities" which took place on Tuesday, 13 June from 1:00 – 2:00 pm.

Featuring the World Resources Institute's Urban Water Resilience Initiative and the GoFlow: Governing Groundwater Flows for Growing Cities Facing Drought Risks project, the lunchtime chat brought together expert reflections from Amanda Gcanga, Country Lead and Senior Urban Policy Analyst at the World Resources Institute (WRI), Marc Manyifika, the Country Lead for the Urban Water Resilience Initiative in Rwanda, and the Lead Spatial Planner for the programme, as well as Dr Anna Taylor, a Research Fellow with the University of Cape Town's African Climate and Development Institute.



The WRI Urban Water Resilience Initiative is currently being implemented in six African Cities (Johannesburg and Gqebhera (South Africa), Musanze and Kigali (Rwanda) and Addis Ababa and Dire Dawa (Ethiopia), with partners, to help cities overcome urban water resilience challenges and identify and prioritise strategic actions that will build resilience, provide access to high-quality water and protect residents from water hazards.

The GoFlow project aims to integrate the natural and social science aspects of, and to strengthen the collaborative capacity for, the sustainable management of groundwater in and around growing urban areas in South Africa under changing climate conditions.



#### CITIES' LUNCHTIME CHATS: THE SOLUTIONS EDITION



#### Key Takeaways for Urban Water Resilience

#### Lessons from the Urban Water Resilience Initiative and Johannesburg

- A shift from business-as-usual Water Supply Cities to Water Resilient Cities is needed to address the myriad of challenges cities face
- Connect local realities with basin-level issues and linking water to cross-cutting urban issues, such as service provision and land use is essential
- Prioritise the most vulnerable and Increase equitable access to safe water and sanitation.
- Get the finance right and invest in water-sensitive infrastructure design as part of mainstreaming water-resilient city development, with a focus on nature-based solutions
- Governance and Institutional Innovation is required in a changing urban environment

#### Lessons from Kigali and Musanze

- Stakeholder engagement is very crucial and should be properly done
- Tools for transparent engagement, such as the City Water Resilience Framework (CWRF), have proven to be instrumental when engaging stakeholders
- Government stakeholders and partners tend to trust conveners, such as WRI and other intermediaries, because of their neutrality, making them strategic in providing support to address complex challenges
- Managing expectations has proven to be difficult, especially when actions plans are developed

#### Lessons from Cape Town and Nelson Mandela Bay

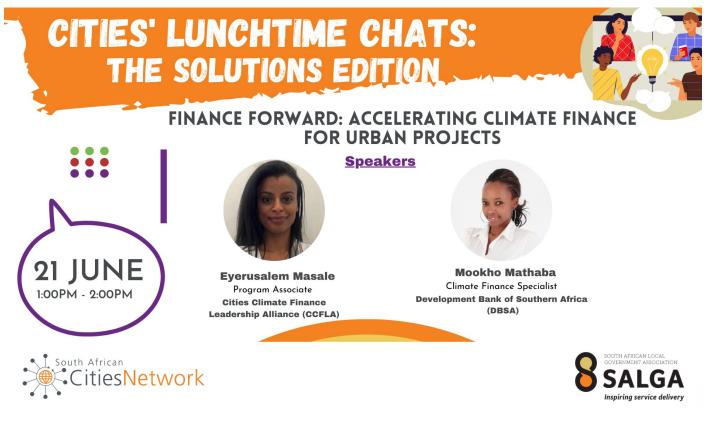
- Dedicated hydrological studies for improved evaporation/recharge/runoff estimates are crucial
- Metabolism analysis treats all types of water supply and demand as the same, whereas not all water is substitutable – differentiating flows according to quality may add value
- Traditional forms of governing by command and control are proving ineffective in sustainably utilising and protecting groundwater resources in metropolitan municipalities
- New partnerships, trust-building and bridging organisations are needed
- Groundwater has a role to play in building urban resilience beyond the water supply

#### In the chatroom from participants

These are soundbites, moments for further engagement. I like how this one had a few speakers to pre-empt us on the rich sessions we will have in future. I would suggest that future sessions be limited to two speakers.

Please dedicate more time to this topic and share any other platforms including workshops, trainings, and webinars on such topics.

The second Cities' Lunchtime Chat, was themed "Finance Forward: Accelerating Climate Finance for Urban Projects" and was held on Wednesday, 21 June 2023 from 1:00-2:00 pm.



Bringing together experts from the Cities Climate Finance Leadership Alliance (CCFLA), Eyerusalem Masale, Program Associate at the Climate Policy Initiative (the Secretariat of the CCFLA) and Mookho Mathaba, Climate Finance Specialist at the Development Bank of Southern Africa (DBSA), the event explored some of the barriers to accessing climate finance for cities, showcased good practice lessons from cities in the Global South, and made recommendations on improving local enabling conditions to attract private sector capital to support climate investments in cities of emerging economies.









#### CITIES' LUNCHTIME CHATS: THE SOLUTIONS EDITION



#### Key Takeways for Accelerating Climate Finance for Urban Projects

#### Lessons from the CCFLA

#### **Barriers to Private Urban Climate Investment AT CITY LEVEL**

- Significant capacity gap in financial understanding, related to investment prioritisation and climate projects.
- · Reliance on concessional finance and funding.
- A need for a 'joined up' investment strategy between planning and
- A city's lack of experience and capacity around the practical aspects of conceptualising, preparing, structuring, and implementing urban (climate) projects (with private sector participation) (including financial instruments such as PPPs and blended finance).

#### Recommendations

- Strengthen capacities and practices of financial management
- Expand project finance literacy across departments
- Interlink city climate action plans with local spending and national policy priorities
- . Set up an Investment Planning and Project Finance Unit

#### Lessons from the DBSA

• The DBSA is accredited to receive funds from the **Green Climate Fund (GCF)** which allows the bank to access GCF funds in order to support innovative and risk-sharing approaches in projects that contribute towards low-carbon and climate-resilient development. GCF Programmes include:

- Embedded Generation Investment Programme
- · Water Re-use Programme
- Readiness Programme Working With Other Countries

•The DBSA is also accredited as a National Project Agency (NPA) for the Global Environment Facility

•There are various programmes underway through the GEF that focus on climate action and institutional capacity building in municipalities

 $\bullet \text{The \textbf{Green Fund}} \text{ has been set up to contribute to a wide range of goals in transitioning to a greener} \\$ economy and reducing the impact on climate change. Its focus areas are:

- Energy Generation and Storage
- Biogas TechnologiesWaste Management

- · Green Buildings
- Transport Sector

#### In the chatroom from participants

The lunch hour sessions are excellent, thank you for this initiative.

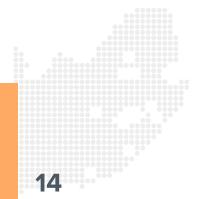
> Well organised. But would like the organisation to give more time to be able to discuss presentations.

The third in the series of Cities' Lunchtime Chats focused on "Greening the Concrete Jungle: Mainstreaming Nature-Based Solutions in City Planning was held on Thursday, 22 June 2023 from 1:00 – 2:00 pm.



The lunchtime chat featured inputs from Christina Culwick-Fatti, Senior Researcher at the Gauteng City-Region Observatory in conversation with Rory Hunter, Manager (Associate II) from the Cites4Forests programme of World Resources Institute (WRI) and its partners.

The event showcased the benefits of incorporating nature-based solutions in city planning, with a particular focus on African cities, and the barriers cities face in mainstreaming nature-based solutions, and provided case studies on practical solutions that some cities are already employing to incorporate nature in our cityscapes.





# CITIES' LUNCHTIME CHATS: THE SOLUTIONS EDITION



#### Key Takeaways on

#### Mainstreaming Nature-Based Solutions in City Planning

Lessons from the GCRO

Lessons from the WRI Cities4Forests

#### Strategic opportunities for urban green infrastructure

- Green assets provide multifunctional services that can support service delivery
- Important to protect & enhance existing green assets, while investing in new GI solutions
- **Potential** for applying green infrastructure to in South African cities **is extensive**
- Linked with ecosystem based adaptation / nature based solutions for climate change
- Cost-benefit analyses demonstrate the financial soundness of green infrastructure solutions
- Potential of green infrastructure lies in the network, which requires incorporation into planning and projects at both the small and macro scales

#### Scaling investment in Nature-Based Solutions

- To scale up nature-based solutions (NbS), there is an urgent need to track, monitor, and understand where and how NBS projects are being implemented in Africa.
- Redirect current climate financing towards NBS and greengray infrastructure through City-led Climate Adaptation Plans
- Increase financial incentives for NBS:
  - Taxes/tariffs or fiscal policies
  - Payment for Ecosystem Services (PES)
  - Carbon Credits to generate revenue.
- Potential for upskilling and green jobs for underserved communities in Africa.

# The session could be longer, but I like the idea of a lunch time input. Quick and informative.

#### In the chatroom from participants

City of Joburg's nature-based solutions to be shared. These are often not seen by citizens.

These lunchtime chats offered city practitioners the space to pause, reflect and explore solutions that can address some of the challenges they face. The next series of lunchtime chats will focus on collaborative problem solving which addresses the formation, operation, and adaptation of cross-sector collaborations in cities and how these can foster the all-of-society approach espoused by the Integrated Urban Development Framework (IUDF) for better and more sustainable outcomes on various urban projects.

### **Well-Governed Cities**

This quarter's work in the Well Governed Cities Programme has continued to focus on three main areas: an advocacy and policy paper on the local government fiscal framework; finalising the participation of teams from the City of Johannesburg to participate in the Capability Development Problem-Led Approach (CDPL) and working collaboratively with the Sustainable and Resilient Cities Programme on managing a research paper on the Just Urban Transition.

The first draft of the advocacy and policy paper is now complete. The State of City Finances 2020 provided evidence that cities were using the local government equitable share to fund operational expenses beyond the provision of free basic services to indigent populations, suggesting that the assumption in the White Paper that the 10% of nationally raised revenue accorded the local government equitable share was not sufficient.

This is an argument that has been advanced by the body representing local government, the South African Local Government Association (SALGA).

The purpose of this paper is to contribute to this discussion. focusing on some key assumptions of the municipal finding model to explain the state of municipal financial performance and hence basic service delivery.

The paper critiques selected elements of the municipal funding model, namely the assumption that electricity sales would be a major course of municipal own revenue and would continue to grow over time; that municipal bills would be affordable and allow municipalities to crosssubsidise the provision of basic services through consumption of trading services by higher volume users; and that economic growth would create an enabling environment for businesses within municipalities, thus increasing the municipal tax base.

The paper presents evidence on electricity revenue, debt impairment, the affordability of municipal bills and economic growth since 1994 to make the argument that:



- 1. In metropolitan municipalities, electricity remains an important yet declining source of revenue growth.
- 2. Municipal bills are becoming increasingly unaffordable.
- 3. GDP growth rates over the past fifteen years have not met expectations.

We will now be sharing the paper with key stakeholders – The Financial and Fiscal Commission, National Treasury and others – for their expert review and critique of the arguments being advanced in the paper and the recommendations that flow from them, namely:

- 1. Electricity will continue to decline as a major source of city revenue.
- 2. The entire city energy business should be considered in the light of:
  - a. Loadshedding and decreased Eskom supply.
  - b. An increase in electricity sourced from independent power producers.
  - c. The effect of the subsidy for small-scale embedded generation announced by the Minister of Finance in the 2023/23 budget speech, will have an impact on electricity sales to high-volume consumers on whom cross-subsidisation depends.
- 3. The need to understand better the linkages between economic growth, spatially located economic activity and municipal finances.

The genesis of the Capability Development Problem Led Approach (CDPL) comes from SACN's 2016-2021 strategic review which identified the lack of capability of the local state as a focus area for the well-governed cities programme.

We are very excited to pilot this innovative problem-solving approach in the City of Joburg. Starting in June three teams – from Region E; Region F and the Group Strategy, Policy Coordination and Relations Department (GSPCR) will meet every week for six months, under the supervision and guidance of an expert coach and facilitator, to dissemble three different urban challenges the city faces, and devise and begin implementing solutions to them.

Once the pilot is complete the goal of the programme is to document the lessons learned and expand the offering to SACN's participating cities.

# **Team News & Events**

We would like to extend a warm welcome to Mr Ashraf Adam as our interim CEO. Mr Adam is a member of the SACN Board of Directors. He previously served as the Chief Executive Officer of the Mandela Bay Development Agency (MBDA) and was previously the Executive Director for Economic Development and Planning at the South African Local Government Association and held senior positions at the Drakenstein Municipality and the Department of Public Works.

He holds a BA and a Masters degree in Town and Regional Planning. He has served on various boards, including the Municipal Demarcation Board and the South African Planning Institute. He was previously the Commonwealth Association of Planners' Vice-President (Southern Africa).



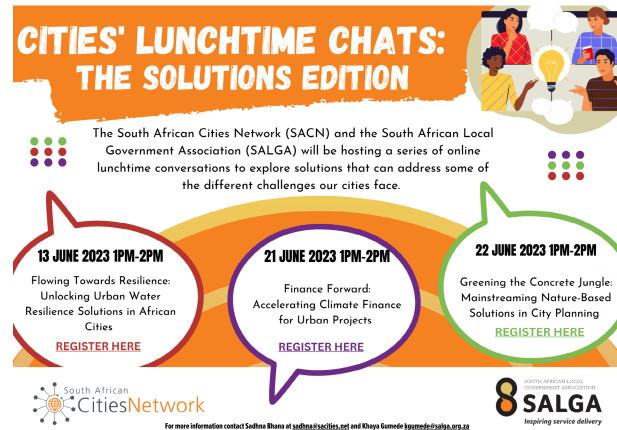
# WELCOME TO THE TEAM

During this quarter our City Communicators' Reference Group hosted the first in a series of Communication Action Labs on the 10-11 May, with city communications practitioners from our participating cities and intermediary cities. On Day 1 Participating Cities shared the communication experience from their respective cities. On Day 2 we had experts in their fields sharing and exchanging knowledge on City Branding, Storytelling, Reputation Management, and the Digital Communication Landscape.



Other events that took place during this quarter include the Youth Day webinar on "An Ecosystem Approach to Job Creation: A Conversation on Building the next rung of the employment ladder and the Cities' Lunchtime Chats: The Solutions Edition hosted in partnership with SALGA.





#### **Upcoming News and Events**

As this is the final edition of our quarterly newsletter for our financial year 2022-2023, we look forward to sharing some of the interesting events and work coming out in our new financial year 2023-2024 such as the launch of our Podcast series and more!







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