



National Treasury



# City Support Programme

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## Metro economies are underperforming

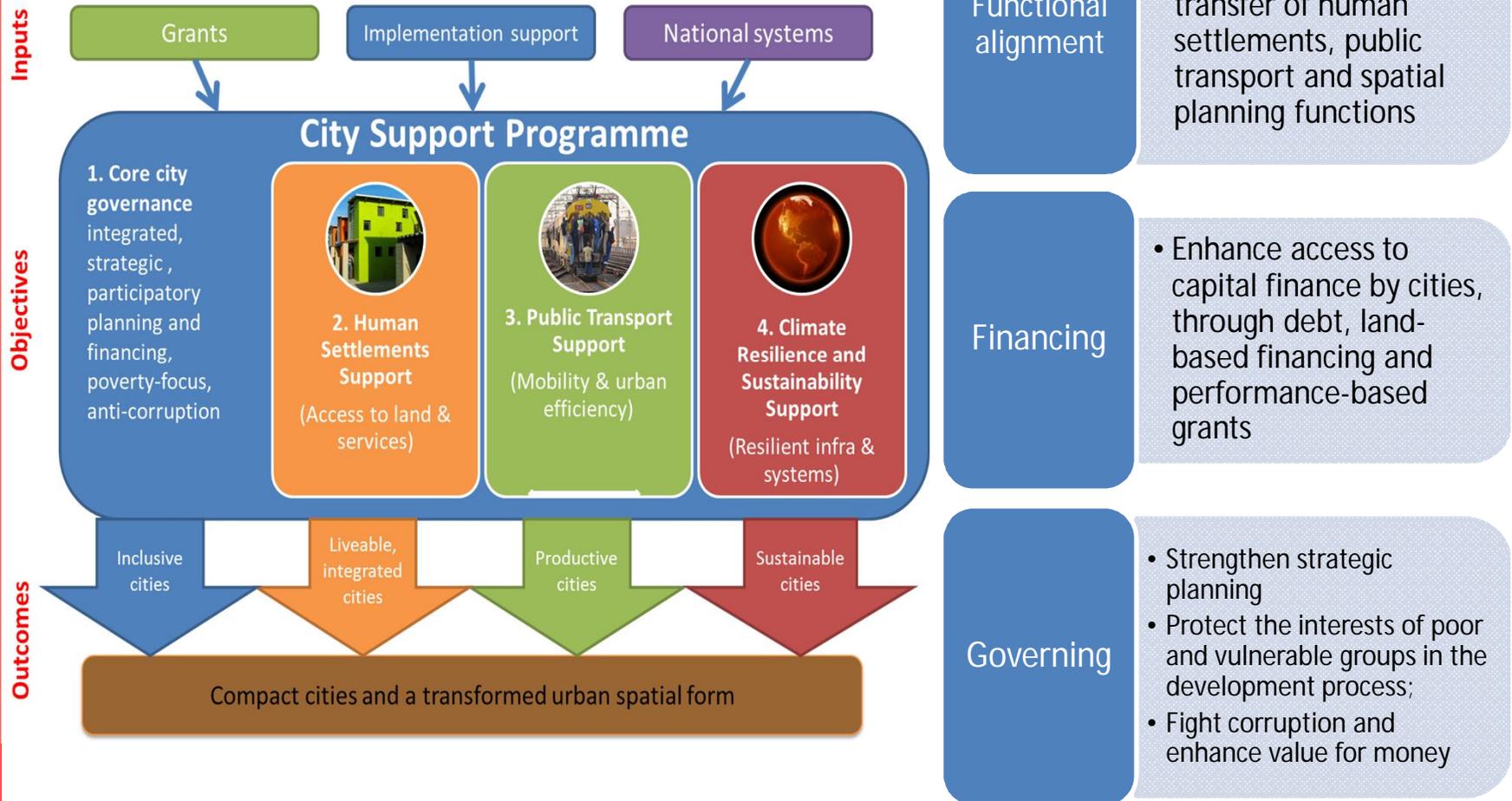
- A virtuous cycle of faster, inclusive urban economic growth is required to finance investment and service delivery needs
- Many aspects to the problem
  - Structural constraints
  - Fragmentation of efforts
  - Governance shortfalls
  - National policy challenges
- But:
  - Metros do have access to some policy levers
  - Metros must do more to support growth



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# CSP is a platform to assist cities to make a more radical, programmatic shift in approach

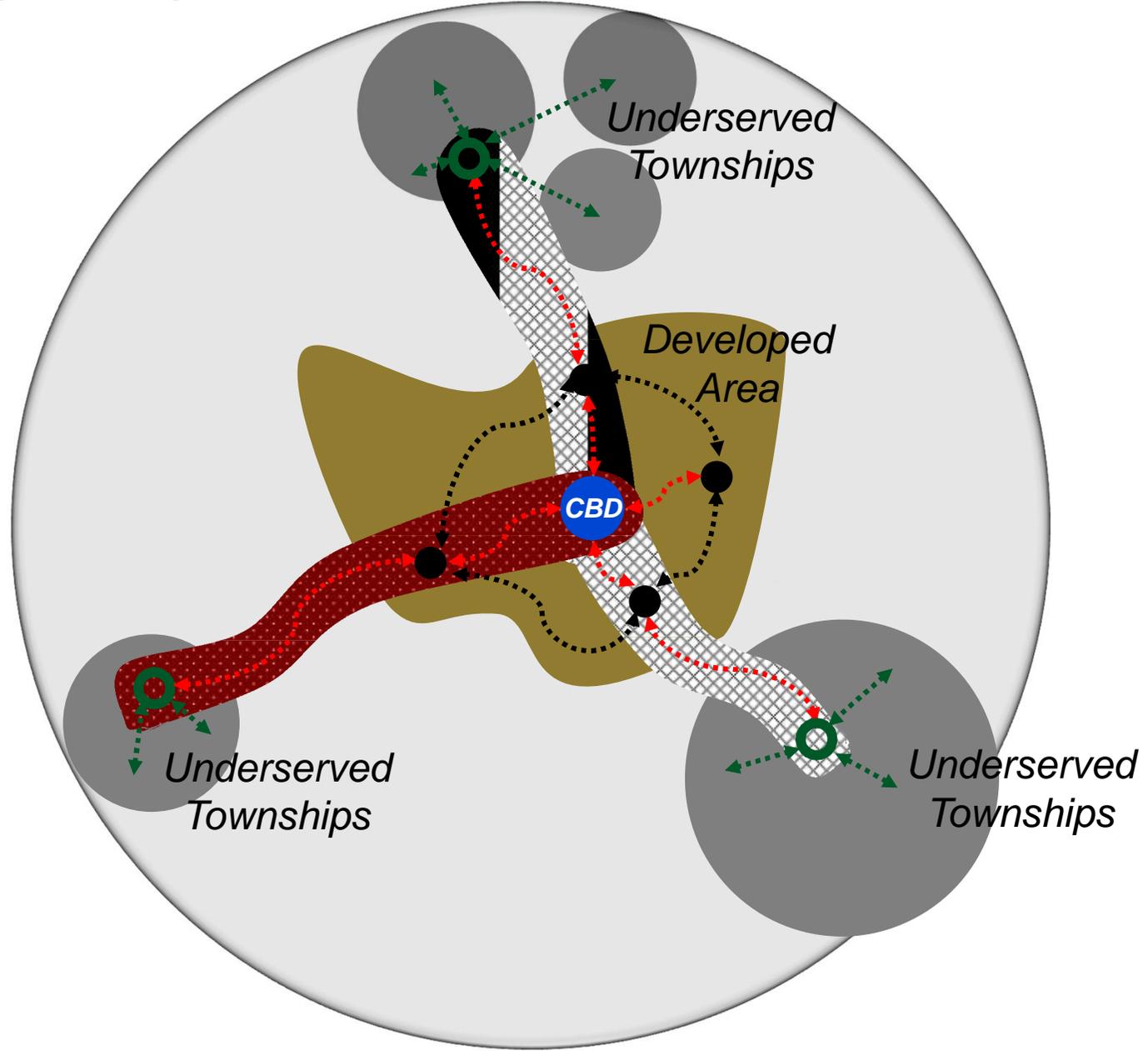
- Cross-sector alignment in space
- An “arena” for coordination





# CSP supports spatial alignment across programmes, though Integration Zones in Urban Networks Strategy

- ICDG
- USDG
- IHSG
- SHRZ
- PTIS
- NDPG
- UDZ





## Fiscal alignment will support this strategy

- No new money, but greater alignment and performance orientation in fiscal package
  - Roll out of new grants
    - Integrated City Development Grant (ICDG) will reward cities for achieving alignment and built environment outcomes
    - Project Preparation Facility (PPF) will support cities to develop high-quality pipeline of catalytic investments
  - Existing grants subject to greater alignment under ICDG
- Much greater focus on borrowing for investments
- Regulatory changes to increase use of Development Charges



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## CSP will roll out a major Public Transport component following this course

### Public Transportation Transfers to Cities

- Phased reforms:
  - Performance orientation to PTISG,
  - Bus and Rail subsidy restructuring



### City level capacity support

- Establishment of transport authority functions
- Policies and standards
- Incremental strengthening of planning and financing systems
- Leadership development and information exchanges

### National management capacity

- Urban transport strategy
- Development of overall fiscal framework
- Regulatory and monitoring framework
- Innovation support



# The future is in your hands

- Metros cannot wait for “better” national policy
  - They must drive the changes that are needed
  - National government will provide support through revised policies, frameworks and programmes (e.g. IUDF, CSP)
- Transport programmes can no longer operate in isolation
  - Metros have the powers to drive alignment in space
- 2014 BEPPs must demonstrate the shift from planning to implementation of new approach
  - Public transport programmes are critical to this shift