

PUBLIC SECTOR ECONOMIST FORUM

TERMS OF REFERENCE

Accounting officers

- National Treasury
- National Department of Economic Development;
- National Department of Trade and Industry;
- Province Treasury;
- Provincial Departments of Economic Development; and
- Municipal Metros

Dear Director Generals, Heads of Department and City Managers

INTRODUCING THE PUBLIC SECTOR ECONOMIST FORUM (PSEF)

The purpose of the letter is to introduce the Public Sector Economist Forum (PSEF) to relevant stakeholders. The Forum was founded in 2009 and was born out of a realization that there were severe limitations on the organization, functioning, effectiveness and overall contribution of public sector economist employed at sub-national level, further compounded by what often appears to be lack the understanding of the unique dynamics at sub-national government levels by policy makers. The PSEF therefore exists to enhance the role of public sector economists at provincial economic level and metropolitan municipalities in policy development, analysis and implementation through:

- Creating a platform for economic discussions;
- Sharing of information and best practices;
- Collaborative research;
- Expanding and enhancing access to training opportunities;
- Relevant and province-specific research; and
- Creating linkages between the different spheres of government.

Membership of the PSEF was estimated at just 100 in December 2012. Membership of the forum will be free and is valid for 3 consecutive years.

Membership of the Forum

In line with its vision and mission, the primary membership of the PSEF is economists and economic practitioners in Provincial Treasuries, Provincial Department of Economic Development and Economic Development Departments in metros. The day-to-day management of the PSEF is carried out by the Steering Committee, which is made up of two representatives per province, one from provincial treasury and another from the Department of Economic development. The Steering Committee meets quarterly and its meetings rotate between all the nine provinces. The Chairperson of the PSEF is nominated at each annual general meeting and appointed to this position is valid for 12 months.

With the development of Economic Policies being a national mandate, it has become crucial also to use the PSEF as a platform for meaningful engagement between economist at

National Treasury, National Department of Economic Development and Department of Trade and Industry. Since 2009, these relationships expanded so much and together with commitment of economist in these national departments. With metropolitan municipalities key in driving local economic development, provision has been made to extend membership of the Steering Committee to one representative of each of the metropolitan municipalities.

PSEF's relationship with other institutions

The PSEF has established relations with similar organizations, namely the Economic Society of Southern Africa (ESSA) as well as the Economic Research South Africa (ERSA), with the primary purpose being to streamline province-specific applied research agenda. As such, meaningful relationships have been initiated with amongst others the following external stakeholders, some of whom have already participated during Steering Committee meetings and/or at previous Annual Congresses:

- Institute of Race Relations;
- Global Insight;
- University of Pretoria;
- Quantec;
- Palama;
- TIPS;
- Conningarth Economist;
- Statssa;
- National Treasury;
- South African Reserve Bank;
- Financial & Fiscal Commission; and
- National Planning Commission.
- REDI/Econ 3x3
- Government Technical Advisory Centre (GTAC)

PSEF's Annual Congresses

Since 2009, the PSEF has had Annual Congresses in the following provinces, Kwa-Zulu Natal, Northern Cape, Mpumalanga, Free State and Gauteng. These congresses are in the main a platform for members to share their research work prior to presenting them at ERSA or the biennial ESSA conference. These annual congresses have been addressed by the MECs for Finance in the respective provinces where they were held. Most recently, the congresses have been used to professionalize the Forum and elevate the aspect of research by its members.

Formal Interface with Public Sector Policy Making Mechanisms

In the past, the Forum through its Steering Committee was mainly used by National Treasury in the development of a position paper on the role of provinces in economic development. This work had been commissioned by the Technical Committee of Finance (TCF). The Forum recognizes the need to foster such interface with relevant governance and policy structures (e.g. technical MINMECs) and will be pursuing this aspect during this financial year.

What your department/municipality stands to benefit from the PSEF

By being members of the Public Sector Economist Forum, economists and economics practitioners in your department will:

- Benefits from various platforms created for discussions on economic policy issue which are part of their day-to-day tasks;
- Benefits from best practices shared on research methodologies and other information;
- Benefits from the research being undertaken in other provinces or municipalities on similar issues that are of relevance to your department and/or province or municipality;
- Benefits from the immense networking opportunities for collaborative research; and
- Benefit from structured interactions between key role players in economic policy in different levels (spheres) of government;

Your department's/municipality's obligation towards the PSEF

- Department must allow members to participate in all events of the Forum;
- Given that membership to the Forum is free, the departments the departments are expected to assist the Forum with the following:
 - Carry the travelling and subsistence costs of members when they attend PSEF events;
 - Provide catering for Steering Committee meeting (Only applicable to host departments); and
 - Provide venue for Annual Congress (Only applicable to hosting department and/or province).

We trust that this correspondence has shed enough light on the importance of the Forum. Attached, please find the inaugural terms of reference. More information on the Forum can be viewed on the website, www.psef.org.za

I trust you will find in order,

Sincerely'

Paul Court

Chairperson

Date: