



The Presidency
Department of Performance Monitoring and Evaluation

An Overview of Rural Development in South Africa

Presentation to :

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Outline

1. The historical context of land in South Africa
2. Rural development and land reform
3. Development impact of apartheid
4. The state of underdevelopment
5. Rural poverty
6. Policies developed post 1994
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8. A new trajectory: Comprehensive Rural Development Programme
9. Special programmes and institutions to support CRDP
10. Alignment to key government initiatives
11. Implementation plan and performance outputs
12. Challenges and conclusion



The historical context of land in South Africa

- Land in South Africa has a bitter and deeply divisive history'. From the 17th century onwards, dispossession by white settlers of the land occupied by indigenous black societies created a racially polarised and highly unequal society
- Legislative frameworks were established to facilitate the segregation of racial groups to specific geographic locations
- The 1913 Natives Land Act was definitive in the establishment of the “reserves” which comprised of only 13 % of the land surface
- During the apartheid years (1948-1994), racial segregation intensified. Pass laws restricted Africans from accessing urban areas unless they had employment
- The Group Areas Act further demarcated South Africa into areas based on race. This was enforced through waves of forced removals and land dispossessions



The historical context of land in South Africa

- Productive land was lost and small scale farming that helped rural households to survive was undermined
- In contrast, white commercial farmers were given massive financial support and subsidies, and over time became highly productive
- In 1994, 40% of the country's population (16 million people), were living in extreme poverty in the former homeland areas
- As a result of this history, land remains highly contested and politically charged, demanding urgent corrective responses in its allocation and ownership



Rural Development and Land Reform

1. The debate about agrarian change, land reform and rural development begins with land as a national asset for food sovereignty and food security
2. The rural development policy framework is premised on the effects of the dispossession of land and systematic deprivation of land use rights, culture and social cohesion of rural black South Africa
3. In socio economic terms the state of under development can be attributed to problems with stability, growth and distribution that emerged from the pre-colonial era, the apartheid era, and persisted beyond democracy in 1994.



Development Impact of Apartheid

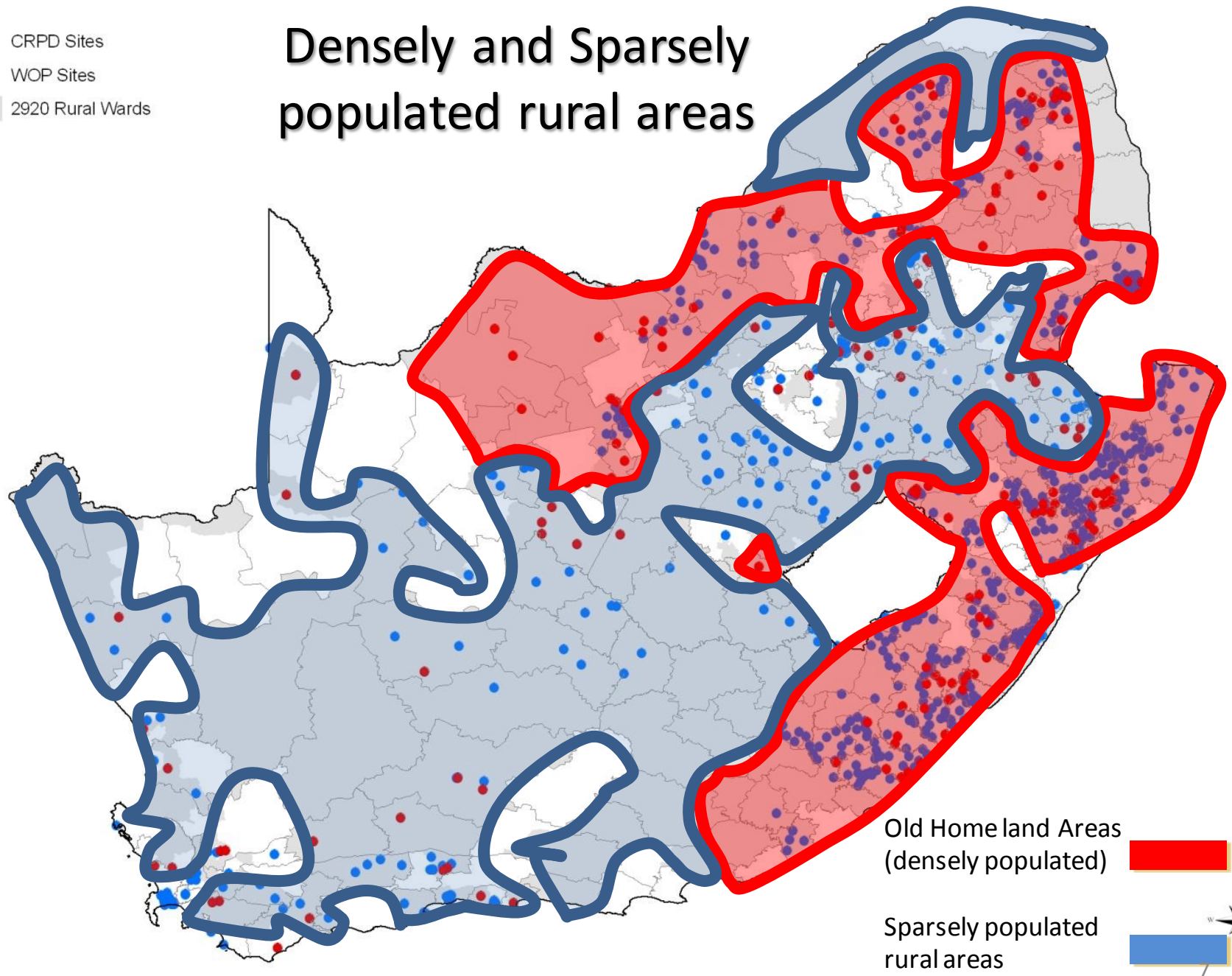
Segregated South Africa into three kinds of social, economic and politico-administrative spaces:

- the major urban areas, which were a preserve of white people;
- fertile commercial farming regions and associated small rural towns (also a preserve for whites); and,
- barren, economically unviable 'homelands', reserved for South Africa's black majority population.

The result is enduring underdevelopment with its social, economic, and cultural manifestations: poverty, gross income inequality, and chronic unemployment

Densely and Sparsely populated rural areas

- CRPD Sites
- WOP Sites
- 2920 Rural Wards





Development Impact ...

- Unequal distribution of assets, skewed distribution of income and employment opportunities amongst citizens, and inequality in access to social services
- Segregated planning and scattered residential and farming settlements without viable economic and social linkages to the more economically active areas of SA
- Under utilisation and/or unsustainable use of natural resources
- Poor or lack of access to socio-economic infrastructure and services, public amenities and government services (e.g. industrial parks lying idle)



The State of Underdevelopment

- Decay of the social fabric (child-headed households, crime, family disputes and lack of Ubuntu)
- Lack of access to water or water sources for both household and agricultural development
- Low literacy, low skills levels and migratory labour practices
- Townships not formally established thus hindering service provision and development
- Dependence on social grants and other forms of social security
- Unexploited opportunities in agriculture, tourism, mining and manufacturing



...Persistent Underdevelopment

- There are several distinct aspects to poverty in South Africa.
- 61% of households survive on less than the international poverty line of USD2/day, or about R1500 a month for the average household of four [Income and Expenditure Survey of Households (IES) 2005/06]
- Less than 1 in 3 working-age adults in the 'homeland' regions had income-earning employment in 2007, compared to just under half of those in the rest of RSA (StatsSA, 2007)
- In 2008, 58% of farm workers in the formal sector earned under R1000 a month, compared to just 10% of workers in the rest of the formal sector (Labour Survey, 2008)
- In 2007 over half the h/holds in former 'homelands' relied on social grants or remittances as compared to a quarter of h/holds in the rest of country (StatsSA, 2007)



Rural Poverty

- The incidence of poverty, is much higher in the rural areas of South Africa with **59.3%** of poor individuals characterised as rural dwellers despite the fact that the rural areas housed well below one-half of the South African population.
- The poverty rates of South Africa's nine provinces differ significantly, as do those of the urban and rural areas of the country -- from **24.9%** in Gauteng **64.6%** in Limpopo.
- The 3 provinces with the highest poverty rates (KZN, EC & Limpopo) are also relatively populous – home to **47.4%** of the population, of which **60.1%** are the poor (IES, 2005).
- Rural poverty is gender based: 45% of all female-headed h/holds lived below the "lower-bound" poverty line, compared to only 25% of male-headed h/holds.

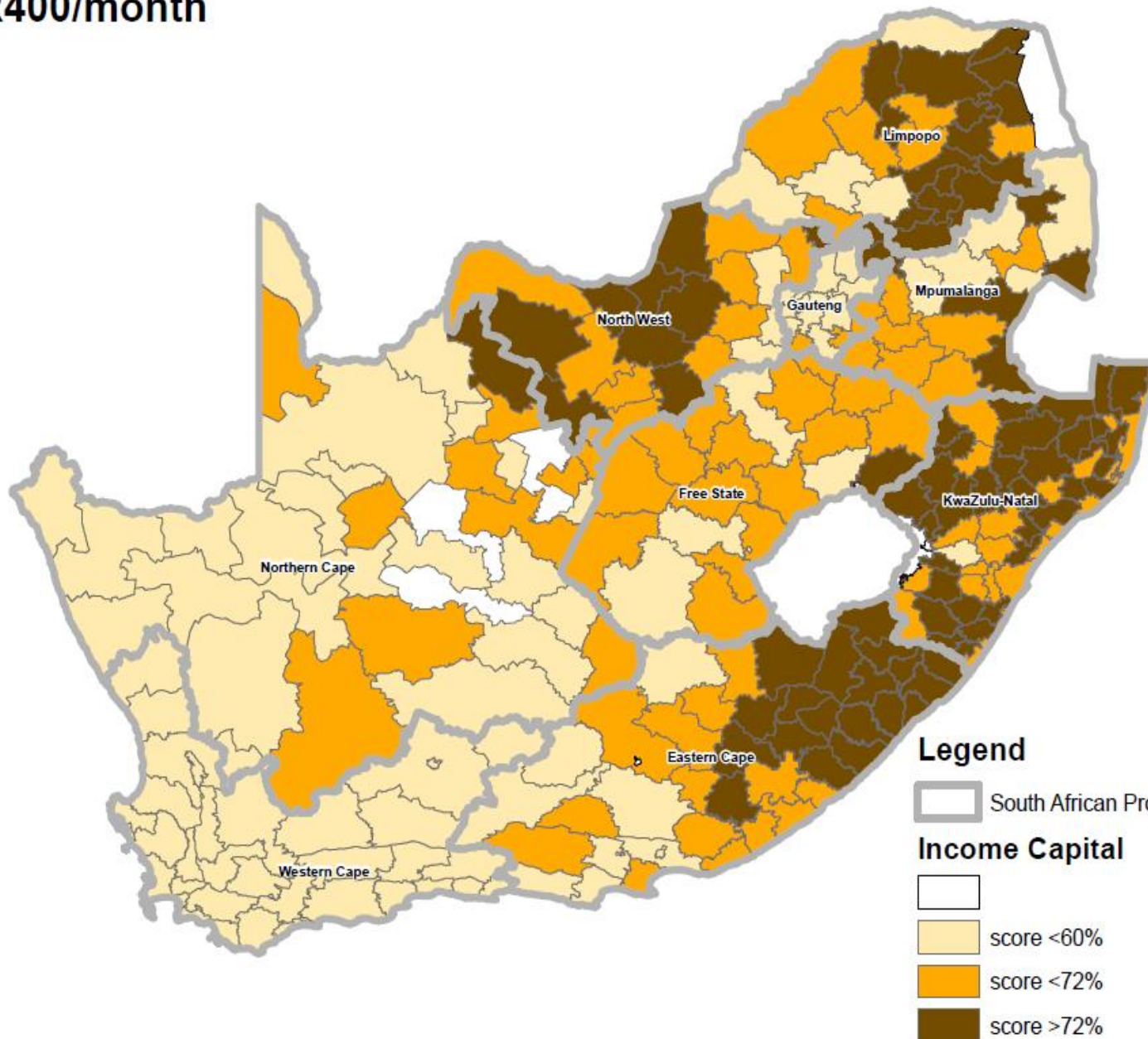
Map showing % of Population with per capita income less than R400/month

Country: South Africa

Map showing % of Population with
per capita income less than
R400/month

Data Source:

Provincial boundary -
Municipal Demarcation (2001)
EA layer - Stats SA_(2001)



0 0.4 0.8
Km
12



Work Done Since 1994

ISRDP (2001)

- a) District level based interventions
- b) Unfunded programme
- c) Reliant on the coordination of the 3 spheres of government

Rural Development Framework (1997)

Not confirmed as policy

Reconstruction and Development Programme (1994)

War on Poverty (2008)

- a) Household level based interventions (wards)
- b) Unfunded programme
- c) Based on a "referral" system to provide better services to households

CRDP (2009)

- a) Household and ward level based interventions (wards)
- b) Funded programme
- c) Based on a referral systems to provide better services to Households
- d) Reliant on coordination and joint planning of the 3 spheres of government



Reconstruction and Development Programme (RDP,1994)

- Aimed to address the socio-economic problems brought about by the consequences of the struggle against Apartheid.
- Set on alleviating poverty and addressing the massive shortfalls in social services across the country.
- Measures to boost the economy such as contained fiscal spending, sustained or lowered taxes, reducing government debt and trade liberalisation with socially-minded social services provisions and infrastructural projects.



National Rural Development Strategy (NRDS,1995)

- **NRDS** became the first plan for rural areas under the Government of National Unity
- Its vision centred on reducing poverty, unemployment, and greater access by rural people to government support and information.
- **Rural Development Framework (RDF) 1997** followed – better focus on rural infrastructure, public administration, local government and rural non-farm employment.
- RDF drew attention to the need for the co-ordination of rural development.



Integrated Sustainable Rural Development Strategy (ISRDS/ISRDP, 2001)

- Designed to realise a vision that would “attain **socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities**”
- The ISRDS resulted in the Integrated Sustainable Rural Development Programme (ISRDP)
- Core to the strategy and its programmes were efforts to attract and retain skilled and knowledgeable people who could contribute to growth and development.



War on Poverty, 2008

- The War on Poverty Programme instituted by the Presidency
- An Anti-Poverty Inter-Ministerial Committee was constituted to co-ordinate and to integrate service delivery across spheres of government & social partners.
- All levels of government become responsible for aligning business towards implementing a rural development programme.



Some Reflections on Lessons Learnt

South Africa realised that Rural Public policy was largely ineffective because:

- It was not the product of informed public debate
- It consisted of isolated elements of sectoral policy created without regard to inter-sectoral effects, primarily focusing on short term priorities.
- It was often urban policy that was poorly modified to fit nonurban settings
- It was also based on the erroneous assumption that there are public institutions that serve the unique needs of rural areas.
- It had thus far not presented a long term vision of what rural areas should look like.



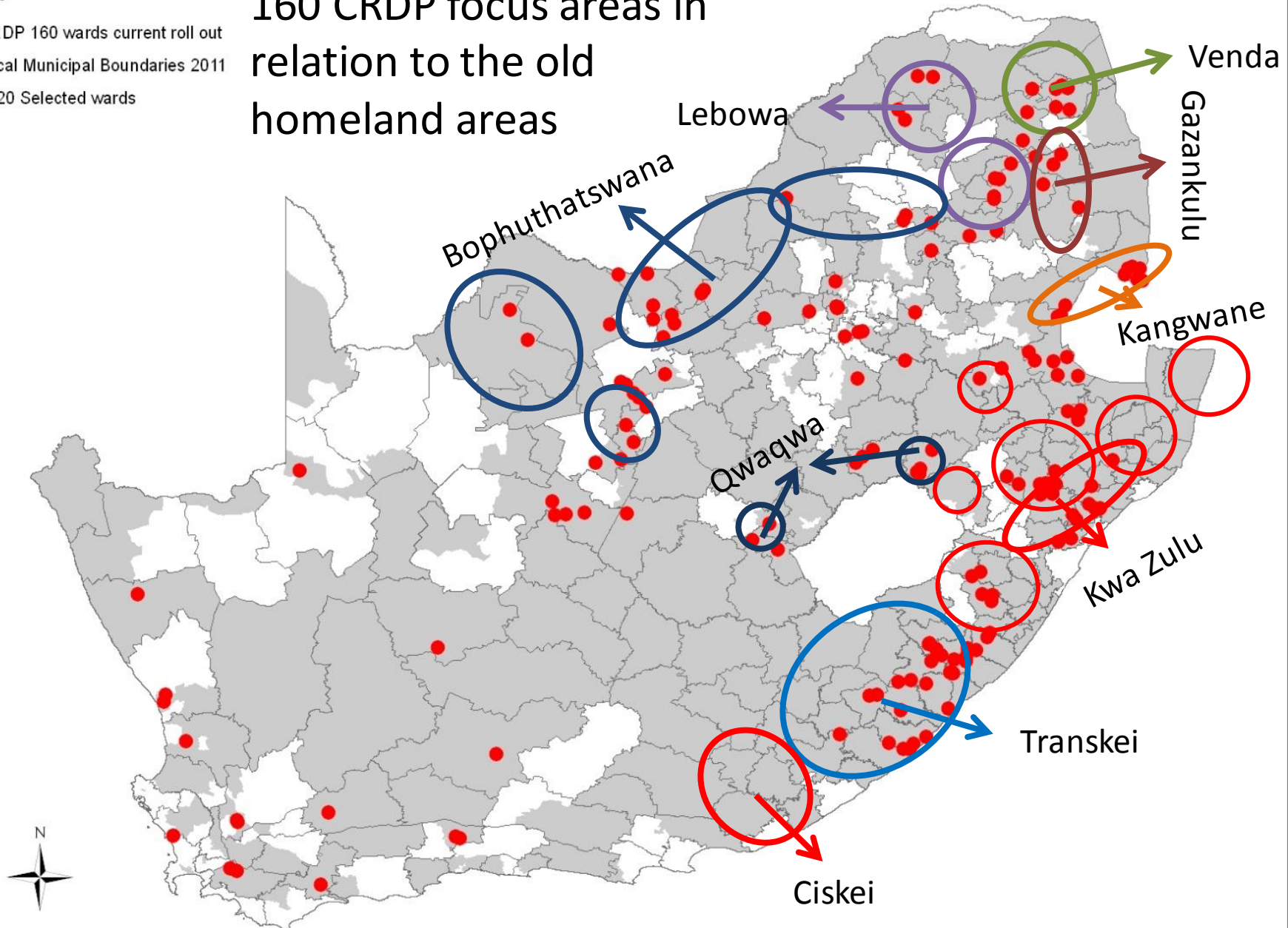
A New Trajectory: Comprehensive Rural Development Plan (CRDP)

- The Comprehensive Rural Development Plan comprise of 3 operational phases, translating into 3 key programmes:
 - Meeting basic human needs
 - Rural enterprises
 - Small Medium and Micro Industries
- The approach emphasises the mobilisation and organising of rural people into functional groups to effectively take charge of their own development.

Legend

- CRDP 160 wards current roll out
- Local Municipal Boundaries 2011
- 2920 Selected wards

160 CRDP focus areas in relation to the old homeland areas





CRDP operational phases

Phase I

- Meeting basic human needs. (shelter, water, sanitation, food, electricity, etc.).

Phase II

- Infrastructure development (social, economic, and ICT).
- Enterprise development.

Phase III

- Small, medium and micro industries (agri-processing, village markets, finance/credit facilities).



Vision of the CRDP

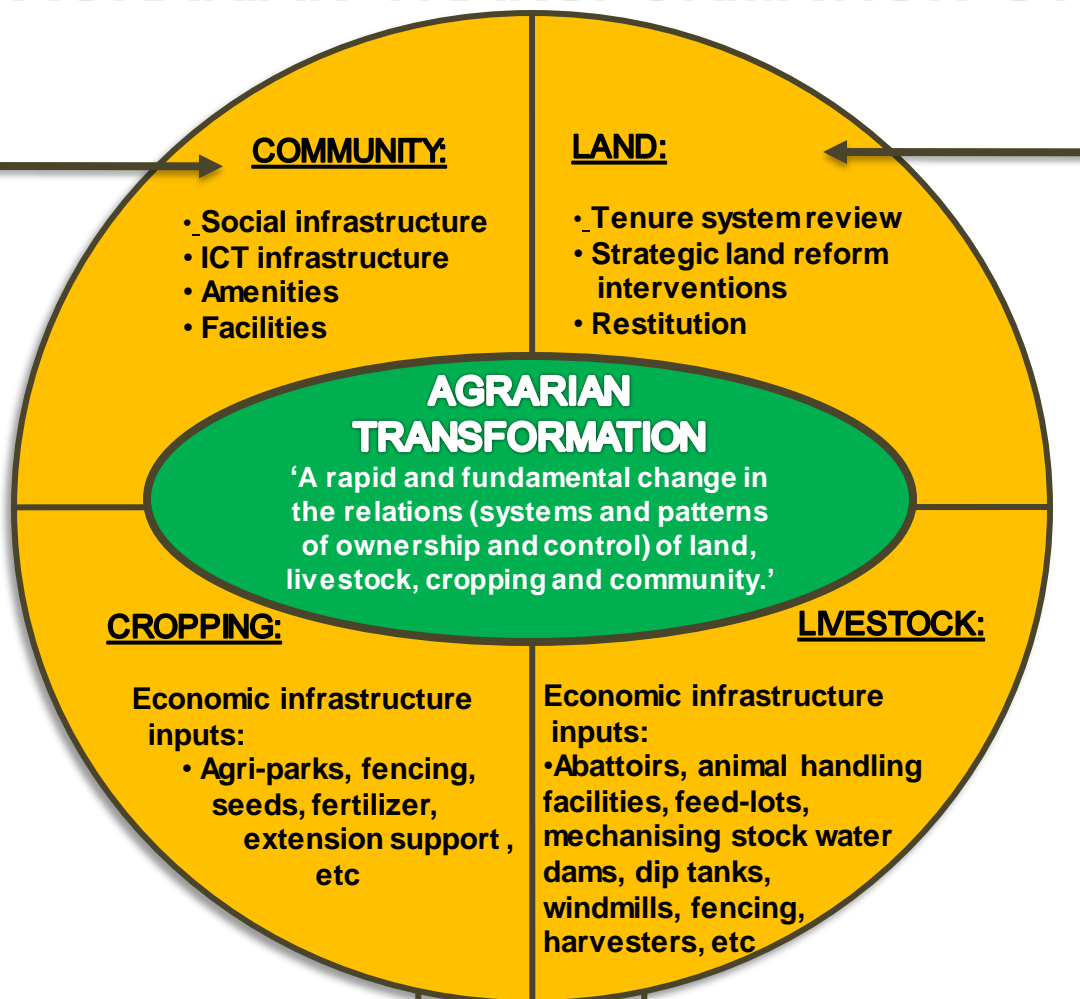
- To create “vibrant, equitable and sustainable rural communities,” with Agrarian Transformation as its strategic thrust.
- It aims to address the needs of the person; household; community and the spaces they live in
- It is built on the premise that rural areas in the country have the potential to be developed so as to generate jobs and economic opportunities that can provide an alternative to the urban centres, thus contributing to the reduction in rural-urban migration
- That the rural economy can be organised to support both agricultural and non-agricultural sectors

AGRARIAN TRANSFORMATION SYSTEM

Roads, bridges, energy, water services, sanitation, library, crèches, early childhood centres, Police stations, clinics, houses, small rural towns revitalisation.

Food Security: Strategic Partnerships:

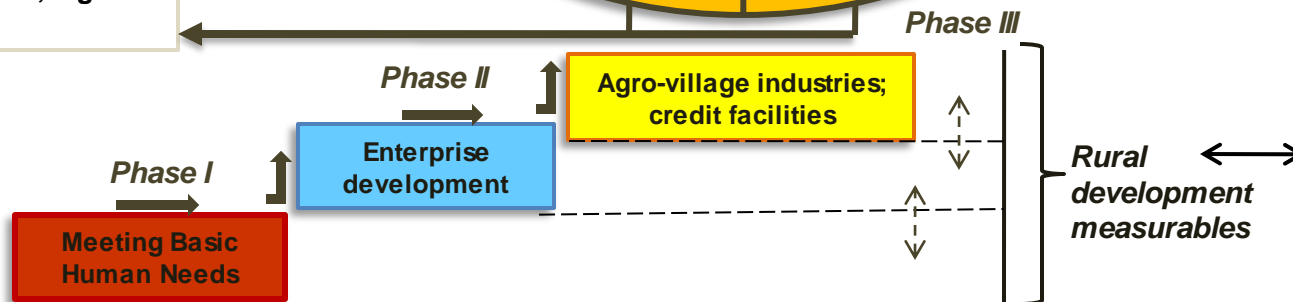
- Mentoring
- Co-management
- Share equity
- Modalities being worked out between the Dept and farmers; big and small



Tenure System Reform

1. **State and Public Land**
 - Don't sell – lease hold
2. **Private Land**
 - Free hold with limited extent
 - State the first right of refusal when selling
3. **Foreign land ownership**
 - Precarious tenure
4. **Institution**
 - 4.1 Land Management Commission
 - Power to subpoena
 - Power to inquire on own volition or at the instance of interested parties
 - Power to verify/validate title deeds
 - Demand declaration of Land holdings
 - Grant amnesty or prosecute
 - 4.2 Valuer General
 - 4.3 LRMB
 - 4.4 Rural Development Monitors (Rangers)

Institution:
Rural Development Agency
- Rationalize some existing institutions



VIBRANT, SUSTAINABLE AND EQUITABLE RURAL COMMUNITIES



Sustainable Human Settlements

- The programme establish new forms of rural settlements, and improve some of the existing ones, under the rubric Sustainable Rural Communities (SRM)
- The United Nations (UN) ascribes effectiveness of “sustainability” to the following conditions:
 - Socio-cultural development: health, education, recreation
 - Economic development
 - Environmental development
 - Institutional/ political
 - Morality and aesthetic relational values
- Within CRDP this aspect is human settlements is created through Agri-villages and Agri-parks

Diyatalawa



A small farming community
that started with 33 and now
comprise of 50 households



Special Programmes to Support CRDP

- **Revitalisation of Small Rural Towns**
 - Vital for rural-urban networking and linkages;
 - Active player and contributor to regional economies; and
 - Integrated planning
- **CRDP Costed Norms and Standards**
 - To establish efficiency and effectiveness in planning as well as equitable resource allocation
 - Quantification of backlogs



Special Programmes (continued)

National Rural Youth Service Corps

- Rural youth based skills development and job creation programme.
- Emphasis is on character building, community service, discipline and development of artisan skills.
- Needs of rural communities are identified through household profiling.
- Current priority projects are construction, disaster management and records management.
- A total of 7 956 youth have been enrolled
- Training of 3 000 youth began in July 2011



Animal and Veld Management Programme

A Six-peg Programme focusing on the 22 Districts:

- Fencing and animal handling facilities;
- Stock water dams and boreholes;
- Mechanization;
- Dip tanks and boreholes;
- Soil rehabilitation;
- Fire breaks;

Recapitalised farms in the Free State



The Red Meat Pilot Project launched in 2010 is assisting black farmers with cattle, helping them to become commercial red meat producers in partnership with SA's largest Commercial Abattoir Association



Institutions to Support CRDP

1. Rural Development Agency

- Rationalisation of existing entities with experience in rural development
- Coordination; resource mobilisation; monitoring and evaluation

2. Funding Institutions to Support CRDP (DBSA; IDT)

3. Councils of Stakeholders

- stakeholder participation model functioning as the planning, implementation and monitoring body and support social cohesion

4. Land Rights Management Board

5. CPA's and Trusts



Alignment to Key Government Initiatives

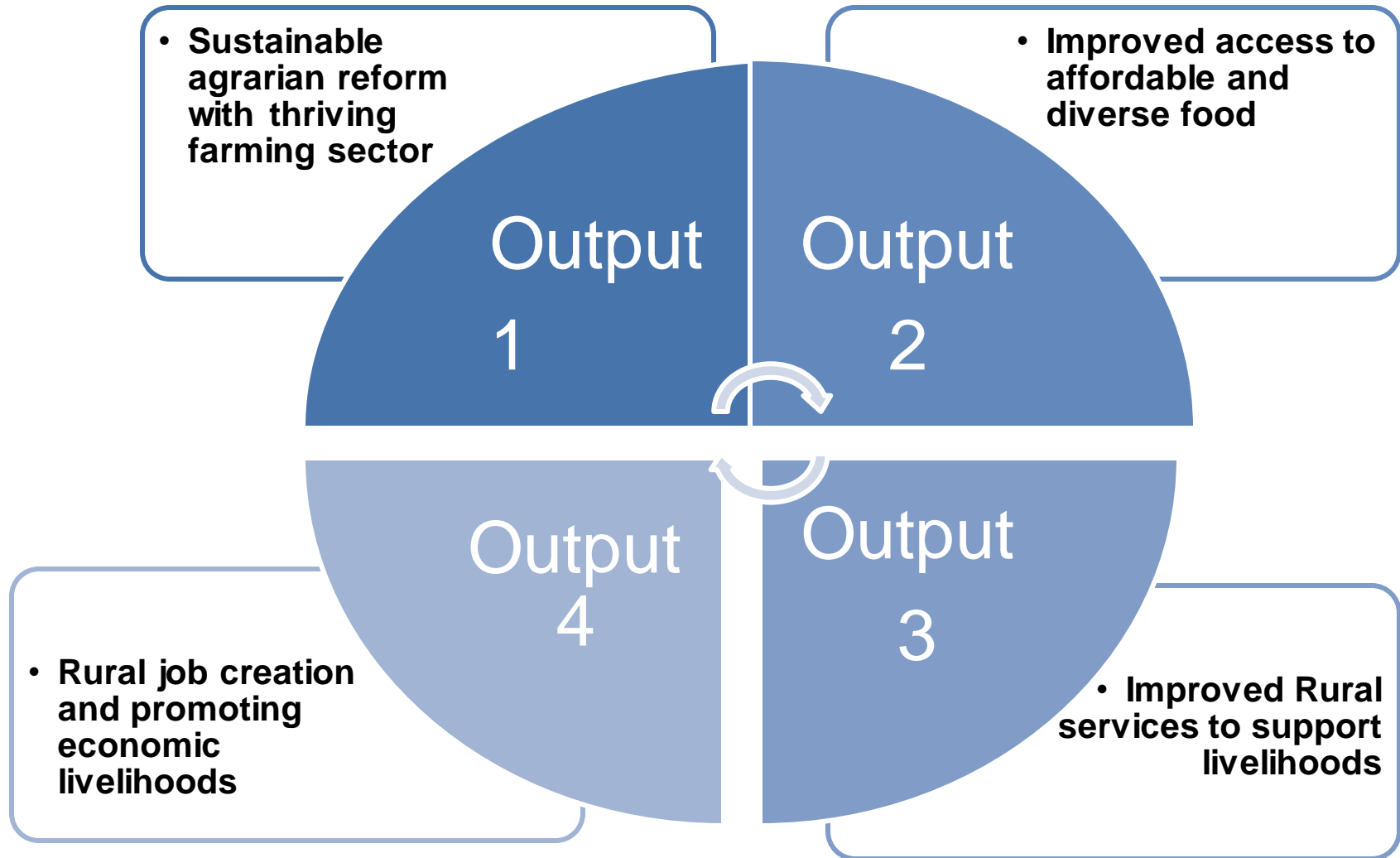
- **New Economic Growth Path, 2010:** provides further impetus to the vision for a transformed rural sector.
- Prioritise job creation through infrastructure development, agriculture, mining, manufacturing, the “green economy”, and tourism
- **Industrial Policy Action Plan (IPAP2), 2010** expand production in value-added sectors with high employment and growth multipliers that compete in export markets as well as in the domestic market against imports



Implementation Plan: 22 Districts

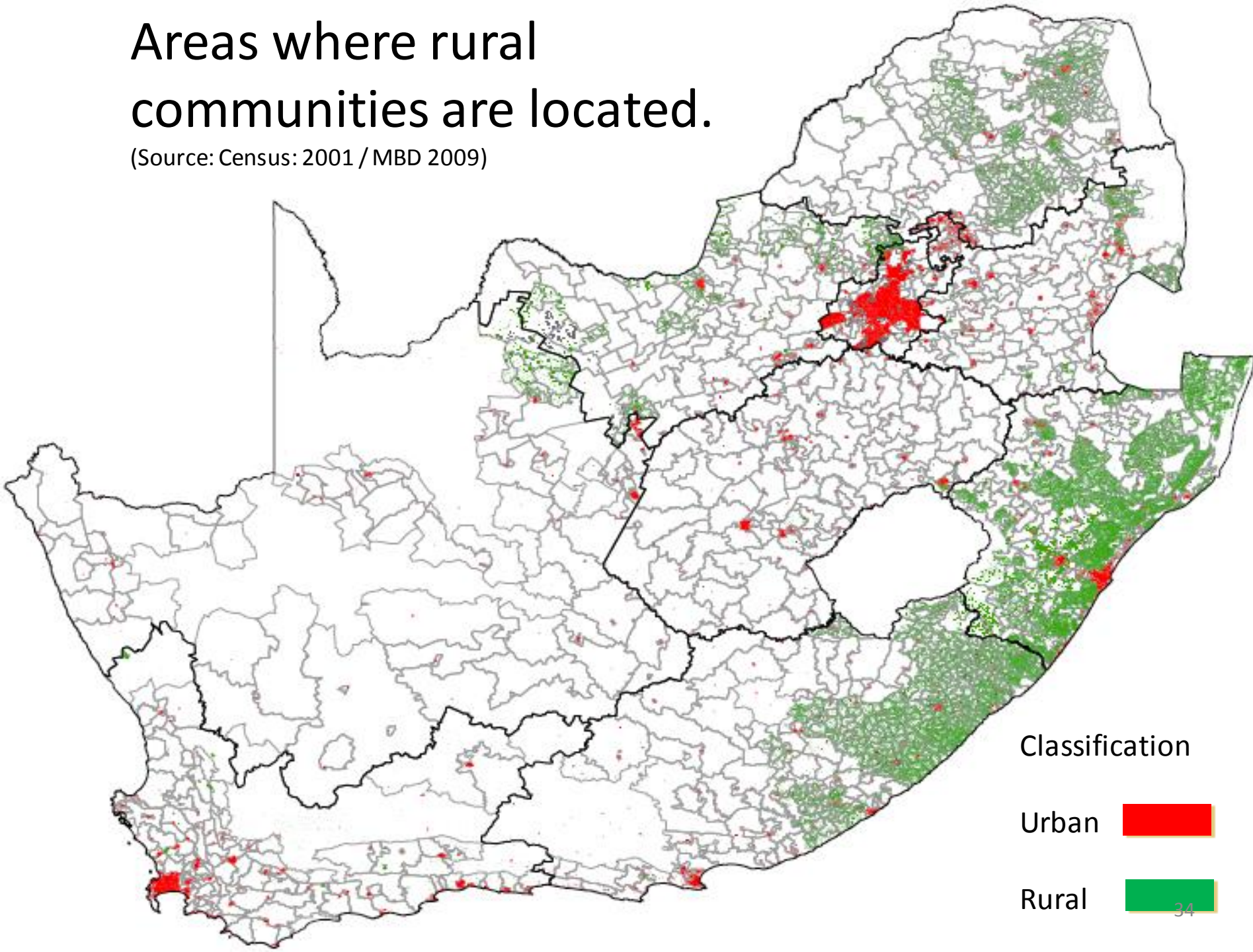
- Government prioritised development of 22 poorest districts
- There are 4227 municipal wards in the country
- The areas of the country have been overlayed to identify the rural space within which CRDP needs to operate; the following criteria have been utilised: poverty nodes; homeland areas; farming areas; distressed and vulnerable rural municipalities
- 68.2 % of the national wards are rural
- This results in a targeted space of **2920** wards with **25,705,625** people
- This equates to 57.3% of South Africa's population

Key Performance Outputs for RD

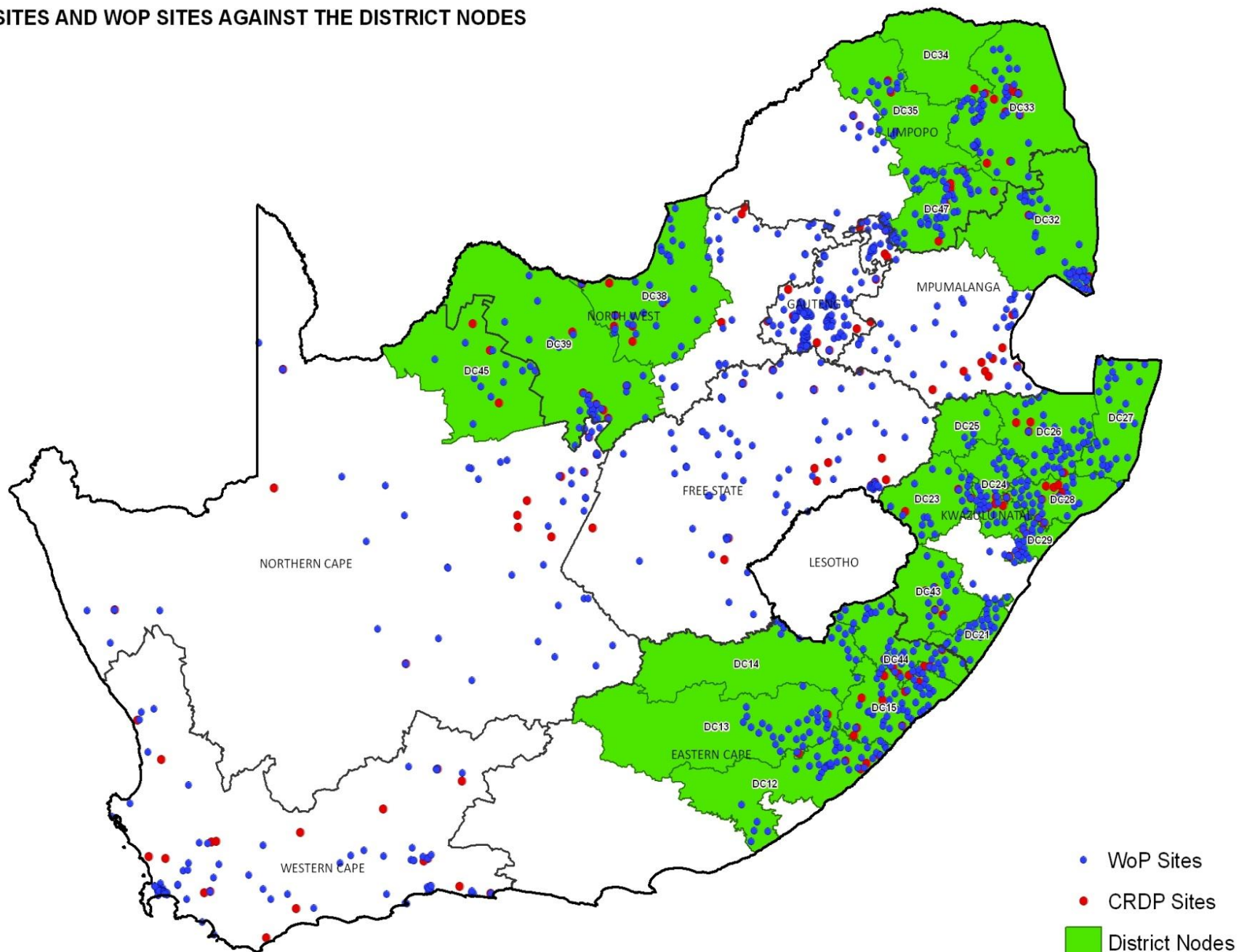


Areas where rural communities are located.

(Source: Census: 2001 / MBD 2009)



CRDP SITES AND WOP SITES AGAINST THE DISTRICT NODES





Challenges to date

1. Full transfer of land is progressing slowly. To be addressed through the new green paper on land reform
2. Many of the farms are in a poor state at the point of acquisition and are not registered in the names of the beneficiary farmers. In the absence of ownership, there is reluctance to invest
3. Although some of the challenges facing rural communities are being addressed in the Agri-villages, the high cost per h/hold is problematic given the number of rural communities in need in SA versus the funding available



...Challenges of CRDP

- Due to its high cost per household, the CRDP is not being implemented at the scale required to significantly improve and sustain rural livelihoods across the country
- The Outcome based approach currently serves as an alternative approach aimed at aligning the work of different department and spheres of government around core priorities for rural development so as to maximise impact on a larger scale.

New Land Reform: 4-Tier Tenure System

1. State & Public Land: Leaseholds;
2. Private Land: Freehold Title with limited extent;
3. Foreign-owned land: Precarious title with regulatory limitations, obligations and conditions
4. Communally-owned land will be mixed uses with institutionalised use rights





6. Conclusion

- Rural development is a transversal function and cannot be executed successfully without the collaboration amongst a variety of social partners and the participation of communities;
- It is important to have institutionalised support mechanisms (access to loans, information, markets, etc) coupled with land ownership for meaningful empowerment
- Through social mobilisation and organising of rural people into functional groups, communities can effectively take charge of their own development.

I thank You

Go to <http://www.thepresidency.gov.za/dpme.asp> for PME documents including narrative guide to outcomes approach, outcomes documents and delivery agreement guide