

**Department of Rural Development and Land Reform** 

# RURAL DEVELOPMENT FRAMEWORK

'Tears are very close to my eyes,' says Bhonco, son of Ximiya. 'Not for pain...no... I do not cry because of pain. I cry only because of beautiful things.' And he cries often. Sometimes just a sniffle. Or a single tear down his cheek. As a result he carries a white handkerchief all the time, especially these days when peace has returned to the land and there is enough happiness to go around. It is shared like pinches of snuff. Rivers of salt. They furrow the aged face [Zakes Mda (2002). The Heart of Redness].

The day rural people would 'cry only because of beautiful things' is the day and moment when we would be satisfied that, indeed, the government would have delivered on the promise of 'A Better Life For All!

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#### A. CONTEXT

## a) The Legacy of 1913 Natives Land Act

The underlying theme of the Rural Development Framework is "Reversing the Legacy of the 1913 Natives Land Act". The root of the land question today arises out of the pervasive process of land alienation that dispossessed the majority of South Africans of their land over the past few centuries. 2013 is the centenary of the 1913 Natives Land Act, which was the first of a number of discriminatory laws that reinforced the massive dispossession of land from black South Africans.

While various other laws restricting African ownership and use of land preceded this monumental piece of legislation, passage of the 1913 Act marked the first comprehensive and unified national move towards colonialist and later, apartheid legislative efforts at territorial racial segregation of South Africa. The Act drew a firm line between white and black land holdings by segregating Africans and Europeans on a territorial basis. The Act abolished indigenous forms of communal tenure that had existed among African communities for centuries and the approximately 4 million Africans living in South Africa during this time were relegated to living on a miniscule portion of the country's land surface, essentially rendered landless and homeless in the country of their birth (Plaatje, S., 1916)<sup>1</sup>.

One of the most devastating effects of the 1913 Natives Land Act was to severely undermine African agriculture. The massive loss of land black South Africans experienced as a result of the Natives Land Act of 1913 was accompanied by an enormous loss of assets such as livestock, crops, dwellings due to the dispossession of land and subsequent forced migration of entire African communities to reserve areas after passage of this Act. The regions demarcated by the Natives Land Act of 1913 as reserves to house the country's African populations now consist of the most environmentally degraded lands found in South Africa. While Parliament intentionally drew reserve boundaries to exclude land with valuable agricultural potential or mineral resources, forcing Africans into hilly, rocky areas with thin topsoil and unpredictable rainfall, the land quality and environmental conditions in today's communal areas is much worse than before promulgation of the 1913 Act. The environmental deterioration in the former homelands can largely be attributed to the conditions of overpopulation, overgrazing, deforestation and land congestion that have characterized the reserves for close to a century now (*Ibid.*)

The lasting impact of this legislation was not only a dispossession of land but an erosion of culture, livelihoods and *Ubuntu*, which was the anchor of social cohesion in rural communities. Various historians, when commenting on the effects of this legislation argue that "it aimed to get rid of those features of African land ownership and share cropping which white farmers

<sup>&</sup>lt;sup>1</sup> Plaatje, S,1916, Native Life in South Africa, available online: www.gutenberg.org

found undesirable" and further that in its primary role as a segregating measure, the Act was designed to "confine 80 percent of the country's population to 13 percent of land" (van Onselen, 1996)<sup>3</sup>. This then remained the norm for most of the remainder of the century (Miller and Pope, 2000) and the resultant impact inherited by today's generation is a land degradation, poor soil quality, food insecurity, poor infrastructure and basic services, high levels of unemployment and illiteracy amongst others.

The Native Trust and Land Act, 1936 (Act No.18 of 1936) added about 6 per cent of the land to the native reserves bringing the total land set aside for blacks to 13 percent of South Africa's total surface area. This process forced about 80 percent of the population into the least agriculturally productive areas of the country. Thus, after 100 years of the promulgation of the 1913 Natives Land Act, the spatial geography engendered through the colonial and apartheid discriminatory legislation remains largely intact.

## b) The advent of the Bantustan system

The African population was divided into supposedly distinct ethnic nations each with its own homeland and prospect of independence supposedly in keeping with trends elsewhere on the continent.<sup>4</sup> It is well documented that the creation and consolidation of the homeland system resulted in forced removals of more than three and a half million South Africans to cesspools of death, poverty and unemployment. In reality the "notion of rights in an independent territory was at the price of denial of access to rights, including land rights, in by far the greater and economically viable parts of the country as a whole." The Bantu Homelands Citizens Act, 1970 (Act No. 26 of 1970) provided for the removal of South African citizenship from Africans and enforced citizenship of a homeland. Industrial development in the 1960's and 1970's and a resultant demand for labour in urban areas led to an increase in Africans in the cities but without any tenure except in hostels or informal arrangements as lodgers.

The National States Constitution Act, 1971 (Act No. 21 of 1971) granted the then State President power to proclaim new national boundaries. Within these homelands the tradition of tribal and communal tenure systems were largely retained, although the nature and form of these institutions were diverse and complex. In some parts of the country there was a continuum of communal tenure where rights to occupy and use land were allocated by family, clan and tribal institutions. In some cases these systems were democratic and required accountability in order for leadership to have legitimacy. Traditional leadership was in many cases in the forefront of struggle against the erosion of African rights historically and during the second half of the twentieth century.

<sup>&</sup>lt;sup>2</sup> Carey Miller DL and Pope A, 2000, Land Title in South Africa, Juta and Company, Johannesburg

<sup>&</sup>lt;sup>3</sup> Van Onselen C, 1996, The Seed is Mine — The Life of Kas Main, A South African Sharecropper, 1894-1985. David Philip, Cape Town.

<sup>&</sup>lt;sup>4</sup> Department of Communications, 2013, About SA History, available online: www.gov.za

<sup>&</sup>lt;sup>5</sup> Ibid.

However, in other cases, as noted above, some traditional or tribal institutions were corrupted by the appointment of chiefs and headmen who were prepared to collaborate with the colonial and later Apartheid administrations. In areas such as the Eastern Cape, where "Betterment Planning" schemes were introduced in the 1950s, such headmen assumed powers to allocate newly created allotments and camps where previously such tenure and composite user rights were allocated by communal tradition. In many areas, traditional rights to residential plots were replaced by Permission to Occupy (PTOs) allocated by Chiefs and headmen. So-called independence was granted to Transkei in 1976, to Bophutatswana in 1977, Venda in 1979 and Ciskei in 1981. In 1976 the Report of the Theron Commission of Enquiry into Matters Relating to the Coloured Population Group recommended an increase in the access of land for Coloureds. Implementation of the Group Areas Act in urban areas and forced removals to rural areas, however, continued until the late 1980's. Similarly homeland consolidation continued and the Borders of Particular States Extension Act, 1980 (Act No. 2 of 1980) allowed for the incorporation of so-called black spots into the ethnic homelands. Thereafter, the Black Communities Development Act, 1984 (Act No. 4 of 1984) allowed Africans to acquire 99-year leaseholds secured by registration on residential land in urban areas outside the homelands. It followed that ownership of more than 87% of the land in the country lay with whites, secured by deeds registration with detailed servitudes and restrictions, and detailed cadastral descriptions. The remaining 13% consisted largely of land in the nominally independent homelands and other areas under diverse traditional communal tenure systems with only the outer boundaries of the areas surveyed.

The homeland system was used in large part to legitimise the failure to provide basic economic and social services to Africans. With a few exceptions, the homeland administrations had virtually no resource base of their own, but the central state provided them with very limited subsidies. As a consequence, the homeland regions ended up with too few educators, police and health workers, many of whom were under-qualified. They also suffered from severe underinvestment in both economic and social infrastructure. The homeland system also had far-reaching political and social implications. The apartheid state aimed to rule indirectly through handpicked leaders. In the process, it sponsored socio-political systems that were profoundly corrupt as well as highly oppressive, particularly to women and youth. At the same time, the homeland states were defined in ethnic terms in an effort to divide and rule the majority in particular and South Africans in general.

#### c) The Constitution, Act 108 of 1996

The Constitution of our new democracy was adopted in 1996. Section 25 addresses the question of property:

(1) No one may be deprived of property except in terms of law of general application, and no law may permit arbitrary deprivation of property.

- (2) Property may be expropriated only in terms of law of general application:
  - a. For a public purpose or in the public interest; and,
  - b. Subject to compensation, the amount of which and the time and manner of payment of which have either been agreed to those affected or decided or approved by a court.
- (3) The amount of the compensation and the time and manner of payment must be just and equitable, reflecting an equitable balance between the public interest of those affected, having regard to all relevant circumstances, including:
  - a. The current use of property;
  - b. The history of the acquisition and use of the property;
  - c. The market value of the property;
  - d. The extent of direct state investment and subsidy in the acquisition and benefit capital improvement of the property; and,
  - e. The purpose of the expropriation.
- (4) For the purposes of this section:
  - The public interest includes the nation's commitments to land reform, and to reforms to bring about equitable access to all South Africa's natural resources; and,
  - b. Property is not limited to land.
- (5) The state must take reasonable legislative and other measures, with its valuable resources, to foster conditions which enable citizens to gain access to land on an equitable basis.
- (6) A person or a community whose tenure of land is legally insecure as a result of past racially discriminatory laws or practices is entitled, to the extent provided by an Act of Parliament, either to tenure which is legally secure or to comparable redress.
- (7) A person or community dispossessed of property after 19 June 1913 as a result of past racially discriminatory laws or practices is entitled, to the extent provided by an Act of Parliament, either to restitution of that property or to equitable redress.
- (8) No provision of this section may impede the state from taking legislative and other measures to achieve land, water and related reform, in order to redress the results of past racial discrimination, provided that any departure from the provisions of this section is in accordance with the provision of section 36(1).

Section 36 addresses the limitations of rights:

(1) The rights in the Bill of Rights may be limited only in terms of law of general application to the extent that the limitation is reasonable and justifiable in an open and democratic society based on human dignity, equality and freedom, taking into account all relevant factors, including:

the nature of the right;

- a. the importance of the purpose of the limitation;
- b. the nature and extent of the limitation:
- c. the relation between the limitation and its purpose; and
- d. less destructive means to achieve the purpose.
- (2) Except as provided in subsection (1) or in any other provision of the Constitution, no law may limit any right entrenched in the Bill of Rights.

The Constitution has won international praise for the inclusion of a number of justifiable socio-economic rights within the Bill of Rights, included as Chapter Two of the Constitution. While the Bill of Rights does not guarantee a specific level of income for any person, or importantly, the right to a job or paid employment, it does address a number of domains that relate to people's well-being. In particular there are rights to adequate housing, to health care, to sufficient food and water and to social security, including social assistance, and to education. In addition, children's rights to basic nutrition, shelter, health care and social services are specifically guaranteed. The state has a positive obligation in terms of section 7(2) of the Constitution to realise these rights. While the state's obligation in terms of sections 25, 26 and 27 is subject to progressive realisation within the state's available resources, the Constitutional Court has ruled that for the realisation of each of these rights, the state needs to be able to demonstrate that it has adopted a reasonable plan for the realisation of these rights - both in its planning and implementation.

In addition, the Constitutional Court has ruled that an element of reasonableness is to ensure that the state must make short term provision for people:

 who are living in intolerable circumstances (Government of the Republic of South Africa and others vs. Grootboom and others, 2000 (11) BCLR 1169 (CC)); or

<sup>&</sup>lt;sup>6</sup> Studies in Poverty and Inequality Institute, 2007, *The Measurement of Poverty in South Africa Project: Key issues*, Studies in Poverty and Inequality Institute, Johannesburg

<sup>&</sup>lt;sup>7</sup> Liebenberg, S. "The Interpretation of socio-economic rights" in Constitutional Law in South Africa, Ed. Cheadle, M.H. et al, Juta, Second Edition, 2005.

- who face irreparable harm to their health or lives (Minister of Health and Others vs. Treatment Action Campaign and Others (1) 2002 (10) BCLR 1033 (CC)); or
- who would face destitution without state assistance (Khosa and others vs. Minister of Social Development and others; Mahlaule and another vs. Minister of Social Development and others, 2004 (6) BCLR 569 (CC)).<sup>8</sup>

In order for the state and society to know whether progress is being made towards the full realisation of these rights, comprehensive and accessible measures of poverty are vital.

# d) Rural Economy Transformation: The Agrarian Transformation Strategy

Figure 1: RURAL ECONOMY TRANSFORMATION: **AGRARIAN TRANSFORMATION SYSTEM Tenure System Reform** State and Public Land LAND: lease hold Roads, bridges, COMMUNITY: energy, water Tenure system review 2. Private Land Social infrastructure · Strategic land reform sanitation. Free hold with limited Interventions ICT infrastructure ilbrary, creches, Restitution Amenities Land based resources Facilities 3.Foreign land ownership A combination of freshold and stations. clinics, houses, AGRARIAN leasehold; and, small rural TRANSFORMATION towns A rapid and fundamental change in revitalisation. 4. Communal land the relations (systems and patterns of ownership and control) of (and. Communal tenure: communai tenure with livestock, cropping and community institutionalised use CROPPING: Food Security: LIVESTOCK: Strategic Economic Infrastructure 5. institutions Economic infrastructure and - Processing plants Partnerships: 5.1 Land Management Mentoring Small industries Commission ·Co-managen · Agri-parks, fencing, Abattoirs, animal handling 5.2 Valuer Genera Share equityModailties seeds, fertilizer, facilities, feed-lots. 5.3 National Rural Youth extension support. mechanising stock water Service Corps being worked out between the dams, dip tanks, silos 5.4 National Development windmills, fencing. Agency with rural cooperatives Dept and harvesters, etc farmers; big and financing facility small Phaselli Phase II Agro.village industries; credit facilities ٨ Enterpris e Ÿ Rural Phase I development measurables VIBRANT, SUSTAINABLE AND EQUITABLE RURAL COMMUNITIES

Figure 1: Agrarian Transformation Strategy

<sup>8</sup> Ibid.

The agrarian transformation strategy (**Figure 1**) is the key strategy of the DRDLR to achieve the outcome of vibrant, equitable and sustainable rural communities and food security for all. Agrarian transformation refers to the 'rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, cropping and community.' The first part of the strategy deals with building the person, the household and the community. This focuses primarily on dealing with basic human needs and providing the required social infrastructure for improved access to services. This part of the strategy also includes community building, organisational and skills development initiatives.

The issue of land forms the basis of development in many rural areas as well as commercial farmland in South Africa and therefore an essential part of the strategy includes the implementation of an improved land tenure system. The other two components of the strategy dealing with livestock and cropping are directly linked to the growth of the rural economy and focuses on the provision of the required economic infrastructure as well as development of entrepreneurs and improved market access and credit facilities. In addition these two components also deal with the recapitalisation of all farms acquired through land reform so as to ensure improved food security for South Africa.

All of the components of the strategy link directly with the phases of the CRDP that deal with meeting basic human needs, in the first phase; and, sequentially and simultaneously moves on to the establishment of rural business initiatives, agro-industries, co-operatives, cultural initiatives and vibrant local markets in rural settings as well as the empowerment of rural people and communities (especially women, people with disability and youth).

# e) The National Development Plan and the Medium Term Strategic Framework (MTSF)

The NDP identifies the following policy imperative, which is also one of the priority areas of the 2014-19 MTSF: up-scaled rural development as a result of coordinated and integrated planning, resource allocation and implementation by all stakeholders.

# B. DEVELOPMENT FRAMEWORK: THE COMPREHENSIVE RURAL DEVELOPMENT PROGRAME (CRDP)

The vision for the CRDP is the creation of vibrant, equitable and sustainable rural communities. This is underpinned by the following:

- effective spatial integration, land use planning and regulatory systems which promote optimal land utilisation and production as well as effective land administration;
- successful land reform (including secure tenure) that promotes agricultural development, increased production and food security;

- infrastructure development to support access to quality services and economic opportunities;
- enterprise development to stimulate the rural economy and create jobs;
- agro industries sustained by rural markets and credit facilities;
- human development through increasing and diversifying the rural skills base;
- good governance and democratisation emphasising accountability and shared benefits in the transformation of rural societies; and,
- human wellbeing and sustainable environment taking cognizance of the rural conditions and the interaction between people's wellbeing and the places in which they live for sustainability.

#### a) The CRDP management system

Effective coordination and collaboration between various stakeholders is the key to the successful implementation of the CRDP.

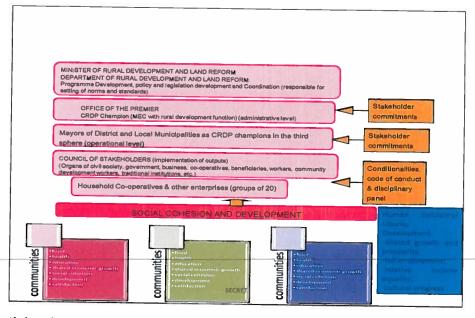


Figure 2: CRDP Management System

To ensure participation of all sectors the CRDP Management system is proposed as a framework for institutional and social engagement to enhance community participation in current government planning processes (Integrated Development Plans). The management system flows from a national level down to the household level:

- At a national level, the Minister of Rural Development and Land Reform is responsible for outcomes, budget, policy, legislation, strategy and overall coordination of implementation of national projects;
- At provincial level, the Premier is regarded as the CRDP champion, with the MEC responsible for rural development, providing operational monitoring and oversight;
- At the municipal level, the district and local municipalities are responsible for by-laws, spatial development frameworks and integrated development planning; and,
- The Council of Stakeholders (COS) which comprises government and various community sectors, such as, traditional authorities, organs of civil society, business, cooperatives, community development workers, etc are responsible for programme and project management; and, therefore, the achievement of set outputs.

The COS within this management system is at the cutting edge of attempts at fostering social cohesion and development. It is the intention of the Department to establish a functioning COS (aligned to other legal governance structures) in each rural ward. However, the Department proposes a Rural Investment and Development Financing Facility (RIDFF), which should be representative of all community interests; with households, the basic units of production and consumption, as its critical core component.

## b) Rural development measurables

Built into the CRDP concept are the rural development measurables comprising of three phases:

Phase I: Meeting basic human needs (shelter, energy, food, water and sanitation);

Phase II: Rural enterprise development; and,

Phase III: rural industries, markets and credit facilities.

## a) b)(i) Meeting basic human needs

Phase 1 of the CRDP deals with building the person, the household and the community. The focus is primarily on dealing with basic human needs and providing the required social infrastructure for improved access to services, including access to clean water, energy, decent housing, proper sanitation, education, etc. The first project of Phase I consists of a detailed analysis of the rural space including the settlement patterns and livelihood patterns of the community. This is combined with a social facilitation process that provides an in-depth understanding of the needs of the people. Together these profiles provide the basis for infrastructure development that is tailored to the needs and characteristics of the community. This phase will contribute significantly to food security, dignity and an improved quality of life for each rural household. The logic of the methodology followed points to the fact that

empowered people whose basic needs have been dealt with, are better able to take charge of their destiny and participate more sustainably in enterprise development.

## b) b)(ii) rural enterprise development

Phase II is regarded as the entrepreneurial development stage which deals with the establishment of enterprises, including all sizes and forms of business initiatives, cultural ware and artifact, cooperatives and arts and crafts initiatives. This phase is driven largely by the revitalization of old and revamping of new social, economic and Information and Communication Technology infrastructure, thereby facilitating the generation of vibrant local markets and credit facilities. Linked to the above, communities will be encouraged to participate in livestock and cropping value chain development.

## c) b)(iii) rural industries, markets and credit facilities

It is anticipated that through phases I and II, the economic growth of the rural area would have been stimulated. The focus of Phase III would focus on the development of different sizes and forms of rural industries, anchored by rural enterprises, investment, markets and credit facilities. Given the anticipated growth and investment in the area, it is envisaged that the financial sector institutions would be playing an important role in contributing to wealth and asset creation. In all infrastructure interventions, coordination between government and private sector is crucial to ensure that maximum benefits accrue to rural communities. The Department will play the role of coordinator, catalyst, initiator, facilitator and implementer.

# C. ALIGNMENT WITH THE NATIONAL DEVELOPMENT PLAN (NDP)

## a) Marginalisation of the rural poor

The NDP states that since 1994, the main challenge for rural development has been marginalisation of the poor, with many rural areas and households trapped in a vicious cycle of poverty. Rural areas and communities require greater social, economic and political opportunities to overcome the legacy of marginalization and poverty. The South African Census 2011 results show that the average household income gap between black Africans and whites is still large. This gap is much greater in rural areas. The latest Census results also illustrate that unemployment is greatest amongst the youth and women. Despite the various national economic programmes and reforms since 1994 – namely the Reconstruction and Development Programme; the Growth, Employment and Redistribution programme; and the Accelerated Shared Growth Initiative for South Africa— high levels of poverty and inequality persist in our country. This is deeply problematic for a number of social, economic, environmental, and political reasons.

#### b) Broad goals of the NDP

The broad goals of the NDP are:

- Build a united country;
- o Resolve historical injustices;
- Uplift the quality of life of all South Africans:
- Accelerate social and economic change;
- o Eradicate poverty and unemployment and Reduce inequality; and
- o Expand the economy and distribute its benefits equitably.

## c) The pre-requisite for overcoming rural poverty

The NDP argues that rural communities require greater social, economic and political opportunities to overcome poverty.

Agricultural Quality basic Areas with greater **Targets** development services economic potential Successful land • Emphasis in: Develop industries An additional 643 reform in the following education 000 direct jobs and with market Employment 326 000 indirect health care creation support: iobs in the public transport agriculture, agro Strong agro-processing environmental processing and • tourism safeguards related sectors by • fisheries (in 2030 coastal areas) Skills development • small enterprise and entrepreneurial development development in potential areas of economic development

Figure 2: National Development Plan: Vision 2030

The proposed Spatial Planning and Land Use Management Act (SPLUMA), places an obligation for the development of a National Spatial Framework. The Department is also in the process of developing Rural Development and Land Reform Plans that are aligned to the NDP and the CRDP Phases. These plans should also be aligned to local plans.

Further, developing norms and standards for the different sectors would assist in providing a common base for planning purposes. Standards assist in addressing issues of fairness and equity; support the achievement of customer satisfaction and form the basis for continually improving performance. The current minimum standards set for services have commonly been established for the country as a whole, often reflecting an urban bias and a "one size fits all" approach. Rural conditions and realities and the wide variations in which services need to be delivered to rural households have not been sufficiently acknowledged.

#### D. DEVELOPMENT SUPPORT SYSTEM

#### a) A Reformed Communal Tenure System

The rural economy refers to communal areas, commercial farming areas, rural towns and villages. With respect to the communal areas where challenges are experienced in terms of governance, economic and social transformation, it is important to find a model that talk to the relations between the various structures in these areas. The reality of these areas is that there is a co-existence and community of elective democratic structures of government and civil society as well non-elective (Royal Houses-succession) and elective (traditional councils) traditional ones. All these formations contribute to the management of these areas as the diagram below demonstrates.

Communal Tenure refers to the systems that most rural African communities operate to express an order, ownership, possession and access to regulate use and transfer of land. While land was most often under the rule of chieftainship, anthropologists have pointed to the socially embedded inclusive character of tenure regimes in which access to land as opposed to control over, was emphasized. Communal property denotes a collectivist relationship between people and their shared land; usually rights to family garden plots and fields were decided at household level and communal resources such as grazing land, water and trees were regulated by the chief in council.

The current economic situation in communal areas is also a direct result of unresolved tenure issues and to deal with this it is proposed that we develop a clear programme that deals with tenure within communal boundaries but at the same time provide mechanisms aligned with the Green Paper on Land Reform for decongestion of the communal space and movement from the "13%" to the rest of the country.

The Rural Development Framework proposes a communal land tenure model which speaks to communal areas with Traditional Councils and those with Communal Property Associations, Trusts, and other popularly established structures. This model is expounded on in the Communal Tenure policy, which forms part of several policy streams emanating from this

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Framework. Figure 4(a), therefore, provides the conceptual framework for the proposed communal tenure system.

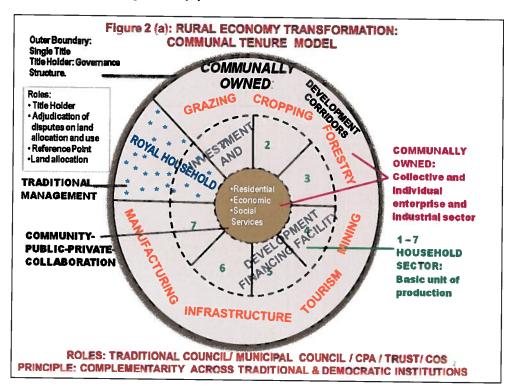


Figure 4 (a): Communal Tenure Model



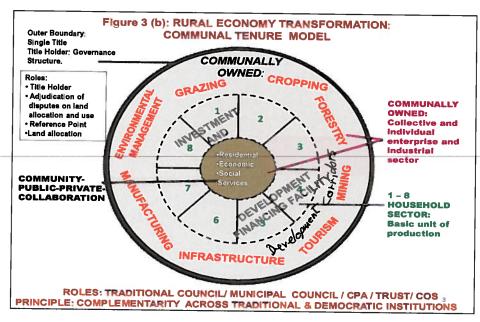
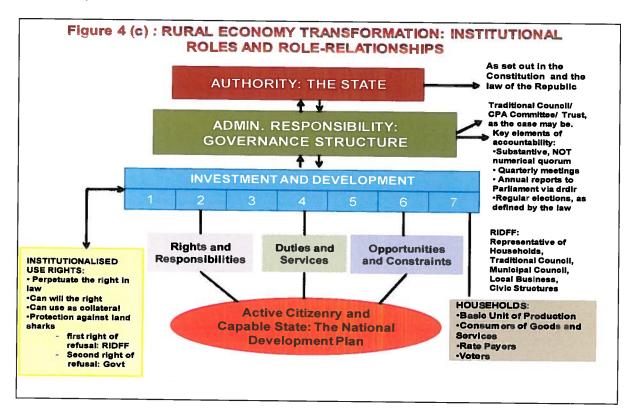


Figure 4(a) reflects communal areas with Traditional Councils, whereas figure 4(b) reflects communal areas without Traditional Institutions. Figure 4(c) is applicable to both the above areas. It emphasizes roles across the various institutions and how they relate to one another, in terms of responsibilities.



## b) A Democratised rural administration system

South Africa's post-1994 state 'inherited a system of rural administration that was based on the concentration of all power in the hands of unaccountable traditional authorities. In many rural areas, and amidst neo-liberal globalisation pressures 'from above', the rise or resurgence of what Mahmood Mamdani refers to as the problem of 'decentralised despotism', often coexist with competitively elected civilian leaderships at the national level.<sup>9</sup>

The fundamental principle here is that there should be complementarity not destructive competition between the household sector, traditional sector, public sector and social sector. There is also a challenge in rectifying the gender disparities within some of the communal areas. In mobilising people at the household level, as well as for economic production, the

<sup>&</sup>lt;sup>9</sup> Mamdani, Mahmood (1996). Citizen and subject: Contemporary Africa and the Legacy of Late Colonialism. Princeton: Princeton University Press.

CRDP seeks to ensure gender parity in its targeting process as well as in the establishment of governance structures. The essence of any model proposed would have to talk to the transformation of formal authority relations, namely, the role of traditional authorities in relation to that of state institutions. In creating space for active public participation in community development

#### c) A Rural Development Agency

A Rural Development Agency (RDA) is proposed to be established at a national level to mobilize, co-ordinate and manage resources; finance rural development projects; and, coach and train participating co-operatives in business and managerial skills. It is the view of the Department that existing entities dealing with development be rationalized rather than the creation of a new agency. This particular option will also reduce the proliferation of development agencies which duplicate resource utilisation with minimal impact. The RDA would have two components: a development component and a funding component.

# d) A Rural Investment and Development Financing Facility (RIDFF)

The RIDFF will cover rural areas, especially, but not limited to, the 23 priority districts; communal areas; land reform areas; commercial farms where farm workers and farm dwellers live; river valley catalytic areas; rural towns, growth centres and development corridors; and, Strategic Integrated Project areas. The RIDFF will work with groups that include public sector entities and departments from all spheres of government; business organizations, most especially value chains across all industries and sectors of the rural economy; labour unions; community and civil society organisations. The RIDFF will be an investor, financier, funder, manager, advisor, and partner to, especially, government and social partners' that are contemplated in, among others, the 12 Outcomes of the current Administration's, the New Growth Path, NDP, the Presidential Infrastructure and Coordination Commission and the CRDP. The strategic objectives of the RIDFF are *inter alia*:

- human and social capital development;
- development of competitive and sustainable value chain businesses and industries in all sectors of the rural economy;
- household food and nutrition security:
- development of social and economic infrastructure and services; and,
- increase in the per capita income and well-being of the bottom 40% of the rural population.

# e) The National Rural Youth Service Corps (The NARYSEC)

As part of the National Development Youth Strategy, a specific response for rural youth was developed within the principles of the CRDP. It is envisaged that job creation and skills

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development for the youth in the rural areas will ultimately have a positive impact on the future of development and sustainability of the rural areas. This initiative/project is called "National Rural Youth Service Corps" (NARYSEC). The main goal is to enroll and develop youths aged 18 – 35 years to be paraprofessionals who will be trained to work in their own communities and municipalities; and, eventually, leading to the creation of permanent employment opportunities, enterprises and industries in the medium to long term.

The objectives of NARYSEC are to:

- train youth through specifically developed programmes linked to community needs in rural areas;
- develop youth with multi-disciplinary skills through civic education;
- capacitate youth in retaining knowledge and technical skills acquired during training;
- increase the number of rural communities receiving support in their self-development through the CRDP; and,
- character development and patriotism.

The strategic outcomes of the programme in the long term are expected to be:

- decline in rural youth pregnancy and sexual transmitted diseases;
- decline in the level of youth unemployment in the rural areas;
- increased literacy and skills;
- increase in disposable income for youth in rural areas as a result of employment and entrepreneurial opportunities; and,
- decreased dependency on transfers from family members working in urban areas, social grants and child-support grants.

## f) The Animal and Veld Management Programme

Unsustainable land use practices in rural areas have generally led to poor management of the veld and overstocking causing low livestock production and deterioration of the natural resources (grazing, water and soil) and resulting in land degradation and deforestation. Current institutional and policy framework supports are unfavourable to rural producers; and, therefore, there is need for a comprehensive support system through the Animal and Veld Management Programme, focusing on:

## f)(i) soil rehabilitation

One of the challenges for addressing the problem of environmental degradation is the introduction of conservation measures and making people aware of the benefits through education. Community-Based Natural Resource Management is increasingly seen as an approach to encourage better resource management. Local communities and stakeholders must play an important part in the process, if sustainable development is to be achieved. Through the National Land Care Programme, the government made the first step to involving communities in conservation. These efforts will continue with increased environmental

education, land care and habitat rehabilitation programmes. The NARYSEC will play a major role in this regard.

## f)(ii) re-greening the village space

The developing Green Economy presents a huge opportunity to positively impact on the socio-economic development of rural areas. Growth in green technology is an integral part of the strategy to reinvest and rebuild the economy. In addition to renewable energy development, energy conservation, and green-product development, the green economy must support rural jobs that restore forests, rangelands and watersheds. Rural communities reside on state land; and, in some instances, run productive farms. The landscapes in which they are situated are fundamental to energy, water, food, and natural resource security. Re-greening the rural space consists of work in the following three dimensions:

- On-the-ground restoration activities (on public and private land) that improve ecological conditions and facilitate climate change adaptation and mitigation;
- utilisation of the by-products of forest restoration to create renewable valueadded wood products, heat and electricity; and,
- payments for ecosystem services such as carbon sequestration, wetlands restoration, clean air and water, and biodiversity through incentives, certification, and markets.

Departments of Environmental Affairs, Water Affairs and Agriculture, Forestry and Fisheries should be actively involved in this process.

f)(iii) decongesting the village space

Instituting overall agrarian transformation, including the de-congestion of the rural areas is a key element that underpins the developmental paradigm of this Framework. There is a need to spatially reconfigure the communal areas through spatial planning, land use determination and management and associated spatial development frameworks. This reconfiguration is intended primarily to decongest the historical 13% of the country's land space in order to curb natural resource degradation and, to eradicate land hunger.

These three sub-programmes – soil rehabilitation, re-greening the village space and decongesting the village space – are directly related. The first two would require fencing, building gabions, planting grasses and trees and watering and nurturing these, etc. During the rehabilitation and re-greening period, animals may have to be moved out of the environment. Owners of these animals will have to be persuaded to move their livestock, or, even re-locate to state land.

### g) Revitalisation of Rural Towns and Villages

The revitalisation of rural towns and villages is considered a key concern in the Government's efforts to regenerate the economies of rural towns. Rural towns and villages are vital in the urban-rural linkages and must be turned into active players and contributors to regional economies. The revitalization of the rural towns will be one aspect of developing the rural space to address social challenges, creation of economic opportunities and ultimately vibrant rural societies.

#### h) The River Valley Catalytic Programme

The RVCP offers a framework for integrating water planning and management with environmental, social and economic development along the river banks (watershed development).

Components of the RVCP may include but are not limited to:

- Human Resource Development of communities along the river banks;
- Soil and Land Management;
- Water Management;
- Crop Management;
- Afforestation;
- Pasture/Fodder Development;
- Livestock Management;
- Rural Energy Management; and
- Value-add for farm and non-farm activities along the river banks.

## E. RURAL-URBAN INTERDEPENDENCY

# a) Rural-urban interdependency defined

It is now widely accepted that there exists an economic, social and environmental interdependency between urban and rural areas; and, that there is a need for a balanced and mutually supportive developmental approach to the two areas. Rural-urban dependency refers to the growing flow of public and private capital, people (migration and commuting) and goods (trade) between urban and rural areas. It is equally important to add to these the flow of ideas, flow of information and the flow of diffusion of innovation.

#### b) Back-bone to rural-urban development linkages

Through the CRDP and other rural development initiatives of government, infrastructure such as transportation, communication, energy and basic services will be the backbone of the urban-rural development linkage approach. Investing in infrastructure will improve rural productivity and allow access to markets, jobs and public service by both men and women.

## c) Making rural areas a viable choice

Migratory labour practices still persist with generally urbanised provinces such as Gauteng and Western Cape experiencing huge net in-flows of people from typically rural provinces. These migratory patterns are usually based on better employment opportunities and services available in these two provinces. Rural areas therefore still tend to be labour reserves of big cities. The scaling up of rural development seeks to improve economic, social and governance in rural areas and the need for rural areas to contribute to national economic growth through increased agricultural and non-agricultural productivity and decreased dependency on social grants. There is therefore an urgent need to finalise the National Spatial Development Framework and provincial and district rural development and land reform plans.

#### F. INTERNATIONAL EXPERIENCE

#### a) Asia

## a)(i) China

China had effective targeting strategies and a strong central government to prioritise rural development. The government compiled a nationwide list of 148 000 key poor villages which prioritized, and gave assistance to, ethnic minority groups, people with disabilities, and women. It adopted a long-term planning approach (30 years), but divided that into manageable five-year plans. That was combined with a compulsory education system which enforced a nine-year compulsory education in poverty-stricken areas.

The underlying principle of the Chinese model was the development of the household sector or small producer. This is because when the household goes into action, as a relatively independent management subject, profound changes took place in the rules governing the accumulation of rural property, division of labour, specialisation of work, as well as the flow and re-organisation of productive factors. The household served, in fact, as the foundation for rural economy to really go from a closed model to an open one, and from a traditional model to a modernised one. Without the contract responsibility system linking remuneration with output; and, without the household-based management, all subsequent changes in the rural economic reform and development would not have been possible in China. These changes included the rapid emergence and development of the township enterprises in rural areas and the industrialisation of agriculture. The significance of this Chinese experience does not only lie in

the fact that the household is clearly critical to adaptation and innovation; it lies, also, in the fact that the household and the collective tiers are mutually dependent in the transformation of the rural economy.

#### a)(ii) India

The Indian government's policies and programmes to meet the needs of the rural poor emphasise poverty alleviation, generation of employment and income opportunities as well as the provision of infrastructure and basic facilities. Key features of these programmes include:

- Strengthening grass roots level democracy. The Indian government sought to ensure the involvement of NGOs and self-help groups facilitating participatory planning and development (five year plans with targets and associated budgets);
- The importance of traditional village enterprises as a primary contributor to employment;
- The Employment Guarantee Scheme, which led to the promulgation of the National Rural Employment Guarantee Act (NREGA) that seeks to enhance rural livelihoods through the provision of at least 100 days of guaranteed wage employment in a financial year to every household. Where adult members volunteer to do manual work, these manual voluntary tasks often relate to improving agricultural productivity through, for example, water harvesting, soil erosion prevention, rural connectivity works, etc;
- Implementation of other rural development schemes that support micro-enterprises, self-employment, effective linkages, capacity building, infrastructure, technology, access to credit and marketing; and,
- The promotion of rural housing subsidies.

## b) Latin America

## b)(i) Brazil

Poverty in Brazil is concentrated in the north-east region of the country. Per capita income in this area is half that of the rest of the country and 70% of all Brazilian farms measuring less than five hectares are found in this area. The Second Ceara Integrated Rural Development Project in Brazil built a new capacity of small farmers to organise themselves and promote better participation in rural development, particularly in terms of defining local needs and preparing and setting priorities for projects. The project further aimed at improving income and living conditions of small farmers through increased agricultural productivity and the expansion of small-scale non-agricultural activities and associated institutional strengthening. The project included:

o agricultural services of research and extension;

- social infrastructure improvements (health and education);
- o improvement of physical infrastructure (roads, irrigation schemes, marketing facilities, marketing services, etc.); and
- o incentives for small scale non-agricultural enterprises aimed at diversifying the local economy and expanding employment opportunities.

#### b)(ii) Mexico

Mexico adopted the Micro Region Strategy that aims at promoting the integral and sustainable development of the most marginal regions of Mexico. The Microregion Strategy (MRS) aims at promoting integrated and sustainable development of most marginal regions in Mexico. The instruments of this strategy include:

- Creating micro-regions that regroup a number of municipalities with very high and high marginality;
- o establishing strategic community centres that are natural confluence points for the localities; and
- o strategic community centres will concentrate the delivery of basic infrastructure and social services, and the promotion of productive projects to serve the respective localities.

## b)(iii) Chile

Chile's transition to democracy has produced considerable reductions in absolute poverty through the Government's pro-growth economic agenda combined with progressive social policies and innovative institutional reforms enacted in the context of a good political environment. Some of the impacts of this policy are:

- It Strengthened the coordination of different Government agencies for the delivery of rural infrastructure services;
  - Acted as a catalyst for the mobilization and coordinated actions of different Government programs to support the development of small enterprises;
  - Enhanced the capabilities of local and community actors for planning and implementing productive activities, while maximizing the use of available institutional resources. The key to the strong economic performance can be attributed to:
    - Sound macro-economic management;
    - Institutional and structural reforms:

- o Trade openness; and,
- Prudent management of mineral resources

The agricultural sector and its downstream activities have also been central in Chile's economic success.

#### c) Africa

#### c)(i) Malawi

In Malawi, an Integrated Rural Development Strategy was developed aimed at resuscitating rural economies and advancing economic growth in rural areas. Lessons learnt from this project include the need for greater phased programmes and that marketing and price policies are critical for project success.

#### c)(ii) Egypt

In Egypt, the community and integrated development are central to the rural development strategy. Human development has become the pivotal approach in planning the development of rural areas. The Egyptian government is also focusing on capacity building through centrally supervised rural service networks.

#### G. LESSONS FOR SOUTH AFRICA

The rural space is not homogenous and development strategies need to account for wide variations in demographic, social and economic contexts and needs, as well as available institutional capacities. This raises challenges for "blanket policies" that fail to take into account the differentiated nature of particular rural spaces, building on the endowments, opportunities and capacities that exist to facilitate change.

With regard to governance issues, one of the key lessons learnt is the necessity to build capacity within communities to plan, implement and monitor development with government. There is a need for clearer articulation of the roles of each sphere of government, communities, private\_sector and the\_traditional authorities. The CRDP therefore becomes integral in terms of intergovernmental planning processes, strengthening administration in rural areas and contributing to active citizenry. The proposed communal tenure model seeks to address this gap, in terms of roles and role-relationships in the context of wall-to-wall municipalities.

Once the SPLUMA is promulgated, the development and alignment of national, provincial and local plans, including rural development and land reform plans, is crucial. It has been identified that one of the key weaknesses that negatively impact integrated planning is the lack of credible information from various spheres of government. This weakness could be addressed Page | 25

by the establishment of a central repository of planning and project information that is updated on a continuous basis. The CRDP management System seeks to address this weakness.

The CRDP will create jobs linked to infrastructure development on the one hand; and, on the other, the establishment of rural enterprises and agro-processing initiatives. Given the multiplicity of initiatives needed to develop rural spaces in the country, a well coordinated multisectoral approach is required and it is important that all development initiatives ensure that communities are central to their own development. The proposed Rural Investment and Development Financing Facility should provide this sorely needed institutional capacity to sustain development in rural communities, by ensuring equitable distribution of resources and income.

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