Rural Transformation in South Africa and International Development Assistance

Lessons from and challenges to aid and development effectiveness stemming from the long-term partnership between Belgium and South Africa (1998-2017)

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The Belgian Development Agency Belgian Technical Cooperation (BTC) has transformed into Enabel as of 1 January 2018. The new name is the Belgian variant of the English verb ‘enable’ and reflects what the Belgian development cooperation stands for: empowering people, enabling development and bringing partners together.
In line with its drive to eradicate poverty, the Belgian Development Cooperation supports development projects across the globe. In doing so, it helps build a world where women and men live under the rule of law, have equal access to quality public services and are free to pursue their aspirations.
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1. LAND – THE KEY FACTOR IN SOUTH AFRICA’S PROGRESS
LAND – THE KEY FACTOR IN SOUTH AFRICA’S PROGRESS

The Belgian Development Cooperation has taken a direct interest in supporting South Africa’s land reform programme since 1998. By that time, the fifth year of South Africa’s long overdue exposure to democratic governance, it had become clear that the ‘land question’ was to occupy a priority role in the developing state, and that the emerging land reform programme was in need of assistance and advice from whoever was willing and qualified to offer it. The government and people of Belgium quickly raised their hands.

In order to follow the trail of Belgian cooperation it is necessary to understand some of the factors at play and the accompanying reasoning.

Even though South Africa finds itself in a relatively favourable economic position compared to the majority of African countries, it still faces major socio-economic challenges, and prominent amongst these are the issues of land and spatial division.

South Africa’s ‘land question’ is rooted in a history of dispossession and spatial distortion introduced by colonialism; reinforced during 46 years of Apartheid, and accompanied by the decline of peasant agriculture. ‘Land’ has been identified as one of the single biggest challenges facing the young democracy. Considerable progress has been made in land redistribution since 1994, and Belgian Development Cooperation agents played a significant role. In the process valuable lessons have been learnt.

The most recent thrust of Belgian involvement has been to support efforts by the South African Government (by way of cooperation with the Department of Rural Development and Land Reform - DRDRL) to ensure that the lives and livelihoods of land reform beneficiaries, and previously marginalised citizens living in rural areas, are enhanced through better coordinated and integrated policies and services. The focus of the DRDRL in this endeavour lay in facilitating and catalysing rural economic transformation through integrated land reform and rural development interventions. The emphasis was on efforts to improve policy implementation and feed-back, particularly between national, provincial and municipal
authorities, and the promotion of participatory processes to develop the municipal space. The Belgian cooperation was in many ways instrumental in refining such policy efforts by the DRDLR.

This report examines some of the projects undertaken during the period of Belgian involvement; discusses the reasoning and the desired objectives; analyses actual outcomes; and, where possible, draws conclusions that will hopefully guide those involved with similar projects in the future, both in South Africa and elsewhere.

A large percentage of the South African population fall into the “previously disadvantaged” category; an unfortunate term, since it tends to suggest that the people in this group are no longer disadvantaged, whereas in reality many millions continue to suffer the debilitating consequences of colonialism and apartheid, despite strong efforts by the state and non-state actors.

Much of this suffering is directly connected to the question of land, and particularly to multiple issues concerning spatial divisions, ownership or title; leasehold matters and tenure arrangements; all of which impact on food security. Reform in this complex arena is essential if South Africa is to move forward with any confidence.
2. THE HISTORICAL CONTEXT
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South Africa’s democratic experiment began under difficult circumstances following the elections of April 27th 1994. New President and national icon Nelson Mandela headed a government confronted by formidable challenges, including a ruined economy and widespread poverty and inequality; the result of three centuries of racial discrimination, dispossession and displacement. Rural areas were affected particularly badly as they had been either totally neglected during the apartheid era or subjected to discriminatory practices that resulted in spatial distortions which made traditional smallholder agriculture all but impossible.

Additional complications arose from the fact that there was no single system of oppression. In fact, the new government inherited 15 separate administrations, including those of the former ‘bantustans’ (also referred to as ‘homelands’ or ‘self-governing territories’), each with a different method of imposing racist rule; all of them divided, fragmented, unaccountable, poorly organised and resourced, and largely unable to provide any of the local government services that formed the basis of their being.

The result was human suffering on a gigantic scale: millions of black citizens displaced; hundreds of thousands of people leading a precarious existence, a large percentage subject to the moods and whims of farm owners indifferent to their fate.

By contrast, the apartheid government had lavished support on white farmers on large farms, underpinning their economic viability, and in this way the norms and economics of South African Agriculture were shaped; effectively dividing the country into a “white” South Africa, consisting of the urban and commercial farming areas, and a “black” South Africa consisting of the former Bantustans.

The result was a spatial legacy which consists predominantly of a) privately owned Commercial Farming Areas; home to approximately 3 million farm dwellers who have no legal claim to the land on which they reside; b) large portions of underdeveloped and poorly utilised state-owned land; and c) overcrowded and marginalised communal areas consisting mostly of the former homelands.
By the end of apartheid an estimated 80% of the population was confined to a mere 13% of South Africa’s land surface. This massive land alienation resulted not only in the loss of ancestral homes and land, impoverishing millions, but brought cultural destruction and family and community dissolution in its wake, together with the loss of essential livelihood resources and mass unemployment for a large percentage of South African citizens. In addition to the widespread displacement and impoverishment caused by dispossession, development of African agriculture was drastically undermined, and the economic independence and growth of African enterprises was effectively halted.

The decline of African farming led to a gradual loss of agricultural and rural capital, wealth, farming and entrepreneurial skills and experience. Farming and rural enterprise activities ceased to be a window of African entrepreneurial opportunity, management and technical development. This contributed significantly to the creation of a dual economy, as is evident in the bi-modal character of South Africa’s agricultural sector. A thriving white-dominated large-scale agricultural sector coexists next to, and too often thanks to, a struggling predominantly black small-scale sector. Most of the small-scale sector operates outside of the main industrial/manufacturing economy, with levels of poverty, hunger and unemployment increasing amongst these resource-poor farmers.

In its death throes, apartheid was a tottering edifice balanced on an economic structure based on spatial fragmentation, segregation, cheap labour and poor education, which led to a vicious cycle of poverty, social fragmentation, sustained inequality and landlessness.
3. THE TRIPLE CHALLENGES
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The National Planning Commission, charged with drafting South Africa’s first comprehensive national vision and development plan in 2012, found that the country displayed features of a low-growth, middle-income trapped economy, characterised by lack of competition, high unemployment, low savings and poor skills levels. Failure to implement policies and the absence of broad partnerships are the main reasons for the country’s overall slow progress.

23 years of democracy have indeed been insufficient to overcome the ruinous legacy of 340 years of legislated racism. Few countries in history have so effectively handicapped the progress of their own people. Today, inequality, poverty and unemployment remain rife and are referred to as ‘the triple challenges’. Present day South Africa remains one of the most unequal societies in the world.

In 2017, Statistics South Africa reported that the Gini coefficient (based on income data) was 0.69 in 2011, the highest it had ever been, and was significantly higher than the estimated Gini coefficient of 0.64 in 1995. Maintaining strong racial and gendered dimensions, such inequality manifests itself not only in inequitable ownership of and access to land and other assets, but also in large gaps in basic household infrastructure, health, education, housing, sanitation and other public services, legal assistance, life expectancies etc., with black Africans remaining the worst off.

The bottom line is that millions of South Africans remain jobless and landless, many of them living at the margins of society. Since 1994, while poverty levels have decreased, the rate of unemployment has increased, and, more recently, economic growth rates stagnated, and inequality worsened. Urban-based solutions including export-led and import substitution industrialisation have failed to either grow the economy or create needed jobs. Large-scale farming industrial solutions have arguably made the triple challenges worse, contributing to increased unemployment and tenure insecurity in some rural areas.
In a nation of 55.4 million, only 7 million pay taxes. More than half the population are at risk of food insecurity, and nearly 45% of households rely on social grants. Of the latter two groups, practically all confront the “triple challenges” on a daily basis. Rural areas are particularly badly affected, and women, the elderly and youth especially vulnerable. This situation is not good for democracy, and despite South Africa being classified internationally as a “Middle Income Country”, it is not sustainable economically, socially or politically, as is all too evident. In a country whose Constitution clearly instructs that “The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis” (section 25.5), as well as guaranteeing the right to equality, human dignity, freedom and security, adequate housing, health care, education and sufficient food, this is obviously something that cannot continue.
4. THE SA GOVERNMENT’S SIGNPOSTS ON THE ROAD TO RECOVERY
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The Department of Rural Development and Land Reform (DRDLR) was formed in 2009, essentially taking over from the previous Department of Land Affairs with a greatly-broadened dual service-delivery mandate to ‘create and maintain an equitable and sustainable land dispensation and act as a coordinator and catalyst in rural development’. It is the responsibility of the DRDLR to facilitate, coordinate and ‘foster’ the conditions referred to in the Constitution. How does it plan to do so?

Fortunately the South African government has been given a road map with very clear instructions, consisting of:

1. The Freedom Charter (1955) a statement of core principles agreed by the South African Congress Alliance (consisting of the African National Congress [ANC] and its allies the South African Indian Congress, the South African Congress of Democrats and the Coloured People’s Congress), which declared that “Restrictions of land ownership on a racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger…”;

2. The ruling (ANC) party’s “Ready to Govern” document (1992) which states “All South Africans are entitled to equitable access to land and shelter. In order to achieve the realisation of this entitlement, an equitable balance shall be established between the legitimate interests of the holders of rights to land, and the legitimate needs of those without land and shelter.” The document further declares “The state shall have the right to acquire land, bearing in mind that it is a fundamental social resource, to be made available to those most in need”;

3. The Reconstruction and Development Programme (1994) which warns that “No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government”;
(4) The **Constitution of South Africa** (1996), which (section 25.4) declares “For purposes of this (a) the public interest includes the nation’s commitment 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 National Development Plan (NDP)** - Vision 2030 (2012) which envisages ‘an integrated and inclusive rural economy’ and whose key points are: a) Rural communities require greater social, economic and political opportunities to overcome poverty; b) To achieve this, agricultural development should introduce a land-reform and job-creation/livelihood strategy that ensures rural communities have jobs; c) There is a need to ensure quality access to basic services, health care, education and food security; d) Plans for rural towns should be tailor-made according to the varying opportunities in each area; and, e) Intergovernmental relations should be addressed to improve rural governance. The NDP also urges employment-creation, environmental safeguards, and small enterprise development with market support. It stresses the need to improve tools for land acquisition, and proposed the creation of District Land Committees to identify at least 20% of commercial farmland in each district for redistribution to African, Coloured and Indian farmers – focusing on land that is easily acquirable and which does not cause distortions in the land market; and

(6) **The Medium Term Strategic Framework** - MTSF(2014-19), which is aligned with the NDPs land reform proposals on (a) spatial planning; (b) sustainable land reform (agrarian transformation); (c) improved food security; and (d) smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation.

Additionally, a number of other guiding policies have made significant contributions to South Africa’s rural development and land reform programmes in conceptual and strategic terms. These include the **New Growth Path**, the **Industrial Policy Action Plan**, the **Infrastructure Development Programme**, and the **Agriculture Policy Action Plan**.

Information from outside sources has also made a valuable contribution to the thinking of the South African government. For example, the 2016 Rural Development Report of the United Nations **International Fund for Agricultural Development** (IFAD) clearly illustrates the processes of structural transformation and the linkages involved. It shows that agricultural development lies at the base of structural transformation, which
must result in an improvement in the socio-economic well-being of farmers, farm workers and others with land-based livelihoods. Achieved through enhanced agricultural services, incentives, technologies, rural infrastructure and access to land and other necessary resources, the aim is food security, together with the deliberate creation of inclusive and transformed agricultural economies (agrarian transformation). Working from this base, further desirable outcomes are achievable.

Rural Development in turn, is defined as “the process of improving the opportunities to enhance agricultural services, incentives and well-being of rural people.” Beyond agricultural development, it encompasses human development and social and environmental objectives. Together agricultural and broader rural development can lead to inclusive rural transformation in which rural economies are characterized, not only by increased agricultural production and marketable surpluses, but also by diversified production patterns and livelihoods, greater off-farm employment and entrepreneurial opportunities, and improved access to services and infrastructure. Inclusive rural transformation thus entails more equitable landholding, enhanced capabilities of rural residents, and a change in the distribution and dynamics of the population and labour force. The outcome is one in which there is a notable enhancement in the economic position and quality of life for smallholder farmers, the land-short and landless, women, youth and other vulnerable rural citizens.

Building inclusive rural economies and confronting the triple challenges facing South Africa requires restructuring the agrarian sector in a way that pulls large numbers of smallholder farming communities into the rural middle class and domestic market, thereby growing the whole economy. Global experience shows governments with stagnating economies should aim at both fast and inclusive growth as this is the most sustainable, and since these types of economies attract the best foreign investment; investment that promotes growth with equity and inclusion. In other words, fast growth does not conflict with inclusive growth, and this is what South Africa urgently needs.
5. RADICAL SOCIO-ECONOMIC TRANSFORMATION AND THE RURAL ECONOMY TRANSFORMATION MODEL
RADICAL SOCIO-ECONOMIC TRANSFORMATION AND THE RURAL ECONOMY TRANSFORMATION MODEL

In May 2010, the South African government formed the National Planning Commission (NPC), with a brief to draft South Africa’s first comprehensive national visionary development plan (the NDP). Unsurprisingly it found that the country displayed features of a low-growth, middle-income trapped economy, characterised by lack of competition, high unemployment, low savings and poor skills levels. This accounted for the country’s slow overall rate of progress, together with its failure to effectively implement its own policies or form meaningful partnerships for progress.

The declared aim of the NDP (published 2012) is to eliminate income poverty and reduce inequality by 2030; thus the title of the plan – Vision 2030. The NDP foresees an integrated and inclusive rural economy with communities participating more fully in the country’s economic, social and political life. The plan acknowledges that land reform, rural development, skills development, job creation and agricultural production will play an important role in the attainment of this economy. It also recognizes that the creation of wide-ranging opportunities in rural areas will require support strategies tailored to local conditions, and observes that improved coordination between national, provincial and municipal government spheres will be essential.

The NDP fitted comfortably within the ambit of the Comprehensive Rural Development Programme (CRDP) – a programme initiated by the Department of Rural Development and Land Reform (DRDRL) in the first months of its existence in 2009. Both envisage integrated rural development enriched by the inclusion of local aspirations and knowledge, and accelerated by improved coordination among government agencies and civil society. Both subscribe to the need for a ‘capable and developmental state’, which actively intervenes to bring benefits that accrue across society and builds consensus among the various layers of society around long-term national objectives. Both recognise that a capable and developmental state will need to improve its performance and increase public confidence through its policies, leadership, resources, institutions, policy adherence and accountability.
An integrated and inclusive rural economy, as envisaged by South Africa’s National Development Plan, targets economic transformation not only for itself, but also to transform the social and human development conditions of the vast majority of the people. Hence, radical socio-economic transformation is defined as a ‘fundamental change in the structure, systems, institutions and patterns of ownership, management and control of the economy’.

Radical socio-economic transformation is being pursued by the DRDLR through its Rural Economy Transformation Model (RETM) in order to overcome the spatial and socio-economic legacy of apartheid. The RETM is being implemented through the Agrarian Transformation System, which is the key strategy of the DRDLR to achieve the outcome of vibrant, equitable and sustainable rural communities and food security for all. It is focused on rapid and fundamental change in the relations (meaning systems and patterns of ownership and control) of land, livestock, cropping and community’. The Department’s policies and programmes are aimed at achieving a fundamental reform of relations between these four components.

The relationship between the RETM and the Agrarian Transformation System is depicted in this way:
The RETM views transformation of the agriculture sector as the key to rural economy transformation and South Africa’s broader structural reformation. The strategy emphasises that rural poverty reduction and inclusion involve the sequential implementation of a number of inter-related development initiatives that strengthen the linkages between agriculture, the rural non-farm economy, manufacturing and services. The RETM therefore presents four Development ‘Measurables’, laid out in phases, which are meant to run sequentially (for effective planning) and simultaneously (guided by the plans):

(a) Meeting basic human needs;
(b) Rural enterprise development;
(c) Agro-village industries, sustained by credit facilities and value-chain markets; and,
(d) Improved land tenure systems (embedded in meeting basic human needs).

The model places empowerment of communities and households, through land, at the centre of its approach. Empowered citizens and communities are viewed as the main agents of change, to transform land, livestock and cropping activities into successful agro-businesses by way of inclusive development of the agricultural sector and broader rural economy. In order to achieve this, people must be supported, organised and mobilised to ensure maximum sustainable use of natural resources to the benefit of all community members.

The RETM (evolved from the pilot implementation of the DRDLR’s Comprehensive Rural Development Programme) aims to achieve ‘agrarian reform’ defined as “a focus on land reform and agricultural reform to foster integrated, inclusive and vibrant rural economies that create enterprise, employment and wealth, whilst fighting food insecurity at local and household level and creating the incomes (capital formation) through masses of small producers (starting with 300 000 by 2019), and creating the demand bases to contribute significantly to broader economic growth.”

Conditions for effective reform have been fostered by lessons learnt from the CRDP, as well as the Green paper on Land Reform (2011), which the DRDLR developed as a response to a government undertaking
to review all land reform policies. The Green Paper also streamlined the then multiple forms of land ownership - communal, state, public and private - into ‘a single 4-tier tenure system’:

* State and public land: (Leasehold);
* Privately owned land: (Freehold, with limited extent);
* Land owned by Foreigners: (Freehold, but Precarious Tenure, with obligations to comply); and
* Communally owned land: (Communal Tenure, with institutionalised use rights).

The declared aim is to deracialise the rural economy; democratise the allocation and use of land across gender, race and class; and achieve sustained production discipline for food security, and food sovereignty. The Green Paper emphasises that land reform should be pursued with minimal disruption to food production and be based on the Agrarian Transformation Strategy as implemented through a combination of rural development, agrarian change and land reform initiatives.

Radical socio-economic transformation through the Agrarian Transformation Strategy entails fundamental changes in the four main Factors of Production: Land, Labour, Capital and Business. These factors are also the key ingredients in wealth creation. These changes need to represent a shift from an exclusive system of individual ownership to a more inclusive and collective one. In terms of Land, the present highly unequal access to and distribution of farmland needs to be drastically altered, while production discipline is maintained/improved.
6. POLICY DEVELOPMENT
Despite its formidable challenges the Department of Rural Development and Land Reform has been both inventive and proactive in developing the policies which it believes are required to successfully respond to the triple challenges; to bridge the spatial divide; to bring meaningful reform to the question of land ownership, tenure, title and usage, plus the establishment of local institutions to ensure greater community participation in land reform and rural development implementation, thus making a real impact in the development of rural areas. The Belgian Development Cooperation, along with other donors, has endorsed this intent. At the time of writing, some of these policies are at various stages in the approval process; others are already fully operational. The most significant of these policies are:
The Spatial Planning and Land Use Management (Policy) Act 16 of 2013. (SPLUMA)

This Act establishes the principles applicable to all organs of state and other authorities concerning the development, management and use of land, including the preparation, adoption and implementation of any spatial development framework, policy or by-law concerning spatial planning. It proclaims the principle of spatial justice whereby past spatial and other development imbalances must be redressed through improved access to and use of land; and obliges government to address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, former homeland areas and areas characterised by widespread poverty and deprivation.

In terms of SPLUMA all spheres of government must work together to ensure an integrated approach to land use and land development. National and provincial spheres of government and each municipality must prepare spatial development frameworks that express a long-term spatial development vision statement and plan. Land Use Management is the function of a municipality, which must, after public consultation, adopt and approve a single land use scheme for its entire area within five years from the commencement of this Act.

State Land Lease and Disposal Policy

This Policy aims to promote conditions that enable previously disadvantaged persons to gain access to land on an equitable basis and also promotes agricultural production and capital investment in rural areas. The policy seeks to connect those in need of land with suitable and available state land. It will do this by grouping potential recipients/beneficiaries into categories which range from deserving households with no (or limited) access to land (Category 1), through existing or potential small-scale farmers (Category 2), to larger scale commercial farmers in need of land for expansion (Category 3).

Beneficiaries are encouraged to graduate from one category to the next, and ambition and potential to do so will be factored into the initial allocation. Lease agreements with the department will range from Short Term (Category 1) to Long Term with the Option to Purchase (Category 3).
The Policy on Strategic Land Acquisition (PSLA)

The PSLA promotes strategic and targeted land acquisitions which are developed through SPLUMA. It matches land needs to these strategic land areas, sustains beneficiaries and supports productivity on this land. In doing so, the policy provides an enabling mechanism to achieve the imperatives and further the principles outlined in the NDP and MTSF.

There are two main policy measures:

1. The acquisition of land that is purposively sampled due to its location, suitability for particular agricultural and settlement activities, that government can promote through redistribution or has potential for subdivision, without pre-selection of beneficiaries; and,
2. The provision of such land to identified beneficiaries through direct transfer or conditional long-term leasehold.

The One Household One Hectare Policy (minimum allotments on State Land)

The “One Household One Hectare” policy seeks to institutionalise use rights by granting legally secure tenure to each qualifying household in communal areas, together with rights to the commons. It also comes with basic infrastructure, equipment, input, and operational support. This will be put into effect through the Communal Land Associations and Communal Land Tenure policies, as necessary.

A one hectare allotment will be allocated to each household with confirmed rights in the underlying land on the basis of “institutionalised use rights”. After such allocation, the boundaries of household land rights shall be surveyed and registered through locally established, state supported facilities dedicated to these functions, and households will be issued Use Right Certificates.
The one hectare allotments will serve as production sites to supply raw materials to the District Agri-Park. The DRDLR will support households with UR’s to organise themselves at two levels:

- Primary Cooperatives within their immediate localities; and,
- At the ward/ regional level, these primary cooperatives will be further organised through secondary and tertiary cooperatives across a number of farms in the region, and linked to the relevant Agri-Park through their provision of feedstock.

**The Property Valuations Act (Act 17) of 2014, and establishment of the Office of the Valuer-General (OVG)**

The introduction of the Property Valuations Act and the establishment of the Office of the Valuer General followed widespread consultations, particularly the 2005 Land Summit, where there were calls for the replacement of the “Willing Buyer-Willing Seller” market approach with a system based on “Just and Equitable Compensation”, as outlined in the Constitution [Section 25(3)], on land acquired for land reform.

At the same time, the Act responds to concerns that prices tend towards inflation when land is acquired for land reform. Just and equitable compensation will make more financial resources available to acquire more land, and fulfil the national constitutional commitment.

Specifically, the policy creates a new state capacity to analyse and disseminate land market information for the purposes of land acquisition policy formulation and public decision-making for land reform.

A core intervention of the policy is the establishment of the independent OVG to improve the valuation process. The OVG services the Department of Rural Development and Land Reform, as well as other government departments (including municipalities), although, in the latter case, only as a service provider of choice.
The Extension of Security of Tenure Amendment Bill – ESTA AB (pending)

The threat of summary evictions, with no explanation, continues to threaten the lives of hundreds of thousands of farm workers/farm dwellers. This bill is the proposed amendment to the Extension of Security of Tenure Act, 1997 (ESTA). Certain definitions have been inserted; and certain subsidies have been substituted with tenure grants. These changes have been made to further regulate the rights of occupiers, particularly those facing eviction, by enforcing alternative resolution mechanisms provided for in the Act.

The ESTA AB also provides for the establishment and operation of a Land Rights Management Board (LRMB) and Land Rights Management Committees (LRMCs) to identify, monitor and settle land rights disputes, and to establish and maintain a database of occupiers, land rights disputes, evictions; and connected matters.

The Policy on Strengthening the Relative Rights (SRR) of Persons Working the Land – the ’50-50’ Framework Policy

The SRR Policy Framework is based on the principle of facilitating creation of equity, co-management and other empowerment arrangements for previously disadvantaged persons to share in the ownership and management of commercial farming operations in ways that will guarantee and increase land tenure security.

The SRR Policy seeks to foster integrated and inclusive rural economies by finding social solutions to social problems; by beginning to break the dualism in South Africa’s agriculture and ensuring farm works and dwellers have a secure stake in land as well as in the enterprise that the land supports.

The programme commenced with fifty co-ownership ‘50-50’ farm project proposals being explored in conjunction with commercial farmers and farm worker/dweller representatives, and are in various stages of development, whilst many more applications are pending.
**Regulation of Agricultural Land Holdings Policy (RALHP) (pending)**

A major obstacle to effecting changes in the patterns of agricultural landholding is that no accurate records exist concerning who owns what agricultural land, its extent or where it is located in South Africa. Neither is there any information on the gender or racial grouping of the owner/s, rendering it impossible to measure change in terms of the success or failure of transformation efforts. The lack of information on the extent of holdings is additionally problematic, since there is no way of knowing for sure what land is unused, lying fallow, acquired fraudulently, being used for criminal purposes, being underutilised or surplus to needs.

What is known is that there is a tendency towards the ownership of more and more of the country’s agricultural land by non-South Africans; creating a difficult situation when so many of the country’s own citizens are landless.

This bill provides for the establishment of a Land Commission, whose principal role will be to oversee the compilation of a register of private and public agricultural land holdings, including mandatory declaration of present ownership and acquisition.

Every owner of agricultural land must lodge a duly completed notification of ownership with the Commission within 12 months from the date of the commencement of the Act, detailing (a) the race, gender and nationality of the owner; (b) the size and use of the agricultural land holdings; (c) any real right registered against and licence allocated to the holdings. The same thing applies to change of ownership. This applies to both public and private agricultural land.

When it is completed the register may be perused by anyone, and copies made on payment of a fee.

The bill will also prohibit the further acquisition of agricultural land by foreign persons, as many countries have done when faced with similar situations. Except in cases where a black South African citizen has a controlling interest, foreign persons will in future be restricted to long leases (proposed minimum 30 years) as a substitute for ownership.
The bill further introduces the concept of regulated ‘ceilings’ on agricultural land, with the objective of freeing up surplus land for redistribution to poor and efficient small scale farmers. The Land Commission, together with the Minister responsible for agriculture, will determine the categories of ceilings for agricultural land holdings in each district, including special categories ceilings, and may exempt a particular category of agricultural land holding in certain circumstances.

**The Expropriation Bill (approved but not yet signed off at the time of reporting)**

The policymakers acknowledge that there are occasions when the acquisition of a particular piece of strategically positioned land would serve an important public purpose or would be in the public interest, and that provision is made for this eventuality by governments throughout the world. The Expropriation Bill, (which is approved, but has not yet been signed into law), enables the state to expropriate land for purposes of land reform, with compensation provided to owners, on a just and equitable basis. The Bill will be returned to Parliament for further parliamentary and public consultation.

In line with the Constitution (Section 25(1)), the bill concedes that no one may be deprived of property, and no law may permit arbitrary deprivation of property, which may be expropriated only in terms of law of general application for a public purpose or in the public interest; subject to compensation.

The bill provides that the state’s power to expropriate property may not be exercised unless the expropriating authority has, without success, attempted to reach an agreement with the owner or holder of an unregistered right in property for the acquisition thereof on reasonable terms.

**Communal Land Tenure Policy (CLTP) (pending)**

The Communal Land Tenure Bill drafted to give effect to the CLTP, encompasses the 1 Household – 1 Hectare Policy (described earlier) and other legislative measures affecting the administration of communal land, including the establishment of households’ forums by communities; the drafting and adopting of community rules; the establishment of communal land boards (CLBs); the implementation of dispute
resolution mechanisms; the provision of municipal services on communal land, and the amendment and repeal of certain laws impeding this process.

An important feature is the question of choice: communities will be required to choose their preferred land administration and management institution through a resolution supported by a substantive quorum of at least 60% of households within the community. The choice must be guided by principles of fair and inclusive decision making, equality, access to communal property, accountability, transparency and democracy. Household and Household Forums are to be established by all communities where communal land rights are converted into ownership rights; and these forums must consist of 20 – 30 elected members of the community, half of whom must be women.

**The Communal Property Associations Policy**

The Communal Property Associations Policy, as amended, seeks to: apply the same principles and approaches which are framed by the Communal Land Tenure Policy; and more particularly, to address the poor governance and accountability within CPAs; ensure accountability to the community by the CPA Executive and secure free hold tenure to households through the 1 Household – 1 Hectare policy, and clear rights to the commons; make provision for Labour Tenant Claimants to register CPAs on the same basis; establish a Registrar and register of all CPAs; and provide capacity to coordinate and manage state support to CPAs.

**The Rural Infrastructure Policy (RIP)**

During the apartheid years infrastructure in rural areas was badly neglected, contributing to the spread of poverty and inequality. The overall rural infrastructure vision is the provision of affordable and sustained rural infrastructure services that contribute to rural economic transformation.
The RIP seeks to target rural infrastructure projects in a coordinated manner in line with the priorities of the 3 spheres of government and the DRDLR policies, programmes and budget; facilitate resources (human, material and financial) for rural infrastructure projects where possible; facilitate the creation of employment opportunities through the provision of infrastructure in rural areas; encourage the participation of local communities to help improve the impact of infrastructure delivery in rural areas; and utilise innovative and emerging technologies and research in the provision of rural infrastructure.

Such infrastructure will include: Economic infrastructure (e.g. rural roads); Social Infrastructure (e.g. community housing, educational and training facilities); Public Amenity infrastructure (e.g. community halls); Agricultural Infrastructure (e.g. irrigation schemes); Information Communication Technology (ICT) infrastructure; Cultural and Heritage infrastructure; Sport and Recreation facilities; and Basic Services Infrastructure.

**Rural Enterprise and Industry Development (REID) Policy**

80% of the South Africa’s SMMEs fail in the first year, one of the lowest survival rates in the world. The REID policy aims to correct this. The policy supports the promotion of both farm and non-farm enterprises, social enterprises and industries by creating new sources of economic growth and helping to provide income earning opportunities for rural people. It seeks to: create a supportive, enabling environment that favours rural business and investment; link emerging rural producers of farm and non-farm products to markets, through mutually beneficial partnerships; support business development services for rural enterprise in rural areas; assist rural men and women to develop and maintain a diverse portfolio of livelihood strategies; assist rural youth to bridge the divide between schooling and industry earlier; support sustainable rural industries; and develop and support rural enterprises.

The policy places particular emphasis on addressing the needs of survivalist, micro, small, medium and large enterprises in high-growth sectors and industries, which are owned and managed by historically disadvantaged individuals, with special focus on women, the youth, and people with disabilities.
The Agri-Parks Policy

Smallholder farmers continue to have difficulties gaining a foothold in markets and commodity value chains. Consequently they have yet to play their rightful role in the rural economy (as they do in numerous other developing countries, including India, China, Brazil and Kenya).

The establishment of the Agri-Parks programme is a critical intervention. An Agri-Park is a networked innovation system of agro-production, processing, logistics, marketing, training and extension services, located in a District Municipality. As a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services. The Agri-Park comprises three distinct but interconnected basic components:

1. The Farmer Production Support Unit (FPSU) – a rural small-holder farmer outreach and capacity building unit that links farmers with markets. The FPSU does primary collection; provides some storage, some processing for the local market, and extension services including mechanisation;
2. The Agri-Hub (AH) – a production, equipment hire, processing, packaging, logistics, innovation and training unit; and,
3. The Rural Urban Market Centre (RUMC), which has three main purposes: i) Linking and contracting rural, urban and international markets through contracts; ii) Acting as a holding-facility, thereby releasing produce to urban markets, based on seasonal trends; and, iii) Providing market intelligence and information feedback, to the AH and FPSU, using the latest Information and Communication technologies.
The 10 Fundamentals of the Agri-Parks programme are:

1. One Agri-Park per District Municipality;
2. Agri-Parks must be farmer controlled;
3. Agri-Parks must be the catalyst around which rural industrialization takes place;
4. Agri-Parks must be supported by government (10 years) to ensure economic sustainability;
5. Strengthen partnership between government and private sector stakeholders to ensure increased access to services (water, energy, transport) and production on the one hand, while developing existing and creating new markets to strengthen and expand value-chains on the other;
6. Maximise benefit to existing state land with agricultural potential in the provinces, where possible;
7. Maximise access to markets by all farmers, with a bias towards emerging farmers and rural communities;
8. Maximise the use of high value agricultural land (high production capability);
9. Maximise use of existing agro-processing, bulk and logistics infrastructure, including having availability of water, energy and roads; and,
10. Support growing-towns and revitalization of rural towns, in terms of high economic growth, high population growth over past 10 years, and promote rural-urban linkages.

Criticised for the perceived slow pace of land reform over the last two decades, the South African government believes that these policies will not only serve as the key drivers of radical socio-economic transformation in the rural economy, but will also accelerate the process. The following tables illustrate progress in the 22 years between 1994 and 2016.
## Statistics on Settled Restitution Claims


<table>
<thead>
<tr>
<th>PROVINCE</th>
<th>CLAIMS</th>
<th>HHs</th>
<th>BEN</th>
<th>FHHs</th>
<th>PEOPLE WITH DISABILITIES</th>
<th>HECTARES</th>
<th>LAND COST</th>
<th>FIN COMP</th>
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<td>77 704</td>
<td>324 894</td>
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<td>0</td>
<td>143 795</td>
<td>49 793 170.29</td>
<td>3 288 704 705.26</td>
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<tr>
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<td>2 694</td>
<td>8 381</td>
<td>51 791</td>
<td>3 057</td>
<td>10</td>
<td>58 104</td>
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<td>16 139</td>
<td>71 400</td>
<td>6 557</td>
<td>8</td>
<td>13 536</td>
<td>108 316 273.57</td>
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<td>90 680</td>
<td>528 272</td>
<td>29 102</td>
<td>394</td>
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<td>58 099</td>
<td>284 148</td>
<td>222 554</td>
<td>0</td>
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<td>4 258 554 508.64</td>
<td>1 052 025 114.43</td>
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<td>56 731</td>
<td>285 494</td>
<td>19 408</td>
<td>61</td>
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<td>37</td>
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<td>377</td>
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<td>132 705 496.53</td>
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<td><strong>TOTAL</strong></td>
<td>79 212</td>
<td>408 231</td>
<td>2 033 296</td>
<td>328 852</td>
<td>1 014</td>
<td>3 389 727</td>
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<th>PROVINCE</th>
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<th>SPG</th>
<th>RSG</th>
<th>TOTAL AWARD</th>
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<td>N WEST</td>
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<td>82 755 000.00</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>3 275 980 286.72</td>
<td>513 673 640.88</td>
<td>241 951 822.94</td>
<td>170 593 005.00</td>
<td>36 501 058 838.27</td>
</tr>
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</table>

1. The above total excludes reporting on urban claims from 2006 up until 2011/12, the verification of the above statistics is work in progress.
2. These statistics have been compiled based on the information reflected in the database of settled restitution claims and Commitment Register.
3. In order to improve the accuracy of our statistics, restitution claims is on an ongoing basis subjected to internal auditing.
4. Please note that the number of hectares restored is currently under review, both with regard to existing data, as well as outstanding data on state land.
5. The total restitution award also include the cost of solatium that was paid out, i.e. KwaZulu-Natal [R6,330,000.00], Western Cape [R41,000.00] and Mpumalanga [R50,500.00].
6. The total for settled claims now also includes the dismissed claims as well as adjustments due to ongoing verification and reconciliation/declaration of funds memoranda. The totals for dismissed claims are based on the official inputs received from the regions at the time of compiling the management statistics.
4.8 million hectares were redistributed in the period, while the restitution process achieved the transfer or compensation of 3.4 million hectares. This is significant, since it means that only about 10 percent of 80 million hectares of 'white agricultural land' has been reallocated through the publicly funded land reform programmes, as opposed to the target of 30 percent. Ownership of land in South Africa remains highly skewed and concentrated.
7. BELGIUM’S GOVERNMENTAL DEVELOPMENT COOPERATION ROLE
BELGIUM’S GOVERNMENTAL DEVELOPMENT COOPERATION ROLE

Belgium made it first official development cooperation contribution to the democratic government’s land reform programme in 1998, and since then it has been a constant presence in the role of assisting South Africa to deal with its land reform challenges.

At that time the concept of restitution featured prominently on the SA government’s agenda and the Belgian contribution took the form of a small funding (€300,000) towards an Information Campaign on the Restitution Programme of the Commission for the Restitution of Land Rights (CRLR).

From 2001 to 2004, the newly formed implementing agency for the Belgian Development Cooperation, “Belgian Technical Cooperation” (BTC), underwrote the Land Claims Validation Campaign in the amount of €1.4 million. Through the validation campaign the CRLR was able to reconcile competing, duplicated and conflicting claims. This set in place the legal basis for continued restitution.

The extension of the bilateral agreement included the sub-project – Basisa – to clean up the DLA and CRLR data base (Land Base).

The validation campaign created a new awareness of the complexities in the restitution process, but also pointed to opportunities for the future. It also boosted the morale of the staff at the regional offices in many ways.

Between 2005 and 2008, the Belgian Government contributed a total of €6 million to speeding up the Land Restitution Process.
Verification Support

The most significant result of the intervention was the identification of bona-fide claimants who would be recognised as legally entitled to benefit from the validity of their claims. The intervention successfully achieved this, with a total of 932 claims verified, more than the initial target of 833 claims.

The successful implementation of the intervention also led to the development of a framework within which the verification of claims could be conducted and managed. This included the introduction of tools and processes that were applied across all the RLCCs and have subsequently been adopted by the RLCCs with minor modifications.

Post Settlement Issues:

The Settlement and Implementation Support Strategy (SIS) for Land and Agrarian Reform in South Africa was published in 2007, with Ministerial endorsement in 2008, and the backing of a wide range of role players and stakeholders.

While not adopted as policy by government departments, the proposals contained in the SIS strategy provide a comprehensive template for a thorough overhaul of coordinated and integrated support services to land reform beneficiaries, and locates them within the developmental local government context.
From 2011 to 2016 the BTC implemented a final government-to-government collaboration project, amounting to €6.05 million, for the Participatory Settlement and Development Support (PSDS) to Land Reform Beneficiaries and Rural Citizens. Initially, the aim was post-settlement development support. In response to the mid-term review of the PSDS in February 2014, the focus shifted to rural economic transformation through improved integrated and coordinated land reform and rural development interventions. The emphasis on piloting better practices of coordinated and integrated policy implementation and feed-back, especially between national, provincial and municipal authorities, was maintained.

This shift in emphasis was validated by the extension of the Specific Agreement between Belgium and South Africa, at no-cost, from 23 June 2015 until 31 December 2016.
Capacity strengthening in support of integrated and coordinated land reform and rural development.

The last Belgian support initiative, the PSDS, is a collaboration between Belgium and the DRDLR to assist the latter in ensuring that the livelihoods of land reform beneficiaries and rural citizens are enhanced by better coordination and integration of the policies and services for which the three spheres of government are responsible. The aim was to pilot better practices in policy implementation and feedback between national, provincial and municipal authorities. At municipal level, participatory processes are designed to inform Integrated Development Plans (IDPs), and the DRDLR is itself active in promoting participation opportunities at provincial and district level.

The goal of this last support initiative is to assist in the DRDLR’s institutional capacity development. Capacity, in this sense, is the ability of people, organisations and society as a whole to manage their affairs successfully. While capacity is shaped by and reacts to external factors and actors, it is internal to people, organisations and groups or systems of organisations. Capacity development is therefore an internal change process whereby people, organisations and society as a whole promote, create, strengthen, adapt and maintain effectiveness over time. Capacity development may entail changes in knowledge, skills, work processes, tools, systems, authority patterns, or management style. Institutional capacity has 3 dimensions:

• Physical capital and hardware (physical infrastructure, laptops, cellphones, etc.);
• Human and knowledge capital (including organizational and administrative capital);
• Governance and political capital (GPK)\(^1\).

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**Success factors in design of Capacity Development (CD) assistance**

Many evaluations have identified similar success factors for CD support. A recent special evaluation study by the Operations Evaluation Department of the Asian Development Bank (ADB) found that the following factors were driving successful design of capacity development (CD) support:

- a clear results framework and the possibility to measure and monitor CD;
- a strategic direction with realistic CD objectives;
- an adequate diagnostic baseline assessments at all CD levels (individual, organisational, network and contextual levels);
- a long-term continuity to institutionalise CD, careful phasing/sequencing and exit strategy;
- an appropriate mix of modalities;
- mainstreaming project implementation and management units’ activities into target agencies’ normal operations;
- adequate staff time and skills, and financial resources;
- an inclusive participatory approach, with strong commitment of and ownership by target agencies; and
- cooperation and harmonisation with other development partners.¹

The PSDS has channelled this support through three results areas: (1) analysis of previous efforts for coordination and integration in land reform, (2) piloting of coordination and (3) integration efforts and capacity strengthening of stakeholders for such approaches.

Junior Assistants have provided additional support to household profiling and socio-economic and restitution research. PSDS was guided by a theory of change, which views the analysis, piloting and capacity-strengthening support, leading to the preparation and refinement of a national implementation

strategy for integrated and inclusive rural economy development. At the same time such a strategy would, in addition, be further operationalised at provincial and municipal level. Such preparation, refining and operationalising of implementation strategies at the three levels is aimed at strengthening the ability of DRDLR, and other institutions, to deliver on their mandate of the promotion of an integrated and inclusive rural economy.

This is visualised as follows:

**Result Area 1: Analysis of integrated rural development interventions in pilot municipalities**

Through its support for analyses in Result Area 1, PSDS has contributed to further reflection and clarification in the DRDLR on the challenges of implementing an integrated and coordinated rural
development programme within the Department and with other stakeholders. For example, the rapid ABP survey of 2012 highlighted the challenges associated with practical intergovernmental relations and the absence of a clear framework for joint planning. Recommendations to improve the area-based planning and development process included clearer allocation of responsibility, clearer linkages between ABPs and Provincial Strategic Plans and Budgets, the design of a mechanism to make ABPs/RDPs a legal requirement as part of the IDP process; sound institutional arrangements to enable joint planning and budgeting; and development of an online digital asset management and collaboration system. With the provisions of SPLUMA, institutional and legal arrangements have been created to respond to some of the challenges identified. The CAF baseline survey confirmed the lack of joint decision-making and implementation as the most important obstacles in day-to-day integration and coordination within DRDLR and with municipal actors. The need to further clarify, communicate and disseminate the policies being elaborated was clearly confirmed. From a strategic institutional-strengthening point of view, the CAF survey recommended that still more attention and resources need to be given to the operational design and actual implementation of systematic and effective coordination and integration between the various spheres, branches and line departments. Strengthening such structures and resources can build on the overall positive expectations for integrated and coordinated land reform and rural development, boosting existing moderate process opportunities of exchange of information, and bolstering the service-delivery reputation of the national, provincial and municipal stakeholders involved. The challenges identified formed the main points of departure for the PSDS support to national and district-based initiatives on further implementation and refining of coordinated and integrated approaches. The IGR Strategy and the Enhanced Spatial Targeting and Virtuous Cycle Implementation sub-project are clear cases in point.

**Result Area 2: Integrated rural development interventions are better coordinated and integrated in pilot municipalities**

The actual piloting of coordination and integration efforts was supported, through additional temporary human resources, at provincial and district municipality level until June 2016. Twenty eight (28) young graduates with at least a Bachelor’s degree were selected and trained to be deployed as “Rural Development Planning Assistants” (RDPAs). They were employed temporarily to assist DRDLR, and more
specifically SPLUM, in the tasks of integrated and coordinated land reform and rural development planning at the local level. RDPAs are generally viewed as crucial for DRDLR success, but the effectiveness of the intervention is dependent on stakeholders buy-in and communication about the programme to meet capacity needs for implementing SPLUMA. There were mixed outcomes regarding individual RDPAs’ development within the programme. These outcomes underline the importance of recruiting RDPAs with relevant qualifications related to the specialized needs in the SPLUM offices. Improved record-keeping in SPLUM offices, coordination of various units, and communication between provincial departments and municipalities, as well as effective reporting supported by evidence from provinces to the national level were associated with the deployment of RDPAs. The sustainability of the programme was influenced by concerns over long term funding. However, the implementation of the RDPA programme has been influenced by several procedural and institutional aspects that need further consideration.

The DRDLR’s successful formulation of a long-awaited IGR and SM Strategy details six pillars which guide the IGR and SM approach to achieve the objectives of the mandate of South Africa’s Department of Rural Development and Land Reform. Stakeholder analysis and management, intergovernmental relations, mapping, monitoring and reporting are at the centre of the implementation of the programmes and projects. Of these, stakeholder analysis and mapping should always be the first step when a new programme or project is introduced. Training and induction of new staff in the general field of IGR within DRDLR, and the forums with which they engage, are essential for the long-term stability and deepening of government.

The Enterprise, Programme and Project Portfolio Management Office (EPMO) was supported by PSDS to contribute to the formulation of improvements for coordination at DM, provincial and national level. An extensive range of DRDLR projects (more than 1500) countrywide could be assessed and room for improvement identified. This entailed the training of 50 NARYSEC youth and the employment of 24 young Field Assistants. Projects in DRDLR are mostly managed by entities without the involvement of DRDLR officials; limited information and documentation was attached regarding the deliverables being paid for. No governance structures in the provinces focus on reviewing all projects, progress and providing remedial actions on challenges identified. Therefore, it was recommended that regular engagements should take place with the entities to assess compliance and delivery as per contractual agreements and promote the interface with local stakeholders, intergovernmental relations and intra-departmental coordination.
The main institutional footprints of DRDLR at the District Municipality (DM) level are the multi-stakeholder platforms of the District Land Reform Committees (DLRCs) for land administration and management, and the District Agri-Parks Management Councils (DAMCs), responsible for advising on agricultural enterprise and inclusive value chain development. In the DMs which have adopted the Rural Development Plans (RDPs), a specific focus on piloting Enhanced Spatial Targeting and the DRDLR’s Virtuous Cycle (ESTVC) therefore needs to be introduced; with a view to improving the coordinated and integrated work process and deliverables of the DLRCs and the DAMCs. A facilitated perspective based on the mandates of the DLRCs and the DAMCs has been initiated with PSDS support; and this will lead to a medium to long term joint delivery plan in each district or specified region in terms of SPLUMA (and the Municipal Systems Act) and other relevant policies.

THE VIRTUOUS CYCLE IS UNPACKED IN THE 6 (SIX) STAGES THAT FOLLOW

Finally, in terms of Agri-Parks Implementation, two initiatives have been supported. First, an integrated reporting system, which allows for the progressive monitoring of how the various components and projects constituting an Agri-Park are developed. This architecture provides users with the interface to capture data directly in the Agri-Parks PRS database by the different branches (Rural Infrastructure Development, Rural Enterprise and Industrial Development, Land Reform) responsible for the primary data capture of the DRDLR-funded projects. Furthermore, the system also includes data on projects from various departments.
Another initiative was the participation of DRDRLR at an international exchange in the Netherlands on piloting Agri-Parks, organized by Wageningen University.

**Result Area 3: Stakeholder capacities for coordinated integrated rural development interventions are improved**

Strengthening the human and knowledge capital of various stakeholders is an important dimension of PSDS' support for institutional enhancement in integrated and coordinated rural development and land reform.

The RADP Implementation Manual serves as an explanatory document and guide for the systematic implementation of the Recapitalisation and Development Programme (RADP) across various actors and localities. The final manual is based on a draft version of 2014 sponsored by the Participatory Settlement and Development Support (PSDS) programme. The manual provides additional explanation of the specific legislative mandate of the DRDRLR, the support that can be provided, eligible projects and selection criteria, the process flow for the implementation of the RADP within the CRDP Virtuous Cycle, the identification, prioritization, assessment of applicants, and the exit and evaluation processes. A separate section contains toolkits, including forms, standard terms and conditions, and contract forms.

SPLUMA introduces a Spatial Planning System which consists of Spatial Development Frameworks; development principles guiding spatial planning, land use management and land development; management of land use through Land Use Schemes, and procedures and processes for the preparation, submission and consideration of Land Development Applications, (together with Provincial planning legislation and municipal planning bylaws). To ensure effective implementation of SPLUMA, relevant entities dealing with Spatial Planning and Land Use Management need to be equipped with adequate knowledge, institutional mechanisms and operational guidance to execute their respective functions. With support from PSDS, SPLUMA training guidelines were developed and disseminated to support and strengthen the capacity of, mainly, Authorised Officials, Appeal Authority, and Councillors. The guidelines were developed in a consultative manner by engaging with all relevant stakeholders at municipal level.
They detail, among other issues, the scope of their decision-making mandates in terms of spatial development and land use; the relevant considerations to be taken into account; and the processes and procedures around the powers and functions of the various officials.

Capacity-development in the piloting and roll-out of the DLRC in priority districts consisted of a range of two-day Provincial DLRC Orientation and Training Workshops for DLRCs and DAMCs. In addition to orientation to the Department’s policies and interventions related to land administration, and management, presentations were made on the Strategically Located Land Tool developed by SPLUM, rural economy transformation and Agri-Parks, awareness of leadership imperatives, and tools of Participatory Multi-Actor Agro-Enterprise Development. These were well received and participants requested an in-depth training on ethical leadership, and this was subsequently organized country-wide in early 2017. Major lessons emanating from these orientation workshops in terms of the Strategically Located Land Tool, are that it needs updating and clarification, and that further training is required. In terms of mandates and institutional operations of the DLRCs, post-settlement support is needed, and differences in interests need to be acknowledged. The capacity of the secretariat will play a critical role, and resources for doing all this work are needed as participatory planning represents a major time and effort commitment for full-time farmers. Training on dispute resolution and ethics is also required. Finally, in the area of Information Flow and Decision Making, Agri-Parks information needs to be disseminated to DLRCs. The need for physical visits and inspections cannot be substituted by tools. An electronic system for beneficiary applications needs to be developed, and a link must be made with other tools of MnE in the DRDLR and government such as DPME.

This confirms the need for stakeholders, support staff and members of DLRCs to have access to objective information to duly perform standard tasks of land administration and management as multi-actor collaboration processes. To that end, an information base of the land needs in the various districts, together with current and intended land uses, has been explored for further development, elaboration and mainstreaming within the DRDLR over the years ahead. The outcome of this Land Use Needs and Assessment (LUNA) exercise by the Human Sciences Research Council (HSRC) confirms that there is a paucity of relevant information at local and district levels on the nature and anatomy of land needs
amongst poor communities. Yet successful implementation of the policies requires that each District Land Reform Committee has reasonably detailed information profiling those who need land in their respective district, and the nature of their needs. The uses envisaged for the land should be consistent with various imperatives at district level, including the agro-ecological potential of the area to be allocated, and the developmental thrust of the administrative level being considered. The LUNA draft framework proposes five complementary approaches for collecting the required information: focus group discussions; community dialogues; household questionnaires; submission (by invitation) of ‘Registration of Interest Forms’; and use of secondary data and information. Mitigating this is the fact that not all DLRCs are as yet up and running smoothly across the country. The LUNA exercise recommends that the DRDLR call the leadership of the DLRCs together for the purpose of appointing a task team to iron out problems in getting the DLRCs to meet regularly as a multi-stakeholder platform, and move forward as key cogs in the land reform process. Some DLRCs feel isolated and believe they are not getting the support they think they need from the DRDLR and other stakeholders in the local and district municipalities. Hence it is recommended that the Department monitors the work of the DLRCs using centrally managed data and delivery priorities.

The primary purpose of the study tour to the European Union in 2015 was to get information and first-hand exposure on agricultural and integrated rural development policies and practices in the EU, and specifically in Belgium, the Netherlands and Poland. Such lessons are important for the reforms proposed by the DRDLR to address matters of land access, operationalisation of Agri-Parks, and rural economy transformation in South Africa. Participants comprised of representatives of farmers, young people, entrepreneurs and DRDLR officials. Those involved indicated that such study tours should be ongoing, in order to understand what transformation entails for small scale farmers. Overall lessons learnt by small scale farmers were that in the EU diversification opportunities are promoted and that cooperatives are encouraged and receive subsidies from the government. However, farmers need to understand what product transformation actually entails before venturing into agro-processing initiatives. Because of this successful evaluation, other exchanges, especially on Agri-Parks in China and the EU, have been supported by PSDS.
PSDS has also contributed to the identification of representative high potential impact case studies of rural economy drivers in South Africa in preparation for the further elaboration of a more detailed model for rural economy transformation for the country. The general rural economy transformation model needs to be refined in a more scale-appropriate model to assess the diversified rural economy in its various dimensions and particularities, its structural transformation scenario and potential economic outlook. The potential economic impact of various recent policies needs to be established and monitored to allow further optimisation. To that end, in June 2016, DRDLR hosted an international exchange with agricultural and rural economy experts from India, China, Kenya, Zimbabwe and South Africa, with help from the PSDS. The initial component of this exchange involved conceptualisation, background research and methodological considerations, as well as securing financial and competent international expertise resources. The overarching objective of the international exchange was to consider comparative lessons in the global experience of structural transformation and how this can inform South Africa’s further refinement and implementation of the Rural Economy Transformation Model (RETM), especially in the agricultural sector. In addition, desk-top research from Brazil was undertaken to advance some of the comparative insights gained in this exchange. Recommendations from this agriculture-oriented RETM exercise were: strengthen and deepen the existing cooperation with cash for works programmes as a rights-based approach; incentivise smallholder production for public procurement, introduce a minimum support price for staples, close the gaps in transportation, storage and localised access and consumption, establish Government controlled food stores, promote diversification manufacturing activities, and introduce micro-credit programmes which promote both on-farm and off-farm enterprise development. These recommendations have also been factored into the Government’s and DRDLR’s strategic planning exercises, eg Phakisa 2016.

The following lessons were learned from the Youth Study Tour to China, and training courses in green energy, aquaculture, solar energy in 2016 and 2017:

- Research and innovation is the vehicle the Chinese use for their development. They keep on improving their products. For South Africa to go forward, there is a need to invest in the education of its youth, so that they can become future researchers.
• The Chinese protect, preserve and promote their Indigenous Knowledge Systems (IKS). This is how they developed as a country, by building on what they already have.

• It is important that the National Agri-Parks Advisory Council uses the different models it was exposed to; tailors them to South African conditions, and pilots them on one Agri-Park. This would need further research by qualified institutions. The Agri-Park model could have the following elements:

  • Research centre
  • Auditorium
  • History of agriculture in the country
  • Seed bank
  • Indigenous farming equipment
  • Display South Africa’s staple crops
  • Showcase the different ways in which these staples can be prepared
  • Online selling and buying of products
  • Themed park of one popular crop, for example corn or sorghum and show the life cycle of that crop.

• Explore the concept of “Agri-tainment”, to reignite the pride of Agriculture in the people. This can be done in the form of

  • Awareness campaigns
  • Exhibitions
  • Celebration of the seasons in agriculture (e.g. planting, harvesting, first fruit celebrations, etc.).
  • Educational tours

The purpose of the conference was to share government policies, particularly on rural development and land reform to women, and support civil society organizations from the various districts of the province. The district approach to implementation planning and delivery is a key pillar in South Africa’s operations strategy for its Rural Development Programme. Its main aim was also to engage with rural women and various women-headed stakeholders and government departments on key DRDLR policies and on what is needed to open space for rural women in managing women’s development and agri-businesses. The workshop also set out to begin a discussion on the draft strategy for the mainstreaming of issues of women and other designated persons into the programmes of rural development and land reform.

From various meetings, workshops and the PSDS CAF survey it became clear that DRDLR officials and staff across the country offices required an updated and detailed exposure to the multiple policies on land reform, rural development and rural economy transformation that have been designed and implemented since 2009. Hence, a workshop was organised from 3-6 May 2016, specifically on policy awareness relating to issues of tenure and tenure security for DRDLR staff from across the provinces and other relevant stakeholders. The purpose of the workshop was to take stock, to orient, and to discuss the scope of policies relating to tenure that have been developing since 2012. About seventy-five (75) participants came from various provincial and national DRDLR Branches across the country, allowing for a cross-sectoral orientation and exchange between DRDLR programme implementers on the ground on policies affecting tenure security. In June 2017, similarly, a large strategic planning workshop of DLRC and DAMC from across the country, with the Minister and senior DRDLR Management, was sponsored by PSDS to improve further on alignment of the various national and local guidelines and planned initiatives.
8. THE DRDLR’S STRATEGIC PLAN AND PSDS (PARTICIPATORY SETTLEMENT AND DEVELOPMENT SUPPORT)
THE DRDLR’S STRATEGIC PLAN AND PSDS (PARTICIPATORY SETTLEMENT AND DEVELOPMENT SUPPORT)

In the 2015-2020 Strategic Plan, the main focus of the department is to create an enabling environment to ensure that rural communities have greater opportunities to participate fully in the economic, social and political life of the country. This will be supported by good legislation and policies that facilitate accelerated land reform, access to basic services, socio-economic infrastructure, skills development and job creation for the rural communities. DRDLR has institutionalised the new integrated services improvement mechanism through the Virtuous Cycle Model, designed to achieve coordinated planning and implementation at a high level. Due to its alignment to DRDLR’s systems and policies, PSDS has gradually been able to contribute important support to intra- and extra-departmental challenges as well as supporting innovative ideas. Based on a pragmatic stance on the institutional capacity-enhancing cooperation agenda and project intervention framework, PSDS has thus facilitated increasingly relevant and responsive technical, operational and financial assistance within DRDLR. PSDS’ emphasis lies in the enhancement of institutional capacity in its second dimension, i.e. capacity-enhancement of provincial and municipal stakeholders in terms of additional support to SDFs and RDPs in District Municipalities; coordination and integration of rural development and land reform interventions, land administration and management through DLRCs; elaboration of tenure policies and rural economy transformation policies in favour of smallholders, and the promotion of sustainable rural enterprises and industries through DAMCs and Agri-Park models and tools. PSDS has also intervened into physical (e.g. provision of desktop computers, cellphones, etc) as well as governance capital (e.g support for DLRC and DAMC leadership capacity) and aspects of institutional enhancement aimed at integrated and inclusive rural economy development.

These various core strategic areas of DRDLR and Government’s Outcome 7, to which PSDS has channeled support, are subjected to an M&E process with a timeframe specified for 2019. Officially, impact will therefore only be formally assessed at that moment in time. However, progress in key areas such as SDF and RDP, land administration and management through DLRC, elaboration of tenure policies and rural economy transformation policies in favour of smallholders, and DAMCs and Agri-Parks reveals an intensified government effort at present towards the creation of vibrant, equitable, sustainable rural communities contributing towards food security for all.
9. AID AND DEVELOPMENT EFFECTIVENESS OF THE SA-BELGIAN COOPERATION
AID AND DEVELOPMENT EFFECTIVENESS OF THE SA-BELGIAN COOPERATION

In arriving at a meaningful overview of the SA - Belgium partnership in the 20 years between 1998 and 2017, and particularly in terms of what worked, what didn’t, why, and the lessons learned, it is useful to consider the effort from three perspectives on official development assistance (ODA) which took place over the past two decades:

• Project evaluation
• Aid and development effectiveness
• Aid exit and transformation

A first perspective: project evaluation

Traditionally, project evaluation of development assistance follows the evaluation criteria promoted by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD). These criteria are:

• Relevance, or the extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor.
• Effectiveness, which is the extent to which an aid activity attains its objectives.
• Efficiency, which measures the qualitative and quantitative outputs in relation to the inputs.
• Impact represents the positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended, in relation to the local social, economic, environmental and other development indicators.
• Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Projects need to be environmentally as well as financially sustainable.
By concentrating on the performance of the three major consecutive individual projects implemented over the period under review, the SA-Belgium collaboration receives overall quite a positive assessment from a project evaluation perspective. The table below summarizes the main scores and conclusions from external and internal evaluations.

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>Restitution 1</th>
<th>Restitution 2</th>
<th>PSDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>RELEVANCE</td>
<td>Very High</td>
<td>Very High</td>
<td>Very High</td>
</tr>
<tr>
<td>EFFECTIVENESS</td>
<td>High</td>
<td>Medium</td>
<td>Medium to high</td>
</tr>
<tr>
<td>EFFICIENCY</td>
<td>Low due to context factors</td>
<td>Low due to context factors</td>
<td>Low due to context factors</td>
</tr>
<tr>
<td>IMPACT</td>
<td>Short term positive</td>
<td>Mid term positive</td>
<td>Short term positive</td>
</tr>
<tr>
<td>SUSTAINABILITY</td>
<td>Tools, but no human resources</td>
<td>• Institutional enhancement • Formulation of further operational steps</td>
<td>• Institutional enhancement • identification of further operational and capacity requirements</td>
</tr>
</tbody>
</table>

The support to SA’s endeavours to tackle the land and agrarian question to alleviate poverty and promote inclusive development is viewed as highly relevant throughout the period of cooperation. The three projects have attained their objectives to a relatively significant extent. However, due to complications in the environment, such as delays in procurement or finalisation of policies and guidelines, low efficiency scores are noted. This explains why the project’s ambitions often had to be adjusted in the interim, as time frames could not accommodate such external delays. Notwithstanding this, short-term net positive changes in relation to the local social and economic development indicators have been noted due to the project interventions. Finally, sustainability has been reflected as a concern, not greatly surprising in such an enormous and complex area of economic and social development as land reform and rural areas. However, project interventions have all contributed to developing and producing better instruments, concepts, understandings, tools and strategies to tackle such complexities going forward.
A second perspective: aid and development effectiveness

Despite the positive effects development aid has had in many countries, it is widely acknowledged that a large volume of aid has not yielded the expected results. For this reason aid effectiveness has featured prominently on the OECD’s Development Assistance Committee’s (DAC) agenda since the mid-nineties. The second High Level Forum on Aid Effectiveness in 2005 culminated in the Paris Declaration on Aid Effectiveness, signed by more than 40 donors and 60 recipients. The table below provides an overview of the agreed principles in support of more effective official development assistance.

<table>
<thead>
<tr>
<th>Principles of the Paris Declaration on Aid Effectiveness (2005)</th>
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<tbody>
<tr>
<td>OWNERSHIP</td>
</tr>
<tr>
<td>ALIGNMENT</td>
</tr>
<tr>
<td>HARMONISATION</td>
</tr>
<tr>
<td>MANAGING FOR RESULTS</td>
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<tr>
<td>MUTUAL ACCOUNTABILITY</td>
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</tbody>
</table>

The implementation of these principles is meant to lead to recipient countries putting in place national development strategies with clear strategic priorities (OWNERSHIP), and developing reliable national fiduciary systems (ALIGNMENT). From their side, donors should align their aid with national priorities, co-ordinate their aid programmes for capacity development, use the fiduciary and procurement systems of the recipient countries, use country aid implementation structures rather than parallel ones created by donors, release aid according to agreed schedules, and not tie aid to services supplied by the donor (ALIGNMENT). Aid needs to be provided through harmonised programmes, co-ordinated among donors,
and country analytical work and field missions should be undertaken together with recipient countries (HARMONISATION). Recipient countries require transparent, measurable assessment frameworks to gauge progress and assess results (MANAGING FOR RESULTS), so that regular reviews can assess progress in implementing aid commitments by both donors and recipient countries (MUTUAL ACCOUNTABILITY). The aid effectiveness approach emphasises joint and mutual responsibility for the relevance, effectiveness and efficiency in order to clearly delineate the results and impact of support to recipients, and its sustainability beyond the temporary aid relationship.

The table below provides an assessment of the SA - Belgium partnership between 1998 and 2017 from the perspective of the principles of the Paris Declaration, informed by the various project evaluations and reflection exercises.

<table>
<thead>
<tr>
<th>PRINCIPLE</th>
<th>ASSESSMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>OWNERSHIP</td>
<td>High, but ongoing evolution in policy development, institutional re-organisation, financial management and procurement systems evolution create ongoing need for clarification and skills upgrading to facilitate effective implementation.</td>
</tr>
<tr>
<td>ALIGNMENT</td>
<td>High, but ongoing evolution in policy development, institutional re-organisation, financial management and procurement systems evolution create ongoing need for adaptation, clarification and skills upgrading to facilitate effective implementation.</td>
</tr>
<tr>
<td>HARMONISATION</td>
<td>Low due to few other donors active in institutional support to DRDLR.</td>
</tr>
<tr>
<td>MANAGING FOR RESULTS</td>
<td>Medium due to ongoing evolution in policy development and institutional reorganisation which requires support to more general and higher-level results and frequent change in priorities and activities.</td>
</tr>
<tr>
<td>MUTUAL ACCOUNTABILITY</td>
<td>High due to open and frank engagement in collaboration between donor and recipient country.</td>
</tr>
</tbody>
</table>
The SA-Belgium collaboration has consistently followed the Paris Agenda in terms of policy and system alignment. This has had both positive and negative implications for implementation. In the positive sense, it has allowed for flexibility and adaptability in aligning support interventions suitable for evolving needs within DRDLR. It has thus facilitated an increasingly relevant and responsive operational, financial and technical assistance based within the DRDLR, closely tailing intra- as well as extra-departmental (stakeholder-engagements) challenges and innovation ideas. As such, appropriate and up-to-date support could be administered where possible and mandated to do so. By utilising the available Public Finance Management and procurement systems, disturbance caused by external donor accounting and reporting requirements was minimised. The overheads required to run the projects were thus reduced, and co-funding by both Belgium and DRDLR of activities was facilitated as DRDLR accounts and accounting procedures were used.

The downside of this advanced policy and system alignment (and minimal additional project implementation unit staff) is a slowing down of the pace of implementation and frequent adjustments of logical framework and budgets. In the PSDS, for instance, budget and activity changes were introduced up to the last moment in line with the changing policy elaborations and implementation needs.

Furthermore, the requirement not to pay any Value Added Tax (VAT) on donor funds has resulted in a very time-consuming and ineffective process of reclaiming VAT, creating much uncertainty as to the final fund balances available. Clearly, an important capacity strengthening need has been identified here, not only in administrative wo/manpower, but also in terms of streamlining and improving procedural clarity and responsibility at SARS and National Treasury– International Development Cooperation (IDC) level. Identifying and amending such capacity gaps are part of the rationale behind the use by external donors of recipient countries’ systems. Unfortunately, this has not happened during this project’s cycle.

Harmonisation has been hampered, as very few other donors are providing governmental institutional capacity assistance through aid. During the project’s term, various interactions have taken place with other donors and strategic partners; strategic and financial engagements were prepared with DRDLR and the Delegation of the EU towards the end, for possible further uptake of support after the Belgian assistance comes to an end in 2017.
The aid effectiveness perspective of the early 2000s is buttressed by the United Nations Millennium Declaration of 2000. The broader Millennium Declaration consists of six ‘fundamental values’: freedom, equality, solidarity, tolerance, respect for nature, and shared responsibility. The Declaration was translated into a roadmap setting out eight time-bound and measurable goals to be reached by 2015, known as the Millennium Development Goals (MDGs). These goals have been defined as ‘human development meets results based management’, and are the following:

1. Eradicate extreme poverty and hunger
2. Achieve universal primary education
3. Promote gender equality and empower women
4. Reduce child mortality
5. Improve maternal health
6. Combat HIV/AIDS, malaria and other diseases
7. Ensure environmental sustainability
8. Establish a global partnership for development
The MDGs provided, for the first time ever, a common goal system for all actors in development cooperation policy, agreed to by developing countries, donor countries and international organisations alike. It was hoped this provided a basis of a global partnership for development.

While significant achievements were made on many of the MDG targets worldwide in 2015, progress has been uneven across regions and countries, leaving significant gaps. Millions of people are being left behind, especially the poorest and those disadvantaged because of their sex, age, disability, ethnicity or geographic location. Targeted efforts will be needed to reach the most vulnerable people. In recognition of the qualified success of the MDGs and of the fact that a new development agenda was needed beyond 2015, countries agreed in 2015 to the new agenda “Transforming our World: The 2030 Agenda for Sustainable Development”.

The 2030 Agenda promotes the **Sustainable Development Goals (SDGs)**, often referred to as the Global Goals. The SDGs are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. These 17 Global Goals, with 169 targets between them, build on the Millennium Development Goals, while including new areas such as climate change, economic inequality, innovation, sustainable consumption, peace and justice, among other priorities. The goals are interconnected—the key to success on one issue will involve tackling issues commonly associated with another, and therefore global rather than limited to developing countries and official development assistance.
The 17 SDGs are:

Goal 1: No Poverty
Goal 2: Zero Hunger (End hunger, achieve food security and improved nutrition and promote sustainable agriculture)
Goal 3: Good Health and Well-Being
Goal 4: Quality Education
Goal 5: Gender Equality
Goal 6: Clean Water and Sanitation
Goal 7: Affordable and Clean Energy
Goal 8: Decent Work and Economic Growth (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all)
Goal 9: Industry, Innovation and Infrastructure
Goal 10: Reduced Inequalities (Reduce income inequality within and among countries)
Goal 11: Sustainable Cities and Communities
Goal 12: Responsible Consumption and Production
Goal 13: Climate Action
Goal 14: Life Below Water (sustainable use of the oceans, seas and marine resources)
Goal 15: Life on Land (sustainable use of terrestrial ecosystems)
Goal 16: Peace, Justice and Strong Institutions
Goal 17: Partnerships for the Goals (Strengthen the means of implementation and revitalize the global partnership for sustainable development)

South Africa continues to face the triple challenges of high and stubbornly racialised inequality, poverty and unemployment. The perspective of development effectiveness, with its emphasis on interlinked development concerns and the need for sustainable progress, involves addressing the highly unequal and violent society further burdened by a recessionary economy.

It is clear that unless appropriate answers are formulated, most particularly for persistent racialised and female-biased poverty and socio-economic inequality, food insecurity, youth unemployment, inefficient access to health services and education, informal settlement proliferations and fossil energy dependency, through access to land and other income opportunities in rural areas, high levels of unequal and underproductive economic and human development will persist. And this will further constrain the sustainability of the country’s development path. In view of the position of South Africa in Africa and the Global South, this raises concerns at the international level. There are clear indications that the South African state apparatus has insufficient financial resources, and too much of a deficit of both skills and political consensus to ensure the sustainability of the land reform and rural development programmes. This is likely to impact in the short, medium and long term on the country’s ability to meet its sustainable development goals. And this points to an ongoing need for aid and advice, and provides additional reasons, if any were needed, for donor countries to continue with their efforts by whatever means are practical.
**A third perspective: exit and transformation of aid**

Official Development Assistance (ODA) to South Africa was motivated in the mid-90s by the importance of consolidating the country’s new democracy. Aid has also been strongly influenced by South Africa’s role as a strategic economic partner for many donor countries, and by the historical relations that exist between interest groups such as labour or business in South Africa and donor countries. Whilst aid flows to the country have been substantial, aid has never constituted a significant component of government revenue. Annually, ODA represents less than 1 percent of GDP.

At a time of global reflection on the effectiveness of aid, development support to higher middle-income countries such as South Africa, with donor ambitions in its own right, is widely questioned. Can donors still play a meaningful role in such countries? And even if they can, does this mean they should? Should they rather not send out political signals that development aid is about nurturing and helping the infant to find its feet, with the weaning tailing off when the institutions are capable? It is not about consolidating them. Or is it?

Structural Belgian development aid to South Africa, and the way the aid was to be given and managed, was only agreed after 1994. It was given and received in a spirit of celebrating and consolidating the new democracy; and recognised the importance of South Africa to the progress of the continent. There was a mutual understanding that such aid was likely to be temporary and limited to the first decade of transition. Hence in 2006, the last project in support of land reform and rural development was approved, scheduled to run until 2010, after which an exit from Belgian government-to-government aid to South Africa was to be expected.

In 2008, a survey revealed that the perception among donors in South Africa was that the country had the required financial resources, skills, commitment and confidence to ensure sustainability, without further assistance from government-to-government development aid, and that a phasing-out process could
commence. Remaining capacity constraints could in the main be addressed through co-operation between institutions in South Africa and donor countries to provide technical assistance$^3$.

Nonetheless it was recognised that phasing out is a demanding process, and that efforts to reduce embassy staff in this phase should be avoided. The more so since maintaining strong bilateral relations with South Africa was an important objective for most donors. There was a considerable degree of uncertainty on how such post-ODA relations would be funded, the role of civil society support in this, which institutional capacities would be required and what policy guidelines would prevail.

There had been moderate to firm indications of a phasing-out of Belgium’s government-to-government development cooperation after 2010. However, no firm exit strategy has ever been designed. It wasn’t until 2015 that a formal decision was made to bring all Belgian involvement to an end by mid-year, 2019. A scaling down of the staff complement has been in progress since early 2017. This merely means an end to official development assistance by way of government-to-government support; all involved are confident that ways will be found to sustain partner relations between the two countries, particularly by providing support to non-state actors such as universities or non-governmental organisations, as well as by means of a more reciprocal economic, technical and political collaboration. This ‘exit mood without mode’ of the last 10 years partially explains why the last support intervention in the Belgian-SA collaboration on land reform and rural development, (PSDS), had a delayed start, following the withdrawal of the UK donor in 2009. The PSDS initiative has been implemented with the assistance of a small staff component, and has not been able to formally show the way for further transformation of aid into specific economic and technical collaboration on, for example, SA small-farmer’s participation in exports to Belgium and the EU.

The three perspectives used here put the SA - Belgium partnership for land reform and rural development of the past 20 years into the context of the theory and practice of development cooperation. They also assist in the formulation of lessons and recommendations for similar future aid engagements between a small donor country and a highly challenged recipient country, which SA seems to remain, despite its middle-income country status. In what follows, these general lessons and recommendations are summarised.

$^3$ Elling Tjønneland, Pundy Pillay, Anneke Slob, Anje Willemsen and Alf Morten Jerve (2008), Managing Aid Exit and Transformation. South Africa Country Case Study: Sida, Netherland’s Ministry of Foreign Affairs, Danida, Norad
10. Lessons and Challenges Drawn from the Long-Term Development Cooperation between SA and Belgium on Land Reform and Rural Development
LESSONS AND CHALLENGES DRAWN FROM THE LONG-TERM DEVELOPMENT COOPERATION BETWEEN SA AND BELGIUM ON LAND REFORM AND RURAL DEVELOPMENT

Ownership:

The National Development Plan identifies a failure to implement policies and absence of broad partnerships as the main reasons for SA’s overall slow progress. Building on this diagnostic, the DRDLR is developing a range of policies for agrarian transformation which envisage an integrated and inclusive rural economy. Such an economy is characterised by the inclusion of local aspirations and knowledge, and improved coordination among government agencies and with civil society. While these policies are in various stages of approval and implementation, they represent a firm attempt by government to respond to slow and often isolated progress in addressing land inequalities and insufficient rural livelihood opportunities. A generally high degree of ownership of these policies is noticeable when engaging in partnerships with the SA government actors. There is however an important space for external donors to assist in further clarification, elaboration and wider consultation of such home-grown policies; on what is to be coordinated and integrated in land reform and rural development, and who is to be involved. This is especially relevant given the fact that institutionally, a persistent culture of silos in the public sector, and recurrent under-resourcing at middle staff level, hinder a swift dissemination of ownership of these policies and their implementation.

Policy Alignment:

The high ownership and priority given to the formulation of new policies for agrarian transformation, implies that for any government-to-government aid to materially assist in South Africa’s rural transformation, it is necessary to align to the country’s policy making and implementation. This provides an entry step to further policy dialogue, technical assistance, and support to further refining, testing, and consultation to render policies more effective. Clearly though, such alignment implies that the progress and efficiency of the collaboration project remains highly dependent on timing and change processes within the policy arena.
In the context of international relations, not all South African policies for agrarian transformation will converge with the donor country’s political or development agenda and philosophy. Non-market approaches to smallholder production, and land reform involving protectionism or compulsory acquisition of land are cases in point. A strategic selectiveness towards policies or governance processes such as District Land Reform Committees and District Agri-Park Management Councils will be required for donors and SA to find common ground for support. The same goes for donor support for further testing, international comparison, consultation, and stakeholder engagement to refine the policies and address non-market dimensions of the policies under review. In both cases, external support can have substantial additional relevance and impact in terms of (un)foreseen socio-economic changes in the medium to long term.

The alignment to SA’s systems of public finance management and procurement has had, as described above, both positive and negative effects on project implementation. Little additional work and disturbance was caused to DRDLR, as additional donor accounting and reporting requirements were minimised or internalised within the project management team. The overheads required to run the projects were also reduced, and co-funding of activities by both Belgium and DRDLR was facilitated as DRDLR accounts and accounting procedures were used. This advanced system alignment, and minimal additional project implementation staff, has slowed the pace of implementation and necessitated frequent adjustments to logical framework and budgets. In the PSDS, budget expenditure-tracking was hindered by difficulty in accessing up-to-date financial information from various branches and provinces. A general observation is that channelling external funds and service agreements through the SA system is only efficient if sufficient ‘warm bodies’ with enough access to information are deployed to monitor financial and procedural processes. It is also evident that high-level engagement with National Treasury and financial departmental services must be undertaken regularly to address donor-recipient system incompatibilities and generic system weaknesses. Temporary additional human resource deployment is considered to be a prerequisite for any short-term efficient intervention, both from the implementation as well as the project accounting side. A flexible mix between the donor and recipient systems must also be designed to avoid unforeseen delays and complexities in either one of the systems.
Institutional capacity strengthening and the project logic:

Institutional capacity is understood to consist of physical capital, human and knowledge capital, and governance and political capital. Institutional capacity development is viewed as an internal change process whereby people, organisations and society create, strengthen, adapt and maintain such capacity over time.

Successful capacity development is often driven by realistic objectives; a clear results framework; an opportunity to measure and monitor; an adequate diagnostic baseline; a long-term continuity; a careful phasing/sequencing; a mainstreaming and exit strategy; an appropriate mix of modalities; adequate staff, skills, and financial resources; an inclusive participatory approach; and cooperation and harmonisation with other development partners.

There is no doubt that these success factors, especially the ones relating to long-term and phased processes, inclusive participatory approaches and mix of modalities, go against the spirit and practice of the traditional short-term project intervention logic, and a rigid logical framework of measurable outputs, outcomes and impact indicators. The approach to institutional capacity strengthening clearly requires a longer-term, multi-dimensional and multi-actor perspective and a high degree of flexibility and pragmatism which a project format cannot provide. This is especially so in a fluid environment such as the one of SA’s government-led agrarian transformation, where policy development is characterised by delays (e.g. Recapitalisation), freezing (e.g. Farm Equity Schemes), novelties (e.g. 50-50, ‘One Household, One Hectare’), institutional restructuring (e.g. changes in DRDLR from STRIF to REID, new Branch such as SPLUM), and weakly implemented policies such as IGR and cooperative government. In these conditions trying to manage for fixed results is like trying to hit a moving target. This explains why regular changes to activities, logical framework and budgets were required in the Belgian-SA projects over the past two decades. With hindsight, a long-term programme support approach with various modalities, additional partner departments and actors, as well as a clear harmonisation and exit strategy may have further improved the process of institutional capacity enhancement of DRDLR in terms of responsiveness, budgetary complementarities, and coordination and integration with other stakeholders.
**Added value of external support**

Has official development assistance in this partnership in fact provided an added value of innovation, best practices, pilot initiatives, and knowledge development as motivated in the mid-90s? We believe so. Good practices have been promoted such as communication and dissemination to potential beneficiaries of information on the restitution programme, streamlining of the restitution database, orientation and training of members of DLRC and DAMC, international inputs into a rural economy transformation model, and hand-on experiences through exposure visits to the EU and China. Innovation and pilots have been undertaken through research on coordination and integration, deploying young multi-disciplinary graduates in DRDLR provincial offices, to support the development of district-based rural development plans and other research and interface tasks, piloting the roll-out of EPMO project management system at the district level, design of a new integrated reporting system for Agri-Park monitoring, piloting the Virtuous Cycle coordination approaches to rural development plans, design of a framework to measure and identify land needs and uses, and production of household profiling reports, as well as maps and databases of potential additional restitution claims to be expected with a reopening of the restitution programme. Knowledge development and management have been important features of the capacity strengthening exercises, as demonstrated by the production of a post-settlement strategy, an overview of government-led area-based planning experiences, an IGR and stakeholders strategy, manuals and guidelines for Recapitalisation and SPLUMA, as well as contributions to (inter)national reflection and analysis meetings such as the World Bank’s annual conference on land and poverty.

Using the analogy of a mechanical workshop, one can describe the donor’s added value of technical assistance as one of greasing the available machinery with a different kind of lubricant, before or when it actually risks temporarily running dry. By providing a review of previous Area-Based Planning experiences to inform the newly initiated Rural Development Plans, relevant precautionary warnings were, for instance, raised to avoid repeating mistakes made during the previous exercise in terms of systematic responsibility, legal status and information storage and usage. After the launch of the DLRCs and DAMCs, while awaiting DRDLR’s further operational cooperation with these newly erected multi-actor platforms at local level, PSDS financed orientation and training support to assure regular contact and capacity strengthening.
immediately after the launch. Donors could also bring along their different-sized spanners to try-out, such as, for instance the international exposure visits to Agri-Parks have demonstrated, as well as the consultations with international rural economists for the RETM.

Other important areas of added value creation, through a partnership between SA and donors, is the interface with external stakeholders such as national NGOs, commodity organisations, interest groups and international donors, which can be more easily facilitated by external donor agencies. And in terms of meta-level knowledge management, the more generic reflection on rural development, technical assistance, development cooperation and international relations issues, such as those discussed in this booklet, can add value towards improving future collaborations and partnerships with other donors and non-governmental actors.
11. CONCLUSION
CONCLUSION

Due to its macro-economic development status as an upper middle-income country, official development assistance to South Africa has always been characterised by a sense that such aid was of a temporary nature, and was aimed at consolidating the transition to democracy and entrenching the nation’s role on the African continent, with the focus on adding value through innovation, good practices and knowledge development.

Be that as it may, after 23 years of democratic transition, South Africa continues to face the triple challenges of high and racialised inequality, poverty and unemployment. Unless appropriate answers are formulated, especially for persistent racially-slanted and female-biased poverty and socio-economic inequality, food insecurity, youth unemployment, inefficient access to health services and education, informal settlement proliferations and fossil energy dependency, through lack of access to land and other income opportunities in rural areas, high levels of unequal and underproductive economic and human underdevelopment will persist. And this will further constrain the sustainability of the country’s development path. The agrarian transformation approach, under development by the Department of Rural Development and Land Reform emphasises the fact that rural poverty reduction and inclusion involve the sequential development of a number of inter-related initiatives that strengthen the linkages between agriculture, the rural non-farm economy, manufacturing and services.

However, contrary to the conviction shared among donors and (inter)national technocrats in the mid-2000s, there are clear indications that the South African state apparatus does not yet have sufficient financial resources, skills and political consensus to ensure the sustainability of its very challenging socio-economic transition, including land reform and rural development in particular. The journey those responsible for resolving the country’s land enigma are embarked on has many aspects that are particularly challenging, not least the length of time that practices of exclusion have existed, some dating back to the mid-1600s. The quandary facing policymakers is how to restore equity and dignity to the innocently marginalised without further stretching the already fragile fabric of society and economy as a whole. The people need land and land can be made available: state land, land lying fallow; excess or surplus land, unused land.
What is required now is a more widespread acceptance of the fact that as long as the land issue remains unresolved, the stability of the country will continue to falter. The national mindset must be changed to one that welcomes a shared effort. Government officials also need to change their approach: to see themselves as part of a team doing vital work, and not as individuals ruling a particular roost. And a sense of urgency is needed. Further delaying rapid progress in land reform and rural development is likely to impact in many ways on the sustainable development of the country and region, with global ramifications.

Such findings point to an ongoing need for partnerships in terms of aid, technical assistance and reciprocal international relationships. Belgium has over the past two decades focused part of its assistance on government’s rural development and land reform programmes. The main lessons drawn from this development cooperation partnership are that support for brokering various forms of institutional strengthening in the South African policy and system environment is still very relevant, can be very effective and is able to deliver significant added value. Technical or financial assistance aligned to the SA government’s policies and systems must however include temporary additional human resource deployment, both from an implementation as well as project accounting side. A long-term programme support approach with various modalities, additional partner departments and actors, as well as a clear harmonisation and exit strategy is deemed to be more suited than a piecemeal project approach, due to the need for a high degree of flexibility and pragmatism in terms of programme redesign and implementation.

The fact that Belgian government-to-government aid is coming to an end by no means implies that Belgian interest in South Africa’s progress is faltering. Far from it. Belgium – like other donors – intends to maintain firm political, economic, social and cultural relations with South Africa. Especially during the patch of heightened political, economic and social crisis the reborn country is going through. Future collaborations could take many forms, including governmental regional, municipal or multi-lateral development cooperation, as well as unfolding development or institutional cooperation opportunities between universities, the private sector and NGOs. Examples of such future collaboration are the governance challenges in the District Land Reform Committees and the District Agri-Parks Management Committees; or the economic obstacles which smallholder diversification and exports face, and many more.
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The fact of the matter is that there are still enough challenges in South Africa to justify ongoing interest and involvement by Belgian and other traditional (donor) partners, and most importantly, there is a strong will to do so, from numerous quarters.
12. REFERENCES


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The Belgian Development Agency Belgian Technical Cooperation (BTC) has transformed into Enabel as of 1 January 2018. The new name is the Belgian variant of the English verb ‘enable’ and reflects what the Belgian development cooperation stands for: empowering people, enabling development and bringing partners together.
Lessons from and challenges to aid and development effectiveness stemming from the long-term partnership between Belgium and South Africa (1998-2017)