# AN EXPLORATION OF SUSTAINABILITY PROBLEMS IN COMMUNITY GARDENS WITH SPECIFIC REFERENCE TO PFUKANI COMMUNITY GARDEN PROJECT IN GREATER GIYANI MUNICIPALITY OF THE LIMPOPO PROVINCE.

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## Declaration

I declare that the dissertation hereby submitted to the University of the North for the Degree of Master in Development has not been submitted by me for a degree at this or any other University and that this is my own work in design, and execution, and that all material contained therein has been duly acknowledged.

Signed at	 on	day o	f	

Samuel Mafemani Checha

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#### CHAPTER 1

#### 1.1. INTRODUCTION

Starting an agricultural related community development project has never been easy. Some projects fail before they start while others manage to get off the ground but collapse shortly afterwards. Various factors are responsible for this failure and the lack of good management skills and the lack of resources could be cited as examples. Numerous research studies have been undertaken to investigate the reason why some community development projects are not sustainable. The following reasons have been forwarded:

- Laker (1975:13; 1996:15) attributes the frequent lack of sustainability of projects
  to the mismanagement of natural resources. He maintains that people often
  make the mistake of embarking on farming projects without conducting soil
  analysis that will inform them as to which kind of crops will be suitable for
  cultivation in a particular soil area. He furthermore mentions that the kind of
  fertilizers to be used needs to be determined by soil analysts.
- Another issue that was raised by Laker (1996: 17) was that community projects
  are not sustainable because of the lack of the practice of crop rotation methods
  of farming by participants. Here, he states that cultivating one type of crop is
  detrimental to soil fertility and as such this practice should be avoided at all
  costs.
- McKay (2000: 106) in turn, found that community development projects are often not sustainable because people at grass roots level are not consulted. She

states that development plans are frequently made in urban areas by people who claim to have knowledge of the problems that poor people experience and as a result, take decisions that are not compatible with their needs. (Mhingaville Housing Project in the Limpopo Province was cited as an example).

Researchers such as Mosaka-Wright and Mokotong (2000:115) state that rural women who are central to development issues do not have access to resources such as arable land and credit facilities and this creates a serious problem that hampers the development process.

#### 1.2. LOCATION OF THE STUDY

The study has been conducted at the Greater Giyani Municipality in the Limpopo Province of the Republic of South Africa. Pfukani community garden was selected as cost and time constraints did not permit a comprehensive coverage of the whole of the Greater Giyani Municipality.

#### 1.3. PROBLEM STATEMENT

Most community garden projects in Greater Giyani are not sustainable. Several aspects seem to contribute to this effect. The pilot study that was conducted by the researcher revealed the following major problems:

- · The lack of skills and knowledge to manage community projects.
- The poor management of natural resources.
- The lack of water.

- The insufficient income generated from the garden produce
- The lack of knowledge with regard to the practice of crop rotation method of farming, identification of suitable fertilizers as well as the capacity to identify types of crops suitable for the area under cultivation.

#### 1.4 THE OBJECTIVES OF THE STUDY

The objectives of this study are to:

- Investigate the reasons why the community garden of Pfukani in the Greater Giyani Municipality is not sustainable.
- Urge the municipalities to fast-track the development of community projects.
- Compile a research report that will assist the project association in formulating strategies that will ensure productivity in community garden projects.

## 1.5 MOTIVATION FOR THE STUDY

Since the researcher is working in the Greater Giyani Municipality as coordinator for local economic development programmes and has constantly been observing that the general performance level of community projects is unsatisfactory, he was motivated to conduct a pilot study and it was established that there are problems that require an in-depth study in this respect. As a result, a research of this kind was deemed necessary.

#### 1.6. RESEARCH METHODOLOGY

#### 1.6.1 Research design

The type of research that this researcher has embarked on is exploratory since it would render insight into the core of the problems that cause the lack of sustainability in community projects.

Babbie (1994: 89) views research design as the planning for scientific enquiry and states that researchers must specify what they want to find out as well as the best way of doing so. Based on this definition, the design of this research is a devising plan to assist the researcher in exploring the problems of a lack of sustainability at Pfukani community garden in the Greater Giyani Municipality. This has been achieved by interviewing participants of the project, representatives of the government departments such as Health and Welfare and Agriculture, the representatives of the Giyani Local Business Service Centre and the Giyani Project Association. The final step in this process has been to group, to analyse and to interpret the collected data and to make recommendations improving the success rate on community garden project similar to that of Pfukani.

#### 1.6.2 Data collection

# The concept of data collection

This concept refers to the process of collection of information by the researcher on the subject of the research (Fraenkel & Wallen: 1990: 89).

#### Data collection methods

#### **Qualitative research**

The concept of qualitative research is described as a method used to collect information about issues that are not easily measurable or countable (McKay: 1990: 1). Wimmer and Dominick (1983: 19) describe qualitative research as a method used to analyse a phenomenon without specifically measuring its variables while Rudestam and Newton (1992: 31), regard qualitative research as useful in categories for understanding the human phenomenon of giving meaning to events.

#### **Quantitative** research.

The quantitative research is described as a method used to collect information about issues that are easily measurable in order to arrive at the findings (Denzin & Lincoln: 1994: 4). This involves data accumulation by means of scales, test surveys and questionnaires.

# Triangulation

The concept of triangulation is described as a combination of both the quantitative and qualitative methods of research (McKay: 2000:20). The aim of this approach is to ensure reliability of the findings of the research.

# A comparison of quantitative and qualitative methods

The quantitative approach tends to be associated with measuring. It emphasizes the use of numerical measures to arrive at the findings (Denzin & Lincoln:1994: 4). In this approach, data is accumulated by means of scales, test surveys and questionnaire.

On the other hand, the qualitative approach is used to gather information about issues that are not easily measurable or countable. It is used to describe or to analyse a phenomenon without specifically measuring its variables (Wimmer & Dominick: 1983: 19).

#### Data collection method used in this research

It is well known that the selection of methods of data collection differs from one type of research to another. Some kinds of researches require qualitative research methods while others need a quantitative approach. In some instances however, there are those that require the use of both quantitative and qualitative approaches.

For the purpose of this study, the qualitative research method was used as the information required deals with issues that are not easily measurable or countable. This is in line with what was said by Wimmer and Dominick (1983: 19) who stated that qualitative research describes or analyses a phenomenon without specifically measuring variables.

# The reason for using the qualitative method in this research

The qualitative research method was in this research regarded as a suitable method of data collection for the following reasons:

Firstly, the essential point of qualitative research is that the investigator attempts to learn about the experiences as they are lived by participants rather that working with preconceived ideas about such experiences (Pillay: 1983:13).

Secondly, data collection in this research was obtained directly from the respondents. This corresponds with Leedy's (1992: 139) view that qualitative data must reach the researcher in the form of words.

Finally, qualitative research is more flexible and to some extent, emerges as the research is conducted (Wirsma: 1992: 96).

# Why the quantitative method was not used in this research

Although McKay (2000:20) recommends the use of both methods for checks and balances, only the qualitative approach was used in this study because quantitative research is impersonal and experimental and therefore not suitable to study human phenomenon.

#### Instruments used in data collection

The instruments that were used to collect data for this research project were

interviews, documentation and observations.

## Interviews

The interview technique was used in this research, as participants of the project under study cannot complete questionnaires because they cannot read or write. Furthermore, the respondents in government departments and other institutions that took part in the interviews were always engaged in their day-to-day activities therefore regarded completing lengthy questionnaires to be time consuming and as a result, the needed information would not be acquired more appropriately.

According to Bogdan and Biklen (1992:96), the interview technique is the most powerful instrument that allows for conversation to take place between two or more people. They maintain that a conversation of this nature is directed by one in order to get information from the other.

The interview questions in this research are open ended and they are structured.

#### Documentation

Documents of institutions that took part in the interviews were also useful in sourcing information that relates to community development projects. This includes information that relates to application for grants from the department of Health and Welfare and documentation on information regarding step-up loans from the Development Bank of South Africa.

#### Observation

Observation was used simultaneously with the interview technique. During interviews, the attitude of the participants towards development issues was observed. This instrument was found to be much more helpful as it allows the researcher to collect information that has not been supplied by the participants.

#### 1.6.3 Data analysis

#### The concept of data analysis

This refers to the resolution of a complex whole into parts (Mouton: 1996: 161). It involves reducing to manageable proportions the wealth of the data one has collected.

# The system of data analysis

In this research, the system of data analysis used was categorization (Kerlinger:1979: 229). No in-depth statistical analysis was applied in this research study since the researcher was only interested in soliciting views of respondents.

# Data analysis in this research

The analysis of responses in this research was based on the categories that were identified from the raw data. Here, Kerlinger's (1973: 137) ideas were followed as he maintains that the first step in analysis of data is categorisation.

# 1.6.4 Population

Babbie (1994:103) defines population as that group (usually people) about whom the researcher wants to be able to draw conclusions. The respondents that have been interviewed by this researcher are members of the Pfukani community garden, different stakeholders such as the department of Health and Welfare, the department of Agriculture, the Giyani Local Business Service Centre, and the Giyani Project Association.

# 1.6.5 Sampling

The concept of sample is defined as a subset of the population from which the researcher attempts to collect information. In the words of McKay (1999: 13), a group of people who will answer questionnaires are known as the sample.

Babbie (1994: 188) defines the concept of sample in terms of the probability and non-probability method. He states that the probability method of sampling is concerned with representativeness. According to him, a basic principle of probability sampling is that a sample will be representative of the population from which it is selected if all members of the population have an equal chance of being selected in the sample. On the other hand, the non-probability method of sampling is based on the judgment and aims of the researcher (Babbie, 1994). He states that occasionally, it may be appropriate for the researcher to select samples on the basis of knowledge that the particular researcher has, its element and the nature of the research aims. This researcher has used the judgmental method of sampling as he targeted seventeen women involved in the project.

# The way in which the samples were selected

In this study, the process of selecting samples was based on specific attributes and knowledge that the respondents had about the theme of the subject under study. They were selected because they had more insight into the topic of the study. This is in accordance with Kerlinger's (1973: 137) prescriptions.

# 1.7 Concept clarification

# 1.7.1 Community

McKay (1999: 14) defines the concept of community as a group of people who have certain things in common. She states that communities can be loose-knit or close-knit. Communities are said to be close-knit if there are strong bonds between its members. On the other hand, they are said to be loose-knit if there are no strong bonds between members of the community. She furthermore mentioned that most rural communities are close-knit while urban communities are loose-knit.

Van Jaarsveld (1999: 3) defines the concept of community as a group of animals

or plants living or growing in the same place.

The definition of McKay (1999: 14) is in this research, regarded as more appropriate because the community under research is a group of people living in one place with one thing in common i.e. poverty.

# 1.7.2 Sustainable development.

In the following section, a number of definitions will be given to indicate various aspects of this term.

Aihoon (1994:28) mentions that sustainable development particularly in agriculture means different thing to different people. Here, there is a belief that sustainable agriculture is a way of thinking or a philosophy and not a farming practice or method which is usually easy to define.

Another view is that sustainable agriculture has evolved mainly as a reaction to the adverse environmental and economic side-effects of conventional agriculture. According to Aihoon (1994:28), the most prevalent definition of sustainable agriculture is one that is ecologically sound, economically viable and socially humane.

Le'le' (1991:22) describe in turn, the concept of sustainable development as a means to sustain the economy as well as an ecological system. Here, culture occupies an important place in this interpretation and as such, sustainable development means the kind of development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

According to Tolba (1987:17), sustainable development is concerned with

improving the overall quality of life as well as satisfying human needs.

The World Conservation Union on the other hand defines the concept of sustainable development as the kind of development that is both people-centred, concentrating on improving the quality of life of poor people and conservation based in maintaining the variety and productivity of nature.

In summary, most of the definitions of the concept of sustainable development suggest that development should be capable of sustaining the livelihoods of the present and future generations and such development should have respect for human life and its environment.

# 1.8 Significance of the study

The purpose of this study is to contribute theoretical and practical knowledge towards community development. Theoretically, the study intends to make a contribution towards the current planning process of the sustainable livelihoods program in the Limpopo Province and on a practical level, the study intends to benefit various stakeholders in community development process, in the following ways:

- Firstly, the study intends to make Municipalities aware of their responsibilities in facilitating community development processes.
- Secondly, the study aims at assisting the project associations with the
  mechanisms to draw strategic management plans of development programmes
  in order to bring about sustainability in the community project.
- Lastly, the researcher plans to recommends to government to establish training programmes for members of community projects on project management skills.

#### **CHAPTER 2**

# 2. THEORETICAL BACKGROUND OF SUSTAINABLE DEVELOPMENT THINKING.

# 2.1 The aim of this chapter

This chapter aims at discussing the views of other researchers on sustainability of agriculture related developmental projects i.e why most community farming projects are not sustainable and to suggest ways in which sustainability could be attained.

The first section of this chapter deals with a brief exposition of the concept of sustainable development. The second section focuses on the views of other researchers on key issues that make it difficult for farming projects to sustain themselves. The following five key issues have been identified for this purpose:

- The lack of care for natural resources;
- The lack of skills;
- The lack of community participation;
- The lack of proper project planning;
- The lack of access to resources

These issues have been selected as they have relevancy on the project under study. The last section concludes the chapter.

# 2.2 The concept of sustainable development: a brief exposition

The concept of sustainable development has been defined by The World Commission on Environment and Development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs". The two key concepts contained in this report are the concept of needs, in which the essential needs of the poor should be given priority, and the idea of limitations that are imposed by technology and society on the ability of the environment to meet those needs (Brundtland commission: 1987)

The concept of sustainable development has in line with the Brundtland report, been researched on by various researchers and their views on this aspect are hereby advanced:

According to Aihoon (1994:28), the concept of sustainable development particularly in agriculture offers different views especially for the following:

- Firstly, sustainable agriculture is regarded as a way of thinking or a philosophy and not a farming practice or method which is usually easy to define.
- Secondly sustainable agriculture has evolved mainly as a reaction to the adverse environmental and economic side-effects of conventional agriculture. However the most prevalent definition of sustainable agriculture is according to Aihoon (1994:28) one that is ecologically sound, economically viable and socially humane.

Le' le' (1991:22) describe the concept of sustainable development as a means to sustain the economy as well as the ecological system. Culture occupies an important place in this interpretation and as such, sustainable development

therefore means that room is left for different cultures and knowledge of sustainable development to the kind of development that meets the needs of the present without compromising the ability of future generations to fulfill their own needs.

In summary, the concept of sustainable development as defined by these researchers suggests that development should be capable of sustaining the livelihoods of the present and future generations and that such development should have respect for both human life and the environment.

# 2.3 Key issues for sustainable development

# 2.3.1 The lack of care for natural resources (soil management):

The lack of care for natural resources particularly for the soil, has been found to be an issue that affects performance. In this respect, participants do not pay much attention to the soil. Various research studies on the sustainability of farming projects conducted in the past reveal that in general, soil fertility does not receive much attention when land is selected for crop production. Instead, particularly in community gardens farming activities take place without the fertility status of the soil being determined. The implication here is that the first years of production may yield good returns but as time progresses, a decline in production may be experienced, resulting in total crop failure. This is the stage where the soil is declared degraded (Laker: 1975: 13; 1996: 15; Aihoon: 1994:42).

For increased productivity, studies need to be carried out in order to determine the fertility status of the soil. This will assist in the correct identification of the croptype that will be suitable for cultivation on a particular soil area. Furthermore, the study assist in identifying the correct type of fertilizers to be added to the soil (Laker: 1996:15; Aihoon: 1994: 42).

Another issue that affects performance is a lack of crop rotation methods in

farming. In this regard, participants frequently have a tendency of cultivating one type of crop throughout. This kind of practice has potential for loss of soil fertility (Laker: 1996:15; Aihoon: 1994: 42).

The kind of soil found in Third World countries and in particular in the Limpopo Province is said to be very fragile and needs to be handled with care because it is easily exhausted. Should this happen, the cost of restoring its fertility status may be too high (Laker: 1996:15; Aihoon: 1994:42).

#### 2.3.2 The lack of skills.

The lack of skills is another problem that affects performance. It often happens that participants in most projects, particularly community gardens, do not have either project management or good farming skills. Various reasons could be given for this of which the low level of literacy has been cited as an example.

According to Swanepoel (1997) and De Beer & Swanepoel (1996), community development projects are not sustainable because people at grassroots level do not have project management skills. They mention that due to the historic background of the South African Government, many blacks were marginalized which caused this problem. For increased performance, massive training programmes should be put in place.

McKay (2000) also states that rural people lack management skills and as a result, their projects are not capable of sustaining their livelihoods. She says that the source of this problem is the low level of literacy skills that poor people usually have which results in problems with the dissemination of information on new farming methods and technologies. To ensure performance, literacy programmes should therefore be made available in all communities.

Chauke (1997) regards the provision of skills as a must in our black communities. He states that black people were in the past excluded from farming activities and as a result, they do not have experience in commercial farming. While the move to give back the land to its rightful owners is appreciated, the process is seen as lacking as black people are not empowered in order to prepare them to utilize the land so handed back.

Lastly, to ensure sustainability, the process of land restitution should be coupled with training. By so doing, rural livelihoods will be sustained (Chauke: 1997).

# 2.3.3 Community participation

Community participation has been singled out as one aspect that is lacking in community development as people at grassroots level are not consulted on development issues. In most cases, development plans are being made in urban areas by those that claim to have knowledge of the problems that the rural poor have. In such instances, it is often found that development projects so designed are often not compatible with the needs of the rural poor and this attitude thus creates a serious problem (McKay: 2000).

Developers often work with the idea that what is appropriate for people in urban areas must be appropriate for those in rural areas and as a result, they tend to overlook the merits of traditional rural systems and may impose inappropriate technologies on the rural poor (McKay: 2000). This approach originates from the policies of separate development. But it is quite frustrating to note that this practice is being repeated even in the new dispensation.

For increased performance, people at grassroots level need to participate in issues that affect them. In the case where rural people are reluctant to participate, facilitators should visit their respective homes. This is referred to as the participatory rural approach (McKay: 2000).

The participatory rural approach affords the development facilitator the opportunity to walk through the village during the early stages of planning. By so doing, development facilitators get the opportunity to identify issues relating to resources and facilities such as the state of the roads, the kinds of agriculture available, the types of irrigation used by the community and determine if there are sufficient sanitation and water points for domestic use (McKay: 2000).

In addition, the walks are useful for finding out about aspects of the community that members do not disclose and to familiarize the facilitator with the environment of the project (McKay: 2000).

# 2.3.4 The lack of proper project planning

The findings of many researches show that most community projects are not sustainable because they do not have a proper plan. Here, participants attempt to craft strategies while the project implementation process is already in progress. This strategy seems to have potential for failure because as the changes are made, resources that are relatively scarce get wasted. To ensure efficiency, project design should be in place before implementation should start (Aihoon: 1994; Swanepoel: 1997; Young: 2000).

For increased performance, the planning phase of the project design should consider the following aspects:

- The technical aspects;
- The institutional-organizational-managerial aspects;
- The social aspects;

- · The commercial aspects;
- The financial aspects.

Being the main in the planning process, the technical aspects, are concerned with the project supplies and production of goods and services. In the planning stage, it is desirable to examine the possible technical relations in a proposed agricultural project and the main focus being the fertility status of the soil, the availability of water as well as the crop varieties and livestock species suited to the area. This endeavor is intended to check the project viability (Gittinger: 1992; Aihoon:1994; Young: 2000).

Other aspects for consideration in project planning are institutional-organizational-managerial aspects. According to Gittinger (1992); Aihoon (1994) and Young (2000), development projects are found to be failing because the institutional setting does not relate to the socio-cultural patterns of the participants. To ensure sustainability, the planning of the project should accommodate the customs and cultures of the prospective participants. This should in no way compromise the good farming practices to be applied.

To ensure that this does not happen, provision should be made to help participants to shift to new patterns (Gittinger: 1992; Aihoon: 1994; Young: 2000). For sound administration, each institution should have an organizational structure that clearly spells out the lines of authority.

According to Gittinger (1992), a sound organizational structure provides efficient allocation of responsibilities. This should be taken care of when planning is done (Gittinger: 1992; Aihoon: 1994; Young: 2000).

Having a sound institution and a scientifically drawn organizational structure

might not be sufficient because it is vital that there be a manager who is competent to carry out day-to-day activities. Various types of managers are required in an organization, such as:

- A production manager who will take care of all issues related to production functions;
- A human resource manager responsible for personnel issues;
- A financial manager responsible for securing and controlling the finances of the organization;
- A Marketing manager who will be mainly responsible for marketing the products of the organization.

Another area for consideration is the social aspect. It is furthermore required that the analysis should consider the social patterns and practices of the clientele the specific project will serve. Here, there might be a need to examine the broader implications of the proposed investments since according to Gittinger (1992), this will guard against the mistakes of implementing projects that are not compatible with the needs of the people.

Another issue required for this kind of analysis concerns the commercial aspects. The commercial aspects of a project include the arrangements for marketing the output produced by the project and the arrangements for the supply of inputs needed to build and operate the project (Gittinger: 1992). In analyzing these aspects, care should be taken about the proposed market for the projects produce. It is essential to ensure that there will be an effective demand at a remunerative price. On the other hand, appropriate arrangements must be made for farmers to obtain the supply of fertilizers, pesticides and high-yielding seeds they need for the project (Gittinger: 1992).

The financial aspects of project preparation and analysis should be the main focus in attaining sustainable development in community projects. This requires much attention in the planning process as well and encompasses the financial effects of the proposed project on each of its various participants. As such, for each participant a separate budget must be prepared. This exercise makes it easier for accountability in order to check the financial efficiency of the project (Gittinger: 1992).

#### 2.3.5 The lack of access to resources

Another issue that frequently causes the problem of sustainability is the lack of access to resources by the rural poor. This dates back to the era of the previous Government of South Africa when women were denied the opportunity to access arable land. As a result, they could not have access to credit facilities and agricultural technological inputs, although they have been the back tone of most development projects.

The problem of a lack of resources seems to be recurring and as such, sustainability in community farming projects will never be attained (Mosaka-Wright; Mokotong: 2000; Eicher & Staatz: 1990).

The problem of a lack of access to resources has also been identified by Chauke (1999) and Aihoon (1994) who mention that due to the lack of enough farming space, the activities of small farming projects take place at small scale. As a result, they produce merely enough for home consumption. For increased production, participants should have bigger plots where they could produce surplus crops for sale at the market. In this way, the livelihoods for the rural poor will be sustained. (Aihoon: 1994 & Chauke: 1999).

#### 2.4 Conclusion

The foregoing discussion of views of selected researchers clearly demonstrate that community garden projects in the Greater Giyani still have much to learn in order to increase productivity. The findings of all these researchers discussed show the lack of skills and resources as a problematic issue that affect performance in community farming projects. This seems to have originated from the policies of the previous Government in South Africa where great harm has been done in the agricultural sector as the majority of small farmers do not have the necessary skills and yet they have worked on farms for decades.

The problems of a lack of access to resources as reflected in the findings of Mosaka-Wright and Mokotong (2000) indicate that black women were most of the past many years denied the opportunity to access any means of production. It is indeed painful to note that this practice is being repeated even in the new dispensation. This state of affair is pathetic because women are the ones that suffer most from poverty, as they have to struggle to supply the barest necessities to their children.

#### **CHAPTER 3**

# 3. PRESENTATION OF THE FINDINGS OF THE RESEARCH: VIEWS OF RESPONDENTS

#### 3.1 Introduction

The researcher of this research project conducted interviews with the major stakeholders in community development issues in the Greater Giyani Municipality. The main purpose for this was to solicit the views of the respondents on the ways in which they see development of community projects particularly community garden projects. In this research, the presentation of responses is preceded by questions posed to respondents during interviews. The following two groups of respondents took part in the interviews:

- Members of the Pfukani community garden;
- Different stakeholders such as the Department of Health and Welfare;
   Department of agriculture; Giyani Local Business Service Centre and Giyani Project Association.

# 3.2. Views of members of the Pfukani community garden

The members of the Pfukani community garden who form an important beneficiary group of the project participated in the interviews. On the day of the visit, all seventeen members of the project were present and interviewed. The presentation of responses is in this research preceded by questions posed to respondents. The following is a presentation of interview questions and responses:

Ouestion:

Does the project have land for crop production?

Response:

During the interview, the researcher established that the piece of land under

cultivation is less than one hectare. In this regard the respondents indicated that this

land is not sufficient and as a result, application for the allocation of an additional

piece of land had been made with the traditional authority and that they were still

waiting for a response. Furthermore, it was established that there was a water pipe

from which irrigation water is drawn. According to the respondents, the water that

they use to water their crops is purified.

Question: Does the project have access to water?

Response:

In response to this question, the respondent indicated that they do not have easy

access to water. As indicated earlier on, the water that the respondents use for

irrigation is purified. They have also indicated that there are some restrictions on

water usage and as a result, there is shortage in water supply. In such instances

respondents had to use donkey carts to fetch water from the river to irrigate their

crops.

Question: Does the project have access to funding?

Response:

During the interviews, the respondents said that they do not have the necessary

funds to run the project. When asked whether they had at some stage applied for

funding, the respondents indicated that they had not because they cannot read nor

write and as a result they are not able to complete the application forms for funding.

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They also said that they are required to submit a business plan that they had not have.

As another means of fund raising, the respondents indicated that they had at some stage made a request for donations from the local business people and other members of the community. These funds were used to buy seeds. The source of funding that the project has is according to the respondents from donations and the sales of produce.

Question: Where do you sell your produce?

# Response:

In response to this question, the respondents indicated that they sell their produce to the local people. According to the respondents, the vegetables are not selling as fast as they thought they should be and the reason being that due to lack of means of transport, they are not able to ferry their produce to the market. As a result, they rely much on the people within and around the community who came and buy their garden produce. This market is said to be not reliable.

The unreliable state of the local market is according to the respondents as a result of lack of sufficient buying power within the community where the project is located. This situation is worsened by the fact that during rainy seasons, members of this community consume indigenous vegetables as they get this for free. These factors are said to be responsible for the failure of their market.

Another reason for the low sales is as a result of a lack of transport to ferry their produce to town where people could buy them in large quantities. They said that if they could get transport, they would go and sell their crops in town and in so doing, more funds would be generated.

Question:

Did you receive any training in the past twelve months?

Response:

After this question was responded to, the researcher established that members of

this project had not received any formal training in project management skills.

According to the respondents, they had never even been made aware of any training

programme that they were entitled to. They said that they relied on their own

experience to run the project.

Question: Do you have records of cost of production as well as the

turnover of the project for the past twelve months?

Response:

The researcher has during interviews also established that the project members did

not keep records. During the interviews, the respondents were asked if they had any

record for costs incurred in production as well as records for earnings from

harvesting to check the level of sales and to establish whether the project makes any

profit. These records could not be made available.

Although there was no record in this regard, respondents indicated that they were

producing tomatoes, spinach and indigenous vegetables such as "guxe" which is the

most popular product amongst the Shangaan speaking people. It was also confirmed

that most of the garden produce of this project was shared amongst the members of

the project for consumption in case when the produce could not be sold.

Question: Do you have any investment?

Response:

In response to this question, the respondents indicated that the project has in the past twelve months not generated sufficient funds and as a result, the project do not have any investment. They indicated that the little money that they get from the sales and donations was spent on buying seed for further production.

Question: What type of fertilizers do you add into the soil?

Response:

The respondents were also asked a question on the type of fertilizers that they use and the reason being to establish whether they do added inputs into the soil as well as to check the quantity and the type of fertilizers applied. In this respect the respondents indicated that due to lack of funds, they were not in a position to buy fertilizers, but they add kraal manure on an annual basis. No record of the quantity of kraal manure used is kept.

The researcher thus observed that the respondents who took part in the interviews were not in a position to give any systematic information. Some of them were shy to reveal the information required for this research project.

# 3.3 Views of different stakeholders on community development issues

# 3.3.1 Views of the Department of Health and Welfare

As a stakeholder in community development issues, the department of Health and Welfare also took part in the interviews represented by a senior community development officer. The purpose of this interview was to check the level of participation by this department in ensuring increased performance in community projects.

As verifying the problems of a lack of performance in community gardens was also part of the interview, the respondent was interviewed on the basis of the

policies governing the processes of development of community projects as well as the experience that the department had in this field. The findings of the interviews were as follows:

Question: Does the Department fund community projects?

Response:

During the interviews, the researcher established that the department provides funding to community projects. Here, the respondent indicated that the funding that government gives to community projects covers all production costs, as well as costs for training.

According to the information obtained from the respondent, the process of funding of community project is done annually. The following steps are followed in this process:

During the course of financial year, invitation for application for funding is done. Here, the department communicates this through all structures within the community. Such applications should, according to the respondent be accompanied by the constitution of the project, a business plan, a letter of proof of ownership of the site of the project, a copy of a bank statement as well as a brief history of the performance of the project for the past twelve months. It was also indicated that new projects are not required to meet the last two requirements.

During interviews the researcher also established that after the application for funding has been received, the selection process unfolds. According to the respondent, all applications are being scrutinized to check if they meet the minimum requirements. Thereafter, all applications that comply with these requirements are selected for assessment. The respondent stated that the process of assessment is based on the history record for that particular project. Here, the respondent said that if the project was found to have received funding in the

previous financial periods and that no reports on the utilization of these funds were submitted to the department, such a project stands a chance of not being considered for funding in the next financial period. The application forms that were recommended for funding are then forwarded to the head of the department for approval. As soon as these applications are approved, payments are being made to respective projects.

Question: Is there any control mechanism over the funds allocated to Community Projects?

Response:

During the interview, the researcher established that the department of Health and Welfare has its own mechanisms for the exercising of control over the amounts of grants allocated. The respondent indicated that projects that received funding are in terms of the grant agreement required to submit monthly returns to check if the allocated amounts are spent in accordance with the approved business plan.

Furthermore, it was also established that the department has its own inspectors to check if funds so granted are not misappropriated as well as to check if adequate progress is made on the site. The respondent indicated that this exercise allows the department the opportunity to detect and to deal with any such malpractices that might occur as soon as possible.

Question: Are members of members of community projects committed to projects issue?

Response:

During these interviews the researcher also raised a question to determine how the department rated the commitment of project members in development issues. In response, the respondent indicated that the level of commitment is not satisfactory since members of projects have a tendency to attend to project issues

when they feel like doing so. This kind of behavior is said to be worse during the rainy seasons. At this time, members are said to engage themselves in farming activities and when they come home in the afternoons, they are tired and may therefore not be able to attend to the project activities.

Question: How is the performance of community projects?

# Response:

The researcher then after posing a question to establish the level of performance of community development projects was told that they are not sustainable and the reason being that the budget for the department is said to be insufficient to meet the individual needs of these projects. It was said that the department receives a large number of applications during each financial year. Due to financial constraints, however, community projects that qualify to receive the grants end up receiving such small amounts of money that they find it barely sufficient to buy seed and fertilizers.

Besides the problem of scarcity of resources, the respondent indicated that some project members have a tendency of not adhering to the business plan when utilizing the grants allocated. It was said that instead of using the money for the project, they pay their salaries and this affects performance.

It also transpired that a number of people join the project with ulterior motives. Such people pretend to be committed the project issues, but soon those who are frequently at the management level of the project at that time, misappropriate funds. These malpractices contribute towards the problem of a lack of sustainability in community projects as well.

The respondent concluded the interview by saying that to bring about change in the running of community projects, members need to be trained in project management skill. 3.3.2 Views of the Department of Agriculture.

As a major stakeholder in the farming sector, the Department of Agriculture also

took part in the interviews. An extension officer in the division of community

development represented the Department.

Question: Does the Department fund community projects?

Response:

During the interviews, it was estblished by this researcher that the Department of

Agriculture does not provide funding to community projects since it mainly

focuses on the provision of training and support to community gardens as well

as to disseminate information on new technologies.

Question: Does the Department involve other stakeholders in strategy

formulation of community development?:

Response:

Another issue that was established during the interviews was that the Department

of Health and Welfare do not consult with the Department of Agriculture when

making a plan for the development of community projects. Here, each

Department formulates its own development strategy in isolation and this is

said to cause problems. The respondent even mentioned that this kind of

situation often ends up in duplication of functions resulting in a waste of

government resources.

Question: Does the Department provide training to community projects?

Response:

The researcher has during the interviews established that the Department of

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Agriculture has as its main function, the provision of training on crop production. In this regard, community project participants are given on the site training on the commercial way of farming. Included in this programme is, according to the information obtained from the respondent, lessons on crop rotation, the correct method of use of fertilizers and the selection of crops suitable for the soil area. Project management skill also forms part of the training programme.

Question: Are members of community projects committed to project issues?

# Response:

The researcher has during interviews established that members of community projects are not committed to their work. Here, the respondent indicated that the level of participation is not satisfactory particularly during rainy seasons. During this period, members of projects go to their fields as early as five in the morning and come home in the afternoon. By that time, they are exhausted.

According to the respondent, this situation is frustrating because when extension officers go to the site to provide training and support work that they require, they find that there is no one on the site of the project.

Question: Does the training programmes offered have impact on performance of community projects?

# Response:

In response to this question, the respondent indicated that there is no impact at all because members of projects do not easily adapt to technological change in agricultural activities. Here, participants are said to be reluctant to accept change and as a result, they cling to traditional farming systems that are, according to Agricultural Economists, not economic and as such not capable of sustaining community projects.

Furthermore the respondent indicated that the participants of the projects often regard new technologies as too sophisticated to be understood which causes a problem. Various issues are said to be responsible for this kind of conduct, of which a lack of commitment and ignorance have been sited as examples.

The problem of resistance to adapt to new technological change is, according to the respondent, very serious because it affects performance of community projects.

Although the level of literacy skills seems to be very low amongst project participants, commitment to project issues would enable them to develop interest in technological change. The dread of sophistication of technological innovation changes is, according to the participant, in the minds of poor people. There is thus a need to change this general perception. To achieve this, the respondent indicated that there should be massive training programmes in place. Furthermore, participants need to be motivated to give project issues first priority. This can be achieved by way of conducting awareness campaigns and road shows.

Question: How is performance of community projects?

## Response:

At the end of the interviews, the question of ways in which performance of community projects could be rated was asked. In responding to this question, the respondent indicated that community projects are in general not doing well. Various reasons could be forwarded for this, such as a lack of resources and skills. The respondent also stated that the problem of the lack of resources results from the fact that there are so many community projects around the Greater Giyani Municipality and due to the limited budget the Government

has, it cannot meet all such requirements.

Question: How can the problem of underperformance be resolved?

Response:

The respondent has in response to this question indicated that this could only be resolved by way of establishing cluster systems whereby members of projects agree to form one big project. Instead of having so many projects in one area, a cluster could be formed whereby community gardens can be grouped together. In so doing, there will be efficiency on utilization of government resources.

Furthermore, this will enable government to have an integrated plan of community development and as such, the provision of the infrastructure such as land, reservoirs, and irrigation pipes will be done more appropriately. In addition, the provision of professional expertise will also be enhanced.

3.3.3 Giyani Local Business Service Centre

The Giyani Local Business Service Centre as an institution that is at the centre of community and business development in the Greater Giyani also took part in the interviews. The public relations officer of this institution was interviewed. Being the main theme of this study, the focus of the interviews centred on the problems of the lack of sustainability of community gardens.

Question: Does the institution fund community projects?

Response:

During the interviews, it was established that the Giyani Local Business Service Centre does not provide funding but makes referrals to financial institutions that assist community projects as well as small and big businesses. The respondent mentioned that the centre serves as a source of information on how to access finance. Members of projects are thus given information on where and how to

access funding.

Apart from this service, the centre also makes referrals to financial institutions. In this process, members of projects are assisted in completing application forms for loans from the Development Bank of South Africa. Furthermore, arrangements for granting small loans to members of projects are made by the centre with various financial institutions. The respondent indicated that these measures are taken to ensure that the process is facilitated more appropriately.

The respondent also indicated that the centre provides information on where and how to market the products outside the project environment. This is, according to the respondent, achieved by allowing exhibitions of products at the centre whereby tourists view them whenever they visit Giyani. The centre endeavours to assist in poverty alleviation by rendering the advertisement and exhibition of products of community projects free of charge.

Question: Does the institution offer training?

Response:

In response to this question, the respondent indicated that the centre does offer training and this is done at no fee. Various programmes are provided at the centre, such as financial and project management. Such programmes are provided in the form of workshops and road shows while the media are also used.

Question: How does the institution rate performance of community projects?

Response:

The respondent however, indicated that most of the community projects are not achieving success. Various reasons could be offered for this low success rate,

but the lack of commitment by the project participants has been singled out as central to the problem of the lack of performance in community projects. The respondent mentioned that this problem is historic in nature because during the era of the Gazankulu Government, members of the community used to receive massive grants. At that time, there were no guidelines on the ways in which these funds should be used and as a result, a large portion of such grants was spent on salaries while a very small portion went to production. As a result, the activities of most of the community projects collapsed.

Another issue that was raised during the interviews was that community projects were in the past not encouraged to take the risk of applying for loans to run their projects. According to the respondent, this would entail a sense of responsibility amongst members of the projects whereby the acquired funds would be utilized for production. In so doing, sustainability would be enhanced.

## 3.3.4 Giyani Project Association.

As an institution that represents the community projects, the Giyani Project Association also participated in the interviews. The chairperson of the institution was interviewed. The main purpose of the interviews was to obtain the views of the association on the problems that community projects are faced with in sustaining their activities.

Question: Does the institution fund community projects?

## Response:

In response to this question, the respondent indicated that the institution does not fund community projects. However, it has as its prerogative the function of coordinating the activities of the community projects concerning the dissemination of information. Here, it was established that the association serves as a facilitator between the community projects and other institutions that are

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party to development issues in an endeavour to disseminate information to the community projects more appropriately. Furthermore, it was established that the Association also identify training needs as well as to facilitate the implementation of applicable training programmes.

Question: How does the institution rate performance of community projects?

## Response:

In response to this question, the respondent indicated that performance of community projects in Greater Giyani Municipality is not satisfactory.

During the interviews, concerns about the lack of production and marketing strategies were raised. Here, it was said that community projects are not doing well because the people involved do not have sufficient information on the produce that are on the market. Furthermore, they have a problem of accessing a good market for their produce and as a result, project members end up selling them to the local people at very low price. According to the respondent, this is a serious challenge that the Association is faced with.

Question: Does project members show commitment to project issues?

## Response

Asked whether members of community projects are committed to project issues, the respondent said that there is no doubt about that. The respondent, however said that what is perhaps questionable is whether all the institutions that claim to have the interest of poor people at heart are sincere or not. Furthermore, it was said that most institutions regard poor people as irresponsible in as far as community development issues are concerned and this is a misconception.

According to the participant, the truth of the matter is that most of these institutions took part in ensuring that community projects are ruined. It was said that community development strategies of the former Gazankulu Government in

particular was mainly subsistence in nature and as such did not take any initiative to empower people at grass roots level. According to the respondent, this is an indication of lack of commitment that Government to empower the rural poor.

Furthermore, grants were made to community gardens annually and yet no provision for training was made to give participants skills to run their projects. The continued practice of subsistence farming methods even in the new era of Government is regarded as an extremely disturbing fact. It was said that the fact that community projects are allocated small portions of arable land signals a lack of interest by Government in community development projects.

Moreover the requirement for grants from the Department of Health and Welfare are some of the concerns raised in the interviews. The completion of the application for funding and the submission of scientifically drawn business plan is regarded by the respondent as too sophisticated for people at grassroots level to understand. These factors are said to be responsible for lack of sustainability in community projects.

Another issue that was raised was that Government officials particularly extension officers seem not to be committed to community project issues. The task of providing training and support is, according to the respondent, not executed appropriately as extension officers do not normally go to the villages and if they did, they only went there to get incentives such as travelling allowances as well as to get something to report on.

Question: In your opinion, what could be the measure problem of lack of performance in community projects?

# Response:

While it is acknowledged that there are problems in community projects, the respondent indicated that most of them are related to lack of resources and

training. It was said that the lack of resources such as water, proper infrastructure and funds are problematic issues that affect most of these projects.

According to the respondent, this comes as a result of the lack of an integrated development planning strategy. Here, most institutions plan in isolation so that at the end of the day, development programmes run parallel. The respondent said that this should not be allowed to happen. For increased performance, the respondent indicated that development programmes should be integrated.

Question: How can performance in community gardens be increased?

## Response:

The respondent concluded the interview by saying that for increased performance in community gardens to be achieved, there should be massive training programmes in place. This will be achieved by way of identifying training programmes. Furthermore, there should be a continuous consultation with the relevant departments that are party to the process of skills development.

#### 3.4 Conclusion

The findings of this research highlighted many issues that render it difficult for community development projects to succeed. The major issues that were exposed in the research findings are the financial constraints, the scarcity of water and lack of training. Other issues that have been identified in this research are lack of sufficient land for crop production and the lack of proper market. The problems of a lack of training and finance were emphasized throughout the interviews. These are serious problems as training and finance are the backbone of development without which sustainability cannot be attained. For increased performance in community development projects, people at grassroots level need to be empowered. To achieve this, the institution should have sufficient budget training. This could solve the problems of the lack of capacity to manage the projects.

Although members of community projects might not be in a position to have full knowledge of drafting scientific business plans, basic skills in this regard may be acquired, through proper training.

#### **CHAPTER 4**

## 4. ANALYSIS AND INTERPRETATION OF RESEARCH FINDINGS

## 4.1 Aim of chapter

The aim of this chapter is to analyse the findings obtained during the research and to interpret this analysis in order to arrive at the conclusion of the findings. The system of analysis used in this research study was based on categorization as prescribed by Kerlinger (1973: 137).

## 4.2 Analysis of research findings

The interviews conducted were aimed at soliciting the views of the major stakeholders in the community development projects. The following groups were interviewed:

- Members of the Pfukani Community Garden.
- Different stakeholders on community development issues.

## 4.2.1 Members of the Pfukani Community Garden

The findings of research conducted at the Pfukani Community Garden were grouped into the following categories:

- The financial constraints.
- The scarcity of water.
- The lack of sufficient land.

- The lack of proper markets.
- · The lack of training.

The analysis of the findings of this research was based on quantification as per Table 4.1. Seventeen respondents who were members of the project participated in the interviews.

# Table 4.1 Members of Pfukani Community Garden

Below is a summary of the outcome of the interviews held at Pfukani Community Garden. The table is comprised of two columns nl categories and the corresponding frequencies. The first column contains issues that were identified by this research as major problems that affect performance of the project under research and the second column represents the number of respondents that raised these issues

Categories	Frequencies
The financial constraints	17
The scarcity of water	17
The lack of sufficient land	14
The lack of markets	13
The lack of training	12

#### 4.2.2.1 The financial constraints

The analysis of the research findings regarding financial issues reveals that the project is experiencing a financial crisis. This is signaled by the fact that all the respondents indicated during the interviews that they do not have the money to run the project. The fact that they rely on money from donations to buy seeds for further production is a clear indication that the project has financial constraints. Furthermore, the problem of the lack of access to grants from government as contained in the findings of this research serves as sufficient evidence that the project has financial constraints.

# 4.2.1.2 The scarcity of water

The findings of this research indicate that the Greater Giyani Municipality has a serious shortage of water. During the interviews, all the respondents indicated that they have no water for their crops. The fact that the participant in the project are at times faced with a situation where donkey charts are used to fetch water for their crops serves as a confirmation of this. Furthermore, the fact that the participants reported that they use purified water for their crops also confirm that there is no provision of water for irrigation.

The findings of this research study indicate that there is the lack of sufficient supply of water. The scarcity of water in the Greater Giyani Municipality renders the area as not conducive to farming activities.

#### 4.2.1.3 The lack of sufficient land

Although some members of the project were not sure whether the piece of land in use is sufficient for the activities of the project or not, the majority of the participants indicated that the land in use is insufficient. The fact that they had applied for an additional piece of land for crop production confirms that the

piece of land in use is not sufficient to can meet the expectations of the project.

#### 4.2.1.4 The lack of suitable markets

Marketing of produce seems to be the general problem in rural villages. This statement was confirmed by the findings of this research. Here, sixteen members of Pfukani Community Garden indicated that they have no suitable market for their produce.

The problem of the lack of a suitable market was confirmed by the fact that even if the project participants produce vegetables on a large scale, the project still struggles to get money to buy seeds for further production. Here, the project under study rely on donations whenever they need money to buy seeds.

Another indication of the fact that the project does not generate profits is the fact that the project does not have investments. Furthermore, the project does not even have a post office savings bank account.

## 4.2.1.5 The lack of training

Although some members of the project were not sure as to whether they had received training or not, about twelve respondents confirmed that they had not been given any formal training before. The Giyani Project Association also confirmed this. It was said during interviews that community projects are not sustainable because members of these projects are not exposed to training programmes. It has thus been stressed in the findings of this research study that people at grass roots level should be empowered.

The general findings of this study clearly show that there are no training programmes for community projects and if there are, they have not been properly implemented.

## 4.2.1.6 Different stakeholders on community development issues

In an endeavor to establish the knowledge that different stakeholders have on issues that affect performance in community development issues, the following institutions were identified for interviewing:

- The Department of Health and Welfare.
- The Department of Agriculture.
- The Giyani Local Business Service Center.
- The Giyani Project Association.

The research findings of the interviews conducted with the different stakeholders that are party to community development issues in the Greater Giyani Municipality were named and categorized as follows:

- The financial issues.
- The scarcity of water.
- The lack of sufficient land.
- The lack of sufficient markets.
- The lack of proper training.
- The lack of performance.

- The misappropriation of funds.
- The lack of commitment.
- The lack of adoption of new technologies

The analysis of research findings in this group was based on quantification as well as per table 4.2:

## Table 4.2 Different stakeholders

Below is a summary of the outcome of the interviews conducted with various stakeholders. The table is divided into six columns. The first column shows issues that were identified as measure problems that make it difficult for community projects to perform. The next four columns indicate the names of institutions that took part in the interviews. The last column represents the number of respondents that raised these issues.

Categories	Dept. of Health and Welfare	Dept. of Agriculture	Giyani Local Business Service Center	Giyani Project Association	Frequencies
The financial constraints	X	X	Х	X	4
The scarcity of water	X	X	x	X	4
The lack of sufficient land	Х	Х	х	х	4
The lack of market	X	х	X	X	4
The lack of training	X	X	X	X	4
The lack of performance	X	X	X	X	4
The misappropriation of funds	X	X	x	x	3
The lack of commitment	X	X	X	D)	(3
The lack of adoption of new technologies	<u> </u>	X	1	124	ı

#### 4.2.2.1 The financial issues

The findings of this research study reveal that community development projects mostly have financial constraints. Various issues can be singled out as attributing to this, and the lack of capacity to access funding has been indicated as a major problem in this research. It has also been indicated that members of most community projects are unable to access funding because they cannot read nor write. As a result, completion of application forms for funding and the submission of business plans are frequently regarded as too sophisticated for them to understand.

Another version is that members of community projects have financial constraints because they rely much on grants from the Government. It was established during the interviews with this group that members of community projects are often reluctant to take risks by getting loans from financial institutions.

Besides these, the study reveals that members of community projects are frequently irresponsible. It was said that instead of using monies received from grants for production, they use this to pay out salaries. This has been cited as a crucial issue that severely hampers performance.

## 4.2.2.2 The scarcity of water

This research study identified the scarcity of water as a major problem since it reveals that community garden projects are experiencing a severe water crisis. Some stakeholder attribute the lack of water to sabotage by government officials who were part of the previous administration and who are not sure about their future in the new Government. It is alleged that these officials intentionally close the water valves of the main pipe-lines. As a result of this malpractice, the community of the Greater Giyani Municipality

is said to have an inadequate supply of water.

Another version is that the quantity of water generated by the purification plant is insufficient to can meet the needs of the community. According to the research findings, the booster pumps in the water plant is said to have be been installed in the 1970's to supply water in the township and Kremetart that was a predominantly white settlement for seconded officials from the then central Government. These facilities have not been upgraded to meet the service delivery challenges that the Municipality is currently facing.

However, the findings of this research indicate that the problems of the scarcity of water in community gardens comes as a result of the use of purified water for irrigation.

Due to restrictions on water usage, a shortage is experienced in the supply of this commodity and as a result, the whole community including those that are not party to the development projects are affected. This situation is worsened by the fact that the main pipe-line that supply water in the township including villages has been vandalized by members of community and the reason behind this being to make connections that are not lawful. As a result, the reservoirs cannot accumulate enough water to supply the community.

#### 4.2.2.3 The lack of sufficient land

This study singled out the lack of sufficient land for crop cultivation as a problematic issue since members of projects particularly at the Pfukani community garden share a small portion of land and as a result, each member is allocated a small plot. This situation is not conducive for sustainable development. According to the research findings, these plots are merely sufficient to produce enough crops for home consumption.

The problem of the lack of sufficient land for crop production is, according to the findings of this research as a result of the lack of funds by member of the project to develop dry land. It is claimed that land in the rural areas of Giyani is in abundance but the problem is that more capital is required to prepare the site before use. This involves costs for the clearing of the site, the establishment of an infrastructure such as bore holes, the laying of water pipe and installation of a water pump, the acquisition of the services of a tractor to prepare the soil and other development related issues. These stakeholders therefore allege that the cost of developing the land is too high and that community projects cannot afford this.

#### 4.2.2.4 The lack of suitable markets

In this respect, the study established that these community projects lack suitable markets for their crops. Most of the community projects, particularly the community gardens, are said to be reliant on the local market.

The stakeholders claimed that the local market is not reliable particularly during rainy seasons where indigenous vegetables are in abundance. During this time, most people do not buy vegetables. Instead, they consume these vegetables as this is for free. This is said to impact negatively on the market of the members of the projects.

While all stakeholders agreed on the issue of the lack of a suitable market, it was found that community projects have a tendency of cultivating one type of crops for instance tomatoes and spinach. This kind of practice is responsible for market failure because there is an excess production and as a result, there is much waste.

Another problem contributing to market failure is that members of community projects do not consider market issues whenever they want to cultivate crops. The tendency in most of these projects is that they cultivate crops that are not

marketable. Crops such as spinach are very common in all community gardens, thus do not have a market.

### 4.2.2.5 The lack of training

Just like any other problem cited in this research, training was singled out as a crucial issue that affects the performance of these projects.

This was confirmed by all stakeholders that took part the interviews.

According to the findings of this study, community projects are usually not capacitated. Various issues were found to be responsible for this, with the lack of commitment by project members as the major cause. It was alleged that members of projects have a tendency of neglecting community projects since they attend to them whenever they feel like it. This causes a problem because there is no opportunity for the Department of Agriculture in particular to plan with the management of the project on training programmes that should be implemented.

This study found that the Giyani Project Association that is said to have the interest of project issues at heart, do not agree with the idea that community project members are not committed to their work. In addition it was claimed that members of community projects do not necessarily lack commitment in project activities but that they have been neglected since they have no one to lean on. As a result, a need to establish a project association was identified to ensure support. Despite these differences, the general finding of this study is that members of community projects are not capacitated because of lack of commitment to the activities of the project.

## 4.2.2.6 The lack of performance

The level of performance of community development projects in the Greater Giyani Municipality particularly at the Pfukani community garden is said to be extremely low. Various stakeholders confirmed this statement. They said that community projects are not performing because people at grassroots level are not committed to project issues. It is alleged that members of projects attend to project issues at their own time and this causes problems.

Another issue that was indicated was that performance of community projects is very low because of resistance of the people at grassroots level to adapt to new technological changes in agricultural development.

The misappropriation of project funds was also identified as one other element of the problems of lack of performance of community projects.

On the other hand, the views of the Giyani Project Association are that community projects are not performing because people at grassroots level are not capacitated and as a result, they are not able to run these projects.

The general finding of this research thus is that community projects are not performing though there are some differences on the actual causes for the lack of satisfactory performance.

# 4.2.2.7 The misappropriation of funds.

The element of the misuse of project funds was stressed as a matter of grave concern that affects the performance of community projects. It was indicated that most of community projects utilize a larger portion of the project funds to pay the salaries of participant rather than production.

Although not all stakeholders agreed that members involved in community projects tend to use project funds for illegal purposes, the majority of the members of this group confirm that the malpractices of this nature are

common to these projects.

## 4.2.2.8 The lack of commitment

The findings of this research clearly indicate that community projects do not perform well because of the lack of commitment to project activities. Here, it was mentioned that members of projects go to the fields whenever they feel like doing so. This kind of behavior is said to be worse during the rainy seasons when they tend to focus on their own lands.

The accusation of the lack of commitment by members of projects was, however, countered by the findings of interviews held with the Giyani Project Association. It was established in these findings that members of community projects do not necessarily lack commitment to their project work but are demoralized by the fact that they do not have the necessary resources to manage these projects.

Although there are some differences of opinion in this regard, the general finding is that members of community projects are not primarily committed to project issues.

# 4.2.2.9 The lack of adoption

Another crucial issue in the performance of community projects that was highlighted is the lack of the capacity to adopt new technological changes in agricultural development as it was cited in the research findings of the interviews held with the Department of Agriculture. It was said that people

at grassroots level do not want to break away from their traditional way of farming and as a result there will be no increase in the performance of these projects. Various issues are said to attribute to this, such as the lack of reading skills and commitment to project work.

Although the problem of the lack of the adoption to new technological changes may be a serious issue that affects the performance of community projects, the findings of this research show that only the Department of Agriculture raised this issue. Therefore this cannot be regarded as a major problem that affects performance.

# 4.3 Integration of research findings

The findings of this research have been integrated as per Table 4.3. The main aim was to highlight the major causes of the problems that make it difficult for community development projects to be sustainable.

## Table 4.3 Integration of research findings

The following is an integration of responses as per table 4.1 and 4.2 above. The first column comprises of issues that have been raised by all respondents as measure causes of lack of sustainability in community projects. The second column represents the number of responses at Pfukani Community Garden while the third column shows the number of responses by various stakeholders selected for the purpose of this research. The last column indicates the number of respondents that raised issues that are regarded as obstacles in community development.

Categories	Pfukani community garden	Different stakeholders	Frequency
The financial constraints	17	4	21
The scarcity of water	17	4	21
The lack of sufficient land	14	4	18
The lack of market	13	4	17
The lack of training	12	4	16
The lack of performance	5.	4	4
The misappropriation of funds	-	3	3
The lack of commitment	-	3	3
The lack of adoption of new technology	-	1	1

# 4.4 Interpretation of the research finding

The interpretation of the findings in this research was based on categories and frequency occurrences as reflected in Table 4.3. The findings of the research were analyzed and interpreted. The following issues that make it difficult for sustainability to be realized were identified and categorized:

- The financial constraints
- The scarcity of water
- The lack of sufficient land
- The lack of suitable markets
- · The lack of training
- The lack of performance
- The misappropriation of funds
- The lack of commitment
- The lack of the capacity to adapt to changes.

The financial constraints and the scarcity of water have thus been recorded as the highest frequency occurrences compared to the other categories. The interpretation of this is that the two categories reflect major causes that are responsible for the lack of performance in community gardens in the Greater Giyani Municipality.

The lack of sufficient land, the lack of suitable markets and the lack of training were mentioned by more than half of the number of the respondents and may therefore be regarded as the main problems that make it difficult for community gardens to be sustainable. The rest of the occurrences were mentioned by less than half of the numbers of respondents and therefore do not constitute the major causes of the lack of sustainability at the community garden under study.

#### **CHAPTER 5**

## 5. SUMMARY AND RECOMMENDATIONS

## 5.1 Summary

The aim of this study has been to explore the problems that make it difficult for Pfukani Community Garden projects in the Greater Giyani Municipality to be sustainable while the ultimate objective of this study has been to establish information on the course of action that sustainable development strategies should follow.

Closely related to this objective is the possible contribution that sustainable development programmes can make to poverty alleviation through increased productivity. The research findings also provide the necessary information to all stakeholders interested in community development issues, particularly in community garden projects.

The study commenced by reviewing the experiences of selected scholars and academics on the possible causes of the problems of the lack of sustainability. The main focus of the study was on problems that affect performance in agricultural projects.

The study also investigated the actual problems that affect performance in community gardens. Two groups of respondents namely members of the Pfukani community garden and different stakeholders were selected for this purpose and were interviewed.

The last part of the study was an analysis and interpretation of the research findings. In this part of study, the major causes of the problems of the lack of sustainability at Pfukani Community Garden projects in Greater Giyani

Municipality were identified. The financial constraints and the scarcity of water were in this research, found to be the major causes of the lack of sustainability. Other issues that were regarded as contributing to the lack of performance were singled out as the lack of sufficient land, the lack of suitable markets and the lack of training.

#### 5.2 Recommendations

The findings of this research study indicate that community gardens in the Greater Giyani Municipality are experiencing serious problems that affect their performance and that such problems need to be attended to as a matter or urgency. Major issues of concern identified in this study are financial constraints, the scarcity of water, the lack of sufficient land for crop production, the lack of suitable markets and the lack of training.

To resolve these problems, the following recommendations are hereby made by this researcher:

- Instead of having many projects in one area, members of community projects should be encouraged to form clusters. In so doing, resources will be mobilized with ease, which will in turn result in increased performance. The Giyani Project Association should take the lead in this regard.
- Members of community projects should, without relying on grants, be encouraged to make production loans from financial institutions. The Giyani Project Association in consultation with the Giyani Local Business Service Center should facilitate the process.
- The Greater Giyani Municipality should have a department within its structure that will deal with community development issues. Such a department should have qualified personnel in as far as community development issues are

concerned. Furthermore, the Department of Community Development within the Municipality should have a budget to run its own affairs. This will include the budget for infrastructures, professional fees and production costs.

 The researcher hereby recommends further research in this field as some of the issues that have a bearing on the lack of the sustainability of community projects might not have been covered in this study.

#### 5.3 Conclusion

The analysis of the findings presented in this research indicates that community garden projects in Greater Giyani Municipality have many constraints and as a result, a decline in performance of these projects is experienced. Several issues that seem to be responsible for poor performance of these projects have been identified and the lack of resources and the lack of skills were regarded as the most critical.

The lack of performance in community garden projects has in this research has been found to be a more problematic issue that not only affects participants. Even Government is also affected in the sense that due to lack food, problems such as malnutrition occur. In such instances, Government is compelled to supply food parcels.

For increased performance in community gardens, participants should be encouraged to establish clusters throughout Greater Giyani Municipality. In so doing, provision of resources by Government will be done more appropriately. Furthermore, the provision of professional services and skills will also be done in a cost effective way. To achieve this, the Municipality should establish a department within its structure that will handle community development issues. Such a department should have a budget and qualified personnel on developmental issues. In so doing, sustainability in community gardens will be enhanced.

Finally, the researcher hopes that the recommendations that have been presented in this study will contribute toward the formulation of strategies in an endeavor to bring about sustainability in community garden projects in the Limpopo Province particularly the Greater Giyani Municipality.

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# **GRANT AGREEMENT**

between

# THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA IN ITS DEPARTMENT OF WELFARE

Represented by duly authorised capacity as	in his/her
(Referred to in this Agreem	ent as "the Department")
and	d ·
NAME OF RECIPIENT:	
Represented by the Two (2) persons named in the a authorised by the R	attached Schedule who warrant that they are duly ecipient to do so.
(Referred to in this Agreen	ment as "the Recipient")

#### PREAMBLE

- A. As part of its Poverty Relief Programme the Department has identified more than Two Thousand (2000) community-based organisations ("CBOs") and non-government organisations ("NGOs") within poor communities throughout the nine Provinces of the Republic which are in urgent need of grant funding for use in connection with incomegenerating initiatives already undertaken or to be undertaken by them.
- B. During the 1998/1999 financial year, and with the assistance; of the Independent Development Trust ("the IDT"), the Department will be making available, from the National Government's Poverty Relief and Infrastructure Investment Fund, some Two Hundred and Three Million Rand (R203 000 000) for distribution to those CBOs and NGOs, to assist them in establishing and sustaining income-generating projects.
- C. The Recipient is one of the CBOs or NGOs which will be receiving Department funding in connection with its income-generating projects, and the Department and the Recipient have resolved to record the terms and conditions relating to the Recipient's use of that funding.

## THE DEPARTMENT AND THE RECIPIENT THEREFORE AGREE AS FOLLOWS:

- 1. Interpretation
- 1.1 The Headnotes to the various Clauses of this Agreement, and the Index, are inserted for reference purposes only, and do not govern or effect the construction of the Agreement.
- This document (including the Preamble, the cover page, the Schedule and all other Documents annexed to it) constitutes the sole record of the agreement between the Parties relating to its subject matter; and cancels and novates any prior verbal or written communications relating to such subject matter, whether express or implied, including any letters, draft agreements, memoranda or minutes.
- 2. Definitions

In this Agreement, unless the context clearly indicates otherwise:

i	n this Agreement, unless the context	dearly indicates outerwise.
2.1	"The Business Plan Summary"	means the documentation and budgets described as such and attached to this Agreement, and as also referred to in Clause 5.
2.2	"The Commencement Date"	means the date of conclusion of this Agreement.
2.3	"The Cluster Co-ordinator"	means the person or body which will provide organisational support, capacity-building and skills training to the Recipient, as contemplated in Clause 6.
2.4	"The Dedicated Account"	means the banking account contemplated in Clause 6.4.
2.5	"The Executive Committee"	mean the executive body of the Recipient, and includes the board of directors of a company, the trustees of a Trust and the executive members of a close corporation.
2.6	"The Grant"	means the sum to be donated by the Department to the Recipient, as contemplated in Clause 3.
2.7	"Founding Documents"	includes the memorandum and articles of association

of a company, a trust deed, the constitution of a

2.8 2.9 2.10 2.11	"The IDT"  "The Parties"  "The Project"  "The Project Income"	voluntary association and the founding statement of a close corporation.  means the Independent Development Trust.  mean the Department and the Recipient.  means the income-generating activity or activities to be implemented by the Recipient with the proceeds of the Grant, as referred to in Clause 4.  means all interest earned on funds held from time to time in the Dedicated Account, and all income, commissions or kickbacks received by the Recipient in connection with or arising from
2.12	"The Project Period"	undertaken as part of the Projection any activity
2.13 2.14 2.15	"The Termination Date" References to persons include bodie The singular includes the plural, an other gender.	means the period from the Commencement Date until the Termination Date, if any.  means the date described as such in the Schedule. es corporate, and vice versa.  d vice versa, and reference to any gender includes any
3 7	The C	

#### 3. The Grant

- 3.1 Provided that the Recipient honours all its obligations under this Agreement, the Department undertakes to appropriate and pay over to the Recipient, as a donation, the sum stipulated in the Schedule, which sum is referred to in this Agreement as "the Grant". 3.2
- The Grant will be paid to the Recipient by the IDT on behalf of the Department in the instalments, on the dates or during the periods contemplated in the Schedule attached 3.3
- Despite anything to the contrary contained in this Agreement, the Department may insist that no portion of the Grant will be paid to the Recipient unless the Recipient furnishes the Department with a duly adopted resolution (similar in all material respect to the precedent attached hereto of the Recipient's Executive Committee, authorising and adopting this Agreement, the Schedule fully completed, a completed and adopted constitution (if applicable) and this agreement correctly signed. 3.4
- The Grant makes provision for an amount of 10% (ten per cent) of a total grant which is to be set aside as a fee for services to be rendered by the Cluster Co-ordinators as per 6.3 of this Agreement. This service fee will not be paid to the project but be administered by the Department through the IDT.

#### 4. The Project

4.1 The Recipient warrants and undertakes that the Grant and the Project Income will be used only to meet the reasonable and necessary costs and commitments directly associated with implementing and ensuring the sustainability of the Project, and strictly in accordance with this Agreement and the Business Plan Summary. 3

- mortgaging and pledging of property.
- 4.6 To invest money in any manner.
- 4.7 To open and operate banking accounts.
- To amalgamate with any other association, company or corporate body. 4.8 4.9
- To employ any person, and to remunerate any person, either in cash or by the allotment of shares, for services rendered in the formation of the Association or in the development or To accept donations and to borrow money. 4.10
- 4.11
- Generally to do all things which are incidental or conducive to achieving the Object of the Association and to exercise any power listed in Schedule 2 to the Companies Act, No. 61 of

### 5. The Members of the Association

- Only natural persons (i.e. not other associations or corporate bodies) may be Members of the 5.1 Association. 5.2
- The initial Members will be those natural persons whose names appear in the Schedule.
- 5.3 Further Members may be admitted from time to time at the sole discretion and by resolution 5.4
- Despite anything to the contrary contained in this Constitution, Membership of the Association may be cancelled at the entire discretion and by resolution of the Members of the Association in General Meeting, subject to the following: 5.4.1
- No Member nor the Association may be required to give reasons for, or to justify, their decisions with respect to granting, refusing or cancelling Membership, except to the Member/s concerned in a case where Membership has been cancelled. 5.4.2
- Before adopting any resolution for the cancellation of Membership, the Member's facing possible cancellation must first be given a reasonable opportunity of addressing and being heard by the Association in General Meeting or a person or committee appointed by the 5.5
- No resolution for the granting or cancellation of Membership will be of force or effect unless adopted by a Two-Thirds (2/3) majority of the Members present at a properly convened and 6.

# Rights, Duties and Benefits of Membership 6.1

- All Members of the Association will be entitled to all rights accorded to any Member in terms of this Constitution, including the right to attend, speak and vote at all General Meetings of the Association. 6.2
- Unless the Members decide otherwise by way of a resolution adopted at a General Meeting: 6.2.1
- No Member will be regarded as an employee of the Association, or entitled to any of the rights or benefits of an employee as provided for under the Labour Relations Act, 1995, the Basic Conditions of Employment, 1997, or any other legislation dealing with the rights and 6.2.2
- Every Member must devote at least Forty (40) hours each week to the conduct of the Association's income-generating activities, and will be entitled to Fourteen (14) consecutive days' break from such activities after every Fifty-Two (52) weeks. 6.2.3 6.3
- All the Members will share equally in any distribution of the profits of the Association.
- Within Fourteen (14) days after the end of every six calendar month after the date of

adoption of this Constitution, the Management Committee must prepare interim financial statements showing the net profit (if any) earned by the Association during that three-month period. "Net profit" means all the income of the Association during that period, less all the expenses and commitments incurred by the Association in that same period.

- When the Membership of a Member terminates, that Member is not entitled to any 6.4 compensation except a proportional share of any net profits earned by the Association since the date of the last profit distribution, which proportional share will be determined by the Management Committee in its entire discretion. 6.5
- If Membership terminates as a result of the death of a Member, that proportional share must be paid to the beneficiary nominated in writing by the Member when he/she became a Member of the Association or, if no such nomination was made, to a relative by blood or marriage of the deceased Member selected by the Management Committee in its entire 7.

# The Management Committee

- As appears from Clause 4 above, all executive powers of the Association will vest in the 7.1 body to be known as the Management Committee, which will be entitled to act on behalf of the Association in all matters effecting the conduct of its affairs, in furtherance of its powers and Object, subject always to the terms of this Constitution. 7.2
- The Management Committee must comprise at least Four (4) members, who must be Members of the Association. The membership of the Management Committee must be made up of at least the following persons: 7.2.1
- the Chairperson, who will be the chief executive officer of the Association and the Management Committee; 7.2.2 the Vice-Chairperson; 7.2.3
- the Treasurer; and
- 7.2.4 the Secretary.
- 7.3 The members of the first Management Committee must be elected and appointed at the General Meeting at which this Constitution is adopted, and will hold office until the first Annual General Meeting after that appointment, when all of them must resign. The names of the members of the first Management Committee must be recorded in the Schedule.
- At that first Annual General Meeting, a new Management Committee must be elected, the intention being that a new Management Committee be elected at each succeeding Annual General Meeting. Resigning Management Committee members will at all times be eligible for re-election. 7.5
- In the event of a position on the Management Committee falling vacant for any reason whatsoever, the Management Committee, by resolution adopted by a majority of at least Two-Thirds (2/3) of its remaining members, may (and if the vacancy reduces the number of members to less than Four [4], must) co-opt a member/s to fill the vacancy/ies. 7.6
- Despite anything to the contrary set out above, the Management Committee, by resolution adopted by a majority of at least Three-Quarters (3/4) of its members in office from time to time, being not less than the required minimum of Four (4), will be entitled to remove any of its members, whether elected or co-opted; and if the Management Committee decides this is appropriate or necessary, it may co-opt another person in his or her place. The Management Committee will not be obliged to furnish reasons for or to justify its decision/s regarding removal and co-option, except to a member removed and to the Members of the Association,

provided that the Management Committee must, prior to adopting any resolution for removal, afford the member/s facing possible removal a reasonable opportunity to address and be heard by the Management Committee, or a person or sub-committee appointed by the Management Committee for that purpose.

The Members of the Association, by means of a resolution adopted by a Two-Thirds (2/3rds) 7.7 majority of those present or represented at a General Meeting, may at any time remove and/or replace a member of the Management Committee. Before adopting any such resolution, the Members must give the relevant person/s a hearing in the manner provided for

# Management Committee Member Vacating Office

The office of member of the Management Committee will be vacated if a member resigns; becomes of unsound mind; becomes unfit and/or incapable of acting as such; becomes insolvent or assigns his or her estate for the benefit of or compounds with his or her creditors; would be disqualified, in terms of the Companies Act or equivalent legislation in force from time to time, from acting as a director of a company; or is removed in terms of a resolution passed in accordance with the provisions of Clauses 7.6 or 7.7 above.

### 9. Procedure at Management Committee Meetings

The Management Committee may conduct its meetings as it finds convenient, provided that:

- The Chairperson, or in his or her absence, the Vice-Chairperson, must chair all meetings of 9.1 the Management Committee which he or she attends. In the absence of the Chairperson and the Vice-Chairperson, the remaining members of the Management Committee must elect a person to chair the meeting from their number. 9.2
- The Chairperson may at any time convene a meeting of the Management Committee, and must on the request of any Two (2) members of the Management Committee convene such a 9.3
- At least Three (3) members of the Management Committee must be present at a meeting before any valid business may be done or decisions made. 9.4
- At meetings of the Management Committee each member will have One (1) vote. 9.5
- Questions arising will be decided by a majority of votes. In the event of an equality of votes the Chairperson will not have a casting or second vote. 9.6
- Proper minutes must be kept of the proceedings of the Management Committee, and a record of the persons present at each meeting. The minutes must be signed by the Chairperson or the other member who chairs the meeting, and must be available at all times for inspection or copying by any member of the Management Committee, and on Two (2) days' notice to the Secretary or his or her deputy, by any Member of the Association.
- The Management Committee may delegate any of its powers and prerogatives to an 9.7 executive member, or to a special purpose committee, as it decides is appropriate. The member, committee, employee or agent to whom such delegation is made must, in the exercise of the relevant functions, conform to any regulations and procedures that may be

#### 10. General Meetings of Members of the Association 10.1

Annual General Meeting

10.1.1 An Annual General Meeting of the Association must be held within a period of Fifteen (15) months after the adoption of this Constitution, and subsequent Annual General Meetings must be held as soon as possible, but in any event within Three (3) months after the end of

by the Department. The Recipient must comply strictly and promptly with all writte instructions and requirements of the Department which may be given or stipulated with regard to such incorporation or establishment, whether notified to the Recipient directly by the Department, through the IDT or the Cluster Co-ordinator, or otherwise.

The signatory to this agreement, if the Recipient is not a legal person, is an agent of the legal person to be established. He/she undertakes to ratify this agreement on the 1st Executive meeting of the Recipient. Should the legal person not be established or this agreement not be ratified within 120 days of signature of this agreement, this agreement could summarily be terminated by the Department.

- Despite anything to the contrary contained in this Agreement, no part of the Grant will be 6.1.2 paid to the Recipient until it is so incorporated or established, and until a certified copy of its Founding Documents has been submitted to the Department. 6.1.3
- The Recipient warrants that the office bearers and other members of its Executive Committee are [or will be within Sixty (60) days of the Commencement Date] at least those persons whose names, offices and details are recorded in the table set out in the Schedule and that the names, offices and details of all the successors to such persons will be notified to the Department in writing within Ten (10) days of their appointment. 6.1.4
- To the extent that any office bearer of member of the Executive Committee signs this Agreement, in doing so he/she warrants that he/she has been [or will be within Sixty (60) days of the Commencement Date] duly and properly elected and appointed in terms of the Recipient's Founding Documents. The Recipient must in any event ensure that any person who may be appointed from time to time as a member or office bearer of the Executive Committee, is appointed and elected strictly in accordance with such Founding
- 6.1.5 . The Recipient must ensure that any person who may from time to time be appointed as member or office bearer on the Recipient's Executive Committee, is informed that he/she must notify the Department in writing if he/she has any personal financial interest in or dealings with any third party with whom the Recipient may intend concluding a contract 6.1.6

# Meetings of the Recipient's Executive Committee

Despite anything to the contrary which may be contained in the Founding Documents of

- 6.1.6.1 The Recipient must ensure that its Executive Committee meets at least once every
- The Department will be entitled to appoint any person as its representative to attend any and all meetings of the Recipient's Executive Committee.
- 6.1.6.3 Within Fourteen (14) days after the Commencement Date, the Recipient must inform the Cluster Co-ordinator, or in the absence thereof, inform the Department in writing of the proposed dates of all the monthly Executive Committee meetings to be held during Project Period, and must immediately notify the Department in writing of any change/s.
- At each compulsory monthly meeting the Recipient's Executive Committee must review 5

and consider all transactions [including all income received and disbursements made] in relation to the Project since the date of the last monthly meeting, and must immediately set in motion the necessary remedial action if it should appear that any such transaction may involve non-compliance with the Business Plan Summary or any terms of this Agreement.

6.1.6.5 Full and accurate minutes must be kept of all meetings of the Recipient's Executive Committee, and copies of all such minutes must be forwarded, upon request, to the Department within Seven (7) days of the date of the request.

#### 6.2 Financial Records

- 6.2.1 The Recipient must at all times maintain proper books, records and supporting vouchers, in order to facilitate the preparation of periodic financial statements, to exercise proper financial discipline and control, and to enable the Recipient to account fully and accurately in respect of every transaction involving the use or administration of the Grant funds or the Project Income.
- 6.2.2 At least once every calendar month during the Project Period, and in any event as and when required by the Department, the Recipient must prepare appropriate financial statements which contents and format is acceptable to the Department which accurately and completely reflect its use and administration of the Grant and all Project Income since the date of the last such statement. Copies of all such financial statements must be provided, upon request, to the Cluster Co-ordinator or to the Departments within seven (7) 6.2.3
- If the Grant exceeds R200 000 (Two Hundred Thousand Rand), the books and financial records of the Recipient must be audited in the customary manner by an independent practising chartered accountant, and a duly audited financial statement reflecting accurately and completely the Recipient's use and administration of the Grant and all Project Income must be submitted to the Department within Two (2) months after each 6.2.4
- If the Grant does not exceed R200 000 (Two Hundred Thousand Rand), the books and financial records of the Recipient must be maintained according to generally accepted accounting principles and practices by a duly qualified person who need not be a chartered accountant, but whose name must be notified to the Department. 6.2.5
- The financial year of the Recipient will end on 31 March.

### 6.3 The Cluster Co-ordinator

- 6.3.1 The Department has appointed or will appoint an appropriately qualified person or body as the Cluster Co-ordinator in respect of the Recipient and certain other CBOs or NGOs. 6.3.2
- The duties of the Cluster Co-ordinator are amongst others, to monitor the implementation of the Project and to facilitate the provision of organisational support, capacity-building and skills training to the Recipient, in order to assist in sustaining and expanding the Project. 6.3.3
- The Recipient must give the Cluster Co-ordinator the fullest possible co-operation in the performance by the Cluster Co-ordinator of all duties which may be assigned to it by the

- 6.4 The IDT & the Dedicated Account 6.4.1
- The Grant will be paid to the Recipient on behalf of the Department by the IDT. 6.4.2
- The Recipient must, as a precondition to receiving any portion of the Grant:
- 6.4.2.1 Open and maintain a dedicated banking account at a bank or other financial institution approved in writing by the IDT (to be referred to in this Agreement as "The Dedicated
- 6.4.2.2 Notify the Department and the IDT in writing in the attached Schedule, or in that format, of the name and number of the Dedicated Account, and the name of the institution and 6.4.3
- Although the Dedicated Account may be operated by the Recipient independently of the Department and the IDT:
- 6.4.3.1 Signature of this Agreement on behalf of the Recipient will constitute an irrevocable authority and power of attorney by the Recipient in favour of the Department, the IDT and/or any other person or body duly authorised by the Department, at any time and in their entire discretion have access and to withdraw all or any part of the funds held in the Dedicated Account, and/or to close the Dedicated Account.
- The Recipient must comply fully and promptly with all formalities, conditions, procedures and requests which may be stipulated or made by the Department or the IDT in connection with the use and operation of the Dedicated Account, and the payment or receipt of money forming part of the Grant or the Project Income. 6.4.4
- All Grant funds not immediately required in order to implement the Project, and all Project Income, must be held and retained in the Dedicated Account. 6.4.5
- The Recipient must not make any cash withdrawals from the Dedicated Account. All payments made out of the Dedicated Account by the Recipient must be by way of the Recipient's cheques signed by at least the chairperson and one other office bearer of the Recipient's Executive Committee. All such cheques must be marked and crossed "not transferable", the words "or bearer" must be deleted, and no such cheque may be made out to cash.

### 6.5 <u>Insurance</u>

The Recipient must obtain and maintain such insurance cover as the Department may stipulate from time to time.

- 6.6 Contractual arrangements with third parties. 6.6.1
- Before concluding any contract with any third party for the procurement of goods or services in connection with the Project, the Recipient must obtain, if possible, quotations from at least three (3) potential suppliers. If it is not possible then the circumstances and reasons therefore must be forwarded in writing to the Cluster Co-ordinator and it must be recorded at the Recipient's next formal meeting and must be minuted accordingly. 6.6.2
- No such supplier may have any personal, family, business or financial relationship of any kind whatsoever with any member or office bearer of the Recipient's Executive

Committee.

- All contracts with any such suppliers must be concluded in the name of the Recipient. 6.6.3 6.6.4
- The Recipient must pay suppliers within Thirty (30) days of receipt of the relevant invoices, provided that no payment may be made to any supplier until the relevant invoice has been signed by a member or office bearer of the Recipient's Executive Committee, thereby certifying that the relevant goods or services were properly supplied or rendered in accordance with the contract concluded with that supplier. 6.6.5
- The recipient must give full details to the Department of any other grants, funds or donations which it may receive on the same project from other sources, immediately after signature of this agreement or on receipt of such monies.

### 7. Audit/Review and Reporting

- 7.1 The Department and the IDT will have the right at any time on reasonable notice to visit the premises of the Recipient, to consult its staff members, to inspect any part or aspect of the Project, to interview any person or community affected by, benefiting from or participating in the Project, to inspect and make copies of all and any books and records of the Recipient, and generally to obtain and verify such information as the Department may deem relevant, to ensure that the Recipient has complied and is complying with the terms 7.2
- The Recipient must prepare and submit to the Department, the IDT and the Cluster Coordinator, regular written reports reflecting accurately and completely the progress or otherwise of the Project and its implementation. Such reports must be submitted within Seven (7) days of the end of each calendar month during the Project Period, and a final report within Seven (7) days after the Termination Date, provided that the Department may at any time require the Recipient to prepare and submit a report on any matter contemplated in this Agreement. 7.3
- The Department may, in its discretion, instruct the Auditor General to audit the books and records of the Recipient. 8.

## The Department's representative 8.1

- The Department will be entitled at any time to appoint any one or more third parties (including but not limited to the IDT) as its representative to enforce any or all of its rights and/or carry out any or all of its responsibilities under this Agreement. 8.2
- The Department could notify the Recipient in writing of any such appointment/s. 9.

# Default

In the event of any breach by the Recipient of the terms and conditions of this Agreement, and in the event that the Recipient remains in default after Seven (7) days' written notice calling for rectification of the relevant matter, the Department will be entitled to exercise all or any of the following rights, without prejudice to any other rights it may have in law or under this Agreement:

- 9.1 to order the IDT to suspend further disbursement of Grant funds to the Recipient; 9.2
- to require immediate repayment of all Grant funds previously paid to the Recipient, and/or to withdraw all funds held in the Dedicated Account;

to take immediate possession of all books, records, equipment, stock, premises or other 255225 then under the control of the Recipient which relate to or form part of the Project, or which were acquired with Grant funds or Project Income. All such books and assets, to the extent that they are not owned by any third party, will be deemed to vest in the

to cancel this Agreement, or to enforce strict compliance with its terms and conditions. 9.4 10. Indulgences

No extension of time, latitude or other indulgence which may be given or allowed by either Party to the other, will constitute a waiver or novation of this Agreement, or affect such Party's rights, or prevent such Party from suictly enforcing due compliance with each and every provision of this Agreement.

#### II. Variation

No amendment to or consensual termination of this Agreement will be of force or effect Limitation on Cession

# 12.

Subject to Clause 8, the rights and obligations of the Parties in terms of this Agreement are personal and are not capable of being ceded, assigned, delegated or transferred by either of them to any other person, except with the prior written consent of the other. Domicilium Citandi Et Executandi

# 13. 131

- The Department chooses as its domicilium citandi es executandi for all purposes arising from this Agreement for the service of legal documents and notices at: The Director General Welfare, Room 523 Hallmark Building, 237 Proes Street, Pretoria. 13.2
- The Recipient chooses as its domicilium citandi et executandi for all purposes arising from this Agreement, the physical address recorded in the Schedule.
- Either Party may change its domicilium citandi et executandi by means of a written notice 13.3
- to other Party, provided that such domicilium must be a physical address within the 13.4 All notices contemplated under this Agreement must be delivered by hand or sent by

prepaid registered post, in which latter event such notice will be deemed to have been received by the addressee Seven (7) days after the proven date of posting.

SIGNED by the DEPARTM	ENT at	oven date of posting.
	1999.	นุกุล
,	Capacity for the DEPARTMENT	Signature

Wimess Witness

Grant Age Welliste Programme

SIGNED by the RECIPIENT at

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Signature

for THE RECIPIENT, they being duly authorised

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# GIYANI LOCAL BUSINESS SERVICE CENTRE

## **CLIENT FORM**

Date: Time:
Caller: Title: Mr/Mrs/Ms/Miss
2. Business Name:
3. Contact Information
Postal Address         Physical Address
. First Call Yes □ No □ Query type: Walk in □ Tel □ Fax □ Email □ Post □
. How did you know about the Giyani LBSC services? By: Friend □ Radio □ Newspaper □ Other □
. New business   Existing business   Newly acquired business
. Type of Business
Retail □ Manufacturing □ Agriculture □ Service □ Other (specify) □:
. Business Activity:
. Type of Ownership
Sole Proprietorship □ Partnership □ Company □ Close Corporation □ Community Project □ Other (specify) □:
. Number of Employees / Members Male Female
0. Service Required / Purpose of Visit
Business Information $\square$ Counselling $\square$ Training $\square$ Business plan $\square$ Registration of C.C $\square$ Financial $\square$ Other (specify) $\square$ :
1. Solution to service required:
2. Client's comment:
lient's signature:

# STEP UP LOAN AGREEMENT

BRANCH	<u> </u>	_OI	.OAN A	AGINEL	IVILIN	<u></u>	Step up
AGENT'S	NAME						
LAND BANK We stand by you  AGENT'S C	CODE NUMBER						SUMS COPY
CLIENT'S SURNAME							FOR OFFICE USE ONLY
FIRST NAME/S							VOICE THE GOLD ONE
ID NUMBER							Anasta (**Saaro es
CONTACT TEL. NUMBER							BRANCH
PHYSICAL ADDRESS							
***************************************				Postal Code			114210
POSTAL ADDRESS							114210
(Not agent's address)							ATTACHED TO THIS FOR
AME OF CLIENT'S BANK				Postal Code			R50 deposit slip stamped by FNB
BRANCH CODE							
ACCOUNT NUMBER							Certified copy of client's
VEL OF EDUCATION Standard passed							ID - (by agent or branch)
GUAGE	Eng.	Xhosa	Zulu	Sotho	Afrik.	Other	Photocopy of client's Telebank card or
HTIW OD OT NAJQ UOY OD TA	Start	Expand	Payment	Education	Personal	Other	confirmation of bank
UR LOAN?  V WERE YOU INTRODUCED TO THIS	Business	Business	of Debt		N. N		details
OGRAMME?	Friends/ Family	Radio	Newspaper/ Magazine	Agent	Loan officer	Other	Recent printed proof
E OF CLIENT'S BENEFICIARY							of Postal Address
ID NUMBER							
_ATIONSHIP TO CLIENT							
TEL. NUMBER							
PHYSICAL ADDRESS							
45.05.01.151.1710.511.1				Postal Code	e		LAND BANK
TEL NUMBER							OFFICIAL
TEL. NUMBER							STAMP
NTACTABLE ADDRESS				Postal Cad			
VERAL INFORMATION				Postal Code	t		1
		0 -10 km	10 + km	30 + km	60 + km	90 + km	
DXIMITY TO FNB							
DXIMITY TO CLIENT'S BANK/TELEBA	NK						

by agree to join the STEP UP loan programme of the Land Bank in terms of the schedule with terms and conditions printed overleaf. I agree that the interest and fees shall be debited loan account and capitalised monthly. I promise to make all my repayments to Step Up according to the schedule. I clearly understand that I must put my deposit and loan repayments with Into the account of Step Up at any branch of First National Bank and that I should not pay any money in this regard to any employee or agent of the Land Bank or any other person.

[APPLICANT]	( To TS SIGNATURE)	[LOAN OFFICER'S SIGNATURE
re	DATE	DATE

### STEP UP LOAN LADDER

Step	Loan	Period	Interest	Fees	Repayments	Closing Balances
Ht.					50 deposit	*
1	250	6 Months	14	47	50 per month	(39)
2	500	6 Months	33	59	100 per month	(47)
3	750	6 Months	49	74	150 per month	(74)
4	1,000	6 Months	62	86	200 per month	(126)
5	1,500	6 Months	91	119	300 per month	(216)
6	2,000	6 Months	112	119	400 per month	(385) (salatah
7	3,000	6 Months	157	119	600 per month	(709)
8	4,000	6 Months	186	119	800 per month	(1204)
9	5,000	6 Months	198	119	1000 per month	(1887)
10	6,000	8 Months	, 231	152	1000 per month	(3504)
11	9,000	12 Months	396	218	1000 per month	(5890)
. 12	12,000	16 Months	487	284	1000 per month	(9119) 👊 🦠
13	15,000	20 Months	453	350	1000 per month	(13317)
14	18,000	24 Months	292	416	1000 per month	(18608)
270						REF X17 1.04.2002

Table 1 Card

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CONTRACTOR SERVICE

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- 1. The client's deposit is credited to his/her Step Up account at the beginning of the programme.
- 2. Interest at a rate of 2% per month will be paid from the Step Up loan accounts of all clients; also R20 for a Strike of English of the Step Up loan accounts of all clients; also R20 for a Strike of English of the Step Up loan accounts of all clients; also R20 for a Strike of English of the Step Up loan accounts of all clients; also R20 for a Strike of English of the Step Up loan accounts of all clients; also R20 for a Strike of English of the Step Up loan accounts of all clients; also R20 for a Strike of English of Engl deposit book at the beginning of each Step and monthly administration fees [R4.50 per month in Step 1, R6.50 per month in Step 2, R9 per month in Step 3, R11 per month in Step 4 and R16.50 per month thereafter].
- 3. Clients who climb the ladder quickly, completing steps in less than the required time, will experience lower interest and fees. Those who take longer than the proper time to complete their steps will experience higher) to the 100 MeV (2006) and 100 MeV (2 interest and fees. disalta di
- 4. Clients who fail to make regular repayments will be charged a fee of R5.50 for each reminder letter that is sent to them.
- 5. Interest and fees may be changed from time to time.
- 6. Figures in the above schedule are illustrative and based on the assumption that all repayments are made in and the standard of the standard of the same standard of the standard of the same standa full every month.
- 7. Figures in brackets in the above table represent what a client will have in his/her Step Up account at the end of each step if repayments have been made in full every month.
- 8. The balances at the end of each step include the original deposit and will remain in the account until a client leaves the programme, at which time the client will receive whatever remains in his/her Step Up account.
- 9. If a client wishes to return to the Step Up programme after leaving, he/she will have to start again at the beginning.