



The Vulnerability of Small NGOs

The Case of the Land Development Unit

David Catling

Fanele
(Zul; Kho; Tso): necessary.
This is a necessary book.

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This online account is best read in conjunction with the companion publication: *An Elusive Harvest: working with smallholder farmers in South Africa* (Jacana Media, 2008) by the same author.

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Acronyms

ANC	African National Congress
ANCRA	Association for Community and Rural Development
ARC	Agricultural Research Council
ARDRI	Agricultural and Rural Development Research Institute
BP	British Petroleum
Casidra	Cape Agency for Sustainable Integrated Development in Rural Areas
CBO	community-based organisation
CDO	Community Development Officer (of LDU)
CINADCO	Centre for International Agricultural Development Cooperation
CIRD	Centre for Integrated Rural Development
CLDT	Cape Land Development Trust
CRA	Coloured Rural Area
CRLR	Commission for Restitution of Land Rights
CRLS	Centre for Rural Legal Studies
CSA	Centre for Sustainable Agriculture
CSIR	Council for Scientific and Industrial Research
CTA	Technical Centre for Agriculture and Rural Cooperation
DBSA	Development Bank of Southern Africa
DEVCO	wine industry development fund
DfID	Department for International Development of UK
DLA	Department of Land Affairs
DoA	Department of Agriculture
EADI	Elsenburg Agricultural Development Institute (ELOI in Afrikaans)
EDA	Environmental Development Agency
EMG	Environmental Monitoring Group
EROP	Extension and Research Orientation Programme
FAO	Food and Agriculture Organisation of the United Nations
FARM-Africa	Food and Agricultural Research Management-Africa
FRPP	Farmworkers' Research and Resource Project
FSG	Farmer Support Group
GERIC	George Education Resource and Information Centre
GRP	grassroots project (of LDU)
GTZ	German Technical Cooperation Agency
HIVOS	Economische en Culturele Ontwikkeling in Afrika, Azië en Latijns-Amerika

IDT	Independent Development Trust
Infruitec	Institute of Fruit Research and Technology (of ARC)
INR	Institute of Natural Resources (UK)
IPM	Integrated Pest Management
ISC	Interim Steering Committee
ISCW	Institute for Soil, Climate and Water (of ARC)
ISD	Institute of Social Development
KAMBRO	Karoo Mobilisasie en Rekonstruksie Organisasie
KWV	Cooperative Wine Association
LANOK	rural development agency, now called Casidra
LAPC	Land and Agriculture Policy Centre
LDU	Land Development Unit
LEAD	Leadership in Environment and Development programme
LRC	Legal Resources Centre
M&E	Monitoring and Evaluation
MAG	Montague Ashton Community Centre
NDA	National Development Agency
NGO	non-government organisation
NIEP	National Institute for Economic Planning
Nietvoorbij	Institute for Viticulture and Oenology (of ARC)
NLC	National Land Committee
NPB	National Parks Board
NPO	Non-Profit Organisation
NRDF	National Rural Development Forum
NRI	Natural Resources Institute (UK)
ODA	Overseas Development Administration of the UK (now DfID)
OLIVE	Organisation Development and Training (South African NGO)
PAC	Project Advisory Committee (of CLDT)
PAYE	Pay As You Earn (tax)
PBO	Public Benefit Organisation
PIM	Participatory Impact Monitoring
PLAAS	Programme for Land and Agrarian Studies
PO	producer organisation
PRA	Participatory Rural Appraisal
PRET	Programme for Research and Extension Training
R	South African Rand
RAC	Rural Advice Centre
R&D	research and development
RDO	Rural Development Officer (of LDU)
RDP	Reconstruction and Development Programme (of SA Government)
RDSP	Rural Development Support Programme (of Southern African Catholic Development Association)
RRA	Rapid Rural Appraisal

RSA	Republic of South Africa
RSC	Regional Services Council
SAAFSRE	Southern African Association for Farming Systems Research and Extension
SACCOL	Savings and Credit Cooperative League of South Africa
SADEP	Southern African Development Education Programme
SALDRU	Southern Africa Labour and Development Research Unit
SANAT	Southern Africa Network for Animal Traction
SANGOCO	South African NGO Coalition
SARS	South African Revenue Service
SBDC	Small Business Development Corporation
SCAT	Social Change Assistance Trust
SCLC	Southern Cape Land Committee
SIDA	Swedish International Development Cooperative Agency
SIG	Small Grains Institute (of ARC)
SPP	Surplus People Project
SSF	small-scale farmers (and growers, previously disadvantaged)
SWOT	strengths, weaknesses, opportunities and threats (analysis of)
TEAM	The Ecumenical Action Mission
TNDT	Transitional National Development Trust
TRAC	Transvaal Rural Action Committee
TRANCRAA	Transformation of Coloured Rural Areas Act
UCT	University of Cape Town
UNIFRUCO	International marketing group of the deciduous fruit industry
UWC	University of the Western Cape
VOPI	Vegetable and Ornamental Plant Institute (of ARC)
VSO	Volunteers Service Overseas (of UK)
WFP	Women on Farms Project

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Introduction

THE LAND DEVELOPMENT UNIT (LDU) was a non-governmental institution engaged from 1992 to 2004 in agricultural and rural development in the Western and Northern Cape provinces of South Africa. This small but significant non-governmental organisation (NGO) was active during the critical period when South Africa was transforming itself into a democratic nation.

I founded the LDU in 1992 and was its first Coordinator until April 1996 when the leadership was handed over to Tommy Phillips according to a prior agreement between the two major donors. From 1996 to 1999, I served on the LDU's Project Advisory Committee and Extension and Research Orientation Committee. In 2002, I was a member of the LDU's governing body, the Cape Land Development Trust, before rejoining the staff as Publications Officer and finally presiding over its demise in 2004.

The present account deals with the LDU *as an* NGO, by looking at its strategy, management, funding and survival. It shows how vulnerable small NGOs in South Africa are; having to deal with the thousand natural shocks they are heir to. It is a personal account based on the study of all available records, extensive interviews with former LDU staff members, and discussions with many of its former cooperators, and was mainly written from 2004 to 2006. The author had no direct contact with the LDU from 1999 to 2001. Thus, especially during this period, some activities and events may have been overlooked or misunderstood. For this I am entirely responsible.

The present online account should be read in conjunction with the companion book, *An Elusive Harvest* (Catling, 2008), which assesses the strengths and weaknesses of the LDU's development programmes; evaluates the approaches and methods that it used; reflects on the main activities, especially the operational grassroots and urban projects, the advocacy and training programmes; and reveals important lessons about rural development in South Africa. The views of several other people intimately involved with the LDU are also included.

Objectives of this online book

The book tells the story of the rise and fall of the LDU. It describes how it managed its affairs, its mode of operation, the stresses, strains and vicissitudes that it suffered; and explains why it succumbed after 13 years of valuable – and unfinished – work with poor rural communities and urban households. Many South African NGOs have disappeared without recording how they operated and what they achieved, and without analysing the reasons for their demise. The wider issues of the vulnerability

of small NGOs are seldom addressed. Thus, the lessons that they learnt are lost and are not passed on to others working in this difficult field. This account is an attempt to address some of these issues.

The book is mainly intended for development professionals in southern Africa in aid agencies, institutes, government departments, NGOs, and for donors, policy makers, students and staff at universities, and private practitioners. It may also be of interest to a similar audience outside Africa. The book may also be useful for those setting up a new NGO or reviewing an existing one.

Structure of book

Chapter 1 explains what NGOs are and why a new one was necessary with an international partner. It briefly describes the University of the Western Cape (UWC) and Institute of Social Development (ISD) where the unit was based, and traces the period from conception to its establishment as a fully operative organisation. The original philosophy, objectives and work programme are defined in Chapter 2, followed by an account of the evolution of its strategy through the series of reviews, evaluations and planning exercises. Chapter 3 begins with a discussion of the LDU's legal status, and continues with an account of how it was governed through the Cape Land Development Trust, Executive Committee and Project Planning Committee, the relationship with FARM-Africa and collaboration with ISD. Then follows a discussion of management, emphasising staff recruitment and deployment, and financial accounting. Chapter 4 explains the process of fundraising, recounts the funding history, including a record of its donors and sources of self-generated income, and ends with a short analysis of project expenditure. The public awareness programme is described in Chapter 5.

A short Chapter 6 examines the factors that governed its life and explains why the LDU was such a fragile and vulnerable NGO. The concluding Chapter 7 first considers the LDU's strengths, weaknesses and threats, and then goes on to review the variety of problems and constraints that it faced, and the oversights and mistakes that it made, finally spelling out what was learnt that can be passed onto others working in rural development in South Africa.

David Catling
Cape Town
August 2008

Notes

The term 'black' is used to denote African, Ntu-speaking people; people of mixed race are referred to separately as 'coloureds'.

The term 'community' is used variously to describe a location where people are living, a whole settlement, a Coloured Rural Area and a grassroots project.

Local currency exchange rates (approximate, in December each year):

1992 US\$ = 3.01 Rand

2000 US\$ = 7.63 Rand

2004 US\$ = 5.73 Rand

Chapter One

Birth

In 1989, my wife and I decided to return to South Africa after living and working in Asia for nearly 20 years. Settling in Stellenbosch, where I had studied at Elsenburg College and the University, it was assumed that my experience of working with subsistence farmers for organisations such as the International Rice Research Institute (IRRI) and the Food and Agriculture Organisation of the United Nations (FAO) would have been of interest to South African institutions. I anticipated that a suitable professional opening would probably arise. But this was not to be and it became clear that I would have to create some sort of professional position for myself in order to work in agricultural research and development in South Africa.

Gradually the idea dawned of setting up a small group to support marginalised, smallholder farmers in the Western and Northern Cape. I began discussing this idea with David Campbell of FARM-Africa whom I had known while working in Bangladesh in the 1970s. Since Stellenbosch University had shown no interest, and there was no agricultural faculty at the University of Cape Town, I tentatively approached the University of the Western Cape and in March 1991 met Pieter Le Roux, Director of the Institute of Social Development. This was to prove a crucial meeting.

This chapter first explains what NGOs are and why a new one was necessary, and then describes the founding years of the LDU from 1991 to mid 1993 during which the new organisation was established and began to move ahead with its first activities. A chronology of key events in the genesis of the LDU is presented in Appendix I.

WHAT ARE NGOS?

Non-governmental organisations (NGOs) are legally constituted organisations created by private persons or organisations, with no participation or representation of any government; they are self-governing, voluntary organisations concerned with humanitarian issues such as social welfare, relief, sustainable development, advocacy, religion and education.¹

The term NGO came into popular use with the establishment of the United Nations Organisation in 1945. NGOs are also referred to as: ‘civil society organisations’, ‘private voluntary organisations’, ‘grassroots organisations’, or as the ‘volunteer sector’ or ‘the third sector’ (the other two being the state and the private sector). They are numerous and ubiquitous, particularly in developing countries: there are said to be 40 000 international NGOs, and 1–2 million NGOs in India.²

International NGOs date back to the mid 19th century when they were concerned with the anti-slavery and women's suffrage movements. In some ways, the NGO sector can be seen as 'a re-enactment of the missionary positions of the colonial time where church, charity and catechists played the legitimizing role in the colonial enterprise'.³ Globalisation has advanced their position since they are seen as counterbalancing the interests of capitalist enterprises.

NGOs strive to be 'consistent, principled and committed to stand for human values and causes'. At their best, they are 'associations of well-intentioned individuals dedicated to changing the world to make it a better place for the poor, the marginalized and the downcast'.⁴ Originally they were seen as 'pressure groups to keep ... the state and the government on their toes, and they still 'ought to be watchdogs critiquing shortcomings in government policies and their implementation'.⁵

Some argue that NGOs are often imperialist in nature and that they repeat a similar function to that of the clergy during the colonial era.⁶ According to Shivji,⁷ it is an ideological myth that the NGO sector is 'non-political, not-for-profit, and has nothing to do with power or production' for, in order to be effective, NGOs must participate 'in critical discourse and political activism rather than assume false neutrality and non-partisanship'. And to be 'pro-people and pro-change' they cannot help being 'anti-imperialist and anti-status quo'.

NGOs are a heterogeneous group and have a wide variety of objectives and goals. Target clientele include farmers, squatters, women, tribal minorities and other disadvantaged groups.⁸ Operational NGOs are mostly concerned with the design and implementation of relief- or development-related projects. In developing countries, they have strong links with community groups, and often work in areas where government aid is weak or absent. Advocacy NGOs defend or promote a specific cause where they raise awareness, acceptance and knowledge by active lobbying. A participatory management style is typical. NGOs are increasingly commissioned by donors, the state or private sector to carry out consultancy work.

Of crucial importance is that NGOs are able to gain a thorough understanding of local social and development issues, and the needs and priorities of communities, including small-scale farmers. They operate on a basis of trust and have good working relationships that lead to long-term commitment. They play key facilitating and mediating roles, promote the general capacity of communities and are important catalysts for change. Thus they are able to support a wide range of developmental projects.

In the late 1990s, NGOs began supporting so-called producer organisations (POs) such as cooperatives, farmer associations and informal groups. A PO is a business collective of small-scale producers formed to market their produce, and is generally owned and controlled by the members who are provided with business services.⁹ This strategy was necessary because with globalisation the former guaranteed markets had disappeared and there was greater competition from large commercial producers, buyers taking advantage of the weak bargaining position of small-scale producers'.¹⁰ Although usually lacking business and market expertise,

NGOs are ideally placed to link POs to other service providers, to help in analysing and identifying development priorities and strategy, and to leverage support from donors and financial institutions.¹¹

On the other hand, as forcefully pointed out by Shivji,¹² NGOs labour under several disadvantages (some of which are inherent). NGOs are led and largely composed of the educated elite, and they speak the language and idiom of modernisation. Some are top-down organisations and most are urban-based. Many are not constituency- or membership-based and thus their accountability is limited. (Some NGOs are registered as companies limited by guarantee and are membership-based, such as FARM-Africa.) The relationship between NGOs and the people is at best one of benefactors and beneficiaries. Lastly, most NGOs are donor funded, thus they have to seek donor funds, which limits their independence and scope for action – he who pays the piper calls the tune.

Another element of the NGO environment is the shadow cast by the corporate management model. An NGO's vision and mission statements are sometimes 'vague and quickly forgotten' and may then be supplanted by strategic plans and logical frameworks.¹³ The success of an NGO is frequently gauged by how efficiently it is managed, sometimes by ruthlessly applying the corporation model. The strong leaning towards *project funding* means that projects have to be implemented and completed within a given time (usually 2–3 years). Issue-based projects may be 'abstracted from their social, economic and historical reality'. And both of these strictures prohibit long-term basic research.

As we shall see, the LDU was a development-oriented, secular NGO set up to uplift and improve the welfare of previously disadvantaged rural and township communities in western South Africa. At the same time, it pursued a strong advocacy programme. The LDU was based at the University of the Western Cape and its staffmembers were South Africans, some of them having valuable technical expertise. Its funding was sometimes dominated by foreign donors and it was influenced to the corporate management model.

WHY A NEW NGO?

NGOs can play a key role in pioneering new developmental ideas, act as partners and contractors for extension services and training, and serve as intermediaries for financing and marketing.¹⁴ They can also move rapidly and are well placed to support projects. Organisations of this type were virtually non-existent in the rural sector of South Africa in the early 1990s.¹⁵ Certainly no such group was working exclusively for small-scale, disadvantaged farmers in the Western Cape – nor for that matter in the whole of the arid region comprising most of the western part of South Africa.

It was hoped that the momentous political changes of the early 1990s would lead to developmental solutions for the communities in the rural areas, so long neglected by the apartheid government. It was a period of impending land reforms, which were likely to be slow and tortuous. Agricultural research, extension and expertise were no longer to be concentrated on large-scale commercial production.

The former government's policy of dividing the responsibility for agriculture among a series of 'home affairs ministries' was to be replaced by a single Ministry of Agriculture to serve farmers of all races and all farm sizes. The enormous gap between the powerful white commercial sector and the 'alternative' agriculture of small, black subsistence farmers was set to be closed. It was indeed a seminal period in South Africa's transformation into a non-racial democracy, which presented a unique window of opportunity for a new NGO. The LDU was deliberately founded to fill this gap. And it was to begin operations 18 months before South Africa's first democratic elections in 1994.

THE UNIVERSITY OF THE WESTERN CAPE¹⁶

The University College of the Western Cape was established in 1959 for 'Cape coloured, Malay, Griqua or other coloured group persons' along the lines of the 'tribal colleges' for Zulus and Xhosas. A product of apartheid education, the college was exclusively for the 'separate development' of coloured people and was the only place they could go to for higher education. A modern college facility was built in an undeveloped corner of the Cape Flats near Bellville, 30km from Cape Town, which soon became known as an ethnic 'bush college'. Administrators and teaching staff were mainly white Afrikaners, and academics were mostly conservative graduates from Afrikaans universities, particularly Stellenbosch University. During the first 10 years, only three coloured academics were appointed. The teaching approach was paternalistic with heavy doses of Dutch Reformed Church theology. The college emphasised the training of high school teachers and commercial subjects; there were no faculties of medicine, engineering or agriculture. By 1964 there were only 390 students.

The first open challenge to authority arose in 1970 with the symbolic burning of college neckties. By 1973, a watershed year for protest, students were associating with the Black Consciousness Movement and a student walk-off briefly closed the institution. The following year, the first coloured principal was appointed. In 1982 the Senate accepted a document rejecting the 'politico-ideological grounds' on which the college was founded and new policies were introduced. Large increases in student numbers followed. The institution became a key site for the struggle against apartheid and strongly aligned itself with the democratic movement. Massive class boycotts and protest marches culminated in the arrest of students and of the rector, Jacques Gerwel. At the same time, students were becoming involved with communities in the squatter camps of Unibell and Modderdam adjacent to the campus.

The University of the Western Cape (UWC), now with university status, became autonomous in 1984 with an admissions policy geared strongly towards the working class, especially those coming from the rural areas. In the late 1980s and 1990s, UWC was the fastest growing university in the country, and by 1988, when Archbishop Desmond Tutu became chancellor, there were 10 650 students. The proportion of blacks in the student body had risen to 11 per cent in 1987, and the university was actively encouraging more blacks to apply for admission. At the same

time, there was a swing away from Afrikaans as the first language of the university. These developments resulted in cultural and ideological clashes. Another problem was a serious backlog of university buildings and student accommodation, brought on by steep cuts in government support.

Although the early 1990s was an exciting period in the history of UWC, it was also one of transition and stress. Like the rest of South Africa, the university was itself undergoing a painful transformation.

The Institute of Social Development (ISD) of the UWC works for the socio-economic transformation of disadvantaged communities living in the Western Cape and the Karoo. It deals with general issues such as developmental models and the allocation of resources, and undertakes research on rural poverty, housing, unemployment and drug abuse. In the early 1990s, it joined the national debate on social and economic systems for South Africa, and suggested possible development strategies. The ISD offers postgraduate courses in development studies with emphasis on practical issues. During the last 10–15 years the emphasis has switched from research to teaching.

Since there was no faculty of agriculture at the UWC, the ISD was clearly the most appropriate place to base the LDU.

CONCEPTION

The first idea of establishing a new development NGO was suggested by David Catling to Prof. Pieter Le Roux, Director of ISD in March 1991. The idea was subsequently explored with David Campbell, Executive Director of FARM-Africa, in Nairobi in May 1991. An original project outline for the establishment of an NGO was expanded by Catling and Campbell following further discussions in London in October 1991.

In February 1992, Catling was appointed as Agriculturist in the ISD for a two-month period to investigate the status of agriculture, land tenure and general rural conditions of small-scale farmers (SSFs) in the Western Cape and Namaqualand. Exploratory visits were made to rural communities in these areas, and various government departments and NGOs were approached. Major organisations consulted were: Elsenburg Agricultural Institute, University of Stellenbosch Faculty of Agriculture, Surplus People Project (SPP), the Southern Cape Land Committee (SCLC), and the Legal Resources Centre (LRC). Catling also got in touch with the Farming Systems Research and Extension Association of South Africa by attending its Inaugural Conference in February 1992, and later attended its second meeting in Swaziland in June 1993. After further consultation with FARM-Africa and ISD, a broader proposal was drawn up.

Two problems arose during this initial phase. First, making contact with the rural communities was not a straight forward process because the two leading agricultural bodies, Elsenburg and the University of Stellenbosch, knew very little about the communities of coloured and black farmers – their location, prevailing conditions and likely needs. It was the NGOs, especially the SPP and LRC, and staff at UWC, who pointed us in the right direction and provided the first useful

information. Second, the initial approaches raised the communities' expectations to very high levels and it had to be explained that we could only start to implement any development work when and if sufficient funding was found to establish the new organisation.

A grant from Oxfam UK supported a further six-month period, April to September 1992, for further investigation to enable the writing of a more comprehensive proposal. SPP was influential in obtaining this grant. In order to learn more about the status of rural development in the country and to consult more widely with concerned NGOs as a whole, a two-week study trip was made in May 1992 to meet various agricultural and rural development organisations in the Eastern Cape, Natal and Johannesburg. These organisations are included in the list shown in Appendix II.

In July 1992, Archbishop Desmond Tutu wrote a strong letter of recommendation to enhance support and attract donor interest. Another letter of support was obtained from the ANC in the Western Cape. In June, the first comprehensive project proposal was completed and submitted to UWC, FARM-Africa, and two potential donors in South Africa: the Independent Development Trust (IDT) and Kagiso Trust. FARM-Africa and IDT showed immediate interest. The name 'Land Development Unit' or LDU, originally suggested by Pieter Le Roux, was adopted for the proposed organisation.

IDT, the first donor, was now doing everything possible to kick-start the LDU. In August 1992, an interim funding arrangement was set up by the IDT in order to start activities until an appropriate legal body could be formed. A bridging grant agreement, approved by the IDT Board on 24 September 1992, authorised Le Roux as ISD Director and Catling as Project Coordinator to start official LDU activities as from 1 October 1992. Shortly afterwards, the Kagiso Trust pledged funding to the LDU as from 1993. By this time, FARM-Africa was approaching the Overseas Development Administration of the UK (ODA) as a possible external donor.

WHY AN INTERNATIONAL PARTNER?

With firm commitment emerging within South Africa, attention then shifted to bringing in an international partner. It had been decided that an experienced international organisation would be of great benefit to an embryonic NGO like the LDU by: providing it with tested developmental methods and approaches, making available its own professionals, helping to build links with other international NGOs and centres, and attracting external funding. The presence of an international partner would also promote the LDU's independence and flexibility. FARM-Africa, with its considerable field experience of smallholder agriculture in Ethiopia, Kenya and Tanzania; its development approaches and field methods tested in partnership with African farming communities; and experience with international donors, fulfilled these requirements. Thus it was that the LDU became a joint initiative between UWC on the one hand, and FARM-Africa, a registered charity coordinating agricultural projects for smallholder farmers in East Africa with headquarters in London, on the other.

But for this to happen there was first a serious snag to be overcome. Because of the prevailing violence and political uncertainty in South Africa during the early 1990s, some members of FARM-Africa's Board were initially reluctant for the organisation to become involved in the project. Fortunately, these objections were overcome following a successful fact-finding mission to South Africa and, on 1 December 1992, FARM-Africa agreed to join the UWC as a founding partner.

By January 1993, the ODA had agreed in principle to support the LDU through FARM-Africa. FARM's official involvement began on 1 April 1993 when it brought in major grant funding from the ODA and a small additional grant from Christian Aid. As part of this arrangement, Catling was also contracted to serve as the FARM-Africa Representative for Southern Africa.

The narrative proposal originally sent to ODA was hastily rewritten in a logical framework format in June 1993. (Subsequently, several errors in this document had to be corrected, including the indicators against which the LDU was evaluated in the Mid-Term Review of 1994.)

The rapid developments led to several unforeseen problems for the fledgling LDU. These were mainly due to differences in perception between the major cooperating institutions and donors. The attitudes of IDT and Kagiso Trust were extremely positive; they were keen to support the LDU because it was clearly a pioneering organisation that was going to work with the rural poor. The ODA were also attracted to the LDU, but in their efforts to be politically correct were prejudiced towards those they saw as part of the old guard South African whites. On the other hand, several LDU Board members were sensitive to external support, particularly from the UK, and would probably have preferred to accept no assistance from outside South Africa. They also appeared reluctant to cooperate with FARM-Africa, whom they saw as a remnant of the colonial era.

LDU OFFICIALLY ESTABLISHED

Up until 1993, South African NGOs had mainly been concerned with the effects of apartheid. They concentrated on supporting the political struggle for equal rights, and in relieving the plight of families and individuals caught up in this struggle. Viewed by the government with suspicion, if not outright animosity, NGOs had kept a low profile and were secretive in their dealings. Thus, when the political breakthrough took place, most of them had very little experience of development work, particularly rural development. What is more, the new democratic government was initially wary of NGOs and did not seem to appreciate the key development role they could play. Like some other governments, it tended 'to view extra-governmental bodies as superfluous'.¹⁷

At the time the LDU was formed, no legislative framework existed for NGOs in South Africa and it was 'difficult, slow and expensive for NGOs to set themselves up as legal bodies'.¹⁸ It was decided that a trust would be the most appropriate legal body for the LDU although this would mean that professional help would be needed to set it up, that it would have to comply with the requirements of the Master of the Supreme Court, and that strict accounting and reporting procedures would be

necessary. The drawing up of the LDU Trust Deed became a complex process and a lengthy document was produced that needed several revisions. The process was further exacerbated by the need to negotiate the terms of the Deed with the UWC. Thus, when all was said and done, the LDU was governed and operated under an independent trust, the Cape Land Development Trust (CLDT), ‘a charitable institution of public character with the object of assisting disadvantaged rural communities within the Western Cape (and Northern Cape) Province’.

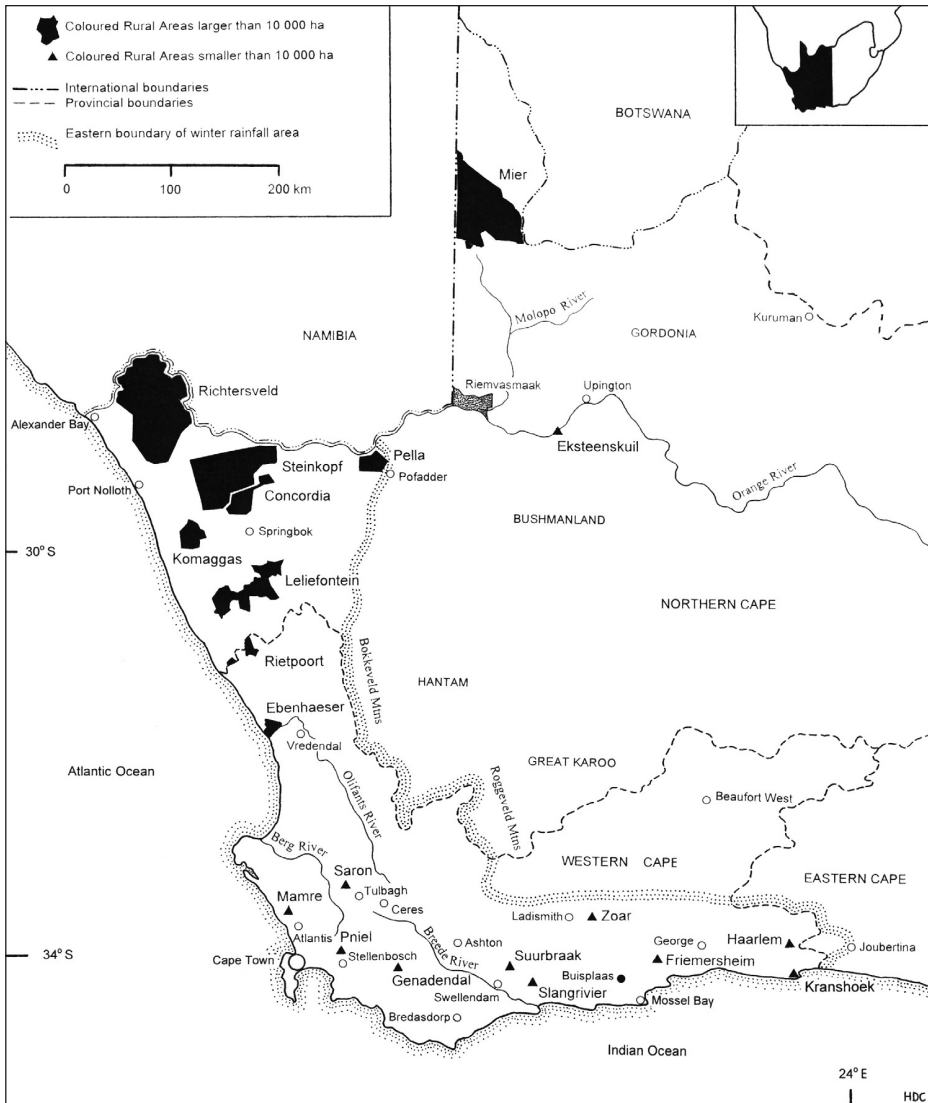


Figure 1.1 Coloured Rural Areas in the Northern Cape and Western Cape provinces (from Catling, 2008).

The LDU project proposal was finally cleared by ISD's Board of Control on 10 March 1993 and approved by the UWC Senate in April. The CLDT Trust Deed was drawn up in early 1993 by Richard Rosenthal at the request of IDT, the first donor. On 14 June 1993, the National Certificate and National Deed of Trust establishing the CLDT was signed by the nine persons nominated as the initial trustees. The Trust finally came into existence on 10 August 1993 with the issue of the Master of the Supreme Court's original Letters of Authority number T874/93.

The LDU was domiciled at the ISD at the UWC. Later, a Standing Committee was appointed, Ernst & Young were selected as auditors, and a service agreement for accommodation and utilities was negotiated with UWC. David Catling's appointment as the LDU's Project Coordinator was supported for a three-year period from the ODA grant, with the understanding that the leadership of the LDU would be handed over to a suitable person of colour at the end of the three years. Thus, Catling was now wearing two hats: that of the LDU Project Coordinator and FARM-Africa Representative, a situation which was to perplex some board members. Three other staff appointments were made in April and May 1993: an Administrator/Secretary, a Rural Development Officer and an Agronomist.

The FARM Executive Director, David Campbell, flew to Cape Town for the signing of the Trust Deed. At the same time, he assisted in revising the budget, clarified the accounting procedures and arrangements for the release of external donor funds, and discussed the LDU's initial work programme. Together with the Project Coordinator, he also visited several rural communities in the Southern Cape and called on various organisations in Cape Town and Johannesburg.

By June 1993, twelve Coloured Rural Areas (CRAs) had been approached to discuss the possibility of developmental assistance. Long-term commitments for operational projects were being drawn up with: Spoegrivier and Lekkersing (Namaqualand), Saron (Western Cape), and Buisplaas and Haarlem (Southern Cape). Similar arrangements were under way with the Ikhwezi community outside Paarl, and with vegetable gardeners in the townships on the Cape Flats.

* * *

The LDU was now up and running. The next chapter looks at its philosophy and strategy: the initial vision and objectives and how these were modified over time in response to changing conditions, the recommendations and demands of reviewers and evaluators, and its own self-learning.

Chapter Two

Philosophy and Strategy

Most of my previous experience had been as a researcher in the natural sciences. A researcher starts with a hypothesis and, using serendipity and intuition, is free to follow the twists and turns as revealed by the unfolding of results in the research process. Not so in rural development, dominated as it is by sociologists and economists with their very different approach and view of the world.¹ Rural development demands the stating of quantified outcomes even before work starts. Everything should fit neatly into a 'logical framework' before funds can flow. And the whole effort is directed at and through groups of people who can be fickle and move with you or against you in different directions. This was a new experience for me as I arranged and lived through the long series of reviews, evaluations and planning exercises.

This chapter traces the evolution of the Land Development Unit's (LDU) philosophy and describes how its vision, mission, objectives and overall strategy were modified as a result of an intensive series of reviews, evaluations and planning exercises that took place during the first 10 years of its existence. The chapter brings out the seriousness with which these exercises were treated by the Trust and the donors, and hints at the burden of these proceedings on the LDU staff.

ORIGINAL PHILOSOPHY

The initial mission statement in the proposal leading to the establishment of the Land Development Unit² read as follows:

LDU mission statement - 1992

The LDU is an independent, non-government organisation working for the rehabilitation and settlement of disadvantaged smallholder farmers in the Western Cape Province of South Africa [later becoming the new Western and Northern Cape Provinces]. The primary aim is to assist in raising the productivity of the land so that rural communities become more self-reliant, generate greater marketable surpluses and thus improve their living standards.

The first brochure of 1993 stated that: 'The LDU is committed to the establishment of a non-racial, democratic society and strives to reduce the bias of race, class and gender. It helps communities to work together and assists them in procuring development assistance'.

Initially the LDU concentrated its work in the Coloured Rural Areas (CRAs) scattered throughout the Western and Northern Cape Provinces having an

unjust land tenure system and poor resources of working capital, credit, water, inputs, available technology and knowledge. Physically isolated and exposed to dispossession of land, and in a few cases forced removals, their agriculture had been ignored by the systems supporting the white commercial sector because of the previous social and political separation. Technical support was also provided to vegetable gardens in the black townships of the Cape Town Metropolitan area. At a later stage it was foreseen that the LDU would become involved in the government's land reform programme where it would work with those communities regaining access to their land, and those being settled on the land for the first time.

The LDU pursued a community-based, participatory process with an 'action learning cycle'. It strove to develop sustainable, medium-input farming systems based on sound conservation principles such as avoidance of soil erosion and overgrazing, and the promotion of community forestry³ and integrated pest management (IPM).⁴ It employed the holistic farming systems approach where the whole agro-ecosystem is taken into account, and which promotes the sustainable use of land, water and energy sources. It is farmer-based, problem-oriented, multidisciplinary and embodies diagnostic and adaptive research. Research and development (R&D) takes place in farmers' fields with their cooperation and participation, and traditional farming systems are respected and evaluated. This was a significant departure for South Africa where the farming systems approach, although understood by some professionals as being much earlier, was only introduced officially in 1992. The LDU also positioned itself in the neglected interface between agriculture and socio-economics.

Communities were to be selected for operational projects called grassroots projects (GRPs).⁵ An essential period of discussion and negotiation with community structures was anticipated before overall assistance plans could be expected to emerge. Development would then be implemented at the speed of acceptance and understanding of the community, even though this may result in slow progress initially. Similarly, urban projects were to be developed in the townships.

The LDU would provide a small provisional agricultural extension and on-farm research service during the interim period before the emergence of new government extension structures, using its own subject matter specialists and drawing on technical expertise from the commercial sector.

REVIEW OF 1994

Major funding came from three donors for an initial period of three years. A Mid-Term Review, halfway through this funding period, was carried out at the request of the Overseas Development Administration of the UK (ODA) in August 1994. The review team consisted of a team leader from the University of East Anglia, UK, and a member from the Natural Resources Institute (NRI) UK, the University of Natal (now the University of KwaZulu-Natal) and the Vegetable and Ornamental Plant Institute (ARC-VOPI). The team leader had not visited South Africa before, while the NRI member had earlier made a short visit to a project in the north of South Africa. This proved to be a rigorous review conducted in a surprisingly top-

down fashion. During the proceedings considerable tension built up between the staff and the review team which discouraged a free and friendly exchange of views. Moreover, the review results and conclusions were not properly discussed with the LDU so that errors and inaccuracies appeared in the final report.

The review team complemented the LDU on the vigour and commitment of the staff, and appreciated the results of its first training programmes.⁶ But they concluded that the programme was diffuse and unfocussed, that project decisions were made on an ad hoc basis, and that the LDU was a *vulnerable organisation whose whole future could be in doubt*. The team failed to recognise the complexity and volatility of the socio-political environment prevailing in South Africa from 1992 to 1994. It overlooked LDU's progress in developing its first working arrangements with rural communities, and in building relationships with other role players, themselves undergoing rapid transformation. Although briefed about the problems the LDU was experiencing in its approaches to the Department of Agriculture (DoA), the team chose to believe certain Elsenburg staff who claimed that the LDU was not cooperating with them. The team also did not recognise the difficulty of conducting on-farm research with farmers who had lost most of their former arable farming skills and had little technical training.

Two major criticisms made by the reviewers were readily acknowledged: that the LDU's mission and programme needed greater definition, and that the Cape Land Development Trust (CLDT) Board was not adequately involved in strategic planning and operational aspects. The review was also critical of the financial records and accounting system. Two recommendations of value were that more reflection was needed on the LDU's early experiences and that development consultants should be employed to assist the staff in redefining its philosophy, strategy and future development plans.

The critical review set in motion a long series of staff and board meetings. The Cousins Committee was formed to consider the reported deficiencies, and the management structures of the CLDT and LDU itself were thoroughly reviewed. The Project Coordinator was called to FARM-Africa in London for urgent meetings to discuss the implications of the review. The results of these deliberations were circulated to the Board and the LDU staff for comment, and a special report was then sent to donor organisations to effect damage control.

Another important response to the review was a one-day workshop at the University of the Western Cape (UWC) facilitated by a consultant. Participating were seven board members and four LDU staff, two of whom were interacting with board members for the first time. The exercise included a stakeholder analysis and a staff training assessment. Ideas were put forward for new policy and mission statements, the LDU's clients were defined, and the duties of CLDT board members and the interrelationships between the LDU, FARM-Africa and UWC were considered. It was decided that the CLDT needed a proper constitution, and that greater emphasis should be placed on the reporting of project expenditure. But there were still divergent views on the LDU's main areas of focus.

It was also acknowledged that the original work programme envisaged for

the LDU, which had remained largely unchanged and lacked coherence, was too broad and ambitious for a small NGO. Several of the activities originally set out were either not attempted at all or were only considered briefly. For example, there was no joint R&D programme with Elsenburg or Stellenbosch University; small agricultural machines and implements, cooking hearths and stoves had not received attention; and ecotourism was only considered briefly.

Ultimately, the Mid-Term Review was seen as a valuable, though costly, exercise that helped to focus the LDU more clearly, redefine its mission and objectives, and clarify several aspects of its work. It was also true that the LDU needed to define more clearly its various categories of clients, indicators of progress, and the relationship with FARM-Africa and CLDT. But it had been ‘a harrowing experience for all LDU employees’ which ‘undermined the review process’. This negative impact retarded the LDU’s progress by consuming much of its energies for the rest of 1994 and part of 1995, put unnecessary pressure on the organisation and cast doubts in the minds of some key donors about its long-term future. We learned that future review teams should be more carefully selected, and that the review process should be structured so as to encourage useful dialogue and avoid destructive criticism.

PLANNING EXERCISE OF 1995

Responding to the recommendations of the Mid-Term Review, two development consultants from the Organisation Development and Training NGO, OLIVE, worked intensively with LDU staff to develop a new mission statement and set of objectives in mid 1995.⁷ This dynamic and refreshingly participatory process resulted in a new definition of the LDU.

LDU defined – 1995

The LDU is a non-government organisation of socio-agricultural specialists working in a community development context as an intermediary between small farmers/growers and policy makers.

The LDU was now visualised as being involved in a number of different activities in response to agricultural problems and production constraints identified through participatory processes with its clients – disadvantaged, small-scale farmers and growers (SSFs). The need for dealing with conflict potential and the managing of adversaries in the external environment was also recognised (see Figure 2.1). The clients were more carefully defined, and criteria were developed for establishing, developing and withdrawing from community projects. It was also decided that the target area should be restricted to the winter rainfall region of South Africa.

The ultimate aim was to jointly develop appropriate and sustainable practices for improved agricultural production, simultaneously building capacity and self-reliance within the community. This was to be done through an iterative, self-learning process. The LDU was now taking on a greater advocacy role to

ensure that disadvantaged farmers were properly represented, and was facilitating communication between farmers and the establishment. In other words, it was first acting as a catalyst, then becoming directly involved in advocacy, and finally acting as a facilitator.

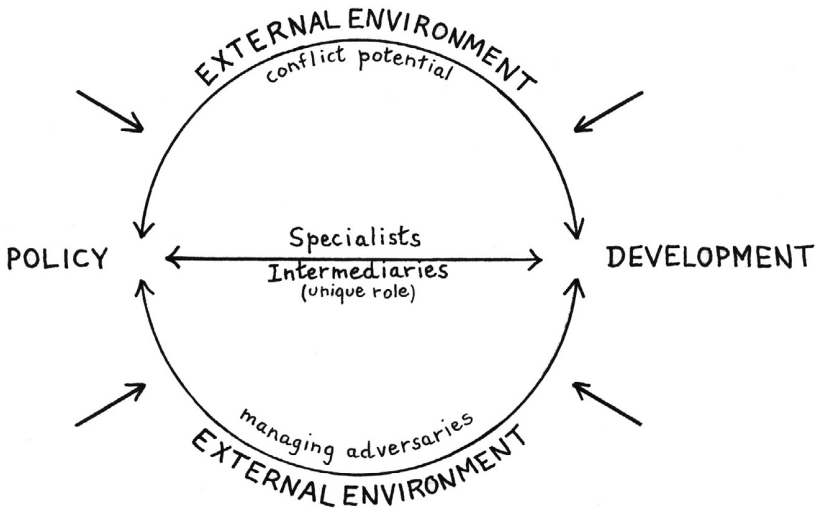


Figure 2.1 Graphical representation of how the LDU was functioning in 1995 (Van Schalkwyk and Thaw, 1995): 'The LDU is an NGO consisting of socio-agricultural specialists working in a community development context as an intermediary between small farmers/growers and policy makers'.

The OLIVE exercise also sharpened the LDU's planning capacity by employing the logical framework method, and initiated the process of developing a new programme and funding proposal for the next three-year phase.

EVALUATION OF FIRST THREE YEARS

This evaluation, carried out in November 1995 towards the end of the first funding period, was a requirement of the main donors. It assessed the performance and impact of the LDU over the first three years, emphasising the progress made since the 1994 Mid-Term Review, and made recommendations for the Unit's future. The evaluation team was led by the specialist from NRI (a member of the 1994 review, at the insistence of ODA), a FARM-Africa UK staff member, and two consultants from South Africa.

This more positive exercise concluded that the LDU had 'recognized the need for change in response to changing circumstances in South Africa, and had increased

its capacity for reflection'.⁸ Furthermore, the LDU now had a sound reputation in the Northern and Western Cape provinces, and the Programme for Research and Extension Training (PRET) was making an impact by challenging the top-down approach used by formal research and extension systems. With its new skills the LDU could now implement capacity-building programmes. Moreover, the CLDT board members had become more proactive in fundraising. The final conclusion stated that 'the achievements and progress of the LDU warrants support for a further phase of the project'.

Further on the positive side, the LDU was specifically commended on:

- the quality of its relationships with rural communities;
- the strong links it had forged with a wide range of other agricultural and rural organisations; and
- the results of its training programme, especially the training of agricultural school teachers.

It was recommended that the training courses be extended, and that the subsequent record of the trainees be carefully monitored. The bursary programme should continue, and the idea of linking bursary holders with farmers at operational sites was applauded.

On the other hand, it was felt that greater attention should be paid to several other issues: defining and prioritising the client groups and developing criteria for the selection of consultancies (in fact, this had already been done); developing indicators for assessing the value and sustainability of operational projects; and appraising the financial implications of field projects. It was said that the financial reporting system, internal auditing and budget structuring needed improvement. Staff training in project planning, design and preparation of logical frameworks and gender awareness should be continued, and the Project Advisory Committee (PAC) should become more proactive. Last but not least, the LDU should publish more of its work.

The team identified two related issues that threatened LDU's sustainability – the leadership crisis (the Project Coordinator was due to hand over leadership to an unproven Project Coordinator-designate), and the need to secure funding for the future.

In the proposal of February 1996 for the LDU's continuation for another three years,⁹ a new mission statement was spelled out, different in some respects from the one which appeared in 1992.

LDU mission statement – 1996

The LDU's overall goal is to raise the level of agricultural production, income and standard of living of resource-poor households in the winter rainfall region of the Western Cape and Northern Cape Provinces by developing, testing and disseminating appropriate agricultural models, systems and approaches for small-scale farmers and growers.

STRATEGIC PLANNING WORKSHOP OF 1997

The LDU stabilised over the next two years and it was time for the next external evaluation. In 1997, Vision Quest carried out an initial assessment of the LDU, followed by a four-day workshop for the eight LDU staff and two Board members. Participatory methods were used and a SWOT analysis (strengths, weaknesses, opportunities and threats) was carried out.¹⁰ This was the first formal evaluation and planning exercise for five newly-appointed LDU staff members.

The workshop revealed that several new staff members were unsure of their actual direction of work and had simply been ‘pressing ahead by doing’. Two of the staff, but none of the others, complained that the management style was characterised by petty control and that Board members were too busy to be of any help. Because the LDU had been relying on its credibility and trying to be all things to all people, it had tended to neglect systems development, planning and reflection. Nevertheless, the LDU had a definite developmental approach, and had passed through a difficult and challenging period to emerge with commitment, stability and a sense of direction.

A new mission statement was developed which differed from earlier ones:

LDU mission statement – 1997

Through dedication and hard work, we will: develop sustainable agricultural models and systems, empower small-scale farmers and growers, and contribute to the recognition of small-scale farmers and their significant role.

The evaluators suggested that overall strategic planning should be given a higher priority and that greater reflection was necessary. More specific recommendations were:

- The work programme and future direction should be clarified and specific strategies carefully chosen.
- Urgent attention should be given to general management and the ‘development of systems policies and procedures’ to enable the LDU to become less reactive.
- A more secure funding system was essential.
- Regional centres should be established to support the operational projects more effectively.
- Enjoying the legitimacy of civil society and government, the LDU should define its advocacy role and extend this programme.
- The valuable lessons it had learnt should be documented for the benefit of others. There should be published accounts of the LDU in book form and regular annual reports. A writing skills workshop should be organised.

EXTERNAL EVALUATION AND STRATEGIC PLANNING WORKSHOP OF 1999

Two years later there was a major Evaluation, followed by a One-Day Workshop and a final seven-day Strategic Planning Workshop. This proved to be the LDU’s

last external evaluation and planning exercise, and took place when the LDU was at its zenith. It was a particularly thorough, if drawn out, process and is described in some detail here.

Process. The Evaluation for the period 1997 to 1999 was carried out in August 1999 by a member of the Environmental Monitoring Group (EMG) and a member of the Farmer Support Group (FSG) with the main aim of 'assisting the LDU to reflect on its practice so as to improve its future effectiveness and delivery'. Conducted in a true spirit of self-evaluation, it was based on a series of interviews and interactive workshops with field projects, cooperators, partners and donors. The LDU staff responded very positively.

The special One-Day Workshop discussed several developmental paradigms such as the integrated rural development approach, socialist experiments in Africa and the World Bank's structural adjustment programme, before introducing the *sustainable livelihoods approach*. (It was to take more than a year before this new approach was accepted by the staff and properly embodied in the LDU's programmes.) The CLDT Board and LDU staff members were then interviewed.

The Strategic Planning Workshop, held over three days in September 1999 at a seaside retreat outside Cape Town, was followed by a concluding session of four days at UWC.¹¹ Participating were ten LDU staff and the four Board members serving on the PAC. The overall process was similar to the 1997 workshop where a SWOT analysis was carried out and a strategic plan developed for the next three years, taking into account the recommendations of the earlier Evaluation and One-Day Workshop.

Results. The evaluators found that the LDU 'was a vibrant organisation striving to improve its effectiveness'¹² and noted the following achievements:

- The LDU had played a key role in the reorientation of extension services in the Western and Northern Cape Provinces.
- It had developed relationships of trust and respect with its grassroots clients, service providers and donors.
- The PRA training courses had made a positive impact on the participants.
- The internal environment of the LDU was well conceived with a set of policies, job descriptions and a functional administration; financial systems were adequate; and all posts were filled with competent, enthusiastic staff who were dedicated and widely respected.
- The Board, its executive and the PAC had been supportive and shown good oversight.
- The financial position was sound and donor support was secure for the foreseeable future; the income-generating consultancies had assisted in keeping the LDU sustainable.
- Networking with other organisations was satisfactory.

At the same time, various areas of weakness were identified that needed immediate attention. The specific recommendations of the evaluators are presented below and fall into ten categories.

- The LDU was advised to seriously rethink its basic philosophy and methodology, and deepen its process of evaluation. This was perhaps the most important recommendation. Suggested key shifts of emphasis were: moving from agricultural technology towards a more integrated development approach, and involvement in the new areas of asset assessment and gender appraisal; exploring non-agricultural avenues of training in order to reduce poverty; and improving the overall quality of field projects by reducing the geographical area and focusing on fewer sites. A more coherent developmental methodology was needed, and a proper planning and evaluation manual was necessary.
- There was a lack of self-learning, especially from the GRPs. More clarity of direction was urgently required. All staff needed to broaden their theoretical understanding of human and rural development. In order for field staff to have more time for reading, flexible working hours should be introduced and retreats organised. A staff development programme was still to be established, and a staff mentorship scheme was suggested.
- Four weaknesses were identified in the large grassroots programme. First was the paucity of cost benefit analysis and evaluation. A thorough analysis of GRP costs and benefits was necessary based on the collection of information of the numbers of beneficiaries, actual household incomes and the capacity of producers, obtained from interviews and workshops. Monitoring and evaluation (M&E) of GRPs should employ participatory impact monitoring (PIM), and the existing Grassroots Policy Document should be simplified and made more accessible. Second, the poorly-defined development indicators needed overhauling and, third, there was the increasing tendency to work with only a few individuals in the community. The LDU was exhorted to work with groups and to make sure that it served the more impoverished majority. Fourth, the role of field assistants needed to be reviewed; it was pointed out that field demonstrations should be employed only where individual farmers had shown due competence and commitment.
- The management style was seen as 'too task and product driven'. There were inconsistencies in management decisions and the management structures were shaky. Greater devolution of power, better communication between management and field staff, and regular staff meetings were required. A more flexible team approach was recommended for serving GRPs, and for training and capacity-development work. Namaqualand and the Southern Cape should have permanent offices.
- Difficulty was being experienced in balancing the field projects with the admittedly valuable consultancy programme. Staff members complained they were put under increasing pressure from uninformed consultancies and other unplanned work. It was noted that a report on the rationale and criteria to be applied to external consultancies would be presented to the Board.
- The writing and dissemination of the LDU's experience was sadly lacking. Staff said they did 'not have enough time to write', and the manuals and

workshop reports were found to be of mixed quality. The valuable pioneering work and experience should be carefully written up after critical reflection. Writing skills should become part of the staff development programme. Manuals and training courses should draw more heavily on the LDU's own case studies.

- The LDU's relationship with UWC (and ISD) was poorly defined, and office accommodation and equipment were inadequate. The LDU should continue to be associated with UWC, and its contribution to the university's academic life should be expanded. The bursary programme should be broadened to include students at the Institute of Development Studies (ISD).
- A logical framework approach was suggested for developing strategic plans for the key areas of overall management and leadership, financial management, GRPs, dissemination and documentation, and advocacy.
- The LDU was urged to give greater attention to environmental and conservation issues by becoming involved in natural resource management projects, for example the National Land Care Programme and the UN conventions on biodiversity and desertification.
- It was clear that men had received most benefits in the GRPs, and that there was a male power imbalance in the CLDT and in the top echelons of the LDU staff. The neglect of gender issues should be rectified.

It was suggested that two important elements be incorporated in a new vision of the LDU: first, a sustainable livelihoods approach to focus on agriculture and sustainable income-generating projects so as to increase livelihood income by building partnerships with other service providers, and, second, the embracing of greater environmental awareness.

A new mission statement and slogan emerged:

LDU mission statement – 1999

The LDU will, through the building of partnerships and by establishing environmentally sound agricultural income generating projects, increase the income of livelihoods and thus promote the sustainable livelihoods approach.

Slogan: Promoting sustainable livelihoods for resource limited farmers.

CHANGES IN 2000

Besides the grassroots and urban projects, and the training and advocacy programmes, the LDU was now becoming increasingly involved in compiling community profiles, project planning and evaluation, and economic feasibility studies of existing and aspirant farmers on behalf of the Department of Land Affairs (DLA). This new area represented a significant part of the LDU's income-generating activity. Moreover, a Business Development Support Programme, started in 2000, was helping communities to develop their own business plans and market

their surplus produce through producer organisations (POs). Thus, leaving aside the advocacy programme, the LDU's work was now being divided into three main components:

<u>Technical development</u>	<u>Capacity building</u>	<u>Business development</u>
Implementation of GRPs	Four modules:	Basic agricultural economics
Training in technical skills	- Institution building	Farm financial systems
On-farm research	- Financial management	Development of business plans
	- Project management	Feasibility studies
	- Organisational development	
	Establishing resource centers	

A comprehensive Strategic Work Plan for 2000–02 was drawn up.

STRATEGIC PLANNING WORKSHOP OF 2002

A one-day Planning Workshop was held at UWC in July 2002 a few months after its emergence from hibernation. Attended by five Board members and three staff members, it produced a set of constructive recommendations but was a hurried exercise which was to have little impact on the LDU's subsequent course. The workshop briefly described the environment within which the Unit found itself and then went on to consider a new role.¹³

The LDU's comparative advantages were seen as being: its past experience of working with disadvantaged communities, the established community development projects, the ability to bridge the gap between SSFs and government organisations, the contribution to reorientating government researchers and extension workers, and the links with ISD and UWC.

The following recommendations were made:

- The advocacy role should be resumed immediately. This should concentrate on: constructive engagement with government policy makers and agencies to render existing legislation more enabling for SSFs; raising awareness and lobbying for more innovative support for farmers getting access to land; and promoting partnerships between government and NGOs such as the Surplus People Project (SPP) and Legal Resources Centre (LRC). Another possible role was to facilitate the mentoring of farming beneficiaries of the land reform programme by drawing on willing commercial farmers and other experienced agriculturists.
- The LDU should continue building on the 'survivalist techniques of communities' by supporting food security projects in the Southern Cape and

selected GRPs in Namaqualand that are showing satisfactory commitment and community cohesion. Training courses in technical agriculture, life skills and business skills should again be offered. Communities should be assisted in developing appropriate business plans and identifying sources of agricultural credit.

- Immediate priority should be given to publishing the LDU's findings in order to replicate successful approaches, methods and projects (a familiar echo!).
- The Business Development Officer position should be revived so as to continue the entrepreneurial training; this person should also help with fundraising and probably serve as the LDU Deputy Director. A Community Development Officer should be based in Springbok to support the Northern Cape projects.

By the end of 2002, the LDU had once more defined itself. This proved to be the last time.

LDU mission statement – 2002

To promote sustainable agricultural livelihoods, empower rural and township families, and interact with developmental organisations, government departments and policy-makers.

Slogan: Improving the lives of rural and township families.

Vision: Disadvantaged rural and township families to have assured food security, improved health and nutrition, and enhanced self-esteem.

Objectives:

- To raise the productivity of small-scale farmers, aspirant commercial farmers and township vegetable growers.
- Improve the living standards and self-reliance of these communities.
- Strengthen the effectiveness of government agricultural services.
- Interact with policy makers.

DISCUSSION

During the formative years of the LDU, external evaluators from the UK played an important role, particularly in the Mid-Term Review of 1974 and the Evaluation of the following year. However, it took several months for the LDU to recover from the negative results of the former. The OLIVE planning exercise of 1995 was very valuable since it enabled the LDU to better visualise itself and its role, and the introduction of logical framework planning contributed materially to the successful external evaluation at the end of the first three years. By the end of 1996, the LDU was firmly established and had a clearer idea of its mission, objectives and strategy.

Regular annual strategic planning exercises were now taking place. The 1997 external evaluation found that the LDU had grown into a larger, busier organisation with several new staff members. But cracks were appearing in the management, and there was a tendency for it to be overly reactive at the expense of reflection and the dissemination of its findings and experience.

The last major evaluation and planning exercise of 1999 was a complex affair held over several weeks which involved several Board members. Though generally positive, the Evaluation concluded that the LDU's basic philosophy and methodology needed reassessing, its management style tightened up, and more attention given to environmental and gender aspects. The Evaluation was also critical of certain aspects of the GRPs, and again noted that the LDU had not written up and disseminated its unique experience. The sustainable livelihoods approach was in the process of being introduced, and a strategic plan was developed for the next three years.

Despite the holding of major planning exercises every 1–2 years, strategic planning was consistently identified as an area of weakness. In the 1997 and 1999 reviews, the management style was found to be rather top-down and over centralised.

The internal planning workshop held in 2002 after the LDU had emerged from hibernation (caused by an acute shortage of funds described in Chapter 4) was a perfunctory exercise. It correctly concluded that the former advocacy, food security and training programmes should be resumed, and produced yet another formulation of the LDU's vision, mission and objectives. Given the rapidly changing conditions in South Africa, the serious plight of NGOs at this time, and the shaky state of the LDU's finances, this last planning exercise should have been more carefully performed and conducted by an outside facilitator. Sadly, the advocacy and training programmes were not to be revived, a Business Development Support Coordinator could not be recruited, and no significant LDU publications appeared, apart from two editions of a farmers' monthly magazine.¹⁴

* * *

In the next two chapters we look at how the LDU ran itself and how it was funded.

Chapter Three

Management

Little did I realise what I was taking on when deciding to found a new NGO. I had set up projects before in Swaziland, Bangladesh and India, but that was child's play compared to setting up a completely new organisation in a rapidly changing South Africa. The greatest challenge was the putting together of an organisational structure that would enable the LDU to function smoothly yet effectively with a minimum of bureaucracy; that was flexible, with room to manoeuvre – with just a few secure nuts and bolts. The subsequent complexities, confrontations and crises were astounding.

From philosophy and strategy follow management and administration. Once the LDU had some idea of what it wanted to do and how to do it, a suitable management system was necessary in order to carry out a plan of action. It needed legal status and a governance structure – the Cape Land Development Trust (CLDT) with its executive and Project Advisory Committee (PAC). It needed staff members – who had to be recruited, trained, deployed and administered, and suitable accommodation at the Institute of Social Development (ISD).

Financial accounting was, of course, an essential requirement. And a working relationship with its partner FARM-Africa had to be developed. Chapter 3 describes how this management system evolved over the years, and highlights some of the problems encountered and the mistakes made.

Governance

THE CAPE LAND DEVELOPMENT TRUST (CLDT)

Legal status

The establishment of the CLDT and the drawing up of the original Trust Deed are described in Chapter 1. To start with, the Trust was registered under the Fundraising Act of 1978, which was obligatory for all organisations receiving funds from outside South Africa. Although at that time the fiscal status of all non-profit organisations was governed by legislation largely modelled on the UK Charities Act, the adopted English term 'charitable' was given an extremely restrictive meaning in South Africa, entirely out of keeping with the work that the LDU, and other NGOs, were doing.

In 1995, the LDU's attorneys, Rosenthal, Walton & Associates, submitted applications to the Director of Fundraising, Pretoria, and to several other bodies. A constitution for the CLDT was drafted by the attorneys in April 1995 where the most urgent issues were the clearance to raise funds and tax exemption. The

authority 'to collect contributions' was granted by the Department of Welfare in October 1996.

The LDU was a project of the CLDT, and the Board of Trustees was ultimately responsible for the LDU's affairs with authority to:

- define the philosophy, mission and objectives of the LDU;
- secure funds from donor agencies or other sources;
- administer these funds; and
- implement projects in pursuit of its objectives.

Guidelines for the role of trustees were drawn up later, and a Trustee Manual only appeared in August 2000. The 'Resolution of the CLDT concerning the regulation of the LDU', signed in 1997, defined all entities, and described the powers and authority of the Board with regard to the LDU: the Executive Committee, Project Advisory Committee, employment, resolution of disputes, and the role of the Coordinator/Director. In practice, responsibility for most of these functions was delegated to the LDU Project Coordinator/Director and staff.

In 1997, the Fundraising Act was finally repealed and replaced by the Non-Profit Organisations Act under which it was no longer necessary to register in order to engage in fundraising. But the NPO Act, and amendments to the Income Tax Act, demanded a host of new requirements for two purposes: '(i) eligibility for registration under the NPO Act (a precondition for tax exemption, hence the NPO number) and (ii) approval by the South African Revenue Service (SARS) as a tax-exempt so-called Public Benefit Organisation, (hence the PBO number).¹ This meant that a major amendment of the Trust Deed was necessary, including the recording of changes in the membership of the Board, and the updating of the LDU's objectives and geographical target area. Also considered at this time was a reduction in the number of trustees, and better ways of replacing members not regularly attending board meetings.

Regrettably, the Notarial Deed of Amendment was never signed or registered with the Master's Office, and the CLDT did not renew its application for registration with the NPO Directorate. Nor did it re-submit its application for tax exemption status. This was a bad mistake which led to delays and reverses in subsequent attempts to comply with the demanding requirements of the new act. For example, in 2000 the authorities requested information on the LDU's staff positions, financial accounting system, banking arrangements, and an updating of trustees, which were finally lodged with the Master of the Supreme Court. Yet another general revision of the Trust Deed was then called for, and in 2003 a new draft Trust Deed was drawn up by the ISD's legal advisor, but this document was never adopted.

The current legislative framework for NGOs has changed somewhat from that of the 1990s. There is 'no longer control on public or foreign fundraising', nor is there 'an obligation to place organisations on public record which is now supposedly voluntary' and 'requirements for tax exemption and other fiscal benefits have been liberalised and expanded'.²

Composition of Board

Advice was sought from the Surplus People Project (SPP), the Legal Resources Centre (LRC) and Operation Hunger as to the best composition of the Board. It was decided that the directors of the two original partners, the ISD and FARM-Africa, would serve as ex-officio members (until the FARM Director resigned in 1996), and an independent professional was appointed to represent the donors. Three trustees represented the rural communities in the Western Cape, Northern Cape and Southern Cape regions, each with a non-voting alternate to stand in where necessary. In addition, the University of the Western Cape (UWC) insisted on having three of its university staff on the Board. A Chairman and a Treasurer were selected from among these Board members. The Project Coordinator/Director convened all board meetings and acted as secretary.

The first Board consisted of nine trustees (plus the three alternates for rural communities) from 1993–96. With the later appointment of an outside Treasurer and additional appointees in an attempt to include black and female board members, this number rose to 11 until the end of 2002. There were usually *more* trustees than LDU staff members. (By comparison, in 2006 the SPP had a smaller board of six members and 17 staff.)

The rural communities were effectively represented by their three trustees. There were about equal numbers of whites and coloureds on the Board, but considerable difficulty was experienced in appointing black trustees and female trustees, despite relaxing the selection criteria. The first black appointee was not able to attend any Board meetings and his replacement did not serve for very long. Similarly, a senior black woman was not able to attend any of the Board meetings. Attempts to ensure a more favourable gender balance failed completely: there was just one female Board member for most of the period, and no woman was able to grace the Board meetings held in 1977 and 2000.

The donor representative resigned during the first year and was replaced by a leading commercial farmer who did not fully understand the objectives and strategy of the LDU. Fortunately, a new incumbent was able to serve from 1995 to 2004.

The Treasurer position changed five times. The first Treasurer resigned within the first year, his replacement serving for a matter of months. A successor took over the financial accountancy duties in 1995 and continued for seven years during which he was appointed Treasurer and Internal Auditor. A new Treasurer was appointed in 2002 and the responsibility for internal accountancy was given to a professional accounting firm.

The issue of the payment of trustees for services to the Board or LDU was raised several times. Although there were differences of opinion on the Board, it was finally decided in 2002 that trustees would no longer be paid for professional services rendered.

Meetings of the Board

The Chair was given successively to four of the Board's members during the 12 years of the LDU's lifetime. The Board was supposed to meet at least twice a year

– which it did. There were 42 official meetings from 1993 to the end of 2003, with three to four meetings a year except for the crisis year of 2001, when it met seven times. In 2004 it met twice, and in 2005 once. The FARM-Africa Director attended 2–3 meetings each year from 1993 to 1996. In 1997, the LDU staff were invited to appoint one member to attend Board meetings. In May 1997 the staff reported directly to the Board on the progress of field projects but this arrangement was not repeated.

Attendance at Board meetings averaged slightly more than 60 per cent, minimum attendance or lack of a quorum occurring on 13 occasions (29 per cent). Poor attendance was sometimes critical. For example, at the December 2000 meeting in Namaqualand, where over a three-day period the handful of Board members visited LDU project sites for the first time and held discussions with clients and cooperating organisations – an excellent development – there was no quorum. The July 2002 Planning Workshop scheduled for trustees and LDU staff was also very poorly attended. Several efforts were made to rectify such poor attendance. A special CLDT workshop held in February 2001 (shortly before the LDU's hibernation), defined more clearly the role and duties of Board members, and reiterated the LDU's vision and objectives. Also emphasised at this workshop were the importance of: greater public awareness, dissemination of information, 'strategic repositioning', and, ironically, improved financial sustainability.

As may be expected, Board meetings were dominated by administrative and staffing issues, fundraising and financial control, crisis management, and lastly, monitoring and evaluation (M&E) of the LDU's performance, especially the field programmes.

It was seen in Chapter 2 that the 1994 Mid-Term Review criticised the CLDT for not being sufficiently proactive. The ensuing crisis spurred the Board into greater action and led to a clarification of the LDU's role and its relationship with FARM-Africa. In 1995–96, the Board began to assume greater control over the day-to-day management of the LDU, and a little later the Trust passed a resolution defining more clearly the 'authority and accountability of the LDU and the responsibilities of the Trust, the relationship with FARM, and the modus operandi of the Executive Committee and Project Advisory Committee'. However, in August 1998 the Board decided to deal with major issues only, leaving all lesser matters to the Executive Committee and assigning specific portfolios to Board members.

It was decided that LDU Open Days would be more appropriate than annual general meetings, and accordingly an Open Day was held in December 1995 at Buisplaas. Another Open Day and a Board meeting were held at the Outeniqua Experiment Station, George, in August 2003 where LDU projects were visited.

Despite serious lapses in attendance, the strained relationship with FARM-Africa (see below), and two failures discussed in Chapter 7, the CLDT Board functioned reasonably well under the circumstances. Several key trustees, some of whom remained on the Board for all or most of its existence, showed great commitment and rendered exceptional service. The Board also exhibited considerable flexibility during the difficult hibernation period of 2001. But it was not able to save the LDU from going under three years later.

THE FARM-AFRICA RELATIONSHIP

There were persistent tensions between the CLDT and FARM-Africa. Some Board members did not really understand FARM's role in helping to set up the LDU and in developing its first programmes. They seemed reluctant to acknowledge FARM's considerable agricultural development experience (which greatly assisted the LDU in the beginning), and its role in gathering valuable international funding from the Overseas Development Administration of the UK (ODA) and the grant from Christian Aid. Some Board members assumed that ODA funds could be used on various projects without reference to the project document with ODA. The LDU Coordinator's second role as FARM-Africa's Southern Africa Representative, the previously mentioned wearing-of-two hats, was misunderstood.

Despite attempts by FARM-Africa's Director to explain the intended relationship at Board meetings, and further efforts by the Project Coordinator, the trustees persisted in referring to the 'obscure relationship' between LDU staff, the Project Coordinator (also a FARM-Africa employee) and the CLDT. This sensitivity may partly be explained by the fact that many board members had limited experience of international organisations and NGOs. It was also exacerbated by the imperious attitude of ODA and the overbearing Mid-Term Review. Personality problems were also a factor. A special workshop to discuss the FARM-Africa-LDU relationship at the 1994 Mid-Term Review failed to resolve the issue, and at the end of the year the Board suggested that FARM and the LDU form separate identities for their mutual benefit. The nature of the CLDT, and its relationship with LDU and FARM were formally defined in the CLDT's constitution of April 1995. Later that year, the Board decided that the LDU needed greater independence and that from then on it should deal separately with ODA for funding. Accordingly, a memorandum of understanding drawn up to reflect these changes was approved by the Board and submitted to FARM in London in February 1996. FARM's reply of October 1996 suggested that Catling (now an independent consultant) should represent FARM on the CLDT. But the Board did not like this idea and decided to rather keep an informal relationship with FARM, and the memorandum was never signed.

LDU trained FARM-Africa staff members in the Northern Cape in 2000. The two organisations were talking to each other again in March 2002, FARM requesting a joint initiative with LDU, but nothing materialised.

EXECUTIVE COMMITTEE

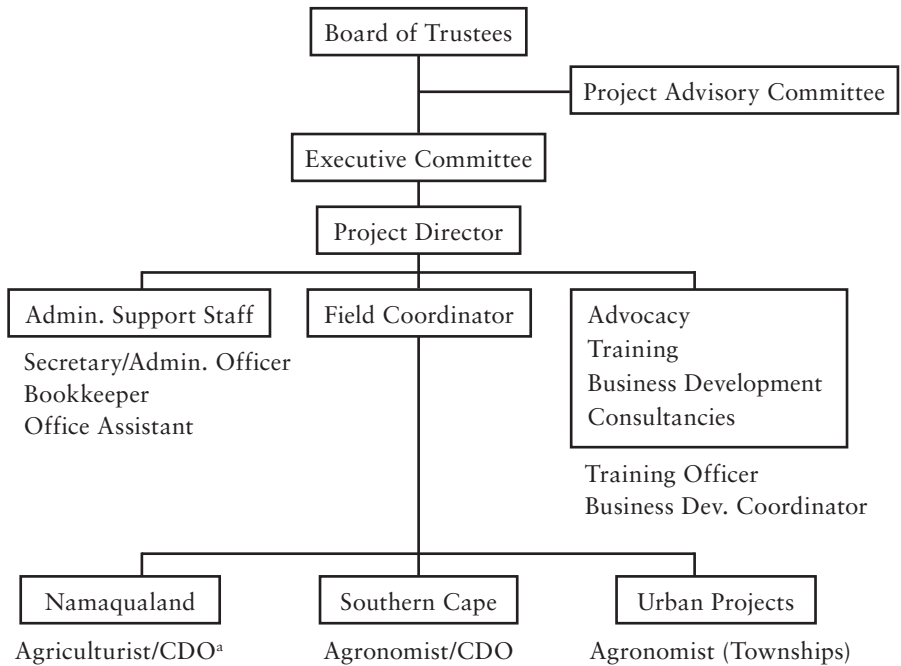
All LDU activities were guided and monitored by two statutory committees reporting directly to the Board by means of official minutes (see Figure 3.1). These were an Executive Committee for routine administration and management, which functioned efficiently throughout the life of the LDU, and a Project Advisory Committee which advised on the LDU's programme from 1995 to 2000. The Coordinator/Director tabled quarterly reports to the Board and the Executive Committee from mid 1996.

A preliminary Standing Committee formed at the inaugural meeting of the CLDT met for the first time in June 1993. This was replaced in 1995 by a

permanent Executive Committee, as defined in the CLDT constitution, consisting of four Board members, including the Treasurer, and was accountable to the Board. Three members constituted a quorum, and meetings were convened by the Project Coordinator. The Committee liaised with the Project Coordinator to ensure the smooth running of the LDU. In effect, the Executive Committee was primarily responsible for all routine, day-to-day affairs of the LDU including: administration, conditions and appointment of staff, arranging of reviews and evaluations, financial control and fundraising. Meetings were to be held at least every quarter to consider the activities and finances of the LDU.

Meetings of the Executive were regular and consistently well attended: from 1994 to 2001 there were 5–11 meetings per annum (average 7). Meetings then tailed off with only six meetings from 2002 to 2004.

An ad hoc Finance Sub-Committee consisting of Project Director, Treasurer and Bookkeeper formed in 2000 met only twice: in March and August of that year.



^a Community Development Officer

Figure 3.1 Organisational structure of the LDU

PROJECT ADVISORY COMMITTEE (PAC)

An advisory committee for purely technical matters had been suggested earlier by the Independent Development Trust (IDT), Kagiso Trust and FARM-Africa. A

preliminary PAC appointed in 1995 met irregularly, and it was only in 1996 that a fully functional Committee was formed according to the CLDT constitution. The PAC's stated purpose was to advise the Project Coordinator and staff on professional aspects, particularly project design, implementation, and M&E. With advisory powers only, it was to consist of four members, one being a Board member. Meetings were to be held at least twice a year, and members should meet the LDU staff and visit project sites.

In fact, five members were appointed: two from the Board, two from SPP and one private consultant. Members were allocated one of the following responsibilities: training, management, cost-effectiveness and sustainability, project planning, strategy and developmental approaches. Regrettably, a female committee member could not be found to specialise on gender issues. Most of the original members served for the whole five-year period of the committee's existence. In 1998, due to their heavy work burden, the role of voluntary members was reduced to one of advice, and self-employed members were paid a small honorarium for attendance at meetings. In 1999, new terms of reference were approved for the PAC. The Committee met nine times and the last meeting was held in April 2000. Some members did not have time to visit the field projects.

Major contributions made by the PAC included: the development of a staff performance system, suggestions for ensuring greater project cost-effectiveness and sustainability, a draft document on the sustainable livelihoods approach, and the monitoring of LDU's work plans. Advice and suggestions were given on many relevant issues such as: the LDU training programme, the extension of its activities into the Northern and Eastern Cape Provinces, the setting up of regional offices, new field approaches, the establishment of a Business Development Support Division, and overall funding of the LDU. The PAC participated strongly in the 1999 Evaluation and Strategic Planning Exercise.

The PAC also recommended that the staff read more avidly and write articles for publication, that more of the LDU's findings should be disseminated, and that permanent staff teams be established. It prepared a rationale for LDU's consultancies to government, and expressed concern over the draft document on the Grassroots Project Policy.

Staff

In the early days, administrative structures were kept as simple as possible and a workable system was evolved with minimum bureaucracy; this also enabled the LDU to retain greater flexibility. Gradually, more elaborate administrative policies and procedures became necessary or were dictated by new government legislation and enthusiastic consultants. The development and incorporation of some of these administrative 'improvements' were tedious and costly.

The Project Coordinator or Director was responsible for project implementation and M&E, the field and administrative staff reporting directly to him. He maintained contact with the donors and was responsible for the receipt of funds, and the monitoring and control of all expenditure with assistance from the bookkeeper.

He was secretary of the Board, the Executive Committee and the PAC.

Since the effectiveness and success of a small organisation like the LDU depends largely on the quality and dedication of its staff, the whole question of staffing is now treated in some detail.

Conditions of service

In practice, the Project Coordinator or Director carried out most of the tasks involved in staff employment. In the beginning, staff members were appointed on a one- or two-year basis that was renewable provided that funds were available and performance was satisfactory. Two-year service contracts were gradually replaced by one-year contracts from 1996. Usually a 3–6 month probationary period was applied in the first year of service. Basic salary was based on qualifications and experience, with an annual increment decided in consultation with the Executive Committee. An additional payment of 7 per cent of basic salary was paid into a pension scheme of the member's choice. UWC handled the salary payroll and PAYE until the LDU took over the operation in 1998.

Staff members were initially obliged to take out a medical aid scheme, the LDU paying two-thirds of the monthly premium up to a fixed maximum but the scheme was later discontinued. A maternity benefit similar to that of UWC staff was offered. Field staff members were assigned a vehicle for their official project work for which the LDU paid the licensing, maintenance and running costs. The Unit also paid for actual costs on field trips. Another scheme provided field staff with laptop computers, 50 per cent of the cost being recovered over two years. Members of staff were given opportunities for technical training and study travel, and were allowed 10 days of study leave per annum. Staff could be released for consultancies or secondments provided the work was related to the LDU's programme.

The initial conditions of service were subsequently modified. The process started with the Strategic Planning Workshop of September 1997,³ which looked at staff life skills management and reviewed the job descriptions. (There had been a poorly conducted skills audit of LDU staff in 1996 by a consultant.) In 1998, FSA Consultants (a South African human resources firm specialising in job profiles and pricing) carried out a thorough job evaluation, and developed a staff remuneration package and draft performance appraisal system. The new remuneration package, finally approved by the Board and accepted by staff in the third quarter of 1998, significantly increased salaries. Job descriptions were updated and finalised in the first quarter of 1999.

The draft performance appraisal system was applied for a 6-month pilot period. A new version of the document then appeared which was approved in June 1999. However, a year later, not only were several omissions evident, but it now had to be brought in line with new labour legislation. Finally, in early 2001, an updated document was referred to the staff and then submitted to the Board. But the final appraisal system was never really accepted by the staff and was not applied in the LDU's post-hibernation period.

All other conditions of service were dealt with by developing a Human Resource

Policy Document. This long and expensive exercise, carried out by consultants, took more than three years to complete and was only approved by the Board in 2000. The Policy Document laid out in considerable detail all aspects of staff appointment, staff development and a performance management system. The staff development policy provided for staff training up to a budgeted amount of 2 per cent of the overall organisational budget. (A reimbursable skills development levy applied if the LDU spent more than 1 per cent of its payroll on training.) Staff members were entitled to 20 days per annum of training or skills upgrading. Training could be in the form of: on-the-job training and mentoring within the LDU, exchange visits, participation in conferences or workshops, and part-time courses. A policy on cellular phone use was in place by 1999, and a formal vehicle policy was introduced in the second quarter of 2000. A manual describing these conditions of service was prepared for employees.

In April 2002, after the costly retrenchments of July 2001 (discussed later), and in the light of new legislation, the LDU considered employing its staff as independent contractors. Labour law consultants, however, recommended fixed-term contracts for core and longer-term staff, and hiring only short- to medium-term staff as independent contractors.

Regular staff meetings took place, there being an average of six staff meetings per annum from 1995 to 2000. Regrettably (particularly for the present author), the staff members were not obliged to write final reports on departure, nor in most cases were their files and documents systematically arranged, and there was limited archiving.

Recruitment

The identification of suitable staff was handled directly by the Project Coordinator until 1998, when a recruitment agency took over the advertising and initial screening of possible candidates. Final staff appointments were confirmed by the Executive Committee.

The recruitment and retention of suitable staff was a constant challenge. In the beginning, persons were sought who had a degree or diploma in agriculture and who also had experience of working with poor and disadvantaged rural communities. This was a rare combination in the South Africa of 1993. And qualified professionals of colour with international experience were just not available. The LDU team had also to reflect an appropriate ethnic balance for the Western Cape and be fluent in the languages spoken by the communities in which it worked – Afrikaans and Xhosa. Initially, it took a long time to identify a suitable Xhosa-speaking officer with experience of vegetable growing. The appointment of a Project Coordinator-designate of colour to take over the leadership of the LDU proved particularly difficult (see below). Two other positions that were difficult to fill were the Training Officer and the Business Development Officer.

The LDU team was always fairly well balanced in respect of ethnicity and gender. An analysis of staff profiles employed in 1994, 1997 and late 1998 revealed that coloured people made up around 60 per cent of staff overall, whites 20–25 per

cent and blacks 10–15 per cent. Females comprised 54 per cent of the staff overall, although each of the three Coordinator/ Directors were males.

The possible use of foreign volunteers raised by the Project Coordinator in 1993 was flatly turned down by the Board; clearly it was a sensitive issue with some members. (Voluntary Service Overseas, or VSO, had been invited to South Africa by the ANC in 1993 and had their volunteers in the country by 1995.) This restriction was later lifted when several volunteers approached the LDU. But only one volunteer was to work for the LDU: a young Belgian woman assisted the food security programme in the Plettenberg Bay area of the Southern Cape for six months in 2002.

Staff training

Considerable attention was given to building staff capacity. Initially, it was essential for all staff to learn participatory skills for working with rural communities. Participatory Rural Appraisal (PRA) was a new concept and approach for South Africa in the early 1990s. Therefore, in July 1993, a local consultant was employed to conduct an intensive three-day PRA practical course for three LDU staff, the field work being carried out in the Ikhwezi community near Paarl. The major participatory training for LDU staff was a two-week PRA course held in Namaqualand in February 1994 led by an experienced trainer from India.⁴ Twenty-one other development workers from the region were also trained, and the success of the course undoubtedly helped to place the LDU on the South African development map. Later, new staff received special training in PRA methods.

Of great value were special study tours to FARM-Africa projects in Tanzania, Kenya and Ethiopia in 1994, and a study tour of small-scale vegetable projects in South Africa where LDU's two women agronomists visited ten leading development NGOs and agricultural institutions in the Eastern Cape, KwaZulu-Natal and Gauteng. These study tours were funded by the ODA grant. The development planning and logistical framework exercises by OLIVE (the Organisation Development and Training NGO referred to in Chapter 2), and the exercise given by a consultant from NRI (Natural Resources Institute), were essential for the LDU. Funding from CTA (Technical Centre for Agriculture and Rural Cooperation) from 1999 to 2003 enabled a wide range of staff training in organisational management and service delivery to farmers. Two examples here were a workshop on agricultural policy in Uganda in 2000, and a one-week course in public awareness in Swaziland in 2002. A summary of staff training is shown in Table 3.1.

Tommy Phillips, later to become the Project Coordinator, was a fellow of the Kelloggs International Leadership Program from 1995 to 1998. This valuable experience included participation in overseas workshops and seminars in Zimbabwe, USA, South America, Europe and the Middle East. Similarly, in 1996 and 1997 the Agronomist (Townships) was a fellow of the Leadership in Environment and Development Programme (LEAD) which trained future leaders through a series of working sessions in several countries.

Training subject	Year of training	Location	Duration	No. staff	Trainer
PRA course	1993	Ikhwezi, Paarl	3 days	3	Local consultant
PRA course	1994	Namaqualand	2 weeks	5	Indian consultant
Study tour of FARM-Africa projects	1994	East Africa	1-2 weeks	4	FARM-Africa
Study visit to institutions	1994	Netherlands	1 week	1	-
Development planning, logframes	1994	LDU Cape Town	1 week	all	OLIVE
Study tour of vegetable projects	1995	3 RSA provinces	2 weeks	2	-
Facilitation of training exercises	1995	Johannesburg	1 week	1	DBSA
Development planning	1995	LDU Cape Town	1 week	all	NRI consultant
Project planning, arid agriculture	1997	Israel	3 days	1	CINADCO
Field research methods	1997	LDU Cape Town	2 days	3	Local consultant
Writing skills	1998	UCT Cape Town	1 week	all	Writing School
Sustainable livelihoods approach	1999	LDU Cape Town	2 days	all	Local consultant

(Continued overleaf.)

Training subject	Year of training	Location	Duration	No. staff	Trainer
Transfer of technology	2000	LDU Cape Town	1 day	all	Local consultant
Agricultural policy	2000	Entebbe, Uganda	1 week	1	CTA
Public awareness	2002	Swaziland	1 week	1	CTA consultants
Project planning	2002	Abuja, Nigeria	1–2 weeks	2	CTA consultants

Table 3.1 Summary of major training and study tours for LDU staff, 1993 to 2002.

In addition, there was training from other sources, and sometimes consultants were brought in for special subjects. These included: field research methods, arid agriculture, integrated land use, permaculture,⁵ and hydroponics (technical); and project planning, networking, writing skills, computers, group facilitation techniques, performance appraisal, and human resource management (administration and management). There was also in-service training and mentoring of new recruits by senior LDU staff in: team-building, the sustainable livelihoods approach, and driving skills. The bookkeeper was trained by the Treasurer.

Staff allocation to function/programme

Table 3.2 shows estimates of the time spent by LDU staff according to function and/or programme over an 11-year period. The highest proportion of staff time was spent on the field projects, with 30 per cent spent on the Namaqualand and Southern Cape grassroots projects (GRPs), and 14 per cent on the urban projects. If the Field Coordinator and a quarter of the Coordinator/Director's time are also added, then the total time allocation for all field projects rises to 52 per cent.

The three specialist officers (for Training, Business Development and Publications amount to only 6 per cent of total staff time. The three support administrative staff account for 29 per cent of total staff time, which is acceptable by NGO standards.

Position	Number of staff	Months served	
		Number	Percent
Coordinator/Director ^a	1	144	17
<i>Field officers</i>			
Field Coordinator	1	33	4
Namaqualand GRPs ^b	1-2	147	17
Southern Cape GRPs ^b	1-2	110	13
Urban Projects ^b	1-2	122	14
Training Officer	1	30	3
Business Development Officer	1	13	2
Publications Officer	1	13	1
Administrative staff	3	248	29

^a Including Project Coordinator-designate

^b 90% of time allocated to field projects

Table 3.2 Allocations of staff time (as months in position) by function and/or programme, LDU 1992 to 2003

STAFFING PATTERNS AND DEPLOYMENT

Phase 1. 1992 to mid 1996

The Agriculturist (Catling) began official work for the LDU on 1 October 1992 and went on to serve as Project Coordinator and FARM-Africa Representative for three and a half years. His main task was to firmly establish the LDU and then hand over its leadership to someone of colour at the end of the ODA funding period in 1996.

The first batch of staff appointed in early 1993 consisted of a Rural Development Officer (RDO), an Agronomist and an Administrator/Secretary (Figure 3.2). Then followed a Livestock Specialist, an Agronomist (Townships), and a permanent Administrative Assistant to replace a part-time position that had been provided by ISD. These were all local appointments. By January 1994 a full complement of seven staff was in place as scheduled for Phase 1 of the project; this continued during 1994 and 1995.

Originally, it was planned to appoint a second agriculturist as Deputy Coordinator. After a few months of working with rural communities, however, it was obvious that this position should go to someone with a strong social development background; hence the appointment of the RDO. It was one of the LDU's first lessons in rural development.

At first, the RDO consulted widely with rural communities and held a series of meetings at the GRPs. The Agronomist was involved with vegetable and fruit production at GRPs in the Southern and Western Cape, all Afrikaans-speaking, while the Agronomist (Townships) dealt with urban vegetable gardeners who are mainly Xhosa-speaking.

In April 1994, the field programmes were more clearly assigned to specific staff. The RDO took major responsibility for general consultation, negotiation and mediation with all grassroots communities, arranging of project workshops, the training and bursary programme, and non-agricultural activities. Technical aspects at the two GRPs in the Southern Cape and one in the Western Cape were assigned to the Agronomist, whereas the two GRPs in Namaqualand, which are dominated by small stock farming, were assigned to the Livestock Specialist. All work in the Cape Flats townships and the Ikhwezi group garden went to the Agronomist (Townships). Political unrest and dangerous working conditions in the townships during the lead-up to the first democratic elections reduced project activities there from March to May 1994.

Project activity steadily increased during 1995; the LDU had by now received more than 25 requests from government departments and other organisations to become involved with additional development projects which it had to decline (Appendix III). During the first half of 1996, the LDU was supporting seven major GRPs and 4–5 major urban projects in the townships, was involved in a large training programme (bursaries, technical training and PRA training), and was conducting a burgeoning advocacy programme: the Extension and Research Orientation Programme (EROP) had started.

However, the Agronomist resigned in March 1996 (the LDU's first resignation), and the RDO post had become vacant since Phillips was now Acting Coordinator.

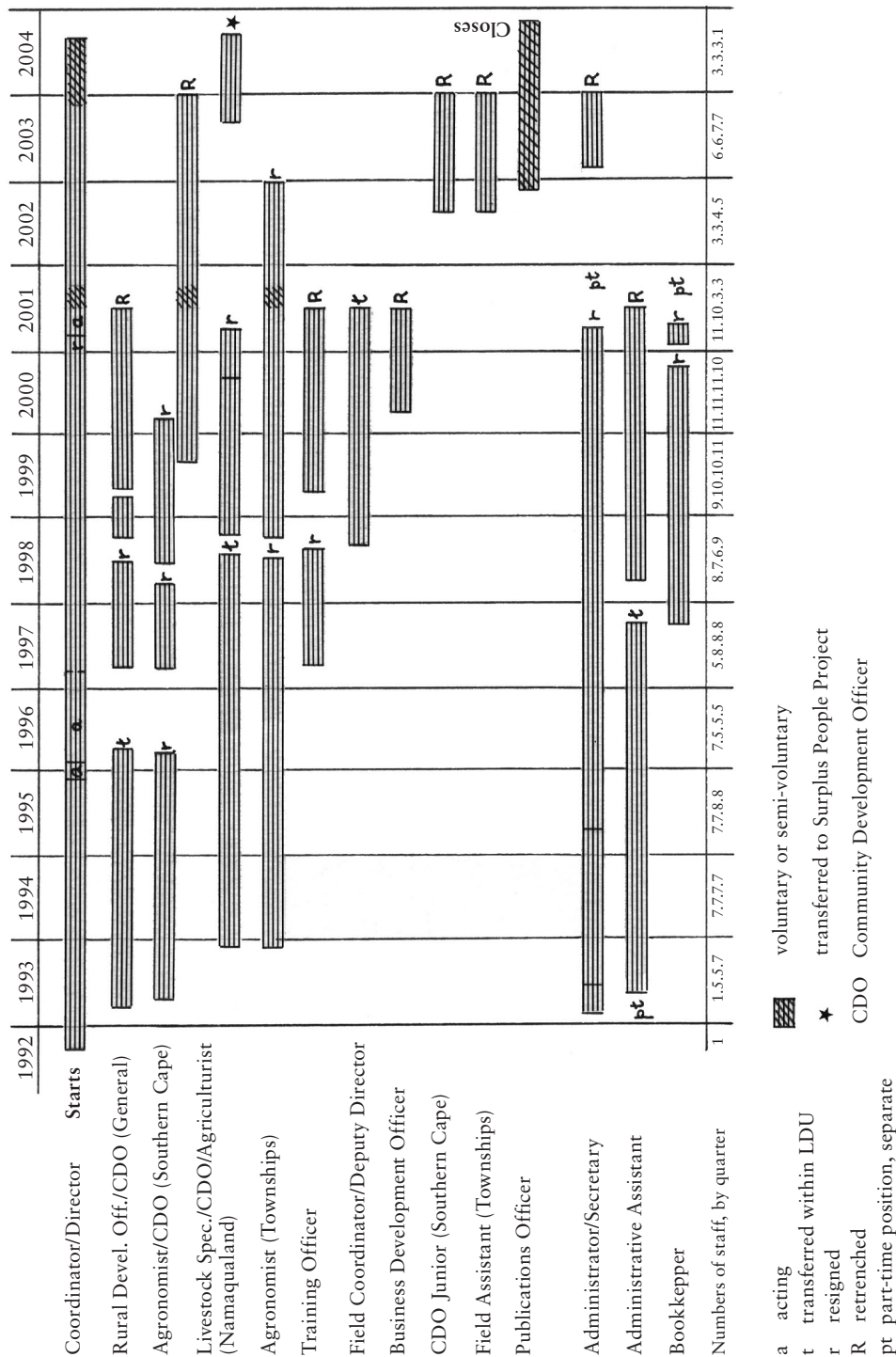


Figure 3.2 Record of LDU staffing from 1992 to 2004

Project Coordinator-designate. The ODA insisted that the search for a suitable Project Coordinator-designate of colour should begin six months into their three-year funding period, and that an appointment should be made at the end of the second year. ODA funds were available for the Coordinator-designate to make a study tour of NGOs and projects in East Africa, and to receive high-level management training.

The Board appointed a Search Committee in February 1994. Over the next 14 months, despite advertising for the post twice in South Africa and once in the UK, and head-hunting, no suitable person was identified. Another effort in May 1995 revealed three possible candidates and one of these was selected. The Search Committee recommended that this candidate be given a trial, and that his performance be assessed by the Executive Committee and the ISD Director.

The Coordinator-designate started work in May 1995 during the LDU's planning exercise for the next three-year phase where one of his tasks was to start putting together the next funding proposal. But his performance was uncertain and after assessment by an independent consultant, the Coordinator was asked to hand over the running of the LDU to the Coordinator-designate for a final test of his ability. Catling then served as an adviser from December 1995 until his departure four months later. The Coordinator-designate was suspended in February 1996 and terminated a month later.

Meanwhile, in early 1995, some of the Project Coordinator's duties had been delegated to the RDO and Agronomist, and both of them were subsequently evaluated as possible Coordinator candidates. The Agronomist later withdrew from consideration. Tommy Phillips, the former RDO, took over as Acting Project Coordinator in February 1996, and later indicated that he would like to be considered as the next leader of the LDU. The position was advertised once more but Phillips held on to the position and was officially confirmed as Project Coordinator in January 1997. (The Project Coordinator position was renamed Project Director in March 2000.)

Phase 2. Mid 1996 to mid 2001

This five-year period saw the rise of the LDU to a peak in 1999/2000, when it was conducting its largest rural development programme and the widest array of activities, supported by its largest team of field staff. As mentioned earlier, many requests for assistance from various bodies had to be turned down. This flowering of the LDU was due primarily to a favourable period of funding. The leadership remained unchanged until Phillips resigned in March 2001. In mid 2001, however, a funding crisis was to rock the LDU.

A team of five staff members continued for the rest of 1996. In 1997, an RDO and Agronomist were appointed in the second quarter, both positions taking a full year to replace, and the first Training Officer was appointed. Thus, by the end of the second quarter of 1997 there was a full complement of eight LDU staff who went on to serve for a full year (see Figure 3.2).

In April 1997, field staff members were made responsible for drawing up their

own work plans, budgets and accounts of expenses based on specific projects with defined goals. An 'umbrella body' was formed to network with stakeholders and oversee all LDU projects in Namaqualand. This body met at the Goedgedacht Agricultural Resource Centre, near Malmesbury, in the third quarter of 1997, but in early 1998 it was scaled down and all meetings were subsequently held in Namaqualand.

A large turnover of staff in 1998 precipitated a crisis. Quarterly reports reveal that the staff members were being put under considerable work pressure because of the large number of outside contracts and new projects being undertaken, and there were also heavy commitments for the writing of agricultural manuals and a book on the LDU. As a result, GRPs were being neglected. This pressure was believed to be behind two of the resignations. There was dissatisfaction about how new projects, and especially outside contracts, were being selected; also cited were poor communication and lack of staff supervision. The Agronomist (Townships) complained that the training and capacity building elements of her projects were not being properly supported.⁶ There was also dissatisfaction at delays in reviewing the staff remuneration package. In mid 1998, four members of staff resigned: the RDO, both Agronomists and the Training Officer, reducing the total staff to just six members.

Filling these four vacancies was a nightmare. Several appointees either failed to take up their position or lasted only a matter of weeks, and some positions were replaced several times. This resulted in long and harmful gaps between appointments. The case of the Agronomist/Community Development Officer (CDO) position for the Southern Cape was particularly bad: between 1993 and 2000 there were four replacements, including one period of 9 months (in 1996–97) with no one in this post. Only three of the original personnel on board in mid 1996 continued with the LDU to the end of this phase: the Livestock Officer (who became Field Coordinator), the Administrator/Secretary and the Administrative Assistant (who became the LDU's first Bookkeeper).

Three of the vacant positions had been filled by the end of 1998 but the Training Officer was not replaced until April 1999. The former posts of Agronomist and Livestock Officer were both changed to Community Development Officer, again implying the greater need for social skills rather than agricultural expertise (although in the latter case this was reversed in 2000). In view of an increasing number of community projects, a Field Coordinator position was created in June 1998 which assumed the rank of Deputy Director.

The years 1999 and 2000 were fairly stable with a staff of 10–11 members (see Figure 3.2). (There were now seven vehicles for use by the field staff.) A Business Development Support Division was formed in October 1999, having taken seven months to find a suitable Business Development Officer. In 2000, the CDO (Southern Cape) resigned but this person had in effect been replaced by a Department of Agriculture (DoA) extension officer previously supported by the LDU. The CDO (Namaqualand) was discharged and replaced by a junior Agriculturist. The Bookkeeper resigned in October 2000 and his replacement lasted only three months.

An 'office week system' was introduced in the second quarter of 1999, all field staff assembling at the main office for one week of every month. The first day was usually spent on report writing and submission of expenses, three days were for meetings and workshops, and day five was set aside for a monthly meeting. But the office week programme proved to be cumbersome and costly and was soon dropped.

The 1999 Evaluation Report of Oettlé and Thobela⁷ recommended the adoption of a team approach for 'more effective use of personnel, improved service delivery to clients and increased efficiency of donor spending'. Thus, in February 2000, several teams were formed to implement, monitor and evaluate the goals stated in the 1999 Strategic Planning Document. Headed by a coordinator, the teams met once a month during the office week at LDU headquarters where they submitted their reports. Monitoring teams were formed for management, publications and GRPs. The GRP team was in turn divided into three project teams: Namaqualand, Southern Cape/Boland and Urban Agriculture. The Executive Committee suggested that specific Board members should serve on project teams to monitor progress, but this did not take place.

In 2000, the Haarlem GRP became the responsibility of the Business Development Coordinator, while Buisplaas was later serviced by the Southern Cape regional office. The Board asked for a report on the relative time spent and the income derived from consultancies versus GRPs.

Regional offices were finally established in the first quarter of 2001: one at Springbok to serve Namaqualand, and one at George for the Southern Cape. Working closely with the provincial DoA, the regional offices served as permanent administrative and resource centres and sought to become recognised as a local development organisation. They were run on a full-time basis, and furnished and equipped with telecommunication and computer facilities. The Springbok office, leased from Alexkor, was equipped by the LDU. The George office at the Outeniqua Experiment Station was amply provided with furniture and virtually all necessary equipment and facilities by the DoA.

The Coordinator resigned in March 2001, and there were another three resignations in the second quarter of 2001: the junior Agriculturist in Namaqualand, the Administrator/Secretary and the Bookkeeper. But much worse was to follow.

Hibernation. The Board meeting of 3 February 2001 was followed by a workshop that, along with several other issues, looked at the 'financial sustainability of the LDU and strategic positioning'. Strangely enough, the report of this meeting contains no hint of a looming emergency. Nor was there any mention of impending financial crisis at the Executive Committee meeting in March, or the Board meeting on 20 April. It was only at the Board meeting of 18 May 2001 that the urgency was fully realised. Two emergency meetings were then held in quick succession where hard decisions had to be taken and a possible closure of the LDU was considered.

On 27 June, the Board took the bold decision not to close the LDU but to put it into hibernation, pending the arrival of expected funding later in the year. It was reluctantly decided to retrench four tried and tested staff as at 31 July, and they

were given severance pay. Three staff decided to continue as volunteers. All field operations were suspended as from 1 August 2001. Notice letters were sent to all communities and government departments indicating that the LDU was seriously cutting back on its work programmes, but would hopefully be able to start up again at a later date. (The suspension gave the LDU an opportunity to withdraw from the GRPs and to reconsider its future commitment to them.)

Letters of appeal were sent to all donors. The Sub-Committee on Finance was dissolved and its functions taken over by the Trust. Some assets were disposed of, including four vehicles.

Thus, the CLDT was not dissolved: the Board continued and the LDU went into hibernation.

The Executive Committee met several times to monitor the situation and decide when the LDU would be able to resume its former activities.

Phase 3. Mid 2001 to end 2004

During the second half of 2001, a severely reduced LDU team consisting of just three members continued on a semi-voluntary basis until the funding situation improved. David Makin-Taylor, appointed Acting Director in April 2001, was soon confirmed in this position, and continued to lead the LDU until August 2004. The CDO Southern Cape continued with her programme. The Agronomist (Townships) continued to assist the urban projects on the Cape Flats where she was also associated with the Malabongwe Women's Group having similar garden projects. These staff received honorariums for October and a back payment was made when funds became available at the end of the year. Temporary part-time secretarial help was arranged with ISD. The hoped-for funding finally materialised towards the end of the year, and the LDU was able to emerge from hibernation.

During the third quarter of 2002, a junior CDO was appointed at George, and a Field Assistant began working with the Cape Flats garden communities. In December 2002, an Advocacy and Publications Officer joined the LDU on the expectation that funds would later be found for this position. A new Administrative Officer/Secretary began in March 2003. In September 2003, with special funds from Anglo-De Beers, an Agriculturist was appointed for Namaqualand who reopened the regional office in Springbok (this was the same person who had resigned in 2001). However, after some hesitation, the Agronomist (Townships) resigned in January 2003 and was not replaced due to uncertain funding for this post. A recruitment firm failed to identify a new Business Development Officer. Thus a team of 6–7 staff were active in 2003 (Figure 3.2).

There were fewer meetings of the Executive Committee in 2003 since the Board was making all the decisions during this period.

Regrettably, the regeneration proved short-lived. Despite sending out a string of project proposals to government sponsors and private donors, the promise of new funding receded. Thus, barely 30 months after the first round of retrenchments, a second round was necessary at the end of 2003. Both CDOs (Southern Cape), the Field Assistant (Townships), and the Administrative Officer/Secretary were

reluctantly retrenched. Unfortunately, two of the staff members were resentful at the way in which this unforeseen development was handled.

Three staff members continued into 2004. The Agriculturist in Namaqualand continued on full salary until September when his programme was taken over by SPP, thus enabling the LDU's community projects in Namaqualand to continue. The Director's contract had expired in September 2003 and he agreed to continue on a voluntary basis from December to February 2004 (in fact, he continued further on a part-time basis until his resignation in August). During this time, the Director, kept the remaining projects ticking over, attended to the residual yet time-consuming administrative duties, and liaised with several possible donors that might still have saved the LDU. The Advocacy and Publications Officer worked on the farmers' magazine launched at the end of 2003, but which collapsed in April.⁸

Two options were then considered by the Board as a last resort. First, dissolve the core part of the LDU making the Board directly responsible for operational aspects, or second, merge the LDU with another organisation. In the end, neither option was chosen, and the LDU was closed down on 17 November 2004.

The importance of the LDU was widely recognised and many organisations and government officers expressed shock at its demise. Elsenburg were particularly sorry to see it close at this time since they had been planning to draw LDU staff into the training of their new extension staff.

Accommodation

A service contract signed with UWC in September 1993 provided the LDU with rented office space within the ISD. However, the lack of adequate office space dogged the LDU for much of its existence and became a serious problem from 1995 onwards. Regular negotiations were necessary with University authorities to keep the original offices and to obtain more space as the LDU grew. The accommodation issue was frequently discussed at meetings of the staff, the Board and Executive Committee. Fortunately, several UWC deadlines for the LDU to move out of their offices were not enforced.

Two LDU officers initially assigned to a single room on the floor beneath the LDU's main office were obliged to move to the Old Arts Building several blocks away in 1997. The following year, desperate for secure space, the LDU paid a deposit for hiring accommodation at the Stellenbosch Business and Training Institute. Then, for a brief period in the first half of 1999, the Unit was able to occupy offices at ISD vacated by the Southern African Development Education Programme (SADEP), but by mid-year office space had again become critical. The cataloguing and rearrangement of the LDU's central resource publications was severely restricted by the limited office facilities. A move to prefabricated units or to the School of Theology was seriously considered but this would have required extensive construction work. In 2000, a rationale for moving the Unit to the Elsenburg Agricultural Development Institute (EADI) was documented, and even the purchase of a suitable property in the Bellville area was considered. Rented office space in Durban Road, Bellville, was identified in 2001. But these plans were

overtaken in mid 2001 when the LDU went into hibernation.

From June 2004, when final closure was imminent, all LDU files, papers, documents, and office equipment were packed into two small rooms at UWC.

Collaboration with the Institute of Social Development (ISD)

The original LDU project proposal⁹ stated that the LDU would draw on ISD's professional staff of economist and rural sociologist. The establishment of the LDU was then seen as a way of extending the scope of ISD's activities in the rural areas. When ISD was not able to provide professional assistance, the LDU turned to UWC's Departments of Anthropology and Sociology to carry out the socio-economic surveys at Spoegrivier and Lekkersing.

In 1999, the working relationship between ISD and the LDU was more clearly defined, and possible areas of cooperation were outlined by the Evaluation team.¹⁰ It was noted that the ISD Director had been an active member of the CLDT. But it was felt that a closer relationship would be better than the ad hoc arrangement then in operation. The evaluators recommended: joint fundraising, research ventures, the staging of seminars, workshops and conferences, and the sharing of information, databases, administrative functions and office equipment. (In fact, the LDU had shared an office assistant with ISD in 1993 and 2001 and had used ISD's photocopier for many years.) Hardly any of this materialised because of the uncertain office space and the collapse of the LDU in 2001.

LDU staff members were drawn into the teaching of ISD students in 1993.¹¹ By 2000, the LDU was coordinating the Rural Development Module of the Honours course in Development Studies. However, in the latter half of 2001, when the Director resigned and the LDU went into hibernation, the Programme for Land and Agrarian Studies (PLAAS) was asked to step in and give these lectures. The LDU was subsequently obliged to pay for these replacement services – although it had received no payment for teaching in the past. The teaching of ISD students was not resumed in 2001.

Financial accounting

The simple accounting system set up initially with assistance from FARM-Africa satisfied the external auditors in South Africa and London. During the first three-year phase, external funding from the UK was channeled through FARM-Africa's accountant, and regular financial statements were received by the LDU. Two visits to Cape Town by FARM-Africa's accountant were helpful in sorting out some errors and misunderstandings. However, the keeping of dual accounts in London and Cape Town complicated matters and tended to confuse the Board. Ernst & Young were appointed as external auditors in 1993. (The first annual audit was gratis but by 1996 this service was costing R8 500 and the audit for 2001 cost R22 800.)

The LDU's accountants examined and balanced the books each year and prepared a financial statement. The annual reports for 1994 and 1995 included a summary statement of income and expenditure for the calendar year based on

financial statements from the CLDT and FARM-Africa prepared by Ernst & Young (South Africa) and Gerald Edelman (UK). The LDU's annual reports for 1999 and 2000 included general statements on expenditure, sources of income, and an income and expenses statement.

The CLDT constitution called for: the Treasurer and Board members to monitor financial performance and ensure accountability, for quarterly financial reports to be submitted to the Trust and consortium of donors, and for accounts to be audited at the end of each calendar year. The South African donors were fairly satisfied with the initial accounting system. The procedures then became more complicated with the advent of additional donors, and the increasing demands for more detailed accounting. The Mid-Term Review of 1994 recommended a more rigorous system that allocated expenditure to specific field projects, and kept separate accounts for each South African donor. Thus a revision and streamlining of the accounting system was due, the process beginning in January 1996 when a new Treasurer was appointed.

The new Treasurer served on the Executive Committee and was appointed as internal auditor. He also kept the LDU's books until the appointment of a full-time bookkeeper in 1997. By mid 1997, monthly expenditure and overall financial position was being monitored, and from 1998 financial statements were being tabled at meetings of the Board and Executive Committee. A new system for monitoring expenditure by individual donor project was initiated in early 2000, and by 2001 a monthly income statement and balance sheet were being produced. External annual audits were carried out by Ernst & Young as before.

Unfortunately, poor communication between the Treasurer, LDU Director and Bookkeeper led to breakdowns in the new system. There were also several changes of bookkeeper during 2000/01. The Treasurer resigned in 2002 and was replaced. Cathy Masters Business Services was then appointed as the CLDT's chartered accountant, and a more appropriate accounting system for a small NGO was introduced. A simple chart of accounts was drawn up, new bank accounts were opened for specific donors and credit arrangements were made with major suppliers. Thus, finally – very late in the day – the LDU's accounting system was put on the desired footing.

Another system for reporting the details of expenditure to *project communities* was never implemented (probably because this would have meant that budgets would be disclosed to communities.)

ODA monitored its grants more thoroughly than the others, and several local donors carried out a separate annual audit themselves. The National Development Agency (NDA) did an independent audit in 2002 which was eventually pronounced as satisfactory (see Chapter 4). From the mid to late 1990s most donors were, quite reasonably, monitoring project activities according to indicators defined in the project documents. But they were also demanding more stringent financial accounting that was costly and time-consuming for a small NGO with limited staff. Although several problems arose during the financial history of the LDU, there was no hint of financial impropriety.

Paying of tax. In the early 1990s, 'the tax laws and policies were very unhelpful and hostile to NGOs'¹² and the South African NGO Coalition (SANGOCO) called for tax reforms. Tax exemption was initially denied the CLDT. This rejection not only threatened the taxation of its income, but also raised the spectre of a Donations Tax on amounts received from South African sources. The granting of tax status was still held in abeyance in 2000. New legislation in terms of the Taxation Laws Amendments Act finally came into effect in July 2001, and was amended in 2002. But without NPO registration (discussed earlier) the tax situation could not be resolved, and this was the situation when the LDU closed its doors in 2004. The CLDT was eventually registered with the Receiver of Revenue to claim VAT.

In retrospect, it is clear that the Trust should have incurred liability for income tax only if its earned income (excluding grants and donations) exceeded its operating expenditure – which never happened. The LDU did in fact pay a tax of R54 300 in 1999, but arrears and penalties levied in 2000 were eventually waived.

Discussion

The management of a small NGO working with many communities scattered over a large area of South Africa at a time of political and social transition proved to be a considerable challenge. Administrative procedures were initially kept as simple as possible but inevitably became more bureaucratic with the dictates of new government regulations, zealous consultants and enthusiastic trustees.

Clarity on the Unit's legal status, permission to raise funds and tax exemption were long and drawn out affairs which were never completely resolved. Mustering and maintaining suitably qualified trustees of the CLDT with an appropriate racial and gender balance was difficult; some key positions were not always filled by the right person. However, the Board and its executive functioned surprisingly well in many respects, and the PAC offered valuable advice during its five years of active service. The partnership with FARM-Africa was a great boon to the LDU during the early years but unfortunately this tie was not continued after 1996.

Suitably qualified and experienced field staff members were often hard to identify, recruit and then hold. Some of them worked for the LDU for a few years before resigning to move on to more attractive positions, while the collapse of funding in mid 2001 forced the regrettable retrenchment of several experienced staff. A perennial problem was the provision of accommodation at the central office at UWC; the working space was inconvenient or inadequate for long periods. ISD furnished secretarial assistance for some periods but was not able to provide the professional inputs originally foreseen as it increasingly became a teaching institution.

The financial accounting system satisfied most authorities in South Africa but not the foreign evaluators. Increasing demands were imposed by donors for more detailed financial reporting (and for narrative reports). Eventually, after a delay of several years, an efficient accounting system was put in place which enabled a breakdown of all expenditure by donor and by project. In the meantime, the cost of the annual audit which was gratis in 1993 had risen to more than R20 000 by 2001.

Chapter Four

Funding

Fundraising for agricultural research in Asia was easy in the 1970s. This was the golden age of agricultural development when millions of people were hungry and it was believed that good research on staple crops could make a difference. It was the time of the Green Revolution (maligned by some today). As a project leader in Bangladesh funded by the Ford Foundation, I was generously supported and at times even asked whether I needed additional contributions. But ten years later we were struggling to get sufficient support for smaller research projects in Thailand and India.

A parallel experience awaited me in South Africa. During the first few years of the LDU there were occasional funding wobbles, but many donors showed a keen interest in supporting the LDU's activities. From 2000 onwards, however, it became increasingly difficult to attract enough funds, and support from government sources failed completely.

The LDU was funded by grants from a constantly changing band of donors, and by its own income-generating activities, mainly fees from consultancies and training courses. Interest accruing on grant payments held in its bank accounts was a minor source of income (most donors having no objection to this). In addition, assets were sold off on two occasions: when entering hibernation in 2001 and again in 2005 when closing down the Unit.

The total budget spent by the LDU over the 13 years amounted to R14 393 000. Of this, 87 per cent came from grants, 10 per cent from self-generated income and 3 per cent from bank interest. The annual budget was just over R1 million from 1993–97, exceeded R1.5 million from 1999 to 2001 reaching R2.1 million in 2000, but was far below R1 million during the last three years (see Figure 4.1).

FUNDRAISING

Most of the burden of fundraising over the years was borne by the Project Coordinator/Director with occasional help from other sources. In the beginning, FARM-Africa assisted in drawing on both local and external donors, especially the Independent Development Trust (IDT), the Overseas Development Administration of the UK (ODA), and Christian Aid. A part-time consultant hired in 1996 for a short period to assist the Project Coordinator and Institute of Social Development (ISD) Director with fundraising was not very effective, and there was dissatisfaction at the lack of coordination and documentation that accompanied these efforts. In 1997, the LDU attended a fundraising meeting for NGOs organised by the

South African Institute of Fundraising in Johannesburg, and subsequent meetings followed. Several private fundraising organisations offered their services. Efforts by some Board members were also helpful, for example the bringing in of Levi Strauss as a new donor. But the onus was nearly always on the Coordinator/Director to search for donors and gather the funds.

South African Rands (millions)

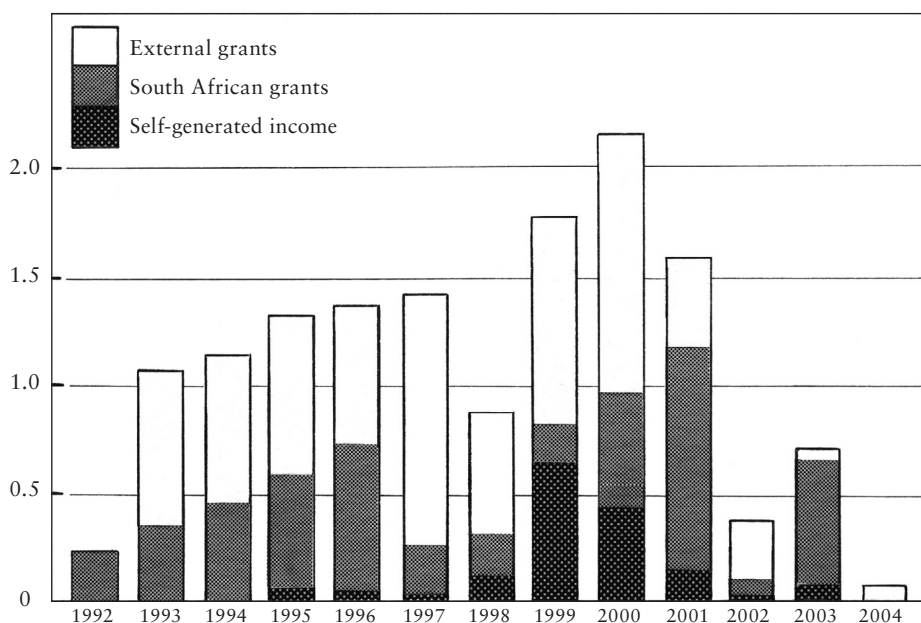


Figure 4.1 Annual funding pattern of the LDU from 1992 to 2004. Amounts shown do not include interest on deposits in bank accounts.

DONOR FUNDING

Funders consisted of local South African donors and external (foreign) donors. During the first few years, the LDU and FARM-Africa encouraged donors to consider the LDU's funding needs as a whole rather than concentrating on the support of specific development activities. A donor consortium, where several key donors meet regularly to discuss a joint collaborative funding programme, was never formed. (This would probably have been resisted by some Board members.)

From 1992–2004, grants originating from *external sources* accounted for 62 per cent of total budget. More than half of this came from sources in the USA, one-fifth from Europe and one-fifth from the UK. The remaining 38 per cent of donor funds were from *local sources*: mainly the South African government and the private sector. The largest funder was the IDT/TNDT/ NDA succession (Independent Development Trust/Transitional National Development Trust/National Development Agency), which donated more than R2.59 million. (Interestingly, IDT funds originated from the sale of strategic oil reserves stockpiled by the apartheid government.) In

1996, the IDT handed over the dispersal of government funds to TNDT, which later became the NDA. The second and third largest funders were the Kellogg Foundation (R2.06 million) and Open Society Foundation (R1.78 million) both of the USA, followed by ODA of the UK (R1.41 million) and Anglo-De Beers (Anglo American Chairman's Fund, later becoming the Anglo-De Beers Fund) (R0.97 million). These five top donors together provided about 70 per cent of the LDU's total budget.

Other significant donors contributing more than R500 000 were: the Western Cape Department of Social Welfare, HIVOS (Economische en Culturele Ontwikkeling in Afrika, Azië en Latijns-Amerika, in the Netherlands) and Kagiso Trust (European Union origin). Contributing more than R100 000 were: CTA (Technical Centre for Agricultural and Rural Cooperation, of European Union origin), Levi Strauss (USA), Interfund (foreign consortium), and Christian Aid (UK). Contributing more than R50 000 were: ABSA Foundation, Equal Opportunities Foundation, and First Rand Foundation. Finally, contributing less than R50 000 were: LAPC (Land and Agriculture Policy Centre), Monsanto (South Africa), the Presbyterian Church of USA, Progress of Human Kind, Ithuba Trust, and BP (British Petroleum).

The LDU was supported by a total of 23 donors. There were also several small benefactors who assisted in kind. For example SANLAM, a South African financial services group, printed and bound some of the annual reports and donated stationery.

SELF-GENERATED FUNDS

Self-generated income was of crucial importance because the funds could be used for almost any purpose; there were no strings attached as with much of the grant money received. Self-generated income was particularly useful for core functions (overheads: staff salaries, office expenses, general administration) which is often under-budgeted in projects covered by grants, and thus provided much needed financial sustainability. It also paid for the development of new project initiatives.

Self-generated income consisted of professional fees from consultations, contracts and the running of specific conferences, fees charged for training courses and interest earned on donor funds held in LDU bank accounts. Beginning as a trickle in 1995, this source was negligible until 1998, peaked in 1999 when it accounted for more than a third of total budget, and then tailed off (Figure 4.1).

Consultancies. Most of the major consultancies carried out from 1995 to 2002 are listed in Table 4.1. Some consultancies directly complemented the work of the LDU. For example, in the case of work for the Department of Land Affairs (DLA) on the Transformation of Coloured Rural Areas Act (TRANCRAA), two of the four Coloured Rural Areas (CRAs) consulted in the Western Cape, namely Saron and Haarlem, were grassroots projects (GRPs). The Supervision of Extension Assistants Pilot Programme can be regarded as a contribution of the successful Extension and Research Orientation Programme (EROP) and helped to build the capacity of extension officers. (One of these officers later joined the LDU as Community Development Officer for the Southern Cape.) There were also contracts to arrange

and facilitate meetings, such as the APM Conference in 1998 for which the Charles Meyer Foundation paid R168 000.¹

Year	Product provided by the LDU	Recipients	On behalf of
1995	Meetings with farmer groups to facilitate the transfer of part of farm to the farmworkers; investigate social dynamics and the best way to encourage entrepreneurship	Killarney Farm, Grabouw	Nuwe Begin Boerdery
1997	Developed new land tenure options as part of the Transformation of Coloured Rural Areas Act (TRANCRAA)	Mier CRA	Northern Cape DLA
1998	TRANCRAA: Communities consulted in a series of meetings	Ebenhaeser, Haarlem, Rietpoort, Saron CRAs	Northern and Western Cape DLA
1999	Community profiles made; four-day exercises to help extension workers with community planning	Farmer groups at: Kuruman, Noupoot, Phillipstown, Prieska, Ritchie, Upington	Northern Cape DLA
1999–2000	Supervision of Extension Assistants at regional offices at: George, Oudtshoorn, Vredendal; focus on the capacity needs of communities	Rural communities in the West Coast and Southern Cape	Western Cape Department of Economic Affairs, Agriculture and Tourism
2000	Feasibility study, business plan for Genadendal Frozen Foods (Oakdene Project)	Genadendal CRA	Western Cape DLA
2000	TRANCRAA Phase 1. Consultations	Mier, Eksteenkuil CRAs	Northern Cape DLA
2000	Feasibility study to enable farmers to get access to land for growing lucerne and keeping sheep	Bakovensfontein Small Farmers Association, Beaufort West	Western Cape DLA
2001	Situation analysis	Douglas farmers	DEVCO
2002	Situation analysis	Jacobsdal farmers	DEVCO

DEVCO – wine industry development fund

Table 4.1 Summary of consultancies carried out by LDU staff, 1995 to 2002

The community profiles and needs assessments of six farmer groups in the Northern Cape, carried out in conjunction with extension officers using RRA

(rapid rural appraisal) and PRA (participatory rural appraisal) methods, was also a relevant assignment for the LDU (Table 4.1). Each of these exercises included a description of the community: its history; demography; economic life; organisations operating there; housing; health; education; transport; recreation; infrastructure; institutional aspects; communications; community problems; and the conclusions and recommendations.² Nearly all the other consultancies consisted either of feasibility studies or the writing of project proposals for rural communities on behalf of various organisations. Most consultancies involved the Project Director and Field Coordinator, with occasional assistance from other field staff.

Following the Strategic Planning Exercise of 1999, it was decided to move away from an ad hoc approach towards consultancies and concentrate on larger, long-term contracts. With this in mind, discussions were held with several potential parties. In February 2000, LDU staff members were told to spend no more than 20–25 per cent of their time on consultations, and that besides generating income they should also promote advocacy within government. Six potential consultancies were to be finalised by March 2000 including: the Mid-Karoo Regional Land Reform Programme, the Northern Cape Poverty Alleviation Programme, and the development of a Provincial Poverty Alleviation Policy Strategy. However, none of these materialised.

Training courses. As from 1996, much of the PRA training and a large part of the capacity building was carried out on behalf of various government departments and NGOs for which fees were charged. The writing of some of the training manuals also generated income, as for example, the training manuals produced for the Western Cape Department of Economic Affairs, Agriculture and Tourism (which brought in R40 000). It is pointed out, however, that the running of training courses and the undertaking of consultancies are not without their own costs (see Table 4.5).

FUNDING PATTERNS

The LDU's funding pattern and the unfolding of its donor support described below is divided into three phases which roughly correspond to the staffing pattern described in the previous chapter. The sequence of funding by the 12 major donors is shown graphically in Figure 4.2.

Phase 1. 1992 to end 1996

Strong start, followed by a wobble and strong recovery (Figures 4.1 and 4.2)

The LDU started operations on 1 October 1992 with bridge funding from the IDT. This carried all activities up to 1 April 1993 when funding from ODA and Christian Aid came on stream. IDT funding was at an annual rate of R500 000 for three years, and Kagiso Trust was at an annual rate of R250 000 for two years. The funding activities supported by these two local donors are shown in Table 4.2. During the first two-year funding period, IDT and Kagiso Trust together provided 56 per cent of project funds which were unrestricted and available for all core expenditure. Funding from IDT ran smoothly.

Programme/function	Local donors			External donors		
	IDT	KT	Intf	ODA ^a	ChA	Others
Grassroots projects	++	++	-	++	-	+
Urban projects	++	++	-	+	+	+
Training	+	+	-	-	+	+
Advocacy (PRET)	-	-	+	-	-	-
Equipment, supplies	+	+	-	+	-	-
Local staff salaries	+	+	-	-	-	-
Local travel, all staff	+	+	-	-	-	-
Vehicles	+	+	-	-	-	-
Office rental, utilities	+	+	-	-	-	-
Grants to universities	+	+	-	-	-	-
New initiatives, proposals	+	+	-	-	-	-

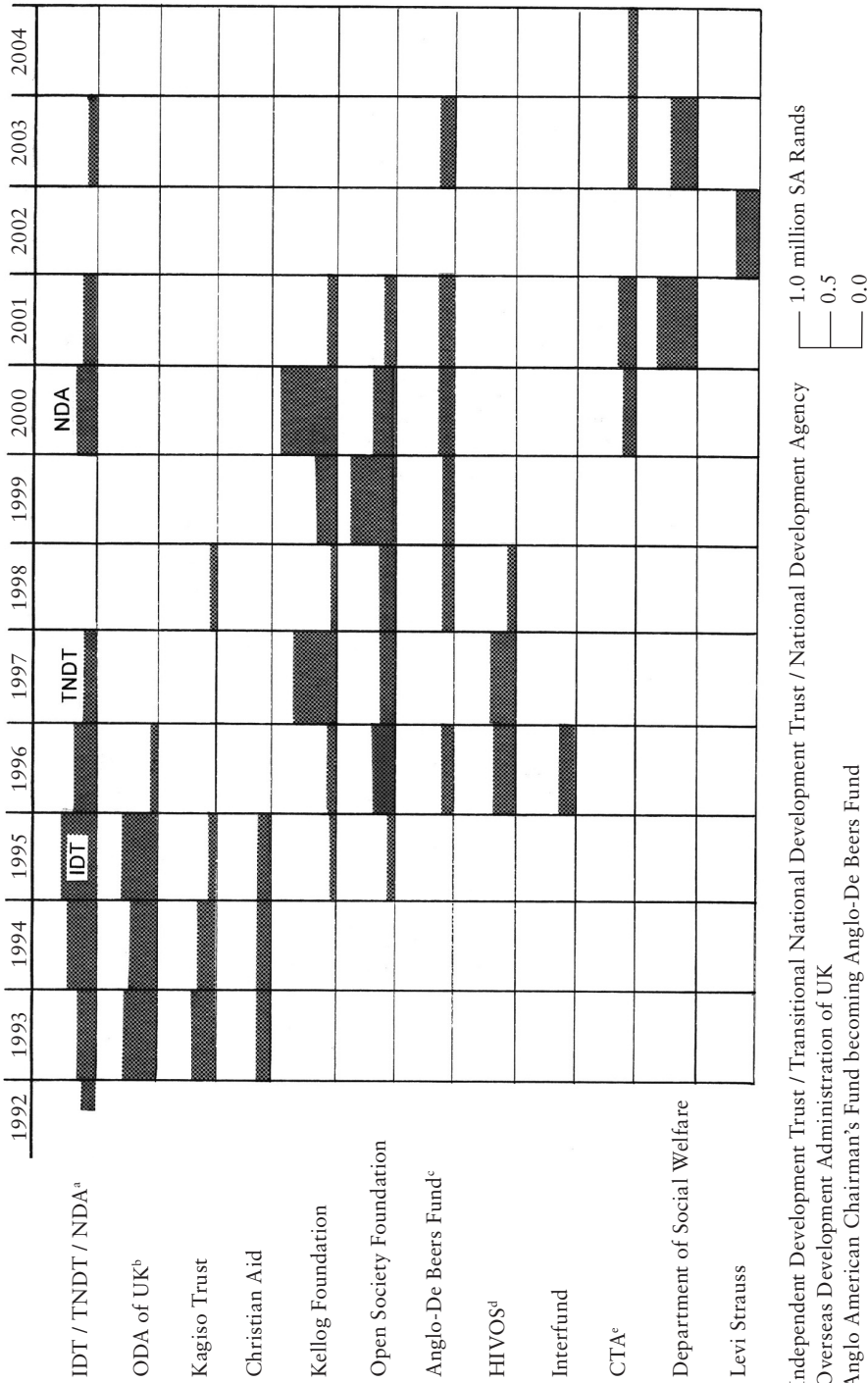
^a In addition, ODA funded: the salary and benefits for the Project Coordinator; overseas travel and study tours; training for the Project Coordinator-designate; international consultants; visits of the FARM-Africa Director to South Africa.

IDT (Independent Development Trust); KT (Kagiso Trust); Intf (Interfund); ODA (Overseas Development Administration of the UK); ChA (Christian Aid); PRET (Programme for Research and Extension Training)

Table 4.2 Funding area by major donor, 1992 to 1996 (+, ++ relative rate of funding)

External funding, channelled through FARM-Africa, consisted of the ODA grant amounting to £197 000 over three years, and Christian Aid's £7 500 per annum for three years. Funding activities supported by external donors are shown in Table 4.2. ODA and Christian Aid support during the first funding period of two years amounted to 44 per cent of total funding. Support from ODA and Christian Aid flowed smoothly, the real value increasing slightly as the South African Rand declined in value against the British Pound.

Of special note in this first round of funding was that money was available for developing new initiatives and for making small research grants. The ODA grant also covered special study tours for field staff, and management training for the Project Coordinator-designate. Later came smaller grants from the Presbyterian Hunger Programme to extend the Spoegrivier GRP, and from Equal Opportunities Foundation and Monsanto (South Africa) specifically for training purposes. The smaller grants totalling around R100 000 were restricted to specific, non-core activities.



^a Independent Development Trust / Transitional National Development Trust / National Development Agency

^b Overseas Development Administration of UK

^c Anglo American Chairman's Fund becoming Anglo-De Beers Fund

^d Economische en Culturele Ontwikkeling in Afrika

^e Technical Centre for Agricultural and Rural Cooperation

Figure 4.2 Pattern of funding by the LDU's 12 main donors from 1992 to 2004. All donors contributed R100 000 or more.

In 1995, the surge in project activity brought about an increasing demand for funds. There was already a serious cash flow situation because of a delay in tranches from Kagiso Trust at the end of 1994 and early 1995. Although FARM-Africa helped to sort out one of these installments by appealing to the European Union in Brussels, the final tranche from Kagiso Trust was not received because it could not be mobilised in time. (This seriously jeopardised the Livestock Officer's position at one stage.) To make matters worse, at the end of 1995 IDT suspended its funding for 2–3 months until the LDU leadership problem was resolved (see Chapter 3). The funding problem deepened in early 1996, threatening the stability of the LDU.

Deliberations with existing and potential donors, including Reconstruction and Development Programme (RDP) officials in the Northern and Western Cape, started at the end of 1995 in an effort to gather support for a second, three-year funding phase. A draft proposal examined by the External Evaluation Team and presented at a donor conference in November was well received by the Board and IDT. In April 1996, the IDT offered a R250 000 bridging loan but this was declined by the Board since further grants being considered at this time were not guaranteed and the risk was too high. ODA's attitude was disappointing. Having come through an exhaustive external evaluation with flying colours (partly at ODA's insistence) and produced a highly acceptable funding proposal,³ ODA was suddenly not interested in a second round of funding, and at first even refused to reallocate unspent funds to assist the ailing LDU.

Meanwhile, many new donors were being identified and approached, and proposals were being written, rewritten and re-submitted. Crucial discussions proceeded with some agencies that subsequently became major donors, such as the Kellogg Foundation, Open Society Foundation and Anglo-De Beers. The important proposal lodged with TNDT was followed up. But at least 17 potential donors approached during 1996 declined their support.

The situation changed for the better in the second half of 1996, and by August the LDU had weathered the storm. A new proposal for the training of agricultural researchers and extension workers, presented to Interfund in December 1995, was approved and a first installment of R80 000 was received in early 1996. The final release of R64 000 arrived from ODA (after some pressure by FARM-Africa), and Kagiso Trust arrears of R134 000 were received. The large grant from the TNDT for a two-year period was approved in September. There were also small contributions from BP and LAPC. A grant of R250 000 came from the Open Society Foundation, and HIVOS approved a sizeable grant. However, although this period shows as hardly a blip on the annual funding record, the temporary shortage of funds did affect the work with rural communities at Saron and in the Southern Cape.

The nature of donor funding changed considerably during 1996. The last funds were received from ODA and Christian Aid, and there was to be a two-year funding gap with Kagiso Trust. On the other hand, there were five new *external* donors of which Kellogg Foundation, the Open Society Foundation and HIVOS were to be particularly significant. For the period 1993 to 1996, annual expenditure ranged from R 1.1 million to 1.3 million of which about 40 per cent of grant funds came

from South African sources. Self-generated income starting at a slow rate of 3–4 per cent of total budget came chiefly from training course fees (Figure 4.1).

Phase 2. 1997 to mid 2001

Increase to a peak, followed by an abrupt decline resulting in LDU's hibernation (Figures 4.1 and 4.2).

By March 1997, a healthy funding picture had emerged with available funds in excess of R1 million. Funding during this 5-year period was dominated by a few large donors: Kellogg Foundation (R2.0 m), Open Society Foundation (R1.5 m), TNDT (R0.75 m), Anglo-De Beers (R0.65 m) and HIVOS (R0.43 m). The first two, both American foundations, contributed 54 per cent of all grant funds received, and in 1999 and 2000 these two benefactors were totally dominant, making up three-quarters of all grant moneys and 53 per cent of total income! The LDU had now become very dependent on two foreign donors. From 1997 to 2000, the South African donors, mainly TNDT/NDA, Anglo-De Beers and the Department of Social Welfare, contributed only 21 per cent of grants received.

Five new donors appeared during this period: CTA in 2000–01 (R227 000), Western Cape Department of Social Welfare in 2001 (R560 000), and three smaller donors: First Rand Foundation, Progress of Human Kind and Ithuba Trust.

Programme/ function	Local donors				External donors			
	TNDT	Anglo	DSW	Intf	OSF	KelF	HIVOS	CTA
Grassroots projects	+	++	-	-	++	++	++	-
Urban projects	+	-	++	-	++	++	+	-
Training	-	-	-	-	-	-	-	+
Advocacy	-	-	-	+	-	-	-	+
Business Dev Unit	-	-	-	-	+	-	-	-
Core functions	+	+	+	-	+	+	+	-

TNDT (Transitional National Development Trust); Anglo-De Beers; DSW (Department of Social Welfare); Intf (Interfund); OSF (Open Society Foundation); KelF (Kellogg Foundation); HIVOS; CTA (Technical Centre for Agricultural and Rural Cooperation)

Table 4.3 Funding area by major donor, 1997 to mid 2001 (+, ++ relative rate of funding).

Major support of grassroots projects came from: Open Society Foundation, Kellogg Foundation, HIVOS, TNDT/NDA, and Anglo-De Beers (the Namaqualand GRPs) (Table 4.3), all of them contributing their share of core functions. Open Society Foundation also supported the new Business Development Support Programme, while CTA funded the advocacy, public awareness and publications

programme (farmers' monthly magazine, web site, publications, web page, press releases, and radio broadcasts). TNDT donated in 1997, then after a gap of 1–2 years, suddenly impressed with LDU's work, started to fund again in 2000, this time as the NDA (Figure 4.2).

By October 1999, it was obvious that GRPs were becoming very costly. The rate of expenditure began to exceed annual income, and the Board called for a new funding policy and a more flexible budget. The financial situation stabilised in early 2000 with the payment of tranches from major donors, when arrears for several consultancies were paid, and new grants were obtained from Anglo-De Beers and CTA.

Total income amounted to R1.4 million in 1997, dropped below R1.0 million in 1998 and then rose first to nearly R1.8 million in 1999 and then to the highest ever of R 2.1 million in 2000 (Figure 4.1). In 2000, 80 per cent of income came from grants and 1 per cent from bank interest.

Self-generated income consisting of consultancy fees (R68 000) and training course fees (R34 000) had increased to 12 per cent of total income in 1998. The following year saw a massive increase in consultancies to push self-generated income to a peak of nearly R 570 000, representing more than a third of total income. This source then declined to 19 per cent the next year, and was just 9 per cent in 2001 originating solely from training course fees (Phillips, the main staff member involved in consultancies, having resigned in March 2001).

The search for new funds began in earnest in 2000 and a general funding proposal for the next three-year period was sent to at least eight potential donors. A special proposal to support the LDU's Northern Cape Rural Development Programme for 2001–02 was submitted to ABSA Foundation, the Northern Cape Department of Social Welfare, the Swedish International Development Cooperative Agency (SIDA) and Anglo-De Beers.⁴ Special efforts were made to attract the Gatsby Charitable Trust of UK, the Ford Foundation and the KWV Trust in the Western Cape. Of these, only Anglo-De Beers showed any meaningful interest when they agreed to fund part of the LDU's Namaqualand programme. Another proposal for the support of urban projects in the townships was addressed to the Cape Metropolitan Council who were professing interest in supporting food security projects, but to no avail. An additional list of potential donors was drawn up and more than 13 new donors were approached, all of whom declined.

A severe funding crisis in mid 2001 threw the LDU into disarray from which it never really recovered. There were several reasons for this. To start with, the two major foreign donors Open Society Foundation and Kellogg Foundation, their investments stung by the stock market crash of 2000/2001, changed their funding policy and drastically cut their funding. Their flexible, unrestricted funding that had covered much of the LDU's core functions for nearly six years was suddenly lost. Kellogg Foundation had informed the LDU on 29 November 2000 that it could no longer fund another three-year term because it was concentrating its reduced resources 'in areas of great density of rural poverty' in other African countries. A few months later, the Open Society Foundation 'changed its funding criteria which

[then] excluded the LDU focus'. On top of this, the NDA withdrew their support when they heard that the Project Coordinator had resigned, and funding from the Northern Cape Consortium was not forthcoming. And anticipated funding from several other new donors did not materialise. Thus, only about one-third of the former grant support remained to carry a large programme and a team of 11 staff.

Phase 3. Mid 2001 to end 2004

Hibernation, then partial recovery before final demise (Figures 4.1 and 4.2)

The hibernation period began officially on 1 August 2001. Residual funds from several sources, and the sale of assets (realising R230 600) kept the small volunteer team going for the rest of the year. In December 2001, however, a significant grant from the Western Cape Department of Social Welfare for a large food security programme in the Southern Cape was approved, and the immediate first tranche of R563 000 broke the hibernation. Earlier approaches to Levi Strauss and First Rand Foundation were successful and led to new funds coming on-stream in 2002, and there was a small grant from ABSA Foundation. This gave a total income of R370 000 for 2002, the smallest annual income so far (Figure 4.1).

The funding situation improved further in the first part of 2003 and efforts were made to rebuild the former development programmes. There was an additional tranche from the Department of Social Welfare (R375 800), and grants from Anglo-De Beers (R175 000), CTA (R43 000) and a token amount from NDA (R33 600) via the Southern Cape Land Committee (SCLC). Ninety per cent of grant funds were now from South African sources, and the annual income totalled R715 000. This included R43 500 from training fees for business and entrepreneurial skills. But the LDU was by no means out of the woods yet.

Programme/function	Local donors				External donors	
	NDA	Anglo	DSW	Others	CTA	LeviS
Grassroots projects	+	++	-	-	-	-
Urban projects	-	-	++	+	-	-
Training	-	-	-	-	-	++
Advocacy, public awareness	-	-	-	-	++	-
Core functions	+	+	+	-	-	-

Table 4.4 Funding area by major donor, mid 2001 to 2004 (+, ++ relative rate of funding)
NDA (National Development Agency); Anglo-De Beers; DSW (Department of Social Welfare); CTA (Technical Centre for Agricultural and Rural Cooperation); LeviS (Levi Strauss Foundation)

Carefully-prepared and detailed proposals for supporting the projects on food security and township gardens, the advocacy programme, public awareness

and publications, were sent to several donors.⁵ Project concept documents were submitted to Ford Foundation and Interfund. But the LDU's requests were being ignored by the two major national funding agencies, the NDA and National Lotteries Board, who were sitting on the comprehensive funding proposals and business plans sent to them earlier.

Another suggestion for stimulating interest in the LDU was the holding of a national conference on 'Supporting small-scale farmers benefiting from land reform and enhancing food security in rural and urban South Africa' to be organised jointly by LDU and the Programme for Land and Agrarian Studies (PLAAS).⁶ The Department for International Development of the UK (DfID, formerly ODA) had earlier indicated an interest in supporting such an initiative but a formal proposal to them was declined. Ford Foundation had also expressed a passing interest in the conference.

Crisis and demise. Funding for much of the field programme, and core funding for the central office, administrative staff and logistics dried up in November 2003. Unless additional funds were received immediately, the LDU could only meet normal running costs for a few more months – *the central problem being the lack of funds for core functions*. Only the Namaqualand field activities could be safely continued into 2004 as this project was fully and separately funded by Anglo-De Beers. This time the Board was quick to recognise the serious financial position with limited confirmed long-term funding. But the immediate contingency plans that were drawn up, including efforts to generate income from consultancies and follow-ups on proposals submitted earlier to NDA and the Lotteries Board, came to nought.

As a last desperate effort, a proposal was put to the Western Cape Department of Agriculture for bridge funding for the period November 2003 to June 2004.⁷ The Department was hoping to draw on the LDU's experience in the training of new extension officers, and was supportive of the food security and advocacy programmes, and the farmers' magazine. But this initiative did not clear the provincial bureaucracy and also failed. The LDU's time was up.

Final failure of government support

During the LDU's 12-year life, funding by the government sector through the IDT/TNDT/ NDA succession started well but then declined both in rate and efficiency. The IDT's initial bridging funds and general flexibility expedited the launch of the LDU in 1992, and strong support continued into 1996 (see Figure 4.2). With the advent of the TNDT, however, funding declined and there was no government support at all for 1998 and 1999. Significant funding from NDA was forthcoming in 2000 and 2001 but was negligible over the last three years.

The LDU found the NDA intractable and their funding requirements prescriptive. A new proposal submitted to them in July 2001 was only acknowledged in June 2002. They then insisted on carrying out their own audit of LDU accounts in August 2002, but the first audit report contained many mistakes and had to be rewritten. The National Institute for Economic Planning (NIEP), which short-listed suitable organisations for NDA support, identified the LDU as one of the few

organisations involved in food security, and was approved as a 'strategic partner'. But months later the NDA had still not indicated how its programme would be implemented. The LDU was only one of many NGOs which came to grief because of such incompetence.

In another initiative in the Southern Cape, the NDA allocated funds for a three-year 'Southern Cape cluster' of tourism projects. This was to be implemented by a partnership between the LDU, SCLC, Southern Cape Business Centre and the Church House Project. However, the partners soon became dissatisfied with NDA's abrupt calls for meetings, the rushed planning and consultation process, unsatisfactory selection of target communities, and basic errors in the documentation. This alarmed the SCLC who withdrew from the project.

Expenditure	1997		2000	
	SA Rands	%	SA Rands	%
<i>Field projects</i>				
Staff salaries ¹	412 454	40	944 226	50
Field supplies	145 447	14	134 585	7
Vehicle maintenance	94 517	9	117 401	6
Staff travel	51 479	5	27 989	1
Subtotal	<u>703 897</u>	<u>68</u>	<u>1 224 201</u>	<u>64</u>
<i>Administration</i>				
Staff salaries ¹	103 113	10	236 057	12
Office maintenance	57 185	5	168 909	9
Subtotal	<u>160 298</u>	<u>15</u>	<u>404 966</u>	<u>21</u>
Training courses	122 241	12	14 374	1
Consultancies	28 287	3	81 139	4
Grants and bursaries	16 440	1	39 420	2
Staff development	0		48 817	2
Publications	0		33 119	2
All other ²	6 007		62 491	3
Subtotal	<u>172 975</u>	<u>17</u>	<u>279 360</u>	<u>15</u>
Totals	1 037 170	100	1 908 527	100

^a 80% of staff costs are allocated to field projects and 20% to administration (administrative staff usually comprised about a quarter of the staff but were at lower salary rates).

^b Major capital costs of vehicles and office equipment do not appear in the table as they were purchased before 1997.

Table 4.5 Analysis of project expenditure for 1997 and 2000 (extracted from LDU annual financial statements)

Efforts to procure funding from the National Lotteries Board were even more unproductive. A detailed business plan for a three-year period covering all aspects of the LDU's activities submitted in 2002 was turned down in January 2003 because the project activities were said to 'fall outside the mandate of our distributing agency'. Yet a more careful examination revealed that the scheduled activities were almost identical to those targeted in the Lotteries Board documents. Following submission of another application, acknowledged in October 2003, the LDU was informed of an imminent on-site inspection by a Lotteries project officer. But the inspection did not materialise, and there was a final rejection in January 2004 for the same spurious reason.

ANALYSIS OF PROJECT EXPENDITURE

An analysis of project expenditure for a year when the LDU was expanding its programmes (1997) and a year when it had reached its greatest level of activity (2000) is shown in Table 4.5.

As may be expected, staff salaries were consistently the largest item of expenditure, making up 50–60 per cent of annual expenditure in 1997 and 2000. Field projects, including staff salaries and travel, vehicle maintenance and supplies, accounted for 64–68 per cent of total expenditure. Administrative costs were remarkably low, making up just 15–21 per cent of total expenditure (although this was probably a slight underestimate since some costs were bracketed with other categories to simplify the table). Thus there was a fairly healthy balance between salaries, field projects and administration. The LDU's training programme and consultancies, though bringing in much needed income, had their own direct costs which together varied from R95 000 in 2000 to R150 000 in 1997. Grants to other projects and bursaries accounted for only 1–2 per cent of annual costs. Expenditure for staff development and publications varied greatly between the two years.

Chapter Five

Public Awareness

Projecting the image of a small NGO involved in rural development in a country undergoing a radical political and social transformation was a new experience for me in 1993. As an agricultural researcher in Africa and Asia my field of vision had been much more limited, focusing on a specific group of farmers, a few donors, and a select collection of research institutions. Moreover, I was usually supported by an established organisational structure. Now it was different. I was dealing with a galaxy of donors, university staff, government officials, dominees, an archbishop, and a whole Pandora's box of NGOs, sociologists and do-gooders. And it was now my country and people, not a land where I was a guest for a few years.

This chapter describes some of the activities that fall under the broad heading of public awareness, defined as the process of informing people about an organisation and its activities. Public awareness consists of 'producing and distributing reports on a regular basis' and includes 'efforts to get coverage of the organisation in the media, influence the decisions of policymakers (thus overlapping with advocacy) and maintaining a good corporate reputation in the eyes of a range of stakeholders'.¹ A partnership agreement with the Technical Centre for Agriculture and Rural Cooperation based in the Netherlands (CTA), which started in 2000 and ran until 2003, specifically assisted in strengthening the LDU's public awareness programme. Besides building staff capacity, it assisted with the publishing of various materials on agriculture, capacity building and business topics, and supported radio broadcasts on agriculture, a web page and press releases.

In 2002, the LDU Publications Officer attended a CTA public awareness workshop in Swaziland where it became evident that the LDU had neglected this area, particularly over the last three to four years. The workshop stressed that the media needed to be courted, not merely informed about an organisation's activities, that regular press releases were essential, and that a web page was necessary. Moreover, the writing of reports and other publications should not be regarded as an 'extra duty'. Efforts to implement these suggestions in 2003 were curtailed by the LDU's impending closure.

This short chapter concentrates on the LDU's major networking activities, its web page and the series of articles appearing in the press. The LDU's record of technical reporting and documentation, a series of radio broadcasts, networking with specialised organisations and an attempt to produce a farmers' monthly magazine, are all described separately in Catling.²

A green revolution

Many township dwellers now grow their own vegetables

■ Resilient township dwellers in the Cape are fighting poverty and malnutrition with tiny vegetable gardens.

MATTHEW CATLING
Weekend Argus Correspondent

FROM a distance, the chock-a-block density of the squatter shacks makes it almost inevitable agricul-



UWC unit supports smallholder farmers in Cape's rural areas

Twenty named rural areas like Lekkersing and Spoegrivier the UWC Land Development Unit is making solid progress in its programme of rehabilitating and settling smallholder farmers. And in Western Cape townships and peri-urban areas, unisatons on setting up networks of vegetable gardens.

SMALLHOLDER farmers, mostly in so-called "coloured rural reserves" in the Western and Southern Cape, are ntly benefiting from multi-faceted assistance provided by the Land Development Unit at UWC, begun in late 1992.

The unit is led by experienced agrist Dr David Catling, who was up on a Western Cape farm, but nt 20 years working in Asia and ast.

He explains that the reserves were Christian mission stations in ntury in an attempt to stem the nt of the indigenous Khoisan hnting white farmers.

Over, there was privatisation of the land in the 1970s.

"By the 1980s it off from the land an their fruit and vegeta. "We now have fiv of development in the



Dit hop op Spoegrivier

Spoegrivier sal jy nle op die kaart kry nie, vertel CORNEELS LINKS, maar die HOP het reeds daar kop uitgesteek.

Tervoyl mensie sit en kla oor hoe die Hooploos en Ontwikkelings Program met op papier bestaan, is daar in dorpie doer in die Noord-Kaap waar die mensie hulle eie ding doen.

Daarom is Spoegrivier. Diegene wat nie weet waar dit is nie, moenie optaan en op die kaart gaan kyk nie — dit is nie op die kaart nie.

Spoegrivier is een van die neg

binne die gemeenskap belan grik is.

Tegniese steun

Die Spoegrivier Ontwikkelings Forum het toe ontstaan en 'n koördineerder is aangewys om met ander nie-regerings organisasies (NGOs) te skakel en so finansiële en tegniese ondersteuning te kry.

Die koördineerder van die Landelike Ontwikkelings Eenheid (Land Development

LDU bridges gap

New course links govt institutes with

UWC-based Land Development Unit (LDU) on 29 completed a revolutionary new course, aimed at government officials and rural agricultural institutes with

LDU's director, Dr wo-week full-time by 20 partici- rural insti- country. These Agricultural

nit, this course aimed to share its hands- field and doing research work to- er with the farmers. were taught how

had been obliged to deal with these groups for the first time. The main problem was that the formerly had been dealing with commercial farmers only, and had no knowledge or experience of the problems facing small-scale farmers.

Logical choice
The LDU, which has gained extensive expertise in and knowledge of grassroots farming, was the logical choice for helping to fill the existing information gap.

Catling said that the LDU through this course aimed to share its hands- field and doing research work to- er with the farmers. were taught how

extension, intr-

the FARM-Africa - elopment Unit with South Africa.



ry. The missionaries lands were set aside for ntured these areas fitted gn of separate be known as 'coloured ot technically is ever forced to live in did them no good. to encroach on their of change the com prepared

Officials introduce world of small farmers

ARANES the 'E' that introduces it institutions and to the world of the University n Cape-based oment Unit.

course was participate ntial institu- nturbur Col- Underst- itution of the de- re taken munities faarism -where- ss-ec- t tech-

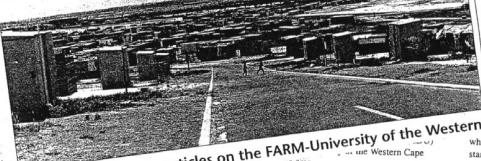


FARM TALK: Agriculturists from different institutions discuss farming methods and problems with a Namaqualand goat farmer.

viled loy- rat

or subsistence farming. "The department he- e lished a sm-

TACKLING A LEGACY OF APARTHEID



In the second of two articles on the FARM-University of the Western Cape Land Development Unit (LDU)er consultation the people of Spoegrivier



'Let the people think and decide for themselves - that's the attitude of the LDU' - Willem Fortuin

HOW 1 DYNA VEGET GARE MAK MOS TOV PLO

BEAUTY childn suppe parent East emp to 3 the which cou standard c Trez • Irriga • A stu goats, she the area. • A stu conjunct plans for create a n • Mass introduce brick fact • The l overcom because li to use it a Willen residents

NETWORKING

A public awareness programme is directed at a network of government departments, donors, partners, clients and other organisations and stakeholders concerned with its business. Networking itself 'involves the exchange of information and the coordination of activities with partner organisations'.³

The Western Cape was provided with some 30 rural service organisations in the mid 1990s,⁴ while in 1994 the Interim Steering Committee listed more than 50 NGOs serving disadvantaged farmers in the Western Cape.⁵ The major organisations supporting small farmers in the Western Cape were briefly described by Catling and Saaiman.⁶

LDU network

The LDU developed and interacted with an extensive network of organisations and bodies. The network started with the organisations contacted and the key people consulted during the writing of the first proposal in 1992 shown in Appendix II. A selection of major organisations that interacted with the LDU in 1995–96, not including donors, is shown in Figure 5.1. Finally, a checklist of more than a hundred bodies that the LDU worked with, consulted, or were in contact with during 199–96 is given in Appendix IV. The latter list breaks down into: 36 South African NGOs, 26 government departments and universities, 12 parastatals, nine overseas organisations of which five were research and development (R&D) institutes, six minor donor organisations, and several community-based organisations (CBOs), forums, government commissions and private sector firms. Since 1996, with the advent of the Extension and Research Orientation Programme (EROP), the Business Development Support Programme and excluding various donors, the network probably grew by more than 30 bodies.

Some of these bodies were to change dramatically during the mid 1990s due to the vicissitudes of the country's political transformation. Many of them were forced to adapt quite radically to the new challenges of rural development; some even changed their names. For example, the rural development agency LANOK was ponderously renamed the Cape Agency for Sustainable Integrated Development in Rural Areas (Casidra), and the Rural Foundation became the Centre for Integrated Rural Development (CIRD). The Independent Development Trust (IDT) handed over their funding responsibility to the Transitional National Development Trust (TNDT), which in turn became the National Development Agency (NDA). There were several mergers: the Agricultural Research Council's ARC-Infruitec and ARC-Nietvoorbij merged to become the ARC-Fruit, Vine and Wine Research Institute; Kromme Rhee College was combined with Elsenburg Agricultural College.

New bodies arose to take on new roles, such as the Programme for Land and Agrarian Studies (PLAAS), Women on Farms Project (WFP), the Centre for Sustainable Agriculture (CSA) and the South African Non-Government Organisation Coalition (SANGOCO). Several forums and special committees became redundant. Regrettably, still others doing useful work were closed down, such as the Boskop Training Centre, the Environmental and Development Agency

(EDA), the CSA (after just two or three years), the George Education Resource and Information Centre (GERIC) – and later, of course, the LDU.

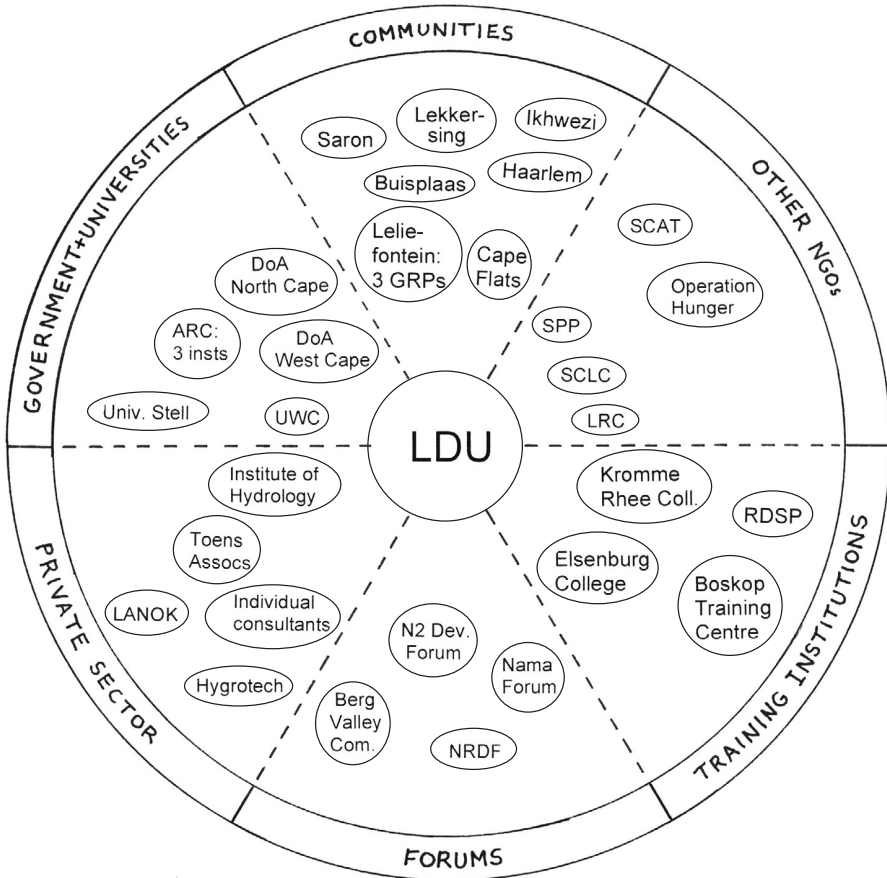


Figure 5.1 Venn diagram of 34 selected communities, NGOs, training institutions, forums, government departments, universities, and private sector sources networked by the LDU in 1995 – 96. ARC (Agricultural Research Council), DoA (Department of Agriculture), GRP (grassroots project), LANOK (rural development agency), LRC (Legal Resources Centre), NRDF (National Rural Development Forum), RDSP (Rural Development Support Programme), SCAT (Social Change Assistance Trust), SCLC (Southern Cape Land Committee), SPP (Surplus People Project), UWC (University of the Western Cape).

NGO Summit and Network

In 1994, the LDU went to the NGO Summit in Johannesburg, and attended the follow-up meeting in Cape Town where major efforts were made to galvanise concerted action among the thousands of diverse NGOs languishing in the vacuum

of government policy. The SANGOCO was formed with a secretariat and a small core working group having specific task groups. Its main role was to monitor, facilitate and provide policy for the voluntary sector. The LDU became a member of the Western Cape NGO Coalition from March 1995.

Friends of FARM

Friends of FARM UK is an organisation which raises funds from the general public in the UK for FARM-Africa's work. Regular donations come from schools, churches, local events, competitions, the sale of T-shirts and other sources. From 1994 to 1996, Archbishop Desmond Tutu endorsed a very successful FARM Harvest Appeal in the UK.

Friends of FARM South Africa was launched in 1995 to raise funds and promote general public awareness of the work of the LDU and FARM in South Africa. It was also believed that the new organisation could build bridges between white farmers and black farming communities so as to involve the commercial sector in LDU-FARM's programmes, as well as identify suitable farmer mentors to help emerging farmers. LDU found that many white farmers were interested in helping small-scale farmers. Unfortunately, *Friends of FARM South Africa*, a good idea, died when the LDU-FARM partnership ceased in 1996.

WEB PAGE

A simple web page was developed in 2003, mainly for a South African audience. It consisted of the LDU's vision, mission statement, and objectives; a map showing the target area and location of project sites, a list of major publications, and a bulletin board for announcements and articles. It was withdrawn in 2004 with the LDU's demise.

Attempts to make a video of the LDU and its training programme did not succeed, and detailed plans for a promotional film in 2003 had to be dropped because of the funding crisis.

PRESS RELEASES

Several press releases were made during the first years of the LDU but later on they were few and far between (Table 5.1). Archbishop Tutu's message of support for FARM-Africa's Harvest Festival Appeal to churches in the UK, published in *FARM-Africa News Quarterly* of July 1994, indirectly raised funds for the work in South Africa and can be viewed as a highly successful press release.

Unfortunately, the Cape Land Development Trust Board had a cautious attitude towards public awareness in general, and this tended to discourage and delay press releases. For example, a release prepared in September 2002 to announce that the funding situation had improved and that the LDU was emerging from hibernation, was not sanctioned by the Trust.

Title of release	Details
Major South African trust with British Government backing launches new initiative to support disadvantaged small-scale farmers in the Western Cape	Released June 1993
The Land Development Unit launches its Agro-Business Development Programme for resource limited farmers	Released July 2000
Land Development Unit survives funding crisis	Written September 2002, not released
Land Development Unit fights poverty and supports land reform	Written February 2003, released?
Land Development Unit closes down	Written October 2004, released February 2005

Table 5.1 Some official LDU press releases

The last press release announcing the demise of the LDU was delayed until February 2005. CTA's Public Awareness Workshop suggested that a programme of quarterly press releases would have been effective in bringing its activities to the attention of policy makers and development specialists.

ARTICLES IN THE PRESS

A flurry of seven articles were published in the South African Press following the launch of the LDU in 1993. Five articles appeared in 1994, two of them in *FARM-Africa News*, as LDU's activities became more evident. In 1995 and 1996, five press articles appeared that included descriptions of the *Friends of FARM South Africa* launch, and the first training of government agricultural officers. Coverage then tapered off with no articles in 1997, and only four in 1998 and 1999 which highlighted training courses and the APM International Seminar organised by the LDU. Three press articles from 2000 to 2003 described the vegetable gardens at schools.

Press coverage was more effective in the Southern Cape from 2000 to 2003, where at least 20 articles appeared in four different local newspapers focusing on the LDU's training courses and the projects on home vegetable gardens.

It seems that there was greater public interest in NGOs during the early nineties than ten years later. There was, unfortunately, hardly a whimper in the press when the LDU closed down in 2004.

DISCUSSION

In general, public awareness activities were barely adequate during the first eight years of the LDU's existence. Networking was quite effective, a reasonable number of press articles appeared, and a few useful publications were put out. However, the public awareness programme remained weak from 2001 onwards. Press releases were totally inadequate and no regular contacts with journalists and the press were developed. The web page came very late.

* * *

Before the main conclusions are drawn in Chapter 7, a brief separate chapter is included to emphasise how the interaction of several key factors governed the life of the LDU and made it such a vulnerable organisation.

Chapter Six

A vulnerable NGO

In the case of previous organisations I had worked for as an agricultural researcher or adviser, my position was reasonably secure and the necessary funding and support was stable. These were large organisations (the Food and Agriculture Organisation of the UN, the International Rice Research Institute and the Plant Protection Research Institute in Pretoria) with assured funding so that I could just get on with the job in hand. Working for a small NGO in South Africa was a very different experience. The funding situation was always changeable, often uncertain and at worst chaotic. Procuring and managing a regular stream of funds was a constant battle, while recruiting and keeping intact an effective team of staff was often a precarious balancing act.

So why did an organisation like the LDU, clearly doing valuable work, have to retreat into hibernation in 2001? Why did it fade away three years later when there was still so much more work to be done with impoverished people in the rural areas and townships? What were the events that led to these situations and the factors that controlled them? This short chapter traces the ups and downs of the LDU's 12 year existence and examines the key governing factors, drawing mainly on information presented in the previous chapters.

Initially, the LDU was adequately funded, quickly gathered a full complement of staff and forged ahead on a wave of enthusiasm (Figure 6.1). Work in the Cape Flats townships was briefly retarded from March to May of 1994 when political unrest resulted in dangerous working conditions. The first real setback came with the Mid-Term Review of August 1994 (see Chapter 2). Though this exercise was useful in redefining the LDU's mission and focusing its objectives and work plan, the review's overall impact was decidedly negative, putting considerable pressure on the new organisation and retarding its work for at least six months. The review seriously scared the donors and necessitated urgent damage control. And to make matters worse, a serious cash flow problem developed at the end of 1994 (see Chapter 4), further holding back progress. *For the first time we realised just how fragile and vulnerable was our small NGO.*

During 1995, project activity picked up again, and there was increasing demand for more project funds. Many requests for LDU assistance had to be turned down. At the end of 1995 and early 1996, however, there was another funding glitch (see Figure 6.1). This was mainly due to the difficulty in appointing a Project Coordinator-designate of colour (this appointment had been made obligatory by the UK's Overseas Development Administration). Not only did this process put pressure on the LDU staff, but several donors saw a looming leadership crisis.

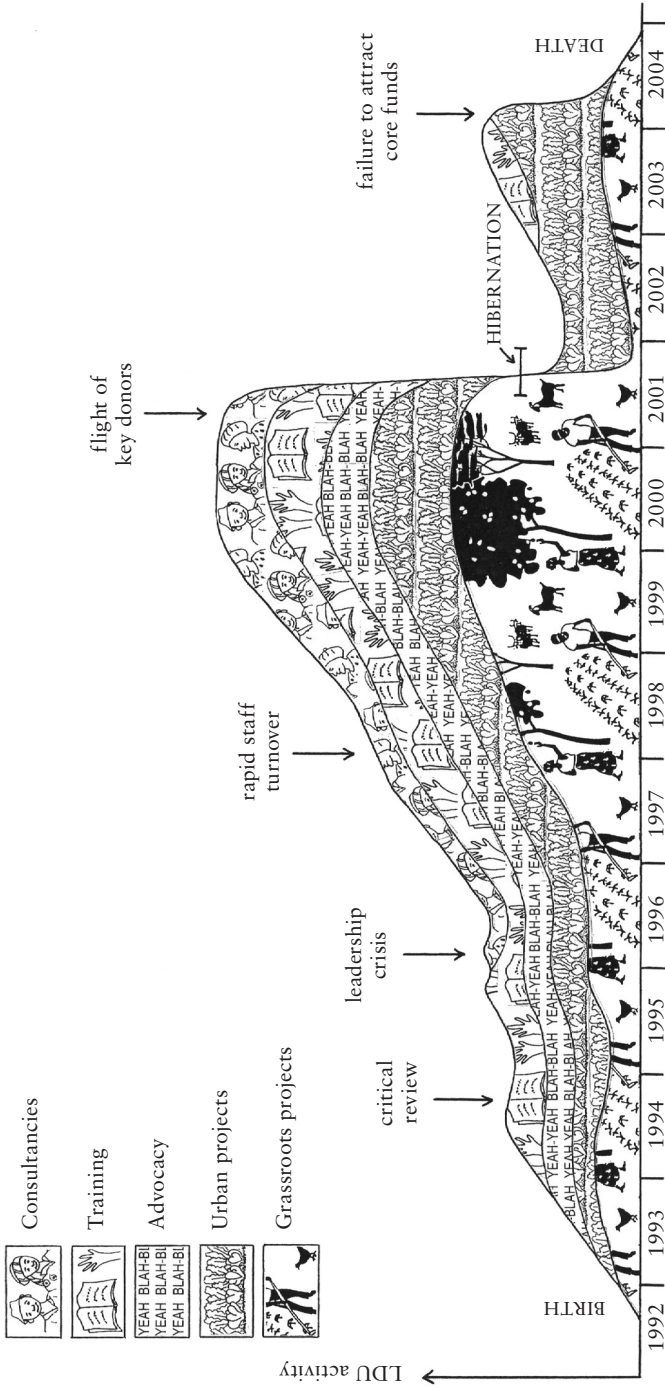


Figure 6.1 Fluctuations in the activity and productivity of the LDU from 1992 to 2004 based on available funds, the number of projects and staff complement. The incidence of crucial setbacks and reverses is shown by arrows. Total activity is roughly divided into grassroots projects, urban projects, advocacy, training and consultancies.

IDT became so concerned that they suspended their funding until this issue had been settled. In addition, ODA was initially hesitant in releasing unspent funds and, although we had been led to believe that they were interested in continuing their support, they eventually decided not to fund the LDU for a second term. The resultant uncertainty and funding shortage adversely affected some field projects during 1996.

Nevertheless, the field activities, training and advocacy programmes continued during the first half of 1996, and the leadership issue was resolved. By the end of the year, the funding situation had recovered strongly with the bringing in of several new external donors.

A five-year period of fairly consistent growth followed, from 1997 to 2001. This period saw the LDU at its most productive with adequate funding from several external and South African donors, stable leadership and a large, vigorous work programme. A moderate set-back occurred in 1997–98 when four key staff members resigned. This was partly due to the taking on of too many projects and outside contracts, and the pressure of writing training manuals and a major book on the LDU. There was also dissatisfaction at delays in the implementation of a new pay package (see Chapter 3). The four staff positions proved difficult to fill, but by the end of 1998 the LDU team was virtually up to maximum strength again.

The highest levels of activity came in 1999 and 2000 with a stable team of 10–11 staff, peak funding from grants and significant income from self-generated funds. In 1999, self-generated income (consultancies and training course fees) accounted for more than one-third of LDU's total budget. Project delivery and assistance to rural clients were further improved in early 2001 by the opening of regional offices in Namaqualand and the Southern Cape.

In 2000, strenuous efforts to maintain these levels of funding by seeking additional donor support met with limited success. The situation then changed abruptly in 2001 when a severe financial crisis hit the LDU (Figure 6.1). Two major foreign donors who had been contributing nearly a half of the LDU's budget suddenly withdrew their support. The government support agency NDA halted its funding when it heard that the LDU Director had resigned, and anticipatory funding from several other donors did not materialise. With the collapse in mid 2001, four experienced staff had to be retrenched. One field officer and two administrative staff members had resigned a few weeks earlier. *The LDU then went into hibernation* until the funding situation improved. Three staff stalwarts continued on a semi-voluntary basis.

The small team kept a limited field programme ticking over into 2002. The LDU was eventually bailed out by a large grant from the Department of Social Services for a new food security programme in the Southern Cape. During 2002, as more funds became available, several new staff members were appointed and activity increased for some projects. However, with the exception of the food security project in the Southern Cape, after 2001 there was limited activity at the former grassroots projects and no new field projects were initiated. Nor were most of the previous training, advocacy and Business Development programmes revived.

The recovery of 2002–03 did not last. Comprehensive proposals sent to an array of potential donors for supporting vegetable gardens on the Cape Flats, a new advocacy programme and other initiatives, all came to naught. Only the separately funded field projects in Namaqualand were saved by transferring them, and the concerned LDU Agriculturist, to the Surplus People Project. Particularly ominous was that funding requests to the National Development Agency were initially ignored, and then prescriptive requirements imposed. Representations to an increasingly inept National Lotteries Board also came to nothing. The final collapse occurred at the end of 2003 when no local funding could be found for core operations, culminating in another regrettable round of retrenchments. The embattled unit lingered on with two voluntary staff attempting a last ditch effort to find new funds. Finally, in November 2004 the LDU closed its doors.

The final nail in the LDU's coffin was the lack of core funds for supporting the central office, staff salaries and essential logistics in 2003.

This brief analysis indicates clearly that the main factor responsible for the LDU's hibernation and subsequent demise was the lack of funds: the irregularity of funds, the reliance on exacting donors and the failure of government funding. The second factor was staffing: problems with the recruitment of suitable staff, the holding of them and replacing losses.

Chapter Seven

Conclusions

The LDU started as a small, vibrant NGO working with rural communities nearly two years before South Africa's first democratic election of April 1994, where it played a unique and crucial role. It was a pioneer in using the participatory rural appraisal (PRA) approach in agricultural development, and linking disadvantaged, small-scale farmers and growers (SSFs) with government institutes, departments and other service agencies. Evaluators unanimously agreed that the LDU soon developed a sound reputation that enjoyed the legitimacy of its clients and collaborating organisations.

The LDU served as a link between the old establishment agricultural institutes and the rural communities receiving proper attention for the first time. It worked on collaborative projects with government departments in the Northern Cape and Western Cape and supported vegetable gardens in the townships. It was a key facilitator and mediator at a particularly crucial time. Involved in an extraordinarily large number of activities and enterprises, it engaged and supported rural development in many different ways over a large area of western South Africa.

A detailed account of the LDU's support of SSFs and urban vegetable growers, and its advocacy and training programmes, is found in Catling.¹ Grassroots and urban projects were given the greatest proportion of time, effort and funds – more than half of staff time and funds were spent *directly* on these field projects. Their main purpose was to unearth field strategies and suitable models that could be replicated and used elsewhere. Progress at grassroots projects (GRP) with coloured rural communities proved costly and was in many cases disappointing. In the townships, the LDU supported existing vegetable gardens and the planting of new ones. Urban projects were smaller and less expensive than GRPs but the results of home gardens were rather disappointing, as yields were low. A few of the group gardens were more successful. The LDU also assisted the Riemvasmaak Land Restitution Project and the Pacultsdorp Land Redistribution Project.

The advocacy programme implemented from 1993 to 2001, one of the LDU's major achievements, strongly influenced government departments and other organisations. The training programme included bursaries, technical training, general capacity building and business development skills. It was unusual in that it taught in a participatory way and drew directly on the experience of its operational field projects.

In this last chapter, the main conclusions are arrived at by employing a modified SWOT analysis of the LDU (strengths, weaknesses, opportunities, threats), and then by posing three questions:

- What were the LDU's persistent problems and constraints?
- What were its fatal mistakes and major oversights as an NGO?
- What did it learn of value that should be passed on to other NGOs?

STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Strengths and opportunities

- The LDU established itself strongly at the University of the Western Cape (UWC) as a small NGO serving the needs of SSFs in the Western and Northern Cape provinces.
- It overcame a hostile NGO environment to forge its own legal status, and formed an appropriate governing body, the Cape Land Development Trust (CLDT) and management system, keeping its administrative costs low (15–21 per cent of total expenditure).
- It built strong links with various agricultural and rural organisations through active networking, and rapidly developed effective working relationships with rural communities and township dwellers, gaining their credibility and respect.
- The LDU acted as a catalyst and facilitator between the formal sector and the communities of SSFs; it carried out valuable field projects with communities in the Coloured Rural Areas (CRAs) and townships, had a strong advocacy programme that included the reorientation of extension and research services, and ran a diverse training programme.
- A valuable partnership with FARM-Africa provided appropriate field methods and expertise (and brought in two external donors). Unfortunately, this partnership ceased in 1996.
- The LDU navigated a definite path through the jungle of reviews, evaluations and planning exercises, and dealt with an assortment of developmental advice, keeping its essential character intact.
- It attracted and helped to train a number of dedicated professional staff who worked hard, some serving the LDU as volunteers during periods of scarce funding.
- It drew in 23 donor organisations from South Africa and abroad, managing their funds reliably and enduring their manifold demands.
- A programme of self-generated income from consultancies and training course fees provided greater unrestricted funding.

Weaknesses

- The LDU suffered two severe funding crises, and did not survive the second one.
- In the beginning, its objectives and work programme were not adequately focused.
- The LDU's programme was large and unwieldy so that it became too busy

and overly reactive, leaving little time for reflection and analysis. There was not enough time for staff to broaden their theoretical understanding of developmental issues.

- The LDU's unique experience and the lessons that it learnt were not adequately documented and disseminated.
- The development indicators were poorly defined and there was no proper analysis of project costs and benefits.
- Public awareness was neglected, especially after 2000.

Threats

- There was consistent funding volatility: the irregular supply and sudden dearth of funds, and the exacting demands of some donors. The failure of government funding after 2001 was fatal.
- There was a shortage of qualified and experienced professional staff of colour.
- The environment for NGOs in South Africa was hostile at the time.
- There were crises of leadership in 1995/96 with the appointment of a Project Coordinator-designate, and in 2001 with the sudden resignation of the Director.
- Over critical reviews and insensitive reviewers, particularly the Mid-Term Review of 1994, had a negative impact.
- There was inadequate and uncertain office accommodation at UWC.
- The size of the LDU target area was daunting.

The views of several other people closely associated with the LDU are given in the companion book, *An Elusive Harvest*.

PERSISTENT PROBLEMS AND CONSTRAINTS

A number of problems and constraints dogged the LDU, constantly holding back its effectiveness and at times threatening its very existence. Some of these were largely beyond its control, such as the hostile NGO environment, the lack of qualified staff, and the attitudes and prejudices of clients and donors. Others, however, were exacerbated by its own policy and decisions, such as the weak funding strategy and the selection of the enormous target area. Nine of these problems and constraints are discussed here, roughly in order of importance.

Difficulties of attracting and holding donors

NGOs are to some extent at the mercy of donors, without whose funds they cannot exist. Funding for the LDU was always an issue of concern even when the coffers were full and future prospects rosy. Considerable 'song and dance' was required to attract and hold suitable donors. Proposal documents usually had to be prepared according to a format which conformed to the donor's specific development policy. The use of special buzzwords and development speak counted highly. The

requirements for narrative and financial reporting were excessive for some donors and their preparation tedious and time-consuming. Interestingly, although the elaborate planning exercises carried out in 1995–96 succeeded in producing a comprehensive project proposal for the second three-year phase of funding, most of the new donors coming on board barely bothered to read the complex logical frameworks and finer details.

Donors were sometimes fickle and capricious. They could suddenly discontinue their support when funding policies changed, as in the case of the Kellogg Foundation and Open Society Foundation in 2000 and 2001. Payments could be temporarily suspended, sometimes at a critical period, as with the Independent Development Trust (IDT) in late 1995 during the leadership crisis. Similarly, donors were sometimes nervous at the prospect of a change in Project Director, as in 2001 when the National Development Agency (NDA) withdrew its support when learning that the Director had resigned. Tranches could be delayed due to bureaucratic muddle, as with Kagiso Trust and the European Union in 1995/96. There were also cases of donor inflexibility, as when the Overseas Development Administration (ODA) delayed the allocation of unspent funds, which exacerbated the LDU funding crisis in 1996.

The importance of NGOs was gradually recognised by *provincial governments* with the policy switch from welfare support to a more developmental approach. In the late nineties, funding began to flow from provincial departments, and in 2001 the LDU received funds from the Western Cape Department of Social Welfare for a significant food security programme. But obtaining funds from *national government* sources became more difficult for all NGOs with the advent of the NDA. Both the NDA and the National Lotteries Board infuriatingly chopped and change their policies from 2002 to 2004. Despite their best efforts, the LDU's relations with both agencies deteriorated as their attitude became more prescriptive and obfuscatory. It is deplorable that in the last two years when the LDU was floundering, the two main government funding agencies were not able to come to the rescue of a reputable NGO having an almost identical development programme to their own declared national policy.

Assertiveness of donors and consultants

While donors are of course entitled to their own policies and mode of operation, in practice they sometimes become prescriptive and assertive. The obligatory appointment of the Project Coordinator-designate in 1995 was a classic example of imposing affirmative action at an inappropriate time. The donor responsible was out of touch with the reality of a country in transition, and this oversight created an unnecessary funding crisis. The same donor also insisted on appointing its own person on the Mid-Term Review in 1994, and the Evaluation in 1995.

A few of the LDU's reviewers were not adverse to promoting their own favourite concepts and imposing their preconceived ideas. The 1994 Mid-Term Review was largely driven by foreign consultants who imposed their will on the whole review process. Consequently, the review team underestimated the complexity of South

Africa's socio-political scene, and overlooked the initial progress made by the LDU in its dealings with the formal agricultural institutions. Donors sometimes propose and expect almost impossible results and progress in terms of the sheer numbers of farmers to be trained and incomes improved. Although rightly criticising the LDU for inadequate reflection and analysis, few if any donors were keen to allocate funds for retreats and withdrawals for study. (None of the LDU's former principal donors were interested in contributing to the funding subsidy required for the publication of the book on the LDU.)

Several foreign donors were reluctant to fund the LDU's core functions, a few even declining to cover salaries and office running costs such as the Technical Centre for Agriculture and Rural Cooperation (CTA). Rightly or wrongly, they felt that South African sources should cover local expenses (salaries and transport are often messy areas). This was one of the main reasons why the LDU took on the large programme of consultancies from 1998 to 2001, since income from self-generated funds can be used for any purpose, including core expenses. And that is why the failure of government funding, which should have been a major source of core funds, was so devastating in 2003.

Staff recruitment difficulties

It proved difficult to find and recruit suitably qualified field staff of colour having an agricultural background and experience of working with poor, disadvantaged communities. A serious problem arose in 1995 in selecting the Project Coordinator-designate, which was an affirmative action appointment. Later, two other unsuitable staff members had to leave the organisation, and it took seven months to recruit a business development specialist. In some cases, very few suitable candidates applied for staff positions, and this did not improve when a professional recruiting firm was used. Several young and talented staff members, most of them women, worked for the LDU for one or more years before moving on to better positions with the benefit of the LDU experience. For example, the LDU's first Agronomist is now Director of Agriculture in the Western Cape. Although this was bad for the LDU, it was seen as a valuable contribution to the rural development fraternity.

Most reviewers stated that the staff members were committed, enthusiastic and respected by the clients. However, some reviewers pointed out that additional staff development was necessary, particularly for new recruits, in order to broaden their understanding of human and rural development, and to develop analytical skills. A reasonably extensive though mostly ad hoc programme of formal professional training was developed, and there were periods, such as from 1993–96 and 1999–2001, when a strong team of rapidly learning professionals of high calibre was fielded. Dedication was demonstrated during the hibernation period in 2001 and in 2003/04 when several staff volunteered their services.

Administrative burden

A heavy administrative burden piled up on the shoulders of the LDU Director. Besides directing the field projects, overseeing the advocacy and training programmes,

taking on major consultancies and leading the LDU team, the Director was also responsible for:

- reporting to the Board and the donors by means of quarterly and annual reports; maintaining the membership and convening meetings of the Board, Executive Committee and Project Advisory Committee, and writing the minutes;
- writing project proposals for donor support;
- the majority of the fundraising;
- supervising financial accounting;
- staff recruitment; and
- organising and participating in the series of reviews and evaluations of the LDU.

The LDU was obliged to register the CLDT and Board members, develop a trust deed, apply for permission to raise funds and plead for tax exemption. The donors demanded ever more elaborate project proposals with detailed logical frameworks, M&E systems and detailed financial accounting. After a long delay, an efficient and more acceptable accounting system was put in place that was monitored by a private chartered accountant. This was a necessary but costly and time-consuming process.

Thus the Director and his staff, at the beck and call of large field projects, the advocacy and training programmes, and consultancies, were overloaded with administrative responsibilities. Small wonder that some of the LDU's activities were neglected and put on the back burner, such as the writing up of methodologies, case histories and manuals.

Uncertain status of NGOs

South Africa was in the throes of a political and social transformation when the LDU was launched. At this time, the rural development environment was in a perpetual state of change and was hostile to NGOs.

It is accepted that NGOs play a pivotal role in facilitating rural development and implementing projects. They serve as honest brokers between the communities themselves, and government departments, parastatals and consultants. But, in the early 1990s, there was no legal framework for South African NGOs who for good reason had been keeping their heads below the parapet during the long years of apartheid. Developmental and advocacy NGOs were also penalised by the narrow interpretation of a 'charitable' institution. It was in fact a thoroughly unfriendly environment for NGOs. The South African NGO Coalition (SANGOCO) called for a broadening of the definition of those NGOs qualifying for tax exemption, and for an extension of the range of bodies to which deductible donations could be made.²

NGOs were not received with open arms by the new government. The ANC 'did not want radical civil society groups acting as watchdogs over the government, as they had under apartheid'. Rather, NGOs were expected to 'remake themselves or

face exclusion' and should share in the government's development agenda.³ Foreign funds started to dry up in 1994 and much of the remaining funding was diverted to government programmes or government funding agencies. Many NGOs, unable to reorient themselves, were forced to close down. The tension between the ANC and NGOs has persisted. For example, in October 2005 (*Sunday Independent*, 23 October) the South African President attacked NGOs who 'accept foreign funding with alleged anti-ANC strings attached'.⁴ Alarm at the worsening NGO funding crisis was expressed by SANGOCO, the South African Council of Churches, the Treatment Action Campaign and many others. SANGOCO itself is currently poorly funded and mainly staffed by interns.⁵

Obtaining the necessary authority to raise funds and secure tax exemption proved a tortuous and costly process for the LDU and was described in Chapter 3. Eventually, most of these issues were resolved or clarified.

Inertia of governing bodies

The governing body and its structures can make or mar an organisation. The Cape Land Development Trust was formed at a difficult time when the donor scene was changing rapidly, the UWC was in transition, and a young team of agricultural and development staff was striking out boldly to assist impoverished communities. The CLDT Board, with its 10 or 11 members, often exceeding the number of LDU staff, was large and unwieldy. At one stage it was suggested that the number of trustees should be reduced and dynamic new members recruited, but this did not occur. Some of the Board's members had little previous experience of NGOs, of running projects, or of rural development and smallholder agriculture. Attempts to recruit 'heavyweight' trustees, whose influence could have been valuable in promoting the LDU and attracting donors, were not successful. Some senior Board members holding high positions found it difficult to devote sufficient time to their trust duties. By comparison, the Surplus People Project with a smaller board of selected professionals with relevant experience, and which received strong initial support from its affiliation with the National Land Committee, is alive and well today.

The CLDT and LDU were fortunate in having a series of reliable chairpersons, and the trustees representing the rural communities performed well. However, two key positions proved difficult to fill. The first trustee representing the donors was not able to comprehend the needs of SSFs and thus misunderstood the LDU's field programme. More serious was the Treasurer position which changed five times. Maintaining a proper trustee balance of race and gender proved impossible: black members and women members were always poorly represented. Tension between the CLDT and FARM-Africa was never completely resolved, and, regrettably, after 1996 there was no formal working arrangement between the two organisations.

When the LDU's funding collapsed in 2001, the Board took the bold decision to put it in hibernation rather than close it down. Although continuing to support the LDU in 2003 and 2004 when it was once again in trouble, the Board should have been more pro-active in raising funds during this critical period. It shirked its

responsibility by not speaking out strongly when two staff members were falsely libelled in 2004. And the Board had a very conservative approach towards public awareness and restricted the LDU's press releases.

Two important issues were never satisfactorily resolved. First, the LDU's central offices hired from UWC were cramped and often scattered, with some rooms located on another floor or in another building. The accommodation was under threat for long periods, and, on several occasions, a move from UWC to another location was seriously considered.⁶ Second, the working relationship with ISD was disappointing since the LDU was not able to benefit from the scheduled input of its economist and sociologist. In fact, LDU ended up giving lectures to ISD graduate students for which it was not paid.⁷

The 1994 Mid-Term Review was critical of the extent of CLDT's involvement in LDU's activities, programmes and fundraising efforts,⁸ whereas the 1995 reviewers concluded that there had been an improvement in these functions, and noted the presence of an active Project Advisory Committee (PAC).⁹ The 1999 Evaluation was satisfied with the support given by the Board, the Executive and the PAC, but found that LDU's relationship with UWC and ISD was still unsatisfactory and needed urgent attention.¹⁰

Excessive navel-gazing

The LDU underwent an almost continual process of self-evaluation and review of its purpose, strategy and effectiveness during the first seven years. However, there were no external strategic planning exercises after 1999, and the one-day Planning Workshop in July 2002, involving only a few board members and LDU staff members, was inadequate. Though this review process was essential, especially at the beginning, it was later given undue prominence that was both costly and time-consuming. Between 1994 and 1999 there were six evaluations/reviews/planning exercises conducted by external facilitators. The 1999 review process, consisting of four exercises taking nearly four weeks, led to a spell of 'paralysis by analysis'. The LDU's mission statement changed at least five times between 1992 and 2002 (see Chapter 2). Yet for all this, the fundamental philosophy of the LDU changed relatively little – certainly not to the extent that might have been expected from such an intense series of evaluations and reviews.

The LDU was part of the development debate that was fueled by new concepts reaching South Africa in the 1990s. The sheer number of meetings and workshops, and the flood of publications on rural and social development pouring into South Africa, was overwhelming. The LDU had initially embraced participatory methods, action learning, farming systems R&D, indigenous knowledge and integrated pest management. By the mid 1990s, PRA had spawned PAR (participatory action research), PIM (participatory impact monitoring), PLA (participatory learning and action), and several more. In the late 1990s, capacity building, sustainable development and the sustainable livelihoods approach arrived and were being absorbed and adopted by the LDU.

Many of the recommendations of reviewers and evaluators were useful and readily

taken on board. For example, they were correct in 1994 that the LDU's mission and programme needed better definition, and that more attention should have been given to gender awareness and sensitivity. But some other recommendations were exacting, idealistic and sometimes contradictory. For example, the 1999 Evaluation was critical of the LDU's work with individual farmers and said it should work with groups only, whereas the 1994 review team had said that the LDU should consider working with individual farmers, not only with groups. An 'office week system' was recommended where all staff members were to assemble at the main office at UWC in Cape Town for one week every month for briefing and team building. When adopted, this arrangement proved cumbersome and time-consuming and was soon dropped. The 1999 reviewers were also adamant that the LDU should become more involved in environmental and conservation issues, and the staff was exhorted to study the theoretical aspects of rural and agricultural development.

The LDU's administrative policies and procedures did not impress most of the reviewers. Although the financial accounting satisfied the South African and FARM-Africa accountants in the first few years, it did not comply with the strict standards expected by the foreign reviewers in 1994. However, in subsequent reviews this did not emerge as a major issue.

Attitudes and prejudices

Initially, the LDU had to overcome the resistance of the formal agricultural institutions and their staff to what they saw as a new 'liberal' organisation challenging their traditional approach. It also had to deal with the conservatism and negative aspects of the previously marginalised rural communities. Then there was the prejudice of the organic school of vegetable production that is reluctant to use fertilizer, pesticides and modern methods (which tend to keep vegetable yields below the optimum). These issues are discussed more thoroughly in Catling.¹¹

Size of target area

A logistical challenge was to be expected for a small institution serving isolated rural communities scattered over an area of more than 400 000 km² – one and a half times the size of the UK. This was, of course, a known and self-imposed constraint. The two main clusters of field activities, the Leliefontein CRA and around George in the Southern Cape, were nearly 400km from Cape Town, leaving two GRPs, one Land Reform Project and many sites of field assistance, training and consultancies between 450 and 650km away from headquarters (Figure 7.1). Three sites were totally off the map: Mier (for a consultancy) and Bloemfontein and Queenstown (for a training course).

Some field staff drove 8 000–10 000 kilometres a month to reach GRPs and attend community and planning meetings. Because no suitable accommodation could be found in Springbok, the first Livestock Officer lived for long periods in a caravan parked near the Namaqualand communities. Eventually, in 2001, regional offices were established for Namaqualand at Springbok and for the Southern Cape at George.

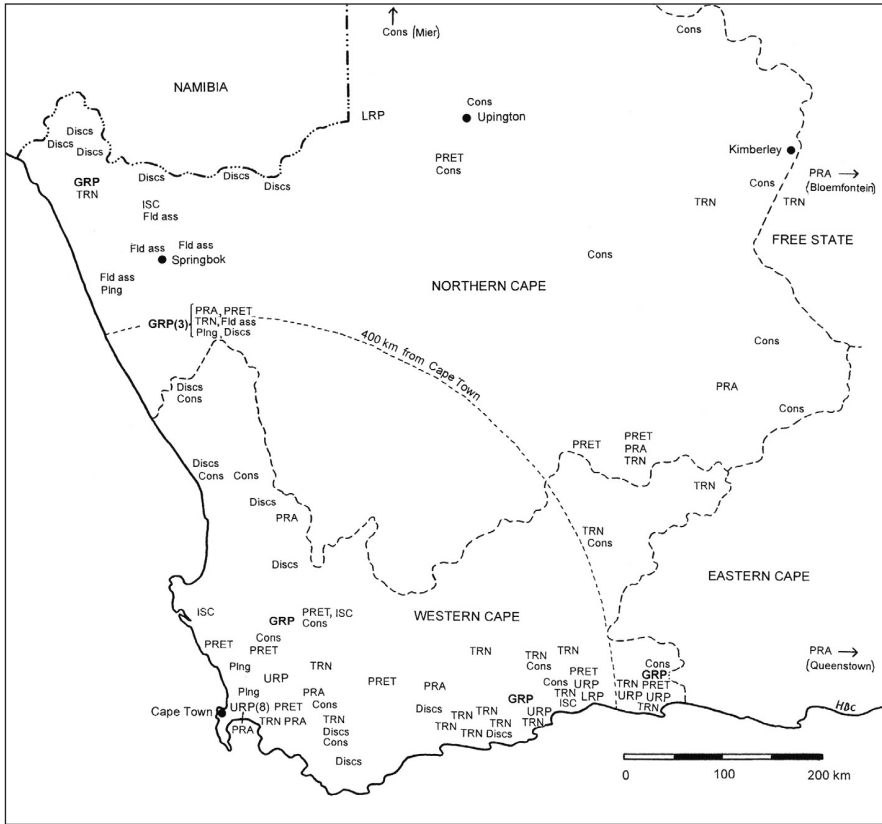


Figure 7.1 Distribution of LDU activities in western South Africa. Besides the major Grassroots Projects (GRP), Urban Projects (URP) and Land Reform Projects (LRP), many other rural communities received significant assistance with agricultural enterprises (fld ass), the planning of projects (plng), or benefited from general discussions (discs). Training activities are divided into PRET mainly for extension officers and researchers, PRA for all field workers and TRN for all other forms of training. ISC show sites of regional workshops. Consultancies not classified as training courses are shown separately (cons) (from Catling, 2008).

MISTAKES AND OVERSIGHTS

Looking back, it is clear that in the beginning an inexperienced and eager organisation tended to move ahead too rapidly resulting in several mistakes and oversights. The four major faults discussed below are to some extent interrelated, and the first two are regarded as fatal to the LDU.

Flawed funding strategy

The LDU's reviewers were correctly concerned about financial security. The 1995 Planning Exercise drew attention to the lack of confirmed funding for 1996, though subsequent reviews found that long-term funding was sound in 1997 and 1999. Although the income-generating consultancies bolstered financial flexibility

and sustainability, several reviews urged more careful selection to ensure a better balance between consultancies and the other elements of the overall programme, and that they conformed more closely to LDU's central philosophy.

The LDU's demise was due mainly to a lack of national funding for core functions. The government funding agencies are largely blamed for this situation with some justification (see Chapter 4), but the CLDT and the LDU itself could probably have done more to prevent the institution from going under. After all, several of the LDU's close collaborators, such as SPP, SCLC and Abalimi Bezekhaya, in the same funding environment, have survived and prospered since 2004. Although during the post-hibernation period an immaculate accounting system was introduced and comprehensive funding proposals were written, the proposals were not followed through effectively enough with the donors. The CLDT, exhausted by the LDU's previous hibernation and its persistent problems, did not do enough to engage the attention of potential donors. The Board should have monitored the situation more closely and insisted that the Director, and one or more board members, went out to pursue the funding proposals more aggressively.

But it is also true that for most of the time the LDU had a piecemeal approach to gathering funds, and that this key responsibility was delegated to the LDU Director. It lacked a carefully planned and executed funding strategy.

Imbalance between action and reflection

The LDU was rightly censured for being too reactive and allowing itself to be swept up in a vigorous action programme leaving little time for reflection. There were few calm interludes for effective self-analysis, for writing up its unique experience, or for reading the development literature. Reviewers noted that it was constantly besieged by the day-to-day demands of operational projects and communities clamouring for assistance, the running of training courses, and the undertaking of consultancies. (There were also the exacting requirements of reporting to donors and collaborators, and the financial and accounting demands, mentioned earlier.) Although this weakness was repeatedly pointed out, the unit continued to be swept along by these everyday pressures and tended to be 'task and product driven'.

Thus it must be said that, had the LDU been able to step back from time to time to look at itself more closely, had it found the time to project itself and its work more effectively, it may have attracted greater support and ridden out the financial storms.

Lack of publications

The LDU did not systematically document its unique experience. Data collected in the field were not properly recorded and circulated. These were crucial errors. Certain LDU staff members were particularly weak in writing reports, and several said that, for them, writing was a nightmare. Writing skills, not commonly found among development workers, cannot be learnt in a few teaching sessions. It takes time to think and write. Many people do not recognise the importance of taking a document through several drafts and incorporating input from colleagues. Project

directors (and donors) should recognise this and allow sufficient time and scope for writing.

Poor public awareness

The LDU developed and interacted well with a formidable network of organisations and bodies. The reviewers noted the excellent links with communities and other organisations, and commended its networking. The other aspects of public awareness, however, were badly neglected, especially during the last five years. The LDU overlooked many of the recognised strategies for promoting itself and attracting funds, such as keeping up the annual reports, circulating progress reports, holding regular annual general meetings or open days, putting out regular news releases, and building relationships with the press and local journalists. A deficient public awareness programme, coupled with the failure to raise local funds, was a major reason for the demise of the LDU.

* * *

Additional mistakes or oversights related directly to LDU's work of supporting smallholder farmers are discussed in detail in Catling.¹² They consisted mainly of the LDU's lack of attention to indicators of progress and the analysis of cost-effectiveness of field projects, and to several initial misconceptions about rural communities.

EXPERIENCE TO PASS ON

The nature and significance of NGOs was discussed in Chapter 1. NGOs are important and play a worthy role. They are gaining in public support and are helping to change the world. The incredible contributions of organisations like Amnesty International, Oxfam and Médecins Sans Frontières, are living proof of this. NGOs should be safeguarded and nourished. The South African government should adopt a more positive attitude towards NGOs and see that they are adequately supported.

In the early 1990s, it was estimated that there were about 20 000 NGOs involved in developmental or social change in South Africa.¹³ More than 3 000 South African 'development organisations' were listed in the 2003/2004 Directory of Southern African Development Organisations.¹⁴ But many of these, such as the Environmental Development Agency, Rural Advice Centre and Centre for Sustainable Development, have since disappeared – including, of course, the LDU.

The LDU learnt a number of lessons that may benefit NGOs working in rural and agricultural development.

Ideally NGOs should uphold a 'consistency of principles, and commitment to humanity should inform all work, thought, activism and advocacy'.¹⁵ They should strive to eliminate all underlying political, religious or cultural prejudices. Clients should be treated sincerely and with the utmost respect despite their possibly differing beliefs and mores. Since NGOs are expected to be important sources

of new ideas and approaches, they must be open-minded, flexible and capable of moving rapidly. NGOs must make time for self-criticism, reflection and soul-searching, and must guard against being top-down. Lastly, NGOs should steer away from policy-making, which is the primary role of government.¹⁶

Advocacy is one of the most fundamental roles for an NGO. Field projects only reach a limited number of people, whereas an effective advocacy programme promotes and disseminates new ideas, approaches and techniques much more widely to government departments, institutions, planners and development agents. This happens best when an NGO is seen to be doing relevant work in communities and is highly respected.

A number of insights from the LDU's experience are discussed in the companion account of the LDU.¹⁷ A few of the key ones briefly mentioned here fall into two categories. The first category is the surprises encountered in rural communities. Most communities were troubled with severe conflict which seriously retarded development. In the GRPs, many communities were dominated by powerful elites who had different agendas and needs to the poorer families who were in the majority. Another surprise was that the youth were not interested in farming as a livelihood, and that township youngsters were not keen gardeners. Second, on the technical side, it was necessary to continually emphasise the importance of appropriate farming systems for emerging and inexperienced farmers, systems that are not too costly, sophisticated or difficult to sustain. In the vegetable gardens in the townships, the existing support services were dominated by the organic approach, which resulted in unsatisfactory yields that probably discouraged the growers.

Setting up and running an NGO

Last is some advice which is particularly relevant here. Looking back on the 12 years of the LDU's experience, seven basic recommendations are made for those who are establishing and running a rural development organisation.

- *A dynamic funding strategy.* The lack of an effective funding strategy was the LDU's costliest mistake. The organisation's board and senior staff should be involved with a part-time fundraiser in developing and maintaining a dynamic, imaginative funding scheme that powerfully projects the image, achievements and future needs of the institution. There must be a broad funding base. Dependence on one or two donors must be avoided, and the pressures imposed by external funders must be resisted as far as possible. An affiliated organisation, or an 'ambassador' or 'champion', is useful to fight for its cause and plead for its support.¹⁸
- *A persuasive public awareness programme.* The LDU's second most costly mistake was the woeful neglect of public awareness. Absolutely essential here are: vigorous networking, the full use of electronic media, regular progress reports and press releases and the building of fruitful relations with journalists and the press. A strong publication programme can be seen as an important part of the public awareness and advocacy functions.

- *A balance between action and reflection.* There has to be a careful balance between analysis, planning and documentation on the one hand, and the freedom and flexibility to be fully active in field projects and attend to the demands of rural communities on the other. As we have seen, the LDU did not devote enough time to reflection and planning, and later found itself overwhelmed with administrative demands.
- *A strong advocacy programme.* This is one of the most valuable activities of any developmental NGO.
- *The governing board or trust not to exceed 5–6 members.* A lean board should consist of carefully selected and appropriate members. All members should have professional experience of developmental work, and be thoroughly aware of the role and objectives of the organisation. Once established, the NGO must rigorously defend its independence from both board and donor. The board must encourage public awareness, not restrict it.
- *A critical mass of at least 13–15 staff.* The complement of 10–11 staff when the LDU was at its height in 1999–2001 was just too few. It should have had at least another 2–3 positions: a public relations officer, a part-time fundraiser, and a writer-cum-researcher. With the multitude of bureaucratic demands confronting NGOs, the many balls in the air to be juggled, it is too much to expect the director to handle: fundraising, reports and proposal writing, overseeing finances and accounting, being a personnel manager and chief administrator, as well as a fearless team leader. Where more staff cannot be afforded, a short-term solution is to take on board members as working members.¹⁹
- *The careful selection of reviewers and evaluators.* Review teams must be unbiased with no axe to grind and should be sensitive to local conditions. The institution's staff should be equal partners in all these exercises, and reviews should be fully participatory.

Appendices

Appendix I

Chronology of the LDU

1991	Mar	Idea of an organisation for supporting smallholder farmers first proposed Informal discussions with FARM-Africa First meeting with Director of ISD at UWC
	Apr	Original outline proposal written
	May	Discussions with FARM-Africa in Nairobi
	Oct	First draft proposal written in London with FARM-Africa
1992	Feb	Catling appointed as Agriculturist on part-time basis at ISD First visits to rural communities in Namaqualand and Western Cape Contact made with various government departments and NGOs
	Apr	Start of six-month preliminary period funded by Oxfam UK
	Jun	First comprehensive project proposal completed IDT agree in principle to support the LDU Kagiso Trust approached for support; later pledges funding from 1993
	Sep	IDT bridge funding arrangement comes into operation
	Oct 1	LDU officially starts activities
	Nov	Visit of FARM-Africa fact-finding mission to South Africa
	Dec 1	FARM-Africa agrees to become a partner
1993	Jan	ODA agrees in principle to support LDU through FARM-Africa
	Mar	LDU project proposal cleared by ISD Board of Control
	Apr	FARM-Africa officially becomes an LDU partner: brings in ODA and Christian Aid UWC Senate approves the LDU

	May	First batch of staff appointed; several grassroots projects now established
	Jun	Deed of Cape Land Development Trust signed, first board meeting
	Aug	Master of Supreme Court issues Letter of Authority No. T874/93
1994	Jan	First full complement of staff assembled
	Aug	Mid-Term Review of first funding period
1995	May	Project Coordinator-designate starts working for LDU
	Jun	Exercise by OLIVE planning consultants
	Nov	External Evaluation of first three-year period
1996	Mar	Project Coordinator-designate leaves; leadership crisis
	Apr	Catling hands over LDU to Acting Project Coordinator, Tommy Phillips
		Fully functional PAC formed
	end	Farm-Africa withdraws as partner
1997	Sep	Strategic Planning Workshop
	end	Rapid staff turnover
1998	end	Start of very productive period
1999	all	Stable team of 10–11 staff continues
	Aug	External Evaluation and Strategic Planning Workshop
2000	most	Stable team of 10–11 staff continues
	end	Two major external donors decide to discontinue their support
2001	early	Regional offices established in Namaqualand and Southern Cape Expected funding does not materialise
	Mar	Project Director Phillips resigns, replaced by David Makin-Taylor
	May	Funding crisis breaks; several staff resignations
	Jul	LDU enters hibernation ; several staff members retrenched, 3 continue on semi-voluntary basis
2002	early	LDU slowly emerges from hibernation and builds to staff team of 6–7

	Jul	One-day Strategic Planning Workshop
2003	Dec	Most of staff retrenched due to lack of core funding
2004	Jan	One staff member continues in Namaqualand; two others continue on voluntary basis
	Nov	LDU closes down

Appendix II

Communities, organisations and key people consulted in 1992 during the preparation of the initial proposal to establish the LDU.

Communities

Buisplaas hamlet, Southern Cape, near Mossel Bay
Concordia Coloured Reserve^a, Namaqualand
Dominee K. Visser; farmers at Witbank and Goodhouse
Elands kloof Community, Citrusdal
Elim Moravian Mission, Western Cape, near Bredasdorp
Haarlem Coloured Reserve, Little Karoo, near Uniondale
Komaggas Coloured Reserve, near Springbok, Namaqualand
Dominee P Groves; farmer group
Leliefontein Coloured Reserve, near Garies, Namaqualand
Dominee P van der Heever; Kamieskroon Development Association; farmers
Pella Coloured Reserve, near Pofadder, Namaqualand
Richtersveld Coloured Reserve, Namaqualand
Dominee M Damon; farmers at Sanddrift, Khuboes, Eksteenfontein, Lekkersing
Steinkopf Coloured Reserve, Namaqualand
Dominee DP Carelse; staff at Operation Hunger Project
Suurbraak Coloured Reserve, South Cape, near Swellendam

Organisations and development practitioners

Agricultural and Rural Development Research Institute (ARDRI), University of Fort Hare, Alice, Eastern Cape
ANC Land Commission, Johannesburg
Abalimi Bezekhaya, Cape Town
Archer, F, Botany Department, University of Cape Town
Camphill Village, near Malmesbury
Centre for Rural Legal Studies, Stellenbosch
Department of Agriculture, Directorate of Resource Conservation, Durbanville
Department of Agricultural Engineering, University of Natal, Pietermaritzburg
Departments of Agronomy and Soil Science; Animal Traction Group, University of Fort Hare, Alice, Eastern Cape
Departments of Entomology and Forestry, University of Stellenbosch
Department of Local Government, Housing and Agriculture, House of Representatives, Cape Town

Development Bank of Southern Africa (DBSA), Midrand, Transvaal
Directorate of Resource Conservation, Ministry of Agriculture, Cape Town
Elsenburg Agricultural Institute, Stellenbosch; Director of Extension; Chief of
Livestock Section, Soils Department
Environmental Monitoring Group (EMG), Cape Town
Environmental Development Agency (EDA), Johannesburg
Farmer Support Group (FSG), University of Natal, Pietermaritzburg
Farmworkers' Research and Resource Project (FRRP), Johannesburg
Small Business Development Corporation (SBDC), Cape Town
Institute of Natural Resources (INR), Pietermaritzburg
Kromme Rhee Agricultural College, Stellenbosch
LANOK (PTY) Ltd, rural development company, Paarl
Legal Resources Centre (LRC), Cape Town
Livestock Research Institute, Irene, Pretoria
Montague Ashton Community Centre (MAG)
National Land Committee (NLC), Johannesburg
National Parks Board, Cape Town
Operation Hunger, Cape Town
Pro-seed, Agricultural Research and Development Services, Pietermaritzburg
Quaker Peace Centre, Cape Town
Regional Services Council, George
Social Change Advice Trust (SCAT), Cape Town
Southern African Development Education Programme (SADEP), Cape Town
South African Development Trust Corporation, Pretoria
Southern Africa Foundation for Economic Research, Cape Town
Southern Africa Labour and Development Research Unit (SALDRU), Cape Town
Rural Advice Centre (RAC), Johannesburg
Rural Foundation, George
School of Rural Community Development, University of Natal, Pietermaritzburg
Southern Cape Land Committee (SCLC), George
Surplus People Project (SPP), Cape Town
Transvaal Rural Action Committee, (TRAC), Johannesburg

^a The Coloured Reserves were later known as Coloured Rural Areas.

Appendix III

Requests for LDU assistance that were declined

Request from	Year	For whom	Assistance required
LRC	1993	Witbank and Pella farmers	Agricultural development
SCLC	1994	Slangrivier CRA farmers	Agricultural development
SCLC	1994	Thembaletu project, George	Resettlement of farmers
Steinkopf CRA	1994	Goodhouse farmers	Agricultural development
N2 Development Forum	1994	More than 30 communities	Agricultural development
DBSA	1994	Whitehill Farm, Elgin	Facilitate equity sharing scheme
ISD	1994	KAMBRO	Facilitate agricultural projects
Regional Services Council, Paarl	1994	Mbekweni Township, Paarl	Agricultural development
Soebatsfontein community	1994	Soebatsfontein community	Agricultural skills training
Tweerivier community	1994	Tweerivier, Leliefontein CRA	Agricultural development
SPP	1995	Witbank farmers	Agricultural development
IDT	1995	Projects in Northern Cape	Project evaluation and development
Urban Econ	1995	West Coast projects	Project evaluation and development
Dysselsdorp, community	1995	Dysselsdorp farmers	Agricultural planning
South African Breweries	1995	George area	Establishment of small farmers
LANOK	1995	Zoar and Amalienstein State farm	Facilitate development meeting
Various farmer associations	1995	Friemersheim, Brandwag	Agricultural development
Richtersveld Farmers Assoc.	1995	Richtersveld Farmers Assoc.	Agricultural development
PLOEG	1995	PLOEG members	PRA training
Loeriesfontein Agric. Forum	1995	Communities in the region	Identification of projects
Grootbrakfontein Farmers Assoc.	1995	Grootbrakfontein community	Agricultural development planning
Ebenhaeser Community Ass	1995	Ebenhaeser farmers	Agricultural development
KAMBRO	1995	Aspoort Scheme, Calvinia	Agricultural projects
Mamre Farmers' Association	1995	Mamre Farmers' Association	Agricultural development
Suurbraak CRA	1997	Suurbraak community	Agricultural development
Stellenbosch, Queensland universities	1997	Small-scale farmers	Poultry projects
New Farmers Develop. Trust	1997	Small-scale farmers	Joint ventures with Trust
Ilitha Labantu	1997	Ilitha Labantu	Group vegetable garden
Presbyterian Church	1997	Presbyterian Church	Group vegetable garden
Methodist Church	1997	Methodist Church	Group vegetable garden
New Crossroads crèche	1997	New Crossroads crèche	Vegetable garden
Worcester School Feeding Scheme	1997	Local primary schools	Vegetable gardens

Request from	Year	For whom	Assistance required
Abalimi Bezekhaya	1997	Peninsular Feeding Scheme	Vegetable garden
Vlottenburg farmers	1998	Small-scale farmers	Agricultural development
Department of Land Affairs	1998	Small-scale farmers	Facilitate land reform process
Western Cape			
Vukani Project	1999	Farm at Malmesbury	Facilitate writing of business plan
Pig project, Barcelona township	2000	Owner of project	Infrastructure
Mrs Zenane (Masizakhe)	2000	Eastern Cape families	Extend LDU's township model
Oudtshoorn farmers	2001	Oudtshoorn farmers	Extension services, business plans
George farming group	2001	George farming group	Extension, training, business plans
George area; 3 farmers	2001	George area; 3 farmers	Business plans, skills, record keeping
Southern Cape Herbarium	2001	Southern Cape Herbarium	Joint venture for growing herbs
Department Social Services	2001	Department Social Services	Set up gardens in townships
Department of Land Affairs	2001	Department of Land Affairs	General assistance to five new land reform projects
Western Cape			
Heart Foundation	2002	Urban vegetable growers	Undertake joint projects with LDU

Appendix IV

Organisations and bodies networked by the LDU in 1995–96 (excluding major donors)

Abalimi Bezekhaya
African Farmers' Union, Southern Cape Branch
AGRELEK, Division of Electricity Supply Commission
Agricultural and Rural Development Research Institute – ARDRI
Agricultural Society for Africans
Alexcor Development Foundation
Association for Community and Rural Advancement – ANCRA
ARC-Institute of Fruit Research and Technology – Infruitec
ARC-Small Grains Institute
ARC-Institute for Soil, Climate and Water – ISCW
ARC-Vegetable and Ornamental Plant Institute – VOPI
ARC-Institute for Viticulture and Oenology – Nietvoorbij
Berg River Valley Development Forum
Boskop Training Centre
Centre for Rural Legal Studies – CRLS
Centre for Sustainable Agriculture – CSA
Commission for Restitution of Land Rights – CRLR
Commission on Land Allocation – CLA
Council for Scientific and Industrial Research – CSIR, Stellenbosch
Development Bank of Southern Africa – DBSA
Diaconal Services of the Dutch Reformed Mission Church (Sendingkerk)
Diamond Trust Fund
Elsenburg Agricultural Development Institute – EADI
Elsenburg College of Agriculture
Energy Research Institute of the University of Cape Town
Environmental Development Agency – EDA
Environmental Monitoring Group – EMG
Farmer Foundation
Farmer Support Group – FSG
Free State Department of Land Affairs
George Education Resource and Information Centre – GERIC
Goedgedacht Agricultural Resource Centre
German Technical Cooperation Agency – GTZ
House of Representatives, Government of South Africa
Ikapa City Council
Independent Development Trust – IDT

Institute for Development Studies (Sussex University, UK)
Institute for Small Business – ISB
Institute of Hydrology (UK)
Interim Steering Committee (for small-scale farmers in the Western Cape) – ISC
Kamieskroon Development Association
Kromme Rhee College of Agriculture
Land and Agriculture Policy Centre – LAPC
LANOK (Pty) Ltd., rural development company (became Casidra)
Legal Resources Centre – LRC
Liebenburg & Stander (Consulting engineers)
Montague Ashton Community Centre – MAG
Maradadi Trust: Handicraft Development Corporation
N2 Southern Cape Development Association
Namaqualand Agricultural Corporation
Namaqualand Council of Churches
National Botanical Institute
National Land Committee – NLC
National Parks Board – NPB
National Rural Development Forum – NRDF
National Department of Water Affairs and Forestry
Northern Cape Department of Agriculture
Northern Cape Department of Land Affairs
Northern Cape Department of Social Welfare
Operation Hunger
Overseas Development Group (University of East Anglia, UK)
Overseas Development Institute (UK) – ODI
Oxfam UK
Programme for Land and Agrarian Studies – PLAAS
Quaker Peace Centre
Regional Services Council, South Cape
Rural Development Support Programme – RDSP
Rural Foundation, Stellenbosch (became Centre for Integrated Rural Development – CIRDP)
Rural Network for Unity in Community Development Projects – PLOEG
Saasveld Agricultural College, Saasveld Technicon, Port Elizabeth
Savings and Credit Cooperative League of South Africa – SACCOL
School of Rural Development (University of Pretoria)
Silsoe Engineering Institute (UK)
Small Business Development Corporation – SBDC

Small Farmer Development Corporation Ltd (became New Farmers Development Company Ltd)
Social Change Assistance Trust – SCAT
South African Breweries
South African Nature Foundation
Southern Africa Labour and Development Research Unit – SALDRU
Southern Africa Network for Animal Traction – SANAT
Southern African Association for Farming Systems Research and Extension – SAAFSRE
Southern African Development and Education Programme – SADEP
Southern Cape Land Committee – SCLC
Stellenbosch University: Faculty of Agriculture, Department of Forestry
Stockholm Environmental Institute
Surplus People Project – SPP
The Ecumenical Action Mission – TEAM
UNIFRUCO, international deciduous fruit marketing agency
University of Western Cape: Departments of Sociology, Botany, and Geography
Volunteer Services Overseas – VSO, South Africa
Western Cape Agricultural Union
Western Cape Department of Agriculture
Western Cape Department of Economic Affairs and RDP
Western Cape Department of Land Affairs
Western Cape Department of Social Welfare
Western Cape Economic Development Forum
Western Cape NGO Coalition
Western Cape PRA Network
Western Cape: Standing Committee on Agriculture and Land
Wine Industry Development Company of South Africa, KWV
Women on Farms Project (WFP)

Notes

Chapter 1

- 1 This section draws heavily on Wikipedia (June, 2008) and Anonymous, 1992, for the general description of NGOs. The thought-provoking publication by Shivji, 2007, challenges the ideological self-perception of NGOs in Africa and then goes on to point out the main features, limitations and the ideal role that NGOs should play.
- 2 Wikipedia, June, 2008
- 3 Shivji, 2007
- 4 Shivji, 2007
- 5 Shivji, 2007
- 6 Wikipedia, June, 2008
- 7 Shivji, 2007
- 8 Anonymous, 1992
- 9 Penrose-Buckley, 2007
- 10 Penrose-Buckley, 2007
- 11 Penrose-Buckley, 2007
- 12 Shivji, 2007
- 13 Shivji, 2007
- 14 Rural Strategy Unit, 1998
- 15 Abrams, 1992
- 16 This section is based on Gerwel, 1991; UWC, 1990; and Weaver, 1988.
- 17 Rosenthal, Richard; personal communication, July, 2006
- 18 Anonymous, 1992

Chapter 2

- 1 Edward Wilson, 1998, brilliantly describes the gulf between the natural sciences and social sciences, and pleads for their 'consilience'.
- 2 ISD, 1992
- 3 *Community forestry* is the involvement of local people in forestry activity embracing: woodlots, the growing of trees at farm level, the household processing of forest products and other activities of forest-dwelling communities.
- 4 *Integrated pest management* is the carefully managed use of pest control tactics – including biological, cultural and chemical methods – to achieve the best results with the least disruption of the environment.
- 5 A *grassroots project* was an LDU operational project in a rural area with long-term commitment where several sub-projects or activities were undertaken, mainly with communities in the Coloured Rural Areas; they were open-ended and designed to run for several years.
- 6 Biggs et al, 1994
- 7 Van Schalkwyk and Thaw, 1995
- 8 Martin et al, 1995
- 9 LDU, 1996

- 10 Marais, 1997
- 11 Marais, 1999
- 12 Oettlé and Thobela, 1999
- 13 LDU, 2002
- 14 Catling, 2008

Chapter 3

- 1 Rosenthal, Richard; personal communication, July, 2006
- 2 Rosenthal, Richard; personal communication, July, 2006
- 3 Marais, 1997
- 4 LDU, 1994
- 5 *Permaculture* is a design system for creating sustainable human environments. It combines animals and plants, blends traditional farming systems with modern scientific and technical knowledge, and employs composting, agro-forestry and green manure and legume crops, simultaneously recycling resources and avoiding pollution.
- 6 Molaoa, Mpho, 2000; unpublished report, Land Development Unit.
- 7 Oettlé and Thobela, 1999
- 8 Catling, 2008
- 9 ISD, 1992
- 10 Oettlé and Thobela, 1999
- 11 Catling, 2008
- 12 Anonymous, 1992

Chapter 4

- 1 Catling, 2008
- 2 LDU, 1999
- 3 LDU, 1996
- 4 LDU, 2000
- 5 LDU, 2001
- 6 LDU, 2003
- 7 LDU, 2004

Chapter 5

- 1 CTA, 2002
- 2 Catling, 2008
- 3 CTA, 2002
- 4 Fife, 1995
- 5 Catling, 2008
- 6 Catling and Saaiman, 1996

Chapter 7

- 1 Catling, 2008
- 2 Unpublished SANGOCO circular of 29 June, 1999
- 3 Gumede, 2005
- 4 *Sunday Independent*, 23 October 2005
- 5 Zanele Twala, SANGOCO; personal communication, May 2007
- 6 Catling, 2008
- 7 Catling, 2008

- 8 Biggs et al, 1994
- 9 Martin et al, 1995
- 10 Oettlé and Thobela, 1999
- 11 Catling, 2008
- 12 Catling, 2008
- 13 Anonymous, 1992
- 14 NDA, 2004
- 15 Shivji, 2007
- 16 Shivji, 2007
- 17 Catling, 2008
- 18 Cross, Sholto; personal communication, 2006
- 19 Campbell, David; personal communication, 2008

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