

HOLISTIC APPROACH

The organisation's holistic approach to rural development and its corporate strategy are aligned to and influenced by national priorities outlined in the National Development Plan (NDP), the Comprehensive Rural Development Programme which is led by the national Department of Rural Development and Land Reform (DRDLR) as well as the provincial Ilima Labantu.

This calls on ECRDA to extend its offering beyond its loan finance and agricultural development tools and requires the application of inspired solutions for the most pressing challenges that confront rural communities. These aspects include social development, education, health, logistics, rural infrastructure, water services provision, arts and culture as well as sport. It is premised on the need for strategic and meaningful partnerships between state departments, the private sector, traditional authorities and community organisations.

AS SUCH, THIS STRATEGIC APPROACH PROVIDES AN EXCITING OPPORTUNITY FOR THE ECRDA TO PULL TOGETHER PUBLIC, SOCIAL, FINANCIAL AND OTHER RESOURCES THAT IMPROVE LIVELIHOODS WHILE DEVELOPING SUSTAINABLE RURAL ECONOMIES IN THE EASTERN CAPE.

This approach ensures that rural communities become active participants in their own development. ECRDA will therefore continue to explore innovative and inventive approaches in the next 20 years of our democracy to change the socio-economic landscape of rural communities.

RURAL ENTERPRISE DEVELOPMENT (RED) HUBS

One of these approaches is the implementation of the ECRDAs RED Hub concept which prioritises the village as the centre of operation. The RED Hub concept has at its core a Mega Farm approach which emphasises the establishment of viable economic units which entail pulling together fallow land in rural communities and turning these dormant assets into productive clusters. Examples of this work are in Ncorha and Mqanduli in Intsika Yethu and King Sabatha Dalindyebo local municipalities respectively.

The Red Hub links three market elements of production, processing and marketing to boost the competitiveness of rural economies and communities. These physical hubs should link production to the mills and other value adding operations as well as marketing. The result is that production receives the market support it needs to flourish and money is kept 'alive' and circulates within a community as long as possible. This implies that value adding should be done by the community rather than by conglomerates far from these communities.

In practice this means, for example:

- maize should be grown by the community,
- milled in the community,
- processed and packaged in the community and
- even sold back into the community with the
- whole process being owned by these communities.

Value adding:
Money remains within the community

Excess product exported out of the community, money returns to the community

These market elements therefore make up the value chain of the rural economy with coordination, integration and marketing being the core functions of the RED Hub. Ultimately, this concept creates a platform for economic activity resulting in increased rural incomes through the facilitation of primary production, promoting rural savings, investment, processing as well as the creation of a communal and external market.

FUTURE OUTLOOK

Moving forward, ECRDA plans to advocate for the establishment of a rural development fund. The purpose of this fund is to ensure the promotion of investment in rural areas to finance development in these areas. This initiative should be designed to interest equity funds and bankers for financial investment. Projects could include rural infrastructure, agriculture, tourism and other industrial development projects.

In order to achieve this vision, the ECRDA will drive, coordinate and facilitate the implementation of these integrated high impact programmes of rural development and agrarian reform by forming partnerships with communities, the private sector, and other public sector organisations. The ultimate objective is building a vibrant and sustainable rural economy.

Production:
Community produced crops

Trading:
Sold via RED Hub in community mill

Processing:
Grain is processed and packaged

Markets:
Product sold back to community

Reinvestment:
Money goes back into next season

On fertile ground

"Umlhlabu wethu utyebile apha. Xa silandulele eli lizwe izizukulwana zethu maziwusebenze umhlaba. Ubutyebi bethu bulele apha."



"Our land is very fertile. Once we have passed, subsequent generations must work the land. Our wealth lies in the land."



CONTACT DETAILS:

Office address:

Unit 12D | Beacon Bay Crossing | Cnr N2 Bonza Bay Road
Beacon Bay | East London | 5201

Postal address:

Postnet Suite 385 | Private Bag x9063 | East London | 5200

Telephone Number: +27(0) 43 703 6300

Fax number: +27(0) 43 642 5824

Email: info@ecrda.co.za

Website: www.ecrda.co.za

Masakhani – Let us build together



CREATING OPPORTUNITIES
FOR RURAL DEVELOPMENT

*Growth through
agrarian reform*

VISION

A leading and vibrant organisation that improves livelihoods and develops sustainable rural communities in the Eastern Cape province.

MISSION

The ECRDA will accelerate implementation of identified high impact priority rural development programmes and unlock dormant potential of resources through partnerships, with the communities as the centre of operation.

ABOUT ECRDA

THE EASTERN CAPE RURAL DEVELOPMENT AGENCY (ECRDA) IS A SCHEDULE 3C ENTITY IN TERMS OF THE PUBLIC FINANCE MANAGEMENT ACT (PFMA). IT IS WHOLLY-OWNED BY THE EASTERN CAPE DEPARTMENT OF RURAL DEVELOPMENT AND AGRARIAN REFORM (DRDAR).

Borne out of a successful integration of the Eastern Cape Rural Finance Corporation (ECRFC) and the Accelerated Shared Growth Initiative of South Africa – Eastern Cape (AsgiSA-EC), it has over the last two years, undergone an exciting transformation process that is steadily positioning the organisation as an authoritative voice on the rural development landscape.

This integration process provides for a co-ordinated approach in dealing with the numerous challenges facing the rural hinterland. Although in its infancy, its people possess real and valuable experience and expertise in helping build vibrant rural economies, poverty reduction, food security as well as building empowered communities.

ECRDA shall live up to its vision and mission statement and thus bring the desired change in the quality of life of the rural communities.

The ECRDA is determined to develop, institutionalise and sustain an effective, capable and fit-for-purpose organisation including best-in-class project management, targeted research and an innovation driven agency. ECRDA shall live up to its vision and mission statement and thus bring the desired change in the quality of life of the rural communities.

THE ESTABLISHMENT OF THE ECRDA IS THEREFORE THE BEGINNING OF AN EXCITING YET CHALLENGING ASSIGNMENT FOR THOSE OF US **"GETTING THEIR HANDS"** DIRTY IN WHAT IS OFTEN AN OVERWHELMING RURAL DEVELOPMENT SPACE.

By its very nature, rural development is a highly contested terrain with varying ideas on how best to address the challenges that confront rural communities and the hinterland. However, working with rural communities is an equally rewarding experience as it has the potential to bring about meaningful change.

STRATEGIC GOALS

In addition, the agency has also crafted four strategic goals which should guide the organisation toward the attainment of energised rural economies. These goals include:

- Creation of a competent and sustainable rural development organisation,
- researching viable and sustainable rural clusters and nodes,
- effective programme management and implementation;
- as well as stakeholder management and functional partnerships.

STRATEGIC PILLARS

- 1 Effective co-ordination & implementation of agrarian-driven HIPPs
- 2 Promote entrepreneurship through rural finance and support programmes
- 3 Develop, institutionalise & sustain an effective, capable and fit-for-purpose organisation
- 4 Leverage strategic partnerships toward implementation and funding of rural development initiatives
- 5 Develop sustainable, localised and institutionalised framework.

HIGH IMPACT PRIORITY PROJECTS

In its second year in operation, the ECRDA has already made remarkable progress in helping rural communities take the preparatory steps toward the achievement of vibrant rural economies. The ECRDA has achieved this through the continued provision of innovative and focused rural loan finance instruments as well as the facilitation and implementation of high impact priority programmes (HIPPS).

These HIPPS are made up of the following:



forestry development



livestock development



rural finance



agro-processing



alternative energy

Furthermore, where opportunities exist for government to invest in those enterprises with a significant potential for socio-economic redress, it uses the ECRDA as a channel to effect such change through its various financial instruments and other support mechanisms.

SUBSIDIARIES

In this regard, the ECRDA becomes the custodian of government's share interest in these enterprises. ECRDA subsidiaries are the Agricultural Research and Development Agency (ARDA) which is in the process of being integrated in the overall operations of the ECRDA. Government, through the ECRDA is a 51% shareholder in the Kangela Citrus Farm. The agency also participates in the management of associated entities such as the Majola Tea Estate, Magwa Enterprise Tea as well Ncerha/Macademia.

KANGELA CITRUS FARM

51%

GOVERNMENT OWNED VIA ECRDA



MAGWA TEA ESTATE

MAJOLA TEA ESTATE

ECRDA ALSO PARTICIPATES IN THE MANAGEMENT OF THE ABOVE ASSOCIATED ENTITIES

