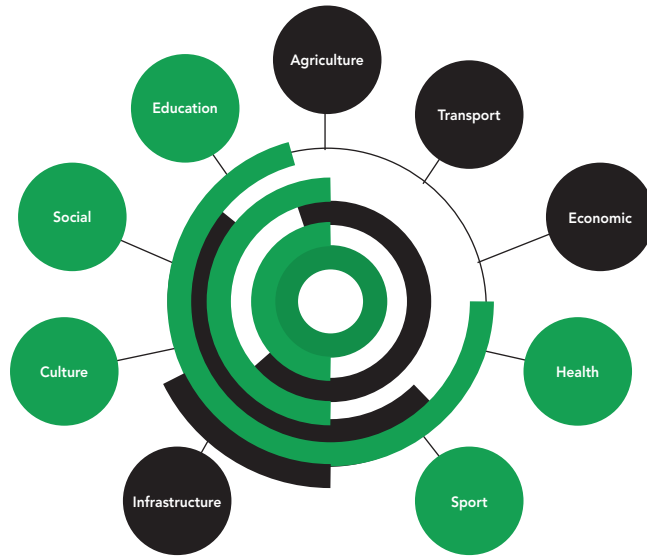


HOLISTIC APPROACH

This 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.



RURAL ENTERPRISE DEVELOPMENT (RED) HUBS

The ECRDA's flagship programme is the Rural Enterprise Development (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. The ECRDA has established RED Hubs in Ncorha and Emalahleni at the Chris Hani District Municipality, Mqanduli at the OR Tambo District Municipality, Mbizana at the Alfred Nzo District Municipality and in Tshabo at the Buffalo City Metropolitan Municipality.

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



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

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.



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GROWTH THROUGH AGRARIAN REFORM

VISION

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

MISSION

ECRDA drives, coordinates and facilitates the implementation of integrated, high-impact programmes of rural development and agrarian reform in the Eastern Cape by forming partnerships with rural communities, the private sector and other public sector organisations and departments with the main objective of building a vibrant and sustainable rural economy.

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. ECRDA possesses real and valuable experience and expertise in building 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.

OBJECTIVES

The objectives of the Eastern Cape Rural Development Agency are to promote, support and facilitate rural development in the province. This is achieved by:

Mobilising financial resources and providing financial and supportive services to persons domiciled, ordinarily resident or carrying on business within the province;

Promoting and encouraging private sector investment in the province and the participation of the private sector in contributing to economic growth;

Acting as the government's agent for performing any development-related tasks and responsibilities that the government considers may be more efficiently or effectively performed by a corporate entity;

Driving and coordinating integrated programmes of rural development, land reform and agrarian transformation in the province;

Project managing rural development interventions in the province;

Promoting applied research and innovative technologies for rural development in the province;

Planning, monitoring and evaluating rural development in the province; and

Facilitating the participation of the private sector and community organisations in rural development programmes.

STRATEGIC PILLARS

- 1 Fit for purpose organisation to enable strategy implementation
- 2 Effective coordination and implementation of Agrarian Driven High Impact Priority Projects
- 3 Leverage Strategic Partnerships towards implementation and funding of Rural development initiatives
- 4 Create rural development clusters by promoting entrepreneurship through access to finance, market linkages and capacity building
- 5 Solicit and promote private and public sector investment in key rural development initiatives

HIGH IMPACT PRIORITY PROJECTS

The ECRDA is making significant 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:



Agro-Processing



Livestock Development



Forestry Development



Renewable Energy



Rural Finance

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

ECRDA is also the custodian of government's share interest in various subsidiaries and associated entities. 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 Magwa and Majola tea estates as well as Ncerha Macademia.

KANGELA CITRUS FARM

51%

GOVERNMENT OWNED VIA ECRDA



ECRDA also participates in the management of the following associated entities

MAGWA TEA ESTATE

MAJOLA TEA ESTATE

ECRDA APPROACH TO RURAL DEVELOPMENT

The multi-disciplinary approach to development calls for a meaningful and down to earth integrated planning, sharing of resources, joint implementation planning, joint monitoring and evaluation, all of which goes beyond the narrow sectional interest that prove to be unsustainable.

The approach cuts across all disciplines and sectors of the economy as depicted in the picture above. This should mean that the various role players do not only know what each other is doing but also commit to joint planning and implementation. The agency must remain a catalyst that works with all tiers of government, all state departments, civil society and the private sector.