

# Research Report

Evaluation of the Performance and Impact of the Current ECRDA Strategy for the next 5year Strategic Planning Cycle

Lulama Mdlokovi and Lulama Ngalo July 2024

# Contents

ACKN(	OWLEDGEMENTS	2
1.	BACKGROUND	3
2.	INTRODUCTION	3
3.	PROBLEM STATEMENT	37
4.	METHODOLOGY	3
5.	LITERATURE REVIEW	4
6.	RESEARCH OBJECTIVES	5
7.	POPULATION AND SAMPLING	5
8.	RESEARCH PROCESS	6
9.	RESULTS ANALYSIS	7
10.	IMPACT AND PERFORMANCE ALL RED HUBS	12
11.	IMPACT AND PERFORMANCE -PROJECTS	24
12.	RECOMMENDATIONS	37
13.	SUMMARY AND CONCLUSIONS	37
14.	FUTURE STUDY	37
15.	REFERENCES	38

# **ACKNOWLEDGEMENTS**

The researcher would like to thank the ECRDA Interim Chief Executive Officer Mr Gcinumzi Qotywa for the leadership in affording me to work in the research and development space at ECRDA. In turn, the researcher would like to thank Mrs Suzette Nienaber for initiating the study and for affording myself assisted by Mrs Lulama Ngalo to undertake this so important Strategy Evaluation Process with specific focus on performance and impact thereof, using the survey methodology of questionnaires.

The process of identifying ECRDA stakeholders was a challenging one, and the researcher would not have achieved the intended goals, had Mrs Lulama Ngalo not been part of the research team. It was gratifying to note that she was well-known to the respondents who were somewhat ready to be hostile to ECRDA's visit. Her presence and understanding of the ECRDA stakeholders' dynamics was valuable.

The words of gratitude also go to ECRDA colleagues who worked tirelessly with us to facilitate our interactions with all the ECRDA stakeholders. This included some executives, regional managers, project managers and SCM colleagues.

The research has acknowledged where possible, the work which is not his by using the appropriate cited Harvard referencing style. In this regard, it is worth mentioning with gratitude the work done by Dr Marilene van Biljon - who initially performed similar research in 2019 and whose work, forms the basis of this current research, albeit, on a limited scale (i.e., questionnaires were the main thrust of this research).



#### 1. BACKGROUND

For the Eastern Cape Rural Development Agency (ECRDA) to learn from the past and forge a way forward, the Agency has to undergo an assessment of the 2020 - 2025 strategy, focusing on the performance and impact of the key programmes and projects, as depicted in the strategy, conduct an assessment on the effectiveness of the ECRDA's activities and the significance of the changes brought on. The impact should address the Mission of ECRDA to demonstrate the contribution of the resources dedicated thereon.

One of deliverables as required by the ECRDA APP, is to conduct the survey by means of the questionnaire which is meant to solicit the understanding and experiences to identify areas of improvements that have been dealt with and those that still need attention.

## 2. INTRODUCTION

This research report we assesses the current ECRDA strategy, the performance and impact of the key programmes and projects by means of questionnaires. Questionnaires and interviews as a research instrument were tailored per stakeholder group (e.g. ECRDA staff, and External stakeholders such as DRDAR, Municipalities, etc.) and per unique implemented programmes such as Forestry, Wool and Mohair, Cannabis and Aquaculture.

#### 3. PROBLEM STATEMENT

Evaluation of the Performance and Impact of the current ECRDA Strategy (i.e. 2020 - 2025) for the next 5-year Strategic Planning Cycle (i.e. 2026 - 2030).

#### 4. METHODOLOGY

To assess the impact and performance of the current strategy of the ECRDA, projects implemented and in identifying, evaluating and prioritizing opportunities and new ventures for the Agency, it is imperative that a standardized approach be executed (van Biljon, 2019). Therefore, the Strategic Plan Research Plan Matrix was utilised in this regard to develop questionnaires (National Treasury, 2010).

This will ensure a fair and transparent review and unbiased conclusions and recommendations. The impact should address the Mission of the Agency to demonstrate the contribution of the resources dedicated thereon. This impact assessment is therefore based on the qualitative data from beneficiaries.

Questionnaires will be circulated/distributed to the stakeholders (e.g. Executive, Management, Labour, Employees, ECRDA units, DRDAR, Traditional Leaders, Municipalities, Cooperatives and Farmers) as identified by the strategy and research teams. Online and/or Offline feedback on the questionnaires will be analysed by the researcher and / or strategy team whereafter a feedback report will be submitted for further analysis and contextualization.

#### 5. LITERATURE REVIEW

Research is a formal and systematic application of the scientific approach to the study of a problem or challenge to solve it. Since research is considered as the systematic process that enables the generation of desired solutions to problems, it must inform management so that there is use of appropriate policies for **sustainable development**. Therefore, **Research and Development (R&D)** becomes critical in this regard.

R&D allow companies to stay ahead of their competition. Without an R&D program, a company may not survive on its own and may have to rely on other ways to innovate such as engaging in mergers and acquisitions (M&A) or partnerships. Through R&D, ECRDA can design new products and improve existing processes. In particular, at ECRDA we'll be concentrating on **Applied Research** (i.e. a scientific approach where basic research results are applied under practical conditions) as is contemplated in the ECRDA's legislative mandate (ECRDA ACT, 2012).

## The importance of research theory

"The procedure for good theory-building research follows the definition of theory: it defines the variables, specifies the domain, builds internally consistent relationships, and makes specific predictions." (J.G. Wacker, 1998)

"A theory is a set of interrelated concepts, definitions, and propositions that explains or predicts events or situations by specifying relations among variables. The notion of generality, or broad application, is important. Thus, theories are by their nature abstract and not content- or topic-specific" (Behavioural & Social Sciences Research)

#### The cognitive theory

The Cognitive Learning Theory explains why the brain is the most incredible network of information processing and interpretation in the body as we learn things. This theory can be divided into two specific theories: The Social Cognitive Theory (SCT), and the Cognitive Behavioural Theory (CBT).

Cognitive skills and knowledge involve the ability to acquire factual information, often the kind of knowledge that can easily be tested. So, cognition should be distinguished from social, emotional, and creative development and ability. Cognitive science is a growing field of study that deals with human perception, thinking, and learning.

Cognitive information processing is based on the thought process behind the behaviour. The theory is based on the idea that humans process the information they receive, rather than merely responding to stimuli (i.e. that think about what is happening).

The dominant aspects of cognitive theory involve the interaction between mental components and the information that is processed through this complex network (Neisser, 1967). As individuals learn, they actively create cognitive structures which determine their concepts of self and the environment (McEntire, 1992).

The cognitive research theory was therefore applied to assess the impact and performance of the projects undertaken by the ECRDA as well as to assess prospects. This theory allowed

the ECRDA's employees and board members to undergo a constructive learning process in recognizing the work done by each department/unit in the organization and how important each role and function is in achieving our overall goal/mission/vision. Individuals shared information, shared the understanding of processes and procedures and responded on facts and operational requirements instead of perceived information on what should be happening.

In turn, the communities and stakeholders dealing with the ECRDA underwent a cognitive thinking process to realize that the ECRDA does not merely undertake projects to spend government funds but have a functioning operational model that is considered in selecting and evaluating our processes and projects: ECRDA expects results from applying the scarce resources by creating jobs, encouraging rural investment, reducing poverty, securing food, empowering communities etc (van Biljon, 2019).

Dr van Biljon, 2019, concluded that the research project she undertook brought on a change of perceptions by the ECRDA staff and its stakeholders to avoid silo mentality, encourage groupthink and groupwork, encourage learning and changing perceptions. The researcher agrees with these sentiments.

#### 6. RESEARCH OBJECTIVES

The objective of the research process was to address the following key considerations:

- 6.1. Review the current strategy in order to ensure that the strategy is aligned to prescripts and Regulations through the following:
  - 6.1.1. Internal ECRDA Staff reflections (i.e. both employees, labour and management)
  - 6.1.2. External Stakeholders reflections (DRDAR, Municipalities, SAPPI, Mtiza Coops, CHCDC, etc.)
- 6.2. Review of the key programmes and projects through the following:
  - 6.2.1. All 5 RED Hubs (Ncora, Emalahleni, Mbizana, Mganduli and Tshabo)
  - 6.2.2. Forestry
  - 6.2.3. Wool and Mohair
  - 6.2.4. Cannabis
  - 6.2.5. Aquaculture (or Small-scale Fisheries)

#### 7. POPULATION AND SAMPLING

The following samples were extracted:

Stakeholder	Population Size	Respondents	Selected Sample
ECRDA internal Staff	139	33	33
Key External Stakeholders	Unknown	11	11
RED Hubs: Ncora	Unknown	13	13
RED Hub: Emalahleni	Unknown	15	15
RED Hub: Mbizana	Unknown	7	7
RED Hub: Mqanduli	Unknown	31	31
RED Hub: Tshabo	Unknown	13	13
Forestry:	Unknown	27	27
Cannabis:	Unknown	5	5
Aquaculture: Fisheries	Unknown	None	None
Wool and Mohair:	Unknown	19	19

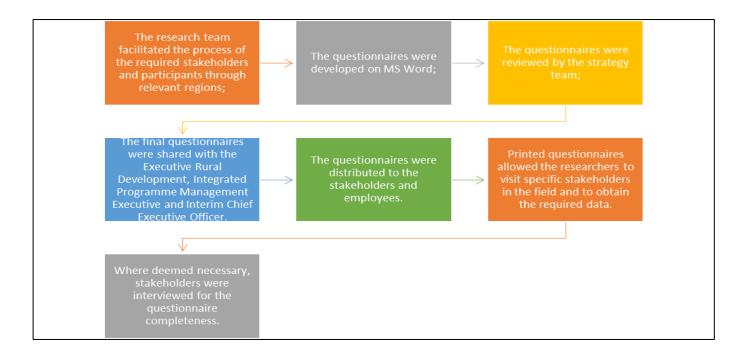
Table 1: Population and Sampling

The 23.74% of the ECRDA Internal Staff respondents was very low. In retrospect, the research acknowledges the oversight of not segmenting ECRDA Internal Staff questionnaires into employees and management.

It was very difficult to get ECRDA Stakeholder population sizes, as can be seen in Table 1 above. The development of the ECRDA Stakeholder Management document will go a long way in addressing the stakeholder challenges within ECRDA.

# 8. RESEARCH PROCESS

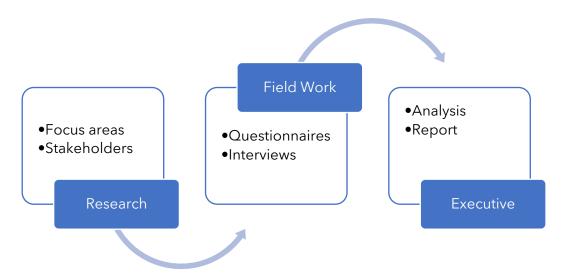
The research process flow can be depicted as follows:



The research team ensured that questionnaires which were prepared in English were translated into isiXhosa during an interview briefing to ensure maximum data collection and value added to the research process.

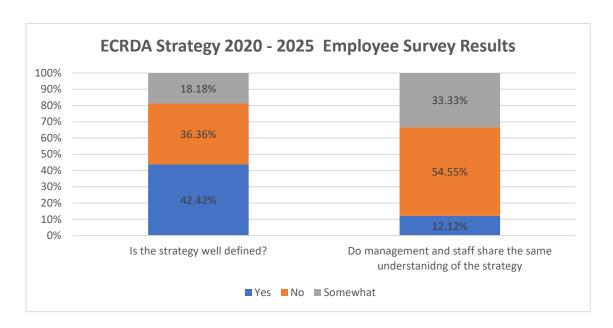
Feedback on the questionnaires was analysed by the research team where after a report was submitted to a strategy team for further analysis and contextualization.

All feedback was returned before 31 July 2024 for the finalisation of the report. The report was then presented to the ECRDA Executive committee wherein certain reflections and amendments were made. The report will ultimately be submitted to the ECRDA Board for consideration.

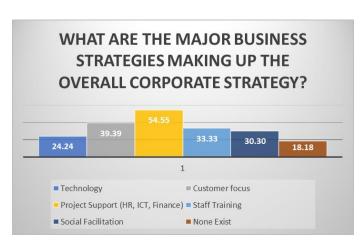


# 9. RESULTS ANALYSIS

## 9.1. ECRDA Employee survey results graphs







# 9.2. ECRDA employee results analysis

The following are the comments expressed by the respondents and they have been quoted as they appear in the Staff questionnaire comments section:

- a) Poor technology
- b) Lacking staff training
- c) Social facilitation lacking
- d) The institution must clearly state the policies and distribute to all staff.
- e) Positions, Transparency is required when filling them
- f) Unilateral changes of the policies may lead to stagnant organization.

#### 9.2. ECRDA employee results analysis

- g) ECRDA should be clearly defined for the understanding of all employees. PR + Communication should make / keep employees abreast of all strategic matters of the organization.
- h) Management should always communicate the strategy on a monthly basis.
- i) Management does not want to listen and pay attention to lower levels of their employees and mind some of the remedies needed as by no means to come by or through these people as they are the ones nearer to the clientele of the company.

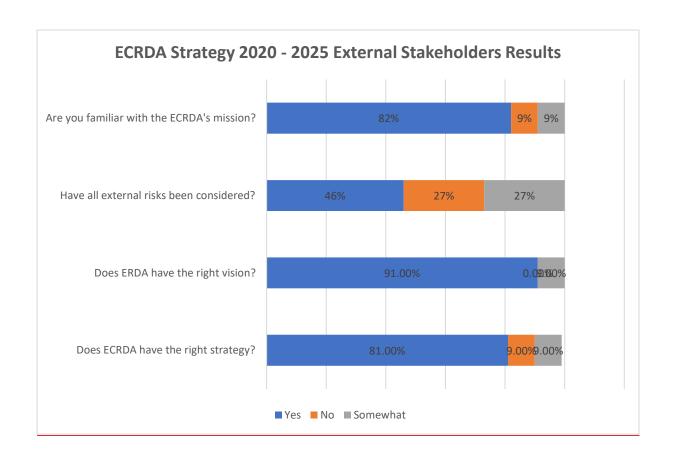
#### **Researchers' Reflections**

- a) The ECRDA staff does not think that the ECRDA Strategy is well-defined as that is indicated by the 18.18% Somewhat and 36.36% No responses.
- b) The above sentiments have been corroborated by the rating question that 9.09% Poorly Defined, 15.15% Somewhat Well-Defined and 33.33% Neutral.
- c) There is a positive knowledge and awareness of 78.79% of the ECRDA mission. However, although a good 60.61% know the vision, there is substantial number of employees who are not aware of ECRDA's vision (21.21%+18.18% = 39.39%).
- d) 54.55% + 33.33% = 87.88% of respondents indicate that management and employees do not share the same understanding of the ECRDA strategy.
- e) Rural Finance, Wool & Mohair, RED Hubs, Cannabis and Rural Development are believed to be the specific business areas where ECRDA is achieving organisational outcomes.
- f) 54.55% of Project Support is the leading contributor to the overall ECRDA Corporate Strategy.

#### Recommendations

- a) Redefining of the ECRDA strategy is critically needed.
- b) There can never be sustained stability and harmony if the management and employees do not share the same understanding of the strategy. This anomaly must be addressed by ensuring that the strategy is redefined and communicated well to all the stakeholders.

# 9.3. External Stakeholder results graphs



# 9.4. External Stakeholders results analysis

The following are the comments expressed by the respondents and they have been quoted as they appear in the External Stakeholder questionnaire comments section:

- a) There must be clear role of the ECRDA with the stakeholders
- b) I so wish ECRDA could implement a very strict monitoring tool in these institutions (RED Hubs)
- c) ECRDA must give people the work. Must do right things to the communities. ECRDA New want to do projects to another communities
- d) the vision of the ECRDA is good because we are dealing with the farmers who are not having funds for their development. So, this programme helps the farmers to achieve their goals.

#### **Researchers' Reflections**

a) 82% of our external stakeholders believe that that ECRDA has the right strategy, 91% believe that ECRDA has the right Vision and 82% of them are familiar with the ECRDA's Mission.

# 9.4. External Stakeholders results analysis

b) However, they are not convinced that ECRDA has taken all the external risks in drafting the strategy. Hence, 27% No and 27% Somewhat responses are indicated in the pie chart above.

#### **Recommendations**

- a) The external stakeholders have unanimously agreed that ECRDA has been found wanting in mitigating against external risks. Therefore, ECRDA must pay a focused attention to the following external risks, namely, Political influence, Economic fluctuations, social dynamics, Technological advancements, Legal changes, Environmental and Competitive factors.
- b) The Social Facilitator or Stakeholder personnel must be someone who is well-vested with the above-mentioned external risk factors since they require businesses to adapt their strategies to remain competitive and compliant.

# 10. IMPACT AND PERFORMANCE ALL RED HUBS

# 10.1. RED Hub results

FOCUS AREA	MBIZANA
Is the project enhancing existing assets within the area?	Somewhat 14.29 No 14.29 Yes 71.43
Does the project have machinery, tractors, vehicles, equipment's, and implements?	Somewhat 42.86 No Yes 42.86
Are there houses and buildings on the project property/land?	Somewhat 14.29 No Yes 85.71
Does the area have buildings and facilities that can be used or leased by the project?	Somewhat No 42.86 Yes 57.14
In whose name is the implements, tractors and vehicles registered?	ECRDA Cooperative 42.86 Individual 28.57
Were the tractors, vehicles and implements serviced (maintained)?	Somewhat No 100.00 Yes
Where is the tractor and vehicle registration documents?	ECRDA PROJECTS 71.43 OTHER 28.57
Do you receive regular updates on the project	Somewhat No

MQANDULI
Somewhat 12.90 No 45.16 Yes 41.94
Somewhat No 90.32 Yes 9.68
Somewhat No 93.55 Yes 3.23
Somewhat No 61.29 Yes 3.23
ECRDA Cooperative Individual
Somewhat 12.90 No 29.03 Yes
ECRDA PROJECTS 16.13 OTHER 12.90
Somewhat No 45.16

TSHABO
Somewhat 7.69 No 7.69 Yes 76.92
Somewhat No Yes 100.00
Somewhat 7.69 No 76.92 Yes 15.38
Somewhat No 61.54 Yes 38.46
ECRDA 61.54 Cooperative 23.08 Individual
Somewhat 15.38 No 46.15 Yes 38.46
ECRDA 92.31 PROJECTS 7.69 OTHER
Somewhat 7.69 No 7.69

NCORA	LADY FRERE
Somewhat	Somewhat
No 100.00	No 40.00
Yes	Yes 60.00
Somewhat	Somewhat
No	No 6.67
Yes 100.00	Yes 93.33
Somewhat	Somewhat
No	No 6.67
Yes 100.00	Yes 86.67
Somewhat	Somewhat 6.67
No	No 26.67
Yes 100.00	Yes 60.00
ECRDA	ECRDA 6.67
Cooperative	Cooperative 80.00
CPA 100.00	Individual 6.67
Somewhat	Somewhat 6.67
No 100.00	No 26.67
Yes	Yes 60.00
ECRDA	ECRDA
PROJECTS 100.00	PROJECTS 80.00
OTHER	OTHER 13.33
Somewhat	Somewhat
No 100.00	No 53.33

	Yes 85.71	Yes 51.61	Yes 84.62	Yes 46.67	Yes
implementation status?					
How satisfied are you with the project implementers communication (social facilitation / stakeholder management, information sharing)?	Extremely dissatisfied Dissatisfied 42.86 Somewhat Satisfied Satisfied 14.29 Strongly Satisfied28.57	Extremely dissatisfied 9.68 Dissatisfied 16.13 Somewhat Satisfied 25.81 Satisfied 12.90 Strongly Satisfied 32.26	Extremely dissatisfied Dissatisfied 23.08 Somewhat Satisfied 23.08 Satisfied 30.77 Strongly Satisfied 23.08	Extremely dissatisfied 13.33 Dissatisfied 6.67 Somewhat Satisfied 26.67 Satisfied 46.67 Strongly Satisfied	Extremely dissatisfied 100.00 Dissatisfied Somewhat Satisfied Satisfied Strongly Satisfied
Was a process followed to be selected as a co- operative member?	Somewhat No 14.29 Yes 85.71	Somewhat 3.23 No 3.23 Yes 93.55	Somewhat 7.69 No Yes 92.31	Somewhat 6.67 No 6.67 Yes 86.67	Somewhat 100.00 No Yes
Is a community resolution agreement in place for this project?	Somewhat 28.57	Somewhat 6.45	Somewhat	Somewhat	Somewhat 100.00
	No	No	No 7.69	No 6.67	No
	Yes 71.43	Yes 93.55	Yes 92.31	Yes 93.33	Yes
Does the project have valid legal entity registration documents?	Somewhat	Somewhat 3.23	Somewhat 7.69	Somewhat	Somewhat
	No 14.29	No 6.45	No	No	No
	Yes 85.71	Yes 90.32	Yes 84.62	Yes 100.00	Yes 100.00
Does the co-operative	Somewhat	Somewhat 3.23	Somewhat	Somewhat	Somewhat
hold Annual General	No	No 38.71	No	No 40.00	No
Meetings?	Yes 100.00	Yes 58.06	Yes 100.00	Yes 60.00	Yes 100.00
Is the co-operative compliant with legislative requirements?	Somewhat 14.29	Somewhat 9.68	Somewhat	Somewhat	Somewhat
	No	No 9.68	No 7.69	No 33.33	No
	Yes 85.71	Yes 80.65	Yes 84.62	Yes 66.67	Yes 100.00
Does the co-operative have its own bank account?	Somewhat	Somewhat	Somewhat 15.38	Somewhat	Somewhat
	No	No 16.13	No 7.69	No	No
	Yes 100.00	Yes 80.65	Yes 69.23	Yes 100.00	Yes 100.00
Does the co-operative have a constitution?	Somewhat	Somewhat 3.23	Somewhat 7.69	Somewhat	Somewhat
	No	No	No 7.69	No	No

	Yes 100.00	Yes 96.77	Yes 76.92	Yes 100.00	Yes 100.00
Does the project have a list of beneficiaries?	Somewhat	Somewhat	Somewhat 15.38	Somewhat 6.67	Somewhat
	No	No 35.48	No 15.38	No 13.33	No
	Yes 100.00	Yes 61.29	Yes 61.54	Yes 80.00	Yes 100.00
Were all partnerships concluded in a formal agreement?	Somewhat	Somewhat 9.68	Somewhat 7.69	Somewhat 6.67	Somewhat 100.00
	No 85.71	No 35.48	No 23.08	No 6.67	No
	Yes	Yes 22.58	Yes 61.54	Yes 86.67	Yes
Does the project have a positive Environmental Record of Decision?	Somewhat	Somewhat 3.23	Somewhat 15.38	Somewhat 26.67	Somewhat
	No 57.14	No 45.16	No 15.38	No 26.67	No
	Yes 42.86	Yes 22.58	Yes 61.54	Yes 46.67	Yes 100.00
Does the project have a Water Use License for irrigated fields?	Somewhat	Somewhat	Somewhat 23.08	Somewhat	Somewhat 100.00
	No 28.57	No 58.06	No 30.77	No 73.33	No
	Yes 71.43	Yes 3.23	Yes 38.46	Yes 26.67	Yes
Are employees registered for UIF?	Somewhat	Somewhat	Somewhat 23.08	Somewhat 6.67	Somewhat 100.00
	No 42.86	No 77.42	No 7.69	No 66.67	No
	Yes 57.14	Yes 6.45	Yes 53.85	Yes 26.67	Yes
Does the project have policies in place guiding employees?	Somewhat	Somewhat	Somewhat 15.38	Somewhat 20.00	Somewhat 100.00
	No	No 58.06	No	No 40.00	No
	Yes 100.00	Yes 25.81	Yes 76.92	Yes 40.00	Yes
Does the project	Somewhat	Somewhat	Somewhat 7.69	Somewhat 13.33	Somewhat 100.00
comply with the Health	No	No 93.55	No 15.38	No 26.67	No
and Safety Act?	Yes 85.71	Yes 3.23	Yes 53.85	Yes 60.00	Yes
Does an employee database exist?	Somewhat	Somewhat	Somewhat 7.69	Somewhat	Somewhat 100.00
	No	No 58.06	No 15.38	No 26.67	No
	Yes 100.00	Yes 25.81	Yes 30.77	Yes 73.33	Yes
	Somewhat 14.29	Somewhat 12.90	Somewhat 15.38	Somewhat	Somewhat
	No	No 64.52	No 23.08	No 13.33	No

Can the project avail all receipts issued and income statements?	Yes 85.71	Yes 19.35	Yes 46.15	Yes 86.67	Yes 100.00
Are transactions recorded on an electronic financial system?	Somewhat 14.29	Somewhat 12.90	Somewhat 15.38	Somewhat	Somewhat
	No	No 87.10	No 15.38	No 33.33	No 100.00
	Yes 85.71	Yes	Yes	Yes 66.67	Yes
Is the historical financial data to this project available?	Somewhat	Somewhat 25.81	Somewhat 7.69	Somewhat	Somewhat 100.00
	No	No 38.71	No 7.69	No 33.33	No
	Yes 85.71	Yes	Yes 15.38	Yes 66.67	Yes
Can the project substantiate the feedstock delivered to the projects?	Somewhat	Somewhat	Somewhat	Somewhat	Somewhat
	No	No	No	No	No
	Yes	Yes	Yes	Yes	Yes 100.00
Does the project have historical financial and market information to detail the markets supplied and prices achieved?	Somewhat	Somewhat 25.81	Somewhat 7.69	Somewhat 13.33	Somewhat 100.00
	No 14.29	No 32.26	No 23.08	No 60.00	No
	Yes 57.14	Yes	Yes	Yes 26.67	Yes
Can the volume of maize processed be corroborated by the maize purchased and stored in the silos? (RED Hubs)	Somewhat	Somewhat 9.68	Somewhat 7.69	Somewhat 6.67	Somewhat
	No	No 9.68	No 15.38	No	No
	Yes 100.00	Yes 64.52	Yes 7.69	Yes 86.67	Yes 100.00
Does the project have its own bank account?	Somewhat	Somewhat 22.58	Somewhat 7.69	Somewhat	Somewhat
	No	No 12.90	No 7.69	No 6.67	No
	Yes 100.00	Yes 45.16	Yes 15.38	Yes 93.33	Yes 100.00
Can the volume of maize processed be corroborated by the maize sold? (RED Hubs)	Somewhat No 42.86 Yes 57.14	Somewhat 22.58 No 22.58 Yes 3.23	Somewhat 7.69 No 7.69 Yes	Somewhat 6.67 No 13.33 Yes 73.33	Somewhat 100.00 No Yes
Were your responsibilities as a co-	Somewhat	Somewhat 25.81	Somewhat	Somewhat 6.67	Somewhat
	No	No 9.68	No	No	No

operative member clearly communicated to you?	Yes 10000	Yes 19.35	Yes 46.15	Yes 86.67	Yes 100.00
Did you receive any capacity building / training as a co-operative member?	Somewhat	Somewhat 3.23	Somewhat	Somewhat	Somewhat 100.00
	No	No 12.90	No 23.08	No	No
	Yes 100.00	Yes 83.87	Yes 69.23	Yes 100.00	Yes
Was the training / capacity building received relevant to your duties / responsibilities as a co- operative member? (Internal vs external)	Somewhat	Somewhat 6.45	Somewhat 15.38	Somewhat 6.67	Somewhat 100.00
	No	No 19.35	No 7.69	No	No
	Yes 100.00	Yes 70.97	Yes 46.15	Yes 93.33	Yes
Did the employees attend any training?	Somewhat	Somewhat	Somewhat	Somewhat	Somewhat 100.00
	No	No 32.26	No 15.38	No 26.67	No
	Yes 100.00	Yes 48.39	Yes 76.92	Yes 73.33	Yes
Does the project have a technical report?	Somewhat	Somewhat	Somewhat 7.69	Somewhat	Somewhat 100.00
	No	No 22.58	No 46.15	No 26.67	No
	Yes 100.00	Yes 48.39	Yes 30.77	Yes 73.33	Yes
Does the project have a business plan?	Somewhat	Somewhat	Somewhat 7.69	Somewhat 6.67	Somewhat
	No	No 3.23	No	No	No
	Yes 100.00	Yes 12.90	Yes 46.15	Yes 93.33	Yes 100.00
Are there any available maps to support land size planted?	Somewhat	Somewhat 3.23	Somewhat 7.69	Somewhat	Somewhat
	No 14.29	No 12.90	No 15.38	No 26.67	No
	Yes 85.71	Yes 83.87	Yes 15.38	Yes 73.33	Yes 100.00
Was the training received relevant to the job you are performing?	Somewhat	Somewhat 25.81	Somewhat 7.69	Somewhat 6.67	Somewhat 100.00
	No	No	No 7.69	No	No
	Yes 100.00	Yes	Yes 7.69	Yes 93.33	Yes
Are the soil analysis results available for the project?	Somewhat	Somewhat 25.81	Somewhat7.69	Somewhat 6.67	Somewhat
	No 85.71	No 9.68	No 7.69	No	No
	Yes	Yes 61.29	Yes 7.69	Yes 93.33	Yes 100.00

Is there a crop yield report?	Somewhat	Somewhat 3.23	Somewhat 7.69	Somewhat	Somewhat
	No	No 51.61	No 15.38	No	No
	Yes 100.00	Yes 41.94	Yes	Yes 100.00	Yes 100.00
How many direct jobs	Below 10	Below 10: 54.84	Below 10	Below 10: 80.00	Below 10:
were created because	11-50: 71.43	11-50: 32.26	11-50: 7.69	11-50: 20.00	11-50:
of the project?	51-100: 28.57	51-100	51-100: 15.38	51-100	51-100:
Are the number of jobs created considered decent - considering all permanent, temporary and up-skilling?	Somewhat 28.57	Somewhat 25.81	Somewhat 15.38	Somewhat	Somewhat 100.00
	No	No 35.48	No	No 73.33	No
	Yes 71.43	Yes 6.45	Yes 15.38	Yes 26.67	Yes
Did the project have an impact on the income levels of the community?	Somewhat	Somewhat 3.23	Somewhat 15.38	Somewhat	Somewhat
	No	No 54.84	No	No 80.00	No
	Yes100.00	Yes 22.58	Yes 7.69	Yes 20.00	Yes 100.00
Has the project had any impact on the crime rate within the area?	Somewhat	Somewhat 3.23	Somewhat 23.08	Somewhat 20.00	Somewhat
	No	No 54.84	No	No 40.00	No
	Yes 100.00	Yes 22.58	Yes	Yes 40.00	Yes 100.00
On a scale between 1 - 5 what is your level of satisfaction with the management of the project?	Very Bad	Very Bad	Very Bad 15.38	Very Bad 13.33	Very Bad 100.00
	Bad	Bad	Bad 15.38	Bad 6.67	Bad
	Neutral 42.86	Neutral 25.81	Neutral 23.08	Neutral 40.00	Neutral
	Good 14.29	Good	Good 15.38	Good 40.00	Good
	Excellent 42.86	Excellent	Excellent 7.69	Excellent	Excellent
Are you satisfied with the management of the project?	Somewhat 28.57	Somewhat 9.68	Somewhat 23.08	Somewhat 13.33	Somewhat
	No	No 51.61	No 7.69	No 20.00	No 100.00
	Yes 71.43	Yes 32.26	Yes	Yes 66.67	Yes
What is the level of satisfaction of the project	Extremely dissatisfied Dissatisfied 42.86 Somewhat Satisfied 14.29 Satisfied 28.57	Extremely dissatisfied Dissatisfied Somewhat Satisfied 32.26 Satisfied 9.68	Extremely dissatisfied Dissatisfied 7.69 Somewhat Satisfied 15.38 Satisfied 7.69	Extremely dissatisfied 6.67 Dissatisfied 13.33 Somewhat Satisfied 33.33	Extremely dissatisfied 100.00 Dissatisfied Somewhat Satisfied

employees with regards to the ECRDA project	Strongly Satisfied 14.29	Strongly Satisfied 9.68	Strongly Satisfied	Satisfied 33.33 Strongly Satisfied 13.33	Satisfied Strongly Satisfied
implementers?					
Is the co-operative registered with SARS?	Somewhat	Somewhat 3.23	Somewhat 7.69	Somewhat 26.67	Somewhat
	No	No 38.71	No	No	No
	Yes 100.00	Yes 25.81	Yes 30.77	Yes 66.67	Yes 100.00
Is the project registered for PAYE?	Somewhat	Somewhat 22.58	Somewhat 15.38	Somewhat 26.67	Somewhat 100.00
	No 57.14	No 38.71	No	No 46.67	No
	Yes 14.29	Yes 3.23	Yes 15.38	Yes 26.67	Yes
Is the project registered for UIF?	Somewhat No 42.86 Yes 57.14	Somewhat 22.58 No 38.71 Yes 6.45	Somewhat 15.38 No Yes 15.38	Somewhat 26.67 No 60.00 Yes 13.33	Somewhat 100.00 No Yes
Is the project registered for SDL ?	Somewhat	Somewhat	Somewhat 7.69	Somewhat	Somewhat 100.00
	No 100.00	No 61.29	No 7.69	No 53.33	No
	Yes	Yes	Yes	Yes 46.67	Yes
Is the project registered for INCOME TAX ?	Somewhat	Somewhat 25.81	Somewhat 7.69	Somewhat 33.33	Somewhat 100.00
	No 28.57	No 35.48	No	No 33.33	No
	Yes 71.43	Yes	Yes 15.38	Yes 26.67	Yes
Is the project registered for VAT ?	Somewhat	Somewhat 25.81	Somewhat 7.69	Somewhat 26.67	Somewhat 100.00
	No 28.57	No 35.48	No	No 26.67	No
	Yes 71.43	Yes	Yes 15.38	Yes 46.67	Yes
Is the project registered with SARS?	Somewhat	Somewhat 22.58	Somewhat	Somewhat 26.67	Somewhat
	No	No 35.48	No	No 6.67	No
	Yes 100.00	Yes 3.23	Yes 23.08	Yes 53.33	Yes 100.00
Are there any historical land claim practices that	Somewhat No 57.14 Yes 42.86	Somewhat No 93.55 Yes 3.23	Somewhat 7.69 No Yes 7.69	Somewhat 26.67 No 60.00 Yes 13.33	Somewhat No 100.00
impacts on the project?				res 13.33	Yes

Is the project profitable?	Somewhat	Somewhat	Somewhat 7.69	Somewhat 13.33	Somewhat
	No 57.14	No 87.10	No	No 40.00	No
	Yes 42.86	Yes 12.90	Yes 7.69	Yes 46.67	Yes 100.00
Are there potential commercial markets that can be served by this project?	Somewhat 14.29	Somewhat 22.58	Somewhat	Somewhat	Somewhat
	No 14.29	No 6.45	No 7.69	No 60.00	No 100.00
	Yes 71.43	Yes 3.23	Yes 15.38	Yes 40.00	Yes
Are there alternative local markets that can be used by the project? (Like hotels, schools, hospitals, communities etc.)	Somewhat 14.29	Somewhat	Somewhat	Somewhat	Somewhat
	No	No 29.03	No 7.69	No 60.00	No
	Yes 85.71	Yes 3.23	Yes 30.77	Yes 40.00	Yes 100.00
Does the project address the needs of the area?	Somewhat 28.57	Somewhat 19.35	Somewhat 23.08	Somewhat 26.67	Somewhat
	No 14.29	No 6.45	No 23.08	No 40.00	No
	Yes 57.14	Yes 25.81	Yes 38.46	Yes 33.33	Yes 100.00
Did the project take out crop insurance after planting?	Somewhat No 100.00 Yes	Somewhat 3.23 No 87.10 Yes 6.45	Somewhat 23.08 No 30.77 Yes 38.46	Somewhat 26.67 No 66.67 Yes 6.67	Somewhat No 100.00 Yes
In your opinion; Is the project sustainable on its own? (without government interventions)	Somewhat	Somewhat	Somewhat 7.69	Somewhat	Somewhat
	No 71.43	No 87.10	No 30.77	No 80.00	No 100.00
	Yes 28.57	Yes 3.23	Yes 46.15	Yes 20.00	Yes
Did the project	Somewhat 14.29	Somewhat 6.45	Somewhat 7.69	Somewhat 6.67	Somewhat
generate income from	No 28.57	No 6.45	No 53.85	No 66.67	No 100.00
processing?	Yes 57.14	Yes 19.35	Yes 15.38	Yes 26.67	Yes
Did the project	Somewhat 14.29	Somewhat 16.13	Somewhat 7.69	Somewhat	Somewhat
generate rental	No 71.43	No	No 38.46	No 60.00	No
income?	Yes 14.29	Yes 9.68	Yes 30.77	Yes 40.00	Yes 100.00
Were any	Somewhat	Somewhat	Somewhat 7.69	Somewhat	Somewhat
mechanisation services	No	No 67.74	No 30.77	No 46.67	No 100.00
performed for	Yes 100.00	Yes 32.26	Yes 15.38	Yes 53.33	Yes

				1	
٠,					
T	armers?				
			l .	1	

#### Researchers' Reflections

#### **Assets**

- (a) The project seems to be enhancing the assets in the project areas as it is backed up by the 71.43% (Mbizana), 76.92% (Tshabo), 60% (Lady Frere) with the exception of Ncora with their 100% denial. The projects all have tractors, machinery, vehicles and implements needed to successfully execute the project needs although the seems to be serious challenges at the Mqanduli RED Hub as members do not recognise the assets as theirs and of any value to them.
- (b) It was confirmed that the project land has houses and/or buildings on it and that the area offers additional houses and/or buildings that can be leased and utilized to successfully implement the project with the exception of Mqanduli and Tshabo overwhelmingly denying having these facilities.
- (c) Only Emalahleni could confirm that the machinery and vehicles are registered in the name of the Cooperative, who is in possession of the licensing documentation. Notably, Mqanduli respondents decided to skip answering this question. Only Emalahleni cooperative ensured that the assets were serviced/maintained.

# **Communication**

- (a) The Primary and Secondary cooperatives confirmed that regular updates were received throughout the implementation of the project. They are in general **Satisfied** with the communication from the project implementers (ECRDA) with the exception of Ncora.
- (b) Ineffective social facilitation (under resourced). There are quite a number of challenges which were cited regarding DRDAR, Municipalities and ECRDA. The Primary Cooperatives are quite baffled by the inactive support of ECRDA. As a result, they are pleading with ECRDA to allow them to plough their fields. Their cry is, "Silambile, asilimi". They want to resume the RED Hub operations.
- (c) A social facilitation strategy is needed so that there be harmony and peace within each RED Hub and other stakeholders. However, it is worth noting that the Ncora RED Hub's internal challenges may be beyond the scope of ECRDA.

Ncora does not want to have anything to do with ECRDA. They said that "ECRDA smells umzondo".

# Compliance

- (a) In general, the areas tested for compliance, are all met by the different projects, **except** for the Water Use licenses for irrigated fields, which is not in place.
- (b) Proper procedures were established to elect members as cooperative representatives, community resolutions were entered, the project were legally registered, and hold the required Annual General Meetings. Cooperatives opened their own bank accounts, ensured that constitutions were drawn up for the cooperatives, and finalized project beneficiaries' listings.
- (c) Partnerships were formally concluded in agreements, and Environmental Records of Decision are in place.
- (d) Employees were registered for UIF, policies were put in place to guide employees and it was ensured that the Health and Safety Act was complied with.

#### **Control environment**

- (a) The control environment does not seem strong/sound. The projects **cannot** avail ALL receipts and income statements and does not record ALL transactions on an electronic financial system.
- (b) The maize delivered to the silos and the maize sold cannot be corroborated with documentation and sales income.
- (c) The projects opened their own bank accounts for transacting but does not have all the historical financial data on the project to monitor and track spending and performance.

# **Capacity Development**

- (a) Development seems to be attended to at the RED Hubs as the responsibilities of the cooperative members were clearly communicated to them and relevant capacity building training was provided.
- (b) The employees received relevant training to the jobs they perform.
- (c) The projects have technical reports although in some instances the technical information feedback is not provided.

#### **Impact**

- (a) Maps, soil analysis and crop yield reports were prepared of areas planted and were shared with the RED Hubs.
- (b) The number of jobs created by the projects **are not** sufficiently recorded and managed. There is no consensus on the number of jobs created. Ncora did not create any jobs. In general, the amounts of jobs created through the project is **not** considered decent.
- (c) It appears that the income levels in some areas did not improve because of the RED Hubs and the crime indicator shows no significant decrease.
- (d) The RED Hub employees and the project managers appears to be only **somewhat satisfied or dissatisfied** with the project implementation done by ECRDA.

#### **South African Revenue Services**

(a) There is no certainty whether the projects are sufficiently registered for and completing all the UIF, PAYE, SDL, Income Tax and VAT returns.

# Sustainability

- (a) The projects are all considered **NOT** profitable **alarming** the fact that all receipts and transactions are not recorded on the financial system **and** that the movement of maize cannot be corroborated.
- (b) There is no crop insurance taken after planting to ensure sustainability in the event of a natural disaster.
- (c) All RED Hubs unanimously agree that they **cannot** survive without Government assistance.
- (d) In general, the projects did not generated income from processing and rental income. Mechanization services was not satisfactorily performed for the farmers member' views differed in within the project.
- (e) The projects should explore potential local and commercial markets as these were identified as being available to the projects. Specific focus should be placed on schools, hospitals and communities.
- (f) The projects address the needs of the areas in general.

#### **Recommendations**

- (a) ECRDA needs to clearly communicate its intention regarding the support to the primary cooperatives. All RED Hubs are not satisfied with ECRDA's lack of support at the primary cooperatives level. The people are crying of hunger they want assistance with planting.
- (b) The projects need assistance from ECRDA to make the projects sustainable and functioning in the form of: Marketing, Social Facilitation, ICT and Finance.
- (c) The ECRDA Regional Offices should strengthen Monitoring and Evaluating of these RED Hubs.
- (d) Whether or not rural economies were established are doubtful as financial information is not available to verify performance. Communities are not empowered or impacted by the programmes and a positive link in increased crime rates due to the projects were noted in some projects. As researchers, it was very hurting to hear a cry from the respondents, saying, **"We are hungry, sifuna ukulima".**

# 11. IMPACT AND PERFORMANCE - PROJECTS

# 11.1. Results - projects

FOCUS AREA	FORESTRY
Is the project enhancing existing assets within the area?	Somewhat No 3.70 Yes 96.30
Does the project have machinery, tractors, vehicles, equipments, and implements?	Somewhat 3.70 No Yes 96.30
Are there houses and buildings on the project property/land?	Somewhat No 22.22 Yes 77.78
Does the area have buildings and facilities that can be used or leased by the project?	Somewhat 3.70 No 77.78 Yes 18.52
In whose name is the implements, tractors and vehicles registered?	ECRDA Cooperative 96.30 Individual 3.70
Were the tractors, vehicles and implements serviced (maintained)?	Somewhat No 7.41 Yes 92.59
Where is the tractor and vehicle registration documents?	ECRDA PROJECTS 100.00 OTHER

WOOL & MOHAIR
Somewhat 10.53 No 47.37 Yes 42.11
Somewhat No 94.74 Yes 5.26
Somewhat 5.26 No 42.11 Yes 42.11
Somewhat No 73.68 Yes 21.05
ECRDA Cooperative 5.26 Individual 15.79
Somewhat No 94.74 Yes 5.26
ECRDA PROJECTS OTHER 94.74

CANABIS
Somewhat 60.00 No 20.00 Yes 20.00
Somewhat 20.00 No 60.00 Yes 20.00
Somewhat 20.00 No 40.00 Yes 40.00
Somewhat 20.00 No 40.00 Yes 40.00
ECRDA 20.00 Cooperative 20.00 Individual 60.00
Somewhat No 20.00 Yes 80.00
ECRDA 20.00 PROJECTS OTHER 60.00

FIGURDIES - /-
FISHERIES n/a
U
N
A
V
A
1
L
A
В
L
E

FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
Do you receive regular updates on the project implementation status?	Somewhat No Yes 100.00	Somewhat No 5.26 Yes 94.74	Somewhat No 20.00 Yes 80.00	U
How satisfied are you with the project implementers communication (social facilitation / stakeholder management, information sharing)?	Extremely dissatisfied 3.70 Dissatisfied Somewhat Satisfied 11.11 Satisfied 22.22 Strongly Satisfied 62.96	Extremely dissatisfied Dissatisfied 5.26 Somewhat Satisfied 10.53 Satisfied 52.63 Strongly Satisfied 36.84	Extremely dissatisfied Dissatisfied Somewhat Satisfied 60.00 Satisfied 20.00 Strongly Satisfied 20.00	N A V
Was a process followed to be selected as a co- operative member?	Somewhat 7.41 No Yes 92.59	Somewhat 10.53 No 10.53 Yes 78.95	Somewhat 20.00 No Yes 80.00	A
Is a community resolution agreement in place for this project?	Somewhat No Yes 100.00	Somewhat No 10.53 Yes 89.47	Somewhat 40.00 No 40.00 Yes 20.00	L
Does the project have valid legal entity registration documents?	Somewhat No Yes 100.00	Somewhat No 5.26 Yes 94.74	Somewhat No Yes 100.00	A B
Does the co-operative hold Annual General Meetings?	Somewhat No Yes 100.00	Somewhat No 21.05 Yes 78.95	Somewhat No 60.00 Yes 40.00	L E
Is the co-operative compliant with legislative requirements?	Somewhat No Yes 100.00	Somewhat No 10.53 Yes 84.21	Somewhat 20.00 No Yes 80.00	
	Somewhat No	Somewhat No 10.53	Somewhat No	

FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
Does the co-operative have its own bank account?	Yes 100.00	Yes 84.21	Yes 100.00	N
Does the co-operative have a constitution?	Somewhat No Yes 100.00	Somewhat 5.26 No 10.53 Yes 78.95	Somewhat No Yes 100.00	A
Does the project have a list of beneficiaries?	Somewhat 3.70 No Yes 96.30	Somewhat No 21.05 Yes 73.68	Somewhat No Yes 100.00	A
Were all partnerships concluded in a formal agreement?	Somewhat No Yes 100.00	Somewhat No 94.74 Yes	Somewhat 20.00 No 20.00 Yes 60.00	L
Does the project have a positive Environmental Record of Decision?	Somewhat 7.41 No 7.41 Yes 85.19	Somewhat No 15.79 Yes 73.68	Somewhat No 80.00 Yes 20.00	A B
Does the project have a Water Use License for irrigated fields?	Somewhat 3.70 No 3.70 Yes 92.59	Somewhat No 36.84 Yes 57.89	Somewhat 20.00 No 80.00 Yes	L E
Are employees registered for UIF?	Somewhat No Yes 100.00	Somewhat No 68.42 Yes 15.79	Somewhat 20.00 No 80.00 Yes	
Does the project have policies in place guiding employees?	Somewhat No Yes 100.00	Somewhat.5.26 No 26.32 Yes 57.89	Somewhat 20.00 No 20.00 Yes 60.00	
	Somewhat No	Somewhat No 57.89	Somewhat 20.00 No	

FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
Does the project comply with the Health and Safety Act?	Yes 100.00	Yes 36.84	Yes 80.00	V
Does an employee database exist?	Somewhat 3.70 No 3.70 Yes 92.59	Somewhat No 52.63 Yes 36.84	Somewhat 20.00 No 40.00 Yes 40.00	A
Can the project avail all receipts issued and income statements?	Somewhat No Yes 100.00	Somewhat No 26.32 Yes 63.16	Somewhat 40.00 No 40.00 Yes 20.00	L
Are transactions recorded on an electronic financial system?	Somewhat 3.70 No Yes 96.30	Somewhat 5.26 No 68.42 Yes 15.79	Somewhat No 60.00 Yes 40.00	A B
Is the historical financial data to this project available?	Somewhat 11.11 No Yes 88.89	Somewhat 10.53 No 31.58 Yes 52.63	Somewhat 20.00 No 40.00 Yes 40.00	L E
Can the project substantiate the feedstock delivered to the projects?	Somewhat No Yes	Somewhat No Yes	Somewhat 20.00 No 40.00 Yes 40.00	
Does the project have historical financial and market information to detail the markets supplied and prices achieved?	Somewhat 22.22 No 7.41 Yes 70.37	Somewhat No 15.79 Yes 10.53	Somewhat No 60.00 Yes 40.00	
Can the volume of maize processed be corroborated by the maize purchased and stored in the silos? (RED Hubs)	Somewhat No Yes	Somewhat No Yes	Somewhat No Yes	

				N
FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
Does the project have its own bank account?	Somewhat 25.93 No 3.70 Yes 70.37	Somewhat No 10.53 Yes 84.21	Somewhat No Yes 100.00	V A
Can the volume of maize processed be corroborated by the maize sold? (RED Hubs)	Somewhat No Yes	Somewhat No Yes	Somewhat No Yes	I L
Were your responsibilities as a co- operative member clearly communicated to you?	Somewhat 18.52 No Yes 81.48	Somewhat 15.79 No 10.53 Yes 63.16	Somewhat No Yes 100.00	A
Did you receive any capacity building / training as a co-operative member?	Somewhat 14.81 No 3.70 Yes 81.48	Somewhat No 5.26 Yes 89.47	Somewhat 20.00 No Yes 80.00	L
Was the training / capacity building received relevant to your duties / responsibilities as a co- operative member? (Internal vs external)	Somewhat 18.52 No Yes 81.48	Somewhat No Yes 100.00	Somewhat 20.00 No Yes 80.00	E
Did the employees attend any training?	Somewhat 7.41 No Yes 92.59	Somewhat No 5.26 Yes 94.74	Somewhat 20.00 No 20.00 Yes 60.00	
Does the project have a technical report?	Somewhat 11.11 No 7.41 Yes 81.48	Somewhat 10.53 No 36.84 Yes 47.37	Somewhat 20.00 No 80.00 Yes	
Does the project have a business plan?	Somewhat 11.11 No 3.70	Somewhat No 57.89	Somewhat 20.00 No 60.00	

FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
	Yes 85.19	Yes 42.11	Yes 20.00	
Are there any available maps to support land size planted?	Somewhat 11.11 No Yes 88.89	Somewhat No 57.89 Yes 36.84	Somewhat No 40.00 Yes 60.00	
Was the training received relevant to the job you are performing?	Somewhat 18.52 No Yes 100.00 81.48	Somewhat No 10.53 Yes 10.53	Somewhat 20.00 No Yes 80.00	
Are the soil analysis results available for the project?	Somewhat 22.22 No Yes 77.78	Somewhat No 10.53 Yes 5.26	Somewhat 20.00 No 80.00 Yes	
Is there a crop yield report?	Somewhat 7.41 No Yes 92.59	Somewhat No 5.26 Yes 10.53	Somewhat No 100.00 Yes	
How many direct jobs were created because of the project?	Below 10 11-50: 3.70 51-100: 96.30	Below 10: 10.53 11-50: 84.21 51-100:	Below 10: 20.00 11-50: 60.00 51-100: 20.00	U
Are the number of jobs created considered decent - considering all permanent, temporary and up-skilling?	Somewhat 14.81 No Yes 85.19	Somewhat 10.53 No 78.95 Yes 5.26	Somewhat 20.00 No Yes 80.00	N A
Did the project have an impact on the income levels of the community?	Somewhat 7.41 No Yes 92.59	Somewhat 5.26 No Yes 84.21	Somewhat No 20.00 Yes 80.00	V A
	Somewhat 14.81 No 7.41	Somewhat 15.79 No 10.53	Somewhat 40.00 No 40.00	ı

ı

Δ

В

L

FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
Has the project had any impact on the crime rate within the area?	Yes 77.78	Yes 68.42	Yes 20.00	
On a scale between 1 - 5 what is your level of satisfaction with the management of the	Very Bad Bad Neutral 3.70 Good 25.93	Very Bad 5.26 Bad Neutral 5.26 Good 36.84 Excellent 42.11	Very Bad Bad 20.00 Neutral 60.00	
project?	Excellent 70.37		Good 20.00 Excellent	
Are you satisfied with the management of the project?	Somewhat 3.70 No Yes 96.30	Somewhat No 5.26 Yes 84.21	Somewhat 20.00 No 40.00 Yes 40.00	
What is the level of satisfaction of the project employees with regards to the ECRDA project	Extremely dissatisfied Dissatisfied Somewhat Satisfied 3.70 Satisfied 33.33 Strongly Satisfied 62.96	Extremely dissatisfied 5.26 Dissatisfied Somewhat Satisfied 5.26 Satisfied 31.58 Strongly Satisfied 47.37	Extremely dissatisfied Dissatisfied Somewhat Satisfied 60.00 Satisfied 40.00 Strongly Satisfied	
implementers?				U
Is the co-operative registered with SARS?	Somewhat 7.41 No Yes 92.59	Somewhat 5.26 No 73.68 Yes 10.53	Somewhat No 40.00 Yes 60.00	N A
Is the project registered for PAYE ?	Somewhat 14.81 No 14.81 Yes 70.37	Somewhat 5.26 No 78.95 Yes 5.26	Somewhat No 100 Yes	V
Is the project registered for UIF?	Somewhat 3.70 No Yes 92.30	Somewhat No 73.68 Yes 15.79	Somewhat No 100 Yes	i
Is the project registered for SDL?	Somewhat 37.04 No 14.81	Somewhat No 84.21	Somewhat No 100.00	L

Page **30** of **38** 

В

FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
	Yes 48.15	Yes 5.26	Yes	
Is the project registered for INCOME TAX ?	Somewhat 14.81 No Yes 85.19	Somewhat No 84.21 Yes 10.53	Somewhat No 40.00 Yes 60.00	
s the project registered for VAT ?	Somewhat 7.41 No Yes 92.59	Somewhat No 78.95 Yes 15.79	Somewhat No 100.00 Yes	
s the project egivstered with SARS?	Somewhat 3.70 No Yes 96.30	Somewhat 5.26 No 78.95 Yes 10.53	Somewhat No 40.00 Yes 60.00	
Are there any historical and claim practices that mpacts on the project?	Somewhat 11.11 No 55.56 Yes 33.33	Somewhat No 100.00 Yes	Somewhat No 100.00 Yes	
s the project profitable?	Somewhat 7.41 No Yes 92.59	Somewhat 5.26 No 10.53 Yes 73.68	Somewhat No 60.00 Yes 40.00	U
Are there potential commercial markets that can be served by this project?	Somewhat 11.11 No Yes 88.89	Somewhat 5.26 No 5.26 Yes 84.21	Somewhat No 20.00 Yes 80.00	A A
Are there alternative local markets that can be used by the project? (Like hotels, schools, hospitals, communities etc.)	Somewhat 18.52 No 22.22 Yes 59.26	Somewhat 10.53 No 5.26 Yes 78.95	Somewhat No 40.00 Yes 60.00	V A
	Somewhat 3.70 No	Somewhat 15.79 No 15.79	Somewhat 20.00 No 20.00	1
	•	·		L A

FOCUS AREA	FORESTRY	WOOL & MOHAIR	CANABIS	FISHERIES n/a
Does the project address the needs of the area?	Yes 96.30	Yes 63.16	Yes 60.00	
Did the project take out crop insurance after planting?	Somewhat 14.81 No 66.67 Yes 18.52	Somewhat No 84.21 Yes 15.79	Somewhat No 100.00 Yes	
In your opinion; Is the project sustainable on its own? (without government interventions)	Somewhat 14.81 No 37.04 Yes 48.15	Somewhat 5.26 No 10.53 Yes 73.68	Somewhat 20.00 No 40.00 Yes 40.00	
Did the project generate income from processing?	Somewhat 7.41 No 22.22 Yes 70.37	Somewhat 5.26 No 10.53 Yes 73.68	Somewhat 20.00 No 60.00 Yes 20.00	
Did the project generate rental income?	Somewhat 3.70 No 55.56 Yes 40.74	Somewhat 31.58 No 42.11 Yes 15.79	Somewhat 20.00 No 80.00 Yes	
Were any mechanisation services performed for farmers?	Somewhat 11.11 No 14.81 Yes 74.07	Somewhat No 26.32 Yes	Somewhat 20.00 No 80.00 Yes	

#### **Researchers' Reflections**

#### Assets

(a) The Forestry project seems to be enhancing the assets in the project areas whereas the Wool & Mohair and Cannabis projects do not seem to be enhancing the assets in the area. All the projects have tractors, machinery, vehicles and implements needed to successfully

- execute the project needs.
- (b) The respondents have indicated that the project land does not have houses and/or buildings on it and that the area offers additional houses and/or buildings that can be leased and utilized to successfully implement the project.
- (c) It is **only the Forestry project** that seem to have been managing their assets well and efficiently.

#### Communication

- (a) The cooperatives confirmed that regular updates were received throughout the implementation of the project. They are in general very satisfied with the quality and or frequency of such communication from the project implementers (ECRDA).
- (b) All project members are generally satisfied with the communication received from the project implementers (ECRDA).

# Compliance

- (a) In general, the areas surveyed for compliance, were all met by the different projects.
- (b) Community resolutions were entered into, the projects were legally registered, and held the required Annual General Meetings.
- (c) Cooperatives opened their own bank accounts, ensured that constitutions were drawn up for the cooperatives, and finalized project beneficiaries' listings.
- (d) Partnerships were formally concluded in agreements, and Environmental Records of Decision are in place.
- (e) Policies were put in place to guide employees and it was ensured that the Health and Safety Act was complied with.

## **Control environment**

- (a) The control environment seems fine as indicated by the respondents' results. However, only the Forestry project record transactions on an electronic financial system and maintains historical information on the projects.
- (b) The projects opened their own bank accounts for transacting.

# **Capacity Development**

(a) The employees received relevant training to the jobs they perform.

(b) All projects have technical reports although the Cannabis respondents seemed doubtful.

# **Impact**

- (a) The decent number of jobs created by the Forestry project are within the 51 100 range and are recorded and managed well whereas the not so decent jobs created by the Wool & Mohair and Cannabis projects are within the 11 50 range.
- (b) It appears that the income and crime levels in the area decreased because of the projects as indicated by the respondents.
- (c) The employees and the cooperatives appear to be **satisfied** with the project implementation done by ECRDA.

#### **South African Revenue Services**

(a) It appears that the Wool & Mohair project is **not** registered for and completing all the UIF, PAYE, SDL, Income Tax and VAT returns as opposed to the Forestry project, which are in compliance with all these requirements.

# **Sustainability**

- (a) All projects' respondents agreed that there are historical agricultural processes that impact the performance and sustainability of the projects.
- (b) The projects are all considered profitable **even though** the projects have not harvested any trees yet and there is no consensus on whether insurance was taken out over the trees after planting to ensure sustainability in the event of loss. Although research parties concluded that the projects are profitable, it **cannot** sustain without Government assistance and the projects will not maintain the communities when the project implementers leave.
- (c) Proper consultation was conducted with the communities prior the project implementation to ensure the sustainability of the projects.
- (d) All projects did not generate rental income hence they have created an environment conducive of growth for their businesses.
- (e) Alternative markets exist in the area that should be explored and considered by the projects with specific reference to schools, hospitals and communities.
- (f) The projects address some of the needs of the areas.

(g) Wool & Mohair and Cannabis projects are vulnerable to natural disaster - no insurance security existent.

#### Recommendations

- (a) Some form of insurance needs to be found so as to mitigate against the instances of natural disaster.
- (b) An enhanced effort is needed to ensure that there is diversification of their business, e.g. try to generate rental income.
- (c) There are generally few challenges in the surveyed projects. Some form of encourage by means of awarding them for the good work done is needed. We are particularly referring to the Forestry project in this regard.

#### 12. RECOMMENDATIONS

- 12.1. Redefining of the ECRDA strategy is critically needed.
- 12.2. There can never be sustained stability and harmony if the management and employees do not share the same understanding of the strategy. This anomaly must be addressed by ensuring that the strategy is not only redefined, but also simplified and communicated well to all the stakeholders.
- 12.3. The external stakeholders have unanimously agreed that ECRDA has been found wanting in mitigating against external risks. Therefore, ECRDA must pay a focused attention to the following external risks, namely, Political influence, Economic fluctuations, social dynamics, Technological advancements, Legal changes, Environmental and Competitive factors.
- 12.4. The Social Facilitator or Stakeholder personnel must be well-vested with the abovementioned external risk factors since they require businesses to adapt their strategies to remain competitive and compliant.
- 12.5. One of the most critical matters that ECRDA is perhaps lacking on and needs to grapple with, is the issue of stakeholder management. This issue will make ECRDA strategy fail if left unchecked. In this regard, the researcher will recommend a stakeholder officer or manager or a Social Facilitator or strengthen the capacitation of those in their job descriptions need to be social facilitators.
- 12.6. ECRDA needs to clearly communicate the type of support it will be giving to various clients. All RED Hubs are not satisfied with ECRDA's lack of support at the primary cooperatives level. The people are crying of hunger they want assistance with planting.
- 12.7. The projects need assistance from ECRDA to make the projects sustainable and functioning in the form of: Marketing, Social Facilitation, ICT and Finance.
- 12.8. The ECRDA Regional Offices should strengthen Monitoring and Evaluating of projects.
- 12.9. Some form of insurance needs to be found so as to mitigate against the instances of natural disaster.
- 12.10. An enhanced effort is needed to ensure that there is diversification of their business, e.g. try to generate rental income.
- 12.11. There are generally few challenges in the surveyed projects. Some form of encourage by means of awarding them for the good work done is needed. We are particularly referring to the Forestry project in this regard.
- 12.12. Employees acknowledge that the ECRDA strategy needs to change, be shared and lived by all. Change is therefore evident to be embedded into the strategy 2025/26 2029/30. It is recommended that the crafters of the next 5-year cycle strategy should ensure that that all external risks are included. It is hoped that they will play a leading role in guiding the process of achieving the new ECRDA strategy for the period 2025/26 2029/30.
- 12.13. Job creation in all projects requires serious monitoring and evaluation going forward. The targets per project, assessed by the total investment in each programme, compared to the actual sustainable jobs created should be documented and monitored. The current impact of the millions invested by ECRDA may not be corroborated and may not be linked to any impact on rural development or increased livelihoods. There is a need for ECRDA to relook at the models that are being implemented.

12.14. There may be an intentional focus (albeit political) on rural development to the eastern, southern and northern regions by ECRDA; but this may not be fair to the communities on the western side of the Eastern Cape (i.e. Raymond Mhlaba, Kouga Municipalities, etc.).

#### 13. SUMMARY AND CONCLUSION

The request for undertaking this research project was to assess the impact and/or performance of the current strategy of the ECRDA, projects implemented and in identifying, evaluating and prioritizing opportunities and new ventures for the Agency, it is imperative that a standardized approach be executed. The above-mentioned goals were achieved as can be seen in the above-mentioned results analysis sections. Therefore, this has ensured a fair and transparent review and unbiased conclusions and recommendations.

The request that the research develop and circulate questionnaires to the ECRDA stakeholders (e.g. ECRDA Staff, DRDAR, Traditional Leaders, Municipalities, All RED Hub Cooperatives and Farmers) was achieved, except for the Fisheries stakeholders whom were unresponsive.

We sincerely hope that the above-mentioned findings outlined in the results section above and recommendations will receive a considerable attention.

#### 14. FUTURE STUDY

This research study has provoked the thinking of many who had an opportunity of reading this paper. Indeed the main purpose of any research study is to generate new knowledge and from thereon trigger future research studies. This too, triggered the following future studies which may be considered by ECRDA:

- 14.1 Socio-Economic development study for the Rural Eastern Cape Province Socio-economic development incorporates public concerns in developing social policy and economic initiatives. The ultimate objective of social development is to bring about sustained improvement in the well-being of the ECRDA's individuals, cooperatives or groups, families, communities, and the Eastern Cape Rural societies at large.
- 14.2 ECRDA's Stakeholder Management Strategy Stakeholder management is the process by which you organize, monitor and improve your relationships with your stakeholders. It involves systematically identifying stakeholders; analyzing their needs and expectations; and planning and implementing various tasks to engage with them.
- 14.3 A more in-depth analysis is needed to understand the anomaly that External Stakeholders do understand the ECRDA's vision, mission, and contend that her strategy is correct; better than the ECRDA's Internal Staff. In doing so, a more concerted effort should be made to get a better ECRDA's Internal staff turnout on surveys.

14.4 ECRDA's research outlook should be more outward looking than inward looking. ECRDA should have collaborations with TVET colleges, Agricultural Colleges, Universities, relevant state institutions such as StatsSA, ARC, CSIR, NRF, and other provincial government departments.

#### 15. REFERENCES

Behavioural & Social Science Research [Online]. *Behavioural & Social Sciences Research*, https://obssr.od.nih.gov/.

ECRDA ACT (2012). Eastern Cape Rural Finance Corporation Act 9 of 1999 as amended in 2012.

ECRDA APP (2024). ECRDA Annual Performance Plan. 2024.

National Treasury (2010). *Framework for Strategic Plans and Annual Performance Plans*. August 2010.

Neisser, U. (1967). *Cognitive psychology*. New York: Appleton-Century-Crofts. McEntire, 1992.

Dr van Biljon, M. (2019). **ECRDA Strategy 2020-2025 Performance and Impact Methodology**.

Wacker, J.G. (1998). A Definition of Theory: Research Guidelines for Different Theory-Building Research Methods in Operations Management. Journal of Operations Management, 16, 361-385.