AN IMPACT ASSESSMENT OF THE POVERTY ALLEVIATION PROJECTS: A CASE STUDY OF THUTHUKANI PROJECT IN DANNHAUSER LOCAL MUNICIPALITY, KWAZULU NATAL

BY

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I, Nomsa Zungu, student number: 209910860, hereby declare that the treatise/dissertation/thesis for the degree of Masters in Development Studies is my own work and that it has not previously been submitted for assessment or completion of any postgraduate qualification to another University or for another qualification.

____________________________________

Nomsa Zungu

Date: 9 December 2011
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ABSTRACT

The South African government has introduced mechanisms and plans to alleviate poverty and to monitor and evaluate the impact of the policies and programmes to the reduction of poverty. In its quest to eradicate and alleviate poverty, the government has prioritized poverty alleviation in its development agenda. In efforts to fight poverty, the government has since 1994, implemented various programmes that are aimed at alleviating poverty through stimulating employment, developing skills and improving service delivery. The poverty alleviation programme is one of the strategies that was implemented by the government, as a means to eradicate poverty.

At the community level, depending on the nature of the programme, efforts have been made to incorporate mechanisms which enable poor people to play an active role in deciding how the benefits from programmes are distributed. The study was based on the projects identified by the community of Amajuba district in Dannhauser area in KwaZulu Natal. The Dannhauser Municipality in partnership with the Department of Agriculture and Environmental affairs have played a vital role in this regard by supporting the establishment of the Thuthukani project in 2004.

In an attempt to assess the impact of the poverty alleviation projects, this study investigated the role played by the Thuthukani project in local economic development of the Dannhauser community in the Dannhauser Municipality. Participants included the Thuthukani project members, and the extension officer from the Department of Agriculture and Environmental affairs.

The study found that, indeed poverty alleviation projects play a role in local economic development since they contribute towards job creation and improvement of the socio-economic status of the local community.
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LIST OF ACRONYMS

AIDS Acquired Immunodeficiency Syndrome
BDS Baseline Data Study
CPU Central Policy Unit
DAE Department of Agriculture and Environmental Affairs
DM Dannhauser Municipality
HIV Human Immunodeficiency Syndrome
IDP Integrated Development Plan
KZN KwaZulu Natal
LED Local Economic Development
MDG  Millenium Development Goals
PAPs  Poverty Alleviation Projects
RDP  Reconstruction and Development Programme
SA  South Africa
CHAPTER 1
INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 INTRODUCTION

This chapter gives the background and context to the study. It further covers the problem statement, poses a research question, and concludes by presenting the aim and objectives of the study.

1.2 BACKGROUND TO THE STUDY

The Constitution of the Republic of South Africa (Act 108, 1996), reflects priorities for poverty eradication. One of the Millenium Development Goals (MDG) is to halve unemployment and poverty by 2014. The election manifestos from most of the political parties emphasize a ‘better life for all’ but there is an increasing level of poverty and economic crises.

In efforts to fight poverty, the government has since 1994, implemented various programmes that are aimed at alleviating poverty through stimulating employment, developing skills and improving service delivery. The poverty alleviation programme is one of the strategies that was implemented by the government, as a means to eradicate poverty.

Local governments and municipalities are seen as having an important role to play in the implementation of poverty strategies. They are expected to play both a planning and developmental role. The White Paper on Local Government (1998) established the basis for a new integrated and developmental local government system, which is committed to working with citizens, groups and communities to more effectively meet their social and economic needs.
At the community level, depending on the nature of the programme, efforts have been made to incorporate mechanisms which enable poor people to play an active role in deciding how the benefits from programmes are distributed. The study was based on the projects identified by the community of Amajuba district in Dannhauser area in KwaZulu Natal (KZN).

The Amajuba district is located in the north-west of the KZN province, and consist of three local municipalities namely Dannhauser, Newcastle and Utrecht. Dannhauser consists of 10 wards of which 98% are based in rural areas and only 2% in the urban area. Dannhauser Municipality (DM) as indicated above is largely rural, which like many rural communities of South Africa (SA) is characterized by high rate of poverty, unemployment, lack of business development opportunities and poor economic levels.

The major economic sectors within Dannhauser are agriculture and mining. Mining is however, undergoing a movement away from large scale operations to smaller operations. The main focus for the study was on agricultural projects, crop production in particular. Thuthukani vegetables project was identified for the purpose of the study.

Thuthukani vegetables project was established in 2004 by a member of the community, who called the meeting where interested members of the community were invited to join in order to fight poverty within the area. Out of the community members who attended the meeting; fifteen members joined the project. The project was aimed to grow vegetables and find suitable market where the products would be sold at lower cost in order for the poor to benefit especially those infected with HIV/AIDS. The project members approached the DM for assistance with funds and equipment to kick-start the project. Then, they were referred to the Department of Agriculture and Environmental affairs (DAE). The DAE provided extension services in land preparation, seedling and marketing. Some financial assistance was rendered for infrastructure development. This project has a direct impact on poverty alleviation and was most suitable for the study.

1.2.1 Socio-economic profile of the Dannhauser Municipality

1.2.1.1 Population profile

During 2005 the Amajuba District Municipality conducted a Baseline Data Study (BDS) which also reviewed and updated the statistics information of Dannhauser. The survey indicated that the population in 2005 was 104065. The 2007 community survey did not
indicate change either increase or decrease in comparison to 2005 BDS information. Table 1 shows the population dynamics of Dannhauser Municipal Area.

**Table 1: Population dynamics of Dannhauser Municipal Area**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>DESCRIPTION OR STATISTICS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>99250</td>
</tr>
<tr>
<td>2001</td>
<td>102779</td>
</tr>
<tr>
<td>2005</td>
<td>104065</td>
</tr>
<tr>
<td>Number of households size (2005)</td>
<td>19094</td>
</tr>
<tr>
<td>Average Households size (2005)</td>
<td>5.5</td>
</tr>
<tr>
<td>% Growth/annum (01 to 05)</td>
<td>0.31</td>
</tr>
</tbody>
</table>

*Source: Dannhauser draft IDP, 2009*

The municipality is characterized by a fairly high household size i.e. 5.5 and has a fairly small growth rate since 2001. The small growth rate can be attributed to the high prevalence of HIV/AIDS or to people migrating from the area. This therefore shows the service provision, once the current demand is dealt with, would probably not be in demand in the future.

According to the Central Policy Unit (CPU) in the office of the Premier, the Dannhauser Magisterial area has a poverty rate of 90.4 % (persons in poverty) which is higher than the poverty rate of the poorest district in the province, namely: Umkhanyakude (77.1). Despite the fact that the district is regarded as being predominantly urban (59% of the households are urban) Dannhauser is 90% rural (i.e. 17333 of the 19320 households in Dannhauser are rural households). By comparison, Utrecht is 80% rural and Newcastle 24% rural.

It could be concluded from the above discussion that rural poverty in the district occurs largely in Dannhauser and Utrecht. On the one hand Newcastle may be experiencing urban poverty more than rural poverty.
1.2.1.2 Age and Gender distribution

Age

According to the Dannahuser draft IDP (2009), approximately 74% of the total population in the DM is below the age of 34. Children (0-4 years of age), that is, below the pre-school enrolment age constitute 13% of the population; while those who attend school constitute 28.1% of the population, 4% of the total population are over 65 years old. This indicates a high dependency ratio within the municipal area which in turn could have a negative impact on the overall socio-economic development of the area as it impedes the ability of individuals to save and invest.

The Baseline Study (2005) that was conducted by Amajuba district indicates similar trends with regard to the age profile of the municipality i.e. the 15-34 age group constitute the largest part of the population (increased to 36.2%). Despite the 5-14 year age group decreasing to 25.8% it still constitutes the second largest part of the population.

Gender

Based on the Dannahuser draft IDP (2009), the DM’s population is slightly imbalanced with the females outnumbering males. Approximately 52.7% of the total population (54117) comprises women while the males account for 47.3% (48659) of the total population.

The BDS indicates that by 2005 females accounted for 54.6% of the population in Dannhauser and males accounted for 45.4%. The decrease in males can be attributed to males migrating out of the municipal area due to the limited employment opportunities. During the 2007 Community Survey information that has been provided in there is a decrease however females are still outnumbering the males; and statistics indicates that females are 52.8% and males are 48.2% of the population.
1.2.1.3 Employment

The table below summarizes the level of employment in the municipality in 2005.

Table 2: Employment Levels of Dannhauser Municipal area (2005)

<table>
<thead>
<tr>
<th>PERSONS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>21.4</td>
</tr>
<tr>
<td>Unemployed</td>
<td>78.6</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Dannhauser draft IDP, 2009

The BDS indicated that the DM is characterized by the highest levels of unemployment (78, 6%) within the District. The following reasons could have contributed to the high levels of unemployment. These include:

(i) migrant workers being retrenched in the cities where they were employed and have now returned to Dannhauser,

(ii) Closure of mines,

(iii) The negative impact of HIV/AIDS,

(iv) The job market not being able to cater for school leavers.

The DM considers the high rate of unemployment as an important priority and has therefore compiled a LED Plan for the municipality. This in turn could lead to new investment in the municipal area which would in turn lead to employment opportunities for the citizens.

1.2.1.4 Education

The DM has a relatively high number of people who have no formal education (10.6% of the population). 10.4% of the population did not complete primary education and 36% of the population attends school. This is indicated in Table 3 below.
Table 3: Education levels of people over 20 years in %

<table>
<thead>
<tr>
<th>OVER 20 YEARS WITH:</th>
<th>2001</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>None/basic</td>
<td>22.8</td>
<td>16.5</td>
</tr>
<tr>
<td>Primary (Grade5)</td>
<td>29.5</td>
<td>33.4</td>
</tr>
<tr>
<td>Secondary (Grade 12)</td>
<td>44.3</td>
<td>47.4</td>
</tr>
<tr>
<td>With Higher Education</td>
<td>3.4</td>
<td>2.7</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Dannhauser draft IDP, 2009

The 2005 information indicated that the number of people over 20 years that have none/basic education has decreased from 22.8% to 16.5% while the percentage of people with primary and secondary education has increased. The number of people with higher education has decreased from 3.4% to 2.7%. This could be due to people not being able to afford the cost of further education.

1.2.1.5 Economic assessment

The Dannhauser municipal area has a strong economic linkage with the local towns namely Dundee, Glencoe and Newcastle, as well as Ladysmith. Dannhauser functions as a small rural service centre (providing commercial and service facilities and agricultural industries and services). It is not a large employment generator. Residents of the municipal area rely on the larger urban centres of Dundee and Newcastle for employment opportunities and higher order goods and services.

There is a lack of diversification in the economy—within the major economic sectors historically being mining and agriculture. There has been a decline in the economy of the municipal area—mainly due to the decline of the mining sector. There has also been a lack of private public sector investment.

1.3 RESEARCH PROBLEM STATEMENT

The DM has compiled a poverty alleviation policy linked to its LED plan and other programmes of the municipality. Various projects are listed under LED or Poverty Alleviation Projects (PAPs) of which the following has the greater impact in the Dannhauser area: poultry, community gardens, piggery, feedlots, goats, crops and
barley. In spite of all the above-mentioned projects, according to the CPU in the Office of the Premier, the Dannhauser Municipal area has a poverty rate of 90.4% (persons in poverty) which is higher than the poorest district in the province namely Umkhanyakude (77.1%). It appears that the DM is committed in improving the lives of the people especially those that are the poorest. Community projects such as Thuthukani vegetables are meant to contribute towards poverty alleviation. However poverty remains high despite such initiatives.

1.4 RESEARCH QUESTION

To what extent has Thuthukani vegetables project in Dannhauser Municipality contributed towards poverty alleviation in the local community?

1.5 RESEARCH AIM AND OBJECTIVES

The aim of this study is to assess the impact of the PAPs as a LED intervention strategy.

The objectives of this study are:

- to investigate the implementation process of poverty alleviation projects in specific areas in DM, in particular Thuthukani vegetables project,
- to identify and gauge the effectiveness of this project,
- to identify challenges faced by this project in achieving the set objectives, and
- to propose recommendations and strategies to improve the quality and effectiveness of this project.

1.6 RESEARCH METHODOLOGY

In this research study, both quantitative and qualitative research methodology would be employed. The combination of the two methods would provide the researcher with the necessary data to achieve the objectives of the study. Chapter 3 gives a detailed discussion of the research methodology.
1.7 CHAPTER LAYOUT

Chapter 1 provides the introduction and background of the study. This chapter gives a brief outline of the problem statement, research aim and objectives. The chapter also provides the contents of each chapter.

Chapter 2 deals with the literature review, relevant books, articles and other publications on the topic are reviewed. The chapter gives the definition of poverty, poverty in South Africa, policy and laws towards poverty alleviation. The chapter also gives the responses to poverty alleviation.

Chapter 3 provides the research methodology which includes data collection and analysis. The chapter also provides the ethical consideration.

Chapter 4 presents the findings of the study.

Chapter 5 concludes the study by presenting the summary of the main findings, conclusions and recommendations.
CHAPTER 2

LITERATURE REVIEW

2.1 INTRODUCTION

This chapter evaluates the selected sources on the topic. The first part provides a definition of poverty. The second part explains poverty in SA. The third part explains development theories, policies and laws towards poverty alleviation. The last part of this chapter discusses the responses to poverty alleviation.

2.2 DEFINITION OF POVERTY

Poverty is multi-faceted and it can be linked with hunger, unemployment, exploitation, and lack of access to clean water, sanitation, health care or schools (Baulch, 1996:88). Poverty is recognized in different forms, while some individuals are permanently poor, others become impoverished as a result of general life-cycle changes, specific events such as the illness of a main income earner, or when external economic conditions get worse (Rakodi, 1995:403).

Poverty is seen as multi-faceted and everyone’s view and experience of poverty is a little different, based on the type of poverty that prevails in that community. The basic types of poverty are reflected in various ways: alienation from the family, food insecurity, crowded homes, usage of basic forms of energy, lack of access to social services, lack of adequately paid secure jobs and fragmentation of the family (World Bank, 2004a:8).

Statistics SA (2001) suggests that poverty need to be seen in a broader perspective than merely the extent of low-income, low-expenditure in a country. Poverty is rather the denial of opportunities and choices which are most basic to human development to lead a long, healthy, creative life, and enjoy a decent standard of living, freedom, dignity, self-esteem, and respect from others. Thus poverty alleviation strategies have to be designed according to the context of where it is found, taking cognizance of the above factors.

Poverty alleviation is a core focus area in Integrated Development Planning. This can be facilitated by identifying and specifying what conditions and poverty levels are
experienced in the municipal area, not only in terms of income, but also in terms of access to socio-economic resources and opportunities, as well as life-sustaining services such as shelter, basic needs and a healthy environment.

2.3 POVERTY IN SOUTH AFRICA

South Africa is characterized by inequitable growth and development, a high degree of poverty, increasing demands and limited resources and the challenge of integration.

Estimates of the incidence and depths of poverty in SA vary. Figures have ranged from over 56% of the population to just over 36% living in poverty (Cheru, 2001:506). According to the Reconstruction and Development Plan Office (Government of South Africa, 1995), roughly 53% of the South African population were living in poverty and earned less than R301 a month in 1995. Based on consumption expenditure levels consistent with the minimum level of food intake, which usually defines the ‘absolute poverty’ level, it is estimated that about 40% of the South African population may be considered poor.

Poverty is not confined to any racial group, but it is heavily concentrated among black people: 61% of Africans and 38% of Coloureds are poor compared with 5% of Indians and 1% of Whites. Besides race, poverty in SA also has a gender dimension. Overall, the poverty rate among female-headed households is 60% compared with 31% for male-headed households-underlining the need to target especially African women in welfare, job creation, and training and small business development programs (Cheru, 2001:506).

Poverty is generally acknowledged as one of the most serious problems facing post-apartheid South Africa (Budlender, 1999:197). The biggest challenge facing South African localities today is their inability to cope with alarmingly high levels of unemployment that are severely retarding both economic growth and poverty alleviation programmes.

Most people in SA who do not have access to inadequate public infrastructure are vulnerable to poverty. Pearce (2003) supports this view when she echoes that such people are housed in substandard houses, they are under-educated and under-employed. She is of the view that the growth of their poverty can be passed on to the next generation if not well addressed.
South Africa policy makers in 1994 in designing programmes to alleviate poverty took priority over any really systematic planning for economic transformation (Lodge, 2009:253). Magasela (2005b) proposes that poverty reduction should enable people to become assertive citizens envisaged in the Constitution.

As we have seen, poverty, even in highly societies, is recognized as a social problem that requires only in specific situations-depending on the underlying value system and the contending political forces in the society (Collins, 1996:35). We are familiar, through charity appeals, with the assertion that it lies in our hands to save lives of many or, by doing nothing, to let these people die (Pogge, 2002:214).

Although the South African Government has given social assistance to poor people, this is not enough to sustain or improve their quality of life. Lipton & Ravallion (1993) reviewed poverty and policy issues and observed that “even though past growth has often helped reduce poverty, some growth has often helped reduce poverty, some growth processes may do so more effectively than others. One potential role of government is then to foster a pattern of growth conducive to poverty alleviation.”

2.4 POLICY AND LAWS TOWARDS POVERTY ALLEVIATION

Since 1994, the South African government has provided regulations, policies and laws for integrated and coherent socio-economic progress primarily based on and stemming from the Reconstruction and Development Programme (ANC, 1994). These efforts were initiated to effectively address the challenges of poverty and inequality (Marias, 1998). A variety of interrelated reforms such as legislative, institutional, administrative, and other actions have been introduced in order to eradicate poverty and create an enabling environment for the improvement of the quality of life of all South Africans.

The biggest challenge in the situation is that the underlying unemployment problem is not cyclical but structural. Current policies and programmes are incapable, at their existing scale, of providing the comprehensive protection promised by the Constitution. They are not designed to assist people of working age who are unable to provide for themselves as a result of protracted unemployment. Lower paid workers have to make
their income stretch further, (Bhengu & Friedman, 2008:30). At the moment the mainstay of social protection against income poverty is the system of social grants.

There are common features among different aspects of poverty (Magasela, 2005a) argues that there is a need for poverty research to focus more keenly on the use of indicators of multiple deprivation in South Africa rather than absolute or minimalist income based poverty line. This would enable different government departments to be true to the realization of their varied constitutional mandates.

2.5 RESPONSES TO POVERTY ALLEVIATION

In order to fight poverty the South African government has introduced mechanisms and plans to alleviate poverty and to monitor and evaluate the impact of the policies and programmes to the reduction of poverty. In its quest to eradicate and alleviate poverty, the government has prioritized poverty alleviation in its development agenda.

According to the Local Government White Paper (1998), policies and programmes specifically aimed at alleviating poverty should be initiated in such a manner that they would have a maximum impact on social development and they should the basic needs of the poor.

According to Hoogeveen & Ozler (2006), while economic growth has the potential to beneficially impact on poverty eradication, the impact can generally only be positive if the growth is accompanied by a progressive shift in expenditure distribution. The writers conclude that in the absence of such a progressive shift it would take 23 years of sustained economic growth of 5% per annum for the average poor household to move out of the poverty.

Progress on poverty reduction will only be made by harnessing the vision, resources, and energy of all partners – governments, donors, and the Bank (Worldbank, 1997). More women than men are poor, and there are almost twice as many poor children as there are poor elderly. When race is added to youth, the poverty burden on children shoots up families with children were more likely to be poor regardless of the work experience of adults in the household (Collins, 1996:38).
Although Meth & Dias (2004) acknowledged that a contribution was being made to income poverty through the social wage, they argue that in their view, as of 2002, this was making a minimal improvement to poor people’s well-being. New views on poverty can be summarized as multi-dimensional. There is a clear recognition that economic growth does not itself reduce poverty. Some five words keep appearing again and again: empowerment, rights, ownership, responsibilities and conditionality (Middleton et al, 2001:196).

In essence, South Africa’s approach to eradicating extreme poverty and hunger has been a comprehensive one that seeks to address both the monetary aspects of poverty, completed by efforts to also attend directly to meeting a broader range of basic need (Bhengu & Friedman, 2008:45). Although this research deals mainly with poverty alleviation projects, it is important to recognize that this is only one aspect of poverty reduction.

2.6 CONCLUDING REMARKS

This chapter dealt with the literature that is related to the research topic including constitutional and legislative provisions. The literature used includes books, reports, and other research papers. Relevant links were used and survey reports of Amajuba district municipality were also used.
CHAPTER 3

RESEARCH METHODOLOGY

3.1 INTRODUCTION

This chapter briefly explains the research methodology that was employed to conduct the study. It describes the research design, sampling procedure, and the data collection methods. It finally explains the ethical considerations that the researcher adhered to during data collection.

3.2 RESEARCH DESIGN

In this research study, both quantitative and qualitative research methodology were employed. The combination of the two methods provided the researcher with the necessary data to achieve the objectives of the study.

The qualitative research refers to those approaches in which the procedures are not highly formalized, while the scope is more likely to be undefined, and a more philosophical mode of operation is adopted. This was used because it made it easy and possible to learn what people perceive, how they interpret their perception and how the events affect their thoughts and feelings.

The researcher in this study was engaged with the participants in their own setting, where a case studied was selected. The study was not only about the number of people benefiting from the project, but also about the quality of life that they are living as they are the participants in poverty alleviation project.

3.3 SAMPLING TECHNIQUE

The major economic sectors within the DM are agriculture and mining. The main focus for the study was on agricultural projects, crop production in particular. Thuthukani vegetables project was identified to draw the sample for the study.

The project identified was supported by the DM in partnership with the DAE. The DAE provided extension services in land preparation, seedling and marketing. Some financial
assistance was rendered for infrastructure development. This project has a direct impact on poverty alleviation and was most suitable in answering the research questions.

3.4 DATA COLLECTION TECHNIQUE

Data would be obtained by making use of a questionnaire; personal interviewing; and observation of events as they happen. The questionnaires that were used in this study are as follows:

3.4.1 THE QUESTIONNAIRE

The questionnaire (Annexure A) was used to interview all the project members. The questionnaire was developed specifically to fit the research aims and objectives as outlined in chapter 1. The questionnaire was divided into five sections A, B, C, D and E.

**Section A:** focused on biographical data (gender, age, marital status, and educational levels of the participants);

**Section B:** focused on the characteristics of the project and the economic status of the participants.

**Section C:** focused on the planning, implementation and the impact of the project participating in the study.

**Section D:** focused on the project finances; and

**Section E:** focused on the members perception about the project (successes and major challenges faced by the project).

The questionnaire (Annexure B) was used for the cost benefit analysis of the DAE’s expenditure on the PAPs in the DM.

3.5 DATA ANALYSIS

The data was tabulated in order to make the analysis easier. The primary aim of tabulation is to make the whole data so precise that it becomes easy to analyze. Statistical tools like tables, pie charts, and bar graphs were used to present and interpret the findings and to draw a clear picture of the situation.
3.6 ETHICAL CONSIDERATION

The letter of consent *(Annexure C)* emphasized that the participants have the right not to disclose their names where they felt like not disclosing. The following research ethics were strictly adhered to throughout the study:

- The participants’ right to consent
- The participants’ right to confidentiality
- The anonymity of the participants, and
- The privacy of the participants.

3.6.1 The participants’ right to consent

The researcher recognized the fact that participants were to participate at their own will. The researcher informed the participants that it is not a must that they participate in this study. The purpose of the study was clarified to the participants so that they could determine their willingness to participate or not. The participants were informed that they were free to withdraw from the study when they felt like they were no longer comfortable to participate.

3.6.2 The participants’ right to confidentiality

When the participants felt uncomfortable to disclose some of the information that was viewed as sensitive by them, the researcher ensured that such responses were not forced from the participants.

3.6.3 The anonymity of the participants

The research was conducted in a manner that the participants were not in any way associated with the given responses.

3.6.4 The privacy of the participants

The study did not expose the participants to any harm, be it physically, emotionally, and psychologically. The researcher ensured that the information required from the
participants was not embarrassing and did not have a potential of endangering their lives.

3.7 CONCLUDING REMARKS

This chapter has described the research methodology that was followed and used to collect data as well as tools to analyze and interpret data. The analysis and interpretation of the research data collected; and a summary of the research findings are discussed in Chapter 4.
CHAPTER 4
THE FINDINGS OF THE STUDY

4.1 INTRODUCTION

The aim of this chapter is to report on the findings of the research. It builds over the research methodology which was presented in Chapter 3. The data gathered from the members of the Thuthukani project and the DAE is presented.

4.2 DESCRIPTIVE ANALYSIS OF THE RESULTS

Descriptive analysis of the results includes information on biographical information of the respondents, characteristics of the respondents’ project, planning, implementation, impact of the project, and respondents perception about the project. The DAE support services accessed by the respondents, the impact of the DAE support services on the PAPs and the funding of the PAPs information is also included.

4.2.1 BIOGRAPHICAL INFORMATION OF THE RESPONDENTS

Biographical information of the respondents relates to gender, age groups, marital status and educational levels of the respondents.

4.2.1.1 Gender

The project comprises of 75% females and 25% males. This is shown in table 4 below.

Table 4: Gender of the respondents

<table>
<thead>
<tr>
<th>Gender</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>4</td>
<td>25</td>
</tr>
<tr>
<td>Female</td>
<td>12</td>
<td>75</td>
</tr>
<tr>
<td>Total</td>
<td>16</td>
<td>100</td>
</tr>
</tbody>
</table>
4.2.1.2 Age group

50% of the project members were above 60 years of age. 25% were within the age group of 50-59 and other 25% were within the age group of 40-49 years of age. This is shown in the figure 1 below.

Figure 1: Age group of the respondents

![Age group of the respondents](image)

4.2.1.3 Marital status

50% of the project members were married, 38% were single and 12% widow. This is illustrated in figure 2 below.

Figure 2: Marital status of the respondents

![Marital status](image)
4.2.1.4 Educational levels

Half (50%) of the project members had Grade 8-12 levels of education, whilst 38% had Grades 1-7 levels of education. Only 12% had no education. This is represented by figure 3 below.

Figure 3: Education levels of the respondents

4.2.2 THE PROJECT AND ITS CHARACTERISTICS

The project was founded in September 2004 and comprised of 16 members. Only 25% were members of the project from its initial stage. 15% joined the project in 2005, a further 20% joined in 2006, in 2007 the influx of new members reduced to 5% , and the influx remained at 5% in 2008 . However, in 2009 there was a steady increase of members who joined the project to 10%. Then in June 2010, there was an increase of 20% of members who joined the programme. This is shown in figure 4 below.
R20,00 was contributed by all members as a joining fee to the project. All the respondents became members of the project because they wanted to make contribution towards community projects. All respondents said their economic status was very bad before becoming members of the project. After joining the project their economic status had improved. They did not reveal the exact figures but emphasized that their economic status had improved.

### 4.2.3 PLANNING, IMPLEMENTATION AND IMPACT OF THE PROJECT

All respondents said they were involved in the planning of the project. There’s a contradiction in their statement; as it is indicated earlier on that only 25% were members of the project from the initial stage (See Figure 4). All respondents went for two weeks training at Owen Sithole College of Agriculture. The training was organized by DAE. They were trained in various skills that is crop production, poultry and basic planting skills; 63% of the respondents had skills that assisted them in the implementation of the project, whilst 27% did not have any skill. This is shown in table 5 below.
Table 5: Skills of the respondents

<table>
<thead>
<tr>
<th>SKILLS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>63</td>
</tr>
<tr>
<td>NO</td>
<td>27</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
</tr>
</tbody>
</table>

All respondents said that the objectives of the project are met, as their main objective was to provide vegetables at a very low cost to families that are infected and affected by the HIV/AIDS pandemic.

All respondents said the project has made a huge difference towards their quality of life and families. The project has contributed towards job creation as they employed five temporary workers during the planting stage. It has also contributed towards poverty alleviation in the local community as vegetables are sold at low cost compared to the market price.

4.2.4 PROJECT FINANCES

The project was funded by DAE at the initial stage but now is self funding. Only 27% of the respondents said “Yes, the project is making profits”, and 63% did not respond to the question at all. This is shown in the table 6 below.

Table 6: Project finances

<table>
<thead>
<tr>
<th>PROFITS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>YES</td>
<td>27</td>
</tr>
<tr>
<td>NO</td>
<td>0</td>
</tr>
<tr>
<td>NO RESPONSE</td>
<td>63</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
</tr>
</tbody>
</table>
All the respondents did not want to reveal the amount of profit that the project is generating. They also did not want to reveal how the profits are utilized. The treasurer is managing the funds of the projects.

4.2.5 MEMBERS PERCEPTION ABOUT THE PROJECT

4.2.5.1 The successes of the project

The project members are working together as a team. They have all the basic tools that were supplied by DAE. The land that they are using is huge enough and all the vegetables planted grew very well (See Annexure D). They managed to make a lot of profit, although the amount was not revealed to the researcher. They met all the objectives of the project especially alleviating poverty in the local community. The DAE extension officer has introduced them to the market, whereby they supply vegetables to FRUIT and VEGITABLES SUPERMARKET.

4.2.5.2 The major challenges currently facing the project

The project is faced with a major challenge of water and electricity. The project is at the rural area where they are struggling with water as they do not have taps. The generator is used to supply electricity if it is out of order or not working a problem is experienced. There is no store room for storage of tools, respondents use their homes for storage. Weather conditions sometimes caused a threat to their production. Lack of support from the local municipality, memorandum was submitted, promises were made by municipality officials visiting the project but they were not delivered. In contrast, the same municipality introduced them to the DAE. “Some of the local community members steal vegetables from the garden; this affects the project’s income and delays the project.” Said one of the project members

4.3 THE SUPPORT SERVICES ACCESSED BY RESPONDENTS

The services that are offered by DAE to PAPs are finances, marketing, information, planning, skills, and business plans. From the mentioned services offered by DAE, the respondents only accessed finances, marketing, and skills training. The DAE extension officer responsible for PAPs organized a two week skills training at Owen Sithole College of Agriculture for the respondents. The respondents were trained in crop production, poultry, and basic planting skills as it was mentioned above. This assisted the respondents to apply skills acquired for the effective running of the project. The marketing of the project was also done by the DAE’s extension officer, the respondents
received a contract of delivering their product that is vegetables to the local fruit and vegetable market as it was also mentioned above. This has made a lot of profit for the project, although the figures were not revealed. The DAE also funded the respondents and funds were used to purchase tools and equipment for the project.

The services offered by DAE are accessed through extension officers, councilors, outreach programme, food security events, information days, community meetings and farmer organizations. In this case the respondents accessed the services through extension officer.

4.4 THE MAIN PROBLEMS FACED BY POVERTY ALLEVIATION PROJECTS

According to the DAE extension officer, the following are the most serious problems faced by PAPs:

- Finances,
- markets,
- land availability,
- insufficient water,
- business skills,
- group dynamics, and
- lack of profit sharing.

4.5 EVALUATING THE IMPACT OF THE SERVICES OFFERED TO RESPONDENTS

The DAE do make follow-up on the PAPs in order to evaluate the impact of the support services. The methods used are follow-ups, mentoring, and continuous evaluation of projects. In the case of Thuthukani project there is a mentor assigned by DAE to the project. The mentor gives advices, and guidance to the project to ensure that the project is sustained.
4.6 BARRIERS TO AN EFFECTIVE SUPPORT TO THE POVERTY ALLEVIATION PROJECTS

According to DAE the following are the barriers to an effective support to the PAPs:

- Top down approach,
- Lack of need assessment within the poor people,
- Government usually identifies the needs for poor people instead for them to do it,
- Insufficient funding, and
- Group dynamics.

4.7 RECOMMENDATIONS TO EFFECTIVE SUPPORT TO THE POVERTY ALLEVIATION PROJECTS

According to the DAE extension officer the following are the recommendations for an effective support of the PAPs:

- Bottom top approach should be encouraged,
- Poor people should be allowed to identify their needs,
- Projects should be sufficiently funded,
- Group approach should be minimized to avoid unnecessary conflicts, and
- Project members should be encouraged to share project profit when it is due.

4.8 FUNDING OF THE POVERTY ALLEVIATION PROJECTS

The question was not fully answered by DAE and it would be difficult to do the cost benefit analysis. Only the budget allocated to DAE was mentioned, it is indicated on table 7 below:
Table 7: Budget allocated to the DAE

<table>
<thead>
<tr>
<th>YEAR</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>R7 000 000,00</td>
</tr>
<tr>
<td>2007</td>
<td>R7 000 000,00</td>
</tr>
<tr>
<td>2008</td>
<td>R8 000 000,00</td>
</tr>
<tr>
<td>2009</td>
<td>R8 000 000,00</td>
</tr>
<tr>
<td>2010</td>
<td>R12 000 000,00</td>
</tr>
</tbody>
</table>

4.9 CONCLUDING REMARKS

The findings in this chapter show that DAE fully supports the PAPs. The DAE extension officers and mentors play a vital role in marketing the project. The project is a success through their leadership, guidance and support. Although the project was established by the local community members, there is still an element of high dependency within the municipal area. Project members are highly dependent on the Municipality and DAE to supply resources even though they are making a profit. The project’s existence, accessibility, contribution to poverty alleviation and improved quality of life is evident, it must be said that criminal elements within the community have negative impact on the project which require increased commitment to keep it sustainable, given its overall positive impact to project members, their families and the local community.

The evidence supports a perception of project success on the part of the respondents. This perception is strong in spite of the lack of documentable evidence supporting the frequently mentioned claim of “project success” and “increased profits” by the respondents. It could be concluded that there is perceived success of the project, and that the respondents believe that they are better off.

The next chapter concludes the study by presenting the summary of the main findings, conclusions and recommendations.
CHAPTER 5
SUMMARY OF THE MAIN FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 SUMMARY OF THE MAIN FINDINGS

The objective of this report was to assess the impact of the PAPs: a case of Thuthukani project in the DM, KZN was used. The government has implemented various programmes that aimed at alleviating poverty through stimulating employment, developing skills and improve service delivery. The DM has a highest rate of poverty in the district of Amajuba; in efforts to fight poverty, a local community in DM established a vegetable project named Thuthukani. The project was found in 2004 with sixteen members. The DAE supported the project by providing finances, training and mentoring.

Although the respondents were trained in various skills that is poultry, crop production and basic planting skills; their main focus was on crop production. The project was aimed to grow vegetables and find suitable market where the products would be sold at a lower cost in order for the poor to benefit especially those affected and infected with HIV/AIDS. The main objective of the project was to fight poverty and improve the economic status of the respondents, their families and a local community.

The objectives of this study were to investigate the implementation process of the PAPs, where Thuthukani vegetable project was identified to draw a sample of the study; identify and gauge the effectiveness of this project; identify challenges faced by this project in achieving the set objectives; and to propose recommendations and strategies to improve the quality and effectiveness of this project.

The findings were discussed in Chapter 4. The findings show that the project received support from the DAE. Skill training was given to the respondents; this has contributed towards the success of the project as vegetables produced are sold, and a profit was made. This has improved the respondents’ quality of life and their families, since there is now an income. Although the income was not revealed to the researcher, the respondents emphasized that there is an income. This implies that the quality of life has improved. This has also contributed towards poverty alleviation in the local community.
5.2 CONCLUSION

The socio-economic profile of the DM reflects that there is a high rate of poverty and unemployment. 74% of total population in the DM is below the age of 34 and 4% of population is above 60 years of age. The findings of the study presents 50% of the Thuthukani project members were above 60 years of age. This shows that most of the youth in DM is not employed, yet they are not participating in the project. It also shows that older people are more active; and this could lead to unsustainability of the project.

The findings also show that the respondents were trained in various skills, only one skill was utilized. It shows that if there was a maximum utilization of skills, the project would have created more job opportunities and made more profits. This would also decrease a number of people living in poverty in the DM.

Although the municipality introduced the respondents to the DAE, the respondents are not satisfied as they complained that there is a lack of support from the local municipality. This indicates that there is a high dependency within the municipal area.

Despite the above-mentioned factors, the project has made a huge success. The economic status of the respondents improved after joining the project. This has also contributed towards poverty alleviation.

5.3 RECOMMENDATIONS

Based on the findings of the study, the researcher makes the following recommendations:

- All poverty alleviation projects should be mainstreamed into the country economy to reduce the market challenges and sustain the projects.
- Cooperatives approach should be promoted.
- Enough financial support should be implemented by all development agencies and government.
- Group approach in poverty alleviation should be minimized and promote individual projects to employ more people.
- Water harvesting should be promoted to all subsistence project where possible.
- Irrigation system with safe water should be promoted.
As it was found that 50% of the project members were above 60 years of age, the youth should be encouraged to participate in the project, so that the elderly people can transfer skills.
REFERENCES


Dannhauser Municipality. 2009. Dannhauser draft IDP


ANNEXURE A: PROJECT QUESTIONNAIRE

SECTION A: BIOGRAPHICAL DATA

1. Name of the respondent:__________________________________________________________

2. What is your position in this project:______________________________________________

**Please mark the applicable block with an “X”**

3. Gender of respondent:

<table>
<thead>
<tr>
<th>MALE</th>
<th>FEMALE</th>
</tr>
</thead>
</table>

4. Age of respondent:

<table>
<thead>
<tr>
<th>&lt; 19 years</th>
<th>20 – 29</th>
<th>30 – 39</th>
<th>40 – 49</th>
<th>50 – 59</th>
<th>60 +</th>
</tr>
</thead>
</table>

5. Marital status of respondent:

<table>
<thead>
<tr>
<th>Single</th>
<th>Married</th>
<th>Divorced</th>
<th>Widow</th>
</tr>
</thead>
</table>

6. Educational level of respondent:

<table>
<thead>
<tr>
<th>None</th>
<th>Grade 1 – 7</th>
<th>Grade 8 – 12</th>
<th>Certificate/ Diploma/ Degree</th>
<th>Other: (Specify)</th>
</tr>
</thead>
<tbody>
<tr>
<td>State:</td>
<td>State:</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SECTION B: THE PROJECT AND ITS CHARACTERISTICS

7. When was Thuthukani project established? ____________________________

8. How long have you been a member of this project? ________________________

9. How many people are involved in this project? ___________________________

10. Who qualifies to be a member of the project? ___________________________

11. What was the **major** reason for you to be a member of this project? Mark with ‘X’

   (Select only one alternative from the following)

   - I am a member because I was unemployed
   - I am a member because I wanted to earn extra money
   - I am a member because I wanted to make contribution towards community projects
   - Other (Specify):
ANNEXURE A: PROJECT QUESTIONNAIRE

12. What was your economic status before becoming a member of this project?

13. What is your economic status after becoming a member of this project?

SECTION C: PLANNING, IMPLEMENTATION AND IMPACT OF THE PROJECT

<table>
<thead>
<tr>
<th></th>
<th>YES</th>
<th>NO</th>
<th>MOTIVATE FOR YOUR ANSWER</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.</td>
<td>Where you involved in the planning of this project?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>Have you attended any training that is relevant for the implementation of this project?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Do you have skills that assisted in the implementation of this project?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Are the objectives of this project met?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Has this project made a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Question</td>
<td>Answer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------------------------------</td>
<td>--------</td>
<td></td>
<td></td>
</tr>
<tr>
<td>difference towards the quality of life for yourself and/or your family?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19. Is this project contributing towards job creation?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20. Is this project contributing towards poverty alleviation in the local community?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SECTION D: PROJECT FINANCES**

21. What is the source of funding for this project? (Mark with 'X' the appropriate box)

<table>
<thead>
<tr>
<th>Self funding</th>
<th>Donation</th>
<th>Contribution from state department</th>
<th>Other (Specify):</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State:</td>
<td>State:</td>
<td></td>
</tr>
</tbody>
</table>

22. Is this project making any profit? (Mark with ‘X’ the appropriate box)

<table>
<thead>
<tr>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
</table>

23. If “YES” How much? ________________________________

24. How are the profits utilized? ________________________________

25. Who is managing the funds of this project? ________________________________
ANNEXURE A: PROJECT QUESTIONNAIRE

SECTION E: MEMBERS PERCEPTION ABOUT THE PROJECT

26. What is (are) the success(es) of this project?

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

27. What is (are) the major challenge(s) currently facing this project?

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

28. How can this (these) challenge(s) be overcome?

____________________________________________________________________________
____________________________________________________________________________
____________________________________________________________________________

THANK YOU!
ANNEXURE B: DAE QUESTIONNAIRE

DEPARTMENT OF AGRICULTURE AND ENVIRONMENTAL AFFAIRS (DAE) QUESTIONNAIRE

A cost-benefit analysis of the DAE’s expenditure on the poverty alleviation projects in the Dannhauser Municipality, KZN. This research is for academic purpose only and all information will be treated with strictest confidentiality. Your cooperation is highly appreciated, and thank you in advance for your time.

1. Name of Respondent

2. What is your job title in the DAE

3. When did DAE started to support the poverty alleviation projects

4. State the support provided by DAE to the poverty alleviation projects (Select from the table below) Please put Y where applicable or N where not applicable.

<table>
<thead>
<tr>
<th>SUPPORT</th>
<th>Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial</td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td></td>
</tr>
<tr>
<td>Information</td>
<td></td>
</tr>
<tr>
<td>Planning</td>
<td></td>
</tr>
<tr>
<td>Skills training</td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
</tr>
<tr>
<td>Business plans</td>
<td></td>
</tr>
<tr>
<td>Other (Specify)</td>
<td></td>
</tr>
</tbody>
</table>
ANNEXURE B: DAE QUESTIONNAIRE

5. In which category do your clients fall? (Please put Y where applicable or N where not applicable)

<table>
<thead>
<tr>
<th>AREA</th>
<th>Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td></td>
</tr>
<tr>
<td>Rural</td>
<td></td>
</tr>
<tr>
<td>Start-ups</td>
<td></td>
</tr>
<tr>
<td>Ongoing projects</td>
<td></td>
</tr>
<tr>
<td>Other (Specify)</td>
<td></td>
</tr>
</tbody>
</table>

6. In your opinion, what are the main problem areas which are facing the poverty alleviation projects? (Please put Y where applicable or N where not applicable)

<table>
<thead>
<tr>
<th>CHALLENGE</th>
<th>Y/N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td></td>
</tr>
<tr>
<td>Market</td>
<td></td>
</tr>
<tr>
<td>Lack of education</td>
<td></td>
</tr>
<tr>
<td>Management skills</td>
<td></td>
</tr>
<tr>
<td>Other (Specify)</td>
<td></td>
</tr>
</tbody>
</table>

7. What is the most serious problem faced by the poverty alleviation projects?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

8. How can this problem be overcome?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

ANNEXURE B: DAE QUESTIONNAIRE

9. How do the poverty alleviation projects get to know about your services?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

10. Do DAE follow up on the poverty alleviation projects in order to evaluate the impact of the support services?

YES/NO __________________ (State the applicable answer)

11. If YES in question 10, which method do DAE use to evaluate the impact of the services offered?

(State YES/NO next to the applicable answer)

<table>
<thead>
<tr>
<th>EVALUATION METHOD</th>
<th>YES/NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surveys</td>
<td></td>
</tr>
<tr>
<td>Evaluation of projects</td>
<td></td>
</tr>
<tr>
<td>Follow-ups</td>
<td></td>
</tr>
<tr>
<td>Continuous evaluation</td>
<td></td>
</tr>
<tr>
<td>Mentoring</td>
<td></td>
</tr>
<tr>
<td>Other (Specify)</td>
<td></td>
</tr>
</tbody>
</table>

12. If NO in question11, briefly explain why NOT?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

13. What in your opinion do you think are the barriers to an effective support to the poverty alleviation projects?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
ANNEXURE B: DAE QUESTIONNAIRE

14. What are your recommendations for an effective support of the poverty alleviation projects by the DAE?

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

15. Please state the amounts of funding the poverty alleviation projects by the DAE in each of the following years (please complete the table below):

<table>
<thead>
<tr>
<th>YEAR(S)</th>
<th>AMOUNT (ESTIMATIONS ARE WELCOME)</th>
<th>STATE AVERAGE AMOUNT PAID TO EACH PROJECT SUPPORTED BY DAE</th>
<th>PLEASE STATE % AMOUNT DIRECTED TO POVERTY ALLEVIATION PROJECTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

THANK YOU!
ANNEXURE C: LETTER OF CONSENT

The Project Manager
Thuthukani Project
Dannhauser

Dear Sir/Madam

RE: REQUEST FOR PERMISSION TO UNDERTAKE RESEARCH

I am currently registered for the Master’s degree in Development Studies at Nelson Mandela Metropolitan University (NMMU). I am currently working on my research project as partial fulfillment requirement for the degree. My area of focus is on poverty alleviation projects.

I, therefore request all the members of the project to participate in this research by completing a questionnaire. Participation is voluntary with the option of withdrawing at any stage without any adverse consequences. The responses will be used for the purpose of the study only. I undertake to ensure that the information will be treated with strictest confidentiality.

The research findings will be disseminated to all the participants of this study.

Yours faithfully,

N. Zungu (Miss)
Cell number: 0726003604
E-Mail: zungunomsa852@gmail.com
ANNEXURE D: EVIDENCE OF THUTHUTHUKANI VEGETABLES PROJECT