Partnering for Sustainable Change in Mkhondo Local Municipality: the Mondi /Mkhondo /GIZ partnership

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The Partners

- **Mondi**: a socially responsible company working with government to seek permanent tenure and development solutions for communities on their land.

- **Mkhondo LM**: a low capacity rural municipality faced with service delivery challenges, system challenges with high levels of unemployment and poverty.

- **GIZ**: a development partner anchoring these development solutions in a municipal context through institutional strengthening and capacity building initiatives. (Linked to COGTA partnership initiative!)
• 308 rural settlements scattered across Mkhondo Municipality

• 62 villages on Mondi land in region = 2 900 h.h. (10 000 people).

• Very poor living conditions

• Limited access to services
The Challenge

Map of Mkhondo Local Municipality showing land use with different categories such as Forestry, Traditional Authority, and Subsistence Farming (2014).

Sources: National Geo-Spatial Information

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Spatial Projection: EPSG 4326, WGS84
Challenges identified by Mondi Survey and Responses

Challenges
• Income Poverty
• Asset Poverty
• Locational disadvantages of villages
• Scarcity of job opportunities

Response
• Agglomeration of villages
• Public-Private partnership
• Provision of choice
• Need for project Management
Approach

• Multi-stakeholder Partnerships
• Addressing Land and services through establishment of Agri-villages
• Piloting in Jabulani
The Mondi Mkhondo Development Partnership

• MoU signed on 30th October 2009

• Assist households in the target group to break out of poverty through:
  1. Accessing land and secure tenure.
  2. Acquiring a physical asset base
  3. Generating access to utility and social services; and
  4. Building social networks and institutions.
  5. Identifying and capturing economic opportunities
The Six dimensions of Agri-villages

1. Shelter and secure tenure
2. Sustainable and affordable utility services
3. Social infrastructure and service access
4. Build community institutions and capacity
5. Food security.
6. Income enhancement
Progress Since the signing of the MoU

Infrastructure (104)

• Mondi has released 590 ha of land and funded project management for the development

• 110 RDP houses have been built with funding from DHS

• Mondi provided top-up funding to enhance the RDP houses.

• ESKOM electrified houses connected to running water courtesy of SAB

• UD toilets also funded by the Dept of Human Settlements
Progress Since the signing of the MoU

Infrastructure

• The main and local access roads with street lights, funded by Provincial DPW completed. (34)

• Solid waste is managed by the Mkhondo municipality with assistance of the Community Public Workers.

• Fencing of every residential plot (8)

• Expansion and Refurbishment of the local primary school (10)
Progress Since the signing of the MoU

Social Facilities

• Funded by the NDA, the MPC operates as a community hall, drop-in-centre and youth centre. (5)

• The hall is hired out to individual and group villagers to use for funerals, weddings and other gatherings thus generating income for the community.

• The crèche, funded by the DRDLR and operated with assistance of the Provincial DSD, accommodates about 50 toddlers (3)
Progress Since the signing of the MoU

Communal Income

• 221 hectares of communal cropland, funded by SAB, is worked on by community members and a cooperative has been registered. (80)

• The CPA is negotiating off take agreements with companies with the first crop expected in 2018.

• The cropland has been fenced and is irrigated by an electric generator powered system.

• Income from the crops is earmarked for further community projects.
Progress Since the signing of the MoU

Communal Income

• **141 hectares of forestry land** has been demarcated into lots which are worked on and maintained by forestry groups in the community. (40)

• The objective is for the community to eventually manage their own commercial forestry for which Mondi has offered to be the market.

• An additional **184 hectares of forestry land** is leased from the community by Mondi.

• The rental from the lease is also earmarked for further community projects.
Progress Since the signing of the MoU

• The CPA committee received training in governance, funded by GIZ, as part of the partnership agreement with Mondi. The training included modules on

- Land Reform Legislation,
- Relationship Management,
- Leadership and Representation,
- Accountability,
- Development Planning,
- Land Use Management,
- Strategic Planning and Financial Management.
Progress Since the signing of the MoU

• This successful agri-village development partnership approach with governance competence of the CPA committee in:
  
  - Managing the resultant movable and immovable assets
  - Managing finances of the CPA members

has boosted the standing of the Jabulani Agri-village as a successful model which is now being replicated in 8 other agri-villages.

• Still outstanding:
  – Transfer of ownership of the communal and residential sites
  – Commercial /processing site development (50)
  – implementation of the Tourism business plan by the Mkhondo Municipality. (50)
Jabulani Progress

- Sports fields
- School
- Farm Dam for crop irrigation
- ECD and Youth Centre
- Mini MPC
- Business and agri industry site
Infrastructure
Housing

- Mondi top up to 76 phase 2 units allocated. Options - various kits, or materials vouchers
Food Security
School
Creche
CPA Committee
GIZ involvement

- Development in Jabulani took place within a context of significant governance challenges at municipality
- Capacity challenges of CPA to govern and manage assets
- Create platforms for learning and sharing with municipality
- *Mondi- GIZ Development Partnership* signed for 2013 –2016 to address some of these issues
- Specific contribution to broader Mondi – Mkhondo Development partnership
Elements of GIZ- Mondi Partnership

- To strengthen governance and promote sustainability in community Structures

- To Support Mkhondo LM with planning, Leadership and integration of processes

- To operationalise Community Trusts and community Businesses

- To create Linkages and awareness
The envisaged Impact

• Recognition of communities
• Job creation opportunities through access to supply chain of Mondi
• Governance of CPA and assets
• Strengthened institutions

“We learned about leadership. It’s important to know how to lead and how to read situations between the committee and the community”
- Chair of Jabulani CPA
Examples of support

- Formal establishment of village (Mondi)
- Project Management (Mondi)
- Job creation activities (Mondi)
- Capacity Building of CPA (GIZ)
- Support to community radio station (GIZ)
- Technical support to Management of Mkhondo
- Integration of formerly excluded communities in service plans of municipality/SDF (GIZ)
- Business Plan for Tourism Site
- Assessment of Partnership
Emerging Lessons
Mondi

• Its working !! People are ‘breaking out’ of rural poverty with government and private sector support.
• .... but it takes a lot of effort and integrated action by all entities.
• Need to acknowledge the contributions of the multiple stakeholders
• There is a strong desire to replicate the pilot across Mkhondo- (other rural communities/ forestry companies/ neighbours/ farmers associations)
• Improved implementation requires the embedding of required funding within medium term departmental budget planning.
• Strong management arrangements are needed if rapid implementation is required.
Emerging Lessons GIZ

1. Need to build trust and allow the process to unfold
2. Capacity, systems, internal organisational arrangements all impact on successful implementation
3. Local partners need to be in driving seat and sometimes compromises are necessary
4. Community Stakeholders understand the importance of efficient and effective services and see this as a good foundation on which to further elaborate on economic opportunities
5. Technical support need to be anchored at municipal level
6. Considerable coordination is needed and often time consuming
Members of the Partnership