SOCIAL SECURITY - GENERAL ~~CHILD CARE~~

1995

AUGUST. — SEPT.

R15m stolen from Welfare

CAPE TOWN — Social allowances of R15 103 222 had been embezzled or stolen from his department in the past three years, Welfare and Population Development Minister Abe Williams said yesterday. (297)

The biggest loss had been in the Eastern Transvaal province, where R4 279 925 had been taken from strongrooms and payout points, he said in a written reply to Farouk Cassim (IFP).

Next highest losses had been in the Eastern Cape (R2 774 946), followed by the Northern Province (R2 541 516), KwaZulu-Natal (R1 481 158), Free State (R1 269 121), Gauteng (R1 142 802), Western Cape (R588 204), Northern Cape (R586 645) and Northwest (R438 905). BD 31/8/95

Various methods, including increased policing of cash payout points and encouraging beneficiaries to make use of the banking system, were being used to remedy the situation.

A number of instances were still being investigated and amounts involved had not been established. — Sapa.

RDP successes 'there already'

CT 9/8/95 (297)

THE government was often criticised for "failing in their promise to deliver" when it came to the RDP, but notable achievements had already been reached, Constitutional Assembly chairman Mr Cyril Ramaphosa said last night.

Speaking at the annual dinner of the Association for the Advancement of Black Accountants in Southern Africa, he said "clear policies" had to be devised before the RDP could be implemented effectively, and the government did not want "to make the mistakes of the past". — Staff Reporter

Jobs, education, homes proposed

MUNICIPAL REPORTER

CT 2/8/95

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JOB placement centres, adult education centres, mixed housing and business areas, and improved public transport terminuses are the kinds of projects on which the Cape Town City Council's RDP committee would like to see money spent this year or next.

At yesterday's meeting the committee tabled suggestions on how the R15 million provided on the current year's budget for the RDP should be spent.

The suggestions were contained in a discussion document that will be sent to the various local RDP forums for discussion, amendment and addition.

● City Planner Mr David Daniels said in a submission to the provincial commission on cutting red tape that in the parts of the city housing mostly people who were previously disenfranchised, developments had become the focus of electioneering and competition between existing civic organisations and other emerging interest groups, resulting in long, difficult public involvement processes.

In upper and middle class areas a "protectionist" approach had arisen against development, particularly where it would increase densities or change the existing ambience.

R5-m nutrition scheme scam rocks E Cape

(288) (297) ARG 4/8/95

The Argus Correspondent

PORT ELIZABETH. — A network of government officials, schools and private organisations, including banks and food suppliers, is suspected of being involved in a multi-million-rand school nutrition scheme fraud in the Eastern Cape.

This was unearthed during a provincial investigation into corruption and fraud in the government concerning funds for RDP projects.

The uncovering of the network was confirmed today by provincial health and welfare deputy permanent secretary Simphiwe Stamper after a disclosure yesterday by the national RDP office in Pretoria that more than R5 million in school nutrition funds had been swindled from the Eastern Cape government.

Dr Stamper said the investigation was in an advanced stage and arrests were expected soon.

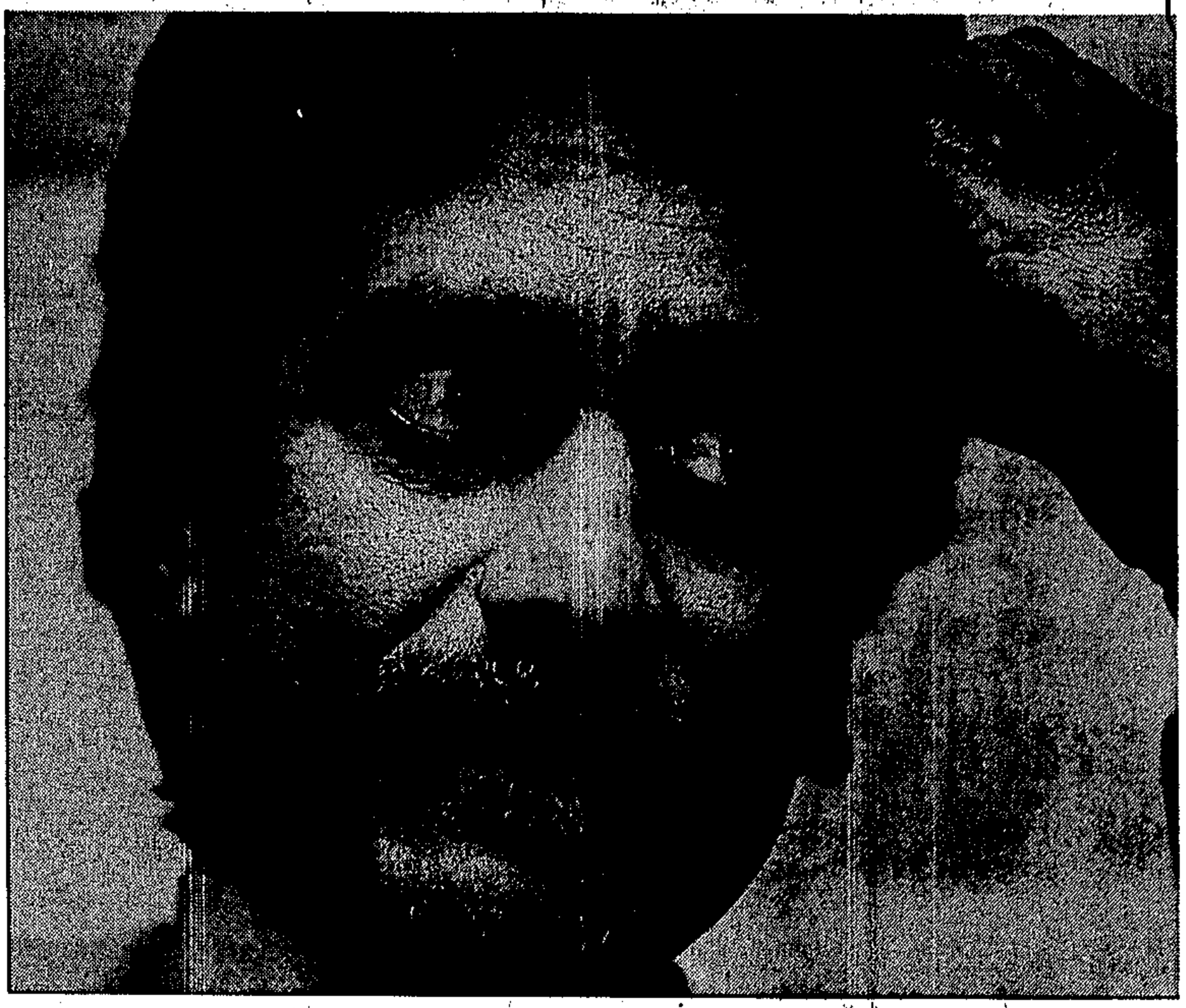
"The investigation has unearthed a wide network of corruption," he said.

At the helm of the RDP's lengt

THE **MAUREEN ISAACSON** INTERVIEW



After taking an inordinate amount of criticism, Minister without Portfolio Jay Naidoo, eager to illustrate the fact that he is not the RDP, finally lets his mask slip



COMPLEX SITUATION: Minister without Portfolio Jay Naidoo believes criticism is important, but the kind o flung his way makes him want to throw up his hands and ask why a scapegoat is necessary

He's charging ahead as if there were no tomor

Minister Jay Naidoo is saying he has been hurt by all the bad press he has been receiving lately, and that he is only a human being after all, when his cellphone rings again.

Ten minutes after our arrival at his Union Buildings office and we're walking straight into the late afternoon light. No doubt the minister will not be watching the sun setting over the pretty water features in the gardens down there.

The RDP may be a long time in coming but the man at its helm is charging ahead as if there's no tomorrow. The faster I chased him the past two days, the faster he ran. From this meeting to that, he crams the minute with so many words — all about the absence of quick-fix solutions, about infrastructure plans, about people taking responsibility, and training and jobs, jobs, jobs.

I am very determined. I make mistakes, I am human

Yet he keeps his cool. Later, on the phone, he tells me his conscience is clear. "I am very principled. I am not going to subject myself to anyone's political agenda except one that brings quality of life to our people." He also says: "I am very determined, I make mistakes, I am human. You may say I am dogged (which I did) but I am open to persuasion and change."

Here is a man who abhors arrogance and dishonesty, a man who appears to be at peace with himself. Although the RDP has not been created by his design alone, he is its driver. The RDP is "a journey", to be completed not in five but in 25 years. Yes, criticism is important, but the kind of flak that has been flung his way of late makes him want to throw up his hands and ask why a scapegoat is necessary.

Taxpayers, the homeless and jobless may well tear their hair out with impatience, but according to Naidoo — and he repeats this later on Tim Modise's Radio Metro show — the work of the RDP cannot be reduced to "a set of spectacular projects". Let us not forget the mess that is the legacy of the previous government.

No wonder he defines his role as "simple but full of complexities". He says it has to do with facilitating work between different government departments, creating a holistic workability between these and an "unblocking of logjams."

"I'm in the job because I want to see the job being done. We're in government to deliver jobs to the people but we're not a delivery department ..." Bits of the old firebrand in him flare through his busyness, the tiredness one catches in his eyes. "We can make it happen!" he says. Here is the man who in the Seventies abandoned a BSc degree at the University of Durban-Westville in pursuit of the principles of the Black Consciousness movement.

Here's the man who was to become the country's primary trade union figure, hitting the big time in the Eighties, first as secretary-general of the Sweet, Food and Allied Workers' Union and then, of course, Cosatu. Which just goes to show that you don't need a degree to work in government. My problem: How to get through to the guy behind the RDP when this is all he wants to talk about. This, he says, "unquantifiable ... It is about the reconstruction of the mind — about getting people to understand they can contribute and don't need the permission of Jay Naidoo to do it.

"What is needed is a clear focus on where we want to go. The money we're spending as government is reaching the ground. Of the R2-billion we approved for 1994-95, R1-billion was spent by the end of 1994. I don't spend the money. We allocated the money for 1994-95, it wasn't spent because there wasn't capacity in the provinces in the local authorities to spend it." For those who would screw up the "fiscal discipline" jargon used by his department into tiny pellets and use them as ammunition against him, he explains that the RDP office is responsible only for a small fraction of the Budget. (Last year it was R5-billion of the Budget's R135-billion.) He explains that the money is not spent by his office,

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the RDP's lengthy journey

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Today the minister is in a mad rush but his stress is under control — or is it? No time to find out. Only a few seconds to cast a quick eye around the room and see that the little red devil that characterised him in cartoons penned in the bad old days is still there. In addition, a little red teddy for 2½-year-old Kami and six-week-old Shanti. A happy family snap shows Naidoo, the husband and father. Here is his French Canadian filmmaker wife, Lucie Pagé, who, he tells me later, changed his mind forever about the importance of the personal over the political. Family togetherness seems to have mellowed him.

Of course you must remember it was a different time, he says, when asked about the change in his public persona. Gone is the leather jacket that was the hallmark of the workers' hero white people loved to hate. Now new enemies of the besuited Naidoo pop up everywhere — people who expected nothing from the previous government but are now expecting delivery and more.

Political "gossip" about the imminent rolling of his head and the closure of his department was invented, it seems, by "idle journalists". That he has had the full support of the president all along helped him, but of course it is upsetting. Jay Naidoo is a sensitive man. Moreover, he is a lover of the cinema, of jazz and classical music, of the work of South American writer Gabriel Garcia Marquez, the poet Pablo Neruda, of master thriller writer John le Carré. Get him, eventually, to talk about his mother, Bakkium, who died in 1989 and he becomes sweet and tender. Her "unritualistic" practice of Hinduism taught him his first political lesson — the importance of humility. His first meeting with Steve Biko in the late '60s, his meeting with Lucie, are mentioned gently. Love among the ice floes of northern Quebec, a marriage proposal in New York's Central Park, he has done it all.

Turns out that a deep spirituality is what drives his ambition "to improve the quality of life of the people of this country" and a desire to build a more caring society.

Can a cabinet minister be PC? Would sincerity be more descriptive in this case? Either way, Naidoo is dedicated to his mission.

At 40 he feels as if he has lived a lifetime. His early awareness harks back to his family's forced removal from Durban's Greenwood Park when he was 4 years old. As-yet-unfulfilled wishes are tied up with his family and the achievement of his "limited goals" — to see the country succeed, to see the end of political tensions and poverty.

I'm in the job because I want to see the job being done

So it is back to the long journey of the RDP, whose destination we will not see "in our lifetime ... we should be building a country that our children can enjoy". Bon voyage, Jay.

RDP office takes stock of achievements

Drew Forrest (297) BD 4/8/95

THE national public works programme had created 14 394 jobs in 342 projects, the reconstruction and development programme office disclosed yesterday.

Taking stock of progress in presidential lead programmes and other RDP-related projects, spokesman Frank Meintjies stressed that communities involved in public works were themselves undertaking construction. A total of 1 391 participants had received training.

On the R3bn showpiece presidential project for the redevelopment of Katorus on the East Rand, Meintjies said three short-term undertakings — the repair of street lights, cleaning and repair of roads and the cleaning and grading of sports fields — had been completed.

A home loan guarantee company had been formed for the area and work had started on the repair of houses damaged in violence. In Thokoza, house repairs had

Continued on Page 2

RDP (297) BD 4/8/95

Continued from Page 1

been completed.

Other Katorus projects under way were rehabilitating sewerage and water supply, providing refuse removal services and equipping satellite police stations.

Detailing progress in another lead programme in Ibhayi, Port Elizabeth, Meintjies said service upgrading had been completed in the Zwide Rail Reserve, was 80% complete in the KwaZakhele Railway Reserve and 50% complete in Bethelsdorp Extension 37.

On the serviced land project in the Western Cape, Meintjies said the Cape Metropolitan council had earmarked R20m a year for infrastructural development. Bulk earthworks had been completed at Weltevreden Valley and tenders for bulk services had been awarded in Philippi East.

Road building had started in Cato Manor, Durban, and 10% of KwaZulu-Natal's housing subsidies — amounting to R22,5m — had been set aside for this lead project in the 1995/96 financial year.

Other RDP achievements included:

- The feeding of 6-million schoolchildren, an increase of 400 000 since last month;
- The launch of a number of water supply and sanitation projects, notably in North-west and the former Transkei;
- The training of small farmers, a project which was 90% complete; and
- The approval and impending launch of the Gauteng Youth College, where 2500 pupils whose schooling had been disrupted would be able to retake matric.

Corrupt officials 'a threat to RDP'

DAVID BREIER (297)
Political Staff

■ RDP projects aimed at uplifting black South Africans must come clean and be open to public scrutiny — or get bogged down in corruption, theft, patronage and waste.

PROJECTS included in the Reconstruction and Development Programme run the risk of large-scale corruption and theft as unscrupulous operators divert money to their own pockets. ARG 5/8/95

This warning has been sounded in a new study based on research for the Department of Welfare, conducted by the universities of Stellenbosch and Natal.

Research showed that dishonesty among community members was on a small scale and easily detected. But the real problem of serious corruption occurred at higher levels.

"Large scale corruption happens when people with necessary skills tamper with the project to divert money, instead of being accountable to the community.

"This usually means either administrators, developers or intermediaries are responsible. Any of these agents can try to set up or structure projects to provide opportunities to skim off funds, either individually or in collusion with corrupt consultants," the researchers warn.

"The problem escalates when dishonest consultants are employed by bureaucracy, some of whom are allegedly in the business for money," they say.

"Marginally honest consultants sometimes obtain funding by budgeting for soft areas such as travel and petrol accounts, that can be treated as slush funding," they warn.

The only answer to the problem is openness, researchers argue. "Transparent procedures are the most important factor in preventing corruption spreading. Strict enforcement of accountability and a commitment from government to expose and act on perpetrators are also vital.

"This commitment needs to be established and maintained despite embarrassment to the organisation and possible damage to the careers of others who may not have been directly involved," they add.

The researchers also highlight the fact that in a number of cases, a lot of development money has been squandered on unwise spending rather than corruption.

"One project nearly lost its funding because of the disappearance of money assumed by the developers to be stolen. Most of the missing funds turned out to have been honestly spent on poorly conceived project work," they report.

The research also highlighted another form of corruption — patronage or "clientism" in which local community leaders dispense favours — with development money.

"Dealing with clientism is difficult, since community leaders may be unpaid or badly paid and believe they are entitled to some return for their efforts," the researchers say, recommending maximum transparency as the solution.

"Clientism and patronage flourish when communities are kept in the dark. If leaders restrict information and make allocation decisions privately, the chances for self interest and undemocratic manipulation increase . . . the alternative is increased risk of patronage and theft of funds".

They say that communities reported the prevalence of "bribery for either money or political support".

"Personal networks are also used to control who gains access to development benefits supposedly available to all.

"One experienced black commentator disgustedly characterised bribery as a near universal requiremant.

"Others remarked on how often leadership figures tended to tap development funds by demanding a sub-contract or preferential piece of the project for themselves or their connections.

"Another common practice is for leaders to demand control over who receives work, or other income-generating resources."

The researchers report that these forms of patronage are often used by less democratic leaders to establish support networks and maintain themselves in power.

"It also appears common for project workers to 'eat money', or covertly take out funds to be repaid later, in the form of a secret personal rotating credit facility".

The researchers warn that corruption and resultant cover-ups became institutionalised in some departments of the old state bureaucracy — notably the notorious Department of Development Aid.

These corrupt practices spread like a cancer and members of the old state bureaucracy had spread these "skills" to some urban community leaders they had dealt with.

"There appears to be some danger of a culture of corruption spreading again from this source. The most immediate need to regulate dishonesty probably concerns state spending as it descends through both state and private deliverers and intermediaries," they recommend.

"The impulse of bureaucracy confronted with the risk of scandal is to enforce the culture of secrecy," the researchers say, again recommending maximum openness.

■ The research was carried out by Simon Bekker of the Rural-Urban Studies Unit at the University of Stellenbosch and Catherine Cross and Craig Clark of the Rural-Urban Studies Unit at the Centre for Social and Development Studies at the University of Natal in Durban.

Social projects 'face cash crisis'

(297)

Theo Rawana BD 4/8/95

AIDS programmes were collapsing, feeding schemes were foundering and a crisis was developing because government was holding foreign funding instead of releasing it to non-governmental organisations, a meeting of such groups heard yesterday.

Judy Fortuin, National Progressive Primary Health Care Network national advocacy co-ordinator, told the launch of the National Non-Governmental Organisations Coalition in Broederstroom that only the formation of an umbrella body through which they could speak with one voice would solve the problem.

About 200 delegates from the nine provinces attended the launch of the coalition, whose objective is to promote the interests of organisations to government, donors and the general public.

Fortuin said many organisations were closing down because government, through which foreign funding had to be channelled, was not releasing the funds.

She said government and the private sector had always called in the services of non-governmental organisations only when damage had been done and a crisis situation had developed.

Her organisation, which had been running an AIDS programme, among other projects, had had to close down in March this year because of lack of funds. Many other organisations had also closed or were about to close, said Fortuin.

Conference convenor Zane Dangor, from the Development Resources Centre, said the departure of much of the sector's strategic leadership core to government or private sector jobs had dealt its already fragile capacity to act as a coherent sector a "severe blow".

A draft code of conduct for non-governmental organisations was presented at the conference.

The organisations are expected to take on the responsibility of informing funding agencies regarding progress of projects they helped to finance.

They would strive to create an atmosphere of openness and mutual respect with government and co-ordinate with the different branches of government. They would "foster a continuing dialogue especially in relation to the implementation of policies and programmes, and the performance of government officials in areas and communities."

The two-day conference ends today when presentations and discussions on a role in Nedlac, the National Development Agency/Trust and the Non-Profit Bill willbe followed by discussions on strategy and a programme of action.

Tax boycott threat

Jay's blow to RDP schemes

8 CP 6/8/95 (297)

EXCLUSIVE

blind to its driver

BY WALLY MBHELE

A POLICE captain in the Vaal who has been implicated in fuelling violence at the Sebokeng hostel chauffeured premier Tokyo Sexwale, MEC for safety and security Jessie Duarte and provincial police commissioner Sharma Maharaj last week.

The captain drove the three dignitaries' car during their high-profile visit to investigate violence at the trouble-torn Sebokeng hostel.

■ Sexwale and Duarte yesterday told City Press they had not known of their driver's alleged role in fuelling violence.

The policeman – a senior officer in the Vereeniging Internal Stability Unit – was withdrawn from the Sebokeng hostel earlier this year.

According to the local community police forum, the captain's removal involved a dispute between themselves and the Vaal district police headquarters after he was allegedly seen dropping a man carrying an AK-47 at the scene of hostel violence where three people had been killed earlier this year.

Members of the forum said the head of the uniform branch, Brigadier Everson, had seen the gunman disappear into a section of the hostel complex.

Everson allegedly reported it to former Vaal district commissioner Major-General Floris Mostert.

The forum said Mostert had removed the captain from the hostel on their recommendation and on grounds of a report filed by Everson.

The forum members said the captain had not been charged or suspended from duty. However, after this incident he had been dismissed from the forum and replaced by Captain Van Tonder.

■ Sebokeng police told City Press they were investigating claims that weapons seized during police raids at the hostel had been re-sold to the hostel warring factions by the captain. Warrant Officer Michelle Bunce referred inquiries to Vaal Triangle spokesman Colonel Piet van Deventer – who at the time of going to press had not responded.

RDP MINISTER Jay Naidoo has backed down from his promise to give non-governmental organisations R200 million to help speed the delivery of the RDP – casting a cloud over the future of many non-government organisations which are on the brink of collapse.

A survey by the Independent Development Trust (IDT) of 128 major non-governmental organisations (NGOs) and community-based organisations has shown that the 128 organisations that responded had a total funding shortfall of R116,5 million.

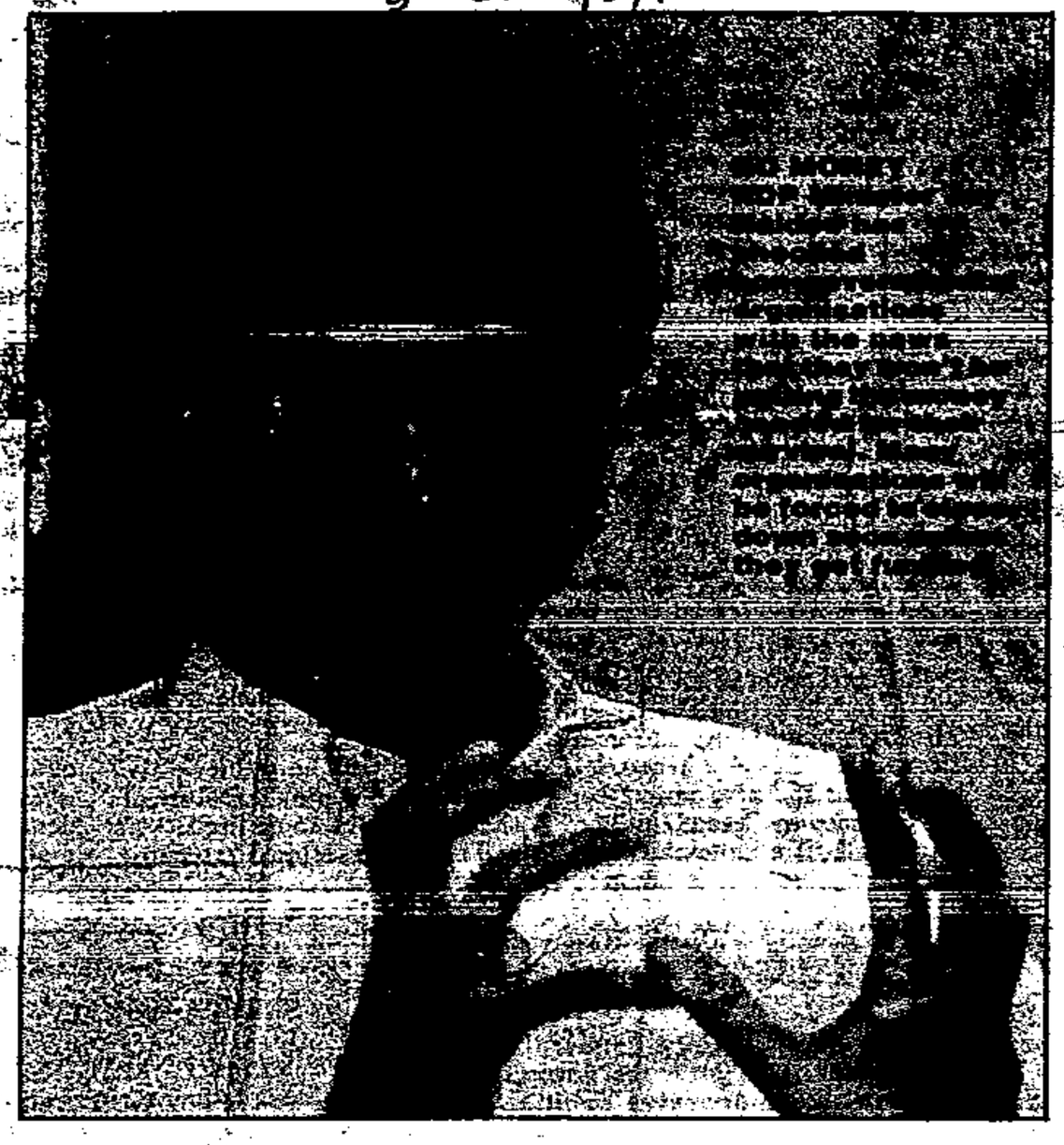
They said they had no way of meeting this shortfall.

Some organisations have already folded – while others face closure in the next few months.

Most of the rest will be forced to retrench staff and cut back their operations.

■ Meanwhile, the government has stalled attempts by the IDT and Kagiso Trust to negotiate with it about the establishment of a Transitional National Development Trust – an amalgamation of the IDT and Kagiso Trust – over the last two months.

But after the last-minute cancellation of a lengthy meeting scheduled for Friday, the RDP Ministry agreed to meet the IDT and Kagiso tomorrow.



A senior source within the IDT said: "It is most unfortunate that, despite our proposals to alleviate the plight of NGOs, there has been such a lengthy delay.

"It seems the initial promise of R200 million was not realised when the RDP office sat down with the Ministry of Finance.

"R200 million was the figure that raised the NGOs' expectations.

"It was also the amount seen as being sufficient to attract substantial complementary funding from the European Union," he said.

"The IDT is not clear on whether the National Development Agency will go ahead.

"It seems the RDP office wants to establish a task force to consider the proposed agency – but this could take another six months."

He said the IDT and Kagiso Trust had wanted the Transitional National Development Trust to start up by July 1.

The survey report – which was requested by the RDP Ministry – had been in the government's posession for a month, but no action had been taken on its findings.

■ Meanwhile, Victor Modise, the national director of the prominent educational NGO, Teacher Opportunity Programmes (Tops), said his organisation had "already passed the critical stage of funding".

"We will not be around for very much longer if the government delays this process any further," he said.

"Meanwhile, all our major funders are channeling their money to the RDP."

Modise dismissed allegations made by an RDP spokesman – quoted in a recent edition of a national magazine – that the National Development Agency had been stalled because some NGOs did not support the idea.

The IDT source said all NGOs strongly supported the Transitional National Development Agency and had mandated the IDT and Kagiso Trust to take the matter to government.

Andrew Miller, speaking on behalf of another affected non-governmental organisation, Project Literacy, said there had never been a clear signal from the government to funders to support non-governmental organisations.

Instead, he said, "a bit of suspicion has been cast on the worth of NGOs".

■ But the survey leaves no doubt about the importance of the work done by the estimated 15 000 NGOs and community-based organisations in the country: "The survey sample is representative of a remarkably vigorous NGO sector that is of almost incalculable value to development in education, health, micro-enterprise and other sectors."

The 128 respondents in the survey claimed their work impacted on almost 17 million South Africans between them, and they were responsible for employing almost 4 000 people. – Ecna-DNA

MAIL & GUARDIAN
August 4 to 10 1995

NGOs are now the 'New Opposition'

WM 4-10/8/95 (297)



Non-governmental organisations are more important now than before liberation, argues **Paul van Zyl**

A FORTNIGHT ago, President Nelson Mandela signed into law the Bill which will establish the Truth and Reconciliation Commission. A study of the process which led to the formation of the truth commission provides a fascinating insight into the functioning of the Government of National Unity and the role that non-governmental organisations are playing in this new era.

The process of drafting the truth commission Bill was driven by Dullah Omar. It was decided at an early stage to draw NGOs into the process because of both their long-standing commitment to human rights and their close relationship with survivors of human rights abuse. The involvement of civil society right from the outset of the drafting and conceptualisation process had a decisive impact on the nature of the final product.

The first version of the Bill presented to Cabinet ran into a storm of protest from the National Party. This was a Bill drafted by human rights activists with a human rights content, not something with which even the "new" National Party was entirely comfortable. So the political horse-trading which had characterised issues relating to amnesty and gross violations of human rights since the beginnings of the negotiations, began again ...

A cabinet committee was appointed, in which the Nats presented several fundamental objections to the Bill. Despite the fact that these objections were of dubious merit, the African National Congress representatives felt they couldn't reject *all* of them out of hand. After all, the GNU is a creature born of compromise, which becomes unruly and unmanageable if one party has it all its own way. The structure of the GNU put enormous pressure on the participants to "meet each other half way", and it was in this context that the ANC conceded to a demand that ran the risk of undermining the entire endeavour: all proceedings of the amnesty committee in the truth commission would be behind closed doors.

NGOs were galvanised into action. Almost every submission made to the select committee specifically condemned the secrecy compromise. Some organisations threatened to take the matter to the Constitutional Court, while survivors of human rights abuse warned that they, together with other representatives of civil society, would not co-operate with a commission shrouded in secrecy.

It was clear from the process of public hearings that the ANC itself was in two minds about the secrecy deal. The chair of the select committee stated that he would not simply "rubber-stamp" Cabinet's decision, but it was clear that to overturn a deal made by top politicians would not be easy.

So NGOs took the battle to the media. A major press conference was held in February 1995 in which a coalition of NGOs expressed its dismay at the cabinet deal and reiterated the threat of rejecting the truth commission altogether. Editorials in all the major newspapers condemned the secrecy deal and called into question the government's commitment to openness and transparency. This public pressure strengthened the hand of those in Cabinet who had always felt uneasy about the compromise. They were able to push for the decision to be re-evaluated and ultimately overturned.

What this episode illustrates is that the greatest strength of the GNU, the tendency to produce political compromises, is also its fundamental weakness. Our divided and conflict-ridden society necessitates a structure of government which ensures that the resources and influence of government are divided between those with political power — in a mutually acceptable manner. However, because the major percentage of political power is located within Cabinet, once these deals are struck it is difficult to undo them. This means that if poor, unprincipled or self-serving decisions are made, very few governmental checks and balances exist in order to force reconsideration. However, certain parliamentary standing committees are beginning to flex their muscles and this will serve as an important restraint on the power of cabinet.

NGOs are playing a crucial role in monitoring and exposing the horse-trading which the GNU is at times inclined to produce. In a sense, they are the New Opposition, emerging to fill the "opposition vacuum" produced by the GNU.

This presents NGOs with a number of challenges. Because of their skills and commitment, they are ideally suited to enter into co-operative partnerships with government. They can assist with policy formation and can help to ensure the efficient delivery of services. On the other hand, they have to be critical watchdogs who seek to limit the extent to which the GNU sacrifices principle on the altar of either politics or pragmatism.

This is a tension which is not easily reconciled and produces in NGOs a form of "structural schizophrenia". In the morning you can help a minister draft a white paper and the same afternoon you can hold a press conference condemning some other aspect of his/her work.

This is further complicated by the fact that most (but by no means all) ANC ministers welcome NGO interface with their departments, but ministers from the NP and the Inkatha Freedom Party are, in general, less sympathetic. This means that not only do NGOs have to be simultaneously critical and co-operative but, in acting out this paradox, they must develop increasingly sophisticated ways of interacting with different ministries and regional governments.

To make matters worse, NGOs are required to fulfill these vital roles in an increasingly difficult environment. Top staff members are regularly poached by both government and the private sector, and funding is drying up at an alarming rate.

For the sake of our emerging democracy, we need to recognise that NGOs are more, not less crucial, after liberation and, on this basis, we must devise effective strategies to preserve and strengthen them.

Van Zyl works for The Centre for the Study of Violence and Reconciliation in Johannesburg

MAIL & GUARDIAN
August 4 to 10 1995

All fired up, without the funds

The final report of the Arts and Culture Task Group, released this week, leaves some vital questions unanswerered, argues IVOR POWELL

(292) WM 4-10/8-95

ROGER JARDINE, director general of the Ministry of Arts, Culture, Science and Technology, recently appeared on the same public platform as Arts and Culture Task Group chairperson Andries Walter Oliphant. The proximity of the two government appointees led to a confrontation so naked it would have surprised few if they had rolled up their sleeves and slugged it out — such is the vehemence of their disagreement about government involvement in the arts.

Oliphant — representing Actag, the task group appointed by Arts, Culture, Science and Technology Minister Ben Ngubane in November 1994 — argued that the government should play no role, other than to make funding available to independently constituted arts councils. These councils would administer the funds as they saw fit.

Jardine, on the other hand, argued that involvement at government level is of vital importance if arts and culture are to be integrated into the Reconstruction and Development Programme. Similarly, programmes need to be instituted to build networks of community arts centres and to promote culture and the arts as viable sources of income. The bona fides of the democratically elected government ought to be accepted, he said.

It is against this backdrop of dissent that the final Actag report on arts and culture was made public this week. While more consistent than the draft report released in May this year, it reflects the compromises of the consultative process which culminated in a national conference in May/June this year.

The crucial question of how to establish the arts and culture councils, which will administer the funds made available by the government, is basically shelved. Where earlier drafts proposed a system of public nominations, followed by open hearings and selection by a panel of independent arbitrators, the final report presents this as one alternative. The other is a process of election, similarly following public comment on selections made by an independent panel. It will be up to the drafters of the White Paper, which will follow the report, to take the final decision.

The drafters of the White Paper will also have to make decisions about government involvement at administrative level. Not that the report is ambiguous on the issue. The appointment of a national arts and culture council is to be undertaken by an independent process, with the minister required only to confirm appointments formally. Though he may object to candidates on the list, he may not refuse their appointment.

For the next five years, at least 50 percent of all funding must be allocated to development projects. The existing performing arts councils are to be scrapped

At the same time, he and the rest of the government are explicitly "prohibited" from interfering with the councils; such interference "shall be challengeable in court".

But such safeguards are merely recommendations. They still need to be adopted or ignored by the ministry, written up in the form of a White Paper and enacted as legislation. Thus, while it is almost certain that representatives of Actag (probably Oliphant himself) will participate in the drafting process, the cup is still very far from the lip.

In other respects, the report deviates in minor ways only from draft versions. Like earlier drafts, it proposes a multi-tiered system of arts councils: national, provincial, metropolitan and local.

Principles of accountability and transparency are recommended throughout. The prioritisation of development, redressing of past inequities and affirmative action are, if anything, more strongly emphasised. At least 50 percent of the membership of the statutory bodies must, it specifies, be black.

At least one third of the members of national and provincial arts councils must be drawn from the rural areas. At least one third of all relevant bodies must be women. At least one third of all community arts funding must be allocated to rural areas. For the next five years, at least 50 percent of all funding must be allocated to development projects. The existing performing arts councils are to be scrapped.

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P.T.O.

Actag report lacks answers

■ From PAGE 27

Art education is to be compulsory at primary school level, and possibly at high-school level.

The report is to be commended in this. And while one might feel uncomfortable about racial quotas, it must be said that the percentages specified are low in terms of the racial composition of the country. For instance, the entire expenditure on arts and culture in the Northern Province in 1994/5 fell short of R2-million; balanced against this, expenditure in the Western Cape was over R78-million and in Gauteng just over R71-million.

Such figures not only highlight the disparities we have inherited from the old government; they also point to the essential hopelessness of the task that lies ahead. Earlier this year, the Ministry of Arts and Culture made what appeared to be a significant intervention when it withdrew 15 percent of the budgets allocated to the old performing arts councils for re-allocation among the provincial legislatures. At the same time, the councils were paid only half of their annual budgets; the other half was to be paid after a restructuring of their governing boards had taken place.

The idea was that a major shift in policy would be undertaken in which the performing arts councils would change from production houses to community service organisations. To date, some councils have called for nominations for restructured boards, but the real business of restructuring has yet to be embarked on and will take many months to be meaningfully implemented.

But, unless massive injections of capital are made in the short term, the only way to address present imbalances is to cut radically the budgets available to those provinces which have the infrastructures of the old councils. If such cuts are effected, how are they to implement the new, inevitably expensive policies their new boards are expected to devise?

The report makes some recommendations in its chapter on administration and funding. It is proposed that at least one percent of the national budget be allocated to arts and culture, and at other levels between four and seven percent; that levies be exacted on international films and performances; that a national lottery be explored; that tax incentives be introduced, including one whereby government will match those funds received from the private sector for event sponsorships; that a partnership be entered into with the RDP to create community arts centres.

All this, like the report as a whole, is thorough and sometimes genuinely visionary. In real life, the national budget this year barely nodded in the direction of the arts. The only increase, as the Agtag report sadly notes, was to meet inflation.

The recently completed Katz Commission on taxation made no recommendations whatsoever. Corporate apathy in respect of arts sponsorship and funding — the national total last year stood at R30-million — might have played a part in this omission. Why that should change is one of many questions not answered in the report.

And this question is one which could profitably occupy the mind of government before it involves itself in the administration of the cultural sector. As my grandmother might have said: it is important to have a pie before you start slicing it.

Saturday Star
August 5 1995

Crisis centre breathes its last

Star 5/8/95 (297)

By CHRISTINA STUCKY

The 702 Crisis Centre opened its doors and telephone lines to the unhappy, the lonely, the desperate and the homeless for the last time on Monday night.

A sense of unreality hung over the counsellors as they gathered for what some termed the Crisis Centre's "wake". Most of the counsellors, many of whom have been working at the centre either as volunteers or employees for between two and 11 years, had not yet come to terms with the fact that the centre was finally closing. The atmosphere was one of grief.

They used terms common to the psychology of bereavement, like "being in denial", "mourning period" and "state of shock", to describe their emotions.

Others found no words at all. Although a bottle of champagne was uncorked after the doors were locked at 11pm after an unusually quiet night, the mood was far from celebratory.

A few jokes and shared memories were followed by a lingering silence.

"I suppose it's like a death," said Vaughan Weber, who set up the centre in August 1984 and has been its director since.

"It's the loss of something very valuable and personal."

The loss is all pervasive, the counsellors said, affecting them personally and professionally. But, as Weber pointed out, "it's not just losing a job."

Perhaps the greatest loss is to the community the centre has been serving for more than a decade."

Throughout the week preceding the centre's closing – "a week of endings", as Weber described it – former clients and volunteers phoned to say their goodbyes and professionals in the mental health community called to voice their concern over the loss of the centre as a valuable training ground for volunteers. "The Crisis Centre filled a gap," Melvyn Freeman, deputy director of the Centre for Health Policy, told the Saturday Star. "There should be an extension of such services instead of cutting back."

Ruth Zwi, director of mental health for Gauteng, echoed this sentiment. Access to free counseling services such as the one the centre provided should be improved, she said. Few can afford private counselling and "the indigent cannot afford it at all," she said.

On average, the centre counselled up to 700 people every month, either in person or on the telephone. Radio 702, who owns the premises in Tudhope Avenue, Berea, will rent the house to Witwatersrand Mental Health for a nominal fee. Wits Mental Health, of which the Crisis Centre was a branch, plans to reopen as soon as a decision has been made on the kind of service to be offered. Members of the mental health community share the Crisis Centre staff's fear that whatever replaces the centre will not meet the high standard set by Weber and his colleagues.

After the *Saturday Star* reported on the closing of the Crisis Centre three weeks ago, former clients phoned in to express their disappointment and shock at the news.

The range of callers revealed the broad spectrum of people in the community served by the centre. It did not only counsel battered prostitutes or cocaine addicts from the inner city, but also northern suburbs housewives and white middle class men who turned to the counsellors during times of need.

One woman caller from the northern suburbs gave credit to the centre for saving her marriage after a 10-session contract with a counsellor.

"They did some wonderful work for my husband and me," she said. "They really helped my marriage." Reading about the centre's closing was "devastating", she said. "The wonderful thing for me was to know that if anything happened again I could phone them and re-contract."

The centre was a "security blanket" for many of the centre's clients and also for its "regulars", the members of the Coffee Club. Billy, Joe and Peter are three homeless men who came to the centre almost every night for a free cup of coffee and to warm themselves by the heater. On Monday night they held their own personal wake.

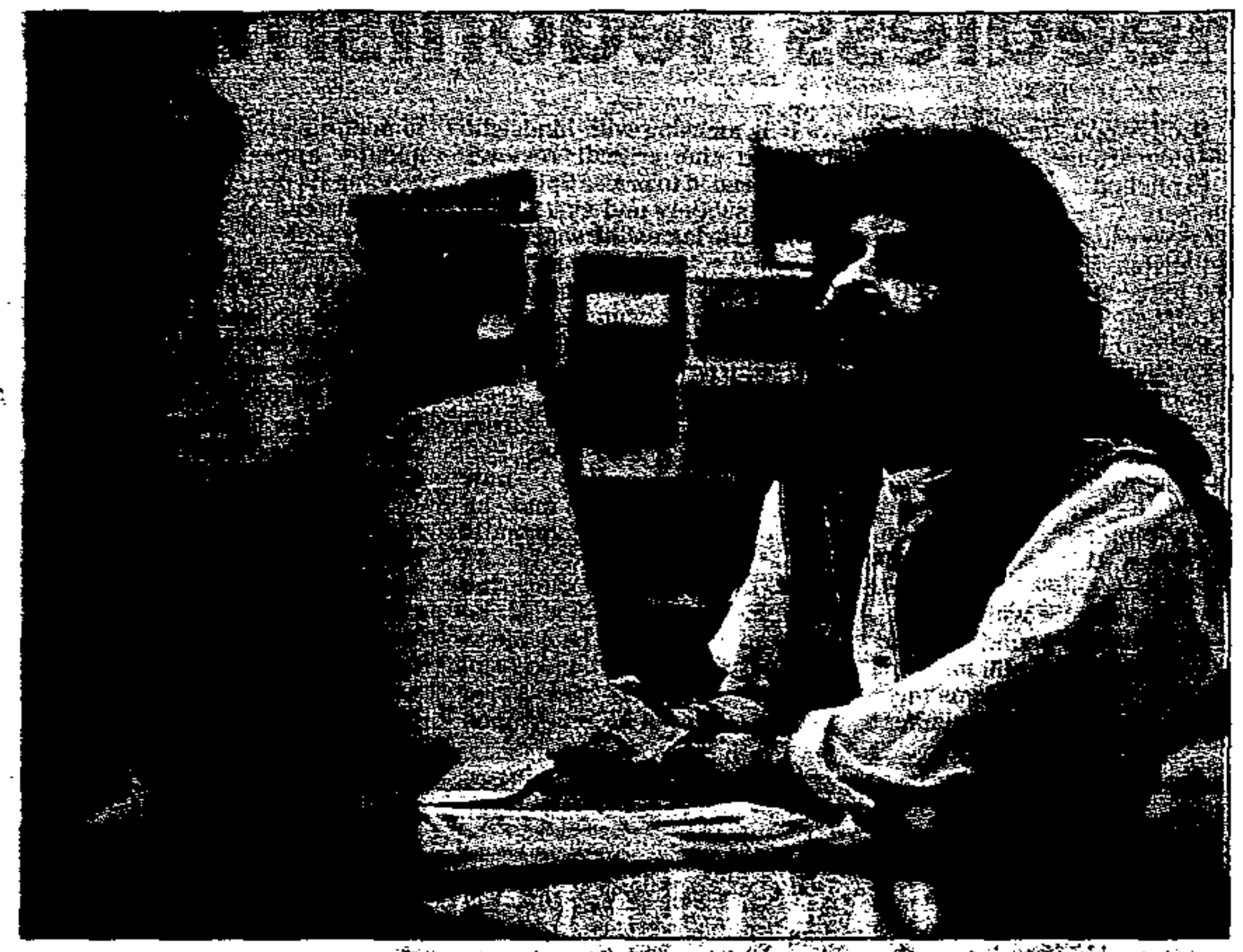
"The closing of the place is like losing a parent," Peter said. "I don't know where I will get comfort like I got here after spending all day looking for a job. As an unemployed person I can't sit in a cafe. The centre was a solution for me."

Peter, a soft-spoken, neatly dressed man, has been living on handouts for three years.

"Some weekends when I spend the whole day without any food, I come here to get a cup of coffee."

Billy said that the Coffee Club offered them a chance to get off the streets for an hour or two to relax and chat with friends.

"This place is not replaceable," Peter said and Billy added: "There's just nothing like it."



SAYING GOODBYE: Vaughan Weber, director of the now defunct 702 Crisis Centre, bids farewell to colleagues on the centre's last night PHOTOGRAPH: TJ LEMON

Saturday Star
August 5 1995

Tamboville project is airborne

Star 5/8/95 (297) (493)

By TROYE LUND

Reconstruction and development became tangible in Gauteng this week among a community of land invaders who have gained recognition as South Africa's housing pioneers.

The first Provincial Public Works Project was launched in the East Rand's Tamboville community by Gauteng's provincial government on Tuesday. The R16-million venture will fund 40 projects across the province. They are all are geared to reconstruct communities at the same time as empowering them with jobs and skills.

"This is not a handout. Tamboville residents will receive more than just R1,5-million to begin a community centre – R800 000 from the Government, the rest from Anglo American. The community will control the project and acquire skills through the planned training programmes.

"People's living conditions will improve and they will have control to develop and maintain these standards," Development Planning, Environment and Works MEC, Sicelo Shiceka, told Tamboville residents at Tuesday's opening ceremony. He is adamant communities are responsible for identifying their specific needs, for approaching and working with local and provincial governments to implement plans.

Two Tamboville contractors will manage the first phase of the Community Centre – a clinic and créche for 150 children. These contractors as well as four teams of construction workers, 40 men and women who live in the community, will attend extensive building and management skills courses.



ASK AND YOU SHALL RECEIVE: Bongani Mahanjane (5), from Ithemba Labantwana Education Centre, reads the bible for MEC Sicelo Shiceka at Tuesday's opening ceremony. PHOTOGRAPH:THEMBA HADEBE

Tamboville was chosen as an ideal place to begin this RDP venture because Watville Concerned Residents Committee (WCRC) has established itself as South Africa's housing pioneer. With funds from the French government the community built 83 affordable homes. Residents bought the homes and the money was pooled to begin further developments.

"Credible and established community organisations are essential for these projects to work and for the skills and assets acquired to be sustained and developed. Once this project is complete, the 1 128 houses this community stands to gain from the Provincial Housing Scheme will be ready to build. We will have a solid and skilled labour force in the community to do this building. This will generate economic activity in the township, train and provide job opportunities for other residents and, at the same time, meet Tamboville's needs," said Project Manager for the new clinic and créche, Xola Nzo. He is also a member of the non-government organisation, Planact.

Shiceka said the 40 projects had been chosen on condition they targeted the poorest of the poor.

"Affirmative action. The unemployed and singlehanded households have to benefit first. We also have to guide projects towards our abundance of unskilled labour. Men and women have to earn a living at the same time as uplifting their community," said Shiceka.

The eight weeks it took for Tamboville's project to be approved, Shiceka guaranteed, would set a precedent for "the momentum of future RDP delivery". He was confident the partnership between civic organisations and government would ensure reconstruction in Gauteng was sustained.

RDP billboards to keep public up on progress

By KURT SWART

All reconstruction and development projects will be required to erect billboards indicating they are part of the Government's social development programme, the RDP office announced yesterday .

Spokesman Frank Meintjies said the RDP office would billboard all RDP projects from the beginning of next month.

This would not only cover the 90 projects that form part of the Presidential Lead Projects, but "all future RDP projects".

"They will be required as part of their business plan to erect boards which inform the public that they are part of the GNU's social development programme," Meintjies said.

The move is in response to a Cabinet directive.

School nutrition and free health care at clinics would need a small-sized plaque, while capital projects and work on major infrastructure would require larger billboards.

The boards would reflect the project name the amount being spent and the name of a contact person.

"We are asking the private sector to come forward to sponsor billboards," Meintjies said.

Billboards were needed to communicate areas of RDP delivery and to make it easier for the public and communities to "get involved" in monitoring progress.

"We plan to put up about 25 000 mini signs and over 1 000 larger boards. This number takes into account that in each of almost all nine provinces, the RDP is present through free health care, school feeding, public works programmes, culture of learning, clinic building and the availability of thousands of housing subsidies. In addition there are land restitution and water projects as well as special urban renewal projects under way in different parts of the country," said Meintjies.

Although millions gained from RDP programmes, not everyone received immediate direct material benefit.

3 000 NEW JOBS IN FIVE YEARS

Guguletu 'suburb' project

CT 7/8/95

(297)

DETAILS of the RDP forum's plan to transform Guguletu into a suburb were made public yesterday. **PETER DENNEHY** reports

GUGULETU'S Reconstruction and Development Programme forum has tabled a draft plan to create about 3 000 jobs and turn the "township" into a suburb by the year 2000.

Among the projects outlined at a meeting at the Guguletu Indoor Sports Complex yesterday were:

- The conversion of the Food and Allied Workers' Union complex, a former hostel, into a hotel.
- The establishment of a brick-making company, an employment agency, a textile factory specialising in African designs, and a driving school.
- The building, off the N2, of a Cultural Exhibition Plaza that would include a traditional costume museum and a kraal where roasted meat and traditional beer would be sold.
- A centre to organise tours to traditional township shebeens and other places of interest.
- The building of a R1,5m library near the swimming pool in NY144.
- Setting up street committees to promote neighbourhood cleanliness.
- The installation of 11 traffic lights and the establishment of a traffic department in Guguletu.



SHAPING THE FUTURE: Cabinet minister Mr Jay Naidoo (centre) and, on his right, Mr David Dlali, executive committee chairman of the Cape Metropolitan Council, were among the MPs and other dignitaries who attended the launch of Guguletu's five-year redevelopment programme yesterday. ***PICTURE: NIC BOTHMA***

Minister without Portfolio Mr Jay Naidoo, who oversees the RDP, said the tabling of the plan was a breakthrough not only for Guguletu, but also for the country.

He emphasised that organising communities was essential to the RDP's success.

Dr Kammy Chetty, of the RDP provincial office, said 87 RDP forums had been set up in the Western Cape and 35 more were taking shape, placing the province well ahead of the others.

She said her office would study Guguletu's plan, prioritise the projects and negotiate with local government structures for funding.

She said the forum should turn first to the local council for funding for its proposed projects. The provincial government would help with certain aspects for which it might be difficult to get money from the local council.

The Guguletu RDP forum's draft plan proposes a programme of links with such neighbouring areas as Heideveld and Manenberg to forge a spirit of unity.

It also proposes that the driving school try to teach unemployed people who may be allowed to pay for this training by working on an RDP project.

The plan notes that micro, small and medium-sized enterprises are the most important avenues for providing jobs, training people, attracting investment and creating opportunities for entrepreneurs.

Some of the forum's suggestions may inspire controversy, among them that a list should be compiled of "known criminals in the community".

Naidoo throws lifeline to NGOs

CT 7/8/96 (297)

JOHANNESBURG: Minister Without Portfolio Mr Jay Naidoo announced yesterday he would ask international and local aid donors to continue to support more than 54 000 non-governmental organisations (NGOs).

Mr Naidoo told delegates to a summit of NGOs held in Broederstroom that the government's RDP unit would not become the gatekeeper for receiving and distributing donor funds.

NGO coalition interim chairman Mr Rams Ramashia called Mr Naidoo's shift "a lifeline". — Sapa

NGOs thrown a lifeline

(297) Star 7/8/95

■ BY JANINE SIMON

South Africa's 54 000 struggling non-government organisations (NGOs) have been thrown a lifeline with an announcement that they are again to receive funding directly from international donors.

NGOs will also be given a desk in the office of the Reconstruction and Development Programme.

These announcements were made by Minister Without Portfolio Jay Naidoo and head of the RDP unit Frank Meintjies at a national summit of NGOs in Broederstroom.

Naidoo said he had requested local and international aid donors to continue funding NGOs directly, and not divert finance to the Government's RDP.

"Government was in a quandary over how to work with NGOs. We need to take into account the lessons development groups have learnt because we are trying to put a development government in place," Meintjies said.

The NGO sector has been thrown into crisis since the election, when donor funds began to be diverted to the RDP, and many NGOs were forced to close.

An appointment to the NGO desk is expected next month.

■ RETREAT

R50m project will benefit disadvantaged

☐ *Housing and jobs for local people*

ARG 8/8/95 (299)

Staff Reporter

THE R50 million Lake View development in Retreat combined RDP principles, economic development, housing and transport, to the benefit of the previously disadvantaged, said Minister of Transport Mac Maharaj in a speech read on his behalf at the official launch of the project.

The ambitious housing, industrial and commercial development is situated on land previously owned by the SA Rail Commuter Corporation's property wing, Intersite.

Dirk Ackerman, chief executive officer of Intersite, who stood in for the minister said the development realised a long term dream of the local community.

He said the minister had commended the developers and Intersite for their commitment to public involvement and for their consultative efforts to ensure the opinion of the masses had not been ignored.

An extract ot Mr Maharaj's speech read: "Lake View presents opportunities for small businesses which will contribute to the growth of the economy. It also creates jobs and the housing project will ensure affordable homes, which meets the demands of the Reconstruction and Development Programme,"

The backbone of the development was an agreement signed between the developers, the local community forum and the former landowners guaranteeing to give preference to buyers who work or used to live in the area, before marketing to the wider public.

The agreement also undertook to institute a job-creation programme for local unemployed people, and to employ local sub-contractors in the development. Already more than 20 people from the community had been employed by Rabie.

Chairman of the Southern Reconstruction and Development forum, Khalil Mullagie said the development could set a blueprint for the future and through it the developers were making a realistic contribution to development and the aspirations of all in the new South Africa.

An information centre had been built on site to explain the principles of home ownership and to assist buyers with finance.

NEWS

Closures and retrenchments looming

NGOs face funding crisis, says survey

Star 9/8/95 (297)

■ BY JO-ANNE COLLINGE

In a survey on the funding crisis threatening non-governmental organisations, the Independent Development Trust (IDT) has established that, on average, such organisations have secured a mere one-third of the funds they need to cover costs for 1995/6.

IDT researchers Rod Amner and Linda Vergnani surveyed 128 NGOs and community-based organisations (CBOs) during the course of June.

They found that the combined shortfall of these organisations — which represent less than 1% of a sector estimated to cover 15 000 organisations — amounted to R209,5-million for the current year. The total amount needed to sustain the activities of the 128 organisations until March 1996 was R343,3-million.

"Providing funding promises are met, the NGOs and CBOs expect to reduce this deficit by half, but they will still be left with an outstanding shortfall of R116,5-million, which they have no way of meeting," the IDT report states.

"Some organisations are now in such serious financial difficulties that they face closure in the next few months. Many others will be forced to retrench staff or curtail their operations."

The report raises the question of whether the recent funding turnabout by Minister without Portfolio Jay Naidoo has come too late. Addressing a meeting of NGOs in Gauteng, Naidoo indicated that the Government would encourage local and foreign donors to offer direct support to NGOs rather than channel their support through the State RDP.

Non-delivery

The IDT reports that NGOs and CBOs responding to the survey had had high expectations in the wake of the election that they would receive funding through the RDP.

"The majority of respondents had approached the national Government, provincial governments or specific RDP programmes for funding in 1996," the report says.

"But, while the Government is reported to lend a sympathetic ear to the problems facing NGOs, the overwhelming majority reported that they had not yet received any funds. The lack of liaison mechanisms and administrative capacity in the provinces leads to delays or even the non-delivery of funds where NGOs are involved in contractual relations with the provinces."

Organisations in the survey have all been funded by the IDT at some stage and the study concedes that the pattern of funding sources is probably not typical of the sector as a whole.

The pertinent point, however, is that South African Government contributions, from both national and provincial level, accounted for only 9% of the funding received by these organisations in 1995.

Furthermore, the proportion of foreign funding dropped by 7% between 1994 and 1995. Respondents reported their perception "that major donors like the European Union and USAID were redirecting funding largely or exclusively to Government RDP projects".

Albinos live in apartheid world

297

ARG 9/8/95

JENNY VIALL
Health Reporter

WILLEM Maries's mother walked out on him when he was six months old. When he went to school he had to attend a school for the blind, although he can see. When applying for jobs, he is turned down. At the age of 18 he was told he should go on a disability pension. People stare at him constantly.

Mr Maries is an albino, and says because of this he has experienced discrimination all his life. He says he still lives in an apartheid world, and people treat him differently.

"I'm not accepted by people. People look at me as though I'm an alien from outer space," he says. "I am a useful member of society, but I'm not treated that way. It's difficult to accept yourself when people are constantly shunning you."

Mr Maries was raised by his grandmother, who thought it best he go to the Athlone School for the Blind so he could get special attention. "But I realised as I was growing up that I would rather go to a normal school. I've always challenged things," he says.

He lived at the school's hostel, but would occasionally visit his aunt. "She couldn't accept me. Even though I was part of the family, I was not allowed in. They would tell me they were going off somewhere, and then they didn't."

For his matric year he attended a "normal" school, but this too proved to be a painful experience. "The kids would make comments about me, they were always on my case. I didn't finish matric."

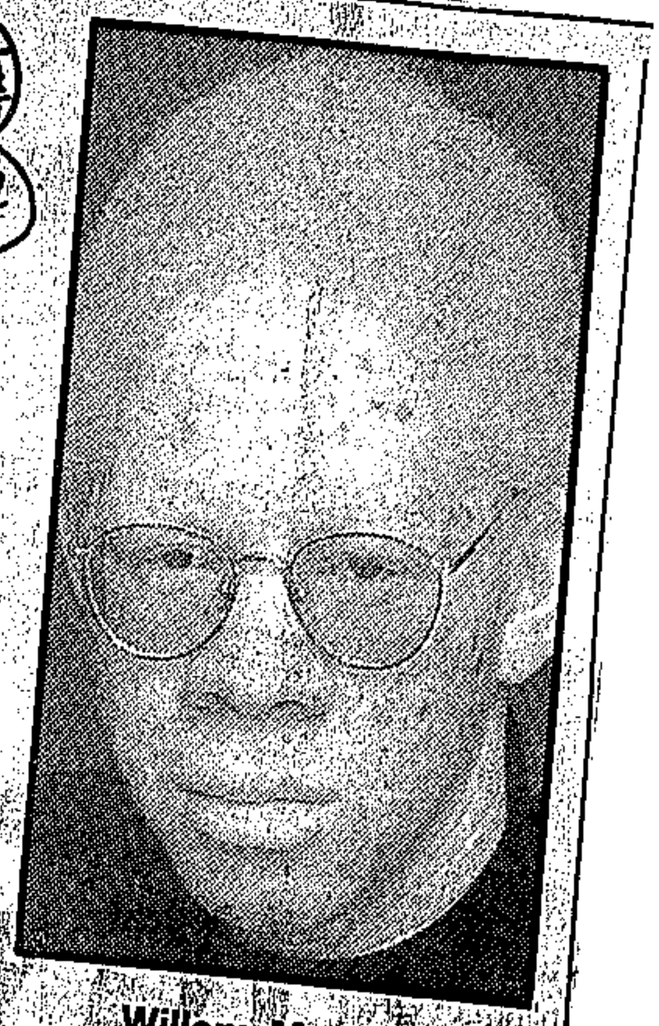
When he turned 18 he was urged to claim a disability grant. "But I said no, I don't want to. I will only do that when I have no choice. I am not disabled, I am a productive member of society."

But his choices are getting fewer as he is rejected for job after job. "When people see me, they tell me the vacancies are filled."

He lives in a boarding house in Green Point and gets by doing odd-jobs.

Mr Maries's experience as an albino is not unique and he and a group of albinos want to do something about educating people and raising awareness by forming an albino organisation.

If you would like to join the organisation contact Elton Hoogbaard at ☎ 951 2234 (w).



Willem Maries

GOVT REVERSES POLICY TO SAVE COMMUNITY GROUPS

Lifeline thrown to NGOs

CT 9/8/95 (297)

NON-GOVERNMENTAL ORGANISATIONS that have been teetering on the brink of closure or having to seriously curtail their services for lack of funds, have been thrown a lifeline by the government. **CLAIRE BISSEKER** reports.

A FUNDING crisis is crippling South Africa's non-governmental organisation sector, prompting a major policy shift by the government, which has appealed to local and international aid donors not to bypass these organisations by diverting funds to the RDP.

The announcement was made earlier this week by Minister without Portfolio Mr Jay Naidoo, who said the NGO sector had been in a "deepening crisis" since the election as donors were diverting funds to the government for the RDP.

Shock figures released by the Independent Development Trust yesterday provide the first statistical evidence of the extent of the problem.

The survey of 128 NGOs and community-based organisations found that by June this year the respondents had an actual shortfall of more than R200 million — two thirds of their 1995/96 operating budgets.

Even if all funding promises were met they would still be able to reduce this deficit by no more than half and they had no way of meeting the shortfall.

Some organisations are in such serious financial difficulties that they face closure in the next few months. Many others will be forced to retrench staff or drastically curtail their operations.

The Independent Development Trust called for an urgent review of both international and local funders' priorities, as well as a mechanism to speed up the release of RDP funds.

Kagiso Trust, possibly the country's largest NGO, has shrunk to 10% of its former size, with funding for this year being reduced by 50%, according to spokesman Mr Herst Kleinschmidt.

"We are obliged to fulfil 250 existing contracts which run to early 1997. When they are up, the Kagiso Trust will probably close unless it finds new funding."

Mr Naidoo said he had asked the European Union for an interim arrangement for donor aid to continue to be channelled to NGOs until the government had established a mechanism to handle the distribution of aid and oversee development projects.

National NGO Coalition interim chairman Mr Rams Ramashia said the move was a "lifeline" and the coalition would be liaising with donors and the RDP Unit to follow up the release of funds to NGOs.

Dozens of NGOs had closed or were teetering on the brink of closure, he said.

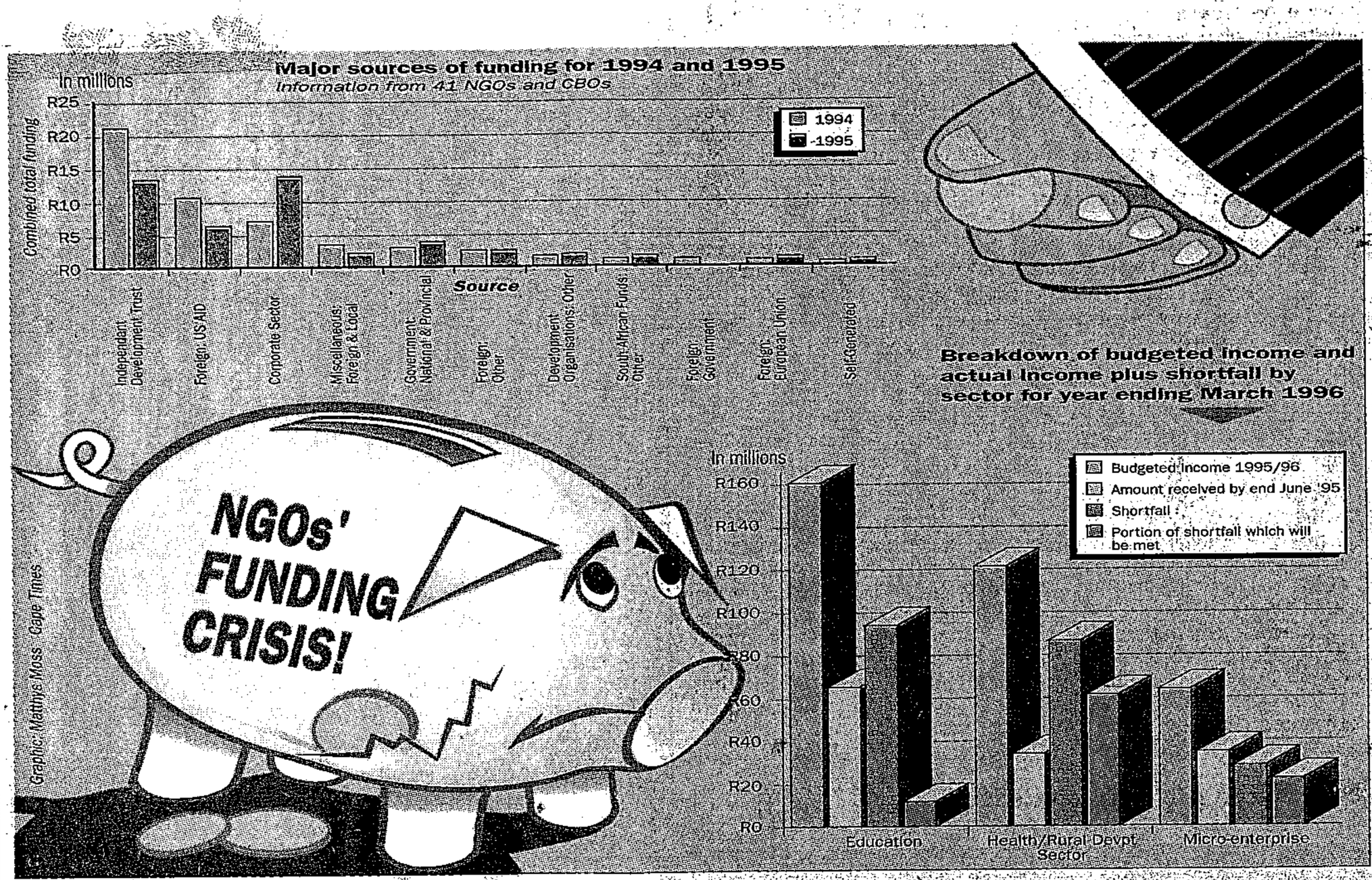
It would be a "disaster" to lose NGOs which had been at the forefront of development work and had a wealth of experienced people and well-established community networks.

Essential

The 128 organisations surveyed by the Independent Development Trust employ 3 803 people and provide essential services to millions of people in the education, health, rural development, micro enterprise and capacity building fields, he said.

The survey found that the healthy R7,9m surplus they had posted in the year ending March 1994 had been turned into a R4,6m shortfall in just12 months.

The NGOs estimate they need R343,3m to keep running.



Naidoo calls on donors to keep cash flowing

(297) ARG 9/8/95

Staff Reporter

LOCAL and foreign aid donors should continue supporting non-governmental organisations (NGOs) operating in South Africa rather than diverting funds to central government for its Reconstruction and Development Programme (RDP).

This was said by Minister Without Portfolio Jay Naidoo in his address to delegates at the launch of the National NGO Coalition in Broederstroom.

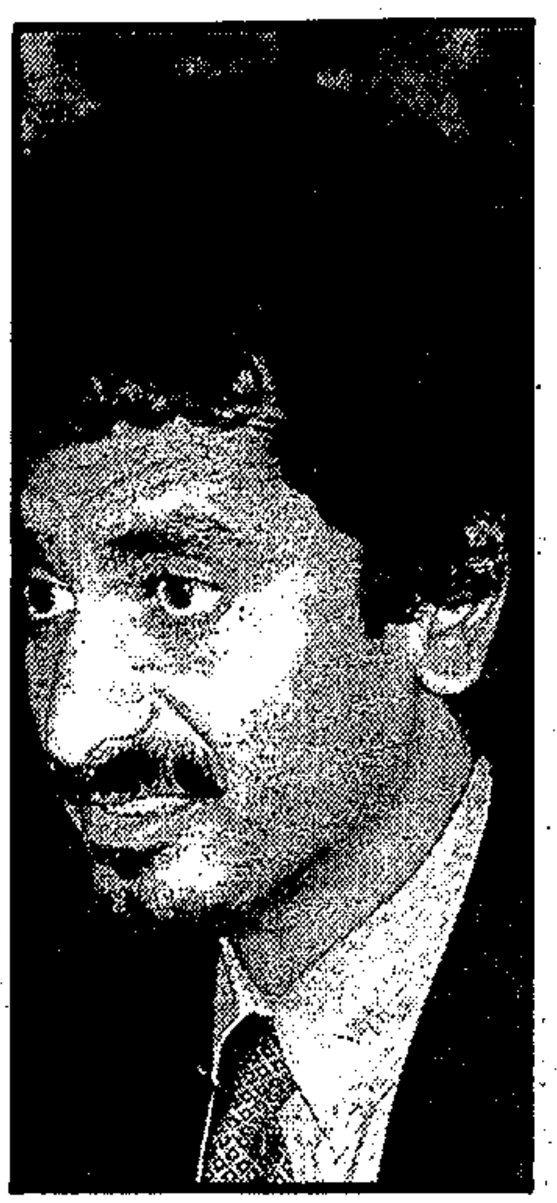
"I have already approached the European Union with a request for donor aid to continue to be channeled to NGOs until such time as government has established a mechanism — probably the proposed National Development Trust — to handle the distribution of aid and oversee development projects.

"The RDP office will not become the gatekeeper for getting and distributing local and international donor funds.

"I understand the importance of civil society being involved in the process of delivering the RDP and we are already debating the viability of opening up multi-purpose centres which offer one-stop-shopping for social services, and NGOs have an important role to play," Mr Naidoo said.

The NGO sector has been in a deepening crisis since the elections as it became the norm for donor funds to be diverted to the government for its RDP programmes.

In 1992 the NGO sector had an operating budget of more than R6 billion.



Jay Naidoo

National Coalition interim chairman Rams Ramashia said the move was vital to the continuing existence of NGOs.

"It is a lifeline for NGOs ... without funding the vibrant NGO sector is doomed and it would be a disaster to lose it at this crucial time in the country's development."

In the past year dozens of NGOs and community-based organisations which depended on donor aid, had been forced to close or were teetering on the brink of closure.

Mr Ramashia said funding for the Kagiso Trust, probably the biggest NGO in the country, was only 10 percent of its former budget and funding for this year alone was being reduced by 50 percent.

"But we will definitely be liaising with the local and international donors and following up on the release of funds with the RDP office," he said.

NGOs hit hard as aid packages dry up

(297) ARG 9/8/95

Staff Reporter

CLOSURE, staff retrenchments and drastic cut-backs are facing several non-governmental organisations (NGOs) and community-based development organisations (CBOs) because of serious financial troubles.

This finding is the result of a survey by the Independent Development Trust of 128 key organisations which offer essential services to disadvantaged communities in the education, health, rural development, micro-enterprise and capacity-building fields.

The trust found that by June this year, the organisations had a total shortfall of R209,5 million — two thirds of their combined 1995-96 operating budgets.

Provided funding promises were met, the organisations expected to reduce this deficit by half, but they would still be left with a shortfall of R116,5 million — which they had no way of meeting.

Some organisations were in such serious financial difficulties that they faced closure in the next few months.

Many others would be forced to retrench staff or curtail their operations drastically, the report said.

Among the affected organisations are:

● Planned Parenthood Association has a shortfall of R3,1 million, and the organisation has lost eight full-time and 15 part-time jobs.

● Teachers Opportunity Programmes (Tops), one of the country's oldest in-service teacher training organisations needs more than R4 million just to pay staff and deliver its programmes to the end of the year.

● The Disabled People of South Africa will have to close four of its seven regional programmes in the next three months. The closure will affect 140 self-help groups and 28 staff, most of whom are disbaled, will lose their jobs.

The report said the survey results gave some indication of the financial state of these organisations countrywide.

The survey was conducted after 25 key NGOs signed a memorandum of concern on June 7 stating that without immediate funding, many of the most worthwhile development projects would not survive.

The urgency of the situation was raised with the government which then asked for quantitative evidence of the funding situation.

The survey was done among NGOs and a selection of CBOs which had been awarded trust funding in the past.

Replies from respondents showed that post-election expectations of funding from the Reconstruction and Development Programme were high.

The majority of respondents had approached the national government, provincial governments or specific RDP programmes for funding in 1996.

But while the government was reported to lend a sympathetic ear to some NGOs, the overwhelming majority reported they had not yet been given any funds.

When it came to foreign funding, a major complaint was that bilateral aid packages were diverting funding away from NGOs.

Insecurity, dread replaced by hope

Sowetan 9/8/95

Centre addresses work and education needs of young, black disabled adults

By Betsy Spratt

FOR MANY youths, coming of age is a time to explore new horizons. But for South Africa's black disabled, it is often a time of uncertainty and dread.

Many of these youths can only look forward to unplanned days spent wandering the streets, a situation *Sowetan*-Eskom's Woman of the Year nominee Ms Florence Mathinye has worked to correct.

In 1990 she started the Ipopeng Development Centre in Thabong, Welkom, Free State, to provide disabled youths with an educational bridge between childhood and adulthood.

Mathinye was touched by their plight after her son Charles, an epileptic, and scores of other disabled youths who had come of age, were required to leave Leboneng Special School.

"He would ask me: 'Mommy, why can't I go to school anymore?' " said Mathinye of her son who died in 1992 after years spent suffering from a condition that left his speech and hearing impaired and him wheelchair-bound.

Prior to his death, he and other disabled youths spent most of their times on the streets of the location near Welkom.

However, Mr Louis Schoonraad, principal of Leboneng Special School, explained why it was necessary for pupils to leave the school.

"Schools are not allowed to have pupils who have reached adulthood," he said. "They would be taking the place of younger children who wanted to go. What is needed is an after-care facility for these older pupils."

ESKOM

Schoonraad said the Ipopeng Development Centre addresses one of the nation's direst needs – providing educational and job opportunities for disabled black young adults.

"Instead of wandering the streets, these young people could learn crafts like making baskets to sell and earn money," he said. Schoonraad added that he hoped the centre would one day work in conjunction with the school to make the youths' entry into adulthood less traumatic.

Registration

He said he hoped the centre would one day be registered as an official after care facility to allow greater numbers of the disabled to learn woodworking, sewing and handicrafts in order to be assured of a livelihood.

However, the skills taught at the centre are not only designed as a way of providing the youths with a livelihood, but also as a way of helping them counter the effects of epilepsy, mental and physical disabilities and poor motor skills.



Florence Mathinye

"Because of their disabilities, many of the students only use one hand in their crafts," Mathinye said.

Each day the pupils, ranging in age from 10 to 32, receive instruction at the Thabong Library, the site of the centre. However, the centre will soon relocate to Old Municipal Building in Welkom, a site donated by the city council.

The Disabled Children's Action Group has provided funding to help furnish the new site, said Ms Washeila Sait, national project director.

"The Ipopeng Development Centre was identified as a worthwhile pilot project by groups in the provinces," she said. Once the centre is moved to its new location, Mathinye will arrange advance training in woodworking for the older pupils and open a creche for the younger children.

Organisations face closure, IDT warns

(297)

Edward West

BD 10/8/95

CAPE TOWN — An Independent Development Trust (IDT) survey of 128 non-governmental and community organisations showed that by June the organisations had a funding shortfall of R209,5m — two-thirds of their combined 1995/96 operating budgets.

The IDT survey was conducted after 25 key non-governmental organisations signed a memorandum of concern on June 7, stating that without immediate funding many of the most worthwhile development projects could not survive.

If promises of aid were met, the organisations expected to reduce their funding shortfall by half. This would still leave a shortfall of R116,5m.

The organisations surveyed offered essential services in the spheres of education, health, rural development, microenterprises and capacity-building.

The IDT said some of the organisations surveyed were in such serious financial difficulty that they could face closure within the next few months. Others would have to retrench staff or drastically curtail operations.

The 1995/96 budget estimate of R343,3m was 27% higher than the R249,8m spent by the respondents in the previous year.

Most respondents had approached government or specific reconstruction and development programme departments for funding this year, but the majority had not received any financial assistance.

A major complaint about foreign funding was that bilateral aid packages were diverting funds away from non-governmental organisations. There was a perception that major donors such as the European Union and USAid were redirecting funds largely or exclusively to government RDP projects.

● Comment: Page 18

RDP dept set to publish in braille

Tim Cohen (297) 10/8/95 BD

CAPE TOWN — The RDP department is set to publish its policy on disabled people in braille, becoming the first government department to publish braille documents in SA's history.

Department special adviser Howard Gabriels confirmed yesterday that his department was working on a policy document concerning disabled people and that in addition to the publication of ordinary documents, it would also be published in braille.

However, the consultation process was still under way, he said.

About 30 to 40 pages of the document would be published in braille to make it accessible to as broad a range of people as possible, he said.

Some politicians quipped that given the department's reputation for publishing turgid documents, it might be well advised to first check whether any blind people would want to read the document.

Others said given the department's propensity for using terminology like "disaggregation" and "reprioritisation", it would probably have to publish an RDP dictionary in braille before the document could be understood.

But in general, the decision to publish the document in braille was lauded by many MPs, who said other departments should follow the department's example.

Boesak foundation probe: now taxman enters fray

(297) (EET) Star 12/8/95

By GLYNNIS UNDERHILL

Cape Town — Members of the Office for Serious Economic Offences travelled to Denmark this week to interview staff at a funding organisation as part of their investigation into the misappropriation of funds at Allan Boesak's Foundation for Peace and Justice (FPJ).

Rikke Nohilind, programme co-ordinator at the Danchurch Aid funding agency, said the team from the Office for Serious Economic Offences was made up of three members.

Tommy Prins, assistant director of the OSEO, was in Copenhagen to head the investigation, she said. "They told us they will be with us until next Tuesday. The interviews with staff are part of their routine investigation," said Nohilind.

Meanwhile, creditors of the insolvent estate of the former bookkeeper at the FPJ, Freddie Steenkamp, faced another blow when the Receiver of Revenue came forward with a claim of more than R1,7-million from his estate. But the trustee of Steenkamp's estate, Bernard Gutman, said he did not believe the figures were correct.

The Receiver of Revenue believes Steenkamp received an income from the FPJ of R1,8-million.

Danchurch Aid and other Nordic funding agencies are listed as creditors in Steenkamp's insolvent estate. Steenkamp admitted to lawyers investigating claims by the agencies that he had misappropriated R750 000 from the FPJ.

The funds were intended for the victims of apartheid and Boesak was forced to resign his post as South Africa's ambassador-designate to the United Nations in Geneva in the wake of the scandal.

'NGOs not left in the cold'

(297)

CP 13/8/95

THE RDP Office's chief director of human resources development, Frank Meintjies, said the RDP had played an important role in kick-starting the formation of a National NGO Coalition – which was formally launched in Broederstroom last Friday.

He said this was just one example of the RDP's ongoing support of the NGO sector.

Meintjies was responding to a report published in City Press last week which criticised the RDP Office's failure to respond to the crisis facing many of South Africa's cash-starved NGOs.

Meintjies said the RDP Office had worked tirelessly to ensure that all funders were committed to supporting NGOs and that this was written into funding contracts.

The RDP ministry also actively supported the use of NGOs as service providers in speeding up the delivery of the RDP. Meintjies said NGOs were engaged in RDP monitoring, capacity building, audits of RDP projects, facilitation and technical support.

He stressed, however, that the RDP Ministry was not a funding agency, although it did run a fund which redirected money from the fiscus back into mainline government departments for direct RDP implementation. Nor did it "rubber stamp" individual funding applications or get involved in rivalries between NGOs.

"Because it is concerned with planning and policy management, the RDP Office is better placed to help address the need for enabling policies to nurture a vibrant social sector. Its efforts in this regard are guided in the main by consultation with the NGO Coalition," Meintjies said.

At the launch of the NGO coalition RDP Minister Jay Naidoo announced that he had requested local and international aid donors to continue supporting the 54 000-odd NGOs in South Africa, rather than diverting funds to the government for the RDP. He rejected the notion that government should control funding between NGOs and donors.

At the launch Meintjies also announced that NGOs would be given a division within the RDP Office.

The announcements were made following last week's article in City Press which reported that Naidoo had backed down from his promise to give R200 million to a Transitional National Development Agency (TNDA).

The agency was envisaged as a merger of Kagiso Trust and the Inependant Development Trust and was designed to help NGOs speed up their delivery of the RDP.

In response, Meintjies said that Naidoo had mentioned the R200 million "as an indicative amount, but that money could not be reserved when it was urgently needed by other departments." - Ecna-DNA

Critics 'lash' RDP for non-delivery

(297) ARG 14/8/95

Staff Reporter

THE government's reconstruction and development programme has been criticised for non-delivery, the official newsletter for the RDP reports.

In its lead story for the August edition, RDP News says that critics have "lashed" the RDP for non-delivery of funds.

"One flaw, which the government has acknowledged, is that the implementation of the programme has been slow. This is the result of delays caused in the process of identifying projects and ensuring the flow of financial backing for projects that have been approved," it says.

The RDP News says that critics maintain there are "few delivery mechanisms" which is why last year nearly half of the funds allocated to the RDP were not spent.

Another criticism is that the RDP has not implemented a coherent population development strategy, which could see population growth outstripping any of the RDP's successes.

"Nearly everyone concerned with the future of South Africa believes that the future of democracy in the country will be best assured if all the aims of the RDP are achieved," the article says.

The government of national unity was "confident" that it would achieve the goals of the programme despite obstacles along the way.

'EC is committed to funding SA'

(297) BD 14/8/95

Deborah Fine

THE European Commission was committed to supporting SA, and resources from the European programme for reconstruction and development would be maintained at a substantial level, commission acting director-general Giovanni Livi said yesterday.

He said the EC was confident the 125-million ecu budgeted for SA this year would be committed before the end of the year.

Livi was responding to a Business Day report last week that the European Union (EU) could channel its development money to other regions because SA organisations had not yet spent about R590m allocated to them by the EC between 1991 and the end of last year.

The report quoted a commission official as saying SA's "honeymoon" with the EU would not last once it was realised that the money allocated to SA was not being used the way it was meant to be used.

Livi said the R590m committed for projects but not yet used by non-governmental organisations would be spent in the coming months. Delays were put down mainly to the large number of projects being financed.

The EC was determined to concentrate its funding on a few programmes in line with government policies, in particular the

Continued on Page 2

EC funds

(297) BD 14/8/95

Continued from Page 1

reconstruction and development programme, within sectors agreed on with government and spelled out in a declaration of intent signed in May by Minister without Portfolio Jay Naidoo.

NGOs, the private sector and government departments at central, local and provincial levels would be in charge of implementing the programmes.

Livi said the EC and NGOs were also trying to eliminate difficulties encountered in financial and technical reporting on projects.

Business Day reported that the EC official said non-government organisations often gave incorrect or inadequately presented figures to the commission, or followed incorrect procedures.

Disabled man 'able to work' if someone gives him chance

(297) Star 14/8/95

■ BY PATRICK WADULA

By holding a pen in his mouth in order to write, a cheerful, but disgruntled disabled Pontso Ndlovu said he was able to work, provided he was given a chance.

Ndlovu who was born disabled, returned to South Africa from Botswana in 1992 and moved in with his sister in Diepkloof Soweto.

He approached The Star after having failed to get a job for the last three years.

Speaking in an interview, Ndlovu said that ever since he came back home to South Africa from Botswana he had tried to get himself a job because he was able to work, but no one took him seriously.

Ndlovu who was able to wash his own clothes and bath on his own, was also able to type. He added that he did not want to be dependent on anyone especially his sister.

"I don't want to stand on the street corner and beg from people when I am capable of working, despite my condition," he said.

Ndlovu said he had been to see a social worker at Baragwanath Hospital but the social worker referred him to SABC Radio Bantu.

"If only I could find a job, so that I can live on my own and support myself without depending on other people, this will be a great thing," he said.

The Association for the Physically Disabled assists the disabled people who are capable of working on their own. They could be contacted through Diana Suzman on (011) 646-8331 and the contact person in Soweto is Bertha Mafuku on (011) 984-4200.



Able disabled ... Pontso Ndlovu enters The Star building determined to prove that he is able to cope in a work situation. PICTURE: ETIENNE ROTHBART

RDP office pledges R50m for agency

Bonile Ngqiyaza (297)
BD 15/8/95

A PLEDGE of R50m had been made by the RDP office to launch a national development agency which would liaise between the office and non-governmental organisations (NGOs).

This followed a meeting in Pretoria last week between representatives from government, the Kagiso Trust and the Independent Development Trust (IDT).

The office of the President said negotiations with the European Union to allocate about R75m from its 1995 budget were under way. The Kagiso Trust and the IDT had also agreed to contribute resources.

The establishment of the agency would provide a mechanism for funding to flow to development organisations independent of government instead of being channelled through government departments. It would also alleviate funding delays.

A task force made up of government, IDT and Kagiso Trust representatives was being established and would present its findings before the year-end.

At the launch of the National Governmental Organisation Coalition in Broederstroom two weeks ago — formed to represent the interests of the more than 54 000 NGOs operating in SA to government, donors and the public — Minister without Portfolio Jay Naidoo said an NGO desk to facilitate co-operation had been created by government after foreign donors had switched development funding and channelled it through the state.

The RDP office had advised donors to continue with projects it had started with NGOs because it placed great value on their contribution to the identification of needs and provision of services.

Nkeli defies all odds to realise dream

(296) (297) sowetan 16/8/95

By Musa Zondi

THERE are many things that are not conventional about Jerry Nkeli. He speaks fast, he is loud. And he is also a paraplegic.

However, for Nkeli, this is not unconventional at all. In fact, he has worked hard to reverse a state for which most people would want to pity him.

But he does not want pity. Two weeks ago he was admitted as an attorney in the Rand Supreme Court.

When he stood in front of the judge as he proclaimed him fit to be an attorney, he says: "All the memories of the struggle that I had to go through came flooding back. Here I was joining a prestigious club and most people would have not given me even a slight chance."

He boasts, not in an arrogant manner, that he is the first black paraplegic attorney. For him, it means that other disabled people can also work hard instead of taking a "the world owes me" attitude.

"Pessimists make me really angry and I think we have to be positive about life, no matter what the circumstances," he says.

In *isiZulu* there is a saying: *Umlungisi uzithela isisila*. Roughly translated, it means: He who tries to be helpful always ends up with a raw deal.

This is exactly what happened to Nkeli. In the late seventies while at high school, he was stabbed while trying to get his friend out of a possible fight with a pickpocket.

That is when his troubles began: "It was quite traumatic. Suddenly my life changed.

"But I was strong because of the support my parents gave me. A lot of my friends were quite supportive as well; they came to the hospital, and stayed with me all the time."

The number of friends who visited caused such a commotion that they moved him to a separate room. Later he went back to school and says he enjoyed the times when they would sit and philosophise about Black Consciousness.

When Nkeli finished high school, he went to the University of Zululand in 1981. But it was a nightmare for him: "I had to be carried up and down the steps every day. The whole university was inaccessible and there was no way I could have continued like that."

The following year he went to Turfloop University "partly because most of my friends were there and also because I could not take another year at Ongoye".

During the 1985 uprisings, he was admitted to hospital following kidney problems — what he calls one of the biggest blows of his life.

There were times at Turfloop when it was almost unbearable, like when police would come and beat them up. It was not very easy to get away in his wheelchair.

It was also quite difficult to get a lift from friends sometimes — because they had girlfriends in their cars, there was not always space for him.

At university, he says, it was also tough because some lecturers and fellow students were nasty: "But I learnt to survive from such incidents."

In 1987, after finishing at Turfloop, he started to look for a firm to do his articles but was not very successful.

"Attorneys looked at me as if I was mad. Here was a disabled black guy wanting to do his articles. It just didn't work."

In 1987 Nkeli started a legal advice centre. On the side, he was busy running a self-help project for disabled people.

He was "stolen" by the late Friday Mavuso to come and work with him in Soweto, and became national development officer of Disabled People South Africa.

This involved going around the country, helping the disabled set up structures, teaching them how to run an organisation and how to keep books, and also educating them on their rights.

Working at DPSA was a great experience, but he felt it was time for him to look at his own future. It was then that he decided again to look for a firm in which to do his articles.

He dealt mostly with personal injuries and would go out to the townships to look for people. Having worked with Mavuso came in handy.

This year Nkeli passed his board exams at the third attempt — and is now an attorney.

He is loath to call himself a role model but says that disabled people should stand up and have a positive approach to life. For him it paid dividends to be optimistic, and there is no reason why it would not be the same for others.

But how was it possible for him to do all these things? "I've got a big heart. While being disabled hampered progress, a number of people were quite supportive. That way, I got the strength to carry on," he says.

He also credits his wife Mpho for the inspiration to work hard and be where he is today. They have two boys, whom he says are a joy.

All the people around him, plus his will to succeed, have put him right on top.

RDP 'will fail without the private sector'

(297) CT(BR)16/8/95

BY ROSS HERBERT
STAFF WRITER

The RDP is facing a critical shortage of skilled management, planning and engineering personnel and will not succeed without the management and financial participation of the private sector, minister without portfolio Jay Naidoo said yesterday.

"One of our biggest problems is capacity and the capacity of government to take a plan and make it into bricks and mortar," he told the National Economic Development and Labour Council development chamber.

Providing even basic services to South Africa's urban areas would require capital expenditure of R44,6 billion in addition to ongoing service costs, he said.

Another R30 billion would be needed to deliver basic services to rural areas, but studies of rural development had not yet been completed.

Crispian Olivier, director of RDP development planning, said that too much of the needed development, management, engineering and planning skills were tied up in the private engineering and construction sectors but the private sector had largely failed to participate in the RDP.

"Unless the private sector participates, development will not work and we'll lapse into an old-style, top-down government approach that I do not believe will work," Olivier said.

The inability of local and provincial governments to tap private capital markets was a key problem, he said.

Civics object to welfare (297) staff cuts

CT 16/8/95

STAFF REPORTER

FIFTY members of Boland civic organisations marched to the provincial administration buildings yesterday to discuss dismissals of temporary social welfare staff with the director-general, Mr Herbert Beukes.

The protesters — from Paarl, Mbekweni and Wellington — were concerned that the dismissal of 85 temporary social service and welfare workers on August 1 would increase the backlog in processing pension and social allowances.

Mr Wilfred Alcock, spokesman for the National Education Health and Allied Workers' Union, said Mr Beukes had agreed to meet a delegation of four people.

He was given a letter demanding the reinstatement of the welfare staff and agreed to discuss the matter with Minister of Health and Social Services Mr Ebrahim Rasool, Mr Alcock said. Mr Beukes was not available for comment.

RDP needs private skills

Star 16/8/95 (297)

■ BY ROSS HERBERT

The reconstruction and development programme was facing a critical shortage of skilled management, planning and engineering personnel and would not succeed without the management and financial participation of the private sector, Jay Naidoo, the minister without portfolio, said yesterday.

"One of our biggest problems is capacity and the capacity of government to take a plan and make it into bricks and mortar," he said.

Providing basic services to South Africa's urban areas would require R44,6 billion as well as ongoing service costs.

Another R30 billion would be needed to deliver basic services to rural areas but studies of rural development had not yet been completed.

Crispian Olivier, the director of the programme's development planning, said that too many of the required skills were tied up in the private sector. "Unless the private sector participates, development will not work and we'll lapse into an old-style, top-down government approach."

Questions standing over from Wednesday, 28 June 1995:

Tax rebates

*2. Mr M F CASSIM asked the Minister of Housing:

(1) Whether mortgage payments by first-time house or apartment owners qualify for tax rebates; if not, why not; if so, what is the nature of the rebates;

(2) whether any steps have been taken or are to be taken to encourage ownership of dwellings through tax incentive schemes; if not, why not; if so, what are the relevant details?

N852E

The MINISTER OF FINANCE (for the Minister of Housing):

(1) No, Government provides financial assistance to persons who acquire ownership of homes for the first time by means of its subsidy scheme to households with an income of R3 500 and less per month.

Within the framework of the subsidy scheme, households with an income of R800 and less per month qualify for a subsidy of R15 000, households in the income group R801 to R1 500 for a subsidy of R12 500, households in the income group R1 501 to R2 500 for a subsidy of R9 500 and households in the income group R2 501 to R3 500 for a subsidy of R5 000.

The point of departure of the scheme is to enable beneficiaries to obtain home-ownership for the first time. This occurs by means of a once-off capital grant by the State.

Subsidies may also be credit-linked in so far as the purchaser complies with the requirements of financial institutions. Given the fact that the subsidy, as indicated, is a State grant, there are in these instances, however, no tax rebates on bond repayments.

(2) No, as is evident from the above, the subsidy is aimed at enabling beneficiaries to obtain ownership of residential property for the first time.

The possible influence of tax on the subsidies which are allocated is, however, thoroughly accounted for during the development of policy. In this regard it is confirmed that the Katz Tax Commission in its first Interim Report proposed that all existing and proposed tax incentives be subjected to certain tests in order to determine whether any justification exists for the incentives. Considering this fact as well as various other aspects which are presently being investigated by the Commission, the Commission has indicated to the Department of Housing that no additional tax incentives for housing purposes can be recommended at this stage.

The DEPUTY SPEAKER: Order! May I request hon members to speak softly. The conversation is much too loud. We should all be giving our attention to the answers provided to questions.

European Union: financial contribution to SA

*3. Mr M van S HAMMAN asked the Minister of Finance: 297

(1) Whether the European Union has committed itself to an annual financial contribution to South Africa; if so, (a) What is the amount involved, (b) for how many years will the contribution be made and (c) for what purposes is the contribution to be used;

(2) whether any conditions were attached to this contribution; if so, what conditions?

N853E

The MINISTER OF FINANCE:

(1) (a) 125 million ECUs.

(b) one year.

(c) (i) NGOs:

— The Human Rights Programme.

— Support for the Urban Sector Network.

— Support for the Rural Development Services Network.

— Support for the Land and Agriculture Policy Centre.

(ii) Government

Hansard 16/8/95

— Urban Development.

— Economic co-operation, trade and investment promotion and support for Small, Medium and Micro Enterprises (SMMEs).

— Good Governance and Democratisation.

— Micro Projects Programme.

— Water and Sanitation Programme.

— Other: The EC is proposing the submission of a consultancy programme.

(2) No tied aid conditions attached. (Grant Aid).

The DEPUTY SPEAKER: Order! Did the hon Minister of Finance indicate the number of years? I think question (b) was for the number of years that this amount will be made available.

The MINISTER OF FINANCE: It is only for one year.

The DEPUTY SPEAKER: Thank you.

State Tender Board: affirmative action criteria

*15. Mr J A JORDAAN asked the Minister of Finance: Hansard 16/8/95

Whether the State Tender Board uses any affirmative action criteria in the awarding of tenders for state contracts; if so, (a) what criteria and (b) when were these criteria introduced?

N868E

The MINISTER OF FINANCE: Mr Speaker, I am talking more today than for the entire sitting yesterday afternoon. [Laughter.]

Yes. (a) Some contracts are split and tenders are invited and adjudicated on a regional or even subregional basis. As a result of the fact that these quantities are considerably smaller than a tender invited on a national level, small and upcoming businesses are afforded the opportunity to be considered for state contracts. Furthermore, tender conditions in respect of building tenders in particular stipulate that tenders from tenderers which use labour intensive methods are preferred. Tender conditions also make provision that contractors should utilise local labour or that subcontractors who utilise local labour may be appointed.

(b) Approximately July 1994.

I may just add that a taskk team appointed by the Ministries of Finance and of Public Works to investigate the revision of the tendering system, *inter alia*, with regard to affirmative action, regarding the position of small, medium and micro enterprises has been initiated. Inputs will be invited from all stakeholders, namely the Government, labour, business and civil society.

Public sector's pension and provident funds: investment

*18. Mr K M ANDREW asked the Minister of Finance: Hansard 16/8/95

(1) What percentage of the funds available for investment in the public sector's pension and provident funds is being handled by the private sector;

(2) whether his Department intends increasing this percentage; if not, why not; if so, (a) how and (b) when?

N871E

The MINISTER OF FINANCE:

(1) At present, a relatively small portion of the public sector's pension and provident funds are being handled by the private sector. In certain instances over the last four years, the Public Investment Commissioners have purchased low risk fixed-term capital-guaranteed investment contracts from some of the major insurance companies which, other than the direct equity investments mentioned hereafter, represents public sector funds being handled by the private sector. These contracts represent an investment of R3,4 billion, or more or less 4%, of the public sector pension fund money available.

The Public Investment Commissioners are, however, presently considering proposals for the external management of their existing equities portfolio which, at present market values, amounts to approximately R5 billion, or more or less 6% of the public sector pension fund money available for investment.

(2) The Public Investment Commissioners—the investment division of the Department of Finance—are continually looking for higher-return, but sufficiently low-risk, opportunities which should ensure further participation by the private sector to the management of the PIC's investment funds. Some new contracts may arise from the PIC's initiatives whilst others may appear by appropriate products being made available by the participants in the investment industry. It is not possible to put a time to the availability of these opportunities.

NGOs applying for tenders for RDP projects

*19. Mr K M ANDREW asked the Minister without Portfolio:

(297)

(1) Whether non-governmental organisations applying for tenders for RDP projects are required to disclose any information concerning the source of their funding; if not, why not; if so, (a) what particular information are they obliged to disclose and (b) to whom is this information made available;

(2) whether NGOs applying for tenders are required to disclose any other financial information; if so, what information?

Hansard 16/8/95 N872E

The MINISTER WITHOUT PORTFOLIO:

Tenders for RDP projects are issued in terms of the rules of the relevant Tender Board. The RDP Office has set general conditions for RDP projects, regarding such things as affirmative action, community consultation and training. No special conditions were set regarding tendering by NGOs. They would therefore apply for tenders on the same basis as any other legal persona.

Petition against anti-dumping duties

*24. Mr M van S HAMMAN asked the Minister of Trade and Industry:

(1) Whether a petition has been lodged with the (a) United States' Department of Commerce and/or (b) International Trade Commission against the imposition of anti-dumping duties in respect of South African circular non-alloy steel standard pipes; if so, (i) when and (ii) what is the extent of these duties;

(2) whether his Department intends taking any steps towards assisting South African firms which will be affected by these duties; if not, why not; if so, what steps?

N877E

The MINISTER OF TRADE AND INDUSTRY:

On 26 April 1995 certain US producers of circular welded non-alloy steel pipe submitted an anti-dumping petition to the United States Department of Commerce (USDC) and the United States International Trade Commission (USITC). The petition was filed in terms of section 731 of the US Tariff Act, 1930.

In accordance with GATT/WTO regulations and prior to the USDC commencing an investigation, the USITC had to make a determination whether there was a reasonable indication that a US industry was being materially injured or threatened with material injury by imports of the above-mentioned products from South Africa at allegedly less than fair value.

On 12 June 1995 the USITC made an affirmative determination and, as a result, the USDC has commenced an anti-dumping investigation which has to be completed according to a statutory timetable. As such the investigation has not been completed and a final determination will only be made in due course.

It should be noted that an anti-dumping procedure is a legal case directed at a private company or companies being the exporters of the goods. The Department can only intervene on behalf of such a company or companies if there has been an obvious contravention of the GATT/WTO rules by the investigating authority. The Department of Trade and Industry and its representative in Washington, D.C. have, in terms of normal procedure, assisted the South African companies and their legal representatives with advice as far as possible.

In the light of the foregoing it is thus apparent that the Department cannot become involved in the legal processes of the case and the determination of the competent US authorities must be awaited.

Meeting on or about 26 May 1995 at Groblersdal

*30. Mr A WATSON asked the Minister for Provincial Affairs and Constitutional Development:†

(1) Whether, during a meeting on or about 26 May 1995 at Gorblersdal at which his Deputy Minister had to test the feeling of the community in respect of inclusion into the Province of Northern Transvaal, any residents of that province were transported by bus to attest in favour of such inclusion; if not, what is the position in this regard; if so, (a) from where were such residents transported and (b) who bore the expenses of the hiring of the buses;

(2) whether his Department sanctioned the hiring of these buses; if not, what is the position in this regard; if so, what are the relevant details;

(3) whether he or his Department intends in vestigating the matter; if not, why not; if so, what are the relevant details;

(4) whether he will make a statement on the matter?

N885E

The DEPUTY MINISTER FOR PROVINCIAL AFFAIRS AND CONSTITUTIONAL DEVELOPMENT:

(1) and (2) The Deputy Minister for Provincial Affairs and Constitutional Development convened a public meeting at Groblersdal following a request by the Premiers of Eastern Transvaal and Northern Transvaal to make recommendations regarding the future of the Groblersdal district. The meeting was held in the hall of the Agricultural Union at Gorblersdal on 26 May 1995. Several members of the public arrived at the meeting by bus. Neither the Minister for Provincial Affairs and Constitutional Development, nor the Department of Constitutional Development was responsible for the travel arrangements of those who attended the meeting. The requested information is therefore not readily available in the Department. Documentation received at the Office of the Deputy Minister does contain allegations that buses were hired by the Northern Transvaal Services Council to transport people from Northern Transvaal to Groblersdal.

(3) No. Neither I nor the Department is aware of any reason why the matter should be investigated.

(4) There is nothing to be added to what I have already said.

Mr A WATSON: Mr Speaker, arising from the Deputy Minister's reply, minutes before I came into the Chamber I received—and I have to hand—copies of two official orders of the Northern Transvaal Services Council, issued by the chairman of the Northern Transvaal Services Council, who openly sides with the ANC and fights for the removal of Groblersdal and Marble Hall to the Northern Province. With this I think we have to . . . [Interjections.]

The DEPUTY SPEAKER: Order! Could you kindly put your question?

Mr A WATSON: Mr Speaker, I am leading to my question; I must support my question. My question is, with substantive information and proof like this, will the Minister now be prepared to investigate the matter, and issue a statement?

The DEPUTY MINISTER FOR PROVINCIAL AFFAIRS AND CONSTITUTIONAL DEVELOPMENT: Mr Speaker, it is quite obvious that I have no idea what documentation the hon member is speaking about, as it is in his hands. If we have a look at it, it is only then that we can consider his question. [Interjections.]

Former chairman of Manpower Commission

*33. Dr F J VAN HEERDEN asked the Minister of Labour:†

(1) Whether the Government has already taken a decision on the position of the former chairman of the Manpower Commission, whose name has been furnished to his Department for the purpose of his reply; if not, when is it expected that such a decision will be taken; if so, (a) what was this decision and (b) when;

(2) whether the person involved has already been informed about this decision; if not, why not; if so, when?

N888E

The MINISTER OF LABOUR:

(1) Yes. The position of the Chairperson of the National Manpower Commission (NMC) became redundant when the NMC was replaced by the National Economic, Development and Labour Council on 18 February 1995. Although the former Chairperson requested premature retirement, this

R89 billion needed to revitalise RDP

(297) Sowetan 16/8/95

By Mathatha Tsedu
Political Editor

SOUTH Africa needs at least R89 billion over the next 10 years to deliver essential services in urban areas, a government study has found.

An additional R30 billion was needed to provide services to the rural areas, Minister in charge of the Reconstruction and Development Programme Mr Jay Naidoo announced yesterday.

Addressing the Development Chamber of the National Economic Development and Labour Council in Johannesburg, Naidoo said this money would have to be provided from a mere nine percent of the total budget as 91 percent was presently spent on social pensions, civil service salaries and servicing foreign debts.

This year's total budget is R153,3 billion. Ninety-one percent of this amount is R139,5 billion, leaving only R13,8 billion for other government responsibilities such as the RDP and capital projects.

Naidoo said it was clear the Government could not provide the money needed and the private sector had to come in to help.

"There is no way that the Government can provide even the basic services. That is why we have to help local government structures to access capital from the markets at favourable rates. The private sector has also to get involved in extending infrastructure in local authorities," he said.

He said research had shown that because of massive urbanisation, 65 percent of the population was now in urban areas, which produced 80 percent of the country's GDP. The figures would change in 10 years, when a projected 75 percent of the population would be urban based.

The MINISTER FOR PUBLIC ENTERPRISES (for the Minister of Public Works):

Yes. (a) 14 394 jobs have been created under the National Public Works Programme up to June 1995; (b) The kinds of jobs that are created are linked very closely to the kinds of assets that are provided, for example, the building of roads and community facilities, the provision of water and sanitation, soil-erosion protection and brickmaking. Some project management jobs are created as well; (c) on the basis of projections of the expected expenditure on infrastructure by the Government, the National Public Works Programme is targeting to create between 150 000 and 200 000 jobs by the year 2000. The Community Based Public Works Programme will create 30 000 jobs during the 1996/7 financial year and 65 000 jobs during the 1997/8 financial year; (d) the same kind of jobs mentioned in reply to question (b) will be created; and (e) the communities play the key role in identifying potential workers for the Community Based Public Works Programme. They develop their own criteria for selecting people, but relate this to the broader National Public Works Programme target group, which includes the youth, women and women-headed households. Only professionnal engineers and facilitators are drawn from outside beneficiary communities at this stage.

Administration of laws assigned to Province of KwaZulu-Natal

*15. Sen Dr R RABINOWITZ asked the Minister for the Public Service and Administration:

(1) Whether the Premier of the Province of KwaZulu-Natal has requested the administration of any laws to be assigned to this province in terms of section 235 of the Constitution; if so,

(2) whether the administration of any laws or sections thereof in respect of which such a request was made, was not so assigned; if so, (a) which laws or sections thereof, (b) why in each case and (c) by whom was the decision made not to assign the administration of each such law;

(3) whether the reasons for not assigning the administration of such laws have been conveyed to the said premier; if not, why not; if so, what are the relevant details?

S297E

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION:

(1) Yes;

(2) and (3) I am not in a position to answer the questions as posed in 2(a), (b), (c) and 3. The assignment of laws is a massive process which commenced on 17 June 1994 and is still continuing. Altogether 56 proclamations have already been issued. In the case of KwaZulu-Natal alone, 219 regional laws and 44 RSA parliamentary laws have been assigned. In view of the volume of the work involved, it has not been possible to build up a record which would make it possible to answer the questions as posed.

However, I would like to give the assurance that the matter concerning laws which have not yet been assigned, is receiving continued attention. In this regard the Intergovernmental Forum on 12 August 1994 resolved that, *inter alia*, political functionaries at the national and provincial level entrusted with matters referred to in Schedule 6 of the Constitution, should establish joint technical committees to propose an appropriate distribution of powers and responsibilities in terms of section 126 of the Constitution. As a consequence ministerial forums and technical committees were instituted for the major line functions. Provincial administrations are fully involved in the functioning of these forums and committees and the KwaZulu-Natal authorities are expected to promote their interests at these forums.

A great deal of progress has been made with the assignment of laws. The time has, however, arrived to determine as accurately as possible what still remains to be done. To oversee the completion of the assignment process properly, I requested the Premier of KwaZulu-Natal and other Premiers in writing on 19 May 1995, to furnish me with particulars of laws, the administration of which they consider should be assigned to the provincial government and which have not yet been so assigned. The laws thus identified will be brought to the attention of the relevant national line function departments for further consideration in consultation with the

State Law Advisers. To date I have received no reply from the Premier of KwaZulu-Natal.

Hansard 17/8/95

Regulation of informal street trade/markets

*16. Sen Dr G MARAIS asked the Minister of Trade and Industry:†

(1) Whether his Department is investigating the possible regulation of the informal street trade and markets; if not, what is the position in this regard; if so, (a) when did the investigation commence and (b) when will the findings and recommendations arising from this investigation be made known;

(2) whether his Department intends taking any steps with the view to regulating the informal sector in South Africa in the future; if not, what is the position in this regard; if so, what steps?

S298E

The MINISTER OF TRADE AND INDUSTRY: Mr President, I think this is a strange question to be asked by someone in the NP, because we are often accused of keeping too much at the centre. If the Senator had followed proceedings here he would have known the answer.

(1) No. Informal street trade and markets are regulated by local authorities in terms of bylaws adopted by such authorities in terms of the Businesses Act, 1991 (Act No 71 of 1991). The Businesses Act was assigned to the Provinces on 9 March 1993 (*Gazette* No 16302 of 9 March 1993) and is, therefore, a competency of the provinces and local authorities.

(a) Not applicable.

(b) Not applicable.

(2) Yes. The Department of Trade and Industry has formulated model bylaws and interacted with local authorities as part of an awareness-raising exercise. The Department will continue with educational activities so as to streamline regulations across municipalities and inform local authorities of the best practice with respect to regulation.

Sports teams representing SA: racial quota introduced

*20. Sen E K MOORCROFT asked the Minister of Sport and Recreation:

Whether his Department is planning to introduce racial quota requirements for sports teams representing South Africa; if not, why not; if so, (a) what will be the (i) nature and (ii) extent of these requirements, (b) when will such requirements be introduced and (c) to whom will they be applicable?

S302E

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION (for the Minister of Sport and Recreation):

No. As I explained fully during my budget vote speech in the Senate on 24 May 1995, selection of national teams on merit remains the norm. Otherwise, we will be tempted to gravitate towards a situation in which we select the national sides artificially. That would mean departing from the ideal of non-racialism, which is the basis of unity in sport, and reverting to multiracialism or even tokenism.

The responsibility of team selection is best handled by national sport federations and the role of the Department is to ensure that all South African sportspeople, including those from disadvantaged communities, have an equal opportunity to represent their country at the highest level of competition.

Questions originally put on Question Paper for reply on 29 June 1995—no sitting of Senate:

Australian development aid to SA: agreement signed

297

*1. Sen Dr G MARAIS asked the Minister without Portfolio:†

(1) Whether he recently signed any agreement with a certain person, whose name has been furnished to his Office for the purpose of his reply, in respect of Australian development aid to South Africa; if so, (a) what are the details of this agreement and (b) for what kind of development is this aid to be utilised;

(2) whether such aid is being granted by means of an unconditional donation; if so, what are the relevant details; if not,

(3) whether such aid is being granted by means of a refundable loan; if not, what is the position in this regard; if so, what are the relevant details?

S318E

The MINISTER OF TRANSPORT (for the Minister without Portfolio):

(1) Yes, an agreement was signed with Mr Gareth Evans, the Australian Foreign Minister to (a) strengthen democratic development and to foster social and economic equality in the RSA. This agreement is aiming to co-operate in a Programme of development co-operation to meet the following objectives:

— assist the Government of the RSA (in areas identified by South Africa's Reconstruction and Development Programme) in its satisfaction of the basic needs of its people;

— assist in human resource development capacity building and institutional strengthening;

— contribute to the democratisation of the State and society; and

— develop long-term links between Australian and South African institutions.

(b) Focus will be placed on the following kinds of development:

— Public sector strengthening in, for example, health administration and management, telecommunications, statistical collection and analysis, education, housing policy, water management, mining and international finance management;

— the media;

— constitutional reform and local government;

— economic policy and planning;

— primary health care;

— water and sanitation;

— basic education (including adult literacy);

— agriculture;

— micro-enterprise development;

— sports;

— low-cost housing; and

— the trade union movement

(2) No, it is not a refundable loan but a grant.

(3) The funds are being granted mainly for technical support. The Australian Government will, subject to annual Parliamentary approval of appropriations, make available for the purposes of the Programme thirty million Australian dollars (A$30 million) during the period 1 July to 30 June 1997).

Legislation/laws on land affairs iro Ingonyama Trust assigned to Province of KwaZulu-Natal

*2. Sen Dr R RABINOWITZ asked the Minister of Land Affairs:

(1) Whether (a) any land affairs legislation and/or (b) laws pertaining to the Ingonyama Trust have been assigned to the Province of KwaZulu-Natal; if not, why not; if so, what are the relevant details;

(2) whether he will make a statement on the matter?

S320E

The DEPUTY MINISTER OF LAND AFFAIRS:

(1) (a) The following laws of South Africa dealing with land affairs have been assigned to the Province of KwaZulu-Natal—

— Land Regulations, 1969 (Proclamation No R188 of 1969)

— Regulations concerning Land Tenure in Towns, 1988 (Proclamation No R29 of 1988)

— Regulations for the Disposal of State Land in Towns, 1988 (Government Notice No R402 of 1988)

— Land use and Planning Regulations, 1990 (Government Notice No R1888 of 1990)

— Commonage Act, (Natal), 1904 (Act No 35 of 1904)

— Regulations relating to Township Establishment and Land Use, 1986 (Government Notice No R1897 of 12 September 1986).

(b) No. The Ingonyama Trust Act, 1994 (Act No 3 of 1994) has not been assigned to the Province of KwaZulu-Natal. The Cabinet decision on 15 June 1994 regarding the Ingonyama Trust Act reads as follows:

Cabinet resolved that the Act should be amended or substituted in order to assure that—

(a) the Ingonyama will continue as the guardian of tribal occupied land. The Act should describe the functions and powers of the Trustee and among other matters address issues dealing with alienation of land and resolution of tribal border disputes;

(b) the Act govern all tribal-owned land falling within the former territory of KwaZulu, subject to the existing rights of occupants of that land;

(c) the Act provide for the land to be dealt with in accordance with a set of agreed principles; and

(d) the legislation create a structure for managing the land which is sufficiently broadly-based to ensure that any unwarranted interference by any person or body, or manipulation of the land would not be possible. This should be done to allay any fears of possible illicit interference or manipulation.

Cabinet also resolved that—

(a) legislation to give effect to this decision should be the subject of consultation between the national government and the provincial government; and

(b) all parties should agree and undertake not to take any action which might pre-empt the implementation of this decision.

My Department has already done preparatory work in this regard. My intention is to have discussions with the Province in the near future on how to give effect to the Cabinet decision.

(2) No, it should not be necessary to make a statement. A statement was made at the the time of the Cabinet decision, and this reply should provide sufficient clarity on the matter.

Premiers of provinces to formulate own budgets

*3. Sen Dr R RABINOWITZ asked the Minister of Finance:

(1) Whether the premiers of provinces may formulate their own budgets; if not, why not; if so,

(2) whether they may distribute financial resources as they deem necessary; if not, why not; if so, what are the relevant details?

S321E

The MINISTER OF FINANCE:

(1) Yes.

(2) Yes. In terms of section 125 of the Constitution a provincial legislature has the power to make laws for the province which, *inter alia*, include apropriation Acts. It should also be noted that appropriation Acts are essential for provinces in order to be able to utilise revenue in provincial revenue funds (that is own revenue together with the transfer payments from the National Revenue Account). Provinces are therefore, within this legal framework, autonomous to distribute financial resources according to their specific priorities.

Introduction of lead-free petrol in Republic

*4. Sen E K MOORCROFT asked the Minister of Mineral and Energy Affairs:

(1) Whether his Department intends introducing lead-free petrol in the Republic; if not, why not; if so, when;

(2) whether such petrol will be sold at a premium price; if so, what are the relevant details; if not,

(3) whether such petrol will be sold at a price competitive to that of standard grades of

QUESTIONS

†Indicates translated version.

For written reply: (297)

RDP application forms received from various districts

281. Mr G Q M DOIDGE asked the Minister without Portfolio:

Whether any RDP related application forms have been received by the (a) Departments of (i) Public Works, (ii) Local Government and Housing, (iii) Health and (iv) Education and (b) RDP unit in the former Eastern Cape from the districts of (i) Mt Fletcher, (ii) Maluti, (iii) Matulule, (iv) Cedarville, (v) Kokstad, (vi) Mt Ayliff, (vii) Mt Frere, (viii) Umzimkulu and (ix) Tabankulu during the period 1 May 1994 up to 26 April 1995; if so, (aa) what are the relevant details in each case and (bb) how are such application forms being dealt with?

Hansard 17/8/95 N563E

The MINISTER WITHOUT PORTFOLIO:

In the normal course of events, information on project level applications is not conveyed to the Office of the Minister without Portfolio. We would only be notified of progress with such projects (as approved at Provincial level), or receive them as part of comprehensive provincial business plans, which would come through the Provinces, or a central Government Department or both.

Under the circumstances, the member should direct his question to Provincial authorities, or Ministers of Education, Public Works, Housing or Health.

Public Service Pension Fund: Government's contribution

352. Mr J A JORDAAN asked the Minister for the Public Service and Administration:

(1) Whether the Government intends reducing its contribution to the pension fund of each member of the Public Service Pension Fund in order to make additional funds available for the improvement of the working conditions of public servants; if so, (a) by what average amount and (b) what total amount will be so made available;

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(2) whether the reductio of contributions will differ in respect of the different salary scales; if so, to what extent;

(3) whether the Government is bound by any agreements with employee organisations to increase the funding level of the said Fund; if so, how is this agreement to be reconciled with the decision to reduce Government contributions to improve working conditions?

N714E

The MINISTER FOR THE PUBLIC SERVICE AND ADMINISTRATION:

(1) Yes,

(a) the additional costs for improvement in conditions of service, ie over and above the amount that has already been voted for this purpose, will be funded by reducing the State's contribution ratio to the Government pension funds with a factor that will be determined by an actuary;

(b) R1,06 billion;

(2) the State's contribution to pension funds is based on the contribution a member makes to his or her pension fund. The member's contribution again, is based on a fixed percentage of his or her pensionable income. The reduction in the State's contribution will therefore differ to the extent that members' contributions differ from each other; and

(3) an agreement with employee organisations was reached to the effect that if the natural recovery of the funding level of the relevant pension funds does not occur at three percentage points over a period of three years, the State will make a contribution to the said funds to bring the funding level to a level three percentage points higher than where it was at the previous determination. This agreement remains in force and the effect which the reduction of State contributions will have on the funding levels of funds will be subject to the said agreement.

Retired prison warders

373. Mr G C OOSTHUIZEN asked the Minister of Correctional Services:†

(1) How many prison warders retired from the service of his Department (a) as a result of reaching the retirement age, (b) with a retirement package and (c) as a result of dismissal during the period 1 June 1994 up to the latest specified date for which information is available;

(2) whether he is applying a policy of affirmative action in his Department; if so, (a) what are the principles that he is applying in this regard and (b) what are the implications thereof in respect of the promotion of existing personnel?

N773E

The MINISTER OF CORRECTIONAL SERVICES:

(1) (a) 10 Members in terms of section 12(2) of the Correctional Services Act, 1959 (Act No 8 of 1959);

(b) none; and

(c) 246 members in terms of the following stipulations of the aforementioned Act, namely:

section 12(3) *quat*: 17 members
section 12(4)(a): 197 members
section 13(1) read together with section 12(4)(e): 32 members
for the period 1 June 1994 to 31 May 1995.

(2) (a) The Department of Correctional Services is committed to the establishment of a personnel corps which is representative of the broad South African population.

Every member of the Department is assisted to become responsible for his/her own development by means of goal-directed career planning and career development programmes. However, the Department is geared to create development opportunities especially for the under-represented personnel.

The Department commenced with inclusive career development programmes for all its personnel as early as 1985, which include the following:

— standard development programme;

— accelerated development programme; and

— mentorship programme.

Members who show that they have potential are developed by means of one of these programmes in order to establish a representative personnel corps.

The Department of Correctional Services implemented a Management Development Programme on 1 July 1992 with the aim of establishing a competent and well-equipped representative personnel corps, and to ensure that selected personnel are developed goal-directedly and effectively in order to eliminate backlogs in respect of representativity in the management corps.

Currently there are 491 members involved in the Management Development Programme. This total includes members who have been promoted additionally to the fixed establishment, despite the fact that they did not comply with all the set promotional requirements.

Further initiatives to accelerate the establishment of a representative personnel corps

On 20 January 1995, the Commissioner of Correctional Services announced that the Department is committed to ensure that its management corps becomes more representative of the population at large. To achieve this objective an Advisory Forum on a Representative Corps was established.

This Forum advises the Commissioner on the following matters:

— promotion policy;

— the establishment of a more career orientated representative personnel corps in general; and

— participation in decision making.

— both are part of Nedcor. Syfrets

Christopher Beatty.

SA takes up 1% stake in African bank

BD 17/8/95

(SE)(297)

CAPE TOWN — The Cabinet authorised government yesterday to take up a 1% shareholding in the African Development Bank and to a conditional expansion of the shareholding.

Reuter reports Cabinet secretary Jakes Gerwel said the Cabinet accepted the second of two options put forward by the finance ministry, which proposed either an unconditional 1% shareholding or a conditional 2,59% shareholding.

Chief finance director Elty Links told a parliamentary committee on Tuesday that SA would try to take up membership in time for next week's election of a new bank president if the Cabinet sanctioned the proposal.

The bank had approved both options and would allow SA to assume membership early next week. SA has pledged its support to the regional Southern African Development Community bid for the presidency of the bank at next week's election.

Officials said that after yesterday's Cabinet approval, SA would immediately take up an R87m shareholding, which would be paid for in 10 equal annual instalments.

According to the proposal, SA would exercise its option on the remaining unallocated 1,59% share in the bank if the bank's management improved and if non-African members agreed to refinance the African Development Fund, which provided concessionary loans. SA's 1% stake would carry a contingent liability of up to R608m.

Samantha Sharpe reports that finance department deputy director-general Maria Ramos said the inclusion of SA as a bank member would enable the country to borrow offshore more cheaply than at present as the bank enjoyed a higher international credit rating than SA.

Access to funding for cross-border infrastructural projects would also be made easier, with these projects likely to increase in the years ahead. Ramos said SA's private sector would be able to tender for bank projects throughout the continent, which could mean "substantial contracts" for local players.

Non-govt bodies expect funds influx

BD 17/8/95

(247)

Robyn Chalmers

SIGNIFICANT foreign funds are expected to flow into cash-strapped non-governmental organisations after this week's RDP office pledge to make R50m available for the launch of a national development agency.

Independent Development Trust spokesman Jolyon Nuttall said yesterday European Union officials had made it clear that funds would be made available to organisations only if the SA government was prepared to assist in financing them. Talks with the EU to allocate about R75m from its 1995 budget were now under way.

Nuttall said NGOs had also indicated that funds from other foreign sources, which had been halted pending the outcome of talks between the government and NGOs, were expected to resume.

The flow of funds was expected to be boosted further by Minister without Portfolio Jay Naidoo's announcement that he would request international and local aid donors to channel funds directly to NGOs rather than diverting them to the reconstruction and development programme.

Nuttall said that after "a lot of shoving and shouting, we have finally managed to raise the awareness of government and the public to the plight of NGOs".

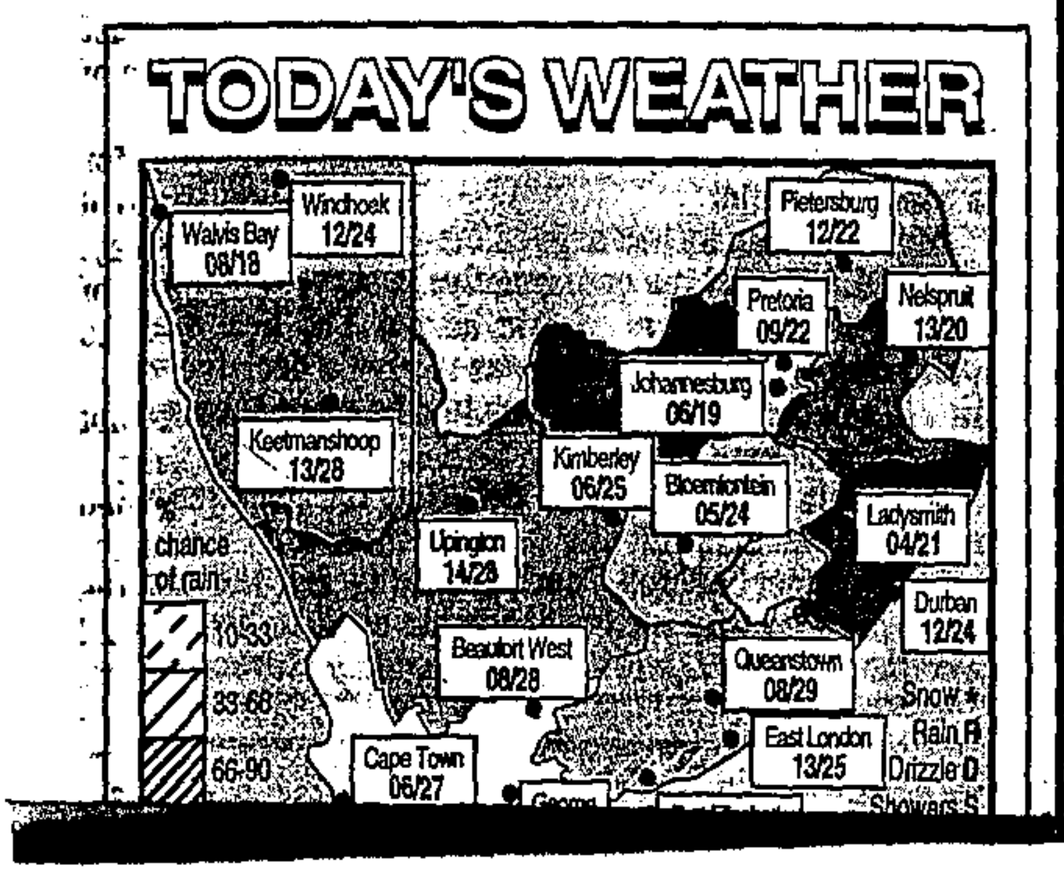
"Unfortunately, we have lost a number of these organisations due to the delay in action, and we must move ahead with the national development agency to avoid any more disasters of this nature."

NGOs which had suffered due to the funding shortfall included the Career Education Foundation of SA, which had terminated all activities requiring funding although its board of trustees remained.

A recent development trust survey on 128 non-governmental and community-based organisations showed that by June this year, they had a total shortfall of R209,5m.

The survey said that the NGOs estimated they needed a total of R343,3m to keep running at their current levels of delivery until the end of March next year.

"Whether NGOs and community-based organisations, which provided key services to the disadvantaged in the apartheid era, will be able to survive in the post-apartheid era will depend on the release of funds within the next few months. This will necessitate an urgent review of both international and local funders' priorities as well as some mechanism to release government RDP funds at a quicker rate."



Phillips International Auctioneers
& Valuers of Fine Jewellery

At the Inanda Club, Sandton

Black business aims for the RDP jackpot

Sowetan 17/8/95 (297)

By Isaac Moledi

THE changing political scenerio in South Africa is forcing many black business organisations to effect fundamental structural changes to ensure that they benefit from the Government's Reconstruction and Development Programme.

After Nafcoc's annual policy conference at Sun City last month where the organisation stressed the need for unity within black business and closer cooperation with the Government, many black business organisations, particularly those affiliated to Nafcoc, are making fundamental changes to simplify communication with local governments.

The Greater Soweto Chamber of Commerce is one such organisation that believes that cooperation with local government is important.

The chamber says to ensure its involvement in issues pertaining to business in the metropolitan sub-structure, structural changes within itself have to take place.

GSCC executive director Mr Max Legodi says the chamber is consulting broadly on a proposal document it has drawn up to establish a more representative governing council that will incorporate about 17 sectoral associations it (the chamber) has identified in Soweto.

The document, expected to be endorsed at the chamber's general meeting in September, also contains proposals about how the chamber should approach shopping centres and other development in Soweto.

Legodi says the proposed council will consist of representatives from all community-based business organisations. It will elect the board to liaise with the Gauteng government on business issues.

"Unless our business organisations bring about fundamental structural changes and liaise with the government, hope of our members benefiting from RDP will still be remote. We need a structure that will effect certain important



Max Legodi.

issues that relate to us," says Legodi.

Sectoral representatives in the council, according to Legodi, will monitor the activities of the chamber and improve communication and participation of membership at the grassroots level.

"We are talking to MEC for Economic Affairs in our region and mechanisms have already been worked out to ensure cooperation and our involvement in issues pertaining to business in metropolitan sub-structures," he adds.

The document will also be a guideline for investment aimed at empowering the Soweto community and how sectors involved in construction can participate in the government tender system.

"We insist that tendering rules be changed to accommodate our past history where our people were not given the opportunities," says Legodi.

SA rated 95th on list of best places to live

(297)

ET 18/8/95

JOHANNESBURG: South Africa falls 95th out of 174 countries on the Human Development Index which ranks nations according to the quality of life they offer their citizens.

Canada was first for the second year in row, and at the bottom were Mali, Sierra Leone and — in last place — Niger.

The index is based on such criteria as life expectancy, education and income. Canada has the highest living standards in the world, followed by the United States, Japan, the Netherlands, Finland, Iceland and Norway, according to an annual UN report published yesterday.

The human development index, compiled by the UN Development Programme, is based on employment levels, per capita gross domestic product, income, life expectancy, nutrition, education and health standards.

Nineteen African nations appear among the lowest ranked 23 countries. Benin is in 155th place, Rwanda in 156th, Mozambique in 167th and Mali in 172nd.

Among the 20 most industrialised countries, the French drink the most alcohol, downing an average of 11,9 litres per year. — Sapa-AFP

Govt acting to unblock funds for NGOs

(297)

CT 18/8/95

BARRY STREEK

A TEMPORARY mechanism was being set up to unblock channels of funding for non-government organisations, Mr Jay Naidoo, said yesterday.

The transitional mechanism was being established between the government, the Kagiso Trust and the Independent Development Trust to unblock the funding, he said in the National Assembly.

The measure would be set up pending the establishment of a national development agency "to act as an interface" between the government and civil society, particularly NGOs and community-based organisations.

"The RDP national office has encouraged the continuation of existing and new development partnerships between NGOs, communities and donors," he said.

Many NGOs were facing collapse for lack of funds as, since the election, donors preferred to deal directly with the government.

HAMPERED BY LACK OF GOVT STRUCTURES

R1bn of RDP funds not been allocated

CT 18/8/95

(297)

JOHANNESBURG: The lack of government structures to drive the development process had resulted in only half the funds allocated for the RDP being used.

ONLY half of the R2 billion set aside for the Reconstruction and Development Programme in 1994-1995 was allocated, Minister Without Portfolio Mr Jay Naidoo told a workshop in Johannesburg yesterday.

The workshop was hosted by the Alliance of Development Professionals. The alliance consists of architects, consulting engineers, quantity surveyors and town and regional planners.

One of the reasons was the lack of legitimate local government



CRITICISED: Mr Jay Naidoo

structures to drive the development process, he said. This made it essential for local government elections to take place in November.

In response to criticism from alliance members that the building profession was not being utilised to implement the RDP, Mr Naidoo said until now his role had mainly been "to shift resources".

The RDP was entering a new phase which would increasingly see an alignment of the government and the public sectors.

One of biggest challenges the building profession faced was helping "to take a plan and put it into bricks and mortar".

To provide basic services in rural areas would cost R40 billion, and it would cost R89 billion to deliver full services, he said.

Asked about the government's view on privatisation, Mr Naidoo said it was being considered as an option to fund delivery of the RDP. But, the option would be considered from an economic rather than a political standpoint. — Sapa



NEW BREED: Gavin Armstrong proudly rubs the pot-bellied sandveld red pig. The pig is the product of cross-breeding five pig species.



PROUD FARMERS: Gavin Armstrong, right, and Ferdie Engel of the University of the Western Cape's Land Development Unit on a walk-about on the farm.

The farm where they put the RDP in action

ARG 17/8/95 (297)

JOSEPH ARANES
Staff Reporter

OLD MacDonald would certainly have been proud if his farm had the variety of exotic animals and trees found on a new farming project about 10km south of Malmesbury.

Sheep from Angola, geese from China, fowls from Wales and trees from all parts of the world are being used to help revolutionise small-scale farming in South Africa and help it become profitable.

Started by the Centre for Sustainable Agriculture, a non-governmental organisation, the concept is based on biological farming methods and is environmentally friendly and cost effective.

Making good use of local and imported animal and plant species, the pilot farming project was started about two years ago on a 17 hectare smallholding by Gavin Armstrong.

The small farmyard has a hen house, a pigeon coop, a pigsty, a kraal for sheep and areas cultivated with various crops interspersed with trees and saplings.

Sheep from southern Angola interbred with Damara sheep; a new breed of pig, the sandveld red, which is the product of cross-breeding five species; Chinese and South American geese and big meat pigeons all seem at home on the farm.

Mr Armstrong, the project co-ordinator, said the unconventional farming methods, or low-input sustainable agriculture, were designed to make optimal use of the land and the conditions available.

"Small farmers were seldom given government aid or assistance and struggled throughout their lives to make ends meet.

"With the new government in place and many former displaced communities getting their land back, there is a need to teach these communites how to lead profitable lives with the resources available.

Although negotiations between the NGO and government departments are continuing and educational institutes like the University of the Western Cape and the Agricultural Research Council at Onderstepoort showed an interest in the farming methods and breeds of animals, the project is in need of funds to keep going.

"These livestock and trees are a hardy lot and will do well under almost any conditions but because of the funds shortage, our hands are tied. The government is willing to help small-scale farming through its Reconstruction and Development Programme and what we have here is RDP farming in action."



Pictures: OBED ZILWA, The Argus.

FEEDING TIME: Gavin Armstrong of the Centre for Sustainable Agriculture feeds the farm's sheep, which are from southern Angola and interbred with Damara sheep.

Plan to get street people to work for their money

ARG 18/8/95 (297)

☐ *Committee tackles problem of how to handle homeless*

Staff Reporter

A CAMPAIGN to persuade residents not to give money to street people without some work being done in return is the latest idea to emerge from a committee examining the controversial issue of people living on the streets.

The debate exploded recently when the traffic department got heavy-handed with street people acting as unofficial parking attendants in the city.

This led to the formation of a committee comprising representatives of projects for street people, the traffic department, city council and police, "to seek long-term solutions to the social reality of persons living on the streets".

And arising from a recent meeting of the committee was the plan for a campaign to persuade residents not to give money to street people without work being done in return.

Parties at the meeting also approved a number of guiding principles, including:

● That all citizens, including street people, deserved to be treated with dignity and respect, and had the right not to be abused or harassed;

● That all citizens had a responsibility not to harass or abuse other citizens;

● That law enforcement officials had a responsibility and right to act "legally" against any person harassing or abusing motorists, or breaking the laws pertaining to parking or motoring;

● That street people who washed cars were not breaking the law, but trying to earn a living;

● That the search for solutions to the perceived problem involve all sectors and include representatives of the police, welfare organisations, the traffic department, government, business and street people; and

● That there is a need to support the motivation by street people to earn a living and to regulate their interaction with other residents.

Ideas included:

● Employing street people to perform menial work, and that consideration be given to changing municipal bylaws to allow the washing of cars;

● Issuing street people with permits to allow them to wash or park cars in certain areas;

● The establishment of a system to report complaints from members of the public;

● Employing and training co-ordinators to monitor the work situation, train street people and intervene in clashes between street people and others;

● Encouraging the involvement of business to provide washing materials, food and finance to employ co-ordinators; and

● Training the police and traffic department to treat street dwellers like people.

"Planning will continue, and representatives of other stakeholders (will be) included in the exercise," said Alan Jackson, head of the Child Welfare Society.

NAIDOO AND THE RDP

Under the lash

(297) FM 18/8/95

With the Reconstruction & Development Programme (RDP) widely perceived to be lashed by the storms of corruption, incompetence and an inability to deliver its promises, Jay Naidoo is a man facing political extinction.

As Minister without Portfolio, Naidoo was meant to steward the funds voted for upliftment into new houses, basic health care and feeding schemes. Now his position is crumbling.

Apart from widespread anecdotal evidence of dissatisfaction with the RDP, Naidoo's office has been shaken by these revelations and events:

❑ The Eastern Cape schools feeding scheme — a presidential project — has been compromised by apparent theft and fraud. Children currently being fed now total 3,1m, against 5,4m at the end of March;

❑ The provincial finance committee in KwaZulu-Natal has insisted on monthly progress reports from departments involved in RDP work. At executive level, a complaint was voiced that nothing by way of RDP upliftment appeared to be happening in the province;

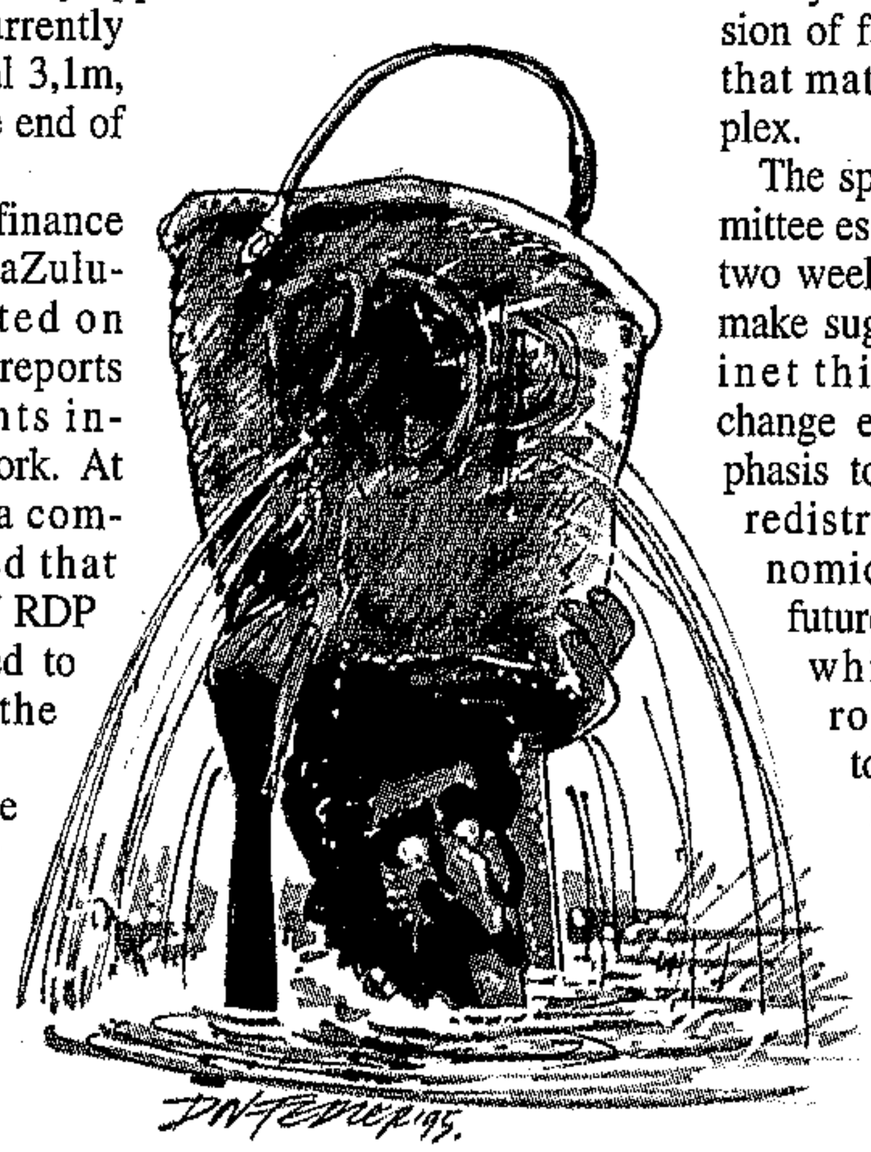
❑ A report in the August *RDP News* — official newsletter of the programme — goes to considerable lengths to defend the department against accusations of inertia: "Critics say that, because of the new government system, there are few delivery mechanisms, which is why last year nearly half of the funds allocated to the RDP were not spent. Most critics also stress that, without economic growth generated by the private sector, the success of the RDP is in doubt ... An unsustainable population growth is expected to have a negative effect on the objectives of the RDP in the long term.

"The critics say, moreover, that government should also do more to end the culture of civil disobedience, which leads to the nonpayment of services, rates, taxes and mortgages." RDP staff know that all is not well;

❑ When government summoned a top-level press conference to respond to criticism of the handling of the RDP, Finance Minister Chris Liebenberg speculated about Naidoo's job content; and

❑ At a Stellenbosch conference, Gill Marcus, who chairs the powerful joint standing committee on finance, was reported to have said that the RDP "fundamentally undermines sound budgeting." Her inference was that RDP projects could be lodged more appropriately with the departments that traditionally handled matters such as housing and education.

Marcus's comments led to speculation that the RDP would be reabsorbed into the appropriate departments — and that Naidoo would be a casualty of this effective admission of failure. But it appears that matters are more complex.



The special economic committee established by Mandela two weeks ago is expected to make suggestions to the Cabinet this week on how to change economic policy emphasis to growth rather than redistribution. This "economic Cabinet" could in future steer the RDP — in which case Naidoo's role would be monitored continuously or he could go.

The *FM* has pointed out (*Leading Articles* August 4) that "Only God knows to what sort of an economic camel this committee will give birth. But realities are now being recognised, the most important of which is that the RDP will falter without growth."

Democratic Party finance spokesman Ken Andrew says the demise of the RDP should not be anticipated too soon: "It actually suits the financial authorities. In the 1994-1995 Budget, R2,5bn was voted to the RDP fund out of a total social expenditure figure of R60bn. This makes the RDP fund almost insignificant."

It does, of course, have immense symbolic significance, but that symbolism is vitiated by the lags in delivery.

Andrew points to a secondary function: "To try to force re-prioritisation quicker than a normal Budget can do. The pressure on Naidoo is misplaced. You cannot have rapid delivery of services and affirmative action at the same time. Inability to deliver ends up as criticism of Naidoo's department. But people from the former homelands just want money without controls."

The greed and incompetence is worsened without credible local authorities to implement RDP projects. In many areas where the ANC and UDF succeeded in making society ungovernable, warlords, community groups, gangs and political structures jealously contend for any flow of resources, making delivery impossible.

Andrew says housing will be the crucial measure of the ANC's success. "But no development is taking place in the Western Cape and probably not much elsewhere."

It is now possible for any prospective home-owner to get a mortgage subsidy but there's a gross lack of new housing. One intention of the November community elections is to get democratic local authorities in place to drive the RDP.

Andrew believes there is another (unintended) function served by Naidoo and his department — that of a lightning rod for discontent. "As far as social spending is concerned, the key departments such as housing and health have the bulk of funds, not the RDP fund. In many cases, these departments are also unable to deliver or do so adequately. So Naidoo's office is used as a whipping boy for their incompetence."

However, the *FM* believes Naidoo's fate will be determined by the degree of graft plus the incompetence that turns up in the presidential and other audits.

Considering the departments most concerned with social spending are unable to deliver, though, what can the "economic Cabinet" achieve?

Andrew says ANC members of the Cabinet have been exposed to the real world of economics, internally and externally. "But the national executive, people in the tripartite alliance, have not had the same exposure. Many are reluctant to detach themselves from Fifties economic thinking."

On this view, the creation of an "economic Cabinet" looks like an attempt by Mandela to outflank the old-style socialists.

Andrew comments: "Mandela has said that growth, not redistribution, is the priority. He set up the group and it enables him to circumvent the cumbersome process of endless consultation that is so characteristic of the ANC in government. He can use the committee to drive the process of ensuring growth — and also bring the whole

Sluggish RDP spending limits overall outlay

Greta Steyn 297 BD/8/8/95

SLUGGISH spending on the reconstruction and development programme (RDP) is keeping a lid on overall government spending, the latest exchequer figures show.

Figures released last night by the finance department showed that about R528m — about one fifth — of the RDP's R2,5bn had been drawn after four months of the fiscal year. Finance director-general Estian Calitz said the lack of RDP spending had to be considered when looking at the apparently rosy fiscal picture.

Sluggish RDP spending continues last year's pattern, when about R1bn of the R2,5bn fund was actually spent.

Overall, the figures showed that government had spent 32% of its total budget of R153,2bn in the period April to July 1995. On the face of it, government spending was slightly behind budget, but Calitz warned against jumping to conclusions.

"There is a need for RDP spending to pick up, and in past years spending has always accelerated towards the end of the fiscal year," he said. Government had also not yet started paying public servants their higher salaries, and the effect of this would be experienced from August.

The low spending figure helped contain the deficit after four months to R10,4bn, slightly higher than R9,8bn at the same time last year. Government has budgeted for a R29bn deficit for the full fiscal year.

The low deficit was achieved despite a sudden slowdown in revenue receipts — to an increase of 10% after four months from just more than 13% after three months of the fiscal year. Exchequer receipts in July were 2,5% down on the same month last year. However, it is understood that technicalities contributed to the fall, and it was likely to be reversed this month.

Government budgeted for a 10,3% rise in revenue in March, and many economists at the time predicted that the projection was far too low as economic growth would outstrip the 2,7% assumption in the Budget. Calitz said it was still likely that revenue would exceed the budgeted projections, but he would not be "too bullish".

17 Mandela lead schemes added

BD 18/8/95 (297)

John Dludlu

SEVENTEEN new presidential lead projects had been added to the initial set of projects announced last year by President Nelson Mandela, reconstruction and development programme (RDP) office project manager Roy Page-Ship said this week.

Page-Ship said the new projects included the planned extension of the urban renewal project — now limited to the Gauteng province — to the Eastern Transvaal, Northern Province, Northern Cape and the Northwest province.

In the run-up to the November local government elections, government was planning to develop a radio communications network — an extension of the SA National Defence Force system — to rural areas which did not have a telecommunications infrastructure.

Page-Ship said the two youth projects — the Youth Development College in Gauteng and the Youth Development Centre for the Correctional Services Department — would be used as pilot projects, which could be repeated in other provinces over the course of time.

The projects, currently at different stages of implementation, would be financed from the RDP fund's R7,8bn — a combination of last year's rolled over funds and budgetary allocations for the current year.

Other projects added to the president's 22 were the promotion of technology education — an extension of last year's initiative for restoring the culture of learning. Bridging finance had been provided to accelerate the shift from tertiary health care to primary health care in line with the RDP's reprioritising of spending to meet basic needs.

On the rural development front, government planned to spend about R100m to upgrade rural roads. Page-Ship denied suggestions that the presidential projects had enjoyed more success than those carried out by provinces.

He added that the Northwest province had launched its own investigation into the primary school nutrition scheme which, until recently, was the flagship of presidential projects. Then taints of corruption were identified by the RDP office's audit.

On the water scheme — one of the RDP's success stories — Page-Ship said 180 new projects had been identified.

Continued from page 50

reported to lend a sympathetic ear to the problems facing NGOs, the overwhelming majority reported that had not yet received any funds. Attempts by the NGOs to garner support from national and provincial RDP offices and line departments have borne little fruit.

"When it came to foreign funding, a major complaint was that bilateral aid packages were diverting funding away from NGOs. Respondents reported their perception that major donors like the EU and USAID were redirecting funding largely or exclusively to government RDP projects. Some respondents said these funders required government approval of NGOs as a precondition for releasing funds. According to one, funders sometimes went so far as to demand Jay Naidoo's personal signature on an NGO funding proposal."

Because the survey concerned itself only with those NGOs with which the IDT had had dealings, a breakdown within the entire sector could not be predicted. Nonetheless, the writers felt that "the situation for NGOs has deteriorated slowly from 1994-1995 and accelerated significantly (for) 1996. With a total shortfall of R209,5m, of which R116,5m cannot be met under present circumstances, a number of the NGOs surveyed are facing cutbacks, retrenchments and even closure." Their situation reflects that of the wider NGO and community-based organisation sector.

The report asks government for "an urgent review of both international and local funders' priorities as well as some mechanism to release government RDP funds at a quicker rate."

Already a Minister under pressure (see page 47), Naidoo's response will be interesting, one way or the other.

What the IDT report does not consider is the fact that the public image of the NGOs has taken several hard knocks. Schemes to feed children or help the poor appear to have been looted. The allegations surrounding Allan Boesak's Foundation for Peace & Justice were revolting enough to tip many off to the darker side of the NGO universe.

Nonetheless, Operation Hunger (before it too became embroiled in scandal) really did feed the masses; the Black Sash, in its heyday, was a shining light of humanitarianism in the wasteland of the pass laws; not all rural NGOs are led by people who spend their donors' funds on big outdoor vehicles from the heights of which they can serve the poor. Voluntary work among the destitute is an ancient tradition.

The real problem arises because the expectation that the new democratic government would — at least to some extent — replace the NGOs through the RDP, has not been fulfilled. It is also difficult for foreign donors, and indeed SA's corporate sector, to know who among the many claimants is deserving of funds.

It would seem that the IDT report deserves to be taken very seriously indeed, if certain social lifelines like food, basic health and education, in certain areas, are not be severed in the false hope that something better will come along from government itself. Perhaps if the IDT receives no appropriate response from Naidoo, they will have no option but to approach the President himself, overburdened as he is with the crises of transformation. ■

DEVELOPMENT FUNDS

NGOs in crisis

FM 18/8/95

A funding crisis looms for SA's estimated 15 000 nongovernmental organisations (NGOs) and their community-based counterparts — many of them established under apartheid to bring some relief to poor and remote regions and those most affected by the evils of the old order.

This information is contained in a report by the Independent Development Trust (IDT), which it has handed over to Minister without Portfolio Jay Naidoo for his urgent consideration.

NGOs are largely nonprofit, volunteer bodies working in the fields of education, health, rural development, and microbusiness advice and funding. Community-based bodies arise out of local conditions and needs and report primarily back to the people they serve.

While it could be argued that the function of the NGOs (and to a lesser extent the community bodies) has fallen away under an RDP-minded government, the reality is very different. There is growing concern that RDP projects are not working properly, that benefits are not flowing through.

President Nelson Mandela intends ordering audits of all the symbolic presidential projects "headlined" in the RDP. It has become apparent that the Eastern Cape schools feeding scheme has failed, almost certainly through corruption. What else is going wrong?

The IDT's report, by Rod Amner and Linda Vergnani of the trust's communications department, was based on a survey of 128 NGOs (in the broad sense) which it had previously helped fund. A Human Sciences Research Council database lists 7 500 NGOs in SA, and the IDT's sample almost certainly indicates a wider malaise within the sector, believed to be numerically double that recorded by the HSRC.

The IDT (like the Kagiso Trust, another "grown-up" NGO) is a major financial facilitator of the NGOs. According to Amner and Vergnani: "The IDT survey was conducted after 25 key NGOs signed a memorandum of concern on June 7 stating that without immediate funding, within the next two to three months, many of the most worthwhile development projects would not survive.

"While the NGOs surveyed showed a healthy R7,9m overall surplus in the year ending March 1994, they registered a R4,6m overall shortfall by the year ending March 1995. (They) estimated they needed R343,3m to keep running at their current levels of delivery until the end of March next year." R133,8m had been received by June this year, leaving a deficit of R209,5m.

"Respondents were optimistic about receiving a further R93m from funders. This left a total of R116,5m (34% of the combined budgets) which had not yet been obtained and they saw no way of raising these funds."

The 128 surveyed NGOs employed 3 803 staff — including part-time workers. They claimed they had an impact on the lives of 16,9m South Africans — which the report points out must include duplications. However, millions receive aid in one form or another from the NGOs.



Naidoo . . . *considering the IDT's report*

In 1994, the major source of the NGOs' funds was local, at 67%, and this percentage had risen to 75% by this year. The IDT — which in 1990 was given the stewardship of R2bn in voted government funds for upliftment — was the major funder, followed by the business sector. Foreign funding (mainly from USAID and European Community sources) fell from 28% of the NGOs' needs in 1994 to 21% in 1995.

The IDT report explains: "(Post-election) expectations of funding from government's RDP were high. But while government is

Continued on page 54

Cash-strapped NGOs face closure

wm 18-24/8/95 (297)

Rohana Rossouw

ALTHOUGH touted as a model for primary health care in many parts of the world, the Alexandra Clinic is dying for lack of support in South Africa.

For more than six decades the clinic has served its underpriveleged community, now numbering about 300 000, caring for up to 500 patients a day. This week the clinic announced it will have to cut services within the next two months if no funding is found.

It is one of hundreds of non-governmental organisations (NGOs) scaling down operations or facing closure as foreign funders redirect their support to Reconstruction and Development Programme (RDP) projects.

The Alexandra Clinic was fortunate: of its R13-million annual budget, R9-million was secured from foreign donors. The deficit of R4-million was promised by the Guateng MEC for health, but has not yet been forthcoming.

Like thousands of other NGOs, the Alexandra Clinic is pinning its hopes on a task force set up by the recently-launched NGO Coalition and the RDP office to establish a National Development Agency which will provide a mechanism for funding to flow to development agencies. The task force will present its findings before the end of the year.

This week, the RDP office pledged R50-million to launch the agency and negotiations have begun with the European Union to allocate R75-million. Local funders — Kagiso Trust and the Independent Development Trust (IDT) — will also contribute resources.

In a memorandum to the government in June, a consortium of 24 NGOs said immediate funding was required by many of the most worthwhile development projects if they were to survive at all.

They expressed concern at the lack of clarity in government policy over the role of NGOs in development work and the mixed messages emanating from the government which had the effect of putting on hold grantmaking decisions by foreign and domestic funders.

The memorandum also asked the government to examine the lack of capacity in provinces which led to delays and non-delivery of funding where NGOs were involved in contractual relations with them.

This *toenadering* by NGOs to the government is viewed as the last hope for the sector.

The Development Resources Centre (DRC), which is dedicated to strengthening the capacity of the NGO sector, believes that the time has come for NGOs to become market-related or to die.

DRC executive director Gavin Andersson said in order to survive, NGOs would have to do development work in communities under contracts signed with the government.

"Like any other market-related project, NGOs will have to tender for projects and grants for overhead expenses would have to come from the 'one-stop-shop' National Development Agency," Andersson said.

Andersson predicted that some NGOs would not survive the transition and would die, particularly those which served poorer communities which were unable to assist financially.

IDT chief executive Professor Merlyn Mehl said if NGOs vanished from the scene, the hopes of delivering on the RDP would be put back for many years.

In the latest edition of the IDT's journal *Leading Edge*, Mehl argued: "Even areas traditionally regarded as the preserve of the state, such as school building, have been taken over by NGO structures which have demonstrated admirable efficiency plus capacity to deliver on scale and at low cost.

"It would be short-sighted indeed to let this capacity of civil society vanish at the time when it is most crucially needed in the history of our country."

Joining African bank 'will create jobs'

(297)

BE PRG 19/8/95

Political Staff

SOUTH Africa's accession to membership of the African Development Bank (AfDB) will create jobs and contribute positively to the balance of payments, said Finance Minister Chris Liebenberg.

In reply to a question tabled in the senate, Mr Liebenberg said the cabinet had decided South Africa should apply for membership of the AfDB before August 25.

Considerations taken into account had included the strengthening of South Africa's "solidarity" with Africa, as South Africa was the last country to join.

South Africa had also expressed a desire to eventually play a role in the bank commensurate with the country's economic importance in Africa.

At the same time, however, the government had needed to ensure that South Africa's shareholding in the AfDB would be a good investment.

The cabinet approved an accession model that would minimise South Africa's exposure to the bank's financial and managerial problems andallow the country to assess the AfDB's performance before increasing shareholding from an initial one percent.

(297) ST 20/8/95

Naidoo defends 'slow planning'

By CAROL PATON

THE reconstruction and development programme may have slowed down government planning but would lead to qualitatively better development, says Jay Naidoo, the minister in charge of the RDP.

At a briefing to the National Economic Development and Labour Council this week, Mr Naidoo said the procedures put in place by the RDP office "were slower but more qualitative" and would therefore avoid the disastrous mistakes in government planning in the past.

He gave the example of 60 rural clinics, built by the National Party government, which were standing empty because "nobody had thought what the costs of providing health care — doctors, nurses and medicines — really were".

Government departments must now submit a business plan when motivating for funds for development projects. This means they have to show how recurrent costs of projects would be financed.

The requirement had helped to counter the tendency in government departments to budget first and plan later, on the basis of the amount of money they had secured.

A further advantage of using business plans was that people running projects were accountable for how money was spent and corruption could be quickly uncovered.

Consultation with communities to bring them on board where development was concerned had also slowed down the RDP, but was essential to its success, he said.

In addition, to bring the community on board, the government had used small, black subcontractors which had slowed the tendering process.

Mr Naidoo also identified the absence of local government and the weak capacity of government as key obstacles that had slowed down delivery of the RDP.

RDP development planning director Crispian Olver gave a detailed presentation on the RDP's urban development strategy. He said a capital investment of between R44-billion to provide basic municipal services and R89-billion for full services would be needed over the next 10 years.

Mr Naidoo stressed that the government could not afford to supply full municipal services to all urban communities. "This would crowd out other types of development. People will need to pay for services, above a basic level."

The urban development strategy is part of an integrated development strategy being drawn up by the RDP office. Mr Naidoo said that a policy document would be made public before the end of the year.

SUNDAY

Live from SA: Clockwork radio!

A BRITISH innovator and a team of disabled South Africans say they will bring news and information to poor people around the world with a new invention — wind-up radios.

This month a Cape Town factory will start producing Trevor Baylis's radios powered with wind-up generators. The company is 49 percent owned by an association of disabled people, Disability Employment Concerns, who will form the bulk of the factory's 150 employees.

Twenty seconds of winding produces about 40 minutes of listening. The invention, hailed as a "fantastic achievement" by President Nelson Mandela, has been toyed with by others, but the South African factory, in Montague Gardens, near Cape Town, will be the first to produce wind-up radios.



RADIO REVOLUTION ... David Butlion with the revolutionary new wind-up radio

Mr Baylis, a former escape artist, tinkerer and inventor of gadgets, got his idea after listening to doctors on a TV documentary describe the difficulty of getting information about AIDS to people in remote African villages who could not get batteries.

"We would like the radios to be used for education purposes, particularly regarding the spread of dread diseases like AIDS and cholera in the developing world," said managing director David Butlion.

Development organisations want to distribute the radios in war zones like Bosnia and Rwanda, he said.

"The idea is of a great deal of interest in many, many developing country situations," said David Halliday, a Denmark-based purchasing officer for Unicef.

Mr Baylis's company, BayGen, will initially produce about 20 000 radios a month. Running at full capacity, the factory has the potential to produce about one million radios a year, Mr Butlion said. ST(JM) 20/8/95

The radios, which will last four to five years, will initially only be produced in South Africa, but BayGen hopes to establish operations in other countries soon.

Mr Butlion is researching new applications for the wind-up generator. BayGen could soon be producing lamps, flashlights, or even TV sets, he said. — Sapa-AP

(296) (297)

By ALEXANDRA ZAVIS

Forgotten town sets a shining example for SA

By CHRIS BARRON

FEW people have heard of Bethel in North West Province.

Situated 25km outside Mmabatho, it was the kind of place nobody cared about and Bophuthatswana officials seldom visited. It has no running water, few jobs, no electricity, precious little of anything.

But three months ago Bethel had visitors from Mmabatho who handed out tools, dropped off a technical supervisor and told the villagers that, if they wanted employment, they now had it. Bethel needed roads, the villagers would be told how to build them and paid for their efforts.

The name of the game was reconstruction and development and, after three months, Bethel has become a shining example of the RDP at work.

Elizabeth Menoe, 40, was one of 18 women, all of them mothers and all of them previously unemployed, who needed no second invitation to get involved. Since May she's been up and at it from 7.30am to 4pm. She gets paid R21 a day, which is not much perhaps, but beyond her wildest dreams this time last year.

So far, she and her fellow residents have completed just over one kilometre of road, with another 1,5km to go. After the roads they will be put to work on schools and houses.

On Friday, Public Works Minister Jeff Radebe arrived to congratulate them on their success so far and let them know they are no longer forgotten.

Bethel is one of 23 labour-intensive projects under way in the province to build and upgrade roads. Four hundred people previously without work and a sense of purpose, now have both.



FORGING A WAY FORWARD . . . being part of an RDP project to build and upgrade roads in North West Province has meant sweat and blisters for Bethel villagers like Christine Masebe, 42. Picture: JON HRUSA

RDP co-operation builds foundation for school project

ARG 21/8/95 (297)

☐ Local workers will get to learn new skills

ESANN de KOCK
Education Reporter

A PROJECT to build a new school in Philippi is testimony to the success of the reconstruction and development programme.

The Ntshonalanga Secondary School will not just be another school built by companies with little more than their own profit in mind.

It will be a venture from which everyone will benefit.

The contract, awarded jointly to Grinaker Building, Cape, and Norman Boya's Siviwe Civil and Development Properties, forms part of the serviced land project of the RDP.

Therefore, community involvement and benefit is paramount, explains Grinaker managing director Pierre Rousseau.

Grinaker believes it has the financial muscle while on the other hand, the smaller Siviwe construction company owned by Mr Boya has deep roots in the black community, a firm status and the ability to draw on local expertise.

Outlined by the government, the serviced land project requires maximum community involvement and for this reason Grinaker has pulled out all the stops.

Mr Rousseau says extensive consultation on the school project took place with the people of Philippi to ensure the exercise had their approval.

The result is that Grinaker and the Siviwe company have been able to draw on local skills to such an extent that at least 50 percent of the total site work force will come from the local people — in compliance with RDP specifications.

"The idea is to empower the people of the area and we have embarked on a huge skills training project for this purpose.

"People from Philippi are now being trained in a variety of skills from construction management to brick-laying.

"We have also insisted that our sub-contractors and suppliers become a part of the skills training programme, and the response has been excellent."

More than 1 000 children who will sign up at the new school currently attend a nearby primary school.



Picture: DOUG PITHEY, The Argus.

SKY'S THE LIMIT: Showing enthusiastic support for the Ntshonalanga Secondary School in Philippi are, from left, Norman Boya of Siviwe construction company and Alex Spence, Delmain Duthie and Eddie Mafu from Grinaker Building, Cape. The school is the first of 32 schools that will be built in the Philippi, Langa and Nyanga areas as part of the RDP's serviced land project.

RDP-funded rural clinics project ready to begin

BD 21/8/95

297

Kathryn Strachan

THE construction and upgrading of about 176 clinics in underserved areas around SA will begin within the next month, health department director-general Dr Olive Shisana said on Friday.

The projects will be funded by the R90m allocated by the reconstruction and development programme during the past two financial years.

The department previously lacked the capacity and infrastructure to proceed with the clinic building programme, but now that structures were in place "we are poised to act", she said.

"We will see an improvement in the near future," she said. The date for the completion of the clinic projects, including upgrading and building, is July 12 next year.

The process was given a kick-start with the appointment earlier this month of health facilities planning director Malcolm Jones, who will employ "fast-track" methods to build and equip clinics.

Discussions have been held between the health ministry, provincial MECs and the public works department to unblock any obstacles that could delay building.

A further R163m, retrieved when the budget for academic hospitals was cut by 5%, was available for runing the clinics.

Shisana said that while the first allocation for clinic building was made last year, the department had lacked the capacity to absorb the funds and few clinics had been built. Now that key appointments had been made, it was possible to get the process going.

It was not possible to carry out projects such as this until the various health authorities had been amalgamated into a single department and people were placed in positions to steer the projects.

Umtata district community health officer Dr Costa Gazi said clinics in rural areas had been neglected while the health department focused on sorting out its structures and key staff. He argued that while the department created its new bureaucracy it should have used existing structures to carry out much needed projects such as clinic building.

Shisana responded that most provinces had appointed heads of health departments only in the past four to five months and before this there was no one in a position to make key decisions and to sign over the money.

Unless there was a person in a position of responsibility, there was little control over the money that was thrown into projects.

Bill should boost RDP delivery

(297) BD 21/8/93

Robyn Chalmers

THE Development Facilitation Bill, introduced to Parliament last week, will provide a much-needed boost to low-cost housing and Reconstruction and Development Programme projects by fast-tracking land delivery and development in urban and rural areas.

Analysts said at the weekend that land development activities across the board would be assisted as the Bill would provide a uniform point of reference in the form of a single piece of legislation.

It would strive to bypass bottlenecks in existing regulations such as town planning Acts, the registration of bonds and the establishment of townships, they said.

The Bill would not only reorientate the spatial patterns inherited from apartheid, but also provide certainty on which development laws were administered by national and which by provincial government.

A land affairs ministry spokesman said the Bill established broad principles guiding all forms of land development on a national basis, in order to serve as uniform norms and standards for the country.

It also provided for the establishment of a development and planning commission to investigate and report on more thorough and longer-term reforms required in land development. The commission would be established on a national level, with provincial representation.

Further, the Bill made provision for the establishment of development tribunals for each province and provided for procedures to resolve development conflicts and to expedite decision-making in the development process.

"Provision is also made for the setting of development performance measures, as well as for land development procedures for the subdivision, servicing and land use zoning of land in both urban and rural contexts," he said.

The commission, expected to be made up of about 24 members, would investigate ways of releasing land mainly for disadvantaged communities, as well as perform an advisory function to national and provincial government.

One consultant who had worked on the draft Bill said fundamental issues relating to tenure types, communal tenure; planning instruments at all levels of government, engineering infrastructure, survey methods and land taxes would form the subject of advice given to government.

The Land Affairs Ministry spokesman said there had been a large number of submissions made on the draft Bill where a variety of concerns were expressed, notably how the legislation would affect rural communities.

He said it would provide a land development procedure aimed at expediting small-scale farming settlements and could be used to deal with situations where communities had succeeded with restitution claims and were being resettled on land.

QUESTIONS

†Indicates translated version.

For written reply:

Information requested in paragraph (2) of Question No 224

172. Sen J SELFE asked the Minister of Transport:

Whether, with reference to his reply to Question No 224 on 11 November 1994, he is now in a position to furnish the information requested in paragraph (2) of the question; if not, (a) why not and (b) when will he be in a position to do so; if so, what are the relevant details?

S332E

The MINISTER OF TRANSPORT:

On behalf of the Minister of Transport, the Department of Transport in co-operation with the Provincial Government of the Western Cape, has gathered and co-ordinated the information as requested.

Yes, see the attached schedules. (Reply bound in Annexures of House, Annexure No 608.)

Persons serving sentences under supervision outside prisons

182. Sen Dr G W KOORNHOF asked the Minister of Correctional Services:†

(a) (i) How many sentenced persons are currently serving their sentences under supervision outside the precincts of prisons, (ii) how many persons supervising these sentenced persons are currently employed by his Department and (iii) in respect of what date is this information furnished and (b) in respect of how many persons was prison sentence converted to sentences served outside the precincts of prison during the latest specified period of 12 months for which information is available?

S342E

The MINISTER OF CORRECTIONAL SERVICES:

(a) (i) 31 341 (8 515 probationers and 22 826 parolees)

(ii) 683 Personnel members

(iii) 31 May 1995.

(b) From 1 June 1994 to 31 may 1995, 9 666 persons' sentences of imprisonment were converted into correctional supervision.

Hansard

QUESTIONS (297)

†Indicates translated version.

For written reply:

RDP: money received/used

55. Sen A J WILLIAMS asked the Minister without Portfolio:†

(a) How much money the Reconstruction and Development Programme had already received from (i) the (aa) central government and (bb) private sector and (ii) abroad as at the latest specified date for which information is available and (b)(i) how much of the money so received has been used for RDP projects, (ii) what does the total cost in respect of each such project amount to and (iii) in which (aa) areas and (bb) towns in each province have the projects been launched?

S108E

The MINISTER WITHOUT PORTFOILIO:

The RDP Fund has been allocated R2,5 bn for 1994/95 and R5 bn for 1995/96 from the National Budget.

According to the figures supplied by the Department of Finance, the money that has been deposited into the RDP Fund from private sources as at 13 March 1995, is:

D F Coetzee	R 200
D J de Villiers	R1 000
Tusk Music Co	R500

According to figures supplied by the Department of Finance, the money that hasflowed through the RDP Fund as at 13 March 1995 from abroad, is:

Switzerland R6 647 169,31
The Ibayhi Presidential Project

Denmark R1 903 874
The President's Conference on Small Business and the Department of Water Affairs

The Bulk of the foreign funding will be committed to flow through the RDP Fund after the sining of Memoranda of Understanding or Agreed Minutes with various countries and multi-lateral agencies. This process is well underway and major funding will be in the 1995/96 Financial Year.

Actual disbursements will only occur on the basis of concrete and very specific project proposals drawn up by the different implementing departments.

Other international support that has not gone through the RDP Fund and is being managed by the donor agencies themselves is:

British ODA 1 811 500 British Pounds
Capacity Building for Provincial Governments to implement the RDP

USAID R19 173 699
Provincial RDP Support Officers on capacity development appointed in all provinces

UNDP R169 092
Study tour on development planning to build capacity for RDP implementation

UNDP US$998 800
Support for RDP and Ministry of Finance

UNDP US$120 000
HRD Donors Conference

Commonwealth R211 410
HRD Donors Conference

Japan R1 080 billion
Loan to Eskom for electrification of rural schools and clinics (managed by Eskom)

The Interdepartmental Committee is still investigating what other support has been provided outside the RDP Fund for Departments, Provinces and parastatals.

The RDP Funds are allocated by Cabinet to Projects that are implemented via Government Departments or Provinces. The Funds are released only once satisfactory Business Plans have been submitted to the RDP Programme Steering Committee.

Applications for RDP projects received

119. Sen W F MNISI asked the Minister without Portfolio:

(a) How many applications for RDP projects were received by his Office during the period 1 May 1994 up to the latest date for which information is available, (b) what proportion of these projects (i) had been approved and (ii) were in operation as at 30 April 1995 or the latest specified dat for which information is available, (c) what was the budget in respect of

each such project and (d) what average percentage of the costs of each project constituted (i) capital and (ii) administrative costs?

S227E

The MINISTER WITHOUT PORTFOLIO:

The projects handled by the Office of the Minister without Portfolio, using funds derived from the RDP Fund, were selected by a process that commenced in December and was completed in January. The schedule lists the new that were identified for funding. (See Schedule A.)

In no case has actual expenditure occurred, but good progress is being made with preparation and planning.

Projects to the value of a further R3,834.9 have also been identified as worthy of funding, and the necessary funds are being sought, either via the sale of the Oil Reserve, or via International Donors. These are given on Schedule B. Thus far funding has actually been approved for two projects:

— Pilot Youth College: Gauteng

— *Promotion of Science and Technology Education*

Most of the above projects obviously relate to the capital investment, although there will be management costs involved in every case. Details of the full spectrum of costs will be available only when the Business Plans have been completed.

SA social workers emigrating

144. Sen W F MNISI asked the Minister without Portfolio:

Whether his Office keeps any statistics on the number of social workers who qualified in South Africa and left the country to practice overseas; if not, why not; if so, how many social workers left in (a) 1990, (b) 1991, (c) 1992, (d) 1993 and (e) 1994?

S282E

The MINISTER WITHOUT PORTFOLIO:

As the answer to this question falls within the authority of the Department of Welfare and Population Development, it is suggested that the member addresses his question to the Minister of Welfare and Population Development.

Complaints concerning abuse of school feeding scheme

148. Sen W F MNISI asked the Minister without Portfolio:

(1) Whether his Office has received any complaints concerning the abuse of the school feeding scheme due to corruption or maladministration; if so, (a) from whom and (b) what was the nature of each such complaint;

(2) whether the said scheme was implemented in any particular areas or schools without business plans having been drawn up; if so, (a) where and (b) why were such business plans not drawn up;

(3) (a) what steps have been taken by his Office to prevent the abuse or further abuse of the school feeding scheme and (b) in how many schools has the scheme already been implemented?

S287E

The MINISTER WITHOUT PORTFOLIO:

As the school feeding scheme is being administered by the Department of Health, it is suggested that the member addresses his question to the Minister of Health.

Permanent/full-time employees currently employed by Department

176. Sen E K MOORCROFT asked the Minister of Land Affairs:

(1) How many permanent, full-time employees are currently employed by (a) his Department and (b) each relevant specified organisational component referred to in section 7(1) of the Public Service Act, 1994 (Proclamation No 103 of 1994);

(2) whether he will furnish particulars in respect of the salaries of such employees; if not, why not; if so, as at the latest specified date for which information is available, (a) what was the average salary of such employees and (b)(i) what annual salary was paid to the (aa) highest-paid and (bb) lowest-paid employees in (aaa) his Department and (bbb) each such organisational component, (ii) what posts did such employees hold and (iii) in respect of how many employees is this information furnished in each case;

(3) how many of these employees were (a) employed (i) before and (ii) after 27 April 1994 and (b) incorporated into (i) his Department and (ii) each such organisational component from the former homelands or self-governing territories?

S336E

The MINISTER OF LAND AFFAIRS:

(1) (a) his Department

2 028

and

(b) each relevant specified organisational component referred to in section 7(1) of the Public Service Act, 1994 (Proclamaton No 103 of 1994);
A division—1 185 B division—843

(2) (a) what was the average salary of such employees

R38 703,55

and

(b) (i) what annual salary was paid to the

(aa) highest-paid

Director-General
R266 784

and

(bb) lowest-paid employees in

(aaa) his Department
R1 639 701

and

(bbb) each such organisational component
B division—
R1 639 701

(ii) what posts did such employees hold

Cleaner Grade I
Cleaner Grade II
General Stores Assistant Grade I
General Stores Assistant Grade II
Groundsman Grade II
Labourer Grade I
Tradesman Grade I
Tradesman Grade II
Services Aid Grade II

and

(iii) in respect of how many employees is this information furnished in each case:

Cleaner Grade I	66
Cleaner Grade II	3
General Stores Assistant Grade I	4
General Stores Assistant Grade II	2
Groundsman Grade II	3
Labourer Grade I	1
Tradesman Grade I	53
Tradesman Grade II	6
Services Aid Grade II	5
TOTAL	143

(3) Nil.

MARKET

Now we have female bricklayers (297) (~~143~~) (~~123~~)

Women take courses aimed at helping the RDP housing programme

Sowetan 22/8/95

By Isaac Moledi

FOR CENTURIES BUILDING has been a male-dominated terrain. But 18-year-old Miss Buhle Sibeko wants once and for all to put an end to this culture.

When she enrolled for an artisans' building course at Crown Mines' No 17 shaft three months ago, Sibeko, who hails from Soweto, found herself the only woman among 20 men who were taking the course.

At first, she says, she felt somewhat intimidated as her male colleagues could not understand what she was doing in a "men-only" job.

Colleagues changed

But the attitude of her colleagues changed as other women joined the course.

Today Sibeko is a proud person. She and 31 other young people were awarded certificates after undergoing a 13-week basic course in bricklaying, blocklaying, plastering and tiling as well as a numeracy and literacy programme. The students were also given building tools worth more than R600 each.

"I wanted to be an interior designer but after completing my matric last year, I could not get a bursary. So, I took this course.

"After 13 weeks of training, I realised how relevant the course is to what I want to do," says Sibeko.

The course Sibeko took is given at No 17 shaft, which is situated between mine dumps at the end of an isolated and winding road at Crown Mines.

The area around the shaft has become a vibrant business and community training centre providing valuable skills to enable aspiring entrepreneurs and scores of unemployed youths to contribute to the RDP's housing development programme.

The designers of the course, Enter Education, say the aim of the course is to help those who graduate to find or create their own jobs.

The British funded project is expected to continue for the next 12 months and a new intake began their training at the centre this morning.

Course coordinator Mr Mahlomola Kekana says the "earn-while-you-learn" project has been designed to address the issue of "marginalised" youths and involve them in RDP projects.Sibeko says she is happy that she and other trainees will be able to subcontract to big construction companies to exercise their skills.

Coordinator of the community RDP forum at Protea Glen Mr Tenki Sekonya says the forum has already identified Stocks and Stocks and Home Grow as companies that are prepared to subcontract their various projects to those who have completed the course.

Awarded diplomas

The trainees will then be awarded Building Industries Training Board diplomas if they satisfy the board's requirements during their internship as subcontractors.

Sekonya says his forum has identified various RDP projects at Protea Glen and the trainees will be helped by various stakeholders.

Op Hunger opens books

OPERATION Hunger — rocked by fraud allegations this year — is to adopt a policy of accountability and transparency, its chairman told its general meeting last night. (297)

Mr Phiroshaw Camay, chairman of the board of trustees, said the organisation would fight corruption. CT23/8/95

"We owe it to everyone to build confidence by proving money is spent correctly."

Mr Mpho Mashinini, who succeeded Mrs Ina Perlman as national director, was suspended in May after the organisation investigated an alleged R1-million fraud. Mr Anthony Mfila, manager of the Bloemfontein region, was also suspended.

Mr Camay said donations had not been affected as the organisation had approached donors and regained their confidence. — Staff Reporter.

Mean monthly Rand profit weighted by number of self employees, by type of self employment, selected old boundries, and gender.

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↑HEINRICH

Operation Hunger expects to make a strong comeback

(297) ARG 23/8/95

Staff Reporter

OPERATION Hunger, an organisation created to help stem poverty, will emerge stronger after its recent setbacks, says Philip Davids, regional manager for the Western and Northern Cape.

Mr Davids was speaking last night at the annual general meeting of the organisation's Western Cape chapter in Rondebosch.

"The past two years have been the most tumultuous in the life of Operation Hunger. The allegations of major fraud within the organisation that were revealed in May came as a major blow and have greatly tarnished our public image.

"During this period, we undertook a major review of our community intervention activities and our internal management systems.

"The fast-changing socio-political environment required Operation Hunger to reposition itself from being a mass-based, food-support programme to adopting an integrated development approach to combat malnutrition in communities.

"Our donor base shifted significantly from mainly food-supply support to a preference for sustainable development programmes.

"We have reduced our staff by more than two thirds and prioritised our staffing by appointing mainly field and development staff."

Mr Davids said the organisation was continuing with its work to bring relief to impoverished communities.

SA to join African bank tomorrow

CT(BE)24/8/95 (297)

BY THALIA GRIFFITHS

REUTER

Abidjan — The African Development Bank will formally admit South Africa tomorrow with Pretoria taking a cautious 1 percent shareholding, but joining in time to take part in elections for a new bank president.

Bank sources said the governors, who will meet in Abidjan tomorrow for a rerun of the elections that ended in deadlock in May, will first vote on admitting South Africa.

South African officials said the decision to join the bank could provide a badly needed injection of confidence.

Under fire for corruption and mismanagement, the bank needs a president supported by both African and non-African members so it can unblock its soft-loans arm and start work on a planned restructuring.

South Africa has attended bank meetings as an observer since 1991.

Bank sources said that as the biggest economy in sub-Saharan Africa, South Africa would be entitled to a shareholding of up to 12 percent, overtaking Nigeria which has 10,53 percent.

The bank failed in five rounds of voting in May to elect a successor to outgoing president Babacar Ndiaye.

An election at the bank's annual assembly in Nigeria's capital of Abuja on May 25 ended in stalemate and the same three candidates — Seyyid Abdulai of Nigeria, Omar Kabbaj of Morocco, and Timothy Thahane of Lesotho — are standing again in Abidjan.

South Africa has pledged its support to Thahane, a vice-president and secretary at the World Bank, who is backed by the Southern African Development Community and the United States.

In the vote in Abuja, Thahane had the highest number of votes but failed to secure a majority in five rounds of voting. Abdulai, placed third, failed to withdraw as the fourth and fifth-placed candidates had done.

Standard and Poor, the credit rating agency, placed the bank on credit watch at the end of June.

Bank sources say the standoff over the presidency obscured progress made in Abuja.

Governors voted to limit executive directors to two three-year terms. They also approved an independent external review of the bank's administration and financial management to clear the air for the new president.

Cableway takeover dropped

ANDREA WEISS
Municipal Reporter

CAPE Town City Council is about to abandon its attempted expropriation of the Table Mountain cableway, thereby freeing about R13 million for reconstruction and development spending.

The money was set aside to buy out the Table Mountain Aerial Cableway Company's right to operate the cableway.

The issue comes up for debate on the executive committee's confidential green agenda today.

For the past two months, lawyers for the council and the company have been negotiating an agreement which will take in the upgrading of the cableway and the costs of earlier expensive legal action. (297)

Indications are that both parties are close to reaching a settlement which will leave the company on the mountain. ARG 24/8/95

The money set aside by the council for expropriation has been earmarked by the city's budget review committee for RDP spending if it becomes available.

But an outstanding compensation claim from a consortium which was awarded a now-dishonoured two-year lease to run the cableway may use up some of the money.

LIBRARY
UCT

number changes

charge office at Caledon Square police

UK murder probe

detectives are due in Britain tomorrow
o the murder of Birmingham private

by SA contract killers hired by his wife,
ell.

d buried in yard

urder after the body of a new-born
Bishop Lavis.

still unidentified

ed body was found tied to a tree in
been identified, police said.
raped, was stabbed to death.

'INTERACTION BETWEEN MANAGEMENT, SERVICE'

TV service for cops

CT 24/8/95

A TV SERVICE for South African policemen and women is hoped to improve communication between management and staff. **JACKIE CAMERON** reports.

POLICE are to get their own television service — at a cost of R10 000 per broadcast — in a bid to improve communication between management and station staff.

The national close-circuit television service, Pol-TV, is expected to commence soon in the Western Cape and will enable "live interaction between management and members of the police service" and facilitate training programmes, a police spokesman said.

"The more informed police officials are, the more effective they will be in preventing and combating crime. Internal communication must therefore be viewed as a strategic priority."

Two half-hour programmes will be broadcast each week, initially to provincial commissioners and about 100 police stations around the country.

He said the project had been sponsored by Eskom and would be facilitated by an independent television company — Africa Growth Network. Testing of the system will begin in October.

● Police are also to step up training in firearm use, following another careless shooting incident — this time at the Ravensmead police barracks — in which a policeman died.

Colonel Raymond Dowd said management was concerned about the incidence of shooting accidents involving police members.

Constable Johnny Cloete, 28, died after being shot in the head when a colleague tried unlocking his room with his gun in his hands on Tuesday.

A murder docket had been opened, but police believe the killing had been "accidental".

Col Dowd said an improved weapon-handling training programme would commence next week, including guidelines on how to eradicate the macho image around weapons' handling.



Whistles for blind

(297) CT 24/8/95

STAFF REPORTER

WHISTLES were issued to blind people yesterday to combat the continual mugging of blind and disabled people on trains.

The League of Friends of the Blind (Lofob), who educate blind people to travel independently, also gave a demonstration at the Lofob centre in Grassy Park on how to use the whistles effectively.

Lofob director Mr Philip Bam said it was unacceptable that the most vulnerable persons in the community were targeted by criminal elements.

BLOW AGAINST CRIME : Mr Victor Isaacs (left), who is blind, and director of the League of Friends of the Blind, Mr Philip Bam, show off the new whistles that will be distributed to all blind people to help prevent crimes against the disabled and the elderly. ***PICTURE: ANNE LAING***

Govt aims to help disabled

CT 25/8/95

THE government has drawn up a draft timetable for implementing a national strategy to improve the lot of the disabled which includes setting up a disability office in the Office of the President by March next year.

Solar factory sees light of day

CT(BR)25/8/95

By Patrick Wadula

SPECIAL WRITER

Increased co-operation between South Africa and the United States in the field of electricity and alternative power saw the first black-owned solar power equipment factory, Suncorp, being established in Wynberg this week.

It was initially capitalised at R8,3 million by the American energy department with Spire, a Massachusetts-based company, and Renaissance Investments, a South African black-empowerment and investment company.

Other partners include AEG, which provided technical and managerial support, the University of Port Elizabeth, which assisted with staff training, Vulindlela Bulatsela, and Mandela Dlamini and Associates.

Alan Norman, the acting managing director of Suncorp, said the plant would initially provide 30 jobs, rising to almost 100 in the first year of operation.

The solar energy panels have been installed at Ipolokeng Primary School in Diepkloof, Soweto, and at a community washing centre in Alexandra.

The panels would also be sold to rural communities and farms which were without power grids.

'RDP presents opportunities'

(297)

By Thabo Leshilo

STAFF WRITER

CT(BR)25/8/95

The Reconstruction and Development Programme could only be implemented along strict business lines in a climate of real economic growth, said Eric Stillerman, the director of International Campus.

In turn, the RDP presents a window of opportunity for business in terms of growth and expansion.

These are among the themes of the RDP Business Development Programme to be run by International Campus in Johannesburg from August 30 to September 1. Stillerman said real spending was increasing in a range of viable market segments which were not presently served.

"Entry into these markets requires that business aligns its vision and strategies with the realities of the RDP," he said.

The focus of the government should be on effective delivery to the poorest segments of the country, which do not have access to the private sector.

Participants in the programme would include the representatives of central and provincial governments, parastatals, companies and trade unions.

Further details on the programme should be directed to Stillerman on (011) 728-4747.

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↑DENISE

Report reveals RDP failure

ARG 24/8/95 (297)

PATRICK BULGER, Political Staff

LOW rates of RDP investment, reflecting the government's inability to implement upliftment programmes, has come under the spotlight in a review of economic policies.

The RDP failure is highlighted in a report prepared for the special cabinet committee chaired by President Mandela.

The report was discussed at a regular meeting of the cabinet committee on economic affairs yesterday.

Government sources emphasised that the special committee was not intended as a re-assessment of the government's economic policies, but was rather intended to identify "blockages" preventing policy goals from becoming reality.

"This report in no way supersedes existing government economic policies," a source said.

The special committee was set up by Mr Mandela last month to find practical ways to reverse South Africa's economic malaise, to convert the economy to international competitiveness and to stimulate exports and job creation.

While economic growth, fixed private investment and private sector employment have all shown a healthy increase since last April's election, RDP investment has been unimpressive.

Finance Minister Chris Liebenberg, in an interview on Tuesday, said the government was considering turning over some infrastructural development to the private sector in a bid to stimulate activity.

The RDP: It's just a plot –

Azapo

■ Workers should continue to question the existence of international capital and entrenched privilege in SA, which still drains the economy and the RDP, writes LYBON TIYANI MABASA.

ARG 26/8/95 (297)

THE April 27 1994 election was a culmination of four years of negotiations between the apartheid regime and the African National Congress. However, what is not so obvious to many is that the main lines of agreement were defined long before the release of Nelson Mandela.

The Kempton Park settlement had very little to offer to the black people except the vote. The African National Congress (ANC), the majority party in the Government of National Unity, (GNU) was faced with an electorate with very high expectations, and in their attempt to create the impression that something big was happening, they came up with the Reconstruction and Development Programme. However, the question remains: what exactly is the RDP?

There were five successive versions of the RDP between 1991 and today. The "white paper" of the RDP shows a great shift between the first and the three following versions of the RDP.

Whereas the first version still referred to the need to nationalise those sections of the economy controlled by the apartheid bourgeosie, in the last version, proposals that touched the fundamental interests of the white apartheid ruling class disappear progressively.

In their place is the "need to privatise" in the hope that the "RDP" fund will benefit from the proceeds of the sale of state assets".

The RDP has very little to do with development. It is like so many other products of the Kempton Park agreement, a tool in the hands of world capital and the national bourgeosie. It creates the unrealistic notion that one can trust the captains of capital, those who own the means of production.

EVEN in countries which have fought and won more gallant struggles than ours, RDP-type programmes have not worked. Nicaragua is a case in point.

A rampant "open market system" only helped to increase scarcity, inaccessibility and great unemployment. The Government of National Unity has not transformed society but has simply become the new manager of old systems.

They are now charged with the responsibility of protecting minority control of the land and all its resources, minority symbols and traditions and privileged "Ivy league" institutions that refuse the vast majority of black people access.

RDP is therefore a new ploy for deliberately justifying inequality and Black disadvantage. It does not seek to attack the vested interests of white privilege and position. In fact it completes the whole saga of the transfer of "national and economic sovereignity".

It outlaws the right of black people to ruthlessly attack white privilege. It promotes a "soothing gradualist approach" to black people which says "in good time we will be there, too", which in reality is not the truth.

THERE are no real answers in the RDP for problems of unemployment, health, education, housing and the equitable distribution of land and wealth. The RDP seeks to turn the entire country into a non-governmental organisation geared to deal with its own poverty.

As things stand now, that cannot be said about the RDP. It is all things to all people, but what is true about it is that it reinforces privilege. Otherwise how do you explain its ready acceptance by all and sundry in the GNU?

Even the GNU does not seem to be committed to the RDP, whatever that is. Otherwise, how does one explain the Government's commitment to the repayment of the external debt inherited from the past regime in favour of the white minority.

The apartheid debt has risen to R58-billion without interest. This amount is equivalent to 20 times the amount that is allocated to the RDP this financial year. (Only R2-billion has been allocated to the RDP).

As if that was not enough, the GNU has also committed itself to the repayment of enormous internal debt taken by the apartheid regime to build white privileges. Some 20 of the national budget will each year be used to service this debt. That is eight times the total money allocated to the RDP this year.

The nature of the Kempton Park agreement and the character of the RDP is such that the GNU will not tamper with the fabulous fortunes accumulated by international capital during the apartheid years.

So they are forbidden to tamper with the interests of, say, "Anglo American", which has a market capital of around R20-billion with assets in excess of R48-billion, according to the *Finance Week Top 200*.

Azapo has no choice, therefore, but to urge black people, particularly black workers, to mobilise around real demands. They should continue their fight for more employment, decent housing, health and education. They should ceaselessly fight for access and control of the means of production and distribution.

They should eliminate privilege and thereby be directly involved in the building of the economy of the country.

■ *Mr Mabasa is the chairman of Azapo in Gauteng.*

Sharpening the knives for NGOs

297 ARG 26/8/95

The NGO "industry" that mushroomed in the apartheid era will be drastically pruned as many organisations that depended on handouts no longer have a role to play in the new South Africa. A report by DAVID BREIER.

MANY of South Africa's vast number of non-governmental organisations might well have outlived their use and will close down because they no longer play a role in developing the new South Africa.

This is the brutally frank view of Merlyn Mehl, chief executive of the Independent Development Trust (IDT) which is to play a key role in the new umbrella development agency to be set up with government authority shortly.

It comes at a time when many non-governmental organisations (NGOs) which depended on local and overseas grants during the apartheid era, are closing down as funding dries up and money flows increasingly to government Reconstruction and Development Programme (RDP) projects.

RDP minister Jay Naidoo has appealed to foreign and local donors to continue supporting NGOs. But the writing is on the wall for many organisations that helped those neglected under apartheid, including health and education bodies.

An IDT survey of 128 organisations showed that by June this year they had a total shortfall of R209,5 million — two-thirds of their budget.

Professor Mehl disclosed in an interview in Cape Town this week there were a colossal 53 000 NGOs and community-based organisations (CBOs) in the country, many set up during the apartheid era to help people neglected by the undemocratic government of the time.

Of these, between 15 000 and 20 000 organisations were involved in development, he said.

Professor Mehl said that many of these organisations were now more concerned with protecting their own vested interests rather than the role they could play in the RDP.

"In the final analysis the question is not how many NGOs will stay on as NGOs, but how effective development can take place in the country," he said.

He said that inevitably some of these organisations would fold if they could not justify their role in promoting development.

"The determining criterion of whether NGOs survive or not is relevance of their programmes to the RDP and other developing national and provincial imperatives, so their survival is really up to them," he said.

But Professor Mehl stressed that NGOs representing civil society must continue to play a key role in developing South Africa.

"Whether NGOs have a future in South Africa should not even be a question that is asked. Indeed, they represent one of the hopes we have of really delivering on the many promises that our new government has made. To see them vanish from the scene would put back for many years the hopes delivering on the RDP," he said.

The IDT is playing a major role with the other major non-government development body, the Kagiso Trust, in setting up a Transitional National Development Trust with the co-operation of the government which is pumping in R50 million a year into the new umbrella NGO organisation.

This is to be the forerunner of a National Development Agency which will be the umbrella body for NGOs and CBOs who will be represented on its board. The new agency would not only channel funds to various development projects, but would also initiate projects, Professor Mehl indicated.

The NGOs have also lost out following a number of corruption and maladministration scandals in recent years.

But the new transitional trust and the permanent agency could play a major role in restoring confidence among local and overseas donors that their money will be used for the purposes they were intended.

Research by the universities of Natal and Stellenbosch recently revealed major corruption at high levels among development organisations.

Organisations which have tarnished the NGO image include Allan Boesak's Foundation for Peace and Justice which is being investigated by the Office for Serious Economic Offences. Even Operation Hunger, a doyen of the NGO community, was rocked by fraud allegations this year.

Professor Mehl defended the integrity of most NGOs, saying that while there had been scams, this had not happened on a large scale. "By and large the NGO house has been in reasonable order," he said.

He said the new transitional trust and the National Develepment Agency to succeed it, would help ensure the accountabilty of NGOs. He said the IDT had suggested the new body be subject to the Auditor General.

Professor Mehl predicted the new transitional trust and agency would speed up funds for NGOs.

A spokesman for the government's RDP office said NGOs would continue to have a role in development projects. "A lot of skills are located there," he said.

He confessed that the government alone did not have the capacity to deal with developing such a large community. The idea of creating a new National Development Agency was to create such a capacity that would be at arms length from the government.

The government is aware that NGOs must not be tied too closely to it — or they will cease to be NGOs, he said.

RDP in full stride — govt

BD 28/8/95 (297)

Robyn Chalmers

THE release of more than R60m last week for 66 projects to upgrade municipal infrastructure indicated that the pace of the reconstruction and development programme was picking up, government officials said at the weekend.

RDP office national programme manager Roy Page-Shipp said the R60m represented almost 10% of the total R800m, with the remainder of the funds due to be released by September 15.

The funds were released under the presidential lead project dealing with rehabilitation and extension of municipal infrastructure, which included water supply, sewerage and electricity.

"We believe these schemes will provide a boost to the progress of the RDP as well as sort out some of the backlogs and discrepancies that have arisen in the provision of municipal infrastructure."

He said the aim was to distribute the funds as evenly as possible among the various projects that were approved. The size of the projects ranged from R100 000 to a couple of million rands and would all get under way by the beginning of October.

The projects included the upgrading of the water supply system for 16 000 people in 34 villages in the Northern Province's Mafefe, a water reticulation scheme in Gauteng's Soshanguve and the provision of toilets on 180 stands in the Western Cape.

The Western Cape had 25 projects approved, the most among the provinces. Page-Shipp said this was due to it getting the most projects ready for approval before the deadline.

The Eastern Cape followed, with 11 approved applications. The Northern Province and Northern Cape each had 10 projects approved, six schemes were given the go-ahead in the Free State, and two each in the Northwest and Gauteng. Eastern Transvaal and KwaZulu-Natal applications were also being considered.

Role for NGOs as govt seeks to deliver RDP

CP 27/8/95 (2nd)

Govt seeks RDP NGOs

THE GOVERNMENT has had a rethink on the financing of non-government organisations since City Press reported on August 6 that Jay Naidoo had backed out of his promise to finance NGOs to the tune of R200 million to help speed the delivery of the RDP.

Instead Naidoo has formed a sector within his RDP unit for the NGOs to participate in RDP policy formation.

The sector will also form a link between the RDP unit and the soon-to-be-established National Development Agency.

Naidoo announced the donation of R50 million towards establishing the National Development Agency which will fund NGOs from government funds, the Independent Development Trust and the Kagiso Trust.

Naidoo said he had also requested local and international aid donors to continue supporting the more than 50 000 NGOs in South Africa, rather than diverting these funds to the government for its RDP.

The NGOs, many of whose operations during the apartheid years assisted the underprivileged with food, education, public health, agriculture and housing as well as helping to bring social change, are on the brink of collapse. Billions of rands from overseas and local donors which swelled the coffers of organisations have all but dried up, mainly because the government wished to divert these funds to the RDP.

In 1992 the NGO sector received more than R6 billion from donors – R1 billion of it from overseas.

However, many overseas donor organisations refuse to donate to a political party or a government and those funds could be lost to South Africa if the government insists on all funds going through the RDP.

Other funds diverted to the government for the RDP may not be put into use for some time because of red tape and the lack of infrastructure.

This week Naidoo admitted to a Johannesburg workshop that half of the R2 billion set aside for the RDP in 1994/95 had not been allocated.

He said one of the reasons was the lack of legitimate local government infrastructures.

Naidoo said, however, that the RDP was entering a new phase.

NGOs have the potential to deliver in a more appropriate way than state bureaucracies, and to mobilise community involvement in development.

In the past year dozens of community-based NGOs have been forced to close or are on the brink of closure.

A strong NGO sector is generally associated with a strong civil society and this has positive implications for development and democracy.

Yet in South Africa NGOs are threatened with extinction and the loss of jobs for about two million people employed by them.

SEVERAL new measures have been proposed to get non-government organisations involved in planning and implementing the Reconstruction and Development Programme. DES BLOW reports on the prospects for getting the RDP moving at last.

Naidoo's recantation may have changed all that, and has led to a proposal for the establishment of a National NGO Coalition.

A decision to establish this body was taken a fortnight ago by more than 100 delegates from NGOs in nine provinces.

National NGO Coalition interim chairman, Rams Ramashia, hailed the announcement of the separate division within Naidoo's office to deal directly with NGOs.

"It is an acknowledgement by the RDP unit that the NGO sector has a critical and important role to play not only in implementing the RDP but also in articulating RDP policy and framework," he said.

This was echoed by RDP Unit head Frank Meintjies, who said it was clear the civil society and NGOs had an important role to play in implementing the RDP.

The National NGO Coalition will pursue four main objectives in its first year. These are:

- Participation in the processes leading to the formation of the National Development Agency, and in its policies, structures and operation.
- Vigorous lobbying to increase the representation of NGOs in the National Economic Development and Labour Council.
- Urgent resolution of issues and problems which have inhibited the flow of funds to NGOs.
- Setting up an effective secretariat.

Ramashia said: "We want this body to be as inclusive as possible. A year has gone into the groundwork which resulted in the National NGO Coalition. We have consulted as widely as possible, but NGOs who have not yet become actively involved are invited to join us."

A proposed non-profit Bill will also assist the funding of NGOs.

The proposed Bill makes provision for the registration of all legal forms of non-profit organisations.

It proposes the scrapping of current fundraising laws which are believed to prohibit the strengthening of democratic development organisations.

Registered organisations will be able to apply for tax benefits both for themselves and donors.

Accountability will be a major factor and the proposed non-profit Bill will make it compulsory for all NGOs to submit a statement of accounts to the Registry office.



Pupils at King David Primary School in Sandton get a taste of life as a disabled person. PICTURE: THEMBA HADEBE

Children get to know how the disabled feel

(297) Star 28/8/95

■ BY LEE-ANN ALFREDS
EDUCATION REPORTER

They sprang away at the sound of the gun and tried their best to finish the course as quickly as possible. For like other relay races, the prize for the winning house of King David Primary School Sandton was a trophy.

But this relay was different. Instead of running, the pupils hopped, rolled and stumbled through the 400m track which had been set up for the school's annual seminar on disability.

And although they tripped, stumbled and hit pavements to come home in their slowest times ever, the pupils were given one of the most valuable lessons of their lives — what life is like for people with disabilities.

"The relay race is one of the most beneficial things the children will ever get because it makes them understand disabled people rather than pity them," acting principal Gill Horwitz said.

She said that the awareness programme was part of an annual event at the school, hosted by People for Awareness on Disabilities Issues (Padi).

But, unlike other years, this was the first time that a relay race had been held, Padi coordinator Sandy Hayman said.

"Normally we just talk to the children, but we wanted to teach them about disabled people in a fun way. So we decided to hold the race in which the children would be required to walk with crutches, experience what being a wheelchair user was like as well as have a sighted guide lead them through an obstacle course while being blindfolded. The children also had to try and communicate directions to someone who was deaf using hand signals and sign language," she said.

Hayman said that Padi toured the country presenting seminars on disability awareness.

However, the organisation was in danger of closing due to lack of funds.

"We rely on donations from businesses and the public to keep going, but it is really difficult. It is unthinkable to me that I might have to close Padi because I do not have the funds to keep it going," she said.

■ Anyone who would like to donate money to Padi can phone Hayman on (011) 436-0409 all hours or fax her on 435-3656.

ANC launches campaign

(297) Star 25/8/95

■ BY JOVIAL RANTAO
POLITICAL REPORTER

President Nelson Mandela launched the ANC's local elections manifesto in Alexandra yesterday, calling for people to "make it happen where we live".

He also called for assistance in the implementation of the Reconstruction and Development Programme.

Mandela said that through local government, communities would have the power to work with the ANC-led Government and make the RDP work for them.

"Community involvement is the key to ensuring secure, stable and orderly communities.

"Together, we will tackle the poverty, crime and disease that have undermined our community values and brought fear and insecurity into all our lives.

"Let us come together as communities to fight crime, to identify our urgent needs and make proposals to Government.

"Together we have the power to make the RDP a resounding success.

"Together we can build a better life. Together we can make it happen where we live," Mandela said.

He pledged that the ANC would work to ensure that democratic local government dealt with the basic needs of all in rural areas. This would be done with sensitivity for local traditions and structures.

Mandela listed the ANC's achievements — from providing water, electricity and free health care to a single education system — but said the ANC was honest enough to acknowledge that more could have been done.

"The local government elections give us a chance to put this right," he said.

ANC deputy secretary-general Cheryl Carolus described the local government elections as the last obstacle to the delivery of the RDP.

She said the ANC would field 12 000 candidates in about 750 areas for the municipal polls.

Manifesto promises quality of life

The ANC pledged a better life for all at the launch of its local government election manifesto in Alexandra yesterday.

The document said that through democratic local councils, communities could make their areas better places to live in by allowing them to decide on delivery of water, electricity, sanitation and clinics.

"Democratic councils will decide where streets will be laid, where schools, clinics and houses will be built, and how rubbish will be removed from streets and public areas. They will make sure that there's a system of fair rents," the manifesto said. — Political Reporter.

Radio, TV blackout ahead of poll

No party-political broadcasts or advertisements would be allowed on television and radio before the November 1 local elections, the Independent Broadcasting Authority said yesterday.

"In accordance with the IBA Act, no broadcaster may broadcast a party election broadcast or a political advertisement at any time before or during the local government elections."

It would monitor TV and radio stations to ensure fair and accurate reporting during the election period. — Reuter.

Staff crisis at AG's office

Star 25/8/95

■ BY ANSO THOM
CRIME REPORTER

The Witwatersrand Attorney-General's (AG) office has been forced to "temporarily" dissolve its commercial crime unit because vacant posts have not been filled for more than a year.

The office also still doesn't have an attorney-general following the retirement of Klaus von Lieres und Wilkau earlier this year.

The failure to fill the posts had burdened the office advocates with untenable case loads, according to state advocate Chris Human.

He said it had been decided this week to temporarily dissolve the commercial crime unit to deal with other cases. "We will prioritise the cases with the most urgent cases being dealt with first."

Commercial crime cases would not be left in the lurch, though. Non-specialist advocates who normally handled murder and fraud would also take on commercial crime, Human said.

"This is not an ideal situation. We must specialise, but we were forced to institute crisis management."

He said affirmative action posts for the AG's office had been advertised last year, but had still not been filled.

"There has been no indication when these posts will be filled. I contacted head office, but they can't say. We are looking at at least four months."

The office had a 35% shortage of senior state advocates and would have a 33% shortage of attorney-generals from next month, he said.

In the Office for Serious Economic Offences (OSEO) there are two vacant senior state advocate posts and a vacant post for a deputy attorney-general. Most of the posts have already been advertised and the closing date for applications has already passed, but the Justice Department said the posts would probably be re-advertised.

OSEO director Jan Swanepoel said the move to dissolve the unit was a step in the wrong direction. "I am not criticising the AG's office. I would have done the same in their situation, but it is useless to say we want to stamp out crime if we don't have the manpower."

He said initiatives like the recent Business Initiative Against Corruption and Crime meant nothing if vacant posts were not filled.

"The Department of Justice is hampering the fight against crime by not making appointments."

He said there were several vacant posts in his office as well as the police commercial crime unit, where he said there was a 50% shortage.

Understaffed

Department of Justice spokesman Pieter du Randt said there were eight vacant posts for senior advocates and two posts for deputy attorney-generals.

He said some of the posts would probably be re-advertised on request from the minister.

A spokesman at the SAPS Johannesburg Commerical Crime Unit said the unit was operating with the minimum manpower. "If you take our workload into consideration, we are very understaffed," he said.

Statistics obtained from the SAPS commercial branch head office indicates an 8% increase in dockets handled since 1992. The monetary value involved had increased by 68,3% in the same period.

Between January and June this year the branch had handled 24 644 dockets involving R6,079-billion. Last year it had handled 22 637 dockets involving R6,856-billion.



Into the unknown . . . one of the handicapped people facing an uncertain future when the Siyabonga adult workshop in Alexandra closes down. PICTURE: THYS DULLAART

Handicapped now face uncertain future

Blow to disabled as work dries up

Star 29/8/95

(297)

■ BY MANDLA MTHEMBU

More than 40 handicapped people in Alexandra are facing a "disabled" future with the closure of the Siyabonga Adult Workshop (SAW) scheduled for the end of the month.

SAW development officer Iris Legodi said the centre had been a "shield for the disabled".

"Being at the centre protected the disabled from being subjected to abuses," she said.

But the centre's lifeblood, contract work for its disabled workers, has dried up.

The workers — most of whom suffer from epilepsy or other mental and physical handicaps — enjoyed the work because it kept them busy and was a welcome supplement to their disability grants. They usually earned R20 each week at the centre.

Most had no idea what they would do when the centre closed.

The work done in the centre included counting, labelling and packaging of items like safety pins and paper clips.

Legodi said the project — started in March last year — aimed at making the workers feel they were doing real work, just like their families, so that they could "hold their heads up and contribute to their families' upkeep".

She said they were still negotiating with Sunfield Homes (which owns the centre) to give them a two-month grace in which to find an alternative home.

"If we have been informed in advance about the closure, we would have done something," Legodi lamented.

Sunfield said the closure was due to the high costs of food and transport.

In the meantine, volunteers were offering cultural activities to the disabled "to keep them busy".

SAW has been able to raise a few thousands and has appealed for more donations. The fund-raising number for the Alexan resource centre is 011006380005.

Northern Cape RDP office opts for decentralisation

Sello Motlhabakwe DD 29/8/95 (297)

THE Northern Cape regional government reconstruction and development office has decentralised its structures to help speed up delivery in the large, arid province.

Acting RDP head in the province Donald Seekoei said the provincial RDP unit, in conjunction with a Stellenbosch University consulting agency, had embarked on a capacity building initiative, with the help of Caltex Oil.

Seekoei said the decentralised structures and system for implementation were necessary because of the province's demographics. The system would revolve around local development forums, which had been established in each community. Six co-ordinators would oversee projects and capacity building in remote areas.

The decentralised programme involved intensive training of candidates by Stellenbosch University. Local co-ordinators would be enabled to train a further 62 co-ordinators. The developments follow the approval of more funds for municipal infrastructure installation by the national RDP office.

Seekoei said a substantial number and value of projects would be contracted to local operators with the necessary expertise and profile.

No estimates were available for the number of contracts which would be put to tender. But several business plans emanating from communities were being processed while still more were being awaited for projects including water reticulation, sewage works and clinic and schools building.

RDP approves a R50m boost for Cato Manor

DD 29/8/95 (297) (1525)

Farouk Chothia

DURBAN — An extra R50m had been made available for the Cato Manor Development Project for the current financial year, KwaZulu-Natal local government and housing MEC Peter Miller said yesterday.

The funds were in addition to an earlier allocation of R30m. The funds would be used to provide bulk infrastructure services in Cato Manor, a poverty-stricken area on the periphery of central Durban.

A five-year implementation strategy and a business plan would be sent to the national housing department, Miller said.

He said the funds were approved by the national reconstruction and development programme office, and another R50m was to be made available in the coming financial years.

Hitting back at critics accusing the KwaZulu-Natal government of failing to implement the RDP, Miller said it was incorrect to draw the "generalised conclusion" that all departments were failing to deliver.

He said he was pleased with the progress made in the two major RDP projects that fell under his department — the Urban Renewal and Extension of Municipal Infrastructure programmes.

Hotel, revamp plan for Guguletu

ET 30/8/95 (297)

STAFF REPORTER

GUGULETU is to get a facelift — with a hotel, town centre, library and a community college.

This is according to an ambitious community plan unveiled by the local Reconstruction and Development Forum that hopes to see Guguletu transformed by the year 2000.

According to the plan, how the township looks is of great importance, so they plan to renovate business premises, green the area and paint public and private buildings.

The existing storm-water system is to be reconstructed and the streets are to be upgraded. Already R3 million is available for this project while another R1,5m has been set aside for a library near the swimming pool in NY 144.

A massive environmental health and clean-up campaign is planned to make the area more attractive. This campaign, taken up jointly with the iKapa Town Council, will have four representatives from each street acting as "cleanliness watchdogs".

The first phase of the development plan is heavily dependent on the delivery by the state of basic infrastructure such as electricity, housing and water.

Housing is a pressing issue — a 1990 study revealed that an estimate 24 000 people were homeless in Guguletu.

The lack of land in the township is also a problem. To resolve these difficulties the plan suggests partnerships between residents who could club together their subsidies to build flats.

Traffic lights

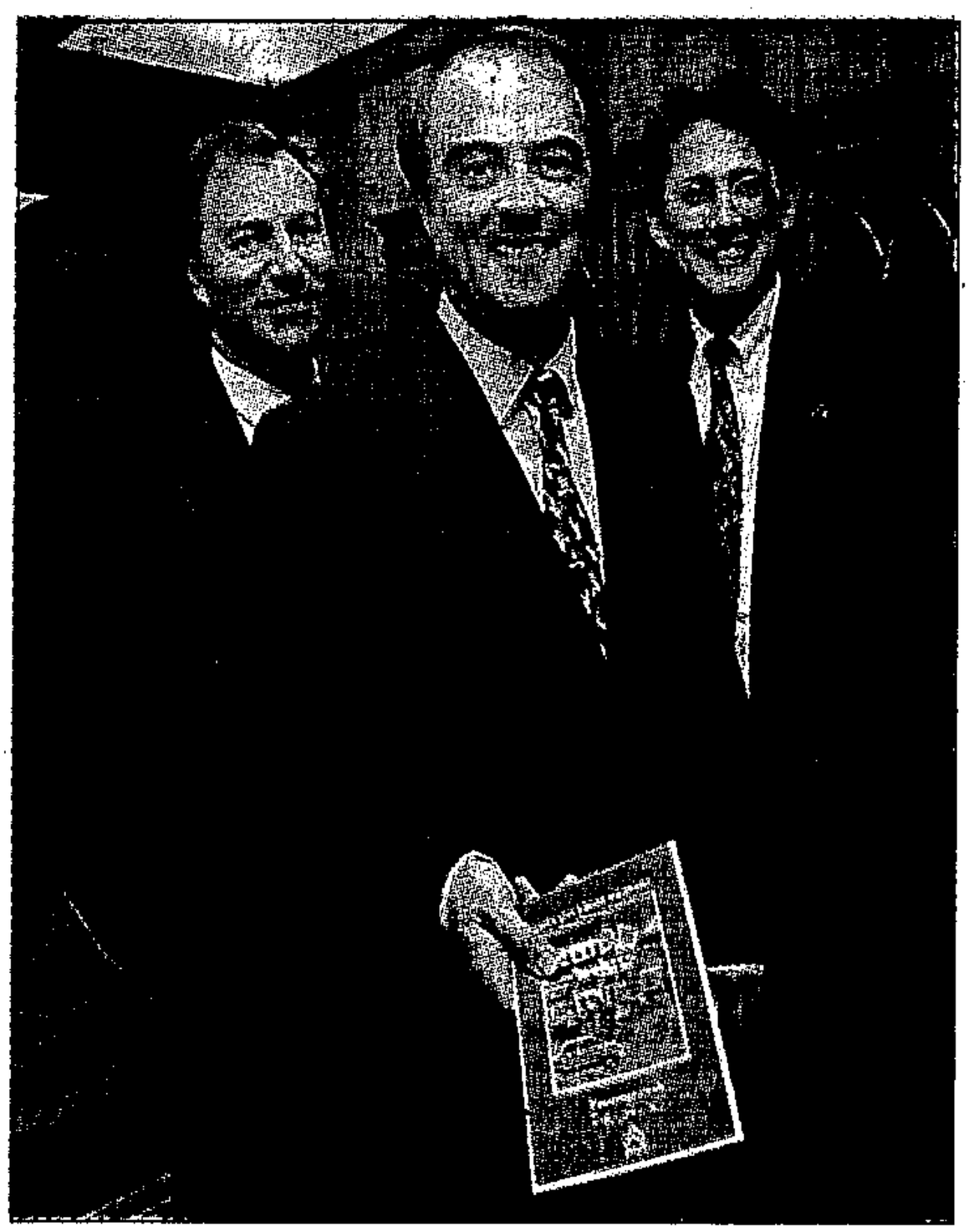
Plans for the extension and upgrading of the typical four-roomed core houses are being discussed.

Residents say in their plan that Guguletu needs 11 more traffic lights, a traffic department and a driving school. They propose the training of pensioners as safety patrol officers.

A fire station and ambulance service are also on the cards.

Education also features in the plan with a community bursary fund and the transformation of the Sivuyile College into a community college offering a variety of courses. But there is no mention of how the community plans to keep its young and upwardly mobile committed to the community.

While the plan is based to a large degree on self-reliance, the community's greatest resource is its people, strong civic organisation and unity.



GREATER EXPOSURE *Ian Hamilton, the investment development manager of Southern Life, Adrian Arnott, the executive director, and Michael Leeman, the development manager of Futuregrowth, at the announcment of Futuregrowth's interim results*

PHOTO: JOHN WOODROOF

Futuregrowth to up its RDP activities

CT(BR) 30/8/95 (297)

BY JOHN SPIRA

GAUTENG BUSINESS EDITOR

Southern Life's Futuregrowth fund, which has already ploughed huge sums of money into RDP-related developments, has launched plans to increase its exposure to this sphere of activity.

Futuregrowth, with more than R300 million in managed assets, is South Africa's first investment portfolio aimed at uplifting and empowering socio-economically deprived communities.

Adrian Arnott, the executive director of Southern Life, gave details of the company's expanded commitment to the RDP.

R10 million in cash would be deposited in Peoples Bank. Over the next few months, innovative ways of delivering a transaction service, as well as other affordable banking services (including home loans and micro loans), would be introduced.

R20 million would be invested in the South African Roads Board.

Arnott said Southern Life recognised its responsibility to act in the broad national interest, while meeting clients' expectations.

In the six months to June, the Futuregrowth income fund out performed the all-bond index with a return of 10,4 percent.

The balanced fund earned a return of 10,4 percent over the past year. In the 18 months since inception, this fund's net annualised return of 16,3 percent has exceeded the corresponding inflation rate of 9,6 percent by more than the targeted 4 percent.

R1-m RDP office for Metro council

ARG 30/8/95

Municipal Reporter

THE Cape Metropolitan Council is setting aside R1 384 800 to set up a reconstruction and development office. (297)

An amount of R200 000 is being set aside to employ consultants and experts, a further R100 000 for public participation and R200 000 for a media campaign.

Futuregrowth targeting RDP

Robyn Chalmers BD 30/8/95

SOUTHERN Life's reconstruction and development fund, Futuregrowth, has undertaken a series of new drives including a R30m investment in People's Bank and the SA Roads Board.

Southern Life executive director Adrian Arnott said yesterday that Futuregrowth had more than R300m in managed assets and its investments were intended to uplift disadvantaged communities.

A R20m investment in the Roads Board would help it develop a primary- and toll-road network.

"Southern Life is in contact with most of the large retirement funds to highlight the benefits of reconstruction and development programme investment (RDP) and encourage them to pursue investment initiatives.

"The objective of Futuregrowth is to provide a vehicle for retirement funds to invest in the RDP."

Futuregrowth employee benefits co-ordinator Michael Leeman said 30 retirement funds were now channelling assets into the RDP.

RDP faces collapse —Senate committee

ET 31/8/95 (297)

THERE was a serious risk of RDP projects collapsing because formulas for allocation of funds in some provinces had been based on incorrect statistics, a draft report by the Senate RDP and Labour Select Committee has said.

This was because provinces had not been allowed to make an effective input on their budgetary allocations, the report said.

In some cases, government funds were going directly to communities, which could cause corruption and lack of accountability.

Some of the problems were caused by RDP units not being provided for in the interim constitution. The government adopted the RDP without any institutional framework, the report said.

The Independent Development Trust had not consulted with provincial departments and had duplicated projects.

The report expressed concern at "lack of co-operation between RDP structures and said conflict between civic structures meant projects could not be agreed upon. Excessive bureaucracy had also delayed project implementation.

The committee recommended improved communications and "strong and vigilant" RDP Select Committees. —Sapa

Local Operation Hunger donors pull out over scam

■ BY SHIRLEY WOODGATE

Operation Hunger's funding supply has been dealt a devastating blow by the withdrawal of local donors.

This is despite continued support by international sponsors following the organisation's announcement in May that it had been hit by a million rand scam.

Although the scandal in the Bloemfontein region was uncovered in December, sources have indicated that further action against the officials allegedly involved has been delayed until an internal disciplinary hearing and the police investigation have been concluded.

Sources said the case was complicated by the alleged involvement of two senior staff.

Chairman of the board of trustees, Phiroshaw Camay, said this week that he hoped the police investigation would be concluded shortly.

The feeding scheme scandal which led to the attempted suspension of two officials allegedly involves a "Mr Big", a well-known Free State businessman who allegedly used the two employees to siphon off large amounts of money over a period of several years.

The two officials went to ground after Operation Hunger announced the scam, and one is believed to have appointed an attorney to represent him at the disciplinary hearing.

It is claimed the scam was operated by making out orders to the Johannesburg office, which sent supplies to Bloemfontein warehouses from where they were invoiced out to non-existent rural charities. The supplies were then allegedly rerouted to stores in the Bloemfontein and Thaba Nchu areas.

Operation Hunger has in the meantime installed strict internal controls and changed direction from being a famine relief organisation doing reactionary feeding in rural areas, to developmental work focused on RDP projects ranging from sanitation to supplying fresh water to the underprivileged. (297)

It is believed that continued funding from USaid has made it possible for Operation Hunger to continue its charity work.

Star 31/8/95

Thieves ruin housing project

Star 31/8/95 (Fact)

■ BY BONGIWE MLANGENI
HOUSING REPORTER

Services installed in Alexandra's Far East Bank low-cost housing development have been damaged and could cost the council about R3-million to repair, the Greater Johannesburg council said yesterday.

The serviced land was handed to Alexandra residents two months ago to launch the first phase of the project which aims to build 800 houses.

But sewerage manholes were stolen and electricity reticulation damaged before the residents could move into their homes.

Johannesburg housing and urbanisation chairman Lindsay Bremner said all electrical wiring had been taken and many poles were broken or missing. Other damage included blockages in stormwater systems and broken headwalls.

Bremner said repairing the services would cost about R2 848 650 and upgrading would cost R5 769 300.

A council report said more than R15-million was spent on servicing the site. The former TPA paid about R11-million to expropriate the land.

Regional RDP endangered

BD 31/8/95 (297)

CAPE TOWN — There is a serious risk of reconstruction and development projects collapsing because formulae for allocation of funds in some provinces have been based on incorrect statistics, a draft report by the Senate RDP and labour select committee says.

This is because provinces have not been allowed to make an effective input on their budgetary allocations, the report distributed to its members for comment yesterday says.

Departments are apparently finding it extremely difficult to prioritise and there is a lack of funding for welfare. More grants are needed for disability aid and there is an urgent need for programmes to alleviate poverty.

The report follows on a tour of the provinces undertaken by the committee.

In some cases, government funds are going directly to communities and not to provincial departments. This can cause corruption and a lack of accountability, the report says.

The committee found corruption in the primary school nutrition scheme, with a lack of community involvement and funds for the scheme being diverted elsewhere.

The problem was worsened by poor monitoring caused partly by a lack of transport facilities.

Some of the RDP problems are caused by RDP units not being provided for in the interim constitution. The government of national unity adopted the RDP without any institutional framework.

The Independent Development Trust has not consulted provincial departments and has duplicated projects.

The report perceives this as "a breeding ground for tension".

The report expresses concern at a lack of co-operation between RDP structures, which retarded implementation of projects.

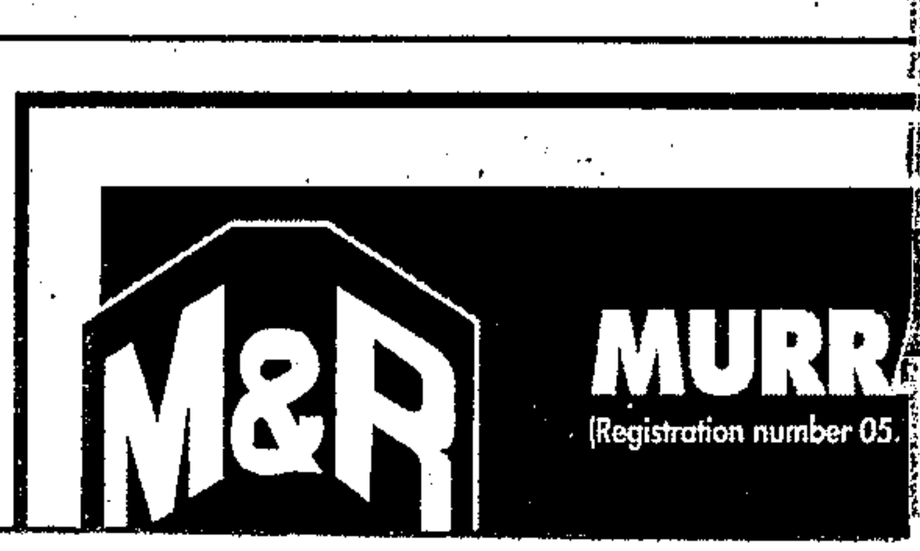
Conflict between civic structures meant projects could not be agreed upon.

Excessive bureaucracy has delayed projects being implemented, it says.

The committee also found that provincial and national departments, and government structures and communities lacked communication.

It recommended improved communication and "strong and vigilant" RDP committees.

The flow of money directly to communities should stop and budgeting should be based on more reliable information, the report says. — Sapa.



Some costly RDP projects 'pie-in-the-sky'

Southern Reporter AAG 31/8/95 (297)

CONCERN about how local authorities can be expected to finance ambitious and enormously-expensive facets of the Reconstruction and Development Programme have been voiced in Constantia.

At a meeting of the local metropolitan substructure, councillor Ron Gaylard, head of finance, referred to "misconceptions and pies-in-the-sky".

On the planned restructuring of the national health system for primary care, he said: "No one has worked out how to pay for it."

There were similar misgivings about a public transport study the council was asked to consider.

The council noted both reports, but resolved not to comment at this stage.

Row over RDP centre spending

ARG 31/8/95

Staff Reporter

THE Cape Metropolitan Council has agreed to spend R1,4 million on setting up a dedicated Reconstruction and Development Programme headquarters.

About R70 000 will be spent on buying computer equipment for the centre, an amount councillor Arthur Wienburg described as excessive.

"We are supposed to be looking after the taxpayers' money, not spending it on expensive equipment if the equipment can be bought at much cheaper prices.

"The money should be put to better use like implementing RDP projects."

Joye Gibbs said it seemed certain councillors were against the RDP being implemented.

"One of the problems with the RDP is that certain councillors are still against it because the programme allows for community participation and decision-making, unlike in the past when all these decisions were made top-down.

"Some of the councillors just cannot get used to not making top-down decisions and are resisting the implementation of the programme."

● A proposal on the development of Century City, near Milnerton, was referred back to the Cape Metropolitan Council's executive committee for further scrutiny because councillors felt that not enough was being done for the region's homeless.

The project aims to develop a 192-hectare area at a cost of R1,5 billion and build hotels, conference facilities, a shopping complex and a water theme park.

Pan Africanist Congress councillor Philip Bam said the CMC should reject projects which were intended to build playgrounds for the rich at the expense of the homeless.

"The CMC should lay claim to some of the land and provide low-cost housing on the site."

Louwtjie Rothman, co-chairman of the planning committee, said if the council could not decide on the motion, his committee would send the proposal to Western Cape Premier Hernus Kriel for a decision.

● A motion calling for an investigation into irregularities at the former Regional Services Council's fire department was tabled by PAC councillor Philip Bam.

Mr Bam said that in spite of two previous investigations launched by the RSC, the problems at the fire stations, which started way back in the 1980s, had still not been resolved.

"I have documentary proof that the investigators were not serious enough in trying to get to the root of the problems because they involved senior members of the service."

The council agreed to let the staff matters standing committee look into the allegations.

Private partnership role emphasised

Staff Reporter

THE success of the Reconstructon and Development Programme depends "very much" on the private sector because government doesn't have the capacity to deliver, says Institute of Personnel Management board member Zorah Ebrahim.

"The private sector needs to forge stronger links with local government, which to a large extent will be the vehicle for delivery of the state's promises," said Ms Ebrahim, a director of Premier Fishing in Cape Town, in an article to be published in the institute's magazine next month.

"It should be remembered that the previous government failed in its own half-hearted efforts at poverty alleviation because the state simply lacked the required delivery capacity.

"It still lacks it," Ms Ebrahim said.

She found it "unfortunate" that corporate social responsibility programmes had to date "been largely a euphemism for chequebook philanthropy".

Eighty percent of corporate responsibility expenditure had been directed toward education; and education was also the government's largest single budgetary expense.

"How effective has that expenditure been?" asked Ms Ebrahim.

"Well, three in five South Africans are functionally illiterate.

"Even in third and fourth generation urban populations such as Soweto, 35 to 40 percent of the people are illiterate and South Africa is destined to dominate the lower extremes of comparative human resource development studies."

Ms Ebrahim said a different approach to corporate responsibility was required ... money should be spent on promoting economic development and job creation.

This, in itself, was problematic as corporate South Africa offered an ever-diminishing number of jobs.

Zinc strikers face final interdict bid

Deborah Fine

STRIKING workers at the Zinc Corporation's East Rand operation have been ordered to show cause in the Rand Supreme Court next month why the company should not be granted a final order interdicting them from stopping temporary workers from entering the plant during the strike.

In an affidavit, Zincor senior personnel officer Martin Hurworth said strikers had also stoned vehicles trying to enter.

An interim interdict was granted on Tuesday prohibiting strikers from coming within 100m of the plant and obstructing access to the plant.

Eskom conduit for US institute

Theo Rawana

ESKOM and the US-based Electric Power Research Institute had agreed to form an African centre for essential community services — a technology transfer mechanism for moving institute technology through Eskom to sub-Saharan Africa, they said yesterday.

Institute customer systems group vice-president Clark Gellings and Eskom research manager Steve Lennon said the centre would probably use a major SA university as its host site.

The California-based institute, with 700 utility members, was founded in 1972 for the US electric industry to improve power production, delivery and use.

The centre would function as a satellite of the institute's customer systems group community environment centre in St Louis, Missouri, and would become part of the institute's centre and office network.

"The process of site selection (in SA) is already under way, with the opening scheduled for March-April 1996. Selection criteria include technical capabilities, community presence, ties to key SA industries and resource contributions," the organisations said in a joint statement.

Initially the centre would be supported by Eskom and the institute, with extra funding from SA's government, water utilities and health care industry. It was to be self-supporting and function as a nonprofit corporation.

Social services disrupted

ARG 1/9/93

Staff Reporter

WORK has ground to a halt at the Bellville offices of the Social Services Department where 15 workers staged a sit-in through the night and were joined by the rest of their colleagues this morning.

They are members of the National Education Health and Allied Workers' Union (Nehawu), and they are aggrieved at the provincial administration's continuing refusal to reconsider the retrenchment of about 85 contract workers.

Work at social services offices throughout the Western and Southern Cape has been disrupted sporadically since the workers were retrenched on August 1.

The matter is due for the Industrial Court soon.

DBSA 'wants to be govt's broker'

BD 11/9/95 (297)

Robyn Chalmers

THE Development Bank of Southern Africa is lobbying to become government's broker for the most competitive local and international deals on development finance for large infrastructural projects, a confidential document says.

The document, which was the result of board meetings held on recently published plans for the bank's transformation, indicated the lure of adopting such a role was one of the reasons for the proposed narrowing of the bank's focus to financing infrastructure.

The bank's transformation plans were outlined in a report drawn up by a government-appointed team, most of whose members have been appointed to the bank's new board which is overseeing the transformation.

The document said the mobilisation of development finance should focus on major national or sub-Saharan infrastructure projects and should consist of a technical analysis in order to market any projects to potential investors.

The analysis "is intended to pave the way for other investors and it is believed that the approach will comfort financial institutions. The analysis could include preparation assistance".

It suggested a major drive to recruit policy specialists, planners, institutional capacity-building skills and social specialists be undertaken as the bank would need strong policy capacity to underpin its new operational activities.

As outlined in the report, the document said the bank's macro-policy capacity should be funded by the bank in the short term, but this made no sense over a longer period and government should eventually pay for these services.

"However, the principle should be observed of not tampering with existing capacity before something better is in place."

Referring to its focus on the financing of infrastructure, the document said all the hard infrastructure that could justify and support a loan should be considered, but with qualifications.

These included that enterprise-related infrastructure should be excluded. Only infrastructure where the private sector would not normally be involved should be supported, as should infrastructure in support of the reconstruction and development programme in general.

The document said the transformation team viewed infrastructure in a broad sense which included infrastructure that would provide economic opportunities.

"In the main, it should be targetted at underdeveloped communities, but projects serving both underdeveloped and developed communities should be considered. Decisions would be made on a project-by-project basis, based on the facts of a particular case.

"Eventually, prioritisation of funds will have to be undertaken. We will have to categorise projects and consider a regional allocation and capping of funds to avoid the first-come, first-serve syndrome.

Other solutions to the issue of funds supply included a form of equity to be made available by the fiscus, shareholding in the bank and funds mobilisation.

The document said the recommendation by the team that the bank be merged with the Industrial Development Corporation to create a R16bn holding company able to mobilise private capital was still under consideration.

"The idea of a holding company responds to the likelihood of a quantum leap in the demand for infrastructure, leading to a high demand for funds." However, sources said the proposal was losing favour among bank officials.

OBILVY &

NEWS

Recognise sign language – call

(297) Star 11 9 95

Today is the first day of National Deaf Week, and South Africa's 4-million deaf people are using it to emphasise their demand for sign language to be recognised as a 12th official language.

A proposal submitted to the Constitutional Commission was objected to by the National Party, on the grounds that signing was not a language, but a technique.

In reply deaf people last night flighted the first of a series of emotional television advertisements, arguing that their language needed to be recognised – as it has been internationally.

Because it is not, the one in every 10 South Africans who have a hearing impairment are denied effective access to educational, banking and insurance services, and a myriad other facets of the economy, says Henna Opperman, national director of the Deaf Federation of South Africa (Deafsa).

■ A major hearing aid supplier is to offer free hearing tests during Deaf Awareness Week. Contact (012) 23-1016 for information. – Medical Correspondent.

REGIONAL DEVELOPMENT

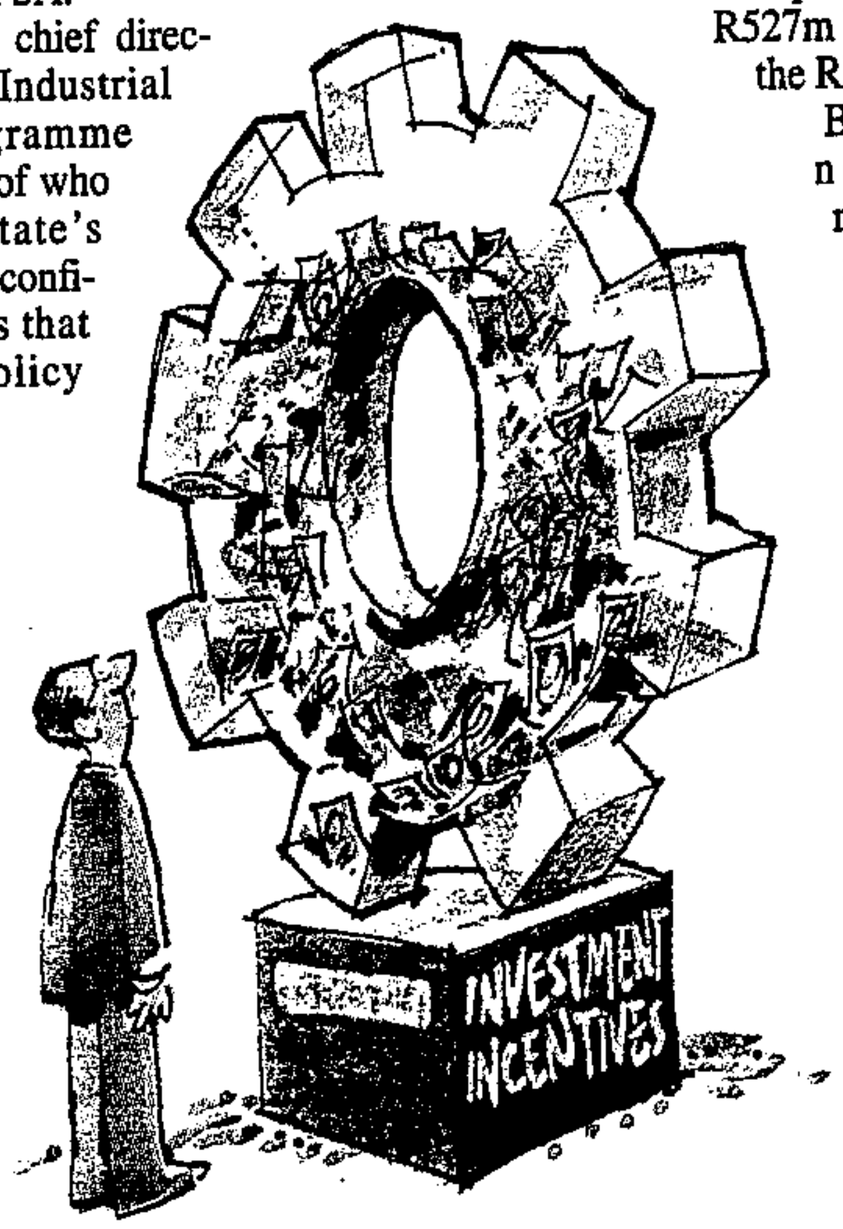
Where's the incentive cash going?

FM 1/9/95 (Ess) (297)

Industrial investment incentives worth R1,7bn have been paid out by government in the last three years — but no-one is saying where the money went. With another R839m available for this financial year, calls are growing for greater transparency about how the money is spent.

The National Economic, Development and Labour Council (Nedlac) is probing a possible new package of measures for industrial investment in SA.

Johann Reinhardt, chief director of the Regional Industrial Development Programme (RIDP), says details of who has received the State's huge incentives are confidential. But he adds that this closed-door policy may change.



Wolfgang Thomas, executive of Cape Town-based Wesgro, a private-sector investment body, says there are suspicions that large corporations benefit most from the RIDP incentives. If so, it would mirror the recent disclosure on general export incentive scheme (Geis) payments, which revealed that Iscor was the single biggest beneficiary, with R500m in incentive payments over the past three years.

Thomas says greater clarification is needed, especially as Nedlac has appointed developmental experts — funded by the Japanese Grant Fund — to investigate the current programme.

The Nedlac investigation will also look at new supply-side packages to assist both local and foreign investors.

"The Nedlac Trade & Industry Chamber is now waiting on government to indicate its fiscal priorities and preferences regarding a new supply-side package," says SA Chamber of Business (Sacob) economist Keith Lockwood. "Only when it shows its hand can serious debate commence, as there are many hundreds of alternative supply-side measures that could be discussed."

Carry-over payments under the old Schedule 3 decentralisation programme, abolished in 1991, totalled R1,3bn — R627m in 1992-1993, R477m in 1993-1994 and R199m in 1994-1995. During the same period, so-called Schedule 4 RIDP payments totalled R388m — increasing progressively from R41m, to R133m and then to R214m.

The 1995 figure of R839m is comprised of R312m under the old scheme, as carried out by the Board for Regional Industrial Development (Brid), and R527m budgeted for under the RIDP.

But questions are now also being raised as to the veracity of some of the RIDP statistics furnished by Brid. According to Reinhardt, local projects approved (and incentivised) by Brid over the past four years encouraged R15,1bn in private-sector investment. KwaZulu-Natal benefited most, with projects worth R5,8bn approved; next was the Eastern Cape (R3,96bn), Western Cape (almost R3bn), Mpumalanga (R990m) and North-West Province (R544m).

Reinhardt says the Brid figures are accurate, based on the assets of applicant firms and backed by audited balance sheets.

But, with the RIDP now being scrutinised by Nedlac as instructed by Trade & Industry Minister Trevor Manuel, the big question remaining is if its funding is being effectively spent to promote industrial development. With luck, Nedlac's investigation will come up with some transparent answers. ■

Sit-in disrupts social services

WORK was disrupted at the social services department offices in Bellville when workers staged a sit-in. (297) (ee)

The workers, all members of the National Education, Health and Allied Workers' Union, were protesting yesterday against the termination of services of 85 temporary workers employed by the Western Cape government since January 1. — Sapa. ARG 2/9/95

Food charity director fired

(297) CP 3/9/95

By ELIAS MALULEKE

OPERATION Hunger executive director Mpho Mashinini has been fired in connection with allegations of a misappropiated R400 000.

The sacking on Friday followed a report handed to Operation Hunger by an independent arbitrator appointed to head an enquiry into Mashinini's alleged involvement in defrauding Operation Hunger by diverting and selling food meant for the poor in the Free State.

Mashinini was suspended on May 11 with three other officials who have also been fired.

Operation Hunger management committee chairman Phiroshaw Camay said Operation Hunger had instructed its lawyers to ensure that charges were pursued against all persons involved in the scam and that no stone be left unturned to recover the funds.

Camay said the speed with which Operation Hunger reacted when it was alerted to the fraud and the enquiry findings had lifted the cloud that hung over Operation Hunger and a great deal had been done to restore donors' confidence.

Police investigations are at an advanced stage.

The NGO funding drought

(297) Star 4/9/95

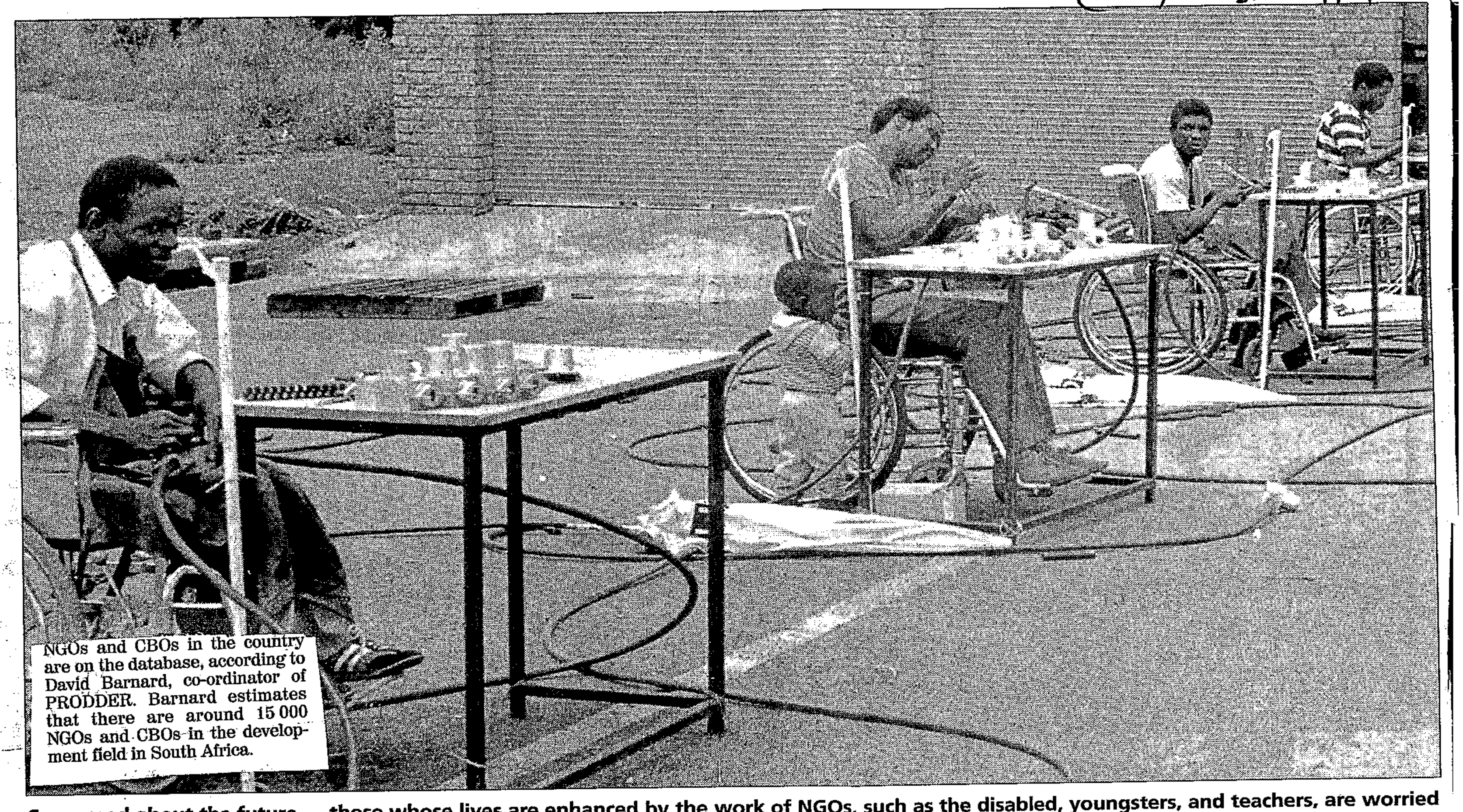
A survey by the Independent Development Trust (IDT) of 128 non-governmental and community-based development organisations showed that by June 1995 they had a total shortfall of R209,5-million – two thirds of their combined 1995/96 operating budgets of R343,3-million.

Providing funding promises are met, the non-governmental organisations (NGO)s and community-based organisations (CBO)s expect to reduce this deficit by half, but they will still be left with an outstanding shortfall of R116,5-million – which they have no way of meeting. Some organisations are now in such serious financial difficulties that they face closure in the next few months. Many others will be forced to retrench staff or drastically curtail their operations.

The NGOs and CBOs surveyed offer essential services to disadvantaged communities in the fields of education, health, rural development, micro-enterprise and capacity building. All of them were funded by the IDT in the past and those which responded included many of the foremost development organisations in the country.

The survey results give some indication of the financial state of NGOs and CBOs countrywide. There are some 7 500 NGOs and CBOs currently on the database of the Human Sciences Research Council Programme for Development Research (PRODDER).

However, because of difficulties in getting information about organisations, only about half the



NGOs and CBOs in the country are on the database, according to David Barnard, co-ordinator of PRODDER. Barnard estimates that there are around 15 000 NGOs and CBOs in the development field in South Africa.

Concerned about the future ... those whose lives are enhanced by the work of NGOs, such as the disabled, youngsters, and teachers, are worried about what lies ahead for them.

Background

The IDT survey was conducted after 25 key NGOs signed a memorandum of concern on June 7 stating that without immediate funding within the following two to three months, many of the most worthwhile development projects would not survive. The memorandum was drawn up at a meeting of South African NGOs, called by the IDT and Kagiso Trust in Jo-hannesburg, at which representatives were asked to disclose the financial position of their organisations.

Speakers emphasised that without urgent financial aid, their organisations would either collapse or be forced to cut operations significantly. The memorandum mandated Eric Molobi, executive director of Kagiso Trust, and Professor Merlyn Mehl, chief executive of the IDT, to "convey the urgency of the situation to both the GNU (Government of National Unity) and relevant grant-making structures".

The matter was raised by the two executives in talks with the Government, which asked for quantitative evidence of the funding situation. In view of the urgency of the situation, the IDT decided to do an immediate survey of NGOs, plus a selection of CBOs, funded by it in the past.

Definition of CBOs and NGOs

Many South African non-governmental development organisations were formed in opposition to the apartheid government. They provided essential services which the Government failed to provide or deliberately neglected in the fields of education, job creation, health, housing and development.

In this report the term NGO is used to described independent, voluntary, non-profit organisations staffed by professionals or semi-professionals and promoting development-related activities. Responsible to donors and the communities with which they work, they offer services to disadvantaged groups. Government and parastatal organisations do not qualify as NGOs.

CBOs are non-profit, grassroots organisations that have their bases in particular communities and which are often formed to carry out specific developmental projects or fulfil particular needs. Staffed largely by volunteers, they are accountable to a particular community or constituency.

In this report, the term NGO is sometimes used to reflect the total sample of NGOs and CBOs.

Selection of sample

The IDT's education, rural development, micro-enterprise, community participation and capacity building portfolios were each asked to send the survey questionnaire to NGO's and CBOs which they funded in the past.

A total of 239 questionnaires were faxed to a variety of organisations in all nine provinces. Despite being given just one week in which to reply, the response rate was very good with 128 questionnaires (54%) returned with sufficient information to be included in the final sample.

Because of the tight deadline, the survey was conducted by fax with information being checked back by telephone. This excluded many smaller NGOs and CBOs, without fax facilities, from the ambit of the survey. The 150-odd community-based organisations funded by the IDT's community employment programme were excluded, for example, because the majority are based in rural areas and, lacking permanent offices and staff, are not contactable by telephone or fax.

The 128 organisations selected for the final sample included major NGOs, a selection of CBOs and a few welfare bodies. The sample is representative of a remarkably vigorous NGO sector that is of almost incalculable value to the development of South African society.

Impact of sample on South African society

Respondents claimed that their NGOs had a combined impact on 16,9-million South Africans – 1% of the population – during the course of a year. However, within these figures there are obviously duplications.

A breakdown of the number of organisations operating in each province showed a fairly even spread of NGO capacity across the country. The economic powerhouses of Gauteng and the Western Cape were shown to have marginally more NGO capacity than the populous and predominantly rural provinces of the Eastern Cape and KwaZulu-Natal.

The NGOs surveyed employed a total of 3 803 people in 1995. This figure excludes the significant number of contractual staff employed on a part-time basis by many NGOs.

Surpluses and Shortfalls for 1994 and 1995

While the NGOs surveyed showed a healthy R7,9-million overall surplus in the year ending March 1994, they registered a R4,6-million overall shortfall by the year ending March 1995.

An important trend is the increase in the number of individual organisations registering a loss from 1994 to 1995.

During this period, the percentage of educational development organisations registering deficit increased from 38% to 60% of the total. Meanwhile, the average deficit faced by each organisation in March 1995 was 28 more than in the previous year. But this is just a foretaste of the funding drought experienced the last few months.

Extent of funding crisis shortfall up to March 1996

NGOs estimated they needed a total of R343,3-million to keep running at their current levels of delivery until the end of March next year. The respondents had received just R133,8-million (39% of this amount) by the end of June this year, leaving a shortfall of R209,5-million.

Respondents were optimistic about receiving a further R93-million from funders. This left a total of R116,5-million (34% of the combined budgets) which had not yet been obtained or committed and they saw no way of raising these funds.

The 1995/96 budget estimate of R343,3-million is 27% higher than the R249,8-million spent by the respondents in the previous year. This can be attributed to the usual inflationary pressures and to the fact that many NGOs

planned to scale up their operations to meet demand.

It should be noted that a number of NGOs only began operating this year, which means that their March 1995 income and expenditure figures were probably underestimated.

Sources of funding

Although many respondents listed their major sources of funding in order of importance, only 41 gave figures to back up their replies. From these, a definite funding pattern was discernible.

It emerged that in 1994, 67% of funding came from local sources rising to 75% in 1995. Taking funding for the two years combined the IDT was the major contributor followed by the corporate sector. Foreign sources were responsible for 28% of funding in 1994 and 21% of funding in 1995, with the lion's share of funding coming from USAID.

The South African national and provincial governments lagged way behind the foreign sector, contributing only 6% of funding in 1994, rising to 9% in 1995.

In interpreting the data on funding sources, it should be noted that the sample consisted only of organisations that had received IDT funding in the past, so this finding cannot be taken as an accurate reflection of the funding breakdown across the whole NGO sector.

Responses to funding appeal for 1995/96

Replies from the respondents show that post-election expectations of funding from the Government's Reconstruction and Development Programme (RDP) were high.

The majority of respondents had approached the national Government, provincial governments or specific RDP programmes for funding in 1996. But while Government is reported to lend a sympathetic ear to the problems facing some NGOs, the overwhelming majority reported that they had not yet received any funds. Attempts by the NGOs to garner support from national and provincial RDP offices and line departments have borne very little fruit. The lack of liaising mechanisms and administrative capacity in the provinces leads to delays or even the non-delivery of funds where NGOs are involved in contractual relations with the provinces.

When it came to foreign funding, a major complaint was that bilateral aid packages were diverting funding away from NGOs. Respondents reported their perception that major donors like the European Union (EU) and USAID were redirecting funding largely or exclusively to Government RDP projects. Some respondents said these funders required Government approval of NGOs as a precondition for releasing funds. According to one respondent, funders sometimes went as far as to demand Jay Naidoo's personal signature on an NGO funding proposal.

Since the elections corporate sponsors have realigned their programmes to fall more squarely within the RDP. Some corporate sponsors appear to be adopting a wait-and-see attitude – wanting to assess the degree of Government support for particular areas of development before committing funds.

Rationalisation and survival strategies

Many organisations reported that they were attempting to rationalise their operations and find ways of generating extra income in order to make ends meet. Some of the NGOs which are formulating survival strategies are in such serious financial difficulties that it will be impossible to salvage them.

Others are being myopic about confronting the implications of the shortfall. For example, a few NGOs have not informed their highly trained staff members of the seriousness of the financial situation because they do not want them seeking alternative jobs.

But generally, organisations facing shortfalls are trying to find realistic solutions, like cutting back on staff as well as operational capacity. Some intend closing branches or entire operations. A few organisations are hoping to introduce innovative income-generating ventures. Some want to develop partnerships with similar NGOs, while others hope to be awarded long-term contracts with Government or on the open market.

Conclusion

This survey provides the first quantitative evidence of the funding drought being experienced by NGOs and CBOs in this country. The situation for NGOs has deteriorated slowly from 1994 to 1995 and accelerated significantly in 1996. With a total shortfall of R209,5-million, of which R116,5-million cannot be met under present circumstances, a number of the 128 NGOs surveyed are facing cutbacks, retrenchments and even closure. Their situation reflects that of the wider NGO and CBO sector of up to 15 000 organisations.

Whether NGOs and CBOs, which provided key services to the disadvantaged in the apartheid era, will be able to survive in the post-apartheid era will depend on the release of funds within the next few months. This will necessitate an urgent review of both international and local funders' priorities as well as some mechanism to release Government RDP funds at a quicker rate.

The human impact of distressed NGOs – many lives affected

While the data about the funding shortfall conveys the extent of the funding crisis facing NGOs and CBOs, it obscures the human impact this problem is likely to have, not only on those who rely on these organisations for employment, but on the millions of South Africans who benefit from the network of NGO programmes.

As funding dries up, NGOs have approached increasing numbers of potential funders, mostly in vain. These are examples of the impact the funding drought has had on individual NGOs and CBOs":

■ The Molteno Project, which provides in-service teacher training in English for primary schools in black areas, said it had to secure R1,1-million or be forced to retrench 10 people out of a staff of 44, close the Easter Cape regional office and cancel in-service training (INSET) courses targeting 1 500 teachers. It has already closed a section of the adult literacy unit and retrenched two staff members. John Burmeister, national director of the Molteno Project, reports that he spends at least 70% of his time fundraising – time that could more usefully be spent utilising the skills for which he was originally hired.

■ The Planned Parenthood Association of SA (PPASA) has a shortfall of R3,1-million, over half of its R5,7-million budgetary needs for the year ending March 1996. Three projects and one resource centre run by the association have closed, representing a loss of eight full-time and 15 part-time jobs. Further cuts are envisaged.

■ The Centre for Cognitive Development, which trains teachers in methods of encouraging critical, problem-solving thought among pupils, expects a R4,4-million operating deficit in 1995. It has closed three area offices and cut staff by 10%. The organisation's usual sponsors have continued to fund its projects, but some on a smaller scale. New sponsors have, in the main, turned CCD down, arguing that NGOs need to access RDP money or become state-funded.

■ Membership of the SA Congress for Early Childhood Development jumped from 5 000 to 40 000 in the last year and a host of new working groups, leadership committees and programmes were put in place. But just R892 000 of the R8-million needed up to March 1996 has been received so far. The organisation complains of receiving mixed messages from the Government and traditional funders. Foreign funders, like the EU and the Japanese Embassy, simply referred them to the Government.

■ The Career Education Foundation of SA (CEFSA) has terminated all activities which require funding although its board of trustees remains. About 20 staff members have been retrenched and the East Rand Career College was closed. The Vaal Career College, which has 310 students, is still functioning but has enough funding to cover only about two months of operating costs. The college needs R2-million to keep operating to the end of this year.

■ Four of the seven regional programmes run by Disabled People of SA will have to close within the next three months. The remaining three provincial programmes might have to close by early 1996. The organisation has a combined membership of 25 000. Its closure will adversely affect 140 self-help groups.

■ Teachers' Opportunity Programmes (TOPS), one of the country's oldest in-service teacher training organisations, had a R847 360 provisional loss in 1995 and needs R6,1-million this year. It has received around R500 000 from USAID and a further R115 000 from a local source. It expects to earn a further R1,38-million for services rendered to schools in the IDT's Thousand Schools Programme. However, it still requires over R4 million just to pay staff and deliver its programmes to the end of the year.

■ The Open Learning Systems Education Trust (Olset), an educational programme producer which beams an interactive radio series to 120 000 school children every day, has retrenched 12 scriptwriters, producers and regional co-ordinators and said it would have to close its offices if funding did not come through in time.

■ The Goldfields Science and Mathematics Resource Centre, a science and maths upgrading programme for students and pupils, has not received a cent towards its budget, and faces closure. The pioneering programme, which bussed township pupils to the University of the Western Cape campus to work on user-friendly computers, reaches 2 500 individuals. The programme has already retrenched 14 staff members and restricted operations.

■ With a shortfall of R2,5-million, The University of Witwatersrand Rural Facility expected to retrench 45 staff members. The organisation's community outreach, engineering and law operations were expected to cease altogether.

■ Among programmes run by the East Cape Training Centre is the provision of on-site training for community members hired to work on water and sanitation projects for the Port Elizabeth presidential lead project. Despite this, the organisation has a R2,3 million shortfall and is finding it difficult to secure money from its primary funder, the Department of Labour. Its in-service computer and welding training programmes have ceased and branches in four towns have closed.

■ The National Youth Development Forum, which represents 120 youth organisations, said it needed R2,7-million bridging finance. It stated that it was facing "serious financial constraint" which greatly affected its capacity to continue with its project work.

■ The Community Based Education Programme, which offers training to community-based organisations in the Eastern Transvaal and Northern Province, will close at the end of this year due to a shortage of funds.

■ The Primary Science Project has a projected shortfall of R4-million this year. Staff who have been seconded to the organisation by the Department of Education are leaving because the organisation cannot guarantee employment for next year.

■ The Venda Workshop for the Handicapped is currently negotiating its R1,3 million shortfall with Northern Province's Department of Welfare, which is not yet fully functional. Meanwhile, 35 people had to be retrenched when an engineering and mattress factory run by the organisation closed recently.

■ The African Co-operative Action Trust (ACAT), which has established and serviced 759 savings clubs and facilitated over 6 300 micro projects in KwaZulu-Natal, has a shortfall of almost R3-million. It has frozen expansion plans as well as staff salaries. Seven staff members who left were not replaced and no capital expenditure has been made.

Mandela admits red tape is holding up RDP

☐ *President allays affirmative action fears*

(297) (ARG 4/9/95)

OUDTSHOORN. — The African National Congress was honest enough to acknowledge it could have done much more to create a better life for all South Africans, President Mandela has said.

At an ANC local election rally in Oudsthoorn yesterday attended by thousands of supporters from the Little Karoo and the Southern Cape, Mr Mandela acknowledged that official red tape had slowed down progress in some cases and that communities had not always been involved.

Government structures which had been needed to implement projects were sometimes not ready.

"But the local government elections give us the chance to put these things right. Democratic local government will be the hands and feet of the reconstruction and development programme."

Speaking mostly in Afrikaans, Mr Mandela reiterated that affirmative action applied to all who had been disadvantaged during apartheid years.

From the Northern, to the Western and Southern Cape, Mr Mandela has focused on perceived fears in sections of the coloured community that they will remain marginalised in the new South Africa.

Yesterday he again urged the coloured community to contact the government and the ANC if some employers implemented affirmative action selectively to benefit only blacks.

But the president also said he regretted that there were sections of the coloured community who were responsible for their own marginalisation.

"It hurts me very much that having acquired freedom for all South Africans — where for the first time Africans, coloureds, Indians and whites can be the masters of their own future — the actions of certain groups in the coloured community are causing their own marginalisation."

While Mr Mandela appeared to refer to those who had thrown in their lot with the National Party, it was also perceived as signalling regret about ongoing conflict within the local ANC, which has divided supporters on racial lines.

The president told 300 guests that even though there were communities [illegible] did not vote for the ANC in last year's general election, "our concern is to build and unite the country".

"We want those whites to lead in the campaign to build our country . . . they have an advantage over us. During the apartheid years they aquired the education, skill and expertise. — Sapa.

CP withdraws from rural council election

THE Conservative Party has withdrawn from the election for rural councils, party leader Ferdi Hartzenberg has announced at the CP's Cape congress at Hartenbos, near Mossel Bay.

"Because the distinction between statutory and non-statutory groups has been scrapped, the CP has decided not to take part in the election for rural councils," he said.

The scrapping of the distinction caused opposition to the election among farming communities. Dr Hartzenberg said it therefore made no sense to test farmers' support at the polls for the CP stand for full political autonomy and an own local authority.

But he said the CP would continue to stand in municipal elections where a distinction between statutory and non-statutory groups existed.

The CP congress rejected the notion of co-operating in the municipal elections with the National Party and Freedom Front.

It said the only way to unite a nation was through full political independence and the CP was the only party contesting the elections that stuck to this principle.

"I am not prepared to stand with other parties and fight for peanuts. For that I won't lift a finger. For the freedom of our nation I am, however, prepared to offer up everything," Dr Hartzenberg said.

He blamed division among Afrikaners on Freedom Front leader Constand Viljoen.

Referring to a report from the Institute for Democracy in South Africa (Idasa), he said the Freedom Front — contrary to a decision by the Afrikaner Volksfront — took part in the general election last year.

Dr Hartzenberg called on farming communities to become less dependent on labour from ethnic groups other than whites.

Whites were especially hard hit by unemployment because of affirmative action and measures on the agricultural front that "aimed to force farmers off their farms".

Farmers would have to co-operate on a community basis to decrease drastically the use of labourers from other ethnic groups. — Sapa.

Orkin has ambitious plans to revamp the CSS

(297) BD 5/9/95

MUNGO SOGGOT

IT MAY take several sociologists to change a lightbulb, but it appears that just one can change the Central Statistical Service. Appointed in July after former head Treurnicht du Toit took early retirement, Mark Orkin has plans to revamp the CSS's product. He also wants to encourage staff to move away from a "go home at 4 o'clock culture", while making it more representative.

Orkin sees his main task as ridding the CSS's statistics of the vestiges of apartheid and making them more relevant to tracking the progress of the reconstruction and development programme. He insists quality will not be sacrificed.

Where affirmative action is concerned, he says there are no plans to retrench whites, although the early retirement scheme will be used fully. Those planning to retire early will be required to stay on and help train their replacements. "Increasing the representivity of the CSS staff will improve quality."

Some of the more blatant apartheid hangovers in the current CSS portfolio are the absence of information on the massive informal sector, both agricultural and urban.

Orkin intends to add wraps of these informal sectors to the usual releases. "It is an advantage being a statistically minded sociologist — I can see where it is necessary to change unacceptable apartheid parameters. The central need is to render our statistics accessible and relevant to economic and development policy making."

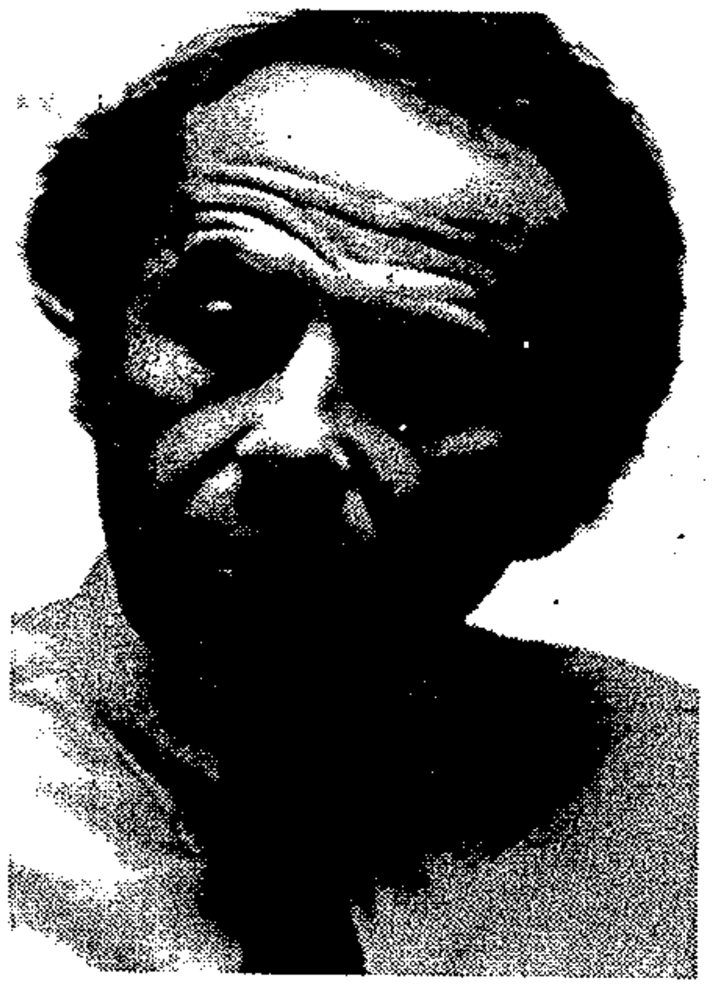
In what some will see as an ironic twist from a man with his views, he is keen to reintroduce racial classification into statistics, as this will help track the success of the RDP. He expects little hostility to the idea. As he points out, there is going to be no other way of knowing whether the health and education gaps are narrowing. "People don't mind answering questions about race if they know it is not going to be used for apartheid engineering."

Orkin says the culture change necessary in the CSS will have to be tackled carefully. He says there will be no need for a revolutionary change as there are many committed and highly experienced staff.

"They do enormously intricate work proficiently." Some departments, such as those which deal with high-profile indicators such as the GDP, consumer price index and producer price index, are excellent with deadlines while others "are too tolerant of lengthy delays".

He has no doubt that his style and goals are markedly different from his predecessors and that the CSS will change substantially. To help the process along he has just finished tendering for change management consultants.

Orkin says while there have been many justifiable complaints about



ORKIN

CSS statistics, they are generally excellent. When they fail, it is usually because of weak management. He plans to improve the user friendliness of the statistics, which often confront readers with reams of huge numbers and no percentage changes in sight. And he wants to change the legalistic and obscure questionnaires the CSS sends out.

The CSS has come under fire for its retail statistics in the first half of this year, where the publication of neither actual nor forecast sales figures was ceased for six months, mainly because of staff shortages. The programme had to be adapted to cover the new provinces, but the senior programmer in charge of retail statistics left for a more lucrative post in the private sector.

Orkin says although the retail statistics problem fermented for six months, it took only six days to sort it out once it had been identified and more staff had been put on the job. "There has been a lack of hands-on crisis management."

He dismisses the idea that private groups, such as the retail liaison committee, can do the statistics themselves as there is a danger these will be unrepresentative of all parts of the sector, such as small or rural businesses.

Orkin believes the CSS's most visible measure, the consumer price index, is "a mighty indicator which works with enormous precision". However, there is a possibility it will be refined to display a fourth category, the very low income bracket, where the proportion of spending on food is largest.

He says it is "unforgiveable" that, unlike most other SADC countries, the CSS did not include thoughtful digests of important trends when it released its previous censuses. "The 1996 one will be different". And the annual household survey and the census will work on rejigged urban and rural definitions, allowing the identification of effectively urban areas like squatter camps.

Orkin is determined to make the CSS more accessible and responsive to user demands. He is considering changing the presentation of GDP figures, as a major market gripe is that the quarter-on-quarter seasonally adjusted formula exaggerates temporary movements and distorts the true picture. The CSS could opt for what most market players and economists want — the straight year-on-year figure.

Some CSS practices have already changed, Orkin says. This year's household survey, for example, will go to 10 households at 3 000 sampling points countrywide, instead of 30 households at only 1 000 points.

To help expose the CSS to more outside influences, he is already turning to universities, non-governmental organisations and international visitors far more frequently than his predecessors. He does not expect a cut in its budget as there is so much more the CSS will have to do. But, he says, government will be entitled to expect more efficiency.

Orkin feels life at the CSS is already changing. Some staff are starting to go home later.

LETTERS

Von Lieres defends hit squad murder accused

Farouk Chothia

DURBAN — Former Gauteng attorney-general Klaus von Lieres appeared in the Durban Regional Court yesterday as defence advocate for five IFP and KwaZulu Police members facing hit squad charges.

Von Lieres said he had not been motivated by "personal feelings", and had accepted the brief after looking at the facts.

Von Lieres quit abruptly as attorney-general earlier this year, citing medical reasons for his decision. SAP Witwatersrand reporting officer Jan Munnik was at the centre of a row with Von Lieres, accusing him of effectively denying him access to dockets. BD 5/9/95

Now a member of the Johannesburg Bar, Von Lieres appeared in court yesterday on behalf of IFP deputy secretary-general Zakhele Khumalo and KwaZulu policemen Peter Msane, Sicelo Ndlovu, Prince Mkhize and Martin Khanyile, arrested in connection with the alleged hit squad murder of 13 people, including women and children, in KwaMakhutha on the KwaZulu-Natal south coast in 1987.

Former military intelligence officer Brig John More and former security branch member Col Louis Botha also appeared in connection with the murders.

Magistrate Jan Augustyn agreed to the state's request to tighten More's bail conditions, preventing him from contacting witnesses or attempting to trace them or procure information about them.

It was alleged that More had attempted to make contact with former military intelligence chief Admiral Andries Putter and former SADF special forces head Gen Joop Joubert.

Both were possible State witnesses, along with former defence minister Magnus Malan and former KwaZulu Police commissioner Gen Jac Buchner.

Botha requested that his bail conditions be relaxed to allow him to make a 10-day trip to Germany later this month for the 50th wedding anniversary of his father-in-law. Augustyn ruled that Botha would have to make a formal application before his request was considered.

All the accused are on bail. An indictment is still to be served on them.

KwaZulu-Natal attorney-general Tim McNally said he expected the investigation task unit to present him with the docket tomorrow. He would then decide whether to prosecute.

The case was remanded to October 30.

Changes for non-govt organisations

Theo Ravana 297 BD 5/9/95

THE unbridled power of non-governmental organisations over development community projects was nearing an end with the Independent Development Trust initiating capacity-building programmes in communities, a top trust official said last week.

Naledi Tsiki, trust capacity-building and community participation director said that non-governmental organisations, as service providers largely made up of "white university-based professionals", not only identified the needs in needy areas but had the exclusive advantage of access funding from local and foreign donors.

Tsiki said the trust was working with community-based organisations to empower the people so that they became the ones who held the purse strings, and non-governmental organisations became solely what they should have been in the first place — service providers who were paid by the community.

Through skills training ranging from accounting to putting out tenders, the trust enabled community-based organisations to identify projects, seek donor or funding and to set up trusts which would decide who got contracts for projects, Tsiki said.

Up to now, non-governmental organisations had held sway over communities and their projects. "These professionals control the purse because they have access to donors overseas, while the community does not. The community-based organisations depended on and were controlled by service-providers," he said.

"We are here telling the donors to be careful whom they give funds to. It is the only way the country can move forward," Tsiki said.

With the communities properly empowered, the non-governmental organisations would become what they should have been in the first place — the servants of the people to whom they had to tender, in order to get the various contracts.

Government help for hardup NGOs

(297)
Sowetan 5/9/95

By Sharon Chetty

Financial aid could hamstring the previously independent organisations

A DEAL between non-governmental organisations and the Government to form a National Development Agency is likely to be the only way some of them will survive.

Overseas donor cutbacks and a shift to working with the new Government has left thousands of organisations virtually penniless. That, coupled with the Government's recruitment of staff from NGO ranks, has severely depleted these groups.

In the past NGOs were robust and vigorous critics of Government policy. Their independence allowed them to be innovative. Often it was only through their dedication and initiative that significant projects got off the ground, especially in rural areas.

A deal between NGOs and the Government therefore raises questions about possibly compromising their independence.

"We are apprehensive," admits Mr Eric Molobi, chief executive of Kagiso Trust, an umbrella body that channels mostly European Union funding to a variety of NGOs. Last year they handled R400 million.

"There are always risks when getting involved in a project like this, but we hope that this Government will not interfere to the extent the previous government did."

Financial help vital

Molobi believes the proposed NDA is vital for the survival of certain organisations.

The idea of the NDA was first mooted by Minister Jay Naidoo and Deputy Minister Alec Erwin last October. It was agreed then that the process would involve a merger between the Independent Development Trust and Kagiso Trust.

Molobi believes the criteria for inclusion in the NDA and how the structure will function must be worked out jointly between the NGOs and Government.

A transitional structure has been agreed to and will function as a trust. Government has pledged R50 million for this and the European Union is expected to contribute a further R75 million.

Partners in development

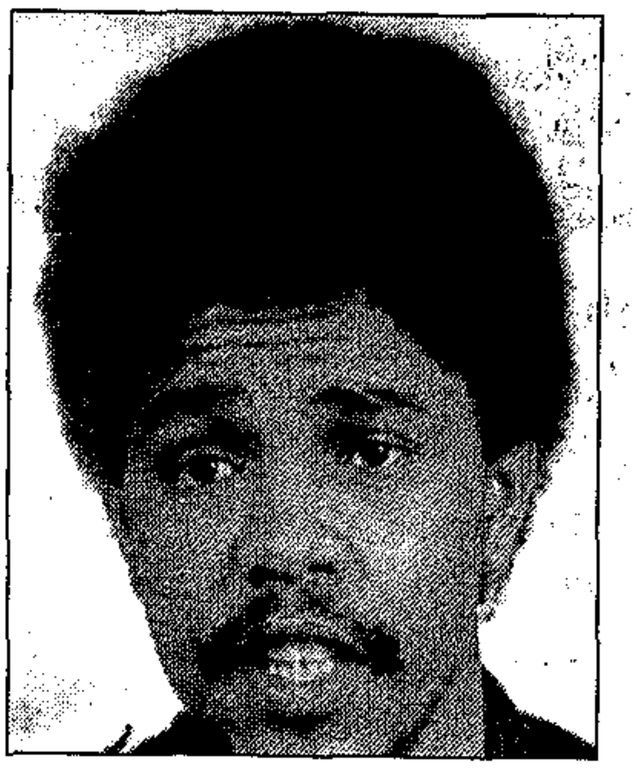
"There are several areas where NGOs and the Government can work as partners in delivering services to the people," says Molobi.

"It must be remembered that when NGOs are doing a piece of work, it's not because we want political kudos. The difference is that we don't do things for votes."

The formation of the NDA, he maintains, should not mean that



Eric Molobi ..."there are several areas in which the Government and NGOs can work as partners."



Frank Meintjies ... supports funding for projects that further RDP aims.

"every NGO must survive".

"The time is opportune for a shake-up ... some will have to die a natural death," he says.

In August an NGO coalition was formed – the fourth attempt at such a grouping since 1992.

Mr Zane Dangor of the Development Resources Centre says there is agreement on working as a coalition. They want a non-statutory body that will still lobby policy issues.

He too maintains that not all groups can be thrown a lifeline by the NDA.

"The good is being sifted from the bad in a variety of ways. It's clear who's doing what – organisations will have to prove that they deserve to continue existing," he says.

The DRC has proposed a Non-Profit Bill which still has to be considered by Parliament.

In it, the council suggests that the registration of organisations be made simpler. Groups should be allowed to register either as trusts, section 21 companies or as voluntary associations. A public office should be set up for this registration, with a supervisory secretariat.

All organisations should then be required to submit documentation, such as audited statements, to this central office which would then be available to the public.

The secretariat would be able to follow up on complaints from the public, act on cases of fraud and monitor the finances.

This would eliminate the "closed" relationship between a recipient and a foreign donor who is too far away to follow up on anything, says Dangor.

They also propose that changes be made to tax laws to encourage more local companies to support development projects.

At present, businesses get rebates only on donations to formal tertiary educational institutions.

The Fund Raising Act needs to be revamped too, says Dangor. At present, delays in applications for fund raising numbers can take more than a year.

Dangor warns of the danger of people "bending their policies to suit the donor", especially if government is the only source of income. A way of getting round this is to aim for varied funding.

Some groups, as a matter of principle do not accept money from government. Others, when working on policy issues, do not seek government funding.

Foreign aid

Dangor says that as far as foreign government aid is concerned, a certain percentage should be channelled to NGOs. The international norm is between two to 20 percent. The former should probably apply to South Africa.

He maintains that private donor aid, like that of the Ford Foundation, should go directly to NGOs.

This would ensure that even groups that disagree with the government would still have a source of funding.

Donors agree with the idea of different kinds of funding, he says.

It was last estimated that R1 billion a year in foreign aid was received, mostly by developmental organisations. Although donors say there has been no drop in their funding, there has been a definite shift – more contracts are being made with Government, leaving less for NGOs, Dangor says.

Mr Frank Meintjies of the RDP office says that when helping NGOs, funding must be at arm's length and should be for specific projects that further the RDP's objectives.

Now for the good news about RDP coverage

BS 6/9/95 (297)

Frank Meintjies

COMMUNICATING the reconstruction and development programme (RDP) has turned out to be a major challenge, not only because the national RDP is run from a minuscule office with only 13 line function staffers, but also because the programme is complex and amorphous — its doers are all over the country and in numerous delivery points in government.

The media covers the RDP in fits and starts, usually with headlines about failure to deliver. Sunday Times editor Ken Owen joins the Weekly Mail in groaning about RDP-speak. Senior Sunday Times political reporters seem blindly obsessed with the possibility (in their minds alone) that Jay Naidoo might no longer be the RDP minister.

Black editors who have spoken to us are perplexed that a black-led government is being crucified — and unfairly so, given the magnitude of what it has to undo. But they seem to lack the capacity to do much about the situation.

An exception is Thami Mazwai of Enterprise magazine. Mazwai has gone province by province, writing stories about MECs and departments which have started to rise above chaos and crises.

Sunday Independent editor Shaun Johnson says the Press appears to be interested in two kinds of RDP stories: RDP failures or corruption scandals, and the launch of spectacular projects.

Our office can confirm this — the media does not seem to know what to do with reports announcing the implementation of new projects.

It is not uncommon for a two-page list of new projects — a process tracking benefits in the lives of ever-growing numbers of people — to be slashed to two paragraphs.

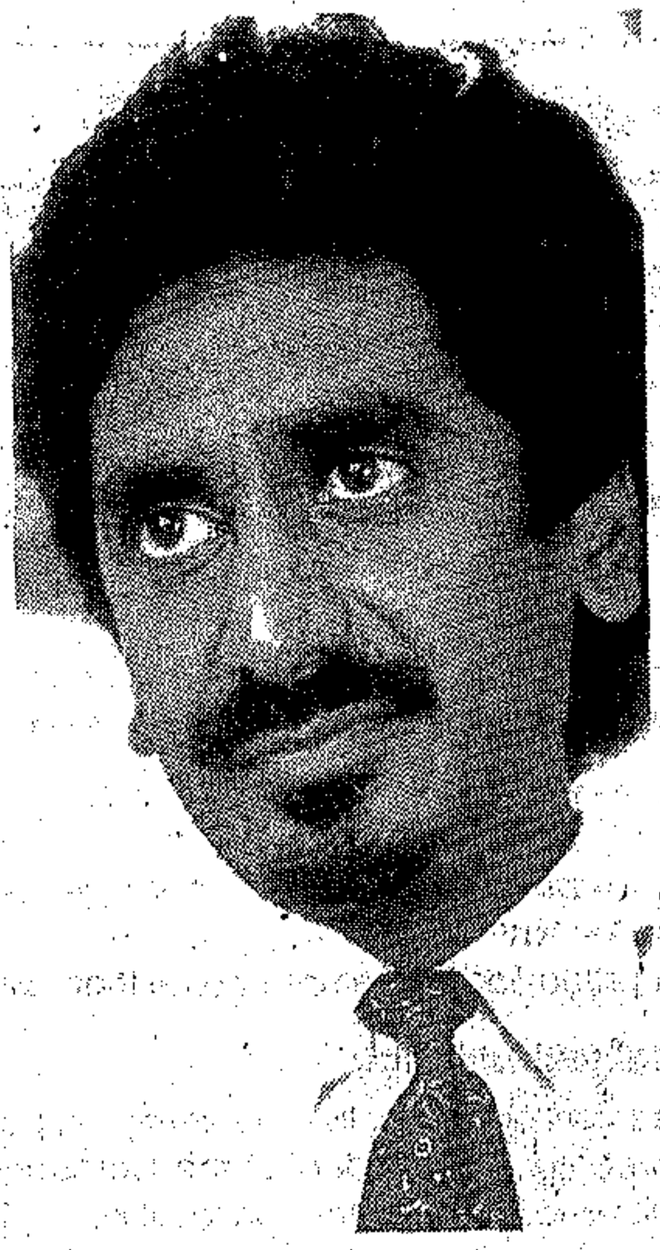
No wonder there was such a stark contrast between President Nelson Mandela's statement last week — that the ANC-led government had delivered more in one year than the NP had in 40 years — and the standard media line on the RDP.

At the national communicators' conference last week the issue of delivery (and how it was discussed in the media) was pointedly raised by Thami Ntenteni of Deputy President Thabo Mbeki's office. He wanted to know if all Press people agreed with the Financial Mail's Nigel Bruce, that when planes crashed "it was news" but not so if they flew overhead as normal.

At the same conference, media officers of provincial governments lamented the lack of Press interest in provincial activities: "We do our best to communicate, but editors in Johannesburg are not interested. Stories of events and new projects are often reduced to one paragraph."

Despite all this, in recent weeks one has been able to detect flickers of a positive shift in coverage. Business Day, for example, is starting to flesh out stories about RDP delivery. The Saturday Star is consistent in carrying vignettes of development projects. In a regular RDP slot on SAfm, the interview revolves around provinces — the money they have received, how little has been spent and why. At last someone has cottoned on that it is possible to write an RDP story without putting the national office at centre stage.

There has been an important switch on our side, too. We realise that having an RDP national presence at every project causes confusion. It does not show that delivery by various agencies happens all over; that the national office's main role is planning and integration of strategies.



NAIDOO

In many ways it is desirable because of this for the RDP national office to have a lower profile.

We have also become more modest about the role of the national office. We acknowledge that although we have a mandate to push the RDP, there are many areas in which our power to do anything about anything is limited.

In the nature of government, that power is often in the hands of line departments, and rightfully so. An example of this is the provinces, where the hold-up until now has been caused by organisational and institutional difficulties. It is provinces themselves that have led the way in finding strategies to overcome the crises.

All this means that departments are best placed to speak on RDP programmes. They must take credit for success and explain the difficulties.

Our thinking is also that the best RDP stories can be garnered by following the money flow, which is usually an indication of the responsibility chain.

In this regard RDP fund allocations are generally made, one-off, by the Cabinet subcommittee dealing with the RDP. Thereafter the money flow is between a line agency and state expenditure. The same idea applies to donor funds. Basic amounts are agreed with countries, but money only flows when proposals and plans have been put forward. Here, horse's-mouth information can be obtained from departments concerned and the department of finance, which chairs the interdepartmental committee on foreign aid.

The RDP ministry's role is to support and motivate — and to report honestly to Cabinet on what is happening. In this sense, it gives the media supplementary and general information on RDP progress.

The appeal is not for the Press to lay off. Indeed, the challenge can also be to be less stingy in recognising government development programmes that are changing lives for the better.

□ Meintjies is RDP human resources development chief director.

Budget cuts crippling SA's welfare services

Mduduzi ka Harvey

(297) BD6/9/95

SOCIAL welfare services countrywide are in danger of collapsing unless Welfare and Population Development Minister Abe Williams and his provincial counterparts immmediately set out guidelines on how to counter budget cuts and subsidy reductions for projects in the 1995/96 R13bn budget.

Welfare Liaison Committee spokesman Davie Theron, whose organisation represents 26 national council's countrywide, said the major concern was how money was being managed by the provinces in the transitional phase.

The financial problems resulted from the late arrival of provincial subsidies, causing welfare organisations to find themselves operating in overdraft.

The Gauteng welfare department had also been forced to reprioritise its R339m 1995/96 budget, saying it was simply not enough to mantain existing services and to at the same time develop those services which were desperately needed in deprived communities.

In the light of this national crisis the committee had called for an urgent meeting with Williams and provincial welfare and population MEC's to air their grievances and to work toward the establishment of interim consultative mechanisms, said Theron.

According to the committee the crisis resulted from the "lack of ... equitable distribution". It said the present financial and management crisis in welfare was threatening the delivery of those very services which were aimed at the most disadvantaged communities.

As no mechanisms had been created to replace the old structures, government officials in the provinces were making unilateral decisions absent of "clear national norms and standards".

Other contributing factors cited by Theron included the allegation that money previously chanelled to non-governmental organisations by external funders was now being directed to the reconstruction and development programme office.

Those likely to suffer most in the welfare crisis were pensioners, because 60% of the budget was allocated to pensions and old age homes.

In Gauteng, although services like children's homes and protective services for the disabled would not be effected by reductions, other community services such as community based institutions, creche facilities, drug treatment centres and homes for children, which used up to 64% of the Gauteng welfare budget, could be highly affected.

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[illegible] in hit squad dispute

The Bill Young [illegible]

A pity to jettison NGOs now

(297) Star 6/9/95

***Merlyn Mehl** argues that real power today resides not in government but in the control of information and informal groupings*

Is there a future for South African non-governmental organisations (NGOs)? The answer to this question is not a unanimous "Yes" around the country, despite the fact that many of our new bureaucrats spent a large proportion of their working lives in this sector when it was the only way to oppose apartheid.

Many feel that since we now have a legitimate, democratically elected government, it should provide all that is necessary. Let us examine this premise. Does the evidence around the world demonstrate that all-encompassing government is better?

K Ohmae argues that the old, accepted notion of the nation state is under threat. This view is not only based on the failure of the most all-encompassing example of totalitarian government the world has ever seen: the Soviet Union. Certainly its demise points to the fallacy of efficient central control in government.

The growing reality worldwide is that large, centralised organisations are finding it increasingly imperative to unbundle. Thus, for example, Aeroflot, once the world's largest and arguably most inefficient airline has now broken up into 80 different airlines.

Much of this reality is fuelled by the technological revolution of the past few years, in particular, the advent of the ubiquitous personal computer and the protocol that attends its efficient operation. Thus information, once the preserve of the government authorities, is now freely available across international boundaries to individuals in their home studies.

A Toffler has demonstrated that real power today resides not in armaments and money but in the control of data and information. This gives substance to the idea of the global village and makes old national boundaries almost irrelevant. If we link this to the known fact that 90 % of new companies in the world have fewer than 50 people, then it seems to be a truism that smaller is often more effective.

The truth of this is seen in the unbundling of companies and, indeed, of nations. Massive centralised bureaucracies are simply no longer necessary as we negotiate the power relationships which prevail today.

It is this vibrancy which is seen as the legitimisation of democracy, so a powerful, dynamic, effective NGO becomes the *sine qua non* for the continuance of democracy.

Indeed, the potential for small NGOs to influence national policy or to determine local solutions and influence the global fraternity has never been greater than at the present time.

What does this mean in South Africa?

Our legitimate national structures will depend for effective government on powerful provincial sub-structures which, in turn, depend on powerful local structures reflecting the importance of acting locally. The capacity at all levels to interact with NGO and CBO structures will crucially affect the efficiency of these areas of government.

This means symbiotic relationships will be essential for the effective delivery of social services. And, given the tremendous needs of the RDP, it is only common sense that the greater the variety of inputs, the more likely the possibility of positive outcomes.

How real is NGO delivery capacity?

It is perhaps worth demonstrating the capacity of NGOs to impact directly on social services by using an example from only one sector, namely education. Over the years of apartheid, NGOs developed which covered the entire spectrum of need in education for the disadvantaged majority.

It is possible to focus on almost every critical area of formal and informal education and find an NGO operating with innovative programmes to address the need. A few examples suffice to illustrate this:

- The Molteno project has a well-deserved reputation for providing learner-centred instruction from mother tongue to English at the earliest levels of schooling.
- Teacher Opportunity Programmes (TOPS) has arguably the most well-developed programme for training principals in participative decision-making and efficient management of schools.
- The Science Education project (SEP) addresses the need for resources in schools with well developed learner-centred materials covering standards five to eight of the science syllabus.
- The entire area of educare throughout all nine province is serviced in the main by NGOs.
- Literacy training is covered by a large number of NGOs working exclusively in this area - from the development of appropriate curricula to the delivery of instruction.

And this is but a small selection of the wide variety that is available. True, not all NGOs are characterised by total efficiency in either delivery or development but, they are certainly capable of impacting on the quality and quantity of what is delivered. Even areas traditionally regarded as the preserve of the State, such as school building, have been taken over by NGO structures which have demonstrated the capacity to deliver on scale and at low cost.

It would be shortsighted indeed to let this capacity of civil society vanish at the time when it is most crucially needed in the history of our country.

Whether NGOs have a future in South Africa should not even be a question. They represent one of the hopes we have of really delivering on the many promises that our new government has made.

■ *Professor Merlyn Mehl, an expert on the education of disadvantaged people, is chief executive of the Independent Development Trust. This article appeared in the IDT journal, Leading Edge.*

Projects boost RDP delivery

Star 6/9/95 (297)

■ BY JOVIAL RANTAO

Delivery on Reconstruction and Development Programme community projects has gained momentum with more than 100 completed last month and several others nearing completion, the RDP Ministry says.

In its monthly report, Minister without Portfolio Jay Naidoo's office reported that 19 clinic-building projects had been completed in the Eastern Cape. A further 16 clinics, although not complete, were now functioning.

Frank Meintjies, human resource and communications chief director in Naidoo's ministry, said that on the East Rand, work had started on the redevelopment of hostels in Vosloorus. In Katlehong, Tokoza and Vosloorus, sewerage and water rehabilitation and refuse removal had begun.

In rural areas, projects to provide ground and bulk water, basic skills and school refurbishment were also under way.

In Gauteng, construction was scheduled to begin towards the end of this month to build a youth development centre. The project, situated in Baviaanspoort, would be undertaken in co-operation with the Department of Correctional Services.

"In all these projects, labour-based methods have been used."

In Northern Province, where there had been an acute shortage of classrooms, the acquisition of tent classrooms had been discontinued after funds were redirected for the completion of schools.

Training workshops on school governance were continuing in all provinces, he added.

A total of 58 projects had been approved by the RDP steering committee last month for the upgrading and municipal extension programme. The committee intended to have at least 50 contractors on the ground by the beginning of next month.

Meintjies also revealed how provinces had used the bulk of funds from their Discretionary Fund for RDP projects.

Gauteng allocated R5,3-million to education. Public Safety, Sports Recreation, Arts and Culture, Conservation, Agriculture, Economic Affairs and Finance each received R1-million.

Health has been allocated R1,3-million, Local government and housing R1,3-million, Social Welfare R2,7-million, Public Transport and Roads R1,2million and Public Works R1,4-million.

Wednesday September 6 1995

THE

Metro has cash for RDP projects

297

□ *Councils asked to apply for R30-m*

AR 6/9/95

ANDREA WEISS
Municipal Reporter

THE Cape Metropolitan Council is to allocate Reconstruction and Development Programme funding in packages of R2 million each to local authorities who come up with properly researched ideas by the end of next month.

An invitation has been sent to local councils informing them that R30 million is available for RDP projects this year.

To qualify, the applications must include minutes of meetings showing that community consultation has taken place.

In its guidelines, the CMC says "public participation in all project applications" is a prerequisite to qualify for money.

Local authorities will also be entitled to employ community-based organisations, non-governmental organisations and private sector agents to implement specific projects.

But all applications will have to be made by local authorities and they will be responsible for accounting, expenditure and delivery.

Finance will also only be for capital expenditure and not for operational and maintenance costs.

Each authority has been invited to submit an application for a project of not more than R2 million before the end of October.

Also, for the next financial year, they are being asked to put forward, by December 22, not more than three applications for projects which do not exceed a total of R5 million.

Projects which may qualify for RDP funding include transport, electricity, water, stormwater, sewerage, and waste removal.

Categories under protection and safety are traffic control, fire, law enforcement, ambulance, building, land-use control and public health.

Social welfare projects could include housing, community development, sport and recreation facilities, geriatric care, youth facilities and programmes and civic facilities.

Cultural activities which could qualify for funding are libraries, museums, parks and education facilities or programmes.

Ministers resolve row

Cape Town – Education Minister Sibusiso Bengu and his deputy Renier Schoeman made peace yesterday following their public row over new education legislation.

Bengu had threatened his deputy with ministerial action after Schoeman publicly expressed reservations about the Education Policy Bill.

The two met briefly yesterday before attending a Cabinet committee meeting.

"The Minister and Deputy Minister met in Cape Town and discussed the recent developments in a candid, cordial and constructive spirit and agreed that the current episode in their working relationship be regarded as closed," a brief joint statement said. – Sapa.

Star 7/9/95

High visibility is RDP priority

Star 7/9/95 (297)

■ BY PATRICK BULGER
POLITICAL CORRESPONDENT

Cape Town - The Government's RDP efforts will now target "a small number of high visibility development programmes", RDP director Bernie Fanaroff said yesterday.

The emphasis on the high visibility projects is intended to "restore faith in all sectors of the community in the commitment of the GNU to ensure that services and basic needs are provided for the disadvantaged communities", Fanaroff told a meeting of the portfolio committee on the RDP.

The RDP has been the subject of persistent criticism that it is not "working" and that funds are remaining unspent because of too much emphasis on planning.

Among the visible projects on the table are two development corridors, the first linking Gauteng to Maputo harbour and the second opening up the Transkei Wild Coast for tourism.

The corridor projects are being led by the Depart-ment of Transport and will attempt to create hives of economic activity along certain designated zones.

Fanaroff denied that the RDP was dropping its "bottom-up" approach to development in favour of "top-down" high-profile projects.

He said the projects would still have to fulfil the requirements of fitting in with a national strategic vision, reducing backlogs, promoting economic growth and reducing crime.

Other aspects of the high visibility projects included water and sanitation, classrooms and youth colleges similar to the one established in Gauteng recently.

The proposal to concentrate on the high visibility projects would come before the Cabinet shortly, according to Fanaroff.

The RDP would be reviewed by the Cabinet core group of ministers in the first week of next month.

Fanaroff said up to R2-billion of the RDP budget would not be spent in this financial year.

The process of redirecting Government spending was proving more difficult than was first thought.

It was clear that "outsiders" were needed to help with the re-orientation because departmental personnel were reluctant to reprioritise spending away from long-standing programmes.

MPs also had a responsibility to ensure that money removed from one department's budget and given to the RDP was not re-appropriated by that department.

Answering a question from IFP MP Farouk Cassim on whether RDP projects had in fact been begun, Fanaroff said of the projects: "There is a lot of progress, but SA is a big place and you don't necessarily see them in your area."

RDP under spotlight

Need to speed up provision of basic services

ARG 7/9/95 (297)

TYRONE SEALE
Political Staff

THE reconstruction and development programme (RDP) is itself undergoing reconstruction and development to speed up the provision of basic services — and to revive faith in the government of national unity.

It has been proposed that RDP funds be used mainly for a small number of highly visible developmental programmes.

RDP co-ordinators at the highest national level have told the cabinet that government needed to be seen to allocate a major amount of money in the national budget for development and to improve infrastructure and backlogs in service "in order to restore faith in the commitment of the government to ensure services and basic needs are provided for disadvantaged communities".

This briefing to the cabinet deals with the status of the R37 billion RDP fund, a review of implemented RDP programmes, and the prospects of the RDP up to the year 2000.

The briefing was repeated yesterday by RDP deputy director-general Bernie Fanaroff to MPs and senators responsible for scrutinising the RDP.

Dr Fanaroff said it had been accepted by the cabinet that the "high-visibility major developmental programmes" should be chosen with certain criteria in mind, including:

- How they would contribute to the reduction of infrastructural backlogs.
- How they would contribute to economic growth linked to the provision of basic needs.
- Whether they advanced the integration, as opposed to fragmentation and duplication, of planning and delivery of government services.
- Whether the different government departments' priority lists had been agreed to by the directors-general and submitted to the ministerial budget committee for next year's budget.
- Whether the proposed developments would help reduce crime and instability.

The RDP visionaries have proposed that these projects include the creation of so-called economic corridors that would, in one instance, link Gauteng with Maputo through big-scale upgrades of transport systems.

Another "corridor" under consideration is one linking Durban with East London, and that would depend largely on the building of new roads to the Wild Coast that would provide another major tourism hub in the national economy.

Also on the drawing board is the development of sports and culture facilities at centres countrywide, which will, in Dr Fanaroff's words, "get youth back into the community in a constructive way".

This will be reinforced by the gradual eradication of the national classroom backlog.

RDP to target high-visibility programmes

CT 7/9/95 (297)

POLITICAL STAFF

THE government's RDP efforts will now target "a small number of high-visibility development programmes", RDP director Mr Bernie Fanaroff said yesterday.

The emphasis on high-visibility projects was intended to "restore faith in all sectors of the community in the commitment of the government to ensure that services and basic needs are provided for disadvantaged communities", he told a meeting of the portfolio committee on the RDP.

The RDP is facing criticism that it is not "working" and that funds remain unspent because of too much emphasis on planning.

Among the visible projects on the table are two development corridors, the first linking Gauteng to Maputo harbour and the second opening up the Transkei Wild Coast for tourism.

The corridor projects which are being led by the Department of Transport will attempt to create hives of economic activity in designated zones.

Mr Fanaroff denied the RDP was dropping its "bottom-up" approach to development in favour of "top-down" high-profile projects. They would still have to fit in with a national strategic vision of reducing backlogs, promoting economic growth and reducing crime.

The proposal to concentrate on the high-visibility projects would come before the cabinet shortly.

The RDP would be reviewed by the cabinet core group of ministers in the first week of next month and its progress would be judged against the key performance indicators the RDP office had devised.

Mr Fanaroff said up to R2 billion of the RDP budget would not be spent in this financial year.

The process of redirecting government spending was proving more difficult than first thought. "Outsiders" were needed to help with the re-orientation because departmental personnel were reluctant to change their priorities and shelve long-standing projects.

Use parastatals to boost RDP, says Genbel boss

(297 x BR) 8/9/95

By Derek Tommey

The government should use the parastatals such as Eskom, Telkom and Transnet to boost the reconstruction and development programme, says Tom de Beer, the chairman of the Genbel investment group.

He says in his chairman's statement that South Africa could attract $15 billion (R55 billion) in overseas investment and get the economy into a higher gear if it obtained foreign partners for the parastatals.

South Africa has to be internationally competitive if the RDP is to be successfully implemented, De Beer says. But without substantial foreign capital, it is likely to deliver sub-optimal and unsatisfactory results.

One potential avenue for gaining access to foreign capital would be through the appropriate restructuring of the parastatals.

This would allow them to be transformed into major revenue generators for the government in a relatively short time.

Experience has shown that restructurings of this nature are best achieved through partnerships with global utility companies, which tend to have substantial cash resources.

"It has been estimated by international financiers that South Africa could attract up to $15 billion from recognised infrastructure partners."

De Beer is bullish about the outlook for South African shares.

Recovery

He says they will continue to be supported by the strong corporate earnings growth flowing from an economic recovery and by higher average commodity prices.

The current upswing in the economy is the first in recent decades unconstrained by a shortage of foreign capital, he says.

It should gain further momentum with the implementation of reconstruction and development projects. There has also been an increase in foreign buying of shares in the past few months.

These, together with institutional cash flows, should underpin the market.

But it appears to be fairly priced and it would be unrealistic to expect strong capital growth if interests rates continue to rise.

However, the South African investment horizon is clouded by the unacceptably high incidence of violent crime which is unnerving potential foreign investors and deterring tourism.

In line with the move towards greater openness in company reporting, Genbel gave details of its exposure to the futures market. This is mainly in options on equity futures.

Hedge

As a result of these positions, Gencor stands to make more than R50 million if share prices were to rise by 30 percent.

However, any fall in share prices would not cost Genbel more than R21 million because of the hedge positions that are in place.

Govt looks at ways to pep up RDP spending

608/9/95 (297)

Greta Steyn

THE reconstruction and development programme (RDP) office was considering bringing forward some projects that had been planned for the next fiscal year to speed up spending this year, a spokesman said yesterday.

RDP director-general Bernie Fanaroff said this week the RDP Fund might have to roll over up to R2bn at the end of this fiscal year.

The RDP spokesman said bringing forward spending was one option which would be considered once it was clear exactly how much of this year's RDP spending would remain unspent. A clearer picture would emerge at the end of this month, as the office was at present being provided with cash flow indications.

The spokesman said: "We have three options when faced with a rollover — to live with it, to bring projects forward from next year that would go quickly, or to cancel projects that are just not getting off the ground. Obviously, cancellation is not an option."

Those projects that were proceeding rapidly could receive next year's allocations early. But it might be difficult to speed up the cash flow for infrastructural projects as they only come on stream after a lag. "We are also trying to unblock delivery problems in communities," he said.

He emphasised that the RDP office would not respond to pressure to spend quickly by spending unwisely. "We will have to live with the fact that money will remain unspent." It already formed part of government's cash resources and would be spent in the normal course of business.

The RDP office had not yet decided on allocations from the R600m raised from selling oil stockpiles. He could not confirm the money would be rolled over.

We're back on track, Operation Hunger reassures investors

(299)
ARG 9/9/95

BRENDAN SEERY
Own Correspondent

JOHANNESBURG. — International and local donors have been assured by Operation Hunger that systems have been put in place to prevent a repeat of the funds misappropration fiasco which saw hundreds of thousands of rands allegedly stolen and hundreds of destitute Free State families lose emergency food aid.

The organisation's executive director, Mpho Mashinini, was fired this week after being under suspension for the past eight months as an internal disciplinary inquiry probed the misappropriation of around R400 000. A number of Operation Hunger staffers in the Free State office were also dismissed after similar disciplinary inquiries.

Operation Hunger said it had "instructed its attorneys to ensure that both civil and criminal charges are vigorously pursued against all persons involved in this matter and that no stone be left unturned to recover the funds lost".

The organisation's national organiser, Philip Davids, said foreign donors, including USAID and Unicef, had not stopped their financial support during the crisis. Last month, a South African corporation had donated R300 000 and an private individual a further R25 000. In addition, the Viva Trust had said it intended to continue to support Operation Hunger as a Viva beneficiary.

An anonymous tip-off earlier this year — that truckloads of food destined for destitute people in rural Free State were ending up in chain stores in the province — was the beginning of the downfall of Mashinini, a former township student activist who took over the organisation in 1993.

Employees in Operation Hunger's Bloemfontein office said at the time that food supplies — including maize meal, sugar, soup and milk — were delivered to bogus charitable organisations in squatter camps and rural areas in the Free State, and from there they allegedly found their way to the shops.

US gamblers reveal plans to make bid for SA lottery

ARG 9/9/95 (297)

WILLEM STEENKAMP
Staff Reporter

A UNITED States gambling consortium based in San Diego has announced plans to make a bid for South Africa's proposed R5 billion national lottery that is expected to be set up by the end of next year.

International Lottery and Totalisator Systems (ILTS) has been involved in several national state lotteries around the world and operates totes for the world's largest race track, in Happy Valley, Hong Kong.

The track attracts more than R7 billion a year in bets. The company will also soon run Russia's first state lottery.

Mark Michalko, vice-president of ILTS, visited South Africa to sound out potential local partners.

Mr Michalko said ILTS's bid would rely heavily on a partnership with local business with a strong emphasis on the empowerment of black business.

It is estimated that setting up a national lottery would cost between R150 million to R200 million, assuming that about 7 000 people make use of one on-line lottery terminal.

Mr Michalko said profits from running the lottery are estimated at about five percent of turnover.

About 50 percent of the income goes to prizes, 30 percent to the government and about 20 percent to the operator to cover costs, pay retailers and to "make a small profit."

At a Gaming Tech-Africa conference in Johannesburg this month Lotteries and Gambling Board member Jan de Lange said the introduction of a national lottery had been met with enthusiasm by most South Africans.

For success, it was vital that structures were simple, logical and cost effective with the aim of ensuring maximum distributable income.

"Substantial percentages of the distributable income of the national lottery would be provided to welfare and sports development."

Mr De Lange said the income should not be earmarked for the general income of any treasury, but that the reconstruction and development programme was earmarked to benefit substantially from the lottery.

It is understood that the lottery will be run on similar lines to the British lottery — state-controlled but run by the private sector with strict controls over the distribution of funds.

ise our presentation was quite long. But various delegations wearing their different York in October.

US gamblers reveal plans to make bid for SA lottery

ARG 9/9/95 (299)

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NEW DISTANCE

SA-GERMAN TRADE

TUNING IN TO THE RDP'S AIMS

ST(BT) 10/9/95 (297)

GERMAN companies in South Africa are set to play a major role in the reconstruction and development programme.

The SA-German Chamber of Commerce and Industry says future opportunities for German companies in South Africa are particularly bright in telecommunications and other infrastructural development.

Klaus Schuurman, the chamber's chief executive, says that given the SA government's commitment to the national housing programme, for example, there are likely to be spin-offs for the construction industry in areas such as electrification and sanitation — as well as in the supply of equipment required in these projects.

"As the housing programme develops in the medium to long term, there will also be a demand for more sophisticated equipment such as geysers, refrigerators and items of electrical equipment — which German companies are well-placed to supply," says Mr Schuurman.

Klaus Doering, chief executive of Siemens SA, says opportunities beckon in such sectors as telecommunications, power transmission and distribution, transportation, energy and medical engineering.

"We have the technologies to develop these markets and the project know-how for business solutions and to be able to integrate different products.

"We feel confident that we can contribute and at the same time gain a stake in the growing market in these fields," says Mr Doering.

He cites as an example Telkom's call earlier this year for proposals for the installation of 1-million telephone lines in rural areas and townships as part of the RDP, which aims to have several additional million telephone lines installed within the next five years.

"We have submitted not only a very sophisticated technical proposal, but also an innovative financial proposal," he says

"In addition, we have brought black business partners into this proposal as a contribution to the empowerment of black business throughout the country."

Mr Doering sees electrification as another area in which Siemens can play a major role.

With the support of European aid funds, Siemens has embarked on an electrification project for 13 000 homes in squatter camps and towns north of Pretoria.

Mr Doering sees the challenge of improving transport facilities as one of the priorities facing the country and suggests that an appropriate first course of action would be to improve the connection between Soweto and central Johannesburg.

"This is a typical infrastructural project in which Siemens would gladly become involved," Mr Doering says.

He says that Siemens, one of the largest electronic and engineering companies in the world, is also one of the two leading world companies in transportation systems and can offer a range of items including rolling stock, locomotives and signalling equipment.

Siemens has a telecommunications factory near Pretoria and a power transmission and distribution factory at Isando. Together, the two factories employ more than 2 000 people.

Siemens' local operation is very much part of the international marketing concept of parent company Siemens AG of Germany, which has a turnover approaching R240-billion and some 370 000 employees in more than 190 countries.

The southern African operation has a turnover approaching R3-billion. It employs just under 5 000 staff and is owned by Siemens AG (52%), Sankorp (32%) and the Industrial Development Corporation (16%).

Mr Doering says Siemens has always looked on South Africa as an important part of its worldwide activities.

The group made its mark in southern Africa as early as 1860 with the installation of the country's first telegraph line, from Cape Town to Simonstown.

"We will appropriately celebrate the completion of our centenary, planned in March next year, to coincide with the excitement of settling in our new corporate head office in Midrand," says Mr Doering.

"We continue to be committed to the future of South Africa and our investment in buildings, plant and equipment of more than R250-million over three business years speaks for our intentions to continue with growth and employment."

INVESTMENT AND JOBS TO FLOW FROM AGREEMENT

ST(BT)10/9/95

German Chancellor Helmut Kohl's visit to South Africa is a sign to investors that South Africa is a country worth taking seriously, writes **DAVID JACKSON**

THE visit to South Africa by Helmut Kohl sets a new landmark in relations between South Africa and Germany.

Uwe Kaestner, Germany's ambassador to South Africa, says the visit by a high-profile delegation is not one of mere protocol.

"There is a high symbolism in the fact that this is a first visit by a German Federal Chancellor to South Africa — from a united Germany to the new South Africa — particularly as there have been so many impediments in the past which made such visits impossible."

Dr Kaestner says Chancellor Kohl's visit will highlight South Africa's successful and peaceful transition to democracy.

"The chancellor's visit is sending a positive signal to potential German investors that South Africa is a country that is worth serious consideration now that the new dispensation is in place and official links are being fully restored in all spheres."

South Africa is Germany's most important economic partner on the African continent. Germany, in turn, is South Africa's largest European trade partner.

There are also striking parallels in recent historical and political developments between the two countries.

On October 3, Germany will celebrate the fifth anniversary of its unification. In this period it has had to reorganise and integrate many of its institutions in order to become one integrated country.

South Africa, more than a year after the first democratic elections, has already taken major steps towards the political, economic and social reconstruction of its new "rainbow nation".

Diplomatic relations between post-war Germany and South Africa were established with the opening of a consulate-general in Pretoria in 1951. This was changed into to a legation in 1952 and an embassy in 1954.

South Africa's ambassador to Germany is Lindiwe Mabuza.

An agreement initialled in Bonn between South Africa and Germany in June this year to promote and protect German investment here will be formally signed during Chancellor Kohl's visit.

The agreement guarantees German businessmen the right to withdraw profits and capital from South Africa and protects them against nationalisation without compensation.

"In the wider context, the mere fact that our governments have such an agreement in place also contains a political message — that they are determined to make it succeed, both in the spirit and the letter," says Dr Kaestner.

He says the agreement is primarily aimed at protecting new investors.

"What we are looking for is a new strata of investors, namely the small and medium-sized industries.

"In our experience, these small and medium-sized industries are the ones which are highly creative in technology and are instrumental in creating jobs. It is the small and medium-sized investor who will be looking more to the stable legal framework which this agreement provides."

Dr Kaestner says Germany is not seeking short-term portfolio-type investment with speedy returns. "We want our economic relations to be built on a stable foundation, based on long-term investment that will create jobs."



LANDMARK VISITOR . . . Helmut Kohl, the first German chancellor to visit South Africa

Development aid programme targets housing, training

ST(BT)10/9/95

A FRAMEWORK agreement on German technical assistance for South Africa is to be signed by the two governments tomorrow.

Chancellor Kohl is being accompanied in South Africa by Carl-Dieter Spranger, the Federal Minister of Economic Co-operation and Development.

Previously, during the sanctions years, Germany worked through NGOs (non-governmental organisations) and other bodies (such as Operation Hunger) to provide development assistance. But the way has now been cleared to establish the official development instruments.

The agreement will regulate the status of German experts in this country.

In addition, a protocol has been in place since June which identifies concrete development projects to be carried out.

Uwe Kaestner, Germany's ambassador to South Africa, says there are two main points of emphasis in the programme, both of which fall within the ambit of the RDP.

□ Housing: Germany is providing a Dm50-million (about R120-million) package for rural housing projects — as well as technical assistance in areas such as a co-operative savings bank, to enable people to invest in housing.

"We want to provide the initial start-up which could possibly assist in setting up a new system of financing for housing," says Dr Kaestner.

□ Professional training: "Germany invented a system of apprenticeship where people have part time schooling in the classroom and training on the job and this could well provide help in finding a solution to some of the unemployment problems among your young people," says Dr Kaestner.



DEVELOPMENT CHIEF: Carl-Dieter Spranger

Germany contributes 28% of the EU's budget out of which a number of projects are financed, including the special programme for South Africa.

On the question of opening international doors for SA exporters, Dr Kaestner says Germany can help SA companies seeking trade access to European markets, through the EU.

Negotiations are currently under way between the EU and South Africa on a framework agreement on trade and co-operation.

Dr Kaestner emphasises that in terms of the economic integration philosophy of the EU, "there can be no bilateral trade deals between South Africa and Germany".

He adds, however, that "what we can and will do, is advocate a greater access for South Africa to EU markets".

Dr Kaestner says tha while South Africa will er joy certain benefits of th Lomé Convention, whic regulates trade betwee the EU and Africa Caribbean and Pacifi countries, SA trade will b regulated within th framework of the Worl Trade Organisation.

This would provide fo trade preference zon among economically int grated organisations, su as the Southern Afric Development Communit

The EU is also proposi to look at a closer partn ship with the SADC. This the essence of the so-call Berlin initiative taken year ago under the G man EU presidency.

This has important i plications for German vestors, says Dr Kaestn in terms of whether th will have a market of million in South Africa more than double that southern Africa.

Marginal increase in EU's aid to SA

BD 11/9/95 (297)

Linda Ensor

LONDON — A marginal 4% increase in European Union development aid to SA next year has been proposed by the European Parliament's development committee.

This would bring EU aid to130-million ecu (R607m) from this year's 125-million ecu (R584m).

Although the suggested increase was relatively small, development committee secretary David Lowe said the EU was operating under extremely tight margins and not every budget line would get an increase.

"SA remains a priority and the EU wants to continue to demonstrate its financial and political support for it's development," Lowe said, pointing out a possibility that the proposed amount could be increased by amendment.

However, the amount proposed for southern African would rise 67% to 25-million ecu from 15-million ecu. Lowe said this proposed allocation took account of regional circumstances.

The committee also reached agreement on the next tranche of development projects and adopted the first reading of a proposal to increase the authority of the European Commission's delegate in Pretoria to approve fund applications of up to 500 000 ecus. This would facilitate the flow of money for small projects in the past held up by bureaucracy in Brussels.

The proposal was in line with proposals by the commission's auditors for development aid to be decentralised.

Lowe said the flow of development funds had speeded up considerably with obstacles reduced or removed. Procedures to assist non-governmental organisations had been accelerated.

"We will continue to be very careful that the resources are going in the right direction and are being used effectively."

Gauteng's Speaker Trevor Fowler addressed the development committee and was assured of its continued support. He said the EU's 125-million ecu aid package this year had been allocated to education and training, health, rural development, housing and human rights programmes.

"We in SA are laying the foundation for sustainable development. The creation of 'white elephants' would not be in your interests, nor ours. Let me assure you that the foundation is being laid and in the next months expected expenditure will be reached with the implementation of sustainable projects," Fowler said.

RDP fund 'snarled up in red tape'

(297) ARG 11/9/95

COLIN DOUGLAS
Staff Reporter

THE government's multi-billion rand Reconstruction and Development Programme Fund is snarled up in red tape and serious consideration should be given to abolishing both the fund and RDP Minister Jay Naidoo's post.

This is the view of University of Cape Town economist Nicoli Nattrass, writing in the latest edition of *Budget Watch*, the publication of Idasa's Budget Information Service.

"Considering only 55 percent of the 1994/5 RDP fund was actually allocated (of which only a small fraction was actually spent), indications are that the RDP fund process has been snarled up in red tape," she said.

"Some analysts are even suggesting that the net effect of the RDP has been to slow down social spending."



Jay Naidoo

The RDP fund allocates money back to departments for approved projects, a process described by Dr Nattrass as "a costly and ultimately unnecessary piece of bureaucratic musical chairs".

She adds: "If the entire cabinet supports the RDP (which is appears to do, at least rhetorically), then why this circuitous funding process?

"Why shouldn't the allocation of funds be left up to the minister of finance and the various departmental ministers as it is in normal democratic countries?

"Why do we need Jay Naidoo and his colleagues at all?"

The government had itself to blame for the RDP's problems because it had failed to define the programme clearly, Dr Nattrass said.

"The national habit of sprinkling policy documents with political rhetoric in the place of concrete proposals is perhaps at the root of the problem."

In the same edition of *Budget Watch*, RDP official Brian Craig defended the RDP fund, saying it had registered important achievements in moving resources to socio-economic priorities and diverting funds from consumption to capital expenditure.

R1,4 bn Euro loan

ARG 12/9/95

PRETORIA.— A R1,4-billion European Investment Bank loan, to boost reconstruction and development, was finalised in Pretoria today (297)

At the signing ceremony at the Union Buildings EIB president Sir Brian Unwin told reporters he hoped the loan would mark the beginning of long-term co-operation with the South African government.

Finance Minister Chris Liebenberg said the loan would help get some reconstruction and development projects which would otherwise have been delayed off the ground. — Sapa.

RDP adds to the legal workload

(297) (255) Star 12/9/95

■ BY FRANCOISE BOTHA

Economic growth over the past year had already started to put strain on South Africa's legal infrastructure and the profession was bracing itself for a massive additional workload, said Cecil Finn, the director of Legal Computer Systems.

RDP initiatives — in particular the establishment of low cost housing — would contribute to the additional workload, he said.

"We also expect growth in the area of contracts and the issuing of licences as part of the general upsurge of legal activity that accompany accelerated commercial activity."

This meant that maintaining the quality of legal services would require greater numbers of qualified staff at all levels, including executives and para-legal staff.

Legal Computer Ssytems has donated its In-deed conveyancing program and litigation program to the Wits Technikon to train legal administrative assistants and students.

The company has also joined forces with the practical legal training section of the Association of Law Societies and the Technikon in a bid to make the profession more inclusive.

A training programme will begin later this year. It was hoped that with training more work could be done by the same number of people, at a lower cost.

Government 'cannot finance the RDP alone'

(299)

ALIDE DASNOIS
Business Editor

ARG 12/9/95

JOHANNESBURG. — The government cannot finance the reconstruction and development programme (RDP) on its own, Minister Without Portolio Jay Naidoo has warned — nor can South Africa go it alone in Southern Africa.

Addressing an international investment summit in Johannesburg, Mr Naidoo said a study of the infrastructure needs of five municipalities in South Africa showed that up to R80 billion would be needed in the next five years to upgrade services and water supplies to a satisfactory level.

"The state can't provide all these resources.

"The RDP is not a huge articulated truck driven by President Mandela with Jay Naidoo in the back handing out houses."

Mr Naidoo said South Africa on its own could not achieve the RDP's goal. A coherent plan for Southern Africa as a whole was necessary.

High transport costs helped make South African goods uncompetitive on world markets. At an economic growth rate of three percent, South Africa's ports were already overloaded, while Maputo in Mozambique was "virtually unused". Yet Maputo was closer to the Gauteng industrial hub than South African ports.

South Africa would soon have to buy water from neighbouring countries and would face a scarcity of good agricultural land, while there was plenty of land in Mozambique for agriculture.

Mr Naidoo said regional cooperation was a coherent way of dealing with illegal immigration.

In South Africa, the success of the RDP would depend on:

- Economic growth;
- Meeting the needs of the people;
- Restructuring the civil service to make the state more efficient; and
- Improving the skills of the population.

Some of the decisions which were made now would show results only in 20 to 25 years' time, he warned.

Lottery 'won't raise enough (297)

POLITICAL STAFF

CT 12/9/95

THE national lottery would not be able to raise enough money to pay for all RDP or other welfare projects, two gaming experts have warned.

Gaming Solutions International president Mr Mark Hutchinson and Mr Jacques Verster said the lottery would not be "a well that is going to solve every problem in the country".

The company has been involved in launching 16 lotteries worldwide.

Mr Hutchinson said SA should opt for a national state lottery with scatch-cards or cashcards which people could buy directly at outlets or through street sellers.

RDP wants 'too much for too many'

CT(BR)12/9/95 (297)

By Charlotte Mathews
INVESTMENT EDITOR

The Reconstruction and Development Programme tried to provide for the needs of too many different sections of the community, tried to go in too many directions and there was a general feeling of a lack of progress, John Maree, the chairman of Eskom, told the Southern African Investment Summit yesterday.

Maree said the programme was positive because it indicated to business where the government's priorities lay, emphasised monetary and fiscal discipline and established a framework for discussion between the government and business.

However, the programme focused, perhaps too strongly, on social aspects. There is no emphasis on growth and wealth creation.

"As businessmen we would have liked it to be called the Growth, Reconstruction and Development Programme," he said.

A programme like this needed a good administrative infrastructure, both at government and local level, he added.

It was necessary to set targets — certainly the programme did that — then determine some priorities, and achieve them step by step, determining who was responsible, the time-frame and the resources available.

Jay Naidoo, the minister without portfolio, who is responsible for the programme, said it was a coherent policy framework that enabled the government to make rational choices about what it could do with its limited resources.

The key policy programmes focused on economic growth and which industrial sectors were likely to become most competitive as South Africa returned to the world economy.

In achieving economic growth, the government was examining the skills available in view of the need to promote "excellent production".

The process involved restructuring state assets to make more efficient use of them and deciding in what areas the state wanted to remain involved.

Many of the goals set by the government were building blocks for the next 20 or 25 years, and the key building block was the strategy for the cities.

The government had just completed a study which considered five critical urban needs, the provision of which was estimated to cost between R50 billion and R80 billion.

Naidoo said what the programme had achieved so far was that it had spelt out a vision and the government had won acceptance for it.

Industrial chamber signs deal with USAid

(297) BD 13/9/95

Theo Rawana

THE National Industrial Chamber of the National Africa Federated Chamber of Commerce signed an R8,5m, three-year agreement with the US Agency for International Development yesterday.

In terms thereof, the chamber would be able to computerise its six business information and advice centres and link them to the Internet. The project, based at the chamber's Kempton Park offices, will involve a project leader, training co-ordinator, accountant and administrator. An advisory committee will also be appointed.

Chamber president Joe Mogodi said the grant would be used to boost the ability of small business owners to sell to the corporate sector, parastatals and government tender boards. The project would also enable the chamber to aid other groups wanting to make subcontracting viable.

USAid deputy director Henry Reynolds said the deal was an expression of the agency's support for small and medium enterprises as the engine of SA's growth.

THE STAR / WEDNESDAY SEPTEMBER 13 1995

RDP projects worth R4,5-billion could be undertaken soon

R1,4-bn EU loan is signed

(297) Star 13/9/95

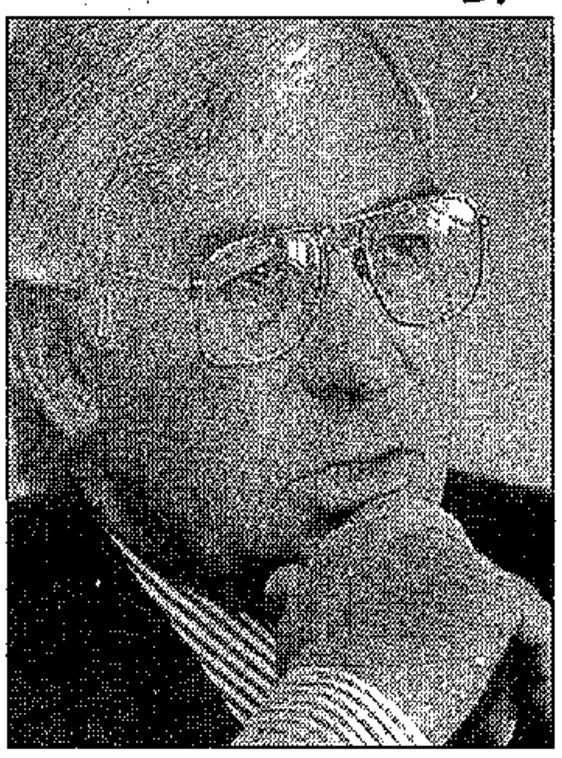
■ BY NORMAN CHANDLER
PRETORIA BUREAU

South Africa yesterday secured its biggest international loan in years when the European Union (EU) and the Government signed a R1,4-billion agreement designed to speed up the Reconstruction and Development Programme (RDP).

The first projects to benefit are expected to cost about R200-million and will probably be directed at water supplies, sewerage infrastructure and telecommunications, said Sir Brian Unwin, president of the European Investment Bank (EIB), the EUs financial arm.

Sir Brian and SA finance minister Chris Liebenberg signed the agreement at the Union Buildings, Pretoria, yesterday.

Liebenberg said that although the loan, spread over two years, was for R1,4-billion, in reality it could mean that projects totalling about R4,5-billion could actually be undertaken because the EIB provided an average of 30% of funding required for each project.



Finance Minister Chris Liebenberg ... key step.

Describing the signing as "a very significant occasion for SA," Liebenberg said it was a key step in the country's improving international situation.

"This financial framework agreement makes funding available for RDP projects which would otherwise have been delayed. Infrastructure projects are necessary for the sustainable growth of SA," he said.

Sir Brian said that it was the largest EIB loan to any African country in the bank's 37-year history.

"Projects have to have a sound economic return, and the objective now is to get some projects under way quickly. We have a lot of projects in mind and details will be disclosed later," he said.

Some funding will also be going to small and medium-sized private companies through the Industrial Development Corporation and banks.

"Our commitment to this country represents a first stage towards what I hope will be a longer-term programme of EIB lending as relations are built up," he said. "EIB loans will help to strengthen numerous sectors of the economy, especially basic infrastructure, industry and smaller businesses, environmental protection, energy generation and distribution, and telecommunications.

"While paying close heed to the quality of projects, the bank will be concerned, when selecting operations for financing, to ensure that the capital investment which it supports benefits first and foremost the SA people and contributes to economic development."

The EIB is already active in a number of southern African countries, and has provided loans to rehabilitate the Cahora Bassa Dam in northern Mozambique, the rehabiliation of the electrical pylons and transmission lines from the dam to SA and Botswana, and the linking of the Zimbabwe national electricity grid to the SA grid. Other funding has gone to projects in Lesotho and Swaziland.

Shock numbers could affect RDP

(297) (Star) Star 13/9/95

■ BY MICHAEL SPARKS

Vital information on population and income trends, outlined in Johannesburg yesterday, could force the Government to reconsider the thrust of its Reconstruction and Development Programme.

A report prepared by the Centre for Development and Enterprise and, based on research prepared by Professor Charles Simkins of the University of the Witwatersrand in association with Professor Jeff McCarthy, University of Durban Westville and Ann Bernstein, executive director of CDE, documents key messages for South African policy-makers.

The authors are to approach the Cabinet with their findings which, if accepted, could have a dramatic impact on long-term planning.

Possibly the most relevant fact to emerge is a noticeable slowing down in black population growth.

This is coupled with an already perceived increase in living standards.

At a press briefing yesterday, Simpkins said their model revealed that black income was not "as unequal"as that found by the recent Whiteford/-McGrath research.

He also dispelled "two myths": one that all blacks were coming to the PWV and the other that black culture equalled large families.

He said South Africans were urbanising, but they are not all flocking to the major metropolitan areas as many people believed.

Earlier estimates of the population in the year 2010 had also had to be revised. Statistics showed the figure would be 53,4-million - some 5-million fewer people than originally thought.

The study revealed that cities and large towns with populations of between 50 000 and 500 000 people were growing twice as fast as major metropolitan areas, while small towns - the first port of urbanisation for most farm workers - were growing almost as rapidly as metropolitan areas.

The researchers warned of the unreliable nature of available statistics used in their research, including the 1991 census, making it difficult to draw firm conclusions about their research.

McCarthy said that the proportion of the country's total income for whites had dropped from 58.7% to 51.7% in the past decade.

Asian households had increased their income by 20% during that time. The average income for Coloureds had increased by 15%, while for blacks it had increased by 10%.

White households currently had 1.5% less income now than 10 years ago.

Despite the increase in living standards, the profile of poverty now is much the same as it was 10 years ago with 94% of all poor households being black, while 64% of poor people are found in small towns or rural areas.

The poverty line is currently set at a household income of R12 204 a year, with 29% of black households in urban areas falling within this category.

In the cities the rate is up to 56%, while in small towns and rural areas, 74% of black households are living below the poverty line.

Boesak: Overseas leg of probe completed

(297)

CRIME REPORTER

CT 13/9/95

AN Office for Serious Economic Offences official who is investigating Dr Allan Boesak's former Foundation for Peace and Justice, has returned to the city after taking statements from people in Denmark, Norway, Sweden and United States.

The office's head, Mr Tommy Prins, said yesterday he had spent a month overseas collecting statements from donors and "documentary evidence" — including details of money transfers.

"I would prefer not to get into details because I do not believe it would serve any purpose."

Mr Prins said a report was expected to be completed by the end of November and forwarded to the minister of justice and the attorney-general.

Organisations reminded of obligations

BD 14/9/95 (297)

Bonile Ngqiyaza

NON-governmental organisations had to remember that they were merely the administrators and trustees of other people's money, Kagiso Trust chairman Eric Molobi said last night.

Speaking in Johannesburg at the launch of a guide to financial administration for community-based organisations, non-governmental organisations and trade unions, he said "honest" South Africans would agree that the attention and support the country had attracted from the international community and local donors "carried its own temptations".

However, there were as many positive examples of the effective use of development aid.

The guide book was aimed at organisations which lacked advanced accounting and record-keeping skills, Molobi said.

RDP is for all, says Mandela

ARG 14/9/95 (297)

The Argus Correspondent

PORT ELIZABETH. — Coloured people who claim reconstruction and development projects are aimed mainly at blacks are maliciously misinterpreting the policy of the ANC and the government, says President Mandela.

It was not only blacks who benefited from government efforts to address past inequalities, he said.

Mr Mandela was speaking in Uitenhage where he was given the freedom of the town.

Hundreds gathered in the streets from early today to give the president a rousing welcome.

Addressing business people and provincial government leaders, he said high levels of crime and unrest were worrying people and even creating paranoia.

Opposition parties kept saying the ANC was soft on crime but they forgot what the party had inherited from the previous government.

In the past, 80 percent of police were employed in white areas.

Policemen, including white policeman, earned a minimum of R900. After deductions this was only R500 a month.

Under these conditions it was easy for corruption to set in.

"We have inherited this system and now we have to retrain the SAP and improve living conditions."

The apartheid government had concentrated on surpressing political activity and not on suppressing crime. Criminals had been able to build powerful syndicates.

Referring to the Gauteng nurses' strike, he said: "We must not be cross with them. They have genuine grievances and were working under scandalous conditions."

Nurses required support and sympathy.

Mr Mandela announced that German Chancellor Helmut Kohl had made R400 million available for the RDP.

Absent hold up Council RDP millions

Municipal Reporter

CAPE Town City Council's efforts to get multimillion rand RDP projects off the ground are floundering because the committee in charge has been unable to get a quorum three times in a row.

A budget of R2 million has been set aside for RDP business, along with a further R15 million for projects.

The accusation was made at a meeting of the Cape Town City Council yesterday. This was also a reconvened meeting, because a quorum of the full city council had been lost twice before.

One attempt to hold a meeting of the RDP committee was scuttled because neither co-chair — Enoch Madywabe and Patricia Lategan — was present.

There will be another attempt tomorrow to hold the RDP meeting — which was supposed to have taken place before the monthly council meeting.

The council's commitment to the RDP came under fire during a debate on a proposal that money should be spent on advertising the role of RDP forums in the community.

During the debate, harsh criticism was directed at the RDP committee by member Leslie Langenhoven who said: "There is nothing going on in this committee."

Mr Langenhoven appealed for a dedicated office to be put in place to deal with the RDP, as was the case at the Cape Metropolitan Council.

Arthur Wienburg of the Democratic Party said he was shocked by the accusations.

He said he could imagine what was going on in the minds of the committee when they proposed that money should be spent on advertising.

"We have a R2 million budget; we've done nothing. We don't have any programmes, we don't have a quorum. What can we do?"

Their answer was: "Let's spend money. Let's advertise when all else fails," he said.

Mr Wienburg said that after seven months the committee should "produce something" and come up with a plan with specific projects.

"We are pregnant with expectation. They must now deliver. Believe me, after seven months it cannot be regarded as premature. It is overdue," he said.

Faldiela de Vries of the SA National Civics Orgnaisation said the RDP needed to be taken seriously.

She endorsed the view that the RDP needed to devise a programme of action which showed how the R2 million budget should be spent.

Co-chair Mrs Lategan said that the problem was one of "inclusivity".

She said none of the RDP forums had come up with ideas for projects and criticised her fellow councillors for not having positive contributions.

Joye Gibbs, also a member of the RDP committee, said: "Rome was not built in seven months."

It was difficult to inculcate RDP principles in communities which had been used to "top-down decision-making" for the last 40 years.

Many of the communities where forums were being established, needed capacity building.

"Let us not underestimate the Goliath project the RDP is," she said.

Enoch Sass of Cosatu warned that the RDP forums should not become agencies of employment.

Southern African regional plan needed, says NPB head

Ecotourism could lead the RDP into the future

(297) (50) (288) (50) Star 15/9/95

■ BY ANTA ALLEN
SCIENCE WRITER

Conservation and tourism authorities need to come together to draw up a southern African regional plan and strategy as a matter of urgency, according to Dr George Hughes, chief executive of the Natal Parks Board (NPB).

Speaking to The Star at a briefing for tourism and travel agents in Johannesburg this week, Hughes said that ecotourism had the potential to be the driving force behind reconstruction and development, but it lacked a patron.

Asked what he would do if he were in the driving seat, Hughes said: "I would bring all conservation and tourism authorities together in one forum to draw up a regional tourism plan and strategy to provide the framework for development."

Unlike other provinces, a regional approach to nature conservation and tourism planning had been in place in KwaZulu-Natal for a long time, he said. The NPB and the KwaZulu-Natal Department of Nature Conservation worked in close co-operation and their amalgamation into a single body would be completed by April 1 next year.

He said that the NPB would oppose "to the last person" proposals from certain quarters to downgrade its authority and have certain parks under its jurisdiction transferred to a national authority.

"KwaZulu-Natal has a bizarre view of central government and a long tradition of resisting central government," he said.

"The NPB is different from all other conservation authorities. We not only look after parks and rest camps, but all other wildlife from the Drakensberg mountains to the sea."

This approach had made the NPB the leading conservation authority in the country with a proud record of innovation and the involvement of farmers and local communities in conservation long before it was fashionable elsewhere, he said.

Natal was the first province in South Africa to realise that things did not look good for the conservation of wildlife, and was celebrating 100 years of conservation this year.

Components of the Greater St Lucia Wetland Park and the Hluhluwe/Umfolozi Game Reserves, were the oldest protected areas in Africa.

The NPB's claim to fame was white rhino, with 30% of the world's population concentrated in a single reserve. In 1898, there were only 14 white rhino left and today the numbers worldwide had increased to about 7 000.

"The NPB decision to protect white rhino was one of the world's greatest business decisions," Hughes said.

In addition to its Big Five and other wildlife, the region offered tourists bio-diversity options ranging from Alpine-type snow to coral reefs and more than 30 000 rock art sites in its Drakensberg mountains.

The briefing was part of a NPB campaign to promote the tourist potential of the KwaZulu-Natal region.

Council must change budgets for RDP

ARG 15/9/95 (297)

JOSEPH ARANES
Municipal Staff

THE Cape Town City Council must change its budget process to enable councillors and communities to make the reconstruction and development programme a reality, the council's executive committee (exco) has been told.

Chairman of the council's budget committee, Saliem Mowzer, told exco that the present processes were very bureaucratic and made it difficult for councillors to make an impact on the system.

"At present the council has R15 million to spend on RDP projects before the end of July, and the budget committee has found another R46 million, of which R22 million can be re-allocated immediately.

"The Cape Metropolitan Council has R30 million to allocate to sub-structures in the same period, and there is money available from various other sources. But what is needed is a clear proposal on how this money should be spent.

"If this issue is not resolved quickly, the money will not be spent this financial year meaning another delay in implementing the RDP and the delivery of serivces."

Mr Mowzer said that during his committee's review of the council's present capital budget they had identified more than R20 million which could be made available for re-allocation immediately, and that another R22,5 million should be reviewed again later in the financial year.

He said the committee felt that if the funds were to be spent this year, time limits would have to be set and communities should be allowed to submit RDP-type projects for their areas.

"We need a process that is transparent and that involves all communities, but the projects should also meet set criteria like fitting into the RDP and into the Metropolitan Spatial Development Framework, and whether there is money on the operating estimates to staff the project when it is built.

"And if the boundaries are not sorted out very soon, the committee should consider setting aside a portion of the funds for a donation to specific projects in the Ikapa council area."

Mr Mowzer said a lot was being said about services not being provided and it was time the council gave the people of the city the assurance that they were determined to ensure the delivery of services to all communities.

Leon Markovitz said the budget committee should tell the people what projects were falling away and that they (the people) would have to get used to the lowering of standards if funds were re-allocated.

"We can only continue to provide the type of service we have been in the past if we substantially increase the rates of the city."

Chris Joubert said the council would continue to deliver the basic minimum standard of service to all the people, and if communities wanted more they must pay for it.

Most aspects of the report were accepted by the executive committee and the whole report will again be discussed at a special two-day workshop before it is approved by the council.

Mdlalose slams criticism of KwaZulu Natal's RDP record

CT 15/9/95 (299)

BY SIMON ZWANE

STAFF WRITER

The monotonous song of "nothing is happening in KwaZulu Natal" was out of tune, KwaZulu Natal Premier Frank Mdlalose said yesterday in launching the new Mahogany Ridge 2 industrial park in Pinetown.

The project, undertaken by Afroprop, represented an injection of about R750 million into the local economy and was expected to generate about 1 000 jobs.

Less formal housing for 20 000 inhabitants was also being developed by the Western Council in the vicinity of the industrial park.

The industrial park, the final extension to Westmead township, consists of 71ha of industrial sites ranging in size from 1 500m² to 68 000m².

Welcoming the project as a healthy injection into the economic development of the region, Mdlalose launched an attack against those who criticised the province for failing to deliver on the RDP.

He said this criticism was made by people who had nothing positive to say about KwaZulu Natal.

"The major part of their contribution lies in talk and nothing but talk. Ideological waffle will not deliver the goods and services required for the development of this country."

He said the project was a living witness to the economic growth taking place in the province.

Mdlalose called on commerce and industry to make themselves relevant to the ideal of affirmative action and black empowerment.

"This must be a visible reality. Affirmative action does not mean bettering a few individuals, but unlocking the vast reserves of human potential at all levels."

Black empowerment seemed to have acquired a restricted practical application.

"Only a few blacks occupy very high managerial positions — then there is a vacuum in the lower rungs.

"It is time this void is filled by exploring the practicalities of employee-share ownership schemes, enabling black empowerment from the bottom," he said.

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MAIL & GUARDIAN
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The two faces of the RDP

(297) wm(Bm)15-21/9/95

Indications are that the RDP is more entangled in financial wrangles than in development and reconstruction, argues **Nicoli Nattrass**

THE Reconstruction and Development Programme (RDP) has two public faces. In its general, and more rhetorical manifestation, it refers to South Africa's supposedly integrated developmental vision.

More practically, however, it boils down to the activities of the RDP Ministry, and in particular to the R2,5-billion RDP Fund.

While the fine objectives and goals of the RDP as "vision" are beyond reproach, the same cannot be said for the RDP Ministry — or for the rationale and operation of the RDP Fund.

The RDP Fund is supposedly an instrument of public sector reform. It was set up primarily to "give maximum impetus to the re-direction of government spending towards new priorities", to reform the budget process and to facilitate the restructuring of the civil service.

The RDP Fund is spent in two main ways:

- on the Presidential Lead Projects (including sanitation projects, urban renewal projects, targeted free health services, school feeding schemes); and
- on programmes which meet the approval of the RDP Ministry.

The responsibility for implementing the projects and programmes lies with the various government departments which receive allocations from the RDP Fund.

In other words, the Minister of Finance cuts funding which would otherwise go to the various government departments, and then allocates it to the RDP Fund. The RDP Ministry then allocates it back to the government departments for approved projects.

This is a costly, and ultimately unnecessary, piece of bureaucratic musical chairs.

If the entire cabinet supports the RDP (which it appears to do — at least on a rhetorical level), then why this circuitous funding process?

Why shouldn't the allocation of funds be left up to the Minister of Finance and the various departmental ministers, as it is in normal democratic countries? Why do we need to have Jay Naidoo and his colleagues involved at all?

And considering the fact that only 55 percent of the 1994/5 RDP Fund was allocated (of which only a small fraction was actually spent), indications are that the RDP Fund process has become snarled up in red tape.

Some analysts are even suggesting that the net effect of the RDP has been to slow down social spending.

The standard rationale for this complex inter-department channelling of funds was necessary — the strategic intervention by the RDP Office was needed to ensure that the government departments actually re-prioritised expenditure.

The assumption was that government departments would either resist change (the "conservative old-South African official" type of argument) or not be in a position to make the soundest judgment.

The RDP Fund would thus function as some kind of a guiding catalyst of change.

This argument is shot through with problems. If it is actually the case that some government departments are more progressive (read "RDP-oriented"), then one would expect those departments to be applying to the RDP Fund for activities they would have anyway initiated off their own bat.

They would also, presumably, be in a better position to evaluate and prioritise projects in their sphere of expertise than the RDP Ministry.

But what about the less progressive departments —the ones not particularly concerned with RDP principles?

Those departments are indeed a problem, but exactly what power does the RDP Ministry have over them anyway?

If their activities are so counter to RDP principles, then would they even bother applying to the RDP Fund?

Under these circumstances, the existence of the RDP Fund and Ministry would have no catalytic effect on their behaviour. Jay Naidoo, after all, had absolutely no impact on the Ministry of Defence's decision to spend more money on corvettes than was allocated in total to the RDP Fund.

In short, the major re-allocation questions need to be addressed in Cabinet committees and in the Ministry of Finance. The potential for re-allocation to take place through the subsidiary activities of the RDP Fund is profoundly limited — and should be recognised as such.



Jay Naidoo: Playing with RDP funds
PHOTO: HENNER FRANKENFELD

Interestingly enough, the justification for the RDP Ministry seems to be switching from "catalyst of change" to "co-ordinating role". This is a better argument, but still problematic.

When, for example, does "co-ordination" simply become code for "control" — and unnecessary and undesirable control at that?

The recent ill-advised attempt by the RDP to control donor funding to non-government organisations (NGOs) is a case in point.

The policy lead to such widespread financial hardship and collapse in the NGO sector that it had to be reversed — by which time it had become too late for many.

There is, of course, a general case for ensuring that South Africa's development effort is co-ordinated in certain basic ways.

However, if the "co-ordination" role that the RDP Ministry intends playing is along the lines of large-scale economic and development planning, then it will have to be given a great deal more power and responsibility.

But is the RDP Ministry a suitable vehicle for such a role? Why should Minister Naidoo co-ordinate and guide development planning rather than a committee of key Ministers?

If this new economic policy committee of Ministers under Thabo Mbeki succeeds in placing a more coherent economic growth strategy on the table, then perhaps that committee should play such a co-ordinating role.

Until greater clarity is gained about the nature of the RDP and the role of the RDP Ministry, South Africa's development effort is likely to remain hamstrung by confusion, red tape and political manoeuvring.

The whole concept of the RDP Fund should be re-examined critically - along with any proposals to increase the power and influence of the RDP Ministry.

Nicoli Nattrass is an economist at the School of Economics, UCT.

RDP project will wipe out 'water-guzzling' vegetation

(297) Star 16/9/95

By JOHN YELD

Cape Town – A R25-million Reconstruction and Development Programme project to clear thousands of hectares of "water-guzzling" alien vegetation from South Africa's mountain catchment areas will first create 3 000 direct jobs and another potential 20 000 jobs in the next two decades.

Most of the funding in the initial phase goes to the Western Cape.

The eradication project was announced on Thursday by Water Affairs and Forestry Minister Kader Asmal.

He described it as "exciting and massive, the most far-reaching and significant campaign ever launched against these invasive alien plants in South Africa" and said it would help the RDP to achieve its potential.

"On the one hand, the clearing of invasive alien plants will help secure water supplies that South Africa needs for social and economic restructuring.

"On the other, the eradication programme will create jobs as well as address many RDP objectives," Professor Asmal said.

The R25-million – which has been boosted by another R3-million from the Forestry Owners' Association – has already been made available by the RDP office of Jay Naidoo.

The Western Cape will get R10-million to clear the Limietberg-Hottentots Holland mountains and R3,5-million for the Outeniqua mountains.

The rest is made up from R3,5-million for the Krom and Kouga rivers in the Langkloof area and R1,5-million for the Keiskammahoek-Stutterheim area, both in the Eastern Cape.

Then there will be R3-million for catchments of the Drakensberg in KwaZulu-Natal, R3-million for the Sabie and Sand river catchments in Mpumalanga, R3-million for the Letaba River catchment in Northern Province and finally R500 000 for national project co-ordination.

The initial programme would run until March next year, during which time 3 000 direct jobs would be created and "all sorts" of other development and growth stimulated, Asmal said.

The international community was likely to provide financial assistance to achieve the longer-term goals of the programme.

Africa Games 'boxer' held for cocaine use

Boesak probe team back with vital papers

ARG 16/1/95

(297) (2559)

GLYNNIS UNDERHILL
Staff Reporter

AN Office for Serious Economic Offences (OSEO) team has returned with vital documents from an overseas investigation into the financial affairs of Allan Boesak's Foundation for Peace and Justice.

The OSEO took statements in Denmark, Norway, Sweden and the United States.

Tommy Prins, OSEO assistant director, said the team had known Dr Boesak's whereabouts in the United States but had not contacted him.

"We would like to give him the option to tell his side of the story, but his input is not vital to our investigation. We can't sit and wait for him to come back. It could delay our final report," he said.

Dr Boesak's wife Elna declined to comment when contacted at their home north of New York.

The Boesaks have settled into the residence provided for them by the national conference and study facility of the American Presbyterian Church.

Dr Boesak has been offered a three-month lectureship at the church institution but could not be contacted for comment.

Mr Prins said the investigating team went to the US to interview representatives of the Coca-Cola Foundation.

Around R150 000 donated to Dr Boesak's foundation by the Coca-Cola Foundation for distribution to pre-school projects in impoverished areas of the Karoo never reached its destination, according to project administrators.

While Nordic funding agencies accused Dr Boesak of misappropriating funds for his personal use, Dr Boesak has always denied the allegations.

The report by OSEO is expected to be out by the end of November, said Mr Prins.

Private sector 'should seize the gap on RDP promises'

ARG 16/9/95 (247)

Business Editor

THE private sector should seize the gap left by the government's difficulties in delivering reconstruction and development programme promises, says sociologist Gavin Lewis in the latest issue of RDP Monitor.

"The state is starting to recognise its limitations — the private sector now has a growing opportunity in its hands."

Dr Lewis, who is a research associate at the University of the Western Cape's Centre for Southern African Studies, said business would be making a "critical strategic error" by dismissing the RDP, "however deserved the criticisms of its slow progress might be".

The cabinet committee had "shied away" from fully confronting the privatisation issue; housing was facing delivery and finance problems; health and education had made slow progress; commendable financial constraints imposed by central government meant that some richer provinces had less funds available than before for social services; unemployment had not eased; new bureaucracies combined with the old to slow procedures; and centralised government was already showing flaws.

"Yet if government has to face these realities, as the somewhat belated recognition of the private sector's privotal role now shows, so too does business," Dr Lewis said.

Aid cuts could hit SA

297

ST 17/9/95

By CHERILYN IRETON
London

BRITAIN is considering slashing its overseas aid budget, with some African countries risking the loss of their entire contribution.

Reports yesterday said the aid budget was expected to be trimmed by 12 percent over three years. The impact would be horrific, a source in the Overseas Development Administration told the BBC.

The leak comes as Baroness Lynda Chalker, the minister in charge of aid, prepares to visit South Africa later this month.

She is to meet senior government officials and deliver a public address on Britain's future relations with South Africa.

An aid department spokesman said no decision had been taken on the amount of next year's aid and there would be no comment until the Budget was presented to the British Parliament in November.

South Africa is a significant beneficiary of British assistance, receiving aid worth about £23-million (R131-million) a year.

It also receives British funds via the European Union and Commonwealth aid programmes.

The cut in direct aid could be as high as 40 percent, the BBC said.

Harvard's free-trade evangelist knocks wishful RDP thinking

(297) ST(BT) 17/9/95

By SVEN LUNSCHE

ONE of the world's most influential economists has an uncomfortable message for South Africa.

"Your economic strategy appears to be a wish list and not a vision of sustainable economic growth," says Harvard University's Jeffrey Sachs.

"This country needs more than a reconstruction and development programme; it needs a concept of how growth will be achieved over the next 20 years."

Professor Sachs, head of Harvard's Institute for International Development, has won fame and controversy as economic adviser to 15 governments in Latin America and Eastern Europe.

His most recent, and most high-profile, assignments were as adviser to Poland's Solidarity government and Russia's President Boris Yeltsin.

For both governments he prepared programmes of radical economic transformation, which met with mixed success when implemented.

His influence, however, remains profound on issues such as macro-economic stabilisation, privatisation, market liberalisation and international financial relations.

It is this vision, applied to South Africa's economic transition, he shared at a Wits Business School function this week.

The basis of his assessments is to gauge a country's overall reform programme according to the progress of trade liberalisation.

"Trade liberalisation not only establishes powerful direct linkages between the economy and the world system, but also effectively forces the government to take actions on the other parts of reform under the pressure of international competition," he says in a recent paper.

The paper, a study of 90 developing countries, finds that the 15 nations which followed open policies achieved growth rates in excess of 2% a year from 1970 to 1995. Of the 75 closed economies, including South Africa, 68 averaged less than 2% and many of them ended up in macro-economic crisis.

South Africa's poor growth performance was exacerbated by its mineral dependence, which created a bias against manufacturing development and labour-intensive exports, he told the Wits Business School.

"I have only had a chance to glimpse at your economy but this assessment shows that an outword looking, manufacturing oriented and low-wage growth path works for an economy," Professor Sachs says.

"To achieve this you do not need public interference, but the cold shower of minimum trade tariffs, rigorously exposing the economy to competition.

A crucial component of this strategy is the introduction of zero tariff zones. "Make Soweto a free-trade zone and the impact will be immediate."

Competition is also a far better way to control industrial conglomeration than anti-monopoly policies, he adds.

Professor Sachs is aware that the low-wage component is difficult to achieve in South Africa, but stresses that "wage restraint now will later buy you ownership of the economy, more jobs and strong growth in future income."

In this sense, privatisation should first aim at broadening the ownership of the economy rather than raising funds.

He also urges particular openness in South Africa's relations with its neighbours. "If you want investment opportunities in the region you have to offer farmers an open market."

Professor Sachs doesn't mince his words when assessing the RDP.

"It is a less than satisfactory document that has a flavour of government-led growth by creating jobs, building houses, etc. The country will go broke if it relies on the government to provide the jobs."

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JEFFREY SACHS: South Africa's economic planners need a cold shower Picture: JON HRUSA

Employers put affirmative action's drive on double time

(42) ST(BT) 17/9/95

By THABO KOBOKOANE

MORE than 94% of companies have affirmative action programmes in place, a 21% increase on last year, according to the latest FSA-Contact Affirmative Action Monitor, conducted among 60 major corporations.

However, the study also shows that middle and upper management structures are still dominated by "pale males", although the number of black managers has doubled.

The percentage of black senior managers has increased to just over 4% in 1995, and is expected to reach 9% by 1998. The proportion of white senior managers continues to decline

Harriet Webster, a consultant at FSA-Contact, says companies attribute the slow appointment of blacks to senior and middle management positions to a severe shortage of qualified people.

"In addition the retention of such people ... remains equally challenging, with 46% of respondents having experienced 'poaching' of affirmative action employees."

The number of companies prepared to pay premiums for affirmative action has declined considerably

prepared to pay up to 50% above market-related salaries to attract qualified black candidates.

A large proportion of companies, 60%, recruit affirmative action staff, although many view the development of their own staff as a core affirmative action policy.

Over 95% reported their programme to be "reasonably successful" against 2% who said it was "totally unsuccessful". Only 12% reported a drop in standards.

Ms Webster says there are "clear indications that the composition of the workforce is changing despite the fact that most affirmative action

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Many NGOs have valuable expertise

(297) Sardet 18/2/96

Valuable experience gained in exile will go to waste if Sardet stops functioning

By Meshack Mabogoane

MANY non-governmental organisations which promoted grassroots participation in development are apparently under threat as the Government is poised to assume this task. Yet many have solid expertise and invaluable experience.

One such NGO is the South African Research and Development Trust, whose uniqueness lies in its highly successful experiments in community development initiated by the African National Congress while in exile.

For three decades, the ANC had the task of taking care of thousands of its cadres who had become distinct communities in other African countries.

They had to be settled temporarily and so the challenge arose of developing communal self-determination and sustainable development.

This was met head-long, according to Mr Sonwabo Eddie Funde, who heads the trust. Its founders, the late ANC treasurer Mr Thomas Nkobi and ANC leader Mr Walter Sisulu, felt that this legacy of the ANC should not be lost.

With the emphasis now on development, there is a need to activate these experiences, transplant them onto home-ground and synchronise them with the Reconstruction and Development Programme.

School project

The story of the Solomon Mahlangu Freedom College is a case in point. Established to accommodate the 1976 influx of pupils, the project entailed the construction of a new school on bare veld at Mazimbu, deep in rural Tanzania.

However, it became more than a project to build a school; it began the process of starting and maintaining a whole new community that had to be housed, fed, clothed and entertained.

Self-help was the key. The infrastructure was laid by the cadres, who also made the building materials and then acquired the skills to set up the structures.

This experience led to a more ambitious project.

The Dakawa community emerged out of a need to house the non-student ANC population in Tanzania.

Again the government merely gave empty ground on which to establish a new settlement. An integrated, basic infrastructure was set up; provision was made by ANC architects Zama Mvusi and Sipho Njobe for distinct housing sections which could develop as autonomous economic units.

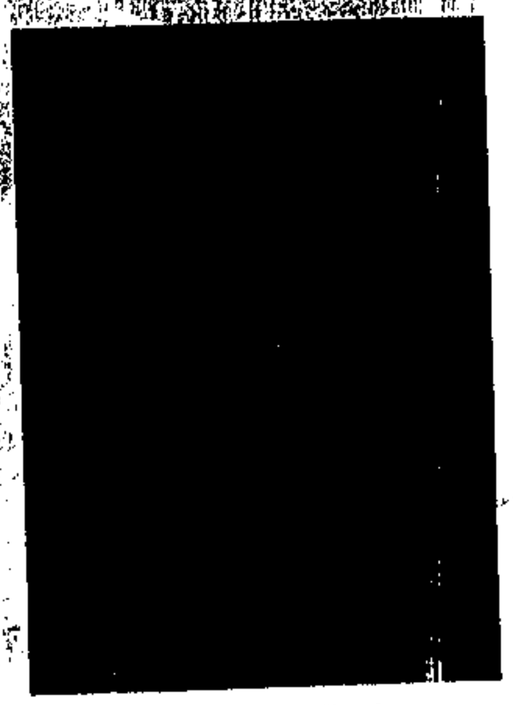
Although experts were used in these developments and financial assistance was received, the participation of ordinary people was paramount.

It is essential that there should be a synergy between these players in any community development, says Funde, a Russian-trained electrical engineer who participated in projects in Zambia and Tanzania.

Total community development

Moreover "you can not develop a community on a piecemeal basis. A master plan is necessary and it is the task of experts to provide this. A holistic approach is also required in putting this into practice with full participation by the community."

From this concrete and proven base in exile, Sardet considers itself well-placed to assist in generating new settlements and stimulating urban renewal pro-



Sardet head Sonwabo Funde ... taken part in highly successful experiments in community development.

grammes.

Although born out of the needs of the liberation struggle in exile, Sardet is a non-political and non-partisan enterprise. Its trustees include Nobel Prize winner Nadime Gordimer, Medunsa's Professor Ephraim Mokgokong and Dr Khoza Mgojo.

Funde and associates have now set up a consultancy to transfer these experiences on to home-ground. Sardet's commitment to generate self-sufficient communal economies means they will concentrate on rural areas.

Sardet is already consulting with the Lepelle Development Trust to provide them with the capacity to develop new communities in Nebo, Northern Province.

Self-help

Communities, according to Funde, can do things for themselves given the capacity. And Sardet has the capability and expertise to stimulate this self-determination.

It intends to train "action researchers" to be catalytic agents for communities to develop their own potential to identify their needs and priorities.

Communities, in association with Sardet, will make decisions for themselves on the nature, tasks and objectives of development.

Funde says Sardet has a team of experts to facilitate the relationship between communities and developers, such as in infrastructural and other highly technical fields.

Sardet's expertise is to enable communities to think through the practical implications of development and to integrate ordinary people in the developmental process.

Those people who qualify after going through all phases of development would be the local development experts, whose expertise would be integral to long-term, sustainable and autonomous development.

The emphasis would be on people becoming more involved in the provision of infrastructure, housing, clinics and factories on a cooperative basis or through community-based organisations.

Indeed, community-owned business enterprises are considered vital for both job-creation and overall economic development.

Even the supply of electricity would be entrusted to a power cooperative, says Funde, as is the case in rural parts of the United States.

12

NGOs unveil an alternative plan

(297) Soweton 16/9/95

BEIJING – Frustrated grassroots groups last week unveiled an alternative plan to improve the lives of women, declaring that the UN's Fourth World Women Conference would fall far short of its lofty goal.

Unveiling a 15-point action plan, the Non-Governmental Organisations said the conference had failed to tackle a macro-economic crisis that was crippling the lives of many women.

In their alternative plan, NGOs hit out at multinational corporations, banking behemoths and the World Trade Organisation for helping to globalise the world economy, with disastrous effects for millions of women.

"The global economy imposes structural adjustment programmes on countries in the south and economic restructuring in countries in the north in the name of fiscal health. The result is often increasing debt, poverty and unemployment," the NGOs said. – *Sapa-AFP.*

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Private sector contribution sought

Plan to fund infrastructure needs R174bn

BD 18/9/95 (297)

Robyn Chalmers

MORE than R170bn in public and private sector finance will be needed over the next five years to fund government's plans for a massive infrastructure investment push.

A preliminary report on government's infrastructure investment plan, prepared by the CSIR for the reconstruction and development programme (RDP) office, envisages serious shortfalls in meeting the funding requirements, and says incentives may be offered to the private sector to ensure they make a major contribution.

According to the report, central government, the provinces and parastatals provide only about 80% of the funding.

The sector requiring the most funding from government revenues and other borrowing was water and sanitation, followed by housing, urban infrastructure and transport.

In the present fiscal year, R21,9bn should be spent on infrastructure — but government and parastatal investment would amount to a smaller amount of R21,4bn. This was made up of about R11,5bn from central government and the rest from parastatal funds. An average of about R38bn should be spent for each of the remaining four years. These needs could not be met by central government.

To meet the needs for the 1996/97 financial year, the report said the funds for infrastructure from central government would have to increase 115%, excluding inflation.

"Assuming a similar level of funding to the 1995/96 financial year from the national revenue, the government will need to borrow an equal amount from other sources to satisfy the needs," said the report.

Alternatively, it said a longer time frame would have to be considered to offset the backlog. The private sector should also be actively encouraged to invest and new financial instruments could be created to this end.

RDP Office capacity building chief director Frank Meintjies said an RDP infrastructure investment conference was scheduled for the end of the month. It would bring together representatives of stakeholder groups including government, institutional investors, pension and provident fund members and labour and community organisations, to debate an RDP infrastructure investment strategy.

The conference would also consider an RDP infrastructure investment accord to address key issues, including a regulatory framework to facilitate investment in the RDP by institutional investors and the need for and role of financial instruments for funding.

According to the CSIR report, this

Continued on Page 2

Infrastructure

(49)

Continued from Page 1

BD 18/9/95

fiscal year's spending did not include any requirements for urban infrastructure. The R500m shortfall for infrastructure needs, excluding urban infrastructure, in the current financial year would have to be carried in subsequent years.

The report estimated that R30,1bn would be required over five years to address water and sanitation backlogs, with available funding from government and parastatals at R19,2bn.

The funding was needed for the water affairs and forestry department's plan to establish a national water supply and sanitation programme in the short term, and an on-site water supply to all rural households and adequate sanitation facilities to 75% of rural households in the medium term.

The longer-term scheme was to ensure that all South Africans had access to water and sanitation services.

The transport department's funding strategy for rural roads would require R29,1bn over five years with R4bn needed in the current financial year. Available funding from government and parastatal sources was R11,4bn over the five year period and R2,5bn in the current year.

It was estimated that the housing department required R19,5bn over five years, of which R2,3bn was needed in 1995/96, with R1,3bn available.

Development Bank, IDC merger off

297
BD 19/9/95

Greta Steyn

THE proposed merger between the Development Bank of Southern Africa and the Industrial Development Corporation (IDC) to create a new "super wholesaler" for development finance was unlikely to be implemented in the foreseeable future, bank CE Nick Christodolou said.

The merger had been proposed by a government-appointed team which made recommendations on the bank's future. But Christodolou believed it would not be feasible to create a big development institution at this stage.

"The institutions are different animals, the one concerned with infrastructure and the other with industry." Putting them together made sense only in the context of resource mobilisation and at this stage other considerations outweighed that objective.

The bank and the IDC would be two of five separate government-owned financial institutions — the others were for small business, agriculture (a restructured Land Bank) and the National Housing Finance Corporation.

Christodolou said bank functions that logically belonged with other institutions would be transferred in a rationalisation process which would minimise job losses. The bank's focus would be on financing infrastructure, and its main borrowers would be local authorities, and not the provinces.

The provinces' inability to borrow, because legislation had not yet been passed, had not turned out to be the problem initially feared.

He said the bank should provide finance only for projects that would generate income. "In the past, when one of the bank's main responsibilities was financing the homelands, we often pro-

OVER Continued on Page 2

Merger off

Continued from Page 1

vided finance for projects that should not have had loan finance." It had to be done because there was no alternative.

If central government could not afford to finance investment in infrastructure that would not generate income, the bank should not take up the slack. "Financing non-income generating infrastructure is not a bank's role." Those projects should form part of central government's reconstruction and development programme.

He foresaw the bank and private sector working closely to put together a mix of public and private sector finance for infrastructure projects. The bank would carry the development risk, although the idea would not be to offload all the risk on the public sector.

Christodolou saw infrastructure projects ranging from those that would attract only public sector finance to those financed entirely by the private sector. In between, there were many projects that the bank and private sector could handle together.

Development momentum had not been hampered too much by the time taken to work out a restructuring plan for development finance institutions. The bank's rate of new projects approved was running above expectations (above R1bn). Loan disbursements this financial year were expected to be about R1,4bn, compared with R1,2bn the previous financial year.

SA's dilemma was not a shortage of cash but the lack of institutional capacity to deliver. "I am not optimistic that we will see an inverse bottleneck soon, with finance becoming the problem rather than delivery." The reason for institutional failure to deliver was that time was needed for the different players to build up trust in each other.

Aside from local authorities, the bank's other role should be to provide finance for southern African projects. He foresaw a gradual acceptance by countries in the region of the bank's potential role.

RDP should not fund Kalk Bay harbour revamp — businessman

297

ARG 19/9/95

Staff Reporter

KALK Bay fishing boat owner and businessman Eddie Rosslind says no Reconstruction and Development Programme money should be put into redevelopment of the harbour because businessmen are prepared to stake their assets in upgrading projects.

He said he would be "very upset" if the RDP office was persuaded to finance a project spearheaded by "self-styled" community leader Mymoena Poggenpoel and her followers who claimed they wanted the harbour developed by the people and run by the local community.

"The RDP is not for plans such as hers and we do not expect the government to get involved," he said.

Passionate fighters for fishermen's rights Mymoena Poggenpeole and Valda Smith said their development plans would go ahead and they have hinted that money could come from the RDP.

Mr Rosslind supports private initiative using boat owners and fishermen who already have a stake in the harbour while Ms Poggenpeol says the harbour belongs to the people and should be developed and run by the local community and not by "greedy businessmen".

Mr Rosslind said Ms Poggenpoel must produce a letter from the Cape Town City Council confirming the lease or sale of land known as The Point where she said she would soon build her fish packing shed.

Mr Rosslind added: "She must also tell us where she is getting her funding and her labour because things are coming to a head. She and her group must stop being vague."

Mr Rosslind said he was concerned about Ms Poggenpoel's claim that local residents would work in her fish packing shed or plant. "As far as I know most Kalk Bay residents would not work in fish packing factories so labour would have to be found in Site 5 and elsewhere. Komicx businessman Keith Anderson already has excellent staff working for him packing fish and it would be no problem to transfer them."

Harbour master Pat Stacey said he would not take sides in the issue and would await the outcome of all the proposals.

Battle of words over delay in goverment funding of NGOs

CT(BK)19/9/95 (297)

BY ROSS HERBERT
STAFF WRITER

Private charities and non-governmental organisations are complaining about delays by the RDP office in funding a Transitional National Development Agency — designed to fund NGO development work.

These groups blame the delays on factions within the RDP office who do not want a strong NGO sector and are unconcerned that useful employment, housing and education programmes are withering as a result of government funding delays.

However Frank Meintjies, RDP office spokesman, called the accusation "rubbish" and said the agency was initiated by his office to help NGOs.

Foreign governments, many of which previously only donated through the NGO sector, have been donating directly to the government since last year's elections. This shift has caused a steep decline in NGO revenues.

"Two years ago our funding came from 19 foreign governments. Now we're down to eight. Most of the money just goes straight to Pretoria," said Don MacRobert, managing director of the Get Ahead Foundation.

The agency was intended as a step toward a full merger of the Independent Development Trust (IDT) and the Kagiso Trust, and came about to ensure NGOs could acquire funding while the details of the merger and resulting staff rationalisations took place.

In April the trusts asked for R200 million to fund the merged agency. In May the RDP office announced the transitional agency, pledged R50 million to fund it and said the National Development Agency would be open by July.

Later that proposed amount was cut to R5 million. NGOs have complained that the transitional agency will not be going before late September and the agency is not likely to get going until early 1996.

Funds

The European Union and other governments had committed millions to the Transitional National Development Agency on condition that the South African government also back the effort with its own funds.

High-level sources in Kagiso and the IDT say the RDP office resisted committing significant funds and reinstated the R50 million pledge only after a high-level meeting including deputy president Thabo Mbeki and deputy finance minister Alec Erwin forced the issue. Even the R50 million, along with R76 million pledged by the EU, will barely scratch the surface of NGO financing, only about 10 percent of which is raised among South Africans.

Rams Ramashia, president of the NGO coalition that has been part of discussions on forming the Transitional National Development Agency, blamed delays on in-fighting between the Kagiso and Independent Development trusts.

"It is not the RDP office that is dragging its feet. It is the Kagiso Trust and the IDT that are failing to resolve some very critical issues. I would like to see them move ahead in the interest of the country and put their parochial interests aside."

Meintjies said "there was not a shred of evidence" to support the view the RDP office was unsupportive of the NGO sector, and noted that the office had created a staff position to help co-ordinate with the NGO sector. But grousing in the NGO sector persists, although few will go on the record with criticisms. "I can't say anything. I still have to get money from those guys," said one Kagiso executive.

Naidoo himself has contributed to the perception problem. When the funding crisis was first pointed out, the minister without portfolio, Jay Naidoo, said he had seen no evidence of it and asked NGOs to prove it, after which a quick NGO survey documented major shortfalls.

At an August briefing at Nedlac, Naidoo said the RDP office had been telling foreign governments to continue funding the NGOs. But he mitigated the extent of the NGO funding crisis saying "they are still getting 40 to 50 percent of their funding" that they had received from foreign governments, a comment that left several listeners stunned.

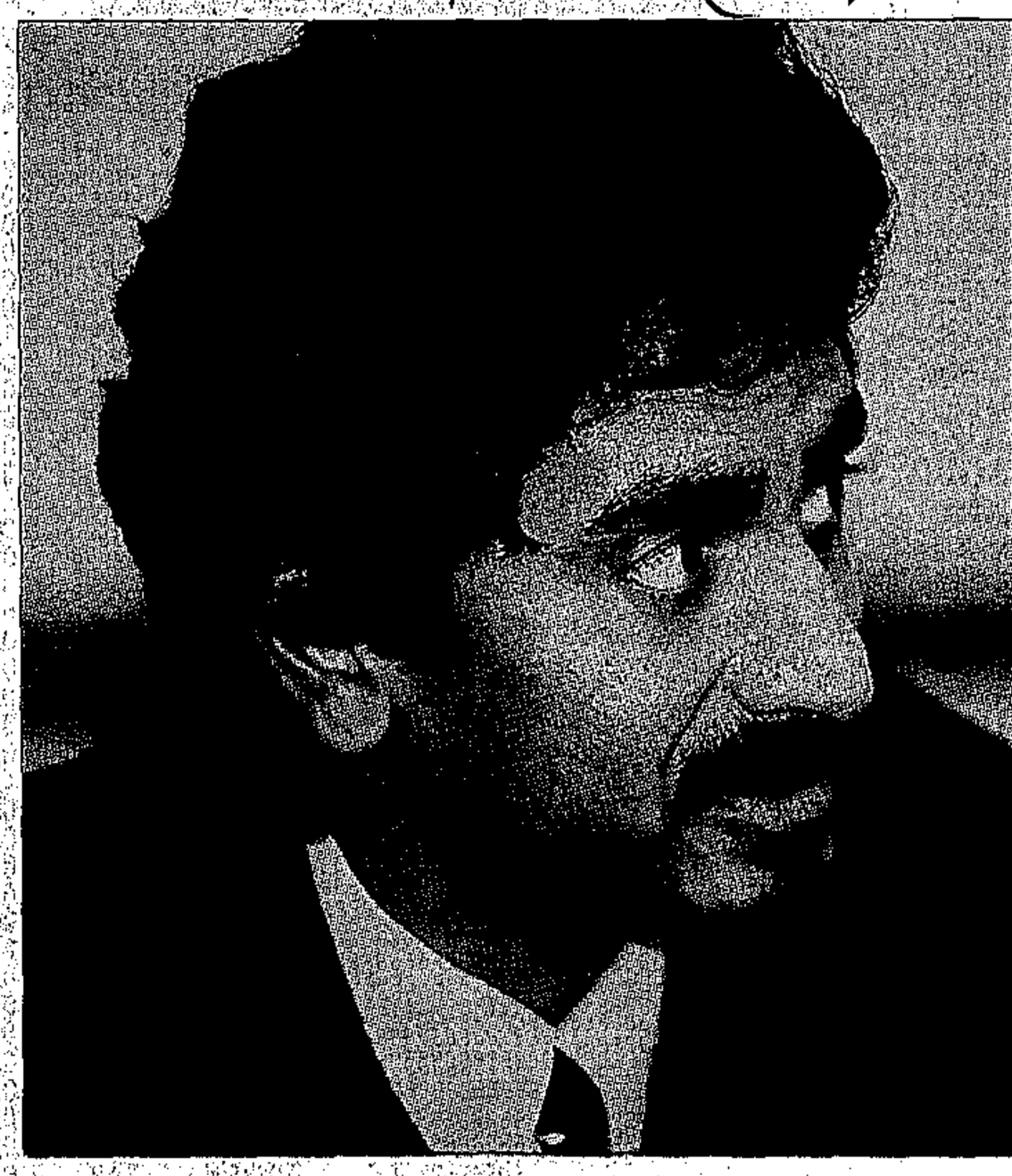
Timeframes have also consistently damaged the RDP. After the August meeting one NGO commented, "These guys are talking about 25-year plans. I'm worried about what I'll do next month."

Or as Michael Gardiner, secretary of the Gauteng NGO Coalition, put it: "There is a vastly different sense of urgency (between the RDP office and NGOs). Three months in the life of an NGO is an eternity."

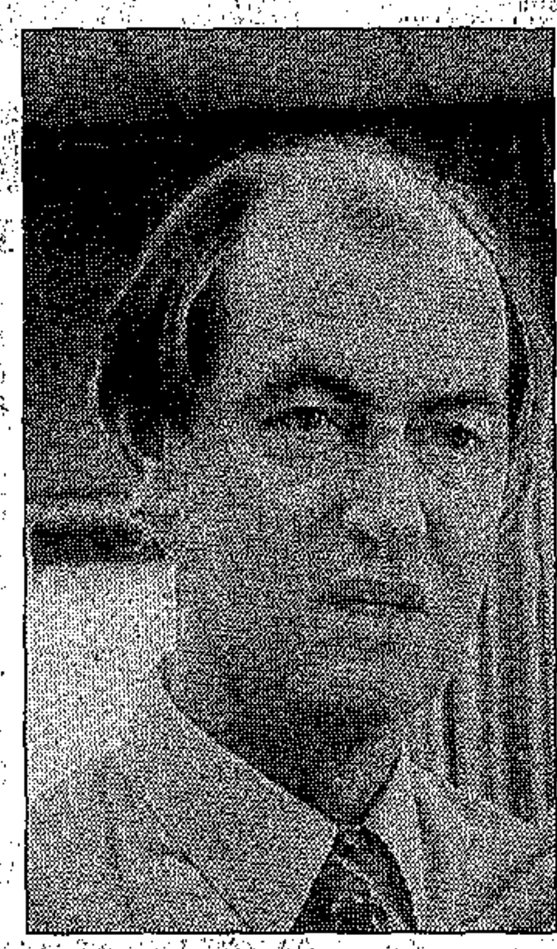
Meintjies complained that the RDP office was a planning agency and the line ministries were charged with actually executing projects, yet he said press reports about failure to deliver were almost all directed at the office and not the ministries.

Meintjies acknowledges that as long as the RDP office serves as a centrepoint for RDP efforts and publicity, it draws public scrutiny away from line departments. To fight back, the office has launched a communication campaign of sorts, including four-colour brochures on RDP progress, commentaries outlining successes and chiding the press for emphasising the negative.

Although efforts are under way to steer money to NGOs, many claim to be broke. "We are used to having funding set 20 months out. When you drop down to about eight, you have to start talking about shutting down major programmes," said MacRobert.



LEAVING LISTENERS STUNNED *Jay Naidoo saw no evidence of a funding crisis for non-governmental organisations*



PLEDGED *Deputy finance minister, Alec Erwin*

Tyre sector 'leaking R20m'

John Dludlu

THE SA tyre industry is losing more than R20m a year because of illegal imports, according to industry sources.

In an interview this week, SA Tyre Manufacturers' Conference chairman Gavin Hardy said the industry was suffering as a result of imports. "Things are tough at the moment," he said, referring to the flood of "grey" or illegal imports estimated to total "well more than R20m" a year.

These imports, which were "causing confusion to the consumer", were entering the SA market through "unofficial channels" or were entering the country without being detected by customs and excise officials.

The complaint by the tyre industry comes soon after similar grievances were raised by the textile and clothing industries, which claimed to be losing about R1bn a year to illegal imports.

This underscores the serious weaknesses in the customs and excise department in monitoring imports as SA embarks on tariff reduction programmes in terms of its international obligations.

The complaint by the tyre manufacturing industry comes amid calls by importers for the state to relax import controls on the tyre market, which is regarded as one of the most heavily protected in the world.

Protection of the local tyre market is enforced via a 25% tariff duty and an import permit.

Importers want government to relax these measures. But speculation that the permit would fall away last July failed to materialise when the state decided to retain it.

The matter, Hardy added, was now being discussed between the trade and industry department and the Board on Tariffs and Trade, a state agency whose job it is to recommend new tariff levels to Trade and Industry Minister Trevor Manuel.

Hardy said industry sales had been adversely affected by uncertainty about government's views regarding the relaxing or total lifting of import controls.

Tyre manufacturing leaders including Dunlop, Tycon and General Tyre favoured a three-year liberalisation programme. If the permit was scrapped, the 25% duty should be retained and be raised to adequately perform its protective function.

He said: "A 25% tariff duty is okay in G-7 countries (the group of the world's richest nations), not developing nations like SA."

Hardy said the general upswing in the economy had not yet started to filter through to the tyre market, which exported about 30% of its production to neighbouring countries in Africa.

Transport and the RDP

Mduduzi ka Harvey

THE long-awaited White Paper on transport would be released in January next year, Transport Minister Mac Maharaj said at the opening of the Transport Expo '95 in Johannesburg yesterday.

Maharaj stressed the important role of transport within the reconstruction and development programme, and said the revision of transport policy was at an advanced stage.

He said input reports from six working groups on infrastructure, land passenger transport, land freight transport, road traffic, maritime transport and civil aviation would be finalised in January.

Maharaj called on leading players in the transport industry to join forces to reduce the costs of commercial and industrial transport, especially where they threatened the competitiveness of SA products on world markets.

Gauteng finance and economic affairs MEC Jabu Moleketi called on SA's printing and publishing industry to ensure it remained internationally competitive. For the country's economy to grow in a sustainable manner, creating jobs for SA's 5-million unemployed in a GATT-dominated world, SA would have to be more internationally focused.

Challenging printing to become more involved in literacy training, he said literacy was the key to achieving the 5,5% growth the country needed.

'Local poll delaying RDP'

(297) Star 20/9/95

■ BY MONDLI MAKHANA
POLITICAL REPORTER

The local government elections were stifling the implementation of the Reconstruction and Development Programme, a senior RDP official said yesterday.

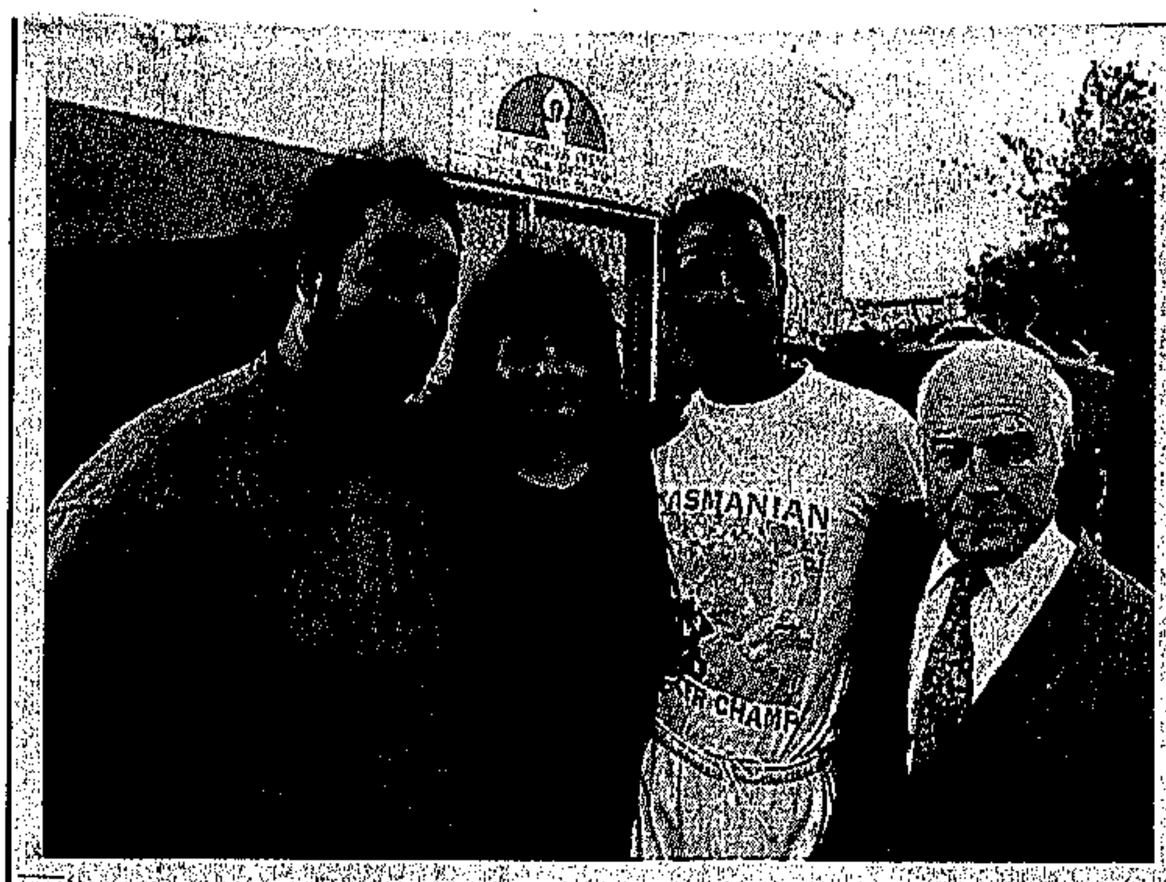
Addressing the Rural Foundation conference in Hartbeespoort, RDP Development and Planning head Dr Tania Abrahamse-Lamola said the jostling for power among political parties was making implementation of the project difficult.

Presidential lead projects manager Roy Page-Shipp also told the conference that R6-billion would pour into RDP projects this financial year. Five billion rand of this would come from reprioritisation in government departments, R600-million from the sale of State oil reserves, R500-million from foreign donor aid, and R50-million from other donors.

Most of this was being administered by the central Government but R18-million and R30-million had been given to provinces to manage.

He said the RDP had built-in mechanisms to ensure that lead projects must be labour-intensive, employ small and medium enterprises, and encourage affirmative action.

"But we are creating more short-term than long-term sustainable employment," he added.



GIVING REFUGE: The Napier Street Haven night shelter staff, Ivan Collins, Doreen Collins, Russell Joubert and Haven night shelter chairman Sam Gross.

It all started with two men — and a cardinal

ARG 20/9/95 (297)

Health Reporter

THERE was a time when talk of a night shelter in an area would be met with a "not in my backyard" response. Not so any longer, says Sam Gross.

"People are more civilised towards the idea now. They realise you can't wish these people away. When people are removed, they just come back. They have nowhere to go."

Mr Gross is one of the founders of the Haven Night Shelter Organisation, along with Catholic priest Roger Hickley.

As chairman of a ratepayers' association, Mr Gross decided to do something about the vagrancy problem in 1978.

"I was told of a priest who also wanted to do something. I met him and we became like brothers. We still are. He suggested we use the church hall in Somerset Road, and said I should approach the Cardinal for permission.

"I did. Owen Cardinal McCann said we could use the building, which was run down and needed fixing up, as long as the church would not be asked for money to upgrade it.

"He asked me what rent I was willing to pay? I said R1. He agreed. He asked how we would look after these people. I told him I had faith in the public.

That was the first night shelter. After five years a bigger building was needed and the Napier Street Shelter was built.

Today, faith in the public still intact and thanks to the work of volunteers, there are six established shelters under the Night Haven's aegis.

There are plans afoot for shelters in Athlone, Constantia, Guguletu, Kensington, Kraaifontein and Retreat.

The organisation also runs a mobile soup kitchen which delivers soup to various centres around town for a nominal fee.

Mr Gross believes South Africa is way ahead with its shelters.

"Our organisation is as progressive and advanced as any in the United Kingdom or United States. In some respects our work is superior as our emphasis is on rehabilitation.

"Forty percent of vagrants get back on their feet and go back into the community."

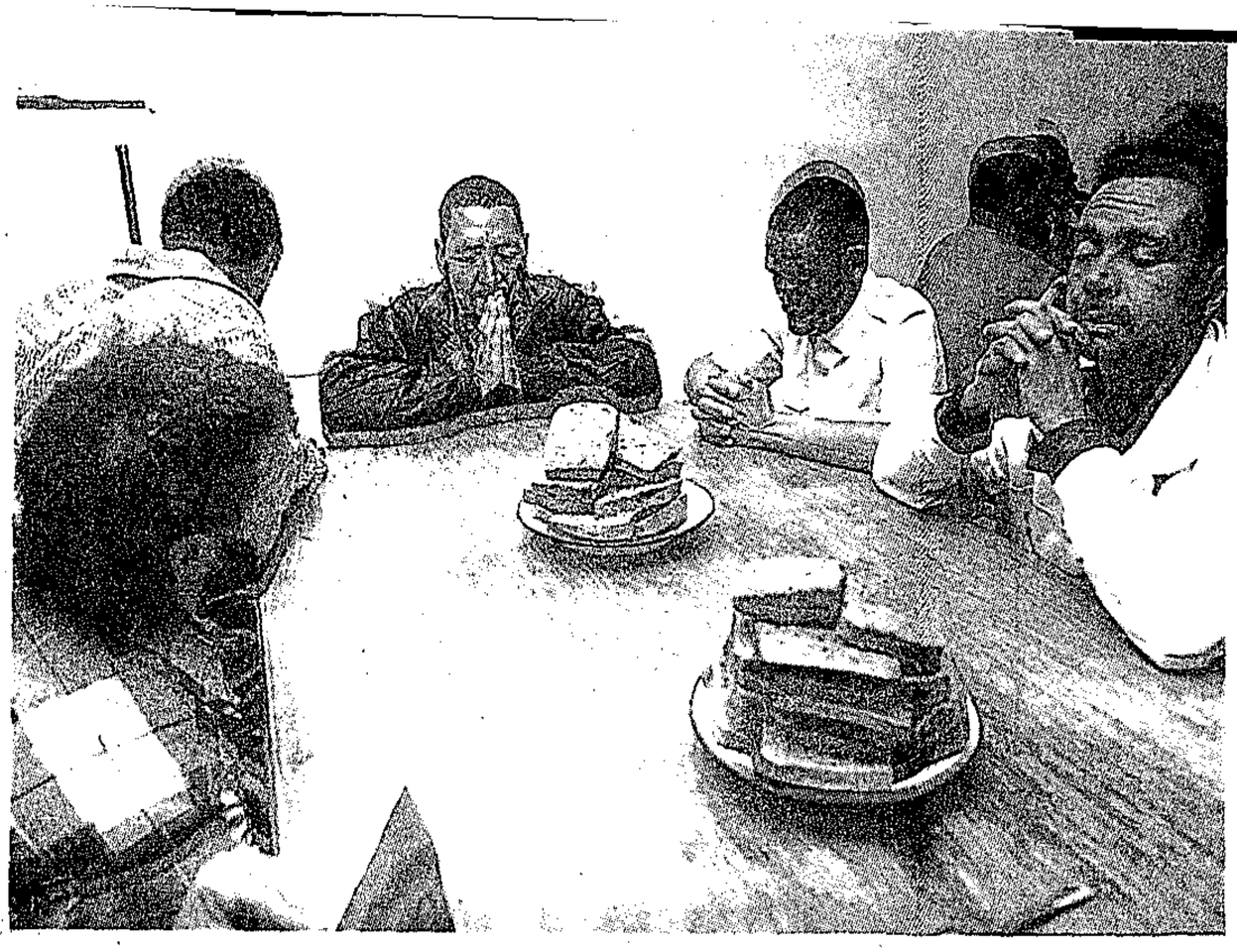
The Haven Night Shelter is a non-religious, non-political organisation. "With the new dispensation we're supposed to get government support. But they have no money and we can't rely on them," he says.

The next scheme, to be launched soon, will be day-care centres.

"There's been a big noise about the nuisance of informal 'traffic officers'. It's no use telling people not to do it, you have to offer an alternative.

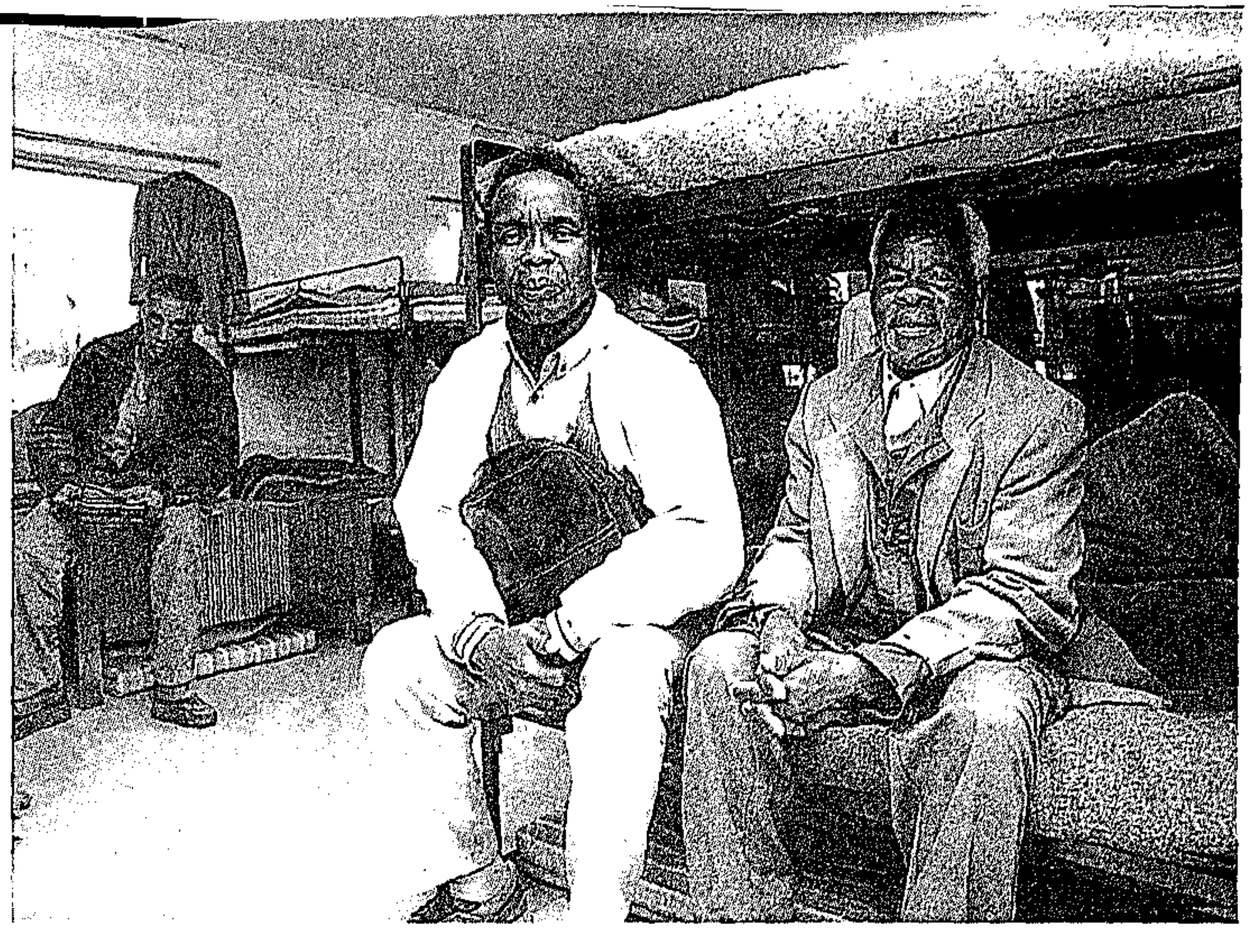
"Our plan is to train people in simple skills so they can enter the employment market."

● The Haven Night Shelter is holding its 17th annual meeting tomorrow at 6 pm at the Salesian Institute Hall, Chiappini Street, Cape Town.



Pictures: DOUG PITHEY, The Argus.

DAILY BREAD: Supper time at the Haven starts with a thanksgiving prayer.



RESTING PLACE: Buckinham Mhlanga and Kuriria Lovemore claim their beds for the night.



WAITING: People wait their turn to enter the shelter.

A haven of rest for the needy

(297) ARG 20/9/95

JENNY VIALL
Health Reporter

IT'S nearly 6 on a windy Cape Town evening. People start arriving at the Haven night shelter in Napier Street, sitting on the kerb waiting for opening time.

Supervisor Ivan Collins opens the security door and the street people file in. It's R2 to get in. Some hand over a collection of coins, some pay their arrears for nights past when money was short. Nobody gets turned away because they can't pay. "If a person has no money, we close one eye, and make it clear that tomorrow they pay," says Mr Collins.

Regulars, about two thirds of the people each night, are allowed in first. Before they enter, Russell Joubert, assistant at the shelter, frisks them for bottles and weapons. Alcohol is strictly forbidden. The shelter sleeps 64 people, officially. "But we organise each night for 80 to come in. And in winter when its cold, mattresses are set out and up to 100 people are accommodated," says Mr Collins.

Once in, the men and women split up and go to their respective dormitories. There people take the few minutes before supper to sit or lie down and rest their weary feet. It's been a long day on the streets.

Supper is at 6.15pm. Cook James "Solly" Solomons has prepared a large pot of cabbage bredie and hearty slices of bread. The servers for the day hand out the food. People eat hungrily.

After supper it's bedtime. It may seem very early to go to sleep, but life is tough on the streets. Wake-up time is 5am, breakfast is at 6am and it's out on the streets by 7am. "People want to get going early," says Mr Collins. "That's when the day's work begins, collecting cardboard and paper, looking for casual jobs." On Sundays people sleep in an hour longer.

Is there any trouble at the shelter? "Occasionally. If there are any hassles, the people involved are thrown out," says Mr Collins.

It all seems quite an anonymous process, with people filing quietly in and out. Not so, says Mr Collins. "I know almost everyone here. I walk the streets to relieve stress. I know where they hang out on the streets, what they are doing and what they're drinking. I know each person's story."

Many come from upcountry, where they were thrown off farms. They make their way to the city in search of jobs and meet up with other street people. Often this is where alcohol comes in.

"Many of them just run into bad luck."

And it's when luck runs out and there's nowhere to go that the shelters provide refuge.

Sam Gross, chairman of the Haven night shelter, is very clear on one point. "They're not criminals, these people," he says. "Nor are they mentally disturbed. They are the poorest of the poor, with no motivation to pull themselves off the streets. They're the ones who've fallen through the cracks of society, the jetsam and flotsam of life, those people who lose their way in their search for jobs and a home life.

"We believe shelters are a way to give these people more dignity. To treat the poorest of poor like people. That's the first step in getting them out of the groove."

Workers on hunger strike

NORMAN JOSEPH, Staff Reporter 297

SIXTY social welfare department workers and members of the Belhar Civic Organisation are on a five-day hunger strike at the Bellville regional office, demanding that 85 retrenched temporary workers be reinstated immediately. ARG 20/9/95

The workers, all members of the National Education, Health and Allied Workers' Union (Nehawu) began the hunger strike on Monday.

A court interdict brought by Nehawu against the regional social welfare department to have the contract workers reinstated is to be heard in the industrial court on Friday.

The provincial administration of the Western Cape countered the court action with an interdict against the temporary workers protesting in front of its Bellville office.

THE CAPE



Picture: DOUG PITHEY, The Argus.

WHY US? Igsaan Hendricks and his team at Conradie Hospital.

ARG 20/9/95

297

Igsaan chose to be of help to others . . .

AFRIKA MSIMANG
Staff Reporter

AT the age of 16, Igsaan Hendricks became a quadriplegic after a diving accident at a social sporting event.

Since then, instead of focusing on his own pain, Igsaan chose to follow the philosophy of Buddha: "We are what we think."

Now, 10 years later, Igsaan is an honours student at the University of Stellenbosch.

As a youth full of vitality, Igsaan represented his school at Western Province athletics, was a competitive swimmer and rugby player — with few academic ambitions.

His pursuit of an academic life resulted from his physical destiny as a quadriplegic confined to a wheelchair. While undergoing rehabilitation in the spinal unit at Conradie Hospital, Igsaan felt a need to create a meaning from the most painful experience of his life.

When he was discharged from the hospital, Igsaan attended a school for the cerebral palsied in Athlone, where he matriculated within two years. He was then enrolled as a BA (pyschology) student at the University of Stellenbosch.

Igsaan faced a lot of myths about his capabilities as a disabled person: "Even professional people were very negative when I decided to enroll at the university. I was told that even 'normal' students tend to drop out within their first year at university because they cannot cope with the work load."

But Igsaan refused to be discouraged and decided to equip himself with the knowledge to help him fight the "ignorant world".

Now he attends lectures on the second floor and has to use the stairs. But with the help of volunteers, Igsaan manages to find his way around, sometimes even to the canteen.

For his honours project, Igsaan works with four third-year students in an attempt to improve the quality of life of five other quadriplegics at Conradie Hospital.

Igsaan is excited about the team project at Conradie as he feels that it is his small way of contributing to others like him. He says a lot of time he finds other patients caught up in their sorrow and asking themselves "what is the use of living as a cripple?"

Igsaan says he would eventually like to hear quadriplegics asking instead: "How can I use my physical handicap to my advantage and to the benefit of others?"

"People always expect me to fail and I always try my best to prove them wrong," he says with a smile.

Igsaan will be the first quadriplegic to graduate as an honours student in the Department of Psychology at the University of Stellenbosch. If all goes well, Igsaan will be pursuing his master's degree in pyschology next year.

SA must learn how to win African aid contracts

(297) CT(BR) 20/9/95

By Paul Runge

South African companies and organisations now have access to some $2,4 billion worth of projects in Africa, and when South Africa's membership of the African Development Bank is finally processed, this amount will be well over the $3 billion mark.

The end of sanctions has brought other potential benefits. Funds, which include grants and soft loans, are being allocated by the international funding agencies to South Africa, not only for internal development but with a view to strengthening the economy of the region.

Bilateral agencies have begun to loosen their previously tied aid so that South African contractors, manufacturers and service suppliers can now access some of the projects paid for by the European and North American tax-payers. (One representative of an international funding agency estimates that the bilateral aid accessible to South Africa amounts to $142 million.)

Although difficulty is being experienced in bringing South Africa into Lomé, the European Union has provided a sweetener by making South Africa the only African country to qualify for its European Community investment partners programme.

This means that the appreciable number of European companies which are shopping for joint venture partners for operations here can, within certain constraints, now obtain up to 50 percent funding assistance for approved projects which involve them and their chosen South African partners.

Yet the records show that South Africa is winning far too few aid-related projects. Why?

Firstly we South Africans must recognise that the years of isolation have taken their toll. Many of us are just not street-wise enough on matters of international finance. We don't always know who the players are and how the game is really played.

The multilateral agencies such as the World Bank, the African Development Bank and various United Nations agencies have their special methods of operation which are not fully reflected in their many brochures.

Also we are often not only competing with fellow developing countries for projects in Africa but with companies from countries such as France, Britain, Germany and Italy which have years of experience in accessing donor-funded work in our continent and which furthermore have their own strong bilateral agencies to put in seed money to ensure that they get a head start.

On the local scene there is also a problem. The RDP has, as one of its priorities, the stimulation of micro, small and medium-sized enterprises. But how familiar are these entrepreneurs with the basics, such as the presentation of business plans, let alone the detailed requirements of the donor agencies?

When at long last RDP authorities do set up proper mechanisms for registration and open tender for projects, many of the contenders whom they hope to advantage will not be sufficiently familiar with the process to compete for them.

An organisation such as the Africa Project Development Facility (which is a joint venture of the African Development Bank, the United Nations Development Programme and the International Finance Corporation, and which recently opened an office in Johannesburg) has an especially important role to play in this context.

This body was set up to help small and medium enterprises to prepare business plans and acquire finance. However this organisation and others will struggle to cope with the many people who require time-consuming coaching on the essentials.

The increasing number of international funding agencies which are establishing themselves in South Africa will expect to receive good project proposals, many of which will simply not arrive if our entrepreneurs do not know how to deal with them.

☐ *Paul Runge is Head of the South Africa office of Economic Development for Equatorial and Southern Africa*

'Not enough focus on RDP'

CT 28/9/95 (~~266~~) (297)

BARRY STREEK

NEITHER the Olympic Bid Company nor the public sector was putting development issues into place for the Cape Town 2004 bid despite public statements to the contrary, the Development Action Group (Dag) said yesterday.

The cabinet was due to decide on September 27 whether to support the bid but it was clear its social impact and RDP implications had not received serious attention, Dag's Ms Kim van Deventer and Ms Virginia Roaf said in an interview.

Dag, a well-established Cape Town group of professional planners, had studied 10 bids for Olympics and other international events and had concluded that no other city had successfully met desired development needs by hosting the Olympics.

Launch of trust is delayed once again

(297) BD 21/9/95

Robyn Chalmers

THE launch of the Transitional National Development Trust to channel development funds to non-governmental organisations has again been delayed, with the RDP office blaming the Kagiso Trust, the Independent Development Trust and non-governmental bodies.

The RDP office's attack on the Kagiso Trust, the IDT and non-governmental organisation representative bodies is the latest in a war of words blamed for delaying the launch of the trust, scheduled for tomorrow.

The RDP office's Frank Meintjies said yesterday that all the arrangements for the launch of the trust were in the hands of the Kagiso Trust, the IDT and nationally representative bodies of non-governmental organisations and community-based organisations.

Meintjies said the RDP Office wanted the body "set up yesterday" and Minister Jay Naidoo had written to the Kagiso Trust and the IDT in mid-August requesting a progress report.

He had also endorsed a commitment that the trust should be established as soon as possible, Meintjies said.

IDT communications director Jolyon Nuttal said while government was reported to have lent a sympathetic ear to the cash flow problems facing many non-governmental organisations, this had not been backed with concrete support.

IDT has healthy finances after five years of progress

BD 21/9/95 (297)

Edward West

CAPE TOWN — The Independent Development Trust (IDT) had between R100m and R200m left of its original funding grant of R2bn received from central government's 1990 budget, CE Merlyn Mehl said yesterday.

At the IDT's annual review, Mehl said the R2bn grant had been supplemented over the past five years with R1,3bn by investing the grant, R25m in1993 from the sale of strategic oil supplies and R70m in the past year through the public works department for the IDT's community employment programme.

He was uncertain as to what future role the IDT would play regarding government's proposal to form a national development agency, suggesting that the IDT would either become an integral part of the agency or enter into a contract with it.

"We feel that with the experience and infrastructure we have created, we would be an obvious candidate to be part of the project," he said.

Of the funds received and generated by the IDT over the past five years, by June R2.9bn had been allocated to more than 3 000 projects, and of this amount R2bn was already "in the ground".

Mehl said the organisation had learned it was difficult to spend development funds rapidly. Necessary infrastructure needed to be created and process had to take precedence over product in the initial stages of development. Unless development was an empowering process, it would fail.

Projects undertaken by the IDT included the building of 5 000 classrooms over two to three years, of which more than 2 400 had already been built through 10 educational regional trusts. An amount of R300m had been allocated for this programme.

By the end of this year the IDT hoped to have funded the building of 300 new clinics in rural areas, for which R90m had been earmarked, while R115m had been granted over three years to development-related welfare projects.

The IDT had earmarked R70m over three years for pre-school facilities and training, while it had also launched the Thousand Schools project to upgrade the quality of education offered at schools in every province.

Sapa reports IDT chairman Mamphela Ramphele said that in its anxiety to eradicate the prejudices and injustices of the past through the reconstruction and development programme, government might be creating a "bureaucratic nightmare" which could undermine a development capacity nurtured over many years.

She said non-government agencies and community bodies which had matured after years of trial and error were a development resource which was the envy of many developing countries.

"Autonomous civil society structures are crucial for the participation of poor communities in their own development."

Ramphele welcomed government's initiative to set up a national development agency, which would create a vehicle for channeling development funding.

"It seems to me extremely important to reiterate the need for development to be independent of party political interests of the day," she said.

Govt to help pay R9,9bn

Kevin O' Grady

BD 21/9/95

BISHO — Central government has agreed to shoulder part of the burden of a R9,9bn debt — inherited by the Eastern Cape from Transkei and Ciskei — that has swallowed more than R800m of this year's provincial budget.

Eastern Cape finance MEC Shepherd Mayatula said yesterday the decision was made recently by the Cabinet.

The amount to be serviced by government was still to be determined by an audit of the former homeland and Cape administrations, he said.

The interim constitution provided for provinces to take responsibility for asset-related debts, but the former homelands had not been audited for up to eight years, Mayatula said.

He said R805m had been set aside from the 1995/96 provincial budget of R12bn to service the debt until such time as the agreement with central government was finalised.

The deaf get little attention

Sowetan 21/9/1995 29

Many children were able to hear for the first time, thanks to technology

By Violet Johnstone

DEAFNESS, BECAUSE IT IS a hidden handicap, gets little public support and the plight of deaf people is often compounded by lack of resources.

There are probably 4,5 million profoundly deaf people throughout the world, some two million of whom are children. Of these, at least two thirds of the total live in developing nations.

In 1959 Lady Templer, wife of the then High Commissioner in Malaysia, recognised that very little was being provided in the way of services for deaf children.

Mentally subnormal

Many of them went undetected and, tragically, were treated as being mentally subnormal. Templer decided to set up a local society, which soon expanded its activities and became the Commonwealth Society for the Deaf, whose Patron is now the Princess of Wales.

For a small charity entirely funded through gifts and grants, and underpinned by skilled professionals who give their time and expertise voluntarily, it has achieved a great deal in the very large field of deafness and ear diseases in the Commonwealth.

The society's policy is to work at grassroots level. It sends regular working parties of British volunteer specialists and, increasingly, specialists from other Commonwealth countries to work with and train local colleagues to discuss problems and identify solutions.

The usual working party is made up of four or five individuals – an educationalist, an audiologist, a teacher of the deaf, an ontologist and a hearing aid technician – who visit a host centre for two or three weeks and travel to outlying areas as required.

In this way the society has helped to start schools for the deaf, has arranged to train teachers and hearing aid technicians, and has supplied hearing aids, audiological equipment and teaching materials.

It is the sort of work that can be infinitely rewarding. When the society was asked to help in Mauritius, for example, a working party went out to find that only some 50 percent of pupils in the School for the Deaf had hearing aids – and many of these were not working properly because of low batteries, faulty leads or poor earmoulds. A programme to make earmoulds and to fit 50 hearing aids was rapidly devised with selected staff acting as "apprentices".

Soon many children were able to hear for the first time in their lives, and their obvious delight, together with the reactions of parents and teachers, was unforgettable for those who saw it.

Finding replacement batteries in remote areas is a problem, but now this has been solved following research supported by the Society of Botswana; a solar rechargeable hearing aid has been developed.

The Photon 128 just needs to be left in full sunlight for about four hours, which will allow it to operate for between 50 and 80 hours. A simple regulating circuit prevents the battery from being overcharged, and field tests in Botswana have shown that users, including children, have quickly got accustomed to leaving their hearing aids in the sun when the amplification becomes weak.

Finding replacement batteries in remote areas is a problem, but now this has been solved following research supported by the Society of Botswana; a solar rechargable hearing aid has been developed

Following medical projects in Gambia, Ghana, Nigeria and Botswana to try to identify the chief causes and prevalence of deafness, a treatment kit has been developed. This can be used by those without medical training to prevent permanent deafness in children who may never see a doctor in rural tropical areas and where middle ear infections are so common.

The Society receives many requests for these kits. However, on the medical front, prevention of hearing loss through mass immunisation campaigns for measles, meningitis, rubella and other handicapping diseases remains a first priority for developing countries with limited resources.

In 1991, in conjunction with the North East Surrey College of Technology, the Society held its first intensive eight-week course for health workers in developing Commonwealth countries on the maintenance and repair of hearing aids.

Students have the opportunity to visit factories and gain some work experience. The course is now held annually and may lead to a longer course in the future with a recognised qualification.

The largest project which the Society has undertaken in its 36 years' existence, and one which has exceeded its expectations, is the Hearing Assessment Centre in Kumasi, Ghana.

Officially opened

The estimate to build the centre was R1,25 million, and if the society was able to provide half the amount, an application to the European Community to match this could be made.

The goal was achieved, and in June 1993 the centre was officially opened. Its technology is unique in sub-Saharan Africa and it may well prove to be a catalyst for further work for the deaf in neighbouring countries.

Meanwhile, fund-raising events continue to be organised and the public made aware that all donations contribute in their own way: from R125 which will buy high-frequency rattles to identify deaf infants, to R25 000 which will keep a hearing assessment running for one year in Africa. – *London Press Service Feature.*

THURSDAY
SEPTEMBER 21, 1995 ★

BRIEFS

Hunger strike to end tomorrow

(297 (152)

FIFTEEN union members will end their week-long hunger strike tomorrow when the Industrial Court will decide whether or not to grant an urgent interdict against the Western Cape Provincial Administration.

The National Health, Education and Allied Workers' Union (Nehawu) embarked on the strike last week in support of 85 contract workers whose services were ended last month.

They have applied for the court interdict to reinstate the workers.

In Janauary, the administration employed 215 workers on a temporary basis. Last month, 130 of the workers were given a six-month contract.

The remaining workers were asked to leave.

CT 21/9/95

RDP 'may cause bureaucratic chaos'

ET 21/9/95 (299)

IN its anxiety to eradicate the prejudices and injustices of the past through the RDP, the government might create a bureaucratic nightmare which could undermine a development capacity nurtured over many years.

Furthermore, SA development should not be driven exclusively by government structures now that there is a legitimate government, Independent Development Trust (IDT) chairwoman Dr Mamphele Ramphele said yesterday.

Dr Ramphele said numerous non-government and community bodies have matured through years of trial and error with the help of the IDT, and are the envy of many developing countries.

"They should form the backbone of the process of national reconstruction in partnership with the government," she said. "Autonomous civil society structures are crucial for the participation of poor communities in their own development."

Dr Ramphele welcomed the government's initiative in setting up a national development agency to channel development funding and improve the effectiveness of civic organisations.

Professor Merlyn Mehl, chief executive of the IDT, expressed his fear of centrist state development which he said had resulted in shambles in other African countries. A policy of "people centredness", on grassroots level, should be followed. — Staff Reporter, Sapa

The IDT has more to offer than a murky past

(297) (~~260~~) BD 22/9/95

ROBYN CHALMERS

WHATEVER criticism is levelled at the Independent Development Trust (IDT) for being a progeny of apartheid, the organisation has made inroads into reducing poverty.

The IDT's five-year review, released this week, shows the organisation has managed to forge for itself a certain amount of operational space to implement its programmes in an often hostile political environment, and has done critical groundwork in many areas.

The legitimacy of the IDT as a development vehicle remains in question, largely because it was set up by an illegitimate government. But examination of its board of trustees, which is responsible for the formulation of policy and procedures as well as the deployment of the IDT's funds, shows the organisation has entered a new era.

Board chairman Mamphela Ramphele is known for her opposition to apartheid and her work in development, while CEO Merlyn Mehl has received widespread recognition as an expert on the education of disadvantaged people. Other trustees include Wiseman Nkuhlu, Stanley Mogoba, Jerry Coovadia and Enos Mabuza.

Mehl says that, in determining the crucial issue of legitimacy or otherwise of the organisation, a number of matters are worth considering — notably the fact that the IDT's genesis can no longer be used as an argument for marginalising the organisation.

"Some of the IDT's programmes and methods might well have been reviewed with the luxury of hindsight," he says. "Judge the organisation on where it is at present and what its trustees look like." Then, of course, there is the matter of its track record, he says.

Arguably the most critical issue on which the IDT will be judged is what it has done with the R2bn grant given to it by then President FW de Klerk on March 16 1990, to address the problems of the disadvantaged and focus specifically on the poorest of the poor.

The review, and a confidential document on the IDT's investment funds, shows that at the beginning of this month, the organisation had a total of R1,08bn which had not been drawn on. However, investing the initial R2bn grant generated a further R1,3bn, and R25m was received from government in 1993 after it sold strategic oil supplies. Then Public Works Minister Jeff Radebe allocated R70m to the IDT this year from reconstruction and development funds.

In effect, therefore, the IDT has spent R3,25bn over the past five years and the remaining R1bn has been allocated. The money has been ploughed into more than 3 000 projects ranging from site and service schemes to welfare-related projects.

While the disbursement of funds is one method of judging the performance of the IDT — and based on this alone it has done remarkably well — the wealth of experience which has been gained is just as important to the future of SA's development industry, if not more so.

Mehl says a number of issues became clear through the experience of attempting to foster development, including that it is difficult to spend money constructively and rapidly, especially on the poorest of the poor. The IDT discovered the necessary development infrastructure had to be created, process had to take precedence over product in the initial stages of development, and unless development was an empowering process, it would fail.

Through its at times unpopular programmes, the IDT has led the way on a number of critical policy issues. The obvious example is its work in the housing arena where the discredited site and service schemes first emerged and which now form part, although in a modified form, of SA's housing policy. In coming to grips with the problem of delivery, the IDT introduced a capital subsidy for individuals as the basis for its housing scheme, and recognised communities benefiting from the subsidies had to be involved in decision-making.

A mechanism to accomplish private sector capital for housing was launched. The IDT Finance Corporation, although it has experienced significant obstacles and a high level of arrears during its lifetime, could teach government important lessons in the forging of the National Housing Finance Corporation.

The past role of the IDT, successful in areas and less so in others, is relatively clear, and consideration should now be given to its future tasks. Having survived past controversies and questions over its legitimacy, the IDT has become involved in a war of words with the RDP office over the funding of a transitional national development trust.

The trust was intended as the forerunner of the national development agency which would channel development funds to non-governmental organisations and community-based organisations.

The transitional trust was also intended as a step towards the merging of the development funding activities of the IDT with the Kagiso Trust to eventually form the agency, but its launch was delayed for the second time this week as the RDP office, IDT, Kagiso Trust and non-governmental representative bodies grappled with the difficulties involved in making funds available to such a complex sector.

A major grant-funding agency has to be set up urgently if the needs of the marginalised are to be met. The IDT can contribute much more than funds, and could become an integral part of it. Squabbles between interest groups and stakeholders should not, therefore, be allowed to derail a process which could result in the merging of the wealth of knowledge embodied within the IDT with that of Kagiso Trust, to form an agency which could help save thousands of cash-strapped non-governmental organisations.

LETTERS

Miracles are out but programme is forging ahead, says RDP office

BD 22/9/95 (297)

Robyn Chalmers

THE RDP office has defended the reconstruction and development programme, saying that although it cannot perform miracles there is no doubt that the programme is under way.

RDP News, the official newsletter of the programme, said much was being made of the RDP presidential lead projects, but they alone could not make the programme succeed.

"The RDP cannot conjure up all the necessities and fulfil all the needs of the people with one wave of a hand. Nor does the RDP mean a nearly full swing to the other side of the pendulum (like) government projects and spending.

"But, slowly, change is taking place in fields such as water and electricity supply and the provision of primary health care," it said.

Using the RDP, government had created a scheme whereby municipal, social, security and economic infrastructure would be made available to all SA people.

It said one of the most important tasks of the RDP was to change people's perception of their future, making them realise they had the means for self-rehabilitation.

Whereas in the past communities often expected government to provide for them, they now, according to the newsletter, realised they had to have a hand in their own upliftment.

Minister without Portfolio Jay Naidoo said the RDP could be described as a new way of operating government.

Naidoo said that in the past, departments worked in a fragmented way but in order for the RDP to succeed, it was of critical importance that they worked together.

"One of the most difficult tasks so far for government has been to get all departments to board the RDP train so that everybody moves in the same direction at the same time. So far, government has changed in five important areas, all RDP-related.

"These are the introduction of the presidential lead projects, the strategic management of the programme, the way the budget is currently being run, the introduction of a national information project and the concept of integration," he said.

EU warns that promised R80m could be diverted

(297)

John Dludlu

BD 22/9/95

THE EU has warned that the R80m it has pledged to government and non-governmental organisations will be given to other projects if the planned transitional national development trust fails to get off the ground this year.

The trust, representing community-based and non-governmental organisations, and some other development organisations, will be a forerunner of the planned national development agency.

EU ambassador to SA Erwan Fouere expressed concern this week at the delays in setting up the trust. He said if this body was not established this year, the R80m pledged by the union would not be available.

The R80m forms part of the R580m aid package from the 15-nation EU to assist government in implementing projects linked to its reconstruction and development programme (RDP).

Fouere said the EU would commit the funds only if the planned formation enjoyed the support of both government and the non-governmental and community-based organisations.

Fouere said it was important that all sectors (in SA) agreed that the non-governmental organisations would continue to play a significant role in society.

These organisations could speed up RDP delivery and play a role in addressing the legacies of the past.

Fouere was confident the EU's R580m aid package would be committed this year.

'Youth should contribute to the RDP'

ARG 22/9/95 (297)

Staff Reporter

YOUTH organisations should investigate ways of contributing to development and reconstruction, Deputy Minister of Welfare, Geraldine Frazer-Moletsi, has told delegates to the Southern African Youth seminar in Cape Town.

She said youth in the region should use the positive environment and opportunities they had earned for themselves to confront challenges and make meaningful contributions to society.

"Youth is one of the most powerful phases of life," she said.

"It is a time when people are prepared to take risks and when they will fight for what they believe in. It is potentially one of the most creative periods in life."

Ms Frazer-Moletsi said South Africa needed to tap the energy of its youth in reconstruction and development.

● The seminar has been organised with the co-operation of Danish, Swedish and Norwegian youth organisations.

The aim of the seminar is to empower Southern African youth organisations.

It hopes to promote an exchange of experiences between representatives and to strengthen long-term co-operation regionally and nationally.

The seminar is also aimed at revitalising contacts between South African youth, and youth groups in the Nordic countries.

Participants hope to produce a handbook or tool kit to be used by voluntary youth organisations in southern Africa.

R87 million for social welfare from Atlantic bungalow sales

(297) APR 22/9/95

THE African National Congress and Cape Town City Council's executive committee have agreed that all the money from the sale of Clifton bungalows should go towards social development.

The agreement settles a lengthy legal wrangle between the ANC and the city council.

In a statement, the ANC said that while it had originally opposed the sale of the land, it felt the new direction adopted by the executive committee addressed its concerns.

This means that an amount of R55 million for Clifton bungalows and R32,5 million from Glen Beach and Bakoven sales will go into the fund, if Premier Hernus Kriel gives the go-ahead.

Rumpus as Jakes Gerwel named chairman of Idasa

COLIN DOUGLAS, Staff Reporter

OPPOSITION parties have hit out at the powerful Institute for Democracy in South Africa (Idasa) over the appointment of Jakes Gerwel, President Nelson Mandela's director-general, as its chairman.

Politicians from the Inkatha Freedom Party, Democratic Party and Pan Africanist Congress claimed there would be an unavoidable conflict of interest between Professor Gerwel's two roles.

And, sources close to Idasa complained that the recent appointment was part of a dangerous trend towards greater government control of non-governmental organisations.

Idasa is at the centre of a controversy over its survey of the financial interests and personal details of members of parliament.

Senator James Selfe of the DP said: "It's a very unhealthy situation when a civil servant becomes head of a non-partisan but political organisation like Idasa — especially when he's an *apparatchik* of the ANC and handles the president's office. (297)

"It will take only one unguarded comment from Professor Gerwel to destroy Idasa's non-partisan reputation."

IFP MP Gavin Woods said Professor Gerwel's appointment was the latest in a "very sorry saga" of pro-ANC moves by Idasa.

The government's RDP was blurring the distinction between the state and NGOs, he said.

The PAC's Patricia de Lille said although she respected Professor Gerwel's integrity, his appointment would definitely taint the organisation's image and hamper its credibility in monitoring the government. ARG 22/9/95

Idasa executive director Wilmot James said he had "no difficulty at all" with Professor Gerwel's appointment.

"We are certainly aware of a potential conflict of interests, and if that comes up we'll discuss it."

Rumpus over RDP red-tape bungle

(297)

■ RDP bureaucracy and in-fighting are preventing the people of Guguletu from building a community centre for their children.

ARG 23/9/95

DAVID BREIER
Staff Reporter

THE reconstruction and development programme is coming increasingly under fire as a bureaucratic bungle in which red tape ties up projects instead of building them.

An angry community worker in Guguletu has lashed out at the local RDP forum for refusing to provide land for a children's resource centre which had R1 million promised to it by the Development Bank on condition that land could be found.

The R1 million may now be forfeited as a result of the RDP's refusal to agree to the use of local land.

The centre is being held up due to infighting between the local community organisation Itemba Labantwana (Hope of the Children), which has the R1 million available to build it, and the Guguletu RDP forum.

An angry Pumla Tyalibongo of Itemba Labantwana, said similar resource centres were being built in Langa and Nyanga East, but Guguletu's centre was being held up by "personal dynamics" — personality clashes.

A spokesman for RDP minister Jay Naidoo said he did not have enough details to comment on the matter.

This revelation follows a warning in Cape Town by Mamphela Ramphele, chairman of the Independent Development Trust (IDT), marking the IDT's fifth anniversary, that the government may be creating a "bureaucratic nightmare" through the RDP.

She said this "could undermine a development capacity nurtured over the years of struggle".

Dr Ramphele said South Africa's non-governmental organisations (NGOs) and community-based organisations (CBOs), which had matured after years of trial and error, were the envy of many other countries and should form the backbone of national reconstruction in partnership with the government.

She warned against South Africa emulating the "Big Daddy" approach that had marked other countries in Africa after independence, when well-meaning governments tried to direct development from the centre. This resulted in a shambles, she said.

Council helps families of terminally ill

(94/92) (297) Star 25/9/95

■ BY HOPEWELL RADEBE
CITY REPORTER

The Brakpan Town Council has started a R100 000 feeding scheme for families whose breadwinner suffers from a terminal disease like AIDS.

Acting Town Clerk Andre Ludick said the feeding scheme started operating at the beginning of August after the council made provision for R100 000 in its 1995/96 budget.

Ludick said the council was presently the only financial contributor to the scheme, although volunteers were assisting with food distribution.

"However, the scheme's duration would depend on the decisions made by the new council after the local government elections," he said.

"Since the need is so big, beneficiaries are very grateful and don't really complain," he added.

Ludick said it was easy for the council to compile a register with the names of family members suffering from these diseases because its health department was running various programmes aimed at educating sufferers of diseases such as AIDS and tuberculosis.

Before any person qualifies to benefit from the scheme, social workers conduct a thorough investigation of their specific situation.

Red tape may kill RDP, experts warn

(297) ANC 25/9/95

Political Correspondent

THE government has been warned that its bureaucracy could wreck the RDP, centralised control of spending is stifling provincial efforts, and excessive "community consultation" has all but halted crucial development.

This multiple warning — which comes as parties launch their campaigns for a fiercely contested local government election — was delivered yesterday by the respected Independent Development Trust and, separately, by Western Cape ministers and legislators.

The alarm was sounded by:

● IDT board of trustees chairperson Mamphela Ramphele, who said bluntly at the launch of the Trust's fifth annual report that "the government may be creating a bureaucratic nightmare which could undermine a development capacity nurtured over many years", and stressed that development be kept "independent of party political interests of the day";

● Western Cape Finance Minister Kobus Meiring, who delivered a grim mid-year report on the province's finances, showing that severe central government funding cuts would lead to a deficit of more than R1 billion, placing enormous strain on the key health and education departments;

● Provincial Housing Minister Gerald Morkel, who said that while the need for housing grew daily, the building programme had been brought to a standstill, and construction companies were going out of business, because — even though millions of rands were available — inflated expectations and tortuous consultation processes had bogged the system down; and

● Provincial legislators, who warned that a pervasive demand mentality was undermining investor confidence and spawning bitter resentment among law-abiding citizens.

In debate yesterday, Economic Affairs Miniser and regional ANC leader Chris Nissen said RDP structures and processes were up and running in the Western Cape.

But Democratic Party leader Hennie Bester charged that when the province's committee on public accounts reviewed finances recently "not a single cent had yet been transferred from the national level for spending on discretionary projects".

The warning sounded by the IDT about the RDP reflects concerns being felt throughout NGOs that the government's tight grip on development could stifle it.

Dr Ramphele said that while she welcomed the government's proposal for a National Development Agency to channel development funding, she was concerned that South Africa's enviable developmental "energy" — generated largely outside government structures — "has been slowed down by a well-meaning government which in its anxiety to deal with the prejudices and injustices of the past has developed unwieldy democratic machinery".

This bureaucracy needed to be "unbundled". The government "can and should use the development capacity of NGOs".

NGOs: Building a new partnership after power shift

(297) Star 25/9/95

JOSEPH ARANES, Municipal Staff

THE government of national unity is faced with all sorts of problems, and topping the list is making good on the promises made during last year's elections.

It may be only just over a year since the government took office, but people's expectations were raised to new levels. And although the reconstruction and development programme is in place to realise the government's objectives, bureaucratic red-tape appears to be holding up the delivery of many projects.

While it is true that the reorganisation of government and the redirection of priorities has helped the government focus its spending on the needs of the people, more work is needed.

And it is in this regard that non-governmental organisations (NGOs) can play a leading role, as they have done in the past.

But are these watchdog bodies up to the task, or are problems like a lack of funding, an absence of clear leadership and the co-opting of organisations into government affecting their ability to perform?

Sharon Follentine, chairwoman of the Western Cape NGO Coalition, said that while the government and NGOs were still trying to find their feet in this transitional period, she was sure the problems would be overcome.

"We are in a phase where we have not fully clarified our relationship with the government, but there is an understanding that we need each other and talks are ongoing to see how we can complement each other's work.

"The cream of the NGO leadership has either moved into government or the private sector, and although this left us with a dearth of skilled people, we are organising ourselves to face the challenges that are lying ahead."

She said the government inherited a myriad of problems and while many of those in office had very little experience in implementing programmes, a lot of policy documents had been drafted.

"And NGOs are, in many instances, part of these processes, so while we understand the concerns of people on the ground, we are not too critical of the government at this stage, but are adopting 'a wait and see' attitude.

"The government has most of its objectives set out in the RDP but because of economic and political factors, is experiencing problems, predominantly in areas of delivery.

"I am optimistic that once we have struck a good working relationship, the programme won't be as bogged down in democracy as is the case now. Unlike the government, NGOs are generally smaller and have less bureaucracy and can do things faster.

"We can be more creative and innovative when adopting development strategies but remain constantly in touch with people on the ground, and this is very important for the success of the RDP."

But while this may be the case, many NGOs are either scaling down their operations or closing shop because of a lack of funding, or more precisely, because most of their foreign donors are now channeling the funds directly into the government's RDP fund.

And this has meant that many NGOs have either been co-opted into government or are working very closely with government, so that there hardly seems to be a difference between the two.

Ms Follentine said this was not necessarily a bad thing, as NGOs had been involved in the drafting of a number of government policy documents and white papers, and the implementation of these projects was just an extension of their own vision.

"Generally we are intent on keeping our independence and it is only because of the more open and transparent approach by government that it seems as if we are sucking up to them.

"It is true that a small number of NGOs may be co-opted into government and that a number of prominent NGO leaders are serving in government, but the vast majority are continuing with the work we set out to do — to empower our communities and help provide and develop a better life for all."

● The NG) sector is lobbying support for a new draft bill it published that would scrap fundraising restrictions.

The draft Non-Profit Bill has been published for comment and will be submitted to Parliament soon.

It looks at the role and contribution of non-profit organisations in:

● The process of reconstruction and development;

● The nature of the existing public policy, legal and fiscal environment affecting development organisations; and

● The nature of the legislative, administrative and policy changes which may be necessary in order to create an environment conducive to participatory development work.

Ms Follentine said she hoped the bill would strengthen the non-profit sector's capacity to contribute to development.

"The undemocratic nature and the unmanageable bureaucracy of the present legislation resulted in a high degree of non-compliance with the regulations, and organisations wanting to raise funds had to wait up to 16 months just to get a fundraising number.

"This has been particularly prejudicial to small community-based organisations, but the new bill hopes to change all this."

She said it proposed that all organisations register and submit a statement of accounts to a registry office, showing how money was being spent.

Registered organisations would be permitted to apply for tax benefits and taxation would be waived on unspent funds in banking accounts of NGOs.

"Not only will it promote better financial practices and spending patterns, but will increase donor confidence both locally and internationally and increase the ability of NGOs to deliver."

Reluctant parastatal a model for the RDP

(297) wm(BM) 25-31/8/95

Aspasia Karras looks at the innovative parastatal that's trying hard not to be a typical parastatal

INTERSITE managing director Dirk Ackerman has been instrumental in ensuring the property-management arm of the South African Rail Commuters' Corporation has not become a typical parastatal.

Instead, he has created a state organ that can stand as a model for the Reconstruction and Development Programme (RDP).

"I am a terrible egotist," he claims, yet he is reticent when it comes to revealing details about himself and his role in the process of creating Intersite. However, a good story is seldom left untold.

Intersite seems to be scoring both in media attention, with 49 high-profile projects on the go, and on the developmental yardsticks of transparency, accountability, sustainability and consultation.

Ackerman was head-hunted from SA Perm in 1991 to spearhead Intersite — the initiative of the Transport Ministry and the Rail Commuters' Corporation aimed at making use of a property portfolio worth more than R2-billion.

Intersite was formed specifically to use the property in commercial ventures not directly related to the railways. At this point, Ackerman contends, the parastatal became a model of innovation.

"We manage the people's property. But this was a really difficult concept to sell prior to the elections because it was imagined that as soon as you bought into (the idea of) people's property, you would have about a million of the people squatting on said property."



Dirk Ackerman: Wants to help turn people away from reactionary politics

It was understood that all development decisions had to be taken on a fully consultative level. Labelling the process PIP, or Public Involvement Process, Intersite claims to consult extensively, on every level in the community, before embarking on any projects.

Its new Tshwane Village development in Hatfield, around Pretoria's Rissik Street Station is, Ackerman says, an obvious example of this approach. Intersite has even used a pre-settler African name. The project will provide corporate headquarters for African Engineering International, house embassies, and develop an up-market shopping complex to complement the exclusive nature of Hatfield.

Intersite argues that to finance and sustain development the social viewpoint must be taken against a commercial background. The company claims that it does not believe in short-term budgetary gains.

"The RDP is about this kind of project. It has to be commercially viable to generate wealth," argues Trevor Glass the mastermind of the Hatfield project.

Probably a more watertight project in terms of conventional RDP conceptions is the rehabilitation of Johannesburg's South Station. Eleven black companies have been contracted for the R5,4-million venture.

Ackerman feels Intersite's developmental approach is largely due to his staff, who mostly come from a struggle background, "even though we sit here lily-white in suits and ties".

He feels that South Africans have shown political conviction and resolve, but now, for the latter part of the Nineties, we need economic resolve which for him is a more difficult challenge.

He is quick to point out that only 43 percent of his staff is white so, in affirmative action terms, Intersite has already bettered the Black Management Forum's requirements for the year 2000.

Intersite's developmental approach is largely due to its staff, most of whom come from a struggle background

Another progressive ideal at Intersite is the small staff base comprising 75 people. Ackerman argues that in the private sector a company managing the same amount of property would employ more than 300 people.

Nicholas Wolpey, the recently-returned-from-exile son of Harold Wolpey, heads up the new policy unit at Intersite and has played a key role in compiling policy documents for Derek Hanekom's Land Forum. Intersite has made a big contribution to the process, believing a parastatal can be an effective catalyst of sustainable development.

"State land is an intrinsic asset, but it is only optimal if it is effectively used, otherwise you build a house of cards," points out Wolpey.

Ackerman maintains Intersite is effective on three levels:

- It creates opportunities for black entrepreneurs by increasing their capacities to function at levels that were previously exclusively white.
- By taking a commercial view on what should be done with the land, but with the input of communities, not only are jobs created, but sustainable development of state assets is ensured.
- Because it makes money as a commercial venture, it reduces the tax payer's responsibility, and feeds money back into the railways.

"I want to put back as much as I can into the economic structure and help to turn people away from reactionary politics," says Ackerman.

For a man who claims to be a workaholic, but who also relishes the experience of triple-loop aerobatic feats in a small plane, Intersite and its sustainable and profitable development is definitely an appropriate context.

Govt plans 10-year programme

New strategy to transform urban areas

BD 26/9/95 (297)

Robyn Chalmers

GOVERNMENT has produced a wide-ranging and comprehensive urban strategy to transform cities and towns into thriving communities based on an incremental approach costing between R67bn and R80bn over 10 years.

An RDP office report shows about 27% of SA's towns have only a minimum level of service and 40% have a minimum and basic level of service, with significant capital investment required to bring them up to scratch.

In addition, estimates of the present urban population varied from between 19,6-million and 26-million but there was a distinct growth pattern and by the year 2010 three-quarters of the population would live and work in cities and towns.

"The government believes that a ten-year programme, costing R60bn to R70bn in capital expenditure and R7bn to R10bn in land costs, is feasible from a macroeconomic point of view," it said. A portion of the costs — R27,2bn over five years — were included in recent CSIR estimates that SA's total infrastructure needs would cost R174,1bn over five years.

The report suggested half the capital costs would be borne at local service provider level through redirection of existing capital budgets, borrowing and equity from private sector investment in service delivery companies.

About R7bn to R9bn would be paid for by high income households paying full costs for internal services and connection fees and the remaining R30bn to R35bn would be funded through capital grants from government, including part of the housing capital subsidy.

But the report said an economic growth rate of at least 3% was a key condition to making the strategy economically feasible and fiscal, monetary and functional policies would aim to achieve and exceed such a growth rate.

It said there were stark contrasts between towns and cities with well-serviced suburban neighbourhoods clashing with underserviced, lower income areas, and city centres were under strain due to apartheid's legacy.

Based on these urban realities and trends, the document said government had settled on an incremental approach which would focus on critical backlogs, restoring infrastructure services and the formation of core institutional capacities. Key stabilising interventions included the Masakhane campaign, the seven presidential lead projects on urban renewal, the Development Facilitation Bill and the local government transitional process.

Once stability had been achieved, the focus would shift towards cement-

Continued on Page 2

Strategy

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(297)

ing an integrated package of policies and programmes, such as the housing programme, various land development, planning, transportation and environmental management schemes and strategies to ensure better safety and security in urban areas.

The rebuilding of townships was an essential part of urban reconstruction and integration, and the dormitory role of low-income areas had to end.

It said levels of service would have to be differentiated according to needs and affordability of areas but the choice of service levels was a local decision, subject to local affordability within the context of national and provincial guidelines.

"An average national distribution of 55:25:20 between full, intermediate and basic levels of services in municipal areas is considered a realistic target for the infrastructure investment strategy over the next 10 years."

Basic services meant the provision of water, on-site sanitation, graded roads with gravel and open stormwater drains and streelights. The services would be targeted at households with an income of less than R800 a month and charged for at between R35 and R50 a month. Intermediate services entailed water provision through yard taps on site, simple water-borne sanitation, narrow paved roads and 60 amps electricity with prepaid meters for households. These would be for households which earned between R800 and R1 700 a month and would cost between R100 and R130 a month.

Communities receiving full services would have their houses connected to water supplies, full water-borne sanitation, paved roads and 60 amps electricity provision. It was expected that households in the R1 700 to R3 500 monthly income could afford rates of between R180 and R220 a month while those with monthly incomes above R3 500 would pay between R270 and R350 a month.

Equal rights, AIDS, an ageing membership, the information revolution — these are some challenges facing the providers of retirement and health benefits in a climate of consumer empowerment. ***David Jackson*** *reports.*

BD 26/9/95 (297)

Burst of changes putting squeeze on the industry

SIGNIFICANT, far-reaching developments in the employee benefits field in recent months have presented a host of new challenges to employers, fund administrators and members over a broad front.

The insurance and retirement fund industries together represent approximately one sixth of SA's economy.

Legislation governing retirement funds has changed more in the past couple of years than in the past half-century, says assistant GM group benefits sales and marketing for Liberty Life Alan McCulloch.

"After years and years in which retirement funds remained relatively unchanged, there has been a massive rush of change, revision and realignment over the past three years," says McCulloch.

"Overall, the majority of the changes have been good, tidying up many loose ends. There is now a move towards transparency and flexibility."

Momentum Employee Benefits MD David Steere says employers are grappling with the increasing costs of health care, which continue to escalate above the inflation rate, hidden deferred post-retirement health care costs and, on the retirement benefits side, greater worker empowerment with its consequent demand for more information and a greater say in employee benefits matters.

Rising risk costs are another major concern for employers, says Steere. These are largely due to the onward march of the AIDS epidemic.

He says retirement fund administrators are also facing new challenges. Among these is the international trend towards consumerism, with a growing demand for independent investor rights, best advice, high levels of customer service and more meaningful and regular information.

In addition, says Steere, recent regulations issued by the Financial Services Board (FSB) now require employers to make greater disclosure of information to employees, while compulsory member participation is now obligatory on company boards of trustees.

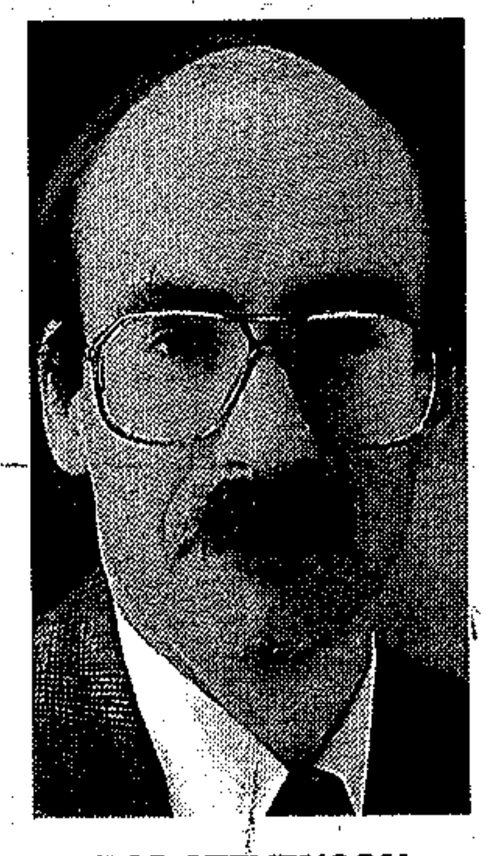
Steere adds that the anti-discrimination provisions in the bill of rights are also having an impact on benefit design in that discretionary benefits, including pension increases, cannot easily be granted on a discriminatory or ad hoc basis.

In addition, many fund rules offer different benefits for men and women, allowing the latter to retire at an earlier age and hence gain more from the early retirement reduction percentage.

Rising risk costs are also having an impact on fund administrators — with the spread of AIDS inevitably placing pressure on underwriting profits, says Steere.



ALAN MCCULLOCH



ROD STEVENSON

Legislative changes will have a significant impact on future retirement benefits, says Southern Life's senior legal adviser (employee benefits) Rod Stevenson.

He points out that the envisaged pension fund adjudicator will have the power to make binding decisions in disputes of fact and law.

Complainants will be able to approach the adjudicator if the dispute cannot be resolved at fund level.

Fund administrators other than financial institutions, such as insurers, are currently not regulated by law.

Proposed is an approved process, in terms of which administrators would be required to satisfy financial and "fit and proper person" criteria, says Stevenson.

Jeremy Gallet & Associates legal adviser and private fund manager Tracy Pitman says there is no doubt that 1996 will herald a new era in retirement fund management.

Pitman, who is also a fellow of the Institute of Life and Pension Advisers, says the recent amendments to the Income Tax Act, effectively removing sex discrimination, "are indicative of a changing society".

But she says that attempts by the FSB to set out certain minimum disclosure requirements for retirement funds may prove to be "ineffective and costly" — with the cost ultimately being borne by the members.

Pitman says: "What is needed is a holistic approach to communication with retirement fund members."

Libery Life's McCulloch says the greatest challenge facing the retirement fund industry is to garner the savings of the informal sector — those who have a job but cannot save regularly.

"It is estimated that there are in excess of 100 000 organisations who don't have retirement funds. This figure obviously includes some dormant companies, cash shells and property companies."

The growth in the number of registered retirement funds between 1983 and 1993 — from 11 722 to 16 034 — amounted to only 3% compounded a year, observes McCulloch.

He says that the average pension is only R600 a month "but that is because most people are not members for a sufficient time to build up a decent pension due to job-hopping and do not preserve their withdrawal benefit."

McCulloch says there has been sufficient legislation for the time being.

"It is expensive to apply to funds and if it is continued at the same frenetic pace there is a danger it could start having an impact on the benefits that retirement funds provide."

Firms grapple with new developments

(297) BD 26/9/95

FAR-reaching and significant developments in the employee benefits industry in recent months have presented challenges to employers, fund administrators and members.

Momentum Employee Benefits MD David Steere says employers are grappling with health care costs which escalate above the inflation rate, hidden deferred post-retirement health care costs and greater worker empowerment with its consequent demand for more information and a greater say in employee benefits matters.

Fund members are faced with additional risks, especially as the move towards defined contribution schemes shifts investment, mortality and retirement planning risks from the employer to the member.

In these schemes, a fixed percentage contribution is set for both employer and employee.

The funds give members several options in terms of the level of contributions a company is going to contribute on his behalf.

"What is more, instead of investment decisions being made by trustees, many funds are now of their own volition investing in, for example, unit trusts, which contain a significant inherent risk in that fund managements may not have the knowledge or specialist expertise to make a proper, informed decision."

Steere says that because of these additional risks and the wider range of options, the onus of retirement planning is being passed on to members, which results in a greater need for regular relevant information and best advice on a personal level rather than on a group or scheme level.

Retirement fund administrators are also facing new challenges. Among these is the international trend towards consumerism, with a growing demand for independent investor rights, best advice, high levels of customer service and more meaningful and regular information.

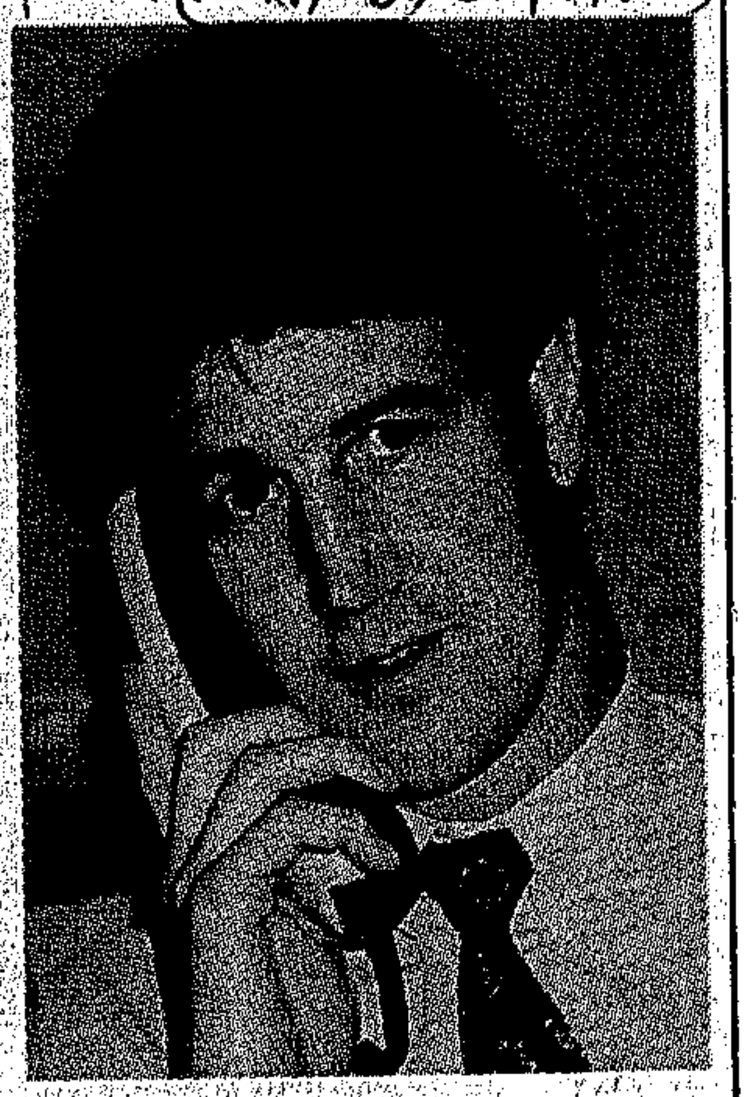
In addition, recent changes to the Pensions Act means employers are required to disclose more information to employees (the PF88 disclosure requirements) and member participation on company boards of trustees is obligatory.

The anti-discrimination provisions in the bill of rights are also having an impact on benefit design.

Rising risk costs are having an impact on fund administrators, with the spread of AIDS inevitably placing pressure on underwriting profit.

Steere says that in seeking solutions to these problems, good communication at both scheme and member level is the key to sound retirement fund management. "This is especially true for defined contribution funds, where many of the risks are transferred to the member.

"Today, members have many more choices — but many more risks. So they need to be kept informed and they need advice, especially with provident funds where a lump sum is received instead of a pension."



DAVID STEERE

Regular retirement planning is essential, says Steere. "We normally say to our members that they need a sum of least 100 times their monthly salary on the day they retire — after paying off their house and car and making provision for medical aid.

"If a person only starts making provision for retirement planning with 10 years to go, this can create severe problems. The process needs to start at least 10 to 20 years before retirement.

Steere believes good communication needs to go beyond the PF88 disclosure requirements.

"Funds need to communicate exactly what benefits members are entitled to on an ongoing basis, especially in the case of a defined contribution fund where the members' money is involved in a deferred compensation form.

"The member needs to have a regular statement of how his investments are faring. The PF88 disclosure provisions require that members receive a benefit statement at the end of each year. We believe this should be taken further and that members should receive monthly statements at least.

"Members should at any stage be able to log into a terminal and get information on the state of their accounts. On exiting from the fund, they then need to have independent advice on how to invest that money."

Leading edge technology is another key facet of a good communication programme, says Steere.

The information must be real time and it must be easily accessible when and where the client wants it.

This may include the member phoning in on a 24-hour basis to an automatic voice response computerised facility which provides him with updated information.

Costs to spiral as AIDS timebomb explodes

(297) (92) BD 26/9/95

THE spread of AIDS is the single biggest threat to the viability of the employee benefits industry.

Authoritative projections conclude that there will be about 250 000 South Africans sick, dead or dying from AIDS within four years, with large sections of industry severely affected.

Southern Life's senior manager employee benefits Adrian Pinington says the payment of AIDS-related disability and death benefits will continue to increasethe cost of risk benefits.

"With many provident funds designed to have a fixed employer plus employee contribution rate, something has to give. At this stage, the full cost of the extra claims is almost invariably being borne by those who will survive to retirement," says Pinington.

He says that upwards of 20% of the employed population is expected to be infected with the HIV virus by the year 2005. This will increase the cost of risk benefits to levels "never before seen in the history of group benefit provision".

Pinington says: "Even if an organisation anticipates only 10% of their staff being HIV infected, the cost of risk benefits can be expected to escalate.

"Ironically, there has been a strong move towards provident funds in recent years. To what extent do those who have elected to transfer to such funds appreciate the additional risks that they will now be facing?" Pinington asks.

Fedlife's Group Benefits marketing actuary Evan Waks says it is common knowledge that HIV infection is increasing at an almost exponential rate.

"A model by Peter Doyle, an acknowledged SA expert in the field, implies that this could give rise to an annual compounding of pure risk benefit costs in the region of 10% to 15%, and an increase in the employer's contribution rate of up to 60% by the year 2005 — and 100% by 2010."

Waks argues in favour of a more intensive education campaign spearheaded by an alliance of government, corporations, employers, trade unions and fund administrators.



ADRIAN PININGTON

According to the 1995 health benefits survey carried out by Old Mutual, attitudes towards AIDS have changed dramatically in the past 12 months. About 78% (57% in 1994) of respondents now have some form of AIDS policy in place. The most common response is still AIDS education and awareness.

MetHealth actuary Andrew Birrell says his company is advising medical aid schemes to take the cost of AIDS into account in the pricing of medical cover by ensuring adequate fund reserves.

Birrell says: "Whether they realise it or not, most medical schemes are in effect paying for AIDS. Frequently AIDS is diagnosed only at the end of a battery of tests and many doctors identify its symptoms on their reports rather than the disease itself.

"So instead of ignoring the realities by limiting benefits, we are recommending to schemes that they project the effects of the disease on the cost of health benefits," says Birrell.

Typically, contributions to defined contribution funds are split between employer and employee and range from 7,5% to15% and 5% to 10% of salary respectively, with the employer normally paying the cost of death, disability and funeral benefits.

Under defined retirement benefit funds, the employee contribution rate is about the same, with the employer paying the "balance of costs" to provide for final salary-linked retirement benefits as well as the risk benefit costs.

Fedlife's Waks says adapting to higher costs could occur in a number of ways. Firstly in the use of exclusions which, he argues, has been found to be ineffective when it comes to practical implementation, especially when applied to industry-wide schemes.

Secondly, the higher risk costs would be applied to pay lower lump sum or periodic benefits, which could well cause economic hardship to members or their dependants.

Finally, members' retirement benefits could be diminished to provide realistic death and disability cover. This, says Waks, could also lead to cases of hardship after retirement.

He believes that under both the money purchase and final salary retirement funds, this could well diminish retirement benefits by up to 50%.

Underlying these options, Waks says, free-cover limits could be removed or drastically reduced — or cover refused to prevent anti-selection in individual cases.

Waks believes the answer lies in a more professional approach by insurers and fund administrators in the provision of holistic employee benefit packages.

"Currently, under most retirement schemes, risk benefits are generically applied to members irrespective of their personal circumstances," he says.

males. As as result, the do result in different Newell says the ques- equitable.

Training builds union muscle in the boardroom

(297) (Bbr) BT 26/9/95

THE growth of the small and medium employee sector, which has overtaken the corporate sector in job creation, has meant that employee benefits need to be structured in a cost-effective way for the employer who has between five and 30 people on the payroll.

Metlife GM employee benefits Derek Pead says insufficient attention has been paid to the labour conditions that prevail in smaller businesses.

"We can no longer afford to be complacent about their ability to create jobs. We must find ways of enhancing worker security through the provision of employee benefits, from life cover to medical aid and disability and dreaded disease cover."

Pead says the socio-political changes affecting the workforce have necessitated a significant shift in attitude when it comes to structuring employee benefits and it is no longer sufficient to simply generate new products.

"We see an increasingly important role in advising the new generation of decision-makers and entrepreneurs in the way they structure and run their employee benefits."

Metlife serves as adviser to union representatives who are elected to the boards of trustees of pension and provident funds.

Pead says: "Despite the fact that there is usually union representation of at least 50% on such boards, management continues to dominate by virtue of its experience and expertise.

"To make union representation more meaningful requires an investment in the training of trustees in their roles, rights and duties as decision-makers."

Metlife is actively engaged in training union-member trustees and, according to Pead, has been appointed by several major unions to continue the process.

Medical aid membership is being made available to a growing proportion of the workforce and many more unionised and blue collar workers are now eligible than was the case a year ago.

This is one of the findings of Old Mutual's 1995 health benefits survey, which reveals that 92% of all employees in the sample were eligible for membership of a medical aid scheme, compared to 82% last year.

Old Mutual Health Benefits principal consultant Tony Warner says it appears that much of the growth has come from the extension of cover to union members.

The trend to greater union involvement is reflected in the way in which schemes are managed. Although a management committee remains most common (55%), about 29% of funds now have a board of trustees (20% in 1994) on which union and pensioner members have greater representation.

FORUM

IDT has learnt development's lessons

ET (BR) 26/9/95 (297)

CANDIDLY CAMERON



In the initial stages of development, process has to take precedence over product

BY BRUCE CAMERON



CHALLENGE *Jay Naidoo, the minister without portfolio, must apply the lessons learnt by the IDT to the RDP*

Mamphela Ramphele, the chairman of the Independent Development Trust (IDT), described the organisation as having been "conceived in sin and born of an apartheid mother", at a media briefing to mark its fifth anniversary.

Established with R2 billion in the dying days of the FW de Klerk administration, the IDT was in some ways a forerunner of the RDP.

It was an abysmally late start by the National Party to tackle the problems of the many destitute people of the country.

The money was perceived by many to be tainted, said Ramphele. De Klerk anticipated this when he asked Judge Jan Steyn to establish the IDT as a body totally independent of the government.

The good judge swung into action and put together a credible board, including Ramphele, to spread the largesse.

The road was pitted with many obstacles, as the judge found when he moved to raise more money from overseas investors but was blocked by an ambivalent ANC, which at that stage was still clinging to financial sanctions as a negotiating weapon.

But the volatile political atmosphere was only a part of the problem. The greater problem was to spend the money — a problem experienced now by Jay Naidoo, the minister without portfolio.

Merlyn Mehl, the chief executive of the IDT, said that despite the massive needs it was very difficult to spend the money.

So difficult that, in attempting to spend it, the amount grew from R2 billion to R3 billion (all but about R200 000 has now been spent).

Mehl said the organisation had learned that it was particularly difficult to spend money rapidly on the poorest of the poor.

Necessary infrastructure had to be created and process had to take precedence over product in the initial stages of development.

The IDT had found that unless development was an empowering process it would fail.

Or, to put it in less development-speak, it is rather pointless to provide a marvellous new building for a deprived community if no one wanted it in the first place.

The problem for the IDT was to establish what the communities wanted, particularly in the rural areas, where very few if any structures existed.

So the IDT, with the help of other non-government organisations, set about establishing community-based organisations.

In doing so the IDT made a number of interesting discoveries, including the important fact that in very politically unstable times, if communities were committed to a project they tended to put aside their political differences.

In a nutshell, as Mehl put it, "this on-the-ground experience led to the conviction that people-centred development in South Africa is a pre-requisite for effective development".

Even before the IDT was founded, a remarkable system of non-government organisations was being built, funded in the main by foreign organisations and governments determined to see the fall of apartheid and the empowerment of those people excluded by apartheid society.

Some of the organisations were shown to be corrupt, but the vast majority had done very important work, not only in meeting demands but also in providing research, which was available for the government of national unity.

But a strange thing happened on the way to a post-apartheid government.

The foreign governments who were funding the non-government organisations and some of the community-based organisations, decided that future grants should be channelled through the government.

This was strange in that in many other developing countries grant funding had been increasingly directed through non-government organisations to bypass corrupt government officials determined on self-enrichment.

This was not to say that the aid was being placed in the hands of corrupt government officials in South Africa. Far from it, the officials put in place were honourable and well-intentioned but bureaucracies worked slowly.

Firstly, the new bureaucracies had to be established and systems put in place before funds could be matched with projects.

The bureaucracy could not easily identify the organisations needing the funds, particularly at the micro level and those former recipients of foreign funding did not know how to apply for the funds.

The result had been the collapse of many projects, the bankruptcy of many non-government organisations and the fracturing of a valuable structure and the loss of a wealth of experience.

The same thing was happening with money coming from government through the RDP funding.

The experience of the IDT was not new. It was similar to the frustrations of the private-sector sponsored Urban Foundation in its early days.

And now the RDP was reinventing the process again with billions left unspent as Naidoo attempted to tackle extreme poverty.

The point of all this was a plea from Ramphele to the government not to undermine the structures that had been agonisingly constructed over many years, through its anxiety to eradicate prejudices and injustices of the past.

Ramphele was not calling for the dismantling of the RDP but rather for Naidoo to use the existing structures to achieve greater efficiency instead of attempting to control everything from the centre.

"Trust the people," was how Mehl put it. The IDT had found that even where people were illiterate, projects could be successful, if people were given the responsibility and correct assistance.

In fairness to Naidoo, the amounts he was dealing with were vast and it was doubtful, even if he relied extensively on the existing non-government organisations and community-based organisations, that he could have solved his spending problem.

The establishment of the National Development Agency as a channel for funds, should go some of the way to solving part of the problem but government also needed to overcome two tendencies.

One was the proclivity to centralise command and micro-manage; the other was to avoid what appeared to be an increasing inclination to decide who or what was politically clean.

Everyone and every organisation was needed in the national effort to address poverty.

Ramphele and her able board and staff intended playing a part and should be encouraged.

So happy birthday to the IDT. No one can gain-say your achievements of the past five years.

Union's RDP

THE South African Railway and Harbour Workers Union will contribute R2 million to the coffers of the Reconstruction and Development Programme, union assistant general secretary Tshidisi Moshoa said yesterday.

This followed a resolution taken at the union's 5th biennial conference at the weekend where it was resolved to contribute one day's salary to the RDP so that the programme can deliver.

The congress elected Nelson Ndinisa as president; deputy president Bonakele Jonas; second deputy president James Phera; treasurer Wizrom Mabyana; general secretary Derriek Simoko and his deputy Moshoa. *Sowetan 26/9/95*

RDP projects are helping to level the local building field

297

Staff Reporter

HISTORICALLY disadvantaged contractors in the building industry are getting training to help equip them to tender for reconstruction and development housing projects.

More than 60 emerging contractors are presently undergoing training programmes with the Building Industries Federation of South Africa (Bifsa) to help manage the SLP (Serviced Land Project), one of the biggest RDP housing projects in the Western Cape.

The training includes the legal requirements dealing with basic contracts, production management, estimating and tendering.

The SLP caters for the communities of Guguletu, Langa, Nyanga, Crossroads and surrounding informal settlements, as well as Driftsands, Weltevreden Valley and southern Delft.

ARG 27/9/95

Development of these area will ultimately create 40 000 residential units as well as health, education, recreation and sports facilities.

More than R1,2 billion is budgeted for development of the SLP during a five-year period, and the project has been endorsed by the cabinet committee of the RDP and is one of the Presidential Lead Projects on urban renewal.

It is also a joint initiative of the provincial government, regional and local authorities and communities, and is designed to meet the needs of low-income families in the area and give them access to all services to promote health, education, welfare and employment.

Lorelle Bell of Holistic Settlements, consultants for the SLP, said co-ordinators of the project were working towards ensuring that community members benefited from the project and that local economies were stimulated by the investment it represented.

"Business support programmes and intervention in the tendering process to help facilitate labour-based construction and joint ventures are some of the key elements of the project.

"Already communities are benefitting from labour-based construction initiatives by being part of the infrastructural development phase, and contractors are obliged to guarantee that 50 percent of the site work will be done by local residents.

"And where contracts are beyond the capacity of emerging contractors, conditions of the tender documents make provision for on the job training of joint venture partners."

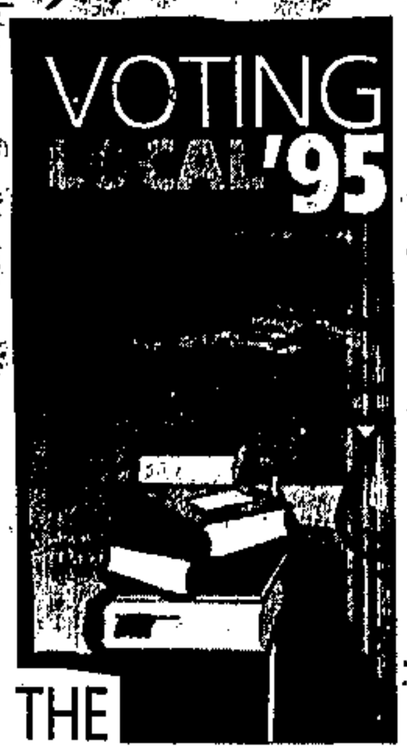


Shaky foundations ... reconstruction was part of the promised packages, but there have been mixed feelings about whether this, or the Masakhane Campaign, has got off the ground.

Action needed now to put Masakhane and RDP on track

(297) Star 27/9/95

IT IS nine months since the launch of Campaign Masakhane, but service delivery remains invisible in most townships, writes housing reporter Bongiwe Mlangeni



With the local government elections on our doorstep, concepts like Masakhane and the Reconstruction and Development Programme will be reiterated as part of the "promises package" by most politicians appealing for a vote.

But the concepts have so far remained part of political jargon, producing few results.

The establishment of the transitional local government structures and Campaign Masakhane early this year gave hope to most communities living in squalid areas.

The message was clear: services will be delivered and residents should pay.

Simultaneously, the South African National Civic Organisation (Sanco) put an end to the bond and rent boycott and encouraged the culture of payment.

However, the payment rate has dropped nationally, services are still not well-delivered and in some areas non-existent.

None of the aims set out by Masakhane has been achieved – except hitting billboards and the media.

Included in the aims was accelerated delivery of basic services and housing, creating conditions for large-scale investments in housing and services infrastructure and promoting conditions conducive to effective and sustainable local governance.

National campaign manager Chris Ngcobo admits the campaign has not been a "complete success" and they were considering extending it, abandoning the initial plan of running the campaign for a year.

While Masakhane aimed at assisting to lay the ground for local government, the goalposts have now shifted, according to Ngcobo.

Local government will have to provide muscle for the campaign to succeed, he says.

But he contends the campaign has not been a failure:

"The first phase of the campaign was aimed at creating an awareness around its theme. We were not ambitious, but we hoped by now we would have reached 40% payment rate," says Ngcobo.

However, this cannot happen without an economically viable and democratic local government.

Ngcobo says the campaign has been well-publicised, but transitional local councils have not committed their support to it.

Research done by Market Research Africa has shown that within seven weeks of advertising the campaign, 73% of black urban adults had heard about it and 60% had seen some form of communication about Masakhane.

Recent statistics have also shown people are familiar with the concept.

"Councillors did not take the campaign seriously and most were, and are, still too scared to tell people to pay for services because they want to save face for the elections."

While it may seem most communities are still holding on to the culture of non-payment, the reality is the Masakhane trumpet will not be heard until services are delivered.

According to some residents, the focus is still on affluent and advantaged communities. Without resources, Masakhane has no meaning. How can the local council inject life into the campaign?

One way would be to investigate the lack of non-payment and introduce tough measures to penalise those who do not want to pay.

Ngcobo says Masakhane needed to take a more practical and local approach.

This means councils will have to appoint local campaign managers, maintain and restore services in areas where services have collapsed, employ volunteers who will run a door-to-door campaign encouraging payment and form a personal relationship with residents.

Re-allocation of financial expenditure and existing staff toward the disadvantaged areas is also another aspect which should be looked at.

Ngcobo says there is a need to train existing staff in customer service and educate them about the campaign.

While local councils have a large role to play, communities and the private sector can determine the success of the campaign.

The national office of the campaign has embarked on a programme of engaging civics and non-governmental organisations to take up Masakhane as part of their programmes.

"We don't just want to receive letters from those organisations registering their support. They should go out there and act."

Like the meaning of Masakhane - "let's build together" - the responsibility lies with all sectors in communities to fuel the wheels of success for local government and the campaign.

Northern RDP projects progress

PIETERSBURG—Steady progress is being made with the implementation of reconstruction and development projects in the Northern Province, said premier Ngoako Ramatlodi's office yesterday.

Ten projects involving an expenditure of R10m had been approved by President Nelson Mandela, and the national RDP steering committee was considering applications for further developments involving R88m, the office said.

It said business plans for provincial programmes valued at R13m were being processed.—Sapa.

BD 27/9/95

Boesak 'deliberately misled cabinet' — Kriel

Boesak in new funding scandal

ANOTHER FUNDING SCANDAL involving former Economics Minister Dr Allan Boesak emerged yesterday. **CHRIS BATEMAN** reports.

FORMER Western Cape Economic Affairs Minister Dr Allan Boesak "deliberately misled" his cabinet on the funding of an overseas investment promotion trip, and the province will have to pay R129 583 to refund his debts, Premier Mr Hernus Kriel said yesterday.

Speaking after a cabinet meeting at which ministers unanimously agreed to repay debts to Wesgro, Mr Kriel said Dr Boesak had told his colleagues the trip would be funded by Wesgro and would not cost the province anything.

But Wesgro chief executive officer Dr David Bridgman confirmed that the former UN ambassador-designate promised Wesgro the loan would be repaid once his budding economic affairs department was "properly financed".

Mr Kriel claimed Dr Boesak "deliberately misled the cabinet and we now have to once again pay monies out on his behalf".

He was referring to a 10-year R1,5 million per annum Adderley Street office lease signed by Dr Boesak without proper administrative authority or a budget, which the province "also had to honour".

The offices were never occupied by Dr Boesak's staff and heavy penalties were incurred.

Mr Kriel said he and his colleagues had considered trying to reclaim the money from Dr Boesak — who is on a three-month lectureship at a church institution in New York State — but decided it would be "throwing good money after bad".

"We can only trust, without giving any undertaking, that this is the last of Dr Boesak's mismanagement of his department and its funding," Mr Kriel added.

Dr Bridgman said Wesgro had received only R37 000 from the travel agents who organised Dr Boesak's trip — but this was only for hotels and changed flights and was paid for by USAid, a United States developmental agency.

He confirmed that Wesgro approached the Western Cape government to be repaid the R129 582 and another R260 332 loan which went towards Dr Boesak's staff salaries and other "legitimate" expenses in setting up an economic affairs ministry.

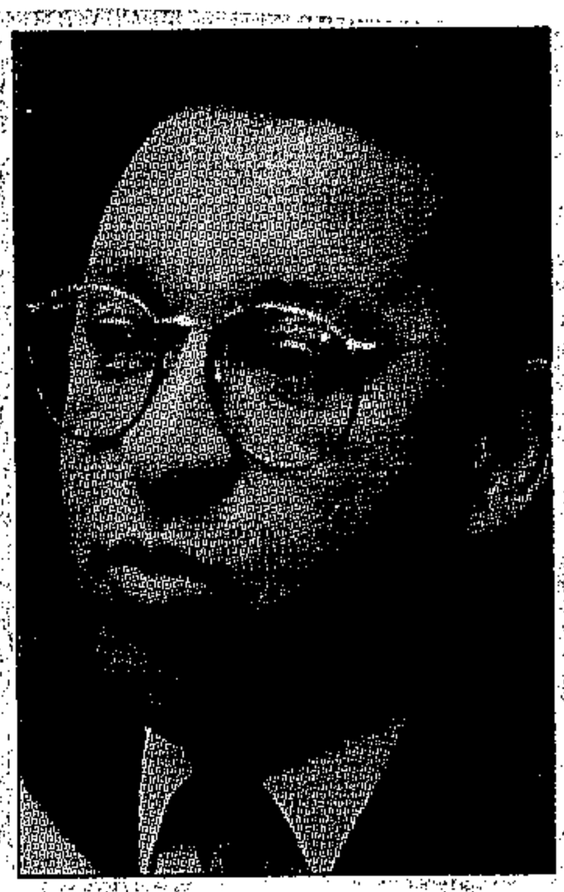
Dr Boesak's controversial anti-apartheid organisation, the Foundation for Peace and Justice, is still under investigation by the Office for Serious Economic Offences after findings by lawyers for its Danish funders that the foundation misappropriated millions.

The legal team found Dr Boesak personally made an unauthorised loan of R1 million.

The controversy cost Dr Boesak, a former President of the World Alliance of Reformed Churches, his ambassadorship to the UN in Geneva.

He sold his Constantia home and luxury car to help repay the FPJ loan and reportedly earned money writing for overseas news organisations.

An ANC provincial spokesman said last night that the party was studying the circumstances around the issue and would comment more fully today.



FRESH CONTROVERSY: Dr Allan Boesak "misled" the cabinet.

Entrepreneurial spirit creeps into welfare

(297)

By Ross Herbert

STAFF WRITER

ET (BR) 28/9/95

Few programmes have been as quintessentially "big government" as welfare and economic development, yet from India to the Philippines and Malaysia, entrepreneurial values are creeping into programmes for the poor.

The initiatives that worked over the long term were small, localised, non-centrally planned and targeted toward self-reliance, said James Midgley, who spent the past 20 years studying economic development efforts around the world. He is spending this week conferring with university and government officials in Gauteng, Cape Town and Durban.

Midgley, the author of Social Development: The Development Perspective in Social Welfare, attended the University of Cape Town, taught at the London School of Economics and is now the deputy vice-chancellor for economic development at Louisiana State University.

"The idea that one can spend money and keep people in a maintenance mode is just not accepted," Midgley said. The question developing world governments are asking is how to transform welfare and development programmes from consumption and transfer payments to a self-sustaining system.

He cites the case of the Philippines, which since the 1970s has run programmes to encourage families to keep blind people living in their homes. The government provides training, ideas and loans to start micro-businesses. One blind man in the programme learned to weave disposable plates from cane leaves, which fish vendors buy from him. Another man with polio got a loan for a hand-crank wheelchair outfitted with a car battery and record player. He now works as a roving wedding disk jockey.

In India and Thailand, Midgley reviewed programmes designed to deal with street children at a neighbourhood level. Social workers helped establish neighbourhood crèches that benefit many of the working women and provide a place for the abandoned or neglected children. Midgley said that dealing with street children was excessively expensive and impractical when managed by central government.

Designing programmes at such a micro level means devolving control to very low levels of government. "It's very important when government launches a programme that it doesn't do it nationwide. Do one piece at a time, audit it, then replicate it on a small scale," he said.

In the developing world, the provision of housing, water, electricity and roads were bottomless pits Midgley said. So programmes should be designed to exploit entrepreneurial instincts wherever possible.

ARG 28/9/95

NP, ANC clash over Boesak

(297)

Staff Reporter

A WAR of words has erupted between the African National Congress and the National Party over the repayment to development agency Wesgro of R129 583 allegedly used by former Western Cape minister Allan Boesak on an overseas trip.

Premier Hernus Kriel yesterday accused Dr Boesak — then the provincial minister of economic affairs — of deliberately misleading the cabinet, allegedly giving an assurance that the administration would not have to foot the bill for an investment promotion trip to Japan and the United States.

Mr Kriel said Dr Boesak had mismanaged his department.

But incumbent Economic Affairs Minister — and regional ANC chairman — Chris Nissen today hit back at the NP, saying the NP was trying to "jab back at us" over the ANC's blocking of the the Ilco Homes-District Six property deal.

Local property developer Ilco Homes recently agreed to sell a piece of District Six back to the Western Cape government for R4,9 million after pressure was applied by the ANC.

Mr Nissen accused the NP of politicking and said he would seek an urgent meeting with Wesgro to clarify the gist of the agreements struck between the agency and Dr Boesak.

Mr Nissen said his department intended employing Wesgro as its "marketing agency" and wanted to clarify agreements struck between Dr Boesak and Wesgro.

"The province is of paramount importance and Wesgro's task is to market the area as a place for investment," he said.

● Wesgro chairman David Bridgman was not available for comment.

CMC is front-runner in RDP delivery bid

(GEER) (297) ARG 28/9/95

Municipal Reporter

THE Cape Metropolitan Council has joined the front-runners in RDP delivery after the approval of a rating system which will be used to allocate R30 million to local authorities.

These authorities have until the end of October to apply to the CMC for money for specific projects they have identified in their areas.

Among the criteria they will have to meet are whether the projects conform to the RDP, how much community participation there has been, what sort of financing is being contemplated and what capacity they have to deliver.

Other important criteria are whether the project can be started in this financial year and whether it will set a precedent for future RDP implementation.

During a debate on the issue, it became clear that councillors are becoming impatient with slow delivery of the RDP.

Drawing together the debate, CMC chairman Willie van Schoor said: "My problem is that we keep on setting up forums and drawing up plans and on the ground level nothing is happening."

Among the concerns voiced by councillors were that the R30 million would not go to smaller projects and that some local authorities would lose out.

But RDP committee member Ruth Ortlepp said the CMC was one of the first councils in South Africa to get its act together.

She said the committee had worked long and hard to reach agreement on a fair procedure for the approval of RDP projects.

A "weighting and rating" procedure had been the subject of lengthy, and at times acrimonious, debate.

Mrs Ortlepp said the system the committee had finally devised was "fair and as unparochial as possible".

Boesak's 'costly' govt undertaking

(297) Sowetan 28/9/95

Premier Kriel claims his govt owes over R100 000, thanks to Dr Boesak

***Sowetan* Correspondent**

FORMER Western Cape MEC for economic affairs Dr Allan Boesak had "deliberately misled" his cabinet over the funding of an overseas investment promotion trip and the province would now have to pay out R129 583 to refund a Wesgro loan, provincial premier Mr Hernus Kriel said yesterday.

Speaking after a cabinet meeting at which ministers unanimously agreed that Wesgro should be repaid the loan, Kriel said Boesak had told his colleagues that the trip would be funded by Wesgro and "would not cost the province a cent".

Wesgro's chief executive officer, Dr David Bridgman, confirmed that the former UN ambassador designate had promised Wesgro the loan would be repaid once his budding economic affairs department was "properly financed" by Pretoria.

Kriel claimed Boesak "deliberately misled cabinet and we now have to once again pay out money on his behalf".

He was referring to a 10-year R1,5 million a year Adderley Street office lease signed by Boesak without proper administrative authority or a budget – which the province also had to honour.

The offices were never occupied by Boesak's staff and heavy penalties were incurred.

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"We can only trust, without giving any undertaking, that this is the last of Dr Boesak's mismanagement of his department and its funding," Kriel added.

Entrepreneurial spirit creeps into welfare

Star 28/9/95 (297)

■ BY ROSS HERBERT

Few programmes have been as quintessentially "big government" as welfare and economic development, yet from India to the Philippines and Malaysia, entrepreneurial values are creeping into programmes for the poor.

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The question developing world governments are asking is how to transform welfare and development programmes from consumption and transfer payments to a self-sustaining system.

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$850m available for four sectors

World Bank budget to support RDP

Simon Barber

WASHINGTON — The World Bank has budgeted $850m in loans to support the RDP in four sectors — education, agriculture, urban renewal and small business development — bank documents disclose.

But bank and finance department officials stressed yesterday that SA had not yet requested any loans.

The budget plans were drawn up after SA and the bank signed a memorandum of understanding last March which raised the possibility that SA might start to call upon bank resources in the fiscal year starting July. "We needed to make sure the resources were available," a bank official said.

The documents, which are available on the bank's Internet server, are summaries of proposed sectoral loans, complete with dates on which the loans would be appraised by staff and go to the bank's board for approval.

Although the dates are "notional", as one official stressed, they suggest the bank thought the new government would have been quicker off the mark in setting priorities and accessing bank funds than has been the case.

$150m is budgeted under the heading of "basic services (education)".

The loan, scheduled for appraisal on October 23 and board action next September, would support "construction and rehabilitation of school buildings, management information systems, in-service training and managerial training".

"Basic services (urban)" is down for another $150m, with board action slated for next June. This would provide urban services in support of the RDP. However, it is noted that a "specific area for bank involvement (is) still to be determined following ongoing budget reprioritisation".

$50m is earmarked for rural restructuring (agricultural sector), but how such money might be used is left open as "pending a government decision". The appraisal date is listed as June 15 next year, and the board date as December 15.

A standby arrangement of up to $500m is envisaged to help promote small, micro and medium enterprises. This was to have been appraised by August 30 this year, with board action down for May 15 1996.

"This is likely to be an apex lending operation with training and policy components," according to the bank's summary sheet.

A finance official called the sheets "internal documents of the bank" and said they had "nothing to do with SA". He added: "No project application has been lodged with the Bank."

Continued on Page 2

World Bank

Continued from Page 1

While SA was moving into the next phase of its relationship with the bank, the official said, the board could not even begin to approve loans until it had signed off on a formal "country assistance strategy".

Bank officials confirmed that the bank was working closely with SA officials concerned with each of the sectors targeted in the summaries, but a lot of work needed to be done before any lending occurred.

Key decisions on urban sector loans, for example, would have to be made by municipal authorities which had yet to be elected and would take some time settling in afterwards.

Likewise, on the agricultural front, the agriculture and land affairs departments had to resolve a number of critical issues — concerning rural credit mechanisms, for example — before the government would be in a position to seek bank support.

One bank official was surprised by the amount of funding proposed for helping small business, and said the strategy the bank was working on with Trade and Industry Minister Trevor Manuel had been evolving.

The focus now was on changing the regulatory environment to promote commercial lending to small businesses while providing some facility to make it easier for lenders to expand their capital base. At the same time, the bank was ready "to help pull in grant money" to support small business development.

RDP changes course

(297) WM 29/9-5/10/95

Marion Edmunds

RDP roleplayers in government met this week — without Jay Naidoo — to grapple with the realisation that the RDP is too much "pie-in-the-sky" and needs to be grounded in practical projects that promote economic growth.

Senior RDP officials, government leaders and technocrats met for three days in Cape Town to discuss ways to bring the RDP down to earth and set its projects in a context of a national economic growth strategy.

Minister of Trade and Industry Trevor Manuel opened the conference, saying the RDP needed "key choices and no jargon". (The master of RDP jargon, Minister without Portfolio Jay Naidoo, did not attend the conference because he was overseas.)

The conference comes at a time of growing doubt about the ability of the RDP office to co-ordinate the implementation of the RDP, and increasing criticism of the government for not delivering what has been promised to the people.

Discussions on economic growth at the conference link back to discussions held by a special cabinet committee on economic growth created earlier this year, and interpreted by commentators as showing a new sense of urgency in government to get the economy on its feet.

Manuel said this week the time had arrived for government to move away from a needs-driven approach to the country's problems, and to put the country on a new high-growth path.

This conference — seen as more of a workshop than a conference *per se* — will be followed up by another conference at the end of the year where, according to the RDP office, "a concrete national strategy for growth and development would be produced".

A cool million — looking for somewhere to go . . .

ARG 30/9/95 (299)

DAVID BREIER
Staff Reporter

A POWER struggle that has left R1 million of reconstruction and development money unspent in Guguletu will come to a head next month.

Everyone involved in the local clash of personalities that has given the RDP a bad name in the Western Cape will try to thrash out their problems at a meeting on October 11, to ensure that the money can be spent on a children's centre.

The story of R1 million with nowhere to go was carried in Saturday Argus last weekend when Pumla Tyalibongo of the Itemba Labantwana organisation lashed out at the local RDP forum for refusing to make land available for a children's resource centre.

She blamaed local "personal dynamics" for the fact that R1 million of money made available by the Development Bank was not being spent, and she said the money could now be forfeited.

David Petros, a member of the Guguletu RDP forum management committee, said a meeting was being organised on October 11 for all groups involved to thrash out the issue.

He said the problem arose because of a power struggle between Itemba Labantwana and another welfare organisation, Masikhanye Isibane Sakhe.

The two had been granted R2,2 million jointly to build a resource centre. But, because of a power struggle the amount was split between them and Masikhanye Isibane Sakhe had already started building a centre on land allocated to it, Mr Petros said.

Itemba Labantwana had requested the use of land, which was earmarked as a business site for another resource centre. This land was only 200 metres away from the centre that was already being built, and could lead to duplication of facilities, he said.

Mr Petros said the RDP forum had agreed in principle to the project, but the land could be allocated only by the local authority.

"Guguletu is a dormitory town and there are no businesses here to contribute to the revenue of the local authority. If we build only pre-school and welfare-related projects, where will the local authority get revenue?" he asked, adding that there was a need for business development on the site to create jobs in the area.

He said the RDP forum hoped to help the two rival organisations amalgamate into one project.

Mr Petros said the Development Bank had indicated that the R1 million had not been withdrawn. "We are trying to find an amicable solution," he said.

R4,3-m RDP funds to be spent on District 6 land

ARG30/9/95 (299)

GLYNNIS UNDERHILL
Staff Reporter

■ Around R4,3 million of approved funds from the Reconstruction and Development Programme will be spent on acquiring land for the redevelopment of District Six.

WESTERN Cape Minister of Housing Gerald Morkel said R2,3 million of allocated RDP funds have been set aside to buy District Six land from a local businessman who bought a plot for R550 000 earlier this year.

In an interview with Saturday Argus, Mr Morkel said this piece of land had "slipped through the net" and building plans had inexplicably been approved by the City Council.

In spite of a widespread moratorium on all land sales and development in District Six, the building of a warehouse and shed had started on the property. The owner would not be making any profits on the deal because of the expenses he had incurred, claimed Mr Morkel.

Mr Morkel said he sympathised with the financial plight of the businessman, who had received approval for his plans and gone ahead with the development.

"The poor man is very near bankruptcy and I would hate to see that happen," said Mr Morkel.

The owner of the land could not be contacted for comment yesterday.

All land acquired by the province in District Six will be transferred to the Cape Town Community Land Trust for the redevelopment of the area.

While there was an outcry after a Saturday Argus report on an out-of-court settlement for District Six land expropriated from debt-ridden Ilco Homes, Mr Morkel said he was sure his efforts would finally be appreciated.

"Ten years from now people will be grateful when there are happy families living there — where there could have been a warehouse," he said.

Mr Morkel said a vacant plot of land owned by Caltex would be bought for R450 000 with the allocated RDP money — little more than the amount paid for the District Six site last year.

It was expected that R4,3 million of the approved RDP money, which was allocated after a business plan had been put forward, will be spent on buying land for the trust.

Mr Morkel said the first time he had become aware of the developments on the District Six site had been when community organisations had marched on his office in protest.

This week the Western Cape cabinet unanimously decided to approve the decision to pay Ilco Homes R4,9 million plus costs for land purchased by the company ten years ago for R800 000, said Mr Morkel.

This follows a call by the Western Cape ANC for a commission of inquiry into the deal with Ilco Homes, which Mr Morkel said would be "a waste of money".

The out-of-court settlement was slammed as an "apartheid land deal" by the chairman of the Cape Town Community Land Trust, supreme court judge Siraj Desai.

Accusations of "profiteering from apartheid" were also made by the chairman of the District Six Civic Association, Anwah Nagia.

ANC legislator and spokesperson on finance in the provincial legislature Tasneem Essop said she would like to know why the issue was settled out-of-court.

After lengthy dispute between the Western Cape government and Ilco Homes, the issue had been set down on the supreme court roll. The matter was later withdrawn and referred to the constitutional court.

But Mr Morkel said he had gone on record in the legislature and announced the issue was in the hands of legal parties from both sides.

"I set a ballpark figure of R5 million, maybe more. I'm happy it is settled because if it had gone to court, it could have cost us much more at the end of the day," he said.

Mr Morkel said he "feels slighted" by the criticism of the Ilco Homes land settlement, which he said had been done with complete transparency.

"I feel the community should have thanked us for making sure that development stops and for acquiring the land for the trust," he said.



Picture: HANNES THIART, Staff Photographer.

☐ **DEFENDING DECISIONS:** Western Cape Housing Minister Gerald Morkel is in the hot seat while facilitating the transfer of District Six land for redevelopment.

Outcry as sweeping new law could see big brother getting at NGOs

(297) ARG 30/9/95

COLIN DOUGLAS
Staff Reporter

A SWEEPING new law could remove the independence of voluntary organisations at the stroke of a pen, allowing a government-controlled commission to fire their trustees, halt their fundraising and even change their names.

The far-reaching measures, proposed in the draft Non-Profit Organisations Bill, have prompted an outcry from civil liberties groups who fear the provisions could be used to crush political dissent.

Bill Johnson, director-designate of the Helen Suzman Foundation, tore into the Bill, describing it as "ominous" and "dreadful".

"The proposed Bill is actually more restrictive than anything the old apartheid government ever envisaged and has no place in a democratic society," Professor Johnson charged.

"It raises the spectre of increased state control over the voluntary sector and thus over civil society."

Paul Pereira, public affairs manager at the SA Institute of Race Relations, said the Bill could only be regarded with deep suspicion: "It would be difficult not to see a hidden political agenda."

The draft Bill was produced by lawyers Richard Rosenthal, Wallace Mgoqi and Mary Honey on behalf of the Independent Study into an Enabling Environment for NGOs, a grouping of several left-leaning organisations.

The group intends to bring the Bill to parliament within months, and has already enlisted the support of several MPs, including the ANC's Cassim Saloojee, chairman of the portfolio committee on welfare.

Mr Saloojee said: "Those of us in the committee who are ANC are, as a whole, comfortable with the Bill — it is a very useful basis for a new act."

But Tony Leon, leader of the Democratic Party, questioned the need for the Bill's key measures: "I would have thought the civil law, the criminal law and the powers invested in the Office for Serious Economic Offences would be sufficient.

"This could well be used as a club to beat down NGOs that are not politically correct," Mr Leon said.

The draft Bill proposes the establishment of a Non-Profit Organisations Commission, with wide powers over NGOs.

Nine of the commission's 18 members would be directly appointed by government, while another seven would be selected by government from nominations made by NGOs.

The commission would be entitled to intervene in NGOs' affairs at any time should this be "necessary or desirable" for the purpose of "promoting the public interest".

It would also be authorised to step in when, in its opinion, there was *prima facie* evidence of misconduct or mismanagement in an NGO's administration.

In either case, the commission would have the power effectively to close down the organisation in question, or to hand it over to anyone it chose.

It would be entitled to:

- Suspend the appointment of trustees or other office-bearers and appoint replacement or additional trustees;
- Suspend "all or any" of the powers of the trustees, and to vest these powers in "any other person"; or
- Appoint a manager to control the organisation's affairs and property.

The draft Bill would also make it unlawful for NGOs to raise funds from the public without the commission's authorisation.

The draft Bill gives the commission the power not only to define improper conduct on the part of NGOs, but also to determine the way in which allegations of such conduct would be investigated and to set penalties for transgressors.

The commission would also be given the role of censor, with the power to order that an NGO's name be changed if, in the commission's opinion, the name was "offensive to the public or a significant section thereof".

Every NGO, except very small organisations and a limited number of exempt institutions, would be obliged by law to register with the commission.

The declared purpose of the draft Bill is to scrap outdated legislation affecting NGOs, including the Fundraising Act, and replace it with an "appropriate regulatory framework which will promote public confidence in the NGO sector".

In terms of the Bill, NGOs would be exempted from paying tax and be given technical assistance in running their affairs — but subject to the commission's wide powers.

Mr Rosenthal, the Bill's chief drafter, said the Bill — which was an early version and was still to be refined — attempted to achieve a balance between regulation and empowerment of NGOs.

Responding to criticism of the commission's proposed powers, he said: "The commission is certainly not intended as another state-controlled body.

"Its composition would hopefully serve as protection against abuse."

Pointing out that the draft Bill allowed NGOs to appeal to the magistrates' courts against the commission's decisions, Mr Rosenthal said: "If there was some hidden political objective, a court would certainly intervene."

Hansard

QUESTIONS (297)

†Indicates translated version.

For written reply:

Shortage of social workers

134. Sen W F MNISI asked the Minister for Welfare and Population Development:

(1) Whether there is a shortage of social workers in South Africa; if so, what is the extent of the shortage;

(2) whether any steps are being taken in this regard; if not, why not; if so, what steps;

(3) (a) what is the average salary currently being paid to government employed social workers and (b) when were their salary structures last reviewed?

S260E

The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT:

(1) No, the present figure of social workers registered with the SA Council for Social Work is 8 296. This figure does not include the vast number of social workers who are qualified but not registered with the Council;

(2) no, in 1994 the population of South Africa was 40,6 million and the norm is one social worker per 5 000 people. This ratio implies that there is not a shortage of social workers. However, there is a need for more employment opportunities in order to accommodate the unemployed social workers who are affected by the present financial constraints of our country;

(3) (a) for the different social work ranks per annum:

Social Worker	R33 768
Senior Social Worker	R41 004
Chief Social Worker	R58 716
Assistant Director	R70 611
Deputy Director	R96 282 and

(b) in June 1991.

Money available for care of street children

191. Sen W F MNISI asked the Minister for Welfare and Population Development:

(1) What total amount of money is available for the care of street-children;

(2) whether any non-government shelters for street children are receiving any funding; if so, (a) which street shelters, (b) how much funding does each receive and (c) from what budget is it being funded in each case;

(3) whether the Government is directly involved in the care of street children; if not, why not; if so, to what extent?

S365E

The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT:

(1) R2 799 692,83 is available for registered welfare programmes in the following provinces:

- KwaZulu-Natal
- Northern Cape
- Western Cape
- Eastern Cape

(2) yes;

- (a) Zamani Street Shelter
- (b) R284 400 p.a.
- (c) Family Care Programme (KwaZulu- Natal)
- (a) Sinethemba Street Shelter
  (b) R433 620 p.a.
  (c) Family Care Programme (KwaZulu-Natal)
- (a) Mahanyela Shelter
  (b) R87 120 p.a.
  (c) Child and Family Care Programme (Northern Cape)
- (a) Beth Kriel
  (b) R55 660 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Claremont Shelter
  (b) R33 800 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Highway Home
  (b) R132 030 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Khayamnandi Children Home
  (b) R646 245,83 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Lavender Hill Kid Shelter
  (b) R246 148 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Margaret's House
  (b) R90 034 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Ons Plek
  (b) R51 678 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Patricks House
  (b) R209 115 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- St Anne's Home
  (b) R95 832 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) Triomf House
  (b) R201 690 p.a.
  (c) Programme 3 Tertiary Child and Family Care (Western Cape)
- (a) St John Shelter
  (b) R58 080 p.a.
  (c) Child and Family Care Programme (Eastern Cape)
- (a) Grahamstown Shelter
  (b) R58 080 p.a.
  (c) Child and Family Care Programme (Eastern Cape)
- (a) St Christopher
  (b) R58 989 p.a.
  (c) Child and Family Care Programme (Eastern Cape)
- (a) Lukhanaiso
  (b) R58 080 p.a.
  (c) Child and Family Care Programme (Eastern Cape)

(3) yes, through casework which entails the following:

- Monitoring and evaluation of street child projects.
- Representation on regional and provincial street children forum.
- Assist with policy matters.
- Networking and co-ordination with other community structures working with street children.
- Advice rendering and exchanging of ideas.
- Consultation with stakeholders.

The HSRC in collaboration with the Department of Welfare has undertaken in-depth studies and research on this important matter after a National Conference on Street Children in March 1995 and a report will be released in due course.

(2) whether any action is envisaged against such members; if not, why not; if so, what action;

(3) whether he will make a statement on the matter?

N1156E

The MINISTER FOR SAFETY AND SECURITY:

The reply which follows relates to the 212 police officers who have been formally appointed as members of the new South African Police Service. Whilst all other police personnel are deemed to the members of the South African Police Service, they remain members of their respective police service until the Police Act is implemented. Information relating to criminal offences in respect of these police members was supplied in response to Question 240 in the National Assembly and Question 53 in the Senate.

(1) Yes,

(a) 13

(b) they committed minor offences like road traffic offences.

(2) No. No action is envisaged against the members as the offences are of a trivial nature.

(3) No.

Housing policy: appointment of task group

*16. Mrs A VAN WYK asked the Minister of Housing:†

(1) Whether a task group is to be appointed by her Department to investigate and implement the housing policy; if so (a) what will be the term of reference of this group, (b) what are the grounds for the appointment of such group and (c) when is it anticipated that a report on the group's activities and findings will be available;

(2) whether she will make a statement on the matter?

N1157E

The MINISTER OF HOUSING:

(1) Yes, a task team has been appointed by me.

(a) The terms of reference of the task team are to advise me on ways to facilitate housing delivery in the short term.

(b) The task team has been appointed against the background of the growing housing backlog and the necessity to resolve bottlenecks in the short term that inhibit housing funds being spent and the delivery of housing continuing.

(c) The task team has already commenced with its activities and should within the next few weeks be in a position to submit recommendations to me.

(2) In order to succeed with the objectives of the Reconstruction and Development Programme, it is essential to make substantive progress with the implementation of national housing policy as outlined in the Housing White Paper. To this end it is equally important that all the stake holders join hands in the spirit of the Botshabelo Accord in pursuit of real progress with the provision of housing. It is therefore necessary to identify and resolve bottlenecks that are inhibiting the realisation of housing goals as set in the White Paper. The task team has been appointed to support me in this effort.

Coalition of NGOs

*17. Mrs P W CUPIDO asked the Minister without Portfolio:†

(1) Whether a coalition of Non-Governmental Organisations (NGOs) was recently established; if so, (a) who were the founder members and (b) what are the objectives of this coalition;

(2) whether he will make a statement on the matter?

N1158E

The MINISTER WITHOUT PORTFOLIO:

(1) Yes. An NGO coalition was recently established.

(a) The founder members were Provincial NGO coalitions from the nine Provinces. They are NGOs representing a variety of sectors such as health, education, environment, urban development, etc.

(b) The objectives of this coalition are as follows:

— lobby for representation on NEDLAC;

— organise to deal with the funding crises facing the sector;

— lobby for an enabling environment for NGOs and CBOs; and

— to strengthen NGO capacity to do development work.

Financial position of 128 NGOs

*18. Mrs P W CUPIDO asked the Minister without Portfolio:†

(1) Whether a survey has been made on the financial position of 128 Non-Governmental Organisations (NGOs); if so, what was the result of this survey;

(2) whether the Government envisages any measures to institute financial measures at these organisations; if not, what is the position in this regard; if so, what measures?

N1159E

The MINISTER WITHOUT PORTFOLIO:

(1) There was a survey carried out by the IDT. We are told that the results showed that NGOs needed R116,5 million "to keep running at their current levels".

(2) Government, through the Ministry of Finance and State Expenditure and the Ministry in the Office of the President, has initiated the idea of a National Development Agency.

An interim measure, the Transitional Development Trust, is in the final stages of being set up to assist in opening channels of funding to NGOs and CBOs for implementation of the RDP.

A task team has been set up to formulate proposals for the establishment of a National Development Agency.

*19. Dr R T RHODA—Health.† [Question standing over.]

Research ship RSA: costs of dismantling

*20. Mr D K PADIACHEY asked the Minister of Education:†

(1) Whether his Department is currently dismantling the research ship RSA in the Table Bay Harbour; if so, what are the (a) reasons for the dismantling of the ship and (b) costs involved;

(2) whether he will make a statement on the matter?

N1161E

The MINISTER OF EDUCATION:

(1) Yes.

(a) On Monday, 13 February 1995 the engine room of the RSA Training Ship, berthed at A-Berth in Table Bay Harbour was flooded, almost resulting in the sinking of the vessel.

The flooding of the engine room was primarily due to the hullplates having wasted away over the years. The last visit of the vessel to the drydock for repairs and painting of the hull occurred in 1982.

The leaking of diesel oil in the fuel tanks of the vessel and the raw sewerage in the sewerage tanks posed an environmental pollution threat.

The Port Captain gave a firm instruction that the ship be drydocked to make the necessary repairs. This drydocking of the vessel would have amounted to a considerable expenditure to the Department, estimated in excess of R240 000.

Other factors that were considered were the escalating costs of maintaining the ship, the low enrolment figures and that since the privatisation of PORTNET, the Department had been compelled to pay berthing fees at an amount of approximately R8 000 per month.

(b) None. The ship was sold at a public auction for R27 000.

(2) No.

*21. Dr B L GELDENHUYS—Foreign Affairs.† [Question standing over.]

*22. Dr W A ODENDAAL—Health.† [Question standing over.]

(2) whether he will make a statement on the matter?

N795E

The MINISTER OF JUSTICE: Mr Speaker, I apologise for the Minister of Sport and Recreation's absence. He has asked me to read his reply. If there are any follow-up questions, they will be referred to him.

(1) Yes.

According to a report in the *Pretoria News* of 22 May 1995 of an interview that ITV's Mr Trevor McDonald had with the President the latter reportedly decried the lily white nature of the team, particularly with the withdrawal of Chester Williams, and expressed the hope that it was the last South African World Cup team with such a make-up.

(2) No.

Post Office/Telkom technology used to divert/intercept cheques/funds

*50. Mr L T LANDERS asked the Minister for Posts, Telecommunications and Broadcasting:

(1) Whether any of the telecommunication services and/or allied technology of the Post Office and Telkom were used by a former South African Police captain, whose name has been furnished to his Department for the purpose of his reply, to intercept and divert cheques and funds intended for the National Union of Metalworkers of South Africa through the use of a Nedbank account in the name of Nicholas Umsa; if so, (a) on whose instructions and (b) in terms of what statutory and/or other provisions did the Post Office and Telkom act;

(2) whether he will make a statement on the matter?

N808E

The MINISTER FOR POSTS, TELECOMMUNICATIONS AND BROADCASTING:

(1) and (2) The Chief Executive of the South African Post Office, Mr Donald Masson, has informed me as follows:

On 1 November 1994 attorneys Bell, Dewar and Hall wrote a letter of demand to the Minister on behalf of the National Union of Metal Workers claiming an amount of R1 500 000 from the Minister. It was claimed that officials of the Post Office intercepted or assisted in the interception and fraudulent appropriation of monies belonging to the Union.

The Post Office rejected the allegations as vague and unsubstantiated by facts and on 15 November 1994 requested the attorneys to provide further particulars to allow for the matter to be investigated. To date nothing further has been heard from either the attorneys or the Union, nor have legal proceedings been instituted against the Post Office.

As far as the allegation of the interception of cheques and funds belonging to the Union is concerned, our enquiries from personnel who were in the service of the former Department of Posts and Telecommunications at the time of the alleged incident during 1989 have thus far produced no results. Records of that time are unfortunately also no longer available. Until such time as further information is forthcoming from the attorneys representing the Union, the matter has been put on hold.

Mr L T LANDERS: Mr Speaker, arising from the hon the Minister's reply, I want to ask him if he is aware that in the trial of former Security Police Captain Bellinghan the judge found that there was *prima facie* evidence that Captain Bellinghan had indeed been involved in the interception and misappropriation of monies of the National Union of Metalworkers of SA.

Is the hon the Minister further aware, in view of the police investigation and evidence obtained in the murder trial of Bellinghan, that the matter has been referred to a special investigation team under the auspices of the Attorney-General of the Transvaal, Jan d'Oliveira? Will the hon the Minister give this House the assurance that he will personally ensure that such an investigation will enjoy the required co-operation of everyone in the Department of Posts, Telecommunications and Broadcasting, particularly of his Director-General, who, it is alleged, was intimately involved in the NP's campaign to win the hearts and minds of the Black community?

The MINISTER FOR POSTS, TELECOMMUNICATIONS AND BROADCASTING: Mr Speaker, I am aware of the outcome of the trial of Mr Bellinghan in the Gauteng region. We are also aware of the judge's remarks and of the investigation.

It is not my place to comment on matters that are under investigation by the SAPS, but that of the relevant Minister, the Minister for Safety and Security.

I can give this House the assurance that the Department of Posts, Telecommunications and Broadcasting will give the police all the co-operation they require to get to the bottom of this matter. I also give the firm undertaking that all members of the Department will co-operate in this fashion.

Daily death-toll from tuberculosis/multiple drug resistant tuberculosis

*56. Mr M J ELLIS asked the Minister for Health:

(1) (a) What is the average daily death-toll from tuberculosis, (b) what percentage of these deaths is attributable to multiple drug resistant tuberculosis, (c) what has caused the emergence of multiple drug resistant tuberculosis and (d) when did this strain first emerge in South Africa;

(2) whether any treatment is available for multiple drug resistant tuberculosis; if so, what are the relevant details?

N814E

The MINISTER FOR HEALTH:

(1) (a) About eleven (11) people per day die in South Africa from tuberculosis, (b) about 10% of these deaths are due to multiple drug resistant tuberculosis, (c) the main cause of multiple drug resistance is where treatment has been either partially or completely discontinued before cure has been achieved, (d) multiple drug resistance probably emerged soon after treatment was first started in South Africa.

(2) The accepted drugs for treating multiple drug resistant tuberculosis are available in South Africa. Good treatment is costly as it usually means specialist attention over a long period with expensive drugs and many laboratory tests. This is only available in the larger centres and depends on the availability of skilled staff at the hospital concerned.

While not denying such patients treatment, the Department of Health's primary responsibility must be to ensure that tuberculosis patients are cured the first time they are put onto treatment.

There is a major drive to do just that

— by introducing a uniform clinic register

— by improving tuberculosis laboratory facilities

— by intensive training

— by the introduction of the latest treatment regimens

— by the improvement of the management of the Tuberculosis Programme

— by improving access to health care services

— by measuring more accurately the scope of the epidemic and the outcome of treatment.

Hansard 28/6/95

Of course, to bring about a dramatic improvement in the tuberculosis situation in the country, we need more than just the work of the Department of Health. Tuberculosis is known to flourish in conditions of overcrowding, poor housing and poor nutrition. Unless we also improve these aspects of the living conditions of our people, the Department of Health will not be able to deal satisfactorily with tuberculosis in this country.

Questions transferred for oral reply in terms of Rule 202:

RDP process at provincial level: communication/interaction (297)

*1. Mr G Q M DOIDGE asked the Minister without Portfolio: [Written Question No 279]

(1) Whether, with reference to his reply to Question No 99 on 10 April 1995 (*see* Hansard, 2 May 1995) and to certain documentation which has been furnished to his Office for the purpose of his reply, he will furnish further particulars on the issues of the (a) communication and interaction in the RDP process at provincial level, (b) involvement of active Members of Parliament at local level in the processing of business plans at local level and (c) failure of MPs to assist the RDP units and the provincial government in identifying which communities need assistance and what level and type of assistance is so needed; if not, why not; if so, what are the relevant details;

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(2) whether the (a) Bisho RDP unit and (b) National RDP Office have been furnished with information on such assistance in respect of (i) Mt Ayliff and (ii) 26 rural localities referred to in Annexure A2 of the documentation furnished to his Office; if not, why not; if so, by whom;

(3) whether he will define the role he expects MPs to play in regard to the submission of business plans; if so, (a) what is that role and (b) in what capacity are MPs to play that role;

(4) whether he will now furnish particulars on whether any business plans in respect of the RDP had been received from (a) Mount Fletcher, (b) Maluti, (c) Matatiele, (d) Cedarville, (e) Kokstad, (f) Mount Ayliff, (g) Mount Frere, (h) Umzimkulu and (i) Tabankulu as at the latest specified date for which information is available; if not, why not; if so, what are the relevant details?

N561E

The MINISTER WITHOUT PORTFOLIO (Reply laid upon Table):

(1) A Rural Development Conference is being planned by the Provincial Government for not later than August 1995. The main objective is to develop a strategy for rural areas in the Eastern Cape. Key to this process will be the MPs, NGOs and the rural based organisations.

(2) Yes, Mt Ayliff and many other areas adjacent to it have been covered by business plans regarding clinic building, public works, school renovation and water provision.

(3) MPs are expected to assist in explaining to local authorities and communities the business planning process as setting out what are the development objectives, activities aimed at achieving those objectives and the resources needed and where they should be coming from. The main objective of the business plan is to map out where we need to go and build common understanding among the stakeholders.

MPs are in themselves a resource to their communities. They understand the RDP process and have more information on resources available to their communities. They are best placed to mediate between the Government and the communities.

(4) All the areas listed in the question have been covered by business plans regarding clinic building, school renovation, public works and water provision.

Tabankulu: assistance from Mvula Trust

*2. Mr G Q M DOIDGE asked the Minister without Portfolio: [Written Question No 280]

(1) Whether, with reference to his reply to Question No 99 on 10 April 1995 (*see* Hansard, 2 May 1995) and certain documentation furnished to his Office for the purpose of his reply, Tabankulu is (a) receiving any assistance from the Mvula Trust and (b) scheduled to benefit from the Transkei Rural Water Programme as approved on 19 January 1995; if not, why not; if so, why;

(2) whether the (a) town and (b) district of Mt Ayliff have been excluded from the said water programme; if not, what is the position in this regard; if so,

(3) whether a water crisis was experienced at the Mt Ayliff Hospital in September 1994; if so,

(4) whether the Department of Health was informed about this water crisis; if not, why not; if so, why is the abovementioned hospital still excluded from the programme?

N562E

The MINISTER WITHOUT PORTFOLIO (Reply laid upon Table):

The issues alluded to in the question have been referred to the Department of Water Affairs and Forestry, who are in the process of ascertaining the facts of the matter. The Ministry is therefore awaiting the Department's response and will communicate the answer provided accordingly.

The DEPUTY SPEAKER: Order! I have been advised that the questions transferred for oral reply in terms of Rule 202, Questions 1 and 2, have now been attended to. Therefore we proceed to new questions.

New questions:

Section 19 of Environment Conservation Act, 1989

*1. Mr M F CASSIM asked the Minister of Environmental Affairs and Tourism:

(1) Whether any prosecutions have been instituted in terms of section 19 of the Environment Conservation Act, 1989 (Act No 73 of 1989), during the latest specified period of five years for which information is available; if so, (a) how many and (b) where;

(2) whether he will make a statement on the matter?

N851E

The MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM:

(1) Unknown.

(a) Falls away.

(b) Falls away.

(2) No.

The MINISTER FOR HEALTH: Mr Speaker, as the Minister of Housing is not here, Question 2 will have to stand over. The Minister is in Pretoria.

*2. Mr M F CASSIM—Housing. [Question standing over.]

The DEPUTY SPEAKER: Order! I have been advised that the hon the Minister of Finance is unfortunately not available. Therefore Question 3 will stand over.

The MINISTER OF ENVIRONMENTAL AFFAIRS AND TOURISM: Mr Speaker, I should like to draw your attention to the fact that the Minister is at present occupied in the Senate. Therefore he has requested that Questions 3, 15 and 18 stand over.

*3. Mr M VAN S HAMMAN—Finance. [Question standing over.]

Certain former aide to former State President

*4. Mr E I EBRAHIM asked the Minister of Home Affairs:

Whether, with reference to certain information which has been furnished to his Department for the purpose of his reply, a certain former aide to a former State President travelled to the Seychelles on 4 June 1994; if so, for what purposes?

N854E

The MINISTER OF HOME AFFAIRS:

According to the movement control register of the Department, Commodore Ehlers left the Republic on 4 June 1994. However, neither the destination nor the purpose of trips is reflected in that register.

Certain person promoted to rank of major-general

*5. Mr H A SMIT asked the Minister for Safety and Security:†

Whether a certain person, whose name has been furnished to the South African Police Service for the purpose of his reply, was promoted to the rank of major-general recently; if so, what (a) relevant training, (b) qualifications and (c) experience does this person have in his field of occupation?

N856E

The DEPUTY MINISTER FOR SAFETY AND SECURITY:

Yes.

The actual fact he was appointed in a new South African Police Service post which was advertised and not promoted according to the promotion policy.

(a) As from 1986, the officer attended courses overseas, specialising in the field of intelligence after negotiation with the ANC.

(b) Standard 10 school certificate and first year B-IURIS (Unisa).

(c)

To date	*Occupation/Duties*
1987-1990	Regional Chief of Personnel in Lusaka, also a member of National Directorate of Intelligence
	Administrator (Counter Intelligence) of Military Intelligence Headquarters
1991-1993	Officer in the Director's Office
1994	Head of Security.

The DEPUTY SPEAKER: Order! As the hon the Minister of Mineral and Energy Affairs is not

they were funded by the respective TBVC governments at a higher funding level of the subsidy formulae than the other universities and technikons. In order to bring these institutions down to the same funding level as the other institutions, their funding will gradually be reduced over the next few years until parity with the other institutions has been reached.

(2) No, the annual growth rates in the number of students from 1986 to 1992 were 5,0% and 16,0% for universities and technikons respectively, but the average annual increase in the education budget was much lower, and consequently the average funding levels of the subsidy formulas of universities and technikons, except those of the Universities of Transkei and Bophuthatswana which have a funding level of more than 100%, are only 65,6% and 62,1% respectively for the 1995-96 financial year.

*56. Mr M J ELLIS—Health. [Question standing over.]

Questions transferred for oral reply in terms of Rule 202:

*1. Mr G Q M DOIDGE—Minister without Portfolio. [Question standing over.]

*2. Mr G Q M DOIDGE—Minister without Portfolio. [Question standing over.]

RDP related application forms received

*3. Mr G Q M DOIDGE asked the Minister without Portfolio: [Written Question No 281.]

Whether any RDP related application forms have been received by the (a) Departments of (i) Public Works, (ii) Local Government and Housing, (iii) Health and (iv) Education and (b) RDP unit in the former Eastern Cape from the districts of (i) Mt Fletcher, (ii) Maluti, (iii) Matulule, (iv) Cedarville, (v) Kokstad, (vi) Mt Ayliff, (vii) Mt Frere, (viii) Umzimkulu and (ix) Tabankulu during the period 1 May 1994 up to 26 April 1995; if so, (aa) what are the relevant details in each case and (bb) how are such application forms being dealt with?

N563E

The MINISTER WITHOUT PORTFOLIO:

In the normal course of events, information on project level applications is not conveyed to the Office of the Minister without Portfolio. We would only be notified of progress with such projects (as approved at Provincial level), or receive them as part of comprehensive provincial business plans, which would come through the Provinces, or a central Government Department or both.

Under the circumstances, the member should direct his question to Provincial authorities, or Ministers of Education, Public Works, Housing or Health.

For written reply:

Justice: advisers/consultants appointed

233. Mr A J LEON asked the Minister of Justice:

(1) Whether he has appointed any (a) advisers and/or (b) consultants to advise him or his Department; if so, (i) what (aa) is the name and (bb) are the qualifications of each such adviser and/or consultant, (ii) for what (aa) purpose and (bb) period was each appointed and (iii) what remuneration package and/or other fee is being paid in respect of each;

(2) whether any fringe benefits are payable to any such advisers and/or consultants; if so, what are the relevant details in each case;

(3) whether any advisers and/or consultants are advising or assisting him or his Department at no cost to the State; if so, (a) what (i) is the name and (ii) are the qualifications of each such adviser and/or consultant and (b) what function is each performing within his Department;

(4) whether any (a) organisations, (b) bodies and/or (c) persons are paying the costs of the advisers and/or consultants referred to in paragraph (3); if not, what is the position in this regard; if so, what are their names?

N485E

The MINISTER OF JUSTICE:

(1) (a) Yes.

(b) No.

(i) (aa) Mr Vusumzi Patrick Pikoli
Mr Enver Daniels.

(bb) Mr Pikoli:

BA (Law) degree;

LL.B degree; and

LL.M degree.

Mr Daniels:

BA (Law) degree; and

B.Proc degree.

(ii) (aa) The duties of the advisers are determined by the Minister. They act in an advisory capacity and perform such functions and duties in the Ministry as are assigned to them from time to time.

(bb) Mr Pikoli is appointed for the period 8 August 1994 to 30 June 1995 and Mr Daniels for the period 1 July 1994 to 30 June 1995, both on contract in a full-time capacity. Both contracts are to be renewed.

(iii) An all-inclusive salary package of R15 000 per month.

(2) None.

(3) None.

(4) None.

Transcriptions of court proceedings: Eastern Transvaal

315. Mr A J LEON asked the Minister of Justice:

(1) What are the names of the persons or companies currently holding the contracts to undertake transcriptions of court proceedings in the Province of Eastern Transvaal;

(2) whether he is in a position to furnish the names of the directors of the said companies; if not, why not; if so, what are their names;

(3) whether these contracts were put out to tender; if not, why not; if so, when did each contract commence;

(4) whether each successful contract was awarded to the lowest tenderer in each case; if not, (a) why was the lowest tender not accepted and (b) what was the price difference involved in each case;

(5) whether any contracts were extended or renegotiated without being put out to tender; if so, (a) which contracts, (b) when and (c) why, in each case?

N651E

The MINISTER OF JUSTICE:

(1) The firms/persons presently holding contracts for the transcription of court proceedings in the Province of Eastern Transvaal are as follows:

(i) *Former RSA:*
Datavyf (Pty) Ltd
M S D Botha (Mrs)
Resource Data Services (Pty) Ltd
T Schoeman (Mrs).

(ii) *KwaNdebele:*
M van den Berg (Mrs).

(iii) *KaNgwane:*
None.

(2) (i) *Former RSA:*
Datavyf (Pty) Ltd: Messrs S J M Nel; P Nel and A G Nel
M S D Botha (Mrs): Owner
Resource Data Services (Pty) Ltd: Messrs W D Blignaut and G M Smuts
T Schoeman (Mrs): Owner.

(ii) *KwaNdebele:*
M van den Berg (Mrs): Owner.

(iii) *KaNgwane:*
Question falls away in view of paragraph (1)(iii) above.

(3) (i) *Former RSA:*
Yes—in respect of magistrate's courts in Eastern Transvaal tenders were called for in State Tender Bulletin No 1300 dated 20 January 1989 and the successful tenders were awarded by the State Tender Board. The contracts commenced on 1 September 1989.

(ii) *KwaNdebele:*
Yes—tenders were called for by the former Secretary for Justice and only one tender was received namely the tender of Mrs Van den Berg, which was awarded to her by the

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INTERPELLATIONS

The sign * indicates a translation. The sign †, used subsequently in the same interpellation, indicates the original language. Hansard 21/6/95

Spending on social services/welfare

1. Mr C SALOOJEE asked the Minister of Finance:

(1) Whether, with reference to recent press reports, spending on social services and welfare is increasing to unsustainable levels; if not, what is the position in this regard; if so, what are the relevant details, particularly with reference to the adequacy of funding for direct social services;

(2) whether it has been determined whether a compulsory retirement scheme for the working population will meet the immediate needs of the recipients of social pensions; if not, what is the position in this regard; if so, what are the relevant details?

N850E.INT

The MINISTER OF FINANCE: Madam Speaker, this interpellation and question should really be directed at the Minister for Welfare and Population Development, but having gone on record as having made those comments, I will respond.

Yes, I did say that, under certain circumstances, the increase in welfare expenditure was unsustainable. It was said in a speech addressed to the Institute of Retirement Funds. What I said was that if everything else remained the same and there had been an increase in the welfare payments over the previous two years, and if one were to project that increase, it would mean that our welfare payments would virtually double in just over three years. If the income remains the same, this is obviously going to be unsustainable. Everything else remains the same. Even if we reprioritise our expenditure, we will not be able to sustain that type of expenditure.

What I was really saying was that we need to look at the welfare situation on a wider and deeper basis. We have to look in a different manner at how one could fund the welfare budget.

In that particular address, I raised a number of concerns and also asked a few questions. One of the issues that I raised was whether those people who were employed and were making provision for themselves should also make some provision for welfare payments? Secondly, I asked whether the contractual savings industry—the pension funds and the insurance companies—should make some contribution to growth? If one looks at the reason for the escalation in the welfare payments, one comes to the conclusion that it is basically unemployment.

The question then is why we do not place a higher priority on growth so that people can provide for themselves. As hon members know, that is a high priority of the Government. One should just be very careful in dealing with people who provide for themselves, in that one does not end up—through Government interference—with the situation that those who are already providing for themselves have too little to live on by the time they retire. Then the Government would have both the employed and the unemployed on its hands. To quote Abraham Lincoln, I think this is really an area one has to look at very carefully, because one "cannot make the poor rich by making the rich poor".

Mr C SALOOJEE: Madam Speaker, we decided to deal with this issue because some weeks ago there was a report in the press that spending on welfare was becoming unsustainable. The overall impression that people in the welfare movement got was that too much money was being expended on welfare.

The point that we want to make is that if one looks at the welfare budget, one finds that 86% of it is devoted to social pensions, and only 14% is spent on direct social services. When we look at that 86%, we find that the increases that have occurred recently can be attributed solely to the fact that there were disparities in the payment of pensions to the different ethnic groups in the country. In order to restore parity, that budget had to be increased.

We are saying that at this particular moment in time we have to take into account that over 40% of the population is experiencing very real poverty. We all know that there are literally millions of people who are unemployed. Therefore, when we look at the issue of pensions, we cannot move rapidly in the direction of dramatically decreasing the payment of pensions.

At the same time, we recognise that social pensions cannot go on being increased. Therefore,

parallel to existing situation, we have to take into account the reality of poverty. We cannot tamper with pensions too rapidly at the moment, but should seriously look at introducing a national contributory pension system, in terms of which those people who are employed and are earning reasonable incomes must contribute towards a pension scheme.

Having said that, I should also point out, within the context of a larger budget, that the leaders of the different political parties in this House have been showing concern about the plight of abused children, the breakdown of families, and the empowerment of both those who are mentally and physically disabled and those who have been the victims of the violence that has been occurring in our country in recent times. Services should be provided for these people. However, nothing . . . [Time expired.]

*Dr W J BOTHA: Madam Speaker, when one approaches the subject of welfare expenditure from the viewpoint contained in the budget, it seems as if welfare expenditure has not been extended significantly. When we give consideration to the annual figures for 1990-91 to 1995-96 one sees that the expenditure on welfare services amounted to 41,3% in 1990-91 and after that 43,2%, 43,8%, 44,1%, 44% and, finally, 46,7%. This does not seem to be drastic, because the figures are very close to one another.

When one analyses the figures, however, there are nevertheless danger signals. Although it jumped from 41,3% in 1990-91 to 46,7% in 1995-96, it jumped by 2,7% in 1994-95. In terms of money, however, this amounts to R3 billion—a significant amount!

If the hon the Minister furthermore says that this amount will double within the next three years, we are heading for a tremendous problem. Then we have in fact now reached the stage where a crisis is imminent.

We in South Africa will have to move the emphasis to job creation and job availability, but the solution is not this simple, because for every 1% in economic growth, the unemployment problem is reduced by a mere 0,5%. Considering the increase in unemployment in South Africa we will have to maintain a growth rate of approximately 8% per annum. This therefore requires a completely new approach. We shall really have to put the nose to the grindstone. We shall all have to work harder.

*The MINISTER OF FINANCE: Madam Speaker, I tend to agree wholeheartedly with the previous speaker that we will have to adopt a new approach, and that is precisely what I tried to say in that address.

†However, to come back to the issue, looking at welfare spending in isolation, it is quite true. Do we spend enough with regard to the needs of this country? The answer, obviously, should be no. Unfortunately, in looking at budgets one does not look at functions in isolation and, as we said in our Budget Speech on 15 March, every rand spent on one function means one rand less spent on another function. One has to look at the welfare spending from an affordability point of view and from a qualitative and quantitative point of view in its entirety.

The quality point of view is obviously very important when it comes to fraud and the cost of administration, and it is in that context that the Cabinet is anxiously awaiting the multiyear budget programme to be tabled, hopefully, by the end of July. This will also help us to crystalise our own thinking and the thinking of this House as to what percentage of the total Budget one should allocate to welfare spending.

Ms M E TUROK: Madam Speaker, I would like to point out to the previous speaker from the FF that the whole point of the increase in pension expenditure over the last four years is that from a gap of R108 in 1991 parity has now been reached between all race groups in this country. Given that we are talking about 2,7 million pensioners, the majority of whom are Black, this has cost a considerable amount of money. What concerns us is the alarmist tone of the press reports about this, giving the impression that there is a danger that the existing recipients of social pensions are in some way likely to lose part or all of their pensions.

While we welcome the creation and appointment of a special committee to look into the restructuring of the pension system, we would also like to express concern about the terms of reference of that committee and its composition. We support the urgent need for a work-related pension scheme that covers all employees at all levels in the formal and informal sectors, but it is more complicated than that. It is very difficult to devise a pension scheme to cover people in the informal sector, as one will learn from other countries. South Africa has a huge poverty problem and this is the basic reason why such a high proportion of

elderly people depend on social pensions. This safety net will have to remain in place until the underlying causes of poverty have been addressed in this country.

I would like to stress to the Minister of Finance the importance of assuring present and future recipients that this safety net will remain in place and will only become smaller as more and more people move out of the poverty trap and are able to depend on other sources of income in their old age. I wish I could share his confidence that mere growth of the economy would address this huge problem of unemployment and poverty. I would again like to repeat that we need development. We need to spread the economy across the population. It is not enough for the existing industries to get larger and larger. They will not necessarily employ more people.

Finally, we urge the Minister that the welfare portfolio committee be briefed in full on the terms of reference and membership of the new committee before these are published. We would also like to see representatives of the recipients of social pensions on the new committee so that their views and interests can be represented there and not only those of the private sector.

The MINISTER OF FINANCE: Madam Speaker, I would like to thank the previous speaker for those suggestions.

The hon Mr Saloojee has made the suggestion that we should have a compulsory pension fund. Is that correct? [Interjections.] I do not quite know what the impact of that would be. Whenever you say "compulsory", it starts to look like a tax system. It is because we do not know what the impact would be that we have appointed a committee, under Mr Guy Smith, to research this and come forward with suggestions. As the previous speaker has indicated, I think that in welfare features quite prominently in the terms of reference. If hon members feel that there are issues which we have left out of these terms of reference, I would be delighted to listen to them and take that up with the respective committee members.

We are also very mindful that in some areas, especially the rural areas, it is on pension payment day that the major economic activity takes place. One should be very careful before tampering with that particular activity. We are also mindful of the impact that pensions have on a large section of our disadvantaged community. So far there has been no suggestion from the Government's side that there would be any changes. It is because we must try to find out how to address the issue in an innovative way and on a sustainable basis in the future that we have appointed the committee. I am sure that I speak on behalf of the Minister for Welfare and Population Development, and surely for myself, when I assure the House that we are very mindful of the need and responsibility of the Government to give consideration to the indigent and the disadvantaged.

Debate concluded.

Children living on the streets of towns/cities

2. Mr M F CASSIM asked the Minister for Welfare and Population Development:

(1) Whether he or his Department has undertaken an investigation into the incidence of children living on the streets of towns and cities; if not, why not; if so, what are the relevant details;

(2) whether he or his Department has taken or intends taking any action in this regard; if not, why not; if so, what action?

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The MINISTER FOR WELFARE AND POPULATION DEVELOPMENT: Madam Speaker, I would like to thank the member for putting this interpellation before the House. In terms of our responsibility towards children, in the year of the signing of the Convention on the Rights of the Child, as well as the Constitution, it is important for this House to take note of the serious social problem of street children in our country.

In the first instance we need to assist the family in particular. Secondly, the communities should be assisted so as to enable them to address this problem in their own environment. If we do not succeed in this, these are the children who in most cases will become abused, be at risk and then also become involved in crime and the taking of drugs.

It is also not so easy for us as a department to deal with this problem by ourselves. We are very thankful that, in general, the public, NGOs, churches and welfare organisations have up to now assisted the Department of Welfare and Population Development and the Government in addressing the problem of street children.

Children who live on the streets are not always out of contact with their parents. In most cases they

are driven onto the street because of our poor economic climate. They have to assist the family in order to survive in this bad economic climate. Some of them have daily contact with their families and they do go back there at night. The ones at risk are those who have actually broken off all contact with the family. They are the children of the street.

In our society we always find that before children leave home they are usually exposed to factors such as violence, single parenthood, or problems between parents and children. There is also a lack of privacy, economic distress and, in some cases, abuse.

These factors can be called the "pull" factors and also the "push" factors. The "pull" factors refer to unemployment and overcrowding, not only at home but also in the schools, with the result that teachers do not have sufficient control over their classes. Dropping out for one day becomes dropping out permanently. The child does not return home; he goes back to the streets . . . [Time expired.]

Mr M F CASSIM: Madam Speaker, I am very pleased indeed that I will be voting on the same side as the hon Minister, because if I were on the opposite side, I am afraid of what might happen to me. [Interjections.]

An HON MEMBER: Do you want to tackle Lomu?

An HON MEMBER: Do you want Lomu on the same side?

Mr M F CASSIM: Of course, not! [Laughter.] If Jonah Lomu were around I would have to be very sensible and keep my distance altogether. [Laughter.] Whatever the case may be, hearing what the hon Minister had to say this afternoon, I think that street children who are generally fatherless and motherless need not despair, because from today I would like to christen them "Abe's babes". Now that Minister Abe Williams has shown the care and the concern he has this afternoon, and now that we are coming to mid-winter, the coldest, cruellest and harshest time, I hope those of us who are comfortable will spare a thought for those children who survive on the streets.

Street children exist on the streets. The streets have adopted them. The dilemma is that we cannot take them off the streets, because we do not have the means. However, we cannot leave them on the streets. While the NGOs and other organisations are endeavouring to resolve the problem, the Government needs to show in a practical way what it is going to do to try to alleviate the problems of street children.

In this country, the number of street children has grown quite considerably owing to the conflict of the past. As a result, they have lost out on their birthright, which is education. They have also lost out in many other ways. If concerted attention can be given to these children, and if the Minister can actively follow up the commitment he has made today, we will indeed have done a great service to the children of our land. After all, the President of this country has indicated that the children are our future. We need to protect that future. It cannot be a future which excludes an important part of society. The street children have long been neglected and I am happy indeed that today all of us, in fact, the whole of Parliament, can unite on this one issue: Our children deserve the best and we will not in any way desert them.

Mrs P DE LILLE: Madam Speaker, I recently visited two children's homes in Benoni, Gauteng. I found they were overcrowded and that the facilities were poor at the best of times. Many of the children there I would not even want in my own. Many of them had been forced to leave their homes because of poor socioeconomic conditions and abuse.

Our children are the victims of the many ills in our society. However, I am not convinced that the responsibility of caring for these children should be left to the Government alone. I feel that, as communities, we must all contribute to the welfare of our children. What kind of society are we if we cannot take care of our own children?

Children, as a group, have been afforded second-generation human rights in the interim Constitution. South Africa is on the verge of signing the UN convention on children. However, all of this will be meaningless unless it is followed up with programmes in which our children can participate and which they themselves can design.

The Department of Welfare must make assistance available to both registered and so-called nonregistered homes. We find in our townships that the only groups that care for our children are nongovernmental groups. They are not receiving any assistance at all from the Government. Until such time as we can change the situation around and make the Government responsible for paying for all children's homes, not only for homes in White

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QUESTIONS

†Indicates translated version.

For written reply:

Office of Minister without Portfolio: advisers/ consultants appointed

198. Mr A J LEON asked the Minister without Portfolio:

(1) Whether he has appointed any (a) advisers and/or (b) consultants to advise him or his office; if so, (i) what (aa) is the name and (bb) are the qualifications of each such adviser and/or consultant, (ii) for what (aa) purpose and (bb) period was each appointed and (iii) what remuneration package and/or other fee is being paid in respect of each;

(2) whether any fringe benefits are payable to any such advisers and/or consultants; if so, what are the relevant details in each case;

(3) whether any advisers and/or consultants are advising or assisting him or his office at no cost to the State; if so, (a) what (i) is the name and (ii) are the qualifications of each such adviser and/or consultant and (b) what function is each performing within his office;

(4) whether any (a) organisations, (b) bodies and/or (c) persons are paying the costs of the advisers and/or consultants referred to in paragraph (3); if not, what is the position in this regard; if so, what are their names?

N404E

The MINISTER WITHOUT PORTFOLIO:

(1) Both (a) advisers and (b) consultants have been appointed in the RDP Office, their details being as follows:

(i)(aa) *Names*	*(i)(bb)* *Qualifications*	*(ii)(aa)* *Portfolio*	*(ii)(bb)* *Period*	*(iii)* *Remuneration*
Ray Mabope		Special Adviser	contract	R19 200 p/m
Howard Gabriels	B.Com	Special Adviser	contract	R19 200 p/m
Benny Mokaba	Ph.D. (Social Welfare)	Poverty monitoring and statistics	2 years	Development Bank of South Africa
Pumla Kubukeli	BA Developoment Admin./B.Com	Programme Management	2 years	Development Bank of South Africa
Ben Cashden	B.Com	Capacity Building	2 years	British Government
Danie du Plessis	C.A.	Programme Management	2 years	Salary by Eskom, travel and accommodation settled by RDP Office
Ray Page-Shipp	M.Sc (Physics)	Programme Management	2 years	Salary by CSIR, travel and accommodation settled by RDP Office
Lindiwe Mokate	Master (Econ)	Children	9 months	UNISEF
Mmatsilo Motsae		Women	3 months	Danish Government
Shuab Chalkier	BA Honours	Disability Programme	13 months	Swedish Government
Lydia Pretorius	B.Arb	Disability Programme	4 months	Swedish Government
Jonas Sibauyoni	B.Proc	Capacity Building	4 months	USAID
Duduzile Nyamane		Communications	3 months	Business Initiative
Renosi Mokate	Ph.D. (Economics)	Fiscal and Economic	6 months	Development Bank of Southern Africa
Etienne Theart		Information Management	seconded	Eskom

(2) No fringe benefits are payable to any such advisers and/or consultants, only travel, accommodation and subsistence claims incurred during official trips, are paid by this office.

(3) Consultants are advising this office without cost to the State.

(4) As listed above in paragraph (1) it is notable that some consultants are still paid by their respective organisations.

White Paper on Reconstruction and Development

252. Mr M J ELLIS asked the Minister without Portfolio:

(1) Whether, with reference to the White Paper on Reconstruction and Development, dated 15 November 1994 (WPJ/ 1994), any system has been developed whereby social grants are delivered to where the recipients thereof live; if not, why not; if so, what are the relevant details;

(2) whether this system has been implemented; if not, when is it anticipated that it will be implemented; if so, when;

(3) whether any problems have been experienced in developing or implementing this system; if so, what problems;

(4) whether this system is designed to apply to all recipients of social grants; if not, (a) to which categories of recipients will it apply and (b) why are certain categories excluded;

(5) whether any attempt has been made to quantify the costs involved in this regard; if not, why not; if so, what are the costs involved?

N505E

The MINISTER WITHOUT PORTFOLIO:

The reply is not within the authority of the RDP Office. The member should therefore address his question to the Minister for Welfare.

RDP in Eastern Cape

261. Mr G Q M DOIDGE asked the Minister without Portfolio:

Whether his office has reprioritised its budget for (a) 1994-95 and (b) 1995-96 with a view to implementing the Reconstruction and Development Programme in respect of (i) postal, (ii) telecommunications and (iii) broadcasting services in the areas of (aa) Mt Fletcher, (bb) Maluti, (cc) Mt Ayliff, (dd) Mt Frere, (ee) Tabankulu and (ff) Umzimkulu; if not, why not; if so, (aaa) to what extent and (bbb) what are the further relevant details?

N531E

The MINISTER WITHOUT PORTFOLIO:

The reply is not within the authority of the RDP Office; the member should therefore address his question to the Minister for Posts, Telecommunications and Broadcasting.

Presidential lead projects: former Transkei

289. Mr G Q M DOIDGE asked the Minister without Portfolio:

(1) Whether the former Transkei is benefiting from all presidential lead projects; if not,

(2) whether he will consider establishing a task team to investigate why the former Transkei is not benefiting from all such projects; if not, why not; if so, what are the relevant details;

(3) whether he or his office intends taking any steps to ensure that the former Transkei will be included in these projects; if not, why not; if so, what steps;

(4) to what extent are the communities in the areas of (a) Mt Fletcher, (b) Maluti, (c) Matulule, (d) Cedarville, (e) Kokstad, (f) Mt Ayliff, (g) Mt Frere, (h) Umzimkulu and (i) Tabankulu benefiting from the said lead projects?

N599E

The MINISTER WITHOUT PORTFOLIO:

(1) The former Transkei is benefiting from most of the PLPs: Primary School Nutrition Programme, Culture of Learning, Free Health Services and Rural Water. At present there is no Integrated Urban Renewal Project operating in the former Transkei because no suitable regions have been proposed.

(2) and (3) The RDP implies that communities have to take ownership of their own situation and not wait for Central Government departments to do so. However, the Chief director: Development Planning and

her staff have been working with the responsible MEC, the DG of the province and the RDP Office to ensure that the implementation of RDP projects in the Eastern Cape is accelerated. The team will be in the Eastern Cape on 8 and 9 June.

The Masakhane Campaign is also working with the provincial government on implementation of pilot projects in the province.

(4) Please refer to replies on:
Question 99 of 10 March 1995;
Question 109 of 17 March 1995; and
Question 281 of 12 May 1995.

Mount Ayliff TLC: RDP funds

329. Mr G Q M DOIDGE asked the Minister without Portfolio:

(1) Whether the Mount Ayliff Transitional Local Council has been notified that RDP funds are available for township upgrading; if not, why not; if so, (a) when, (b) how and (c) who was responsible for notifying the said TLC;

(2) Whether a certain person from the Local Government Department in Bisho, whose name has been furnished to his Office for the purpose of his reply, has (a) received and/or (b) processed any township upgrading business plan for the said TLC; if so, when is it envisaged that this business plan will be submitted to the provincial Executive Council for approval?

N649E

The MINISTER WITHOUT PORTFOLIO:

The process for Local Authority project identification, evaluation and prioritisation for:

— the upgrading of Municipal Services is being managed by the Department of Constitutional Development; and

— the additional Special Presidential Projects or Urban Renewal is being managed by the Department of Housing.

In each case the Department is working through the provincial Government. This question should preferably be addressed to the above agencies.

State land around metropolitan areas

370. Mr J T ALBERTYN asked the Minister of Housing:†

Whether, with reference to the reply to Question No 48 on 24 August 1994, full information is now available in respect of State land around metropolitan areas and bigger urban areas that may possibly be utilised for housing; if not, why not; if so, what are the relevant details?

N770E

The MINISTER OF HOUSING:

The Department of Housing is not responsible for the administration of State Land. However, the Department advocates the efficient use of suitably located State Land for low-cost housing purposes.

Taking into account the new housing institutional arrangements that were set up, the identification of all land for development purposes is essentially the responsibility of provincial authorities who, as indicated in my previous reply, were requested to conduct a survey in this regard. Such a process should, however, be viewed as an ongoing longer term process and provincial administrations have as yet not fully appraised the situation. It should also be pointed out that parcels of land that have already been identified and evaluated could be considered for low-cost housing purposes.

QUESTIONS

†Indicates translated version.

For written reply:

Issuing of G3 rifles to police reservists/civilians in KwaZulu-Natal

299. Mr L T LANDERS asked the Minister for Safety and Security:

(1) Whether any (a) police reservists and (b) civilians in KwaZulu-Natal were issued with G3 rifles by the (i) KwaZulu police and (ii) South African Police during the period 1 January 1988 up to 31 December 1994; if not, what is the position in this regard; if so, (aa) on what basis and (bb) in terms of what criteria were such weapons issued;

(2) whether he will furnish the full names of the persons who (a) were issued with, and (b) are still in possession of, such weapons; if not, why not; if so, what are their names in each case?

N613E

The MINISTER FOR SAFETY AND SECURITY:

(1) (a) (i) and (ii) No.

(b) (i) and (ii) No. G3 rifles belonging to the former KwaZulu Government were issued to KwaZulu Government functionaries after numerous attacks on KwaZulu Government property to enable the said functionaries to protect the property. The former Department of the Chief Minister introduced a permit system for the administrative control of the issuing of the G3 rifles.

(aa) Not applicable.

(bb) Not applicable.

(2) No. As the South African Police Service did not itself issue the G3 rifles, the names of the persons to whom such rifles were issued are not availble to the SAPS.

Deaths as a result of political/criminal violence: KwaZulu-Natal

318. Mr D H M GIBSON asked the Minister for Safety and Security:

How many deaths as a result of (a) political and (b) criminal violence were reported in the Province of KwaZulu-Natal (i) in 1994 and (ii) during the period 1 January 1995 up to the latest specified date for which information is available?

N654E

The MINISTER FOR SAFETY AND SECURITY:

(a) Statistics regarding political violence in KwaZulu are not available and only statistics for Natal are therefore provided.

(i) 630.

(ii) 134 (1 January 1995 to 31 March 1995).

(b) Criminal violence for KwaZulu-Natal:

(i) 7 705.

(ii) 1 118 (1 January 1995 to 31 March 1995).

Commission on Restitution of Land Rights: financial aid to communities

339. Mr A H NEL asked the Minister of Land Affairs:†

Whether any amount has been made available for financial aid to communities and/or individuals with a view to obtaining land in pursuance of the resolutions by the Commission on Restitution of Land Rights; if not, what is the position in this regard; if so, what amount?

N700E

The MINISTER OF LAND AFFAIRS:

The Commission on Restitution of Land Rights started accepting claims on 1 May 1995. Where (after investigation by the Commission) the Land Claims Court orders the restoration of land to communities and individuals, this will be done by one of two methods:

(a) If the land is still owned by the State, it will be transferred to the community or individual concerned. In that event, the ques-

SOCIAL SECURITY

GENERAL

1995

OCTOBER

STANDARD BEARERS



Barlows Equipment Company, which supplies earthmoving machinery and is the sole agent for Caterpillar, is among a growing number of Western Cape companies to acquire the South African Bureau of Standards ISO 9002 certificate of quality. Joc Wagner, the general manager of the company's factory in Bellville, said the certificate placed holders on an equal footing with European Union companies and opened new markets to them. In the foreground are Paul Barber, left, of the bureau's laboratory services, Tom Gash, the regional manager of the bureau, Wally Parsons, the services manager of Barlows Equipment, and Joc Wagner

EU aid to SA criticised for backlogs and inefficiency

(297) CT (BDR) 3/10/25

By John Fraser
INDEPENDENT FOREIGN SERVICE

Brussels — The European parliament is expected to adopt a report next week that highlights major inefficiencies in the administration of European Union aid to South Africa.

The report by Maren Gunther, a German member of the European parliament, closely examines the EU aid programme, which is worth R555 million this year.

The report notes that a major change is taking place in the handling of EU aid.

In the past, it bypassed the Pretoria authorities and went directly to non-government organisations. Now, it is being channelled mainly through the government.

The report praises the past record of the NGOs for fulfiling enormous tasks in the interests of the poorest sectors of South African society. "Often operating under serious threat of intimidation or imprisonment by the apartheid regime, they managed several hundred small-scale development projects, all of which had strong community involvement as a major characteristic.

"Such local commitment formed the basis for the success of these projects, with only very few recorded failures."

Redundant

The report notes that some NGOs, "having fulfilled their function, are destined to become redundant".

Others, however, will have a continuing role helping the reconstruction and development programme.

The report emphasises that the period since the elections "has been a very difficult one for NGOs in South Africa. "Many have experienced excessive delays in receiving funds from the (European) commission without any explanation or excuse.

"They have been deprived of information concerning the future of their activities.

"Others have run up debts while waiting for commission payments to arrive."

An annex to the report by the European parliament's budgetary control committee warns that steps must be taken "to avoid possible misuse of expenditure, or more often, ineffective expenditure".

It adds: "A large backlog has built up in EU-financed projects and payments are outstanding.

"In large part, this is a result of the inevitable move from NGO partners to national and local public administrations, which have far less experience in the management of aid projects." It adds that NGOs should continue to have a role in EU aid projects because they are faster and more efficient than the government.

Gunther's main report concludes that there must be improvements in the financial management of the EU aid programmes.

It warns that there are too few EU staff in South Africa to administrate the programmes efficiently and emphasises "the need to reinforce the staff resources".

Streamlining

"At the same time, a streamlining of decision-making procedures must be envisaged to reduce the excessive delay in project authorisation."

One suggestion is that the EU ambassador in Pretoria should be given the power to authorise aid to smaller projects, thus reducing red tape.

UK aid package targets 49 projects

(297) BD 3/10/95

John Dludlu

NEARLY £30m would be pumped into 49 development projects this year from the UK's £100m aid package to SA, Overseas Development Administration programme adviser for SA Sue Wardell said yesterday.

Since May last year £27,6m had been committed to more than 49 projects and the agency planned to commit about £30m by the end of this year, she said.

More than £15m was spent in financing projects in the 1994/95 financial year.

The aid package was announced last year after the election. Of the £100m, £60m would be spent on a bilateral basis — between SA and the UK — while £30m would come from the UK government through the multilateral channels of the EU's own reconstruction and development programme. The remaining £10m was from Commonwealth Development Corporation investments.

The EU aid package amounted to R580m in the current financial year and was expected to be increased next year.

Wardell said the money, to be spent over a three-year period, had been committed or spent on a range of RDP-related sectors.

More than 30% of the money was committed to projects aimed at promoting good governance, such as improving inter-provincial authorities, public service restructuring, training to improve government efficiency and community policing; 27% was committed to small business development; 10% was for health care; 12% was for education; and 17% was for rural development projects.

Wardell said that the Overseas Development Administration, responsible for the British aid programme, was confident the whole bilateral package would be committed by the end of the stipulated timetable.

The agency was working closely with the SA central and provincial governments — through the inter-governmental development co-ordinating committee — as well as with non-government organisations in disbursing the funds.

The EU said its aid package should be committed by the end of the financial year as a result of better project design and improved business plan preparation by government departments.

Report criticises EU aid to SA

Star 3/10/95 (297)

■ BY JOHN FRASER

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One suggestion is that the EU ambassador in Pretoria should be given the power to authorise aid to smaller projects, thus reducing red tape.

Nyanga disabled complain: 'Neglected and sidelined'

ARG 4/10/95

SABATA NGCAI
Staff Reporter

ANGRY disabled people from Nyanga say the new South Africa has not touched their lives, and that they are still the same Cinderella community they were in past years.

They claim they have been neglected and sidelined by the community in most efforts to reconstruct and develop the township.

The organisation Disabled People South Africa said the people's attitude towards the disabled had not changed at all.

The organisation's national development officer, Mzolisi Toni, said his organisation was working hard to make the community aware and to make them treat disabled people as human beings.

Mr Toni said the organisation was also equipping the disabled "to be vigorous in their demands", and "not to be reduced to beggars".

They had never been consulted with a view to accommodating their views, needs and interests.

They had been negotiating in vain since March this year with a local development forum to secure a piece of land to build a centre for the disabled.

They accused the Nyanga Reconstruction and Development Forum (NRDF) of "dragging its feet" on the land issue.

There was lots of vacant land and they alleged the forum was "reluctant" to give it to them.

Forum chairman David Mkhize confirmed that there were vacant plots but said they were investigating ownership before they made any decisions.

Mr Mkhize said this would help to avoid any possible future legal action.

He said there was a piece of land in New Crossroads which the disabled people could use, but that the forum was in the process of negotiating with the residents in the area.

The disabled people claim they get no support from their neighbours.

'R8,5-m in RDP funds should be used to upgrade housing estates'

ARG 4/10/95 (297)

Municipal Reporter

THE city planner has suggested that R8,5 million in Reconstruction and Development Programme funds be spent on upgrading housing estates within the Cape Town City Council's precincts.

This suggestion has come as the RDP committee grapples with how to spend a R15,5 million budget allocated in the last budget for RDP projects.

In the meantime, a further R20,3 million has been identified by the council's budget committee for re-allocation to the RDP.

In a report to the RDP committee, the city planner argues that the upgrading of housing estates would be "sufficiently visible" to warrant the spending in this financial year.

"The RDP committee could therefore inherit these projects and commence an immediate consultative process in order to implement such projects," he suggests.

Among the areas which are being looked at are R5 million to be spent on fencing and walling of rented dwellings in areas such as Manenberg, Hanover Park, Kalksteenfontein and Lavender Hill, to eliminate no-man's land.

Also envisaged is the upgrading of three and four-storey flats as well as improving public spaces and play areas, and improvements to road and footways to improve drainage.

A further R50 000 is being asked for to improve water supplies and road grading in the Vrygrond squatter area.

The planner has also asked that R3 million be spent on painting, staircase repairs, window and door repairs, gutters and downpipes and balcony enclosures of flats and rented houses in areas such as Manenberg, Hanover Park and Lavender Hill.

Housing subsidy of R15 000 is retained

BD 5/10/95

Nicola Jenvey

DURBAN — The R15 000 government subsidy for lower-income houses would remain unchanged for 1996/97, despite complaints it was inadequate, National Housing director-general Billy Cobbet said yesterday

Speaking at the Institute for Housing in SA conference, he said that calls for subsidy increases meant commitments to other sectors in the delivery process were reduced.

"Raising the subsidy is expensive to the taxpayer and the easy option to developers. It is not an avenue available to the state," he said.

Presenting a provincial update KwaZulu-Natal housing and local government MEC Peter Miller said the KwaZulu-Natal provincial housing board had approved 216 projects. There were 46 000 housing opportunities worth R484,8m. There were a further 34 000 potential opportunities were in the pipeline. Already underway were 59 projects worth R244m, which would yield 25 000 core houses before the financial year-end.

Mpumalanga housing MEC Craig Padayachee said 29 194 homes worth R372,8m had been approved from the 1994/95 budget. However, only six projects totalling 3 848 units were underway from the current year's budget.

Western Cape housing director CO du Preez said his board had approved subsidies worth R211m, which would provide about 16 000 housing opportunities. However, only 487 subsidies had been paid out to date.

In the Free State, 1 630 new homes in nine towns had been completed by August. However, this was being accelerated, as the board had recently approved applications involving 16 000 subsidies, to the value of R100m.

In the Northern Province, only 26 project-linked subsidy scheme applications had been received, with 50% of them approved. Land, housing and local government MEC John Dombo said 27 606 new opportunities would become available if the remaining 13 schemes were accepted.

Northwest Province housing MEC Darkie Africa said the province had a housing backlog of 340 000, but did not indicate how many new homes had been built since the Botshabelo Accord.

Gauteng housing MEC Dan Mofokeng said although his province was experiencing a booming housing market, this was only in the middle and upper-income brackets.

Recent Gauteng statistics showed townhouse and luxury flat approvals had increased 100% in 12 months.

The Northern Cape and Eastern Cape did not make presentations.

Discussions delay conference

BD 5/10/95 (297)

Robyn Chalmers

CONTINUING discussions regarding government's strategy on investment in infrastructure and restructuring development finance institutions were key reasons behind the delay of the infrastructure investment conference, reconstruction and development programme office officials said yesterday.

The RDP infrastructure investment conference is seen by private sector and government leaders as a milestone event which will draw together all the stakeholders in the increasingly important infrastructure environment.

Government will unveil a range of policies at the conference aimed at encouraging a private sector role in funding and managing public services.

At a recent high level meeting at the Union Buildings, it was agreed to postpone the conference, initially scheduled for the end of this month. It will now be held in mid-February.

Deputy Finance Minister Alec Erwin said: "By early next year, key information will be available on the structuring of development finance institutions and November's development planning summit will have clarified and co-ordinated government's strategies for infrastructural development." A February conference would be well-timed for the Budget in March.

Ashley Symes, spokesman for the RDP infrastructure investment task team which was being facilitated by the National Business Initiative (NBI), said those involved in the process were at the highest levels of government and business. She said the process aimed to facilitate the channelling of billions of rand in private sector investment into the RDP.

The groups involved in the Union Building discussions on the conference included the Life Offices' Association, the Institute of Retirement Funds, the Council of Southern African Bankers, the National Business Initiative, the Finance Ministry and the RDP Office.

A statement from the task team said it was clear from the meeting that the private sector was eager to explore possibilities for channelling investment into infrastructural development on a sound and commercial basis.

The finance and production sectors had important roles to play.

Business supports RDP

Sowetan 5/10/95

Task force created to promote Soweto-Johannesburg business

By Isaac Moledi

THE GREATER SOWETO CHAMBER of Commerce and Industries has teamed up with its counterpart, the Johannesburg Chamber of Commerce and Industries, to support the RDP by jointly identifying business development in Gauteng.

JCCI spokesman Mr Don Nott says discussions on how organised business could support the RDP in the Greater Johannesburg area started last year and the result was the formation in March this year of a Soweto-Johannesburg Business Development Task Force.

The task force will identify projects and opportunities that can be used to create business between established and emerging business sectors.

Its role, says Nott, is to provide opportunities for networking, the dissemination of information and matchmaking between potential partners.

Some of the responsibilities of the task force include:

- helping members of the two organisations to identify and maximise opportunities presented by the RDP;
- identifying opportunities for business development through communication with members of the chambers and other organisations; and
- supplying information about business opportunities in the Greater Johannesburg area.

"We will smooth the way and oil the wheels to remove obstacles and problems encountered in the process of pursuing the task force's aims, including communicating with all government and regulatory authorities, both at national and provincial levels," says Nott.

The process will be monitored and reviewed on a regular basis, he adds.

The task force members include the Soweto chamber's president Mr Sam Noge and five members of the organisation's executive committee.

Models for cooperation include various forms of partnerships, joint ventures, franchising, contract work, supply outsourcing, agency and distribution agreements.

"Established business needs access to the mass market of several million people in Greater Soweto," says Nott.



Sam Noge...maximising opportunities presented by the RDP.

KwaZulu 'waiting for its RDP funds'

(297)

Farouk Chothia BD 6/10/95

ABOUT R400m earmarked for the reconstruction and development programme (RDP) in KwaZulu-Natal had not been spent — and most had yet to arrive from central government — provincial economic affairs MEC Jacob Zuma said yesterday.

He told the legislature more than R300m had been spent on the RDP in KwaZulu-Natal in the past 17 months. He disclosed the figures after criticism that the RDP was not being implemented.

Zuma said the R400m still available for use consisted of allocations from the current financial year and roll-overs from the previous financial year. Central government had transferred R39m to the province, but the balance was in the central treasury.

Funds still in central state hands included R259m for land reform projects, R100m for a disaster fund under the local government department, R36,3m for a public works programme, R18,3m for the building of clinics, and R16,5m for creating a culture of learning in schools.

Hold-ups in the disbursement of RDP funds were tied to the complicated process involved, Zuma said. For certain programmes, a provincial department had to draft a business plan before submitting it to its sister department at national level. The national department then compiled a consolidated business plan incorporating all provincial plans submitted.

This meant that delays in one of the nine provincial departments stalled the whole process.

While R1m had been earmarked for the Masakhane campaign in KwaZulu-Natal, none of this had yet been transferred. And only this week had the national projects steering committee approved the national business plan.

Zuma said the establishment of a dedicated RDP office in his department was "well under way". Posts had been advertised.

Asked whether he was considering establishing an export processing zone in KwaZulu-Natal, Zuma said he was waiting for the national trade and industry department and the National Economic, Development and Labour Council to complete their inquiry.

Saturday Star
October 7 1995

New shocks over welfare subsidies

(297)

By TROYE LUND

Star 7/10/95

More cuts to welfare subsidies, a move criticised by the Johannesburg Child Welfare society as "improving deficits at the expense of the disadvantaged", have been announced by the Gauteng legislature.

Aside from a R1-million cut to Johannesburg Child Welfare subsidies, announced earlier this year, more cuts to the educare scheme have recently been implemented.

"These cuts are harming the very people the RDP is supposed to help," said society spokesman Jackie Leffell, who is adamant that South Africa's R2-billion welfare services budget is "minuscule" in relation to the country's needs.

Gauteng's department of welfare and population development says it has a 1995/96 budget of R339-million for social welfare services, of which 64% is spent on subsidising welfare organisations such as Johannesburg Child Welfare.

"The department has to reprioritise its expenditure. We are committed to establishing equitable, accessible and sustainable services to Gauteng. In doing so our priority is to ensure that services reach the poorest and most vulnerable strata of the community," said a spokesman for Welfare and Population Development MEC Sakkie Blanche.

However, Leffell said: "We are already in a cash crisis. Cuts are making us weaker and weaker, less able to provide the vital social services people rely on."

She said the most recent cuts meant that couples with one child have to have a joint monthly income of as little as R1 200 to qualify for a subsidy enabling them to send their child to an educare facility while they are at work. Couples with four children must have a joint income of less than R2 000 a month.

Proposed new law provokes a heated debate

ARG 7/10/95

COLIN DOUGLAS
Staff Reporter

EMOTIONS have reached boiling-point over a proposed new law to regulate voluntary organisations, with liberals denouncing it as an undemocratic outrage and its drafters hitting back, accusing their critics of blatant distortion. ~~279~~ 297

The new row follows the publication in last week's Saturday Argus of details of the controversial Non-Profit Organisations Bill.

The bill would give a Non-Profit Organisations Commmission — with all but two of its 18 to 25 members directly or indirectly appointed by the government — sweeping powers over non-governmental organisations (NGOs).

The commission would be entitled to remove NGOs' trustees and replace them with persons of its choice, where this was in the "public interest".

Helen Suzman Foundation director-designate Bill Johnson, quoted in last Saturday's article, slammed the bill, saying it was more restrictive than anything the apartheid government had ever envisaged and had no place in a democratic society.

But Wallace Mgoqi, a member of the bill's drafting team, lashed out at the article and the criticism contained in it, saying it was "a complete distortion of the content and motivation behind these proposals".

"The attempt to trivialise and trash these proposals, as evident in the article concerned, is completely uncalled for," he charged. "I object also to the blatant attempt to impugn the independence of this initiative and to suggest some hidden political or ideological agenda."

Mr Mgoqi said the draft bill reflected a belief that "the NGO sector requires legislation to facilitate the establishment and operation of organisations and to empower civil society to make its important development contribution."

Executive director of the SA Institute of Race Relations, John Kane-Berman, recently delivered a stinging new denunciation of the bill.

"The commission will have the power to get political control over NGOs and turn them into puppets — it's outrageous" Mr Kane-Berman said.

Hitting out at the commission's power to act against NGOs in the public interest, he asked: "Who on earth are they to assume they know what the public interest is and purport to seek these powers on behalf of the public?"

■ See page 20.

RDP's ready to bankroll, say Naidoo and Co

8/10/95 ST(BT) (297)

By SVEN LUNSCHE

THE reconstruction and development programme has suddenly moved into fast gear.

Jay Naidoo's department now appears set to allocate all but 10% of the R7,2-billion RDP fund in the current fiscal year.

Although Mr Naidoo may at last be able to point to some success, his department is looking at refocusing RDP spending over the next few years.

"In the past year it made sense to deal with numerous smaller RDP projects. We are now looking at larger infrastructural backlogs," says Roy Page-Shipp, the department's national programme manager.

Mr Page-Shipp is one of 20 technical experts seconded to the department from the private and parastatal sectors in recent months to help speed up RDP allocations.

He estimates that only R700-million of RDP funds, those earmarked for capital housing subsidies, will not be allocated in the current fiscal year.

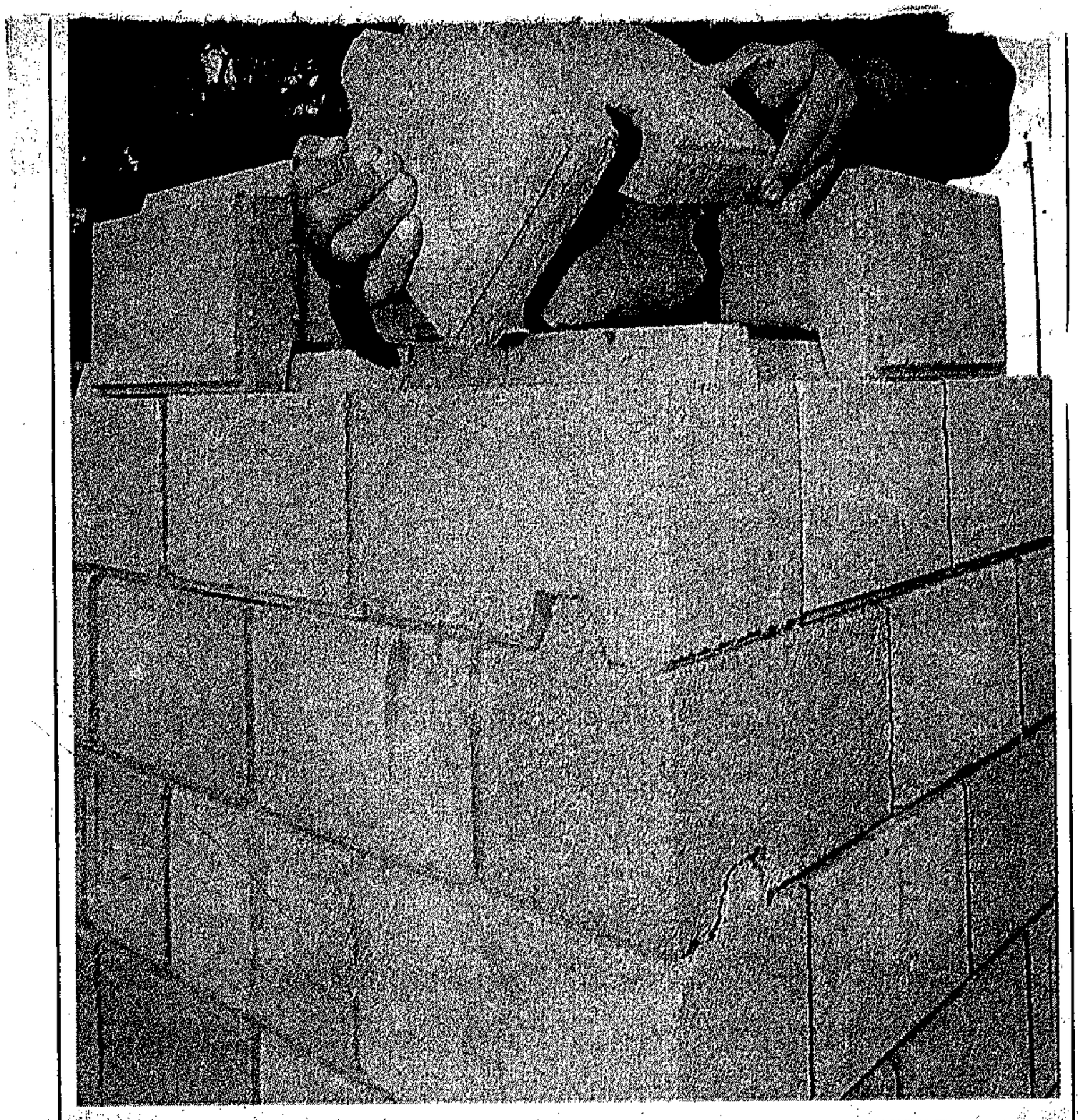
In contrast, R1,1-billion of last year's R2,5-billion RDP fund was rolled over. Added to the R5-billion budgetary allocation, R600-million from the sale of oil reserves and about R500-million in overseas aid, it provided Mr Naidoo with a total of R7,2-billion to spend in 1995/96.

Mr Page-Shipp says many of the delays have largely been due to failure by local and provincial governments to come up with solid business plans.

"By helping local authorities and relying on the assistance of private sector contractors we have improved the allocation of funds," he says.

The Fund allocated its largest single amount — R1,4-billion — to housing subsidies and infrastructure. "We are now formulating plans to ensure that at least half will be committed to housing projects this year," he says.

The bulk of the R975-million for urban renewal looks set to be allocated this year, says Mr Page-Shipp. High-profile projects in Cato Manor and Duncan Village are coming into operation and work in Katorus is picking up. He is also confident that plans for 600 projects under the R850-million municipal upgrading scheme will be finalised this year. R1,75-billion will be spent on health projects and R430-million on rural water supplies.



Picture: ROY WIGLEY, The Argus.

KWIK BLOCK: Alf Smith with his Kwik Block that he designed and developed. The block does not require any sand or a great deal of labour. It comes in two different shapes, a corner block and a straight block. (297)

Alf's building blocks are a boost to the RDP

ARLT 9/10/95

Staff Reporter

BUILDING a house without mortar may sound ridiculous, but with the invention of a brick called "Kwik Block", it can indeed be done.

The Kwik Block was developed by Alf Smith, who with 30 years in the building industry behind him, didn't take happily to forced retirement.

Mr Smith said that when he retired, he knew exactly what he was going to do.

"Working in the building industry gave me an opportunity to travel quite a lot. I worked in most African countries and everywhere I worked, I realised that people needed houses desperately, but could not afford them."

He realised that people needed a cheaper way of building houses and believes he now has the perfect solution.

"I used my retirement money to buy the machine I needed and I started manufacturing the blocks.

"The blocks are very different from your normal brick. They are not flat but are interlocking."

Mr Smith said he designed the blocks in this way because it cut down on expenses and labour.

People using the block didn't need to spend money on buying sand for mortar and employing labourers to mix it and lay bricks. Because the bricks were interlocking, everything was simple. Once the bricks were placed, a slurry made of cement, lime and water was poured into the slots. This slurry bound the bricks.

Mr Smith said he saw the Kwik Block as part of the reconstruction and development programme: "I wanted to do something for people in the townships. The blocks are very easy to make; all you need is cement, stone and water. I've designed a very simple machine which I call the 'magic machine'. It requires no electricity. The block is so easy to make, women as well as unemployed youths can make them.

"They are also an excellent income generator. They blocks can be made right on site; all they need is sun to dry them. One person can manufacture 140 blocks a day and sell them."

Cyril Stouw used the blocks to build a double garage and domestic quarters. He said it took him and his two assistants three weeks to complete the structures. His assistants, who normally worked in the vineyards, learnt how to lay the blocks in an hour.

Mr Stouw bought another 4 000 blocks to build his son a holiday house in Langebaan.

Mr Smith said people who used the blocks were pleased with the end result.

RDP best way to control population growth — Kader

(297) ARG 9/10/95

Environment Reporter

THE reconstruction and development programme (RDP) is South Africa's best contraceptive against an increasing population, says Water Affairs minister Kader Asmal.

Speaking at the National Water Conservation Campaign conference last week, Professor Asmal said South Africa was expected to have at least one million additional people this year.

In terms of water supply, this would mean an additional 220 million cubic metres of water a year.

The proposed Palmiet Phase Two dam, which would only deliver about 80 million cubic metres, would cost R500 million in capital expenditure alone.

"All this implies very strongly that population growth is a serious issue facing water conservation, and it is, but there are two extremely important considerations.

"The problem is not population growth as such, but rather the causes of population growth, and these are well documented, including poverty and the low status of women.

"It is surely these causes that we are to confront if we are to address population growth, and this is precisely what the RDP is striving to achieve.

"I strongly contend that the RDP is our best contraceptive. Population growth in South Africa will not contain itself unless the RDP works."

Also, the problem was not population growth as such but the resources like water which the additional population consumed and the pollution they generated.

"That's a question of equity, a question of how we cut the pie ...

"Surely we must ensure that over-consumption of water is effectively discouraged, and that there is an appropriate investment against the inadequate consumption of water?" Professor Asmal asked.

The economic or true price of water was substantially higher than the tariffs which all sectors — agriculture, mining, industry and domestic — paid, and all these sectors used water inefficiently.

There was little chance of having sustainable development in South Africa without a comprehensive plan to improve dramatically both the management of the country's water sources and the equity of allocation, Professor Asmal said.

"Bold but considered change is needed in the way in which we supply and use water in South Africa."

The conference had to help find measures to ensure South Africa moved rapidly towards equity, efficiency and sustainability in its supply and use of water, Professor Asmal said.

This could not be done mainly through punitive measures, he warned.

Welfare paper row brewing

(297) CT 9/10/96

SPECIAL CORRESPONDENT

PRETORIA: A row is brewing between Welfare Minister Mr Abe Williams, his deputy, Ms Geraldine Fraser-Moleketi, and welfare groups over an alleged attempt by the minister to stall the publishing of the welfare White Paper ahead of the November 1 poll.

Yesterday, executive director of the SA Council for the Aged Mr Syd Eckley slammed the delay in publishing the paper as disastrous, saying it was a sign of political interference from higher forces.

And the National Council for Child and Family Welfare is to seek a meeting with President Nelson Mandela because it is unhappy with the performance of the Welfare Ministry, national director Ms Helen Starke has confirmed.

Presidential spokesman Mr Parks Mankahlana said the President would meet Mr Williams and Ms Fraser-Moleketi next week.

Ms Fraser-Moleketi expressed frustration yesterday that the paper —which had been finalised three months ago — had not yet been presented to the cabinet.

Mr Williams said yesterday he had submitted the paper to Finance Minister Mr Chris Liebenberg to ensure that its recommendations were affordable.

"There is no political motive. I am ensuring that the paper will get the necessary approval and that the funds cannot be refused when we ask for them," he said.

World Bank calls RDP loan report 'a fabrication'

(297)

CT(BR) 9/10/95

STAFF WRITER

Department of Trade and Industry officials were yesterday astonished by reports that the World Bank was planning to help fund a $500 million institution to increase black business access to finance.

A source within the department speculated that the announcement could be a sign of growing World Bank frustration with the cold shoulder it was receiving from the government. A report last week said the bank had earmarked $850 million to support the RDP.

"The World Bank has been making statements about all the money that is available for South Africa. This could be the part of a strategy to get the public to put pressure on the government to borrow from the bank. At the moment the government is not doing business with the World Bank," the source said.

Alistair Ruiters, the director of the department's Centre for Small Business Promotion, said the World Bank had only been involved in the conceptualisation phase of the institution.

"The World Bank puts certain conditions on its loans. We feel we can mobilise our own funding without going to the World Bank. We will not ask for loans until the government tells us we can do business with the World Bank," he said.

In Washington, the World Bank's Thyra Riley described the report as a fabrication.

"This is a major piece of misinformation which could damage World Bank relations with the South African government. We have no plans to lend to South Africa until the government asks us to. And we are not pushing the government to borrow from us," she said.

Praful Patel, the bank's country operations manager for South Africa, said the bank did not promote its loans like a commercial bank.

He said there was a clear framework for dialogue which was spelt out in a memorandum of understanding signed by the bank and the government.

Patel said reports that the bank had earmarked $850 million to support the RDP were incorrect.

"There is no bank document which gives details of allocations we are ready to make to South Africa.

"The bank's soft lending arm, the International Development Association (IDA), has a fund from which the poorest of the poor countries can borrow. The IDA does engage in pre-allocation of funds, but South Africa does not qualify for such assistance.

"The appropriate window for South Africa is the International Bank for Reconstruction and Development which does not pre-allocate funds for any country."

Sizwe Tati, the interim co-ordinator of the institution, said it would encourage the development of efficient and sustainable retail financial intermediaries.

Research had identified market demand for credit of about R1 billion among all small, medium and micro enterprises.

A breakdown indicated that non-government organisations would require about R45 million for on-lending, provincial development corporations about R225 million, and the banks about R700 million.

This would be funded by a mix of public and private funds from local and international institutions.

UK to revise its foreign aid policy

(297)

OWN CORRESPONDENT

CT 9/10/95

LONDON: The British government is planning to withdraw aid from much of the developing world, including the West Indies, Latin America, South-East Asia and Eastern Europe.

Resources will be focused instead on the least developed parts of Africa and the Indian sub-continent, under proposals being put before Foreign Secretary Mr Malcolm Rifkind and Overseas Aid Minister Baroness Chalker.

The plans follow hard on the heels of proposals to cut the overall aid budget by 12%.

The latest proposals provoked a furious reaction from politicians and church and voluntary agencies involved in aid and relief work, who were concerned that without British aid several Caribbean islands would have to become drug havens to survive.

The proposal to "refocus" aid on the poorest countries in Africa and Asia was based, one senior Overseas Development Administration official said, on the belief that "we can't go on being everything to everybody everywhere".

In 1993-94 Britain donated £897 million (about R5,16 billion) in bilateral aid. Forty percent went to Africa, 30% to Asia — where India was the biggest recipient — and Latin America and the Caribbean received eight percent.

RDP a learning curve for World Bank and SA govt

(297)

GRETA STEYN in Washington

BD 9/10/95

THE mutual suspicion which characterised the relationship between the ANC and World Bank until about two years ago has disappeared. The bank has persisted in the face of the ANC's caution and reluctance, and has progressed to a point where it wields real influence in SA.

It has been quietly playing an important role in SA's urban infrastructural spending plans, and that role will now expand.

The bank has been advising the reconstruction and development programme (RDP) office on how to plan for massive investments in the provision of essential services for SA's cities. It has worked closely with a team appointed by the RDP office to draw up an urban infrastructure investment programme. The programme is set to become a dominant feature of SA's economic landscape — once elected local governments are in place.

The extent of the bank's lending for the programme is less important than the role it can play as a catalyst for private financing. Its eagerness to throw large sums of money at problems has been diminishing; its new president, James Wolfensohn, is shifting the focus from huge projects to unlocking private finance.

The bank no longer measures its success solely by the amounts doled out to developing countries. But it is still keen to lend to them; it is, after all, a bank.

Finance Minister Chris Liebenberg says the bank has been "really turned on" by SA's approach to infrastructure investment. "They see great opportunities and are almost more excited than we are".

The bank's excitement over the programme is understandable — it reflects the fact that it has been so closely involved in drawing it up. Its fingerprints are all over the document, as is clear from the major emphasis on private involvement.

But if the bank has had an influence on SA, the country has also changed the bank's way of operating. SA has helped teach the bank the importance of community involvement and widespread consultation when formulating and implementing policies.

Community involvement is also a feature of the infrastructural investment programme. The programme puts a price tag on SA cities' investment needs, and recommends a new framework for financing and delivery of services.

Its point of departure is that SA does not have the fiscal resources to meet infrastructural needs, and that local governments lack implementation capacity.

The programme differentiates between three different levels of services — basic, intermediate and full. These include water, sewerage, electricity, roads and stormwater drainage.

If inflation were disregarded, the total borrowing requirement to finance the full standard of services would be R50bn over six years. But inflation could take the figure up to R107bn.

What do these figures mean for city dwellers? Can SA afford the investment? If service delivery up to the basic and intermediate levels is implemented in the four main metropolitan areas, it implies annual increases in their tax base of 1% to 4% in real terms over 15 years (the assumed borrowing period). That means full services will not be affordable.



WOLFENSOHN

For towns outside the major metropolitan areas, the affordability picture is worse. Increases in the tax base would reach up to 7% in real terms, which the programme says is not affordable.

"In the latter case, alternative funding options need to be designed, involving significant sums of grant finance, perhaps the RDP".

The projections assume a real interest rate of 6% over a 15-year repayment period, and they include maintenance costs.

Bank officials point out that private sector equity will reduce the impact on tariff hikes flowing from the infrastructure programme's borrowing costs. The programme argues that government generally does not have a role as financier. Government's role is to create a framework that would encourage delivery of services to take place through independent and even privatised service providers.

It describes new delivery mechanisms ranging from ring fencing — the isolation of each service so that its revenues and expenses, assets and liabilities are separate — to full privatisation.

Concessions have become a buzzword among bank officials. They believe foreign companies would be keen to acquire concessions for the retail delivery of services such as water and electricity.

In between ring fencing and full privatisation are arrangements such as corporatisation, which involves the establishment of formal companies for service provision.

The documents say corporatised entities are directly responsible for raising their own capital — subjecting them directly to capital market pressures. Corporatisation should be accompanied by the removal of any right to act as a monopoly service supplier, opening the way for competitive entry by alternative suppliers.

It is evident that the RDP plan regards private finance and private delivery as the keys to a successful infrastructural investment plan.

The bank can play a role in encouraging private involvement. The document notes the example of small municipalities willing to privatise delivery.

Such municipalities could use the bank's partial guarantee instrument to attract international companies willing to take over concessions and provide financial equity.

The report notes there are a range of guarantee instruments that could also be used, and argues that the mechanism is a valuable way to address investors' uncertainty over SA policies. The bank can provide contract compliance guarantees to support pioneering municipal concessions.

The World Bank's involvement in the infrastructural programme will be a mix of guarantees, loans and advice.

The mix will be decided by the SA government, now that it and the bank have gained each other's trust.

LETTERS

■ RETREAT (297) ARG 10/10/95

Southern RDP Forum demands say in sale of Nooitgedacht land

Staff Reporter

PLANS to sell Nooitgedacht land in Retreat should be stopped immediately, a delegation of the Southern RDP Forum demanded after tender submissions closed at the Public Works Department.

Jan van Schalkwyk, assistant director of the department's property section, said the forum's demand would be discussed this week.

The RDP Forum represents 60 local organisations from Steenberg, Retreat, Muizenberg, Tokai and Constantia. Its members claim they were not properly consulted on the sale of the land between Flora Road and Allenby Drive.

"We sent two letters making it clear we want a say in the destiny of the land. But there was no response from the Public Works Department," said angry forum member Don Jethro.

The forum claimed to have heard about the closure of the tender only on Thursday night last week.

"The forum wants input in terms of adding certain conditions built into the tender document after identifying our communities needs," said Mr Jethro.

"The land should be developed for affordable houses for the poor to address the housing crisis. A non-profit organisation should purchase Nooitgedacht.

"Putting Nooitgedacht up for private sale, ensures that reasonably priced housing will not be achieved. The department's behaviour doesn't at all fit in with the policy of community participation and transparency. We have been completely ignored."

Mr Van Schalkwyk said the forum apparently did not understand the legal procedures that had to be followed.

"A clause in the tender document says we don't have to accept the highest bid or any bid. The forum does not have to be afraid that whoever pays the highest amount, will get the land."

On the other hand, it had been decided that income from the sale would go directly into the RDP funds which made accepting the highest bid sensible, he said.

Mr Van Schalkwyk also said that according to the department's information a letter announcing the tender sale had been presented to the forum.

"In my opinion, the forum has been consulted but not in the way they wanted."

Mr Jethro reacted furiously to this statement. "Of course we don't only want to be informed about the tender sale," he said. "We as the RDP Forum demand that we can co-decide on the development of the land."

Mr Jethro and other representatives of the forum will hand over a memorandum of protest to Minister of Land Affairs Derek Hanekom, when he arrives in Cape Town today.

'Local govt essential for RDP'

ST 10/10/95 (Page 297)

MMABATHO: Effective local government is essential for the RDP to be successful, Minister without Portfolio Mr Jay Naidoo said yesterday.

He said the creation of local government structures was one of the challenges facing the Reconstruction and Development Programme.

Without strong local government, it would be difficult for the RDP to be implemented.

Other problems hindering RDP plans were delays in tendering contracts, the training of civil servants and additional funds needed for the RDP.

He said creating jobs through the RDP was a better plan than merely hiring out contractors to do piece work.

Mr Naidoo was on his way to meet North-West leaders to discuss RDP progress and problems. —Sapa

RDP allocates R21m to Galeshewe project

(297) BD 10/10/95

Kathryn Strachan

THE national reconstruction and development programme (RDP) budget has allocated R21m to an urban renewal project in Galeshewe, outside Kimberley, Minister without Portfolio Jay Naidoo said yesterday.

The total cost of the Galeshewe upgrading programme would be about R40m, with funding also coming from outside loans, the Diamantveld Regional Services Council and the Kimberley city council.

Naidoo said this was the 12th special presidential project on urban renewal to be launched. Over the past 18 months, about R2bn had been earmarked for 11 such projects.

The Galeshewe project focuses on Galeshewe Extension 7 and the Barkly Road Buffer Zone. Galeshewe Extension 7 grew out of an informal settlement. Its growth was not matched by appropriate development and the community is in need of essential services.

The Barkly Road Buffer Zone is made up of informal settlements and the upgrading will formalise them.

"The project will see a lot of money being spent on community involvement and training, ensuring one of the key objectives of the RDP — job creation — is met," Naidoo said.

Proposed NGO bill (297) is slated ARG 11/10/95 by critics

COLIN DOUGLAS, Staff Reporter

THERE is a sinister move afoot to impose conformity and political control on independent voices in South Africa's civil society, if leading liberal commentators are to be believed.

They have greeted the draft Non-Profit Organisations Bill with outrage, saying it would give a government-controlled body the power to stamp out dissent and turn non-government organisations (NGOs) into puppets.

The drafters of the Bill have lashed back at their critics, saying they have distorted its contents so grossly that it is doubtful they have read the Bill at all.

But opponents of the Bill appear to have won the first round of the fight this week as the SA Grantmakers' Association, which represents powerful donors, endorsed some of their key concerns.

The Bill's backers, the Independent Study into an Enabling Environment for NGOs, hope parliament will repeal existing legislation governing NGOs and enact the Bill, in refined form, within months.

The Independent Study's members include Sheena Duncan, head of the Black Sash; Nicholas Haysom, President Mandela's legal adviser; and Aggrey Klaaste, editor of the Sowetan.

They have already won support for the draft Bill from ANC MPs, including Cassim Saloojee, chairman of the portfolio committee on welfare.

The declared aim of the proposed law — which comes after the Allan Boesak scandal shook the image of NGOs — is to "provide an appropriate regulatory framework which will promote public confidence in the NGO sector".

But opponents have charged that the kind of regulation envisaged in key sections of the Bill would ride roughshod over voluntary organisations' freedom of association.

Bill Johnson, director of the Helen Suzman Foundation, said: "The proposed Bill is actually more restrictive than anything the old apartheid government ever envisaged and has no place in a democratic society."

Professor Johnson rejected the suggestion by the Bill's co-drafter Mary Honey, that he had not read the proposed legislation.

His arguments were given extra weight this week when Hugh McLean, vice-chairman of the SA Grant-Makers Association, said the Bill in its present form was "strangulating" of NGOs.

"There are aspects of the Bill that are far too centralised," Mr McLean said.

The controversy is centred on two provisions of the draft Bill, sections 29 and 30, that would give a government-dominated Non-Profit Organisations Commission wide powers to seize NGOs' documents and intervene in their affairs in the "public interest".

These provisions have gone unmentioned by the Bill's drafters in their press releases, perhaps lending credence to critics' suspicions.

Section 29 would empower the commission to conduct inquiries, demand any documents from an NGO and subpoena witnesses to give evidence under oath — and it would be a criminal offence for anyone to refuse to comply.

Section 30 would entitle the commission, in the name of the public interest, to suspend NGOs' office-bearers, order the appointment of additional trustees or suspend trustees' powers and vest them in "any other person".

The commission would be able to take the same drastic steps if, in its opinion, there was *prima facie* evidence of misconduct or mismanagement in an NGO's administration.

John Kane-Berman, executive director of the SA Institute of Race Relations, said the two sections would put organisations like his under direct threat.

"Say the commission found we were doing research exposing something the government was up to — they could subpoena our documents, replace our trustees and give outsiders control of our organisation.

"I suspect a political agenda to emasculate critical NGOs," Mr Kane-Berman said.

"Section 29 is very wide indeed. There is no requirement that the documents have to be relevant to any issue — they could subpoena our entire library."

Turning to section 30, Mr Kane-Berman asked: "Who on earth are these people to assume that they know what the public interest is?

"Just imagine the uproar there would be if the new commission for mediation and arbitration demanded the power to suspend elected officials of trade unions and stick people on to company boards."

In the flurry of responses that has emanated from drafters and supporters of the Bill since the controversy erupted last week, there has not been a single substantive defence of sections 29 and 30.

But Ms Honey, who drafted the Bill along with Richard Rosenthal and Wallace Mgoqi, has argued that NGOs' right to freedom of association can justifiably be limited.

She said the right was "qualified by the principle that NGOs should be accountable to the government if they require privileges from it, to donors if they receive grants from it, to the public if they raise funds from it, and to the beneficiaries whom they serve.

"This accountability is created through an appropriate regulatory framework."

While Mr Rosenthal has not responded directly to criticism of sections 29 and 30, he has pointed out that the commission's decisions would be appealable to magistrates' courts.

Mr Kane-Berman slammed the Mr Rosenthal's implied argument as a "pathetic attempt" to justify the controversial provisions.

"Why should ordinary people constantly have to run to lawyers to protect their rights?" he asked.

A second area of controversy is the composition of the commission.

Mr Rosenthal has told the Press the commission would have substantial representation from the NGO sector and other interest groups, but has declined to mention that all but two of the commission's 18 to 25 members would be appointed by government.

Of the commission's initial 18 members, nine would be directly appointed by government without any public say in their selection while seven would be appointed by government from nominations made by NGOs.

Naidoo announces R53-m RDP projects in West Cape

ARG 11/10/95 (297)

CLIVE SAWYER
Political Correspondent

RECONSTRUCTION and Development Programme projects costing more than R751 million have been unveiled by Minister without Portfolio Jay Naidoo.

The 614 municipal infrastructure projects include 149 in the Western Cape, costing a total of R52,8 million.

The programme will be implemented in phases, with about 100 contractors expected to have started work by the end of this month.

The projects include provision of water, sewerage treatment and removal, electricity, roads, stormwater drainage systems, and restoring services in areas where they have collapsed or are on the verge of doing so.

Projects in greater Cape Town include:

- Khayelitsha — a foul sewer system, road repairs, water pipe, refuse removal, rehabilitation of detention ponds, and sewerage repairs;
- Grassy Park — streetlights;
- Mandalay — streetlights;
- Ocean View — water and electricity;
- Raithby — water;
- Crossroads — roads, stormwater, water reticulation;
- Lwandle — sewerage upgrading;
- Ikapa — installation of sewer pipes, provision of water connections and stormwater drainage.

In the Boland, projects are planned for the disadvantaged areas of Paarl, Stellenbosch, Tulbagh and Worcester.

Mr Naidoo and his cabinet colleague Roelf Meyer, whose provincial affairs ministry will implement the programmes, hope that they will give a boost to the Masakhane campaign.

Mr Meyer admitted the campaign, intended to get people to pay for services, had not yet reached hoped-for levels of success.

Allocation of funds, which will be drawn from the national RDP fund, was made after consultation with each provincial government.

Govt gives R52,8m to improve services

(297) (124) (CT 11/10/95)

POLITICAL STAFF

THE government announced yesterday that it had allocated R52,8 million from RDP funds for 149 projects for the upgrading of municipal services in the Western Cape. The areas to receive funds are:

Area	Amount	Service
Klapmuts	R1,8 million	Water and sewerage
Ladismith	R279 000	Sewerage and water
Murraysburg	R3,1 million	Sewerage and water
Uniondale	R236 000	Water
Bonnievale	R1,6 million	Water and sewerage
Struisbaai	R421 000	Water
Waenhuiskrans	R480 000	Water
Tulbagh	R1,1 million	Water and sewerage
Oudtshoorn	R3,1 million	Services and water
Elim	R2,2 million	Water, sewerage, roads
Eendekuil	R500 000	Water
Elandsbaai	R882 000	Water and services
Wellington	R1 million	Services
McGregor	R400 000	Sewerage
Khayelitsha	R3,8 million	Sewerage, water, roads and refuse removal
Grassy Park	R100 000	Streetlights
Malmesbury	R600 000	Water
Raithby	R350 000	Water
Mandalay	R700 000	Electricity
Kleinmond	R156 000	Sewerage
Sir Lowry's Pass	R3,2 million	Water
Klipheuwel	R800 000	Water
Ocean View	R144 000	Water and electricity
Philadelphia	R420 000	Water
George	R176 000	Streetlights
Darling	R1,2 million	Services
Greyton	R1,6 million	Sewerage, roads and stormwater
Mossel Bay	R1,1 million	Water, sewerage, roads sports facility, informal abattoir, fire fighting
kwaNonqaba	R120 000	Land development
Riversdale	R130 000	Land development and sewerage
Kaya Mandi	R341 000	Water
Vredendal	R1,8 million	Water, informal sites
Redelinghuys	R837 000	Services and water
Hawston	R920 000	Sewerage
Touws River	R250 000	Water
Mfuleni	R115 000	Water and sewerage
Barrydale	R200 000	Sewerage
Knysna	R2,3 million	Water and sewerage
Stanford	R614 000	Sewerage, electricity
Albertinia	R585 000	Sewerage and water
Aurora	R110 000	Water
Wupperthal	R888 000	Sewerage and water
Vredenburg	R380 000	Sewerage
Doornbaai	R1 million	Water
Stellenbosch	R1,5 million	Sewerage
Laingville	R243 000	Sewerage
Prince Albert	R1 million	Sewerage
Mbekweni	R2,2 million	Streetlights, services
Van Rhynsdorp	R700 000	Sewerage
Simon's Town	R52 000	Water
Merweville	R450 000	Sewerage
Calitzdorp	R360 000	Sewerage
Villiersdorp	R52 000	Water
Plettenberg Bay	R320 000	Water
Crossroads	R2,6 million	Roads, stormwater
Worcester	R3,3 million	Services
Beaufort West	R458 000	Sewerage
Ikapa	R2,6 million	Sewerage, water and stormwater
Lwandle	R386 000	Sewerage

MONEY TO BE SPENT ON TOWNSHIP SERVICES

R52m RDP funds for Western Cape

ET 11/10/95 (297)

THE GOVERNMENT has announced details of the amounts allocated to the provinces for projects that will improve township infrastructure. **BARRY STREEK** reports.

THE government is to spend R751,7 million of its Reconstruction and Development Programme fund on projects to improve services in townships. Of this amount, R52,8m is to be given to the Western Cape for 149 projects. In all nine provinces, 614 projects are to be undertaken.

Announcing this yesterday, the Minister in charge of the RDP, Mr Jay Naidoo, said the money would be spent on services — including their administrative support — that had collapsed or were crumbling.

Contractors

It was intended that the funds would be spent during the current financial year, he said.

Contractors would be on site for about 100 of the projects by the end of the month.

In some areas, contractors had already begun moving on to sites.

About 3 000 people per municipality would be affected by the upgrading of services. Although the money spent could improve conditions in townships, it would not address the backlog in development.

A recent government study of metropolitan areas and 22 large towns — [illegible] by 65% of the population — had found that R30 billion was needed to provide basic services alone, Mr Naidoo said..

Among the amounts allocated to the Western Cape are: R2,6m for roads, stormwater, water and sewerage in Ikapa; R3,3m for sewerage in Rohlilala and water in Zweletemba, Worcester; R3,2m for bulk water and bulk sewerage in Knysna; R3,2m for services and water at Sir Lowry's Pass; R3,8m for sewerage, road repairs, water pipes, refuse removal, detention ponds and sewerage repairs in Khayelitsha; R2,2m for water supply, sewerage and roads in Elim; R3,1m for services, water and sewerage in Oudtshoorn; and R3,1m for sewerage and water in Murraysburg.



ADDING UP: RDP Minister Mr Jay Naidoo says work is to begin on many projects by the end of October.

Mr Naidoo said at a press conference that the projects would have a positive impact on the lives of millions of people and would be funded from the RDP fund.

"This announcement is the culmination of months of planning, consultation and hard work," he said.

"Communities were required to submit projects for funding, accompanied by comprehensive business plans which met RDP funding criteria.

"The result is that communities are now in a position where they are informed about the work which is being carried out or is about to start in their neighbourhoods, as well as (about) the flow of funding and the line of accountability."

Mr Naidoo said the projects were in line with the Masakhane campaign whereby the government, in conjunction with other stakeholders, was seeking to improve municipal services while requiring communities to take responsibility by paying for the services delivered.

"The projects also exemplify the government's new integrated development planning strategy which is central to the RDP vision and which brings different government departments together in planning and effecting delivery.

Liaison

"The key criteria for the provincial allocation of funds for the various projects were ... size and population and employment levels.

"An immediate spin-off of the programme will be job creation and skills training for local people."

The Minister of Provincial Affairs and Constitutional Development, Mr Roelf Meyer, said there had been close liaison with the provinces in deciding the allocation of funds for the projects.

The management of the projects would ensure that basic norms were attained, Mr Meyer said.

Mr Naidoo said R54m had been allocated for 32 projects in the Northern Cape; R128,3m for 103 projects in the Eastern Cape; R51,3m for 12 projects in the Free State; R149,9m for 85 projects in KwaZulu/Natal; R49,8m for 48 projects in Mpumalanga; R111,8m for 74 projects in Northern Province; R86,7m for 43 projects in Gauteng; and R67,1m for 68 projects in North West.

● See Page 4

R752m assigned to municipal projects

BD 11/10/95 (297)

Tim Cohen

CAPE TOWN — The reconstruction and development programme department announced yesterday that 614 "quick-fix" municipal infrastructure projects had been launched at a total cost of R752m — most of which would come from last year's budget.

Minister without Portfolio Jay Naidoo said the projects would affect the lives of about 3,6-million people.

The projects included the provision of water, sewerage, electricity, roads and rehabilitating municipal services. They would be implemented in phases, with 100 contractors starting work by the end of the month and about 500 by the end of the year.

It had been estimated that long-term requirements of municipalities for the provision of basic services would require a much more extensive programme which would cost about R50bn over the next decade.

The projects announced yesterday were essentially "quick-fix" measures for communities where various services had collapsed, Naidoo said.

Originally, R830m was set aside for the projects over a two-year period, of which R500m was to be spent in the 1994/95 financial year, but they were delayed "quite substantially", said RDP director-general Bernie Fanaroff.

Naidoo said a portion of the funds were carried over because the ministry required local authorities to reprioritise budgets to be eligible to benefit. It insisted small and medium township enterprises be included, and work with contractors had taken "some time".

Naidoo said a further R750m could be allocated to kickstart the local authorities established after the election.

Provinces which would benefit most were KwaZulu-Natal with 85 projects costing R150m, Eastern Cape with 103 projects (R128m) and Northern Province with 74 projects (R112m).

Roads programme first RDP project for Soweto

Star 12/10/95 (297)

■ BY PATRICK PHOSA

Clouds of dust in Soweto will be a thing of the past after a roads programme, the first tangible RDP project in the area, was launched yesterday.

The Greater Johannesburg Transitional Metropolitan Council (GJTMC) announced that the roads programme was in line with the RDP and Masakhane principles.

More than R140-million has been allocated by the GJTMC in this financial year for engineering services (roads, water and sanitation) in Greater Soweto alone.

The roads project, which will see 39 streets being upgraded in Soweto, started yesterday with the construction of Tsotetsi Street in Orlando East. Local contractors enthusiastically dug the street to set in motion a project that will cover 160km of untarred, dusty roads in Soweto.

Soweto mayor Danny Kekana encouraged residents to pay for services so that other projects could be initiated.

RDP unit head John Singh said about 70% of the construction would be done by local labour and local emerging contractors, helping to reduce the high rate of unemployment in Soweto.

R109m French loan for SA

PARIS: South Africa won a $30-million (about R109,5m) development loan from France yesterday, but South African Deputy President Thabo Mbeki tempered praise for the aid with criticisms here of French nuclear tests.

After talks with President Jacques Chirac at the Elysee Palace, Mr Mbeki said they discussed prospects for closer ties, possible co-operation in preventing conflicts in Africa and their concerns about the nuclear tests in the South Pacific.

The loan is intended to help development needs, including electrification in rural areas, water supplies and telecommunications. — Reuter

● See Page 7

(297) (49) CT 12/10/95

Help is NEAR for rural communities

(299) Star 12/10/95

■ BY NORMAN CHANDLER
DEFENCE CORRESPONDENT

NEAR is not too far – and that should be good news for rural property owners who like to have a good night's sleep.

The NEAR system – officially the National Emergency Alarm Radio system – is replacing the Marnet network in 30 000 homes, clinics, hospitals and schools across the country.

The South African-developed system is to be extended nationally at a cost of R17,3-million as part of the Reconstruction and Development Programme, the South African National Defence Force disclosed in Pretoria yesterday.

The very high frequency and ultra high frequency system has already shown its worth in trial runs during the general election last year.

It is to be used for the November 1 local elections, when 850 radios – bought at a cost of R27-million – will be manned. After the elections, the radios will be distributed to remote schools, hospitals, clinics, and administration centres.

Originally introduced as a military radio network in the "border areas" 15 years ago, the system was extended to civilians after attacks on farms, and now covers 60% of the country.

The SANDF yesterday said NEAR had proved its worth time and again in emergency situations.

The Department of Constitutional Development will pay for the utilisation and manning of the network, while the defence force will continue to maintain and upgrade the system.

SA aligns itself with Africa

CT(BR) 12/10/95 (297)

By Bruce Cameron

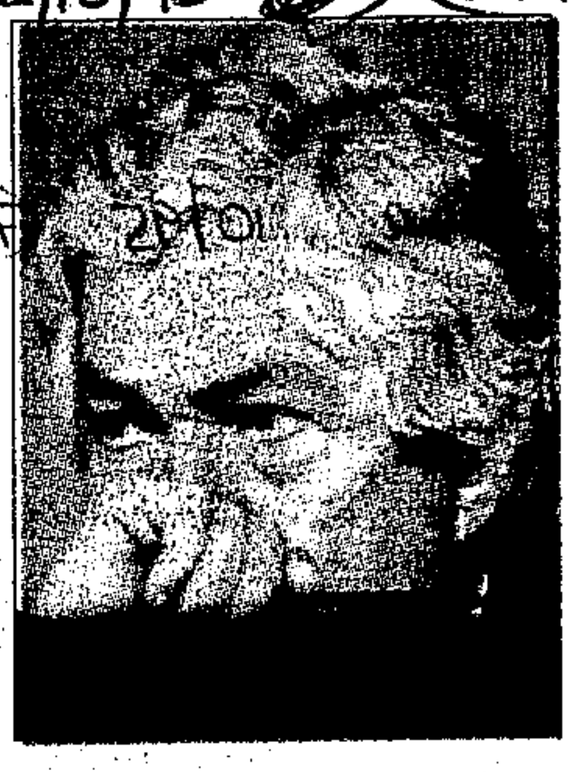
POLITICAL EDITOR

Washington — South Africa has affirmed its support for Africa in the influential Bretton Woods institutions.

Minister of Finance Chris Liebenberg, in his speech at the annual meetings of the International Monetary Fund and World Bank, announced that South Africa had become the 21st member of the Anglophone Africa Constituency of the institution. South Africa passed up joining the far more powerful Swiss-led constituency to align itself with Africa.

South Africa holds a 0,93 percent vote weighting based on contribution to the institutions, strengthening the vote of the group to 3,38 percent. Nigeria is the other comparative heavyweight.

In his speech, Liebenberg endorsed calls for greater support for African countries, but said the South African region must "accept that responsibility for sustainable economic growth, based on trade, and investor-friendly policies and sound macro-economic principles, lies in our own hands.



PENSIVE *World Bank President James D Wolfensohn* PHOTO: AP

"No less than 33 of 41 severely indebted lower-income countries are from the African continent.

"We would like to call upon the Bretton Woods institutions and the G7 countries to redouble their efforts to find a solution to this problem in a manner which is equitable, even-handed and which provides a feasible exit strategy for the most severely indebted nations.

"We make this appeal because for the first occasion in many years there are encouraging political and economic signs that Africa is on the upturn and structural reforms are progressing briskly."

Liebenberg appealed to donor countries to meet their commitment to the International Development Association, which provides soft loans to the poorest nations. "It would be sad and indeed a necessary irony if, owing to lack of resources, this aspect of the World Bank's activities are curtailed precisely at the point when there is hope for an economic and political breakthrough."

THURSDAY
★ OCTOBER 12, 1995

BRIEFS

Natal RDP funding passed

(297)

DURBAN: KwaZulu/Natal Housing Minister Mr Peter Miller said yesterday the provincial RDP committee had approved another 21 municipal infrastructure projects.

Mr Miller said a total of 85 infrastructural development projects worth about R150 million had now been approved.

The projects included water treatment, reticulation, sanitation and health-care facilities.

CT 12/10/95

Naidoo's development plan draws in business

Star 13/10/95 (297)

■ BY STAFF WRITER

Jay Naidoo, the minister without portfolio, yesterday announced a two-track national framework for urban and rural development — and appealed to business to make equity investments in infrastructure projects that form the heart of the plan.

The separate urban and rural development strategies rely heavily on the completion of a R61 billion municipal infrastructure project, including roads, electricity and sewerage, over the next 10 years to build a society that meets basic human needs.

At a news conference in Pretoria, Naidoo said the strategies had been completed in time for the municipal elections on November 1, enabling the new local authorities to work within a coherent national framework.

The recently signed Development Facilitation Act would support such initiatives by creating a "fast-track" approach that would help cut red tape, Naidoo said.

He said the pressures for co-ordinated rural and urban development were increasing. This was illustrated by the recent wave of squatter invasions and mushrooming informal settlements.

A government-business partnership would help to tackle these trends, he said.

Crispian Olver, the director of development planning in the RDP office, said that in addition to grants and loans, financing for the infrastructure also could come from equity ventures involving the private sector.

The urban strategy envisions partnerships that could take the form of managing services for local authorities, investing in service delivery companies and "build-operate-transfer" arrangements, to privatisation. The document notes that the government has not adopted a rigid approach to privatisation.

The strategies are designed to generate basic municipal infrastructure within 10 years, in which 55 percent of the municipal population had access to full services, 25 percent had intermediate services and the remaining 20 percent had basic services.

Adult literacy 'essential for RDP success'

(50) (297) ARG 13/10/95

ESANN de KOCK
Education Reporter

DREAMS and aspirations of South Africans — including economic development and a successful reconstruction and development programme — will fail unless adult literacy is developed urgently.

This warning came from World University Service in SA's annual policy forum, held in Cape Town this week.

The service and the National Literacy Co-operation (NLC) have vowed to take immediate action around literacy issues.

Government commitment to South African adult basic education and training was not sufficient, and more funding was required from the state and the business sector, they said.

At a press conference yesterday, NLC spokeswoman Sheri Hamilton said dreams and aspirations of South Africans and the reconstruction and development programme (RDP) would fail if adult illiteracy was not given urgent and immediate attention.

The conference had addressed the funding crisis of non-government organisations and community-based organisations.

Delegates had concluded that unless the government took steps to get more involved in the work and funding of these organisations, several literacy and education programmes would collapse by the end of the year.

No RDP funds had yet been allocated to NGOs.

The conference had decided it was necessary to consolidate the adult basic education and training sector in order to devise strategies to obtain resources, Ms Hamilton said.

This process would be co-ordinated by the NLC.

The conference also decided to launch a pilot project to implement interim guidelines.

ANC education spokesman George Mashamba said his party was keen to co-operate with NGOs and realised the government would have to produce strategies for basic education.

Cosatu spokesman Neil Coleman said government had to realise that adult basic education and training was not a luxury.

Naidoo's development plan draws in business

CT(BR)13/10/95 (297)

STAFF WRITER

Jay Naidoo, the minister without portfolio, yesterday unveiled a two-track national framework for urban and rural development — and appealed to business to make equity investments in infrastructure projects that form the heart of the plan.

The separate urban and rural development strategies rely heavily on the completion of a projected R61 billion worth of municipal infrastructure, such as roads, sewerage and electricity, over the next 10 years to build a society that meets basic human needs.

At a news conference in Pretoria, Naidoo said the strategies had been completed in time for the municipal elections on November 1, enabling the new local authorities to work within a coherent national framework. The recently signed Development Facilitation Act would assist such initiatives by creating a "fast-track" approach that would help cut red tape.

Naidoo said the pressures for co-ordinated rural and urban development were increasing, illustrated by the recent wave of squatter invasions and mushrooming informal settlements. A government-business partnership would help to tackle these trends.

"We will consider a whole range of options involving private sector partnerships through which we can deliver services on the ground," Naidoo said.

Crispian Olver, the director of development planning in the RDP office, said that in addition to grants and loans, financing for the infrastructure also could come from equity ventures involving the private sector.

The urban strategy envisions creative partnerships that could take the form of managing services for local authorities, investing in service delivery companies and "build-operate-transfer" arrangements, through to full-scale privatisation. The document notes that the government has not adopted a rigid approach regarding privatisation.

"The aim is rather a pragmatic and realistic approach to allow for innovative delivery."

Olver said the nation's basic economic spine was put in place in the 1960s and 1970s, but municipal infrastructure lagged far behind, in part because of living patterns artificially shaped by apartheid laws.

The strategies are designed to generate basic municipal infrastructure within 10 years, in which 55 percent of the municipal population had access to full services, 25 percent had intermediate services and the remaining 20 percent had at least basic services.

COMPA

Clarification on Naidoo's role in foreign assistance

(BR) cf 13/10/95 (297)

STAFF WRITER

The RDP office of Jay Naidoo, the minister without portfolio, has pointed out that an article in Business Report on Wednesday incorrectly implied that Naidoo heads the government's interdepartmental committee responsible for co-ordinating foreign assistance. In fact, the finance department leads this committee and is responsible for managing the finance of infrastructure projects.

The thrust of the article, underscored by the headline, was that South Africa's bureaucratic red tape was holding up World Bank finance of development projects.

The RDP office noted that every government department was moving forward with a range of RDP-related projects, many of which required substantial lead time. Fortnightly meetings considered progress on all the major initiatives, and blockages were identified and resolved.

The intergovernmental co-ordinating committee did not deal with World Bank finance of projects, the office said. Rather, the panel matched specific foreign government offers of aid with South African government departments' needs, and very substantial progress has been made.

In response to criticism by unnamed World Bank officials that South Africa wanted free technical advice on project ideas, RDP deputy director-general Bernie Fanaroff said South Africa had explicitly reversed the normal practice in which the World Bank committed funding for projects and only then conducted feasibility studies.

He said it was in South Africa's interest to investigate suggested projects jointly with World Bank specialists before committing to funding, and that finance packages might or might not include funding from multilateral agencies.

MILLIONS WITHOUT WATER, SANITATION

Rural poverty shock

CT 13/10/95 (297)

THE URGENT NEED for rural development was spelt out in a paper the government rekleased with its development strategy yesterday. **BARRY STREEK** reports.

GRIM realities of life in South Africa's rural areas, particularly the former homeland areas, were spelled out when the government outlined its strategies for rural development yesterday.

The Minister in charge of the RDP, Mr Jay Naidoo, said the rural areas housed the bulk of the country's poor: An estimated 67% of "absolutely poor" people were living in these areas.

Mr Naidoo also released a document which said 2,6 million households, 65% of all those in the rural areas, did not have water and 3,9m households, 95%, did not have sanitation.

There were also shortages of 16 170 schools, 29 556 classrooms, 565 clinics and 100 000km of roads while 3,49 million households did not have electricity.

Water supply

An average of 189,5 minutes a day was spent fetching water — 21,1% of households were more than 500 metres away from their water supply.

An average of 79,9 minutes a day was spent fetching wood.

Women carried out 90% of these activities.

"In South Africa, the poorest 10% of the people, of whom 77% are Africans living in rural areas, control just one percent of consumer spending."

Mr Naidoo said an integrated rural development strategy in targeted areas could boost jobs and incomes through a well-defined land reform programme, market development, small-scale agricultural development and infrastructure.

The plan released yesterday represented a positive strategy to provide investment in the poorest areas of the country.

"Ordinary South Africans will be the architects of development planning and their efforts at local level will be the driving force of local economic development".

Diversity

In terms of the strategy the government wanted to see a more diverse agriculture by the year 2010, with farms of many sizes providing incomes or part incomes to more people; more diverse commercial and service sectors in country towns and the countryside, and greater integration between towns and the rural areas; much greater access by rural government support and information, and close availability to water, sanitation and fuel sources.

40 000 flock to city a month

BARRY STREEK
POLITICAL STAFF

CT 13/10/95

AN estimated 40 000 people a month were moving to the city, the Minister in charge of the RDP, Mr Jay Naidoo, said yesterday.

He warned these people had started "to assert their frustration as demonstrated in the mushrooming squatter settlements and land invasions".

Releasing the government's strategy documents for urban and rural development into the next century, he said urbanisation had become one of South Africa's major challenges.

Mr Naidoo said the strategies were a 25-year vision for urban and rural development that would guide public and private investment in addressing past distortions.

The urban development document said the metropolitan areas and large cities were growing rapidly, and it was estimated the present urban population varied between 19,6 million and 26m.

It was also estimated 75% of the population would live and work in cities and towns by 2010.

Concerning the Cape Metropolitan area, the document said a development framework must plan for housing, jobs and transportation systems across a territory of 4 500km^2.

The document said the growth rate was sufficiently normal to suggest that effective urban management was possible and there was therefore no justification for interventionist policies which tried to prevent urbanisation.

The government's vision was that by 2010, cities and towns would be based on integrated urban and rural development strategies and be centres of social and economic opportunity for all, the document said.

● See Page 5

French aid already committed

(297)

John Dludlu
BD 13/10/95

MORE than Ff200m (R148m) of the Ff380m aid package announced by the French government for SA this year had already been committed, French trade diplomats said yesterday.

Caisse Francaise de Developement (CFD) director in SA George Serre said a loan of Ff130m to the Development Bank of Southern Africa should be committed by the end of the year. "We just have to finalise minor details before an agreement is signed."

The Ff380m package — bilateral aid from France to SA — is made up of Ff230m in CFD loans, mostly disbursed through the development bank, and a Ff150m financial protocol or government assistance agreement. The latter was signed this week with Deputy President Thabo Mbeki.

According to the French trade office's economic and commercial counsellor Franc Bouteiller, about Ff15m of the Ff150m financial protocol would be spent on telecommunications and water treatment projects in rural areas and black townships.

Further projects still had to be identified. The protocol had to be spent by the end of the year.

This year's package — which excludes French contributions to the European Union's R580m multilateral aid package to SA — represents a 65% increase on last year's pledge.

Of this year's Ff230m CFD package, Ff29m was committed to rural development projects, Ff18m was earmarked for the land investment trust for urban housing development, Ff6,5m went to water purification projects and the balance would be spent on loans to the private sector, Serre said.

Last year the CFD disbursed Ff230m of concessionary loan finance. About Ff100m went to the development bank for infrastructural development, electrification and urban development projects, while Ff22m was loaned to small sugar cane producers.

Private sector embraced in plan for development via local government

BD 13/10/95 (297)

Robyn Chalmers

GOVERNMENT yesterday unveiled a R61bn, 10-year blueprint to shape SA's urban and rural development through local government transformation.

The plan has a strong focus on private sector investment.

Minister without Portfolio Jay Naidoo said the strategies were a vision for urban and rural development that would guide public and private investment in addressing past distortions, while boosting job creation.

He invited public debate on the strategies, to be facilitated by the National Economic, Development and Labour Council, with public inputs to form the basis of White Papers on development strategies.

RDP office development planning chief director Chippie Olver said the cost of the strategies at R61bn was based on a compromise between the provision of basic, intermediate and full services. These would be funded through state grants, borrowing and private sector investment.

Government was looking at new methods to fund delivery. While private sector investors appeared averse to risk and were slow to commit themselves, government was confident investment would be forthcoming "now that we have a framework".

Reform at local authority level involved building democratic local and district councils in rural areas and boosting the efficiency of urban local government through a partnership with the private sector. Rural areas housed the bulk of the poor, with about 67% of the very poor in these areas.

"Integrated rural development in target areas can boost jobs through a well defined land reform programme, market development, small-scale agricultural development and infrastructure," the strategy said. This would be achieved by building local government, improving services to farmers and entrepreneurs, promoting development, building infrastructure and educating rural dwellers. Implementation of the rural strategy would be facilitated by local government, with residents and their elected representatives taking charge of development in their areas.

District councils would obtain funding in several ways, including local taxes and service charges, and also sharing funds from the provinces with the poorest districts receiving the most.

The urban strategy indicated 75% of SA's population would be living in urban areas within 25 years. The management of such rapid urbanisation would require major public investment in municipal infrastructure, security and local economic development.

French aid flop for Mbeki

ARG 14/10/95

JAMES TOMLINS
Foreign Service

PARIS. — Deputy President Thabo Mbeki's three-day official visit here has ended and failed to garner the huge private and state investments that Pretoria expected.

Mr Mbeki told Finance Minister Jean Arthuis: "We are disappointed in French state aid, which seems rather modest when taking into account South Africa's need to close the gap between the lifestyle of blacks and whites."

The main official fund donor, Caisse Francaise de Developement (CFD), has opted to give 100 million francs (R71 million) for 1995, well below the 1994 grant of 230 million francs (R164 million).

A major snag, as Mr Mbeki will discover when he returns home, is that the four-month-old government of Prime Minister Alain Juppe has a habit of "freezing" this kind of financial aid for an unstipulated period.

Several United Nations agencies like the United Nations Children's Fund (Unicef) have discovered this to their bitter cost, as well as other African leaders.

The problem is that the Juppe government is shuddering under a series of blows which lead many foreign commentators to question whether it will last until the end of the year.

"Now is not the time to make massive investment or effort in South Africa," one wrote .

So Mr Mbeki has batted on a difficult wicket. Le Monde pointed out that the deputy president admitted that French financiers and businessmen "felt that there is a certain amount of uncertainty about South Africa's future".

"There was bloody agitation in Kwa-Zulu-Natal and increased violence which could put off investors."

"But," Le Monde noted, "he excluded any possibility of civil war breaking out.

"Meanwhile, French businessmen complain about the pressures exerted in South Africa by major state and private groups."

At least Mr Mbeki received a firm assurance from President Jacques Chirac that "France will help South Africa strengthen its ties with the European Union".

Norway plans new aid strategy

ANTHONY JOHNSON
POLITICAL CORRESPONDENT

NORWEGIAN Prime Minister Ms Gro Harlem Brundtland will pay an official visit to South Africa next February.

The Norwegian Deputy Minister of Development Co-operation, Mr Asbjorn Mathisen, said yesterday his week-long visit to South Africa was partly to help prepare for the visit of his Prime Minister.

Mr Mathisen said his visit was also geared towards developing a five-year plan of co-operation between the two countries.

"We are now planning a new kind of strategy for South Africa. We are prepared to participate for the next five years at least."

The visit is seen by diplomats and the SA government as being of major symbolic and practical significance, given the close ties Norway maintained with liberation movements during apartheid.

Norway has also been a key sponsor of non-government organisations involved with human rights work and social uplift-



TIES: Norwegian Prime Minister Ms Gro Harlem Brundtland

ment programmes.

Mr Mathisen is examining both existing aid projects sponsored by the Norwegian government and new potential forms of assistance.

"I have been holding political discussions to see in which sectors and in what manner we can further our co-operation with the South African government."

297 CT 16/10/95

Students to aid communities

Mduduzi ka Harvey

BD 16/10/95 (29)

THE centre for human rights at Pretoria University plans to use the services of students from universities, technikons and colleges to help in basic development programmes on a volunteer basis during the December holidays.

Students will be recruited countrywide and will undergo a basic training course in development dynamics, social and cultural skills to equip them to cooperate with communities.

Students will be directly involved in the planning and execution of projects in order to give them the widest range of experience possible. The communities will play a role in the planning of projects and work with the students in implementing them.

Gauteng police get R15m from RDP

BD 17/10/95

Nomavenda Mathiane (297)

THE Gauteng safety and security ministry has received a R15m boost from the provincial reconstruction and development programme fund to enable the police to crack down on crime.

Safety and security MEC Jessie Duarte and Gauteng police commissioner Gen Sharma said, however, that about R52m was needed to resource the police department, and they hoped to tap the national RDP office as well as target the business community.

The business community had started helping, with one company donating a switchboard to the Brixton flying squad and a motor company pledging a fleet of cars to augment the shortage of police vehicles in the area.

The department's plan for the next six months was to build more police stations in the area, put up satellite stations and have more police manning the highways.

Duarte said without adequate resources, the police could not do their job effectively. For government to succeed in eradicating crime, it had to deal with the root causes, which were unemployment and homelessness.

There had to be a change of mindset, for people to respect the rule of law. This, she said, was being achieved by addressing school children and using community police forums.

RDP funds turn Red (297) Hill green

Staff Reporter

THE Red Hill community near Simon's Town has been granted RDP funding for three environmental projects.

They will be tackled under the auspices of the public works department's Clean and Green Campaign.

The projects have the blessing of Minister of Roads, Transport and Public Works Leonard Ramatlakane, who visited Red Hill recently.

The co-ordinator of the projects, Terry Corr, said the Red Hill community of about 300 families lived close to the Cape Point Nature Reserve and within the Cape Peninsula Protected Natural Environment ARG 18/10/95

Among the projects to be undertaken are alien clearing, environmental education and recycling.

Ten workers will be employed for three months to clear about 11 hectares of fynbos that have become infested with pine saplings.

A wooden bungalow will be used for skills training courses and environmental education programmes as well as being a venue for primary health care and animal welfare.

A pilot scheme in recycling will be set up with the help of Barbara Jenman of the Fairest Cape Association.

NGOs set to get R2-bn from pledges

(297) ARG 18/10/95

Political Staff

PRETORIA. — Non-governmental organisations (NGOs) are set to receive close to R2 billion in international development co-operation funding which has been pledged by seven overseas countries and the European Union, it has been revealed here.

Shaheed Rajie, director of the RDP's International Development Corporation told a press briefing the countries have pledged and not as yet disbursed the funds which would be divided on a varying scale between the government and NGOs.

The press briefing was held to dispel reports that the government was hogging foreign funding and denying NGOs their share.

The director said the funds to the NGOs have already been committed to various community upliftment projects around the country but would probably be spent in the next financial year. The money would be released into NGO accounts once the donors had completed their paperwork.

In the pledges so far received, the percentage earmarked for the government and the share that goes to the NGOs differ from country to country, with NGOs generally receiving more money than the government.

Army group helps to boost townships

LINDIZ VAN ZILLA

FROM stabilising political unrest in the townships, Western Province Command Group 40 is beating swords into ploughshares by organising self-help programmes.

(297) CT 18/10/95

Commanding Officer Lieut-Colonel Lourens Roux said there was a need to change the negative perception of black townships.

Group 40 had arranged several township tours for business conglomerates, tourists and people from more affluent suburbs.

Creating a positive perception of black townships to aid in the development and growth of these areas had become one of the primary goals of the SANDF, he said.

Group 40 also has a programme to identify leadership in high school children.

RDP trust fund gets under way

BD 18/10/95 (299)

Robyn Chalmers

THE Transitional National Development Trust would be launched tomorrow after repeated delays in direct funding to cash-strapped non-governmental bodies involved in reconstruction and development programme-related delivery, an RDP office spokesman said yesterday.

The office previously released two dates for the launch of the trust, both of which were cancelled because preparations were not complete.

"All arrangements for the launch of the body are in the hands of the Kagiso Trust, the Independent Development Trust and national representative bodies of non-governmental organisations and community based organisations," the spokesman said.

Problems facing the launch of the trust included policy for funding and arrangements being concluded between the trust and the European Union for the release of 15-million ecus as emergency funding for non-governmental organisations.

The urgent need for a facility to channel funds to organisations was evident in a recent survey of 128 non-governmental and community based organisations. Of those interviewed, there was a total funding shortfall of R209,5m — two-thirds of their combined 1995/96 operating budget of R343,3m. The continued existence of the organisations would depend on the timing of the release of funds.

Independent Development Trust communications director Jolyon Nuttall said setting up the trust was vital as a mechanism for government, overseas and private sector funding to non-governmental and community based organisations to help achieve the rate and scale of delivery necessary for the RDP to have a meaningful effect on poor communities.

Nuttall said it was initially envisaged the trust would be set up with government funding of about R200m which would, in turn, attract substantial foreign and local funding.

The start-up capital had, however, been reduced to R50m.

NGOs to get the lion's share of foreign funds

(297) Star 19/10/95

■ BY JOVIAL RANTAO
POLITICAL REPORTER

South African Non-governmental Organisations (NGOs) are set to receive close to R2-billion of international development co-operation funds which have been pledged by seven countries and the European Union, it was revealed in Pretoria yesterday.

Shaheed Rajie, director of the RDP's International Development Corporation, told a press briefing that the countries had pledged, but not as yet disbursed, funds which would be divided between the Government and NGOs.

The press briefing was held to dispel newspaper reports that the Government was appropriating foreign funding and denying NGOs a piece of the cake.

Rajie said the funds to the NGOs had already been committed to various community upliftment projects around the country but would probably be spent only in the next financial year.

He said the disbursement of the funds had been in the NGOs' favour.

For instance, from the R600-million pledged by US Aid, R510-million (85%) had been earmarked for NGOs and the rest (R90-million) for the Government.

Of the R580-million expected from the European Union for the 1995/96 financial year, approximately R200-million is earmarked for NGOs, R200-million for combined partnerships (NGO/GNU projects) and R180-million for the Government.

Japan has granted R180-million to South Africa and 40% of that (R72-million) has been earmarked for NGOs, with the Government receiving R108-million.

The Government will receive only 18% of the R110-million grant expected from the Swedes.

NGOs and the private sector can expect an equal share of the R385-million pledged by the Danish government.

The R187,5-million pledge from Germany, in the form of technical and financial co-operation, includes R120-million for housing. R125-million has been earmarked for NGOs.

Bongi Mkhabela, director of NGO Relations in the RDP office, said delays were caused by donors' demands on how funds should be spent. Donors preferred to deal with bigger NGOs.

A process was underway to assist NGOs to negotiate with donors as equal partners.

Water for a million planned

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■ BY JOVIAL RANTAO

Star 19/10/95

Close to a million people in the drought-stricken former Kwa-Ndebele homeland in Mpumalanga Province are to benefit from a water-relief augmentation project made possible by a "soft" loan of R180-million from the Japanese government.

Water Affairs and Forestry Minister Professor Kader Asmal, Mpumalanga Premier Mathews Phosa and Japanese Ambassador Yoshizo Konishi made the announcement at a press conference in Pretoria yesterday and said the project was expected to create hundreds of jobs for local communities and create opportunities for small contractors.

The project comprises pipelines, reservoirs and purification works that will benefit communities in KwaNdebele, Moutse and Bronkhorstspruit. Their current source of water is the Groot Renoster Dam which is only 1,7% full.

"This is one of the 300 RDP projects being undertaken in 1995-96 designed to ensure that 3,5-million South Africans previously denied ready access to water will receive it" Asmal said.

He said a quarter of the rural water backlog had alre been addressed with the all

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Water planned for a million

◄ From Page 1

tion of R888-million, in collaboration with provinces, on projects which were being planned, designed and constructed.

The Department of Water Affairs' target is to provide water to the 12-million people without adequate supplies, in the next five to seven years.

It intends to provide 25-30l per day per family within 200m of their homes.

"The progress made thus far suggests that the target will be met," Asmal said.

Asmal emphasised that, since the project would not be completed for some time, it would be necessary for KwaNdebele in particular to show great discipline in conserving water.

South Africa, given a seven year grace period, will repay the loan over 25 years at an annual interest of 25%.

Phosa said the project would aid "communities who were dumped in a barren place by apartheid and now have to travel long distancea to fetch water".

Star 19/10/95

RDP dream comes true for Overberg community

□ *Cash boost from Dutch town*

JOSEPH ARANES
Municipal Staff

LIFE in the small Overberg town of Villiersdorp is set to improve dramatically for hundreds of residents who have been living in appalling conditions in the scenic valley.

Land on the slopes of the mountain separating the town from Franschhoek, overlooking Theewaterskloof Dam and surrounded by fruit farms, will soon be a hive of activity when work on a new housing development gets underway.

Already the Regional Housing Board has accepted the Goniwe Park community's Reconstruction and Development Programme housing subsidy application and plans for the construction of 52 units in the first phase are well advanced.

Chetna Lakho of the Development Action Group (DAG), a non-governmental organisation which assists low-income communities to plan and implement housing projects, said they were asked by the Villiersdorp civic organisation to help co-ordinate the scheme about 18 months ago.

"The project aims to create a model town and address the needs of the residents. Apart from the construction of 475 houses, the project also provides for a creche, a day hospital, a business centre and parks and sports facilities.

'It plans to look at the development needs of the community in an holistic and integrated way while creating a sustainable economic environment, job opportunities and human resource development."

Housing Forum chairman Samuel Dick said people in the community were excited about the new development and could not wait for the work to begin as they believed it could act as a model for the RDP in the region.

"It has been a long and tedious process and there were times when people's expectations were raised to new heights like when we told them the municipality of Culemborg, in Holland, had agreed to provide R1,3 million for a rotating housing loan fund."

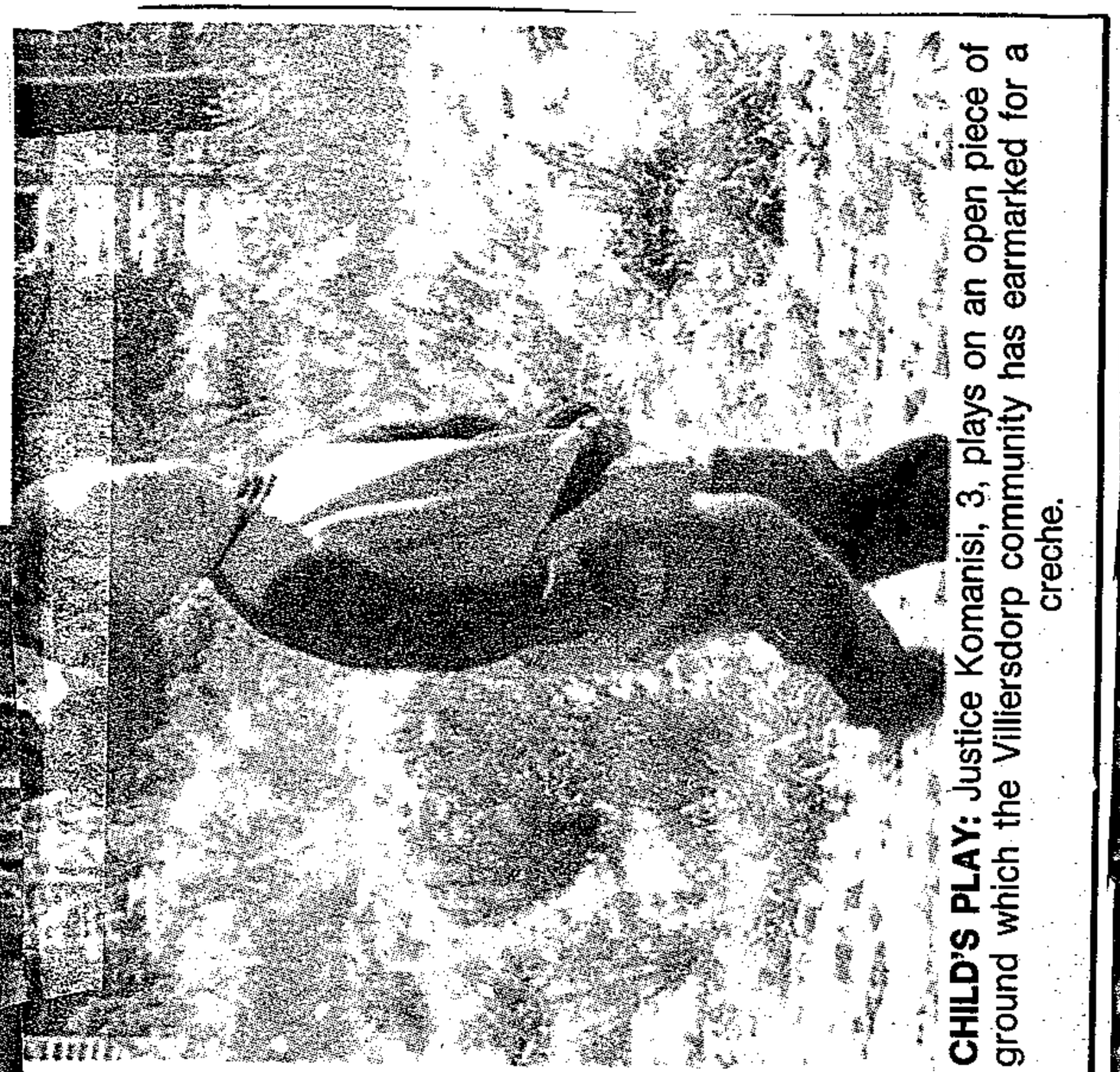
He said most Goniwe Park residents qualified for subsidies but the funds would not be enough and because most did not qualify for bank loans it had seemed as if their dream houses were doomed.

"But with the intervention of DAG and the financial aid from the Dutch municipality, work will hopefully start on the first phase before the end of the year when we hope to lay the foundations."

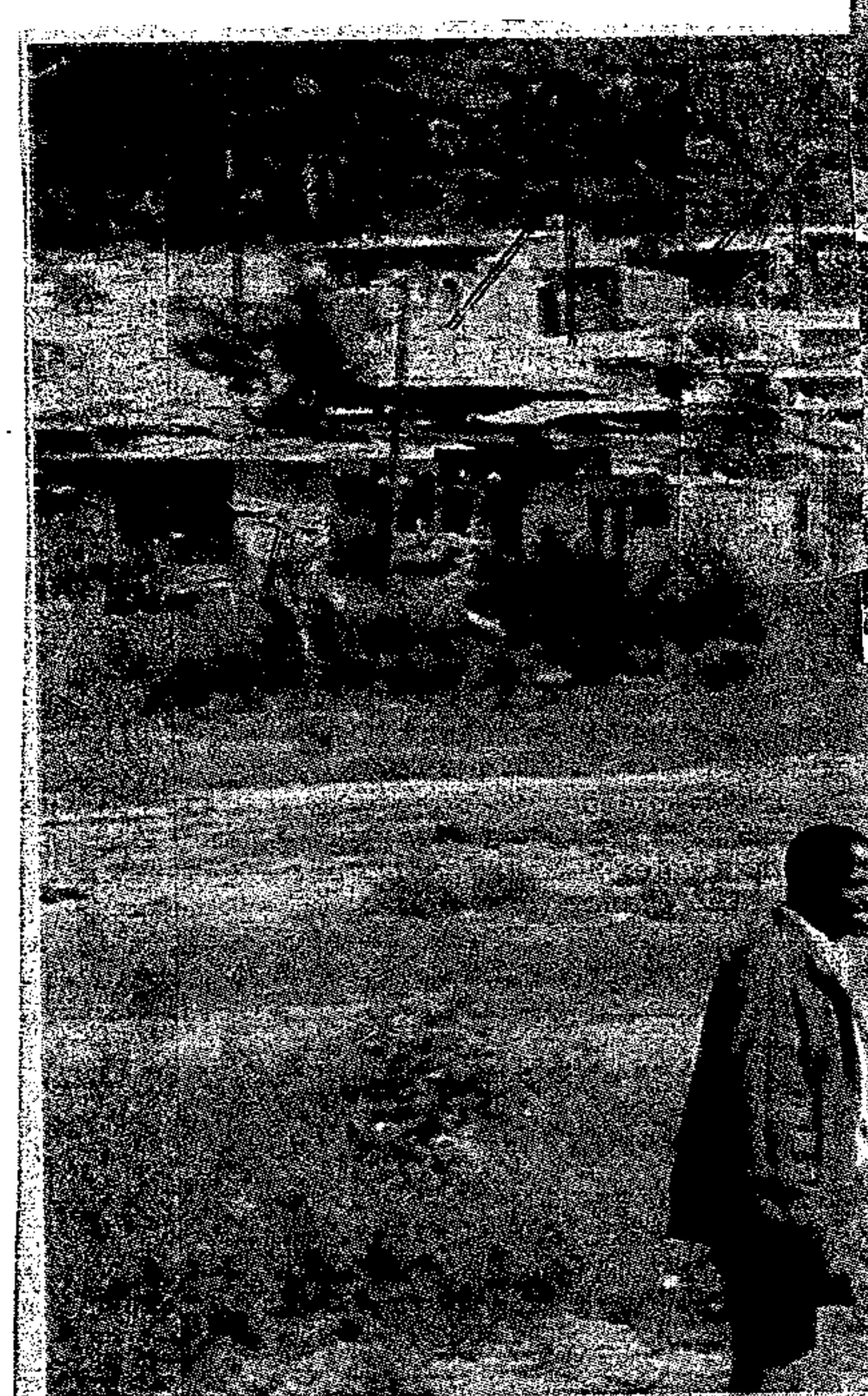
Resident William Komanisi said he, like the rest of the community, was very excited that there was finally movement towards the realisation of their dream.

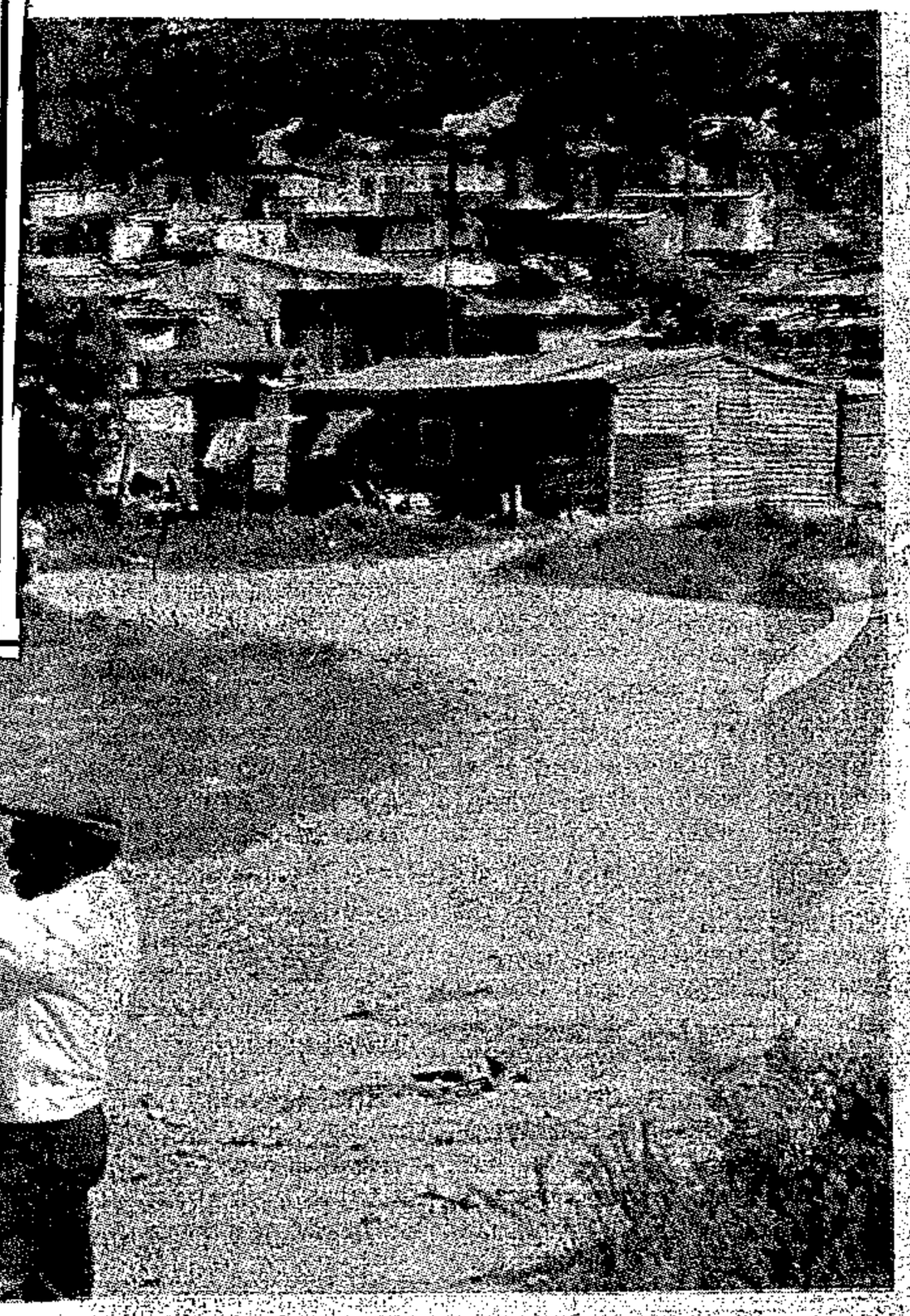
"Already some of the bulk services have been put in place through a joint venture with the Villiersdorp municipality and a locally-trained labour force has been recruited from the community.

"Everybody is happy and patiently waiting for the big day when we will move into our own homes and let our children use the new facilities."



CHILD'S PLAY: Justice Komanisi, 3, plays on an open piece of ground which the Villiersdorp community has earmarked for a creche.



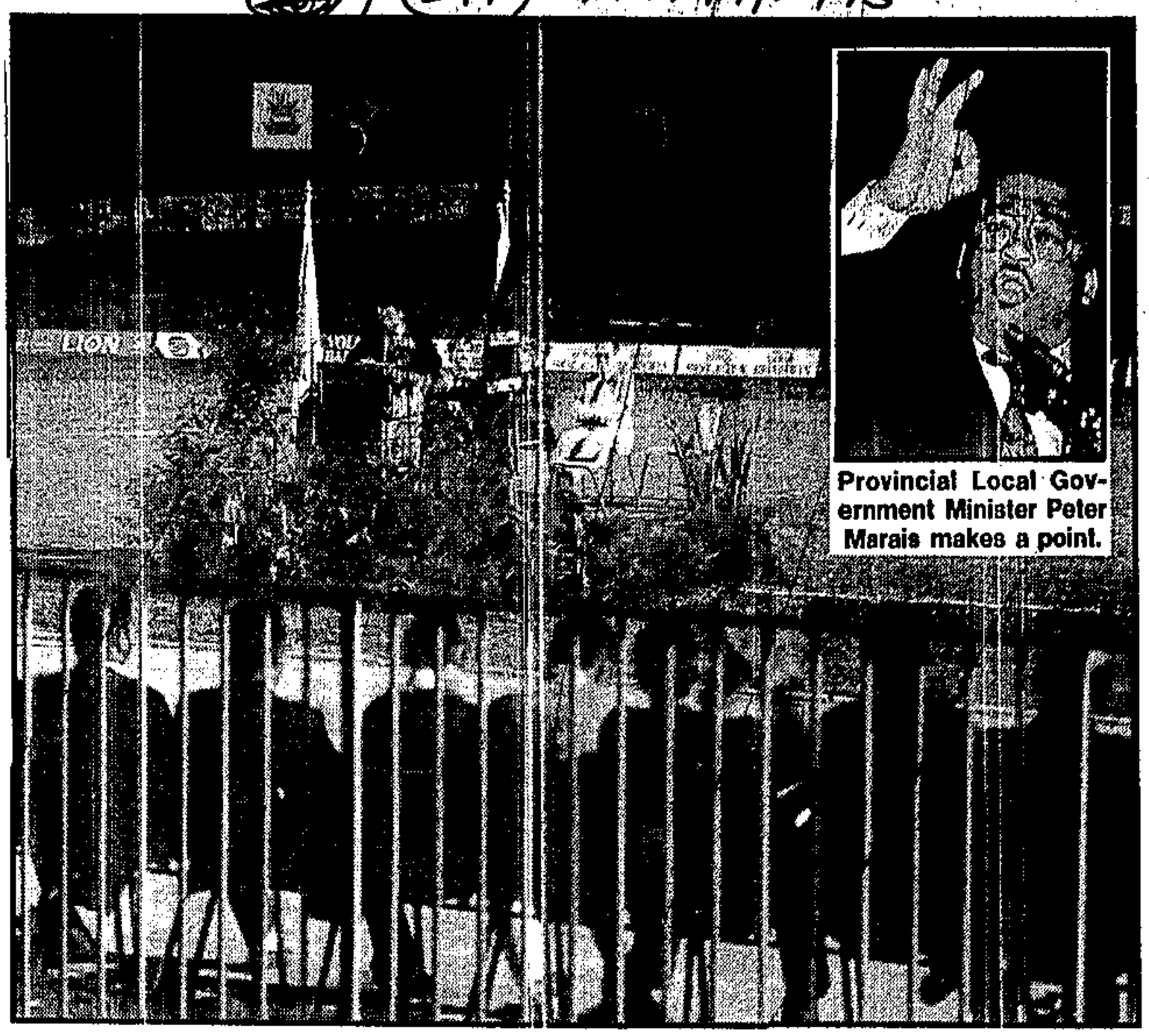


BIG PLANS: William Komanisi, Rawuda Lenyora and Tshonaphi Kraqa discuss their ideas for the development of Goniwe Park. Pictures: JOSEPH ARANES, The Argus.

ANC delivers b . . . all, says fiery Peter Marais

☐ *RDP paralysed by 'too much consultation and wrangling'*

(297) ARG 19/10/95



Provincial Local Government Minister Peter Marais makes a point.

Pictures: ANDREW INGRAM, The Argus.

CENTRE FIELD: Surrounded by shrubbery, Western Cape Local Government Minister Peter Marais speaks from a podium at Wellington's Boland Stadium.

Political Correspondent

THE African National Congress's obsession with consultation and inclusivity has paralysed the reconstruction and development programme, says Peter Marais.

The fiery Western Cape Local Government Minister added that promises of new houses and a better life for all had come to nought.

He was speaking at a meeting in Wellington last night.

He was warmly received at the Boland Stadium by about 100 supporters.

Organisers said the poor turn-out was because the meeting clashed with several school functions and a choir festival.

However, Mr Marais seemed undeterred, delivering a characteristically boisterous tirade against the ANC, peppered with one-line jibes.

Rounding on the RDP and promises made in last year's election, Mr Marais said: "They promised a better life for all, houses for all, jobs for all, money for all . . . but the people say there's bugger-all."

In a play on the Afrikaans version of the RDP acronym — HOP — he scoffed: "The only HOP I know is the record that says: 'Hop, Johanna!' "

He said the ANC's obsession with consultation meant it took months for decisions to be made, followed by further wrangling over who should do the work, and even then, recommendations still had to be approved by RDP Minister Jay Naidoo . . . "if he can be found on one of his blitz visits to South Africa".

"The whole thing suffers from paralysis. We negotiate and negotiate and negotiate and nothing happens."

Dwelling at length on the virtue of the Western Cape's struggle against the central government, he charged that the only reason the ANC did not want provinces to have real power was "because they know their own people in the provinces they control cannot govern.".

Even the "logic" of the central government was hard to fathom when, at a time of increasing crime, it abolished the death penalty and released thousands of prisoners, or instituted free health care for pregnant mothers and children, yet slashed health budgets.

On the touchy subject of violence, Mr Marais said the ANC "cannot even stop the violence . . . because many of those found guilty of violence are members of the ANC".

Mandela to meet amnesty seekers soon

PRETORIA. — A decision on extending an amnesty cut-off date to May 10, 1994 would be made after consultation with Justice Minister Dullah Omar, Safety and Security Minister Sydney Mufamadi, the cabinet and those affected by it, President Nelson Mandela said today.

Speaking after meeting Freedom Front leader Constand Viljoen at the Union Buildings, Mr Mandela said he would meet people out on bail charged with politically motivated crimes next Thursday to discuss the matter with them.

A distinction had to be made between "pure murder cases" and political acts, he said, adding that the victims of the crimes had to be remembered.

"These are matters which are not simple. I am taking General Viljoen's request seriously," Mr Mandela said.

General Viljoen said soldiers and policemen who qualified for indemnity would attend next Thursday's meeting.

"We are hopeful that we will find a way out of this problem and achieve reconciliation," he added. — Sapa.

ELECTIONS BRIEFING

Mandela targets homeland 'scams'

Political Staff

KEMPTON PARK. — President Mandela has announced a top-level probe to expose corruption in the former South African and homeland governments.

Mr Mandela made the announcement during his closing address to the Habitat II African Housing Ministers' Conference at the World Trade Centre here last night.

The announcement follows the release this week of the report of the Skweyiya Commission set up to investigate financial irregularities involving more than R15 million in the former Bophuthatswana homeland.

Mr Mandela said last night he had "taken note" of the Skweyiya Commission's findings.

"It is clear to me that in the past decade or more, corruption and malpractice of the kind dealt with in the (Skweyiya) report were not confined to that part of South Africa but were widespread, deriving from the workings of the whole apartheid system which created the homelands.

"We need to eradicate corruption throughout South Africa. The kind of plunder of taxpayers' money, corruption, malpractices and dishonesty referred to by the Skweyiya Commission continue to rear their ugly head and must be exposed and dealt with.

"I will make a further announcement in this regard after consultation with the cabinet," said Mr Mandela.

During the session this year, parliament received several reports from the auditor-general on financial irregularities in the former homelands, especially Transkei.

'Services not reaching homeless'

ET 19/10/95 (297)

PETER DENNEHY
MUNICIPAL REPORTER

SOCIAL services were only reaching 20% of the target group of homeless people, chief director of social services in the Western Cape Ms Virginia Petersen said yesterday.

Addressing a conference on homelessness, in the Civic Centre, she suggested that far more work should be done in communities with destitute people.

Church and school facilities could be used to "reorient" youths and adults so their confidence could be restored.

She praised the organisations running facilities for the homeless, many with the help of volunteers. But the various efforts required co-ordination, she said.

The conference decided to establish a task team to co-ordinate the efforts of all those caring for the homeless

The same team will liaise with government departments.

Ms Petersen asked why so much of the welfare budget was being spent on institutional care.

"A plan has to be developed that goes further than taking people off the street and putting them in shelters," she said.

SA projects to receive R2,7bn in foreign aid

BD 19/10/95 (297)

Robyn Chalmers

FOREIGN grants and technical co-operation agreements would funnel R2,7bn into reconstruction and development-related projects over the next four years, RDP office spokesmen said yesterday.

RDP international development co-operation director Shaheed Rajie said more than R700m was expected to flow through during the 1995/96 financial year.

In addition, R1,6bn of the R2,7bn had been earmarked for non-governmental organisations. A portion of the money would be channelled through the transitional national development trust to be launched today.

Rajie defended government against recent charges that it had been directing foreign funding away from non-governmental bodies. In all cases where donors had made pledges, the ratio of funding had been positive towards non-governmental organisations, with the exception of Germany.

A breakdown of larger donors showed R600m from USAid could be programmed for the 1995/96 financial year, with R510m, or 85%, earmarked for non-governmental bodies and the rest of the funds flowing to government.

A pledge of R580m from the European Union in the 1995/96 year would see R200m going to non-governmental organisations and more than R550m over three years from the UK would boost non-governmental coffers by R330m, or 70% of the total.

Japan had pledged R180m (R72m to non-governmental organisations) in the 1995/96 year, Sweden R110m (R90m), Denmark R385m (R128m) between 1994 and 1998 and Canada R156m (R125m) between 1994 and 1996. Agreements had been signed with most of the G-7 countries, the European Union and the Scandinavian countries.

Rajie said government intended integrating as much of the aid as possible into the budget, although it was exceptional for donors to agree to such a measure.

RDP non-governmental organisation relations director Sibongile Mkhabela said the national trust being launched today was vital to unlock funds, particularly from foreign aid organisations, many of which "preferred to deal with larger agencies".

EU whittles down its aid plans for southern Africa

(297) BD 19/10/95

Linda Ensor

LONDON — The European Union is cutting its aid programme to southern Africa as its focus switches to Eastern Europe and North Africa.

The EU's budget committee yesterday gave SA a 4% rise in its annual budget to 130-million ecus (R607m), but the development committee proposing the increase had to overcome stiff opposition. Officials wanted to know how cash pumped in so far had been spent.

Southern Africa was given a rise of 5-million ecus to 20-million ecus, compared with the 30-million ecus the development committee had wanted. The budget committee also cut the aid budget proposed for developing countries from 75-million ecus to 40-million ecus.

Development committee secretary David Lowe said the centre of political gravity was moving towards Eastern Europe and the North African countries which lined the Mediterranean. France and other southern European countries feared a lack of economic development in North Africa would fuel political instability, religious fundamentalism and migration into Europe.

The way budget lines had been prioritised with increases in certain areas and sharp declines in others reflected a shift in concerns away from Africa, Asia and Central America.

The European Commission fought unsuccessfully to hold SA's allocation at last year's level, while the budget committee's rapporteur, James Ellis, demanded the new allocation be shelved until information was received on how EU funds had been spent.

But the motion, which would have caused considerable delays if adopted, was rejected. Lowe said all EU aid to SA for this year had been or soon would be committed to specific projects.

The European Parliament is to discuss the budget next week, but Lowe said it was unlikely to amend the budget committee's decisions.

SA ambassador in Brussels Neil van Heerden, meanwhile, warned that SA should not be railroaded into accepting a free trade area agreement as proposed by the EU. However, SA's positive image presented an opportunity which should be grasped.

"We must be sure that it is the right thing for us. We don't want to be railroaded but it is true there is a special and positive climate for SA.

"My view is that it is better to deal with the negotiations sooner rather than later," Van Heerden said.

Star 20/10/95

R125-million boost for NGO sector

(297)

■ BY MONDLI MAKHANYA
POLITICAL REPORTER

The SA Government and the European Union have ploughed R125-million into a new development trust designed to boost the cash-strapped NGO (non-governmental organisation) sector, Minister without Portfolio Jay Naidoo said yesterday.

The Transitional National Development Trust (TNDT), launched yesterday after 10 months of negotiations, will facilitate the flow of foreign and local funds into development projects.

The Trust will fall under the control of the RDP office and will be headed by a 17-member board of trustees representing the NGOs, community-based organisations and the Government.

R125m for development organisation

(297).
CT 20/10/95

PRETORIA: A new development organisation, the Transitional National Development Fund, was launched here yesterday, and will receive R125 million from the government and the European Union.

Minister Without Portfolio Mr Jay Naidoo signed an agreement with several participants in the trust, the main function of which is to facilitate the flow of funds to non-government and community-based bodies.

"This is a major initiative which will enhance the relationship between the government and civil society," Mr Naidoo said.

The government had committed R50m to the trust, and the European Union R75m.

The government would consider providing additional funds if the trust demonstrated positive results. — Sapa

Naidoo, RDP office unjustly blamed for delays in delivery of programme

CT(BR)20/10/95(297)



The South African aid story has been distorted by foreign politicians and the local media

BY ANN CROTTY

"After the multi-billion-dollar financial flows involved have been shaken through the sieve of over-priced and irrelevant goods that must be bought in the donor countries; filtered again in the deep pockets of hundreds of thousands of foreign experts and aid agency staff; skimmed off by dishonest commission agents and stolen by corrupt ministers and presidents, there is very little left to go around.

"This little, furthermore, is then used thoughtlessly, or maliciously, or irresponsibly by those in power — who have no mandate from the poor, who do not consult with them and who are utterly indifferent to their fate," wrote Graham Hancock in Lords of Poverty in 1989.

The shocking performance of the annual $100 billion aid industry provides more justification than is really needed for minister Jay Naidoo to push so vigorously for an overhaul of the aid-granting and disbursement mechanism as it is applied to this country.

The aid story is one instance where Naidoo and his office stand wrongly accused. Indeed the whole South African aid story has been grossly distorted, wittingly or unwittingly, by foreign politicians and the local media. Dramatic headlines about billions of dollars, yen and pounds of aid have encouraged the view that, were it not for Naidoo's recalcitrance, the funding of all of the RDP would have been carried by generous donor countries. The real picture is that R2,4 billion in government-to-government grant aid will be available to South Africa over the next four years.

Remember last year's headline stories, following a visit by a high-profile British trade delegation, about an aid package of £5,06 billion? As it turns out £5 billion of that package is in the form of export credit guarantees; £40 million are grants distributed via the Commonwealth and European Union and £20 million comes direct from the United Kingdom. The £60 million of grant money was to be committed between last year and 1997.

A significant aspect of the export credit guarantees is that most of the £5 billion represents a continuation of the situation before last year and was not influenced by democratic elections in South Africa. Such guarantees assist British businesses, not South Africa, and only a small proportion of the billions guaranteed have ever to be paid out.

The media coverage of Britain's so-called aid package was an outstanding public relations success for the British.

Similarly it seemed Japanese efforts to aid South Africa were constantly being frustrated by a xenophobic RDP office. What was rarely mentioned was that companies that wanted to tender for Japanese-funded aid projects had to be registered in Japan. This ruled out the small- and medium-sized enterprises that government was keen to see get a cut of the aid action.

Naidoo's office and the government have two problems. The lesser one relates to public perception, the rich nations of the world are not quite as generous as would appear.



PRICEY RED TAPE *According to Hancock, writing in 1989, United Nations Secretary-General Boutros Boutros Ghali heads a huge bureaucracy that employs some of the highest paid professionals in the world. More than 80 percent of the money passing through the UN system is spent on its 50 000 staff*

Unpack the aid packages and it becomes evident that much of what is offered relates to loan finance and trade credit.

Trade credit is of most benefit to companies in the donor country; loan finance is of varying use but overall is made doubtful by the vagaries of exchange rates.

The much greater problem, or challenge, for the government is to co-ordinate all of the pure, grant-aid packages on offer. As Shaheed Rajie, a director in the RDP office explains: "Last year we unpacked the aid packages, identified what was pure grant aid, including technical co-operation, and repacked them in terms of South Africa's requirements and RDP priorities."

That was the easy part. Then the South African government in the form of the International Development Co-operations Committee, representing the RDP office and the ministries of finance, trade and industry, and foreign affairs, had to persuade the donor countries to change old customs and harmonise their operating rules with those of the South African government.

The committee's objective is to implement a sustainable and integrated aid programme.

Rajie explains that technology choices are made with aid: "If there is no co-ordination we can end up with a mixture of equipment across clinics, depending on which country provided aid." Historically, the aid process has been fraught with dangers for the recipient nation, including an attitude of dependency and, as Rajie notes, the creation of spending requirements by the recipient government. "A donor may devote aid to building a hospital but not provide for the running costs; these costs then become the responsibility of the local government."

The programme aims to bring together all those donors who have identified a specific sector or activity they are keen to support; the commitments are pooled and the resources budgeted to produce a project that is sustainable over the long term. Rajie stresses that involvement by the donors from inception to implementation, including monitoring, is critical.

There are precedents for this approach. The Indian government has managed to get donors to agree to a similar programme and a lot of World Bank projects are run this way. However, it has not yet been done in Africa, largely because no African country has been strong enough to push for the necessary changes to the system.

Possible drawbacks for donor countries is the fear that their influence may be diminished and the danger of becoming involved in party politics. As one official from a major international donor group says: "Donors will certainly want to go some way to fit into RDP objectives, but each donor has its own agenda and its own constituency and this may be difficult to accommodate in the (committee's) proposals." Agendas tend either to be commercial — getting access to a market or a supplier — or political. There is also the point that donors might be reluctant to get involved in activities for which one political party could get credit. No doubt this is why the committee stresses that it is a government project.

The logic of the committee's sustainable programme is so overwhelming it would be difficult to reject it on political or commercial grounds.

In his criticism on the world aid industry Hancock says that when the middle men are controlled "it may become possible for people to rediscover ways to help one another directly according to their needs and aspirations as they themselves define them, in line with priorities that they themselves have set and guided by their own agendas".

It's delivery time, says RDP office

(297)

Star 21/10/95

By CHRISTINA STUCKY

In spite of delays and hitches in the implementation of the Reconstruction and Development Programme, the programme is back on track and "delivery" is imminent in a number of crucial areas.

This is the message that Jay Naidoo, the minister in charge of the RDP, took to the Cabinet this week. His presentation was based on an RDP document which chronicles a list of achievements, targets and upliftment projects in the pipeline.

The document is a major intervention which, among other things, could begin to offset the widely held impression in South Africa that the RDP is doomed to failure.

The RDP office concedes that mistakes have been made and problems underestimated – leading to delays in the implementation of a number of RDP projects – but says the programme is now on stream.



RDP Minister Jay Naidoo

For example, more than 300 rural water projects, benefiting 3,5-million people, and over 600 municipal services upgrading schemes worth R750-million are already under way, completed, or will be completed within the next 18 months.

By the end of 1996, "a quarter of the South African population that previously did not have water will have basic access", Naidoo said.

Other areas where projects are well under way are: municipal upgrading, school feeding programmes, health care, electrification, community policing, public works, education, and urban renewal schemes targeting strife-torn areas.

One exception to the RDP's positive delivery report is in the area of housing. Delivery has been hampered by a variety of factors, but the Government, in collaboration with the Housing Ministry, is in the process of assessing the causes of the blockages in delivery and eliminating them, Naidoo said.

He described the past nine months as a learning process for officials involved in the RDP.

In some cases, they were forced to take one step back in order to take two steps forward, because certain plans put in place at the launch of the RDP proved ineffective six months later and thus had to be altered accordingly.

Delays in the implementation of the RDP were caused by a complicated, interlinked network of factors, including the fact that local and provincial structures were slow to get off the ground – and some will only be fully up and running after the local elections.

In a number of cases, lead time was not allowed for the training of people on the ground, or spending agencies did not include lead time for planning, tendering and consultation.

In other cases, the consultation process was too long and involved, or local officials were inexperienced either with the consultation process itself or lacked understanding of financial procedures.

"We are aware of the obstacles and are developing strategies to address these obstacles. This is part of the Government's learning process," Naidoo said this week. Further RDP announcements are expected soon.

SEE PAGE 6

RDP alive and kicking, says Naidoo

Star 21/10/95 (297)

By CHRISTINA STUCKY

In a document presented to the Cabinet this week, Minister without Portfolio Jay Naidoo backs up his claim that the Reconstruction and Development Programme is on track with figures on a number of RDP projects.

Water, municipal upgrading, school feeding schemes and health care are touched on by the document, in the possession of the *Saturday Star*.

Of the 10 areas mentioned, only one, land reform, is running behind schedule. Housing, one of the RDP's major undertakings, is not yet under way due to various obstacles which the RDP office, in conjunction with the Housing Ministry, is working to overcome.

A task force with the brief to "unblock the blockages" is working on facilitating the delivery of housing.

Naidoo explained that in some cases, funds have been committed and the projects are under way but will not be finished before the end of the fiscal year, in March 1996.

Unspent funds will therefore be rolled over to the next fiscal year.

In other cases, a project was scheduled from the outset to take more than a year to implement and the funds were thus committed over a longer time period. The following is a breakdown of the status of the RDP's main project areas:

■ Within 18 months about 312 rural water schemes will be in place, providing basic access to water to 3,5-million people at a cost of R888-million.

A fortnight ago, 614 municipal upgrading projects, costing R750-million, were launched. Here the RDP assists transitional local councils in upgrading municipal services and infrastructure (for example, refuse removal, sewerage and tarred roads.)

■ The goal of the school feeding scheme is to provide 6,8-million schoolchildren with 25% of their energy requirements by way of an early morning meal.

■ Since free health care for children under the age of six and pregnant or breastfeeding women has been introduced, four times more patients are being treated in rural clinics.

The construction of 173 clinics is in progress – 45 are already operating. The RDP allocated R680-million in its 1995/96 budget to this programme.

■ So far this year, more than 176 000 homes have been provided with electricity, and expectations are that, again, the target of electrifying 300 000 houses a year will be met, if not exceeded. Last year a total of 378 171 houses were electrified. About 2,7-million people have benefited from the electrification scheme. The electrification of schools and clinics is also under way.

■ Over the next five years, R1,6-billion has been allocated to the Special Integrated Projects on Urban Renewal, a programme that targets areas that have been affected by civil strife and u[illegible]. The aim is to address inequities in these areas and to "repair the social and physical fabric" of these areas.

■ A total of 95-million has been budgeted for police stations and a further R250-million for community policing. The community policing scheme includes the setting up of two shelters for abused women and the implementation of pilot projects for integrated community service centres, for which R200-million have been made available.

■ In the public works sector, 389 projects have been launched, creating jobs for 28 000 people, mostly in rural areas.

■ Some R100-million has been slotted for the refurbishment of schools and promoting a culture of learning.

■ Land reform is the only area where the RDP is behind schedule. The programme's aim is to restore land to communities which were deprived of their land during the apartheid years and to assist the communities in establishing "sustainable lifestyles on their restored lands".

More than R64-million has been allocated for land restitution over a two-year period. This project is six months behind schedule.

Also half a year behind schedule is the land redistribution programme to assist landless communities. More than R31-million has been budgeted in this area.



BRICKS AND MORTAR: Campbell residents in the Northern Cape have been employed by contractors to build a creche for the RDP PHOTOGRAPH: TJ LEMON

Ultimate aim is to change the mindset of public servants

By CHRISTINA STUCKY

While the aim of the Reconstruction and Development Programme is to provide the people of South Africa with basic services, its ultimate goal is to change the way government works.

Houses, running water, electricity, tarred roads and health care facilities are one side of the coin – the other is making government spending more efficient, streamlining government departments and increasing their co-operation, and changing the mindset of civil servants.

Of the three objectives, the last is probably the most difficult to enforce, partly because of inherited mindsets from the past, and partly because governments around the world are slow on their feet when it comes to change.

This unwillingness to change is revealed most sharply when it comes to departmental budgets.

The old thinking dictates that each department sets its budget with the goal of getting as much or more money in the next fiscal year. The new way of thinking requires departments to think in terms of specific programmes. Budgeting is then based on projects with a clear beginning and end, explains Minister without Portfolio Jay Naidoo.

Regular reportbacks on how the funds were spent are also part of the new budget procedure.

Even more difficult is to get departments to accept that funding for some projects may be withdrawn to benefit others, even if within the same department, adds Roy Page-Shipp, national programme manager of the RDP.

The RDP's task further includes shifting the Government's budget as a whole from consumption (that is, salaries and recurrent costs) to infrastructure and investment, and to introduce business planning in the Government's operation to "improve the quality of expenditure", as Naidoo puts it.

Making government more accountable, transparent and efficient requires "changing old mentalities" from an egocentric view within each department to "project-based thinking" across several departments, Naidoo adds.

Physically disabled face fight for business rights

ARG 21/10/95 (298) (296) (297)

MAUREEN MARUD
Business Reporter

PEOPLE with disabilities should expect no special treatment from banks.

In fact, in some cases disabled people are doubly handicapped by bankers who think they are also mentally incapacitated and are incapable of repaying a loan.

This was one of the messages to come out of a two-day self-employment promotion workshop for people with disabilities.

"I believe to a great extent that banks and financial institutions don't make any distinction between persons with disabilities and able-bodied people," said Roland Huckle, lecturer and consultant at the Institute for Small Business of the University of the Western Cape.

"People who are physically challenged are not going to get a special dispensation just because they are disabled."

He also felt disabled people were being left behind in the affirmative action drive.

"The emphasis is without doubt on African people, to a lesser extent on women, and then to an even lesser extent on people with disabilities.

"There is still this feeling out there that physically disabled people are mentally disabled. That is the mindset that has to be broken down."

He asked how many businesses which were monitoring the number of African people employed in management were also keeping tabs on their intake of disabled people and their promotion.

He urged delegates to the workshop to lobby harder for proper jobs in industry, "not only as telephonists and receptionists, but as functionaries, as people capable of doing a full day's work."

A refusal from one bank to lend money to a disabled entrepreneur should not discourage that person, he said.

"That shouldn't prevent you from going somewhere else for a loan. Keep going until you succeed in getting one.

"Your first rejection shouldn't be your last. A hallmark characteristic of an entrepreneur is the ability to rise up from the dead, as it were, after you've made a complete mess of something, and to start again."

Vincent Daniels, who is partially sighted and works as a skills developer at the Cape Town Society for the Blind, said lobbying was necessary among other disabled people as well as with the able-bodied community.

"There is a lot of deadwood out there among our peers, many of whom are not as fired up about bettering their lot."

The attitude of apathy was related to a hand-out mentality, which accepted a pension and a disability grant as all that was required from life.

"A lot of the work has to be done within the disabled community. Once you have swept in front of your own door, you can go and tell other people to listen to you."

He suggested disabled people seek wider training and sell their labour.

"The protective workshops will never completely disappear, but one could probably reduce the number of people needing to go into them if you change the general mindset that something made by a disabled person is an inferior product."

Anne Strauman, whose disability is the result of a form of muscular dystrophy, said lobbying by disabled people had resulted in recent progress.

For instance, she was elected to the interim Provincial Small Business Council, and a special category for disabled people was subsequently written into the proposed Small Business Act due to be promulgated later this year.

She had also been elected to the Housing Board, and hoped to give input regarding disabled people in need of housing.

A major improvement was that banks which in future received financing from the government to help small and micro enterprises would be monitored on their refusals to handicapped people.

"We will see if there is a pattern emerging that excludes women, disabled and African people. Then we will take banks and financial institutions to task."

SBDC refuses R100 000 to blind group

Business Reporter

A GROUP of blind people have been refused a business loan by a lender who said their disability would prevent them from repaying the money, one of them claimed this week.

"We submitted our proposal to the Small Business Development Corporation," said Thulani Kula of the Western Cape Blind Association.

"After a long wait an official told us: 'My problem is that as you're blind, you won't be able to pay this money back.'"

Mr Kula said he was one of a committee from the association that sought a loan of R100 000 from the SBDC on behalf of about 80 association members who hoped to start a factory in which to make household chemical detergents.

The same work was being done by the visually impaired in Johannesburg, where a trainer was available to teach the Cape Town group, Mr Kula said.

Johan Naude, assistant general manager of the SBDC, said that organisation's policy was to look at the viability of a proposal.

"If a person's disablement is going to make it impossible for him to run a viable business, obviously we have to turn it down."

Mr Naude said he couldn't comment on Mr Kula's claim specifically because he did not have the facts in front of him.

"People must appreciate that the most important thing to us would be the applicant's ability to repay the loan. One has to take blindness into consideration, because if it is a risk for people who are not blind to start something like that, everybody would agree that it is perhaps more risky for people who are blind."

'All we are saying is give RDP a chance'

ARG 21/10/95 (297)

TONI YOUNGHUSBAND
Staff Reporter

■ The government's Reconstruction and Development Programme is a dismal failure and should be abandoned, say its critics. Jay Naidoo says the plan is misunderstood.

A YEAR ago, in the minds of most South Africans, the letters "RDP" stood for houses, hospitals, sanitation and transport. It represented roofs over heads, water in taps, accessible medical care and buses and trains for weary feet. The RDP was the promised land.

Today, the Reconstruction and Development Programme is seen variously as a collection of empty bureaucratic promises, a quagmire of red tape, a yawning black hole swallowing millions of rands but giving nothing in return.

"Where are the houses, where is tangible proof of the money being spent?" people ask.

RDP minister Jay Naidoo says the RDP has been misinterpreted. It is not the overnight miracle of deliverance some believed it to be (or were led to believe by electioneering politicians).

Rather, the cornerstone of the government's new democratic South Africa is a strategy based on sound business principles which, in order to maintain its stability, must be implemented with forethought and sensible planning.

"It is very easy to say we need to build a clinic or a hospital in Inanda, where there is obviously a need for a facility like that, but the important thing to remember is that in providing health care the cheapest part is constructing the building.

"What you now have to consider is where to get the nurses and the medicine and how to restructure the health budget to pay for them," Mr Naidoo explains. Without a sound business plan in place, no RDP programme is sustainable.

It is that business plan which has apparently taken so long to implement and has encountered several stumbling blocks.

In KwaZulu/Natal, for example, R70 million of RDP funding from the last financial year has yet to be allocated to community projects. The plans, Mr Naidoo says, are in place but provincial cabinet had not yet approved them.

Last week, the government handed KwaZulu/Natal another R149 million (the largest single provincial allocation) for the improvement of municipal infrastructure.

Political infighting, he concedes, has been a major problem — 'it stops delivery'.

Mr Naidoo hopes that a team of specialist project managers and threats of funds withdrawal will speed up the province's response. "I can say that a number of projects are about to get kickstarted," he says.

Political infighting, he concedes, has been a major problem particularly in an area like KwaZulu/Natal — "it stops delivery."

If the politicians in the province had got their act together a lot sooner, he suggests, the RDP would have produced a lot more by now.

He is hoping local elections will go a long way to putting an end to the delays caused by political wrangling.

Those provinces which vote on November 1 will see tangible results of the RDP much sooner than those that don't.

"Local authority is the point at which government interacts with the people and having credible, legitimate local authority will improve administration and therefore increase service delivery payments." Once a legitimate authority is in place it can be taught to develop the technical capacity necessary to sustain RDP projects.

"The State is committed to providing basic services but if you want anything above that, local government must take responsibility."

But are the politicians listening? "They have to or we will take their money away. The Budget is so constrained that on average between 80 and 90 percent of it goes into recurrent costs. As a result you have very little for extending services. Therefore, if you don't use the funds provided by the RDP you have no money and you will have to answer to the people who don't have the services."

In a sense, Naidoo says, the RDP is used as a kind of wedge to try to improve the quality of the national Budget. "We are hoping that at the end of five years the entire Budget will be based on the RDP's priorities."

Ironically, another hindrance to RDP delivery has been democracy — the democratic principles of community consultation and participation. The RDP asks the people what they want then trains them and gives them the financial support to get it for themselves. Empowerment takes time.

"We opened a new clinic in Mmabatho on Monday. Under normal circumstances it would have taken six months to build but it took eight months because it took us two months to train the local residents to build it. That's local economic development."

Ironically, another hindrance to RDP delivery has been democracy.

There are other difficulties too, like clarification of the housing policy. Mr Naidoo says his ministry also realised that it had to shorten its consultation process which was simply becoming too time-consuming.

"Other projects like water, municipal upgrading and primary health care are now all starting to run at full steam. In fact, what we anticipate is that by the end of the next financial year we will be running short of funds."

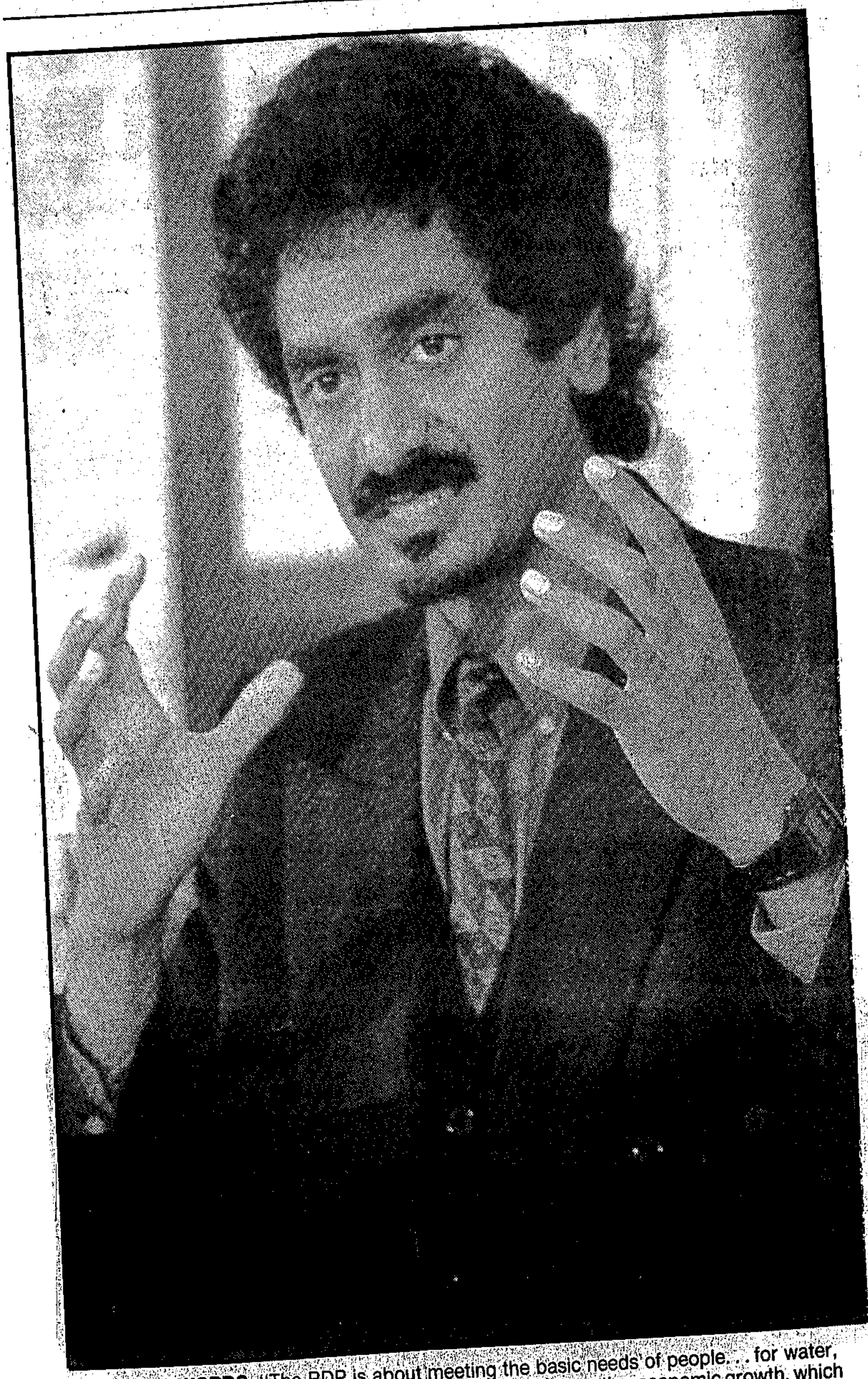
There has been criticism by certain sectors of the business community that the RDP concentrated too heavily on social aspects, sacrificing wealth creation and economic growth.

"They now realise that it is not development or growth but development and growth. Where you have basic infrastructural development you open up enormous opportunities for the private sector and create eopportunity for growth," he said.

If Jay Naidoo was to explain in his own words to the people of South Africa what the RDP represents, what would he say? "The RDP is about meeting the basic needs of people... for water, electricity, jobs, houses, sanitation, within the context of creating economic growth which we can only do if we pull the private sector into a partnership with Government.

"We must get the communities to understand that they have rights to proper services but they have responsibilities too — like paying for them. They have the responsibility of making a commitment to rebuild our country."

Don't just sit around waiting for handouts, says Naidoo.



IN JAY'S WORDS: 'The RDP is about meeting the basic needs of people. . . for water, electricity, jobs, houses, sanitation, within the context of creating economic growth, which we can only do if we pull the private sector into a partnership with government.

RDP ... full steam ahead, it's all well

■ All is well with the RDP, in spite of mistakes being made, claims a document handed to the cabinet this week.

CHRISTINA STUCKY
Staff Reporter

IN SPITE of delays and hitches in the implementation of the Reconstruction and Development Programme (RDP), it is on track, claims a document handed to the cabinet this week.

The document, which chronicles a list of achievements and targets, was handed to Weekend Argus by Minister Without Portfolio Jay Naidoo, whose leadership of the programme has been criticised because of a perceived lethargy in the delivery process.

While the RDP office concedes that mistakes were made — which led to delays in the implementation of a number of RDP-projects — it says the programme is now on stream. For example, more than 300 rural water projects, benefitting 3,5 million people, and over 600 municipal services upgrading schemes worth R750 million, are already under way, completed or will be completed within the next 18 months.

By the end of 1996, "a quarter of the South African population that previously did not have water will have basic access to it", said Mr Naidoo.

One exception to the RDP's positive delivery report was housing. Delivery had been hampered by a variety of factors, but the government, in collaboration with the housing ministry, was in the process of assessing the causes of blockages in delivery and eliminating them, said Mr Naidoo.

He described the past nine months as a "learning process" for officials involved in the RDP. In some cases, they were forced to take one step back in order to take two forward, because certain plans put in place at the launch of the RDP proved ineffective six months later and thus had to be altered.

Generally, delays in the implementation of the RDP were caused by several factors, including the fact that local and provincial structures were slow to get off the ground — and some would be fully up and running only after the local elections.

In a number of cases, lead time was not allowed for training people, or spending agencies did not include lead time for planning, tendering and consultation. In other cases, the consultation process was too long and involved, or local officials were inexperienced.

"We are aware of the obstacles and are developing strategies to address them. This is part of the government's learning process," said Mr Naidoo.

■ 'Give RDP a chance' — interview with Jay Naidoo on page 23.

(297)

UK pools in bid for SA lottery

ST (BT) 22/10/95

LITTLEWOODS, the £2,7-billion-a-year British football pools and retail company, is believed to be talking to Malaysian group Mycom about a partnership to bid for South Africa's national lottery, writes **ZILLA EFRAT**.

Mycom, which runs a Malaysian lottery, is known to have been eyeing South Africa.

Christopher Baker, Littlewoods' corporate strategy director, confirms that Littlewoods is putting together a consortium for a bid.

Mr Baker says Littlewoods will also establish a buying office in South Africa to source goods for its retail outlets and home-shopping catalogue. Earlier this year it announced it would bid to operate an SA football pool.

Mr Baker says partners for this bid include Nafcoc, African Renaissance and Independent Newspapers, but plans are on hold as the SA government says it will consider establishing a football pool only once a national lottery is in place.

Green warriors do battle

(55) (297) ST(M) 22/10/95

By CHARL DE VILLIERS

TWO hundred green warriors took up their pangas this week in the first wave of a R13,5-million RDP assault on invasive plants that are soaking up Western Cape water supplies.

Called to war by Water Affairs and Forestry Minister Kader Asmal just over a month ago, the pioneering troopers from Boland towns started their basic training on Monday.

The first intake is to be paid this Friday, when Professor Asmal launches the Fynbos Water Conservation Project in the Western Cape.

"The response has been fantastic," says Cape Nature Conservation staffer Christo Marais, who is co-ordinating the Reconstruction and Development Programme's assault on aliens in the Western Cape's 420 000 ha mountain catchment areas.

Besides unleashing the recruits on invader-choked rivers and hillsides between Bain's Kloof and the Theewaterskloof Dam, the campaign has generated lucrative spin-offs for sharp-eyed entrepeneurs.

Mr Marais says a factory in Epping was saved from laying off 100 workers when it landed a contract to make overalls for an anticipated 1 000 hackers.

Minibus taxi operators — paid by Cape Nature Conservation — have ferried workers to pick-up points. The SA National Defence Force is also in line for an off-road transport contract.

How to spend $3 billion — SA's dilemma

(297) ARG 23/10/95

PRETORIA. — What if somebody offered you $3 billion? Would you know how to spend it?

That is the enviable dilemma facing South Africa, a country discovering there is more to the foreign aid game than holding out a hand and saying: "Thanks for the millions."

The post-apartheid government, inexperienced and cautious, has been slow to take up offers of dollars, yen and pounds. The delay has frustrated donors and worried ordinary South Africans who expected to see United States-built houses and Japanese-dug wells by now.

Foreign governments once shunned direct aid to the South African government because of apartheid. Now they are eager to help the country's first black-led government.

"South Africa hasn't got much experience in international finance," said Pierre Voges, who co-ordinates foreign aid offers for the government. "When we began, we literally had no clue at all."

He said officials had to turn to private charities accustomed to dealing with foreign governments for help in putting together the detailed spending proposals donors demand.

In all, about R11 billion in grants and loans has been pledged by 15 countries over the five-year term of the new government, Mr Voges said. South Africa incorporated just R300 million of that into its 1995-96 budget of R153,3 billion.

Faced with the sobering example of African countries that seem to have become permanent beggars, South Africa has insisted on controlling spending by funneling aid through the budget. And it is seeking a mixture of donors so as not to become dependent on any one source.

Much of the early aid has gone for training staff, creating agencies and conducting studies — rather than the brick-and-mortar projects that would convince impoverished blacks that the money will be used for their benefit.

Spending aid money on houses, hospitals and roads might be good public relations, but South African officials are not sure it is good fiscal policy. They fear the trap of using foreign money for grandiose projects and then being unable to maintain them on their own once international goodwill dries up.

In some African countries, aid accounts for 20 percent to 30 percent of total government spending. South Africa does not want that.

"We will become less dependent on aid," said Mr Voges. "One should see aid as a catalyst, not the main driver of the economy. Aid is not a way to sidestep your own responsibilities."

Still, some people say that after decades of neglect by white minority governments, South Africa needs more help to improve the lives of the black majority. President Nelson Mandela has even complained that the three-year, $600 million US aid package to South Africa was "peanuts."

Leslie Dean, director of the US Agency for International Development's South Africa programme, said donors were providing "transformation funds" to Africa's most developed nation. The donations were crucial, but not on the scale offered to countries in more desperate straits, he said.

"The problem in South Africa is not so much one of building from the ground up." Mr Dean said. "What you are doing is trying to achieve a more equitable distribution of the wealth the country has."

Ingebjorg Stofring, a Norwegian diplomat, said South Africa could not rely on aid.

"You have to be responsible for your own development," said Ms Stofring, whose government has pledged $100 million over the next five years. "It's South Africa that will have to be steering the boat."

Japan pledged dlrs $300 million in July 1994, and a year later had still not handed over a penny. Hideki Harada, first secretary at the Japanese Embassy, said it took time to make official programems out of ideas such as providing water for rural areas and upgrading the Soweto-Johannesburg commuter railway.

Accounting procedures in some countries mean that aid not spent in the budget year it was granted is not carried over. About $6 million of the $30,5 million that Sweden earmarked for South Africa was lost in that way this year because officials could not decide on a project in time.

The $16,4 million the US decided to give to the Ministry of Education this year came only after extensive talks involving legal advisers, other donors, and politicians and bureaucrats at national and provincial levels and in several different departments.

"It has been slow at times," Mr Dean acknowledged. But he added he had been impressed with the South African government's insistence on being in control, even if it meant losing some funds.

"That's a bold position to take, but a very proper position to take."

Mr Voges said his country must look on the aid windfall as a once-in-a-lifetime opportunity not to be wasted or abused. — Sapa-AP.

RDP schemes 'benefiting millions'

(297) Star 23/10/95

Statistics showed that millions of people were already benefiting from the Reconstruction and Development Programme, President Nelson Mandela's office said yesterday.

Admittedly, there had been delays caused by lack of planning, skilled project managers and money, but the framework for economic growth and development had been put into motion, it said in a statement.

RDP projects currently under way included:

■ More than 28 000 people employed to work on site in 489 projects managed by the Public Works Department.

■ 300 projects, bringing water to 4-million people, that would be completed in the next 18 months.

■ 614 municipal service upgrading projects that would benefit more than 3-million people and would be carried out within the next year.

■ The availability of free heath care for children, pregnant women and lactating mothers.

■ Free meals for 3,5-million schoolchildren each day.

■ 2,7-million people were benefiting from electrification projects. By December, another 124 000 houses would be electrified.

■ Over 4 100 families stood to benefit from the R64-million earmarked for land reform programmes and 24 000 families would benefit from land redistribution schemes worth R31-million.

■ The building of integrated community centres. Pilot projects would begin by the end of the year.

■ The allocation of R95-million for the establishment and upgrading of police stations and R250-million for community policing. – Sapa.

Europe expected to increase aid to SA

(297)

BY JOHN FRASER

ET 23/10/95 (BR)

Brussels — The European parliament is expected this week to vote a small increase in European Union aid for South Africa next year.

However, Eurocrats so far appear to have failed to spend one cent of this year's R550 million budget for South Africa.

A proposal, expected to be adopted without controversy by the EU assembly, would raise spending for South Africa from R550 million this year to about R572 million — a rise of 4 percent.

The exact sum is difficult to calculate, as the aid is paid in Europe's accounting currency, the ecu, which fluctuates in value against the rand.

EU governments also have to give an opinion on the spending, as the European parliament does not have sole authority over the Brussels budget.

However, although the European parliament is keen to boost aid to South Africa, there is a big bottleneck in spending.

Last year, the EU underspent its R440 million budget for South Africa, with some of the money being diverted to Bosnia.

This was mainly because of difficulties in finding a reliable South African government channel for handling the European aid.

Despite repeated requests, EU officials in Brussels have been unable to give any details of aid for South Africa from this year's R550 million Euro-budget. It is only now — in the last quarter of the year — that the EU commission is finalising its spending plans for the year.

And officials say only about half of the R550 million of EU aid for this year is ready to be approved.

This proposal is proceeding through the EU commission's laborious decision-making machinery, and is expected to be agreed this week. The aid will go to projects linked to the RDP.

A report adopted by the European parliament earlier this month is deeply critical of the bottlenecks in granting EU aid.

It suggests that smaller projects should be approved by the EU's ambassador in Pretoria, thus avoiding red tape.

'RDP helping millions'

CT 23/10/95 (297)

JOHANNESBURG: Millions of people were already benefiting from the RDP, President Nelson Mandela's office said yesterday.

There had been delays caused by a lack of planning, skilled project managers and money, but the framework for economic growth and development had been put into motion, it said.

More than 28 000 people were employed in 489 public works projects, four million people would get water within 18 months and 614 municipal service upgrading projects would benefit more than three million people in the next year. Children, pregnant women and lactating mothers received free health care and 3,5 million children were given free meals each day. — Sapa

R26-m EU grant for urban poor (297)

THE European Union today announced the donation of R26 million to the Urban Sector Network, a national network of nine non-governmental organisations which aim to improve the living conditions of the urban poor.

At a function held in Strand near Cape Town, EU ambassador to South Africa Erwan Fouere signed the contract which would release the money to the USN over three years.

"Improving the standard of living of all South Africans is a central feature of reconstruction and development in the new South Africa," an EU statement said.

The beneficiaries of USN programmes are urban households earning less than R2 000 a month — especially those with monthly incomes of less than R800 a month. — Sapa. ARG 24/10/95

WS GOVERNMENT
ECONOMICS

Investors waiting for SA to prove itself

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BY HAYLEY PIENAAR

CT(BR) 24/10/95

REUTER

Investors are looking for South Africa to prove its fledgling democracy as the country heads for municipal elections on November 1.

The polls should also pave the way for more efficient local administrations which were able to channel funding for the badly delayed RDP, economists said.

Despite some recent twitchiness in the capital markets, most local and international analysts said they expected a generally trouble-free vote, confirming the stability of South Africa's government.

The government long bond yields, after dipping below 15 percent earlier this month, have climbed above 15,30 percent, a weakening which dealers attributed partly to pre-election nerves.

But Peter Davey, an emerging market economist at Lehman Brothers in London, said international investors were sanguine about the elections.

"In general in the United States and United Kingdom there are no strong feelings. The elections are not an overriding factor," he said.

Mary Davis at CS First Boston agreed.

"The elections are not having a major impact at the moment. They are not big enough to keep players out of the market... But once they are out of the way and the RDP gets going, we could see improved foreign investment."

Economists are hoping the RDP can kick-start South African economic activity, giving a knock-on boost, particularly to building and construction companies.

So far, sluggish RDP spending has disappointed economists, the population and the companies which stand to gain.

But while the consensus view is that earnings momentum may have levelled off for the time being, South Africa could look forward to an upswing in earnings toward the end of next year and in 1997 if RDP spending finally moves into gear.

Lehman Brothers, in a recent report, said it was bullish over prospects for higher RDP spending, particularly in construction, feeding through into employment growth and higher consumer spending.

"Once the administrative bottlenecks are overcome, the RDP, especially in the area of housing, should be accelerated and the impact on the economy should start to be felt during the course of 1996," the report said.

Lehman recommends a basket of RDP stocks, including Murray & Roberts Holdings, Grinaker Holdings, Anglo Alpha, Pretoria Portland Cement Company and Iscor.

But while the local elections should help to set up more efficient local administrations to channel RDP funds, the delaying of elections in parts of the Western Cape and KwaZulu Natal remained a concern, analysts said.

Hambros economist Nikki Nelson-Smith said people were waiting to invest in stocks linked to the RDP, but cautioned that the elections would not change the situation overnight. "In reality the elections will put in place the people, but people still have to put the structures in place," she said.

RDP 'not delivering' says Bester

(297) CT 24/10/95

CHRIS BATEMAN

THE RDP had yet to improve the lives of anyone besides those who held the purse strings because it had the wrong point of departure, the DP's Western Cape leader, Mr Hennie Bester, told a Knysna election audience last night.

Mr Bester said RDP chief Mr Jay Naidoo had created a "venerable (sic) Gothic City" in which an official in Pretoria had to approve the siting of new sewerage pipes in Hornlee (a Knysna township) before they could be built.

The DP believed in trusting local people, giving them responsibility and "if they made a mess of it, they can elect another local government next time around".

A realignment of politics away from central control and towards a small government and a private sector driven economy was the DP's aim.

RDP won't give funds to foundation, says Marike

(297) Star 25/10/95

■ BY SHIRLEY WOODGATE

The RDP had consistently refused to donate funds to the National Party's Women's Outreach Foundation, despite its successful three-year record of empowering disadvantaged women countrywide, said Marike de Klerk, wife of Deputy President F W de Klerk.

Speaking during a whistle-stop tour of the West Rand, including Dobsonville and Kagiso, she said she had launched the foundation after the 1992 Geneva summit aimed at the advancement of rural women, which she had attended along with other wives of heads of state.

A guest of the NP's Gauteng Women's Action group, her punishing schedule to boost election morale started in September, covering the entire eastern and western Cape, the Free State and Northern Transvaal where she has been addressing up to five meetings a day.

Yesterday there was time for a picture with her namesake, 18-month-old Marike Matladi, daughter of Ward 14 candidate Jacqueline, who said she had called her daughter after the "mother of the nation".

Then there was a tour of the Phatsimang project in Roodepoort, and a dash of new lipstick in the car between stops.

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RDP set to use non-SA firms

Public Works Minister Jeff Radebe yesterday said the RDP was set to begin using construction companies from sub-Saharan Africa, possibly within the next year.

Speaking in Port Elizabeth at the annual convention of the SA Association of Consulting Engineers, Radebe said he believed agreement had to be reached between regional governments on how construction and consulting companies from other countries could take part in construction work in their regions. – Sapa.

Star 25/10/95

EU aid to fight poverty



Picture: JACK LESTRADE.

PARTNERS: Public Works Minister Jeff Radebe, Strand community leaders Sissy and John Jacobs and European Union ambassador Erwan Fouéré unveil a plaque to commemorate the R26 million aid contract between the EU and the Urban Sector Network.

☐ *R26-m for urban development*

(297)
ARG 25/10/95

JOSEPH ARANES
Municipal Staff

CRIME is one of the biggest problems facing the government of national unity and only an all-out war on poverty will stamp it out.

This was said by Public Works Minister Jeff Radebe, who was the guest speaker yesterday at the launch of the European Union's R26 million development aid contract with the Urban Sector Network (USN), at Erijaville in the Strand.

Mr Radebe said South Africa, like any democracy, was facing problems and one of the most pressing was poverty.

"Because of the injustices of the past, hundreds of communities are living in abject poverty which gives rise to a lot of criminal activity.

"The government has policies in place — the reconstruction and development programme and the public works programme — to address this problem and relieve the plight of the poor.

"And by waging this war on poverty we will win the battle over the high levels of crime because the only way to combat crime is by attacking its root cause, which is poverty," Mr Radebe said.

At the ceremony, the ambassador of the European Union in South Africa, Erwan Fouéré, signed a R26 million grant contract, for a three-year period, with USN.

The USN is a national network of nine affilated non-governmental organisations which aim to provide the increasing numbers of urban poor with access to improved living conditions.

The launch ceremony of the EU/USN contract was held in conjuction with the signing of a Section 21 company document by residents' committees of Erijaville and Cassablanca.

As part of the plans to improve their area, the residents set up the company to raise funds for their development projects.

Mr Fouéré praised the communities for organising their own development and upliftment programmes, and paid tribute to their courage and vision for the future.

"Access to water, health facilities, housing and education are some of the basic needs to which you, the people, rightly aspire, and which must be guaranteed in this new society.

"When dark clouds hung over this country and caused pain and suffering, you did not give up. When faced with refusals and government obstruction, you stood firm. It is thanks to your perseverance and to your courage that we are here today.

"Together with the USN and more particularly the Development Action Group, you developed a comprehensive programme which will include the provision of housing, community facilites and small business opportunities.

"Through these efforts you are ensuring a better life for yourselves and your children."

New realism seen emerging in approach to RDP

Business Editor ARG 25/10/95 (297)

A NEW realism is emerging in the government's approach to the Reconstruction and Development Programme (RDP), says University of the Western Cape researcher Gavin Lewis.

In his latest RDP *Monitor*, Dr Lewis says a more modest approach to the RDP is giving the private sector a bigger role.

Even in housing — the RDP's "most visible failure" — there are signs of movement, he says.

"The new pragmatism is reflected in the revised objectives of the RDP. Minister Naidoo now sees the RDP as a 25-year programme; Housing Minister Nkondo sees the housing backlog eliminated only in 20 years'; Minister Bengu has, it seems, abandoned hopes of free education at school level for all, insisting on user-charges where affordable; and, the limitations on state revenues are reflected in the more concerted approach to privatisation, whether full or partial, of state assets."

He lists recent advances:

- Detail on the costs of urban and rural infrastrucutre upgrading and more detail on provincial and local government's borrowing powers;
- A draft Small Business Bill;
- The tabling of the Development Facilitation Bill to streamline housing; and,
- A Non-Profit Bill that will impose stricter accounting procedures on non-governmental organisations.

But on the downside is the emphasis on central government control, says Dr Lewis, as well as the failure of Operation Masakhane, the controversial Education Policy Bill that has been referred to the Constitutional Court, and the emergence of new "gatekeepers" at local level, such as unelected civic organisations, which are demanding kick-backs from companies or blocking RDP projects because of local rivalries.

TICS

W Cape govt to hear IDC's Saldanha brief

CHRIS BATEMAN
CT 25/10/95

THE Industrial Development Corporation is to brief the Western Cape cabinet this morning on proposals to "soften" the R4,7-billion Saldanha Steel project in an attempt to avert a pullout by the steel mill company.

A spokesman for regional Agriculture, Planning and Tourism Minister Mr Lampie Fick said yesterday: "If the proposals are realistic, the cabinet will evaluate them".

The Steyn Commission's chief recommendation was that Saldanha Steel erect its mill away from the ecologically sensitive shoreline and that the Saldanha/Vredenburg structure plan be revised to rule out heavy industrial development close to the Saldanha Bay shoreline.

Urban poor gain from EU grant

PETER DENNEHY
CT 25/10/95

POOR urban households whose incomes are less than R2 000 are to benefit from a R26-million funding contract signed at the Strand by the European Union yesterday.

European Union ambassador to South Africa Mr Erwan Fouéré said there would be a particular focus on households that earned less than R800 a month.

The funds are to go to the Urban Sector Network, a group of non-government organisations.

The R26m is part of R600m that the European Union will have committed, by the end of this month, to RDP projects in South Africa for this year alone.

The funds come through the European Programme for Reconstruction and Development, which proposes that similar grants be made to South Africa in each remaining year of the government of national unity.

Mr Jeff Radebe, Minister of Public Works, who was the guest speaker at the signing ceremony, cited the former squatter settlements of Erijaville and Cassablanca, near the Strand, as examples of what can be achieved by communities.

The communities took the initiative in ensuring that land passed from a developer's hands to the municipality and negotiated for low-cost homes to be built with national housing funds.

Also signed yesterday was a registration document for the Strand Community Development Association, a non-profit company through which the community will be able to enter into contracts and raise funds for a community hall in Erijaville.

Mr Wessel Badenhorst, of the Cassablanca Community Centre Trust, said the community leadership had unfalteringly motivated people towards development.

Phones installed in RDP delivery drive

Greta Steyn

BD 25/10/95

FIFTY-six emergency telephones are being installed in the three townships that make up the Katorus area as part of the reconstruction and development programme's (RDP) special presidential project.

The first emergency phone, an orange pillar in the Mandela squatter camp, was tried out by Minister without Portfolio Jay Naidoo yesterday. Naidoo toured the three townships that make up Katorus — Katlehong, Thokoza and Vosloorus — with MPs and journalists yesterday as part of the RDP office's drive to prove that delivery is taking place.

The phones are being set up within a three to five minute walk to as many residents as possible. They have a red button for crime and emergencies needing fire engines or ambulances, and a green button for emergencies relating to municipal service such as sewerage and water.

The managers of the Katorus RDP project consulted the community before deciding on where to place the phones. The region's security co-ordinator, retired Col Albert van Driel, said: "Community participation on where the phones should be placed took twice as long as anticipated."

Instead of kicking off at the beginning of next month, the phones will come into operation only from December 15.

Van Driel believed the phones would not be vandalised as the communities would guard them. "Two people will guard each phone at peak hours early in the morning and evening."

About 180 temporary jobs had been created through the emergency phones project.

The project to rebuild the war-damaged Katorus, which will amount to more than R3bn over five years, ground to a virtual standstill earlier this year amid accusations of too much red tape and a lack of community participation.

Aside from security projects such as the phones and satellite police stations, the project managers yesterday also emphasised hostel upgrading, new housing projects and the refurbishment of damaged houses.

Naidoo declared he was satisfied with the progress made, and said the need for community involvement had caused delays.

He said critics of the RDP office's pace of delivery should bear in mind the enormous difficulties in working in such conflict-ridden communities.

People who believed the RDP office's insistence on detailed business plans were holding up delivery should realise that they ensured delivery took place in a sustainable way.

"Not only in Katorus but throughout the country communities are taking charge of development," Naidoo said.

THURSDAY
OCTOBER 26, 1995 ★

RDP 'offers opportunities to business'

297

MAGGIE ROWLEY

CT 26/10/95

The Reconstruction and Development Programme offered unprecedented opportunities for the private sector — and was not a threat, as perceived in some business circles, Mr Michael Leeman, future growth co-ordinator at Southern Life said yesterday.

Addressing the Social Involvement Association annual general meeting, Mr Leeman said that through the RDP, the government was opening up areas of opportunity which had previously been the sole domain of the state.

Added value

The government, he said, had made it clear it was looking to the private sector as a full partner.

"The government in fact has opened its arms to the private sector giving full recognition to the added value it can contribute."

The private sector had generally not yet made the same shift.

Compulsory basic medical aid envisaged for all in formal jobs

(299) CT 26/10/95

STAFF REPORTER

PLANS to revolutionise the health care of South Africa, now under consideration at cabinet level, include putting a levy on medical aid transfers, free medicines to patients and a compulsory basic medical aid cover for everyone in formal employment.

This was said by Dr J Frankish, of the Day Hospital Organisation, speaking at a "Western Cape Health Plan, have your say" meeting last night in Claremont.

He said making basic medical aid cover compulsory for everyone formally employed would raise about R1,5 billion a year for health and would also offer an opportunity to reduce from an expensive medical aid to a basic one if they wished.

He said a levy on medical aid transfers would serve as a top-up to provide free state drugs for primary care, expected to cost about R3,5bn a year.

To receive free medical care, it was also envisaged that people should make use of their local clinics before being referred to specialist doctors at major hospitals. Failure to follow this procedure — with patients going directly to major hospitals — could disqualify them from free medical aid.

With 15 of the major hospitals in the metropole located in the Peninsula and Bellville/Northern suburbs, and only four clinics on the Cape Flats, he said, the plan was to redirect medical facilities to the Cape Flats, where most of the patients in the major hospitals came from.

EU expected to approve grants to SA

(297)

Own Correspondent

BD 26/10/95

BRUSSELS — The European Union's 15 member states are expected to give the green light for the disbursal of 59-million ecu of grants to SA on Friday.

This so-called 35th train is part of the EU's 125-million ecu funding to SA for this year.

A slice of R118m is earmarked to develop Cato Manor in Durban, an area top of government's list for integrated housing in a formerly white township. EU money will be put into housing improvements and infrastructure.

A further R72m is slated to assist organisations through the newly set-up National Development Agency.

Non-governmental organisations were previously allocated the lion's share of EU funds to SA to aid "victims of apartheid".

Other smaller projects are a R38m university libraries programme and R17m to fund a foundation programme in mathematics and science for disadvantaged young people who want to enrol for a science-based degree at the University of the North.

The remainder of the package is expected to go to trade and investment development for small, medium and micro enterprises. Employees will receive training in the basic principles of international competition.

EU officials stress that all the projects fit in with the declaration of intent signed between EU development commissioner Joao de Deus Pinheiro and SA's Minister without Portfolio Jay Naidoo in May this year, which pinpointed the sectors that needed urgent funding.

Loans fund for SA's poor

Star 27/10/95 (297)

■ BY PETER FABRICIUS
STAR BUREAU

Washington – The Thembani International Guarantee Fund was launched in New York yesterday to raise American capital for guaranteeing housing and business loans to South Africa's poorest borrowers.

The fund will guarantee loans issued by South African banks to small community development institutions which will relend them to poor borrowers the mainstream banks and building societies have traditionally considered too risky or too costly to serve.

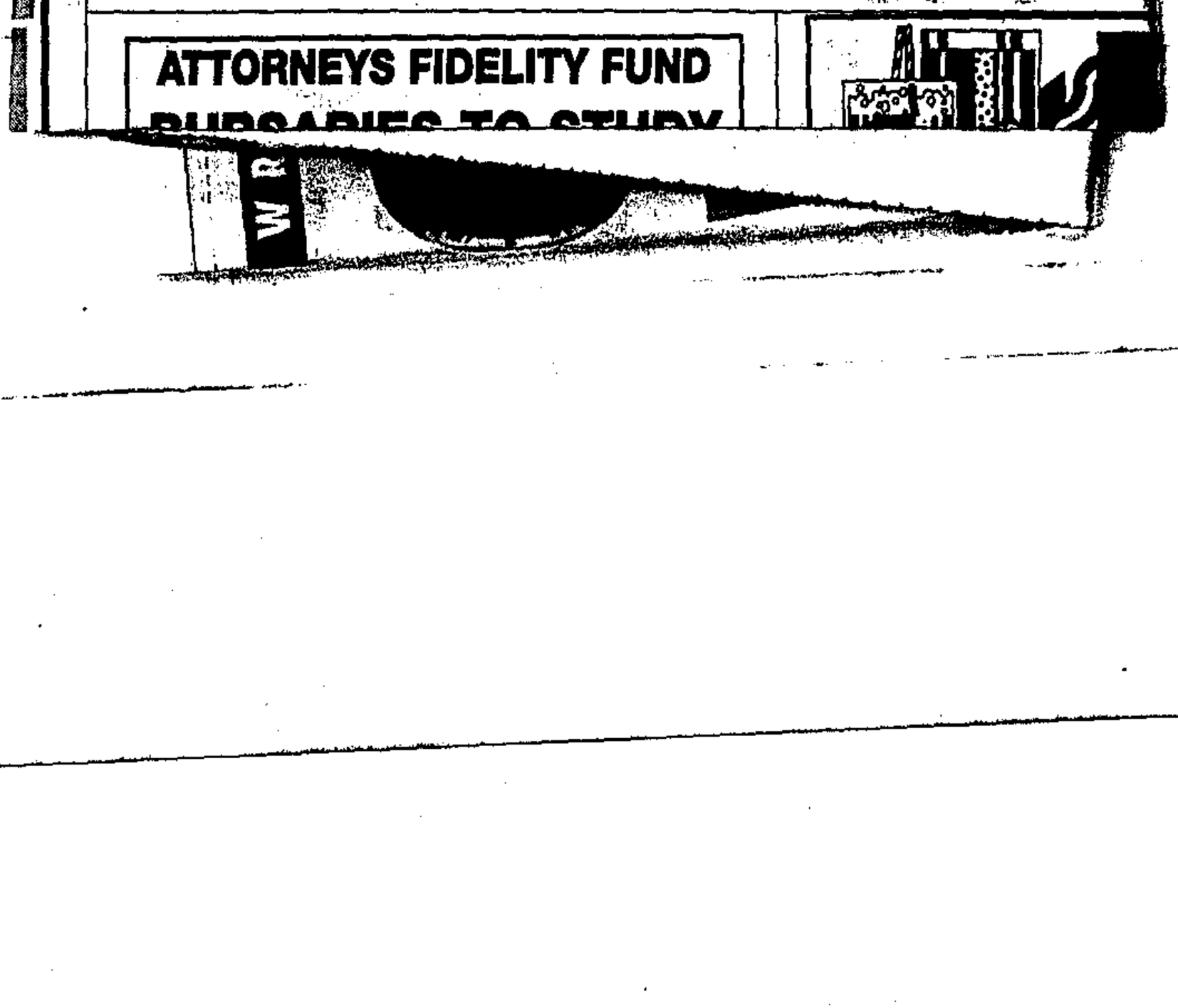
"This initiative marks an important new direction for the relationship between South Africa and its US supporters," SA ambassador to the US Franklin Sonn said as he launched the fund with former New York mayor David Dinkins at the SA consulate.

The fund would allow SA's American friends "to help close the credit gap between our country's banks and poorest borrowers while investing in South Africa's democratic development," Sonn said.

The fund is being established by the New York-based social investment fund Shared Interest, in co-operation with the Swiss development organisation Rafad.

Dinkins said that while SA had taken giant steps on the road to democracy, "a great deal of work remains to build the new equitable nation".

While helping citizens in the townships raise money to build houses and start small businesses, the fund will also strengthen local community development financial institutions.



Fund to boost loans for SA poor

(297)

ARG 27/10/95

The Argus
Foreign Service

WASHINGTON. — The Thembani International Guarantee Fund has been launched here to raise US capital for guaranteeing housing and business loans to South Africa's poorest borrowers.

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Minister says RDP is development

RDP is not lagging – Minister says

RDP is development

Western Cape Economic Affairs Minister Chris Nissen says the reconstruction and development programme is on course in the Western Cape in spite of attempts by some parties to gain political mileage out of its perceived lack of delivery. ROGER FRIEDMAN reports.

WHEN the African National Congress unveiled its masterplan to totally transform South African society — called the Reconstruction and Development Programme — sceptics said it was too ambitious and would be impossible to deliver.

Now, RDP critics say, delivery is too slow. And such delivery as has taken place is too African orientated.

But, Western Cape Minister of Economic Affairs, Chris Nissen — also regional leader of the ANC — said yesterday there was still a lot of misunderstanding surrounding the implementation of the RDP.

He said much of the misunderstanding surrounded the mistaken belief that the RDP was an "add-on project" of a temporary nature, to be implemented in the short-term and then scrapped.

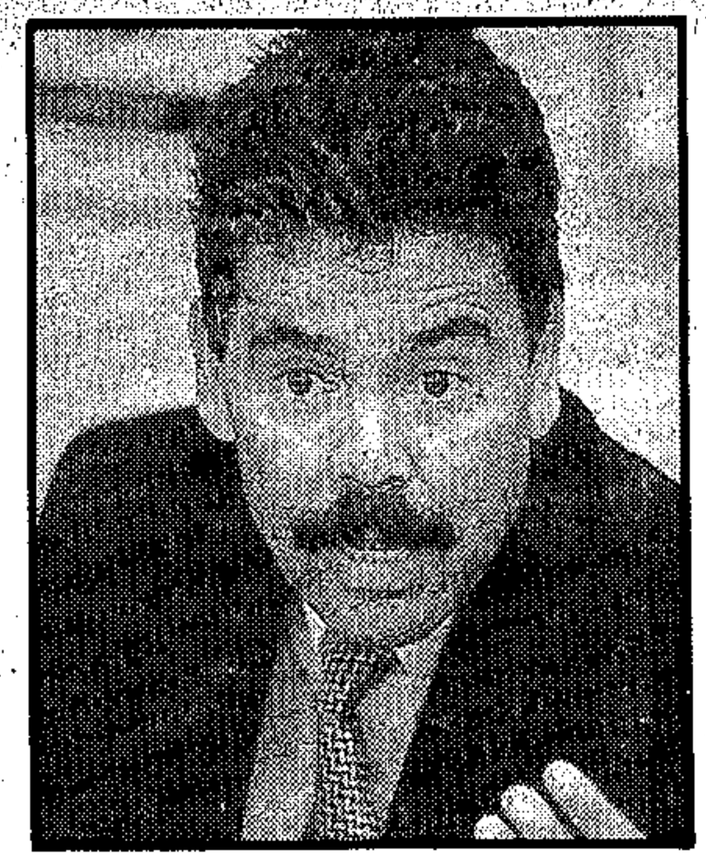
"But central government's and our understanding of the RDP is that it entails a total reprioritisation of government line-functions."

Mr Nissen said the Western Cape RDP had "developed a momentum, not only for the province but for the country as a whole regarding the implementation of the RDP.

"The RDP is and will continue to make a visible impact on people on the ground. Implementation has already started on a number of projects."

Talk that the RDP favoured the African constituency over the coloured one was sheer nonsense, Mr Nissen said.

And talk that the RDP was still to get out of the starting blocks was malicious, and part of the National Party's aim to undermine it.



NONSENSE... Chris Nissen says RDP shows no favouritism.

In the course of a joint briefing yesterday, Mr Nissen provided an analysis of some of the Presidential Lead Projects being undertaken in the Western Cape.

His cabinet colleagues, Health Minister Ebrahim Rasool and Transport and Public Works Minister Leonard Ramatlakane, spoke of the projects presently being undertaken by their departments.

Presidential Lead Projects:

● The community-based public works programme aimed to ensure rapid delivery of community-based, labour intensive projects. More than R6 million has been allocated to the Department of Public Works and R3 million to the Independent Development Trust. Three projects will be launched on November 4 in Lwandle at a cost of R251 000.

● More than 900 schools with about 334 000 children are being fed through the Primary School Nutrition Programme. The programme has created employment for 188 people.

● The Integrated Service Land Project is designed to meet the needs of low income families including services such as health, education and welfare. Earthworks have been completed or are underway in Philippi East, Southern Delft and Weltevreden Valley.

● The Department of Health has spent more than R38 million allocated by the national RDP office for free health care services to pregnant women and children under six-years-old.

● The Masakhane campaign — with the twin objectives of establishing legitimate local authorities and facilitating payment for services — is well under way and already delivering results in areas such as Khayelitsha.



THREAT TO SUE.. Gerald Morkel wants to sue the ANC for R1 million.

Transport and Public Works:

● Improvements to the Stellenbosch arterial road are underway. The project is being undertaken using labour intensive methods. Employment has been created for 200 workers, 171 of whom have been issued with certificates to back up their newfound road construction knowledge.

● The Groot Drakenstein to Wemmershoek turn-off road project has been accredited and will provide jobs for 125 people, 40 of whom will be employed from the local community.

● A number of public works programmes have been completed, including the installation of a sewerage system and toilets in Riversdale (28 jobs), the erection of an emergency clinic in Melkhoutfontein (38 jobs) and the upgrade of roads in Barrydale (58 jobs).

Eight other projects on a similar scale are due to be completed by the end of the year. These include the erection of a library in Zolani (Worcester) and the building of a community hall in Greyton.

Hospital and Health Services:

About 20 new clinics or community health centres have been opened throughout the Western Cape in the last 18 months, with a major announcement on the construction of a new 200 bed hospital expected in the next few months.

The upgrading of clinics in Uniondale, Ladismith, Misgund, Volmoed and Knysna is in progress.

About 200 posts — including 32 medical officers and 158 professional nurses and nursing assistants — have been created and filled to cope with the extra demands on health services due to the provision of free health services to pregnant women and children under six-years-old. END

'RDP Party' the choice for some

KIMBERLEY: Illiterate people living in isolated communities in the Northern Cape want to vote for the "RDP Party", baffled voter educators said yesterday.

Northern Cape election task group worker Mr Killer Modise said many isolated communities were politically ignorant and lacked information about the voting process.

Due to the province's size, he said, voter education had not reached parts of the Northern Cape.

The Northern Cape constitutes 30% of South Africa's geographic area, with only two percent of the population.

Many people had heard of "RDP promises" and had indicated they would support the RDP Party in the November 1 poll, Mr Modise said. — Sapa

CT 27/10/95

US aid to encourage regional effort

(297) CT(BR)27/10/95

BY BRUCE CAMERON

Washington — When President Bill Clinton presents a new foreign trade and investment policy package for developing countries early in December it will have significant consequences for South Africa.

In an increasing international trend, the main thrust of the package is likely to be aimed at encouraging regional co-operation.

The conclusion has already been reached in United States government departments involved in assisting developing countries, as well as in other international organisations, that greater efficiencies can be achieved by dealing on a regional, rather than a country basis.

Bilateral assistance is not due to be removed but it will be significantly reduced, while regional programmes are increasingly likely to overlay any package of aid, development experts said.

Increasingly aid assistance packages and even economic restructuring programmes done on a bilateral basis are showing anomalies.

For example, there is considerable concern about Zambia, which has been subject to extensive restructuring, liberalising both trade and foreign exchange regimes. Rather than help Zambia out of its problems, the liberalisation has in some ways exacerbated the problems.



ENCOURAGING *President Bill Clinton will promote neighbourly co-operation as a development strategy*

Zambia complains bitterly that its main trading partners in the region, mainly South Africa, have not reciprocated, resulting in uneven trade, investment and capital flows.

By insisting on regional trade and investment regimes in return for assistance, industrialised countries are hoping to overcome some of these problems and spur intra-regional trade and development.

Another of the spurs for the change in direction has been the decrease in funds available for assistance and the constant need to get better value for money being spent.

The United States Agency for International Development (USAid), facing budgetary cuts from the United States Congress of between 20 and 30 percent in the next three weeks, is considering changing its thrust from bilateral assistance to regional programmes to get more "bang for the dollar".

The Southern African Development Community will be high on the list of regions that will be targeted by the United States.

Regional aid will be aimed at integrating and promoting infrastructure.

John Breslar, the deputy director of USAid in charge of development planning, said although bilateral aid will remain important, serious shifts are underway.

Breslar said South Africa will escape the aid cuts this time.

President Bill Clinton's three-year assistance package of $400 million (R1,5 billion) will not be affected, even if money for aid programmes in other countries has to be reduced.

However this may change in the future.

South and southern Africa are being seen as the driving force for development in Africa and arre high on the list for help.

He described Malawi, Mozambique and Zambia — countries which have undergone extensive restructuring — as "our winners". Regionalisation will spur development of the countries, he said.

Howard Reed, special counsel (finance and investment policy) at the office of the United States trade representative, who is playing a key role in devising a new preferential trade and investment policy for developing countries, said if countries refuse to co-operate they may well find themselves excluded from programmes by other countries in a region.

Reed said the policy will aim at liberalising trade and investment regimes, particularly within regions.

He cited the example of Zambia, which is in serious difficulty, as one of the reasons for more liberal trade and investment regimes within regions.

A set of guidelines will be provided for regions and for countries which want to improve the flow of American investment capital.

Although none of the officials are saying it directly, the message is that they expect South Africa to do more to liberalise its intra-regional relationships and to take a more high profile lead in co-ordinating development in the region.

SADC will be high on the list of regions that will be targeted by the United States

European Parliament votes for 4% rise in SA aid

ET(BR)27/10/95 (297)

BY JOHN FRASER

INDEPENDENT FOREIGN SERVICE

Brussels — The European Parliament yesterday voted for a 4 percent rise in EU aid to South Africa.

This will boost support for the RDP from R555 million this year to R577 million in 1996.

Although next year's EU budget still needs to pass through some stages before it is finally adopted, it is unlikely that the figure for South Africa would be altered.

"We are happy to have agreed to this further increase in support of South Africa. This also indicates our continuing commitment to this country," said a European Parliament official.

In a separate vote, the European Parliament voted to boost by one third a smaller fund which supports the former front-line states. This will be increased from R60 million to R80 million.

Cash from this fund is not the only aid these countries receive from the Brussels budget.

They also receive much higher aid under the Lome' Convention, which is the EU's main aid instrument to 70 developing states, including all of South Africa's neighbouring countries.

Although the European Parliament's Development Committee had suggested a doubling of the aid fund to R120 million to these countries, this was rejected by the assembly.

In another development yesterday, EU officials announced new grants worth R46 million from this year's EU budget for South Africa's neighbouring countries.

Most of the cash will go to Angola and Mozambique.

Projects

Nine projects have already been financed this year, and a further 22 were announced yesterday.

Ten projects in Angola will share R22,8 million, with six in Mozambique winning a total of R11 million. Other countries which will benefit are Namibia, Lesotho, Zimbabwe and Tanzania.

The EU money will help with the relaunching of businesses, reintegration of refugees and training schemes.

An announcement on the EU aid for South Africa from this year's budget is expected soon.

'RDP can benefit private sector'

CT(BR)27/10/95 (297)

BY MAGGIE ROWLEY

Cape Town — Rather than being a threat, as it was perceived in some business circles, the RDP offered unprecedented opportunities for the private sector, Michael Leeman, the future growth co-ordinator at Southern Life, said yesterday.

Addressing the Social Involvement Association annual general meeting in Cape Town, Leeman said that through the RDP, the government was opening up new areas of opportunity which had previously been the sole domain of the state.

These included municipal functions which could be contracted out in future and investment and other opportunities arising out of the restructuring of state assets. The government had made it clear it was looking to the private sector as a full partner in the RDP, he said.

"In the past there tended to be an adversarial relationship between the government and business.

"However, the government and the RDP office in particular has undergone a fundamental paradigm shift over the past year or so which is increasingly reflected in government actions, verbalisations and discussion documents.

"The government has opened its arms to the private sector, giving full recognition to the added value it can contribute," Leeman said.

However, he added that the private sector generally still needed to undergo the same paradigm shift.

R13,8m RDP boost for Western Cape

BARRY STREEK

297

CT 27/10/95

THE Western Cape is to get another R13,8 million for the upgrading and rehabilitation of municipal services — a total of R64,8m during the current financial year.

RDP Minister Mr Jay Naidoo is scheduled to announce this morning that a further R750m will be allocated nationally for services like water, sewerage, refuse removal and roads. He is also expected to announce R500m for the provision of bulk infrastructure around the country.

RDP national programme manager Mr Stefan Hough yesterday said about 400 municipalities were involved: "This will give the civil construction companies a lot to look at."

The additional R13,8m to be announced today, will go to 27 different areas in the Western Cape. The total cost of the upgrading projects in the province is estimated at R175m, of which the RDP will provide R64,8m. Among the new projects are a R4,5m stormwater drainage project in Eerste River.

Big business urged to 'get involved'

(297)

Robyn Chalmers BD 29/10/95

LARGE SA companies had to become involved in funding RDP projects, and particularly infrastructure, if they were tosurvive and grow over the next decade, Minister without Portfolio Jay Naidoo said last night.

Naidoo told an Enterprise investment forum large companies, particularly insurance organisations, could not invest in office blocks in the formal sector and complain about lack of stability.

"It is essential for the continued future of SA, and SA companies, that we have a strong partnership between the private sector and government to provide basic services to communities.

"We agree that there must be guarantees in terms of private sector investment in order to limit risk, but we also have to ensure that our country is a stable one and that our people are uplifted."

Naidoo said affordability constraints meant government could provide communities with only basic services, and anything above this had to be negotiated at local government and community level on a cost-recovery basis.

Jay's smile could mean the RDP is really coming to life

BD 27/10/95 **GRETA STEYN** (297)

THERE were some touching moments on Jay Naidoo's tour of East Rand townships this week as people showed their joy that the reconstruction and development programme (RDP) had started working. But there were signs also of frustration because it was not working fast enough.

The minister without portfolio took reporters and MPs with him to review the RDP's progress in the three townships that make up the Katorus area on the East Rand — Katlehong, Thokoza and Vosloorus. The tour formed part of his strategy to ram home the message that RDP delivery is taking place.

Naidoo no doubt has one eye on the local government election, but he is also concerned with critics who see the RDP office as an unnecessary bureaucratic layer holding up delivery. Not too long ago, it seemed the former trade union leader's political future was in the balance as huge amounts of unspent money, little sign of a new life in the townships and a lot of jargon cast doubt on his ability to manage the RDP.

But a smiling Naidoo appears to have put the troubles behind him. As RDP parliamentary standing committee chairman Max Sisulu said: "I haven't seen Jay look so relaxed and happy in a long time. That must mean the RDP is going well."

If the tour through Katorus is evidence of what is happening throughout the country, Sisulu could be right. There are signs that the RDP is beginning to change people's lives, albeit slowly. The visit to the war-damaged area was also a reminder of the immense difficulties in getting programmes off the ground in a conflict-ridden community. Add to that the meticulous care taken over financial detail, and the reasons for the delays in delivery become clearer. Naidoo is finding it easier to convince people that the delays were justified because, finally, delivery is starting.

A Katlehong woman showed her approval with a clenched fist salute and a cry of "RDP!" She was pleased with the facelift given to her house in the Mgadi section. It had been severely damaged in the violence before the election, but her house now was as good as new. Unfortunately, it is one of only a handful — not yet enough to do much to the overall impression of destruction in the badly affected areas. Outside her house, a group of residents insisted that the "tourists also take a good look at all the damaged houses that remain.

The Home Loan Guarantee Company is managing the claims from home owners for repairs to houses damaged in the violence. A total of 928 claims have been received from residents since the company opened its office in mid-July. Of those, 264 houses have been put out to tender and 51 contracts awarded. The actual number of houses on which rebuilding has started is not clear.

The co-ordinator of the Katorus housing project, Mike Morkel, says: "Good progress has been made in the past two months."

Aside from the obvious problem of possible fraudulent claims, the Katorus RDP managers face a massive obstacle in dealing with illegal occupation due to political strife. About two-thirds of the damaged houses in Thokoza have been taken over by IFP supporters from a near-



NAIDOO

by hostel. Morkel says: "We are putting our heads together on how to solve this problem. We have tried persuasion, but that does not seem to be working."

The Alberton municipality's good intentions in starting to fix those houses did not pay off, and the houses were "re-vandalised", as Morkel puts it. "Alberton took the initiative too early," he says. The fruitless attempt means the paint is still fresh on some of the ruins; they stand out among the black remains of houses.

Community strife also caused snags for a New Housing Company (Newhco) project in the Boksburg area of Martin du Preezville. A social compact reached between two groups came to nothing when a third invaded.

The need to manage people carefully was evident also in security measures such as emergency telephones and satellite police stations. It took much longer than had been expected to arrive at consensus over the siting of the phones and the police stations.

Another reason for slow delivery has been the RDP office requirement that local jobs be created. For instance, the houses being built by Newhco in Vosloorus Extension 28 are being built by local contractors on a "labour only" basis. Project managers admit that this initially created problems regarding quality and delivery, but these problems are now being addressed.

Vosloorus Extension 28 is evidence that some small progress is being made on housing in the area, in part thanks to a social compact between Newhco and the Vosloorus branch of Sanco. It is encouraging to see tentative signs of success in the "incremental approach" to housing — the provision of a basic, one-bedroomed structure on a serviced site to which owners can add. About 150 new houses were occupied in July, and some people are already adding on rooms.

Upgrading of hostels is also showing results, although this is concentrated in Vosloorus where the Sotho hostel has almost been completed and the Nguni hostel is further than the halfway mark. The "before and after" demonstrations are quite startling — the new units provide for one bathroom for six people and 12 people stay in a unit. This compares with about 16 a unit previously, with no bathroom in the unit itself as residents made use of communal ablution blocks. A new feature is a ceiling and a stove, and the windows now have burglar bars.

Another sign of progress is the relative neatness of the townships — sewerage rehabilitation and refuse removal projects have begun.

The Katorus RDP project has so far created about 3 000 jobs, of which the hostels upgrading and housing has seen the creation of a few hundred each, the community constables about 900, and the schools programme most of the rest. People working on the hostels were trained and have received certificates of competence.

There have also been spillover effects — for example, the new resident of Vosloorus Extension 28 who erected washing lines for most of his neighbours for a fee. But the Katorus project manager, Themba Maluleke, is worried that the jobs created will not be sustainable.

The problems are daunting, but a start has been made. The situation in Katorus today is a far cry from three months ago, when the project was said to have "crashed" after floundering in red tape.

Naidoo was obviously encouraged by what he saw this week. If Katorus is anything to go by, the RDP has finally come to life.

RDP spending rate set to surge in priority reshuffle

BD 27/10/95 (297)

Greta Steyn

THE reconstruction and development programme (RDP) will end the fiscal year with less than R1bn in the kitty — a major turnaround from initial expectations that an embarrassingly large R2bn would be left unspent.

RDP national programme manager Roy Page-Shipp said the increased rate of spending would be achieved by rearranging priorities.

"From our first assessment that more than R2bn would be left over, we now believe we can keep the amount well below R1bn," he said.

The RDP office and its leader, Minister without Portfolio Jay Naidoo, had come under fire for slow spending. In its first year less than R1,2bn of the R2,5bn RDP fund was spent and slow disbursements in the first six months of the fiscal year suggested the criticism would continue.

"We have moved forward projects from next year to this year to take up some of the slack," Page-Shipp said.

He confirmed that the lack of spending of the housing allocation had been a reason for the slow disbursements of the RDP fund.

It is understood the R700m allocated to housing subsidies will no longer be spent this fiscal year.

Projects that will benefit from the reallocation of funds relate mostly to building and upgrading infrastructure such as water supply, sanitation and roads.

The RDP office is expected to announce today that the R700m that would have been used for housing subsidies will be used for bulk infrastructure instead.

It is understood that difficulties in getting departmental and provincial business plans to meet the RDP office's criteria accounted for much of the delay in spending. Money will now be allocated to get private sector experts in

Continued on Page 2

RDP

(297) BD 27/10/95

Continued from Page 1

to help draw up the plans.

RDP director-general Bernie Fanaroff said in September the fund might have to roll over R2bn. At the time he was pessimistic that efforts to speed up spending would pay off. Rollovers expected at the time included R500m in municipal infrastructure, R400m-R500m in spending on Katorus on the East Rand, R800m for infrastructure for housing development and R100m for rural water projects.

There were no details available yesterday on how that picture had changed to yield a substantially smaller rollover.

Naidoo has launched a campaign to coincide with the local government election to convince the public that RDP delivery is taking place. The move to speed up spending, especially if it is perceived to be politically motivated, could raise fears over fiscal policy. In the last fiscal year, the lack of RDP spending helped keep a lid on the overall spending totals, but that is not an option this year.

See Page 16

Bill a threat to non-governmental organisations

BD 27/10/95 (297)

THE independence of non-governmental organisations in SA is threatened by the Non-Profit Organisation Bill which its authors plan to see introduced in Parliament early next year.

Among the main provisions of the Bill, now in its second draft, is that a new commission will have the power to remove trustees from the boards of non-governmental organisations and replace them with its own nominees. All but two members of this "non-profit organisations commission", which will have between 18 and 25 paid members, will be appointed by government.

The Bill is the work of a firm of attorneys in Cape Town acting on behalf of a group calling itself "the independent study into an enabling environment for non-governmental organisations", which in turn is supported by the "Development Resources Centre".

Sections 29 and 30 of the Bill are the worst. The former is reminiscent of the open-ended powers given in the early 1970s to the infamous Schlebusch commission, which was set up to investigate the activities of four prominent non-governmental organisations — the Christian Institute, the SA Institute of Race Relations, the National Union of South African Students, and the University Christian Movement.

Section 29 thus gives the new commission open-ended powers to subpoena persons and documents from any non-governmental organisations. Persons who are subpoenaed will commit an offence if they do not respond promptly. As was the case with the Schlebusch commission, there is no obligation on the part of the proposed new commission to disclose what the purpose of its inquiry is.

Section 30 gives the commission powers to act against non-governmental organisations at any time if "in its opinion ... there is prima facie evidence of misconduct or mismanagement: or it is otherwise necessary or desirable for the purpose of protecting assets and income; or to promote the public interest". These powers include the power to order the suspension of any trustee or "other officer" of the organisation.

All or any of the powers of trustees may be suspended by order of the commission, which also has the power of "vesting same in any other person specified".

JOHN KANE-BERMAN

The commission is also given the thoroughly arbitrary power to "make such orders as it may deem appropriate" about non-governmental organisations. The commission would thus be empowered to mount a hostile takeover of any organisation if, in its opinion, doing so was in the "public interest". It would also have the power to stop an organisation doing anything its members thought was not in the "public interest". An organisation could be ordered to stop criticising the reconstruction and development programme or highlighting the crime rate or anything else government appointees were sensitive about.

One Zane Dangor, apparently acting on behalf of those who initiated the Bill, recently circulated a two-and-a-half page summary thereof. His document made no mention of these powers. Trade unions would not accept that the new commission on conciliation, arbitration and mediation should have such powers in relation to their officials. Nor would the private sector accept that any state-appointed body should have the power to remove and appoint company directors or give orders to companies if such a body formed the "opinion" that this was necessary to prevent "misconduct", "protect assets", or promote "the public interest".

Some argue that the Bill is justified by the (as yet unproven) allegations against Allan Boesak. The same argument would justify using the Masterbond scandal to give government the powers to appoint and remove company directors.

The commission will further have the power to impose fees on non-governmental organisations, presumably to help keep itself and its three secretariats in operation. Ironically, the Bill claims that one of its objectives is to "avoid the oppressive and restrictive bureaucratic control that was characteristic of the previous dispensation".

While the previous regime had powers to ban people and so remove them from any organisation, it did not seek to give its nominees powers to put their men onto the boards of non-governmental organisations.

Many non-governmental organisations are already registered as incorporated associations not for gain under section 21 of the Companies Act. They already have to publish audited financial statements and comply with other provisions of the Act. Some also have fund-raising numbers in terms of the Fund-Raising Act. The Bill nevertheless stipulates that, with some exceptions, all existing non-governmental organisations will be compelled to register with the commission within three years, failing which they will be prohibited from operating. Far from seeking to "avoid bureaucratic control", the Bill imposes additional reporting duties on organisations. They may be ordered to supply "such information as to (their) activities, funding sources and funds spending as may be prescribed".

SA non-governmental organisations have a long and honourable record as critical institutions and watchdogs against the abuse of power. Some believe that they should be ready to keep playing this role.

The new commission's powers present as great a threat to them as anything devised by the previous government.

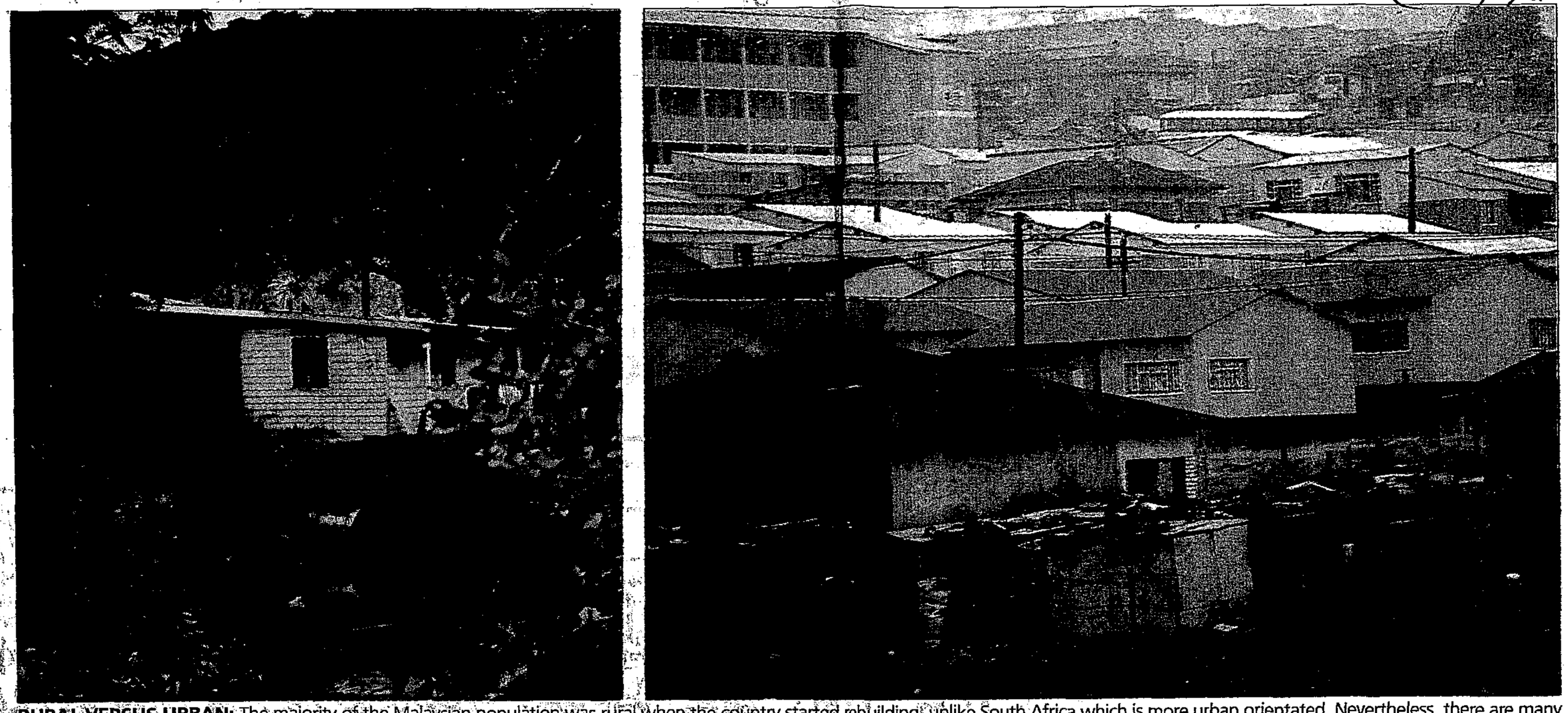
□ **Kane-Berman is SA Institute of Race Relations CE.**

LETTERS

An eastern 'RDP' that really worked

(297) Star 28/10/95

HERMANN GILIOMEE looks at the (often undemocratic) methods Malaysia used to redistribute along racial lines, which resulted in a happy outcome for the majority



RURAL VERSUS URBAN: The majority of the Malaysian population was rural when the country started rebuilding, unlike South Africa which is more urban orientated. Nevertheless, there are many similarities between the two countries. Ethnic divisions in Malaysia are considered to be as deep as anywhere else

The Reconstruction and Development Programme (RDP) is still in its infancy. It can greatly contribute towards normalising South Africa by holding up a national vision. However, it is also possible that it can turn out to be a force for the rise of a one-party dominant system, similar to that of Mexico or Taiwan, which provides no bed of roses for opposition parties.

In Malaysia, a vision similar to that of the RDP was expressed in the early 1970s when the New Economic Policy (NEP) was launched. Malaysia is a relevant comparison for the following reasons.

It is a medium-sized state with a gross domestic product per capita roughly the same as ours. Malays, forming half of the population, consider their interests as paramount because of their indigenous origins. Since independence they have dominated the political system, but the Chinese (a third of the population) and Indians (a tenth) have long controlled the economy. Ethnic divisions are considered to be as deep as anywhere else.

A government of national unity, consisting of a coalition of parties representing the different ethnic groups, has presided over the redistribution policies of the past quarter of a century. The NEP's outcome so far has been a fairly happy one. It has achieved exactly what our government wants; a steady expansion of opportunities which has persuaded all ethnic groups that co-operation is better than resistance or emigration.

There are also differences. The most important is that a militant trade union has never been one of the main support bases of the main Malay party. Another difference is in the extent of urbanisation. About 60% of South African blacks are urbanised. By contrast, when the NEP was launched, the great majority of Malays still lived in the rural areas. Perhaps the greatest improvement in their economic fortunes took the form of a move to the cities where they found jobs.

Finally the political system is such that the ruling alliance, which in the 1980's controlled more than four-fifths of the seats in the lower house, feels compelled to join together before an election. This makes for a much sounder form of alliance politics than ours, where the parties fought each other in the election.

Compared to our robust democracy, Malaysia has seen the limiting of an already limited democracy. The emphasis is on avoiding conflict by promoting inter-community harmony and consensus within the ruling alliance and in society at large.

It is forbidden to challenge publicly things like Malay rights or Chinese citizenship. In general, non-Malays accept the paramountcy of Malay interests, which is never openly challenged.

The main aim of the NEP as it operated between 1970 and 1990 was to reduce poverty and to make Malays "full partners in all aspects of economic life". Its main target was to raise the Malay share of equity in firms producing for the domestic market from less than 4% in 1971 to 30% in 1990. The goal was set that firms use Malay distributors for a minimum of 30% of turnover. Employment quotas for Malays were also set.

The main mechanisms to address the issue of equity share were the use of massive state investment trusts, which took over companies and acquired 30% of the equity of new companies floated on the stock exchange; and the creation of a mutual fund which purchased the assets of state-controlled companies and spread its profits to the Malay community.

This was done by selling units of the fund to Malays who can buy and sell only through the mutual fund. The rate of return on investment in this fund is several points higher than the fixed savings and deposit rates.

Despite these fairly radical measures, the Malay share of equity had risen to only 20% by 1990. At the same time the share of foreigners had dropped from 62% to 25%. The employment quotas were also not met.

Those in the public sector were reduced in the late 1980s while the private sector was largely unaffected by quotas in the 20-year period. In 1990, Malaysia dispensed with detailed targeting. For South Africa it is important to note the following:

Firstly, the NEP did not meet its targets but did achieve spectacular progress in eliminating poverty. Whereas the RDP is concerned with socially desirable expenditure, the NEP concentrated on employment creation through promoting economic growth and labour-intensive industries. These policies were highly successful, with Malaysia enjoying a spectacular average growth rate of more than 7% since 1970.

It was growth rather than targeted state intervention which helped Malays to take a much more respectable place in the economy by 1990. (Was the same not true in the case of the Afrikaners between 1933 and 1974?) It was also growth and employment creation which lay behind a reduction of poverty of almost 8% per annum in 1973-1984 and a staggering 14% in the late 1980s.

Malaysia was of course also lucky in that the prices of its commodities, particularly oil, increased sharply. However, when these prices dropped in the 1980s, growth was fuelled by labour-intensive manufacturing.

Most prominent were Malaysia electronic components for export, backed by massive Japanese and Taiwanese investment.

A second point is that labour costs were kept low, and are at the moment only a third of those in Singapore. The government follows a tough policy towards trade unions. It prohibits strikes in strategic industries, particularly in export industries, and over the dismissal of workers. It can ban a trade union without giving reasons.

Addressing an International Labour Organisation conference in Geneva in 1993, a Malaysia trade union leader said: "The government fear is that foreign scrutiny of labour conditions will fuel demands for higher wages and erode the country's advantage." He also pointed out: "Our wages are still far behind. Many companies are prepared to pay higher wages, but the government asks us to keep them down."

The third point about the Malaysian NEP is that most people in the minority groups also prospered. They had to work harder, but the rewards were good. It was high growth that prevented the Chinese and Indians from developing a sense of displacement in the face of Malay advance.

The proportion of those in higher education in these communities rose from 1,54 to 1,74 per 1 000 between 1970 and 1985. For Chinese wishing to work in sectors like manufacturing there was no lack of opportunity.

There were two other important safety valves. People could emigrate and take the capital with them, and they could study abroad in l numbers. Fourthly, the ruling al was cemented by linkages be non-Malay business and Mala the bureaucracy controlling dies, contracts and other for state patronage. The poorer Ch however, have a sense of losing

To a large extent, they for support base of the opposition nese party, which now has twi level of support of the Chinese in the government of national This may put in jeopardy the s of Malaysian consociationalism depends on the ethnic parties d ing their respective ethnic com ties.

In Malaysia great success in redistribution has been achiev the basis of high economic grow

In South Africa, the RDP paper also assumes high growth haps this is the reason it doe more fully address issues like jo ation or the fear of minorities of displaced in a stagnant job m The political implications of the will in fact greatly hinge on wh we do get high economic growth

But whether or not we ge growth, many features of the party dominant system already to be present.

For their own sake, and that country, it is imperative tha minority parties formulate thei development policies that sub to the goals of the RDP, but not sarily to the centrist mecha used to implement it.

The Congress of South A Trade Unions general secretar Shilowa, has said the RDP env an "economic miracle" to mat political miracle.

This comes close to sayi expects it to be a magic wand will transform our sluggish ec into a mature, dynamic, stri one. Politicians and trade un pursuing miracles either los innocence and return to more dane attempts to improve the or they persevere, turning good tions into radical policy whi comes repressive and destroy liberties. Apartheid is a go minder.

■ This is an extract from a entitled *Implications of the R Consolidating a Democra South Africa* to be published SAIRR's *Frontiers of Fre* Fourth Quarter.

Professor Giliomee is lecturer in political studies University of Cape Town and ident of the South African In of Race Relations.

Naidoo pledges RDP cash boost for improved municipal services

(297)

Star 28/10/95

An additional R700-million will be committed to the Reconstruction and Development Programme specifically for municipal services in developing communities throughout South Africa, Minister without Portfolio Jay Naidoo said yesterday.

He announced recently that R750-million had been allocated to upgrade municipal services in 614 communities.

Applications for the funding of municipal services had been so large and projects were moving so quickly and efficiently that it had been decided to extend the programme by another R700-million, Naidoo said.

This would be funded from money originally earmarked for housing. Naidoo explained that the money was not being taken away from the housing budget but shifted from funds allocated for infrastructure. It would be reallocated once the housing programme was under way.

Constitutional development director (local government facilitation) Richard Kruger said applications for funding had far exceeded allocations.

"KwaZulu-Natal was only allocated R149-million for this programme but we received applications for R1,5-billion."

Gauteng had been allocated R86-million but applications of R2,5-billion had been received.

"Mpumalanga was allocated R49-million, but we had already received applications for R71-million before it was even allocated any money," he said.

Even with the additional R700-million allocation, SA would still need to find billions of rands to fund the backlog of municipal services, Kruger said.

Work on municipal service upgrades had already begun in every province except KwaZulu-Natal, where it would begin soon.

Naidoo said the R1,45-billion municipal services upgrade programme was expected to bring basic water services, sanitation, new roads and new sporting facilities to more than 1 000 developing communities around the country.

"Some 3,5-million people will be positively affected by this programme," he added. – Sapa

Anglovaal will make the business solvent. ... worth more than R20 m if arrear com... But

Relief for paralysed as R1m goes to wheelchairs

(297) ARG 28/10/95

ADELE BALETA
Staff Reporter

MORE than 700 paralysed adults and children who are bedridden will be mobile before Christmas, with more than R1 million being allocated for the purchase of wheelchairs.

Western Cape Minister of Health and Social Services, Ebrahim Rasool, said at the Stikland Hospital fete today that his department had already set aside more than R1 million from the health budget to purchase wheelchairs, at a cost of about R1 400 each for adults and R1 100 for children.

Mr Rasool has also called on the private sector and local authorities to join hands in making the city "wheelchair friendly". He would also consult the Western Cape Minister of Public Works, Leonard Ramatlakane, on the issue.

Because of a severe shortage of equipment, paraplegic and quadriplegic patients were being discharged from hospitals without wheelchairs and were confined to bed for long periods, resulting in bed sores.

There are also paralysed people waiting for wheelchairs in hospitals, taking up beds which could be used for other patients.

A Western Cape Health Department spokesman said it was "pointless" rehabilitating paralysed patients in hospitals only to release them to their homes, where they would likely be confined to their beds.

At least 20 to 30 percent of patients at Conradie Hospital's Spinal Unit are waiting for wheelchairs.

According to the department, 344 adults needed wheelchairs. A further 56 were waiting in hospitals for wheelchairs so they could be discharged and a further 244 wheelchairs would be needed by the end of the financial year.

A total of 116 children required "buggies" — wheelchairs for children — and another 27 would be needed for the rest of the year.

The wheelchairs were not motorised but the best affordable chairs would be bought, a department spokesman said.

Buggies cost about R1 100 and adult wheelchairs cost about R1 400, with the total cost amounting to R1 113 900. Money would also be used to extend the Conradie Hospital's wheelchair maintenance service to other hospitals.

At least 154 adults and nine children would receive wheelchairs in the rural areas.

A total of 172 children will receive wheelchairs at Red Cross Children's Hospital.

JBO JBO JBO JBO JBO JBO JBO JBO JBO JBO JBO JBO JBO JBO

PIPED WATER BY CHRISTMAS FOR 141 FAMILIES

Services delivery brings hope

ET 30/10/95 (297)

MOSSEL BAY: People here have gained new hope and a willingness to "roll their sleeves up" as the first visible benefits of the RDP appear. **ANEEZ SALIE** reports.

WATERBORNE sewerage and water on tap for Christmas: This is the prospect bringing joy to scores of Mossel Bay families as the long-awaited RDP takes off.

The 141 families affected are provided with no services at present, except one standpipe for 30 families in the old Provincial Administration Camp.

By Easter another 200 will also no longer have to trek to the bush to relieve themselves.

"Gone will be the indignity, the inconvenience, to put it mildly, and the unhygienic conditions imposed on us by apartheid," said kwaNonqaba community leader Mr Themsile Stofile, who is also chairperson of the executive committee of the transitional Mossel Bay municipality.

Progress

Mr Stofile was one of a group of municipal officials, transitional councillors, community leaders and consultants who took the Cape Times on a guided tour of informal settlements to show work in progress on the provision of civil engineering services made possible by the Municipal Infrastructure Programme (MIP) of the central RDP office.

Under construction were water and sewerage reticulation for 141 families, erf connections up to and including toilet structures with a wash trough, and gravel roads. The work is being done by 12 subcontractors and 60 labourers from the community.

The project is to cost R1,2 million, of which RDP funds account or about R700 000, with the balance forwarded by the transitional local council of Mossel Bay.

At first glance there is little physical evidence of the changes: Once a trench is dug, and pipes laid, it is covered again.

Then, on a rocky hill in the old Provincial Administration Camp, we saw the toilets dotted around, some next to existing informal houses, others on their own at plots residents plan to move to.

The buildings seem insignificant, but the eradication of unhygienic living conditions is at the heart of the RDP. With improved sanitation, a community's health improves drastically, in turn taking pressure off primary health care.

It does not help to provide clinics while ignoring the basic cause of ill health.

"It has such a great ripple effect on everything else," said Mr Stofile. "But besides the bigger picture, it is simply wonderful for us as representatives of the people to share in this project with them, and to be able to deliver, after so long, after so much neglect."

At a small informal dwelling Mrs Nothembe Mapete watched the workers struggling with the rocky and hilly terrain, and summed up the feelings of most: "I cannot begin to tell you how grateful we all are for the toilets and the taps. We will be so happy when we do not have to go to the bush every time. It is most unhealthy, our children are often sick."

Added Mrs Anne Ngcenge: "We really do not know why it took so long, but now that it is coming there is a new mood among us. We feel like doing things again.

"Now everyone is more willing to roll up their sleeves to do something for themselves. President Mandela and the government cannot do everything."

The Provincial Administration Camp, originally intended to house African migrant workers, has grown over the past decade as former migrants moved in permanently and coloured labourers forced off farms moved into town.

The demographic change, with whites now outnumbered, has changed the politics of the traditionally conservative town. The ANC and its allies are likely to control local government after Wednesday's elections.

How did a town with a conservative, white image, bitterly divided from is African and coloured periphery, get its act together to be the leader in the RDP stakes?

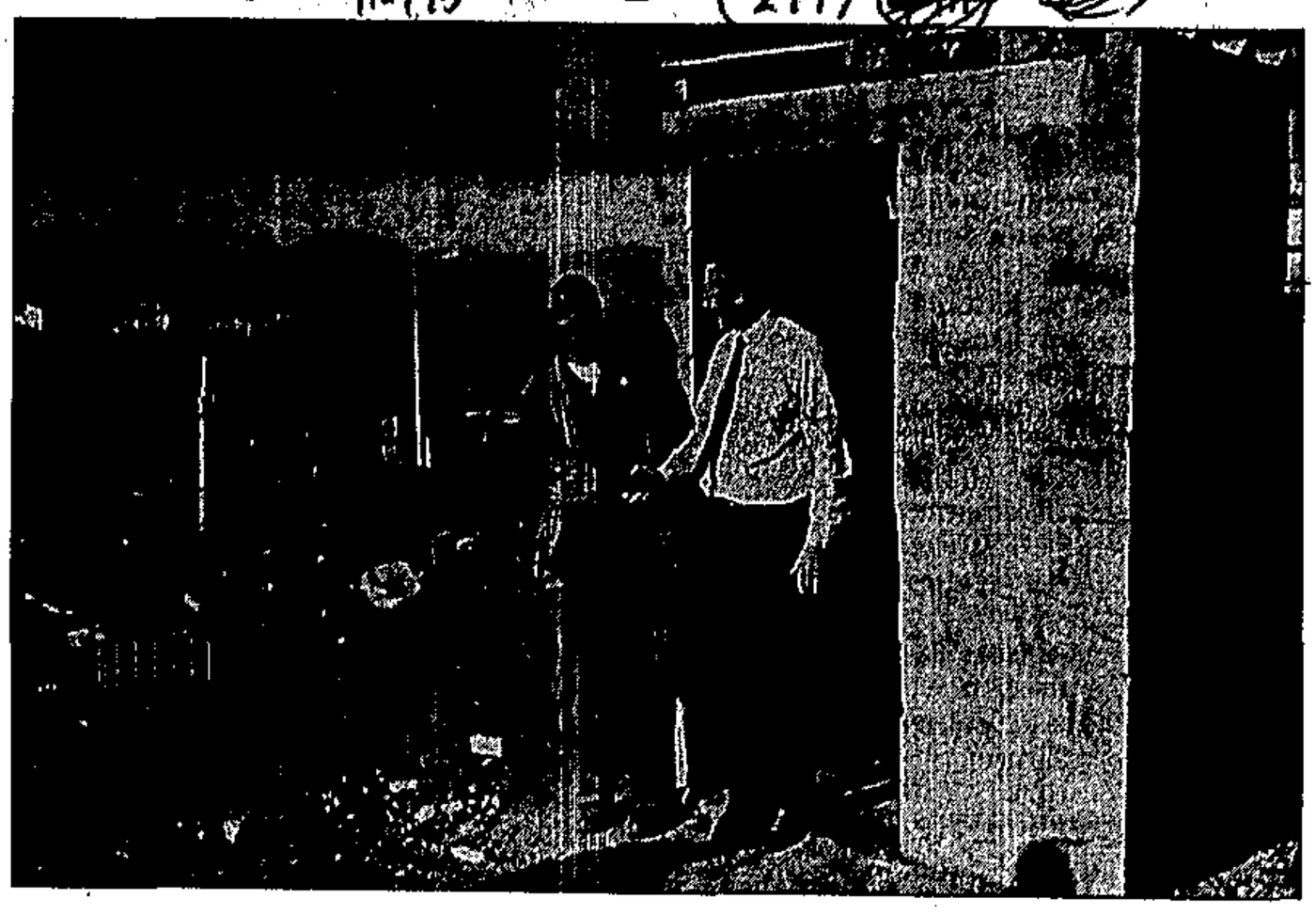
Work

"Talk, talk, talk," said Mr Japie van Eeden, Mossel Bay's municipal electrical engineer and the driving force, on the statutory side, of the MIP. "And then lots of work.

"We had all the usual divisions, some worse than in other places. But we all underwent a change in mindset. It came to a point when we realised things could not go on as they had in the past. It was time for a clean break with the past, and to build for the future. Which is why the toilets and the MIP generally are so important to us.

"But we had to go through a great deal of talking to get where we are. In the process we discovered there is nothing better than talking to each other."

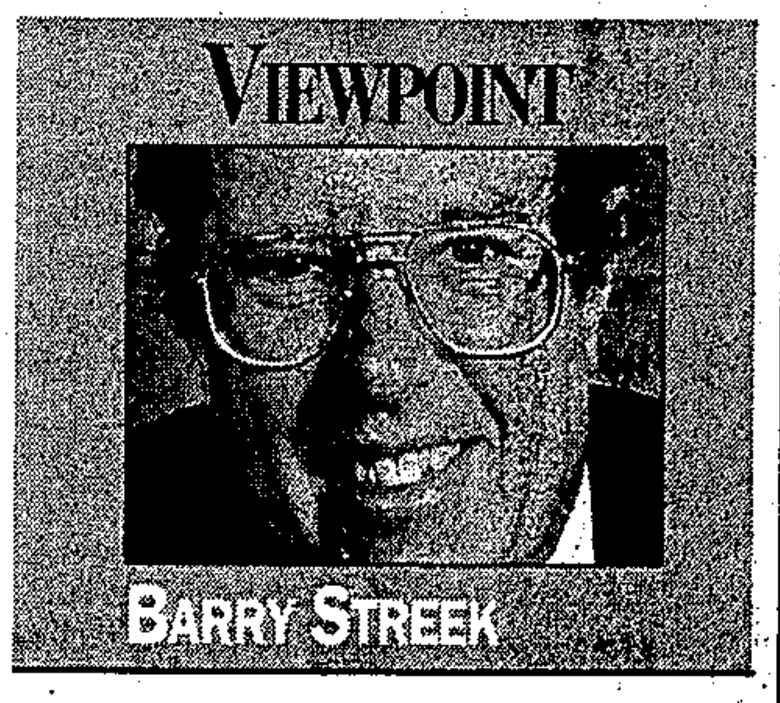
Councillor Mr Lester Sampson, an ANC local government candidate in the coloured areas, agreed, but added: "There are a lot more things to talk about. Now that we are getting the basics in place, we need to address people's other needs, such as housing and, most importantly, jobs."



FLUSHED WITH PRIDE: Mr Zakhele Khankanya (left) greets his employer Mr Piet van Rensburg, head of Mossel Bay's health services, outside his family's new toilet. *PICTURE: ANEEZ SALIE*

The RDP is taking off

CT 30/10/95 (297)



A BUZZ of activity and excitement, as well as open frankness, is very evident in the RDP headquarters in Pretoria, part of which is located in the Union Buildings: Finally the much-talked about reconstruction is really beginning to happen — except, significantly, in housing.

RDP managers and Minister Jay Naidoo openly admit they did not realise that the consultation and planning for all the different projects would take so long, but they are convinced that their insistence on proper business plans for every project, incorporating the broad RDP goals, has been justified.

The minister and his managers also admit that two of the high-profile presidential projects, the school-feeding scheme and free medical care for pregnant mothers and children under the age of six, were announced without planning — indeed, one RDP programme manager said not even the Department of Health was informed beforehand about the free care programme!

Problems

These two programmes have experienced administrative problems ever since, although the Department of Health and the RDP office are working on them and believe they are close to resolving them.

But, despite these difficulties and an obvious morale problem earlier this year, the Reconstruction and Development Programme is now clearly taking off.

It is, it should be emphasised, an enormous programme. It is South Africa's equivalent of President Franklin Roosevelt's New Deal in the United States or the Marshall Plan to rebuild Germany after World War II.

It should also be emphasised that the RDP is not a magic wand that can be waved over extensive deprivation and poverty in a quick-fix solution for the gross inequality the Government of National Unity inherited in May last year.

Development work and consultation with the people is always time-consuming, in the case of the RDP even more so than anticipated. Often the temptation with major social sores is to rush in with money to patch them up, only to find out later that much of it was wasted.

The emphasis in the RDP headquarters is on delivery and this is underlined by the fact that the three national programme managers (the people who monitor the implementation and financing of the different projects) are all members of that endangered species — middle-aged white males.

Mr Naidoo explains: "We had to employ effective and experienced managers and you don't find many of them in the black community."

One of these managers, Roy Page-Shipp, has been seconded from the CSIR; another, Brian Monteith, has been recruited from the private sector, and the third, Stefan Hough, has been seconded from Armscor.

Mr Hough's last job was to fit Russian engines into South African Mirage jets, and some time before that he was responsible for making napalm bombs. But today he is an enthusiastic and hard-working RDP programme manager.

His appointment demonstrates something else about the RDP: It is deliberately not a partisan jobs-for-pals operation.

Indeed, Mr Hough points out that the largest amount allocated in the first grants for the upgrading and rehabilitation of municipal services was the R149,9 million allocated for 85 projects in the IFP-controlled kwaZulu-Natal.

He says: "These ANC people, under whom we work, are in a hard drive to make things work. kwaZulu-Natal really needs this money. It is not a political decision."

Upgrading

Certainly, the impression one gains from talking to Mr Naidoo and his officials is that equality and deprivation are now being seriously tackled.

The RDP is funding municipal upgrading (614 projects in the first R750 million allocation and a further R700m announced on Friday), clean water provision in the rural areas (22 major and over 100 minor projects by the end of the year), land reform projects (one in each province), the upgrading of rural roads (R100m this year), public works programmes (R150m this year), the electrification of schools (R86m this year), and much more.

Housing remains a problem, but Mr Naidoo is convinced it will take off next year.

As he himself says: "All major programmes are now on the ground — and hitting the ground."

Hundreds of jobs created by RDP

Sowetan 31/10/95 (297)

Happy hostel inmates on the East Rand offer to slaughter a cow for Naidoo

By Mzimkulu Malunga

HUNDREDS OF JOBS are being created countrywide as a result of the Government's Reconstruction and Development Programmes, says Minister Without Portfolio Mr Jay Naidoo.

Addressing members of the Enterprise Investment Forum last Thursday, Naidoo said there was a misconception in the country that the Government was failing to deliver.

For most of his presentation Naidoo dwelt on how the Government – through the RDP – was delivering in the once violence-racked townships of Katlehong, Thokoza and Vosloorus.

He blamed "lazy journalism" for the Government's poor image regarding the RDP.

"The RDP has begun making a change in the lives of millions of people out there and those who want to see the projects must go and see for themselves," he said.

In Kathorus the Government was building 80 houses a day with plans to increase the number to 150 houses every day.

He said the R3 billion programme in the area was aimed at transforming the entire society, not only by rebuilding the area, but by reducing crime and bringing stability.

Thousands of street lights have been fixed and damaged houses were being rebuilt, says Naidoo.

Mobile police stations have been put in place in the area as a result of the RDP, a factor which has already contributed to a reduction in crime.

"Today you can drive on Khumalo Street without fear of being shot at," he said.



Lazy journalism is resulting in negative publicity for RDP, says Jay Naidoo.

He related a story about one of the hostels, an Inkatha Freedom Party domain, where the residents were so pleased with the difference the RDP has made in their lives that they even proposed to slaughter a cow for him.

Water projects

"I was even given a chance to address the residents there. Now, that is a miracle, but a story like that never makes headlines in newspapers," he said.

He also cited the water projects that have been implemented in places like Moretele in the North West and various parts of the Northern Province.

"These projects are bringing water to more than three million people. In the past those people have never had water at all," he said.

Half a million homes have already been electrified, says Naidoo, adding that although that was still a drop in the ocean when considering that the backlog was about 15 million houses, at least the Government was beginning to deliver.

On the feeding scheme Naidoo said although there were problems; the Government was feeding about five million school children countrywide.

He emphasised that even the problems that were reported in the media were picked up by the Government, "not some clever journalist".

In all the RDP projects, Naidoo said, local communities were involved, not only at the consultation level, but through a system where they took part in implementing the projects themselves.

"So, if we built a clinic which under normal circumstances would take about six months, it takes longer because some of the time is spent training people in those communities to build the clinic themselves," he said.

He also added that the Government was in the process of solving the publicity problem for RDP projects.

Naidoo concluded by sounding a warning to those who were trying to put pressure on him. "I have survived a lot of pressure during my days as a trade unionist and I am not going to give in to political pressure," he says.

Europe gives SA R555-m

THE European Union will soon announce details of this year's R555 million aid programme for South Africa.

This follows a meeting of EU government experts in Brussels last week.

The projects are all aimed at supporting the SA government's Reconstruction and Development Programme. One project, worth around R48 million, will supply library books and training for institutions that have suffered "historical disadvantages."

About R16 million will go to a mathematics and science foundation for universities.

The biggest aid grant, of R108 million, will go to the Cato Manor rural development project in Natal.

Non-governmental organisations will share R66 million, with the Kagiso Trust getting R5,3 million.

A land reform programme will get R48 million and a water development programme in the Eastern Cape R79 million. – *Independent News Service.*

Southern Africa needs RDP plan

(297)

Sowetan 31/10/95

Africa can be developed with SA expertise and international capital

SA Press Association

A SOUTHERN AFRICAN reconstruction and development plan should be started to ensure real peace and stability on the subcontinent, Transvaal Agricultural Union president Mr Dries Bruwer said yesterday.

"Not only will the economies of African countries be developed to their full potential but the whole of the sub-Saharan continent could be politically stabilised," he said in an interview.

"The possibilities of growth and prosperity in the region are enormous if leaders are prepared to face the challenges of this task."

A project of this magnitude would change the lives of millions of people and would have to be initiated by South Africa and in particular President Nelson Mandela.

Civil strife

Civil strife and lack of expertise had left sub-Saharan Africa's vast natural resources under-developed and under-utilised, but this could be remedied if a country like South Africa was willing to take the lead in the planning and physical implementation of projects, he said.

"South Africa has expertise and knowledge to offer and I can see no reasons why international funding cannot be obtained.

Africa will remain a Third World continent increasingly dependent on international aid if its natural resources are not developed and utilised to their full potential.

"The international community is well aware of this fact."

Bruwer said a southern African reconstruction and development programme would solve South Africa's serious problems.

Influx of people

A mass influx of people from nearby states posed a threat to South Africa's natural resources, some of which, like water, were scarce.

South Africa's urban areas had become prime squatting sites for thousands of aliens flocking to "the land of milk and honey".

It was widely recognised that crime was soaring and unemployment was rife.

"These are all factors leading to dissatisfaction and even confrontation," Bruwer said.

"It destabilises the South African situation which will never recover if drastic measures are not taken to enhance the peace and stability in South Africa and our neighbouring countries."

BD 31/10/95

Operation Hunger opts for self-help

~~298~~ (297)

SIX months after a cash scandal that shook the faith of international and local donors, Operation Hunger has made a comeback and is fighting SA's problem of malnutrition with long-term solutions: less food and more planning.

In May the non-government body was tipped off that a former top official and several staff members in the Free State office were allegedly embezzling.

After realising that R400 000 in aid money was missing, an independent investigation was ordered and the official and several staff members were fired. Now the 15-year-old organisation is trying to recover from a drain in funds and hack away at its new mandate.

"The donors were obviously concerned and some did suspend their aid," said acting director Philip Davids.

Because SA does not have visions of starving children and widespread famine, donors had the perception that government and other groups would pick up the slack, he said.

Fundraising director Jeanne Cohen said funds dried up from May to August, but local and international funding by the US Agency for International Development and the UN International Children's Emergency Fund was back to normal. "It definitely hurt projects, especially our direct feeding schemes," she said.

Unlike famine in other African countries, SA's hunger problems are concentrated in cases of malnutrition and stunting, caused by a resource imbalance from decades of apartheid.

The organisation's original mandate focused on food aid. It has now shifted the emphasis to self-help projects as rural feeding schemes have not shown marked nutrition improvement.

Development co-ordinator Edward Breslin said that projects involving water supply, sanitation, food growing, weighing programmes for children and nutrition training had been initiated at seven test sites. —Sapa.

SOCIAL SECURITY — GENERAL

1995

NOVEMBER - DECEMBER

Funder's call for 'relevant' research

CAROL CAMPBELL

RESEARCH conducted in South African universities had to become more socially relevant if academics wanted to guarantee funding for their work, the president of the Foundation for Research Development (FRD), Dr Reinhard Arndt, warned in the company's annual report this week.

The FRD is a major educational funding agency which backs mostly scientific research in tertiary institutions around the country.

"We must continually ask ourselves how we will harness science, engineering and technology for the huge task of rebuilding this country and achieving economic growth."

New research support programmes would kick into gear next January, he said. The focus of these programmes was to develop people skilled in science, engineering and technology so that national goals and community needs could be met.

Quality work would not be sacrificed, however — it would continue to secure recognition for SA as a competitive player in the global arena.

Last year 240 local academics were evaluated by the peers around the world, and 10 were assessed as international leaders in their fields.

Last year the foundation successfully enticed nine expatriates, all with post-doctoral degrees and extensive research experience, back to SA. A further four scientists came back for short-term periods.

Merit

CT 1/11/95

Bursaries were awarded to 239 black and 1 539 white students — primarily on academic merit with a strong emphasis on their future potential.

Support for research development in historically black universities increased by 71%, from R5,2 million in 1993/94 to R8,9m in1994/95.

This support for black academics was carried over into the old white universities, where 58 black staff members and 556 black students were financially assisted by the FRD (58) (297) (55)

Pipe plant will help RDP objectives

CT(BR) 1/11/95 (1996)(297)

BY ROY COKAYNE

Johannesburg — South Africa's ability to achieve RDP objectives has received a significant boost with the opening of Hobas South Africa's R25 million plant at Rosslyn near Pretoria.

It is the country's first factory for manufacturing centrifugally cast Glass Reinforced Polyester (GRP) piping and was officially opened this week by Water Affairs and Forestry Minister Kader Asmal.

The process used at the Rosslyn plant is the most technically advanced and economical in the world. Ten million rands worth of equipment was imported from Hobas SA's overseas technology partner, Hobas Austria.

GRP piping is suitable for water reticulation purposes and is a lot lighter than standard sections of a pipe, thus eliminating the need for heavy duty pipe-laying equipment, which makes it ideal for labour intensive projects.

Hobas SA is a joint venture between world leaders in GRP technology, Hobas Group (Austria) and Blue Circle. It operates as part of Main Industries, a subsidiary of the Darling & Hodgson division of Blue Circle.

The factory covers 10 000m² and can produce 100km of GRP a year in its initial configuration, but its modular layout allows for rapid expansion.

It includes a mixing and feeder system, central process control and a coupling manufacture machine.

The company will also provide employment opportunities for about 30 people when the plant is operating at full capacity.

Asmal said the opening of the factory was a statement of confidence and that one day everyone would have clean supplies of water.

Trust to spend R900m during next two years

BD 2/11/95 (297)

Robyn Chalmers

THE Independent Development Trust will spend almost R900m on urban and rural development and education over the next two years, with urban development and education being the main beneficiaries, trust figures show.

The figures showed that of R2,8bn committed to major programmes since the trust was launched in 1990, a total of R1,9bn had already been paid out. Of this, R730m went to urban development, R594m to education, and R375m to rural development.

During the past five years, the R730m paid out for urban development was channelled mainly into capital subsidies for services sites for low cost housing units and other housing projects. A further R246m would be paid out in the next two years.

Trust urban development director Ben van der Ross said that, having committed the bulk of its original funds, the trust was adopting a policy of using its remaining resources to promote facilitation processes to provide investment opportunities.

"The urban development portfolio is using this strategy to form the basis for new programmes which maximise the benefit of experiences to date," he said.

He said R594m had been paid out on education over five years and a further R277m would be made available during the next two years.

Non-governmental bodies as well as the 1 000 schools project had received almost R250m while R153m had been spent on construction of schools.

Of the funds spent on rural development during the past five years, community employment had received R146m. Another R213 would go to rural development in the next two years.

Trust rural development director Sholto Cross said the next challenge was to work more closely with emerging local authorities and provincial levels of government.

Trust funds had also gone into micro-enterprise and other grants, where R72m had been paid out in the past five years with a further R51m to come. Loans accounted for expenditure of R150m, and a further R86m had still to be paid out.

(2987)

Scarred Operation Hunger returns to fill bellies

Star 2/11/95

Six months after a cash scandal that shook the faith of international and local donors, Operation Hunger has made a comeback and is fighting South Africa's problem of malnutrition with long-term solutions: less food and more planning.

In May, the non-governmental body was tipped off that a former top official and several staff members in the Free State office were allegedly embezzling funds.

After it was realised that R400 000 in aid money was missing, an independent investigation was ordered.

The the official and several other staff members were fired.

Now the 15-year-old organisation is trying to recover from a drain in funds and hack away at its new mandate.

"The donors were obviously concerned and some did suspend their aid," says acting director Philip Davids.

Dried up

Fundraising director Jeanne Cohen says funds dried up from May to August, but local and international funding by the US Agency for International Development and the United Nations International Children's Emergency Fund is back to normal.

"It definitely hurt our projects and especially our direct feeding schemes," says Cohen.

Unlike famine in other African countries, South Africa's hunger problems consist mainly of malnutrition and stunting caused by an imbalance of resources from decades of apartheid, says Cohen.

The NGO's original mandate involved a major focus on food aid, according to Cohen.

"It has shifted the emphasis to self-help projects.

The concentration on feeding schemes in rural areas did not result in a marked improvement in the nutrition of villagers, says Operation Hunger development co-ordinator Edward Breslin.

Now, projects involving water supply, sanitation, food growing, weighing programmes for children and training in nutrition have been initiated at seven test sites across the country.

Complex

Riba, a rugged dry village in the former homeland Lebowa, is one of the test sites.

About 20% of its younger children show signs of malnutrition and stunted growth.

Riba's hunger problem is complex.

Community leaders say the men of the village have disappeared to the country's mines for work.

They send money home to build and furnish retirement homes, but little money goes toward their families.

Because large households are often supported by one wage-earner, diets consist of cheap, starchy foods like maize meal porridge that provides bulk but little nutrition and few calories.

Water is a problem, too.

Describing water as the most universally recognised need and a common denominator in nutrition, Riba project manager Carlos Madrid says one goal is to drill 20 boreholes and fit them with hand-pumps so villagers can spend time doing other things beside fetching water.

"If you free up the two to four hours that are spent each day fetching water, people can begin to do other things like working gardens or learning new skills," he says.

Madrid says few funds have trickled in from the government's reconstruction and development programme because it largely focuses on urban areas.

– Sapa.

NGOs (297) FM 3/11/95

Duncan quits foundation

Former Black Sash president Sheena Duncan has withdrawn as a nominee for the board of trustees of the Helen Suzman Foundation after a disagreement with the foundation's new director, R W Johnson.

Duncan, who like Suzman, is an outspoken opponent of apartheid, says she withdrew before the first meeting of the new board. "I did not want to create a fuss," she said. Her disagreement with Johnson, a former Rhodes scholar and Oxford don, came after he criticised the Non-Profit Organisations Bill, which — according to its critics — gives government too much control over nongovernment organisations (NGOs).

Duncan stressed that her decision to withdraw from the list of nominees was prompted by Johnson's failure to consult her before "sounding off to *The Argus*," not by what he actually said.

Duncan confirms that she had been a participant in the three-year process of creating "an enabling environment for NGOs," a process which had led to a draft Bill. The present Bill, now in its second draft, would almost certainly be amended before a final draft is agreed on, Duncan says.

Johnson says: "Sheena's point of view is not shared by the (10) other trustees. Naturally I am sorry to lose the services of such a distinguished South African whom I have always admired."

The Non-Profit Organisations Bill has been sharply criticised by John Kane-Berman, director of the Institute of Race Relations. He compares it to the "infamous Schlebusch Commission," set up in the apartheid era of the Seventies to investigate four prominent NGOs, including the institute. Kane-Berman's criticism focuses primarily on Sections 29 and 30 of the Bill.

Section 29 gives an envisaged Non-Profit Organisations Commission the power to subpoena people and oblige them "to answer questions to the satisfaction of the commission and to bring and produce books, accounts, records and such other documents as may be specified."

Of the 18-25 paid members who will serve on the Non-Profit Organisations Commission, all but two will be appointed by government.

Kane-Berman says: "As was the case with the Schlebusch Commission, there is no obligation on the part of the proposed commission to disclose to anyone subpoenaed what the purpose of its inquiry is."

Section 30 empowers the commission to intervene in the affairs of NGOs if there is "prima facie evidence of misconduct or mismanagement" or if it is judged necessary to promote "the public interest."

Kane-Berman says: "The commission would thus be empowered to mount a hostile takeover of any NGO if in its subjective opinion doing so was in the public interest."

❑ The Helen Suzman Foundation seeks to "strengthen the democratic foundations that now exist (in southern Africa) and to give practical liberal content to the newly emerging polities of the region." ■

(297)

Threat to civil society

FM 3/11/95

A draft Bill has stirred controversy and invoked disturbing memories from the apartheid past. The Bill has been three years in the making and its drafters include people of impeccable liberal credentials, pre-eminently Sheena Duncan, a past president of the Black Sash.

The draft legislation, the Non-Profit Organisations Bill, threatens the independence of nongovernmental organisations (NGOs). Intrusion of government power into spheres occupied by NGOs is no idle matter.

NGOs — which, depending on definition, range from the press to the churches — are a vital part of civil society. Their independence is an important bulwark of liberty and an impediment to dictatorial government.

The Bill envisages a Non-Profit Organisations Commission which will oversee, if not control, the activities of NGOs. The commission will have 18-25 paid members, all but two of whom will be appointed by government. That is alarming enough on its own, since it conjures up the image of interference by bureaucrats beholden to government.



Sheena Duncan

But, as Institute of Race Relations director John Kane-Berman has argued, two clauses in the Bill are particularly worrying. The first empowers the commission to subpoena members of NGOs to answer questions. The second empowers it to intervene in the administration of NGOs if it believes that there is prima facie evidence of misconduct or mismanagement or if it believes that it needs to do so to promote the "public interest."

The powers to subpoena are reminiscent of those enjoyed by the notorious Schlebusch Commission, which was used in the Seventies by the Vorster government to harass prominent liberal institutions: the Institute of Race Relations, the Council of Churches, the Christian Institute and the National Union of South African Students.

The envisaged commission, like its apartheid precursor, need not inform people summoned before it what it is investigating or why.

As Kane-Berman notes, the clause opening the way for interference means that government will be free to mount a "hostile takeover" of an NGO in the name of the "public interest." The phrase "public interest" could have been borrowed from Draconian legislation promulgated by supposedly interred apartheid governments.

The Bill provides a precise mechanism for power-seeking bureaucrats to extend control, gradually or suddenly, over NGOs. It empowers them to replace the trustees of the NGO boards with commission nominees.

One rationalisation offered is the case of Allan Boesak and his alleged abuse of funds entrusted to him for the benefit of the poor, the argument being that Boesak's alleged dishonesty proves the case for government supervision.

But there are already sufficient controls over NGOs under the Companies Act, including the requirement that they publish audited accounts.

The drafters need to drastically reconsider and fundamentally revise the Bill, even if it takes them another three years. ■

Cut in US funding threatens flow of aid to poor countries

MG (BM) 3-9/11/95 (297)

Cut-rate contributions from the United States imperil the IDA's programme. Alex Brummer reports

THE future of the International Development Association (IDA), the largest supplier of aid to the world's poorest countries, is in jeopardy after the United States Congress this week decided to cut its contributions.

As part of the complex budget process, the House of Representatives and Senate agreed to vote a further $700-million to the present IDA programme, leaving it some $900-million short of the US's original commitment.

The move by the IDA's biggest shareholder could lead other donor governments to reconsider their position, not just on the funding for low-income nations but on that for the period 1996 to 1999, which is under negotiation.

Some leading industrial countries believe the way to save IDA will be for the US to accept that it can no longer afford to be the biggest shareholder.

The compromise on US funding was reached this week in talks between the House and the Senate. The Clinton administration had sought $1,2-billion of funding, against the $575-million voted by the House and the $775-million approved by the Senate.

The $700-million compromise figure was about $100-million higher than many in the World Bank — which controls IDA — had expected. It will be more difficult to convince the US's allies, some of whom insist on burden-sharing in aid contributions, that this is anything less than a dereliction of the US's global economic leadership.

The IDA lends at concessional rates to only the poorest countries, those with per-capita incomes of less than $865 per annum.

The Americans will seek to convince their allies that the IDA has simply been a victim of budget cuts and that US commitment to helping the poorest countries is unaffected. However, several Western countries are planning a new IDA which either excludes or scales down US involvement.

One possibility is to set up a parallel fund with contributions of other donors and the World Bank, but excluding the US from valuable procurement contracts in the developing world. A solution to the funding shortfalls would be for the World Bank to concentrate IDA lending on economies which are performing well. But that would leave some of the poorest, most chaotic countries even further behind in the line for development assistance.

In the last financial year, the IDA disbursed some $5,7-billion of loans to the poorest countries and committed itself to another 108 grants in 50 countries. — *The Guardian*

Govt nod to bank streamlining report

BD 6/11/95 (297)

Robyn Chalmers

GOVERNMENT has broadly accepted the transformation team's report on the Development Bank of Southern Africa, which will see the bank streamlined to focus on the financing of infrastructure.

Deputy Finance Minister Alec Erwin said at the weekend that government had, however, decided to shelve the proposed creation of a giant holding company with assets of R16bn by merging the bank with the Industrial Development Corporation.

"The rest of the restructuring of the bank is going well, and we are now working on its future mandate, with enabling legislation expected to be in place by next year.

"We are hoping to have a final package on the restructuring of the bank before Cabinet by the end of the year as we would like to have it up and running by the beginning of the bank's new financial year," he said.

Erwin said the restructured role of the bank would slot into the various strategies to be implemented by the reconstruction and development programme office on urban and rural infrastructure. He said the restructuring of the bank also fitted into the overall streamlining of development finance institutions, including the Industrial Development Corporation, the Small Business Development Corporation, the Land and Agriculture Bank, as well as the yet-to-be-formed National Housing Finance Corporation.

Government was also working with the provinces in assessing their own development finance institutions and detailing their viability, sustainability and the future role they would play.

Louise Cook reports that a major revamp of the Land and Agricultural Bank was likely to start early next year, after a probe by the Rural Financial Services Commission appointed this year by President Nelson Mandela.

Bank sources confirmed at the weekend that the bank was expecting to have to restructure in lieu of the commission's report — due to be released in mid-January.

But they said it was still impossible to say if the bank's operations would broaden to fields outside agricultural financing.

Meanwhile, commission secretary Gerhard Coetzee said it had probed all aspects of financing the rural poor, including demand for services, institutions' organisational structure and legal aspects.

He declined to say what the commission report proposed to resolve the problems. It would, however, he said , call for proper coordination of the different financial institutions — including the various development corporations, the Development Bank, the Land Bank, business and housing financing institutions.

The Land Bank Act was likely to change, and the bank's legal team had already looked at certain facets of the bank for possible restructuring, sources said.

Welfare department slated

BD 7/11/95 (297)

Wyndham Hartley

CAPE TOWN — Delays by the welfare and population development department in establishing a national committee for the investigation of pensions fraud and the drafting of new legislation for the protection of children were sharply criticised in a parliamentary committee yesterday.

Welfare and Population Development Minister Abe Williams also came under fire for failing to attend the meeting of the portfolio committee on welfare held in Parliament.

Deputy minister Geraldine Fraser-Moleketi told the committee there had unfortunately been a delay in setting up the national committee to investigate pensions fraud, but reported that committees in KwaZulu-Natal and the Western Cape were up and running. Prosecutions would result soon.

Fraser-Moleketi, from the ANC, reacted sharply to questions relating to her working relationship with Williams (NP). She said the crisis in welfare would be even greater if there was not a sound "government of national unity" relationship between her and Williams.

Reports from the provinces on pensions fraud, tabled at the meeting, showed that prosecutions were pending in Northern Province, Mpumalanga, Free State, KwaZulu-Natal and Western Cape.

Northern Province reported that a loss of R492 000 was narrowly averted when payment on stolen cheques was stopped before they could be cashed.

The department came under fire by ANC MP Mary Turok for the delay in producing new legislation for the protection of children. She asked what had been happening in the department for the last 18 months.

The committee was told that comprehensive new legislation would be ready in 1997. Turok said it should have been ready last year. It was then explained that amendments to the Child Care Act would be ready for Parliament in May next year.

30 September 1995.

other offences involving

DBSA gets legal rating of two

□ *Financing role scrutinised by IBCA*

(5) (297) ARG 7/11/95

Business Staff

IBCA South Africa, the international rating agency's local arm, has re-affirmed its A1+ domestic short and AAA long term ratings of the Development Bank of Southern Africa (DBSA) and for the first time accorded the bank a legal rating of two.

DBSA's role as the financier of wholesale development programmes had been under scrutiny, an IBCA spokesman said today. The bank's focus had been re-aligned in accordance with the government's priorities, although its final structure had not been finalised owing to the huge tasking facing the organisation.

An estimated R60 billion needed to be spent on infrastructural development over the next seven years, and the bank was was in a position to adequately service this amount, the spokesman said.

DBSA was now seen as the facilitator of income generating infrastructural development with local authorities being the major borrowers of the future.

The bank was very well capitalised having been well supplemented by strong revenues over the past few years, enabling it to forego government grants.

Equity in terms of assets was at almost 75 percent and the bank had capital on call amounting to R1,8 billion. Loan quality had remained high, with minimal arrears and the level of provisioning was above four percent of total loans.

Over 50 percent of the loan book was government guaranteed.

In spite of strong growth in disbursements, liquidity was sound with the large permanent capital base and access to short-term credit lines. Foreign funding was fully covered forward and guaranteed by the South African government.

"Operationally the bank functions efficiently with a firm control over costs," IBCA senior banking analyst Mark Young said.

Arts grants take RDP into account

ARG 8/11/95

THE Department of Arts, Culture, Science and Technology has awarded several grants to national cultural organisations, despite a restrictive budget.

Its funding of arts and culture now took into account the Reconstruction and Development Programme, a department statement said.

"The department has granted financial support to the African Cultural Heritage Trust, an organisation that has already gained a reputation for preserving traditional performing art expressions."

Other recipients include the Congress of South African Writers; the Newtown Film and Television School; the Fuba Academy, originally the Federated Union of Black Arts; the Community Arts Project in Cape Town; the Arts and Management Programme presented by the Wits Graduate School; the SA Film Festival; and the SA International Film Festival.

— Sapa.

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Development Bank of SA awarded international rating

ET(BR) 8/11/95

Johannesburg — The South African arm of the international rating agency IBCA has reaffirmed the domestic short and long-term ratings of the Development Bank of South Africa, the agency said yesterday.

It also accorded the bank a legal rating for the first time. The agency awarded the bank a short-term rating of A1+, a long-term rating of AAA and a legal rating of 1.

"The bank's role as a facilitator of wholesale development programmes has been under scrutiny.

"Its focus has been realigned in accordance with the government's priorities, although its final structure has not been finalised due to the huge task that faces the organisation. It is estimated that R60-billion needs to be spent on the infrastructural development over the next seven years.

"The bank is now seen as the facilitator of income-generating infrastructural development with the local authorities being the major borrowers of the future," the agency said in a statement.

The bank was well capitalised, having been well supplemented by strong revenues over the last few years, enabling it to forego government grants.

Equity in terms of assets was at almost 75 percent. The bank also had access to callable capital amounting to R1,8 billion. Loan quality remained high with minimal arrears and the level of provisionings at 4 percent of total loans. Over 50 percent of the loan book was also government guaranteed.

Despite strong growth in disbursements, liquidity was sound with a large permanent capital base and access to short-term credit lines.

Foreign funding was fully covered forward and guaranteed by the South African government. Operationally the bank functioned efficiently with a firm control over assets, IBCA said. — Sapa

New trust will boost the RDP

(297) ARG 9/11/95

COLIN DOUGLAS
Staff Reporter

A POWERFUL new trust, with responsibility for dispensing state money to non-government organisations (NGOs), will start operating today.

The Transitional National Development Trust has already had R50 million pledged to it by Jay Naidoo, Minister Without Portfolio, and the European Union has given another R70 million.

The trustees — who have been appointed mainly by the Independent Development Trust (IDT), Kagiso Trust and other NGOs — are to meet today to select a chief executive.

The 17 trustees include Mamphela Ramphele, IDT chairperson; Stanley Mogoba, presiding bishop of the Methodist Church; and Makaziwe Mandela, academic and daughter of President Nelson Mandela.

In launching the trust, Mr Naidoo said: "This is a major initiative which will enhance the relationship between government and civil society.

"One of the key tenets of the Reconstruction and Development Programme is partnership and the trust represents partnership between government and civil society.

"In fact, we will soon be appointing a separate task group to explore a mechanism for an active interface between government and civil society in relation to the implementation of the RDP."

Mr Naidoo said the trust would be independent of government, but made it clear that it would have to comply with standards set by the government if it was to get further funding.

The trust was charged with operating within the government's national development framework and the RDP, he said.

"The trust will not perpetuate the lives of clearly unsustainable organisations and programmes, nor will it respond to demands in a manner that creates new dependencies, be it on government or international funding," he added.

The IDT and the Kagiso Trust have undertaken to meet the running costs of the new trust for up to two years, pending the formation of a permanent national development agency.

Local representatives of the European Union, the largest foreign aid donor to South Africa, said the new trust guaranteed NGOs a "vital space" in development.

"The new entity has a vital role to play, not only in stimulating NGO capacity in support of the RDP but also in preserving the independence of NGOs, particularly in sensitive areas such as human rights," they said.

RDP – what's wrong?

The few projects undertaken so far have not yet come to much. **Bennie Bunsee** explains why...

(297) Sowetan 9/11/95

THE LOCAL GOVERNMENT ELECTIONS and the setting up of local authorities will be the great turning point in the implementation of the policies of the Reconstruction and Development Programme (RDP)

We were told this tirelessly during the local election campaign. According to RDP policy-makers, local government was the key to contact with the people, being the most direct tier of government.

But will matters turn out to be as easy? The RDP has had a pretty rough ride and has been extensively criticised for not having got off the ground, despite the money available for it.

Minister Without Portfolio Jay Naidoo has blamed this on the obstruction of the old bureaucracy, the need to get new structures going and to set up appropriate government structures.

The few projects that have been undertaken have amounted to nothing more than project help. But project assistance is far from concrete developmental work, where the latter has a growth momentum of its own.

When the RDP was originally announced, it was a statement of intent rather than a concrete programme. What was not realistically thought out was where the money was going to come from, and how the nation was to be mobilised in its implementation.

In its favour was that it was accepted by all sections of our society, black and white, and even though the left and the right may give different interpretations to it, there was no questioning its validity. In this sense, the RDP had a national mandate and goodwill.

But it was soon realised that having great programmes was one thing, and that implementing them was another – and by those who were just mastering the fundamentals of government in a milieu where the previous incumbents still hang around and cannot be trusted to show the greatest enthusiasm for it.

After about a year, it was realised that the RDP's conception was wrong, and that it must be related to macro-economic growth. Any economist would have known that from the beginning.

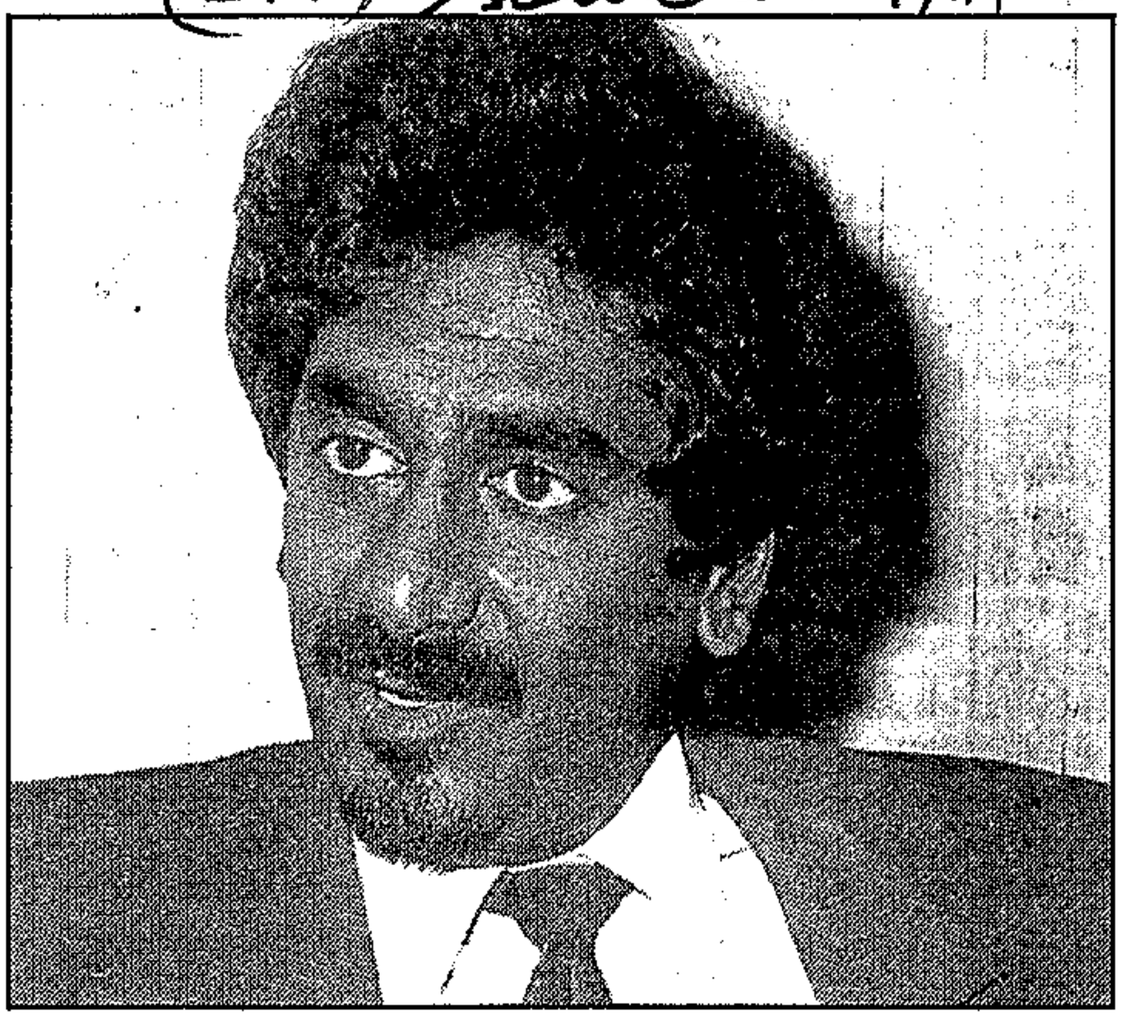
There were questions, too, about the superfluity of Naidoo's portfolio. Was it not redundant, given that there are ministries related to every issue of the RDP (employment, housing, education and so on)? And would it not be wiser to set up a Cabinet Committee, including the President, to oversee that?

Despite this new recognition, the RDP did not take off, and the country is still patiently waiting for it to do so. Apart from recognising that setting up local authorities is vital for its success, no new ideas have emerged.

The RDP's success is vital for the transformation and development of the country. It is an issue that should cut across party lines, and should have the fullest support of the entire nation.

So exactly where did the RDP go wrong? The answer is in its inability to mobilise the masses, and to sustain the momentum of that mobilisation. In addition, the RDP needs to accompany this with a realistic programme of implementation.

If the Government of National Unity was to have any real meaning, it was unity around the RDP that was most necessary, a concrete unity on concrete issues rather than a rhetorical unity based on deals and compromises.



Jay Naidoo ... believes local government is the key to the RDP.

The GNU needed to involve the old structures, prodding and pushing them as best as one could, while building new appropriate structures and cleaning up the old structures in the process.

It needed to carry on from the old building programme of the National Party, while at the same time extending that old programme with its own. And it needed to mobilise the masses through education programmes, campaigns and realistic project work related to the needs of youth, students, women, communities and so on.

It needed, too, a realistic economic programme worked out with the business community, based on its own fiscal realism, a favourite phrase of the RDP department. Through such mass mobilisation, involving all relevant sections of society, the RDP could have been put in motion.

The RDP cannot succeed through piecemeal implementation. That is why its reliance on local authorities is flawed; it will be relying on another bureaucratic approach, which has so far stifled its progress.

Local authorities function in the same bureaucratic manner as other government institutions. We have an added difficulty: hundreds of new black councillors will be coming in for the first time, with very little knowledge of them, and with relatively few black officers who have an RDP orientation in their work.

Such a bureaucratic approach will also distance itself from the very masses we should involve at all levels. Hence relying for the RDP's success on local authorities is flawed from the beginning.

Certainly local authorities are a crucial element in its success, but they will have to break from a bureaucratic style of work and realistically go out to reach and involve the people.

The RDP's success cannot depend on fat-cat bureaucrats operating from behind their desks. It needs at each locale, branch, department and unit a concrete programme, discussed and accepted by its adherents.

The engine and lubricant of the RDP is mass participation, as well as a new approach that breaks from bureaucracy and instils people with a new motif and principle.

Nor can monies be given *en bloc* to the local authorities as seems to be the case, and then withdrawn, as is happening, because the money is not being used.

Each local authority also needs to have a realistic financial plan, and this should be the result of community discussions. There should be regular monitoring too.

The greatest resource of the RDP is the people – educated, stimulated and organised, to move in tandem with its objectives.

Welfare paper 'translates RDP'

THE forthcoming White Paper on welfare charted a new path in the promotion of national social development in line with the RDP, the constitution and international trends, manager of the White Paper process Dr Leila Patel says.

She rejected suggestions that the White Paper would propose maintaining the welfare status quo or that it lacked substance.

Dr Patel, who has been tipped as the next director-general of welfare, said: "After a decade of global anti-welfarism, social development and the developmental perspective in welfare has emerged on the agenda.

"The White Paper is an attempt to translate the RDP into action. It defines the roles and functions of the welfare sector."

(297)

Political Staff

CT 9/11/95



Mungo Soggot

ESKOM has grossly overestimated figures for rural electricity usage, which means it will take far longer to recoup its R1bn-a-year slice of the reconstruction and development programme's mass electrification drive.

The parastatal said yesterday electricity usage in many rural areas was a seventh of the figure it had estimated for the 20-year break-even business plan set up when it started the electrification drive four years ago.

The group had still to estimate likely losses from the shortfall, which in some cases was less than 20% of what it needed to break even.

Industry commentators said the underrecovery could slow the electrification programme, which was already affected by widespread non-payment.

However, Eskom insisted the rollout would not be jeopardised by the paltry demand for electricity. It would still make 300 000 new connections a year to the national electricity grid for the rest of the decade. Its drive, which makes up the bulk of the RDP office's programme, costs about R1bn a year.

"The poverty in rural areas is much worse than we thought and people use much less electricity," an Eskom spokesman said.

Many rural customers who had just been connected were using as little as 45 kilowatt hours a month, while the average was 83kwh.

When Eskom launched the programme in 1991 it was banking on average usage in newly electrified areas reaching 370 kwh a month by year seven, which would allow it to break even in 20 years. This meant that in areas where electricity use was the most paltry Eskom was underrecovering about

Continued on Page 2

Eskom

Continued from Page 1

R50 a month per connection — netting R7 instead of the R62 it would get from a customer who used 370kwh.

Eskom was selling "starter electricity kits" — including a kettle, an iron and a hot plate — at cost price in many areas in a bid to stimulate demand.

Eskom had never expected profit from the electrification drive, but it had also not expected such a loss.

Eskom had made more than 235 000 new connections to the national grid by the end of October and was on track for 300 000 this year.

It cost between R4 500 and R6 000 to make a connection in rural areas.

Local authorities have their own electrification programmes, which are supposed to bring the annual total to 500 000 connections.

The cash flow crunch from meagre demand comes on top of Eskom's struggle against non-payment, which has left it with arrears of about R230m.

Eskom has already admitted that non-payment could force it to slow down its electrification push.

Development bank seeking co-funders

BD 10/11/95 (297)

Robyn Chalmers

THE Development Bank of Southern Africa is expecting a record level of disbursements for development projects which could top the R1,4bn mark (R1,1bn) for the year ended March 1996, says GM Div Botha.

The bank is due to report its results for the interim period ended September on Thursday, and analysts expected it to have released up to R650m for development between last March and September.

The prediction of improved results came in the face of the major restructuring exercise being initiated to streamline the bank and ensure that it becomes more focused on financing infrastructure.

Acting CE Nick Christodoulou said that during the previous year, the social effect of political change had made it difficult for agencies to give full effect to project planning and implementation. As a result, the bank could not fully apply its resources to development projects and programmes. The excess capacity had been redirected to assisting government with the initiation of the reconstruction and development programme at national and provincial levels.

During the current year, the bank had continued to focus on the implementation of the RDP, and had placed a strong emphasis on developing partnerships between the private and public sectors.

Botha said the bank recently launched a co-funding initiative to boost partnerships between the private and public sectors for infrastructural development, with projects valued at R770m in the pipeline.

He said that co-funding offered the bank a way of ensuring its operations served as a catalyst for increased capital flows directed at infrastructural projects which underpinned the RDP.

"Since the end of August, we have issued details on 22 projects around SA to all financial institutions in the country. The objective is to inform and invite project sponsors to co-fund with the bank," Botha said.

Financial aid planned

(297 (BB)

Sello Motinabakwe

20/10/1995

THE Mpumalanga government planned to give financial incentives to manufacturers to encourage raw material beneficiation, economic affairs MEC James Mabena said yesterday.

The province's aid would be in addition to that of the Industrial Development Corporation and trade and industry department.

Speaking at the opening of the province's economic development conference, premier Mathews Phosa said that Mpumalanga was losing income and job creation opportunities because its resources were exported to other provinces.

Mabena said the business delegation attending the conference had expressed concern at the lack of an integrated and well structured transport network. The delegation was particularly interested in the development of a link with the Maputo harbour.

Delegates were told there were many downstream manufacturing opportunities available to small operators in processing fuel and propylene products. Wool and citrus producers had pointed to numerous opportunities for downstream beneficiation of their products.

Mabena said two studies on development strategies for the Highveld and Lowveld areas were presented to the Mpumalanga government by the business sector. They would be used to give potential foreign investors detailed information.

War-hit areas get R100-m Naidoo pledge

Star 10/11/95

By Mondli Makhanya

Minister without Portfolio Jay Naidoo yesterday announced a R100-million fund to help rebuild formerly war-ravaged KwaZulu Natal communities.

Naidoo made this announcement during a visit to a Presidential Lead Project in Bruntville near Mooi River.

He was accompanied by provincial economic affairs MEC Jacob Zuma and acting premier Chief Nyanga Ngubane.

Money from the fund will go to communities where warring political factions have finally found a formula for peace.

It will be used to rebuild houses and other structures damaged in political violence as an incentive for peace-building initiatives and a means of rewarding these initiatives in a tangible way.

The fund will be administered by Kwazulu Natal Premier and IFP national chairman Doctor Frank Mdlose and Zuma who is the ANC's national chairman.

Although tension still simmers in Bruntville, the IFP and ANC are now co-operating in the reconstruction of houses and hostels in the townships.

Addressing residents Naidoo made a plea for an end to the Kwazulu Natal political conflict and threatened "the wrath of the state" and the community on those who perpetrated violence.

"They must be treated like criminals," said Naidoo.

ber 11/12 1995

Street people 'need respect'

(297) (298)

ARG 11/11/95

DAVID BREIER
Political Staff

■ The public should show more "respect" for Cape Town's street people, says the deputy minister of welfare.

CAPETONIANS should show more respect for the city's homeless people who may react to "lack of respect" by indulging in "negative responses" such as scratching cars.

This is the suggestion of deputy minister for welfare and population development, Geraldine Fraser-Moleketi.

She was responding to a recent Saturday Argus report of growing police concern over the threat to public safety by the city's street children and older "strollers".

"Street children, unlike gangs, tend to be individualistic and non-territorial. It is rare to see groups of more than five or six and it is not in their best interests to scratch cars or intimidate the public, who after all, are their only source of revenue.

"It may be that fear or aggression and lack of respect on the part of members of the public are contributory factors to eliciting negative responses from older youth and the unemployed adults who frequent the parking lots," she said.

Ms Fraser-Moleketi said that many children who begged at traffic lights did so to supplement their family income. "These 'day time strollers' return home every night," she said.

"A recent head count by a Homestead street worker revealed that in the early hours of the morning there were only 87 children found to be sleeping in the city between Sea Point and Mowbray," she said.

Ms Fraser-Moleketi agreed with police spokesman Raymond Dowd that the underlying causes of homelessness in Cape Town were socio-economic.

"It is only large reconstruction and development programmes which will dramatically impact on communities at risk, that will prevent children from leaving what are in most cases untenable circumstances," she said.

The only way to prevent children from taking to the streets was through functional families with jobs and an efficient education system.

■ A special police unit has been formed to protect tourists who are increasingly being attacked and robbed in the city centre.

New crisis centre opens in Berea

(297) Star 11/11/95

By CHRISTINA STUCKY

The Vision Counselling Centre celebrates its launch on Monday on the premises of the former 702 Crisis Centre in Berea.

The walls of the reception area have been painted green and the couches covered in bright fabric. Although the look and the name are new, many of the faces are old.

Eight volunteers who had dedicated at least one night a week to the aid of those in need of counselling at the 702 Crisis Centre have joined the management team of the Vision Counselling Centre, under the auspices of Wits Mental Health.

The centre will be open Mondays to Thursdays from 6pm to 10pm, for walk-in and telephonic counselling. After an initial meeting, clients will have the option of contracting for up to 10 sessions. Each night, four volunteer counsellors and one mental health professional will be available to the public.

When the 702 Crisis Centre closed its doors three months ago, many of the volunteers went through a mourning period.

"It was a terrible shock when we closed," recalls Heidi Conradie, a volunteer counsellor and member of the steering committee of the Vision Counselling Centre. But the sense of loss was turned into a positive force by some of the volunteers who decided to join Glenn de Swardt, director of mental health clinical services at Wits Mental Health, in relaunching the counselling service.

"There is a lot of energy in that group and commitment to provide service to the community," De Swardt says.

The need for free counselling in Johannesburg is high, he adds. In the past, people in need of counselling were perceived to be at the fringe of society. Now, people's acute awareness of crime and the stress this awareness brings has brought the need for counselling into the heart of society. "The average South African needs counselling," says De Swardt.

Plans for the new counselling centre include expanding the hours of operation, counselling in African languages and offering group counselling sessions – for example, for victims of crime. Once these groups have been established, brochures will be circulated at police stations.

The goal in all of the centre's endeavours is to be pro-active, says Conradie.

Another of the 702 Crisis Centre's important functions, the training of volunteer counsellors, will also be continued, and the Coffee Club, where homeless people can enjoy a free cup of coffee and get off the streets for a few hours, will be reopened, this time in its own room.

Although 702 is renting the premises to Wits Mental Health for R1 a year and Gencor Development Trust made an important financial contribution, the centre still needs sponsorship, says De Swardt.

Counsellors at the Vision Counselling Centre, located at 85 Tudhope Avenue in Berea, can be contacted at (011) 642-4462/3/4 all hours.

A bit of RDP in the pot?

CP 12/11/95

By LUNGA MASUKU

"RDP" HAS come to mean something new to shocked township residents in Mpumalanga's capital city of Nelspruit.

Residents of KaNyamazane are bitterly referring to the RDP as "Ripping off Destitute People" – following the arrest of four crime syndicate members who used the banking details of RDP housing grant applicants to commit fraud amounting to R40 000.

Four Nelspruit town council employees appeared in the Nelspruit magistrate's court this week for allegedly using the town council's stamp on post office receipts to collect mail order items posted to the addresses of RDP housing applicants.

The four women allegedly ordered kitchen equipment and even furniture by mail order – giving the banking details and addresses of residents who had applied for RDP housing grants.

"This has been going on for the past 18 months and the women have bought more than R40 000 of household goods," said council official Kenneth Mzima.

He said the women had often been seen carrying pots at the office, but no one had questioned them.

According to KaNyamazane police spokesman Captain Samuel Mabunda, affected residents did not even know that mail order deliveries had been made to their post boxes – until they received summonses to pay for the goods.

Captain Mabunda said some of the mail order items had been recovered from the four town council employees.

He said police had uncovered the syndicate when a police officer ordered cooking pots by mail order – only to discover that someone else had signed for her post at the post office before she could fetch the pots.

"We then launched an investigation, and received numerous complaints from members of the public that they had received summonses to pay for items they had not received," said Captain Mabunda.

■ The four women facing charges of fraud are: Nelly Mkhize, a cleaner at the town council; Zodwa Mkhonta and Margaret Mabilane, both administrative clerks; and Mirriam Hassin, who works in the town council's licensing department.

Captain Mabunda said the women were out on bail of R400 each and would appear in court again on November 23. – **African Eye News**

JOBS

Turning corporate responsibility into a community asset

ST (BT) 12/11/95 (297)

While most companies can be seen to be behaving correctly in the new South Africa, one company's efforts are making a real difference to its neighbouring environments, writes **WILLIAM SAUNDERSON-MEYER**

SOCIAL responsibility and community involvement are the catchwords of the corporate sector's attempts to show its good citizenship in the new South Africa. However, are the community projects undertaken in pursuit of this goal necessary, and are they effective or even wanted by those they are supposed to benefit?

Tioxide, a chemical company on Kwazulu Natal's south coast, has earned itself a reputation for supporting and managing successful community projects. Much of its success is due to Mandla Sindane, a man of great eloquence, resourcefulness and intelligence who has dedicated his life to the communities around him.

When KwaMakhutha, west of Amanzimtoti, was ablaze with violence in the mid-1980s both ANC and IFP representatives petitioned Tioxide to allow Mr Sindane to chair the meetings of the newly born KwaMakhutha Peace Committee.

"I realised I needed to get other groups to the meetings to help neutralise the tension between the ANC and the IFP, so I invited churches, business people, the SA and Kwazulu police, defence force, taxi operators, the township manager and health services to attend. I held the first meeting at Tioxide so that it could be on neutral ground, then held later ones in KwaMakhutha," he says.

The outcome was a peace prayer rally that drew more than 15 000 people, including a delegation from the United Nations, and signalled the community's commitment to peace.

Since then, the committee has initiated the Community Policing Forum — a link between the police and oft-harassed township residents — launched in July.

Mr Sindane's career in social justice began when he first joined Tioxide 15 years ago. He fought to get the workers unionised, which in those days meant secret meetings off-site and confrontation with management. Once management accepted the union, he became a shop steward, moving up to eventually take executive posts in the Chemical Workers' Industrial Union.

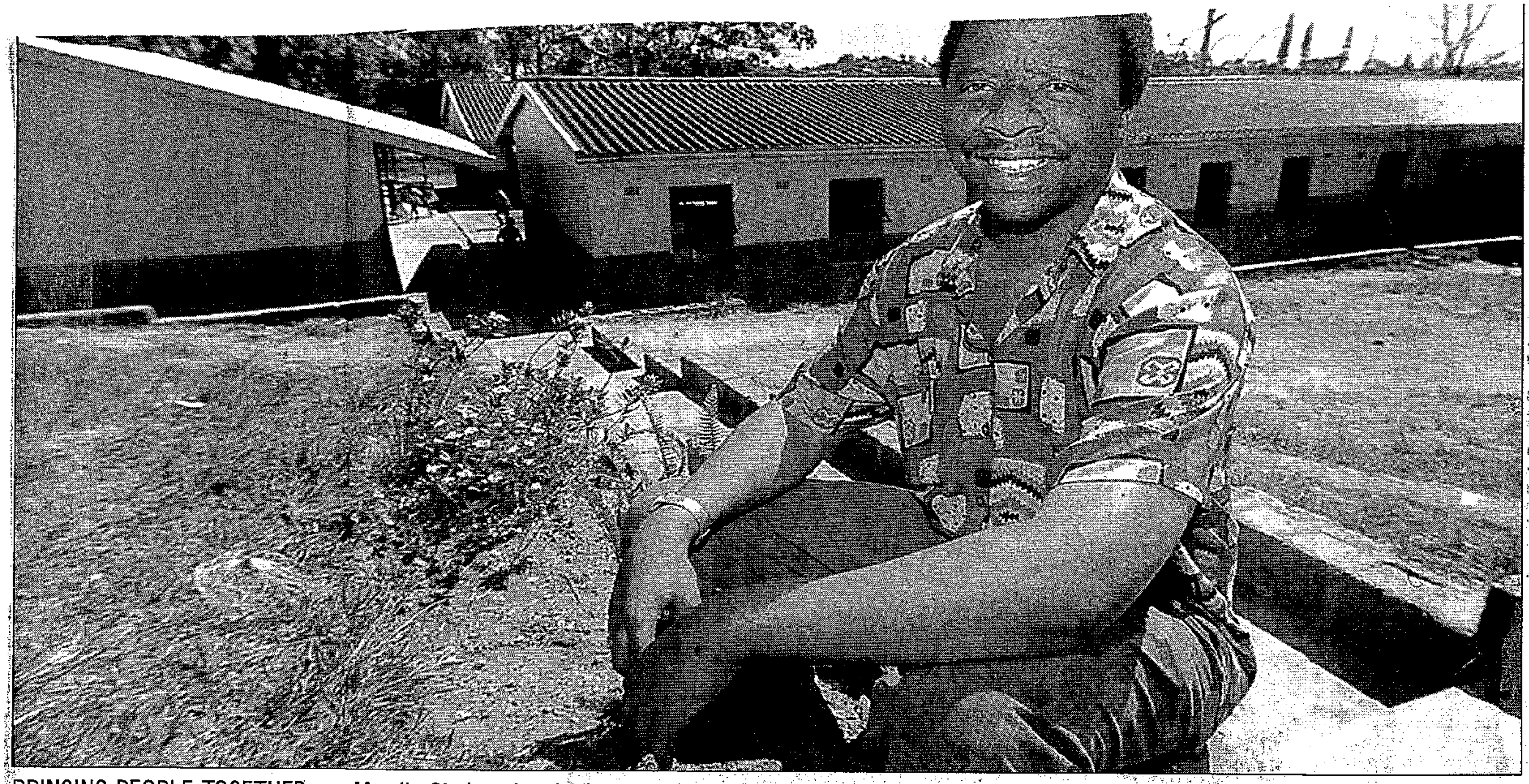
His success with the trade unions matched his success at Tioxide, where he began as a laboratory assistant and progressed through the department until he was seconded to the human resources department to help with the company culture programme as facilitator and interpreter. This led to his permanent appointment as a personnel officer.

Mr Sindane came to be responsible for Tioxide's social responsibility programme and, today chairs the committee which manages this programme and monitors its various projects. Tioxide's projects committee is unique in that it is made up of employees from different levels within the company and different residential areas — an original solution to the volatile mixture of differing political loyalties and neighbourhood rivalries.

Tioxide donates 2% of its pre-tax income and the committee decides how the funds will be spent. All projects are monitored from start to finish and so the committee restricts its projects to those areas within 140km radius of Tioxide.

Since 1986 more than R7-million has been used to fund the building of 167 classrooms, a vocational training centre and five crèches. It has also helped to pay for repairs and renovations to twenty schools, the building of toilets for eight schools, solar powered generators to supply 12 schools with fresh drinking water, grants to education institutions and education support groups at all levels, and small business ventures.

Mr Sindane believes that involvement in the community has



BRINGING PEOPLE TOGETHER . . . Mandla Sindane has broken new ground in social responsibility

Picture: GARTH STEAD

changed the people at Tioxide.

"At first there were many questions and Tioxide people wanted to go on tours of the townships.

"More than half of these people ended up contributing from their own pocket. It has also led to increased understanding between the people of Tioxide and the local communities.

"Most of the people had never been to a township before. They simply didn't understand things like schools having to build their own classrooms."

However, Mr Sindane would like to see the committee become more pro-active in the future — to generate projects, instead of just responding to requests, and to become more involved in job creation.

With the decrease in violence on the south coast, the committee, in conjunction with Toyota, has become part of the Local Enterprise Development Agency. The aim is to facilitate the development of new businesses by skills training, fostering entrepreneurs, helping up-and-coming businessmen to link with well established organisations and encouraging and assisting big organisations to grow and employ more people from the community.

Mr Sindane agrees that affirmative action, the state's commitment to building an institutional framework which supports the development of black business, and the knowledge that the government is working to redress the social and economic injustices of the past, has given hope to many black South Africans — but that it will be a long time before poverty is reduced.

He would like to see more of the private business sector following Tioxide's example and getting involved in the funding of education and job creation schemes as he believes that these are the key to a more prosperous future.

RDP mail-order 'fraud' leaves the poor reeling

(297) ST 12/11/95

By LUNGA MASUKU

THE reconstruction and development programme leaves a bitter taste in the mouths of township dwellers in Nelspruit.

Kanyamazane residents have rechristened the RDP "Ripping off Destitute People" following the arrest of four members of an alleged crime syndicate who allegedly used the banking details of RDP housing-grant applications to commit fraud amounting to R40 000.

Four Nelspruit town council employees, who appeared in the Nelspruit magistrate's court this week, allegedly ordered kitchen equipment and furniture by mail order, giving the banking details and addresses of RDP housing applicants. They allegedly used the town council's stamp on post office receipts to collect the items.

Kenneth Mzima, a council official, said the alleged fraud had been taking place for the past 19 months.

According to Captain Samuel Mabunda, a spokesman for the Kanyamazane police, affected residents did not know of the mail-order deliveries until they received a summons to pay for the goods.

Captain Mabunda said some items had been recovered but the others appeared to have been sold.

He said police uncovered the alleged syndicate when a police officer ordered cooking pots via mail order only to discover that someone else had signed for her pots before she could fetch them.

"We launched an investigation, and received numerous complaints from members of the public who had received summonses to pay for items they had not received," he said.

Nelly Mkhize, a cleaner at the town council; Zodwa Mkhonta and Margaret Mabilane, both administrative clerks; and Miriam Hassin, who works in the licensing department, are out on bail of R400 each, and are to appear in court again on November 23.

Foreign aid to the tune of R12,8bn promised

BD 13/11/95 (297)

John Dludlu

FOREIGN aid worth R12,8bn has been pledged for disbursement over the life of the Mandela administration, which could boost the government's ambitious social upliftment programme of reconstruction and development.

Concessionary loans accounted for 51% of the pledges while 18% was for technical assistance, 17% was in grants and the balance in trade and import guarantees, the finance ministry said at the weekend.

Government said the cash was split 50-50 between itself and non-governmental organisations.

But the figures did not show how much cash had been committed and disbursed. The department said this would become available only at the end of the financial year.

"It depends on us getting them (the donors) around the table (to discuss the commitment details)," finance department international financial relations chief director Eltie Links said.

A reconstruction and development ministry source said talks on how to commit the funds would be finalised at the end of the month.

Government sources said the figures were a "rough estimate" and failed to take account of factors such as exchange rate movements.

The department said many countries had not indicated their pledges in the past two financial years due to their own parliamentary procedures and could alter their pledges. "For example, the EU and Germany have to annually approve the aid package to SA and only thereafter can they announce their pledge."

The EU — which has pledged more than R550m in multilateral aid to SA — has previously said it hoped to commit the European Programme for Reconstruction and Development by the end of the financial year.

This optimism came from the speed with which government departments were able to identify projects and prepare business plans.

But in other instances the government and parastatals have been slow to access donor funds, including Japan's $1,3bn aid package.

Volunteer work . . . it does pay

Staff Reporter

SOUTH Africa has the ability to teach the world about the advantages of a good volunteer service, says the president-designate of the International Association for Volunteer Effort, Ken Allen.

The International Association for Volunteer Effort will host its biennial conference in Cape Town next year, and Mr Allen visited Cape Town recently to meet with various volunteer groups.

The IAVE was created in 1970 by a small group of women throughout the world who shared a common vision of how volunteers could contribute to the solution of human and social problems.

The IAVE has sponsored 13 biennial conferences with representatives from more than 100 countries. The conferences move throughout the world, the last being held in 1994 in Japan.

Mr Allen said the conferences take place in the country where it is believed they can have the biggest impact. They bring together people who can share experiences and learn from one another. A wide variety of seminars, plenary sessions and workshops will take place at the conference.

Mr Allen said: "The spotlight is on South Africa at the moment. Many people are curious to see what is happening in the country and there are many organisations willing to offer assistance."

ARG 13/11/95

The IAVE is faced with numerous challenges, the most important being getting people to volunteer their services.

Mr Allen said voluntary work was not a new concept to many South Africans and that other countries could learn from them, just the same as South Africa could learn from other countries.

He said in South Africa the unemployment rate was quite high, many people could not find jobs and sat around doing nothing. The unemployed person was poor and unproductive, but doing voluntary work was a way of staying productive while the person was able to stay in touch with society.

At the same time, the person would also be gaining experience in a particular field.

Mr Allen said involving more people in voluntary work would also solve many problems that non-governmental organisations (NGOs) were experiencing.

(299)

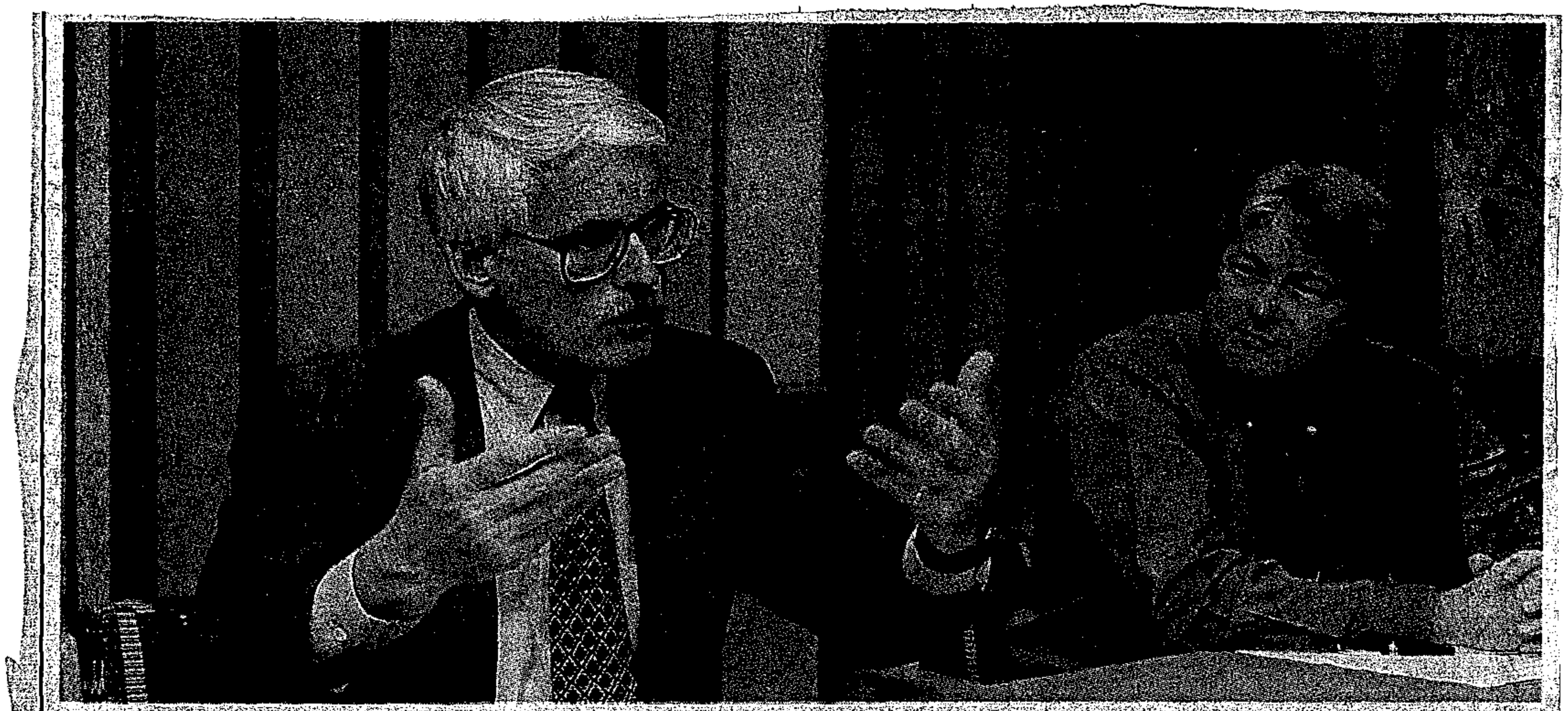
Roger Hulley, chief executive officer of Community Chest, said that at present there were 60 000 NGOs in South Africa, and these organisations were struggling to survive. He said if people in the corporate world volunteered their services for a certain number of hours, these NGOs wouldn't have so many financial problems.

Mr Hulley said this conference could get more people involved in volunteer service.

Mr Allen said Cape Town residents had been very generous in offering to host the conference. He said an IAVE member from Botswana proposed that the conference should be held in Africa because it had never before been held here. Cape Town was chosen because it was the only city in Africa that had the infrastructure to cope with a conference like this.

The theme for next year's conference will be *Isesa*, which means people helping people.

The conference takes place on September 4 next year and will run for four days.



Picture: JACK LESTRADE, The Argus.

FOREIGN ENTHUSIASM: Roger Hulley from Community Chest looks on while Ken Allen, of the International Association for Volunteer Effort, explains how enthusiastic the countries involved in next year's conference are to visit and contribute to the new South Africa.

Manuel warns aid can upset apple cart

CT(BR) 13/11/95 (297)

BY BRUCE CAMERON

Cape Town — Trevor Manuel, the minister of trade and industry, has cautioned that developed countries and multilateral organisations are upsetting the economic apple cart in southern Africa.

The United States was about to offer southern Africa a $300 million package which would be a carrot to strip tariffs, which in turn would destroy jobs, he said.

Speaking at a conference on human rights, democracy and economic development on Friday, Manuel said the proliferation of organisations in the region were the "bane of his life", with officials spending about 20 percent of their time at meetings with no tangible benefit.

But he said that "southern Africa is important to South Africa, not only in trade or economic terms.

"In a rapidly changing world order we need, together with the rest of the region, to create space for industrial development and job opportunities at a time when the instruments used by the already industrialised countries are increasingly placed beyond the reach of other (non-industrialised) governments," Manuel said.

In addition, there were outside forces which sought to drive a different agenda. Zambia's demand that South Africa drop tariff barriers was an example.

In terms of a structural adjustment programme, Zambia had been forced to reduce and simplify its tariff barriers. "Now South Africa is expected to do the same. It would be suicidal."

Manuel said South Africa had to be aware of the problems in multilateral and bilateral relations, which would be made more complex by major changes in the developed countries, presently facing problems of rising unemployment.

South Africa was also not only having to reintegrate into the global system, but also had to reposition itself to take advantage of new opportunities.

Interaction

The region needed to set out clear objectives for interaction with the global system and clear strategies to achieve goals.

A key factor was the recent launch of an industrial location study for the region.

"Unless this (the study) is done first, our responsibility (in the South African Development Community) for finance and investment will come to naught.

"Closer regional co-operation and a more integrated regional economy could lay a firmer basis for effective participation in the world economy."

Manuel said one of the problems of developing countries was that they had so few alternatives available. The question of emerging markets had resulted in speculative short-term capital flows becoming more important than budgets with countries "tucking in their tummies" in the chase for investment.

This was compounded by developing countries lacking an agenda or a unified organisation "we can call our own", Manuel said.

BSA undecided on Social Plan Act

John Dludlu (297)

BUSINESS SA's economic policy committee failed at its meeting last week to take a firm position on labour's proposal for a business-funded pool to help retrenched workers.

The proposal, known as the Social Plan Act, was made to the National Economic, Development and Labour Council by the labour constituency. The Foundation for African Business and Consumer Services and the National African Federated Chamber of Commerce have already thrown their weight behind the plan.

BSA economic committee sources said BSA had nominated two members to debate the issue at Nedlac.

But it failed to take a stance as it felt the matter belonged to the labour market chamber and not the trade and industry chamber.

"The labour market policy commission is already discussing many aspects which are contained in the Social Plan Act," one source said.

The source said the committee might delay its position until an interim report was made by the labour market policy commission.

Committee members were also worried that labour wanted business alone to fund the social plan.

A Nedlac subcommittee — the Japanese Grant Fund — is currently investigating strategies for financing workers' training.

BD 13/11/95

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Star 13/11/95 (297)

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THE CAPE

Rape victim centre

□ *RDP money to be used on minister's instructions*

ARG 14/11/95 (258) (297)

Staff Reporter

A MULTI-disciplinary crisis centre for Cape Flats women and child victims of rape, battery and abuse is to be built using police RDP money on the instructions of national Reconstruction and Development Programme Minister Jay Naidoo.

Police statistics show South Africa has the highest rate of rape in the world, with Cape Town leading the country in the incidence of child rape.

According to internal police correspondence leaked to The Argus, the establishment of the crisis centres is a "high priority" for President Nelson Mandela.

And Mr Naidoo has asked the police RDP department that he be kept personally informed of any difficulties which may arise in the planning and implementation of the project.

Manenberg and Alexandra, in Gauteng, have been earmarked as pilot locations for the first crisis centres in the country. Should they be successful, further crisis centres are in the pipeline for other cities.

Although funding for the centres will be channeled by Mr Naidoo's office through the police RDP department, planning for and implementation of the projects will include other government departments, non-governmental and community-based organisations.

Other government departments could include welfare, health and education.

The projects are still in their infancy, with neither the police nor community roleplayers yet certain what facilities the crisis centres should include.

The centre would probably include overnight facilities, but details such as who would staff it and the 24-hour availability of specialised staff still had to be determined.

Manenberg RDP Forum vice-chairman Mickey Adams said: "Because it is an RDP project it is important that all roleplayers should have a say in how and who should manage the centre.

"Geographically speaking, placing the centre in Manenberg would be ideal as it could cater for all the surrounding communities such as Guguletu, Nyanga, Hanover Park, Valhalla Park ..."

According to correspondence between national police RDP co-ordinator Pieter du Plessis and local police RDP functionaries, the first step for the project should be the establishment of an "inter-group project management team" to plan and implement the Manenberg project.

It is believed the crisis centres will form a cornerstone of the police's national co-ordinated victim support programme.

"The need for a comprehensive programme to support victims of crime and violence has been identified as long overdue by both mental health and criminal justice professionals," according to a document from the national police RDP office in Pretoria.

- About 21 percent of the nation's 2 044 child rape cases investigated by the police last year took place in Cape Town.
- Last year, a total of 32 107 rapes were reported to police nationally. It is estimated that as few as one of every 35 rapes is reported.
- The Western Cape's police Child Protection Unit is presently investigating about 700 child rape cases.
- About 70 percent of sexual attacks investigated in Khayelitsha this year have involved children under 16.

Orlando West to get R73-m centre

(297)

BY PATRICK WADULA

Star 14/11/95

Plans to build a R73-million training and community centre in Soweto have finally been approved with the help of the Albertina Sisulu Foundation.

Interline Construction's Zack Brainin said plans to build the centre had germinated from a simple request by Albertina Sisulu for the building of a creche.

The recreation and education centre in Orlando West will also house clothing and knitting industries and a can-recycling plant.

"We want the project to be self-sufficient after two years through the generation of income from the clothing and knitting factories," Brainin said.

The centre will be called the Albertina Sisulu Training and Community Centre. Funds will be raised by the foundation.

The foundation's public relations officer, Christine Henley, said they were depending on major corporations, small businesses and the community for donations in the form of equipment, bursaries or money.

Construction starts in February next year.

New counselling centre opens its doors

Star 14/11/95 (297)

By Priscilla Singh

A new counselling centre has been created in the wake of the closure of the 702 Crisis Centre, which was forced to shut down earlier this year because of a lack of funding from its sponsors, Radio 702.

The Vision Counselling Centre officially opened its doors yesterday and will operate on the same lines as the previous service.

The centre is once again offering a free, after-hours, face-to-face and telephonic counselling service every Monday to Thursday from 6-10pm.

Vision is a project of the Wits Mental Health and, says director Glenn de Swardt: "The new centre will be very supportive to everybody who enlists its services and will continue with the high calibre of professionalism that is expected from our counsellors.

"Vision has started out small, but will aim to be an autonomous body in the long term," he said.

The Gencor Development Trust provided an initial capital injection as bridging finance.

De Swardt says he hopes to get further funding from the private sector to allow the centre to expand its services.

The premises from which Vision will operate – at 85 Tudhope Street, Berea – and telephone and rental costs are being provided by Radio 702.

"The station will also be paying for the maintenance of the alarm system and fax machine at the centre. We are very grateful for their continued support," said De Swardt, adding that he would like to pay tribute to all the volunteers who have brought their skill, enthusiasm and dedication to the new service.

"Without them it would not be possible to relaunch a crisis intervention service within four months of the closure of the 702 Crisis Centre," he said.

The closure of the 702 centre was traumatic and shocking for its regular users.

The telephone numbers of Vision are (011) 642-4462/3/4, and remain unchanged from the numbers of the former 702 centre.

Williams promises to push for tax cuts for welfare donors

(297) BD 15/11/95

Kevin O'Grady

WELFARE Minister Abe Williams yesterday pledged to ask Finance Minister Chris Liebenberg to consider tax incentives for corporate donors to social welfare programmes.

Government could not expect to fund social welfare programmes alone and the private sector could not be expected to contribute without receiving benefits for doing so, Williams told a gathering of donors and diplomats at a breakfast meeting in Bryanston, Johannesburg.

"We do have a (finance) minister who is very tight ... but we need to push ahead. Perhaps we should pinpoint some areas for incentives and benefits," he said.

Also speaking at the meeting, Deputy Welfare Minister Geraldine Fraser-Moleketi said there had been agreement that the Fundraising Act was "clearly outdated and problematic", and moves were under way for its amendment.

They were responding to a call by SA Grantmakers Association executive director Elaine Davies for "new and more facilitative laws and structures" — including tax reform and changes to the Act — to be "put in place as a matter of urgency".

Williams used the meeting to brief donors on his ministry's draft white paper that is expected to be released this week after consultation with more than 600 stakeholders. He said a number of "key new directions" would be followed in restructuring social welfare.

The focus of social programmes and social benefits would be on the poor and the "bottom 40%" of the population would be the main target groups of social investment efforts, he said.

A committee had been appointed to develop a plan of action to reprioritise welfare programmes and to phase out racial inequity in services financed by government. "Welfare services and development programmes in the former homelands, which are the poorest parts of our country, are extremely underdeveloped and under-resourced," he said.

The partnership between government, civil society and the private sector would be strengthened and all non-government organisations would be accorded the same status, rights and responsibilities, Williams said.

The role of newly elected local governments in providing social services also needed to be examined. "They are the nearest people to the communities and they must help. If they can look after cemeteries for our dead then why can't they look after our living."

The welfare minister also expressed concern at wide-scale fraud being uncovered in social security programmes. "Concerted efforts are being made to address this," he said.

Fraser-Moleketi said the welfare ministry would run a flagship programme, aimed at unemployed women with children under five years old.

Bottlenecks in EU aid flow sorted out

BD 15/11/95 (297)

Greta Steyn

BOTTLENECKS that had held up the flow of about R600m in EU aid to SA this fiscal year had been eased and disbursements had begun, reconstruction and development international co-operation director Shaheed Rajie said yesterday.

Rajie said only six months had elapsed since the signing of an agreement with the EU and the commitment of funds to specific RDP projects. It was "rare" that such a short time was taken to translate an EU aid pledge into definite commitments.

Rajie's comments followed criticism of the RDP office that it was taking too long in deciding what to do with the huge amounts of aid money pledged to SA. The EU, too, has been embarrassed by its failure to spend its SA aid budget and was last month unable to give any details of its spending plans for the country.

But Rajie said the RDP office had presented the EU with project proposals for 150-million ecus — 25-million ecus more than the available funds for this fiscal year. The EU had agreed to provide the extra 25-million ecus (about R122m) in the next fiscal year.

Aside from a grant to the Transitional National Development Trust, which is to fund small non-government and community based organisations, the EU's finance will go towards projects including land reform, water provision, trade and industry (including small business) and the rebuilding of Cato Manor. The EU will also provide direct assistance to NGOs.

Rajie emphasised an important principle of SA's aid management — that all financial flows should be reflected on the central government budget. By integrating aid flows into the Budget, sustainability can be ensured. He could recount many examples of how the inability to integrate aid into the Budget had caused the ultimate failure of aid projects in developing countries.

It was essential that SA — and not the aid donors — set the agenda. It had to ensure that the foreign finance was used for RDP priorities, rather than that priorities were tailored to suit donors.

"We are following the example of some of the southeast Asian countries. They managed aid on their terms and took a firm stance in negotiations with donors," he said.

These countries had used the foreign money to bring down their budget deficits — a move which was not popular with donors. They wanted to see their finance used for additional spending. But Rajie was emphatic that aid should not be used to "add on" to overall spending, as this could prove unsustainable in the long run. The use of concessional finance should fit into the country's overall foreign debt strategy. SA was afraid of falling into a debt trap, and even concessionary finance could exact a punitive toll if debt was allowed to pile up, and the exchange rate moved against the country.

Offers of loans from the World Bank and the European Investment Bank would be evaluated with SA's overall loan profile in mind.

John Dludlu reports government has committed a total of R1bn from foreign donors to help shore up social upliftment projects, of which the biggest slice came from the EU.

Rajie said the funds formed part of the technical assistance and grant component of the R12,8bn in foreign aid pledges to SA.

Agreements to commit the funds to RDP-related projects had recently been concluded with foreign donors, he said. These included Germany, the Netherlands, Switzerland, the US Agency for International Development, Canada, Sweden, Finland and the EU.

"We have just completed the (first) annual round of consultations with the donors to programme the money."

The next step would be to disburse the money.

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METROPOLITAN NEWSLETTER

Quotations are invited for the

Extension of RDP time limit may ease budget

(297) ARG 15/11/95

CLIVE SAWYER
Political Correspondent

EXTENDING the deadline for delivery of key Reconstruction and Development Programme projects could soften the annual impact on the budget, parliament's joint committee on finance has been told.

For housing alone, extending the deadline from six to 10 years could bring costs down from R7,1 billion to R4,9 billion.

"In the end, that may be what is actually happening because the delivery rate (of housing) is much slower than hoped for," Development Bank economist André Roux told the committee yesterday.

Extending the programme for the building of new prisons to 10 years could mean a saving of R2 billion.

Aiming for a 100 percent cost recovery in delivering the community water and sanitation programme would mean that only 76 percent of those people targeted for delivery would be reached.

Parliamentarians nevertheless expressed concern about the political fallout of slowing delivery.

Limitations on how much room the government had to manoeuvre became clear in Professor Roux's outline of several scenarios for the economic future.

In one outline of a future macro-economic context, assuming that inflation remained at about 10 percent, growth at three percent, but with revenue constant and a slight decrease in interest rates, the outcome would mean that the government would have to cut non-interest spending in the next two years.

Non-interest spending is that which is left over when the government has fulfilled other obligations, notably the huge interest repayment hangover from the apartheid years.

Fulfilling the commitment to reduce the deficit would have particularly tough consequences, cutting potential non-interest spending by billions of rands.

But in spite of factors like hefty interest payments and a lack of optimism that the growth rate will surpass three percent a year, some economists remain confident that the government can meet Reconstruction and Development Programme objectives.

An analysis of spending in the budget, according to the economic category, showed that 36 percent went to wages, nine percent to capital expenditure, eight percent to transfers to local authorities, 15 percent to transfers to bodies such as parastatals, while interest accounted for about 19 percent.

The joint committee on finance is conducting hearings for two weeks on reforming the budget.

There has been widespread concern that the present format of the budget is inaccessible to lay people, and that ways that spending is categorised may be inappropriate.

Naledi Pandor (ANC) said: "There seems to be so much that is hidden. We need to get a budget that tells us the true story."

Ken Andrew (DP), chairperson of the joint committee on public accounts, said the finance department seemed to contain too many economists and too few accountants.

Development aid body opens W Cape office

ARG 15/11/95 (298) (297)

Labour Reporter

THE National Business Initiative (NBI) has launched its Western Cape office after a national launch in May.

The NBI has its roots in the merger between the Urban Foundation and the Consultative Business Movement, which disbanded after last year's elections.

Business and communities support the initiative, set up to help development projects which improve people's lives.

Regional director Felicia Roman said the Western Cape NBI was engaged in projects around three key areas — education, voter education for next year's local elections in the Cape metro, job creation and the Reconstruction and Development Programme.

The provincial RDP office also asked the NBI to help it set up a project to monitor job creation and loss at major companies.

US to pump billions more into SA

(297) CT 15/11/95 (B2)

BY JOHN SPIRA

Johannesburg — American companies have concluded deals worth $5 billion with South Africa in the past month — and there's a whole lot more in the pipeline.

"This demonstrates just how seriously we regard the development process in your country," Millard W Arnold, the United States minister counsellor of commercial affairs for southern Africa, said yesterday.

Arnold, who reports directly to secretary Ron Browne, works at facilitating business contacts between the private sectors of the two countries and consults regularly with the relevant governments.

He said that the bulk of the $5 billion in transactions over the past month comprised the Boeing deal with SAA and that figures of this magnitude could not be expected to materialise frequently.

"Nevertheless, what we are now starting to see is American corporations acting on the window of opportunity opened to them 18 months ago. The Boeing sale occurred more or less simultaneously with the $400 million Coca-Cola SA Bottling agreement and the $1 billion Enron arrangement for a South African and Mozambican gas pipeline."

On the near horizon, Arnold pinpointed (among others) AT&T, General Electric and Pratt & Whitney as likely to be at the forefront of big contracts between the United States and South Africa in the months ahead.

Further, the Botswana water project would probably be undertaken in the near future.

Arnold's role includes communicating to business what the United States has to offer, and the nature of the finance available.

"Our message is that the United States is not lagging behind in its commitment to help develop the southern African region. Progress on this front is gathering momentum."

Additional proof of that commitment is next month's planned visit to South Africa by vice-president Al Gore, secretary Browne and United States energy secretary Hazel O'Leary.



BIG DEALS *Millard W Arnold, US minister counsellor of commercial affairs for southern Africa, left, and Ralph Wright, a vice-president from Doley Securities, say US companies are committed to regional development*

PHOTO: THYS DUILAART

Welfare needs 'dynamic' team

297

CT 15/11/95

JOHANNESBURG: The government, private sector and civil society must forge a dynamic partnership if social welfare programmes in South Africa are to assist people to help themselves, Social Welfare Minister Mr Abe Williams said yesterday.

Addressing more than 44 representatives of corporate and foreign donors at a meeting in Fourways, Johannesburg, Mr Williams said the department could not succeed in "taking welfare in a new direction on its own".

"In view of fiscal restraints, the ministry will be hard-pressed to manage competing needs and expectations in the welfare field."

"Many donors don't want to contribute to welfare in view of its image of being involved with handouts.

"I am also aware that many organisations and NGOs are faced with a serious financial crisis as resources are diverted to other RDP programmes."
— Sapa

PROP

New act likely to speed up RDP projects

ET(BR) 15/11/95 (297)

MAGGIE ROWLEY



The new act will replace the complex and overlapping development procedures

ON PROPERTY

The Development Facilitation Act, promulgated early last month and expected to come into effect early next year, is being keenly awaited by developers.

The act would introduce extraordinary measures to facilitate and expedite the implementation of the RDP in relation to land availability and was expected to speed up the development process, particularly for major projects.

It would replace the present highly complex process of different and overlapping development procedures, which had resulted in many projects being subject to unnecessary delays. Officials were following an outdated process out of step with the demands of a new South Africa, said Mick Collins, a director of conveyancing firm Syfret Godlonton Fuller Moore.

The new act would be far-reaching and would lay down general principles for land development throughout the country. It would provide nationally uniform procedures for the subdivision and development of land in urban and rural areas, and give all land equal importance.

It would also encourage the speedy provision and development of land for residential, small-scale farming or other purposes.

Collins said possibly the boldest initiatives introduced by the act would relate to fast tracking procedures which cut through convention to ensure that end-user finance, in the form of subsidies and loans, became available as early as possible during the land development process, while at the same time promoting security of tenure.

This would be achieved by the establishment of a Development and Planning Commission to advise government on policies and laws, and the establishment of development tribunals in the provinces to serve as local decision-making and conflict-resolution bodies. He said the general consensus was that the act, once in force, would provide a legal and regulatory framework for the implementation of the RDP and it would have a fundamental effect on the spatial structure, resource allocation and developmental dynamics in South Africa. It would also radically change the way planning was done.

The fast-track registration mechanism would introduce a new form of title called initial ownership, which could be registered in the deeds office without an approved general plan.

Initial ownership differed from full ownership in that it vested in the holder the right to occupy and use the erf, to acquire ownership when this was possible and to obtain a mortgage or a personal servitude over the particular erf.

"To minimise the risks inherent in granting ownership on land that does not have an approved general plan measures such as financial guarantees have been introduced and professionals such as conveyancers and land surveyors are required to provide certificates establishing certain criteria."

Full ownership was possible once the general plan had been approved, the subdivision register had been opened and all conditions of establishment had been met, said Collins.

Initial ownership would then automatically be converted to full ownership.

"These procedures for initial ownership will obviously not suit all types of development as the risks may be perceived as too high. But in instances where large-scale, low-income housing developments are being established, substantial cash flow savings could be made by speeding up the process by a couple of months.

"Developers will benefit from the fast-track procedures, where months can be sliced off time schedules. This will save tied-up capital and deliver more houses in less time," he said.

Welfare White Paper aims to support and develop self-reliance

(297) BD 16/11/95

Stephané Bothma

PRETORIA — Compulsory membership of retirement schemes, tax benefits for welfare donors and incorporation of life-skills training into the school curriculum are some of the recommendations in the draft White Paper for social welfare, released yesterday by Welfare and Population Development Minister Abe Williams.

It also dealt with the low salaries of welfare personnel.

The document, to be gazetted for public comment soon, is intended to gear SA's welfare services to support and develop people's self-reliance.

About a third of all SA households live below the poverty datum line, and more than half the country's children live in poverty.

The document warned that grassroots expectations could not be realised in the short term because welfare expenditure would increase only gradually, as economic growth was achieved.

A five-year national plan would be developed to restructure the welfare system, with policies targeting alleviation of poverty.

The estimated 10 000 existing welfare organisations, non-government organisations, religious bodies and informal support systems would be harnessed to deliver services.

The document called for more powers to be handed down to local government level, with national welfare retaining responsibility for co-ordination, standards, legislation, financing, research and parliamentary and international liaison.

"It should be compulsory for all people in formal employment to belong to a retirement scheme. A new scheme will be created for self-employed people and a savings scheme investigated. Contributions to pension funds should be fully transferable when changing employment," the draft paper said.

There was a need for special support for families with children younger than five, single parents and families caring for children, the elderly, the sick and the disabled.

The paper recommended that only accredited social workers and agencies be allowed to implement adoptions. Increased resources were needed to prepare for the large numbers of children expected to suffer from AIDS or who would be orphaned by the disease. Support would be provided for people caring for AIDS patients at home.

Short-term steps to rationalise SA's social security system included creating a uniform data system, reregistration of beneficiaries, an overall review of welfare legislation, and action and research to deal with HIV and AIDS.

Social workers are sceptical

(297)

BY TROVE LUND and ADAM COOKE

Gauteng social workers agree the Department of Welfare and Population Development's draft white paper, launched yesterday, gives a positive vision, but they are not convinced it will save Gauteng's welfare system from grinding to a halt. Star 16/11/95

Of special concern are plans to reroute Gauteng welfare funds to other, poorer provinces.

Welfare and Population Development Minister Abe Williams said at the paper's launch in Pretoria the document aimed to improve the lot of the poorest 40% of the population.

He said the paper envisaged a five-year plan to end racial discrimination in welfare resources and to prioritise the needs of children, women and poverty-relief programmes.

Williams said he was pushing for tax-breaks for companies which invest in social welfare programmes, a plan he hoped would pull in additional sponsorship.

But Gauteng social workers were sceptical. Said Johannesburg Child Welfare Society consultant Jackie Loffell: "The bottom line is more money. Nothing has been said about increasing the grossly inadequate R2-billion which is supposed to be enough for the welfare needs of 40-million South Africans."

Loffell slammed funding plans to build up the welfare infrastructure in poorer provinces with money from Gauteng because it is considered developed-enough for redistribution.

"The money is to be taken from Gauteng's welfare budget and given to another province. This is robbing the most vulnerable and needy in Gauteng to give to other welfare cases. Extra money has to come from outside the welfare budget," she said.

■ Former community activist Dr Leila Patel has been appointed director-general of the Department of Welfare. Patel had overseen the restructuring of welfare services in Gauteng and North West, and was a well-respected researcher and lecturer on social services, Williams said in Pretoria. – Sapa.

SA found lagging in human development

SUB - SAHARAN AFRICA - Balance sheet of human development

	PROGRESS	DEPRIVATION
HEALTH	■ Life expectancy at birth increased from 40 to 51 years between 1960 and 1992. ■ During the past decade, the share of the population with access to safe water nearly doubled, from 25% to 45%.	■ There is only one doctor for every 18000 people, compared with one per 7000 in the developing world and one per 390 in industrial countries. ■ More than 10 million people have been infected with HIV. sub Saharan Africa presently accounts for two- thirds of those infected worldwide.
EDUCATION	■ During the past two decades, adult literacy doubled, increasing from 27% to 54%. ■ Between 1960 – 1991, the net enrolment ratio at the primary level doubled, rising from 25% to 50%, and the secondary enrolment ratio almost tripled, growing from 13% to 38%.	■ Only about half the entrants to grade 1 finish grade 5. ■ More than 80 million boys and girls are out of school at the primary and secondary levels.
INCOME & PROPERTY	■ During 1980 – 92, five countries – Botswana, Cape Verde, Lesotho, Mauritius and Swaziland – generated an annual GDP growth rate of more than 5%.	■ About 170 million people (nearly a third of the population) do not get enough to eat. During 1980-92, the annual average growth rate of per capita GDP was 0,8%. ■ Defence spending rose from 0,7% of GDP in 1960 to 3,0% in 1991, and during the past two decades, the debt service ratio increased from 5% to 25%.
WOMEN	■ The female enrolment ratio at the secondary level increased fourfold during the past three decades-from 8% in 1960 to 32% in 1991.	■ Africa has the world's highest maternal morality rate, at 600 per 100 000 live births (compared with 10 in the industrial countries). ■ There are six HIV-infected women for every four infected men.
CHILDREN	■ The infant mortality rate dropped from 165 per thousand live births to 97 during the past three decades.	■ About 26 million children in the region are malnourished, and more than 15% of babies are underweight.
POPULATION & ENVIRONMENT	■ Per capita emissions of carbon dioxide, at 1,04 metric tons, are the lowest in the world. ■ The pesticide consumption per thousand people is about half the average consumption in the developing world.	■ During the past 50 years, 1,3 million hectare of productive land have turned into desert every year. ■ For 1992-2000, the annual population growth has been estimated at 3% – the highest in the world.
POLITICS & CONFLICTS	■ The emergence of a free South Africa in 1994 is a milestone in the history of humankind. ■ Since 1990, 27 multiparty presidential elections have been held – 21 for the first time. ■ In 31 countries, opposition parties have been legalised.	■ In 1994, there were 16 governments representing a single party system or a military regime. ■ At the end of 1993, more than 6 million people, or more than 1% of the population, were refugees.

SOURCE: UNITED NATIONS

By Adam Cooke

Africa has made rapid progress in raising the standards of living for most people over the past two decades, but South Africa lags behind in successfully implementing these universal goals.

According to a report to be released by the United Nations development programme this week, South Africa is the 80th richest country in the world, but comes only 95th in the Human Development Index (HDI). This index measures elements such as life expectancy, adult literacy and income.

.UN resident co-ordinator for South Africa, David Whaley, said South Africa had been less successful than its counterparts in translating wealth into human development.

He was speaking at the opening of a two-day human development workshop attended by government, private sector and non-government organisation delegates from across the African continent.

A constant issue raised at the group discussions was that two countries existed within South Africa's boundaries. South Africa ranks behind Botswana, Cuba, Turkey, and a full 40 places behind Venezuela in the HDI. The top five countries are, in descending order, Canada, USA, Japan, the Netherlands and Finland. The countries with the lowest HDI are Niger, Sierra Leone, and Mali, while Mozambique comes in eight places from the bottom at 167th.

Director of the report, Sakiko Fukuda-Parr, said Africa had made "rapid progress" especially in terms of the gender empowerment measure, which examines the relationship between men and women in decision-making positions. Here sub-Saharan Africa had moved up from bottom of the list to surpass the Arab states.

While a similar trend existed in education and health, Fukuda-Parr expressed the concern that over the past two years an ever increasing amount of the national budget in African states was being allocated to the military.

Closing the gender gap is the prime focus in this years' report, and the most startling feature here was that women made an "invisible" contribution of $11-trillion (R39-trillion) to the global economy of $16-trillion (about R57-trillion).

The report showed that women carry more than half the total burden of work, while only one-third of this is paid.

The first session of the workshop was crowned with the inspiring words from a South African delegate: "We are tired of scratching old wounds, we know the pain of suffering. Now let us go forward."

Kagiso Trust slashes staff

297

John Dludlu

BD 17/11/95

KAGISO Trust has retrenched 32 of its 72 staff members amid a sharp fall in foreign donations.

The non-governmental organisation's CEO, Eric Molobi, said yesterday the European Union, formerly Kagiso's main benefactor, had indicated its donations would decrease, with no new project funding.

Kagiso had distributed just R100m in donors' funds this year, one-third the level two years ago, Molobi said.

One of the key programmes affected would be Kagiso's educational project — through which thousands of students are given bursaries.

The programme currently had about R96,8m and this would shrink to R68,8m next year. It would terminate in 1998 when the current batch of students completed their studies.

EU SA ambassador Erwan Fouere yesterday denied Kagiso had been told not to make further funding proposals, but said that the EU wanted to fund projects that fitted with the development strategy for the whole country.

Molobi said that the Japanese government, which provided R15m to the trust annually, had agreed to continue its links with the trust.

Kagiso would also, he said, need to rely on its investment company income. It would also focus on small, rural projects.

president Graham Machinosi warned that many labour tenants enjoyed services on farms which they would be unable to provide for themselves, for example the tenant's cattle being dipped

Labour Tenants Bill, regardless of whether a particular farmer, or a particular labour tenant is right or wrong, lies in how it is implemented.

(Code: Nok/Acad

Abuse of women in the spotlight

(297) BD 17/11/95

Nomavenda Mathiane

WOMEN of Africa Will not be Beaten is the theme of the national interim committee against women abuse's conference, to be held in Cape Town next week.

This is a sequel to the Heal the Family conference held in September 1994 which focused on making society aware of the immense problem of domestic violence and abuse of women.

The aim of the conference is to promote co-ordination and networking between governmental and non-governmental organisations involved in women's issues.

The health, welfare and labour departments are all represented on the committee.

Labour department equal opportunities director Mpho Mkwana said since violence against women occurred because of the unequal status of women in society, the abuse of women in the workplace should be examined.

He said his department had drawn up a five-year-plan committing itself to eradicating gender discrimination in the workplace.

Measures will also be instituted within the framework of a comprehensive process of labour legislation reform.

He said the new Labour Relations Act would help address gender issues and empower women in the workplace on matters such as pregnancy or intended pregnancy, and unfair employment practice relating to the denial of access to opportunities for promotion and training on the basis of gender.



THE NATION

Ambitious new welfare programmes launched

☐ *Juvenile justice, unemployed mothers to benefit*

ARG 17/11/95 (297) (298)

CLIVE SAWYER
Political Correspondent

TWO far-reaching welfare programmes, one aimed at ending the crisis in the juvenile justice system and the other at helping unemployed mothers, are to be launched as flagships of social reform.

The programmes coincide with cabinet approval of a draft white paper for social welfare.

National Minister for Welfare and Population Development Abe Williams said the programmes were being launched to ensure a balance between policy development and delivery of services.

The first programme, aimed at addressing the juvenile justice crisis, would transform child and youth care.

A national plan of action, to be implemented in all the provinces, includes youth justice, residential, community and secure care, treatment programmes and human resource development.

The draft white paper said that, where possible, children would be diverted from the juvenile justice system.

The second programme would benefit unemployed mothers whose children were younger than five. This group was particularly vulnerable to poverty, Mr Williams said.

"The programme will focus on early childhood development needs and the economic empowerment of women."

Between 20 and 30 pilot projects were to be set up in selected provinces, in collaboration with non-government organisations.

Should these programmes succeed, their scale would be enlarged.

Mr Williams said the draft white paper outlined how to gear welfare services to developing people's self-reliance.

South Africa intended welfare to be a tool of social development, ending its image of handouts and of creating dependency.

The Department of Welfare was to start work on a five-year plan to reach these goals.

Priorities included:

- A national plan of action for families, children and youth;
- Poverty relief programmes;
- Combating the abuse of women, and helping their economic empowerment;
- Fighting alcohol and drug abuse;
- Addressing the impact of chronic illnesses like Aids; and
- Promoting the rights of people with physical and mental disabilities.

The way to achieve these goals would be through family-centred and community-based care and rehabilitation programmes.

"People in need will be cared for in communities, and institutional care will be used as a last resort where appropriate."

"One-stop" community units would be set up to aid access to services, co-operation between various sectors, cost-sharing and to limit duplication.

Mr Williams said 88 percent of the department's R13,4 billion budget went to social security grants. More than 2,8 million people a month got pensions, disability grants and parent and child support from the department.

But welfare assistance programmes were badly underfunded.

"The harsh reality of the state of the economy has meant the department will continue to go without a hoped-for five percent real increase in its budget.

"We will have to juggle priorities to squeeze the money for our new mission out of our existing budget."

Ending racial and geographic inequalities in services and facilities was a top priority.

A task team had been appointed to make recommendations on how to restructure welfare services during the next five years.

Mr Williams said he would push for tax breaks for companies investing in social welfare.

GOVERNMENT SPENDING

Gill at odds with Jay

The role of the RDP office in reprioritising government spending was questioned this week by parliament's Joint Standing Committee on Finance chairman Gill Marcus.

During a budget workshop in Cape Town, Marcus said she was "quite concerned" that the RDP office — under Minister without Portfolio Jay Naidoo — appeared to be duplicating the work of the other departments (297) FM 17/11/95

Her comments came after a presentation by RDP development facilitation head Tanya Abrahamse, who outlined how the RDP office was helping government departments reprioritise their spending patterns and implement projects.

While Marcus accepts that the RDP has been an "invaluable tool" for reprioritisation, she questions how this role fits in with the work being done by the departments themselves, parliament and the Department of State Expenditure.

She is also very concerned that the RDP office is finalising a national strategy for long-term government spending without any reference to parliament or her committee.

"Parliament decides the policy framework within which the executive functions, not the other way round," she says.

Marcus believes it is imperative to obtain clarity on who is responsible for driving the budget process.

"In my opinion, the overarching responsibility for all aspects of the budget lies with the Minister of Finance, with all other departments feeding into the appropriate structures within that ministry. It is an error to create a parallel process or dual lines of authority."

Marcus has in the past expressed the opinion that the RDP impedes proper budgeting (*Current Affairs* September 1).



Marcus

She said it appeared that departments were seeking additional funding from central government by shifting those items that qualified for RDP funding outside the main Budget. This freed funds for items that might not otherwise have been considered and could hamper reprioritisation within departments.

The RDP office was not available for comment as the *FM* went to press. ■

ARG 18/11/95

RDP clouds SA's research – professor

(297) (50)

BLOEMFONTEIN. — Academic freedom would suffer if everything was looked at through a reconstruction and development glass, Professor Elwil Beukes of the University of Free State says in the campus newspaper Blitsnuus.

The Human Sciences Research Council (HSRC), to which Professor Beukes was recently appointed, should allow space for self-initiated research, he said.

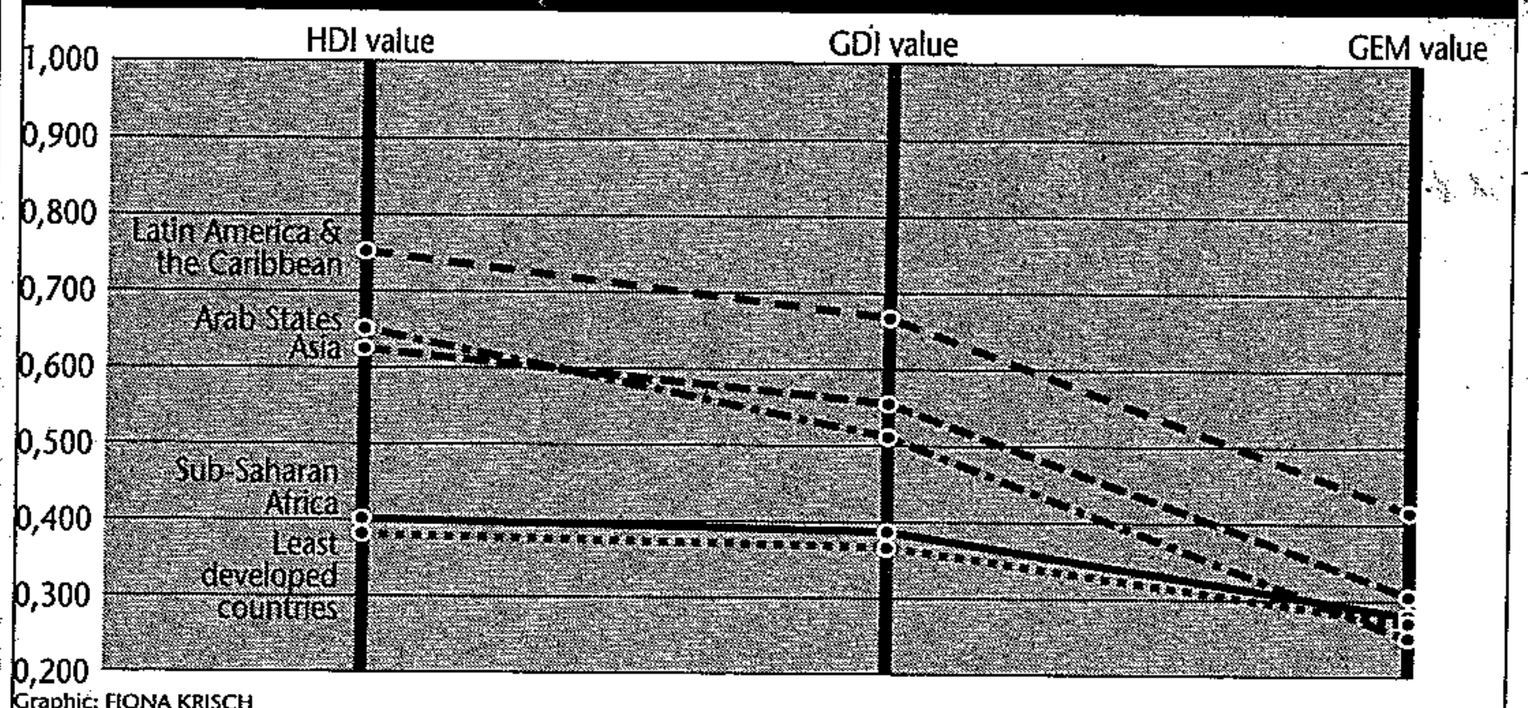
If autocratic proposals threatened academic freedom, he would try to soften them.

With South Africa's democratisation, a change of emphasis would necessarily occur. Subjects previously dealt with by the HSRC did not necessarily reflect the concerns of the majority of the population. But now there was a danger that everything should be measured against the immediate aims of RDP, which would be short-sighted.

Professor Beukes said the biggest discoveries were made by researchers who were far-sighted. He would work for interaction between the academic and natural sciences.

Ecology in South Africa was a good example. In South Africa it was thought that poverty had to be resolved before attention could be given to the environment. This was extremely short-sighted, like shooting oneself in both feet, he said.

REGIONAL COMPARISONS

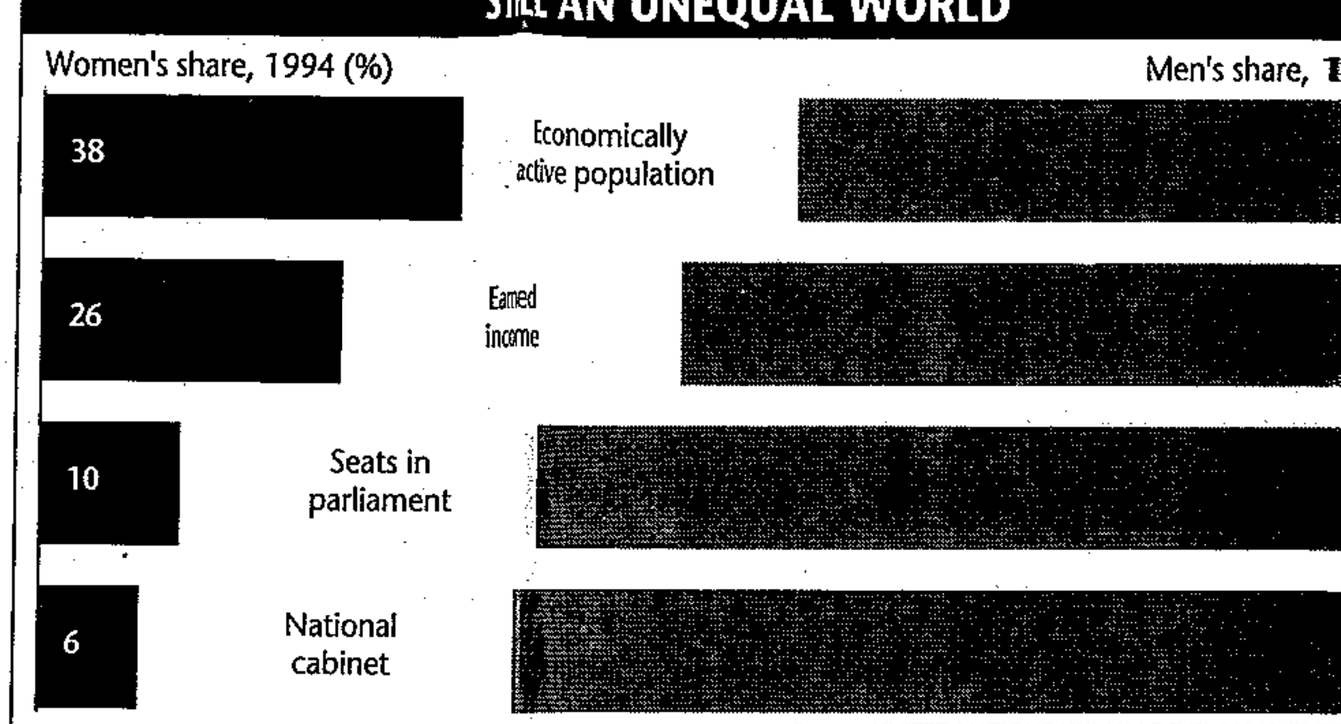


Graphic: FIONA KRISCH

ADVANCES IN WOMEN'S HEALTH

	Life expectancy (years)		Total fertility rate (live births per woman)	
Country group	1970	1992	1970	1992
All developing countries	53,7	62,9	5,7	3,5
Sub-Saharan Africa	46,3	52,4	6,6	6,3
Arab States	52,6	63,3	6,8	4,8
East Asia	64,0	70,6	5,3	1,9
South-East Asia & the Pacific	53,6	65,5	5,6	3,3
South Asia	49,0	60,2	5,9	4,1
Latin America & the Caribbean	63,0	71,0	5,3	3,1
Least developed countries	44,5	52,0	6,7	5,8
Industrial countries	74,2	79,4	2,3	1,9

STILL AN UNEQUAL WORLD



Source: UNITED NATIONS HUMAN DEVELOPMENT R

Human prospects darkest in Africa

ST (BT) 19/11/95 (297)

While some progress has been made over the past three decades, sub-Saharan Africa still lags far behind other regions according to the most widely accepted measure of human development, writes THABO KOBOKOANE.

SUB-Saharan Africa, including South Africa, continues to lag well behind other developing and industrial countries in the delivery of basic services.

This is the worrying conclusion of the sixth Human Development Report by the UN Development Programme, which was presented at a conference in Johannesburg this week.

The study, using the human development index, ranks South Africa at a lowly 95th out of 174 countries, well below the highest ranking southern African country, Botswana, at 38.

The index, which measures and ranks countries on the basis of their population's life expectancy, education and basic purchasing power, is the most widely accepted measure of development.

While the index of developing countries has improved three times as fast as in industrial countries, the latter have a real per capita income six times higher than that of developing countries.

Sub-Saharan Africa rates lower than any other region. At 0,389 it is less than half that of Latin America and the Caribbean at 0,823. Industrial countries score 0,916 out of a maximum of 1.

The survey nevertheless reports that much progress has been achieved in development in sub-Saharan Africa. Over the past three decades life expectancy has improved by 11 years to 51 years and the adult literacy rate increased to 51% from 28% — still the lowest in all regions.

The report estimates there is one doctor for every 18 000 people, compared with one per 7 000 in the developing and one per 390 in industrial countries.

The infant mortality rate dropped from 165 per 1 000 to 97 during the past three decades, yet about 26-million children are malnourished and more than 15% are underweight.

Between 1970 and 1992, women's life expectancy rose by more than six years to 52,4 years and adult literacy rates doubled. Female primary school enrolment rose 154%, secondary school attendance increased by 173% while attendance at tertiary education tripled between 1970 and 1990.

The report estimates per capita income at $559 compared with $982 for developing countries and $4 534 for the world as a whole.

It notes the situation is exacerbated by imbalances in resource allocation. In 1960 the share of military expenditure in the GDP of sub-Saharan Africa was 0,7%. In 1992 it had risen to 2,8%; in other developing countries this fell to 3,8% in 1990 from 4,2% in 1960.

Unemployment was found to have increased to 22,8% in 1990 from 7,7% in 1978 and is projected to increase to 30% by 2000.

The study characterises the African situation as "neither growth nor employment".

It says that the poor employment record of African countries is a result of the dynamic interaction between fast population growth and poor economic performance.

Data from the International Labour Organisation shows nearly 6-million people join the labour force in Africa every year, yet the formal sector employs less than 10% of the total labour force.

As a result many have been forced into the informal sector, which, according to the study, accounted for 25% of total employment in 1991 and 62,5% of urban employment in Africa.

The hardest hit are women, whose participation in the labour force is estimated to have decreased throughout the past decades — the only region where this has occurred.

However because of cultural traditions and economic necessity, this has meant a significant role for women in agriculture, where they comprise 80% of food producers.

Although women constitute a larger share of agricultural producers, the study finds almost all extension workers are men. It estimates that in the 1980s only 7% of agricultural field workers in Africa were women.

The status of women enjoys particular prominence in the UN study, which in addition to the human development index uses two new measures — a gender-related development index, which reflects imbalances in education and income, and a gender empowerment measure, which evaluates a nation's progress in advancing women on the political and economic levels.

The Nordic countries rated first on the gender-related index and the gender empowerment measure, where they have crossed the "critical 30% threshold for women's participation in political and economic decision-making".

The report finds that while access to education and health for women have improved, economic and political opportunities are still closed.

"Over the past 20 years, the doors to education and health opportunities have opened rapidly for women, but the doors to economic and political power are barely ajar," says Mahbub ul Haq, principal author of the report.

For instance, although the gender gap was halved in developing countries between 1970 and 1990, women still make up 70% of the 1,3-billion people living in poverty.

A new feature of the report is the study on paid and unpaid labour, which estimates that women's "invisible" contribution to the global economy is a staggering $11-trillion.

This estimate includes the value of the unpaid work performed by women and men and the underpayment of women's work at prevailing market prices.

Of the total burden of work, women bear an ave 53% in developing countr 51% in the industrialise tries.

"There is an unwitting acy on a global scale to value women's work and butions to society," clai Haq.

"In virtually every cou the world, women work hours than men, yet share the economic rewards."

The study notes that the valuation of women's work ly undermines women's p ing power, but. reduces already low social status i countries, as well as their own property and acquir from financial institutions

In many African coun notes, women account fo than 60% of the agri labour force and contribu 80% of the total food pro yet receive less than 10% credit to small farmers an the total credit to agricult

In 1990, it says, mult banks allocated $5,8-billion ral credit to developing co but only 5% reached wom

Poverty 'is increasing' in spite of aid projects

(297 BD 20/11/95)

Louise Cook

BY 2010 there would be 710-million undernourished people in the world, International Federation of Agricultural Producers president Graham Blight warned at the weekend.

Speaking at the federation's first conference in SA, he said poverty was on the increase despite efforts by international organisations such as the Rome-based Food and Agriculture Organisation to fight the problem.

International Fund for Agricultural Development presidential advisor Donald Brown said apathy in donor countries about development assistance was likely to cut resources further. "A number of emergencies around the world have led to substantial diversion of donor assistance to emergency relief — even as overall donor resources are being reduced.

"Unless the public and decision makers feel they are being used effectively, it could lead to greater reductions, even a withering away of donor finance. We must be able to demonstrate we can overcome hunger and poverty," he said.

Many governments had moved out of agricultural aid or cut back services to rural communities.

"These services were often inadequate to meet the needs of the poor. Now they often do not exist at all."

Brown said the answer was for the rural poor to form common interest groups to secure finance and to actively participate in planning and implementation of projects intended to help them.

The federation warned that next year's UN World Food Summit should not "recycle yesterday's ideas with today's jargon to establish an empty programme for tomorrow's agriculture". It warned that past mistakes would be repeated if farmers and farmers' organisations were left out of planning.

"By focusing the world's attention on food and agriculture, the main objective of the summit may end up being a spectacular fund-raising event. Farmer's and their organisations are being completely neglected to the extent that the world has forgotten it is the farmers who grow the food."

Agriculture Minister Kraai van Niekerk said SA was vital to fighting poverty in Africa. SA had a "significant" advantage over other nations in food production know-how, he said. "For this reason SA is better suited to assist other African states rather than countries or organisations outside of Africa."

Building co-operation

ARG 20/11/95 (297)

☐ *New body aims to power RDP efforts*

ESTELLE RANDALL
Labour Reporter

A POWERFUL new body to co-ordinate and shape development in the Western Cape is being nurtured in preparation for its formal launch in March next year.

This is the Provincial Development Council (PDC) which has the stamp of approval of the provincial government, labour, business and community stakeholders — all of whom are being drawn in to drive this new engine which will help power implementation of the RDP in the Western Cape.

Presently there is no single body which draws together all relevant stakeholders who could contribute to making the RDP work in the province.

The PDC will change all this.

Building the blocks of co-operation which will make the PDC a reality is 35-year-old Adrian Sayers.

He's difficult to pin down as he flits between his city office, with its countless mounds of paper spread around, and appointments with the stakeholders he must win over to the PDC.

"Convincing players in the different sectors is quite tricky," Mr Sayers confesses.

"I have to bring together diverse groups and get them to agree to work together on the basis of decision-making by consensus.

"People are bringing with them different experiences, backgrounds, styles of operating and of course different politics. It's difficult to get all these diverse groups to unite around issues that are above party politics and that will bring long-term gains to our province, and not necessarily directly enhance a particular political party."



TAKING CHARGE:
Adrian Sayers

The PDC wants to draw together provincial government, business, labour and community groups into a consensus based provincial counterpart to the national body with the teeth to ensure the province's development is effective and sustainable.

Mr Sayers also has to strike a balance between himself remaining politically neutral and dealing with the highly politicised arena of development.

However, as a former trade unionist, Mr Sayers has the benefit of cutting his teeth on internal trade union and industry negotiations on a range of issues during the 1980s and immediately after the April 1994 elections.

He was first education officer and later Western Cape regional secretary for the National Union of Metalworkers of South Africa (NUMSA) until June 1994, when he was asked to become adviser to the Western Cape MEC for Transport and Public Works, Leonard Ramatlakane.

This gave him valuable insights into the inner workings of the new government.

He was appointed to establish the PDC in October 1994. So far he has met all the provincial stakeholders and has begun to establish interim regional councils on the West Coast, the Overberg and in the Boland.

Draft legislation around the PDC is currently being prepared for discussion in the provincial cabinet and a bill will be released for public comment early next year.

Objectives of the council are to facilitate full employment in the province, facilitate acceptable living standards for all the province's people, embrace the RDP and to help in the formulation of a development policy which will ensure sustainable development in the Western Cape.

It will do this firstly by facilitating consensus and co-ordination between the provincial government, the private sector and civil society (trade unions and community-based organisations, for example).

Secondly, it will also promote consensus and co-ordination between local development bodies and local authorities.

Thirdly, it will co-ordinate rural and metropolitan interests.

The council will draw in between 30 to 35 members from labour, business, community-based organisations and non-governmental organisations.

The provincial council will have an economic affairs chamber, comprising specialist committees such as tourism, commerce and industry, and agriculture. It will also have a social affairs chamber which will focus on health, welfare, education and housing.

Attached to the provincial council structure will be seven regional development councils and local development forums.

CT (BR) 20/11/95 (297)

Hospitals to be audited: Local contractors, on behalf of the provincial health departments, would carry out a physical audit on more than 400 hospitals and health centres in the nine provinces over the next four months at a cost of R15 million, the RDP office said last week. Funds will be allocated from the RDP budget. The audit is needed to help decide where spending would be most appropriate.

Food parcel project to end soon

(297) Star 20/11/95

Outrage amid warnings that thousands of hungry people could riot

By Anna Cox

Non-governmental organisations (NGOs) have reacted with shock at the Government's announcement that the monthly distribution of food parcels to the needy is to stop in March.

They say about 500 000 people in Gauteng will face starvation when the feeding ends.

The Gauteng department of health has announced that it will put an end to the distribution of food parcels because it has developed into "a handout scheme which was not of any significant value to the people it is supposed to serve", according to spokesma Dr Carol Marshall.

She said 90% of the communities wanted the scheme stopped in favour of empowerment projects. But this has been denied by most organisations, who feel the feeding scheme should be phased out as empowerment projects are started, rather than being abruptly brought to an end.

Some impoverished communities are threatening food riots if the monthly food parcels dry up.

Eldorado Park, Kliptown, Klipspruit Development Association chairman Steve Dube said: "This will cause a big disaster. There are desperate people out there who rely solely on the one food parcel each month to feed families of up to six people.

"We have no objection to its being phased out, but to cut it dead will be disastrous. These people cannot find work and have absolutely no source of income and no food – they will literally starve and are threatening to riot if the parcels come to an end."

Marius Muller, chairman of Toevlugsoord/Place of Refuge in Vereeniging, said the department believed that people had to suffer from malnourishment before they could be assisted.

"There is a huge need for food out there. Since we have been distributing food we see a big change in children who do not fall ill anymore.

"Development must be phased in over a five to 10-year period but the food parcels cannot stop. In the Johandeo informal settlement we hand out 1 000 food parcels that feed over 5 000 people. The programme is one of the best ever because it was managed from grassroots. It is all very well people sitting in an airconditioned office making decisions for the people while we sit with the problems at grassroots level," he said.

Orange Farm feeding scheme coordinator Olga Lutu said over 6 000 families were relying on food parcels that were their only source of food.

"There is a desperate need for the feeding scheme. If it is stopped we will sit and watch people starve in front of us. The programme should be developed differently and some of the funds channelled into RDP empowerment projects. But until these are started, the feeding cannot stop."

Collins Ntota, who runs the feeding scheme on the East Rand, said there were thousands of unemployed people who were desperate. He said he foresaw protests and toyi-toying if the food parcels stopped.

The R400-million National Nutrition Social Development Programme was started in 1992 but developed into a poverty relief programme. It has been handing out food parcels monthly to thousands of destitute people through NGOs. Many thousands have been empowered by the scheme through the baking of bread and distribution of food parcels, and NGOs fear they too will lose their incomes once the scheme is halted.

Marshall said the programme was never intended to be a relief programme – but because of needs it had become one, and nutrition was never addressed.

"The new programme will be implemented by the community-based organisations and NGOs, taking track records into consideration. Local development forums will assist in identifying nutritional needs and will make recommendations," she said.

Welfare has 'racial' bias

297

Nomavenda Mathiane

BD 21/11/95

THE SA welfare service still processes applications for benefits along racial lines, the Black Sash says.

Research by Cameron McConnachie, of the Cape Town Sash office indicates that different race groups use different forms when applying for grants. Black applicants use the PEN 1(A) form, coloureds the VR TIA form, Indians the HDH 6 form and whites the BBW 4/29 form.

McConnachie also argues that the department's resources are inequitably distributed.

He says that in the Knysna area, for example, black applicants have access to welfare officials once a month from a mobile unit from George, while coloured applicants can make inquiries at any time at the local magistrate's office.

Racial bias is also evident in the processing of applications. Black applicants routinely have to wait for more than a year for their grant to be processed, it says.

The Sash notes that in most of the country, whites, coloureds and Indians collect monthly cheques from the post office. Black recipients have to queue for hours at pay points in heavily populated areas where there is no shelter.

While commending the new non-racial Welfare Act, due to take effect in March next year, the Sash has warned that the new regulations are not a panacea for the racial inequities in welfare administration.

Basie Hechter, the manager of the work to provide southern African coverage.

Statistical service refocuses

CT(PR)21/11/95(297)(680)

ROY COKAYNE

Pretoria — The Central Statistical Service is rapidly transforming to meet new challenges, including demands by the RDP for information, says Mark Orkin.

Orkin, who took over as head of the service in July, said that at the forefront of this transformation was the restructuring of major departments in time for the Public Service Commission's deadline for the end of November.

He said a new chief directorate, headed by Pali Lehohla, the former statistics director of Northwest Province, had been set up.

The new directorate would focus on demography in view of next year's census and the household surveys required for RDP indicators.

A directorate of analysis and publications was also being introduced, he said.

Orkin said liaison with provincial governments was under way and the service would be expanding its provincial offices and data-gathering capacity.

It would also appoint professional advisers to supply specific data and interact with development planners.

He said the RDP's National Information Project would require intensive collaboration between the service and the RDP's national and provincial departments.

Other aspects of the service's transformation included a re-engineering of the massive data-gathering and processing procedures.

Orkin said the aim was to improve policy making by speeding up the response time of the economic series. This effort would require a modernised information technology culture, better respondent follow-up and extensive training.

Swedish and Australian statistical bureaus were providing advice, he said.

Miners may be 'poisoned by arsenic'

BD 22/11/95

A MINING community of more than 1 000 people living near Anglovaal's New Consort Mine near Barberton in Mpumalanga may be suffering from effects of arsenic poisoning, the National Union of Mineworkers said yesterday.

The union reported widespread diarrhoea, stomach cramps, headaches and rashes among the 600 mineworkers and their community, and said that the mine had confirmed drinking water could have been contaminated with arsenic trioxide.

"No results from investigations carried out by the departments of mineral and energy, health, and water affairs, had yet been released to workers or their families," said NUM spokesman Judith Weymont.

Anglovaal's Eastern Transvaal Consolidated Gold Mines Ltd was aware of the NUM allegations and was involved, with the NUM, in the authorities' investigation, said spokesman Julian Gwillim.

He said the company was "very concerned" about the well-being of employees and the community, but could not comment further until the inquiry had reached a decision.

Weymont said water had been contaminated during October when the drought in the area forced residents to take drinking water from boreholes and other sources around the mine.

Most of the workers had experienced arsenic dermatitis, said NUM legal representative Richard Spoor.

Weymont said the mine started monitoring the poison two years ago, but no tests had been conducted on employees in the past six months.

"It is very worrying that workers are only tested every six months ... given the seriousness of this arsenic poisoning," said NUM regional representative S O Serothwane.

It was not known if the deaths of two young children had resulted from contamination, said Weymont. — Sapa.

Social welfare cuts its cloth

(297) BD 22/11/95

Wyndham Hartley

CAPE TOWN — There is no more money for "underfunded" social welfare services in the short term, newly appointed welfare director general Leila Patel said.

Addressing Parliament's committee for welfare Patel said yesterday that approaches to Finance Minister Chris Liebenberg had resulted in an undertaking to discuss more money for social welfare services in the future.

But, Patel said, the main source of extra money for services would be from resetting the department's priorities, by eliminating waste and by combating nationwide, fraud in pensions payouts and the administration.

Patel and Welfare Minister Abe Williams said more stringent means testing would be applied to pensions' applicants in the future.

Williams said that it was planned to access deeds registers to establish whether those granted pensions or applying for pensions were making money from properties other than those in which they lived.

"Some have income which they do not declare, and I don't think the state should support those who can afford to support themselves," he said.

Williams and Patel undertook to continue efforts to equalise the conditions under which pensioners were paid and to eliminate the long queues in certain areas on payout days.

They said that each and every file in the department of welfare and pensions would have to be reviewed and this would also save money and eliminate fraud. He said that all those who received social assistance would have to reregister in the future.

Cameron McConnachie and Bastienne Klein of the Black Sash in Cape Town said that it was encouraging that the Minister was to target fraud in the welfare system because "people receiving social assistance grants should not be penalised by administrative errors in the department".

They also supported the sentiment expressed by Patel and Williams that welfare should not be the poor cousin of the budgeting process. They stressed that the increase in pensions of 5% was not keeping up with inflation and pensions of R410 a month were not enough to live on.

NEWS INTERNATIONAL & NATIONAL

Aussies give SA R13,5-m in aid

(297) Sowetan 22/11/95

Twinning SA and Australian tertiary institutions will benefit both nations

CANBERRA – A new R13,5 million aid programme to assist South African universities and technikons to take part in the country's post-apartheid Reconstruction and Development Programme and break down their history of international isolation, was announced by the Australian government yesterday.

This follows a meeting between South African Education Minister Professor Sibusiso Bengu and Mr Gordon Bilney, Australia's minister for development cooperation.

Welcoming the Australia-South Africa Institutional Links Programme, Bengu said it would lead to "sustainable links between a number of Australian and South African institutions with mutual benefit for both countries".

The programme would fund up to 20 projects over the next four years and joint submissions would be sought from South African and Australian institutions in early 1996, said Bengu.

Australia had much to offer in the fields of higher, technical and vocational education and many local universities and technikons were keen to form partnerships with their Australian counterparts, he said.

Bengu said community education development would be targeted and said historically disadvantaged institutions would receive aid for their outreach programmes.

Proposals for joint research projects and institutional strengthening would also be considered.

The programme had its foundation in this year's successful pilot project which linked the University of South Australia with Fort Hare University, Bengu said.

The project used Australian distance education expertise to design a teacher in-service programme for the large numbers of untrained and undertrained teachers in the Eastern Cape.

The education sector was a high priority for Australia's development cooperation programme for South Africa, said Bengu.

The programme supplemented other Australian education efforts such as the adult literacy project under way in the Western Cape and assisted the national qualifications network.—*Sapa.*

Human rights lobby group to help victims

297 JSR Sowetan 22/11/95

By Paddy Harper

HUMAN rights and mental health non-governmental organisations in KwaZulu-Natal will this week begin lobbying the Department of Justice to establish a psychological counselling programme.

The project's aim is to help prepare victims of violence who may give evidence before the proposed Truth and Reconciliation Commission.

The 24 organisations, all of which have been involved in documenting human rights abuses in the province and counselling, have formed a working coalition with the common aim of ensuring that victims of violence participating in the commission get the necessary support.

Mr Apollo Gopolang, a spokesman for the KwaZulu-Natal Programme for Survivors of Violence, said that a detailed submission drawn up by a working group appointed by the coalition will be submitted to Justice Minister Mr Dullah Omar on Friday. It outlines the need for the counselling programme.

The submission will focus on the kinds of stress disorder affecting survivors of violence, the kind of counselling needed to prepare them for giving evidence and the organisational infrastructure viewed as necessary by the coalition if such a process is to be successful.

Gopolang said survivors needed special preparation before testifying for a number of reasons.

Survivors may not be able to remember important aspects of the events in question — or give evidence in a clear manner — because of the reaction which trying to recall traumatic incidents might cause in their minds.

Also, questions and thoughts about traumatic events were likely to cause further mental distress. This could effectively worsen the state of mind of the survivor, while victims who were denied access to the commission due to the narrow range of crimes it will consider, may also be further traumatised by not having their stories heard.

In addition, many witnesses are likely to be angered by amnesty provisions or inadequate reparation, issues which would have to be dealt with if public anger is to be contained, Gopolang added. The answer, he said, was to set up a programme with the sole aim of preparing those who will be testifying before the Truth Commission.

"Since society is responsible for their psychological state, society ought to ensure that they are able to testify adequately and with as little further distress as possible," he said.

"Preparation for the Truth Commission ought to be seen as a right, rather than special treatment for people who have survived events of the type with which the commission is concerned."

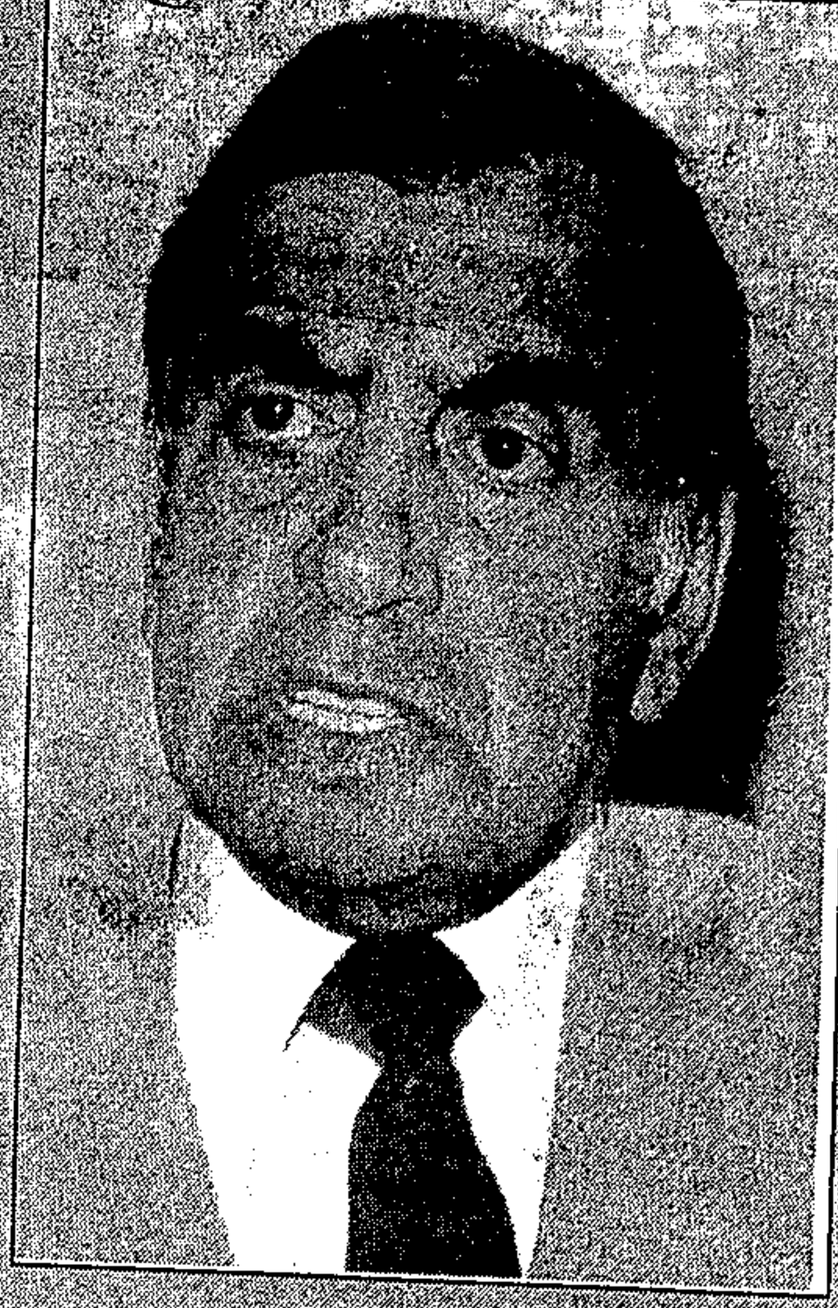
He said that for the commission to succeed, victims giving evidence need to have easy access to counselling facilities.

Officials involved in the commission should encourage potential witnesses to go through the preparation process.

The commissioners should be trained to handle the psychological effects of the evidence they are collecting or hearing.

At the same time, people excluded from the commission's hearings should also be provided with counselling in acknowledgement of what they have gone through.

All the counselling should be carried out by appropriately trained mental health experts, Gopolang said.



Minister of Justice Dullah Omar ... will be lobbied to establish a psychological counselling programme for survivors of violence who may give evidence before the Truth and Reconciliation Commission.

SOWETAN Friday November 24 1995

R593-m (297) for the RDP

Sowetan 24/11/95

THE European Union has committed R593 million to finance major projects next year for the Reconstruction and Development Programme.

A further R1,8 billion is expected to be provided over the next three years.

The head of the EU delegation in South Africa, Mr Erwan Fourere, said in Pretoria yesterday that various projects had been selected after detailed talks with the government. Education and training, health, rural development and water provision, urban development, economic cooperation and promotion of good governance will benefit from the money.

In all cases, the financing agreements have either been signed or will be signed before December 31.

Continued commitment

The financing, Fourere said, "reflects the continued commitment of the EU and its 15 member states to the reconstruction and development process in South Africa. In developing these projects, the EU has underlined the partnership effort between the government, non-governmental organisations and the private sector that their implementation requires."

The involvement of NGOs is regarded as a vital part of the process and many of the projects selected exclusively involve these organisations.

The largest amount goes to the Eastern Cape, where R85 million will be spent on a water and sanitation development programme and a further R58,6 million for community-based initiatives in a province hard hit by drought as well as the 1980s recession in the manufacturing sector.

"The Eastern Cape has experienced particularly severe declines in output and employment, the effects of which have manifested in rural areas," the EU says. A total of R71 million has been provided for the NGO support programme in the implementation of the RDP.

FRIDAY
NOVEMBER 24, 1995

EU commits R593 million to RDP projects (297)

SPECIAL CORRESPONDENT
ET 24/11/95

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In all cases the financing agreements have either been signed or will be signed before December 31.

The EU regards the involvement of NGOs as a vital part of the process, and the largest slice of the financing will go to the Eastern Cape.

DBSA grants 45 percent more in loans

STAFF REPORTER

Johannesburg — The Development Bank of South Africa increased the amount advanced in development loans by 45 percent to R650 million in the six months to September, and has started to transform itself in accordance with its new mandate of financing infrastructure to underpin economic growth.

The bank said yesterday it has started to focus its funding on infrastructure projects at close to market terms and is embarking on a concerted effort to mobilise private sector involvement.

In the first six months the bank's new commitments amounted to R576 million (R415 million), most of which took the form of loans to local authorities, regional services councils, joint services boards and public utilities.

The group lifted net income by 7 percent to R90,9 million. Interest earnings from development loans rose 17 percent to R217,6 million.

European Union commits more than half a billion rand to RDP for next year

By Norman Chandler
Pretoria Bureau

The European Union has committed R593-million to finance major projects next year for the Reconstruction and Development Programme. A further R1,8-billion is expected to be provided over the next three years.

The head of the EU delegation in South Africa, Erwan Fourere, said in Pretoria yesterday that various projects had been selected after detailed talks with the Government.

Education and training, health, rural development and water provision, urban development, economic co-operation and promotion of good governance would benefit from the money.

The financing agreements have either been signed or will be signed before December 31.

The largest financing goes to the Eastern Cape, where R85-million will be spent on a water and sanitation development programme and a further R58,6-million for community-based initiatives in a province hard hit by droughts and the 1980s recession in the manufacturing sector.

Among other projects are a R14,9-million programme to provide water and sanitation services to rural areas, while R28,1-million will go to the provision of improved living conditions for the urban poor.

A total of R71-million has been provided for the NGO support programme, to be administered by the Transitional National Development Trust (TNDT), which is to co-ordinate the role of NGOs and community-based organisations in implementing the RDP.

Also to benefit is a land reform pilot programme to assist resettled communities. A total of R51,2-million is to be spent in a joint project of the EU, the British Overseas Development Agency and the Danish Development Agency.

Star 24/11/95

(297)

WELFARE POLICY (297)

Towards self-reliance

FM 24/11/95

As Minister of Welfare & Population Development, Abe Williams faces a daunting array of problems. These are inherited from the fragmentation and bias of apartheid, and loom in the form of a growing pool of destitution and the victims of Aids. He must balance needs (which are great) against resources (which are scant).

The Draft White Paper for Social Welfare — released to the media last week and in need of refinement before it goes to Cabinet — is sensible and pragmatic in its aims. It points out that one-third of South Africans live below the poverty datum line; that the worst off are rural households headed by women; and that half SA's children endure a life of subsistence.

Nonetheless, far from taking this as a mandate for wholesale social spending — or rhetorical demands that such spending be formalised as policy — the White Paper makes the ideal of self-reliance its watchword. In terms of legislation, this could amount to mandatory pension schemes for

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those in formal employment, and (possibly) a compulsory savings scheme for those in the informal sector.

That would amount to a national social insurance plan. At the same time, more stringent means tests for benefits are mooted, to eliminate welfare freeloading.

The White Paper says that at R13,4bn, social security and welfare represents 8,7% of the 1995-1996 Budget — or 2,7% of gross domestic product. Welfare spending has increased in recent years, largely because of greater racial parity in grants. Previously, 14 departments presided over welfare, dispensing State funds as opposed to private charity, and until the beginning of the transition most money went to the white group. Much of it still does.

Williams proposes a five-year strategic plan to implement the objectives of the White Paper, predicated on the understanding that "welfare expenditure will be able to increase gradually only as higher economic growth rates are achieved."

While it is accepted that SA will always have to meet claims for relief, the White Paper proposes to shift past emphases which it feels are now inappropriate. One is a reliance on institutional care, which should be replaced by considered attempts to train people to fend for themselves and to move from informal to formal employment.

A main obstacle to such a change in emphasis is that welfare, as such, is largely handled by an estimated 10 000 private organisations that receive government subsidies. The five-year plan includes what would amount to tracking them all down and implementing greater accountability and focus. However, the White Paper indicates that this should not mean greater central control of welfare; the proposal is rather to concede greater powers to the provinces and new local authorities because of the diversity of needs with which the various regions must cope.

As an "executive summary" of the document puts it: "Social welfare will become more cost-effective by applying low-cost, community-based strategies as opposed to relying on institutional care such as old-age homes, children's homes, and other residential facilities, and by working in partnership with other stakeholders."

Social assistance in one form or another now amounts to 88% of the welfare budget — thus providing income support to 2,9m South Africans. Also, 80% of the elderly



Minister Williams . . . *low-cost, community-based welfare*

require State assistance. This is why the theme of self-reliance — particularly when it comes to making provision for old age — is significantly preferred over old-fashioned welfare handouts. These, as the US experience demonstrates, create ethnic ghettoes that are tormented by crime, dependency on social payments, and low self-esteem.

Nor is the money available.

Williams proposes that government develops a system that would comprise a mixture of compulsory private savings, social insurance funded by contributions, and (in third place) noncontributory social assistance. Five years would seem a reasonable period for such a system to achieve a legislative framework, and for the fragmentation of welfare services to be streamlined, making for greater efficiencies in delivery.

A secondary theme of the White Paper stresses the restoration of the family rather than institutionalisation — or locking away — of the disadvantaged as a prerequisite for a civilised state of affairs. The damage of apartheid does not need to be rehearsed; to which must be added the dislocative effects of urbanisation and industrialisation. The White Paper does not pretend that the centrality of the family can be reinstated soon or easily.

Unfortunately for Williams, and for SA, the spread of Aids could compromise all calculations. Throughout the Nineties, HIV infection rates have virtually doubled each year. In 1994, 7,57% of the women attending antenatal clinics were infected. Heterosexual transmission of the virus is most prevalent, and "it has been projected that the HIV epidemic in SA will grow exponentially. It will probably reach a plateau between the years 2005 and 2010, when between 18% and 27% of the population (is) likely to be infected."

Such a level of infection will transcend any moral debate about the matter: the claims could be catastrophic. Breadwinners will die, children will be born with Aids. The White Paper — perhaps optimistically — proposes that by the time the crisis is at its height, social insurance should be able to carry some of the financial burden. Also, "Informal sector employment, stimulated by nongovernmental organisations, (should provide) another important source of income.

"Informal networks such as families and neighbourhood and indigenous helping networks (should also) play a significant role in providing social support and care."

Once the jargon is stripped away, this means that *ubuntu* will have to exercise its traditional humane part in nurturing the enormous numbers of people who are going to die from Aids. In terms of institutional care, the White Paper places the emphasis on the need to create or expand mechanisms to help the children of parents who die of the plague.

The overall direction of welfare policy is contained in this sentence: "Economic growth must be accompanied by . . . investment in human and social capital and the provision of social support for the poor and vulnerable groups." The Draft White Paper — which is 119 pages long, excluding a glossary and the executive summary — constantly reiterates the importance of growth in underpinning rationalised welfare. This emphasis makes it a document worth serious consideration. ■

Abuse of women 'almost endemic'

More shelters for animals, research shows

Star 24/11/95

By Priscilla Singh
Staff Reporter

There are more animal shelters in South Africa than shelters for abused women.

This was revealed this week at a briefing by the organisation People Opposed to Women Abuse (Powa) on research conducted into violence against women.

Researcher Lisa Vetten said women were often forced to stay home and endure abuse from spouses or family members because there were not enough shelters to take refuge in.

The study, on the state's response to domestic violence and rape, was undertaken to make recommendations to the Government.

Human Rights Watch Africa has released the report, which is aptly entitled "Violence against Women in South Africa".

The book is being released today, on the eve of the international "Day of No Violence Against Women". It is endorsed by the UN.

Recommendations cover legal reforms, domestic violence, rape, improved police services, the medico-legal system and inter-departmental co-ordination among law, judicial and social service agencies.

The report was written by consultants Binaifer Nowrojee and Bronwen Manby on the basis of interviews and research conducted this year.

It unfolds graphic details and experiences suffered by women at the hands of men and describes violence against women as being almost endemic to South African society.

South African women's organisations estimate as many as one in three women will be raped and one in six women is in an abusive domestic relationship.

"Yet the government routinely fails to investigate, prosecute and punish such violence," says Anu Pillay, speaking under the auspices of Powa.

"South African women are not safe in their homes, their places of work or in the streets," notes Dorothy Thomas, director of HRW.

EU earmarks R593m to fund RDP projects in SA

ARG 25/11/95 (297)

Own Correspondent

PRETORIA. — The European Union (EU) has set aside R593 million for the funding of several RDP projects in South Africa.

Areas to benefit from the fund include education and training, urban development, health, rural development and water provision, economic co-operation, trade investment and the promotion of good governance and democratisation.

Addressing a Press conference in Pretoria yesterday, Erwan Four, head of the EU delegation in South Africa, said his organisation had identified and approved the projects with the government in a record time of five months.

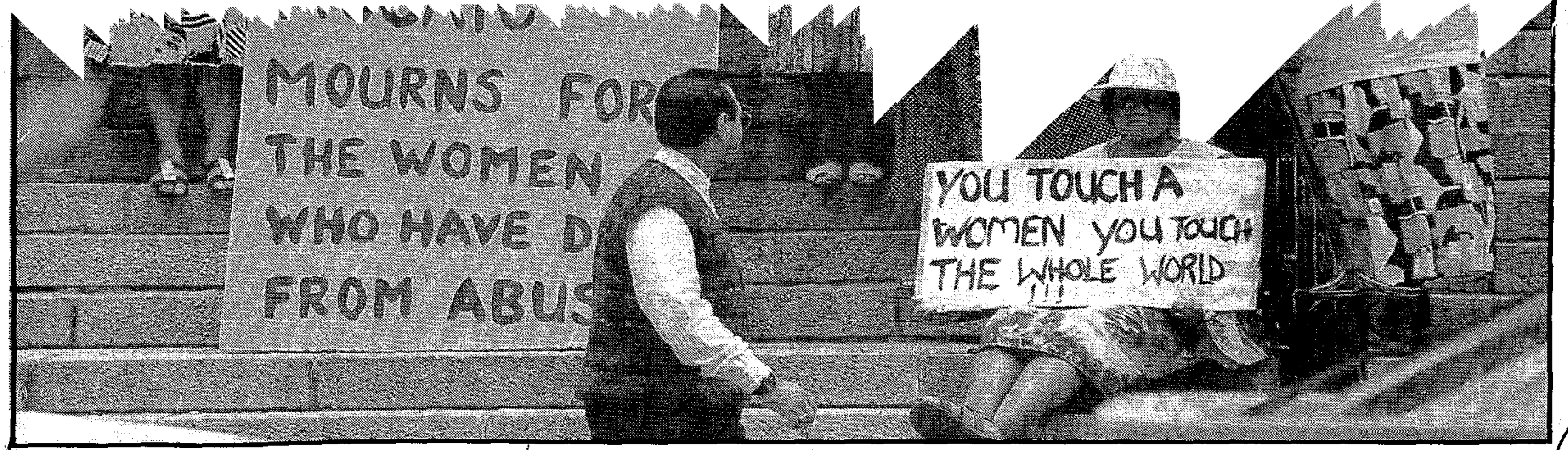
Mr Four said in all cases the financing agreements had either already been signed or will be signed by the end of the year.

Disbursement of funds will be effected immediately after the signing he said.

He emphasised the extraordinary achievement this effort represented for both the South African government and the EU, noting that it was the first year of joint co-operation between the two parties.

It reflects the continued commitment of the EU and its 15-member states to the reconstruction and development process in South Africa, said Mr Four.

Organisations to benefit from the grant are the NGO Support Programme (R71,1 million), the Urban Sector Network (R28,1 million), the Rural Development Services Network (R14,9 million), the Human Rights Programme (R71,1 million), the Microprojects Programme (R58,6 million), the Land and Agricultural Policy Centre (R12,4 million), the Land Reform Pilot Programme (R51,2 million), the Water Development Programme (R85,2 million), the Kagiso Trust Administrative Overheads (R5,9 million) and the Cato Manor Development Programme (R116,1-m).



☐ **WOMAN POWER:** Cape Town women demonstrate on the steps of St George's Cathedral against the abuse of women to mark the conference on women's rights.
Picture: LEON MÜLLER, Staff Photographer.

(297) ARG 25/11/95

Shock statistics on violence revealed at national conference

ESTELLE RANDALL
Labour Reporter

ONE woman in four in South Africa is physically, sexually or emotionally abused by her partner.

This is one of the shock statistics revealed in Cape Town this week at the Department of Welfare's national conference on violence against women.

The conference is the first to be held following the United Nations World Conference on Women, held in Beijing earlier this year.

About a third of the cases of violence reported to the police in South Africa involve domestic violence, the conference was told.

Every week four women are forced to flee their homes because their partners endanger their lives.

Last year 7 559 cases of child abuse involving children younger than 14 were reported — an increase of 2 823 compared to 1993.

Flanked by a banner proclaiming "Women of Africa won't be beaten: unite to end violence", deputy Minister for Welfare and Population Development, Geraldine Fraser-Moleketi, urged conference delegates to make a difference by using procedures that were already in place.

Commenting on the Programme Of Action which had been accepted by all member governments of the UN, Ms Fraser-Moleketi said the difference between Beijing and the 1985 conference in Nairobi was that, this year, there was greater knowledge of the causes and consequences of violence and measures to combat it.

"We have enabling policies and legislation," she said. "We need to tackle awareness, attitudes and making things work."

She said times had changed and it was no good blaming "them" or the "people across the road".

The equality clause in the new constitution provided a particular challenge — that of ensuring all citizens enjoyed equality while also protecting all people.

Ms Fraser-Moleketi said there was a tension between rights and certain aspects of custom, tradition and religion which could be misused.

The Minster for Welfare and Population Development, Abe Williams, committed his department and government in general to addressing the issue of violence against women.

He pointed to the policies and guidelines on this issue in the White Paper on Social Welfare. He also stipulated the importance of addressing domestic violence and supporting victims of violence, as well as the importance of working with non-governmental organisations and other government departments.

Manenberg to boast one-stop support centre for abused women

Staff Reporter

THE first support centre in the Western Cape for women victims of violence will be built in Manenberg, Western Cape Minister of Police Patrick McKenzie has announced.

Speaking at the Prevention of Violence Against Women Day in Goodwood yesterday, Mr McKenzie said the centre would take an integrated approach and work with the G F Jooste Hospital in the area.

Yesterday was the first Prevention of Violence Against Women Day.

"When a person who has een raped is brought to the centre, they will not have to go to the police station afterwards to lay a charge — all that will be done under one roof. They can see a doctor and lay charges there; we won't have to tell people to go from one place to another."

Mr McKenzie said the project would be carried out in conjunction with the community.

He invited delegates to visit the newest victims' interview room at Lansdowne police station.

The interview room is in a separate building at the police station, away from the charge office.

Star 25/11/95

Abe the flirt draws jeers

(297)

Cape Town – Welfare Minister Abe Williams was hissed at by delegates to a conference on violence against women at the University of Cape Town yesterday when he said it had given him an opportunity to look at some beautiful ladies.

Williams told delegates he would take up the issue of domestic violence at Cabinet level.

He said his presence at the conference showed his commitment to dealing with the issue. "Apart from coming here and feeling threatened, I also had an opportunity to look at some very beautiful ladies." – Sapa

US aid to SA faces gravy train charges

(297) ST 26/11/95

AS US Vice-President Al Gore's visit to South Africa looms next month, his administration's vaunted post-apartheid aid programme is under scrutiny by an array of government watchdog agencies.

By SIMON BARBER: Washington

The probes stem mostly from the US Agency for International Development's decision to favour African-American groups in awarding contracts for South African projects.

US law requires USAid give at least 10 percent of its contracts to companies owned by racial minorities and women. But more than a third of the $35-million (R126-million) awarded by the agency to US firms for South Africa-related work in the year to September went to African-Americans, who represent only 10 percent of the US population.

Dissidents within USAid have long argued that the Clinton administration has been squandering South Africa's aid allocation of, in theory, about R2-billion over three years to support domestic black elites rather than impoverished South Africans.

The rebels received a boost this week when the Los Angeles Times published a lengthy exposé on how aid to South Africa was becoming an African-American "franchise" which disregarded the supposed beneficiaries.

Grants being officially questioned include one of R360 000 to the Congressional Black Caucus Foundation, one of R1,98-million to the Martin Luther King Centre in Atlanta, a R1-million grant to Soft Sheen Products and a R4,7-million grant to Africare.

Potentially the most explosive inquiry involves the Congressional Black Caucus Foundation, the non-profit fund-raising arm of the Congressional Black Caucus.

It is alleged that USAid awarded the foundation a no-bid South Africa contract to ensure the caucus opposed congressional efforts to scale down or abolish the agency. The agency's inspector general and Congress's general accounting office are looking into the matter.

According to USAid documents, the foundation received the R360 000 grant in August last year "to assist in the establishment of nonracial, participatory local government for South Africa".

The foundation's development director, Darlene Wood Shaw, told the Los Angeles Times the grant was used to fly South African politicians to the US for the caucus's annual conference and fund-raising gala last September and to sponsor a one-day conference on housing issues in Pretoria.

In a letter written last month to USAid administrator Brian Atwood, the chairman of the Senate's foreign relations committee, Jesse Helms, charged that as much as 37 percent of the grant may have been spent on foundation salaries and consultants.

Benjamin Gilman, the chairman of Congress's international relations committee, has meanwhile written to Mr Atwood to express concern at the apparent conflict of interest involved in the grant.

USAid is usually required to bid out its projects but is allowed to fund unsolicited proposals it believes are "unique, innovative or proprietary, and would represent appropriate use of funds to support or stimulate a public purpose".

The exception was used to justify the grant to the foundation.

Documents approving it signed by director of the USAid mission in Pretoria, Leslie Dean, said the foundation's activities were "innovative" because they were designed to expose disadvantaged South Africans to problem-solving methods adopted by foundation members and "unique" in that the experiences of the caucus members were "without parallel in any other US or foreign organisation".

Much the same reasoning was used to give haircare products company Soft Sheen R1-million to train black cosmetics experts in South Africa.

The grant coincided with Soft Sheen's decision to sell its products in the country through Johnson and Johnson, but the company denied any link between its application for the money and its marketing plans.

When a Maine Democrat, George Mitchell, questioned the project last year, he was assured by USAid that at least 400 people in South Africa would be trained.

According to the Los Angeles Times, only five people in South Africa have thus far been on an eight-week training course.

The White House office of management and budget is looking into the Martin Luther King Centre grant.

It is alleged that the centre's first request for money was so poorly drafted that USAid gave it R144 000 to help it write a more acceptable proposal. This money might otherwise have been spent immunising South African babies or putting roofs over their heads.

Africare, a politically influential organisation with long experience as a USAid contractor for Africa projects, received its R4,7-million grant for an unsolicited proposal to train black South African government officials.

The USAid inspector-general has been looking into charges by agency officials that the grant bypassed the usual channels and was used largely to enable the organisation to establish an office in Johannesburg.

In a sworn statement, one USAid official said colleagues overseeing the grant had been unable to discern what the manager of the Africare office was doing with the money other than maintaining a presence in South Africa.

"They came back saying that the Africare manager did not seem to have any programme ideas or know what Africare could offer the disadvantaged South African community," he said.

Africare's president, C Payne Lucas, told the Los Angeles Times that his organisation was spending the grants properly and had thus far trained 500 black officials.

Meanwhile, the office of special counsel, a unit set up to protect government whistle-blowers, is investigating whether a USAid officer, Paul Niefert, was sent home from Pretoria unfairly last year after he questioned his superiors' efforts to channel a disproportionate number of contracts to unqualified African-Americans.



☐ **GROUP EFFORT:** Murway's service manager Shaun Conradie and Silverlea Primary pupil Shiham Adams inspect the engine of one of the cars brought in for a service as part of the company's school fund-raising scheme. Picture: ROY WIGLEY.

Schools cash in on good service

(297) ARG 27/11/95

JOSEPH ARANES
Staff Reporter

PUTTING something back into the communities that serve it is the driving force behind a motor company's initiative to raise funds for schools across the Peninsula.

When the Murway Group opened its doors in 1974, it depended on community support to see the venture grow to what it has become today — a successful company offering a wide range of services.

Now the group believes it is time to start ploughing something back into those communities, and help make the schools become more self-sufficient.

Innes Murudker, director of the Murway Group and a member of the Athlone RDP Forum, and his family started the novel project — the Reconstruction and Development Programme School Fund — to help schools raise money.

The project involves the school staff, school committee and pupils' relatives. All that is required is that people make use of any of the products the company has on offer, mention the school's name they are supporting, and a percentage of the cost incurred will be deposited into the school's fund.

Mr Murudker said: "Part of the thrust is to also get other businesses involved in this type of project. We must all be prepared to put something back into the communities we serve and they will continue to support us.

Project co-ordinator Lynne Opperman said they initially wanted to launch the project with about 60 schools near their business premises in Athlone.

"But after talks with the schools, principals from as far afield as Mitchell's Plain, Guguletu, Rondebosch and Parow have joined the fund. At the launch 162 schools were represented."

She said three percent of the money raised by the company and R250 for every new or used car sold through the scheme was donated back to the schools.

Since the launch of the programme 10 days ago, the company has sold five vehicles and done a number of services, and sold other products through the scheme.

"Our aim is to help raise a minimum of R35 000 in four months for each of the schools involved."

Principal of Silverlea Primary, John William Thomas, said he was proud to have his school associated with the project.

Europe to continue aid for RDP (297)

ANTHONY JOHNSON
POLITICAL CORRESPONDENT
CT 27/11/95

THE European Union (EU) has pledged to keep assistance to South Africa, pegged at an annual R600 million until the present government's tenure expires in 1999.

EU ambassador Mr Erwan Fouere said at the weekend the R593 million grant the EU had contributed to the RDP in 1995 would be kept at similar levels.

"It reflects the continued commitment of the EU and its 15 member states to the RDP process," he said.

Key sectors

The key sectors identified for EU funding included education and training, health, rural development and water provision, urban development, economic co-operation, trade and investment promotion, support for small, medium and micro enterprises, and promotion of good governance and democratisation.

"In developing these projects, the EU has underlined the partnership effort between the government, non-governmental organisations and the private sector that implementation requires," he said.

Racial criteria applied in US aid programmes

SIMON BARBER in Washington (297)

BD 28/11/95

THE US's SA aid programme is attracting official scrutiny in Washington the way a carcass draws flies. Probers include the White House management and budget office, the special prosecutor's office, which investigates wrongdoing alleged by government employees, the general accounting office, Congress's investigative arm and the US inter national development agency's own inspector-general.

Even the justice department is in on the act and is considering prosecution of a USAid official who put pressure on a subordinate to provide his wife with a job while he was serving in Pretoria.

Much of the trouble can be traced back to 1992 and the arrival of Leslie "Cap" Dean as the USAid SA mission director, and the appointment of William Ford, who had spent the previous five years working for the Washington city government, as his deputy.

Their actions, and their overzealous interpretation of the mandate they believed they had received from head office, sparked a rebellion within the mission, which they tried to squash by wrecking the dissidents' careers.

There is nothing in the record, at this stage, to indicate that ambassador Princeton Lyman did anything to ameliorate the situation.

Internal documents, e-mail and written testimony which many of the officials involved have supplied investigators paint an extraordinary picture of the USAid mission tearing itself apart over race at the very moment SA itself was moving towards racial reconciliation.

The rebellion can be dated to October 1992, when Dean, Ford and Keith Brown, director of USAid's southern Africa office, unveiled, with Lyman's assent, a new set of priorities at a retreat for mission staff. Henceforth, they said, aid money would be targeted on "black-led" groups, by which they meant organisations in which whites, coloureds or Asians did not play major roles.

They also indicated that when funds were channelled through US contractors, those contractors would — as far as possible — have to be African-American.

A significant number of the mission's mid-level officials protested against the policy shift. The protesters contended it would force them to make grant decisions using apartheid-like distinctions, and was quite out of synch with the ANC's own nonracial philosophy.

In addition, it ran counter to the letter and spirit of the then operative Comprehensive Anti-Apartheid Act, in terms of which USAid was directed to assist those "disadvantaged by apartheid", rather than any specific racial group.

Also, the requirement that African-Americans be the prime beneficiaries of USAid's contracting with US firms for SA projects conflicted with US affirmative action law, which had been written to benefit a wide array of minorities, not only African-Americans.

Even Dean and ambassador Lyman recognised this, which is why they subsequently authorised a cable to head office asking that ways be found to circumvent the law. The dissidents' complaints were, however, ignored.

In March 1993, the mission issued a "strategy concept paper" laying out USAid's plans for the post-apartheid era. "Over the course of the transition period, the mission will be making a conscious effort to increase in both absolute and relative terms funding directed towards organisations ... which reflect a high degree of black involvement at the managerial level.

"In many cases this involves supporting new groups ... In other cases, it means helping to transform existing organisations."

The authors of the paper acknowledged that given (this was their premise) the dearth of black management expertise, the new policy might entail a deterioriation in the delivery of assistance. What was important, however, was the "process". The immediate "product" of USAid programmes might suffer — fewer kids might get educations, and fewer families real roofs over their heads — but at least blacks were being "empowered". To justify this logic, the authors quoted a conversation the Rev Beyers Naude reported having with Steve Biko.

Naude asked Biko: "What do you see the role of whites in SA to be?" Biko, he says, replied: "There will be a period where blacks move out on their own. They have to do this, and without it will never be able to break the shackles of white domination, of white paternalism and of white power." USAid seems to have figured that it could help break those shackles by using the old Population Registration Act as a guide when doling out money.

The mission rebels (whose names will not be revealed here because, with the exception of lead whistleblower Paul Niefert, they gave their evidence to investigators rather than the Press) were disgusted; all the more so when they came under pressure from Dean and Ford to start doing racial breakdowns of the senior staff and boards of grantees.

Here is what one told investigators last month: "My staff and I were put through what amounted to an inquisition on every organisation we proposed for continued or new funding that did not fit (mission) management's new definition of 'black-led' ... It was also extremely distasteful to be required to interrogate these organisations regarding their racial composition." Dean and Ford, this witness said, even questioned continued funding of the Legal Resources Centre because of the pigmentation of its then chief, Arthur Chaskalson, now chief justice of the Constitutional Court.

Other witnesses who have supplied depositions allege that non-black locally hired mission staff were fired solely because of their race; that the hiring of a housing programme co-ordinator who was unanimously recommended by a black advisory committee was vetoed by Dean and Ford because she was white; that funding for the multiracial small business advocacy consortium, the Sunnyside Group, was cut off because its executive director, Chis Darroll, was white.

The witnesses also describe numerous instances of funds that might have gone towards improving the education and welfare of SA people being dissipated on African-American organisations whom USAid had deemed to have a special claim on US taxpayer dollars aimed at helping SA.

Examples include a grant of $500 000 to enable African-American-owned Soft Sheen Inc to train hundreds of black cosmetologists in SA. The grant, insisted upon by Dean and Ford over massive objections from their staff, coincided with the launch of Soft Sheen products in SA. It has thus far resulted in only five people from SA completing training courses.

The Congressional Black Caucus Foundation, a non-profit entity set up to enable the Congressional Black Caucus to raise money for its favourite causes without contravening campaign finance and ethics laws, got $100 000 because of its "unique" ability to help black South Africans make the transition from activists to elected politicians.

Most of the money went towards helping a few ANC luminaries make the transition from SA to Washington so that they could assist the caucus to raise money at its annual convention.

The Martin Luther King Centre in Atlanta received a $550 000 grant to help SA's people to resolve their conflicts.

The circumstances of this award, which is under investigation by the management and budget's office federal procurement watchdogs, are truly breathtaking.

"We were instructed," a witness told investigators, "to provide a representative of the King Centre with office space (in SA), a computer and the services of two staff members to enable them to produce an 'unsolicited' proposal that would enable them to meet our minimum requirements. The representative was unable to type, so the mission even assisted him in hiring him a temporary secretary from the Holiday Inn business centre where he was staying."

The total cost of this exercise: $40 000 (R150 000). How many thousands of people could Operation Hunger's Ina Perlman have fed with that? However, being white, Perlman was a lower form of life to Dean and Ford.

The rebels' cause was, and is, just. Help to vindicate them by rubbing US Vice-President Al Gore's nose in the doings of Dean, Ford and Lyman when Gore shows up next week, accompanied by his self-congratulatory cast of hundreds.

EU unveils details of funding for SA projects

CT(BR) 28/11/95 (297)

BY JOHN FRASER

Brussels — The European Union yesterday revealed for the first time details of four South African projects being funded by Brussels to the tune of R231 million.

The announcement is significant as it is the first time the EU has given precise details of any aid to South Africa.

In the past, this information was kept secret as money was being passed directly to groups helping apartheid victims.

This year, the bulk of the EU's aid package — worth R555 million — is being made public.

There have been long delays in agreeing to the programmes as the EU applies strict rules in vetting projects and ensuring the money is well spent.

However, four projects have been formally adopted.

They are all designed to fit in with the Reconstruction and Development Programme.

The first is a R48 million land reform pilot project being implemented by Derek Hanekom, the minister of land affairs.

It is operating in nine pilot districts and is aimed at alleviating rural poverty and injustice caused by apartheid policies. The programme will look at ways of transferring land to the rural poor with the help of subsidies.

The second project, a rural water supply and sanitation programme in the Western Cape, is to receive EU aid of R79 million.

There are estimated to be at least 2,5 million people in about 3 000 rural villages in the province without adequate water supply and sanitation.

The aid will help South African authorities tackle the problem.

Expand

Thirdly, the EU is giving R55 million to 180 so-called micro-projects.

These are aimed at marginalised communities in the Eastern Cape.

Most of the projects are short-term and will focus support on community organisations.

The fourth project will see some R48 million go towards helping small and medium-sized businesses.

The EU will fund loans and credits to help businesses set up and expand.

Finally, about R22 million is being given for technical assistance to the EU's aid programme for South Africa. — Independent Foreign Service

Dutch donate most to ANC

(297)

By Mondli Makhanya
Political Reporter

Star 28/11/95

The ANC got the lion's share of nearly R20-million donated by the Dutch government to help SA political parties conduct their local government elections campaigns.

The Dutch Foundation for the New South Africa disclosed yesterday that it had dispensed R18,35-million to SA parties and that the amount of money given to each party had been based on support received in last year's general election.

The foundation is hosting a four-day conference on multiparty democracy attended by 36 Dutch parliamentarians and their SA counterparts.

The ANC received R11-million for capacity building and councillor training. The NP got R2,98-million for research and training and the establishment of a research directorate. The foundation also gave the IFP R1,75-million for "strengthening internal structures" of the party.

It also presented the PAC with a R750 000 cheque for capacity building and fighting the local government elections in urban and rural areas. The ACDP and the Freedom Front received R630 000 and R420 000 respectively.

The conference will cover issues ranging from the role of political parties to the death penalty and abortion.

Opening the conference yesterday, Land Affairs Minister Derek Hanekom said SA did not want to develop a dependent, assistance-based relationship with the Netherlands and other developed countries. "We would much rather focus on trade than on aid," he said.

Feeding scheme gives up city's annual grant

Star 28/11/95 (297)

'We cannot function if our work is controlled and prescribed by petty officials'

By Anna Cox

Numerous problems with the Gauteng department of health have led the Johannesburg Destitute Feeding Scheme (JDFS) to decide to forego its R190 000 annual feeding grant.

Convenor of the scheme, Brother Giovanni, who has been feeding and administering medical assistance to the destitute who live on the city streets for the past six years, said administrative bungles, endless confusion and autocratic attitudes by department staff had forced him to tell the National Nutrition and Social Development Scheme that he would no longer accept its grants.

"It was a great dilemma and a conflict and I have spent sleepless nights but we can no longer tolerate the attitude of the department's officials," he said.

Giovanni claims he sends in refund applications which continually disappear, letters are not answered, appointments are not kept and "no one seems to care that there are thousands of hungry people out there". He says claims submitted for food costs are slashed without explanation.

Meetings to discuss the future were badly attended by "autocratic" officials, and very little consultation occurs, said Giovanni.

"I deeply resent that I was the person who, since 1989, have attempted to alleviate the hunger and tended to medical needs while nobody in state health departments was prepared to help".

He said he has managed to raise funds privately to cover part of the loss of the grant.

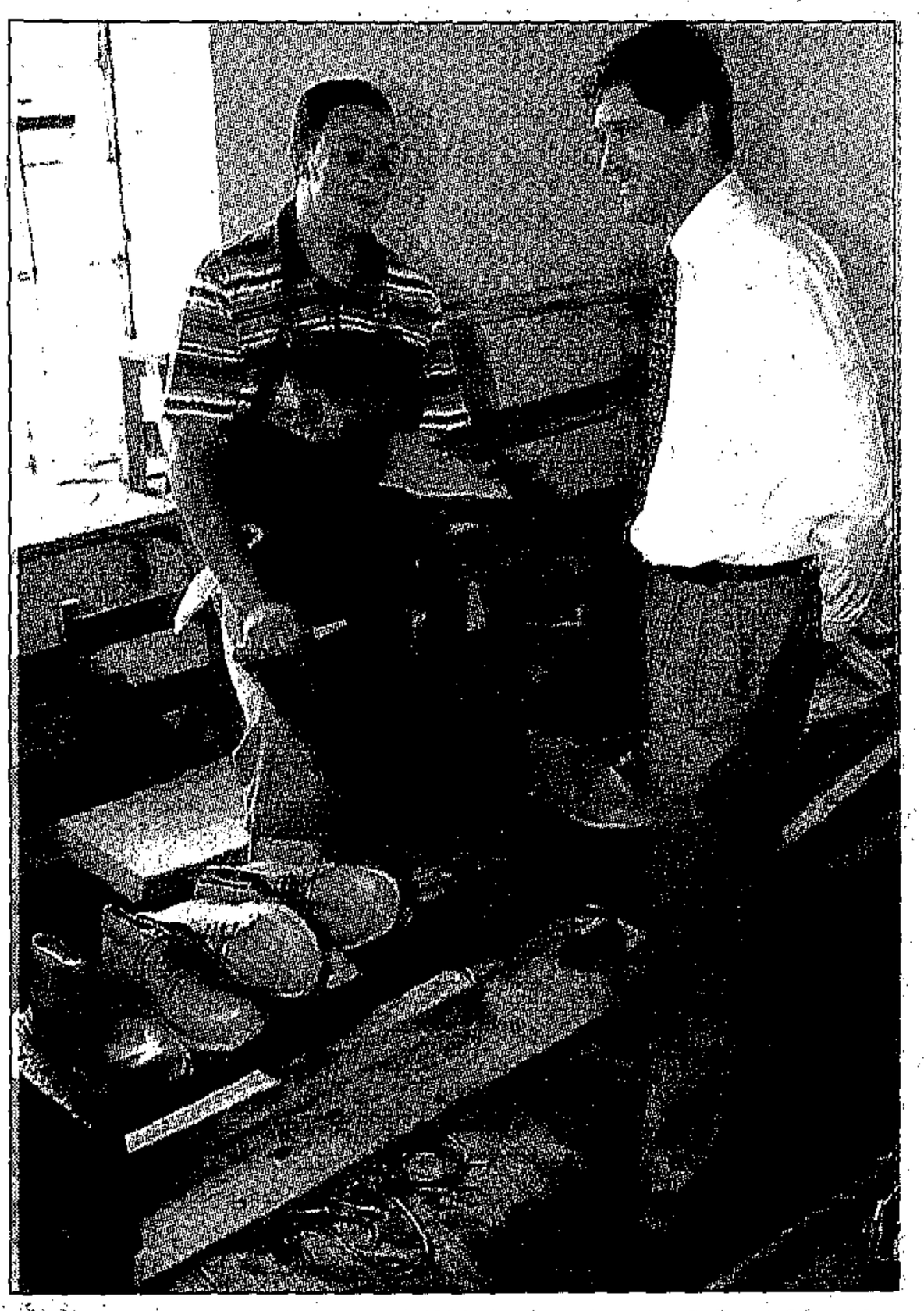
"The JDFS, which feeds about 50 000 people a month, will remain autonomous and we will be doing our own fundraising in future. We cannot function if our work is controlled and prescribed by petty officials – people who are completely out of touch with the needs of the communities we have served since 1989," he said.

Spokesman for the department of health, Dr Carol Marshall, said the programme had limited options with regard to foodstuffs. Certain committees had allowed the purchase of disallowed items, as in the case of Giovanni, and this gave rise to his anger with an official who would not approve payment of these invoices.

"Brother Giovanni signed a form explaining the details of the programme and accepted the list of foodstuffs," she said.

She admitted invoices had been filled in incorrectly on one occasion but said it was immediately rectified.

"We are sorry to hear about Brother Giovanni's anger. Every effort has been made to contact him to discuss the situation but to no avail," she said.



WUPPERTAL VISIT: Minister Roelf Meyer buys a pair of shoes from Mr Fritz Hanekom at Wuppertal. ***PICTURE: CLIVE SMITH***

Meyer sees how RDP money is being spent

ET 29/11/95

(297)

PETER DENNEHY

MINISTER for Provincial Affairs Mr Roelf Meyer, who is responsible for local government countrywide, took a helicopter trip to Wuppertal and Vredendal yesterday to see how the RDP money allocated to them is being spent on municipal projects.

Earlier this year the government announced that R850 million was being made available countrywide for basic services such as water and sanitation.

Since then 320 projects have been approved.The Western Cape was allocated only R25,8m.

Mission

Wuppertal, on the far side of the Cedarberg mountains, is badly in need of basic services because, being a mission station, it has not qualified for government assistance in the past.

The Moravian Mission is still going strong there, but the government has decided the needs of the townsfolk must be attended to.

Now R724 000 of RDP funds has been allocated so that each of the 414 families in the central settlement of Wuppertal itself can get improved ventilated pit latrines at their homes instead of the present bucket sewage removal system.

Bricks were being dried in the sun to build septic tanks, when we visited. All the work has been broken into small contracts, tendered for by members of the local community.

More water pipes are also being laid in the town at a cost of R164 000 of RDP funds, to the benefit of 119 families.

Vredendal, a developed town with a population of 13 000, which gets all its water by canal from the Clanwilliam Dam, needs a new R500 000, 40- to 50-megalitre earth-wall storage dam, and more pipelines.

Some of the pipes have been installed but work has yet to start on the storage dam.

Secrecy as Boesak returns to meet police over FPJ probe

(297) ARG/30/11/95

Political Correspondent

SECRECY shrouds Allan and Elna Boesak's meeting with police for a last round of questioning in the 10-month probe into the finances of Dr Boesak's Foundation for Peace and Justice.

The Office for Serious Economic Offences has agreed not to divulge details to protect the Boesaks' privacy.

This follows negotiations between the investigators and the Boesaks, who have been in the United States since August.

Dr Boesak could not be reached for comment.

Office for Serious Economic Offences spokesman Tommy Prins said the meeting was "both important and necessary", and would effectively delay completion of the report on the investigation.

Mr Prins said the office originally had intended handing the report to Minister of Justice Dullah Omar by the end of this month, but now expected it to be ready only in January.

The Boesaks were "invited" last month to meet the investigation team "and give their versions (of events) relating to the activities of the foundation".

"Negotiations ensued and resulted in an agreement that this meeting would take place in the foreseeable future.

"In order not to infringe the Boesaks' right to privacy unnecessarily, this office will not disclose the date and place of the meeting," said Mr Prins.

Dr Boesak, who was head of the Foundation for Peace and Justice, was forced to resign as ambassador-designate after allegations by Danish donors that the foundation had misappropriated millions of rands.

Oseo investigators, who launched their probe in February, have amassed about 5 000 pages of oral evidence from 88 witnesses, 34 of whom live abroad, as well as written statements and a "detailed" report on a forensic accounting investigation.

The overseas leg of the probe was done in August, shortly before Dr and Mrs Boesak left for the United States for a three-month lectureship at a church institution in New York State.

Mr Prins said investigators had not questioned the Boesaks before August because "the various representatives of the donor organisations had to be consulted first in order to establish the background against which the grants and utilisation of the funds should be viewed".

"The questioning of Dr and Mrs Boesak may very well reveal aspects which will have to be followed up."

POLICE TO WRAP UP FPJ PROBE

Boesak returns to face investigators

(297) 30/11/95

THE FINAL report on the police probe into Dr Boesak's FPJ is expected to be submitted to the Minister of Justice in January. **CHRIS BATEMAN** reports.

DR ALLAN BOESAK is due back in Cape Town from New York this week to respond to the nine-month-long probe by the Office for Serious Economic Offences into his former Foundation for Peace and Justice.

He will be accompanied by his television-producer wife, Elna, who was also embroiled in the controversy.

The findings of an independent (Danchurch) donor probe, released earlier this year, alleged that Dr Boesak had "unlawfully and substantially" enriched himself and that the Foundation for Peace and Justice (FPJ) had mis-spent or abused hundreds of thousands of rands in donor funds.

Yesterday Mr Tommy Prins, chief investigator for the Office for Serious Economic Offences (Oseo) in Cape Town, said the meeting was the result of negotiations begun with Dr Boesak in New York State at the end of last month.

Mr Prins said the questioning of Dr and Mrs Boesak could reveal aspects which needed following up. The final report would be submitted to Minister of Justice Mr Dullah Omar in January next year, he said. He originally promised the report by today.

Dr and Mrs Boesak had not been interviewed earlier because donor organisations had to be consulted first to establish the background against which the grants and use of funds should be viewed.

The couple left Cape Town with their child in August and settled north of New York City,



QUESTIONS: Dr Allan Boesak, who is to be questioned by police in Cape Town this week.

where Dr Boesak was offered a three-month lectureship by the national conference of the American Presbyterian Church.

Mr Prins would not disclose the place and date of the meeting out of respect for Dr and Mrs Boesak's privacy and would only say that it would take place "in the foreseeable future".

However, one local FPJ source said the couple were due back "this week".

The Oseo probe has involved taking oral evidence from 88 witnesses (5 000 pages of transcriptions), with 34 of the witnesses interviewed overseas and a full forensic trawl of the FPJ's controversial accounting system.

Among the major allegations made after the Danchurch probe were that:

- Loans were taken by FPJ members "without a reasonable expectation of repayment".
- FPJ trustees carried out their duties in "an astoundingly cavalier and reckless fashion".
- FPJ director Mr Freddie Steenkamp committed "serious criminal offences", including taking a "loan" of R800 000 from the FPJ.
- Dr Boesak enriched himself substantially at the foundation's expense, his explanation being that he did not know how his financial affairs were being conducted.

According to Mr Steenkamp, Dr Boesak had settled his wife Elna's debts, bought a new house and made extensive renovations to it, using FPJ funds. Dr Boesak and his wife have consistently denied any wrongdoing.

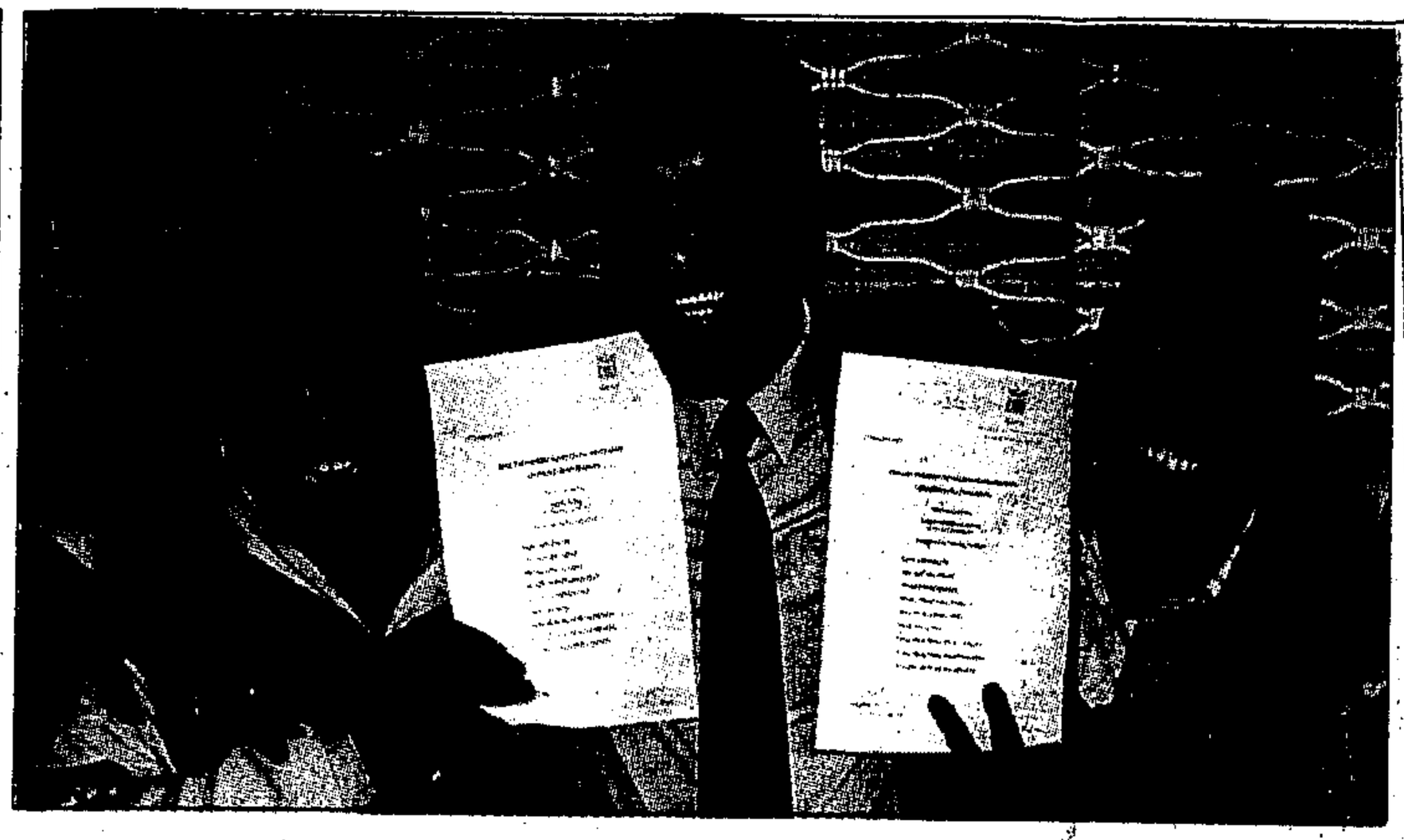
Mrs Boesak's involvement centres in the purchase of a studio and equipment to produce educational videos.

The controversy heightened when Dr Boesak was named as ambassador designate to the UN — a posting withdrawn amid a public outcry.

Dr Boesak, the former Western Cape Minister of Economic Affairs, is expected to take the opportunity to reply to an attack in his absence by Premier Mr Hernus Kriel in which he was accused of "deliberately misleading" his cabinet on the funding of an overseas trip that cost the province R129 583.

Mr Kriel quoted Dr Boesak as telling colleagues that the trip would be funded by Wesgro and would not cost the province anything.

Wesgro chief executive Dr David Bridgman said Dr Boesak had promised him the loan would be repaid once his Economic Affairs Department was funded by Pretoria.



SUCCESS: All set to tackle the government tendering system are new management graduates Mr Johnson Jonas (left) and Mr Liefie Leisa (right). With them is the regional training manager for the Building Industries Federation of South Africa, Mr Solly Solomons. ***PICTURE: CLIVE SMITH***

RDP projects 'must provide jobs'

(297) CT 30/11/95

POLITICAL STAFF

EVERY RDP project had to ensure local participation, control and jobs, the RDP office's chief director, Ms Tanya Abrahamse-Lamola, said yesterday.

"In short, there must be work for our people," she said in Belhar at the graduation course of the first 60 "emerging contractors" from the Integrated Serviced Land Project to pass a management training programme.

Ms Abrahamse-Lamola said one of the biggest challenges facing the RDP was capacity and human resource development.

"This is a key building block of the programme. We have to translate national reconciliation into national prosperity."

Every RDP activity should stimulate the local economy, create jobs, build a sustainable tax base for democratic local government and provide education and training for local people." The RDP aimed to develop the small and medium enterprise sector.

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(297) ARGT 30/11/95

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"The questioning of Dr and Mrs Boesak may very well reveal aspects which will have to be followed up."

People urged to support disabled day

ARG 30/11/95

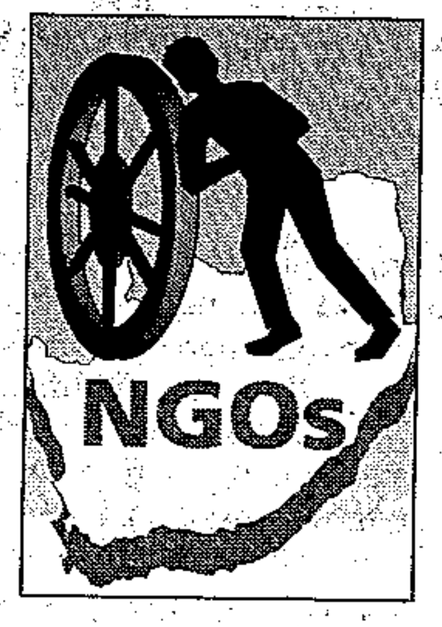
(297)

Staff Reporter

THE Western Cape Committee for the International Day of Disabled Persons has called on Cape Town to support Disabled Persons Day on Monday.

Committee chairwoman, Bridget van der Merwe, said: "The city should identify with this day in a sincere way to demonstrate that disabled people share equal citizenship."

She proposed that the city join the committee in its arrangements, assist with publicity, provide safety and security measures and help with fundraising.



NGOs have major role to play

Partnership necessary to achieve democratic goals in southern Africa, writes Garth L le Pere

(297) Star

In a prescient article (The Star, September 6), Professor Merlyn Mehl of the Independent Development Trust views non-governmental organisations (NGOs) as a quintessential touchstone in South Africa's democracy project.

Indeed, he argues: "It would be short-sighted to let this capacity of civil society vanish at a time when it is most crucially needed in the history of our country ... (NGOs) represent one of the hopes we have of really delivering on the many promises that our new government has made."

NGOs in South Africa also have a towering role to play in the developmental processes of our immediate region. Given the changed, inter-dependent global contest and the importance of non-state actors in constructing a new world order for the 21st century, NGOs are widely recognised as developmental catalysts in the achievement of social goals and in the fostering of a participatory ethos.

One of the great changes in the post-Cold War era is the developmental pathways which have recently been adopted at various international gatherings and summits.

The role of NGOs as agents in global development looms large as dramatically manifested at the Earth Summit held in Rio de Janeiro in 1992.

Rio provided a manifesto about how governments and their communities could interact as stewards for promoting and assisting the process of sustainable development. The end purpose is to maintain the global village for future generations and a key element of this environmental stewardship is partnerships and collaborative undertakings between structures and the apparatus of government – particularly local authorities – and local communities and their organisations.

How these notions find form and effect in South Africa will be determined by the quality of newly elected local government representatives, how NGOs organise themselves as a vibrant sector of civil society and how their relationship with local authorities and other levels of government evolve over time.

Responsive local government must be held to standards of good governance, transparency, accountability and pluralism if meaningful and robust partnerships are to emerge which in turn will drive community development in South Africa.

Flowing from the Rio summit a programme of action was developed which allows for local authority and NGO participation in initiatives to promote sustainable development at community level. Referred to as Agenda 21, it has been adopted as a comprehensive blueprint for implementing strategies for sustainable development in our immediate region.

There is much experience and knowledge that South African NGOs can bring.

They know what it means to promote locally inspired development agendas which are internally democratic and accountable; they understand the importance of grass-roots participation; and they have seen first-hand the social damage caused by ideological and sectoral interests.

But the region's NGO experience also has much to teach us, their relations with government, donors and international financial institutions being cases in point.

As NGOs in South Africa readjust to confront their new developmental challenges at home, they will do well to remember that their responsibility also now extends to southern Africa.

■ *Garth L le Pere is executive director of the Foundation for Global Dialogue.*

1/12/95

MAIL & GUARDIAN
December 1 to 7 1995

Dutch funders take flak over 'blank cheques'

(297) M+G 1-7/12/95

Evelyn Groenink

DUTCH do-gooders have run into flak at home for handing out R20-million to South African political parties without any built-in checks and balances on how the money is spent.

The organisation giving the money is the Foundation for the New South Africa (FSA), which is made up of representatives of political parties in the Netherlands. Dutch critics are joined in South Africa by Ivor Jenkins of Idasa and Oscar Dhlomo of the Institute for Multiparty Democracy. "It is extremely dangerous to just give blank cheques," says Jenkins, emphasising the need for strict criteria and monitoring.

However, a Dutch/South African conference was held last week to decide on "stricter monitoring" of the use of the distributed monies and "to stop funding further projects" if the funds appear to have been spent on other than the stated purposes. The blank cheque system is defended by acting president of the FSA, Klaas Groenveld. "We don't want to be paternalistic. We will still try to avoid interference. All we want to do is to help our counterparts," says Groenveld.

Tom Lodge of the Department of Political Studies at Wits University also defends the idea of blank cheques. "If you want to support parties and that is a way to help establish a democracy, then you mustn't prescribe what to do with the money. If you don't trust them, you mustn't give them money in the first place."

Dutch aiding SA's 'fragile' democracy

(297)

Susan Russell

BD 1/12/95

GOVERNMENT had gone to extreme lengths to ensure that all political parties, especially minorities, were given an opportunity to participate in all organs of government, Deputy Speaker Bhadra Ranchod said yesterday.

He was addressing the media at the close of a conference hosted in Kempton Park this week by the Dutch Foundation for the New SA. The organisation was established, and is funded by, Dutch political parties to support the democratisation process in SA.

At present it provides funds for various projects, including capacity building, to all the political parties represented in Parliament, financial support being given in proportion to each party's number of parliamentary seats.

Ranchod said it was vital that all the political parties were nurtured and supported.

"We have a fragile democracy in SA ... We have to nurture it. The assistance we are receiving worldwide, and in this particular instance from the Dutch, in strengthening our democracy must be commended," he said.

Ranchod's remarks came after Dutch journalists questioned senior foundation members about the decision to extend support to the Freedom Front and the IFP.

Currently, foundation support and financial aid go to the African Christian Democratic Party, ANC, DP, FF, IFP, NP and PAC.

Setback for ANC in eastern polling

BD 1/12/95

Mduduzi ka Harvey

THE ANC suffered a setback in the local government elections conducted in the nine outstanding areas in the eastern services council, losing five of the councils, which was a move away from the trend of rural voting during the November 1 elections.

The ANC won 35 of the 65 seats in the far East Rand, with the NP mustering 16, ratepayers seven and the Freedom Front six.

The elections could not take place in the far East Rand on schedule on November 1 because of the disqualification of 40 ANC candidates.

Gauteng local government and housing MEC Dan Mofokeng said the percentage poll for Hammanskraal was 44,9% with the ANC winning 972 votes, Hammanskraal Residents' Association 105 and the NP 30. The ANC won all five seats in the area.

In Elandsrivier, with a percentage poll of 24,8%, the NP won 437 votes, the ANC 303 and the FF 284. The NP will have four seats, while the ANC and FF will have three seats each.

The Vischkuil Ratepayers' Association won 290 votes in the area, followed by the ANC with 143 votes and the Observers Association 60. The percentage poll for Vischkuil was 52,6%.

The ratepayers association won three seats in the area, while the ANC won a seat.

The ANC also won the election in Suikerbosrand with 780 votes. The NP had 571, the FF 234 and the Ratepayers Association 221. There was a 31,5% poll. In this area, the ANC won five seats, the NP three, while the ratepayers and FF will have a seat each.

The ANC scored a further victory in Devon, where the percentage poll was 70,3%, winning 1 313votes, NP 67, DP 23, IFP 13 and the Impumelelo Residents Committee 62.

The percentage poll for Pienaarsrivier was 35,9% and the elections were won by the NP with 715 votes, FF 427 and the ANC 339.

The NP secured five seats, the FF three and the ANC two.

The Roodeplaat Property Owners' Association won 361 votes, followed by the FF with 215 votes, NP 178, ANC 191 and the CP 39. The percentage poll was 38%.

The property owners' association won two seats, while the NP, ANC and FF will have a single seat each.

The ANC won 788 votes in Blesbokspruit, while the Blesbokspruit Rural Services won 470 votes where the percentage poll was 46,6%.

Boesaks called in

Star 2/12/95 (297)

By GLYNNIS UNDERHILL

A cloud of secrecy surrounds the interview this week between Dr Allan Boesak and the Office for Serious Economic Offences in the final leg of the investigation of financial misappropriation at the Foundation for Peace and Justice.

Office deputy director Tommy Prins was mum yesterday about the meeting.

Former foundation director Boesak and his wife Elna will be the last people interviewed. The meeting has delayed release of the office's report until January.

Boesak was forced to resign as ambassador-designate to the United Nations in Geneva after the scandal broke.

Another key figure in the scandal, foundation former financial director Freddie Steenkamp, is now selling new and used vehicles in Parow.

Steenkamp, the man who opened a can of worms and disclosed details of the irregular funding activities at the foundation, gave substance to Nordic funding agencies' allegations that about R3-million had been misappropriated. He admitted "borrowing" from the foundation and alleged Boesak had also borrowed funds.

Probe finally to meet Boesak

(297)

ARG 2/12/95



Allan Boesak.

■ An eleventh-hour meeting is taking place between the Office for Serious Economic Offences and the former leader of the ANC in the Western Cape, Allan Boesak.

GLYNNIS UNDERHILL
Staff Reporter

SECRECY surrounds the critical interview this week between Allan Boesak and the Office for Serious Economic Offences (OSEO) in the final leg of the investigation into financial misappropriation at the disgraced Foundation for Peace and Justice.

Tommy Prins, deputy director for the OSEO, was keeping mum yesterday about the whereabouts of the impending meeting.

Dr Boesak, former director of the foundation, and his wife, Elna, will be the last people interviewed in the investigation.

It is believed the interviews will take place in Cape Town.

The meeting has delayed the release of the report on the OSEO findings, which had been anticipated for the end of last month. It will only be made public in January.

While the paths of the investigating team and the Boesak family could have crossed in the United States, no interviews were set up.

Dr Boesak's arrival in the United States for a three-month lectureship at a church institution coincided with a visit by Mr Prins and his investigating team from the OSEO.

OSEO director Jan Swanepoel said at the time the investigating team "would not go to the trouble" of interviewing Dr Boesak in the United States.

Dr Boesak was forced to resign from his position as ambassador-designate to the United Nations in Geneva after the scandal broke.

Meanwhile, another key figure in the scandal, the former financial director at the foundation, Freddie Steenkamp, has landed a job selling new and used motor vehicles in Parow.

The man who opened a can of worms and revealed details of the irregular funding activities at the foundation, Mr Steenkamp gave substance to allegations by Nordic funding agencies that around R3 million of their money had been misappropriated.

Mr Steenkamp admitted he had "borrowed" funds from the foundation and later said he was liable to the foundation for more than R750 000.

In startling claims, Mr Steenkamp alleged Dr Boesak had also borrowed funds. Dr Boesak has always denied the allegations.

May you have a merry RDP this Christmas!

CP 3/12/95 (297)

Many to celebrate in homes rebuilt after violence

By PEARL RANTSEKENG

RESIDENTS of Meadowlands Zone One in Soweto will receive the best Christmas present in years – repairs to their violence-ravaged homes.

And thanks to a major brick manufacturer and the Gauteng government, their wish to be back in their homes before Christmas may be realised even sooner.

Last week Corobrik donated one million bricks to the project repairing homes damaged during violence in Soweto, Alexandra and the Vaal.

With houses now being repaired in the area, the few families who have dared to return to their ravaged homes are starting to hope that this Christmas will be like the good ones of old before the violence.

Jacob Sekhu, a resident in the area, says he moved back to his home three months ago after having fled the area during violence.

Sekhu said he had decided to return after seeing that things had cooled down.

Though he has almost finished repairs to his own home, he believes the project is of great importance to the people.

"I know many people who wanted to come back to their homes – but could not because of lack of money to repair the houses. Now, with this project, most people will definitely return," says Sekhu.

■ Speaking at the launch of the project, Gauteng Premier Tokyo Sexwale said the generous donation by Corobrik showed an understanding that the RDP would find its most useful expression in bricks and mortar – and not just in plans on paper.

Sexwale said his government had also allocated R12 million to the repair project.

"The reconstruction of our society lies in building both partnerships and the tangible walls and roofs of people's homes," Sexwale said.

Corobrik's managing director, Peter du Trevou, said he believed the rebuilding programme would actively contribute to bringing communities closer together in the nation-building process.

He said as an active participant in the housing industry his company had always been aware of its social responsibility to communities in despair.

"Many of the people hit hardest during the country's violence were innocent victims who never had any form of insurance or financial means to rebuild their homes," he said.

One must hope that this rebuilding programme will stimulate the other building programmes of the RDP – because the building industry is a substantial employer of skilled and semi-skilled labour.



THANKS A MILLION ... Tokyo Sexwale signs for the first load of one million bricks to repair ravaged homes in Meadowlands.
■ Pic: ANDRIES MCINEKA

"This opportunity to provide employment will have a very positive effect on the reduction of crime – which in turn will foster investor confidence and thereby more investment and more employment.

"In this way building can be seen as a cornerstone to strengthening the economy and the country as a whole," said Du Trevou.

RDP to benefit disabled people

297

By Zandile Nkutha

A NATIONAL strategy to promote equal opportunities for the disabled in South Africa will be included in the Reconstruction and Development Programme's White Paper due out early next year, Minister Without Portfolio Jay Naidoo said yesterday.

Addressing a gathering of the International Day for the Disabled in Soweto, Naidoo said the proposals contained in the discussion document were a framework for the development of an integrated national disability strategy which would, if approved, benefit disabled people.

Estimates by the Department of Health indicated that about 13 percent of the population was disabled, five percent of them severely.

Sowetan 4/12/95

"The disabled should have an equal opportunity to participate fully in society, with equal obligations and responsibility towards society," Naidoo said.

RDP gets off the ground in city

CT 4/12/95 (297)

BARRY STREEK
POLITICAL STAFF

TWO shopping centres are being planned for Cape Town townships and a trust fund, involving Independent Newspapers owner Dr Tony O'Reilly, has been set up to raise money for a community centre in a squatter camp.

Also, the metro south-east strategy document for the redevelopment of greater Cape Town is to be released this week.

A proposal that the Epping market be moved to the Delft area along the R300 is also under consideration.

These developments are being undertaken in terms of the Reconstruction and Development Programme.

A special supplement, GrowthTimes, published with today's Cape Times, is devoted to the RDP in the Western Cape.

The co-chair of the Guguletu RDP Forum, Ms Phumzile Mlambo-Ngcuka, MP, said yesterday that plans were well advanced for the construction of a business centre in Guguletu.

The other shopping centre is to be built on the old Cape Portland Cement site near Crossroads and could even be larger. Although no formal announcements have been made, this centre is expected to cost about R60 million.

Growth TIMES **INSERT**

The Heinzpark Community Trust has been formed to raise funds to build a community centre in the Heinzpark Squatter Camp near Philippi.

The centre is to be built for social, educational and religious uses, says project co-ordinator Ms Elizabeth Rees-Jones, who is one of the founding trustees.

In addition to Dr O'Reilly, the founding trustees include the Minister of Water Affairs and Forestry, Mr Kader Asmal; the executive director of the Kagiso Trust, Mr Eric Molobi; the former United States ambassador to the United Nations, Mr Andrew Young; and the editor of the Cape Times, Mr Moegsien Williams.

The metro south-east plan has been produced following extensive consultation with 17 local authorities and communities in the Cape metropolitan area.

It is a comprehensive strategy to redevelop these areas and break down apartheid boundaries between them.

It is to be discussed at a three-day workshop starting on December 8.

● See Page 6

RDP 'depends on good education'

ET 4/12/95

297

JOHANNESBURG: The Reconstruction and Development Programme's success depends on the improvement of the education system for all, says Deputy President Thabo Mbeki.

Investment in people was the key to redressing apartheid's legacy, Mr Mbeki said at Education Africa's awards ceremony on Saturday.

Successful modern economies and societies needed people who had a strong foundation in general education and a desire to continue learning, he said.

Education was among the government's highest priorities.

"We pay tribute to the generations of parents, students and teachers who risked life and liberty, personal progress and career in the cause of democracy, equal rights and non-racial education."

The awards were intended to encourage contributions by those outside government in raising the standard of education, Mr Mbeki said.

'Heroes'

Education Minister Dr Sibusiso Bengu said the awards recognised "unsung heroes and heroines who have contributed to the development of education and training ... during the most difficult times".

The premier award winners, nominated by each of the nine premiers, were: Western Cape — Youth Project of the Centre for Conflict Resolution; Eastern Cape — Sakhisizwe Inset Unit; Free State — Tshepang Trust; Gauteng — the Molteno Project; kwaZulu/Natal — Valley Trust; Mpumalanga — Molteno Project; Northern Cape — Hantam Community Education Trust; Northern Province — Primary Mathematics Project; and North-West — Mr Leon Kotze of the Ebenezer Church.

The Business in Education award winners were: Business with up to 20 staff members — Princeton Computing of Cape Town; businesses with up to 500 staff members — Boskop Training Group of Potchefstroom; businesses with more than 500 staff members — Woolworths. — Sapa

Plan aims to include disabled in economy

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CT 4/12/95

JOHANNESBURG: A national strategy to promote equal opportunities for the disabled is to be included in the next Reconstruction and Development Programme White Paper, due out early next year, says Minister Without Portfolio Mr Jay Naidoo.

He told an International Day for the Disabled function in Soweto yesterday that a discussion document on the strategy had been made available for comment.

"This is the first time that government has developed a specific strategy to benefit disabled people," he said.

According to Health Department estimates about 13% of the population is disabled. Five percent of this figure is severely disabled.

It was proposed that disability be treated as a developmental rather than as a welfare issue, Mr Naidoo said.

"The disabled should have an equal opportunity to participate fully in society with equal obligations and responsibility towards society," he said.

Previous governments had treated disability as a welfare matter. This had ensured that it remained a taxpayers' burden.

Marginalised

"It discourages the development of people with disabilities, inhibiting integration into the mainstream of society," Mr Naidoo said.

"It marginalises and impoverishes them, denying them options and opportunities."

The government had committed itself to consultation with organisations representing the disabled and allocating the resources necessary. — Sapa

Disabled catered for

(2296)(297)

THE new South Africa should be accessible and open to everyone, including the disabled, President Nelson Mandela said at the opening of the first annual South African Junior Wheelchair Sports Camp in Johannesburg yesterday.

"The youngsters who are taking part in this sports camp are making history. What you are doing is helping to change the future of our entire nation," Mandela said.

He said in the past little was done to allow disabled people access to recreational programmes.

"In reality, there is no reason why any child should be denied the fun of participation in sport and recreation. But it has taken the disabled themselves to show the way," said Mandela.

He said the Disability Strategy that the Government recently adopted called for the participation of local authorities and sports bodies.

Sowetan 5/12/95

Plan to help cash-strapped NGOs

(297) Star 5/12/95

Minister without Portfolio Jay Naidoo is to establish a task team to study the terms of reference of a transitional national development agency which would help alleviate the financial problems of non-governmental organisations (NGOs).

He said the Government had allocated R50-million to a national development agency and the European Community had pledged R70-million. The need for such a team follows closure of NGOs in the wake of apathy by donors in the pre-election period. – Staff Reporter.

Boesak meets fund investigators

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JOHAN SCHRÖNEN, Staff Reporter

A RELAXED Allan Boesak met investigators at the Office for Serious Econimic Offences to help them in the final leg of the probe into alleged financial irregularities at the disgraced Foundation of Peace and Justice. ARG 5/12/95

Dr Boesak, former director of the foundation, returned from New York with his television producer wife, Elna, recently after investigators announced he would meet them soon to finalise the probe.

Dr Boesak, neatly dressed in a dark suit and carrying a heavy briefcase, was alone when he arrived at the Reserve Bank Building in St George's Mall today.

The OSEO has offices in the building.

Dr Boesak said he was glad of the opportunity to give his side of the story to help wrap up the nine-month probe.

"After the interview I have to return to New York soon to fulfill my commitments to the national conference of American Presbyterian Church.

"But ultimately I want to return to South Africa to settle," he said.



Dr Allan Boesak arrives for his meeting in Cape Town today

Trust signs R60m contract with EU

BD 6/12/95

Mduduzi ka Harvey

MICROPROJECTS Programme Trust, a programme intended to meet the priority needs of marginalised Eastern Cape communities, has signed a R60m contract with the European Union to provide a base for community and economic development.

The project is a joint initiative of the Kagiso Trust and the EU initiated in 1992. It supports community-led projects whose success owes much to the different communities and their involvement in the project.

To date, the trust has approved more than 200 projects worth more than R14m. These have included projects in agriculture, education, educare, health, community centres, water and sanitation, access to roads and bridges and economic development.

The new contract provides for more than R48m for direct distribution across the Eastern Cape between next year and 1998. It will be channelled through trust offices in Umtata, East London and Port Elizabeth.

The trust, constituted in 1993, represents one of the first projects in the special EU programme dedicated to apartheid-neglected communities' reconstruction and development needs.

The Eastern Cape was chosen as the site for the pilot project because it was one of the largest provinces incorporating a cross section of economic conditions found countrywide.

Also, due to successive droughts in the area and the effects of the 1980s recession in the SA manufacturing sector, the area experienced severe declines in output and employment, particularly in rural areas.

The Director
South African Labour & Development
Research Unit(SALDRU)
School of Economics

RDP projects gain momentum in Eastern Cape

CT(BR) 7/12/95 (297)

By Bruce Cameron

Cape Town — The reconstruction and development programme, which was widely criticised a few months ago because of its slow rate of delivery, is showing definite signs of robust life.

It is no longer restricted to a few high-profile "presidential projects" nor is it only something politicians talk about glibly.

The RDP is still hampered by the lack of organisational capacity, bureaucracy and the potential beneficiaries' lack of knowledge of what is available.

As a result, another year of underspending can be expected when Finance Minister Chris Liebenberg reviews the government's economic record for the year in his Budget speech next March. But in all likelihood this will be the last time that happens.

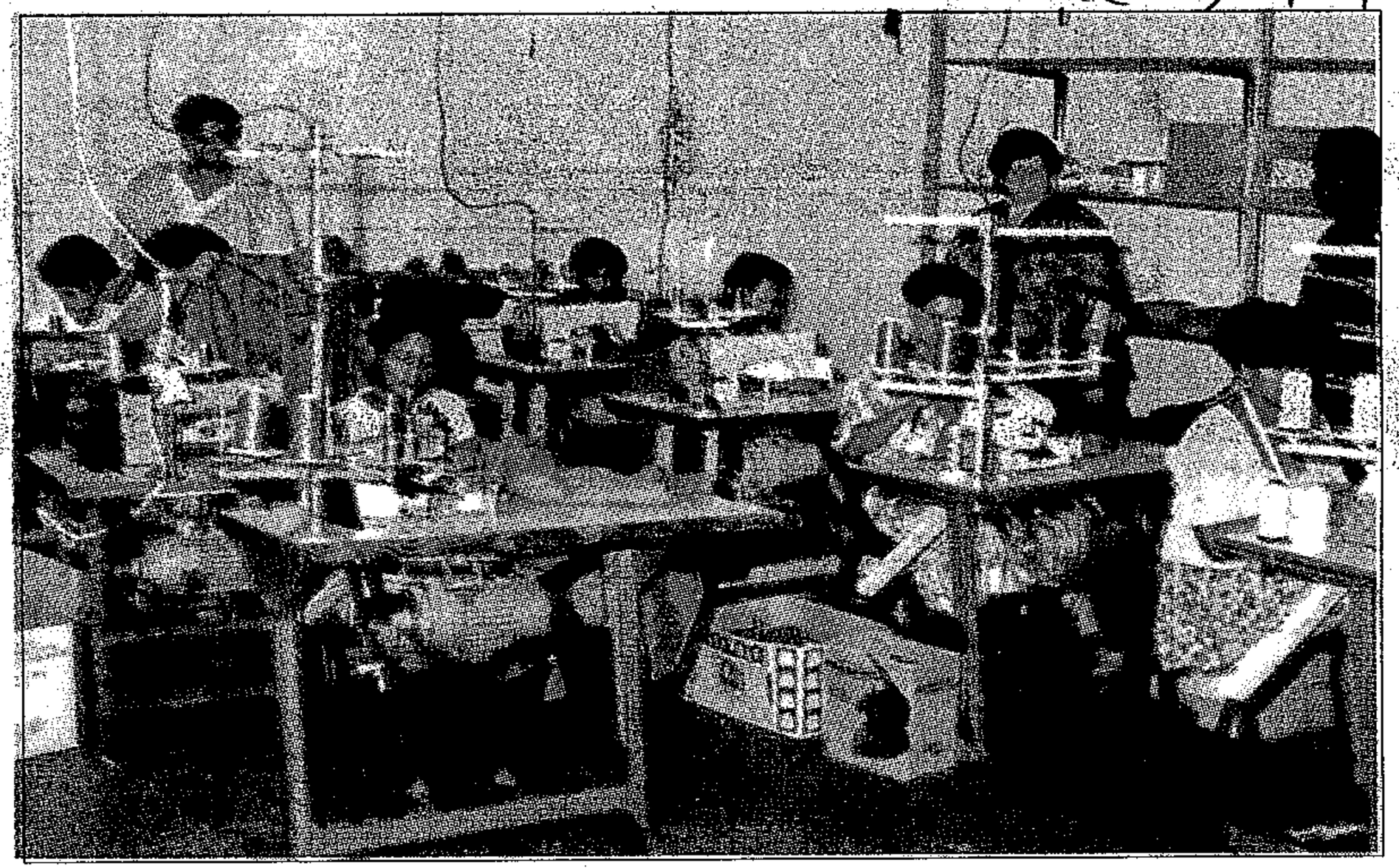
If what is happening in the Eastern Cape is any indication, the programme's problem will soon be a lack of finance rather than an overabundance.

The main reasons for the change are the recent local government elections and the R15 000 housing grants for deprived families.

A recent visit by Business Report to the Eastern Cape constituency of ANC MP Gill Marcus, better known as the chairman of the parliamentary finance committee, provided evidence that the RDP is set to roll.

Developments in the constituency also showed that the RDP relies not only on government funding and ideas, but is a multipronged approach to enable communities to help themselves.

It is for this reason that the local government elections will play a critical role.



RECONSTRUCTION *ANC MP Gill Marcus with workers and organisers at a small sewing factory that has made a start at ending unemployment in Humansdorp*

One example has been the problem Marcus has had getting the co-operation of the Algoa regional services council to provide services to new housing areas.

Without bulk services, plots could not be provided to the homeless and no one could spend the R15 000 allocated for homes.

Before the election, officials failed to arrive at meetings and obfuscated. Now after the local government elections attitudes are changing on the side of the deprived and of officialdom.

The deprived no longer adopt a cap-in-hand approach and officials realise they will be called to order.

Heston Gelderbloem, a newly elected member of the Tsitsikamma district council, said at a meeting called to discuss the development of five housing projects in his area: "We are in charge now. They must listen to us."

The problems have been endless in the Tsitsikamma region and if they indicate what is happening in the rest of the country, it is little wonder that the RDP has taken so long to get going.

Marcus said that when she was appointed by the ANC to work in the area she found an acute housing shortage. People lived in dire poverty, with no services, in the forests.

Though there appeared to be large tracts of land, none was available.

The government-owned forestry company Safcol was at first extremely reluctant to provide land and then wanted to embark on a massive resettlement programme that concentrated all the deprived families in one spot.

Safcol finally agreed to provide land, but after months of negotiations the problem was still not over.

Bureaucracy stepped in. The state-owned land had to be transferred to the provincial housing board for allocation to individual families.

The land still remains with the public works department, so no housing applications are possible. Marcus suspects that part of the problem lies in attempts to keep residential apartheid in the area.

Simultaneously, negotiations were under way with the regional services council to provide bulk services, not only in the Tsitsikamma, but also in other areas.

The council claimed no money was available.

"I know money is available," says Marcus.

It now looks as if it will all be coming together in the new year.

There are plans for five new or extended residential areas providing housing for 9 245 families in the Tsitsikamma.

Upgrade

Other developments are planned elsewhere in her constituency and there are plans to upgrade facilities.

Marcus and members of the new councils have to co-ordinate the housing projects precisely to ensure the homeless people do not rush from one area to another.

They are developing a multipronged approach to overcome poverty in the region; housing is only one facet.

A trust fund has been established for the area, with a number of sub-trusts supporting a variety of ventures. These include funds to buy land for housing and farming, as well as starting small businesses such as a clothing factory in Humansdorp. Other projects include guest houses.

Finance comes from a number of sources apart from the RDP.

Communities are raising money themselves, joint ventures are being established and sponsors are actively sought.

The Liberty Life Foundation financed the clothing factory and Fedsure is financing a training programme.

The most ambitious project is to establish a village market on the edge of the Blaauwkrantz gorge on the border the Eastern and Western Cape.

It will include a market for crafts produced in the area; information kiosks promoting tourism in the Eastern Cape; facilities for hikers; and, later, possibly a hotel and caravan park.

A flea market is already running on the site, which is being cleared while negotiations are under way with a petrol company to establish a service station.

Marcus believes the area's tourism is under-developed, particularly as an employer.

The service centre, as the "gateway to the Eastern Cape", will promote local attractions, from the Addo elephant park to the dinosaur fossils of Graaff Reinet, from the indigenous forests of the Tsitsikamma to deep-sea fishing.

A significant new employer is the RDP project to eradicate alien vegetation in the catchment areas of the province's rivers.

A new harbour project at Cape St Francis will provide safe facilities for the local squid fishermen.

Marcus sees the developments as being driven by the communities.

"People have enormous creativity and a lot of drive if they are allowed to do things for themselves. If the communities don't initiate and drive a project, then it won't happen."

Spain aims for SA trade agreement before new year

CT(BR) 7/12/95

BY JOHN FRASER

Brussels — The Spanish government yesterday told its EU partners that it would strive to reach agreement on a trade offer for South Africa before the new year.

This followed the failure of 15 EU foreign ministers, who met in Brussels this week, to agree to a new mandate for negotiations with Pretoria.

Spain's ambassador to the EU said he had told his colleagues, after a meeting to review the foreign ministers' talks, that he would do his best to secure a compromise. Junior diplomats are to review the issue in the next few days, and are expected to report back to the EU ambassadors next week.

They will then decide if more work needs to be done, or if the issue can be put to a meeting of EU ministers for a decision.

"There were no precise conclusions at the end of the ministers' meeting," said an official at the EU's council of ministers, who was in Monday's meeting.

"Those with problems stated them, with some voicing concerns about the impact of a generous trade offer to South Africa on our own European farmers.

"There was a call by France for a detailed analysis to be done on this.

"Certainly, this all needs further work, as there are questions over whether all 15 EU states will accept a generous deal on agriculture."

Spokesman of the EU commission, Joao Vale de Almeida, said yesterday that a deal had not yet been finalised, denying reports that an accord had been struck on Monday.

"Such reports must involve a misunderstanding," he said. "There is not yet a new mandate for trade negotiations.

"We are optimistic there will be an agreement on a mandate either by the end of this year, or early next year."

South African diplomats in Brussels were closely monitoring events.

They wanted the 15 EU states to agree to a trade offer, which could then be studied and negotiations could be relaunched.

They were deeply concerned that an original, relatively generous free-trade proposal by EU commissioner Joao de Deus Pinheiro had been watered down.

This was most likely to be the basis for the EU's offer to South Africa. — Independent Foreign Service

Microprojects get R60m EU boost

CT(BR) 7/12/95 (297)

BY CATO PEDDER

East London — The European Union (EU) yesterday signed a R60 million contract with the Microprojects Programme Trust to develop microprojects across the Eastern Cape.

The contract was signed at a ceremony in East London.

The Microprojects Programme Trust has offices in Umtata, East London and Port Elizabeth. It supports small, community-based development initiatives in the Eastern Cape.

The programme seeks to promote a grass-roots development process by channelling resources directly to poor communities. Local communities usually contribute at least 25 percent in cash or in kind to these projects.

The grant is part of the European programme for reconstruction and development, under which R593 million has been allocated to South Africa this year.

THE WH

Fewer and fewer 'hearts sob' at the plight of the homeless in Jo'burg

This sanctuary does not merely provide food, clothing and shelter but also love

(297) REF Star 8/12/95

By Bongiwe Mlangeni
Housing Reporter

Number 36 Davies Street, Doornfontein sounds like just another insignificant address in an industrial area of Johannesburg, but this old factory is a home offering love and food to 500 homeless people, including many evicted from Park Station.

However, it fails to attract much attention. The politicians have not visited the home and so far the media have largely stayed away.

Shelter co-ordinator Emelda Damane sums up the response of the public as: "Not the homeless. We have seen too many. This is an attitude homeless people are used to. They have become so common they no longer make hearts sob."

Damane, a novelist, has been a "mother" to about 240 homeless people for the past four years. Recently, when the homeless people at Park Station were asked to leave, most came knocking at her door, pushing the number she helps to 500.

Her flock includes returned exiles, people who lost their houses during violence in the townships, immigrants and street children who left home to escape abuse.

Despite having to care for more people than she can afford to accommodate, Damane finds it difficult to turn away people who ask for help.

Damane says she uses the royalties she earns on several textbooks she has written to partly finance the shelter. She also receives occasional grants from various organisations. The factory was provided by the Johannesburg Metropolitan Council.

This sanctuary is not merely a place that provides food, clothing and shelter – it also provides love and peace.

On the floor where the men are housed there is no furniture. They are all forced to sleep on bare floors or use their belongings as mattresses and pillows.

On the other floor of the building there are about seven beds shared by four women. Some use the carpeted floor where they sleep with their children. At night they eat supper before a hired television set. "At least, here we are sure of a plate of food," Lillian Mlungwane says.

She has faced more abuse in the streets that she can remember.

With tears in her eyes she tells her story: "I came to Johannesburg in 1976 with a white family that I worked for in Mdantsane in the Eastern Cape. I was sure of food and a place to stay."

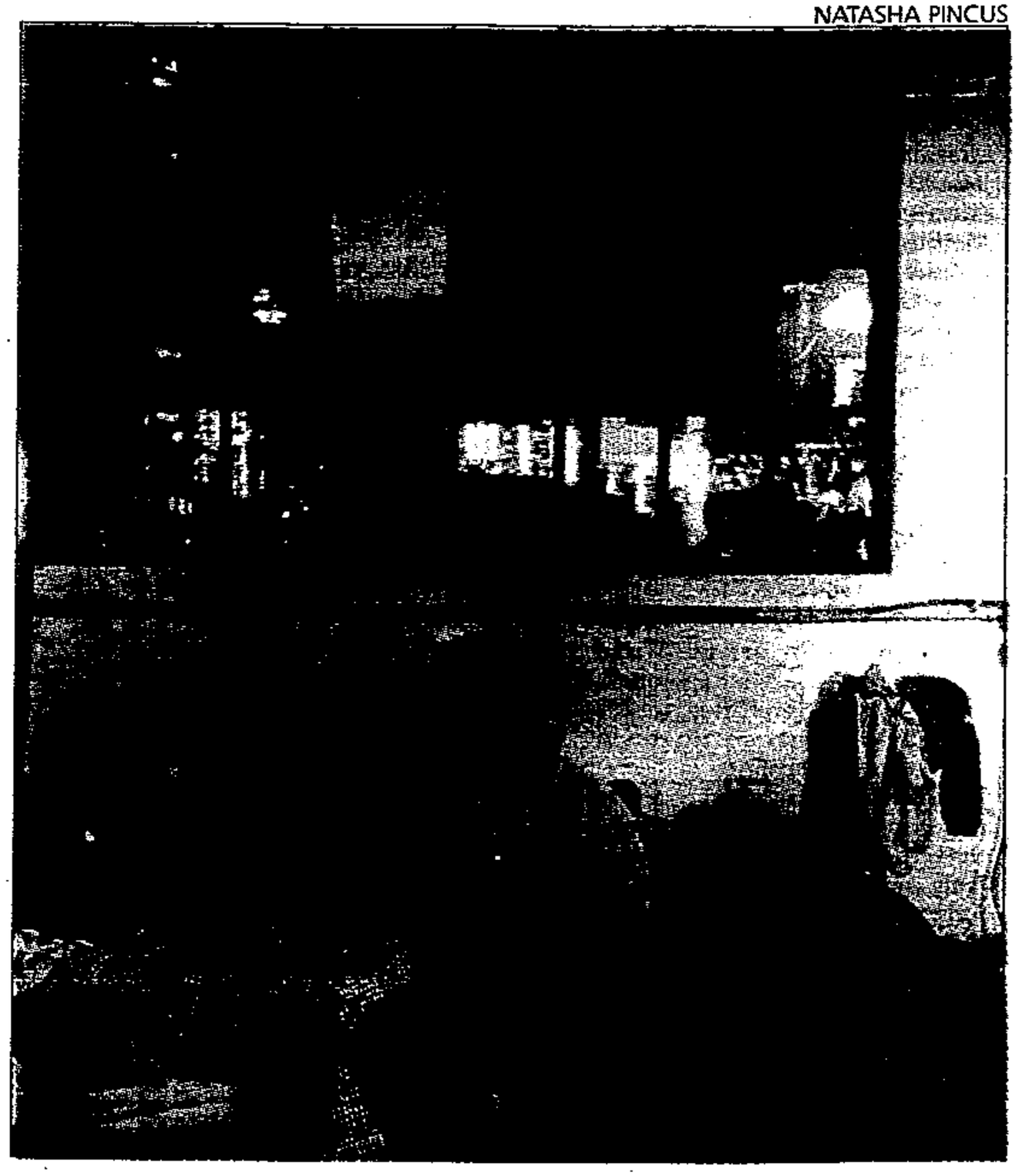
In a few months, Mlungwane was dismissed, was penniless and had no place to stay: "They just told me that they were leaving for Witbank and I had to fend for myself," she says.

Since 1977 Mlungwane has been sleeping in the streets where she has been frequently assaulted. "I am happy since I moved in here," she says, adding that she has no intention of going back to the Eastern Cape.

John Shongwane is also not prepared to turn back. He came to Johannesburg two years ago from Giyani in Northern Province, looking for a job. But he has had no luck: "I cannot go back home empty-handed," he says.

Shongwane has chosen to live in the streets until he gets a job but he feels bitter about his treatment.

NATASHA PINCUS



Shelter from the streets ... the homeless who have been living at the Johannesburg Park Station find comfort and food in an old factory in Doornfontein.

RDP

Learning from mistakes

An essential vision for the future

(297) FM 8/12/95



Jayaseelan Naidoo carries a heavy load: responsibility for the Reconstruction & Development Programme. Political descendant of the ANC's Freedom Charter, the RDP aims to transform SA by eliminating the inequalities associated with decades of apartheid and promoting a just, prosperous society through reconstruction.

It is an immense challenge, inspired, some say, by a Utopian vision. The difficulties have been compounded by the need for fiscal restraint after the profligacy of the minority governments of former Presidents F W de Klerk and P W Botha. With government consumption running at 20% of the GDP and debt servicing absorbing 17% of the Budget, not much money has been available for the RDP. It has had to be financed from the budgetary savings of various departments and international donations.

Now, more than 18 months after the installation of Nelson Mandela as the first democratically elected President, Naidoo is undoubtedly conscious of the weight on his shoulders. Known to friend and foe alike as "Jay," he has been the target of criticism for poor delivery.

The most visible of these failures is in housing. Housing Minister Sankie Mthembi-Nkondo has admitted less than 11 000 homes had been built by the end of October, far from the 300 000 a year spoken of in ANC publication *RDP*. More damning, the total built to date is far below the 50 000 of 1992 under the De Klerk administration.

Much of the criticism has come from ideologically hostile quarters. But some has come from within the ANC and, more broadly, the black community.

Trade & Industry Minister Trevor Manuel echoes the feelings of many South Africans with his injunction to Naidoo's RDP office to provide "less jargon and more action."

Independent Development Trust chairman and Cape Town University vice-chancellor designate Mamphela Ramphele has warned that the RDP is in danger of creating a "bureaucratic nightmare" by depriving nongovernmental organisations of funds and thwarting the upliftment to which it is committed.

The most derisive comment is one which emanates from the townships, where the RDP has been compared with a tokoloshe: like the mythical creature, it can be heard but not seen. There is an echo in that of Manuel's call for action rather than rhetoric.

Naidoo, who is a powerful orator when the occasion demands, is not given to rhetorical flourishes when he talks about the RDP. He is a fast talker — in a literal rather than metaphorical sense — but the content of his speech is thoughtful. One has the sense of a man who is looking for answers rather than one who believes he has found them.

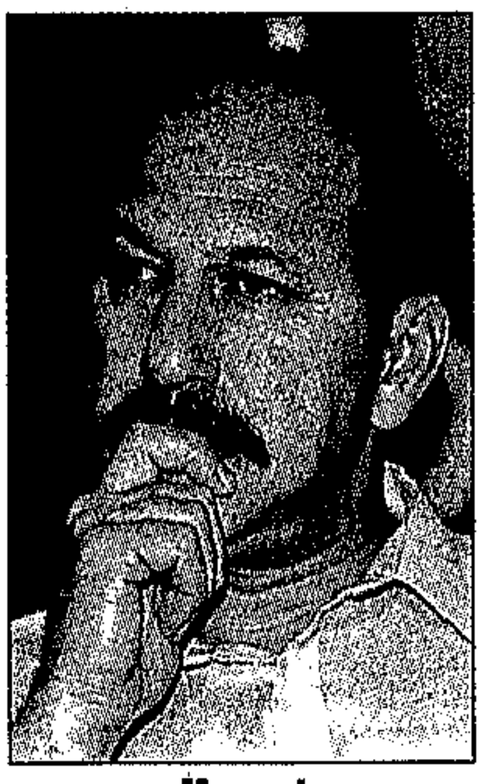
"I think we need to have a much more rigorous dialogue with the media, in particular the financial journals," he says during an interview in his office in the Union Buildings.

"We welcome your interrogation of what we are doing. We have made mistakes. But . . . we are prepared to learn from our mistakes."

He returns to the theme several times as he lists some of the lessons which his ministry has learnt during its first 18 months at the helm of the RDP.

One is the awareness that government urgently needs "project management skills," including the ability to assess performance against defined goals and to identify and remove logjams.

Shifting from the abstract to the concrete, Naidoo talks about education, noting that it accounts for about 21% of the Budget and is the biggest item.



Manuel

In determining how and where to spend money on education, government has to weigh two sides of an equation. Half of the people are illiterate but when the growth rate reaches 3% it is impeded by a skills constraint. Naidoo raises the crucial question of which should be addressed first: the need to combat illiteracy or the need to remedy the skills shortage?

He turns to another of the lessons learnt over the past 18 months — the need to modify tender board regulations to speed up the process and, as important, encourage the participation of small and medium-sized entrepreneurs in RDP projects.

"If you want to do anything, it takes six months. You can have all your planning and money in line, all your ducks in a row, but if you have to go to the tender board . . . you have a long, bureaucratic process."

Naidoo refers to the battle to get small entrepreneurs involved in the Katorus reconstruction project in the triangle of East Rand townships — Katlehong, Vosloorus and Tokoza — which were ravaged by strife during the 1990-1994 transition to democracy. The existing tender regulations make it hard for small entrepreneurs to qualify.

He quotes small entrepreneurs as saying: "Even if I get the tender, I can't build houses — though I have the capacity. The tender regulations say I get paid only at the end of the contract. They do not allow progress payments."

Another important lesson which has been underlined by the first 18 months of the RDP — which Naidoo refers to as a laboratory experience — is the importance of having to make choices. As he remarks of the RDP: "We can't possibly do everything . . . So we focus." The lesson might be considered trite. It should, however, be seen against the vast list of aims delineated in the ANC's April 1994 *RDP* publication.

These aims range from redistribution of a third of the agricultural land within five years to the building of a million new houses within the same period.

The list stretches from water to telecommunications, from bringing a supply of 20*l*-30*l* of clean water a day to within 200 m of every household to providing a "telecommunication service to all schools and clinics within two years."

Naidoo talks of the kind of decisions that the need to make choices imposes. Standards can be lowered and time frames can be lengthened. The development framework, however, must seek to maximise efficiency, flexibility and innovation.

Naidoo evinces a fresh appreciation of the role that the private sector can play in helping to ensure success and speed up delivery. He talks of a partnership in which business provides the managerial skills and equity.

The idea of government dominating development projects is eschewed. Central government's role is to provide a "factor of certainty" but to leave ample scope for local government institutions and entrepreneurs, large and small.

Gavin Lewis, a research associate with

the Centre for Southern African Studies at the University of the Western Cape and editor of *RDP Monitor*, sketches an independent view of changes within the RDP over the past 18 months.

He identifies three phases:

- The first is led by "ANC ideologues," including "Naidoo the trade unionist;"
- The second is associated with the announcement by Mandela of the special presidential projects, including free hospitalisation for children aged under six and pregnant women and a school feeding scheme;
- The third phase is distinguished by disillusionment in business circles, where the RDP is increasingly seen as an "ideological fidget," a degree of disenchantment in the deprived communities and a shift of emphasis in government circles to economic growth.



Mthembi-Nkondo

Expanding on the first phase, Lewis says the ANC's ideologues did not realise how small the economy was or how much of the money that was theoretically available for development had already been allocated "in the dying days of the last regime, however corruptly or unfairly."

He identifies further mistakes: initial failure to make full use of existing institutions — the Development Bank, the Independent Development Trust and a range of smaller organisations — as well as failure to anticipate the difficulties of setting up structures in the provinces and miscalculating the extent of "wholesale looting" in the former homelands.

The third phase, Lewis continues, is marked by the metamorphosis of Naidoo from an ideologue to a pragmatist, with the Ministries of Finance and Trade & Industry playing an important role as catalysts in bringing about the change.

As Lewis sees it, the RDP is now characterised by an increasing emphasis on individuals taking responsibility for their own needs, family responsibility for the aged and "State assistance only for the chronically ill or absolutely destitute." It is largely devoid of the "original RDP vision of a national social welfare system."

Lewis, though, is not cynical about the RDP. Like Naidoo, but perhaps for different reasons, he believes that it is indispensable to the quest for a fairer and more stable society.

He explains: "The RDP ... is the only unifying vision that can calm expectations to a reasonable level ... The polls show that most people's expectations are reasonably pragmatic ... If (ordinary) people see that something is being done and remain convinced that government is committed to a long-term goal of upliftment for all the people, then they are more inclined to moderate their demands."

Naidoo remains quietly sanguine, believing that the RDP has already been more successful than many South Africans expected and that it will confound sceptics with further successes soon.

"Millions of people are directly benefiting from the implementation of the RDP," he says before detailing projects in Katorus where R3bn will be spent over five years.

"We expect housing to be on stream by the end of next year," he adds. A recent RDP review, used by him to provide a broad picture on public occasions, strikes a similarly upbeat note.

To cite extracts from the *RDP* review: 300 projects will benefit 3,5m people previously denied access to water, within 18 months; more than 600 municipal upgrades will benefit more than 3m people; school feeding schemes are already operating at 12 000 schools countrywide and will soon reach 6,8m children; the target of electrifying 300 000 houses a year has been reached, to the benefit of 2,7m people.

Progress reviews, especially those prepared by ministry publicists, usually add a few layers of gloss.

They need to be balanced against the criticism of sociologist Lawrence Schlemmer: "Areas of progress (are) mainly where the existing capacity to deliver has long existed, such as in the Department of Water Affairs and Eskom ... The successes are mainly in the future tense."



Lewis

Lewis's observation is pertinent, too. "In six of the nine provinces, the police are investigating allegations of corruption." It raises the question of how much money allocated for the feeding programme ends up in the pockets of corrupt officials rather than the stomachs of hungry children."

The recent local government elections are of direct relevance to the RDP because the new, democratically elected institutions are meant to serve as major delivery points. As Naidoo puts it: "Local government is the hands and feet of the RDP."

The original government plan envisages a convergence of the installation of democratically elected local government institutions and a successful conclusion to the R30m Masakhane campaign, launched to persuade township folk to pay for the services they use and thereby help finance the RDP.

The signs are not auspicious. New democratically elected local government representatives have taken their seats but the culture of nonpayment remains pervasive.

The Mortgage Indemnity Fund estimates that 65% of township residents are still not paying for services (*FM* December 1). Several black local authorities are close to bankruptcy.

Many of the new representatives are young and inexperienced. They are hardly ready to shoulder the responsibilities of governance at local level in favourable circumstances, let alone amid the difficulties which they have inherited.

Overall assessment must take note of another important factor: the RDP was designed as a framework for a wide range of policies designed to promote economic growth and ease "extreme inequalities" in wages and wealth.

Monetary and fiscal discipline, trade and industry policies, modernisation of human resource programmes and the reform of labour market institutions all fall within the broad framework.

Government has delivered on several crucial policy aspects. It has left Reserve Bank Governor Chris Stals to make his own decisions on interest rates and has introduced a measure of fiscal discipline not seen for many years.

But trade liberalisation is referred to merely in passing in the RDP White Paper of November 1994 before the relevant paragraph races on to explain "government will use socially responsible supply-side measures to assist sensitive industries in adapting, to overcome the strong international competition."

The result is manifest in a document submitted by government to Nedlac a year later (*Economy* November 24) on industrial policy. It is a rerun of the follies of the departed National Party government.

Many of the policies proposed in the November 1994 White Paper are similarly flawed. To cite a key example, its competition policy misses the point. The only effective way to reduce the concentration of economic control is to allow the lead players to invest abroad. That will allow foreigners and new entrants to the economy to gain influence. Control of the economy will spontaneously be diversified.

The long-term success of RDP policy depends on bold moves towards further liberalisation. If that is to be achieved, Naidoo's onerous load will get a lot heavier before it becomes lighter. ■

Community service backs nation-building

CT 8/12/95

OLD MUTUAL'S business plays an important role in social development by providing financial security and creating wealth. Nevertheless, the Society also recognises that, in many communities, additional support is needed and therefore strives to contribute to a wide range of projects that help to develop South African society.

Education remains a key focus: during 1995, Old Mutual sponsored numeracy skills programmes such as Maths 24, education pages in national newspapers, and Edupeg, an innovative teaching aid. Since the spectre of Aids is most effectively countered through education, Old Mutual continued to run information campaigns for its staff, for children and for wider audiences throughout the country.

Community involvement by staff members is encouraged and funding is made available for worthwhile projects. Nationally, the Society sponsors together with the Sowetan newspaper and CCV TV, the Community Builder of the Year competition, designed to recognise people who are actively rebuilding the grassroots structures of their communities.

Old Mutual sees its involvement with the Community Builder competition as an extension of its mission of helping people make the most of their lives. Competition finalists are offered a training course to provide them with skills to help them run their projects efficiently.

The annual Old Mutual National Choir Festival has become an influential force in the development of choral music in South Africa. Old Mutual supports choral music as music uplifts the spirit, encourages harmony, creates positive feelings of goodwill and shows how results can be achieved by working together for mutual benefit.

Allan and Elna Boesak jet in from US to face investigators

(297) Star 9/12/95

By GLYNNIS UNDERHILL

Cape Town – A relieved Allan Boesak said it had been "great to tell my side of the story" after two days of intensive interviews with the Office for Serious Economic Offences (OSEO) in Cape Town.

Dr Boesak and his wife Elna returned from New York to take part in the final leg of the investigation into financial misappropriation at the Foundation for Peace and Justice.

A relaxed-looking Boesak escorted his wife to the steps of the OSEO for her crucial interview with investigators that followed his own this week.

After affectionately kissing her goodbye on the steps of the offices, Boesak said it was "wonderful" to be back in Cape Town for a brief visit.

"It was great to have the opportunity to put my side of the story, which I had not had the chance to do before now," he told reporters.

Casually dressed in a white kaftan shirt, Boesak said the investigation into the aid organisation he once headed was out of his hands.

"I have no idea what the outcome will be. It is no longer in my hands. I am glad to have been able to talk to the investigators," he said.

The now-defunct Foundation for Peace and Justice is being investigated following claims by Nordic funding agencies that around R3-million of foreign money intended for victims of apartheid was diverted for the personal use of staff members.

Boesak, the former leader of the ANC in the Western Cape, has always denied the allegation.

A one-time church minister who turned to politics, Boesak was pressured to resign from his position as ambassador-designate to the United Nations in Geneva after the Nordic funding agencies made the allegations about him this year.

Boesak said he was happy to be back on the pulpit as part of a working invitation from a church group north of New York.

The chance of a break from the pressures that had built up in South Africa after the scandal broke had been most welcome, he said.

"It is great not to be involved in politics, but to be involved with theology once more.

"I have been inspired and I have three books I am planning to write," he said.

One of the books would involve reflections as a Christian on his own experiences in the affair involving the Foundation for Peace and Justice, he said.

While Boesak admitted to some homesickness, his stay in the United States had been "great" and his family would be returning there for Christmas.

"I have made so many good friends in the States and it is wonderful to be involved with the church," he said.

The Boesaks – who lost their plush Constantia house, their jobs and their high standing in the community after the scandal broke – held hands as they chatted to reporters.

A smiling Mrs Boesak said she was happy to have the chance to be interviewed by the investigators.

In October last year, the Swedish funding agency Sida suspended funds to the Foundation for Peace and Justice pending an investigation into how funds were being used. The problem centred around a sum of R840 000 intended for the production of 12 voter education videos in the run-up to last April's election.

"I will be telling the investigators what I know about the audio-visual project and I am happy to do so," said Boesak.

Mrs Boesak will be explaining to investigators why only one video was made by her own video company, Camelot Communications, and the rest of the money spent on equipment.

OSEO assistant director Tommy Prins confirmed that interviews with Allan Boesak had been completed.

Asked whether he was satisfied with the progress of the interviews, he said: "In terms of our Act, people are obliged to answer questions. We had no problems with getting the answers."

Prins said Boesak had come to Cape Town for interviews at his behest. "We requested the interviews but he wasn't brought back in chains."

He added that he did not want to comment on who had footed the bill for the return flights to South Africa for the Boesaks to be questioned.



FACING THE MEDIA: We're glad to be able to put our side of the story at last, says Allan Boesak

Boesak relieved questions over

ARG 9/12/95 (297)

Glad to tell his side of the story in missing funds probe

■ Allan and Elna Boesak jetted in from New York to face investigators from the Office for Serious Economic Offences in Cape Town.

GLYNNIS UNDERHILL
Staff Reporter

A RELIEVED Allan Boesak said it had been "great to tell my side of the story" after two days of intensive interviews with the Office for Serious Economic Offences (OSEO) in Cape Town.

Dr Boesak and his glamorous wife Elna returned from New York to take part in the final leg of the investigation into financial misappropriation at the Foundation for Peace and Justice.

A relaxed Dr Boesak escorted Elna to the steps of the OSEO for her crucial interview with investigators which followed his own this week.

After kissing her goodbye on the steps of the offices, Dr Boesak said it was "wonderful" to be back in Cape Town for a brief visit.

"It was great to have the opportunity to put my side of the story, which I had not had the chance to do before now."

Dr Boesak, casually dressed in a white caftan shirt, said the investigation into the aid organisation which he headed was out of his hands.

"I have no idea what the outcome will be. It is no longer in my hands. I am glad to have been able to talk to the investigators," he said.

The now-defunct Foundation for Peace and Justice is being investigated following claims by Nordic funding agencies that around R3 million of foreign money intended for victims of apartheid was diverted for the personal use of staff members.

Dr Boesak, former leader of the African National Congress in the Western Cape, has always denied allegations that he misused funds for his own personal gain.

A church minister who turned to politics, Dr Boesak was pressured to resign from his position as ambassador-designate to the United Nations in Geneva after the Nordic funding agencies made the allegations about him this year.

Dr Boesak said he was happy to be back in the pulpit as part of a working invitation from a church group north of New York. The chance of a break from the pressures which had built up in South Africa after the scandal broke, had been most welcome, he said.

"It is great not to be involved in politics, but to be involved with theology. I have been inspired and I have three books I am planning to write," he said.

One book would involve reflections as a Christian on his own experiences in the affair involving the Foundation for Peace and Justice, he said.

While Dr Boesak admitted to some homesickness, his stay in the United States had been "great" and the family would be returning there for Christmas, he said.

"I have made so many good friends in the States and it is wonderful to be involved with the church," he said.

The Boesaks — who lost their plush Constantia house, their jobs and their high standing in the community after the scandal broke — held hands as they chatted to Saturday Argus.

A smiling Elna said she was happy to have the chance to be interviewed by the investigators.

"I will be telling the investigators what I know about the audio-visual project and I am happy to do so," she said.



Picture: OBED ZILWA, Staff Photographer.

□ **HAND IN HAND:** Allan Boesak and his television producer wife Elna stroll to the Office for Serious Economic Offences.

In October last year the Swedish funding agency SIDA suspended funds to the Foundation for Peace and Justice pending an investigation into how funds were being used.

The problem centred on a sum of R840 000 intended for the production of 12 voter-education videos in the run-up to the April election.

Elna will be explaining to investigators why only one video was made by her own video company, Camelot Communications, and money was spent on equipment.

The assistant director of the OSEO, Tommy Prins, said that interviews with Dr Boesak had been completed.

Asked if he was satisfied with the progress of the interviews, he said: "In terms of our Act, people are obliged to answer questions. We had no problems with getting the answers."

Mr Prins said Dr Boesak had come to Cape Town for interviews at his request.

"We requested the interviews but he wasn't brought back in chains," he said.

Mr Prins said he did not want to comment on who paid for the return flights to South Africa.

RDP tug o' war over Uitsig

297

Staff Reporter ARG 11/12/95

THE future of reconstruction and development programme projects in Uitsig is uncertain.

A tug-of-war over the area has developed between Elsies River and Ravensmead authorities.

The Elsies River transitional metropolitan substructure (TMS) is to meet the Ravensmead, Uitsig and Cravenby RDP Forum to thrash out the issue.

The Elsies River TMS rejected the forum's RDP project proposals for Uitsig, saying it was part of Elsies River.

The TMS also rejected a request by the forum to recognise Uitsig as part of Ravensmead.

Spokesman Jack Feris said the Uitsig community had decided that they wanted to be part of Ravensmead.

Peace Corps to assess SA needs

But South Africans will have main role in deciding priorities

Star 12/12/95 (297)

By Anita Allen
Science Writer

The US Peace Corps will be coming into South Africa for the first time, and perhaps as soon as January, as a result of the US/SA Binational Commission agreement signed by US Vice-President Al Gore and Deputy President Thabo Mbeki last week.

"It is glorious for us because the Peace Corps' roots are in Africa, with the first mission being to Ghana in 1961," says director Mark Gearan, who was in South Africa last week as part of the US delegation.

The Peace Corps is an independent agency, funded by the US government with a current budget of $219-million (about R288-million). At present, more than 7 200 volunteers are serving two-year missions "to help people help themselves" in 95 countries around the globe.

"Our next step will be to send in an assessment team to look at the needs as expressed by South Africans," says Gearan.

He emphasises that the Peace Corps does not decide its programming in Washington DC. "We have the countries we are serving decide what their needs are and then we try and match up with what we can deliver."

The assessment team will arrive next month, but their work of contacting ministries and NGOs working in the field has already started.

Volunteers in South Africa would serve in urban and rural communities in areas of small business development, environment, health, nutrition, education, water supply, sanitation, forestry and agriculture, he says.

"It would depend largely on making sure we really respond to needs, whether that is education or whatever, to make sure we have the very best people for those assignments. That match is really what is critical."

Early in the New Year a small Peace Corps staff will be assigned to run the South African office and the first group of 30 volunteers will arrive. This number will double and treble, depending on needs and funding, as well as the level of co-operation on things like office space.

At the moment the Peace Corps programme is being run out of Mbeki's office, but other ministries are already being linked in.

A Peace Corps presence brings tangible and intangible benefits, Gearan says.

"There are quantifiables, such as the number of people taught or teachers trained, wells built, improved sanitation and the number of businesses that have been enhanced. The other element of the Peace Corps is that while it has that development of expertise and record of accomplishments, it changes lives because it is a people-to-people thing.

"Because the service is two years, Peace Corps volunteers really become part of the community. The genius of the Peace Corps is this extended period of time which cements the friendship and cross-cultural experiences that people are able to have."

One possible spinoff of the Peace Corps presence here, and a suggestion that has already been raised in preliminary discussions, is to assist South Africa in establishing its own volunteer agency.

"It is a suggestion, and we will be looking at it," says Gearan.

African Development Bank to revive its soft loans arm

CT(BR)12/12/95 (BK)(297)

BY NICHOLAS PHYTHIAN

Abidjan — The African Development Bank began a fresh round of negotiations yesterday on reviving its soft loans arm, which in the past lent more than $1 billion a year to some of Africa's poorest countries.

The African Development Fund (ADF), which has not been stocked up since January 1994, was set up to lend on easy terms and is the only source of Bank credit for 39 of the 52 members under a new tighter credit policy adopted in May.

Ivory Coast's minister for economy, finance and planning, N'Goran Niamien, opened the meeting by expressing the wish that with new Bank president Omar Kabbaj of Morocco firmly established, the fund would be back in action before long.

"As you know, 39 member countries, some of which are the least advanced, are only eligible for the concessionary resources of the ADF," he told the opening session.

"These countries have urgent needs which it has not been possible to meet because of the blockage of negotiations over the last two years," he said. "It is therefore critical that the discussions on the ADF are wrapped up so that our joint institution can resume its mission."

A row over credit policy and then delays over the election of the new Bank president blocked reviving the Fund.

Bank sources have said the Fund's seventh replenishment is likely to be worth $2 to $2,5 billion over three years, compared with $3,42 billion pledged for 1991 to 1993.

Kabbaj, who took office in September, has said he expects the negotiations to be completed by March.

"We hope that the replenishment will take place before the next annual meeting in Abidjan in May," bank spokesman Martin Kakra-Kouame told reporters.

He said members would either tell the two-day Abidjan meeting how much they could pledge or seek clarification on technical questions that would affect their contribution.

Bank sources said donors who met in Lisbon in October were prepared to stock up the Fund early next year, but some wanted to see results of an internal audit and progress on reforms first.

The other issue under discussion is the Bank's fifth general capital increase, due to be completed by the end of 1996.

Kabbaj said in October he would like non-African members to increase their shareholding from its present 35 percent, a move which would help the Bank to raise more money on international capital markets.

Some African members have in the past strongly opposed the idea, fearing domination by non-regional members.

The United States leads 24 non-regional members with 5,778 percent of the capital, followed by Japan with 4,768 percent.

The last capital increase covered the period 1987 to 1996. On that occasion members approved a 200 percent increase.

Bank sources say that with donors such as the United States keen to cut back on their commitments around the world, the next capital increase is likely to be far below that figure. — Reuter

SACC rocked by salaries scandal

(297) Sowetan 13/12/96

By Rafiq Rohan
Political Correspondent

THE South African Council of Churches has been rocked by a financial scandal running into hundreds of thousands of rands and involving some of its senior staff members in the Western Cape.

A high-level delegation of the SACC from Gauteng flew to Cape Town on Monday to investigate financial irregularities of the Western Province Council of Churches.

According to well-placed sources six staff members at the Cape Town office have allegedly been paying themselves an extra R3 000 a month since 1993. Based on this figure, this could add up to the tidy sum of over R600 000.

According to the insider, two other staff members have been paying themselves amounts of up to R10 000 and claiming this for administration – this, despite the fact that they are being paid as administrators.

A crisis meeting involving a delegation of SACC clergy met with certain staff at the WPCC yesterday. The delegation included the Reverend Abraham Maja and the Reverend Ndanganeni Phaswana. Phaswana would not comment on the allegations, saying they would "first have to report to our boss Ms Brigalia Bam".

Bam is not available as she is attending a meeting in Geneva, he said.

Financial irregularities

However the SACC communications head at the Johannesburg office, the Reverend Bernard Spong, confirmed to *Sowetan* that there are financial irregularities which are being investigated.

"I know about them but I did not know that you knew this much. However, I am glad it is now out in the open," he said.

He would not go into details but said the matter at the WPCC was the responsibility of the SACC.

"The money situation is our responsibility and we are making plans for its recovery."

Referring to the staff overpaying themselves, Spong said that it was only recently that "further things have come to light".

He said two people were being investigated but the "whole staff comes into it".

"We are looking especially at two people in the Cape Town office but we also have to find out who knew what in the office there."

The SACC consists of 23 member churches and three observer churches of different denominations and has received overseas funding.

Spong said: "We are holding a meeting very soon with church leaders in Cape Town for them to understand the situation and make rulings."

The Reverend Bennie Witbooi, who is the WPCC general secretary, was away on leave in the Eastern Cape and could not be reached for comment.

The Reverend Charles Williams, also at the Cape Town office, said that he was "reluctant to respond" to this *Sowetan* investigation.

2 suspended after alleged SACC scam

(297) Star 13/12/95

Cape Town – An alleged salary scam in the Western Cape Council of Churches (SACC) has led to the suspension of two officials.

The scam involving inflated salaries for local SACC officials, has prompted an auditors investigation into the council's accounting records.

Auditors who at first examined the council's books covering 1994, discovered enough evidence of financial irregularities to necessitate a meeting between the SACC's provincial council representatives and national representatives of the SACC.

SACC official Bernard Spong said today that an urgent meeting was held in Cape Town yesterday but new discoveries indicated that irregularities continued into this year.

Acting SACC general secretary Abraham Maja and senior vice-president N P Phaswana represented the SACC at the meeting.

Auditors were instructed to expand their investigation over three years from 1993.

Spong said a final audit had not been completed and exact amounts and numbers of people involved remained unknown. – Own Correspondent.

Church scandal □ Two officials suspended as audit to be delayed

JOHAN SCHRÖNEN, Crime Reporter

AN alleged salary scam in the Western Cape Council of Churches has led to the suspension of two officials.

The "scam", allegedly involving inflated salaries for local church officials, has prompted an investigation into the council's accounting records covering at least three years.

SA Council of Churches official Bernard Spong said today that auditors who at first examined the council's books covering 1994 discovered enough evidence of financial irregularities to necessitate a meeting between the SACC provincial council representatives and national representatives of the SACC.

He said an urgent meeting was held in Cape Town yesterday but new discoveries indicated that irregularities continued into this year and appeared to be more widespread.

SACC acting general-secretary Abraham Maja and senior vice-president N P Phaswana represented the SACC at the meeting.

Auditors were instructed to expand their investigation over three years from 1993.

Mr Spong said a final audit had not been completed and exact amounts and numbers of people involved remained unknown but two officials had been singled out and suspended in October.

The officials were allegedly responsible for paying staffers additional salaries for "extra" work done — in one case up to R3 000 a month.

But the implicated officials were back in office after being reinstated a month later when the SACC restructured and they no longer fell under the jurisdiction of the national body but were contolled by provincial leaders.

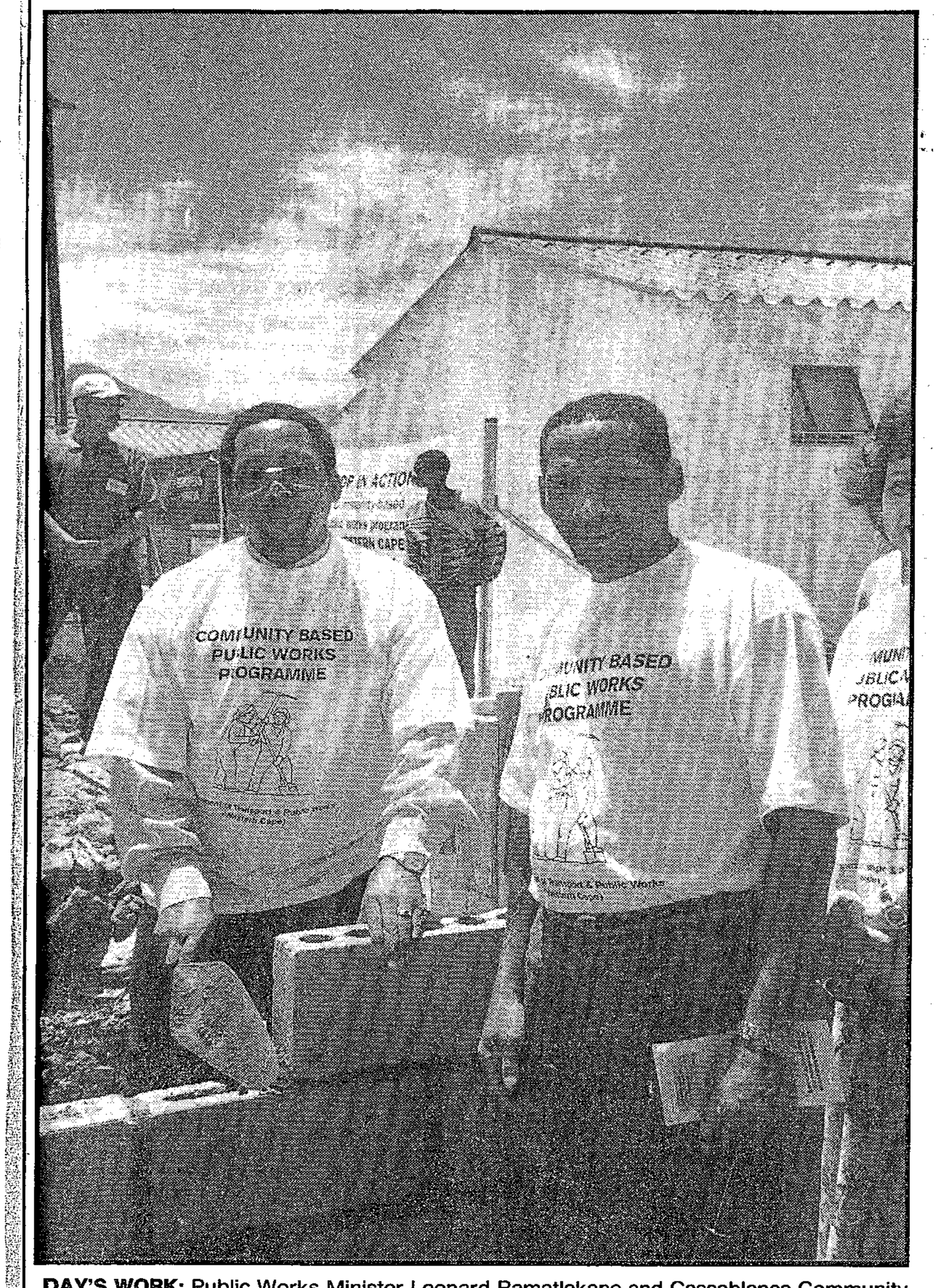
Mr Spong said the investigation had been made more difficult by a recent transition which had changed the administrative status of the provincial council.

Criminal charges against the officials and possible other employees were not ruled out, he said, adding that further information would be disclosed when it became available.

ARG 13/12/95
Stellenbosch (247)

Proof of the RDP's pudding is in Cassablanc

ARG 13/12/95 (297)



DAY'S WORK: Public Works Minister Leonard Ramatlakane and Cassablanca Community Committee chairman Jan Geldenhuys lay foundation blocks at the community centre.

Community works together for multi-purpose centre

JOSEPH ARANES
Municipal Staff

CASSABLANCA, a little settlement on the outskirts of the Strand, is proof of how successful the reconstruction and development programme can be if communities work together.

A few months ago the area was just another squatter camp with few or no services, but yesterday Provincial Transport and Public Works Minister Leonard Ramatlakane handed the community R130 000 as part-payment for the construction of a multi-purpose community centre.

Historically the Cassablanca community has been marginalised with very few opportunities to develop and prosper. For nearly 30 years its residents lived in shacks without any amenities.

But with the launch of the government's RDP, the community took up the challenge to transform their environment and embarked on a successful housing project. Recently they demolished their shacks and took ownership of their new brick houses.

Now with the help of the Department of Public Works and non-governmental organisations, the Development Action Group (DAG) and Community Projects Office, they have laid the foundations of a community centre.

The centre will be used for activities ranging from church services to a creche. It will also be an educational and sports complex.

Chair of the Cassablanca Community Committee, Jan Geldenhuys, said they had fought an uphill battle to improve the quality of their lives and that of the community.

"But the power that kept us going, in spite of the many obstacles in our path, was the community uniting and working together to achieve our goals and dreams.

"We have a lot to be grateful for and a lot of people to thank but the biggest pat on the back must go to the residents themselves for persevering with the task."

Mr Geldenhuys said the centre will become the heart of the community but he warned the residents that it was their responsibility to look after and protect their new possession.

Handing the cheque to the community, Mr Ramatlakane said he was proud at what the community had achieved and how they had put the RDP into action.

"The RDP is already being implemented in your neighbouring community of Lwandle. Today is a continuation of the process of infrastructure delivery in the province and specifically in Cassablanca.

"You started the process and were fully represented in the decision making required for the extensive planning of the project.

"The department's role will be to ensure that these objectives are actually implemented and the broad aims of the public works programme like meaningful job creation, empowerment, training of people and infrastrucutral needs are adequately addressed."

Mr Ramatlakane handed a community representative the cheque as part-payment of the department's overall contribution of R512 693 to the cost of building the community centre.

It is estimated that the multi-purpose facility will cost about R1 million and the community will have to raise the other funds needed to complete the project.

Already the Loreto Sisters Convent in the Strand have handed the community R60 000 and with the help of DAG they managed to get R40 000 from the Danish government.



IT'S LEGAL: Cassablanca residents sign documents which enabled them to be full resented in all decision making required for the project.



CASH BOOST: Public Works Minister Leonard Ramatlakane hands Cassablanca munity Trust chair Judith O'Connella a cheque to cover the costs of the first phase construction of a multi-purpose centre.

Council gives R19.5m for upgrading projects in city's poorest areas

(297) (ARG 13/12/95)

Municipal Reporter

THE Cape Town City Council has agreed to reallocate R19,5 million to capital projects with a strong community flavour in some of the poorest parts of the city following an extensive budget review process.

The budget review committee, chaired by Saleem Mowzer, has spent the past few months scouring departmental budgets for sums of money which could be spent on high profile projects which would benefit communities.

The money was culled from budgets which would not be used in this financial year, or which departmental heads agreed were not high priority.

Among the areas in line for extra expenditure are the housing estates in areas like Hanover Park, Lavender Hill and Bonteheuwel, which are to get improved fencing, roads and footways.

A backlog in traffic-calming devices requested by local communities will also be partially wiped out with a R200 000 allocation, and bus and taxi shelters are to have R375 000 spent on them.

Another sizeable expenditure is R150 000 allocated to hawker facilities in Downs Road, Manenberg.

Turfhall Road Sports Complex has had R415 000 allocated to it, while the Bonteheuwel Civic will be getting lighting and benches for the aged to the tune of R80 000 and R10 000 will be spent at the Retreat Civic centre on ramps.

Traffic signals are on line for Ottery and Park Roads in Manenberg, AZ Berman and Charlie Roads in Mitchell's Plain and De Duin and Wespoort, also in Mitchell's Plain.

The Parks and Forests department will be getting R1,1 million to be spent on a variety of upgrading projects mainly for sports fields and playgrounds.

Project to improve East Rand

(297) Sowetan 15/12/95

By Mokgadi Pela

GAUTENG was intent on creating a healthy environment for the people of Katlehong, Thokoza and Vosloorus (Kathorus) as part of the Special Presidential Project.

Addressing the media in Johannesburg yesterday, MEC for finance and economic affairs Mr Jabu Moleketi said such a climate would promote "a secure home for the family and create services which are basic to decent living".

Moleketi said his goals for 1996 were to see an environment which challenged people to learn, engage socially and express themselves through sport, play, dance and music.

Moleketi said stability was crucial in the East Rand townships to achieve these goals. He therefore called on political organisations to help in this regard. He said the role of the private sector in the reconstruction of Kathorus could not be overemphasised.

Project manager Mr Themba Maluleke said the benefits derived from consulting with all the stakeholders in Kathorus had been substantial. They included the development of understanding about how government worked.

"A sense of ownership of the projects has also emerged," Maluleke said.

Speaking on housing, leader of the professional management team Mr Mike Morkel said the illegal occupation of houses, particularly in Thokoza remained a thorny issue and should be tackled with seriousness in 1996.

Morkel said despite this problem, there had been progress in repairs to more than 1 500 houses damaged during the violence. New housing projects have been approved for Vosloorus Extension 28, Phola Park and Katlehong South.

Sowetan 14/12/95

SACC (297) acts on missing funds

By Rafiq Rohan
Political Correspondent

THE South African Council of Churches has suspended three senior people, including a clergyman, after investigations showed that staff members in its Cape Town office allegedly misused hundreds of thousands of rands of its funds.

Two amounts uncovered by the SACC so far involve R210 000 and R280 000. The issue is being made public by the SACC after an expose in *Sowetan* yesterday.

It has also been confirmed that the money involved came from donor agencies overseas for community projects.

The Reverend Bennie Witbooi, Dr Shun Govender and Mrs Priscilla Bennett were all suspended pending the outcome of an investigation by the South African council, the world council and the donors involved.

The SACC said despite the absence of a full audit, present evidence indicated that there had been "immoral augmentation of salaries".

Even in September there was evidence that all was not well with the financial records of the Western Cape Provincial Council of Churches.

The SACC said: "In September this year Cape Town auditors requested advice of the national office of the SACC concerning special payments for overtime and travel allowances made to members of staff at the WCPCC. The sum involved amounted to approximately R210 000." This led to the suspension of the three people.

"The auditors indicate in ongoing reports that further salary augmentation has taken place during the current year. Sums could involve a total amount of up to R280 000 for 1995."

The alleged scandal comes soon after the controversy died down around another clergyman, Dr Allan Boesak and his Foundation for Peace and Justice. What heightens the scandal around the WCPCC is that the money in question all came from overseas donors. The SACC confirms this.

"The monies concerned were paid directly to the WCPCC by overseas donors for projects in that area."

The SACC wants this investigation completed as quickly as possible. "In the present climate where corruption and crime are a curse upon the nation, the SACC and all church leaders agree that decisive, direct and urgent attention needs to be given to the Western Cape situation."

New scandal erupts over donor funds

(297)

STAFF REPORTER

CT 14/12/95

ANOTHER donor fund scandal has erupted after auditors found that three employees of the Western Cape Provincial Council of Churches (WPCC) paid themselves almost R500 000 for overtime and travel allowances, and augmented their salaries.

The officials have been suspended on full pay pending an investigation.

The SA Council of Churches said evidence indicated that there has been an "immoral augmentation of salaries".

In September auditors Douglas and Velcich queried special payments of R210 000 made last year to staff members for overtime and travel allowances. Further transfers had taken place this year and could involve an amount of R280 000.

SACC spokesman Mr Bernard Spong said the matter is "complicated because ownership of the WPCC changed during the period of the investigation".

The money was drawn from overseas donations.

SA's 5-million disabled can expect better deal

(297)

Discussion document identifies education, employment and accessibility of the environment as priority areas

MEDICAL CORRESPONDENT

The country took an important step towards improving the lives of its 5 million disabled citizens yesterday with the release of the first discussion document on a national strategy for disability.

In a statement released at the Friday Mavuso Self Help Association of Paraplegics in Soweto, Minister without Portfolio Jay Naidoo said a national strategy to promote equal opportunities for disabled people would be included in the next RDP white paper, due out early next year.

The core of the strategy document was that disability was now seen as a development, and not a health and welfare, issue, and disabled people were seen as taxpayers, not tax burdens.

Shuaib Chalklen, National RDP Office disability desk director, said the discussion document identified education, employment and accessibility of the environment as priority areas for disabled people.

Researchers estimated that more than half of disabled children did not attend school, particularly in rural areas, and the illiteracy rate among disabled adults was particularly high, he said.

Unemployment was critical, with only 1% of disabled people employed in the formal sector.

Most disabled people were dependent on social welfare grants, which cost the Government R2,7-billion in 1994/5, and were allocated along a punitive and highly unsatisfactory system, Chalklen said.

Inaccessible toilets, buildings, public transport and services also blocked disabled people's drive for freedom.

Chalklen added that disabled people made up between 5 and 12% of the population, and it would not be unreasonable to expect them to benefit from between 5 and 12% of departmental budgets.

Although disability cut across various government departments, only six – health, welfare, education, labour, environment and public works – currently made provision for specific disability-related programmes.

If approved, the discussion document proposals would also set guidelines for appropriate terms to use when referring to people with disabilities.

The document proposes a lead-in period over 1995/6 and a medium-term national plan for the period 1997 to 2002.

■ The Public Service and Administration Ministry yesterday announced an active recruitment drive to better its target of employing disabled people in 2% of its posts.

Buildings, toilets and vehicles would be adapted to ensure access, it said in a statement.

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RDP gets a kickstart in Katorus projects

Sewerage restored, houses and street lights repaired and free emergency telephone system installed

Star 15/12/95 (297)

By Karin Schinke
Gauteng Reporter

The Reconstruction and Development Programme is alive and well and thriving in the Katorus area where, in 15 months, residents have seen some major improvements in their surroundings, say reports by managers of the Katorus Special Presidential Project.

The improvements include restoration of the area's sewerage system, repair of 176 of about 1 500 houses damaged in political violence, the grading and grassing of sportsfields, renovation of the Vosloorus hostel, repair of 2 155 streetlights and 459 high-mast lights; and the installation of a free emergency telephone system that allows people instant access to emergency services.

Project manager Themba Maluleke yesterday told a media gathering he was satisfied with the progress of the Katorus project, which will last for the next five years.

The project was critcised earlier this year for having spent only a fraction of the RDP money allocated to it. By the middle of last month, only R46-million of the R645-million had been used in the townships making up the area – Vosloorus, Katlehong and Tokoza.

Finance and Economic Affairs MEC Jabu Moleketi said bitter accusations had been levelled at the project, "but we have been concerned to involve the community as fully as possible".

"One of the cornerstones of our work has been the belief that development must be underpinned by stability. Unless conflict is contained, spending on the renovation of buildings and the repair of infrastructure could be a giant exercise in waste."

One of the greatest achievements of the project had been empowerment.

"We have placed heavy emphasis on employing local workers and offering them training where possible.

"We estimate that about 3 000 residents have been employed on the project at one time or another, and contracts are increasingly being awarded to Katorus contractors," Moleketi said.

The project operated on several levels, with different people managing various aspects of the provision of services, housing, transport and social services, the development of recreation and business, and the stabilisation of safety and security in the troubled Katorus area.

Moleketi added that the goal of the project was to create a healthier environment for all the people of Katorus.

He believed this was achievable provided major political role-players reinforced stability in Katorus, that community organisations and the Government honestly fulfilled their responsibilities and that the private sector began to play a helpful role in reconstruction.

Foundation's 'hysteria' over NGO draft bill

M+G 15-21/12/95 (297)

Hazel Friedman

"ORWELLIAN state interference," claims Helen Suzman's new liberal foundation of draft legislation proposing tighter control of South Africa's NGO-sector — but many of the organisations who would be affected say the red alert is mostly a red herring.

Formed to promote liberal democratic values, the Helen Suzman Foundation — due to be launched officially in March — charged in its debut journal this week that the Non-Profit Organisation Bill would allow government to "intervene, dominate and destroy any NGO", raising the spectre of "the one-party state".

Said Bill Johnson, director of the foundation: "The proposed bill is more restrictive than anything the old apartheid regime ever envisaged and has no place in democratic society."

"Hysteria," retorted NGOs who proposed the bill in the first place. The bill, now in its third draft, is the culmination of three years of consultation and research undertaken by the Development Resources Centre, working through a coalition of 2 500 NGOs ranging from Kagiso Trust and SANCO to the Black Sash and St Johns Ambulance.

Two previous drafts were hotly debated and amended at workshops held countrywide this year. The bill was drawn up by lawyers Mary Honey, Wallace Mgoqi and Richard Rosenthal. Mgoqi is assistant commissioner of land in the Western Cape and Rosenthal has worked closely with the Democratic Party.

Said Matthew Walton, a partner of Rosenthal's: "Our clients are almost exclusively NGOs, so it would be irrational to imply that we were party to damaging legislation, or that NGOs would collaborate in their own destruction."

Although the consultative process began before the "Boesak affair" broke, the bill is partly designed to restore the dented credibility of the NGO-sector; to introduce legislation that both empowers and holds NGOs accountable to the public; and to ensure continued funding to NGOs and community-based organisations whose donor bases have dried up since the demise of apartheid, proponents of the bill say. It is supported by the Department of Welfare and the RDP office.

The Non-Profit Organisations Bill proposes a commission on NGOs of between 18 and 25 repesentatives from the non-profit sector, including no more than five government appointees. It would be responsible for promoting integrity, *overseeing spending and investigating* tax benefits for NGOs.

Controversial aspects include compulsory registration of all non-profit organisations within three years, except for small institutions with disposable funds of less than R25 000, private institutions and bodies such as *sports clubs and professional* organisations. Some NGOs insist registration should be used not as a compulsory measure but rather as a voluntary incentive for tax relief.

The commission can refuse to register NGOs, suspend trustees, appoint new ones, curtail NGO powers and even change their names. Although these clauses are only to be enforced in cases of NGO mismanagement or financial misappropriation, critics have labelled them draconian.

Ironically, the bill derives its inspiration not from draconian legislation of totalitarian states, but from a liberal model: it is based on the 1962 English Charities Act which governs all non-profit organisations in the United Kingdom.

Said Zane Dangor of the Development Resources Centre: "The bill is still in the draft phase and must be further debated among the nine provincess before it even reaches the parliamentary subcommittee. To talk about it in terms of a leftist conspiracy is absurd."

The Helen Suzman Foundation has been seen to be Democratic Party-linked, but director Johnson insists it has changed its political profile to non-partisan.

Better known as the author RW Johnson, he describes himself as a liberal democrat. Others brand him a member of the "new right" and an enthusiastic Inkatha Freedom Party supporter — claims which he hotly denies.

RDP fund gives R250 m for fight against crime

297

ARG 15/12/95

Projects include new police stations

CLIVE SAWYER
Political Correspondent

A R250 million boost from the national RDP fund is to be used on projects to fight crime, including new police stations, community policing and victim support.

Announcing the grant, Safety and Security Minister Sydney Mufamadi said it signified the importance the government attached to fighting crime.

The government came under fire after this year's budget reduced spending on policing.

Mr Mufamadi said the current police budget did not accommodate all transformation needs.

"It became necessary for us to submit a request for assistance to the RDP office to meet our set objective — to deliver an effective community policing service to the community."

The allocation to the police was based on a business plan submitted to the RDP office.

Mr Mufamadi said there were five inter-related programmes linked to the transformation process.

These were:

- Community policing programmes.
- Information management programmes.
- Victim support programmes.
- Human resource development for police officials.
- Infrastructure provision for the police service.

"We will require the input of provincial governments, other departments and members of the community to turn these broad programmes into concrete projects."

This process was already under way and the MECs have assisted in identifying the first batch of police stations to be built and to be upgraded.

Pilot projects in community policing and victim support would start next year, Mr Mufamadi said.

Church group staff reinstated

ARG 15/12/95 (297)

THREE staff members of the Western Cape Provincial Council of Churches, suspended on full pay because of possible financial irregularities, were reinstated last month.

The WCPCC said the officials had been suspended for a month between October and November because of the possible irregularities.

Earlier this week, the South African Council of Churches said that in September Cape Town auditors Douglas and Velcich had asked for advice concerning special payments for overtime and travel allowances made to staff members. The amount involved was about R210 000.

This had led to meetings between SACC representatives and the management committee of the WCPCC. The three staff members, named by the council, had then been suspended pending a "forensic investigation".

The WCPCC said yesterday that although investigations were continuing with its full co-operation and assistance, the payments related to money paid to staff for work done on specific projects outside normal working hours during 1993-1995.

These projects were funded by foreign donors, who had approved the payments.

The then executive of the regional council authorised the payments and the WCPCC and the SACC had agreed that all the payments had been accounted for.

Although the WCPCC became an autonomous body last month, it continued to give its full co-operation to the SACC.

At a meeting on Tuesday, Cape Town church leaders and representatives of the SACC agreed that the investigation of possible financial irregularities should be completed as soon as possible.

It was also agreed that present evidence, in spite of the lack of the final audited report, indicated there had been "immoral augmentation of salaries". — Sapa.

indigenous minority ... above-mentioned ... customer's letter expressing delight in the purchase ... could be that painless." ...

Church reinstated suspects

(297) CT 15/12/95

THREE staff members of the Western Cape Provincial Council of Churches, suspended on full pay because of possible financial irregularities, had been reinstated in November, it was reported yesterday.

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No messy sex for SA soldiers

IT'S official. Bad language, heavy drinking and sex in messes is not allowed in the SANDF and — just to be sure — these and other military misdemeanours have now been "formalised" in an SANDF Code of Personal Conduct (CoPC).

The recently released code covers a wide range of standard military values, such as patriotism, discipline and loyalty, and includes newer guidelines on race and gender discrimination.

One section stresses the "maintenance of high moral standards", and warns against adultery, indiscreet relationships with subordinates, and "sexual activities amonst single members of the mess". — Staff Reporter

Telkom workers threaten to strike

(26[illegible]) CT 15/12/95

SPECIAL CORRESPONDENT

PRETORIA: Telkom workers, unhappy about plans to privatise the telecommunications giant, are threatening to go on strike over the Christmas period.

About 500 Post and Telecommunication Workers Association (Potwa) members stormed into the Telkom headquarters building here yesterday. About 150 workers staged a sit-in at managing director Mr Brian Clark's office, demanding his immediate resignation.

Police were called in to defuse the situation.

Mr Makgoba Mothaki, Potwa's regional secretary in the Northern Transvaal, said hundreds of workers, mainly from Pretoria branches, had stopped work in protest at plans to restructure Telkom.

The work stoppages could lead to a national strike if a moratorium was not placed on Telkom's restructuring until government and labour committees finished negotiations, he said.

Deputy President Thabo Mbeki announced this week that the government was planning to privatise a number of state-owned companies, including Telkom.

Retrenchments

"Privatisation of any company comes with retrenchments. We want to avoid retrenchments," Mr Mothaki said.

A spokesman for Telkom said there was some restructuring taking place but denied that workers were not informed about the process.

He said Telkom was faced with stiff competition from international companies wanting a slice of business in South Africa.

511 9483

Rural government form finalised

ARG 16/12/95

Municipal Reporter

THE Western Cape's new form of rural local government has been approved by the provincial committee and Local Government Minister Peter Marais.

The new model, which includes district councils with members drawn from local councils in the towns as well as rural councils outside of the towns, will be applied to the seven regional services council areas in the Western Cape.

A district council will retain the power to levy charges, and will fix fees, tariffs or charges for services it renders.

The demarcation board has also been charged with making recommendations on what the areas of jurisdiction of the rural councils outside of the towns should be.

Hearings are to take place in Moorreesburg (January 8), George (January 8), Worcester (January 10), Stellenbosch (January 12), Beaufort West (January 15), Oudtshoorn (January 16) and Bredasdorp (January 18).

The district councils will consist of 40 percent proportional representation seats and 60 percent nominees.

Half the representatives will be nominated by farm workers and the other half by farmers.

SA a member of African Development Bank

(96) (297) ARG 16/12/95

JOHANNESBURG. — South Africa has become an official member of the African Development Bank after paying R8,7 million into the bank's account in New York.

South Africa's instrument of accession was deposited yesterday at the United Nations headquarters, the the Ministry of Finance said.

The AfDB voted to admit South Africa as its 77th member this week.

South Africa — barred from membership under white minority rule — was the only African state not belonging to the bank.

But the bank had been keen to attract South Africa — creditworthy and with a strong economy.

Although South Africa is taking only an initial one percent of voting shares, the move is seen as a gesture of confidence in the bank, which is undertaking major reforms of its structure and loans portfolio.

Admission means South African private companies will now be able to bid for projects financed by the AfDB and will be eligible for loans on preferential terms. — Reuter.



! Ho!

Black aid agency rebuked

(297)

PETER FABRICIUS
Foreign Service

RRG 16/12/95

WASHINGTON. — United States senators from both parties have rebuked the US Agency for International Development (AID) for waste and lack of close monitoring in some of its aid projects in South Africa.

Senior AID officials were grilled by the Senate Foreign Relations Committee following a spate of criticisms that the agency was giving undue preference to black Americans and South African blacks in the allocation of its resources.

A recent internal report by the AID inspector-general (IG) uncovered some irregularities and the agency itself acknowledged it had sometimes been "overly aggressive" in giving AID contracts to black Americans.

But it has denied pursuing a policy of preferring blacks to the exclusion of other minorities or whites in the United States.

Republican Kansas Senator Nancy Kassebaum, chairwoman of the Africa subcommittee, said she was "disappointed" with some of the South African projects.

These had cast a shadow over other initiatives "which AID had done so well in South Africa".

She focused her criticism on one programme which was also scrutinised in the IG's report — the granting of a $400 000 (R1 440 000) contract to the Martin Luther King Centre in Atlanta to provide voter education and non-violence training early in 1994.

The IG report detailed how the King Centre's application for a grant had been rejected several times and approved only after AID had given it a $40 000 (R144 000) "planning grant" to hire an outside consultant to draw up an acceptable application.

Senator Kassebaum said it would have been better if the money had been spent on something "hands-on", like sending teachers to South Africa, instead of more paperwork and planning.

Cap Dean, head of the AID South African mission, assured her that no more planning grants would be made while he was mission director.

Democratic Senator Dianne Feinstein criticised the granting of $300 000 (R1 080 000) to the Soft Sheen Foundation to train several thousand black South Africans in haircare and business management.

It was a "terrible waste of time and money" that this programme had put only five people in jobs so far, she said.

Mr Dean acknowledged that it had not been a successful programme and had not achieved the expected results. It had been approved to establish women in home-based businesses.

AID had learned the lesson that it should monitor projects more closely, said Mr Dean.

John Hicks, head of AID's Africa bureau, strongly defended the agency's overall performance in South Africa.

He said the IG's report had found no evidence of the law being broken by AID in South Africa and no finding of "illegal, exclusive or disproportionate preference" for black Americans.

The South African mission had, however, recognised that black Americans had something special to offer black South Africans because of their similar experience of discrimination.

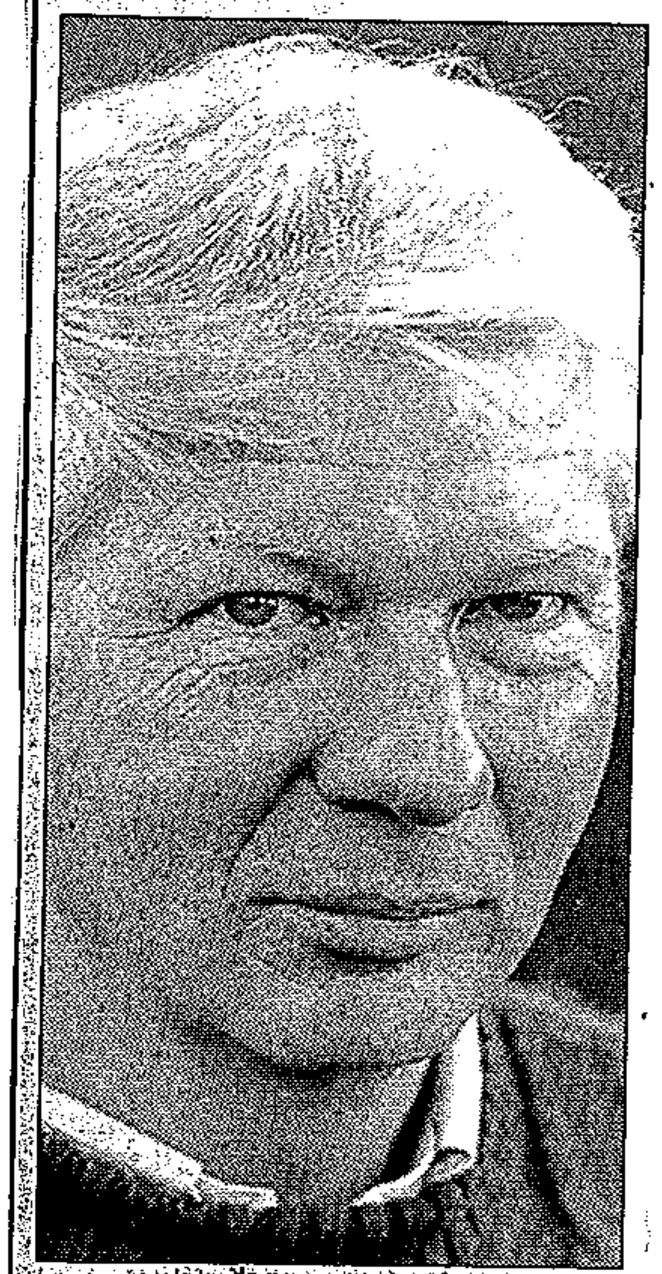
Mr Hicks said AID's spending figures proved it had not given black American contractors too much.

Most of the money went to South African organisations — $283 million (R1 018,8 million).

Mr Hicks disclosed that despite cuts this year in the overall AID budget and the Africa budget, the South African programme for 1996 would not be cut.

He said the US would stick to President Bill Clinton's commitment last year to a $600 million (R2 160 million) aid package for South Africa over the three fiscal years 1994 to 1996.

Non-profit groups up in arms



ATTACKED BILL: Professor RW Johnson

By CYRIL MADLALA

A BITTER row has broken out over attempts by non-governmental organisations to change legislation which governs the way in which they can raise funds.

The draft Non-Profit Organisations Bill has been sharply criticised by some of the country's top defenders of liberal values because it proposes stringent government control over these organisations.

At the forefront of the attack is the Helen Suzman Foundation, whose director, Professor R W Johnson, described some of the provisions in the proposed legislation as "inherently illiberal and even anti-democratic".

On his side are SA Institute of Race Relations chief executive Dr John Kane-Berman and the institute's spokesman, Paul Pereira, who said the proposals would have "dire implications" for non-profit organisations.

They are pitted against Zane Dangor, younger brother of the minister of public safety and security in Gauteng, Jessie Duarte.

Mr Dangor's Development Resources Centre is behind the move to change the present Fundraising Act, which governs the collection of money from the public and foreign donors.

This week he hit back at Professor Johnson and Mr Pereira, saying they were deliberately misrepresenting the proposals as a final product when, in fact, they could still be amended.

The controversial proposals were produced by the Independent Study into an Enabling Environment for non-governmental organisations, established by the Development Resources Centre.

The proposed legislation was drawn up by lawyers Mary Honey, Wallace Mgoqi and Richard Rosenthal after three years of talks and workshops.

The main criticism against the Bill is that it proposes the creation of a commission with wide powers on non-governmental organisations, such as the right to:

- Force them to register in order to raise funds;
- Suspend trustees or officials and appoint its own;
- Refuse or withdraw registration; and
- Prevent them from raising funds or making payments.

The commission can also change the name of an organisation.

While the opponents of the Bill charged that it proposed to tighten government control of non-governmental organisations, its drafters were at pains to emphasise that the proposals could still be changed after further public comment.

The drafting of the Bill had been motivated by a perceived need to redefine the relationship between the government and the organisations, particularly because relevant legislation, such as the Fundraising Act, was regarded as being out of step with a democratic South Africa.

It had also resulted in non-compliance by the organisations.

"We want to make sure appropriate legislation is introduced to improve accountability and create high standards of integrity," said Mr Dangor.

He rejected allegations that organisations consulted were mostly "struggle" groups which had been aligned to the Mass Democratic Movement. He said leaders who had guided the process came from a broad spectrum of political thought, and that the 4 000 organisations consulted included welfare and church groupings.

He accused the Helen Suzman Foundation, due to be launched officially in March, of being desperate to find something to latch onto to publicise its establishment.

The foundation and the SA Institute of Race Relations were aware that these were merely proposals, but they pretended they were the final product, he said.

Ironically, the Development Resources Centre has received funding from organisations known to have promoted liberal values, such as the Anglo American Chairman's Fund, the Johannesburg Consolidated Investment company, the Liberty Life Foundation, and the Ford Foundation.

Anglo American's senior communications officer, Jabu Mapahala, said the funding given to the centre had not been related to the proposed legislation.

"The Chairman's Fund supports a lot of projects, organisations and institutions and it has no control whatsoever of their day-to-day activities," he said.

The Southern Life Foundation said it had given a "modest" sum of money to the Development Resources Centre a few years ago and was no longer funding it.

The Department of Welfare is engaged in discussions with the centre to refine the Bill before taking it to Parliament.

ST 17/2/95

Dr Eddie Harvey, acting chief director of the department, said two meetings had already been held between officials of the department and the Development Resources Centre, which is spearheading the move to replace the Fundraising Act with the proposed legislation.

"It is important to the Department of Welfare that wide participation and consensus among all stakeholders and state departments are ensured in the further development of the Bill," Dr Harvey said.

Mr Dangor said that, after three years of consultations, two draft proposals had been produced, and the latest was being circulated to organisations for comment.

"There is no way the Bill will go through as it is. Organisations must contribute to make it better," he said.

It was not expected that the Bill would be ready to take to Parliament before June, Mr Dangor said.

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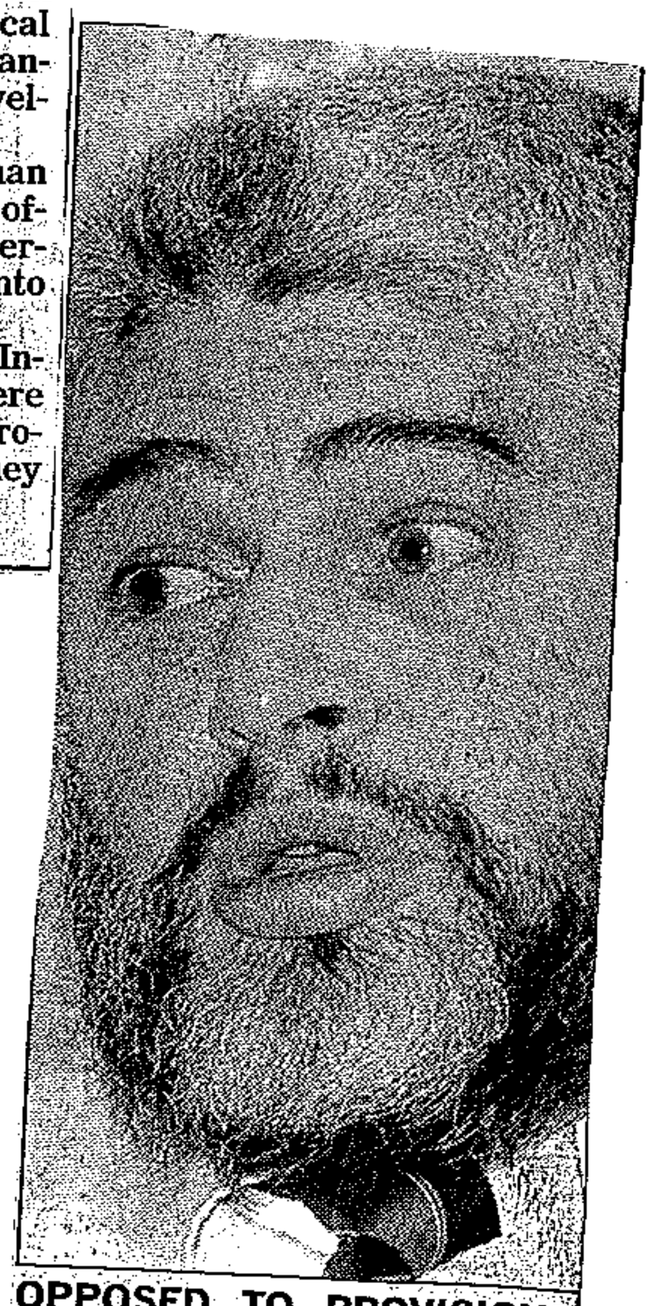


OPPOSED TO PROVISIONS Dr John Kane-Berman

R1m wasted on training 5 beauticians

ST 17/12/95 (297)

By SIMON BARBER
Washington

The US Agency for International Development paid two African-American firms nearly R1-million to produce a highly laudatory "independent" assessment of its South Africa programme, a US Senate committee heard last week.

Both firms, Aurora and Creative Associates, have received USAid contracts for South African projects in the past and expect to receive more. They completed the report in April.

Questioned by a senator, Nancy Kassebaum, the chairman of the Senate Africa subcommittee, Leslie "Cap" Dean, the director of USAid Pretoria's mission, denied any impropriety.

He explained to an incredulous Ms Kassebaum that the South African grants previously channelled through the firms had been "de minimis" — too small to raise conflict-of-interest questions.

Mr Dean, his former deputy, Bill Ford, and John Hicks, USAid's assistant administrator for Africa, were summoned before the committee to respond to a damning report on the programme by the agency's inspector general.

The report presents evidence that the agency has squandered millions of rands, steering project money to ill-qualified African-American groups on the grounds that they were "role models" for South Africans.

Mr Hicks admitted that $300 000 (R1 095-million) given to the Chicago-based hair products company, Soft Sheen, had produced "disappointing" results. In theory, the money should have led to hundreds of black South Africans receiving beautician training. USAid now admits that only five were trained.

California senator Diane Feinstein, a Democrat, called this "terrible".

Mr Dean sought to shift the blame to subordinates whom, he said, should have been paying closer attention. However, documents show that Mr Dean and Mr Ford overrode staff who objected to the project.

Mr Dean and Mr Hicks also defended the agency's decision to give the Martin Luther King Centre a $40 000 (R146 000) grant to hire the wife of a USAid employee to write an "unsolicited" grant proposal for the centre.

The purpose, according to the inspector general, was to enable USAid to give the centre $515 000 (R188 000) to train voter-education trainers in the run-up to last year's elections after it had been unable to produce a fundable proposal of its own.

Senator Kassebaum, who was instrumental in launching the South African aid programme in the 80s, asked why the money could not have been given to South African organisations — especially since the centre had proved incapable of designing a worthwhile programme of its own. "We felt it had something special to offer," Mr Hicks replied.

Mr Hicks said USAid's South African programme was likely to be a passing phenomenon. Aid to South Africa would probably be slashed after next year and reduced to zero by 2002, he predicted.

CAPE BUSINESS Edited by JEREMY WOODS

KWV cheer for wine farm workers

ST(M) 17/12/95



By JEREMY WOODS

A NEW RDP programme to be launched by the KWV next year will focus on the priorities of wine farm workers — namely, housing, education, and health services as well as financial backing to establish new wine farms.

A key part of the programme is a plan to give wine farm workers financial backing to own new wine farms in conjunction with co-operatives or in partnership with other workers.

Industry sources believe that some R70-million could be available for this if fund-raising on the capital markets is successful.

The KWV is the largest and most powerful wine co-operative in the Western Cape, supported by its hundreds of wine farm members.

Much of the new programme is being implemented in conjunction with the Rural Foundation, which has organised most of the research into the wine farm workers' priorities.

Mr Theo Pegel, group director of human resources at KWV, said teams set up by the Rural Foundation had completed interviews at 900 workers' houses on 300 Western Cape wine farms.

Mr Pegel said one interesting aspect of the research was that local wine farm workers were "considerably better off" than their counterparts living in towns and other rural areas.

Another was that workers place great store on owning their own house.

"This could present legal problems if those houses are part of other wine farms, but this is being looked at to find a remedy."

Details of KWV's RDP scheme will be announced early next year.

Danes give out R13 million

GAUTENG'S and Mpumalanga's departments of environment affairs have received a R13 million boost for capacity building from the Danish government.

These are two of four environmental projects of the Department of Environmental Affairs and Tourism which will be sponsored by the Danish Cooperation for Environment and Development.

The other projects are support for developing a new national environmental policy for South Africa and the development of an official policy for the implementation of the Convention on Biological Diversity.

South Africa ratified this convention on November 2, and is now required to develop a strategy to implement it.

Dreams of a garden park come true in Diepkloof

Now Jacob Mkhumeleni aims to get the area zoned officially so that work can begin on a fully fledged community centre



Making a difference ... Diepkloof father Jacob Mkhumeleni has turned a dump

Star 18/12/95

(297)

By Anita Allen
Science Writer

Dreaming dreams in Diepkloof is all about a place where children can play, with green grass, flowers, trees and park benches to sit on. The real optimists also dream about a fully fledged community recreation centre complete with a hall, tennis courts and a soccer field.

As dreams go, it's pretty much the same kind of dream that loving parents everywhere have from time to time. But what makes it truly remarkable is that it is well on the way to becoming real in Diepkloof, because of the power of one.

Jacob Mkhumeleni grew up in the open spaces of what is now the Northern Province. As a father of one son and three daughters – including twins, he realised two years ago that Diepkloof in the heart of Soweto, was going downhill. The one open space across the road from his house, where he and other Shangaans used to meet, had deteriorated into a dump-heap.

"It was a big bad place and no one was looking after it," he says. "People would say: look at these Shanganies, happy standing next to dirt and eating."

This shamed him and with the help of his brother and friends, he started cleaning up by digging a big hole and burying the dirt. Then little children started helping.

"When the parents came home, they found out what the children had been doing and then the parents followed the children," Mkhumeleni says.

They began by planting grass on the 4,5ha plot which lies between two schools – Vulamazibuko Primary and Khomanani Lower Primary. Then teachers from both schools sent their pupils to keep the place clean, and when the first flowers began to bloom, people in the community started taking pride in the place.

At this stage Mkhumeleni realised he would need help. A colleague at Shell House, where he works, introduced him to Zelda Mantle, who is actively involved on numerous fronts in Soweto and founded the waste management company, Green Team, in the township.

"He took me to see the park, which was more of a garden. So I called it a parden," Mantle says. "Jacob wanted colour and flowers and beautiful things and I realised he wouldn't make it on his own."

She got hold of Lifestyle's Mike Gibbons, and after a meeting he put his company's resources at their disposal. "It was just like that – he opened up his heart," says Mantle.

Lifestyle donated trees, plants and flowers and Jacob and others from the Diepkloof community started attending its monthly Soweto Gardening School run by Godfrey Masegela. About 300 people turned up for the official opening of the park, which commemorated the first birthday of South Africa's democracy on April 27. The name chosen was Mulalo Park – meaning peace.

Today, eight other parks have been started in Diepkloof.

The problem now, besides water which has to come from the schools, is that any more development on Mulalo will depend on it being zoned officially as a recreation area. Ster Kinekor has pledged R30 000 which will be handed over as soon as this happens, and then fundraising can begin in earnest.

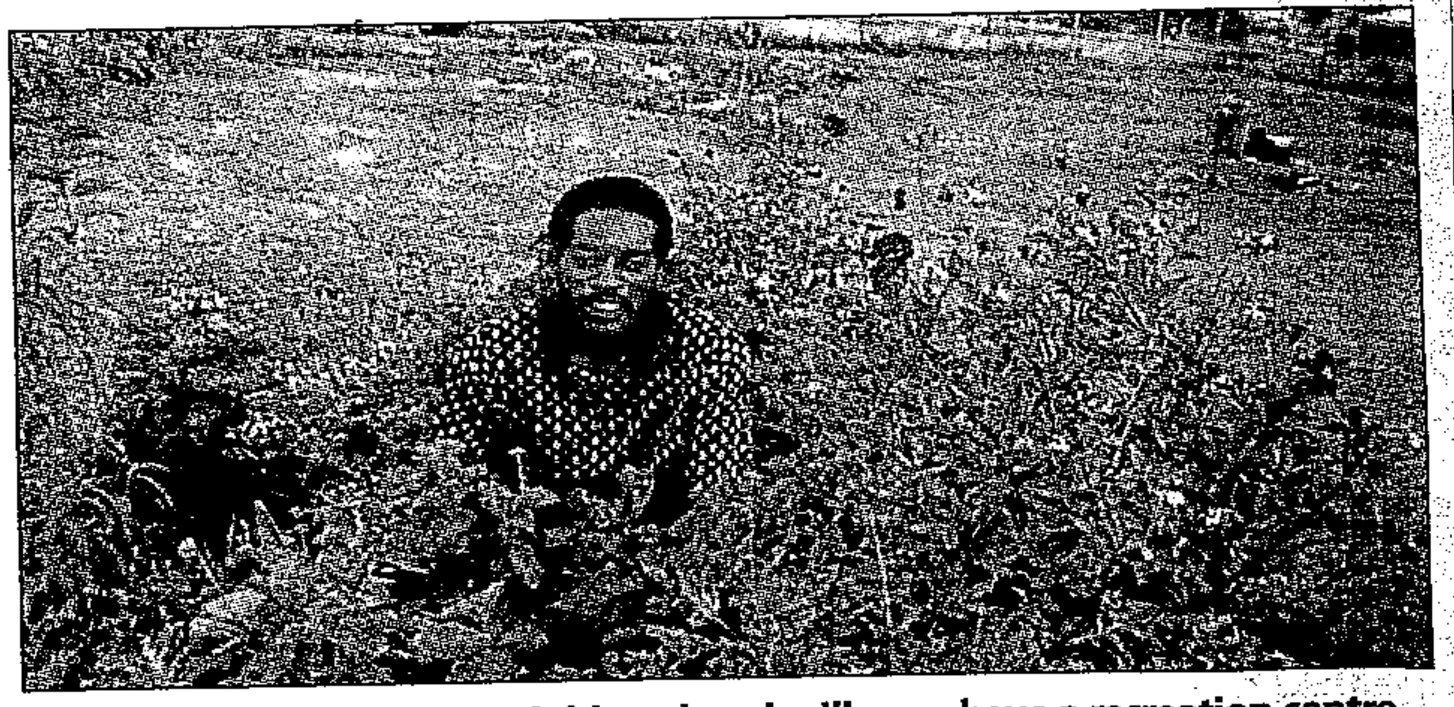
Mkhumeleni's dream is a fully fledged community recreation centre and he has had plans drawn up which include two soccer fields, three tennis courts, a netball/volleyball court, a playground for children and a multipurpose hall adjoining an open park area.

Lots of letters have been written to the Transitional Metropolitan Council. At first it was "wait for the elections – you know how it is, everything was so fluid you couldn't put your finger on the responsible people", says Mkhumeleni.

Newly elected mayor of the Northern Metropolitan Substructure, Danny Kekana says the request is being processed. The area has been zoned for recreation, but for the council to develop, not for private development.

"We think it is a positive and constructive development and I personally support it. We will do all we can to see that it succeeds," he says. "But we are new and now we go on recess."

Mkhumeleni says: "We will get over the bureaucratic process because we are serious."



into a park and hopes the neighbourhood will soon have a recreation centre.

CT 19/12/95

WP to get facility for juveniles

~~259~~ 298

A SECURE care facility will be provided for dangerous juvenile criminal suspects in the Western Cape, contrary to earlier reports that the province has not made provision for such a facility.

It will be in an urban area. One in a rural area will be provided later.

This was confirmed by the chief director of social services in the province, Ms Virginia Petersen.

She said money had been requested from the national Department of Welfare to enable them to section off 25 beds at Bonnytoun House in Wynberg, an existing place of safety, and turn its into a secure care facility.

The money would also be used to train existing staff and to employ extra highly skilled staff.

"The department refutes the claim that it is not intent on establishing a secure care facility," she said. — Staff Reporter.

USAid has way of teaching others to help themselves

297

SIMON BARBER in Washington

BD 19/12/95

THE US, as the cliché has it, is a nation of laws. That is part of its strength. It is also part of its weakness. The weakness results from a failure to distinguish between what is legal and what is right.

This was demonstrated at last Thursday's Senate hearing on the US Agency for International Development's SA aid programme. The hearing was called by Senator Nancy Kassebaum, the Republican pillar of decency who has been either chairman or senior minority member of the Africa subcommittee since the early 1980s, and who was an original proponent of aid to SA. Senator Jesse Helms, chairman of the full foreign relations committee, appeared briefly. His loathing for USAid is no secret and he correctly sensed his presence would devalue the proceeding as just another example of Helmsian aid-bashing.

Further, since the subject was USAid's efforts to steer SA-related grants to African-American groups regardless of their aptitude, Helms' active participation could have only lent credence to charges that critics of the SA programme are motivated by racial bias.

That is what USAid would have the world believe, but it is not a slander that sticks easily to Kassebaum, much less to the two Democrats, Diane Feinstein and Russ Feingold, who joined her to cross-examine Leslie "Cap" Dean, director of USAid's SA mission; his former deputy, Bill Ford; and the agency's assistant administrator for Africa, John Hicks.

The committee had in its possession a mountain of evidence, including a hefty report by USAid's own inspector-general, showing that between 1992 and 1994 USAid had tied itself in grotesque knots trying to push money for SA projects to African-American groups — not on the basis of their ability to perform, but principally on account of their race or, in USAid parlance, their capacity to act as "role models" for black South Africans.

Examples included $300 000 given to a foundation set up by Soft Sheen, a Chicago-based maker of hair care products. The grant was supposed to lead to the training of hundreds of black beauticians in SA. Only five ever completed the course. There might have been more had there actually been a course. Another $100 000 went to the Congressional Black Caucus Foundation, the favourite charity of the Congressional Black Caucus. This paid for members and supporters to travel to a conference in Cape Town and for several SA politicians to attend a caucus conference in Washington. Then there was the $40 000 given the Martin Luther King Centre in Atlanta so that it could hire the wife of a USAid official to write it an "unsolicited" proposal to obtain $515 000 to train voter trainers in the three months leading up to last year's SA elections.

Perhaps the most extraordinary case was that of the $260 000 contract given to a pair of African-American consulting firms, Aurora and Creative Associates, to perform an "independent" evaluation of USAid's SA programme. Both firms have a long association with the programme, dating back to the early 1980s in Aurora's case. Surprise: their evaluation, which Hicks quoted at length in his prepared statement to the committee, was glowingly positive.

Dean assured Kassebaum, who was clearly appalled at the money wasted by this bit of arrant insider dealing, that the whole arrangement had been perfectly legal: the firms had not received enough money from the agency in their previous business with it for the contract to raise conflict of interest questions. Huh? In much the same way, an aide from USAid administrator Brian Atwood's office scurried about before the hearing with copies of a legal opinion granting a clean bill of health to the King Centre's $40 000 "planning grant".

Legality was not really the point in any of this. In fact, it would have been remarkable if USAid had broken the law. As memorandums obtained by the inspector-general show, the agency knew full well its policy was on thin ice legally. The Gray Amendment and section 8 (a) of the Small Business Act require that at least 10% of contracts go to "disadvantaged" minorities, but do not permit the favouring of one such minority over others. Finding ways around this awkward fact kept legal staff very busy.

The proper line of inquiry was whether USAid, in bending over backwards to give money to Soft Sheen, the King Centre, Aurora and the rest, was doing anything to assist South Africans; that being the purpose for which the elected representatives of the American taxpayer made the funds available in

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the first place.

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One of the committee members asked whether affirmative action set-aside laws like the Gray Amendment had been useful. Oh yes, came the reply. USAid had been able to engage a lot of minority organisations as a result. As a result? That is interesting. There was no legal obstacle to engaging such entities before the law was passed. The trouble is they were not being engaged. USAid generally dealt with a limited collection of white contractors, many of whom were ex-USAid officials. The law was required to force the agency to broaden it horizons.

It has complied, but in a most constipated way by merely expanding its list of insiders to include a few politically influential entities like the King Centre, Africare, the CBCF, Soft Sheen and the historically black colleges and universities all of whom have been given money without having to compete for it, and regardless of their capacity to make any serious contribution, let alone one that is desired by the putative beneficiaries. SA's "historically disadvantaged universities" need genuine help; they do not need to be an excuse for USAid to funnel money to anachronistically separatist institutions in the US whose best faculty and students have been sucked away by nonracial schools.

The theory advanced by USAid that African-Americans, because of their historical experience, have something special to offer in SA cannot be entirely discounted — but only as long as the theory is not treated as a universal rule, for then it is nothing more than racism. There are, if USAid chose to find them, untold numbers of individuals and institutions who, if they had time to spare from their own communities, might have much to offer SA, and who might even be worthy to receive "planning grants" to help them write proposals. Unfortunately they are not run by Coretta Scott King, and lack her mesmeric power over the public purse.

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Britain, New Zea- Parliament.—Reuter.

SA govt objects to US delay on trade hurdles

John Dludlu BD 19/12/95

THE SA government has complained to the US government about continued delays in renewing trade concessions for local exporters to the US market.

Trade and industry official Basil van der Merwe said yesterday the concern had already been raised with the US government. The matter was also discussed at the recent meeting of the US/SA Business Development Council, co-chaired by Trade and Industry Minister Trevor Manuel and US counterpart Commerce Secretary Ron Brown.

The council, which is part of a binational commission co-chaired by Deputy President Thabo Mbeki and US Vice-President Al Gore, is aimed at removing hurdles to trade and investment.

Van der Merwe said the delay in reinstating the general system of preferences, which grants better market access for specified SA products into the US, was having a negative effect on trade, especially for small and medium-sized firms.

He said the US party at the committee had promised to reinstate the concessions, although no time frames were given.The concessions were extended to SA last year and lapsed early this year. SA had, he said, undertaken to address US concerns about the increase in duties on washing machines.

What the effect of the lapse of trade preferences between the two nations will be, is unclear. The US embassy was unavailable for comment yesterday.

Poor statistics a 'problem'

BD 19/12/95 (297)

CAPE TOWN — A lack of reliable SA social statistics could be a large stumbling block for the Financial and Fiscal Commission as it tries to allocate funds to the provinces, a local economist said.

"The issue of reliable information is going to be a major headache," said the University of the Witwatersrand's economics department head Charles Simkins.

Writing in the latest issue of Budget Watch, he said "social statistics" had been neglected for the past 50 years, resulting in inadequate information about the needs of the black population in terms of labour, education and housing.

Therefore the commission would have to rely on "the best estimates possible" to ensure an equitable distribution of state revenue to the nine provinces.

The estimates would have to be officially recognised to prevent disputes and delays, Simkins said.—Reuter.

USAid has way of teaching others to help themselves

(297)

SIMON BARBER in Washington BD 19/12/95

THE US, as the cliché has it, is a nation of laws. That is part of its strength. It is also part of its weakness. The weakness results from a failure to distinguish between what is legal and what is right.

This was demonstrated at last Thursday's Senate hearing on the US Agency for International Development's SA aid programme. The hearing was called by Senator Nancy Kassebaum, the Republican pillar of decency who has been either chairman or senior minority member of the Africa subcommittee since the early 1980s, and who was an original proponent of aid to SA. Senator Jesse Helms, chairman of the full foreign relations committee, appeared briefly. His loathing for USAid is no secret and he correctly sensed his presence would devalue the proceeding as just another example of Helmsian aid-bashing.

Further, since the subject was USAid's efforts to steer SA-related grants to African-American groups regardless of their aptitude, Helms' active participation could have only lent credence to charges that critics of the SA programme are motivated by racial bias.

That is what USAid would have the world believe, but it is not a slander that sticks easily to Kassebaum, much less to the two Democrats, Diane Feinstein and Russ Feingold, who joined her to cross-examine Leslie "Cap" Dean, director of USAid's SA mission; his former deputy, Bill Ford; and the agency's assistant administrator for Africa, John Hicks.

The committee had in its possession a mountain of evidence, including a hefty report by USAid's own inspector-general, showing that between 1992 and 1994 USAid had tied itself in grotesque knots trying to push money for SA projects to African-American groups — not on the basis of their ability to perform, but principally on account of their race or, in USAid parlance, their capacity to act as "role models" for black South Africans.

Examples included $300 000 given to a foundation set up by Soft Sheen, a Chicago-based maker of hair care products. The grant was supposed to lead to the training of hundreds of black beauticians in SA. Only five ever completed the course. There might have been more had there actually been a course. Another $100 000 went to the Congressional Black Caucus Foundation, the favourite charity of the Congressional Black Caucus. This paid for members and supporters to travel to a conference in Cape Town and for several SA politicians to attend a caucus conference in Washington. Then there was the $40 000 given the Martin Luther King Centre in Atlanta so that it could hire the wife of a USAid official to write it an "unsolicited" proposal to obtain $515 000 to train voter trainers in the three months leading up to last year's SA elections.

Perhaps the most extraordinary case was that of the $260 000 contract given to a pair of African-American consulting firms, Aurora and Creative Associates, to perform an "independent" evaluation of USAid's SA programme. Both firms have a long association with the programme, dating back to the early 1980s in Aurora's case. Surprise: their evaluation, which Hicks quoted at length in his prepared statement to the committee, was glowingly positive.

Dean assured Kassebaum, who was clearly appalled at the money wasted by this bit of arrant insider dealing, that the whole arrangement had been perfectly legal: the firms had not received enough money from the agency in their previous business with it for the contract to raise conflict of interest questions. Huh? In much the same way, an aide from USAid administrator Brian Atwood's office scurried about before the hearing with copies of a legal opinion granting a clean bill of health to the King Centre's $40 000 "planning grant".

Legality was not really the point in any of this. In fact, it would have been remarkable if USAid had broken the law. As memorandums obtained by the inspector-general show, the agency knew full well its policy was on thin ice legally. The Gray Amendment and section 8 (a) of the Small Business Act require that at least 10% of contracts go to "disadvantaged" minorities, but do not permit the favouring of one such minority over others. Finding ways around this awkward fact kept legal staff very busy.

The proper line of inquiry was whether USAid, in bending over backwards to give money to Soft Sheen, the King Centre, Aurora and the rest, was doing anything to assist South Africans; that being the purpose for which the elected representatives of the American taxpayer made the funds available in

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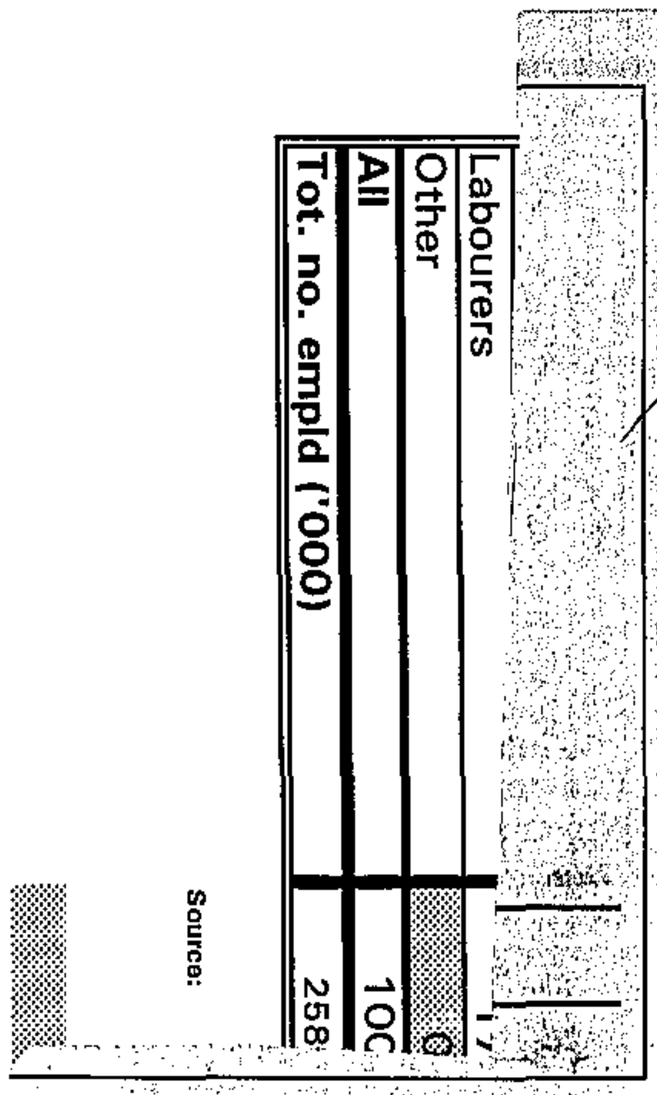

Notes: (1) Grosswage includes a number of possible subsidised benefits and/or profit sharing schemes.

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GWGSECRG.XL2

RDP needs management skills at its grassroots

(297) Star 20/12/95

The RDP is to get a much-needed "shot in the arm" at grassroots level.

ACE – the Agency for Community Empowerment – is approaching major South African companies and international funders to finance the establishment of "RDP support teams" of trained facilitators to work with community organisations on development projects.

Initially ACE hopes to establish three teams, in Gauteng, the Northern Province and the Western Cape. Once these teams have proved their worth, it plans to establish teams in all the provinces.

"The concept behind the RDP support teams is simple," says Dave Jackson, ACE's national director. "Because so many of the country's able leaders have been siphoned off into the Government, there is a huge management skills vacuum at grassroots level which is hampering the implementation of the RDP. It is this need that ACE is trying to meet," he said.

Jackson argues that communities desperately need professional assistance in helping them to establish representative structures, priorities and to plan and implement development projects.

"Provincial line departments can provide funds for detailed project design, but this assumes that communities have already set up proper structures and that they know what projects will have the greatest impact on issues such as crime and unemployment. In many cases, they haven't."

ACE believes that the long delay in RDP "delivery" has resulted in provincial government departments being placed under pressure to sanction projects, "whether or not they are really those that will lead to optimum job-creation and economic self-sufficiency" says Jackson.

"The RDP is being forced to deliver, but the danger is that political and publicity prerogatives are outweighing those of sound development policy.

"Preference is being given to projects with a short and visible delivery, rather than to those that will yield the greatest benefit to the community in the long run."

ACE's RDP support teams will strive to achieve a partnership among community leaders, local authorities and private sector interests.

Organisations wanting to know more about ACE's RDP support teams, or to contribute, can phone (011) 883-0998 or fax (011) 883-0999. – Staff Reporter.

THEMBA HADEBE



Uphill struggle ... Bobby Brown (in wheelchair) finds out just how difficult it is for the physically disabled to negotiate the streets of Johannesburg.

Johannesburg CBD by no means wheelchair-friendly

(1296) (297)

The city's public roads are geared for non-handicapped pedestrians and motorists, but individuals do lend a hand

Star 20/12/95

By Bobby Brown

Stairs and pavements without ramps, combined with discourteous motorists and nonchalant pedestrians, make Johannesburg's CBD a hostile place for the physically disabled – as I discovered when taking a ride through town on a wheelchair recently.

The city's pavements, roads and many of its public buildings seem geared mostly toward the convenience of ordinary pedestrians and motorists ... with the public library at the Library Gardens being almost the only exception.

Confined to a wheelchair and determined not to leave it, I approached the library and found two signboards informing me of a wheelchair entrance in Market Street.

I rang the bell, which is situated on a slope making it arduous to negotiate ringing the bell while holding the wheelchair on the ramp. When the door was opened, I was shown to an hydraulic wheelchair lift at the entrance. But I needed the toilet, so I had to negotiate the maze of tables and chairs with students in them.

The lift is tiny and it is difficult to wheel a wheelchair in, but that accomplished, I was pleasantly surprised at the large space afforded to disabled users in the toilet area.

But this was an exception. The post office in Sauer Street was in exactly the opposite state. On arrival, an employee appeared baffled as to why I needed to enter. He showed me to another entrance in Main Street where there was indeed a ramp, albeit a steep one with three steps at the bottom that had to be overcome first.

Another gent kindly advised me to return to the main entrance where I would be helped up the stairs.

My original "helper", seeing my distress, then offered to help me up the ramp in Main Street and asked me to go back there.

He discovered that two chains barring entrance on the ramp had been welded shut and that I would not be able to enter. He nodded in grateful agreement when I offered to wheel the almost three kilometres to the Jeppe Street post office instead.

Using an ATM proved daunting

The uneven paving in some places and the lack of any paving in others, forced me to use the road, where rude and unobserving motorists and taxi drivers were the order of the day. Taxis came speeding up to me and slammed on their brakes, visibly irritated at the sight of me.

Security staff at the Premier's office at 30 Simmonds Street were helpful enough to lift me on to the step, but the building itself had no special accommodation for wheelchairs.

Most of Simmonds Street, although laid with cobble stones, has on and off-ramps at traffic lights for wheelchairs and push carts.

Using an ATM at Bank City proved daunting, even with a security officer nearby.

It was an effort to see the digits on the key panel and to reach the slot to insert a bank card. A thief would have found it easy to jog past and grab cash as it exited the machine.

A detour around the cobble-stoned Bank City to get to First National Bank proved fruitful and access was easy. The tellers' counters are easy to reach, but no arrangement is in place for a wheelchair to reach the ledger and management departments on the first floor.

"Everything that a person needs is on this floor, but if a person in a wheelchair needs to get to the first floor, we will gladly come down and serve them down here," the bank's manager said.

Shopping at one of the major chain stores, Truworths in Harrison Street, was slightly easier than eating at the Wimpy across the road. It was at least possible to enter the clothing store and browse around in both the men's and women's sections.

The manager at the Wimpy said he had at least one regular customer who was wheelchair-bound and did not find it too difficult to get up and down the step at the entrance. Without lending a hand, he advised me how to get down the step again.

But the most harrowing experience was finding a place to relieve oneself in the city. The public toilets at the Gauteng Legislature in Market Street have steep stairs with no alternative access and nobody to assist or show another toilet. Getting into the legislature's public entrance was easy as the parking entrance doubles as a wheelchair entrance.

At this stage my backside, arms and hands were aching and I decided to head back to the office, a wheelchair-friendly building – with three steps to get in.

The RDP strongly on track

ARP 21/12/95

(297)

JOSEPH ARANES
Staff Reporter

THE Reconstruction and Development Programme (RDP) is firmly on track and showing clear signs of delivering on its many promises.

Against all odds and 18 months after it was hailed as the only way to create a better life for all South Africans, the multi-billion-rand programme seems to have rounded the corner and is well poised to implement its mission statement of attacking poverty and deprivation.

Although the RDP has in recent times taken a lot of flak from all quarters for its apparent slow delivery of services, huge successes have been recorded with some of its presidential lead projects.

President Mandela said recently that millions of people were already benefiting.

More than 28 000 people had been employed, four-million residents had been given access to potable water, and 614 municipal service upgrading projects were making life much easier for more than three-million people.

Children, pregnant women and lactating mothers received free health care, 3,5 million children were being fed each day, and housing projects and other infrastructural developments were popping up in all parts of the country.

Chief director of RDP-funded projects Tanya Abrahamse-Lamola, who recently visited Cape Town and undertook a tour of the R1,2 billion serviced-land project on the Cape Flats, said the RDP office was satisfied that the key building blocks of the programme were in place.

"When the new government took up office and unveiled its plan to transform the country, they were faced with huge debts and far too little money.

"For the RDP to be implemented, the government had to re-prioritise its budget and spending, and all the different government departments had to pitch in by giving up a slice of their budgets.

"We were not trying to patch up a failed system but were looking at putting a completely new structure in place and were determined that growth and development should be done in a sustainable way."

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R16-m for NGOs

THE Government of Japan has donated R16 million to the Kagiso Trust to be distributed among non-governmental organisations (NGOs) to help the poor.

The grant was made by Japanese ambassador in South Africa Mr Yoshizo Konishi and was received by Kagiso Trust chairman Dr Abe Nkomo. The donation was the ninth since the grants began in 1987. These donations now total R107 million.

"This contribution is to support a variety of projects of NGOs, mainly in the areas of community development, education and training," the embassy said.

SA signs agreement with Sweden

PRETORIA — SA and Sweden yesterday signed an agreement in Pretoria which will see a further R18m being donated to the Northern Cape administration over the next three years to develop its services.

The agreement, signed by Swedish ambassador to SA Bo Heineback and Public Service and Administration Minister Zola Skweyiya, is the second to be entered into by the two countries in support of the Northern Cape.

The first co-operation agreement signed in 1994 saw R4m being channelled to the province.

The second phase of the programme, from November 1 1995 to December 31 1998, supports the development of the education and health sectors as well as local government departments in the province.

"The aim of the programme is to contribute to the development of the Northern Cape administration into a proactive organisation that is responsive to the changing needs of the province's people and is adaptable to the continuous revision of the entire SA civil service," the signatories said.

The programme concentrates on strategic management, systems development, management capacity building and information strategies and systems. — Sapa.

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(297) BD 22/12/95

NGO battle lines drawn over State intervention

(297) ARG 23/12/95

■ More controversy is looming for South Africa's troubled NGOs as battle lines are drawn over proposed legislation.

COLIN DOUGLAS
Staff Reporter

POLITICAL parties are lining up to do battle over a controversial draft law that would give a State-controlled commission sweeping powers over non-government organisations (NGOs).

The draft Non-Profit Organisations Bill is due to reach parliament early next year, and the Democratic Party and the Inkatha Freedom Party have vowed to oppose it.

Some African National Congress MPs, on the other hand, say the bill would form a sound basis for a new law to replace the Fundraising Act, whose scrapping they say is long overdue.

The draft bill was greeted with outrage by civil liberties commentators, who said it had the potential, if enacted, to turn NGOs into government puppets.

Ironically, it was a group of NGOs, dubbed the Independent Study into an Enabling Environment for NGOs, that commissioned the drafting of the bill.

Bill Johnson, director of the Helen Suzman Foundation and one of the bill's chief critics, said: "The proposed bill is actually more restrictive than anything the old apartheid government ever envisaged and has no place in a democratic society."



☐ TONY LEON

The commission proposed by the bill would have the power to seize NGOs' documents and subpoena witnesses in the course of its inquiries, and to fire their office-bearers where this was in the "public interest".

DP leader Tony Leon said although the DP had not yet adopted an official position on the bill, he was certain the party would oppose it.

"You don't need the State as a big nanny to every organisation that operates outside the State," he said.

"On the contrary, we should let NGOs be governed by the law of the land. In our view civil society should be independent of State control.

"This bill has little place in South Africa."

IFP Welfare spokesman Ruth Rabinowitz said: "We regard the bill as being totally unacceptable, and we reject it. Its good aspects could taken over in other ways, but its bad aspects are being brought in under the skirts.

"We already have a centrally controlled country and institutions, like the media, business, unions and some churches, which have chosen to be co-opted into government.

"If civil society goes, then you really are heading to a one-party State," Senator Rabinowitz said.

However, ANC MP Cassim Saloojee, chairman of parliament's welfare portfolio committee, said the bill formed a good basis for a new law regulating the NGO-sector.

"There has to be a partnership between the State and civil society, as NGOs have a very important role in development," he said.

"The emphasis is not so much on control as on accountability.

"What the critics fail to understand is that this is an initiative by community-based organisations. A wide range of organisations was involved, and we have to take it very seriously," he said.

Mr Saloojee said he was pressurising Welfare Minister Abe Williams to introduce a bill to replace the Fundraising Act, and the draft Non-Profit Organisations bill could form the basis for this.



☐ SHEENA DUNCAN

"A fair amount of consultation has already been done by this group (the Independent Study. I don't think the Welfare Department can claim they have to go through a process of consultation before they introduce a bill," Mr Saloojee said.

Sheena Duncan, president of the Black Sash and a leading member of the Independent Study, said she did not expect the draft bill to reach parliament before late next year, as it was likely to be revised substantially.

"I suspect that the answer that is going to come back from NGOs is that they don't want some of the clauses. The proposal may have to be redone, possibly by other lawyers."

RDP receiving major boost at 'grassroots level'

Staff Reporter

297

EFFORTS to boost the reconstruction and development programme (RDP) at grassroots level are being given a shot in the arm.

ACE — the Agency for Community Empowerment — is approaching major South African companies and international funders to finance the establishment of "RDP support teams" of trained facilitators to work with community organisations on development projects.

Initially, ACE hopes to establish teams in Gauteng, Northern Province and the Western Cape. Once proven, it plans to establish teams in all the provinces.

ARG 23/12/95

"The concept behind the RDP support teams is simple," says ACE's Tony Philip, Western Cape Regional Manager. "Because so many of the country's able leaders have been siphoned off into the government, there is a huge management skills vacuum at grassroots level which is hampering the implementation of the RDP. It is this need that ACE is trying to meet," he said.

Mr Philip argues that communities desperately need professional assistance to establishing representative structures, priorities, and in planning and implementation of development projects.

"Provincial line departments can provide funds for detailed project design, but this assumes that communities have already set up proper structures and that they know what projects will have the greatest impact on issues such as crime and unemployment. In many cases, they haven't."

Organisations wanting to know more about ACE's RDP support teams, or who wish to contribute can call ☎ 531 9570.

Safeline's aid services threatened

(297) ( )

Cash needed for abused women, children

ARG 23/12/95

DAVID BREIER
Staff Reporter

■ As more and more children and women become victioms of sexual and physical abuse, a vital Cape Town service may have to close down some of its functions due to lack of funds.

ABUSED children in Cape Town face yet another blow this Christmas as a key aid organisation may be forced to stop some of its vital services due to a cash crisis.

Safeline, which provides help for abused women and children, is on the point of cutting its 24-hour service due to lack of funds.

Hundreds of abused children and battered women need something much more than gifts over Christmas. They need urgent protection from violence. But the cash crisis means their help will soon dry up, the organisation has warned.

The Safeline organisation has provided a lifeline for thousands of abused children and battered women in Cape Town for seven years.

The crisis has hit Safeline at a time when calls for help from terrified women and children are growing. In the past two months new cases have soared to about 120 a month compared to about 70 a month previously.

The police child-protection unit, with which Safeline liaises closely, has dealt with 1 338 reports of child abuse between January and November this year.

Safeline, with headquarters in Athlone, provides a vital service including safe-houses, food, clothing and medication for women and children in crisis situations .

It runs on an annual budget of R550 000 from the State and from private and company donations. But its projected income for the current year is only about R250 000, Safeline's director, Lorenzo Davids, said.

Some of Safeline's key programmes would come to a "dead standstill" unless it received an injection of funds urgently, Mr Davids told Saturday Argus.

It cost a lot of money to pay social work counsellors and volunteers to work overtime, and the 24-hour service might have to be cut at night when crisis situations often develop, warned Mr Davids.

Safeline, founded in 1988 to rescue abused women and children and provide them with a safe place, counselling and therapy, also helped victims of abuse lay charges against offenders, with the police child protection unit, said Mr Davids.

"The phenomenon of child abuse is rampant in our society. A lot of people now have the courage to report cases, but there is also a real increase in child abuse," he added.

Safeline dealt with cases of sexual, physical and emotional abuse of children and women, he said.

It ran safe-houses for abuse victims who were taken to private homes of association members trained to care for them. But, Safeline had to pay for food and clothing and often medical costs — the average cost being between R30 and R50 a day for each victim.

One programme directly under threat by the cash crisis was the training programme run by a team of eight social workers, three of whom are subsidised by the State.

This vital programme — also used to convey the message to the community about the need to combat abuse — was taken to schools, hospitals, community organisations and churches.

The 24-hour crisis service, also incurred costs in transport for social workers when they had to race out to help a victim of abuse, at 2am if necessary.

Therapy and rehabilitation of victims also cost a lot — many needed medical attention for a long time — paid for by Safeline. "We carry the cost of treatment. Not one vicim pays for services," Mr Davids said.

Safeline's building in Athlone also needed maintenance, another drain on resources. Its toll-free number for emergency calls also cost plenty.

Anyone who can help Safeline can contact Mr Davids at ☎ 633 1135 or fax 633 4900.

More urgently, abused children and women needing help this Christmas can call the toll-free number 0800 035 553. Or they can phone the office number, 638 1155, or the paging service, 23 3333 and ask for a social worker.

Foreign nations to compete to develop Soweto

297

Vuyo Mvoko

"THE World in Soweto" — a project to be launched today by President Nelson Mandela — will give foreign governments the chance to make their mark on one of South Africa's biggest and most famous townships.

According to the project's founder and co-ordinator, Zelda Mantle, it is envisaged that a foreign country or one of its cities will "adopt a clearly defined area of Soweto", then develop and beautify it as they wish.

Forty embassies have already indicated they will be attending the launch. They are expected to make a blitz of pledges.

Participating donor nations will be allowed to imprint their own cultures if they wish. Although they can use their own discretion and vision, governed by their budgets, priorities so far identified by the overseeing committee included paving the sidewalks, planting trees, developing parks, beautifying cemeteries, building sports facilities, environmental training and recycling centres, sinking boreholes and installation of irrigation networks.

Funds will go directly to the hired contractors. The committee will undertake the management of contracts if required, but its particular brief is to provide donors with comprehensive data on things like where to contact reliable contractors, the costing of materials, how to employ skilled artisans from the community, and how the development will be maintained when completed.

The glitterati committee includes African National Congress stalwart and Soweto resident Walter Sisulu, mayor of Johannesburg's Northern Metropolitan Substructure Danny Kekana, human rights activist Amina Cachalia, author Heidi Holland, and horticulturist Mike Gibons.

Fighting aliens provides RDP jobs

ST(m) 24/12/95

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By CHARL DE VILLIERS

THE Western Cape's war on invader plants has cleared a 4 800ha swathe through mountain catchments in the region, giving at least 1 500 people jobs and hope of a better life.

Nationally, the R28-million RDP-sponsored water conservation programme had employed 3 230 previously jobless people by December 6, programme manager Dr Brian van Wilgen said.

Cape Nature Conservation director Kobus Jooste said the Western Cape's Fynbos Water Conservation Project was one of the most successful RDP schemes.

"It is creating jobs, giving people skills and conserving valuable water."

Kogelberg ranger Ben Swanepoel said: "There is a capacity in local communities that we would probably never have learned of, or made use of, if we had not tackled this project."

Cape Town's water supplies are threatened by the unwelcome invaders, which can soak up more than half of the runoff, says Jonkershoek scientist Chris Burgers.

CERTAIN RESTRICTIONS TO BE IMPOSED

Special benefits planned for activists against old regime

CT 27/2/95 (297)

A NEW BILL envisages paying pensions to former office-bearers and activists against apartheid on a par with pension benefits paid to political office-bearers and officials under the previous government. **BARRY STREEK** reports.

SPECIAL pensions for members of formerly banned organisations, provided for in a new bill, will be restricted to full-time office-bearers, officers, people banned for more than five years and people jailed for more than five years for political activities.

The Special Pensions Bill, published in the Government Gazette at the weekend, provides that spouses of deceased beneficiaries will also be entitled to pensions.

Only South Africans or people entitled to South African citizenship who are over 40 will be eligible. Full pensions will only be paid to people over 60.

The preamble to the bill says the measure provides for the payment of special pensions to people "who have served the public interest in the establishment of a democratic constitutional order".

The bill also provides that beneficiaries will benefit on the similar terms to those of elected political office-bearers and state functionaries under the previous regime.

Due regard will, however, be given to affordability.

The payment of special pensions is in line with the government's recent decision to award medals to uMkhonto weSizwe (MK) and Azanian Peoples Liberation Army (Apla) veterans.

The administration of the new scheme will be vested in a three-member special pensions board, to be appointed by the Minister of Finance in consultation with the President.

This board will decide on the level of pensions to be paid to ANC, PAC, MK and Apla veterans and bring the pensions in line with those paid to officials in the government and the former homelands.

In each case it will decide what would have been an appropriate salary, comparable to the salary payable to office-bearers and functionaries under the previous regime, and the period of service that would have been applicable.

The bill says this will be assessed in terms of a schedule, but the schedule has not yet been published.

The bill defines an officer of a political organisation as "a person working in bona-fide full-time capacity for the political organisation or an active full-time serving member of the political organisation".

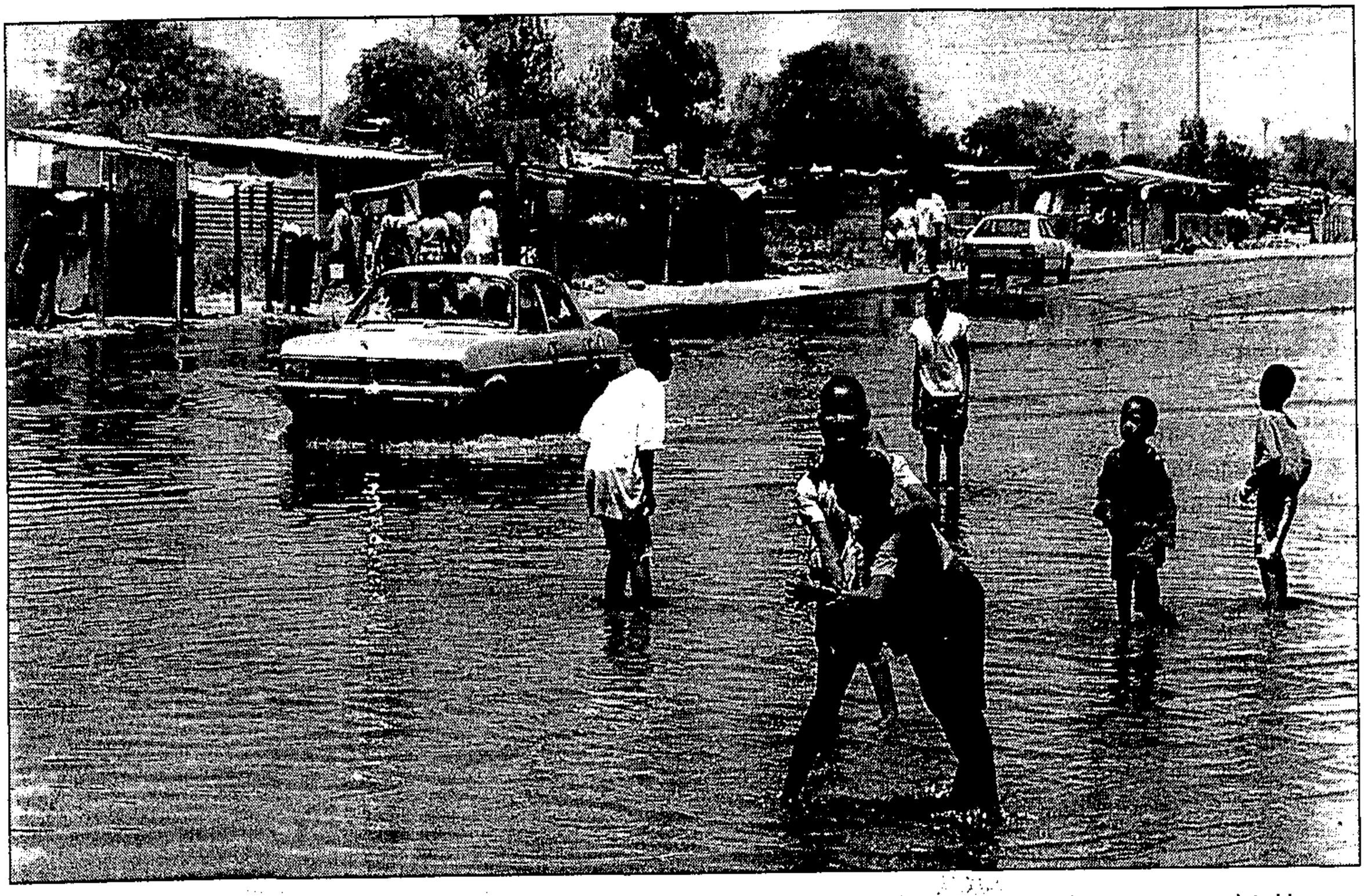
It defines an office-bearer as a member of the governing or executive body of a formerly banned political organisation that existed for five years or more.

Benefits can be paid to eligible people of any age who suffered permanent disability.

The benefits can also be paid to more than one surviving spouse of a beneficiary, provided the total amount paid does not exceed the amount that would have been paid to a single surviving spouse.

The bill is expected to be tabled in Parliament early next year.

NEWS



FLOODED ROAD: Children play in a pool in Philippi Road, in the Brown's Farm area. Residents said the Christmas rain was not as much to blame for the flooding as was a constantly-used nearby tap and possibly a blocked drain. This rundown area is about to become part of the Cape Town municipality. ***PICTURE: ALAN TAYLOR***

Consortium to bid for SA lottery

292 297 CT 27/12/95

OWN CORRESPONDENT

DURBAN: Littlewoods, the pools and retail group, has joined Dr Tony O'Reilly's Independent Newspapers of South Africa in a bid to run South Africa's planned lottery.

The consortium is likely to be competing against GTech, the controversial American shareholder in Camelot, operator of Britain's lottery, in a national game worth up to R5 billion a year.

Mr Ivan Fallon, Independent Newspapers' deputy chief executive, said: "We are potentially very keen to bid for the lottery, though we are still waiting to carry out a full assessment."

Two draft bills have been drawn up and a framework for the national lottery is due to be issued in the first quarter of 1996.

The consortium, which will be controlled by two venture partners representing the black business community, will not draw up a formal bid until the legislation is produced.

A successful South African lottery bid would give Littlewoods a chance to bolster the performance of its football pools division, which has been savaged since the launch of the national lottery.

Experts said revenue from Littlewoods' pools arm, the market leader, had slumped 30% over the past year.

Mr Christopher Baker, Littlewoods' strategy director, said the South African lottery was a "very attractive" prize for the company in its push to expand.

"At present we do not have gaming operations in other countries, but we are keen to change that — South Africa is one of several countries where we are looking."

Mr Fallon is an non-executive director of Sir David Alliance's N Brown mail order group, which has just mounted R6,16bn bid for Littlewoods in a joint venture with Iceland, the frozen foods retailer.

Littlewoods and Independent Newspapers first struck an alliance this year when they formed a consortium to bid for a pools company in South Africa, but since plans for a lottery were revealed, this has been placed on the back-burner.

The liberalisation of gaming is likely to spawn a national lottery, regional lotteries, casinos in every province and other betting activities. Observers expect the lottery to be modelled on the British version.

GLOBALISATION 'IS INCREASING POVERTY'

IMF calls for more aid to poor nations

ET 29/12/95 (297)

PARIS: The head of the International Monetary Fund says greater solidarity between rich and poor countries would enable economies to withstand financial crises more easily.

RICH countries must increase their aid to the poor as the globalisation of economies is casting the poorest countries and weakest people by the wayside, the director-general of the International Monetary Fund (IMF), Mr Michel Camdessus, says.

Globalisation marginalised people and increased the isolation of countries that were unable to integrate themselves into the world economy, Mr Camdessus told French radio yesterday.

"These countries are in danger of falling by the wayside," he said.

"Today, this is the great danger facing Africa, particularly as the countries that provide development aid are concentrating their aid increasingly on those countries which they see as performing the best."

This trend was already being seen within nations. The people with the least qualifications, or those who were unable to adapt to an open economy, were declining into poverty.

Mr Camdessus urged state and local authorities to take action.

"We must promote solidarity between those who do well and the losers."

In world terms, greater efforts had to be made to strengthen solidarity to prevent the exclusion of the poorest countries.

Recession

This meant that the richest countries should "manage their affairs as well as possible because nothing is worse for countries which are falling behind than recession in the richest countries", Mr Camdessus said.

Reducing the fluctuations in exchange rates would be helpful. Also, development aid should be continued.

Because of the preoccupation with reducing budgets, there was a tendency to challenge development aid. "I say 'Danger'!"

International institutions should do more to prevent the poorest countries from being excluded.

"It is quite clear that we must give ourselves much greater financial means," Mr Camdessus said, referring to the scope of crises that could arise.

The financial crisis in Mexico in January had been contained because the IMF had mobilised huge amounts of funds, averting "dramatic consequences for other developing countries".

"My problem today is to ensure that when the next crisis arises, and another follows, we will still have the means to cope."

It remained to be seen, however, if "countries will agree to give the institutions the means they need", Mr Camdessus said. — Sapa-AFP

Long wait ahead for state lottery

ARG 30/12/95 (297)

WILLEM STEENKAMP
Staff Reporter

■ Punters keen to rake in the millions in the first national lottery will have to wait at least another 18 months.

SOUTH Africans will probably have to wait until late 1997 for the first national lottery.

A spokesman for the Ministry of General Services, which is handling gambling and lotteries legislation, said parliament will probably debate lotteries legislation only after March next year.

Once legislation has been approved and promulgated it will take another year or longer to call for tenders and to have structures in place and people trained before the national lottery can be instituted.

Draft legislation on gambling and casinos is well advanced and proposed legislation will probably be debated by parliament during the first session next year.

Once the national legislation on gambling has been approved, regional legislation will have to be finalised.

The spokesman said he was aware that certain provinces were already well advanced with their own regional legislation and it might be possible for temporary casino licences to be issued in certain regions before the end of next year.

Earlier a spokesman for the Western Cape said gambling legislation was well advanced in the province. Once national legislation was passed, the regional government would move fast to constitute a local gambling board.

The spokesman for the General Services Ministry said other lotteries, like Bop Bonds, Ithuba and Viva, would fall away once a national lottery was in place.