

NKUZI
DEVELOPMENT
ASSOCIATION
ANNUAL REPORT 2007



About Nkuzi

Nkuzi is a non-profit section 21 company (97 20743/08) providing a range of support services to historically-disadvantaged communities wishing to improve their rights and access to land. Nkuzi started operating early in 1997 and now has 18 full time staff working throughout the Limpopo Province, northern parts of Mpumalanga Province and with farm residents in Gauteng Province.

The work of Nkuzi is guided by the organisational **vision**

Disadvantaged women and men are organised and empowered to assert their rights and are creating their own sustainable and improving livelihoods. This based on the fundamentals of access to sufficient land, secure tenure, the provision of basic services and integrated local economic development.

Realisation of this vision is sought through the **mission and goals** that Nkuzi has set and which are applied across all of the organisation's programmes:

- Landless People are empowered to drive land reform process which shifts power relations so that the poor, rural and landless access and utilize land equitably and effectively
- Farm residents worked with are informed of their land and related rights and are assisted to exercise those rights.
- An improved level of debate among key stakeholders on pro-poor agrarian reform strategies and their implementation
- Quality legal and paralegal support available to enable the poor and landless people to exercise their land and other human rights
- Nkuzi has sufficient resources, effectively managed and implement proper monitoring mechanisms.

Nkuzi remains focused on four main programme areas that are implemented and outlined here. These are Land Reform Implementation, Farm Dweller, Research and Policy, and Legal Services. The Land Reform Implementation programme has small projects such as Community Organizing and Training and Sustainable Livelihoods Promotion and Support. Research and Policy has a sub project Area Land Reform Initiative which is exploring new ways of addressing landlessness in the country. These are all supported by Administration and Finance which forms a fifth area of work.

In rendering services Nkuzi's approach is to give advice and support to land reform projects and farm residents; dissemination of information regarding land rights and land reform issues; organizing training and ongoing education to build capacity within land reform projects; carrying out research and advocacy work related to land reform policy issues; providing legal services where needed; and providing land use and agricultural advice and support that is environmentally sensitive to those who receive the land.



Principles

In its operations NKUZI is bound by the following set of principles:

- Equal rights, respect and equal treatment for all regardless of race, ethnic origin, gender, sexual preference or political persuasion. In order to fulfil this principle Nkuzi will be actively anti-racist and anti-sexist and work towards redressing inequalities within society that are based on racial, sexual or other prejudices.
- Peoples' right to be involved in their own development and to have a say in issues which affect their lives. In order to fulfill this principle Nkuzi will actively seek to engage people in decision making around developments which will affect them.
- The right of all to a life of dignity which requires a reasonable level of housing, food, security, comfort, education and opportunities for dignified work. In order to fulfil this Nkuzi will work to eradicate inequalities and injustices in society which have prevented people having a life of dignity.



Executive Director's Report



2007 was a year marked by change. Change within the broad political landscape in South Africa and within Nkuzi Development Association.

December 2007 South Africa's and the international community's attention was focused on Polokwane. Not because of the stellar work that Nkuzi is doing in Limpopo but because the ANC had chosen Polokwane in the Limpopo Province as the scene of the most bitter struggle for leadership in the party's long history. We were somewhat hopeful that a new direction would be taken with the state's approach to land and agrarian reform after the Polokwane conference. We will be watching closely to see what if any pressure is placed on government to shift its approach during the post conference months. The key resolutions that we believe indicating that land and agrarian reform will receive greater attention from the ANC and the government are as follows:

"1. Embark on an integrated programme of rural development, land reform and agrarian change based on the following pillars:

(a) The provision of social and economic infrastructure and the extension of quality

government services, particularly health and education, to rural areas.

(b) Fundamental changes in the patterns of land ownership through the redistribution of 30% of agricultural land before 2014. This must include comprehensive support programmes with proper monitoring mechanisms to ensure sustainable improvements in livelihoods for the rural poor, farm workers, farm-dwellers and small farmers, especially women.

(c) Agrarian change with a view to supporting subsistence food production, expanding the role and productivity of modern small-holder farming and maintaining a vibrant and competitive agricultural sector.

(d) Defending and advancing the rights and economic position of farm workers and farm dwellers, including through improved organisation and better enforcement of existing laws.

*2. Strengthen the voice of rural South Africans, empower poor communities and build the momentum behind agrarian change and land reform by supporting the self-organisation of rural people; working together with progressive movements and organisations and building forums and structures through which rural people can articulate their demands and interests. ANC branches together with alliance partners will assist in the organisation, unionisation and empowerment of farm workers."*¹

Although these resolutions are not as progressive as we would have liked they do, we believe, give Nkuzi and other organisations fighting for land and agrarian reform a good base from which to lobby and advocate for the rights of the landless poor.

While the ANC resolutions present Nkuzi with an opportunity to advocate for the reform of policy and legislation at the national level, funding from Atlantic Philanthropies has allowed Nkuzi to focus more of our energy at the local level. We launched our "Stop Evictions" campaign this year which received good press coverage in the Business Day and other publications both in South Africa and internationally. The campaign's sub theme is "Putting Farm Dwellers on the Agenda" and will include workshops to inform farm dwellers of their rights as well as workshops with local and district municipalities to highlight the eviction crises as was illustrated by the findings of our national eviction survey. Nkuzi continues to call for a moratorium on evictions to be put into place.

¹ Resolution on Rural Development Land Reform and Agrarian Change, African National Congress, December 2007.

The year started on a high note with Nkuzi staff and one Board member participating in the World Social Forum in Nairobi. This was an important opportunity to engage with progressive social movements and to reassure ourselves that our struggle is one that is also being fought in other places. The reminder that we are not alone in our struggles for a more just and humane society is important.

Another highlight for Nkuzi was the recognition, after ten years of legal battles, land rights of the Popela community. The Constitutional Court confirmed the rights of the community in June 2007 and in so doing noted:

“On the other hand, I keep in mind that the individual applicants have incurred substantial costs in the Supreme Court of Appeal and in this Court. However, it seems that their cause was made possible by the worthy and selfless support of the Nkuzi Land Rights Legal Unit...” (Monseneke, Popela Judgment)

This case highlights the slow pace at which the restitution process moves when land owners are determined to challenge the legitimacy of claims. It also illustrates the vulnerability of communities who want to fight for land rights but who do not have the financial means with which to do so. Nkuzi was able to prevail in this one case because we had donor funding that allowed us to appeal the case through the Supreme Court of Appeal and because the RLCC was willing to fund the final Constitutional Court Challenge. Without those resources the community would have been left with the judgment of the Land Claims Court that dismissed any notion that they could claim back rights that they lost as labour tenants. We hope that this decision will have a positive effect on similar cases that come before the LCC so that other communities will not have to wait 10 years to have their land rights confirmed.

Nkuzi's relationship with the Department of Land Affairs was challenging during this year. The post land summit process was abandoned by Nkuzi and other land organizations when it became clear that the DLA was not dealing in an open and honest manner with the participating NGOs.



There were signs that a new engagement would be entered into when the Director General was relieved of his duties and the Minister indicated that she would like civil society organizations to sit on a Ministerial Advisory Council, along with the agricultural unions and officials from the DLA and Department of Agriculture. At the end of December the Advisory Council remained an idea with no clear Terms of Reference or indication of when, if ever it would meet.

Nkuzi has had a good working relationship with the Regional Land Claims Commission over the years and this was largely continued in 2007. Nkuzi worked with the Commission to ensure that Restitution claimants were provided with legal assistance from our law clinic. Most notably, the Popela case was initiated by the Nkuzi law clinic and we received financial support from the RLCC for the final appeal to the Constitutional Court. We have viewed this type of partnership as important to ensuring that communities are able to use the full extent of the law to regain their land.

We noted with concern, however, the arrest of the Limpopo Commissioner at the end of the year on charges of fraud and corruption. While we cannot pass judgment and support the premise that any accused is presumed innocent, the charges will have an impact on the level of trust placed in the RLCC to deal honestly and expeditiously with the remaining claims.

Organizationally Nkuzi faced both funding and staffing challenges this year. We started and ended the year with 16 staff members as well as two volunteers. Several staff members resigned from Nkuzi during the year. While we are disappointed to lose experienced and dedicated staff we gain some satisfaction in noting that most of the former staff members remain in the land sector, with three – Shirami Shirinda, Tshillo, Themba – now with PLAAS. Lucas Mufamadi our former Director moved to the RLCC in Mpumalanga.

It is with great sadness that we report on the death of Siphwe Ngomane a dedicated member of the Nkuzi staff and an ardent advocate for the rights of marginalized landless communities. His enthusiasm and dedication to the work of Nkuzi is greatly missed.

Further information is provided in this report on the programmes and other organizational developments.



Provincial Context and Organisational Overview

According to the National Census of 2001 Limpopo accommodates almost 12% of South Africa's population. The province is divided into six district municipalities namely, Bohlabela, Capricorn, Mopani, Sekhukhune, Vhembe and Waterberg.

Measured by its total current income, Limpopo is ranked sixth of all the provinces in South Africa but the poorest in terms of per capita income. The majority of the population live in the rural areas (many in very isolated areas, which poses major development challenges) leading to a rural/urban split that is much greater than the national average. Whereas over 86% of the population live in rural areas and just over 13% live in urban settings the national average rural/urban split is 63-37. Another distinctive feature of Limpopo is that it has the highest female/male ratio in the country. Females account for 54.6% of the population while the national average is 52.2%. The high female/male ratio is mainly an outcome of the collapse of the subsistence economy, which has forced many men to seek work in the industrial centres of SA.

As already mentioned the poverty rate of 67.3% is significantly higher than the national average, while the ultra-poverty rate is a staggering 39.9%. Waterberg has the lowest estimated poverty rate (54.8%). Poverty increases systematically for the other regions, reaching highs of 74.8% in Bohlabela and 79.1% in Sekhukhune and is most stark in the former Homelands of Venda, Gazankulu and Lebowa. While there is virtually no poverty among Whites, an estimated 68.9% of so-called Africans live in poverty. Poverty is also more pronounced in rural areas, where 72.5% of people live in poverty, compared to 32.8% in urban areas. Finally, a comparison of agricultural and non-agricultural households reveals that a larger proportion of agricultural people are poor; 75.3% compared to 66.1%. An indicator of the impact of poverty is that the 2000 South African Health Review rated Limpopo as the province with the worst levels of stunting in the country - 34.2% of children between six and 71 months.

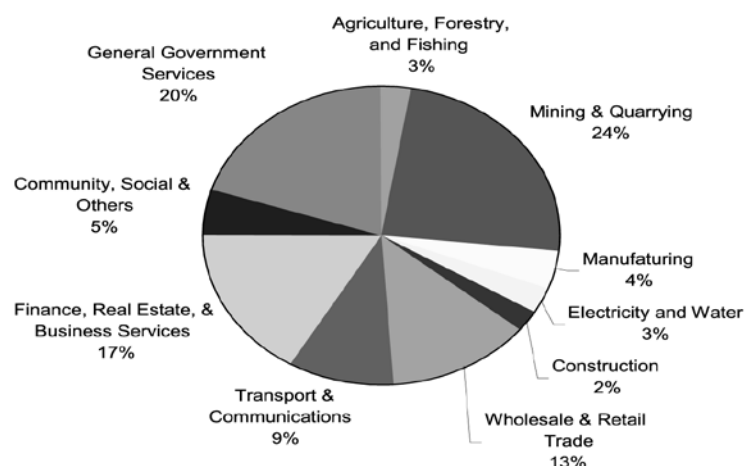
Poverty and the underdeveloped nature of infrastructure means the Limpopo struggles to cope with the HIV and AIDS epidemic that is ravaging SA. Health spending in Limpopo in 2003 totalled just R637 per capita, almost 30% below the national average and about one third of Gauteng's R1,668. And this figure has been decreasing. Presently one doctor in the public sector must serve a population of 8,544 while a professional nurse must serve 1,001 people.

Since there is a close correlation between unemployment and poverty it is not surprising that Limpopo also has the distinction of having the highest unemployment rate in the country. It also has the lowest proportion of the employed of all provinces. For 2002, employment in Limpopo constituted just 7.7% of the country's employed population compared with Gauteng (25.2%), KwaZulu Natal (19%) and the Eastern Cape (13.8%). By 2002 unemployment, according to Statistics SA's Labour Force Survey, had risen from 42.2% in 1995 to 56.5% in 2002. The scale of the problem can be appreciated when we consider that significant employment growth is recorded for Limpopo in the informal sector during the same period, meaning that while unemployment has been growing, very poor insecure employment has also been increasing.

The extreme forms of poverty and unemployment is a result of the non-industrial nature of the Limpopo economy, which shows all the characteristics of a dependent economy based on the export of primary products and the import of manufacturing goods and services. While mining is the greatest contributor to the economy, it did not serve as a base for the development of secondary and tertiary industries. This has to do with the extreme extractive nature of mining in Limpopo and the extreme concentration of ownership of land, which prevented the growth of economies of scale.

The economy of the Limpopo province constituted just 6.5% of the total economy of the country in 2002, compared to 5.7% in 1995. In spite of the increase it still represents the smallest for all provinces except for the Northern Cape. For the period 1996 to 2002 the economy of the province has been growing at an annual average rate of 4%, which is higher than that of all the other provinces. However, when we examine the sectoral contribution to GDP, the typical third world dependent nature of the economy is clear. Manufacturing contributes just 4% of economic activity while agriculture has declined to only 3%. Mining and government services are the largest sectors contributing 24 and 20% respectively.

In spite of the rural nature of the Limpopo economy, agriculture contributes a relatively small proportion of GDP, as can be seen by the diagram below. The decline of the agricultural sector is a national phenomenon, and while there are a number of factors that account for this, the liberalisation of the sector where the extensive system of support including subsidies and high tariffs were withdrawn, must be seen as significant. The small size of the manufacturing sector means that most primary products are exported out of Limpopo for processing. Only a small proportion of total agricultural production is consumed within the province, i.e. 2.8%.



Nevertheless agriculture's significance must be seen in relation to its contribution to employment. After the public sector it is the second largest employer with almost 110,000 farm workers. However, what must also be noted is the steady decline in formal employment in the agricultural sector with an average loss of almost 2% per annum.

Agriculture in the province is mainly driven by horticulture and animal production, contributing about 50% and 35% respectively. Limpopo produces about 60% of domestic cotton production, 55% of nuts, 31% of citrus and 32% of subtropical fruits. There is an increasing trend for farmers in this province to move away from commercial cattle farming to game farming.

The real significance of agriculture cannot be gleaned from the GDP figures alone. What was mentioned earlier in relation to the predominant rural demographics of the province is important. So is the relatively large number of households involved in subsistence agricultural activity. Notwithstanding this, most of the estimated 303,000 so-called smallholder farmers in Limpopo province are not farmers at all but people desperately battling for survival by undertaking marginal activity on the land. Women constitute 80% of this sector. These survivalist activities are located mostly in the former homeland areas.

Farming under the smallholder systems is characterised by low levels of production technology and the small size of farm holding of approximately 1,5 hectares per farmer.

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This leads to the critical question as to what role can land reform play as a livelihood strategy, providing employment, food security and an exit from poverty? It also begs the question as to the appropriateness and effectiveness of government's land and agrarian reform policies as well as their implementation.

The challenge for Nkuzi is to ensure that the approach that we take in implementing our programmes is one that provides the needed support to communities and also challenges the political, economic and social paradigm within which we operate.

The past year has been one of carrying on with the core functions of Nkuzi. However, the political and economic environment in South Africa has shifted in ways that have made our work more difficult. The ongoing marginalization of civil society by government requires that we re-think some of our approaches. The most obvious shift will be one with less emphasis on engagement and more on community organization and mobilization. This type of shift is also in line with one of the key findings of the organizational evaluation:

“[B]uilding local organisation of the rural poor, farm workers and dwellers and enhancing their capacity to engage government and the commercial farming sector needs to be increasingly prioritized”. Evaluation Report: 2007

Nkuzi celebrated its tenth anniversary in 2007 with a week of the landless held in Polokwane. The week culminated in a march with more than 100 members from communities from Limpopo, Gauteng, Mpumalanga and Kwa Zulu Natal. A memorandum was handed over the Premier's office which stated the resolutions and demands of the community members.

The commitment and dedication of the staff of Nkuzi has over the years been one of our greatest strengths. We continue to maintain and attract staff that are committed to the struggle to assist and partner with poor rural communities in their quest for land.



Programmes Overview

Land Reform Implementation

This programme is comprised of four sub-programmes: Restitution, Redistribution, Community Organizing and Support, and Sustainable Livelihood Promotion.

“Having contributed to communities regaining their land they have developed significant programmes to assist these same communities in being able to make productive use of the land with the aim of building sustainable livelihoods.” (HT3 External Evaluation: 2007)

Restitution:

“Nationally, there are still 5 279 claims outstanding. They are all concentrated in rural areas and are described by authorities as ‘the most difficult ones’.” City Press 9 September 2007.

The pace of settling the remaining rural claims has not improved since 2006 as anticipated especially since we are approaching the 31st March 2008 deadline which clearly stipulates that the RLCC should wind up all its business. Many of the rural claims that Nkuzi assisted beneficiaries to lodge are not yet gazetted. This state of affairs saw us addressing different communities about their fears that their claims may not be settled if they do not meet the cut off date.

As reported above in 2007 we celebrated the victory of the Popela community in the Constitutional Court. The case offers hope for similar communities facing long legal battles. With the precedent set in the Popela case It is hoped that these cases will not take ten years to resolve.

Nkuzi won a precedent setting judgment from the Constitutional Court in June. The Popela Community has been support by Nkuzi field staff and paralegals for many years, finally after ten years of legal battles the Constitutional Court confirmed the rights of the community and in so doing noted:

“On the other hand, I keep in mind that the individual applicants have incurred substantial costs in the Supreme Court of Appeal and in this Court. However, it seems that their cause was made possible by the worthy and selfless support of the Nkuzi Land Rights Legal Unit...” (Monseneke, Popela Judgment)

As a result of the Popela judgment thousands of labour tenants who were told in the past that they could not claim back labour tenant rights through the restitution programme will have their claims considered. The Popela community are unique among restitution claimants as some of the community members have maintained a presence on a portion of the land that was claimed. The last remaining challenge of the community is to have a settlement agreement signed that allows them to re-settle on the land that the Court determined they had lost rights.

The Lebelo community finally received their title deed since; land was transferred in 2004 even though their relationship with Potgietersrus Platinum Mine (PPL) who still occupied

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some portions is clearly defined by the RLCC. It is not clear if the mine is paying for these portions and to whom are they paying, as a result this is creating mistrust amongst the beneficiaries.

We were called by the Koka Matlou beneficiaries to intervene in a matter which involved people who were relocated by the Potgietersrus Platinum Mine (PPL) due to its operation expansions. Portion 8 of Sterkfontein was settled quickly by the RLCC not because it was in the interest of the Matlou people but the Platinum Mine. Furthermore, there are still six portions of land within this community's claim that have not even been gazetted thus far. In the agreements of relocating the Ga-Pila people it was mainly for residential purposes, but to the amazement of our clients, they brought their livestock and are starting to plough the land which was not allocated for that. Tension is brewing between these two communities due to dishonesty of authorities who initiated the relocation deal.

Redistribution:

Offices continue to respond to requests from groups and individuals who want to get involved in agricultural activities but have no land. We are continuing to assist them in filling in the forms to take advantage of the Land Redistribution for Agricultural Development (LRAD). We accept with skepticism the new strategy by the Department of Land Affairs (DLA) called the Proactive Land Acquisition Strategy (PLAS). In this strategy the government proposes to buy land from the willing sellers and keep it until the need for the land arises, then it gets distributed. Our concern with this approach is, it has been proven that the land that is held by government is more difficult to distribute it due to its bureaucratic bungles. This approach will continue to make the government more owner of the land than the people, if you consider the ownership of communal land in tribal areas.

There is no need for the state to purchase land and keep, since there are too many landless people who have applied and ready to own and utilize the land. We appeal to the state to allocate land that they purchase to the applicants who are already in their system. This will go a long way in reaching the 2014 goal of distributing 30% of the agricultural land into the hands of the blacks.

Nkuzi participated in the evaluation of the Comprehensive Agricultural Support Programme (CASP) where we added our voices on how this strategy could be improved. The report of the process has not come out as promised and we are not sure if the programme will start or not. This leaves emerging farmers in the lurch as far as post settlement support is concerned.

In the case of redistribution the state should do more work before purchasing the said land in the area of selecting new entrants, what skills do they have and which ones do they need. This will provide an opportunity to develop a capacity building plan which is very much targeted. The other area of concern is in the area of business plans which are cut and paste not talking or expressing what the new farmers want to do, and what is needed by the markets and how they can be assisted in taking those opportunities available. Simultaneously a provision for capital to produce should also be considered at this stage in order to avoid the relapses of the farm production capacity.

Furthermore capacity should be developed into the emerging farmers especially in the area of using information technology, to know prices for commodities they are producing and to market their produce by placing them on web sites etc.

This year Nkuzi has continued to build the capacity of its clients Mathabatha. An organic

training workshop was organized for twenty members of the Landless People's Movement for one week. This training sought to teach participants how best to use waste materials, and how to produce quality vegetables at less cost as opposed to the conventional fertilizer driven methods. All the participants have started the gardens in their house holds to provide fresh vegetables to their families and the community at large to provide nutrition which is highly needed in this era of rising HIV and AIDS infections. This training was supported by the Sisonke Masilwe Indlala (Together Fighting Hunger) Network which Nkuzi is part of.

We were approached by the Land Desk of the Catholic Bishop's Conference (SACBC) to do a follow up on the work Nkuzi did with the Church Land Programme. Nkuzi was requested to do a land use plan and produced a report which the Church wants to take forward. The Catholic Church in Greater Sekhukhune District owns massive pieces of land in different villages. They have decided to work with Nkuzi in transferring some of the hectares to the members of the community who are using them at the moment. Several meetings were held with the Department of Land Affairs (DLA) and discussions held on how to formalize this arrangement and if there will be any compensation for the developments done on those pieces of land.

Community Organizing and Support:

One key event early in the year was Nkuzi's participation in the World Social Forum held in Nairobi. We continue to work closely with the Limpopo Landless People's Movement (LPM) primarily assisting the group with logistical support.

Unfortunately organizational problems and conflicts still prevent the LPM from consolidating organizationally. A number of issues still need to be addressed for the LPM to grow in size and maturity to become the force that it has the potential to be.

Nkuzi celebrated our tenth anniversary with a series of activities coordinated during a provincial week of the landless. During this week we organised a landless people's conference. More than 100 participants from restitution claimant communities, farm dwellers, and people from communal areas attended. While the participants were mainly from Limpopo province, others came from Gauteng and Kwa-Zulu Natal. The conference provided space for participants to share experiences and to discuss what types of support they wanted to push for from government and from organizations such as Nkuzi and the LPM.

The conference culminated with the drafting of a memorandum which incorporated the issues and concerns raised by the participants. The memorandum was delivered to the Limpopo Premier's office at the end of a march through Polokwane.

Nkuzi received increased numbers of requests of assistance from communities living in mining areas. This area of work presents new challenges to Nkuzi as we support poor communities who are fighting large mining companies such as Anglo-Platinum who have limitless resources. Limpopo has some of the richest platinum deposits in the world. Poor communities are increasingly being forced to leave their land losing their livestock and ploughing fields as a result of expansion of mining companies.

An example of the challenges faced by mining communities is clear in the case of the Ga-Pila community. Ga-Pila community members have been fighting Anglo-Platinum for years in an attempt to resist relocating from their ancestral land. During the years of their struggle they have seen their family graves desecrated, houses destroyed by cracks caused by mine blasting, electricity lines cut, and fresh ground water contaminated. Many members of the community remain steadfast in their demands to be allowed to remain on their land. Some

members of the community who agreed to be relocated found that the alternative land did not have areas for their cattle to graze nor areas for planting crops. They have found that they have lost their homes and their livelihoods. Inevitable conflicts are also surfacing in the community. Nkuzi provides conflict resolution support and pushes for community unity in pushing for their demands.

Sustainable Livelihoods Promotion

Nkuzi continued the actively support the following communities whose restitution claims have been settled: Bophelo Ke Semphekgo, Dikgolo, Dikgele, Maboi 6 and Maboi 3, Marobala O Itsoshe, Madisha, Sekororo, Lebelo, Koka Matlou, Mankweng Integrated, and Mathabatha. The support which we continued to give was in the area of conflict resolution and mediation and strengthening Communal Property Associations Committees. Our experience of working with claimant communities has been that the RLCC and the Department of Agriculture do not provide adequate post settlement support to communities who receive land through the restitution process. Nkuzi is increasingly approached by communities that we have worked with over the past ten years for assistance in planning for production, selecting an appropriate legal entity, conflict resolution, and evaluating offers for strategic partnerships.

Nkuzi assisted land claimants in the Levubu Valley, an area with high value commercial farms that was claimed by seven separate claimant communities. The total cost to the state for the claim was R14.6 million. Nkuzi assisted the Ravele community through linking the community with a commercial law firm based in Johannesburg. The law firm provided free legal advice to the community in finalizing an agreement with strategic partners who are meant to provide management and technical support to the community in an effort to preserve the production activities on the land.

The Regional Land Claims Commissioner was arrested in December on charges of fraud and corruption. He has been suspended and an acting Commissioner appointed. This obviously has an impact on the work that we do in this area as communities have lost further confidence in the Commission and 'Acting' government officials are always reluctant to make decisions.



CASE STUDY

Dealing with post settlement challenges: Case of Sekororo / Makhutswi

Sekororo community is located in a small town Tricharsdal east of Tzaneen on the Lydenburg road. The total number of beneficiaries is at nine hundred. The Sekororo claimants lodged the claim like many other disposed communities between the periods of 1997-1998. Their claim was settled in 2005, in which 4011.229 hectors were returned back to them. The hectors are divided into mangoes, citrus, litchis, bananas, anthurium, irrigation, dry, and grazing. The farm is currently producing Atchaar. In 2006 two Strategic Partners were appointed jointly by the CPA, RLCC, and DoA to impart agricultural skills to the beneficiaries of Sekororo.

The appointment letter did not have any agreements in terms of how they will work with the beneficiaries, and what will happen to the production that they found on the farm. With the blank cheque given to the Strategic Partners, it started to created dissatisfaction amongst beneficiaries because the farm was producing and no dividends were received. The RLCC was tasked with providing the grants for this partnership to work, and DoA was requested to develop Shareholders Agreements and Lease Agreements. Grants were not released on time and the agreements were not forthcoming, the Strategic Partners threatened to pull out. Finally the agreements came and we workshopped the community about the agreements, and it was discovered that the contract was giving the Strategic Partners more leverage than the community. The community rejected the contracts and suggested some amendments which did not go well with the other parties.

The Strategic Partners pulled out of the farms, the community approached us on the matter and requested advices. We linked them with other service providers and continued to check on their progress quiet often. They managed to harvest the first batch of mangoes without the assistance of the department and the strategic partner. With the harvest they produced Atchaar and started supplying the local market and the chain stores in Gauteng.

The RLCC and the DoA called an urgent meeting in which they proposed the disbandment of the CPA Committee by accusing them of making the Strategic Partnership failed. The community rejected the proposal by endorsing their committee and opting to add two non beneficiaries into the CPA Committee namely, the mayor of Maruleng Municipality and a representative from Nkuzi Development Association. The farm continues to pay its sixty five full time employees and hires seasonal laborers ranging from eighty to hundred. The farm has picked up to its full operational capacity and other productions are in the pipeline. The AgriTV featured this farm on their programme called "ULIMO" in December as one of the successful emerging enterprise which other farmers could learn from.

Land Rights Legal Unit

The Land Rights Legal Unit continued to provide assistance to landless and indigent people, including farm dwellers, restitution claimants, and people who live in communal areas. The work of the Legal Unit is central to the overall work of Nkuzi, as the land reform programme is a law based programme, access to legal services and the courts are essential for our clients.

More than 200 cases were opened during 2007 with most cases that were finalized done through negotiations. We believe that this is the best approach as litigation is expensive and a very long process.

As has been reported above one of the highlights of the past year was our success in the Popela case. While we celebrate this victory we note that a similar case, the Moneyki community, has similar facts and is still being heard in the Land Claims Court. We hope that we will be able to report that the LCC has followed the precedent set by the CC and held in favour of the Monyekis. However, many delays in the case make us anxious that the court will find reason to reject the Monyeki community claim. This result will start again the long process of appeal which may ultimately need to be decided in the Constitutional again.



Farm Dweller

The main objective of this programme is to secure farm dwellers existing tenure rights and facilitate long term tenure security. Given the lack of any other service providers assisting farm dwellers, Nkuzi also deals with eviction related labour matters and other human rights abuses that are discovered.

Nkuzi dealt with hundreds of cases during this year. Interventions were made in response to direct calls from farm dwellers or referrals from others such as local councilors, farm school staff and members of the South African Police Services. Interventions involve providing information and advice to the farm dwellers, negotiating with land owners, assisting farm dwellers in court cases and liaising with the DLA to try to secure longer term security for occupiers.

With labour related matters Nkuzi refers cases to the Commission for Conciliation, Mediation and Arbitration (CCMA) and the Labour Court where necessary. In cases where there has been gross violations of human rights, Nkuzi involved the Human Rights Commission (SAHRC) and assists in laying charges with the police against perpetrators. Nkuzi also assists with civil claims for damages.

Where legal assistance is required on cases the field staff on this programme refer matters to the Nkuzi Land Rights Legal Unit. The Legal Unit is operating with financial support from the Rural Legal Trust and HorizonT300 (HT3). The HT3 funding for the unit ended at the end December. Nkuzi will submit proposals to other donors to try to preserve the level of legal support we are able to provide to communities.

Nkuzi launched a "Stop Evictions" campaign this year. The objective of the campaign is to raise public awareness about the farm eviction crisis and to further popularize the findings from our national evictions survey. Since launching the campaign in October 2007 Nkuzi has held several workshops with farm dwellers. The focus of the workshops were the Extension of Security of Tenure Act (ESTA), the Labour Relations Act, and the Basic Conditions of Employment Act.



CASE STUDY

Mokgadi Dorcus Letsoalo: Older Women Still Vulnerable

Dorcas Mokgadi, who is 75 years old, worked for the Van Staden family from 1975 as a labourer in Waterval. In 2007, Mr Van Staden evicted her children and then in June, she was also evicted all without a court order. Dorcas had to seek refuge in a village called Ha-Chuene where she lives in a corrugated iron shack with her husband. The eviction case was reported to Polokwane police and the unfair dismissal case was lodged with the CCMA.

The police did not act against the landowner as they are not familiar with the criminal sanctions in ESTA.

The CCMA awarded her a mere R300 which she refused to accept and ruled against her reinstatement on the flimsy grounds that she is old.

CASE STUDY

France Mogajane / Gerrit Johann Olivier Botha

Victory for one farm Dweller with Assistance from Nkuzi's Modimolle Legal Team

Mr France Mogajane is an adult male person residing on the Remaining Extent of farm Riverdaal 171 Limpopo. Mr G.J.O Botha is the owner of the said farm. Mr Mogajane was born on the farm thirty years ago and the owner by then was Mr D.E Bischoff.

Mr Mogajane's father was also born and grew up on the farm. Even his grandparents were residing on the farm and were buried there.

Before selling the farm Mr Bisschoff gave France one of the houses on the farm. On or about the 17th April 2007 while at work on the neighbouring farm Mr Botha sent his workers to break down France's door and remove all his properties.

Botha then gave the house to one of his workers. France instructed us to make Court application for the restoration of his occupational rights. We did that but the application was opposed.

The owner argued that he did not evict our client but our client left the farm on his own free will to go and work and reside on the neighbouring farm. Our argument was that our client did not leave the farm voluntarily but was evicted. He was working on the neighbouring farm but he still regarded the farm as his home hence he left his properties behind and used to visit during weekends.

The Court held in our favour and our client's rights were restored.

CASE STUDY

EVICTIION CASE:

Elias Mbedzi / Annah Madima (Vera farm in Mopani)

Elias stayed in the farm for more that fifty years looking after the farm while the farmer was overseas. During July 2007 the farmer decided to sell the farm to someone (Lerry) who decided that he does not want tenants on his new land. He told Elias that he must pack his things and leave the farm otherwise he will shoot his goats, dogs, donkeys and chickens.

The family consulted with Crll. Gift Phiri, who called Nkuzi Elim office to intervene on this issue. An Nkuzi project officer went to the farm and on arrival the family was packing and had already put the donkeys in a neighbouring farm (an African's farm). Nkuzi met with the family and after consultation it was discovered that the farmer did not have legal case against the tenants. We also discovered that Elias could no longer see and he is a very old man who can't even walk by himself.

Nkuzi consulted with the so called the new owner of the new farm and advised him not to continue his actions since there will be legal punishment.

Nkuzi liaised with the councilor about the situation for several months so far thing are normal in the farm with no one harassing or intimidating the family.



Policy and Research

Nkuzi appointed a manager for this programme after the post was vacant for nearly one year. Proposals were written to conduct research on the livelihood status of women on farms in three districts in Limpopo and to investigate the status of restitution claims in the Njelele Valley.

A paper entitled "Liberation Denied: the Case of Farm Dweller Evictions in the 'New' South Africa" was presented by the advocacy co-ordinator at the SANPAD poverty conference in Durban. The conference was attended by academics and activists from a number of countries including, Brazil, the Netherlands, India, the US, and South Africa.

Nkuzi was involved in several significant national policy debates and lobbying initiatives during 2007.

The programme manager attended a Rural Housing Indaba in the Eastern Cape and was the lone voice speaking out against the proposed farm dweller and labour tenant policy presented by the Department of Housing. As a result of concerns raised about the flaws in the proposed policy, the Department was instructed by members of the Portfolio Committee on Housing to do further consultation and to ensure that the policy is aligned with current land legislation. The Nkuzi input also provoked Agri-SA to walk out of the conference, complaining that the debates were to be about housing and not land. While we viewed this as a victory, the Department of Housing has not yet indicated what process they intend to follow in order to ensure that the policy does not undermine the existing rights of farm dwellers.

The ANC policy conference also presented opportunities for Nkuzi to give input into debates regarding proposed policy positions on rural development and evictions. Nkuzi participated in a process, co-ordinated by NEDLAC, that brought civil society organisations, including labour unions, together in Durban to discuss the proposed social and economic policy positions published by the ANC and to compile an alternative "pro-poor" policy approach. Nkuzi drafted the alternative policy position for farm dwellers. This alternative was in large part accepted by the group and was taken to the policy conference as part of a larger alternative policy document. Although the final policy document that was released after the ANC conference was slightly more positive regarding farm dwellers and evictions, we would like to see stronger positions taken on the rights of farm dwellers and on the need to resolve the evictions crisis.

Nkuzi was participating in a post land summit process that was meant to bring government and civil society together to engage in debate around developing workable solutions to a wide range of land reform policy, legislation and implementation, including farm dweller issues. Unfortunately, a decision was taken by civil organisations to withdraw from the process. The decision to withdraw was taken because during nearly one year of engagement the Department of Land Affairs repeatedly reneged on commitments that civil society felt were vital for the operation of the process. A set of demands were presented to the DLA which if met may result in the organisations re-entering the process.

The Programme Manager took over as acting Director of Nkuzi in October. Nkuzi has approached the University of the Western Cape's Programme of Land and Agrarian Support (PLAAS) for support on ongoing research projects. The two organizations will determine the best approach for collaborating on specific projects.

Management and Institutional Development

Management responsibilities rested primarily with the Director. Some tasks were delegated to a middle level of management of office and programme coordinators. Coordinators should take on more responsibility with managing and reporting on programme budgets in the coming year. The coordinators and Directorate form a management team that also has a staff representative present in their monthly meetings.

A Monday morning information sharing session improves the flow of information in the organization. This information sharing is done by a twenty minute tele-conference with each office represented.

The Human Resources Policy of Nkuzi is complemented by a provision for paid study leave. This is done to encourage employees to improve their knowledge and skills by taking university courses that are relevant to the work of Nkuzi.

Nkuzi continued to take in unemployed graduates as volunteers to enable them to gain work experience. During 2007 Nkuzi had three such volunteers at any one time. The volunteers stay for a period of six months with the organization. Nkuzi received financial support for one volunteer through the Services Sector Education and Training Authority (SETA).

Challenges during the year were the loss of several key staff members in the first half of the year including research and field staff. By mid year however several posts were filled. While sad to lose staff it is gratifying that the research staff took up positions with PLAAS and continue to work in Limpopo on land issues. By the end of the year Nkuzi had 14 full time staff members, excluding volunteers and contract staff.



Staff Training

Training and capacity building of staff is central to the maintenance of quality service to our beneficiaries and clients. This year staff attended the World Social Forum in Kenya. This event was an opportunity for participants to engage with social movements from around the world and to compare strategies and approaches in advocating for social change.

Two of our attorneys attended a Labour Law and Land Reform course offered by Papillon Training Institute.

An ALARM conference was also attended by four staff members at which landless people recommitted themselves to the struggle to ensure the implementation of the land summit resolutions.

The Southern African Regional Poverty Network organised a workshop on Poverty analysis and deepening understanding of poverty in the region which was attended by one project officer.

A number of workshops were also attended by staff members where they made presentations on land reform debates including communal land ownership and the role of traditional leaders and Improved Livelihoods through supporting land reform projects.

Two staff members attended the Khanya College winter school. This exposed them to the world of social movements and globalisation of people's movements. Another workshop was attended by two staff members organised by Fair Share in municipal budgeting and monitoring processes. Emphasis was placed on putting organisations with similar objectives together so that they could develop strategies to lobby and advocate for the needs of the poor to be included in the IDPs and the Municipal budgets.



Beneficiaries

The beneficiaries of Nkuzi projects are the socially and economically marginalized people of rural communities in Limpopo and Gauteng Provinces, more particularly women, peasants, farm dwellers and the landless. Some of the client communities that Nkuzi has assisted have through this assistance gained land and/or secure tenure, while the majority of Nkuzi clients remain landless and with insecure tenure.



Monitoring and Evaluation

“The evaluation has found that Nkuzi in spite of facing capacity constraints at some levels is an extremely valuable organisation doing important work in advancing the process of land reform in Limpopo.” (HT3 External Evaluation: 2007)

An external evaluation was carried out looking at the work and achievements of Nkuzi programmes funded by HT3. The overall findings of this evaluation were positive and further recommendations were made for improvements to the work and management of the organization. The findings and recommendations will be used to inform further developments in the organisation during 2008.

Nkuzi held its annual planning in November 2008. This annual planning meeting was facilitated by an external consultant and involved all of the staff. The meeting was used to review progress over the past year and make plans for the coming year.

Nkuzi engages all its staff members in a planning session every quarter. This meeting allows the organization to review progress against the annual plans and discuss priorities and strategies for implementation.

Individual staff develop monthly activity plans and report against them. These are monitored by each staff person's supervisor.

Sustainability Factors

The work of Nkuzi is supported by a range of funders, mostly overseas based. Grants have been received from national donors such as the National Development Agency and the Lottery as part of an effort to diversify the funding support and attract local funders.

Nkuzi continues to be contracted to provide services both to government and other institutions. These contracts have always brought in approximately 10 – 20 per cent of Nkuzi's annual income. However Nkuzi is cautious about relying too much on government contracts that could undermine the independence of the organization and taking on any contracts that could distract the organisation from its core business.

Nkuzi has always believed in spending funding received for the programmes it was intended rather than saving money in reserve funds. The delivery on programmes has created a reputation that has enabled the organization to grow and attract further funding.

Given the above Nkuzi is confident that with the continued support of our key donors and the communities that we work with it will be able to sustain and improve current programmes over the coming years.

Networking

Nkuzi in collaboration with three other institutions, COSATU, SACC and SACP under the banner of ALARM marched to the Premier's office to highlight the plight of farm dwellers. We have also worked very closely with the Commission on Gender Equality to highlight the issues of burial.

The former Director was also nominated to sit on the Board of the Civil Society Advocacy Programme supported by EU to strengthen Chapter 9 institutions in South Africa, and served on that board during 2007. There are initiatives to revive networking among NGO's in Limpopo through the efforts of SANGOCO national.

The current Director is on the Board of the Rural Legal Trust and was very involved with the RLT in attempting to finalise a further agreement with the DLA on continued support for the work of the Trust.

Acknowledgments

Nkuzi would like to thank the following donors for their generous contributions to the work of the organizations. The following donors provided financial support during 2007:

- HorizonT3000 (Austrian Development Agency)
- Christian Aid
- The Ford Foundation
- The Rural Legal Trust
- The U.S. Embassy
- The National Development Agency
- Department of Labour

We would also like to thank the community members from farms, restitution claimants, redistribution beneficiaries and the landless who continue to show confidence in Nkuzi through their continued engagement with us and partnership in the struggle for land and production. The struggle continues and will only be won if we maintain our partnerships and commitment.

Nkuzi Development Association Staff Members

STAFF MEMBERS : 2007

Teresa Yates	Programme Manager Research and Policy (Gauteng)
Ezekiel Rambwabeli	Project Officer Farm Dweller Programme (Elim)
Emmanuel Moloto	Attorney (Polokwane)
Nandu Malumbete	Attorney (Modimolle)
Phillemon Talane	Acting Programme Manager Sustainable Livelihood (Polokwane)
Joe Shivambu	Project Officer Farm Dweller (Gauteng)
Letago Langa	Programme Manager Legal Unit (Polokwane)
Tsholofelo Maleka	Project Officer Farm Dweller (Modimolle)
Andile Mngxitana	Programme Manager Farm Dweller (Gauteng)
Vasco Mabunda	Project Officer Farm Dweller (Polokwane)
David Kwindi	Project Officer Sustainable Livelihood (Elim)
Frans Malemela	Financial Accountant (Polokwane)
Shirley Mafemo	Bookkeeper (Polokwane)
Constance Mathata	Legal Secretary (Polokwane)
Shirley Mafemo	Bookkeeper (Polokwane)
Morongwa Moshaba	Office Administrator (Gauteng)

NKUZI BOARD MEMBERS

Tanya Mungulwa	Metropolitan Life - Chairperson
Joyce Seema	Business Consultant
Desiree Sehlapelo	Working for Water Project (Dept of Water Affairs)
Chris Mamabolo	Regional Land Claims Commission
Tidimalo Chuene	Youth Commission
Hudson Kgomoewana	Polokwane Gateway International- Treasurer
Max Rambau	Uchani
Shaidah Schaick	Provincial Department of Environment and Tourism
Elleck Nchabeleng	Member of Provincial Legislature, Limpopo
Teresa Yates	Non voting Executive Director
Oupa Lehulere	Khanya College
Kim Robinson	The Oprah Winfrey Academy

Nkuzi Development Association Financial Report



LiebenbergErasmus

Geotrooieerde Rekenmeesters (S.A.)
Chartered Accountants (S.A.)
Geregistreerde Rekenmeesters & Ouditeurs
Registered Accountants & Auditors
Legnumpark/Legnum Park
Markstraat 18 Market Street
Polokwane 0699
Suid Afrika/South Africa
Postbus/PO Box 912, Polokwane 0700
Tel. (015) 295 9313/4/5/6
Fax. (015) 291 4829

Report of the Independent Auditors

To the Members of Nkuzi Development Association

We have audited the accompanying financial statements of Nkuzi Development Association, which comprise the directors' report, the balance sheet as at 31 December 2007, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 12.

Directors' Responsibility for the Financial Statements

The company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Scope limitation/ Disagreement/ Inadequate disclosure/ Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to initial entry of the collections in the accounting records. Accordingly, it was impracticable for us to extend our examination beyond the receipts actually recorded.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the company as of 31 December 2007, and of its financial performance and its cash flows for the year then ended in accordance with South African Statements of Generally Accepted Accounting Practice, and in the manner required by the Companies Act of South Africa, 1973.

Accounting and Secretarial Duties

Without qualifying our opinion, we draw your attention to the fact that with the written consent of all members, we have performed certain accounting and secretarial duties.

Supplementary Information

We draw your attention to the fact that the supplementary information set out on page 13 to 26 does not form part of the financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.

Liebenberg Erasmus
Registered Accountants and Auditors

NKUZU DEVELOPMENT ASSOCIATION
(Association incorporated under section 21)
Financial Statements for the year ended 31 December 2007

Cash Flow Statement

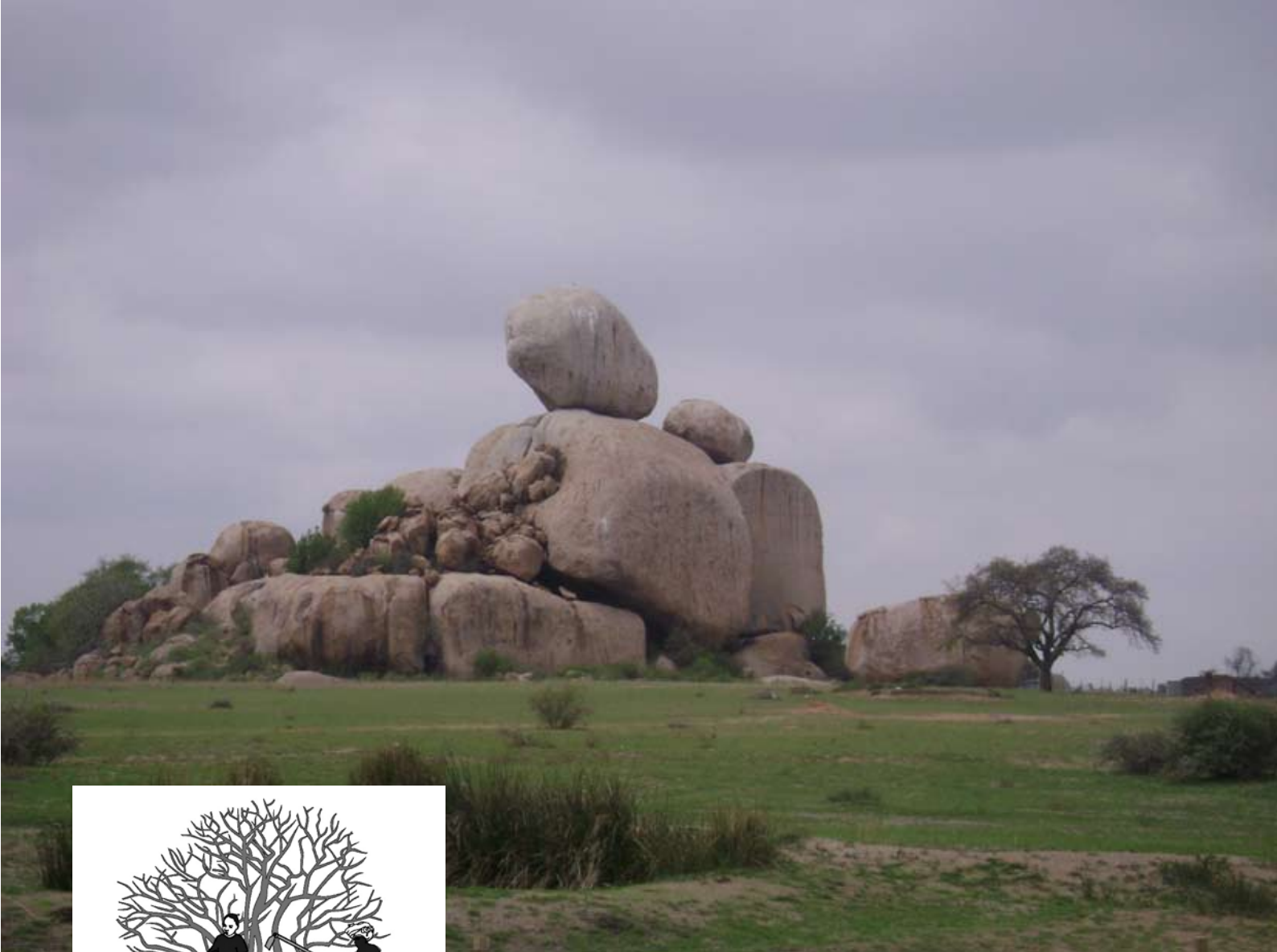
Figures in Rand	Note(s)	2007	2006
Cash flows from operating activities			
Cash generated from (used in) operations	4	399,858	(842,805)
Interest income		363	2,548
Net cash from operating activities		400,221	(840,257)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(8)	(14)
Total cash movement for the year		400,213	(840,271)
Cash at the beginning of the year		66,181	906,451
Total cash at end of the year	3	466,394	66,180

NKUZU DEVELOPMENT ASSOCIATION
(Association incorporated under section 21)
Financial Statements for the year ended 31 December 2007

Balance Sheet

Figures in Rand	Note(s)	2007	2006
Assets			
Non-Current Assets			
Property, plant and equipment	2	232	224
Current Assets			
Accounts receivable		749,921	-
Cash and cash equivalents	3	466,392	66,181
		1,216,313	66,181
Total Assets		1,216,545	66,405
Equity and Liabilities			
Equity			
Retained income		822,854	(337,861)
Liabilities			
Current Liabilities			
Accounts payable		336,389	289,088
Provisions		57,302	115,178
		393,691	404,266
Total Equity and Liabilities		1,216,545	66,405





NKUZI DEVELOPMENT
ASSOCIATION

