

Full Length Research Paper

Performance of poverty alleviation projects in South Africa: The case of Vhembe District in Limpopo Province

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This paper presents the findings of a review of performance of poverty alleviation projects in Vhembe District of Limpopo Province in South Africa. Data were collected from 30 stratified randomly sampled poverty alleviation projects across the district. Five project strata, namely community gardens (n = 12), poultry (n = 8), piggery (n = 2), bakery (n = 2) and other projects, including juice making, brick making, stone crushing and coffin making (n = 6) constituted the sample. One hundred and eight (108) respondents representing the sampled projects were interviewed using a structured questionnaire. Data were coded, processed and analyzed using the Microsoft Excel program and matrix of projects performance. Performance of projects differed by type. All the bakery projects were successful, followed by poultry (62%), community garden and other projects with 33% each. In contrast, all the piggery projects were performing poorly. Overall, the projects performed well (above the 50% threshold), based on the following indicators: availability of project funding, level of commitment by project members and skills as well as knowledge gained. Level of production, generation of income and profit, self-reliance and relevance of projects to addressing project members' needs indicated that the projects did not perform well. The results of this study reflected areas of serious concern, in particular the low levels of production; irrelevance of projects to addressing project members' needs; inability of projects to generate income and profit; and lack of self-reliance. Given the results of this study, it is desirable to evaluate the performance of all PAPs in the province.

Key words: Alleviation, indicator, performance, project, poverty.

INTRODUCTION

The 1994 elections in the Republic of South Africa ushered in a democratic government that faced numerous challenges such as lack of housing, unequal access to education and poverty. At the centre of the nation's transformation agenda, the democratic government of the Republic of South Africa firmly placed the need to address poverty and inequality. These are mainly attributed to implementation of apartheid policies that promoted racial discrimination, limited access to education and well-paying jobs especially for women.

The then President of the country (Thabo Mbeki) emphasized the need for a better life for all (poverty eradication) during his 1999–2008 State of the Nation Addresses (www.info.gov.za/speeches/son).

Poverty is a product of the modern social structure and lifestyle. It is one of the major social problems of modern society. Ethical asset building and alleviation without stigma are the basic tenets of antipoverty initiatives (Jitong, 2005). It refers to the social ethics and moral standards that the government promotes, specifically emphasizing the values of self-reliance, hard work, collectivism and mutual help. On the other hand, poverty alleviation without stigma means a social system in which the poor try to meet their needs primarily through paid jobs and not from welfare benefits.

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Mubangizi (2008) argued that poverty as a concept has been developed further to reflect concerns about vulnerability and risk as well as lack of political voice. Nuruzzaman (2000) views poverty as a political and not an economic problem. According to Schwabe (2004), the proportion of people living in poverty in South Africa has not changed considerably. However, those households living in poverty have sunk deeper into poverty, resulting in the widening of the gap between the rich and the poor.

Vhembe District Municipality (VDM), where this case study was carried out, is one of Limpopo's five District municipalities. The municipalities were established in terms of the Municipal Structures Act 117 of 1998, which further categorised them as well as defined their competencies, powers and functions in 2000. It is a home to slightly less than two million people (Statistics South Africa: StatsSA, 2007). The District is made up of Makhado, Musina, Mutale and Thulamela local municipalities.

Almost 62% of the people in the district depend largely on social grants and remittances (Mudau et al., 2005). Social security is a critical economic survival element for a significant proportion of households in the District. A considerable proportion of the people in the district live in poverty.

The White Paper on Social Welfare (1997) reveals that the quality of lives of people in South Africa would be improved through poverty alleviation projects (PAPs), poverty relief, food security, poverty eradication, community development or self-help projects among other programmes such as the Reconstruction and Development Programme (RDP), Growth Employment and Redistribution Strategy (GEAR), Expanded Public Works Programmes (EPWPs), Joint Initiative on Priority Skills Acquisition (JIPSA), Accelerated and Shared Growth Initiative for South Africa (ASGISA), food security programmes such as school feeding schemes and social security grants, among many others.

The use of projects as a means of alleviating poverty originated in western industrial societies (Shepherd, 1998). It became the universal language of international development by the 1970s. Activities were separated or protected from routine administration or management, and given a special status and priority. In the aid business, donors expected recipients to produce projects to be funded. If they could not or their projects did not meet certain standards, donors were prepared to pay consultants or NGOs to shape projects. In developing countries, it was first used for large capital construction activities. As the uncertainties and complexities of development became appreciated, projects tended to be more and more inclusive and multi-sectoral, particularly in rural development (Shepherd, 1998).

The need for poverty alleviation is widely recognized in all sectors of government and social institutions (Mubangizi, 2008). In South Africa, the Department of Social Development is tasked with the responsibility of

reaching the poorest of the poor. Poverty alleviation projects (PAPs) are mainly funded from the Poverty Relief Fund, which the National Treasury introduced in 1997. Social workers, who were not always trained in nurturing community development initiatives, implemented the projects (Mubangizi, 2008).

In Limpopo province, Kaw (2006) reported that the PAPs failed to meet the goals of sustainable development when implemented under the Department of Social Development. As a result, they were transferred to the Department of Agriculture. Among other reasons provided for the move was that most projects were agro-based and faced serious problems with respect to both planning and implementation due to lack of agricultural extension services available in the Department of Agriculture.

According to Pearce (2000), between 1986 and 1992 the Nigerian government provided credit facilities to rural women and the underprivileged in order to improve agricultural productivity. The main aim was to alleviate poverty. They realized that for effective poverty alleviation through PAPs, the level of education of beneficiaries was the crucial factor that determined project sustainability. Provision of credit was a minor factor. There must be commitment by project members and availability of skills for self-reliance to be realized. The level of education of project members is cardinal towards sustainability of the project in that educated members may easily grasp and implement skills that they receive during training.

The success of agriculture in breaking the poverty cycle depends on the government's ability to provide comprehensive farmer support services such as extension, amongst others (Machete, 2004). Countries such as Egypt and Mali experienced poor performance in their smallholder farming due to lack of government support in terms of extension services, technical input and inefficient planning (Heymans, 1998).

The South African government has the following programs: Community Based Public Works Programme (CBPWP), Consolidated Municipal Infrastructure Programme (CMIP) and the Poverty Relief and Infrastructure Investment Fund (PRIIF) designed to improve the infrastructure challenges in poverty alleviation projects. Motsoaledi (2003) reported in his budget speech that the Department of Agriculture was not satisfied with the outcomes of PAPs in Limpopo province. A study conducted by Manyeli (2003) on income generating projects in Port Elizabeth revealed that members were dissatisfied with them because they were not generating income. Kaw (2006) reported that the major constraints faced by income generating projects in Limpopo Province were misuse of funds, lack of skills and competency of members in implementation, lack of water, poor record keeping and operating outside the framework of their business plans. In this paper, we provide evidence of the performance of PAPs in a bid to provide light with respect to indicators that require further research and more

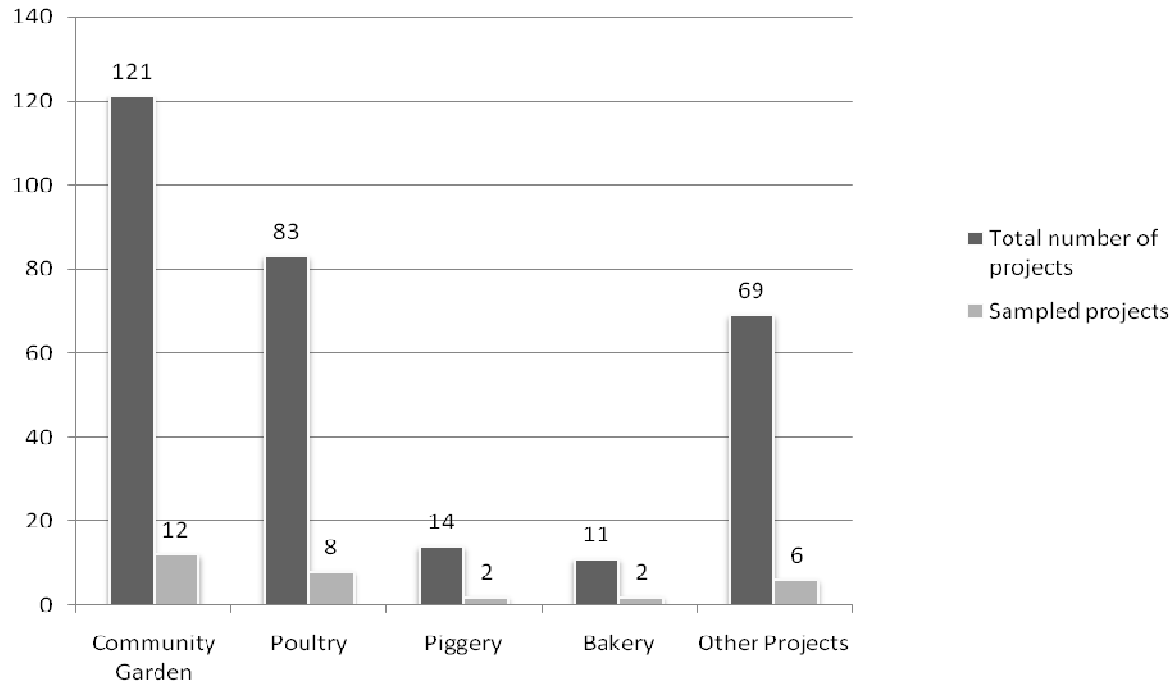


Figure 1. Disaggregation of poverty alleviation projects in Vhembe District of Limpopo province (Department of Agriculture, 2006).

attention from planners and implementers.

METHODS

The evaluation research approach was used in conducting this study. Bless and Higson-Smith (1995) argues that evaluation research can be used to assess the design, implementation and usefulness of social interventions. It aims to test interventions in order to establish how effective they are. In this respect, evaluation researchers use social research methodologies to judge and improve the ways in which human service policies and programmes are conducted. Evaluative research links action and research in a constructive way.

Published and unpublished reports on PAPs were consulted as sources of secondary data. A questionnaire was used to collect primary data covering the following broad themes: biographic data of respondents; origin of the projects and their sustainability; members' dedication to their projects; and how project members benefited from the projects.

The stratified random sampling technique was used to select projects to study because it best ensured that all projects had an equal chance of being selected. Community gardens, poultry, piggery and bakery projects constituted more than three quarters (77%) of the PAPs in Vhembe District. The remaining ones were sewing, juice making and fencing projects.

The sample of projects studied consisted of five strata, namely community gardens, poultry, piggery, bakery and other projects. Only 30 out of the 298 projects were sampled for this study. This took into account practical, logistical and effective reporting considerations. Figure 1 presents a description of the sample of the projects based on type. The questionnaire was administered to 108 randomly selected beneficiaries of the PAPs. Respondents were management committee and ordinary members within PAPs.

The questionnaire-collected data were analyzed using the Microsoft Excel software package. A matrix was constructed to show the performance of projects (Table 1). Descriptive statistics in the form of cross-tabulations and frequencies were computed. Any project whose performance averaged 50% was considered to be at the project success threshold. The minimum and maximum project performance scores were 0 and 100%.

Performance of the projects was determined by measuring the projects' success/failure indicators, namely:

- Availability of project funding, specifically focusing on comparing the amount of money required to start the project with that received;
- Level of production, referring to the actual volume of project output in comparison to the planned volumes of output;
- Relevance of project to addressing project members' needs:—beneficiaries were requested to list down all that they expected to be addressed when joining the projects and compared with the needs that were satisfied;
- Generation of income and profit:—beneficiaries were asked if the projects generated profit from which they could be paid wages;
- Both financial and technical self-reliance, which are sustainability measures, focused on the independence of the project from financial boost and technical skills that projects members had;
- Skills and knowledge gained, which explored whether members gained skills and knowledge after joining the projects; and
- Level of commitment by project members, which explored the time project members came to and left work. Furthermore, attendance of project meetings and training received were considered.

The percentage scores were determined by comparing what was planned or expected with the status at the time. For example, if project members listed four needs that they expected to be met through the project and only 2 were being met then a score of 50% was given.

Table 1. Matrix of projects performance.

Indicators of performance	Measure of success/failure
1. Availability of funding for projects	Ratio of funds obtained compared to what is required.
2. Level of production	Actual volume of output compared to expected/planned output.
3. Relevance of project to addressing project members' needs	Number of project members' needs compared to number of needs satisfied by the project.
4. Generation of income and profit	Size of income and profit.
5. Financial and technical self-reliance	a. Ratio of internally generated funds compared to externally generated funds. b. Ability to pay staff based on profit generated.
6. Skills and knowledge gained	Number of courses attended and trained members.
7. Level of commitment by project members	a. Number of full-time and part-time project members; and b. Frequency of attendance of project activities.

Table 2. Performance of projects by type in Vhembe District of Limpopo province.

Project type	No. of successful projects	Proportion of successful projects (%)
Community garden (n=12)	4	33
Poultry (n=8)	5	62
Bakery (n=2)	2	100
Piggery (n=2)	0	0
Other projects (n=6)	2	33

RESULTS

The results of this study are presented in two categories, namely agricultural projects and non-agricultural projects. Agricultural projects included community gardens, poultry and piggery. Bakery and other projects (juice, brick and coffin making) constituted the non-agricultural projects.

As shown in Table 2, in comparison to the other projects the bakeries were best performing (100%) followed by poultry (62%), 33% for community gardens and other projects. All the piggery projects were not performing well. Members of the poorly performing projects were planning to replace them with poultry projects. They argued that there was inadequate funding for piggery and markets were lacking when compared to poultry projects for which annual grants were received from the Department of Health and Social Development. In the following section of this paper, evidence of project performance by type is provided.

All the respondents perceived the following to be the reasons for the success of PAPs: availability of continuous funding; commitment of members to their projects; transparency; commitment and faithfulness of members of management of the projects, and capacity of members to execute project activities.

Community gardens

Less than half (41%) of the PAPs in Vhembe District were community gardens. Only 33% of the community gardens were successful. They performed best in terms of level of commitment of project members (83%); availability of funding for projects (81%); and skills and knowledge gained (56%). However, the community gardens did not perform well in terms of level of production (0%); self-reliance (19%); relevance of projects to addressing project members' needs (20%); and generation of income and profit (22%). The average performance rate for the projects was 40%. Figure 2 presents the levels of performance of the projects.

Performance of poultry projects

Figure 3 depicts the performance of poultry projects. On average, the performance score for the projects was 57%. Most of the projects (63%) were successful. Their success was mainly based on availability of project funding (91%); level of commitment by project members (91%); and skills and knowledge gained (65%). However, they worst performed in terms of the following indicators:

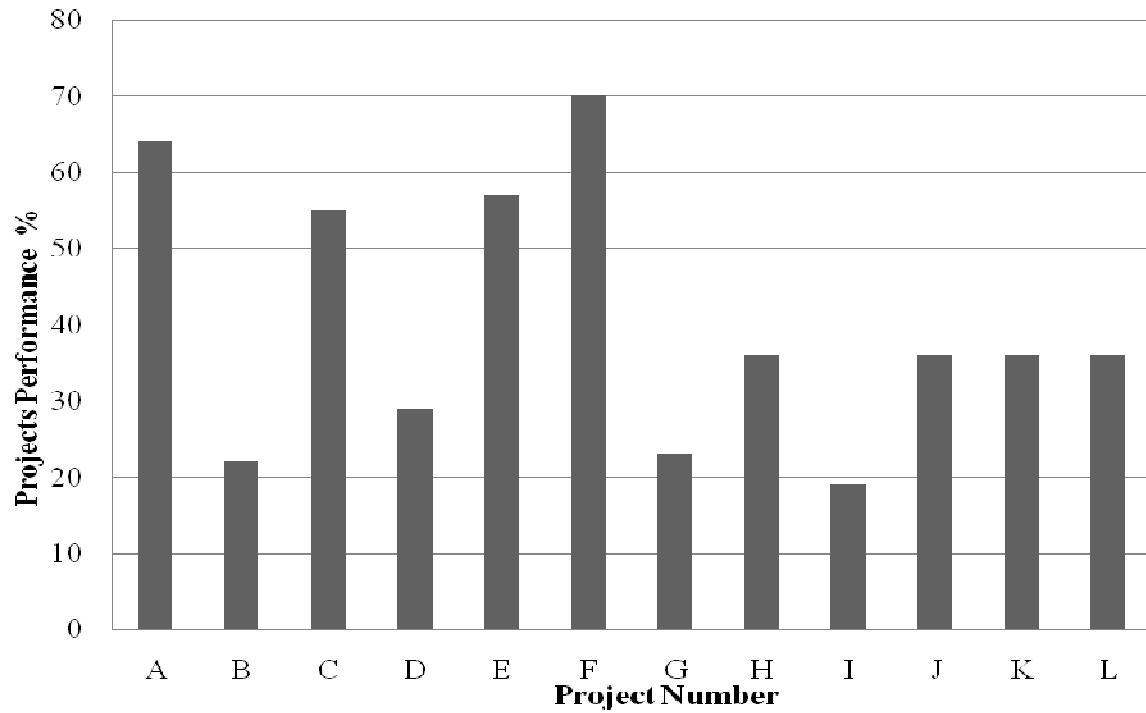


Figure 2. Performance of community gardens projects in Vhembe District of Limpopo province.

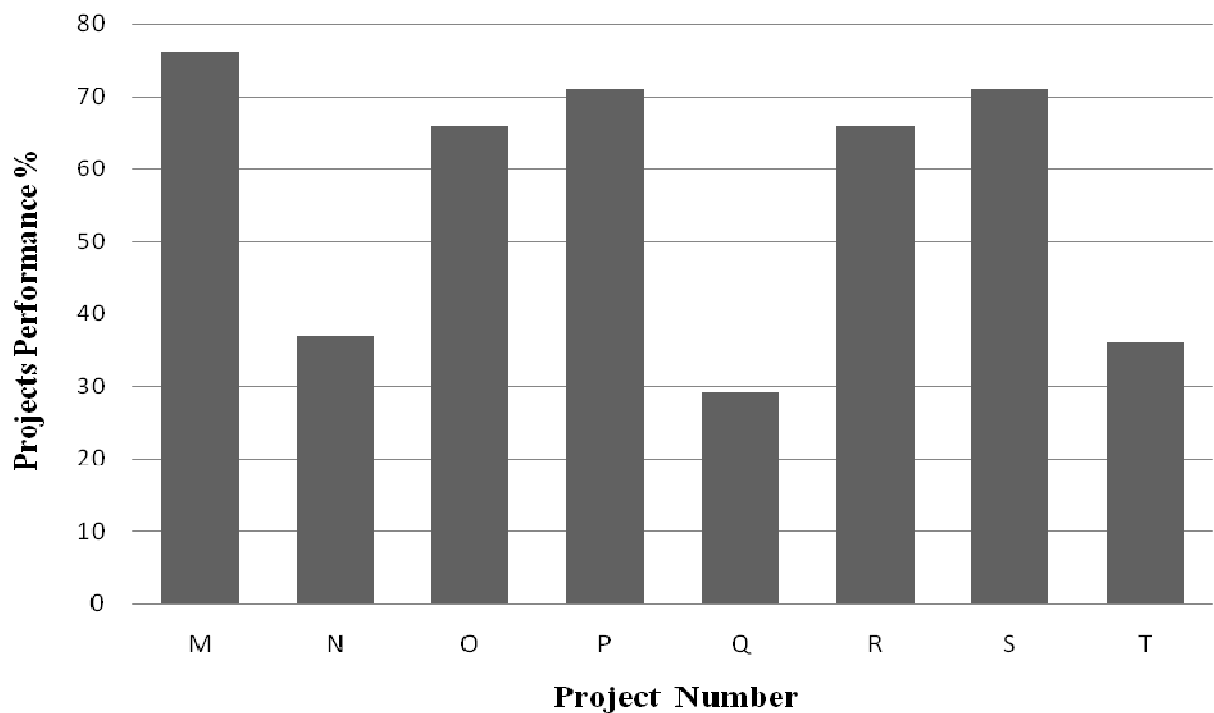


Figure 3. Performance of poultry projects in Vhembe District of Limpopo province.

generation of income and profit (43%); level of production (41%); self-reliance (35%) and 29% with respect to the

relevance of the project to addressing project members' needs.

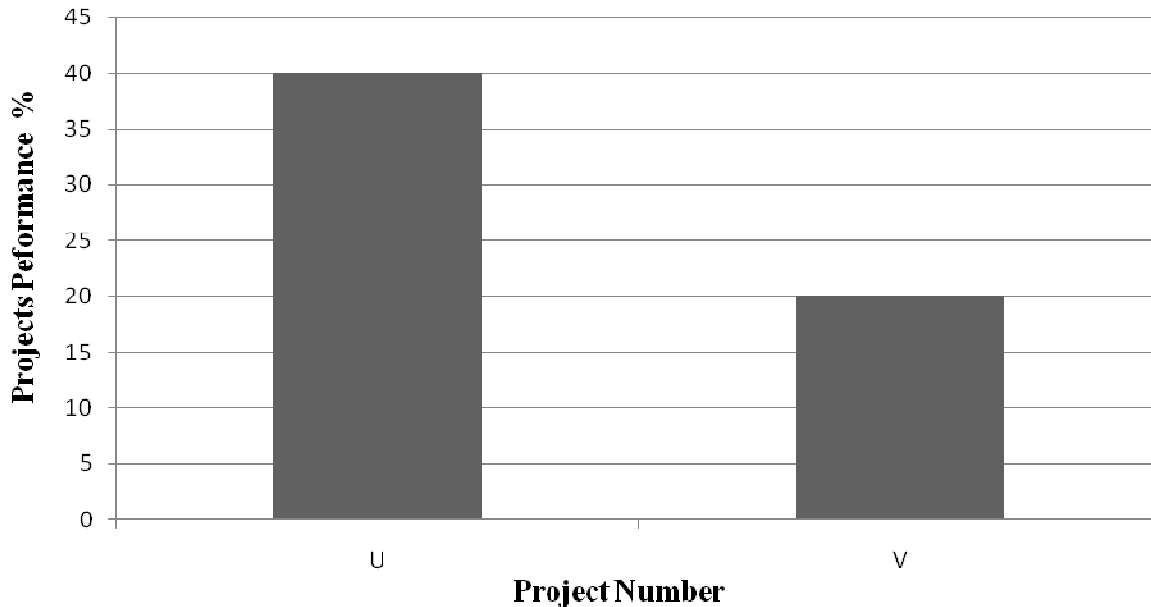


Figure 4. Performance of piggery projects in Vhembe District of Limpopo province.

Performance of piggery projects

As shown in Figure 4, all the piggery projects were categorised as failures. Level of production, relevance of project to addressing project members` needs, generation of income and profit and self reliance were the worst. However, the level of commitment by the project members to their projects was regarded as excellent (100%) followed by 55% in terms of availability of project funding as well as skills and knowledge gained.

Performance of bakery projects

Figure 5 shows that all the projects were successful, with a performance rate of 100% in terms of availability of project funding; level of production and level of commitment by project members to their projects. Other performance indices were 80% with respect to generation of income and profit; self reliance; and skills and knowledge gained. The overall score for relevance of the projects to addressing project members` needs was 52%.

Performance of other projects

About a third of the other projects performed successfully with respect to the following indicators: availability of project funding (75%), level of commitment by project members to their projects (68%); and skills and knowledge gained (53%). These projects performed poorly on indicators such as self-reliance and generation of income and profit (17%), level of production (22%) and relevance of project to addressing project members`

needs (8%). The average performance rate for the projects was 37%. Figure 6 is a diagrammatic depiction of the performance of the projects.

DISCUSSION

Population distribution of the district seemed to influence the distribution of PAPs across the district. Makhado and Thulamela local municipalities had larger human populations (471,800 and 602,820, respectively) compared to Musina (57,192) and Mutale (108,218) (Statistics South Africa: StatsSA, 2007). There were more projects in Makhado and Thulamela municipalities compared to Musina and Mutale. Soil fertility in arable lands in the district was worsening (Odhiambo and Nematodzi, 2007), which forced more and more households to resort to community gardening as a poverty alleviation strategy. It was also evident that projects were established in areas of more active political membership/leadership. This suggested that political influence determined the pattern of distribution of projects in the district.

This study confirmed the observations of Pal (1998) and Fitamo (2003) that the people-centered approach placed the community at the heart of development. This is a bottom-up approach that views communities as people with potential and with the capacity to manage their own development. Eventually, empowerment, self-reliance, community ownership and project sustainability are the ultimate goals. Within this context, development practitioners only serve as facilitators as communities take control of implementing their projects. The PAPs in Vhembe District performed poorly in terms of self-reliance, level of production, generation of income and

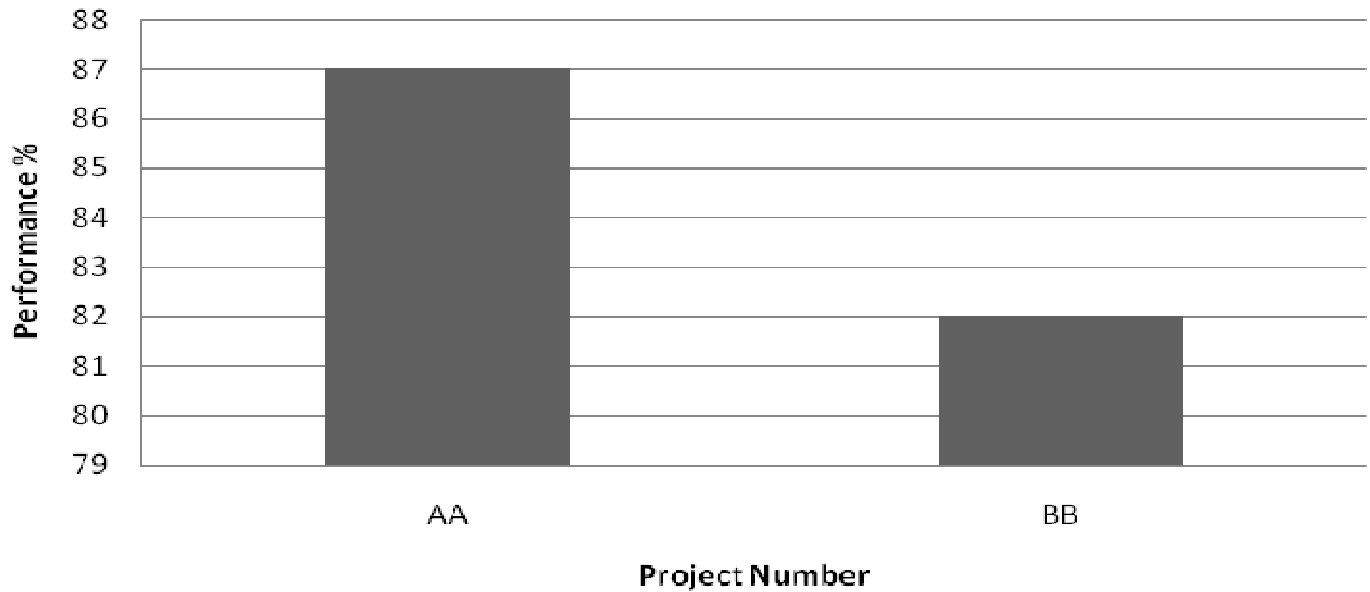


Figure 5. Performance of bakery projects in Vhembe District of Limpopo province.

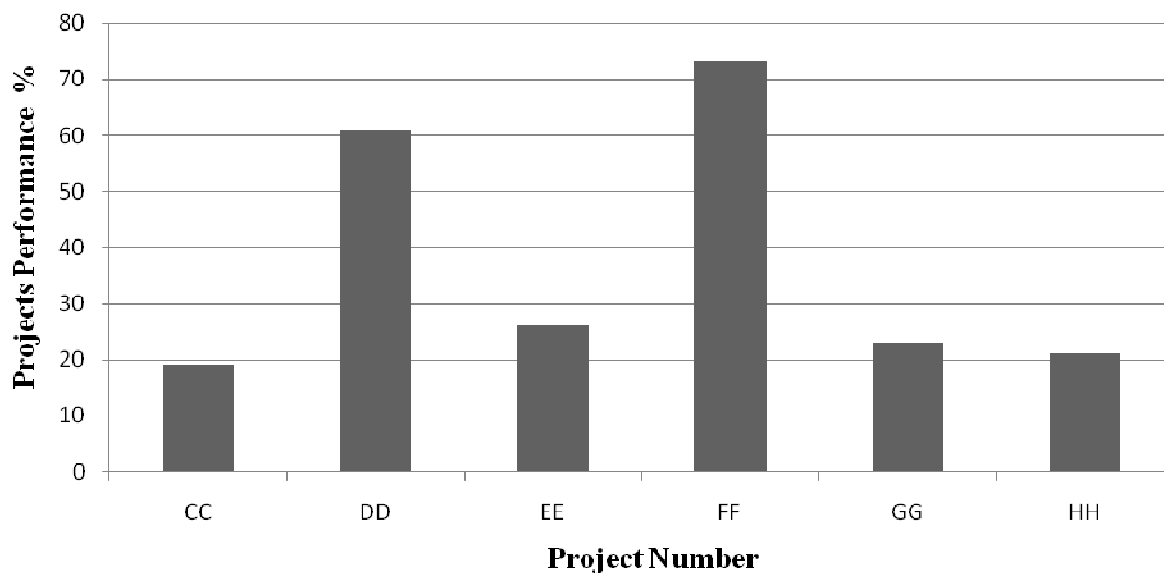


Figure 6. Performances of other projects in Vhembe District of Limpopo province.

profit and most importantly, relevance of project to addressing members' needs. How projects were initiated influenced the latter indicators.

It was revealed that there were many people who received training in technical as opposed to business management skills when the project started than those who were working in the projects. This concurred with the findings of Marais and Botes (2007). Lack of business skills negatively affected the performance of the PAPs in Vhembe District because basic practices such as record

keeping and human resources management were not adhered to. Therefore, information relating to levels of production and generation of income and profit were inadequate.

The inadequacy of information relating to the level of production and generation of income and profit is linked to poor record keeping, which justifies the argument of Kaw (2006) that poverty alleviation projects in Limpopo Province keep poor business records and operate outside the confines of their business plans.

27% of project members did not have any formal education, which is critical in ensuring project sustainability because educated members may easily grasp and implement skills that they received during training. The study confirmed the findings of Pearce (2000) that project sustainability does not simply depend on provision of credit. Rather, level of education of project beneficiaries is vital.

Poverty alleviation projects in Vhembe District could not meet the expectations of their members because they did not generate income. Thus, they were unable to satisfy the needs of members, which concur with the findings of Manyeli (2003) in a study of income generating projects in Port Elizabeth.

Poverty alleviation projects in Vhembe District received considerable support from government. Each agricultural project that was sampled had a dedicated Chief Agricultural Technician who was responsible for providing technical support regularly. This contrasted the observation of Heymans (1998) that lack of government support in terms of extension services and technical support contributed to poor performances of projects in Egypt and Mali.

Conclusions

This study revealed that implementation of PAPs was associated with numerous challenges that needed to be addressed. Adequate funding for the projects was available. Usually, this is the key resource that dictates the success of such projects. Given the prevailing reality, this factor cannot be blamed for the poor performance of PAPs in Vhembe District.

Members were committed to what they were doing although a sense of project ownership seemed to be lacking. A top-down approach was used when the projects were established. It was established that members were not involved in choosing the projects they desired. Therefore, the projects were not relevant with respect to addressing members' needs. While it cannot be disputed that PAPs require technical and financial support to meet their objectives, those in Vhembe District seemed to have nurtured a dependency syndrome among members.

It is recommended that the matrix that we used to assess the performance of projects be applied to a much larger sample of each type of project, including for example agricultural and non agricultural projects. We are confident that this is one of the best tools that can be adopted by implementers of PAPs because at present, there is no universally accepted assessment tool in use.

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