

# NKUZI DEVELOPMENT ASSOCIATION



## 2019 ANNUAL REPORT

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**Chairperson: Nkuzi Board of Directors**

**Mrs M.J. Letsoalo**

**2019 is the year which will always be in our minds as an organisation. It the year in which we learned to that compliance is possible for civil society organization.**

**It is common practice for every organization or entity to ha a set of policies, procedures and systems so as to guide operations and rendering of services without compromising the laws and regulations of the country. Same could be said of Nkuzi that we adopted policies, procedures and systems to guide our operations and we constantly review to ensure alignment and relevancy with key statutes.**

**Over the years we found ourselves grappling with compliance , not only with internal systems and policies but statutory obligations and a little on funding commitments. This led to inability to service some areas as the little funds we had had to be reprioritize and at times skip statutory obligations. We tried to raise funds towards implementation of programmes but only a few partners came to the party. This left us with a bitter taste caused by the realities of losing skills and personnel, including legal services and closure of a few offices and remained with one. But the debt mounted!**

**In the year 2019... one of our long standing funding partners came to our rescue by allowing us to access project reserves and use them to settle the payroll related debt. What a breather?**

**I know you all wonder how and why do such things happen in Civil Society Organisations. The struggle for Civil Society Organisations in South Africa is real. At any time, 10 or more organizations are struggling for survival but yet they wage war against the ills of the society in solidarity with the communities, groups and individual rural women and men who are struggling to secure their socio-economic rights. It is even worse in other nations as governments are passing laws which make it very impossible for civil society organizations to operate or exist.**

Today, I can confidently share with you that there is hope for continuous advocacy work for Nkuzi. The cleared tax bill has also led to unqualified audit opinion- something which we have been yearning for a while.

We give credit to reinforcement of internal controls by management and constant checks and balances by the board as it provides oversight on management. Nkuzi also tries by all means to comply with the funding agreements that we have... we ensure that funds are spend for what it is intended for and we account for every cent.

This is opening a way for new opportunities as we observed some partners who just come without us making the first move. I think this is in line with a proverb which Chinua Achebe, the author for Things Fall Apart which says *“if a child washed his hands , he could dine with kings”*.

We pray that God helps us to maintain the status quo of compliance and unqualified audits so as to create a path into a promising future

My call to you stakeholders is that you join us to march forward in to the future of clean governance and more resources which will make the journey easy.

We appreciate each one of you and wish you a safe festive season and happy 2021.

As you spent time with family, friends and relatives during this time, remember to wash your hands, wear your masks and social distance to curb the spread of the CORONA VIRUS. The pandemic is real and we cannot afford to lose lives before actualization of agrarian and land reform. MAATLA! MAANDA! MATIMBA!

## **Executive Director's desk**

### **Highlights for the year**

**Nkuzi continued to push the frontiers in relations to support to land claims, CPAs and small holder farmers, people in communal areas as well as farm workers and farm dwellers. Our work**

#### **Women's Land Rights advocacy**

**We launched women's land rights advocacy through the support of the ILC. The initiative enabled us to popularize Kilimanjaro Charter of Demands, raise awareness on the charter along with supporting stakeholders engagement to assert their rights. The initiative enabled us to reach out unto areas we could not before, establish relations with traditional leaders in Tshiombo and Mokopane.**

**We also worked with other CBOs in the likes of Kopano Formation, Xihlovo Xa Ndivho, Xitlakati Development Forum and Lewaneng Mining Affected Group.**

**We reached out unto various groups through community radio stations, information leaflets which were in the main translated Charter of demands into 3 local languages. The leaflets were further uses as a basis to launch a Women's Rights Inclusive Development and Growth in Africa. This initiative is the initiative which we are also continuing with in the 2020 henceforth. Thanks to PROPAC for identifying and partnering with NKUZI to participate in this continental initiative. Moreso, Nkuzi took part in the baseline research and participation allowed us to engage with groups which were part of the baseline study and others who are in the same predicament.**

#### **Legislature engagements**

**We continued to support groups we work with to engage provincial legislature and national parliament. This was in the form of written submissions on draft laws as well as community specific submissions.**

**To be specific, Kopano formation, Nandoni Relocated Communities and Lewaneng Community.**

**We were able to conduct a two days session on the legislature engagement were in community leaders of various forms of engagement. The communities even piloted some methods without a hassle.**

**We further made submissions on proposed bills. One was done in partnership with AFRA and LRC (Expropriation), and the other was done with communities (SPLUMA).**

### **Rural Governance**

**Rural communities are on the verge of a big blow as the President signed into law two proposed bills (TKLB and TLGFB) nicodemously in November 2020 while people were still focused on wrapping 16 days of activism against women and children abuse. The two pieces of law compel traditional communities to surrender their decision making powers relating to land development to the traditional leaders. This is something which has been happening but the laws rubberstand the anomaly practice. We hope rural communities will mobilize to defend their rights and rally behind stop Bantustans Laws Campaign to challenge this pieces before they become effective on in April 2021.**

### **Access to markets**

**Through partnership with Oxfam South Africa, we conducted a study with small producers, supermarkets and informal traders to assess market access. The study contributed to a start of the behind the barcode campaign wherein producers are linked with formal markers and supported to sell their produce locally.**

### **Organisational Governance**

**We have a fully constituted board which meets quarterly. Among other matters, the board compliance issues besides ability to meet regularly. Some key meetings could not materialize especially AGM for 2018 due to funding. The funding partners were made aware of the challenges and**

**supported the organizations. We however had unqualified audit for the year 2018 and the same could be said for 2019 and the special bread for the world report already indicate so through unqualified audit with no matters- clean audit. We will try everything in our power to maintain this in 2020 and beyond.**

**We also take time commend the staff complement of Nkuzi for their commitment and sticking around even in hard times of one or two months without salaries. These are real comrades who understand that a friend indeed is a friend in need. WE are proud to be to have a team of your caliber.**

**On the funding front, we secure new funding and partners in the likes of Action 24, PROPAC, PLAAS and the International Land Coalition while we maintained relations with Bread for the world, DKA Austria and Tshintsha Amakhaya. The new partner helped to shape our work on environmental justice as well as strengthening women's land rights. We look forward for this relations to continue in future for solid grassroots mobilization and organizing**

## **Key Events/ Observations of the Land Reform in South Africa**

**By Molatelo Mohale: Programme Office Unit**

**The land question in South Africa spiked some interesting developments since the beginning of 2018. The land debates have triggered a lot of actions, including some political parties, individuals and business taking a stance on the matter. Even outsiders started to track developments of land acquisition and redistribution in the country. However the reality depicts a lot of talk shops than actions taking place ever since that time. We zoom into various aspects of the land question in the country as follows:**

### **Land invasions**

**The beneficiaries of state's land reform programme are subjected to land invasion Communal Property Institutions (CPI)'s appears to be targeted by land invaders. This is orchestrated by the traditional leaders, government officials and disgruntled members of the community trusts and communal property association. The victims have attempted to stop the invasions without success, instead experienced traumatic situations. The municipalities consent have installed basic services to the illegal occupants and neglected the longstanding issues of the land owners reported to the authorities.**

### **Public Participation/ Enactment of new laws**

**The parliament is reluctant to shift its way of organizing and facilitating public participation processes. It has been sort of normalized that public participation platforms such as public hearings and outreach and education platforms are organized in the urban spaces, town halls and exclude the masses in the far flung rural areas. This translates into a situation whereby the marginalized communities are not afforded opportunities to assert their constitutional rights to participate in the law-making processes. The parliament has heavily relied on political parties and some compromised community advice centers to organize the events on its behalf. The only public participation platform, the**



hearings that drew the attention of the public in its breath is the amendment of the section 25 of the constitution process that begins in 2018. Although it was sort of taken over by the political parties, the public was well aware in advance to the actual public hearings and submission facilitates provisioned.

### **Presidential Advisory Panel on Agriculture and Land Reform**

The president Cyril Ramaphosa appointed a 10 member panel in September 2018 to assist the state to speed up the land reform programme. The Advisory Panel which was dominated by academics/researchers and legal minds was responsible to analyze and provide recommendations to the president on workable solutions to the land reform and agriculture. The panel was chaired by Dr Vuyokazi Mahlathi. The panel recommended a number of proposals to the government, including amongst others that the government needs to disband the Ingonyama Trust, a nominal owner of largely the chunk of hectares of land in Kwa Zulu Natal's communal area. The panel also emphasized the recommendations of the High Level Panel (HLP) of November 2017. The advisory panel just like the HLP proposes enactment of the redistribution legislation that will explicitly outlines the criteria of the beneficiaries of the same programme.

### **Evictions scourge**

The far flung rural dwellers, especially those residing on the white commercial farmlands (farm dwellers) are still subjected to unbearable living conditions. This is attributed to the farm owners' denial to resonate with practices and legislations of the democratic dispensation. A lot of evictions were orchestrated unlawfully with the assistance of the authorities such as South African Police Services (SAPS) outside the court process. The unfortunate reality is that even the president still shows no intention to at least declare the eviction unlawful until the desired legislation is enacted/ introduced. The evictions take place without alternative provision of accommodation for the victims despite the law stipulating otherwise.



## **Corruption in land acquisition and redistribution**

According to a January 2019 report by the Special Investigating Unit (SIU) of its probe into 148 farms countrywide over a seven-year period, 25% of the department's land reform projects revealed fraud and corruption elements, with hundreds of millions of rand lost through land acquisition, imposition of strategic partnership and establishment and fronting of "equity schemes". For instance, the findings confirmed that the four farms, three in Western Cape and one in Mpumalanga were under ownership and control of Safe & Bono Company, an entity that does not need state support. The SIU report also recommends that 42 individuals, including politicians, be prosecuted under the Public Finance Management Act. Although the department assured the nation that officials implicated will be prosecuted, only one department official has been convicted of fraud and theft.

Meanwhile this fiasco is experienced under the outstanding thousands of old order restitution land claims which the money could have prioritized for.

## **Political economy/ Land debate & Section 25 of the constitution amendment process**

The land reform and agrarian debate has gained momentum once again which gave birth to various dominant narratives from activists, academics, politicians and bureaucrats. A lot of activists, researchers/academics have deployed different strategies to pressurize the authorities to implement its plans at the same time pushing alternatives. The ruling party, African National Congress (ANC) strives to acquire land through various practices, including expropriation of land without compensation, although there is no clear position in terms of land holding, governance and administration. The Democratic Alliance (DA) pushes for land to be acquired through the undesired principle of market value. The Economic Freedom Fighters (EFF) strives for land

**acquisition through expropriation without compensation and the state becomes the nominal owner of all land parcels in the country, reducing the residents to occupiers. Following the endorsed by the National Assembly in early February 2018 to amend section 25 of the constitution to allow expropriation of land without compensation, the portfolio committee on Agriculture, Land reform and Rural Development was tasked with the responsibility of spearheading the process. The committee organized public hearings across the country to elicit the views of the public on the matter.**

**By the end of 2019, after consolidation of the submissions and parliaments' resolution, it was concluded that the section 25 of the constitution must be amended. In the next reporting period, we would indicate the development in the process thereof.**

**We observed that business people are venturing into the land and agriculture sector with the aim to maximize their profit. The billionaire Patrice Motsepe has injected R3.5 million in December 2018 to assist the Department of Agriculture, Land reform and Rural Development to make strides in the land reform. This sudden contribution is viewed as a move to manipulate, protect the large scale commercial agriculture and gain access into the agriculture sector. If the business had interest in contributing positively to land and agrarian reform, their involvement would have started donkey years ago.**

## OUR WORK IN PICTURES FROM JULY – DECEMBER 2019



*Above: Participants of the CCMA processes training held in Polokwane*





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***Above (from left to right) some participants of the August 2019 dialogue with women who live and work on farms. The Women from supported farm forums and Koppenpan forum with Children Police and Blouberg Traffic offices during awareness campaign against substance abuse***

***Below: The Koka Matlou CPA members making rounds at their goat and sheep pens during Nkuzi field visit***



***Below: Molatelo Mohale, Programme Officer of Nkuzi Development Association NPC, planting a tree as part of the non violence mobilisation training in India, December 2019.***





***Below: (from left to right): Legislature engagement workshop in Polokwane and feminist school held at Gender Links , Johannesburg***



**NKUZU DEVELOPMENT ASSOCIATION NPC****FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019****STATEMENT OF COMPREHENSIVE INCOME**

	Note(s)	2019 R	2018 R
<b>Revenue</b>			
Grants received		2,578,732	2,308,652
Organization income		777,666	137,144
Interest received		32	20
		<b>3,356,430</b>	<b>2,445,816</b>
<b>Operating expenses</b>			
Accommodation and perdiems		133,828	128,931
Auditor's remuneration		70,716	68,140
Bank charges		14,368	11,722
Consulting fees		-29,672	99,520
Depreciation - property plant and equipment		20,510	34,134
Electricity and water		9,599	8,363
Employee costs – directors		312,861	303,200
Employee costs – salaries		1,603,894	1,343,739
Evaluation		2,325	-
Fines and penalties		-	39,941
Forex loss		130	235
Governance cost		20,922	8,407
Lease rentals on operating lease		129,631	111,094
Office expenses		18,726	4,085
Printing and stationery		34,151	18,854
Repairs and maintenance		21,800	28,390
Secretarial fees		1,641	-
Security		18,144	13,386
Staff welfare		-	3,963
Subscriptions		9,106	599
Telecommunication		69,695	102,649
Transport		135,022	82,642
Workshops and conferences		136,317	28,529
<b>Surplus (deficit) for the year</b>		<b>2,733,714</b>	<b>2,440,523</b>
		<b>622,716</b>	<b>5,293</b>

NKUZI DEVELOPMENT ASSOCIATION NPC  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31  
 DECEMBER 2019**

**STATEMENT OF COMPREHENSIVE INCOME**

<b>Figures in Rand</b>	<b>2019</b>	<b>2018</b>
	<b>R</b>	<b>R</b>
<b>Revenue</b>	3,356,430	2,445,816
Operating Expenses	<u>2,733,714</u>	<u>2,440,523</u>
<b>Operating surplus / (Deficit)</b>	<b>622,716</b>	<b>5,293</b>

NKUZI DEVELOPMENT ASSOCIATION NPC  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER  
 2019**

<b>Figures in Rand</b>	<b>2019</b>	<b>2018</b>
	<b>R</b>	<b>R</b>
<b>Assets</b>		
<b>None current Assets</b>		
Property, plant and equipment	<u>56,715</u>	<u>40,013</u>
<b>Current Assets</b>		



Trade and other receivable	82,184	-
Cash and cash equivalents	599,351	446,315
	<b>681,535</b>	<b>446,315</b>
<b>Total Assets</b>	<b>738,250</b>	<b>486,328</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Accumulated deficit	-211,967	-834,683
Other non-distributable reserves	36,175	36,175
	-	
	<b>175,792</b>	<b>-798,508</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	914,042	1,284,836
	<b>914,042</b>	<b>1,284,836</b>
<b>Total Equity and Liabilities</b>	<b>738,250</b>	<b>486,328</b>

## ***OUR FUNDERS***

**Brot**  
für die Welt



**OXFAM**  
South Africa



TSHINTSHA  AMAKHAYA  
*Working together for rural change*



INTERNATIONAL  
LAND  
COALITION



**DKA Austria**  
Hilfswerk der Katholischen Jungschar