



Evaluation of the first phase of the project

**“Promoting the development of small -
scale economic activities in rural areas of
the Western and Eastern Cape”**

-executive summary, introduction & conclusion -


Prepared for CCFD and SIDI

**Written by
Benôit Allanic, Mercia Waring
and Zikhona Mankayi**

December 2001



**CRIAA SA-DC, PO Box 140, Auckland Park, 2006, South Africa
Tel : (27.11) 478 1883
Email : Criajhb@wn.apc.org**



Executive summary

“The important thing is not to stop questioning”.
Albert Einstein

Context

Static top-down paradigms which ignore social change and rising, functionally urban, aspirations result in skills training to disadvantaged communities being limited to a narrow range of survivalist poverty alleviation packages. A significant consequence is the generally low level of community buy-in, particularly from young adults.

Both MENNGOS and Triple Trust programmes aim at economic empowerment through building up and strengthening skills of small and micro-entrepreneurs but although MENNGOS seems to offer better value neither organisation can be said to be making a major input to economic empowerment. A poor record of delivery is being hidden behind numbers of people trained or of business groups created. With only a few exceptions, the beneficiaries interviewed during this evaluation cannot be called entrepreneurs, nor even micro-entrepreneurs.

The evaluation corroborates problems and shortcomings already identified by MENNGOS through its internal audit and diagnostic tools; by TTO through its impact surveys.

Implementation of the programme “Promotion and development of small-scale economic activities in rural areas of the Western Cape and Eastern Cape provinces” started in July 1997. Its objectives were to promote economic activities in rural areas; to reinforce local service providers and communities; to enhance rural-urban linkages; and, to develop exchanges among South African organisations and with their foreign partners.

The evaluation focuses on the training of trainers and micro-entrepreneurs and assesses the impact and achievements of the first phase.

The evaluation team has broadened the terms of reference to incorporate present current policy and planning directions and emerging role-players (LED, ISRDS, Skills Development Strategy, SMMES support Agencies); as well as ongoing social change and empirical investigations into whether developmental or social investment programmes are performing efficiently.

Relevance¹

To achieve economic empowerment and enterprise development, both MENNGOS and TTO train local trainers either based in these selected communities or working for local service providers and both target essentially the same final beneficiaries, i.e. micro- and survivalist entrepreneurs.

MENNGOS's stated objective is to build capacity and capability amongst small business service providers in the Western Cape. The MENNGOS rural development programme in the Karoo, South Cape, Boland and Breede River regions involves five local organisations or rural partners already operating prior to the creation of MENNGOS.

Rural trainers transfer skills learnt in basic business management and business counselling to start-up and existing entrepreneurs in their localities. Trainers are also required to facilitate access to loans for their viable clients. Difficulties in securing loans for viable clients has created dissatisfaction and disillusion among training candidates. It is apparent that business skills training attracts many who anticipate securing a loan. To substitute for the loss of

¹Relevance: assessment of the objectives of an intervention, particularly regarding the justification in the light of problems and needs.

disillusioned voluntary clients some MENNGOS rural partners have already started targeting captive clients, i.e. school children and prisoners.

TTO's Eastern Cape rural training programme was launched in 1997 on the basis of a very limited rural impacts survey conducted in 1996. Triple T Trust stated aims are to empower people through enterprise development, to unlock people's potentials and creativity through skills and business training, to help those disadvantaged by apartheid to improve their social and economic circumstances, to train people to start their own businesses and in that way to become economically self-reliant.

In addition to skills relating to specific products (namely sewing and leather), training is given in (sic) basic business principles including costing, pricing, marketing and money management, the stated aim being to enable a person to utilise their skills to generate income and run a viable home-based business.

The objectives of both MENNGOS and TTO may be valid but "the view that there is a ready pool of potential entrepreneurs in South Africa who simply need technical and financial support to start successful businesses is flawed". Participants are not screened or selected according to existing entrepreneurial potential. On the premise that skills training will unlock talents which reside equally in all people, all who come are trained. An additional complication is that the group or cooperative ethos promoted by the Department of Welfare and followed by TTO does not work. In the Eastern Cape, many groups become dormant because none produces sustainable livelihoods for members. In the Western Cape, cooperatives such as the Khulekani brickmaking project or Unemployed Silk Printing are equally unsuccessful.

Notwithstanding poor performance TTO plans geographical expansion, the objective being "to reposition TTO as a national organisation and to venture into new provinces as the need (and much needed funding) arises". MENNGOS expansionist trends were also noted for the Western Cape, Karoo and George.

TTO also plans to shift into other domains which themselves are not proving sure-fire recipes for sustainability let alone grassroots empowerment. With its new focus on poverty alleviation and life skills, Triple Trust can no longer present itself as a player in local economic development.

Effectiveness³

Training in a vacuum does not lead to development of sustainable small-scale economic activities. Skills being offered are not easily turned into viable businesses and enterprises. Without appropriate product development and innovation, injection of microfinance and after care, what is offered is tantamount to training for frustration.

The reactions from and modus operandi of many clients indicate a pressing need for practical follow-through. Training manuals suggest that courses are far too complex if not actually esoteric and urgently in need of simplification, not greater complexity.

TTO's three generic training packages have been applied to all Eastern Cape localities. They have not proven successful in unlocking entrepreneurial potentials. Furthermore it seems absurd and meaningless to carry on training in leather when "the scarcity of suppliers has led to those available being ridiculously expensive and unaffordable to graduates" (1998 Impact Study). The 1997 Impact Study stressed that access to suppliers and affordable material "could negatively affect business startup and sustainability rate if no action is taken very soon. The results are already negative for the leather skill". Despite these early warnings, the leather training course has remained seemingly unchanged for a further four years.

²South African GEM (Global Entrepreneurship Monitor), 2001 Report.

³Effectiveness: the degree to which the objectives of the intervention are fulfilled. We have selected this criteria over efficiency because we did not have access to information on financial resources used to produce results in both programmes.

The train-and-go approach practiced by TTO is fraught with problems. When linked to a limited range of products for which there is no market, it has failed to improve livelihoods and to empower the poor. The train-and-go system is being subjected to mounting scrutiny and criticism by local government representatives that graduates are dumped with a skill and certificate and nothing else.

The train-and-follow approach developed by MENNGOS and its local members is more successful. It delivers what can be seen as the beginning of a meaningful support package to existing and new microentrepreneurs. However in 1999–2000 loans were accessed by MENNGOS rural partners for only 3.5% of trainees. Aside from difficulties of accessing microfinance in rural areas not well served by lending institutions, this also suggests that a limited number of starting businesses are viable and that this is obvious to microfinance institutions. Evaluators also gathered from clients that their interest was in a handout (sponsorship); not a conventional loan.

Impact⁴ and viability⁵

Most sewing and leather projects showed no evidence of sustainability or capacity to generate real grassroots income generation opportunities other than for community trainers, and closure of projects probably reflects growing disenchantment. The broader imperative at this stage in South Africa is donor concern about whether skills and business training programmes are delivering. The unavoidable conclusions of evaluation fieldwork, interviews and data analysis were that Triple T rust and MENNGOS programmes, are having a limited impact on Karoo and Eastern Cape livelihoods and on enterprise development.

TTO clients' unrealistically high expectations of potential "income" from their activity (a minimum of R1000 a month) were revealed as no more and no less than anticipation of continual sponsorship or grant funding. Fieldwork visits indicated that TTO-trained women's cooperatives still functioning at all are largely in it for reasons other than income-generation through actual productivity. For most it is a part-time activity involving a few hours a week, little more than a ladies club giving members community cachet and everywhere perceived as the route for obtaining government or donor funding which can be divided as "income" at around R200 per member per annum. Yet very few TTO projects actually receive funding from government sources – only 1 out of 17 in the Fort Beaufort district for example and because of a apparent of business training the funding was no guarantor of success or viability.

Triple T rust seems to contribute to dependency on donor support. False expectations of obtaining finance either as grants or loans from "French donors" have never been cleared up and are still fostered by trainers. If client numbers is necessary for continued operations perhaps neither TTO nor MENNGOS can afford to be totally honest with prospective clients.

Conclusion

The narrow range of skills training and poverty alleviation projects which are funded, flounder and seek re-funding from what seems to be interpreted as a bottomless donor fund purse is not in fact obtaining real buy-in from the grassroots majority. A growing number of self-started entrepreneurs are achieving real SMME dynamism along channels harmonising with actual lifestyles and aspirations.

To be relevant, both organisations need to move away from numbers games and generic skills training; to become innovative, LED-oriented, with respect to local resources as well as product development. MENNGOS and at least four of its local support providers could also become local innovators, and have already initiated some tourism development projects.

⁴Impact: effects attributable to an intervention.

⁵Viability: the degree to which the desired effects of an intervention last beyond its end.

Triple Trust acknowledges that market research is required and proposes to develop new products from modified patterns and Xhosa traditional garments. It must be pointed out that production and countrywide marketing of traditional garments is in itself already at saturation point.

Recommendations

- The main recommendation to both organisations would be to get real and get priorities right. Local economic development and economic empowerment depend on recognising social change and real aspirations, even in rural areas.
- The train-and-go approach needs to be changed for the second phase.
- Innovative business ideas and product development are required as disadvantaged communities do not have necessary resources to develop their own market-related packages.
- Commitment to developing valuable urban-rural linkages requires more than promoting export and IT markets as a viable alternative to developing sustainable local markets.
- There should be more selectivity in people trained which includes testing for entrepreneurial potential or at least commitment.
- Priority should be given to improving and consolidating activities in existing localities before venturing into new provinces.
- Real or potential successes should be identified earlier and receive greater support.
- Donors should respect innovation.
- Practical issues affecting microentrepreneurs could be better dealt with by service providers, the issue of non-payment being one.
- Business training manuals and therefore probably also courses need restructuring to become accessible to trainees and relevant to microenterprise realities.
- Partners should review the way performance is measured and monitored. The emphasis should not be on a meaningless numbers game which results not in real delivery but in training for frustration. The numbers' game is certainly not the right tool for monitoring and performance assessment.

1 Introduction

“Unhomme qui a commis une erreur et ne la corrige pas commet une autre erreur”

Confucius

Skills training has become a major South African growth industry. During extensive fieldwork research in various provinces this team has encountered and worked with various organisations providing technical and business skills training to disadvantaged communities. Training is usually linked to a narrow range of poverty alleviation packages, mainly sewing, food gardens, brickmaking, poultry and piggery projects. Actual income generation, job creation, sustainability and meaningful grassroots buy-in are not prioritised. The shaky premise that the so-called rural poor will be satisfied to be taught how to make their own clothes or grow their own food, as if this is actually something new in their lives and as if their destiny is to be forever poor, is cause for concern. A second not able feature of these initiatives is the generally low level of community buy-in, particularly from young adults.

The evaluation team's research qualifications and long familiarity with realities of life in urban as well as so-called rural communities of the poor adds depth and breadth to the scope of the appraisal. Within the framework of the terms of reference the indisputable priority is deemed to be this bottom-up perspective which assesses the final value of the product to its end-users, its actual impact on the economic status of targeted beneficiaries.

Broader stakeholder groups have adopted the same position. Responding to mounting international and local pressure to establish whether donor-funded development and social investment programmes are efficiently delivering results, the South African Grantmakers Association (SAGA) and Non-Profit Partnership are among those initiating or supporting intensive empirical scrutiny of such programmes.

The South African government's transformation focus has also evolved considerably since its 1995 White Paper and the RDP which are the only official parameters referred to in the TORs. Foreign donors were a driving force behind the recent establishment of the National Development Agency (NDA) whose effect is the curtailment of direct access to nourishing funding pots for NGOs failing to fall in line with NDA programme priorities.

It would seem in the interest of MENNGOS, TTO, SIDI, CCFD and FdH partnership to permit for extension of the TORs to incorporate these broader imperatives.

Economic empowerment

The starting point for both MENNGOS and Triple Trust programmes is economic empowerment through building up and strengthening skills of small and micro-entrepreneurs. In the words of Petrina Roberts, Executive Director of MENNGOS - do these programmes deliver what they are really aiming at; do they hit their end-users seriously enough?

Our fieldwork suggests that the two organisations are not presently making major input to economic empowerment. A poor record of delivery is being hidden behind numbers of people trained or of business groups created as well as claim that people have at least been given a skill

which with respect to actual improved livelihoods could be expected to take up seven years to kick in. A shift from enterprise development to poverty alleviation and life skills with no certainty of real delivery obviously reduces the parameters considerably.

Validation of skill training has tended to be an numbers game supported by presentations in annual reports, newsletters and websites of impressive claims corroborated by a handful of cherry-picked client praise -singing their saviours:

“I know that with the skill I got from TTO I will succeed one day. I used to think that it is only through a formal job that someone can earn money. Through TTO, I know that my hands can be my job.”

“TTO is like a sun that is set to bring light and warmth to people who have been in the darkness.”

“Triple Trust Organisation is like a lamp put on to give light to all those needing it.”

“TTO has brightened my future and she has helped me to boldly say ‘away with formal employment and forward with self -employment’”.

Organisations' performance against their stated objectives are thus measured by internal evaluation and “the tapestry of the stakeholders' voices”. The tapestry woven through our own interviews with beneficiaries and trainers presents rather different patterns and colours. Of course some client expressed satisfaction about their training. This was often clearly linked to an expectation that we were a source of funding. It was patently obvious that the hope of accessing funding, grant sponsorship lure most candidates into skills and business training. This confirms that people are looking for material reward, not simply self -pride and a certificate. A bias towards new entrants in selections for the fieldwork itinerary was also a problem. It would have been useful to interview a more representative sample of drop -outs and failures. Information from the only TTO ‘drop -out’ encountered (Koki Shibani, Appendix C; corroborated by the Senqu Council, Appendix D) has been wholly discounted by TTO which in general appears to be somewhat less candid and more defensive than MENNGOS in conceding to any operational imperfections. Sweeping a possible real issue under the carpet by implying (without offering proof) “personal” motives to complain, is unconvincing.

Fieldwork

The main component of this report is the information gathered during the fieldwork research. The aim of meeting various stakeholders was to answer the following questions: Who are the end-users? Do these rural programmes create opportunities for economic empowerment? Do they have a significant and demonstrable bearing on the matter at hand, i.e. development of small-scale economic activities in rural areas? Do service providers increase dependency or reinforce people's willingness to help themselves and become economically self -reliant? Do they in fact offer the whole range of services presented in their reports which includes facilitating access to microfinance institutions and accessing markets?

The report contains a detailed account of fieldwork research (cf. Fig. 1) with thirty -two photographic boards (cf. Appendix A). The evaluation team has tried to avoid the common pitfall and stumbling block of such research, preferring low profile visits and face -to-face interviews

with beneficiaries (conducted in vernacular in the Eastern Cape) to structured meetings with officials, gatekeepers and community leaders during which problems are often underplayed and sanitised data provided. It is disconcerting that photographic records seem to have been discounted by stakeholders except as a possible promotional tool. In fact they portray important realities about end-users and their products and deserve closer examination.

With only a few exceptions, the beneficiaries whom we interviewed cannot be called entrepreneurs, not even microentrepreneurs. Yet our extensive fieldwork among populations generally perceived as poorest of the poor, helpless, hopeless and powerless revealed that through their own doing, many engineer at least their own survival, at best their own advancement and upward mobility. Even in deep rural areas of the Eastern Cape and over many decades numerous businessmen and women have themselves unlocked their potential and established successful enterprises. Skill trainers could learn from such role models who have achieved upward mobility despite all the odds against them.

Business skills -training

Probably the most serious omission within the evaluation schedule was the lack of opportunity for the team to observe actual training processes. The questionnaire asks whether other evaluators have had any exposure to training practice or have examined business skills training manuals.

As indicated here, key informants from MENNGOS and Triple Trust advised evaluators that business skills training manuals in use were in appropriate to their client base. Examination of manuals bore this out. The shortcoming of the MENNGOS manual is nowhere as serious as those of the TTO manual. Both should be weighed against more appropriate business training documents - for example the Soul City publication "Starting your own business".

Absence of exposure to any training during fieldwork would limit input from evaluators on possible restructuring but furthermore, modification of business skills training packages and/or a comprehensive critique/edit of two substantial manuals fall outside the evaluators' competencies as well as the time-frame of the evaluation.

New directions

This evaluation corroborates problems and shortcomings already identified by MENNGOS through its internal audit and diagnostic tools and by TTO through its impact surveys. It is cause for concern that although constructive remedial action has not yet been initiated, planning for geographic expansion is proceeding.

This research is in form of effective routes to empowering the poor. Triple Trust itself is about to undertake market research to identify "marketable products" and "viable business ideas".

Pond CROP (a partner of Triple Trust in the Wild Coast community tourism initiative) is a trendsetter in real economic empowerment. The horse and hiking trails run by the Amadiba Coastal Communities Development Association (ACCODA) recently won the CPPPA award for best Community Project in South Africa and has been recognized by the Fair Trade in Tourism network (IUCN) as a lead product incorporating the principles of fair share, transparency,

sustainability and reliability. It also encompasses the criteria for successful LED which we present later.

In the Acumen magazine (June 2001), the acclaimed radio talk show host Tim Modisette asks me to reflect about how poverty can be effectively addressed:

*“I believe that more can be done. Firstly, I think we should change the language we use in talking about the subject. I think we should be talking about **creating opportunities rather than about alleviating poverty**. From me, talking about alleviating poverty, we’re retalking about it as if it’s a permanent state of being for people. We should rather talk about poverty as being a transient state. We should look at ways and means of getting people out of poverty so that they don’t **depend on the system – the government and the agencies – to be the provider**.”*

*Now, if we talk about creating opportunities for people to get out of that situation, they’ll take responsibility for themselves to some extent. However, there’ll have to be some support to assist them in accessing things like **education, skills and seed financing for starting businesses**. I think that people do not enjoy subsistence existence but would rather enjoy a better quality of life. Most are willing to help themselves. What we need to do is to facilitate that more than simply **alleviating poverty**. My wish is that we should focus more on creating opportunities to help people break away from their situations.”*

Market research and/or feasibility studies

As evidenced by TTO’s fully fledged research and development section, innovative product development is of a high order of specialisation, requiring a substantial investment of time and intellectual endeavour in essential feasibility research. Advice input from evaluators within the draft report that possibly seemingly overlooked tourism niches in Montagu and Plett enberg Bay could merit further attention has elicited a response that the team is somehow short changing stakeholders, rather than a common sense acknowledgement that after one brief locality visit it would be difficult, globally and professionally unwise to proffer any local economic development remedy.

The new enterprise development fashion is away from subsidised topdown interventions and towards demand-driven action initiated in response to the market. However, it is entirely unrealistic to expect a population separated for decades from opportunities and/or resources to be able to establish its own market-driven niche in the economy without any intervention; itself to determine its own real needs in terms of training, consultancy and advisory services, marketing assistance, information technology etc; and be guaranteed good market value. Intervention is required, but if it is not extending economic frontiers to include more role-players it is not serving its purpose. Given the poor’s disadvantaged status with respect to evaluation the real benefit of interventions on offer to them, they are vulnerable to exploitation. Regular objective appraisal of such interventions may help to ensure that opportunity is indeed being created. Piggybacking on the potholes has been a poverty-industry pathology.

The evaluation team

Benoit Allan and Mercia Warin have extensive research experience and familiarity with socio-economic realities and social change in the Eastern Cape, North-West and Northern provinces. They have published papers and articles on social change, empowerment, people's achievements and upward mobility in a population often categorized of poorest of the poor. These contributions do not perpetuate top-down separations of South Africa into two nations which encapsulate half of the people in a static unidimensional non-urban aka rural universe and assume that they will be grateful to accept current third world local economic development / poverty alleviation projects as their permanent lot in life. The evaluators also question the validity or usefulness of separating, for example, populations of the Western versus the Eastern Cape, whether Khayelitsha – Crossroads versus Keiskammahoek – Tsoelo or Murrayburg versus Stutterheim. We are in fact one nation. In livelihoods, lifestyles and aspirations the majority – particularly the ever-increasing new generation of matriculants – are functionally urban, not agriculturalists. Their desire therefore is to earn cash incomes; to have greater opportunity to become upwardly mobile; not to remain trapped in poverty forevermore. For any and all skills training interventions, this must be the bottom line. Without such focus the low level of community buy-in will continue. It is legitimate to ask whether poverty is the people's problem or the problem of interventionist with poor development packages on offer.

Zikhona Mankayi, the other member of the evaluation team, provides an apt case study of such a reality. She was born and raised in the village of Mbekwini outside Whittlesea where her 'uneducated' mother and father live in a self-built brick house. Zikhona is completing her Honour's degree at the University of Pretoria. In 2001, she was elected the most outstanding student of the year. Her two sisters are also achievers, one working for Cape Town Unicity and the other one studying tourism at the East London Technikon. The daughters are all at home for the festive season.

6 Conclusions and recommendations

“To know what is right and not to do it is the worst of all cowardice”.

Confucius

a Conclusions

There are impressive entrepreneurial success stories in all disadvantaged areas of South Africa. The many self-started (and untrained) SMMEs reveal the existence of a pervasive grassroots momentum towards upward mobility. An obvious barrier to growth is lack of innovation resources/capacity within bureaucracies as well as within disadvantaged communities. Local economic development is by definition innovation-oriented, although even within resource and capacity-privileged circles, innovation is a scarce commodity.

Training in a vacuum does not lead to development of sustainable small-scale economic activities. The skills being offered are not easily turned into viable businesses and enterprises, and when there is no aftercare, no injection of microfinance, no innovative input, training becomes tantamount to training for frustration. Representatives of the grassroots voiced these same concerns to the evaluation team (cf. Fieldwork report and Appendices C and D).

The days of working through ‘gatekeepers’⁶ and political leaders to capture new domestic markets and clients may be numbered. Local officials are calling for change to a system that has failed to improve livelihoods and to empower the poor. The train-and-go system is being subjected to mounting scrutiny and criticism that graduates are dumped with a skill and a certificate and nothing else.

Most sewing and leather projects that the evaluation team visited showed no evidence of sustainability or capacity to generate real grassroots income-generating opportunities other than for community trainers. Closure of projects probably reflects a growing disenchantment.

The facts are that women sewing school uniforms cannot compete with cheaper, better quality uniforms imported from the Far East and sold in Pep Stores located in many local and easily accessible consumer hubs including very small towns like T solo, Ngqamakhwe, etc. The traditional garments industry is also fraught with problems: at local level it appears mainly targeted at limited-income pensioners, it is already over-supplied into urban nodes, and it is well exploited by haute couture designers for more upmarket customers. TTO plans to reduce the size of the sewing programme because of limited impact on livelihoods and lack of markets. Yet the evaluation team can produce data about successful entrepreneurs who have made breakthroughs in the international market through fashion innovations. These self-started entrepreneurs, with merely a little capital and their sewing skill, have a key advantage over projects established by TTO: they know the market and what people want to wear; and are clear about the number of people their business can sustain. In TTO’s checklist, the question “is there community ownership?” comes first; “will the products sell?” and “is there a market?” last. Therefore, where a group of women in a rural village could perhaps generate a reasonable regular income via production of a clothing range for more consumers serving community members, a group of ten or more cannot.

⁶ The evaluation team finds the term ‘gatekeepers’ used blandly by TTO very inappropriate. It emphasizes the capacity to control and has a strongly negative political association of which TTO is apparently unconscious.

TTO plans to shift into other domains which themselves are not proving to be sure-fire recipes for sustainability let alone grassroots empowerment. With its new focus on poverty alleviation and life skills, Triple Trust is hardly a player in local economic development.

Continuation and replication of an narrow range of skill training and poverty alleviation projects which are funded, floundering and seek refunding from what seem to be interpreted as a bottomless donor-fund purse is nowhere obtaining real buy-in from the grassroots majority – a growing number of self-starting doers, go-getters, achievers who are achieving real SMME dynamism along channels harmonising with actual grassroots lifestyles and aspirations.

Present plans for new directions include development of agrivillages and ecotourism projects. A European Union newsletter reveals however that TTO involvement in the Wild Coast tourism initiative is along entrenched lines, i.e. the numbers game; generic rather than specific skills training; and a failure to be truly innovative to become LED-oriented and adopt LED perspectives with respect to products.

Some years ago (before the Wild Coast SDI) TTO's present partner in the Wild Coast programme, PondoCROP, initiated a highly successful LED-specific community tourism initiative, the Amadiba horse and hiking trails, which is now being widely replicated and used as the benchmark for other unique, creative eco and cultural tourism initiatives in this richly-endowed region. The evaluation team visited this project in January 2000. It has an excellent locality, resource specific design, and great tourism appeal. Areas for growth have been identified: development strategies include specific, tailor-made training of direct value to project expansion and therefore additional jobs. The newsletter of the EU Wild Coast PMU describes some of the other special interest and education packages as well as opportunities for a range of appropriate, tailor-made skills training and capacity-building programmes. In terms of local economic development⁷ the Amadiba project is clearly a "best practice" operation which encompasses the four criteria identified by the evaluation team to achieve LED growth:

- Market-driven sustainability structured around products which meet existing and evolving consumer preferences and expectations i.e. customers for products offered or planned;
- Use of local economic potentials or resources;
- Local/provincial/international buy-in providing synergies and support. This process follows and does not lead: it occurs only after innovators/risk-takers have driven the initiative to the point where its economic status can no longer be overlooked and its potential for success is apparent to the wider potential stakeholder arena;
- Knowledge of and access to developmental and institutional frameworks e.g. marketing, legalities, funding etc.

MENNGOS and at least four of its local support providers could also become local innovators, and have already initiated some tourism development projects. Understanding what interests tourists together with hands-on knowledge of their own locality, their own expertise/resources or expertise/resources they know who to access could produce LED winners. A prerequisite would be to move away from the usual tourism illusions, i.e. township tour and cultural village

⁷ LED: a process based on local initiative and driven by local stakeholders who identify and use local resources, ideas and skills to achieve economic trends.

concepts. Township tours in Ashton and Worcester are not attracting tourists and are even less likely to do so in Beaufort West where CHEC continues to promote a bare and unattractive KwaMandlako site as a potential tourist attraction with no apparent recognition that even Swetso and Khayelitsha township tours attract a limited market.

Through its network of local organisations, MENNGOS is also in a better position to achieve more conversion to local economic development, although its training programme has problems, notably a tendency to attract “no-hopers” who cannot stand on their own and expect ongoing funding and nannying. It is no real solution to target captive clients, i.e. school children and prisoners to substitute for the loss of disillusioned voluntary clients. Until training programmes offer intrinsic quality and ability to deliver meaningful services in the livelihoods domain, they will continue to attract no-hopers and non-entrepreneurs trying to use training as a prop to support access to donor purses perceived to be bottomless.

With counselling and tender advice, CDC and SCBC are now able to provide meaningful support to real small and micro entrepreneurs. This direction seems to be gaining momentum in the South Cape region and will hopefully become an integral component of MENNGOS programmes without necessarily making entrepreneurs dependent on counsellors. There is a difference between ongoing service delivery and spoon-feeding.

MENNGOS also appears to give more weight to the ‘value for money’ of its actions. In Montagu and Plettenberg Bay, service providers themselves decided to suspend funding due to their own non-delivery.

b Recommendations

The main recommendation to both organisations would be to get real, get their priorities right. To achieve local economic development and economic empowerment is to acknowledge social change and real aspirations, even in rural areas. Political correctness together with defective or misleading sociological perspectives tend to obfuscate rather than assist real empowerment, for e.g.:

- un-freezing and unearthing personal hidden resources and skills; or “knowledge is inside everyone, just waiting to be brought out”.
- emphasis on unsustainable group and cooperative ventures rather than individual entrepreneurs.
- real entrepreneurs should be able to perform each and every function from bookkeeping to marketing; this is certainly not how business works in real life.
- work through proper channels, i.e. leaders and gatekeepers.
- the word ‘business’ is a taboo in communal areas; there is no entrepreneurial spirit or self-started success stories in the Eastern Cape.
- People in rural areas want to work on their land and get involved in farming.

Proper support based on real knowledge of socio-economic realities is called for.

1. Innovative business ideas and product development are the priorities. These services should be strengthened for people currently representing the bulk of clients. Disadvantaged communities do not have the necessary resources to develop their own

innovative market -related packages and products. For trainers, access to a repository of sustainable development products would seem far more important than advanced tertiary education skills -delivery courses. Market feasibility should follow product design and may prevent uncalled -for overcapitalisation on infrastructures: for example, competent research into the real accommodation preferences and expectations of the backpacker niche-market could mean that transformation of the XAUKA building into backpacker accommodation could be done faster, simpler and at a lower cost. The evaluators have stayed in some unique establishments catering for this market whose charm is in no way related to conventional B&B comfort criteria, for example accommodation in authentic cells in the old Grahamstown prison and in very basic tents at the Pondo land Amadiba venue. In all localities visited, there is a crucial need for product development input.

2. Amadiba community tourism project is the best -practice benchmark for structuring training around local economic resources and market sin order to give skills linked to specific products for which there is a market . Both of the evaluated organisations would benefit from in -depth exposure to the parameters and devolution of this initiative.
3. The four criteria for LED should be applied. New product and skills programmes should be market -related and LED oriented.
4. Organisations should be more selective in the people they train.
5. Organisations should excel before they expand. Moves towards expansionism and national positioning in advance of a greatly improved operational track -record are inappropriate.
6. Real or potential successes should be identified earlier and receive greater support . Support providers could be more receptive and supportive to real entrepreneurs such as Droomboom's Clive Abrahams who seems to have a formula which could develop into a major employer and job creator such as the Hammanskraal cane furniture entrepreneur's mega-industry became. The craftsmanship incorporated in his products makes them greatly superior to similar lines selling well in urban markets, yet apparently is transport difficulties prevent his goods from reaching such markets.
7. Donors who are also partners should reward innovation and capacity to adjust and achieve LED. Funding should offer more flexibility and allow for experimental deviations. South African partners on the other hand should make it their business to get and give more accurate information about the environment in which they operate. There should also be greater clarity on what CCFD is actually funding in the Eastern Cape in relation of funding coming from provincial government, DFID, etc.
8. Practical issues affecting microentrepreneurs could be better dealt with by service providers, the issue of non -payment being gone. Microentrepreneurs need to know how to protect themselves from bad payers and how to take action against people or institutions (especially schools) who are not paying.

9. Business training manuals and courses appear to be in urgent need of major revision to make them relevant to micro enterprise realities. At present they have no real lasting impact nor value to most clients.
10. Partners should review the way performance is measured and monitored. The emphasis should not be on a meaningless numbers game which results not in real delivery but in training for frustration. TTO is now seriously suggesting that the success and impact of their training programme can really only be measured and assessed 3 to 7 years later, changing the entire nature of its operation into life skills rather than economic empowerment training. External evaluations should be regular and thorough to counterbalance biased internal impact studies which do not generate necessary changes in the programme and fail to provide objective and broader insights.

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8 Appendices

- A: Field work: (i) itinerary (Western & Eastern Cape), (ii) table on field work report and (iii) photographic record**
- B: Contact details for organisations, entrepreneurs and cooperatives**
- C: Transcription of interview with Mr Koki Shibani (16/03/2001)**
- D: Transcription of interview with the Council of Senqu (16/03/2001)**
- E: Extracts from joint workshop TTO/MENNGOS (09/05/2001)**
- F: Key issues & indicators for each category of role players (TORs) -**
- G: Notes taken during interview with Ms Margueritha Swanepoel (02/03/2001)**

Appendix A : (i) Fieldwork itinerary

WESTERN CAPE

Thursday 1 March	<i>Arrival in Cape Town</i>	<ul style="list-style-type: none"> • Meeting with Petrina Roberts (MENNIGOS) • Meeting with Mr Don Shay (TTO). TTO's expectation regarding the evaluation: "we need market data to confirm viable ideas."
Friday 2 March	<i>Montagu Dassie Route: Montagu and Ashton (Zolani) Swellendam</i>	<ul style="list-style-type: none"> • Meeting with new MAG Chief Executive Officer, Ms. Yasmina Pandy and MAG trainee Ms. Margarita Swanepoel at MAG – Xauka. • XAUKA to be renovated and turned into accommodation for backpackers • Visit of projects along the Dassie route: <ul style="list-style-type: none"> - Montalpas screen printers: silk printing, tee-shirts at MAG (Montagu); - Tim and Fellows: wire art and craft at Zolani township (Ashton); - Project of Many Talents: sewing at Swellendam
Sunday 4 March Monday 5 March	<i>Beaufort West</i>	<ul style="list-style-type: none"> • Meeting with rural trainers Mr Gerrit Jonnas and Mr A mos Post (CHEC), and chairman of CHEC board, Mr D. Henry. • Visit of projects and businesses/entrepreneurs: <ul style="list-style-type: none"> - Aunt Baby – Mrs Margaret Cedras: flower arrangements; - Flagship project: vegetable garden/hydroponics, egg production; - Spazashop/tavern owner (also a street photographer) at Kwa Mandekosi township; - Unicorn project for the Disabled: handcrafted goods such as slippers, upholstery, furniture restoration, needlecrafts, curtaining, shoe repairs, tamango hides along N1. - Corrections services: training for young prisoners three weeks before they are released. - Stiknet Sewing Cooperative; - Training at Bastiaanse Secondary School: course on business plans for grade 10 – 12. • Meeting with Nicka Nortje, official from the Central Karoo District Municipality.

<p>Wednesday 14 March</p>	<p><i>Dudumashe (outside Ngqamakhe)</i></p>	<ul style="list-style-type: none"> • General meeting led by Chief Dudumashe; sewing articles on display; introduction into community projects (sheep breeding scheme, poultry, piggyery, bakery, vegetable garden); needs for funding expressed by the Chief; confusion about work to be done by the evaluation team introduced as “representatives of French funders.” • Visit of Phumelela Bakery Project.
<p>Thursday 15 March</p>	<p><i>Dudumashe</i></p>	<ul style="list-style-type: none"> • Interview with trainers and trainees: members of the sewing group and people running their own businesses (paza shops, grocery shops.) • Departure for Tsovoia Umata.
	<p><i>Ntywenkavillage (outside Tsolo)</i></p>	<ul style="list-style-type: none"> • Graduation of trainees from the Ntywenkavillage. Group interview with 2 trainees in sewing. • Visit of Sinako Sewing Project in the next village on the way to Maclear.
	<p><i>Elliot</i></p>	<ul style="list-style-type: none"> • Meeting with lady artist involved in decoupage and wood carving and her difficulties to get support from Department of Manpower for training courses.
<p>Friday 16 March</p>	<p><i>Sterkspruit (Senqumunicipality)</i></p>	<ul style="list-style-type: none"> • Meeting with members of the council (councillors of the Senqumunicipality). Councillors were expecting French funders and not a team of evaluators. Discussion about the short comings of the ITOP programme. • Visit of projects carried out by Mr Koki Shibani former leather trainer: upholstery, sewing, taven, and leather.

(ii) Detailed fieldwork report

The following table uses the information gathered during the fieldwork and consists of people's comments, feelings and perceptions about both rural programmes. It is divided into three main themes: achievements, issues and problems raised, future plans and recommendations.

Table 9: Fieldwork report

WESTERN CAPE (MENNGOS)			
ORGANISATION PROFILE	SERVICES & ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD & FUTURE PLANS
<p>MAG Training Centre – Montagu</p> <p><i>Local Business Service Centre (LBSC)</i></p> <p><u>Vision:</u></p> <p><i>Committee to the development of small businesses in the Breede River/ Boland Regions through quality service delivery</i></p> <p><u>Mission:</u></p> <p><i>To strengthen existing businesses and establish profitable/sustainable new small businesses, targeting women and with a specific focus on tourism development</i></p> <p><i>New CEO: Mrs Yasmina Pandey</i></p> <p><i>Trainer: Mrs Margueritha Swanepoel</i></p> <p><u>Funding:</u> MENNGO Sand NTSIKA</p>	<ul style="list-style-type: none"> - Accredited LBSC by NTSIKA. - Marketing research about the viability of the backpacker project in XAUKA (demo room in process.) - Dassie Route Tourism Project: in Zwelenthem township (Worcester) beerta vers and cultural food but no visitors. <p>Towns involved: McGregor (fruit and vegetable hutney and jams); Ashton (arts and craft), Robertson (tour and field guides, trails). With Montagu and Swellendam, these three towns form part of the Breede River Wine lands municipality.</p> <ul style="list-style-type: none"> - MAG only trainer: Margueritha Swanepoel train entrepreneur (10 every month) in surrounding towns including entrepreneur doing beadwork traditional Xhosa garments, leather, ... - Course divide into modules. New first module on the challenges of entrepreneurship. Also includes creative thinking, how to formulate business idea and identify marketing opportunities and business pitfalls and SWOT analysis to get profile of each business. - After a review see a crucial line in the training. Include life skills to build up confidence among entrepreneurs. - Multipurpose Centre in Worcester has contracted MAG to assist in training tour guides, craft development, drama project and in developing a tourism package with the Worcester Tourism Bureau including township tour, African food, arts and craft and Sangam as. 	<ul style="list-style-type: none"> • MAG has experienced a financial crisis in recent years. • XAUKA building: under-utilised facilities. • After the training people did not have the capacity to market. Few production groups are doing well or generate a income/living wage. • Dassie Route Tourism Project has not yet come to reality. People trained as field guides and production groups established. Were given seed-funding to start their projects. <p>Nomarketresearch in Bonnievale: wine baskets replaced by papier maché. Also not working. Beneficiaries are disillusioned. After a review valuation, MAG has frozen money allocated by province. <ul style="list-style-type: none"> • Training material too broad. • People hope to access funding through training. No financial institution serving rural areas of the Western Cape. • Main problems: Access to market and finance. Entrepreneurs (trained by MAG) don't do market research and don't have capital. • Difficulties to form a partnership with previous local municipality. Saw MAG as a threat. • Lack of information about tender procedures and how to get public contracts (Montalpha Screenprinters.) • Failure and closing of cooperative and craft shop in Zolani (Tim & Fellos.) • Burglaries (Project of Many Talents.) </p>	<ul style="list-style-type: none"> ➢ Plan to bring other services in a currently under-utilised building so as to ensure self-sustainability. A one-stop place that includes: medical services, telecentre, coffee/tea room, backpacker accommodation (capacity: 40 people), training room (sewing machines), radio station, supermarket, satellite post office, multipurpose centre with space rente out to municipalities, unions, groups, pension pay-outs... ➢ Safe house project for women victims of violence and abuse. ➢ Satellite in Worcester, Ceres and Swellendam. ➢ Capacity-building of trainers: tender advice skills, IT, ... ➢ New approach to training to be developed: business skills training currently too broad. Will become sector-specific and group trainees according to manufacturing, service providers, retailers tourism. ➢ MAG is trying to reconstruct and redesign training materials (Sector-specific training). Must be sector-specific and involve a selection process of course participants ➢ Accreditation of training materials. ➢ Get people into IT and internet access to help them market their products. ➢ Facilitate access to loans. ➢ Look at LED strategy. Municipality (Breede River/Wine lands: WC026) wants to lead LED Forum. ➢ Hope to have better working relationships with the local and district municipalities. ➢ Tourism projects: Mountain trail project with overnight in the mountain; Open air accommodation. Khoi history.

ORGANISATION PROFILE	SERVICES & ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD & FUTURE PLANS
<p>CHEC Christian Hdp & Education Centre Beaufort West</p> <p><i>Trainers: Amos Post and Gerrit Jonas.</i></p> <p><i>Relay-trainer: Mr Jacobus Warney (COMBAT)</i></p> <p><i>Chairman of CHEC Board: Mr D. Henry</i></p> <p><u>Funding:</u> <i>MENNGOS & TNDT (now NDA)</i></p>	<ul style="list-style-type: none"> - CHEC acts as mentor/counsellor for Si zani Finance Scheme. - Two trainers paid by MENNGOS training on average 5 -6 entrepreneurs/students/prisoners a month. - Beside training and counselling, trainers also responsible for fundraising, logistic and networking. - Trainers attend a one -day workshop on tendering. - <u>Beneficiaries:</u> <ul style="list-style-type: none"> ▪ people starting their own businesses, ▪ existing entrepreneurs (free counselling and after care) and more recently, ▪ school children and teachers at Bastiaanse Secondary School (grade 10 -12) trainer explain what is a business plan, ▪ training of prisoners at Correctional Services 	<ul style="list-style-type: none"> • Dependency on social grants. Lots of social problems (including prostitution) especially after decrease of child grants. • People want jobs not to become entrepreneurs. • Difficult to train 10 persons a month as requested by MENNGOS. • Training manuals designed by MAG and counselling programme designed by ED-2000 not tailored to realities. • None of our training courses are accredited. • Access to market and finance, main problem for business people. • People feel that through the training, they will get finance for their businesses. • Very high drop -outs and few people start their own business. • Lack of knowledge on tendering among CHEC (especially for road maintenance.) • The Karoo region is not well served by finance organisations. • Confusion around the role of MENNGO and their contractual relationships with MENNGOS. • No payment received from MENNGO in 2001 (R1500 honorarium for a trainer) because CHEC did not register with MENNGO and pay membership fee. • CHEC totally dependent on funding provided by MENNGO for survival. • R200000 grant from the Transitional National Development Trust (now NDA) to finance two other trainers. Money dried up. Only two trainers left now, Amos and Gerrit • No Manager and lack of accountability. • CHEC complained that the funding for the Karoo is managed in Cape Town. Representatives from rural areas have less power than urban organisations members of MENNGOS. Under -represented within MENNGOS Board. • Problem with marketing, no local orders, demotivation of workers and lack of maintenance and deterioration of infrastructures (Siyayave vegetable garden) • Unemployed Silk Printing cooperative closed down (lack of support and proper counselling from CHEC) • Security problems and burglarries (Stiknet and Aunt Baby Florist.) 	<ul style="list-style-type: none"> ➢ Plan to develop into a Local Business Service Centre as well as into a Tourism Help Desk/ Tourism Agency (accredited in March 2001?) ➢ Looking for better training materials that are outcome based. ➢ CHEC wants now to focus on bigger projects rather than non micro businesses and small entrepreneurs: multi purpose community centre, training and tender advice with Telkom Forum, Stiknet sewing cooperative with a possible contract for Pep Stores (R10000 per month). Would then rely on poverty alleviation grants from Department of Welfare. ➢ Hydroponics project for export markets that could create 4000 jobs with budget requirement of between R20 to 30 millions (products: spices and herbs for Asian and European markets.) ➢ Will train people as tour guides and be involved in tourism development in the Karoo. ➢ SAQA should look at the training courses and accredit them. ➢ CHEC has formed a local consortium with two other organisations, i.e. UWC (technical) and SILDI (legal) to get tenders. ➢ Plan to get consultancy fees from Department of Welfare and other public institutions to ensure CHEC sustainability. Already charging a fee of R20 -R30 per trainee and R150 for drafting business plans.

ORGANISATION PROFILE	SERVICES & ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD & FUTURE PLANS
<p>COMBAT COMMUNITY-BASED TASKS</p> <p><i>Murraysburg</i></p> <p><i>Organisation with subdivisions: employment, health, sport education, finance.</i></p> <p><i>Created on 14 September 1994. Initiative of the white school to get with the two black schools</i></p> <p><u>Vision:</u></p> <p><i>To build a community that is crime free and has overcome both health and socio-economic problems by 2005</i></p> <p><u>Mission:</u></p> <p><i>To facilitate and create development programmes in Murraysburg and the Central Karoo Region through business development programmes for the unemployed youth, women and disabled as well as existing businesses, manufacturing businesses (brick making, bakery, ...) for the unemployed, Educare and ABET, ...</i></p> <p><i>Presently 32 full time staff (incl. people working on COMBAT projects) only three trainers remain at through MENNGOS rural programme:</i></p> <p><i>Jacobus Warney Mandisa Qukwana Nandipha Tekula</i></p>	<ul style="list-style-type: none"> - Training services and small business development (incl. access to loans – loan applications) and counselling: - Start-up training (with drafting business plan on request) - Improvement training - Tailored training (ex: on financial management) - Business counselling - Facilitation of access to loans from Quaker Peace Centre (upto R5000) – Three loans obtained so far - Business relationships established with New Business Finance (Mowbray, CT.) - Trainees receive certificates. - Training the trainers: Mr Jacobus Warney is key trainer for the Karoo region. - Jacobus Warney is involved in the evaluation of the MAG manual: “we want simple and more practical training manuals. The current manual is over our trainees’ capacities”. - Charge 10% of the total budget requested for business proposals. COMBAT charges R500 for a business plan. - Training of entrepreneurs: we try to give them a growth motivation (develop from micro into small and medium.) - Projects: Poultry project in Aberdeen (Eastern Cape), Bakery for the Unemployed. - Bakery and (in very near future) Brick making project) generate income for COMBAT. - Service providers: Educare centre, adult learning centre (ABET.) - Fundraising from Open Society Foundation, Department of Welfare, Department of Labour, NDA (1M400 for community garden and brick making), Equal Opportunity Foundation. - Training services extend to Eastern Cape where paid by Department of Labour (Aberdeen, Graaff-Reinet.) - Better understanding of role of MENNGOS than in Beaufort West (CHEC): “MENNGOS is our vehicle to connect our deprived rural areas to the main resource in Cape Town. - MENNGOS’ contributions: R2000 salary and R875 for transport (key trainers), R1500 salary and R625 for transport (trainers). 	<ul style="list-style-type: none"> • In the Karoo, people want to get jobs through poverty alleviation programmes (Department of Welfare): “We are dealing with poor people who want jobs and not with entrepreneurs.” • Murray sburg: 7000 inhabitants. Very isolated. Dependency on welfare. • Number of spaza shops have reached a saturation level. Too many spaza shops: “We discourage people to open more spaza shops.” • Training package and manuals from MA Gare not accredited. COMBAT is therefore using training packages from UWC. MENNGOS paid for the transport costs of the two COMBAT trainees to attend course in Cape Town. • Training manuals are unrelated to rural micro enterprise realities and often too sophisticated and inaccessible to trainees. • Expectation from the trainees to get a loan after training. • Brick making project was not working well. Has been stopped and we will now work on a performance basis. • Some people come to COMBAT with no business idea so we try to probe about their skills and past experiences. • Marketing problem and inadequacy of counselling (Gerald Adams, Potter.) • Non-payment (Catherine July, Florist): Advice on client agreement 	<ul style="list-style-type: none"> ➢ Need for more effective counselling to address specific problems like non-payment. ➢ Brick making project (was stopped) and will now resume with better planning and aiming at generating income for the organisation) – an additional 250 RDP houses to be built. ➢ COMBAT plan to move to other facilities on the main road. ➢ Want to become a resource base for the region. Moving towards a LBSC. ➢ More and more projects in Eastern Cape. ➢ Tourism might play a major role in terms of local development. Therefore our trainees should be capacitated in tourism development. ➢ People have technical skills that they want to improve to start a business (need for advanced technical training.) ➢ Previous local authority saw COMBAT as a competitor. Hope that the relationship with the new District Municipality will improve. Central Karoo District Municipality a priority region in terms of the Integrated Rural Development Strategy. ➢ Wants simpler and more practical training manuals. ➢ Proposal to Department of Land Affairs through local council and farming groups: commonage (land for community garden and goats, sheep and pigs breeding projects. ➢ Pilot site in Beaufort West, Prince Albert, Laingsburg. ➢ Capacity-building in tender advice, mentorship, ...

ORGANISATION PROFILE	SERVICES & ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD & FUTURE PLANS
<p>SCBC South Cape Business Centre - George</p> <p><i>Local Business Service Centre (LBSC)</i></p> <p><i>Only three years in operation</i></p> <p>Vision: <i>To be a business centre of excellence in the South Cape</i></p> <p>Mission: <i>To train and develop emerging and existing entrepreneurs</i></p> <p><i>Debbie Bruce (Manager)</i></p> <p><i>Loretta October (Youth trainer, MENNGOS)</i></p> <p><i>Siyanda Qumana (Business trainer/ Counsellor, MENNGOS)</i></p> <p>Funding: <i>MENNGOS & NTSIKA</i></p>	<ul style="list-style-type: none"> - Accredited LBSC by NTSIKA - Mainly support to entrepreneurs: training after care counselling and mentorship, advices (including on tender applications), business linkage and information - Clients in George and townships (Thembaletu and Pacaltsdorp) - Secretarial support services - Financial and bookkeeping services and tax advices - Library and resource centre for SMMEs - Look for innovative ideas: "it require more effort but we achieve sustainability better" - YES (Youth Enterprise Society) – youth entrepreneurs. One trainer: life skills, characteristic of a business person, business plans, how to market, pricing and costing. Use the Education With Enterprise Trust (EWET) training materials. Southern Cape won the trophy / award for the YES programme - Good working relationships with CDC (Plettenberg Bay) and local Chamber of Commerce. - Trainees/entrepreneurs indicated that they are satisfied with training and support by SCBC (Unique Touch, David Mabema, Clive Abrahams.) - Projects of SCBC: <u>Forestry project:</u> 10 people employed to cut down alien trees and spray roots. SAPP I buy the wood. Alien cleanings happening all over the Southern Cape, including on private farms. Barkisgraine do dogarden fertilize and sold to nurseries. Contract with SHELL to sell charcoal DROOMBOOM (furniture making) supported by SCBC (after care/counselling): about to get a bakkie for delivery and to employ a second person. <u>Clothing/sewing project:</u> Trade link now operating with five lines employing 100 women (20 women per line). Won a second tender contract to produce <u>Tourism project in Mossel Bay:</u> tavern, Bay - and-Braai, crafters, African attire, B&B Accredited tour guides on duty. 	<ul style="list-style-type: none"> • Better business opportunities in the Southern Cape (compared to the Karoo region) – this is built in the training. • Focus more on entrepreneurs than on community - drive projects. • People who have micro businesses are felt not to be entrepreneurs. The majority of our clients run their businesses from home (government's business.) • We have had lots of failure among start-up businesses. • "Sometimes people have brilliant ideas but no finance. There is a need to form one injection." • People used to look to SCBC to get employed. • For the unemployed, starting their own business is the last option they will go for. High risk of failure, drop out are resulting in frustration. • Potential trainees are interviewed and selected. Their level of education and understanding of English/Afrikaans areas assessed. • Trainer too busy with his own work to carry on attending MENNGOS's meetings • Community brickmaking project – Khulekani: 5 managers not prepared to run the cooperative as a business and to make it sustainable. Siyanda's input sidelined. • Non-or late payment (David Mabema, motor mechanics) 	<ul style="list-style-type: none"> ➢ Possible future projects: small farmers Cooperative (organic farming), honey bush tea (Harlem), lucerne project (Dysselsdorp.) Already training 19 people in Harlem involve in honey bush tea production. ➢ Not too general a redupintem of marketing. Willem Plooy a marketeer who will market to entrepreneurs (and will receive incentives/shares.) ➢ Plan to open an internet cafe in SBDC. ➢ Plan to be accredited as a Tender Advice Centre (TAC) ➢ Satellite sin Plettenberg Bay, Mossel Bay, Oudtshoorn and Knysna. ➢ Plan to upgrade SCBC facilities ➢ Accreditation of training packages. ➢ Facilitate access to loans.

ORGANISATION PROFILE	SERVICES & ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD & FUTURE PLANS
<p>CDC Community Development Centre - Plattenberg Bay</p> <p><i>Local Business Service Centre (LBSC)</i></p> <p><i>Tender Advice Centre (TAC)</i></p> <p>Vision:</p> <p><i>To uplift and improve the lives of previously disadvantaged communities in the South Cape</i></p> <p>Mission:</p> <p><i>Focus on business development services (market, research, training); Provide mentoring and counselling; Tender advice service; facilitate finance assistance and information dissemination</i></p> <p>Mr Andile Namhu (Manager)</p> <p>Mr Hein Fraismann (Counsellor, TAC)</p> <p>Mrs Pamela Madokwe (Trainer, MENNGOS)</p>	<ul style="list-style-type: none"> - Accredited Tender Advice Centre (3 years contract with NTSIKA) and Local Business Service Centre. - <u>Centres and main activities:</u> Food garden for the elderly people, Local Business Service Centre, Tender Advice Centre, Management of the business hives (with support of Department of Economic Affairs). - Pamela Madokwe (trainer) trains 60 revenue entrepreneurs a month. She also provides counselling and aftercare support (pricing, costing and bookkeeping.) She tries to visit 5 entrepreneurs a day. - Expertise: aftercare/mentoring. - Hives/small businesses seemed sustainable. Pamela also trains small/micro entrepreneurs in adjacent township. - Total of 36 entrepreneurs trained in basic business skills and tender processing. An average of 3 entrepreneurs receive advice or/and counselling per day (by telephone or through personal visits) - Hives include: light engineering business, welding, zinc work, glazing, furniture manufacturers, bicycle repair, small bakery, sewing/carseat covers. - Tenders awarded by public authorities (especially garden service, grass cutting, pavement, transport, construction): R18M worth of contracts awarded to local and small contractors during the last financial year ending in April 2001. New kind of tenders – maintenance of national roads – has been awarded in May. Two others in the pipeline. - Only one TAC outside CT. He in covers the Platte land part of the Western Cape. - Tender information disseminated to +/- 25 entrepreneurs a month. Also assist in compiling tender documents. When necessary, tender workshops were held. - Excellent relationships with local govt and Chamber of Commerce. - Partnerships with College, Chamber of Commerce, Local Authority, Department of Economic Affairs (hives.) - Integrity of counsellor who has frozen funding because of non-delivery. - No dependency on claim to MENNGOS. 	<ul style="list-style-type: none"> • Good location of CDC – on the N2. Old double story farm house in a desirable site on the tourism road. Local industry tourism. • CDC close to two townships New Horizons and KwaNokhukh. • Difficulties to fill up the hives. For the existing businesses, if you step out, they go backward. • CDC went through a financial crisis. Donor funding from Belgium was frozen. Belgium organisations are pledging their support again. • Nomoney was scammed from MENNGOS last year. • CDC only relies on NTSIKA and local government financial contributions earmarked for the LBSC and TAC but absorb into the survival budget of CDC. Training and support activities have carried on although on a smaller scale. • Unavailability of microloans had a big influence on CDC training programmes. Potential entrepreneurs first inquire about possibility to secure loans after training. Reluctant to undergo training if loans not available. • Lack of input on product development. • Mentorship difficult to implement because people are sometimes reluctant to show their books. 	<ul style="list-style-type: none"> ➢ Plan to have greater focus on tourism market. ➢ Plan to start tourism information centre and run township tours ➢ Cultural African village (huts built but never got going up to now.) CDC would need some support to design an appropriate and unique development model on their property. ➢ Turn the old farm house into a Bed & Breakfast facility and a training centre ➢ Arts and craft development. ➢ Mentorship and access to loans ➢ Consolidation of partnership with local government: "the Plattenberg Council has expressed the intention of using CDC as a vehicle to implement their local economic development projects". ➢ Building of a clinic. ➢ To make the business hives sustainable and successful. ➢ Tender advice should form part of the MENNGOS programme (increased – tender workshop at MAG last year.) ➢ Will advise MENNGOS to have somebody focusing on marketing. ➢ Look at possibility to establish groups in rural areas to produce tenders ➢ Need input on product development. ➢ Trainer needs to understand more on cash flow and financial management. ➢ Greater focus on training in the longer term – counselling and after care

EASTERN CAPE (TRIPLE TRUST ORGANISATION)

TRAINERS/ AREA OF INTERVENTION	PROJECTS & ACHIEVEMENTS	ISSUES & PROBLEMS	RECOMMENDATIONS
<p>Trainers for the Whittlesea area</p> <p><i>Ms Lindiwe Papiyana (Sewing & Business)</i></p> <p><i>Ms Weziwe Mdingi (Sewing)</i></p> <p><i>The trainer then took to the best – most successful group business, Siyafunda Sewing Project in Tender Gate (about 50km away from Whittlesea)</i></p>	<ul style="list-style-type: none"> - 12 villages in the Whittlesea area. - In each village, 15 people attended training in each of the training skills: sewing, leather and business. - "We are making a living through training people. Therefore we have stopped sewing and selling our products". - 3 cycles organised in 1999, 8 cycles in 2000 and in 2001 (upto March) 1 cycle. 	<ul style="list-style-type: none"> • "I would say that between 70 to 80 trainees are making a living with their new skills... but we don't really know because we don't do after care". • At the time of payment, income is too small in sewing group to pay every member. Lots of women drop out. • One saturated market: the pensioners. • Problem with payments of registration fees: R50 for sewing and leather and R20 for business. "People don't pay." • After getting the certificate the people don't have the capital to start their own businesses (start-up capital). The trainers advise them to borrow from others. Also advise them to working groups of +/- ten people. Some prefer working alone but the trainees reckon that "it is not easy to work alone". Therefore she advises them to working groups. Social Welfare Department give to groups. So better to work in a team. • Trainers also advise them to start small (for example – with selling oranges.) • Only ten people trained per cycle – most people complain about not accommodating more participants. • Trainees in leather don't know where to buy leather. Trainers advised them to go to Tsolwana Game Reserve for cheaper leather. • Trainers always get their salaries late. • TTO only provide material for training. After that people have to device means to continue with own projects. • TTO does not provide finance to groups • Difficulties with the sewing course: 7 items to be taught in 4 weeks. "We have to rush the training." • "It is not right to always train them to do the same things." Only one size 38 (standard pattern) • Training manual for business too difficult "especially when we have to translate it into Xhosa." • When going to a new village, work through community leaders. 	<ul style="list-style-type: none"> ➢ TTO should increase the time for the training (there is not enough time for ten people in seven items.) ➢ Workbook is very difficult for people who have never been to school (especially with the limited time frame.) ➢ TTO should also try to vary the patterns – There is only one pattern (size 38) dress. Note every body wants to make that dress. ➢ TTO should organize a workshop for the new workbook (2001) – more complicated than the old one.

GROUP & LOCALITY	PROJECT'S ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD
<p>Siyafunda Sewing Project</p> <p><i>Tendergate</i></p> <p><i>Considered by the trainers as the most successful project in the Whittlesea area.</i></p> <p><i>N.B.: The only visit that was unannounced.</i></p>	<ul style="list-style-type: none"> - A group of five women trained by TFO and now working together. - Siyafunda group work from Monday to Friday. - Sell at pension pay - days. - Have received grants from Social Welfare Department: R4000 in June 1999 and R5000 in January 2000, and a grant from Stormberg District Council (R6000). Used grant to buy three machines. With the extra left, they bought materials. - Profit is kept and shared at the end of the year (R2000 each for the year 2000). Previous year was better (R1000 each in 1999.) - Some local parents have ordered school uniforms for their children. 	<ul style="list-style-type: none"> • Room where women usually work was closed when we arrived. Women were not working. Key was lost. • We only look at one market, the pensioners (tough competition and saturation.) • Leather work: "We don't know where to buy the leather." • Have experienced a drop in selling last year. In 2000 there was a decline in the market as a result each of them only got R200. • Lots of people have not paid them. • Don't see the iractivity as a job. • They sell school uniforms for girls for R80 (cheaper at Pep stores.) • They did not get a contract with the local schools – reasons: they don't have self-confidence according to the trainers, and only one machine is reliable, and materials for school uniforms difficult to get. • Main problem: people who do not pay them. They sell things on credit and without deposit. Most people are not working. They depend mostly on pensioners. • Difficulty in finding the right material for the school uniforms. Queenstown does not have the right material. Some times they get the right material and when they go for the second they find something different. 	<ul style="list-style-type: none"> ➤ Plant a goal, correct past mistakes and reach a high expectation, R1000 each per month. ➤ Plant more to new premises.

INSITUATION/ LOCALITY	PROJECTS& ACHIEVEMENTS	ISSUES&PROBLEMS	RECOMMENDATIONS & WAYFORWARD
<p>Officials of the Nkonkobe Municipality</p> <p>Mr Mbatani Luvu, Speaker of the Council and Mr Makeleni (Ward councillor)</p> <p>Fort Beaufort</p>	<ul style="list-style-type: none"> - In Fort Beaufort, three trainers (leather sewing and business.) - There were seventeen villages with ten groups trained by TTO, each consisting of about twenty people. - The project in Lamnye village is the only one that is still operating because they were allocated grant funding from the Department of Social Welfare (a once off grant) in 1998. - In 1999 they got a grant from Kagiso Trust. They used the money for buying machine and material. The group is making use of the machines bought by themoney from Kagiso Trust and each member has their own machine. - Other villages also applied for the grants but not all of them could get it (random funding in various districts.) 	<ul style="list-style-type: none"> • Majority of groups did not take off for the following reasons: <ul style="list-style-type: none"> • Lack of financial back-up, • Lack of marketing skills in a difficult and often saturated market (especially for sewing), • Lack of intensive and specific training, • Lack of entrepreneurial skills. • “The ones who are really benefiting are TTO staff and the three trainers. They have secured jobs.” • One group out of 10 (in 17 villages) still functioning: “Some people were trained, most of them are not doing any thing after the training.” • Sustainability of TTO projects very low. “We have now seen and realised the failure of these training programme. Almost everybody is doing the same. The market is saturated.” • “When people call TTO, they have still the expectation of funding, especially from the Poverty Alleviation Fund, to start their projects.” 	<ul style="list-style-type: none"> ➤ A thorough research on the market need to be undertaken to identify the needs and market opportunities of the communities. For instance traditional wear has a potential market. ➤ TTO should have a better, more solid and integrated development strategy. ➤ Training is seen as an important component but training organisations should also work under performance targets and business mode. ➤ TTO will now have to fit within our LED strategy and be more accountable to local government. Their programme must tie up with our plans. ➤ Sewing should be linked to other projects implemented in the communities. ➤ TTO should develop mentorship and after care for trainees over a longer period. ➤ TTO should look at variety and come up with new and innovative ideas. ➤ Need for funding to get the people to start with the projects and to give them the opportunity to apply the skills they got from the training. ➤ Municipality is planning to move away from unsustainable self-help projects to bigger/co-operative projects of massive but qualitative production.

TTO FIELD OFFICERS	PROJECTS & ACHIEVEMENTS	ISSUES & PROBLEMS	RECOMMENDATIONS
<p>Relay-trainers/ Field Officers of TTO (Eastern Cape)</p> <p>Sipho Mabaso & Sakhumzi Ngoye</p> <p>East London (TTO office)</p>	<ul style="list-style-type: none"> - Mr. Sipho Mabaso – responsible for the ex -Transkei. He was also the first trainer in business. Has a diploma in business management. He was employed by TTO in 1992 and became a field officer for Eastern Cape in 1999. - Mr. Sakhumzi Ngoye – responsible for the ex -Ciskei. He was the first trainer in leather works. He came to the Eastern Cape in May 2000. - Originally, there were three field officers. One has resigned, only two are left. - Field officers go to the field on a regular basis (once every fortnight): Focus mostly on training problems, needs, and trainees' feelings about the programme: "We watch and advise the trainer throughout the training process, often after office hours." - 15 centres in the Eastern Cape where training is happening. There are three trainers in each centre (sewing, leather, business). Total: 45 trainers. - During the first cycle in 2001, about 36 people were trained in the 15 centres. A total of 540 clients. - Four-week training. The 5th week is for practical: the machines are left in the community. During a week, trainees can produce their first item, i.e. 7 in sewing and 7 in leather. They can sell the mandget started. - Basic Business Skills taught to every trainee (incl. leather and sewing trainees). - We are spreading our training opportunities as widely as possible (instead of concentrating on fewer localities). - The Best Game a very important component of the training. Shows the pitfalls of business like selling on credit. - It is difficult to say that we are achieving (no follow -up to check how the groups are doing.) - The success story according to field officers is the sewing/leather project in Nxarhuni (which unfortunately was not included in the visit programme.) - Nxarhuni received a grant of R80,000. Successful sewing project that focuses mainly on traditional wear. Sell products to the local community and outside. Have not yet broken in the tourism market. Sometimes organize a show. 	<ul style="list-style-type: none"> • People take time to pay registration fees. They don't have money to pay. • Delay experienced in material and equipment delivery. • We don't have a follow -up programme. • Quality of the products sometimes not satisfactory. • Equipment, especially sewing machines, gets broken and damaged when transported to villages. Plastic bobbins break too easily. • Lack of suppliers for leather and fabric. Trainees can't afford price of materials, especially leather. "We have raised this issue long time ago." They have to travel far as East London to get material for starting their own business. • "In Eastern Cape, unlike in Western Cape, we don't have TTO clubs to get cheap materials." • Some centres have only two trainers instead of three [only one left in Sterkspruit; 2 centres have closed down.] • "We dive a small bakkie. We need a 4 by 4." • People don't have start -up capital to start their own business. People depend mostly on pensioners - this results in them selling on credit. • No linkage between TTO and new Local Government structures. • Note very one who is trained can become an entrepreneur. Everybody who comes for the training is accepted. No identification of potential entrepreneurs before the training. 	<ul style="list-style-type: none"> ➢ TTO should employ some people to fix and service these sewing machines. Should be service after every training course. ➢ We need to check quality of training. ➢ We need to put in place a follow -up system. ➢ Field officers would like to have a 4 by 4 van or a trailer for transporting the equipment since the roads are bad and the cars they are using are small for transporting all the equipment and roads are in bad conditions. ➢ Sewing patterns should be changed (need to sew different things.) ➢ TTO Clubs should supply material to people and negotiate discount. ➢ Period of skill training in sewing need to be extended. ➢ Need for an more comprehensive business course. The two -week business course to be extended to three weeks. ➢ One of the field workers mentioned that the trainers want to meet with TTO management. ➢ TTO Research and Development Department should provide appropriate solutions to address shortcomings of the Eastern Cape programme: "Don Shay only came once last year." ➢ Need to reinforce co -ordination with new municipalities.

GROUP & LOCALITY	PROJECT'S ACHIEVEMENTS	ISSUES & PROBLEMS	RECOMMENDATIONS & EXPECTATIONS
<p>Masiphakame Sewing Project</p> <p>Tshabo Village (Block 2), Berlin</p> <p><u>Aims:</u> - To develop our community by making clothes and traditional garments - To reduce high rate of unemployment by creating job opportunities to machinists - To store our culture</p> <p><i>Project visited with TTO field officer, Sakumzi Ngotye.</i></p>	<ul style="list-style-type: none"> - Masiphakame Sewing Project is a group of five women who are working together (three of them trained by TTO.) Average age: 38 years old. - To be able to start with the project, each of them had to pay R200. This money was used for buying material. They brought their own sewing machines that they were using even before TTO came. - Some of them were sewing before. - TTO helped them because they did not know much about sewing and how to use patterns. - They sell their products within the community and in town (Berlin) on pay day and at the weekends. - They make traditional garments, clothes and school uniforms (price of the tunic starts at R65 upward depending on the size; shirts are from R45 and price varies according to size.) - At the beginning of the year they gained a lot from selling school uniforms. - Income from selling is used to buy materials. What is left is deposited into a bank account (Ciskean Agriculture Bank) - Only share the money when they have made a lot of profit. Usually share it at the end of the year. Each of them gets R1000 at the end of the year depending on how much they made throughout the year. - Also sell individual products (not part of the project) and use the money for their own household's expenses. - All of them are happy with the training and the skills they gained through the training. 	<ul style="list-style-type: none"> • Training is too short. People want to go on with the sewing training especially when they are planning to make traditional garments (Mrs Roseline Shiyani.) • Income generated too small: R1,000 per year. Additional income through individual orders. • Surrounding area saturated with sewing groups. Result: small orders. • No follow-up by TTO: "They only show us how to do things and leave us with nothing". • TTO brought visitors here but there was no follow-up. Trainees have requested need for support in marketing and finance. • Did not receive any grant from the Department of Social Welfare: "We once applied for funding but we did not get anything." • Most people are not working and others are pensioners, this leads to selling on credit. • Difficult to find the right fabric for school uniforms: "You can find but when you go back for these conditions you don't get the same quality you got the first time." • Mr. Ngotya advised them to take their business plan and apply to the Department of Social Welfare. One of the group members mentioned that "the Department no longer takes individual projects, and they want to combine different projects within one funding." 	<ul style="list-style-type: none"> ➢ Need for financial back-up for starting projects together with aftercare and marketing. ➢ More training on bookkeeping required. ➢ "TTO should provide a list of funderstogroupssothattheycanbeabletoapplyforfunding." ➢ "TTO should provide a variety of patterns."

GROUP & LOCALITY	PROJECT'S ACHIEVEMENTS	ISSUES & PROBLEMS	ASPIRATIONS
<p><i>Ndlambe Sewing and Bakery project Berlin</i></p> <p><i>Project visited with TTO field officer, Sakhunzi Ngotye.</i></p>	<ul style="list-style-type: none"> - 20 members: 10 for sewing and 10 for baking. - To start the project, they applied for funding to some European Company, but haven't had any response. All the members had to pay R20 each for buying material for sewing. - They brought the iron machines and threads. - The members were all trained by TTO and are happy with the training. - With the baking project they make R75 profit per 12,5 bag of bread flour. They bake 25 loaves of bread from a 12,5 bag of bread flour and sell them for R2,50 each. They fetch wood from the veld for making fire in a home-made oven. On busy days they make and sell more bread. 	<ul style="list-style-type: none"> • They are not really making a living out of what they are selling. The profit is too little for sharing among all the members. • "There's no market for the things we sew." • "We don't have enough machines." 	<ul style="list-style-type: none"> ➤ Would like to be hired by people to bake for them when they are having some occasions. ➤ Would like to get an industrial electric oven.

GROUP & LOCALITY	ACHIEVEMENTS	ISSUES & PROBLEMS	RECOMMENDATIONS & WAY FORWARD
<p>Masizame Sewing Project</p> <p><i>Celatyuba Village (Peddie District)</i></p> <p><i>Project visited with TTO field officer, Sakhu mzi Ngotyane and local sewing trainer, Nomtsebenzo Boqwana. One of the three trainers in the Peddie district.</i></p>	<ul style="list-style-type: none"> - First training cycle in Peddie in March 1998. - 18 villages in and around Peddie where training was organised. - 5 projects have started. Each group has about 6 members. Therefore, about 30 people out of 180 trainees are involved in these group businesses (17%) - The Masizame Sewing Project selected by the trainer for the visit [probably because of commitment and motivation in the group]. Trainer has visited it twice since the group was formed (own initiative.) - Masizame Sewing Project consists of six women who were trained by TTO. - Each has a sewing machine. They got the machines from the community and others brought their own machines. - They applied to the Department of Welfare but were not successful. - Each member had to pay some money for buying sewing material. - The money they get from selling is used for buying the material and some of it is put in a bank. They keep the money in the bank until it's bigger for sharing among them. - They sell their products within the community, to school teachers and nurses and to outside villages. The material they use from a king school uniform is sold at King Williams Town (DaGama). Schools make orders for their students. They charge R75 for tunics. Some of the things they sell are children's tracksuits, dresses, skirts and lady's shirts. - So far they haven't shared the money. They only use it for buying materials. All of them are happy with the skills they got from TTO. 	<ul style="list-style-type: none"> • None of the five projects around Peddie are really successful up to now according to the trainer. Trainer added: "we don't encourage trainees to go on their own. We do recommend that they establish co-operatives [group businesses]. It is our general policy." • Sell on credit. Late and non-payment is a problem. Sell mainly on pension pay days. • Have not been able to generate enough income so far to run the work. • Trainees only focus on sewing and not on business according to the trainer: "They want little introduction into business. Maybe it is better to separate the two training." • Lack of capital: "they always hope they will get a grant from poverty alleviation" say the trainer. • Difficulty to get the registration fees from trainees. • Machine used during the training not in good conditions. 	<ul style="list-style-type: none"> ➢ Planning to sew women's overalls ➢ Period for training should be longer than four weeks. ➢ TTO should try to vary the patterns. ➢ People should be trained on how to fix up the machines. ➢ Trainees should be assisted with funding and marketing. ➢ Need support to keep the records updated.

ORGANISATION GROUP & LOCALITY	PROJECTS & ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD
<p><i>Trainees in their 6th week of training</i></p> <p><i>Lower Zingcuka Village (Keiskammahoek)</i></p> <p><i>Project visited on the sixth week of training. Trainees have completed the training. They are still using TTO's equipments since it was not taken yet to another village.</i></p>	<ul style="list-style-type: none"> - The things that they made since they completed training were school uniforms. Still busy doing uniforms. - They only sell things made during the training. Are using the prices given by TTO. - All the trainees are happy with the training. "It has helped us a lot." - People doing leather works borrowed money to buy leather. - Trainees in leather are working in a group of ten people. They are planning to make bags, belts and sandals. - The ones who are sewing are making school uniforms. At the shop the tunics for high schools are sold for R120, in their group they want to sell them for R100 with R20 discount. - They intend to take the firm money to the bank until it gets bigger. - Now they want to sell to pay back money borrowed in the community. 	<ul style="list-style-type: none"> • Payment of registration fees. • No finance available to start. • Equipment provided by TTO not in good conditions. • Tools for leather work too expensive. • Leather only sold in one store in King Williams' Town. • When TTO will collect its equipment and sewing machines, will be left with nothing to carry on with their project. 	<ul style="list-style-type: none"> ➤ Want to establish a project/group business. ➤ Trainees in both sewing and leather expect to make a monthly income of R1000 once they have established their project.

GROUP & LOCALITY	PROJECTS & ACHIEVEMENTS	ISSUES & PROBLEMS	RECOMMENDATIONS & WAY FORWARD
<p>Masinedane Sewing Project</p> <p>Upper Mnyameni Village (Keiskammahoek)</p> <p>Project visited with an official from the Amatola District Municipality (Keiskammahoek office), Mr M. Quma.</p>	<ul style="list-style-type: none"> - Group of ten women trained by TTO in 1998. In September 1999, they started the sewing project. They are now six (ages from 43 to 65) - Amatola District allocated grant funding to this village (fund for income-generating projects): R88000 distributed evenly to four local projects, i.e. 2 community gardens, 1 poultry project and 1 sewing project. Each project received R22000 as start-up funding. - Grant used for buying two machines with a foot pedal and one overlocker. Equipment ordered through the District Council based in East London. - They signed a contract with the schools in the area (i.e. a primary and a secondary school) to provide uniforms: "we have not started yet supplying uniforms." - They focus mainly on traditional wear but also make things like children's tracksuits, women's skirts and aprons. - The money they get from selling is kept in the bank and used for buying material. - They haven't shared the money among themselves yet. 	<ul style="list-style-type: none"> • Plantos supply school uniforms to local school has not yet materialised • No real income generated and utilised to pay members yet. 	

GROUP & LOCALITY	PROJECT'S ACHIEVEMENTS	ISSUES & PROBLEMS	RECOMMENDATIONS & WAY FORWARD
<p>Nomzamo Sewing Project</p> <p><i>Dudumashe (outside Ngqamakwe)</i></p> <p><i>Interview with Sewing Group and other people trained by TTO in business skills (grocery and spaza shops, bakery, vegetable garden, poultry)</i></p>	<ul style="list-style-type: none"> - 152 people were trained by TTO in Dudumashe and surrounding areas. Three people were chosen as trainers for leather, sewing and business. - 16 people involved in business activities (spaza shop, Bakery, vegetable garden, poultry and sewing.) - Nomzamo Sewing Projects started in October 2000. Led by Mrs Dudumashe (Chief's wife). Received R4000 worth of materials (for winter jackets) from the Eastern Cape government. - 10 members in sewing group. Have borrowed 5 machines from the community. Tasks are shared. "Some do the cutting and others sew." - Don't sell in Dudumashe but in other villages. - Put money from selling into a bank account. Will pay themselves annually. - "They are now successful at making a living" (TTO trainer.) - Six people are running spaza shops in the village. Some were trained by TTO and others had spaza shops even before TTO came to the village. <p>Phumelela Baking Project</p> <ul style="list-style-type: none"> - Have a contract for selling bread to three schools within the community. Thirty-three loaves of bread per day are taken to three schools. One school gets eleven loaves and the second one gets nine and the third one gets thirteen loaves. - The project was started towards the end of the year 2000. - For baking they use a home made oven and buy wood for making the fire. 	<ul style="list-style-type: none"> • Items produced by members per month will not be enough to generate monthly income for the members. • Some villages that were trained by TTO can't get started because they don't have money to buy machines and material, others don't have the capital to start their own businesses. • "We did not get the contract for making school uniforms. Some people from Butterworth got it. [...] They were not trained by TTO." • "Our old Singers don't have zigzag and overlockers" • "We are stuck with the sewing." • No follow up by TTO. • People, especially spaza owners, sell on credit and have to wait until the end of the month to be paid. • The group presented during the interview was told by TTO East London that they could access sponsorship through the evaluators. Three people (incl. spaza shop owners) are hoping to get sponsorship. Lack of sponsorships and selling on credit seen as a main problem. • They all face a problem of not getting paid by the school but Chief Dudumashe said we were misinformed. 	

GROUP & LOCALITY	PROJECT'S ACHIEVEMENTS	ISSUES & PROBLEMS	WAY FORWARD
<p><i>Trainees in Ntywenska village</i></p> <p><i>Graduation day</i></p> <p><i>Interview with some trainees and the trainer, Mrs Rachel Magqogqo</i></p>	<ul style="list-style-type: none"> - Trainer Mrs Rachel Magqogqo responsible for sewing skills training. Two other trainers for leather works and business. - 12 trainees in Ntywenska village who graduated on 15 March 2001. - There are some projects operating in the village trained by TTO. Most of them are mainly focusing on sewing. - Mrs Magqogqo indicated that she is now making a living out of teaching sewing. 	<ul style="list-style-type: none"> • There were only six machines for training twelve people. The trainees had to wait for each other to do something else while waiting for the machine. Though the machines were few they managed to finish on time. • Workbook in English: "it becomes difficult to explain concepts especially to people who have not been to school." • "Total people in the area is not a big number at the beginning because people are not familiar with the leather. They always think they won't manage but at the end they do. They also think that it's only for males." • Sinako Sewing Project is one of the operating groups in the area. The group consists of 5 women. They make dresses and children's tracksuits. • "They are not making a living with the sewing. There's no market." (Trainer) 	<ul style="list-style-type: none"> ➤ Trainees plan to establish themselves as a group.

INSITUATION/ LOCALITY	PROJECTS & ACHIEVEMENTS	ISSUES & PROBLEMS	RECOMMENDATIONS
<p><i>Meeting with the Senqu Local Municipality (council meeting) and former trainer Koki Shibani</i></p> <p><i>Sterkspruit/ Herschel</i></p> <p><i>The only community trainer (Mrs Skumana) still working in the Sterkspruit area was not available</i></p>	<ul style="list-style-type: none"> - TTO arrived here in Sterkspruit in 1997. - Training in sewing leather and business. - They have trained people, members of more than 60 groups, mainly involve in sewing 	<ul style="list-style-type: none"> • After training, no funding available for the people to carry on. • “There is no progress and no sustainability. It is a problem for us councillors.” • “These 60 groups are doing nothing. None of TTO groups and projects has proved sustainable.” • “TTO representative when they came here and address said that there will be some funds available, some funding from TTO.” • “TTO has only done some training but no funding.” • TTO training does not encourage people to create their own jobs: “out of the 40 people trained in leather skills in my ward, no one is working.” • “TTO like other companies come to do training here. They do nothing else afterwards. The only thing people are left with after the training are the certificates.” • “TTO management have not worked well with our people [trainers]. They get their salaries for the first cycle after the third done, experiencing financial difficulties to carry out their activities. The trainers often had to borrow money for transport.” • Leather and business trainers have left. Only training in sewing is still taking place in the Sterkspruit area: “the training programme has become even less effective.” • In our hearing Spho (TTOEL) indicated telephonically to an official of the Senqu municipality that “the visitors [evaluation team] were from France and are funders.” <p>(Cf. Appendix: D)</p>	<ul style="list-style-type: none"> ➤ TTO should focus on fewer villages and train a smaller number of people but provide them with some money to start -up projects. ➤ The people should also be supplied with the necessary materials and equipment. ➤ Make funding available, grants, sponsorships or loans ➤ “Our visitors must take our requests to the funders who will advise TTO on its shortcomings and the need to provide funding” ➤ TTO should work closely with local government and the province: “We need training in rural areas but it must be followed by job creation”. ➤ TTO system must change.

(iii) Photographic record

Original photographic board on A3 format:

- Page 1: MAG: Montalpa Screenprinters, Backpacker Accommodation Project, Timo & Fellos
Page 1a: Xauka and the Dassié Route & Montalpa Screenprinters
Page 2: Projecto Many Talents
Page 2a: Projecto Many Talents & Timo and Fellos
Page 3: CHEC: Florist, Flagship, Unicorn, Bastiaanse School, Stiknetco -operative, Spazashop
Page 3a: Flagship project & Aunt Baby
Page 3b: Unicorn, Stiknetco -operative & Spazashop owner
Page 4: COMBAT Spaza truck shops, bakery, floral arrangements, leather and shoe repair, Potter, Educare
Page 4a: Jacobus Wamey, Relay -trainer & Educare
Page 5: COMBAT
Page 5a: Gerald Morester (Potter), Jacobus Wamey (Relay -trainer), Catherina July (Florist), Phillip Booysen (Leatherwork & shoemaker), and Quentin Tobey (Bakery Manager)
Page 6: SBDC: Khulekani brick making co -operative, Droombroom, Car mechanics, Phone kiosks, ...
Page 6a: Debbie Bruce (SBDC Manager) & Clive Abrahams (Furniture maker, DROOMBOOM)
Page 7: Clive Abrahams and David Mabena
Page 7a: David Mabena (Motor mechanic), Sharon Godiath (Hairdresser), Sthembis Mthwesi (Phone kiosks), Business owners (Khulekani Community Brick making)
Page 8: Phone kiosks and brick making
Page 9: CDC: wedding, furniture making and zinc work
Page 9a: Pamela Madokwe (Trainer) and Hein Fransman (Tender advisor)
Page 10: Furniture making, seat covers and welding
Page 11: Siyafunda Sewing Project (Tender Gate)
Page 12: Masiphakane Sewing Project (Berlin)
Page 12a: Siyafunda Sewing Project (Tender Gate), Ndlambe Sewing and Baking Project (Berlin) and Masiphakane Sewing Project (Tshabo Village, Berlin)
Page 13: Ndlambe Sewing and Baking Projects (Berlin)
Page 14: Masizame Sewing Project (Celetyuba Peddie district)
Page 15: Sewing group (Lower Zingcu ka Village, Keiskammahoek)
Page 16: Masicedane Sewing Project (Upper Mnyameni, Keiskammahoek)
Page 16a: Masizame Sewing Project (Celetyuba Village, Peddie), Masicedane Sewing Project (upper Mnyameni Village) and Group of trainees (Lower Zingcu ka Village)
Page 17: Nomzamo Sewing and Phumelela Baking Projects (Dudumashé)
Page 18: Graduation in Ntywenka and Sinako Sewing Project
Page 18a: Nomzamo Sewing Project (Dudumashé) Phumelela Baking Project (Dudumashé) and Trainer interview in Ntywenka (outside Tsolo)
Page 19: Entrepreneur Koki Shibani's projects (Sterkspruit)
Page 19a: Mr Koki Shibani (ex -trainer in leather -Sterkspruit)

Erratum:

- Page 1, read Montalpa (instead of Montapla)
Page 2, read Swellendam (instead of Swelledam)
Page 4 & 5a, read Gerald Adams (instead of Gerald Morester)

**Appendix B : Contact details of organisations,
entrepreneurs and cooperatives**

Organisation/ Address	Contact person(s) & position	Tel./Mobile	Fax/Email	Description/Services
Amatola District Municipality	Mr M. Quma (Keiskammahoeko office)	(040) 65 80028 08235 27230		
Business Outreach	Mrs Bev Moodie & Mr Pan Mankazana	(044) 38 29730 0832687678		Design training manuals in business skills.
Central Karoo District Municipality Beaufort West	Mr Nicka Nortje	(023) 41 51160 (023) 41 43675		
Christian Help & Education Centre (CHEC)	Mr Amos Post Mr Gerrit Jonas	(023) 41 51 736		Business training and aftercare/mentoring.
Community-based Tasks (COMBAT) Kragstasie Street, Murraysburg, 6995	Mr Jacobus Wamey, Ms Nandi Tekula	(049 222) 298/273 08253 09314	(049 222) 148	Community projects, business counselling, aftercare.
Community trainer in the Tsobarea (sewing)	Mrs Magqogop	0824221627		TTO Community Training in the Tsolo area.
Eastern Cape Anti - Poverty Foundation Room 5 Independence Boulevard, Bisho PO Box 280, Bisho, 5605	Mrs Nambita Stofile, Executive Director of the Anti-poverty Foundation and TTO Board member.	(040) 63 92670	(040) 63 92564	Poverty alleviation projects.
Droombroom 13 Begonia Street Pacaltsdorp	Mr Clive Abrahams	(044) 87 82010 08221 61 478		Furniture making.
Dudum Ashe Administration Area PO Box 82 Nqamakwe 4990 Graaff-Rinet Advertiser (Murraysburg) PO Box 429 Murraysburg 6995	Chief Colonel Dudum Ashe (Community leader/gatekeeper for TTO training) Mr Dave Thompson	(047) 48 79 114 (049 222) 283		

Graaff-Rinet Publicity Association POBox153 6280		(049)8924248	(049)8924248 graaffreinet@elink.co.za http://www.graaffreinet.co.za	
Khulekani Community Brickmaking POBox12116 George MAG SultanaCrescent, Montagu,6720 POBox36 Montagu 6720	MrThomasChampion MrsYasminaPandy& MrsMargueritha Swanepoel	(044)8804564 (023)6141175	 (023)6141189	Unsustainableco - operativerunby5 managers. LBSC,Basic business,assistance inaccessingloans, referralstotechnical institutions,special attentionto businessesentering thetourismindustry.
Masiphakame SewingProject TshaboBlock POBox2 Berlin 5660	MrThobekaNtswana			Clothesand traditionalgarments.
MENNGOS 3rdFloor,45Castle Street,CapeTown, 8001;POBox 24121,Lansdowne, CapeTown,7779	MrsPetrinaRoberts	(021)4241775 0832817198	(021)4241841 mengos@mweb.co.za http://welcome.to/mengos	Membership-based networkof independentservice providerswho throughthecombined resourcebasofits membersfacilitates accelerateddelivery toallmicro - entrepreneursinthe WesternCape. Networking, linkages,lobbying andadvocacy. Screenprinting/Tee - shirts(DassieRoute.)
Montalpa Screenprinters SultanaSingel, Montagu,6720	MrArnoMaasorp,Mr JoyfredBaartmanandMr GlentonJansen	(023)6141175 0824245132	(023)6141189	
MrPhones	MrSthembisoMthwesi	0832089509		Phoneki oskin George,Thenbalethu andMosselBay.
Nkonkobe Municipality POBox36 FortBeaufort 5720	CouncillorMakeleni& SpeakeroftheCouncil, MrMbataniLwuo	(046)6451136 (046)6459040		
Peddie Community Trainer	MsNomtsebenzo Boqwana Ngqowa Peddie	0827282887		TTOCommunity TrainerinthePeddie district.

Plettenberg Bay Community Development Trust (CDC) Hillview Farm No. 2 Plettenberg Bay, 6600	Mr Hein Fransman Mrs Pamela Madokwe	(04453)33141	(04453)30307 cdc@pixie.co.za	LBSC and TAC. Business advice, counselling and tendering advices.
Project of Many Talents, Swellendam Senqu Municipality PO Box 108 Sterkspruit 9762	Mrs Magnetha Oransie Ward Councillors Vuyani Mbulana, Adelai de Kwinana, Motladi Ralijji, Patrick Shibana, Robert Ngonqobo, ...	(028)5143905 0826712690 (Mr Vuyani Mbulana) 0829641598 (Mr Shibana, Community Gatekeepers for TIO training)		Tracksuits, curtains, linen, ...
South Cape Business Centre (SCBC) 1 st floor Old Town Hall Building corner York and Market Streets George 6530 Private Bag X6589 George 6530	Mrs Debbie Bruce and Siyanda Qumana	(044)873 3431/2230 0823355113	(044)8733433 sbdc@mweb.co.za	Counselling start-up training, resource centre, entrepreneurial training, youth programme.
Stiknet Working Girls Ben Schoeman Rd P.X. Building PO Box 756 Beaufort West 6970 Stutterheim Development Foundation & Business Advice Centre PO Box 686 Stutterheim 4930	Mr Elvin Adams (Manager) Mr Tom Dyant (Director)	(023)4153482 0833481926 (043)683 2024/1723	(043)6832245 sdf@sdfza.net	Business skills, information sourcing and dissemination, monitoring, technical skill training, business linkages.
Timo & Fellos, Mafuya Street, No. AG 127, Ashton, 6715	Mr Timothy Bolani	(023)6153336		Wireart (Dassie Route.)
Triple Trust Organisation (TTO – Head Office) 67 Main Road, Mowbray PO Box 13227, Mowbray 7705	Mr Phumlani Bukashe	(021)6896000	Fax: (021)6896003 tto@tto.org.za http://www.tto.org.za	LBSC, Skill training, business training, saving mobilisation programme, linking TIO graduate to microfinance groups for loans.

Triple Trust Organisation (East London office) 5 St Michael's, Belgravia Road, Southernwood, East London, 5201	Mr Siphon Mabaso & Sakunzi Ngotye	(043) 74 3745 1 072 147 1463		
Unicraft Beaufort West for the Physically Disabled PO Box 58 Beaufort West 6970	Mr Sampie VDHorst	(023) 41 4301 3 083 749 031 7		Slippers, upholstery, furniture restoration, needlecrafts, curtaining, shoe repairs, tanning of hides.
Unique Hair Salon 42 Market Mall, Market Street, George	Mr Sharone Goliath	(044) 87 40764 082 429 6679		
Whittlesea community trainers	Ms Lindiwe Papiyana (sewing & business) & Ms Weziwe Mdingi (sewing)	083 667 2757		TTO Community Trainers in the Whittlesea area.

**Appendix C : Transcription
of interview with Koki Shibani
(16/03/2001)**

Mr. Koki Shibani is one of the people trained by TTO. He was also trained to become a trainer. Mr. Shibani was sewing even before TTO came to their community. He acquired more skills through TTO training. He decided to quit TTO after he experienced problems with the programme. After quitting TTO, he kept on training people on his own mainly in sewing and leather skills. He is applying skills he acquired through his involvement with TTO, i.e. technical and management skills. He runs his own project called Masikhule - sewing, leather works and upholstery. He employed six people, all of whom trained by him. They get paid every month.

Towards then on then some of the people working for him go to town [Sterkspruit] to sell the things they produce. They do not sell on credit, only on deposit. They also have a contract for making school tracksuits. People make their orders through the schools. Some of the other things they make are: tracksuits for teachers, cowboy hoods, sandals, leather jackets, bags, belts and cell-phone holders. All these things are in demand. They had ten orders for cell-phone holders and were busy designing tracksuits for a local soccer team.

Apart from sewing and upholstery, Mr. Shibani runs a club/tavern where there is a pool table, a jukebox and a sofa.

I was working at TTO in the rural areas. When you go to the rural areas, people are poor. They have no money to pay R50 registration fee to start the training. It is difficult to get that R50 because they don't have money, they are not working, and they have to wait for pensioners to give them the money. The training was successful but after the training people are just dropped. There's no follow-up. TTO does not do anything for the people after training. Sixteen villages were trained but out of those people, no one has got a start and here in town. There's no follow-up from TTO. In leather works, I was trying to change the things we were making. I was not only using TTO package. In sewing, they are only using one pattern. There's no market for sewing and their prices are a bit higher. You get a group and you say it's a project. They get some funding from somewhere but after three months you hear that they closed down because they have no money and no marketing skills to change the market to something they can really sell. There are 170 people that have been trained by TTO but there's not even one of them who is successful or has got a job. They have the skills. They can make tracksuits, tunics, shirts, etc. but they are not doing anything with those skills. There's no follow-up from TTO. I think if TTO was right they should train maybe a small number of villages and give them some money to start up and then those people if they are here in town and got a start they could employ other people.

Another problem is the one about my salary. I left TTO because I was not getting my salary. We trained three villages without getting a salary and only after you finish the third village you get the salary for the first village. When you call TTO they tell you

they have deposited your money in your bank account, but when you get to the bank you don't find it. I don't know what is happening with TTO, they have to change! When you go to the village to train people you have to pay for your own transport. Some villages are far and you have to stay there until you finish the training. What are you going to eat if you didn't get your salary?

We were very happy when TTO came to our area with the leather skill. We had thought that we were going to reach the leather firm here in Herschel. But our groups find that there's no money to start. We had thought that TTO could have helped with money. You must indicate in your report that here in Herschel we are interested in leather. We would like to have our own leather firm.

The training is of importance. But after you train the people you leave them with nothing in their hands to make a living. TTO system is not working, they just train people and there's no follow up afterwards. We are not satisfied about the system they are using. And I think it is not just only Sterkspruit but the whole Eastem Cape is not happy. There are two groups who got the funding from the Department of Social Welfare in 1999. Those groups are having in projects though they are not successful.

**Appendix D: Transcription of interview
with the Council of Senqu
(16/03/2001)**

The evaluation team met the whole Senqu Council. As we arrived in Sterkspruit, we phoned again the local TTO "gatekeeper". He directed us to the Council. After we introduced ourselves and explained about the evaluation work we were conducting, we were allowed to join the Councilors in their meeting. Our visit had been included in the agenda of the council meeting. However we were not the people the council expected...

The Chairman of the meeting:

When Siphophonedus, he told us that there would be visitors from France. I told him that you have just arrived. He asked: "where did you say you are coming from?" I said those people are from Pretoria. He then said: "No! These people are from France". I don't understand why Mr. Mabaso is communicating like that.

Councillor A:

According to the information we were given by Mr. Mabaso, these are not the people we were expecting. We were expecting visitors from France. Since these people are not the ones we were expecting, we cannot provide them with the information they want. These people are not the funders.

Chairman:

No, they are only contracted by the funders to evaluate Triple Trust [TTO] programme. As we have seen TTO programme in our community, let us give these people information on how we found the programme, and Koki who was one of the trainers will also help us with this.

Councillor B:

TTO arrived here late in 1997. The people who were coordinating TTO came to our villages and took some of the people for training in leather works, sewing and business. After they trained those people, they took other people to Cape Town to train them to become trainers in other villages. When they come they take some people in groups and train them in groups. When we were looking at this programme, we realised that people get trained but after the training there is no funding for the people to continue with the projects. When TTO comes to do the training in a community, they come with the equipment. Once the training is finished, they take them to the next village leaving those people [graduates] with nothing.

Chairman:

We have more than 60 groups of people who were trained by TTO but those people have nothing to do. They have no fund. Last time when they were addressing [TTO officials], they said that after the training there would be some funds people could apply for. There is no funding that has taken place here in our area. As you can see this place is a rural place, if you train people and leave them, there is no point of training them. I think this evaluation will help us because we have this problem of many people being trained and no funds and no support have followed. What is the use of training so many people in an area if nothing is done to help afterwards? So I think your evaluation is a first step. The information we are giving you must be included in your report. You must say that TTO is only doing training. There's no funding that people could get after the training. We have no sustainable projects of TTO here. The people are just sitting after the training, doing nothing. There is no funds for machines, no funds from the government. Everybody is waiting for funds. Maybe you are going to help us with the funds we need.

Councillor A:

There was also a problem with TTO management. Mr. Shibani was trained in leather and the other two trainers in business and sewing. TTO management is not working well with our people [local trainers]. The trainer train people but only get their salary after they finish the third cycle. They get the salary for the first training after the third cycle. They don't get back payment.

Chairman:

Another thing is that initially the trainers were three but now there's only one trainer left. Mr. Shibani [Koki] was one of the trainers. He left TTO because the same problem of not getting his salary. After Koki left, the trainer for business also left. It's only one trainer who is left now. TTO has a problem of management. The trainer who is left is only training people in sewing. This thing is even less effective because if you go to villages where are still being trained, they are only doing sewing. What is the use? Only one training is taking place at the moment, leather and business have disappeared.

Councillor A:

The problem is with the salaries. The trainers don't get their salary in time. We don't know if you can solve that problem. Poor management is their big problem.

If you train 90 people without getting your money and only get it after three months it becomes difficult for the trainers to go to villages to train people. The problem is transport; trainers have to borrow money for transport to get to the villages and train people. When they get their salaries after three months, they have to pay back those people who gave them the money. This is a rural place and we have poor roads. There are villages that are in the mountains, it's difficult to get there and people with cars charge you a lot of money.

Ex-trainer, Koki Shibani:

You can pay R100 for a return trip to some villages. Since these villages are far we usually preferred sleeping over until we finished training. The problem is that you did not get your salary and you had to buy food and pay for transport. We always get our salaries late. After every hard raining we get the money for the first village.

Councillor C:

Though I was not involved with TTO, I could see the problems Mr. Shibani encountered when he was training the people. You would even think that he volunteered to train those people. Sometimes he got problems with getting the equipment for training the people. I was also interested in joining TTO but after I saw how Mr. Shibani was suffering and the way TTO treated him I decided not to. The way they are doing things in TTO was not motivating him to continue training the people.

Chairman:

The training they are providing does not encourage the people to get jobs after the training. There are many people in my area who were trained by Mr. Shibani in leather works. More than 40. But out of all those people, none of them is working or doing something after training. That's what I noticed about TTO and other companies who come with training to Sterkspruit, there's nothing they do afterwards to show us what to do to develop our communities and to get jobs created with the training they gave us. TTO is not doing anything for us, if they are doing it, they are only doing it for sewing. The only thing that the people are left with after training are the certificates!

**Appendix E :Extracts from Joint Workshop
MENNGOS – TTO
(09/05/2001)**

About the Eastern Cape:

“The culture is that people are going to get employment. The people who think about going to business are the ones who are unemployed. They are forced into it . The culture is about employment. So we have to **change the mindset** . And **we don't have this kind of role -models in the townships** . Even in some languages, the **word “business” is taboo** because here is this thing of how could I sell to my next of kin? That was the challenge when we went to Eastern Cape. We are **destabilising the way of living of the people** because we bring new concept and **we make people capitalists** . It is what people say when they criticise us. But at the end of the day, **the mere fact that people gain confidence, dignity and unlock their potentials ... that also should be taken into account when measuring success** . One classical definition of poverty is that people don't have choice ... **We unlock opportunities and put them in a position where they can make choice to take care of their destiny** . We expose a number of different choices and bring another world to them that will break the cycle of poverty.”

Phumlani Bukashe (TTO)

“People live in rural areas are poor. It does not mean that they are not creative. We are hoping that we are unlocking this kind of potential. For me, **training cannot do everything for everybody** . **Turowas officially defined does not fit reality for micro enterprises** . We need to look at the basket of services. There is also an argument about access of finance is one critical area. **To start with a business does not require more than R500** according to a survey conducted by the University of Natal three years ago. They can borrow money from next of kin, family, friends, ...”

Phumlani Bukashe

“60% of people who have been **retrenched from the mines** are from the Eastern Cape. In 1999, out of the 4,000 thousands teachers who graduated from colleges, only 23 got formal employment. In **Butterworth, Dimbaza and PE** , the tax holidays offered to Taiwanese companies have stopped and then people have been retrenched.”

Phumlani Bukashe

“Regarding **PepStores** , it is a shame that they have the audacity to import their product all the way from Taiwan. If they were serious they would have **use and employ people who were retrenched from the textile industries** and then go to people like MENNGOES and TTO to capacitate these people. The **NGOs in South Africa are struggling to get funding from South African companies** . They get funding from foreign companies.”

Seth Tladi (TTO)

About method and approach:

“What we need to appreciate is that we are **different organisations, different geographical areas** where we are operating. We also need to appreciate that I don't feel that either or both **methodologies** are necessarily wrong. If you say you are **comparing our methodology to the one of MENNGOS then for me it is like comparing apples and pears**.”

“Because we have different organisations, different terms of reference, different regions and different contractual agreements, it was **not the reform appropriate to have a joint meeting**.”

Phumlani Bukashe

Reply to Phumlani:

“We are not seeing you as apples and pears. The fact to have a joint workshop prescribed in the TORs also means that you are not seen as a pple and pears. The funders don't see you as apples and pears but as having **common grounds** and the joint workshop should precisely focus on the common grounds and with in these common parameters look at your different methodologies and end-result and the possibility that one of the methodology has been more successful or efficient in achieving your **common end -result**: economic empowerment. We are working within the parameters defined in the TORs and a prescription for a joint workshop to share information and to produce cross -pollination. Let us focus on the real issues which are your training packages, how they are similar, how they are different, why, whether they are locality specific or not, ... Where are the gaps since it is here that the methodologies that could be filled up so that they are **improve for the phase two**. The question of different regions doesn't come in at this point of time. *(Pointing at the photographic boards displayed on the walls)* Here are the people you are all target in although you hit them through different routes...”

Evaluation team

“Obviously our methodologies will be different. They work **through intermediaries** and we work **directly with entrepreneurs**. They are like wholesaler, we are like retailer. So the **monitoring mechanisms** will be different. They have to monitor how service providers deliver a service to the end -users. Our own monitoring mechanism is how effective is our training intervention and whether the entrepreneurs are performing. My follow -up programme focuses on entrepreneurs as end -users. Their monitoring and evaluation programme will focus on service providers.”

Seth Tladi

“We are not doing the same thing and not hitting the same people directly. Maybe what we have to evaluate is do we hit them seriously enough? For me, this is the end -result. **Does seriousness come out of our work or are we maintaining ourselves in jobs**, whichever methodology we use?”

Petrina Roberts (MENNGOS)

About monitoring and indicators of success:

“We had a **fair measure of success** in our programme. The problem lies with **organisations which are not serious** and which got involved because they thought they could **access money**.”

Petrina Roberts

“We are succeeding because there are **little industries on the ground**, very small and micro, which is our niche. It needs research of what could work, what is the demand in a particular area in order to **adapt the product development** and to have more focused work.”

Petrina Roberts

“The **number expectations** come from the donors. We reduced this number in the contract by half after consultation with everybody in terms of what is feasible. Some people exceed it and some people reach 8. In a place like Murraysburg it is difficult to get even 8. They can get these numbers up when they go to other small towns where there is no business support. The number was reduced by MENNGOS because their initial 20 a month was ridiculous. You are putting so much **pressure on the trainers**.”

Petrina Roberts

“There is always this **debate [about qualitative indicators to measure success of skills training]**. What many people are missing is that even **if the person might not have a business starting, they have a skill**. They have learnt a skill unlike prior to them having attended any training programme being through TTO or through MENNGOS. Whatever the evaluation's methodology, we need to take cognisance of this type of things. What we do at TTO is every 18 months we do an impact survey. We go back there and we ask relevant questions: how many people got business started, how many are economically active, how many are employed, Those kind of things give indication about how successful you are rather than saying we have trained 20 000 people. It is **a big number but out of these 20 000, how many really have started a business**? That's what we do at TTO, to always keep track. The other day we had this guy from Australia who really gave us insight to something we weren't aware of. He said to us: “you guys are **measuring the level of success 12 to 18 months** later; at the micro-sector level chances are when you go back 12 - 18 months you will find very few successes. But if **you go back 3 to 7 years later, you might find a totally different picture**. They have done a study. They found out that people who were regarded as failures 12 to 18 months after the training, 3 - 5 years later they start because of the skill. The study was done in one of the developing countries.”

Seth Tladi

“You must have **different indicators** if you compare Georgetown to Murraysburg.”

Petrina Roberts

“If we make one person an entrepreneur within the communal situation we are living in, he will employ other people. Four to six other people become impacted. It is the kind of data we often overlook. We are only interested in one entrepreneur, we often miss the holistic picture that one individual has affected between 4 to 6 more people and lives. So 10 - 15 more families...”

Seth Tladi

“You don’t look at the profit that people make because **they don’t make much profit in the survivalist mode – R100**. But you look at **qualitative measure** as whether a person has improved – **renovation of one’s house, sending children to schools, shoes** are also **indicators** in some areas and if somebody takes part in the broader economic activities. Our mission is aligned to what our activities are. Towards the end of last year, **we have change our mission statement at TTO, it is no longer “enterprise development”**. We now want to **address poverty through enterprise development**. So there is an element of **poverty alleviation through enterprise training**. It is also the reason why we are taking part from August in a **social impact study by DfID particularly in the Eastern Cape** with regard to our interventions alleviating poverty through training. So the social impact will highlight what kind of **success stories not only in terms of profit, number of people employed**.”

Phumlani Bukashe

“We are working in the market of the very small and micro and not the medium. Sometimes the **trainers have become very frustrated because of the people who have come to training**. We don’t tell them how they should select the participants. It is done according to their methodologies. They have also become frustrated because they train the people and they **don’t start businesses and they feel that they are just training for numbers**. In terms of method, how do you assess people who are serious about doing something? It also frustrates the trainer. They want to see some growth.”

Petrina Roberts

About life skills vs. business skills:

Petrina following on what Seth said about measuring the impact of training 3 - 7 years later

“...but that would mean that we are doing **life skills**. I had this argument last year. The pressure in South Africa is very focused and then we must not confuse what we are doing, we are **either in enterprise development - enterprise building or in life skills building**.”

Petrina Roberts

“**Triple Trust is not in life skills development**. We are not. For example, MENNGOS you are purely into enterprise development but along the way there are some life skills which are built in your programme. So somebody may not actually start after 4 - 6 weeks after the programme but the life skill they have learnt put them in good stand in future. We must not lose focus on the holistic picture. **People come and ask how many people got started**? Of the 20, I have trained only 6 got started then people say: Oht terrible! They miss the bigger picture that is the 14 others who have been trained have gone away with ALIFE SKILL that they didn’t have before. Let us

not only look at the 6. It is **the problem I have with euro and western type evaluation methodologies. They look coldly at what we are doing with outunders tanding the context in which you operate .**

Seth Tladi

“I found that the first intervention has actually been **confidence**. When we start working with entrepreneurs, their confidence improves. Obviously not everybody will start a business. What we are asking to our organisations: “ **who is the entrepreneur here?** ” and to develop a test to find if we are working with people who are going to start a business. We work a lot with existing businesses because it is simpler to work with them. **For the start –up business, one has to introduce some methodology to test the entrepreneurial level of the people because it is costly to train people and you can’t train them only for life skills**. We have to change our focus.”

Petrina Roberts

“Another thing in terms of our process that needs to be brought in the **training of trainers** is the **life skills training** especially when you are working with very rural people. There has been a whole cycle of growth with them since we started. We should have started with the life skills component as the introduction because a lot of people don’t know who they are. I am talking about the first level of the training of trainers. For the people who are going to be trainers and go out into the field and who will have to deal with people’s challenges. They have to know themselves. The **self-concept** should be the start.”

Petrina Roberts

About the relationship with funders:

“There is a need of research in that specific field [tourism development]. It has a cost. Maybe there was **not enough flexibility in the funding**. I have real and serious problem at the moment in the way things are micro -managed in this process. I feel we could have been street sahead if we had greater latitude in our programme. When I compare with NT SIKKA, once you have agreed on the terms of your contract, you report on your activities. If there are deviations, you report on them.”

Petrina Roberts

“We need to work and **interact with one partner** who facilitates the funding. The partnership has become unwillingly. There has been **a lot of control** over the process. In development and especially in rural areas, you are breaking new grounds all the time. Funders should give us a greater latitude to work with what we know best and to report on it. They should visit us once a year. [One of our funders] has done so **many mission visits**. There has been so much interaction with the end -users who are the service providers. Everybody has a story to tell. At the end of the day, one must ask **what value have these mission visits added**?”

Petrina Roberts

About the futuristic sustainability:

“There is a new trend in the development arena and business development services: it is a **demand-driven training** where the end-users become the **recipients and buyers of the service**. They have to pay for the service. That is the current thinking within Triple Trust.”

Seth Tladi

“The issue of **sustainability** as well as is of serious concern to us. How sustainable are our interventions? Because sustainability goes with whatever support programmes we are monitoring and evaluating and then your **post-training support** comes into play in that respect.”

Seth Tladi

“What you brought up yesterday in our workshop is that even in **tourism** one of our major areas of intervention, [organisations] don't actually understand the **dynamics** of the sub-sectors and how to bring them together to make it work.”

Petrina Roberts

“Our basic training unlock this potential – **traditional dresses** and heritage. It is the flavour of the month in the Eastern Cape. This is the kind of market we are looking at. We **acknowledge that access to leather is problematic**. We must look at that and also product soft leather. We would definitely by next year **reduce the size of these two programmes, leather and sewing**.”

Phumlani Bukashe

“You can **acquire a skill in a particular village but his or her market will be a way**. We are unlocking the potential. They are taught to make some products but can later on make others. And there is the question of the export market with all its problems. At some stage, there were about **20 odd Local Business Service Centres in the Eastern Cape from Kostad, Ncobo, Matatiele, Lusikisiki, ... No where are less than 10**. And they were supposed to do the kind of support to assist people. Last year, we had an agreement of understanding with NDA to **capacitate some of the LBSCs** and look at sources of support for entrepreneurs. And we had a meeting with the Centre for Investment and Marketing of the Eastern Cape (CIMEC) on that issue.”

Phumlani Bukashe

“The **market research** that we are talking about – what does the market demand in Tsoalo and in other places like Umtata? Therefore we will be in a better position to design programmes and interventions that are **specific to the needs of the market**.”

Seth Tladi

**Appendix F :Qualitativeandquantitativeindicators
foreachcategoryofrole -players**

Role-players	Key-issues/Indicators
<p>1 Entrepreneurs</p>	<ul style="list-style-type: none"> - Number of people trained versus number of people emerging as entrepreneurs, - Origin and profile of trainees (i.e established, potential, prisoners, school students,...), how long in business? - How were graduates identified? - Access to micro -loans from finance institutions, access to grants/sponsorships, - Income generated, contracts awarded (tenders),... - Group projects – dormant vs. active/sustainable, - Skills acquired (technical/management) and empowerment, - Effect/impact on business consolidation and creation, - Satisfaction levels of entrepreneurs regarding quality of training, after care and follow -ups support, - Identification of role -models among local entrepreneurs or ex -graduates, - Input of entrepreneurs for further support (training, counselling g after care, secretarial/bookkeeping services, tender advice,...)
<p>2 Trainers & relay - trainers</p>	<ul style="list-style-type: none"> - Relevance/adaptation of methodologies, - Selection criteria/screening of participants, - Nature of training, - Skills acquired, lessons and adjustments, - Linkages with other training centres, service providers, etc. - Number of training sessions organized, number of participants contents, methods, - Opportunities and difficulties in training implementation, - Nature of support to trainers from SMME support providers and communities and from MENNGOS/TTO, - Specific experience or skill that could be fitted in the network, - Proposals, needs and recommendations for second phase.
<p>3 SMME service providers</p>	<ul style="list-style-type: none"> - Needs assessment and appropriate/tailored responses, - Funding, organisation, constraints and opportunities in accessing require d human resources, - Linkages with other role -players (local authorities, support providers,...) - Impact on the strengthening/weakening of organisations, on linkages and networking with other organizations , - Benefits and constraints of the project, - Building-up of ownership by support providers and CBOs, - Role in the definition, implementation and monitoring of the project, - Effectiveness of project/process management, - Fulfilment of contractual commitments, - Proposals, needs and recommendations for second phase.
<p>4 MENNGOS &TTO</p>	<ul style="list-style-type: none"> - Integration of the project within the ir broader strategy/policy , - Handling of project implementation/monitoring, - Impact on the strengthening/weakening of organisations, on linkages and networking with other organizations , - Benefits, limitations and constraints of the project, - Needs assessment and appropriate/tailored responses, - Sustainability, innovation, added -value through partnership with French organisations, - Proposals, needs and recommendations for second phase –appropriate and relevant to SMMEs development.

Appendix G: *SomenotestakingduringtheinterviewwithMs MarguerithaSwanepoel(Friday2March2001)*

- MarguerithaSwanepoel is employed by MAG, contracted trainer for the MENNGOSrural programme. She is the MENNGOSHead Trainer of the Training of Trainers Programme.
- On Friday and Monday s, she trains entrepreneurs in Worcester involved in beadwork, traditional Xhosa wear, leather work...
- Her course divided into modules including introduction into Basic Business and Skill training, SWOT analysis of each business to get the profile of each business.
- “A new training approach needs to be developed. The current Business Skill training is too broad. It should become sector specific. We must do a selection process for the trainees. We have already started grouping them according to their production types (retail, tourism, etc) so as to make the training more specific.”
- MAG has introduced a new first module on the challenge of entrepreneurship. Involves creative thinking, how to formulate business ideas and how to identify opportunities.
- “We have found that people don't do market research. So we are looking more and more at feasibility study and market research during the training. The outcome is that they are able to draw up a business plan and to know their marketing opportunities and pitfalls.”
- Tourism project township tour in Zwelentheba (Worcester) include beer taverns, cultural food, ... “It was all set up but there were not many visitors.” Perceived reason: “because they don't know how to market themselves.”
- “There is no service organisation in Worcester”. The Worcester's multipurpose community centre has contracted MAG to provide support on the following initiatives: (1) training of tour guides and (2) craft and drama groups. The overall objective is “to develop a tourism package with the Worcester Tourism Bureau.” Package: township tour, breakfast and craft, Sangomas, ...
- “The aftercare is very crucial. In the process, we bring life skills to build up confidence. [...] People don't believe in themselves, they don't know how to handle conflicts, how to handle conflicts, how to communicate with customers, suppliers, employees, ...”
- 6 training sessions per group of trainees and about 15 people in each group.
- “We used to have training material that was too broad. MAG is trying to reconstruct and redesign materials and own ideas. It will be more sector-specific.”
- People don't have capital. After training, they apply to financial institution. “People hope to access funding through training. We often tell them that MAG is not a financial institution and that we can just help them to draw a business plan.”
- Khulagives people bank guarantee but they are not active in the Montagu area and in the rural areas (Cape Town based Financial Institutions do not want to serve rural people because costs are too high) Khulaa advised MAG to set up a Rural Financial Institution (RFI.)
- Two problems: access to market and finance.
- “In Bonnievale we did not do market research. We started with wine baskets but people then disagree. So we did a pie in the face but it did not work and now people are disillusioned.”
- “To apply for government funds, we had to form a committee representative of Bonnievale and the four other local towns.”
- MENNGOS is contributing towards the training programme very much and according to the number of people trained (10 people minimum.)