

CHAPTER 2

ITHUBA TRUST PROFILE

1. INTRODUCTION

Ithuba Trust is presented in this chapter as a case study. The chapter will indicate that Ithuba Trust was not founded in a vacuum, but that it emerged in a context that will be discussed below. In outlining the context, reference will be made to sustainable development and poverty eradication challenges confronting South Africa and the South African Government's intervention, especially in the institutionalization of an enabling environment for sustainable development and poverty eradication. The profile will include Ithuba Trust's fundraising strategies, the nature of its beneficiaries and its attempts at impact measurement.

2. THE CONTEXT OF ITHUBA TRUST'S EMERGENCE

Ithuba Trust is a national organization operating in South Africa. South Africa, however, is part of the African continent, a continent known by its under-development. The extent of this underdevelopment is aptly summarized by the South African President, Thabo Mbeki, quoted by Konrad-Adenauer-Stiftung (1998:9) that Africa, "in the eyes of the world, is home to an unending spiral of anarchy and chaos, at whose unknown end is a dark pith of an utter, a complete and unfathomable human disaster."

The African continent, including South Africa, is recovering from the legacies of colonialism and apartheid. One of such legacies is deep political, social and cultural divide and a subsequent reluctance to introduce and maintain true democracies. Such divisions, in most instances, were fertile ground for bad policymaking on the African continent, rendering governments ineffective in dealing with the extreme poverty and inequalities characterizing the continent.

The role of civil society organizations in addressing such inequalities was also ineffective as they operated in isolation from each other due to the divisive systems of

governments who regarded any coordinated initiatives with suspicion, and therefore repressed their coordination.

The South African Non-Government Organisations Coalition (SANGOCO) (1999:3) summarizes the disparities brought about by colonialism and apartheid as follows:

“Our history has been a bitter one dominated by colonialism, racism, apartheid, sexism and repressive labour policies. The result is that poverty and degradation exist side by side with modern cities and a developed mining, industrial and commercial infrastructure. Our income distribution is racially distorted and ranks as one of the most unequal in the world – lavish wealth and abject poverty characterize our society.”

In their submission to the World Conference Against Racism, which was held in South Africa in the year 2001, the African National Congress (ANC) quote President Thabo Mbeki’s description of South Africa’s division into two racially based nations, which confront the country’s sustainable development initiatives:

“One of these nations is white, relatively prosperous, regardless of gender or geographic dispersal. It has ready access to a developed economic, physical, educational, communication and other infrastructure. This enables us to argue that ... all members of this nation have the possibility to exercise their right of equal opportunity, the development opportunities to which the Constitution of ’93 committed our country. The second and large nation of South Africa is the black and poor, with the worst affected being women in the rural areas, the black rural population in general and the disabled. This nation lives under conditions of a grossly underdeveloped economic, physical, educational, communication and other infrastructure. It has virtually no possibility to exercise what in reality amounts to a theoretical right to equal opportunity, with that right being equal within this black nation only to the extent that it is equally incapable of realization.” (Mbeki, 2001:14)

That being the case, the South African Government, after gaining democracy in 1994, declared its driving ambition to improve the quality of life of South Africans, especially of that large number of them who had previously been systematically disadvantaged and rendered less fortunate than their enfranchised countrymen. This required fundamental

transformation of the South African society. However, what precisely was meant by transformation had first to be spelt out.

The United Nations Development Programme (UNDP) (2000:175), define transformation in the South African context as “In post-apartheid South Africa, ‘transformation’ has come to mean the adaptation and reformation of institutions, in both the public and private sectors, to accommodate the change in political culture and ethos following the first universal franchise election of 1994.”

Furthermore the UNDP (2000:3-5) states:

“Theoretically, transformation is captured in the notion that South African state and society must change fundamentally if they are to move from autocracy, dictatorship, extreme poverty and inequality to substantive democracy and people-centred development. Transformation should, therefore, deal with economic, political and social relations and should result in fundamental freedoms and improvement in the lives of all, especially those of the poorest people.”

The above imply that governments dealing with transformation have statutory obligations to an enabling legislative framework towards such transformation. Olson, quoted by Parsons (1999b:130) states: “Poorer countries that adopt relatively good economic [sustainable development] policies and institutions, enjoy rapid catch-up growth.”

World Bank (1998:28) state that transformation and reconstruction and development become effective in an enabling legislative environment and further that foreign aid “effectiveness largely depend on the institutions and policies of recipient countries.”

The ownership of transformation by governments is echoed by the Global Coalition for Africa, which was launched in 1991 as a North-South forum for African leaders and their development partners whose mandate includes the monitoring of Africa’s developmental issues. The Coalition is driven by the premise that “Africa can grow only if there is an effort from within, but that to do so it needs sustained and well-coordinated outside support and a stronger working partnership with Northern donors” (Global Coalition for Africa, 1996:vi).

Parsons (2002:5) states: “The latest terminology in global institutions is ‘authorship’, which in effect means a more hands-off attitude to reform from outside.” This accords

with encouraging African governments – as President Mbeki has also urged – to take ‘ownership’ of reforms, instead of having them prescribed from elsewhere, that is, notwithstanding the need for external support for transformation, poor countries need to create an enabling environment for change.

Matube (1990:127) in her research on survival strategies of urban blacks in an apartheid environment found that, no matter how complex individual survivors are, they all have one common denominator and that is, desire for growth from within.

3. SOUTH AFRICA’S ENABLING LEGISLATIVE FRAMEWORK

South Africa has been down the road of “authorship”, starting with negotiations which led to the birth of its democracy in 1994, and its Constitution and The Bill of Rights (Act No 108 of 1996) which are rated amongst the best and most progressive in the world.

This chapter does not deal with the review of the overall country’s enabling legislative framework, but a brief reference will be made to three significant and inter-related policies which were formulated specifically for transformation and sustainable development initiatives such as Ithuba Trust. The three are National Economic Development and Labour Council (The NEDLAC Act No 35 of 1994), Growth, Employment and Redistribution Macro Economic Policy (GEAR) and Reconstruction and Development Programme (RDP) Act No 7 of 1994.

These two Acts and the GEAR Policy are examples of the South African Government’s deliberate, committed, goal-directed and integrated intervention to make sure that transformation, as defined above, does happen. However, it should be noted that the South African Constitution, rated amongst the best in the world, together with The Bill of Rights and the institutionalization of the Human Rights Commission, form the final repudiation of colonialism and apartheid and are key evaluation and monitoring agencies for transformation.

3.1 The National Economic Development and Labour Council (NEDLAC)

Representation, consultation, transparency and accountability are cornerstones of democracy. One of the legacies of colonialism and apartheid, as discussed above, is deep

political, social and cultural divide and a subsequent reluctance to introduce and maintain true democracies. This legacy, in most instances, led to bad policymaking in Africa. The reconstruction of a country that suffered intense division like South Africa needs social dialogue to pave the way for unity. According to Parsons (2002:6), “This diagnosis was relevant to the South African situation before 1990, but even then the early foundations for social dialogue were already being laid by organized business and labour. Why? Because of a growing realization that a deeply flawed political system could not continue to deliver sustainable economic outcomes because of escalating internal political discontent and waning international confidence in its future.”

The need for social dialogue was therefore identified by the South African Government, to promote representation, consultation, transparency and accountability in policymaking for transformational purposes.

Parsons (2002:3) defines social dialogue as “the interchange of ideas and circumstances between – and - within - nations. It is a process or mechanism for amicable adjustment, internally or externally, of differences among nations, groups, ideologies, beliefs and interests. At its best it can oil the wheels of policymaking at both national and international levels and help to make good things happen.”

As a result, the South African Government passed the National Economic Development and Labour Council (NEDLAC) Act. The NEDLAC Act (No 35 of 1994), and NEDLAC were launched on February 18, 1995 “to bring together government, business, labour and community interests, to, through negotiation, reach consensus on all labour legislation, and all significant social and economic legislation” (NEDLAC, 2000/2001:iv). The NEDLAC report (2000/2001:iv) further states that “NEDLAC’s origins lie in the struggle against apartheid, against unilateral government decision-making, and in the calls from all sectors of society for decisions to be made in a more inclusive and transparent manner.”

The objectives of NEDLAC (2000/2001:iv) are listed in the same report as follows:

- Strive to promote the goals of economic growth, participation in economic decision-making and social equity.
- Seek to reach consensus and conclude agreements pertaining to social and economic policy.

- Consider all proposed labour legislation relating to labour-market policy before it is introduced in Parliament.
- Consider all significant changes to social and economic policy before it is implemented or introduced in Parliament.
- Encourage and promote the formulation of coordinated policy on social and economic matters.

The NEDLAC Act (No 35 of 1994) defines NEDLAC as consisting of:

- Members who represent organized labour
- Members who represent organized business
- Members who represent organized community and development interests
- Members who represent the State

NEDLAC therefore is South Africa's example of institutional partnerships, which also highlights the importance of partnerships in sustainable development.

3.2 Reconstruction and Development Programme (RDP)

After independence, most African states, including South Africa, adopted reconstruction and development programmes to translate their freedom into real quality standards of living.

By reconstruction and development, according to SANGOCO (1999:1) is broadly understood "restructuring productive capacity to meet local needs, redistributing the country's (and the region's) unfairly-acquired wealth, protecting the economy and people from the ravaging effects of globalization, entrenching democracy, confronting residual patterns of apartheid, equalizing uneven gender relations, restoring ecological balance, putting disabled people's needs on the agenda, promoting social organization, and many other ways of moving towards a cohesive, progressive vision of good society."

This description of the RDP by SANGOCO implies fundamental changes in the conditions of sustainable development work. It implies freedom for concerted community mobilization which had previously been impossible. It implies the encouragement of partnerships inclusive of government, the private sector and developmental civil society

and finally forged unity amongst all South Africans to ensure the success of transformational goals.

The measurement of the RDP would be indicated by the following success indicators as listed in the RDP White Paper (1994:24):

- Creating productive employment opportunities for all citizens at a living wage.
- Alleviating poverty, low wages and extreme inequalities in wages and wealth.
- Meeting basic needs and ensuring that every citizen enjoys a decent standard of living and economic security.
- Democratizing the economy and empowering the historically oppressed, particularly workers and their organizations.
- Removing racial and gender discrimination in the workplace.
- Developing a balanced and prosperous regional economy in Southern Africa, based on the principle of equity and mutual benefit.

These success indicators make the RDP the country's fundamental vehicle for change. However, one would ask what would it take to make the RDP work. The ANC, in their Submission to the World Conference Against Racism (ANC, 2001:15), quote President Mbeki, as an answer to this question:

“In conceptual terms we have to deal with two interrelated elements. The first of these is that we must accept that it will take time to create the material base for nation building and reconciliation. The second and related element is that we must therefore agree that it is the subjective factor, accompanied by tangible progress in the creation of the new material base, which must take the lead in sustaining the hope and conviction among the people that the project of reconciliation and nation building will succeed.”

The material base referred to by President Mbeki, in a way, refers to the need for resource mobilization for the RDP and the overall transformational goals. Resource mobilization encompasses a variety of resources, skills, capacities and infrastructure and in particular, revenue and partnerships amongst the state, private sector and developmental civil society organizations.

The magnitude of resources needed for the RDP is demonstrated, in a nutshell, by the National Lotteries Board Report (1995:77) to the Minister of Trade and Industry, in their recommendation for the ownership and operation of the National Lottery:

“The Board is supported by strong evidence from all quarters that the National Lottery in South Africa should be owned by the State for the following reasons: First, the need for funding of the Reconstruction and Development Programme (RDP) is so huge that no privately-owned and controlled lottery could generate sufficient funding to provide the short term urgent needs of the RDP.”

With reference to the skills and expertise required for the operation of the National Lottery, the National Lotteries Board (1995:79) report that “the state does not have the necessary knowledge, skill and expertise to perform all the functions of a operator ... These skills and expertise are abundantly available in the private sector.”

The National Lotteries Board at the time regarded the RDP as the main beneficiary of the National Lottery.

3.3 Growth, Employment and Redistribution (GEAR) Policy, 1998

In keeping with the RDP, the South African Government developed a pragmatic economic strategy, the Growth, Employment and Redistribution (GEAR) Policy in 1998 as a medium-term programme running up to the year 2000. The strategy directs itself to South Africans who are affected by large-scale job loss and is a commitment by the social partners to address the hardships inevitably caused by large-scale job loss and complement the painful process of structural adjustment with a responsible duty of care and concern” (Parsons, 1999b:4).

GEAR’s vision is described in the policy document (1998:1) as follows:

“As South Africa moves towards the next century, we seek:

- a competitive fast-growing economy which creates sufficient jobs for all work seekers;
- a redistribution of income and opportunities in favour of the poor;
- a society in which sound health, education and other services are available to all; and

- an environment in which homes are secure and places of work are productive.”

GEAR’s aim was therefore to bring sustainable economic growth to South Africa and the creation of about 400 000 jobs by the year 2000.

According to Dlamini, cited by Ndebele and Phungula (2000:32), GEAR failed to meet this 400 000 jobs target and instead, led to massive job losses, weakening economic growth and declining investment. This state of affairs led to major criticism of the GEAR policy. SANGOGO (2000:5) for instance, state that “... unlike the RDP, the policy (GEAR) was introduced without popular participation or any form of involvement by democratic forces in the debate leading to the adoption of such a crucial policy.”

The interrelatedness between GEAR and RDP is described by Wiseman Nkuhlu, South African Government’s Cabinet Economic Advisor, quoted by Ndebele and Phungula (2000:28 - 30): “The Reconstruction and Development Programme (RDP) has achieved the results that were envisaged by the GEAR policy ... GEAR was to help the government adapt to global standards ... we have grinding poverty that is grinding and grinding. Unemployment is growing. Economic participation of our people is still on the peripheries ... not at the centre. We need to generate investment and find ways to get the majority of our people to participate in the mainstream economy.”

Nkuhlu, cited by Ndebele and Phungula (2000:27), however, called for the review of the GEAR policy whilst the Congress of South African Trade Unions (COSATU), also cited by Ndebele and Phungula (2000) called on the South African Government to scrap the GEAR policy because of its failure. The GEAR policy is now under review.

3.4 The Role of the Non-Governmental Organisations Sector (NGO Sector)

The Non-Governmental Organisations (NGOs) sector forms an integral part of the partnerships or social dialogue referred to in the above discussion. The value of the NGO sector, is aptly described by Bubb (2001) that the NGO sector or charities, are a third sector to reckon with – they prove more than just good Samaritans and that it would be a mistake to think of them as cuddly organizations offering a warm glow in return for cor-

porate generosity when times are good. In reality, they are there to do business with when times get hard.

South Africans, therefore, incorporating Government, business, labour and the community, have forged a united front to attack poverty and would not leave the challenge to chance. To conclude, Parsons (1999b:100) is of the opinion that, in a nutshell, it is very widely agreed, certainly in principle that nothing should be allowed to override the aims of eliminating poverty and providing gainful employment. It is vital to divert financial and other resources to alleviate the most intolerable social ills. In sustainable development, everything depends on everything else. Everything is interrelated and policies and implementation programmes that do not recognize this interdependence are lopsided and produce skewed outcomes.

The GEAR Policy (1998:21), relating to this interrelatedness of policies and their coordination, state: "Government has a clear policy coordination role. There are trade-offs amongst policy options and competing claims by different interest groups which need to be nationally resolved. Whilst institutions have been developed to aid this process, and Government is committed to an open and consultative approach, the ultimate responsibility for a credible and coherent policy framework lies with Government."

The above discussion, beginning with the description of the disparities brought about by colonialism and apartheid, the repudiation of these discriminatory policies, the enactment of an enabling environment for transformation and the encouragement of partnerships amongst the state, business, labour and the developmental civil society community, meant freedom for the South African community to become creative in their contribution towards nation building. Such creativity thrives on unnecessary constraints and freedom of expression by individuals, groups or organizations.

Ithuba Trust, as an organization, is part of the above transformational process. The founding Trustees experienced the freedom that all South Africans felt and exploited this freedom to express their creativity as it will be demonstrated in the next section.

4. THE ESTABLISHMENT OF ITHUBA TRUST

4.1 Description

Ithuba Trust is described as an indigenous South African developmental civil society grantmaking organization. It emerged from local experiences as described above and is a large, formalized and professionally staffed resource organization commanding significant financial resources of an average of R20 million annual distribution towards sustainable development in the country. For the period under review, the organization funded approximately 2 600 beneficiary organizations (see Appendix 2).

Identifying particulars

Physical Address	8 Jansen Road Jet Park Johannesburg 1630
Postal Address	Private Bag X7 Melville 2109
Telephone Number	(011) 985 8625
Fax Number	(011) 985 8840
E-mail Address	ithuba@pixie.co.za
Web Address	www.ithuba.co.za
Trust Registration No.	1118/89
Non-Profit Organisation No.	001-412
Previous Fundraising Number	01 100782 000 7

4.2 Institutional history

The history of Ithuba Trust may be divided into three phases based on its fundraising strategy. Each of the three phases may be identified by its own unique fundraising strategy. The three phases are outlined below.

4.2.1 Phase One (1989 – 1991): Ithuba Day

Ithuba Trust was launched to the South African public with Ithuba Day on October 10, 1989, just a year before the erstwhile National Party leader and South African Govern-

ment President, F W de Klerk, released the former President, Nelson Mandela, and other political prisoners from prison, unbanned political organizations and welcomed political exiles back home to allow for free political activity which resulted in the birth of democracy in South Africa.

According to Ithuba Trust (1996), Ithuba Trust is the brainchild of a South African businessman, Gareth Pyne-James. Regarded as the founder of Ithuba Trust, Pyne-James knew in advance that no government in a democratic society would have the capacity to act single-handed to reconstruct and develop a nation destroyed by an oppressive system of government. He knew in advance that partnerships amongst government, civil society and business would be the most sought-after vehicle to bring about fundamental change for the improvement of the living conditions of the disadvantaged majority South Africans.

Pyne-James, driven by a caring spirit, returned to South Africa with a dream and vision, after spending a period of five years in London with the Sarah Ferguson's Search 88, an umbrella fundraising charity for the British Cancer Association. With the wealth of experience gained and his entrepreneurial flair, he successfully applied for a R140 000 loan from First National Bank, to launch Ithuba Trust.

4.2.1.1 The concept Ithuba and Ithuba Trust logo

According to the researcher's personal interview (February 25, 2003) with Pyne-James, Ithuba Trust was launched out of a desire for fundamental change in the attitudes of South Africans who were victims of manipulated and hostile racial divisions. He was driven by compassion and a vision for unity in the country. His vision was to see South Africans holding hands and building the nation together. The vision led to the naming of the organization as Ithuba, which is a Zulu or Xhosa word meaning "opportunity".

The logo resembles firefighters holding hands to accomplish their goal of fighting fires as a team. The hands therefore signify the need for South Africans to hold hands in rebuilding the country. The different colours of the logo symbolize all the racial groups in South Africa, which today is referred to as the rainbow nation.

The concept “opportunity” and firemen’s hands led to the organization’s mission statement in October 1989, as outlined in Ithuba Trust Fact Sheet (1989):

“Ithuba was created in the belief that the future of South Africa lies in the hands of her people.

All her people.

Ithuba means opportunity.

The opportunity to give everyone a chance.

To feel the pride of achievement

To experience the dignity of making a difference

To take a rightful place in society

To help shape the future of this great land

And only if we share the vision can we give our children a country they can be proud of.”



Figure 2: The Ithuba Logo

Out of the above mission statement, Ithuba developed its slogan “Opportunity for everyone of us.”

This mission statement was revised in 1996 during a strategic planning exercise. The current Ithuba Trust Mission statement (2004) reads:

“Ithuba strives to be a dynamic, innovative human development initiative which seeks to empower disadvantaged groups and communities throughout South Africa by enhancing the quality of human life and by the allevia-

tion of human suffering, through the power of opportunity and via the creation of a multiplier effect.”

4.2.1.2 Harassment by government

During the 1980's, there was intense political struggle in South Africa and as already discussed above, Government viewed any coordinated initiative for the development of the disadvantaged communities with suspicion. According to the researcher's personal interview (February 25, 2003) with Pyne-James, he too, did not escape harassment from the apartheid government. The security police interrogated him on several occasions and referred to him as a “Kaffer Boetie”. The word “Kaffer” was a derogatory term used by the ruling government and majority of whites in referring to Africans. “Boetie” is an Afrikaans word meaning brother. In other words, Pyne-James, because of his mission to develop the disadvantaged communities, which were black, was referred to as a black brother. Before democracy, such initiatives were not taken well by the apartheid government.

However, the “Kaffer Boetie” interrogation did not discourage Pyne-James from his mission to make a difference in the lives of the disadvantaged. His heart was on launching, according to him, the biggest ever and best known charity in South Africa.

4.2.1.3 Founding Trustees

Pyne-James did not work alone. The founding Trustees were recruited from the corporate and non-government sectors. They were the following:

Mashudu Ramano	Association of Black Accountants in Southern Africa
Habakuk Shikwane	Habakuk Cane Furniture owner
Clem Sunter	Anglo American
Christo Wiese	Pepkor
Anton Roodt	Federale Volksbeleggings
Terrence Rosenberg	Beares
Lindiwe Myeza	Women's Informal Training Institute

The founding Trustees are no longer involved with Ithuba Trust and the following are current (2004) Trustees:

Adv. Ronnie Bracks	Chairperson, Legal Consultant
Niresh Ramklas	Deputy Chairperson, Chief Executive Officer, Cape Town Child Welfare
Joe Latakomo	Trustee, Journalist and Managing Director, Kapele Freight and Logistics Services, a company owned by Ithuba Trust
Rosemary Maphai	Trustee, Registrar: Technikon North West
Prof. Raymond Parsons	Trustee, Lecturer, University of port Elizabeth and Overall Business Convener, NEDLAC and Board Member, The Reserve Bank
Dr Fikile Mazibuko	Trustee, Vice Chancellor, University of KwaZulu-Natal
Joyce Matube	Chief Executive Officer

4.2.1.4 Founding principles and values

Ithuba Trust's founding principles and values (Ithuba Trust Fact Sheet, 1989), are:

- Education and training create jobs and a better quality of life.
- Investment in human resources will create an environment for positive change in South Africa.
- The development of the small business and informal sectors is critical to solving the unemployment crisis facing South Africa.
- There is a great need for additional funds for organizations that are committed to providing opportunities for self-advancement to the disadvantaged people of South Africa.
- The public, both in South Africa and abroad, are now not only prepared to contribute towards, but also to be personally involved in a major fund-raising and awareness campaign.
- It is imperative that 100% of all public and corporate donations are used for the purpose for which they are given and not for the funding or organizational and administrative costs.

Arising from the above principles and values, the organization set its objectives as follows:

- To coordinate both nationally and internationally the most comprehensive fundraising campaign ever undertaken in respect of the self-advancement of the disadvantaged peoples of South Africa.
- To raise the level of public awareness of the vast potential for small and micro business development within South Africa.
- To encourage companies within South Africa and abroad to invest in the education and training of the informal sector.
- To distribute the funds raised in a professional and cost-effective manner to appropriate organizations dedicated to fulfilling the mission of Ithuba.
- To be complete non-racial, non-political and non-governmental.

4.2.1.5 Fundraising strategy

The Trust set itself to raise funds from three major sources (Ithuba Trust Fact Sheet, 1989):

- Revenue/profits from fundraising activities which included:
 - Mass public participation events
 - Pop concerts
 - Sporting events
 - Give-as-you-earn campaign
- Public donations, both local and international
- Corporate donations

The Ithuba Day Fundraising Strategy is schematically presented as follows:

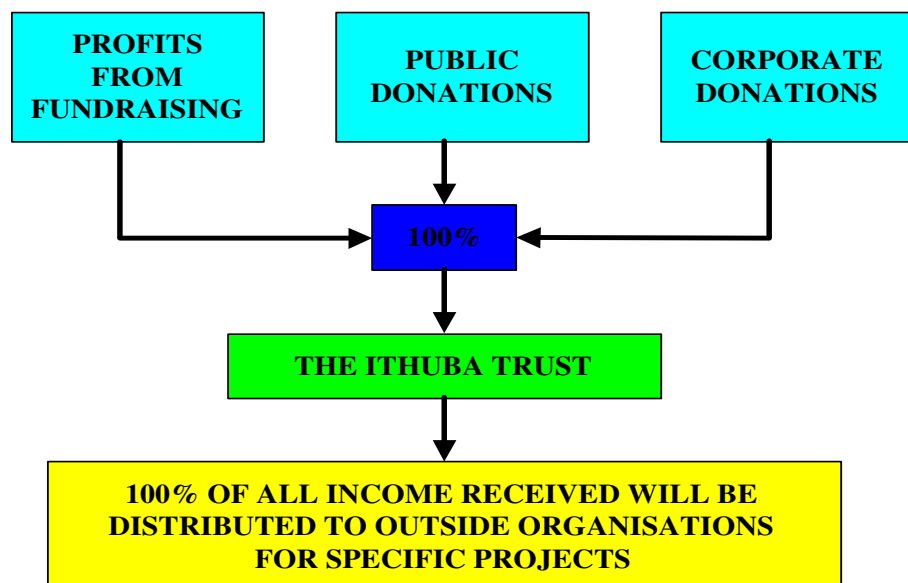


Figure 3: Ithuba Day Fundraising Strategy

In order to ensure that all proceeds went to development initiatives, Ithuba Trust developed an additional strategy to raise funds for its own operations. The strategy involved raising revenue from three distinctive categories of sponsorship, namely

- Major corporate sponsors
- Supporters and official suppliers
- Event sponsors

Such sponsorships ensured that no public or corporate donations were used for any other purpose than that for which they were donated.

The sponsoring companies received direct marketing benefits in return for their sponsorship. The sponsorship was a commercial transaction.

Ithuba operations costs, for which sponsorship was sought, included the development of the infrastructure that was necessary to support Ithuba Trust, the development and coordination of major awareness and fundraising campaigns and administrative costs (Ithuba Trust Fact Sheet, 1989).

The separation of sources of revenue for development purposes and operations, which ensured that 100% of income raised for development was spent for that purpose meant that the organization had to set up a fundraising structure, namely Ithuba Promotions, specifically to raise funds for the Trust and equally to support Ithuba Trust operations.

Ithuba Promotions was mandated to use the most up-to-date techniques to publicize and raise funds for Ithuba Trust. Such techniques were similar to the ones agreed upon by Ithuba Trust, that is

- Television and radio documentaries and specialized programming
- Mass public participation events, for example pop concerts, sports series
- Telethons and radiothons
- Give-as-you-earn campaigns

Ithuba Promotions was a close corporation and its founding directors were:

William Yeowart	Simpson and McKie (Chairperson)
Willie Ramoshaba	W.R. Consultants

Gareth Pyne-James	Ithuba Promotions/Trust Founder and Project Director
Steve Jourdan	Ogilvy and Mather Direct
Trevor Quirk	SABC Topsport
Louis Kernick	Webber Wentzel
Chris Day	Promotions Consultant

In summary, Ithuba as an organization was comprised of:

- A Trust which received and distributed 100% of all public and corporate donations (Ithuba Trust); and
- A promotional and fundraising company which initiated and coordinated all fundraising and publicity (Ithuba Promotions).

The structure is schematically presented as follows:

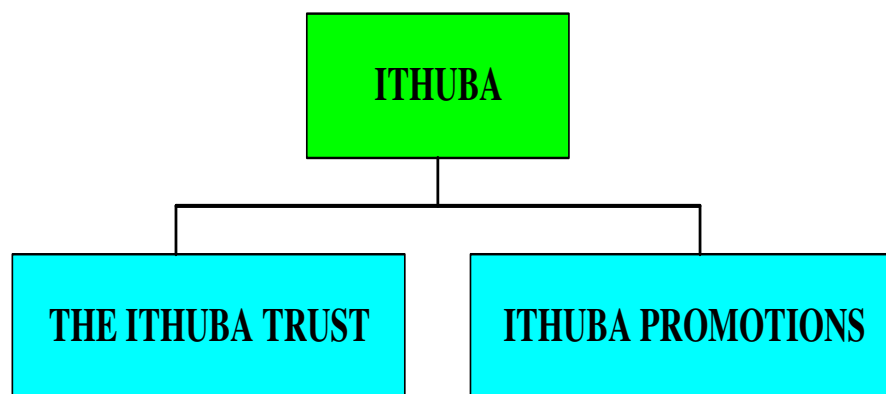


Figure 4: Ithuba Promotions Fundrasing Structure

The two structures were not-for-profit and fully accountable to the public.

The following is an example of one of the fundraising events that had South Africans glued to their televisions and radios and raised the largest amount ever to be raised from South African citizens for charities.

4.2.1.6 The event: Ithuba Day

As already mentioned, Ithuba was founded on October 10, 1989 and this date, October 10, embraced by South Africans, was declared by Ithuba Trust and its sponsors as Ithuba Day (Ithuba Trust Fact Sheet, 1989). On this day, a televised telethon in conjunction with radiothons, was held. Fundraising events were held in designated centers throughout South Africa and members of the

public called in their pledges to these centers. Examples of such fundraising events were golf days, rugby spectaculars, gumboots dancing, fun runs, fun rides, obstacle courses, parachuting, gymnastics, beer tents, mine dancing and rides, go-cart racing, car rallies, circus fun and celebrity runs.

On this day, the country was divided into six regions which were the apartheid government's previous geographical demarcations. Each region had a focal point city which was assigned one letter from the word Ithuba. Each letter was a 10 meter steel structure which could hold a certain amount of collection boxes.

The distribution of the collection boxes and Ithuba letters are shown in the table below:

Table 1: Ithuba Day Collection Boxes

Region	City	Letter	No. of Boxes
Orange Free State	Bloemfontein	I	90
Eastern Cape	Port Elizabeth	T	138
Southern Transvaal	Johannesburg	H	205
Northern Transvaal	Pretoria	U	177
Northern, Central & Western Cape	Cape Town	B	219
Natal	Durban	A	156
Total Boxes			1 000

Six weeks prior to the Ithuba Day festivities, these collection boxes, each 500 mm by 500 mm, were made available for companies, towns, magisterial districts, entertainment centers and shopping centers for sponsorship for the purpose of raising funds for Ithuba Trust. Each box had an opening in the top for collection of funds and each recipient of such a box held fundraising events for their region.

The event was based on the principle that money raised in each region remained in the same region for distribution amongst their beneficiaries. The benefit of this principle was the culture of competition amongst the regions to raise the highest amount for their beneficiaries.

On Ithuba Day, the television broadcast involved exciting and interesting inserts from each of the activities that happened at each of the six centers. The focal point of Ithuba Day was the boxes. These boxes, filled with money, were delivered to the centers to fill each 10 mm letter of Ithuba.

On the same day, the direct and emotive element of the day, that is, the telethon and radiothons, was concurrently run. Telephone centres with approximately thirty lines per centre, were set up to allow people who did not have a chance in the six week build up to donate money, a chance to pledge and support their region. The telephone lines were manned by volunteers.

According to the researcher's personal interview with Gareth Pyne-James (February 05, 2003), the Ithuba Day event became South Africa's biggest fundraising event and he qualified this with the following facts:

- On the launch day, that is, October 10, 1989, over a R1 million was raised through telethon and radiothon pledges.
- For the first time R3 million could be raised in South Africa with a single annual event, an amount raised subsequent to the launch day.
- The South African Broadcasting Corporation embraced the concept, Pick 'n Pay Retailers paid for all running costs and Eskom donated R1 million.
- The event took place live for a continuous eleven hours, with eighty five cameras, two hundred and fifty technicians and four helicopters.
- About 100 000 people gathered at the Cape Town Waterfront for the local fundraising event.
- The networking which developed out of this event was beyond description.

The brand name "Ithuba" therefore became a household name.

An overview of Ithuba Promotions (Ithuba Trust Fact Sheet, 1989), as a strategy for the provision of administrative, marketing and financial support to Ithuba Day, is schematically presented as follows:

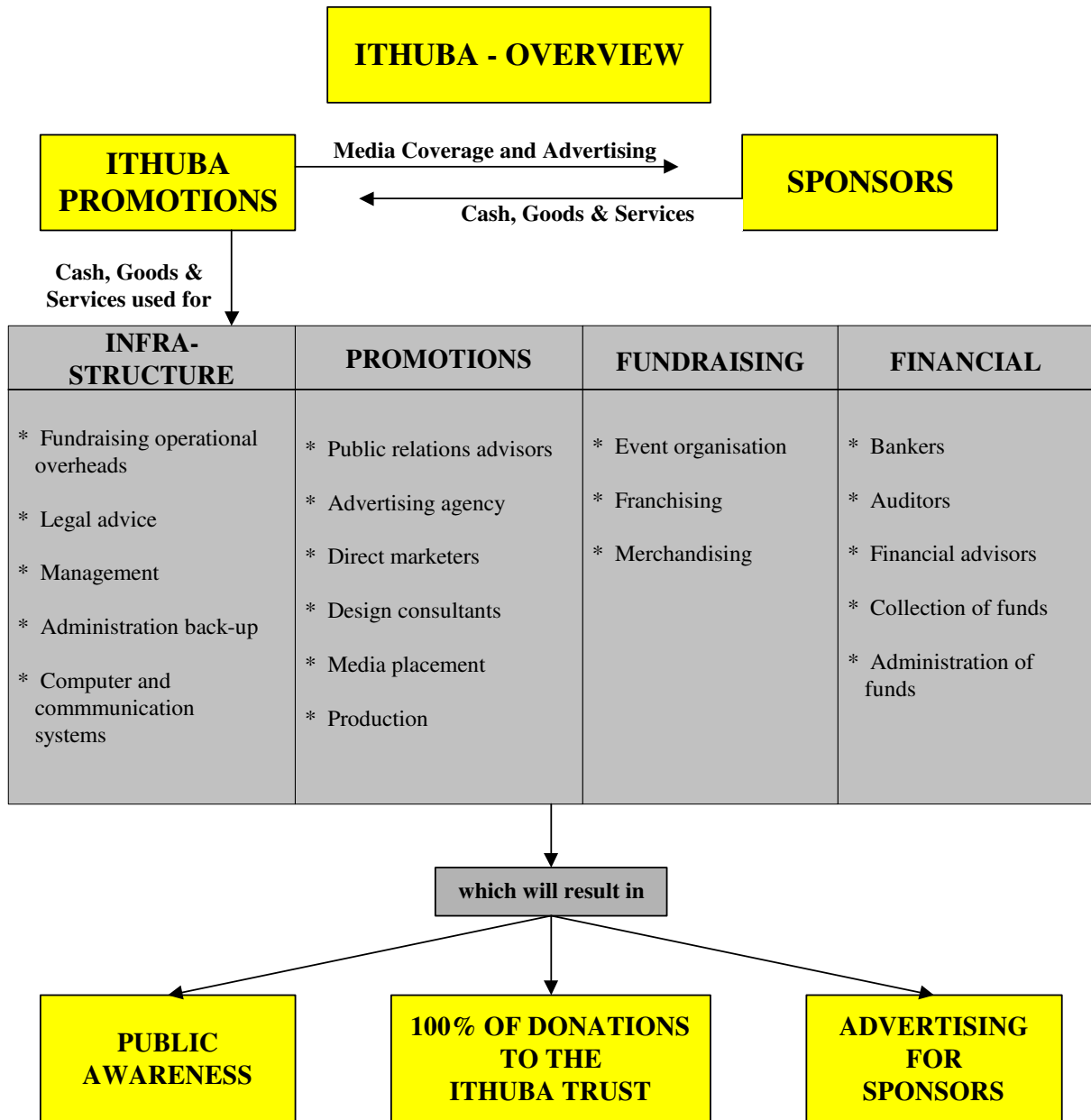


Figure 5: Ithuba Promotions Marketing Strategy

Ithuba’s popularity as a resourceful grantmaker for development led to a huge demand for financial support from developmental civil society organizations. Ithuba soon realized that it could no longer meet the demand, and decided to review the effectiveness of Ithuba Day as a strategy to bring in revenue that would meet public demands for funding.

During 1991 extensive research was conducted by Ithuba Trust to investigate how best to raise revenue for good causes. The outcome of this research revealed that the marketing and sale of scratch cards as a form of lottery, was

by far the most efficient and effective fundraising strategy for nation building. This led to the second phase in the history of Ithuba Trust.

4.2.2 Phase Two (1992 – 1997): The scratch card gambling industry

According to the researcher's personal interview with Pyne-James (February 05, 2003), the outcome of the research conducted in 1991 (research report could not be traced), led to a need to establish the scratch card business as a form of raising capital.

In 1992, Games Africa (Pty) Ltd, an independent fundraising arm for Ithuba Trust, was established. An American lottery support group, Scientific Games, helped to set up Games Africa with a R12 million capital investment, to take responsibility for the administration of the games and fundraising. This creative operation was demonstrated by the then successful and longest running television game show, Win 'n Spin, which was equally South Africa's household name.

4.2.2.1 Impact of the scratch card industry

Within a period of five years, that is, from 1992 – 1997, the scratch card industry raised about R150 million compared to the televised telethon pledges which had raised about R10 million in three years. For the period under review, the strategy raised R200 million for development in the country. The sale of these scratch cards created about 1 000 jobs for independent sellers. Retailers which assisted in selling the tickets, were Pick 'n Pay, Shoprite/Checkers, CNA and the Post Office.

4.2.2.2 The South African gambling legislature framework

According to the Lotteries and Gambling Board Report (RP 85/1995:2) there were loopholes in the Gambling Act, 1965 (Act No. 51 of 1965) which encouraged the operation of illegal casinos and lotteries in South Africa.

Such loopholes encouraged the co-existence of legal and illegal casinos and gave rise to confusion which arose from lack of uniformity in the policing of the industry, as well as the reluctance of some of the Attorneys-General to prosecute in cases of alleged offences in terms of the said Act. This brought about grave concerns over the application of the law. This led to the Board's recommendation to the Minister of Trade and Industry that all illegal casinos be closed.

The scratch card industry was not legislated in South Africa, and was therefore regarded as illegal.

With the introduction of the National Lotteries Act, 1997 (Act No. 57 of 1997), all illegal casinos, including the scratch card industry, were closed.

In preparation for the new lotteries and gambling act, the Government established the Lotteries and Gambling Board Commission of Enquiry in 1993 to investigate the gaming industry in a democratic government and make recommendations for the new act.

During this period, that is, the 1993 Gambling Board Commission of Enquiry and the enactment of the Lotteries Act in 1997, the continuation of the scratch card industry was threatened until the industry closed down in 1997. In other words, Ithuba Trust's sole income came to a halt, leaving thousands of charities without an income from Ithuba Trust. Games Africa, which operated Ithuba's scratch cards, applied for voluntary liquidation after it had failed to be appointed operator of the Government owned National Lottery.

4.2.2.3 Ithuba Trust's repositioning strategy to distribute proceeds of the National Lottery

According to the Lotteries Act (No 57 of 1997), the Government is to appoint Distributing Agents from accredited members of the public to distribute proceeds of the National Lottery to deserving charities. In anticipation for such an appointment, Ithuba Trust, together with organizations which also raised income through the marketing and sale of scratch cards, that is, Kagiso Trust, Viva Trust, United Community Chest of South Africa, World Wide Fund for Nature, the South African National Sports Council and the South African Red Cross, entered into a joint venture in 1995 and launched the Ubuntu National Welfare and Development Trust (Ubuntu Trust) in order to position themselves to be appointed the Distribution Agency for Charities. Three other civil society strategic partners joined the Ubuntu Trust. They were the Southern African Grantmakers Association (SAGA), Charities Aid Foundation (CAF) and the South African Non-Government Organisations Coalition (SANGOCO). The Ubuntu Trust represented collectively more than ten thousand (10 000) developmental civil society organizations (Ubuntu Trust Information Leaflet [Sa]).

The members of the Ubuntu Trust regarded themselves as pioneers of the National Lottery. In their Information Brochure [Sa], Ubuntu Trust states its objectives in the funding community as follows:

“The pioneering efforts of the Ithuba and Viva Trusts and the Community Chest via their scratch card and draw type games, has put South Africa on the road to a National Lottery. The proposed introduction of a National Lottery presents a further opportunity for additional funding for civil society ... For this purpose the Ubuntu National Welfare and Development Trust is positioning itself to be appointed as government’s distributing agency for welfare in terms of the Lotteries Bill Act No 57 of 1997. This would enable the respective members of the Ubuntu Trust to continue and expand on their critical work as civil society’s biggest combined contributor to the survival of thousands of welfare and development bodies throughout the Republic. We thus call on all South Africans to support this worthy initiative.”

The Ubuntu Trust, like Games Africa, failed to be appointed as the distributing agency for charities and as a result, the organization disbanded. Ithuba Trust was again left on its own to generate new streams of revenue. Notwithstanding, the Trust resolved to continue with its operations against the back-ground of a continued and persistent daily flood of applications for funding. Despite letters to organizations informing them about the lack of funding, the Trust continues to be inundated with requests for funding from both existing beneficiaries and new organizations. Ithuba’s third phase of development set in.

4.2.3 Phase Three (1997 to date): Ithuba Investments

After losing revenue from the scratch card industry, Ithuba Trust was compelled to look for alternative sources of income. An investment company was found to be the most dynamic vehicle that could foster sustained growth and provide income for the Trust. Ithuba Trust Holdings (Registration No 98/06611/07) was registered in 1998, as an investment company.

The strategic focus for investments is in the following sectors:

- Financial services
- Electronics, Information Technology

- Telecommunications
- Leisure

The founding directors of Ithuba Holdings are the following:

John Makhene	Independent Consultant (Executive Chairperson) up to 2001
Joyce Matube	Ithuba Trust Chief Executive Officer
Joe Latakomo	Journalist, Ithuba Trustee
Ronnie Bracks	Ithuba Trust Chairperson, Legal Consultant
Raymond Parsons	Associate Professor, University of Port Elizabeth, Ithuba Trustee

Ithuba Trust Investments is involved in the following businesses:

- Shareholding in Telkom
- Shareholding in Airport Company of South Africa (ACSA)
- 51% shareholding in Kapele Freight and Logistics Services, a Joint Venture between Ithuba Trust and Rholig Grindrod International

The value of Ithuba Trust Holdings had not been determined yet at the time of this research.

4.3 Ithuba Trust funding policy and procedures

Ithuba Trust is affiliated to the Southern African Grantmakers Association (SAGA) and subscribes to their Guidelines for Good Grantmaking [Sa]. These guidelines were developed jointly by about two hundred members of SAGA, inclusive of Ithuba Trust. These guidelines promote a people centred and results oriented approach to poverty alleviation and sustainable development. In accordance with SAGA's Guidelines for Good Grantmaking and Ithuba Trust's founding principles, values and objectives as outlined in Section 4.2.1.4 above, Ithuba Trust developed its funding policy and procedures, outlined below.

4.3.1 Fundamental principles

According to Ithuba Trust Funding Policy [Sa], Ithuba Trust's operations are based on the following fundamental principles to ensure probity and clean administration:

- Ithuba Trust is a non-sectarian and not-for-profit organization and registered as such.

- Ithuba Trust will maintain and promote its position in the development and funding community by regular and critical evaluation and review of its objectives to ensure its relevancy to the South African society.
- Ithuba Trust will maintain and promote high standards of professionalism in pursuit of its credentials with the South African public.
- Funding to deserving beneficiaries will be in accordance with professional guidelines and procedures.
- Ithuba Trust will strive to make a contribution towards broad human development objectives.

Aligned to the above fundamental principles, the following core values ensure the success of Ithuba trust operations.

4.3.2 Core values: Ithuba Trust funding policy [Sa]

4.3.2.1 Innovation

- Ithuba trust will remain open and committed to learning and supportive of new ideas in order to meet the needs of deserving communities. This therefore necessitates continued impact measurement and evaluative research.
- Ithuba Trust will ensure that its grantmaking priorities are compatible with national priorities regarding poverty alleviation and sustainable development. Equally so, Ithuba Trust's procedures should be designed to ensure synergy between the Trust's interests and those of the beneficiary organizations. The last mentioned statement refers particularly to rural communities and languages of communicating information about procedures for access to funds.
- In order to ensure adherence to the principles of democracy and human rights, Ithuba Trust regards its beneficiary organizations as partners in development. In addition, the Trust values the importance of meaningful partnerships with key stakeholders in poverty eradication and sustainable development.

4.3.2.2 Integrity

- Ithuba Trust embraces the fundamental principles of probity which include governance of credibility, accountability, consistency, transparency, clean

administration, representativity and respected leadership, with full disclosure at all times.

- There shall be budgets and focus areas and reasons for declining applications would be disclosed to applicants. This ensures a transparent framework for making decisions.
- The relationship between Ithuba Trust and beneficiary organizations will be defined by a clear understanding of expectations and requirements. This refers to the funding agreement wherein the recipient organization would be advised on the amount of the allocation, the specific purpose for its utilization together with reporting and evaluation requirements.
- Ithuba Trust is committed to retaining and promoting close contact with beneficiary organizations and those seeking funding. This commitment is manifested by high standards of work ethics, including discipline, professionalism, commitment, delivery, decisiveness, being well-organized and mastery of high standards.

4.3.2.3 Reward for commitment

- In recognition of the value added by beneficiary organizations, Ithuba Trust will encourage such organizations to conduct their own internal evaluative research in an effort to ensure that Ithuba Trust funding makes a difference in the lives of beneficiaries.
- As custodians of public funds, Ithuba Trust will expect a high degree of accountability from organizations that benefit from its funding. To that effect, progress reports are expected to be endorsed by registered auditors.

4.3.3 Additional technical criteria: Ithuba Trust funding policy [Sa]

Due to budgetary constraints, funders in general are unable to support all applications submitted to them. As a result, parameters for funding are always set to develop their own focus areas. Ithuba Trust too, defined its focus areas, as outlined in Section 4.4 below. The following are technical criteria that form part of the focus areas:

- There are two funding cycles per annum. These two cycles are distinguishable by the closing dates June 30 and November 30.
- The following financial information is mandatory: Audited financial statements and a progress report endorsed by an auditor.
- Applications from individuals are not considered.

- Applications are considered from non-government organizations and community-based organizations.
- Applications from other funders are not considered.

4.3.4 Funding cycle: Ithuba Trust funding policy [Sa]

The Ithuba Trust funding cycle consists of nine phases as described in the following table. For democratic purposes, Ithuba Trust entered into a partnership with the National Welfare Social Services and Development Forum (Welfare Forum) to play the role of external adjudication committees whose members are drawn from the local communities where applicants are located. In this way, Ithuba Trust has entrenched the principles of transparency, representativity and clean administration and above all, reduced the administration costs, which could be incurred with provincial administrative offices.

Table 2: Funding Cycle

Phase	Activity	Outcome	Responsible Person/s	Time Frame
1.	Receive and acknowledge receipt of application letters, proposals and standard application forms.	1. Applications recorded in database. 2. Original documentation filed.	Administration	Continuous
2.	First technical screening: Database processing.	1. Qualifying summary information captured. 2. Applications prepared for second technical screening.	Development Co-ordinators	Two Months
3.	Second technical screening and merit evaluation.	Internal merit evaluations and initial recommendations completed and prepared for submission to the external screening committees.	Chief Executive Officer	Two Months concurrent with Phase 2.
4.	Post all internally screened applications to all the nine provincial external committees. (Original files, database captured summaries, internal evaluations and recommendations).	All recorded applications under the jurisdiction of external screening committees.	Development Co-ordinators	One Week
5.	1. Technical and merit screening. 2. Possible visits to projects. 3. Decision on size of grants for project or programme. 4. Recommendations for Ithuba Trust funding policy changes.	Initial recommendations for a joint discussion with Ithuba Trust Management made.	External Committees in all nine provinces.	Four Weeks
6.	1. Merit evaluations. 2. Recommendations for Ithuba. 3. Board of Trustees. 4. Files returned to Ithuba Trust.	Recommendations prepared for the Ithuba Board of Trustees final approval.	External Committees, Chief Executive Officer (jointly).	Four Weeks

Phase	Activity	Outcome	Responsible Person/s	Time Frame
7.	<ol style="list-style-type: none"> 1. Database processing of decisions taken in Phase 6. 2. Production of recommendations made jointly by Ithuba Trust and External Screening Committees. 3. Submission of recommendations to Ithuba Board of Trustees for approval. 	Final decisions made by Ithuba Board of Trustees.	All Ithuba Trust Staff, Management and Board of Trustees.	Two Weeks
8.	<ol style="list-style-type: none"> 1. Inform unsuccessful applicants of outcome of their applications, giving reasons. 2. Inform successful applicants of outcome of their applications and enclose mandatory progress report forms to be submitted to Ithuba Trust within 90 days. 3. Mandate bank for electronic transfers of amounts granted to grantees. 4. Submit final decisions made by the Ithuba Board of Trustees to all screening committees. 	Grantmaking process completed.	Ithuba Staff and Management.	One Week
9.	<ol style="list-style-type: none"> 1. Receive mandatory grant acknowledgement forms from successful applicants. 2. Address bank queries from beneficiaries and bank. 3. Receive mandatory progress reports from beneficiaries. 	<ol style="list-style-type: none"> 1. Acknowledgements available for auditing. 2. Systemic problems resolved. 	Development Co-ordinators.	Continuous
10.	Receive 90 days progress reports concurrently with applications from new prospective beneficiaries.	Cycle begins again from one to nine.		

The funding cycle is schematically presented in Figure 6.

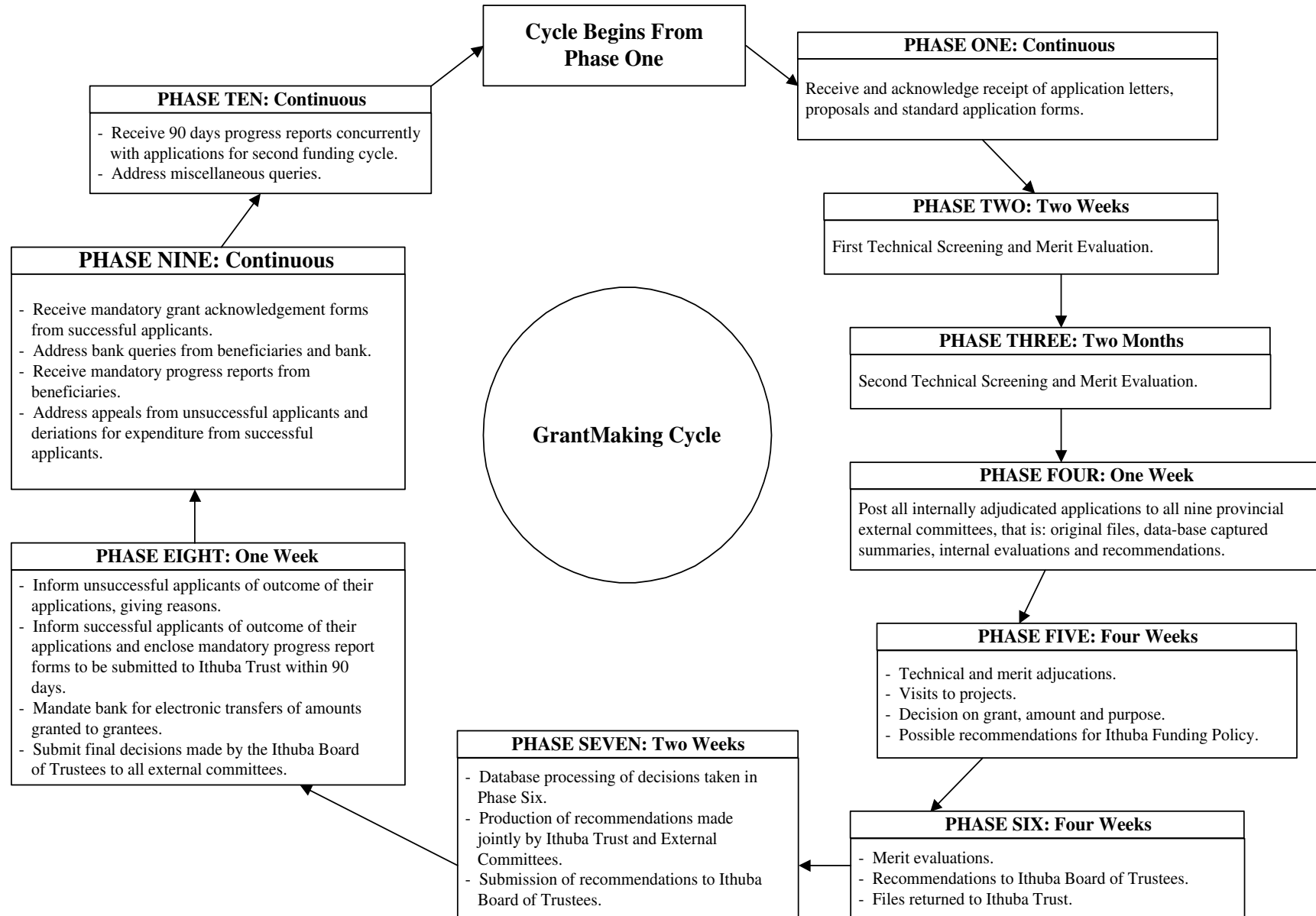


Figure 6: Funding Cycle

4.4 Profile of Ithuba Trust beneficiaries

Ithuba, as a trust, is part of the development trust movement, which according to Pharoah (1997:86), is “an important voluntary sector vehicle with potential for fostering community regeneration. They are a heterogeneous group of trusts with a common feature of being actively engaged in long-term regeneration projects, based on partnerships and involved in the creation of sustainable community asset bases.”

Ithuba Trust, therefore, is characterized by beneficiaries involved in long-term transformational goals.

Referring to its beneficiaries, and in line with the objectives of trusts, as described by Pharoah above, the Ithuba Trust Fact Sheet (1989) state:

“Beneficiaries of Ithuba Trust are organizations whose aims are to provide widespread opportunities to the disadvantaged people of South Africa to enable them to help themselves. Causes which will take priority include:

- Education and training to assist in job creation
- Development within the informal sector
- Training of the unskilled and unemployed
- Provision of sporting facilities to disadvantaged communities
- Arts and music facilities to disadvantaged communities.”

Ithuba Trust’s selection of beneficiaries concurs with the United Nations Industrial Development Organisation’s (1994:20) paper to the International Donors’ Conference in Human Resources Development for a Post Apartheid South Africa that, given the profile of apartheid South Africa as described above, in the post apartheid South Africa:

“Socio-economic problems are largely human resource-related, for example shortages of technical, entrepreneurial and management skills, especially among the disadvantaged population. These are in fact the root causes of inequalities, unemployment, underemployment, and the uncompetitive structure of the industrial and manufacturing sectors which include a large number of unproductive, non-viable enterprises in both the small and informal sectors.

What is required immediately to combat these issues is to prepare the disadvantaged population groups to undertake self-employment in small-scale enterprises and to improve the performance of the existing enterprises. This will help the country to ensure redistribution of employment and income, but also to increase industrial production substantially and thereby stimulate long-term economic growth of the country.”

According to the United Nations Programme for the Further Implementation of Agenda 21 of the Earth Summit on Sustainable Development (1997:9), adopted by the Special Session of the General Assembly: “Economic development, social development and environmental protection are interdependent and mutually reinforcing components of sustainable development.”

By 1990, Ithuba Trust had already integrated the three sustainable development elements in the selection of its beneficiaries. Appendix 7 gives a list of organizations which benefited during the first year of operation that is, 1989 – 1990 when Ithuba Trust was launched. The categories of the fifty-five organizations which benefited were job training, education, handicapped (disabled), environment/conservation, sports development, social development, health/medical assistance, arts and sports facilities.

The activities and programmes of the 2 600 organizations which were beneficiaries during the ten years under review are summarized in Figure 7.

YOU ARE WHAT YOU KNOW

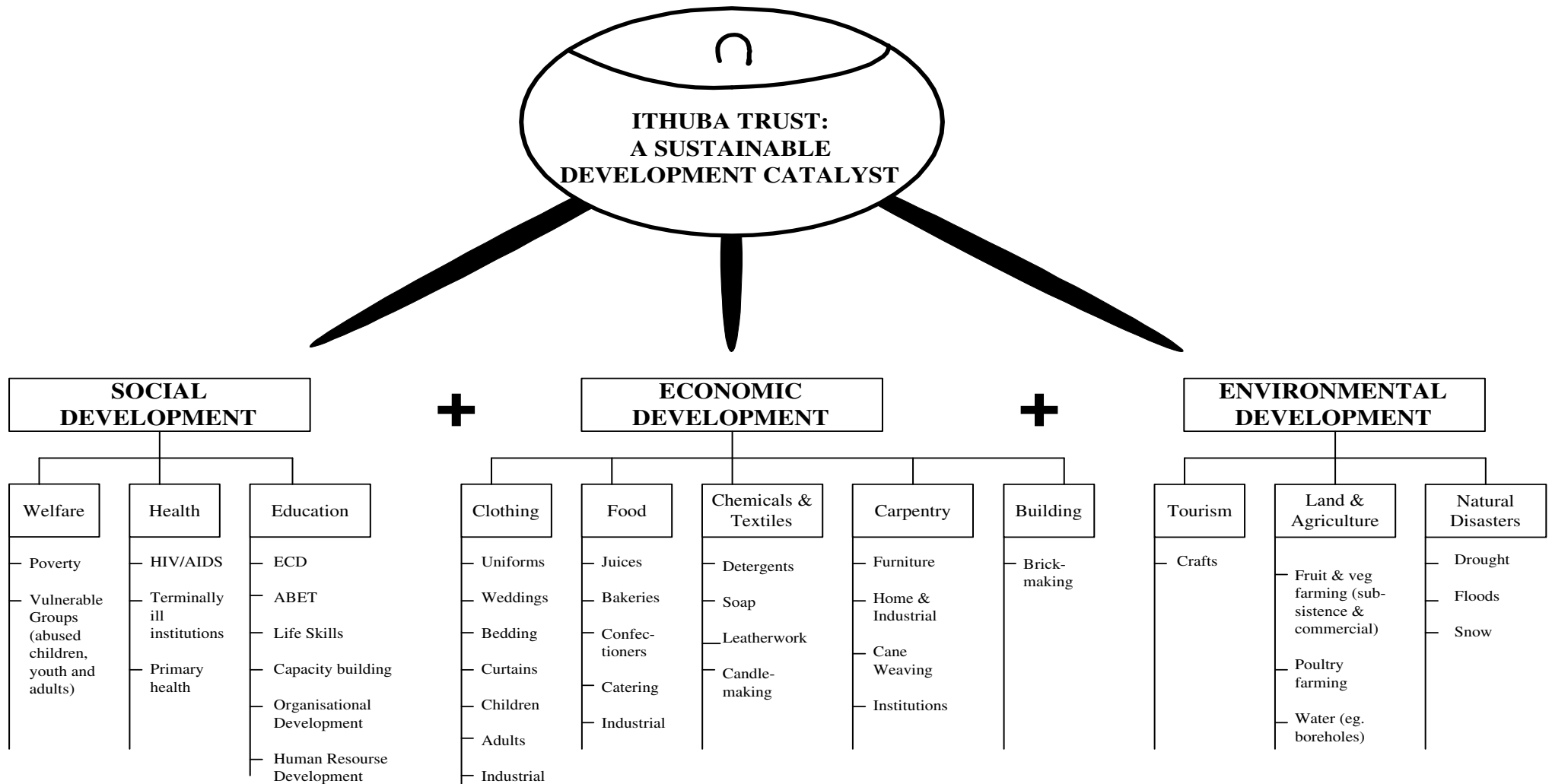


Figure 7: The 3-Legged Sustainable Development Strategy & Ithuba Trust

The significance of presenting the profile of Ithuba Trust beneficiaries lies in its comparison with that of the non-profit sector (NPO Sector), as described by Swilling and Russell (2002:15-40). According to Swilling and Russell (2002:15-40) there are 101 289 NPOs in South Africa that operate in the areas of culture and recreation, education and research, health, social services, environment, development and housing, advocacy and politics, philanthropic, international, religion, business and professional associations. Furthermore, the outcome of the poverty hearings as outlined in Chapter 3, Section 5.1 reveals that the poor listed their priority need areas as access to land, housing, infrastructure, social security, health services, education, employment and environmental justice. Such priority areas are also common to those listed by the New Partnership for Africa's Development (NEPAD) (2001). NEPAD's priority areas are listed as infrastructure, human resource development, science and technology, agriculture, environment and cultural development. In global terms, the World Summit for Sustainable Development (WSSD) outlines its priority need areas as water, energy, health, agriculture and biodiversity (Reuters, 2002:4). It can therefore be concluded that programmes and projects supported by Ithuba Trust fall within the South African, continental and global parameters in the fight against poverty and sustainable development.

This study is about accessibility and hence the impact of the policy and procedures of Ithuba Trust funding to deserving communities. It is therefore imperative to determine Ithuba Trust's position regarding impact measurement. The following section will outline Ithuba's position vis-à-vis impact measurement.

4.5 Impact measurement

This research is the first ever scientific study undertaken to measure the impact of Ithuba Trust's funding on sustainable development. Notwithstanding, the Trust had been constantly aware of the need for measurement as evidenced by the following initiatives.

4.5.1 Design of application form

Members of the public apply for funding and all applications are made on a standard application form (Appendix 3). Successful applications are mandated to submit progress reports on the funding they had received, on a standard progress report form (Appendix 4).

Ithuba Trust designed these forms (which are regularly revised to meet beneficiary needs) in such a way that information on impact can be identified, for example there are questions such as:

- Tell us how this money has helped your people and community
- What do you want to achieve with this project
- How will you show that the project has helped the people of South Africa

Information on such questions is available. However, to date, no systematic collation of data, which could measure the impact of funding, has taken place.

4.5.2 The National Consultative Summit/Workshop

On August 14, 1996, Ithuba Trust convened a national summit of its beneficiaries and key stakeholders to evaluate its operations. The invitation to the summit included the following:

“Ithuba with its past successes, by virtue of having passed the R100 million mark since the launch of its scratch card operation only three and a half years ago, represents the largest contribution made by a community trust to social causes in the history of welfare and development in South Africa. It is these successes which have now motivated Ithuba to look further to identify more opportunities for further improvement, and to ensure that the policies of Ithuba are in line with those of South Africa’s transformation.”

The purpose of the summit was firstly to critically evaluate funding criteria, policies and procedures, with an input from the broad range of stakeholders and networks, and secondly to make recommendations and devise strategies to bring Ithuba Trust in line with South Africa’s Reconstruction and Development Programme aims and objectives.

In addition to its beneficiaries, representatives from government, social work professional associations, funders, schools of social work, organized business, trade unions, Ubuntu Trust partners and non-government organizations, participated. In total, forty three organizations were represented.

The structure of the summit was composed of a panel discussion, three working groups and plenaries for recommendations.

Comments for the overall objective of the summit as documented in the Ithuba Trust report (1996) were:

- “Wonderful to be consulted”
- “Transparency is the name of the game”
- “Knowledgeable stakeholders given an opportunity to influence Ithuba’s decisions”
- “Process should be continued for further development”
- “Understood how Ithuba operates”
- “Misconceptions cleared”
- “Non-beneficiaries highly informed”
- “We now understand how it works”
- “Bold step. Congratulations”
- “Transparency ensures productivity and partnerships”
- “Notion of partnerships to be taken seriously”
- “Chance to funders to evaluate themselves”
- “Nothing will damage Ithuba’s image if an open book policy is promoted.”

Recommendations regarding changes to Ithuba Trust funding policy and procedures:

- “Ideas for further development needed”
- “Did not quite get there”
- “Needed a clear way forward”
- “Not properly organized”
- “Needed more time”
- “There is a need for a repeat to consolidate way forward.”

Briefly, sustainable development recommendations were:

- “Development of a long-term relationship with beneficiaries”
- “Capacity building to be the priority for funding”
- “Creation of an enabling environment”
- “Alignment with national priorities”
- “Introduction of mentorships”
- “Encouragement of co-funding with other funders.”

The above comments demonstrate that Ithuba Trust promotes a culture of democracy because beneficiaries and key stakeholders respond positively to consultation. Furthermore, the timeframe for the consultation for any meaningful evaluation or impact analysis is crucial. From the comments listed under recommendations, this summit met its objectives, namely to critically evaluate Ithuba Trust's funding policy, criteria and procedures.

4.5.3 Project of the Decade Competition, 1999

In 1999 Ithuba Trust ran a national competition to select a project for the decade to mark the occasion of its tenth anniversary. Criteria for the selection of the winning project, against a score sheet, were the following:

- Relevancy to needs
The project had to demonstrate whether it was responding to identified needs, whether it was in alignment with the national agenda, whether beneficiaries reflected the designated disadvantaged groups (women, blacks, children, poor, youth, disabled), whether it served or operated in the disadvantaged locations (rural, villages, townships, informal settlements) and whether it served or operated in the poorest provinces (Northern Province, Eastern Cape, Northern Cape and KwaZulu-Natal).
- Transformational goals
There was to be evidence of integrated services, a paradigm shift with a focus on development and not dependency culture, a governance structure reflective of the population of the country, leadership succession plans, a paradigm shift from specialist to integrated service delivery and a multi-disciplinary approach to service.
- Development goals
The project had to show evidence of self-reliance, capacity building or transfer of skills, job creation and income generation and sustainability elements.
- Equity
A demonstration of benefit sharing, transfer of assets from long established to small organizations and promotion of the needs of smaller previously disadvantaged beneficiaries.

- Efficiency Indicators/Cost Benefit/Cost Effectiveness
Evidence of stretching limited resources for large scale beneficiary coverage.
- Organizational development
The project had to show visible growth from initiation to elaboration, visibility of impact and institutional development programme.

The winner of the Award was a child welfare organization in a township, Thembisa Child Welfare, which scored the highest points based on the success indicators for the competition. However, the standard of this competition, compared to the nature of this study (current), cannot be equated. The competition was not conducted according to the scientific research process to deal with the problem of impact measurement

4.5.4 Current relevance of Ithuba Trust

The need for continued existence of organizations such as Ithuba Trust, in eradicating poverty in South Africa and the African continent, was highlighted by the South African Head of State, President Thabo Mbeki (2002a:2), in his state of the nation address to the joint sitting of the Houses of Parliament when he said, amongst others:

“We know this as a matter of fact that the struggle to eradicate poverty and underdevelopment in our country is fundamental to the achievement of our own national goal to build a caring and people-centred society. Of decisive importance to the millions of our people and the future of our country, as we meet here today, the central question we will have to answer at the end of the day is whether what we are doing as the legislature, the executive and the judiciary, as well as the fourth estate, is helping to lift from the shoulders of our people, the intolerable burden of poverty and underdevelopment.”

With reference to progress made in the eradication of poverty and underdevelopment, the President continued to say that South Africa, even if it had moved forward towards a society free of poverty and underdevelopment, was, however, “nowhere near liberating millions of our people from these scourges (Mbeki, 2002a:2).”

The South African President also showed appreciation for and encouraged voluntarism such as Ithuba Trust when he further stated in his State of the Nation Address (2002a:5).

“Today, millions of our people ask themselves the question – how can I lend a hand in the national effort to build a better life for all! ... in pushing the frontiers of poverty, we shall do this in partnership with many in our society who are ready to lend a hand in the national effort to build a better life.”

The South African Government’s President has confirmed that poverty in South Africa is still at unacceptable levels and the need for organizations like Ithuba Trust is now greater than before.

5. SUMMARY

This chapter dealt with the context under which Ithuba Trust, as case study, was established. The context outlined the legacy of apartheid and colonialism which translated into abject poverty and degradation of the majority of the people of South Africa.

Like all the African states which suffered from colonialism, the South African Government, after freedom from apartheid and colonialism, introduced the Reconstruction and Development Programme (Act No 70 of 1994) as the key strategy to deal with the transformational needs and the challenges of poverty and underdevelopment in the disadvantaged communities. In addition, the Government introduced enabling legislation which also encouraged voluntary organizations such as Ithuba Trust (1989), to assist Government in the struggle against poverty.

Ithuba Trust’s fundraising strategies, the scope of its beneficiaries and attempts at impact measurement were outlined. It was also revealed that this study is the first ever scientific research to measure the impact of Ithuba Trust funding on poverty eradication and underdevelopment, which, according to President Mbeki, still remain the central question South Africa have still to answer at the end of the day.

Since the primary purpose of Ithuba Trust is to address poverty eradication and sustainable development, the next chapter will deal with the phenomenon of poverty, inequality and sustainable development.