

**Featured SET policy:**

## Section 8 of the NSTF series – An inclusive rural economy

In a series of articles, the NSTF is unpacking the National Development Plan (NDP). The focus is on understanding it from a science, engineering, technology (SET) perspective. The NDP is seen as a blueprint/guiding document for South Africa. The NDP aims to eliminate poverty and reduce inequality by 2030.

- The complete document – ‘[National Development Plan – vision for 2030](#)’
- The executive summary ‘[National Development Plan 2030, Our future – make it work, executive summary](#)’.

<p><b>NDP chapter: Overview</b></p> <p>This considers the context and background of the NDP. See <a href="#">1 – Understanding the context of the National Development Plan (NDP)</a>. It also sets the stage for understanding what makes a developmental state. See <a href="#">2 – The National Development Plan and the developmental state</a>. There is also a summary of the plan and key targets and actions.</p>	
<p><b>NDP chapter 1: Key drivers of change</b></p> <p>The synopsis is called <a href="#">3 – Science and technology as drivers of development</a>.</p>	
<p><b>NDP chapter 2: Demographic trends</b></p> <p>The synopsis is called <a href="#">4 – Demographic trends PLUS the NDPs 5th anniversary</a></p>	
<p><b>NDP chapter 3: Economy and employment</b></p> <p>The synopsis is called <a href="#">5 – National system of innovation and R&amp;D critical for growing the economy</a></p>	
<p><b>NDP chapter 4: Economic infrastructure</b></p> <p>The synopsis is called <a href="#">6 – Developing a strong network of economic infrastructure – transport, energy, water resources, and ICT</a></p>	<p>An economy that will create more jobs </p>
<p><b>NDP chapter 5: Transition to a low carbon economy</b></p>	<p>Transition to a low-carbon economy </p>
<p><b>NDP chapter 6: Inclusive rural economy</b></p>	<p>An inclusive and integrated rural economy </p>
<p><b>NDP chapter 7: Positioning South Africa in the world</b></p>	<p>Reversing the spatial effects of apartheid </p>
<p><b>NDP chapter 8: Human settlements</b></p>	<p>Improving the quality of education, training and innovation </p>
<p><b>NDP chapter 9: Improving education, innovation and training</b></p>	<p>Quality healthcare for all </p>
<p><b>NDP chapter 10: Promoting health</b></p>	<p>Social protection </p>
<p><b>NDP chapter 11: Social protection</b></p>	<p>Building safer communities </p>
<p><b>NDP chapter 12: Building safer communities</b></p>	<p>Reforming the public service </p>
<p><b>NDP chapter 13: Building a capable state</b></p>	

NDP chapter 14: **Promoting accountability and fighting corruption**

Fighting corruption



NDP chapter 15: **Transforming society and uniting the country**

Transforming society and uniting the country



## Chapter 6 of the National Development Plan – Inclusive rural economy

The National Development Plan (NDP) says that since 1994, “the main challenge for rural development has been the need to combat marginalisation of the poor”. Marginalisation is caused, in part, by reduced access to resources – land, water, education, skills, infrastructure, and government services. There has been improvement since 1994, mainly due to social grants and greater rights. There has also been land redistribution and restitution. However, rural areas have greater poverty and inequality (than urban areas). Many households are trapped in a vicious cycle of poverty.

The aim is that by 2030, rural communities will have greater opportunities to participate in the economic, social and political spheres. This includes access to high-quality basic services allowing for health, nourishment, and an increase in skills. The NDP sees rural economies supported by agriculture and, where possible, mining, tourism, agro-processing, and fisheries. It sees better integration of the rural areas through successful land reform, job creation, and poverty alleviation.

The chapter focuses on developing rural economic opportunities. A differentiated rural development strategy is proposed. (See below.)

**Agricultural development** underpinned by successful land reform, creating employment (with the associated programmes and government support), and environmental safeguards. The NDP sees the creation of 1 million jobs in this sector. Suggested measures include:

- Irrigated agriculture and dry-land production to be expanded
- Converting under-used land for commercial production
- Supporting agricultural sectors and regions with the highest growth potential
- Developing strategies for new entrants to access product value chains, as well as access to domestic and foreign markets
- Security of tenure for black farmers – this also promotes investment
- Financial support for land reform beneficiaries
- Expanding commercial agriculture, driven by higher levels of productivity and foreign and domestic market demand. The NDP saw the greatest potential for expansion in small-scale labour-intensive agriculture (such as macadamias, pecan nuts, rooibos tea, olives, figs, cherries, and berries).
- Need for government spending, especially on infrastructure and general farmer support services for small-scale farmers
- Improving the efficiency of irrigation
- Preferential procurement mechanisms for new entrants
- Improving and extending skills development training, including entrepreneurship training
- **Of particular importance to the SET community – increase and refocus investment in R&D for the agricultural sector**

“Growth in agricultural production in South Africa has always been fuelled by technology, and the returns on investment in agricultural research and development have always been high, partly because South Africa has specialised in adapting technology from all over the world for its circumstances. This should again become the focus of agricultural research of all scales of farming

in research councils, universities and the private sector. The consequences of industrialised agriculture and the country's unique ecosystems also demand that serious attention is paid to advances in ecological approaches to sustainable agriculture. This includes greater attention to alternative energy, soil quality, minimum tillage, and other forms of conservation farming."

**Quality basic services, particularly education, healthcare, and public transport.** These need to exist first and then people can focus on looking for economic opportunities. Other basics include food security (the ability to access food not food availability) and ensuring rights (such as those of farm workers). Suggested measures include:

- Job creation and agricultural productivity is needed to address food security at household and individual level in rural areas
- Lessening the impact of retail food price increases on the poor
- Access to social grants
- Access to nutritional services for the most vulnerable, such as the elderly and chronically ill
- Effective nutrition education to assist with overcoming adult obesity – which leads to chronic diseases like diabetes
- Food fortification

**Where there is economic potential, industries such as tourism, agro-processing, and fisheries should be developed.** There should also be development of small business (SMMEs). Suggested measures include:

- Creating strategies to include small, new and black farmers in the agro-processing value chains.
- Agro-processing strategies to give poor producers greater collective market power (such as developing partnerships with larger commercial players)
- Because fishing resources are optimally harvested or over-exploited, conducting more research to find value.

Chapter 6 of the NDP includes a section on making land reform work. This is particularly relevant with the current land expropriation debate. The NDP sees land reform as necessary to "unlock the potential for a dynamic, growing and employment-creating agricultural sector". It proposes principles and a model for this.