

Maruleng and Bushbuckridge Economic Development Initiative (MABEDI)



South Africa

February 2006 –
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Client:

Business Trust and dplg

Reducing poverty through increased local investment and strong business partnerships between commercial investors and communities that historically have been excluded from the mainstream local economy

Since 2001, the South African government has concentrated support to 13 rural poverty “nodes” to stimulate economic growth and employment opportunity. International donors and other partners have supported government efforts with technical support and grants facilities. The district municipalities of Maruleng (Limpopo province) and Bushbuckridge (Mpumalanga province) are in an area that was designated by the South African Government as one of the 13 poverty nodes. This is a relatively densely populated area, where poverty coexists with great economic and tourism potential.

MABEDI is a local economic development initiative being managed by a consortium led by ECIAfrica on behalf of the Business Trust and the Department of Provincial and Local Government (dplg). The programme concentrates on the two sectors that offer the best immediate potential for economic growth and poverty reduction – tourism and agriculture. These sectors both operate in the ‘first’ (formal) as well as the ‘second’ (informal) economies.

Within the sectors of tourism and agriculture, we concentrate on the following core activities:

- facilitating partnerships between communities and commercial enterprises around commercial land assets, and strengthening the institutional and organisational arrangements that underpin them;
- facilitating business linkages between commercial (first economy) enterprises in the main growth sectors and emerging (second economy) businesses historically excluded from such opportunities; and
- helping to overcome the weak capacity for planning, integration and management within and between different government bodies at provincial, district and local levels.

The experiences gained from MABEDI’s operation are used to inform policy and the design of related programmes to stimulate broad-based growth in other poverty nodes around the country.

