

National Religious Association for Social Development (NRASD)

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Position paper

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BUILDING A NEW SOUTH AFRICA

The building of a caring, democratic and equitable society

through partnerships

between the State and the National Religious Leaders' Forum (NRLF)

A perspective from the National Religious Association for Social Development (NRASD)

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EXECUTIVE SUMMARY:

A VISION FOR A NEW SOUTH AFRICA

1. BUILDING A NEW SOCIETY

As religious communities we are committed to the building of a caring, democratic and equitable society through partnerships between the State, the religious sector and civil society.

2. SHARED VALUES FOR A NEW SOCIETY

As religious community our vision is based on the following principles and values, which are fundamental to the building of a new South Africa: a just and equitable society; a caring society; a democratic society; a moral and honest society.

3. PRINCIPLES GUIDING INTER-FAITH COOPERATION

As religious communities we are guided by the following principles in our relationship with one another: accept one another as equal partners, that we respect the diversity and denominational differences amongst us, that we strive to cooperate with one another (to learn from one another), to be fair to one another (i.e. that what we claim for our own denomination, we will also defend as the right of all other denominations).

4. PRINCIPLES AND ISSUES GUIDING STATE-NRLF COOPERATION

4.1 The State acknowledges the contribution and role of the religious sector.

As religious communities we are grateful for that political leaders acknowledges the unique contribution and role of religious communities – specifically of all religious communities (as a correction to our past). Even more: apart from this acknowledgement, *political support for formal cooperation* between the religious sector and the different organs of the State was expressed several times by political leaders.

4.2 The principle of subsidiarity and the importance of public-private partnerships

The principle of subsidiarity, namely that different sectors cooperate formally to ensure the effective utilization of limited funding – with regard to social grants or community development programmes, but also with regard to economic development, is widely accepted in many parts of the world. It is also a key element of Government's strategy to foster public-private partnerships in many fields.

The implications for the State...

That the State (both on national and provincial levels) should treat all religions equal, that the procedures to access public funding should be simple, clear and transparent in order to foster equal access to public funding for all religions; that ad hoc grants to a select few should be replaced by a comprehensive and inclusive partnerships; etc.

4.3 The rationale for formal cooperation

Many governments channel a substantial portion of their international aid over religious agencies because they have proved to be closest to the people in need; because they have the best developed networks - especially in areas where the infra-structure is weak; because they provide the most effective network at the most affordable costs available.

Religious communities play a crucial role in the formation of values such as tolerance, responsibility, respect for life, love for your neighbour, etc. The functioning of our whole

society pre-supposes these values, and are based on the fact that there are citizens that take responsibility for one another.

4.4 *What are some of the challenges the State faces?*

Despite goodwill at the level of political leadership, there are serious frustrations with the lack of capacity at senior management level within different Departments of Government – to translate statements on partnerships into programmes.

There is a serious lack of management and administrative capacity (and networks) to implement poverty alleviation programmes, as well as programmes that are more of a development nature, within certain state departments.

There is a serious *lack of a clear policy framework to access public funding* from government. There are no clear guidelines that are adhered to by different government departments (both on national and provincial levels), with the result that allocations made are perceived to be *ad hoc*: it is difficult to judge the basis for selection – even by those that have received funds.

There is a short term approach that sabotages long term sustainable development.

4.5 *The capacity and some of the networks in the religious sector*

According to a preliminary estimate the total direct financial contribution by this sector to welfare, relief and developmental programmes in South Africa, is approximately R 1 billion per annum.

In general two types of services could be distinguished: some of them refer to formal welfare structures or offices, e.g. to specialised institutional care centres or multi-purpose centres, and some to more informal (but still properly organised) local community development services. Many of these services are not limited to South Africa, but cover the Southern African region.

The following range of services were identified in research: agriculture, capacity building and management; education (schools, pre-school centres, and specialised skills training such as computer training, training for domestic workers, literacy programme, vocational training); elderly; feeding schemes (focused on poor children and street children); handicapped (physically and mentally); health care centres; homeless and housing projects; legal advice services; family support services; micro-enterprise, income generating; multi-purpose centres; provision of water; rehabilitation programmes; support for political refugees; youth centres and children's programmes.

4.6 *Advantages of formal and structured agreements of cooperation*

The following are advantages that would follow from formal agreements between the NRLF and the State:

- It would make religious communities co-responsible for the implementation of poverty-alleviation and other social programmes, and challenge them to contribute some of their resources. Religious communities become partners in the process, and not spectators;
- It ensures better coordination of scarce resources, as well as the multiplication of resources (but avoiding unnecessary duplication): religious communities could access more international donor funding via religious networks;
- Formal agreements (structured partnerships or “Block grants”) would enable the NRLF to use such agreements to negotiate additional would also international funding – for priorities that were agreed upon with government! It respond to changes in the

international donor community, due to the scale down of staff, to contract local (South African) networks as partners to implement programmes.

4.7 Building blocks of a successful model of partnerships

A successful model of cooperation should address the key problem: how could the available capacity and resources within religious communities be formally linked with the public programmes of the State? We are convinced that this is possible if we could create the following framework:

4.7.1 A comprehensive *Agreement of Cooperation* between the Government and the NRLF - on behalf of the religious sector - is necessary.

4.7.2 Important: the management and implementation of such agreements should be the responsibility of the NRLF: the key religious leadership is involved in the NRLF. The NRLF would create management committees that allocate and report back according to guidelines that were negotiated between Government and the NRLF. A Board of Trustees – with senior representatives from Government and the NRLF could oversee the implementation of projects.

4.7.3 In its management procedures the NRLF would only allocate funds to projects and programmes on the basis of the following: proper business plans; proof of the capacity; an indication of what alternative resources would be contributed; clear financial reporting and auditing procedures, etc.

4.7.4 As part of the management network the NRLF could implement a cost-effective decision-making system by using the existing representatives/expertise within the religious sector.

5. CONCLUSION

According to the Human Sciences Research Council's surveys almost 80% of the people of South Africa trust their religious communities – the highest total of all institutions surveyed; they have the largest developed networks spreading into all the corners of South Africa, and they offer more than just administrative programme support – they are essential in the formation of values and value-systems in our broader society.

What has lacked thus far, was a comprehensive and formal agreements between the State and the NRLF that could provide the framework to develop a sustainable, long term programme, to eradicate poverty in South Africa.

1. BUILDING A NEW SOCIETY

As religious community in South Africa we strive to build a just and equitable society, a society that cares for all its citizens, especially for those that are weak and marginalized; a democratic society that respects our constitution, the rule of law, that guards against the misuse of power, that fosters our diversity and plurality, and that fosters the role of civil society. Such a society can only be built on the shared moral values within our diverse traditions, in order to build a wholesome society.

2. SHARED VALUES FOR A NEW SOCIETY

As religious community our vision is based on the following principles and values, which are shared by most religious traditions:

- A just and equitable society that protects the rights of the weak, the poor, and the marginalised. A society that fosters human rights, respect for life, and tolerance for differences;
- A caring society that reaches out to uplift, support, and improve, the quality of life of all South Africans, as well as visitors living amongst us.
- A democratic society that supports our constitution, the parliament, and our democratically elected representatives on all levels of government; that guards against the misuse of power; that fosters the role of civil society (religious communities, Non Governmental Organisations, etc.); that acknowledges the importance of the principle of subsidiarity (partnerships between different sectors) for democracy; that fosters our diversity and pluralism on all levels of society.
- A moral and honest society that opposes fraud, corruption and a culture of self-enrichment.

3. PRINCIPLES GUIDING INTER-FAITH COOPERATION

As religious communities we are guided by the following principles in our relationship with one another: we accept one another as equal partners, we respect the diversity and denominational differences amongst us, we strive to cooperate with one another (to learn from one another), to be fair to one another (i.e. that what we claim for our own denomination, we will also defend as the right of all other denominations).

Although the National Religious Leader's Forum (NRLF) and the National Religious Association for Social Development (NRASD) developed independently - partly through the different historical processes in their development, but also with regard to the institutions and leadership involved, a formal agreement of cooperation was reached early 2003 on the basis of important shared or common factors. The agreement highlights the conviction that South Africa needs an interfaith forum to work together and to learn from one another; and that we need to engage with the state and other role players on policy issues from one platform as religious communities; that we jointly face the serious social challenges that confront South Africa, such as poverty, and also the HIV/Aids pandemic.

As the religious sector we are committed to the following principles of fairness within our sector:

- Firstly, we accept the principle that all denominations and faiths are of equal value and one should not dominate the other. What we therefore claim for one denomination should apply to all denominations. We therefore strive towards an inclusive process whereby all religious communities should gain fair access to public resources or funding (e.g. for community development programmes).

- Secondly, our aim is to strengthen existing religious communities and networks in the implementation of programmes - we do not want to create competing structures. We want to broaden the base and the capacity of networks that thus far have not received state support for projects. Our objective is not to control access to public funds, but to enhance access to public funds. While we acknowledge the existing expertise and capacity of some networks, we are challenged to share experience with others that have less capacity. We are therefore challenged to improve the capacity and access to public funds of networks that have thus far received little or no support from state programmes.
- Thirdly, we believe that public funds should not be used to advance specific religious or missionary activities;
- Fourthly, we believe that it is of vital importance – both to religious communities, and also to the State and public offices – that special measures should be taken to ensure accountability and transparency in management and financial procedures and systems. To ensure the application of such conditions (as well as the principle relating to missionary activity), special measures may be necessary – such as the channelling of public funds through separate accounts that would simplify auditing procedures.

4. PRINCIPLES GUIDING STATE– NRLF COOPERATION

4.1 *The State acknowledges the contribution and role of the religious sector.*

As religious communities we are grateful that political leaders acknowledge the unique contribution and role of religious communities – specifically of all religious communities (as a correction to our past). Even more: apart from this acknowledgement, *political support for formal cooperation* between the religious sector and the different organs of the state was expressed several times by political leaders. This commitment is illustrated by the following:

In 1997 representatives of various religious networks met at a national conference on the Transformation of Welfare in South Africa (Christian, Muslim and Jewish), hosted by the EFSA Institute for Theological and Interdisciplinary Research in Cape Town, formally established and launched the “National Religious Association for Social Development” (NRASD). The formation of the Association was also a response to a specific challenge posed by former Minister of Welfare, Minister G. Fraser-Moloketi.

... there are obvious benefits to the establishment of a formal network of religious organisations. Ideally, this would lead to exchanges of best practice models, joint endeavours to improve the conditions of people through high impact initiatives and resources sharing. From a government point of view, and more specifically the Welfare Department, it will enable us to engage in a structured manner on a regular basis.

In October 2000 Dr. Zola Skweyiya, Minister of Social Development, stated in a letter:

The government values the contribution and the role that the religious sector has played in the past - ...in bringing education, medical services and support to neglected areas, as well as the struggle against apartheid. Now we face a new struggle: we can only succeed to eradicate poverty in our country if we can build effective partnerships between the State, the religious sector and other institutions of civil society...we have launched a national campaign to create ‘a caring society’ in South Africa. How can we succeed with this effort without the support of our religious communities – which are known for their networks reaching into even rural parts of South Africa?

4.2 *The principle of subsidiarity, the importance of public-private partnerships*

The principle of subsidiarity, namely that different sectors cooperate formally to ensure the effective utilization of limited funding –with regard to social grants or community development programmes, but also with regard to economic development, is widely accepted in many parts of the world. It is also a key element of Government’s strategy to foster public-private partnerships in many fields. The following examples suffice: the establishment of the Business Trust is based on such a partnership, with a specific focus on the transformation process within education, as well as the marketing of South Africa as a tourist destination. Several major regional development projects (Maputo corridor development) in SADC are based on formal cooperation between Business and Government, the same applies to the development of NEPAD for the African region.

This is a very important principle for democracy: the state accepts the role and contribution of partners from other sectors: it does not try to do everything for everybody. The role of the State is to coordinate (provide strategic policy frameworks), to set priorities and conditions, to address social and historic imbalances, but not to implement or control every project.

This same principle is of vital importance with regard to the delivery of social services (even grants), or the fostering of community development programmes.

Research over a period of more than 10 years by the “International Development Dialogue Programme” (IDDP) and the EFSA Institute for Theological and Interdisciplinary Research on models of successful community development have revealed two key factors: firstly, the quality of leadership, and secondly the strategic partnerships between different role players or sectors that are formed to achieve a common goal.

The quality of leadership within a community is a crucial factor that has a direct influence on the success and sustainability of community development programmes. Strong leadership is needed to facilitate innovative ideas and initiatives; to organize, mobilise and motivate people within a given community for a common goal; to take long term responsibility to make a good proposal work – to ensure that a programme is sustainable.

The formation of strategic alliances (public-private partnerships) between different sectors and role players are of equal importance: different sectors can contribute different resources (funding, skills, management, etc.) that are needed to ensure success. Mr James Joseph, a former American Ambassador to South Africa, highlighted the importance of such partnerships:

In city after city (in the United States), churches have created non-profit corporations for the development of low-income housing, health clinics, credit unions, community development corporations, schools, resource centres for women and home care and special centres for the elderly. Many of these organisations are also becoming vehicles for a larger partnership as they bring together the resources of the church and the poor as well as public and private donors. Outside development agencies are discovering that in many downtown neighbourhoods, the church is the only stable, respected, and potentially effective, institution remaining. (From his address delivered on 5 May 1997 at the EFSA conference on the Transformation of Welfare in South Africa, Cape Town).

The implications for the State:

With regard to partnerships between religious communities and the state, we expect the following from the State:

- That the state (both on national and provincial levels) treat all religions equal; that the procedures to access public funding should be simple, clear and transparent in order to foster equal access to public funding for all religions; that ad hoc grants to a select few should be replaced by a comprehensive and inclusive partnerships;
- That the State should respect the unique identity of religious communities and their contribution. The state should not treat religious communities as NGOs, but respect their unique identity. This is especially the case in formal agreements between the state and different denominations.
- The State should accept the religious communities as partners in development and community service. This implies that the State may set priorities and guidelines for the use of public funds, but that the State should not try to implement all programmes on its own: it should make resources available to religious communities (and to other institutions of civil society). On the basis of state grants, religious communities could use such funds to leverage additional funds from other resources.
- The different organs of the State (at all levels - national, provincial and local level), should accept the role of the legitimate religious leaders and their networks - in this regard we perceive the NRLF to be the national network. The State, or senior bureaucrats, should therefore not create pseudo-religious networks to compete with legitimate religious structures – just because the state controls public funding.

4.3 *The rationale for formal cooperation*

Why do secular governments form partnerships with religious institutions to provide social services? This question could be answered on more than one level. Some of the arguments are based on pragmatic considerations such as the size of religious networks, its closeness to the areas and the people in need, etc., and some are more of a philosophical or fundamental nature:

Pragmatic considerations

Many governments channel a substantial portion of their international aid over religious agencies because they have proved to be closest to the people in need; they have the best developed networks - especially in areas where the infra-structure is weak; they provide the most effective network at the most affordable costs available - given the fact that one of the biggest problems with all development aid is the fact that the “infra-structure” or intermediators normally uses a substantial portion of the funds available.

Fundamental or religious considerations

Religious institutions (churches, mosques, synagogues, etc.), their networks and their role in society are based on specific beliefs and convictions. In this sense their commitment to - and involvement in social services, are motivated by fundamental beliefs – which distinguish them from other NGOs. We have already referred in the introduction to the fact that despite many similarities on programme level between religiously motivated programmes and secular NGOs, religious institutions have a different self understanding: they cannot be regarded as NGOs.

Religious communities play a crucial role in the formation of values such as tolerance, responsibility, respect for life, love for your neighbour, etc. The functioning of our whole society pre-supposes these values, are based on the fact that there are citizens that take responsibility for one another.¹

¹ See D. Smit’s contributions under “Spiritual values” in “Die Burger”, 5 & 12 September 1998.

The influence of “religious beliefs” in the success of many drug rehabilitation programmes, programmes working with cases of family violence, etc., has been acknowledged for some time.²

4.4 *What are some of the challenges the State faces?*

Despite goodwill at the level of political leadership, *there are serious frustrations with the lack of capacity at senior management level within different Departments of Government – to translate statements on partnerships into programmes.* The experience in this regard include:

Firstly, there is a serious lack of management and administrative capacity (and networks) to implement poverty alleviation programmes, as well as programmes that are more of a development nature, within certain state departments. The annual “role-over” of a substantial portion of funds allocated to the Social Development Ministry over several years (in the last year alone approximately R 200 million), or alternatively, the transfer of the bulk of these funds to the Independent Development Trust, is proof of the serious capacity problems within this Ministry. Over the past 5 years several Hundred Million Rand were left unspent every year – rolling it over to the next financial year. Eventually the portion of funds allocated to the Social Development Ministry, was systematically reduced by the Finance Ministry. *This trend represents a reduction in funds that are available for social development programmes.* This role-over of funds coincided every year with numerous attempts by various religious networks to form partnerships with government – networks that are close to the people in need and have a proven capacity.

Secondly, there is a serious *lack of a clear policy framework to access public funding* from government. There are no clear guidelines that are adhered to by different government departments (both on national and provincial levels), with the result that allocations made are perceived to be *ad hoc*: it is difficult to judge the basis for selection – even by those that have received funds.

Thirdly, there is a short term approach that sabotages long term sustainable development. The lack of a long term and structured relationships are essential to ensure sustainable development programmes. Short term planning and short term grants make it impossible to develop sustainable strategies that could be implemented over a period of 35 years or longer. Ultimately the credibility of the recipient (religious denominations) is harmed when projects that were initiated are stopped halfway.

4.5 *The capacity and some of the networks in the religious sector*

Preliminary research by the EFSA Institute has found some interesting figures and trends. These figures are based on a preliminary audit of funds, services and staff for one financial year (and is thus an indication of the existing capacity of this sector).

According to the case studies that were selected the combined budgets (based on the average audited figures of 1996 and 1997) for social and welfare related programmes were almost R330 million. More than R170 million of this figure came from own resources, and approximately R160 million from government subsidies in South Africa. These figures were only based on the networks included in the case study, and did not include a substantial

² See R. J. Sider and H. Rolland, *Correcting the Welfare Tragedy: Toward a New Model for Church/State Partnership*, in: S. W. Carlson-Thies & J. W. Skillen, *Welfare in America*, pp.464-468.

amount of approximately R30 million of international donor funding which were channelled via religious-based networks.

It was also clear from the case studies that the numerous informal and volunteer services that were rendered in local congregations, mosques, synagogues, etc., may be larger in size than the formal services. The gathering and evaluation of these services are part of a longer research process. Taking this into account, the preliminary estimate is that the total direct financial contribution by this sector to welfare, relief and developmental programmes in South Africa, is approximately R 1 billion per annum.

Range of services

In general two types of services could be distinguished: some of them refer to formal welfare structures or offices, like specialised institutional care centres or multi-purpose centres, and some to more informal (but still properly organised) local community development services. Many of these services are not limited to South Africa, but cover the Southern African region.

The following range of services, and the different sectors involved, were compiled from our sample: agriculture, capacity building and management; education (schools, pre-school centres, and specialised skills training such as computer training, training for domestic workers, literacy programme, vocational training); elderly; feeding schemes (focused on poor children and street children); handicapped (physically and mentally); health care centres; homeless and housing projects; legal advice services; family support services; micro-enterprise, income generating; multi-purpose centres; provision of water; rehabilitation programmes; refugees; youth centres and children's programmes.

A proper audit of the scope and the value of the existing informal volunteer networks in the religious sector in South Africa is part of our longer research objective. It is known that on the level of local congregations, mosques, synagogues there is a wide and effective network of volunteers that provides an invaluable service. This is especially the case in areas where no or very few formal structures or welfare offices exist.

Examples of denominational or religious networks

The capacity to coordinate and implement programmes on a regional and national level largely depends on the existence of denominational networks that are available. The following are a few examples of Christian, Jewish and Muslim networks that focus on welfare and community development projects, and that have such capacity – it is not a comprehensive list. It provides an important indication of the infra-structure and capacity available throughout South Africa (and even the Southern African region). Taking into account that several of the denominations have provincial structures or offices, and numerous local congregations in all the regions, these networks, if properly coordinated, could play a key role in reducing poverty. It is also clear from these selected examples that they offer a wide range of services.

In the Christian tradition the *Hope Africa Foundation* is an initiative of the Anglican Diocese of Cape Town to support social programmes amongst the poor and disadvantaged communities of the Western Cape. The programme offers a wide range of services and is implemented by approximately 125 congregations in the Western Cape. The *Order of Dignity* is a programme of the Methodist Church of Southern Africa that strives to generate funds for enterprises that create jobs and to promote mutual understanding. The *Ministry of Caring* represents the formal welfare structures of the Dutch Reformed Church. It offers a wide range of services through provincial networks. The *Development and Welfare Agency* is the developmental structure of the Southern African Catholic Bishops' Conference. It functions in partnership with the Siyabhabha National Trust, which represents a formal

partnership between the church and the state. The *ELCSA Development Service* is the developmental network of the Evangelical Lutheran Church. Some of its main partners are the Lutheran World Federation and Lutheran Churches throughout the world.

TIKKUN is a Jewish network “Jewish obligation to the non-Jew” that supports social upliftment initiatives of the broader community, and the *Southern African Dawah Network* is one of the community development networks of the Muslim community. Another well-known network is the *Africa Muslims Agency*.

It remains one of the most important challenges to the NRLF to take responsibility to share experiences between networks and to build the capacity of networks that have thus far received little public support.

4.6 Advantages of formal and structured agreements of cooperation

The following is a summary of advantages that would follow from formal agreements between the NRLF and the state:

- It would make religious communities co-responsible for the implementation of poverty-alleviation and other social programmes, and challenge them to contribute some of their resources. Religious communities become partners in the process, and not mere spectators;
- It ensures better coordination of scarce resources, as well as the multiplication of resources: religious communities could access more international donor funding via numerous religious development networks;
- It ensures that all religious communities are treated equally, which also fosters reconciliation and cooperation in our society. This is important to curb the rise of fundamentalism in all religions;
- Treating the religious sector in its own right (not as NGOs!) would be part of governments strategy to use the strength of different sectors in society, and diversifying the strategy to disburse funds for special programmes.
- Formal agreements (structured partnerships or “Block grants”) would enable the NRLF to use such agreements to negotiate additional international funding – for priorities that were agreed upon with government! It also would respond to changes in the international donor community, due to the scale down of staff, to contract local (South African) networks as partners to implement programmes.

4.7 Building blocks of a successful model of partnership

A successful model of cooperation should address the key problem: how could the available capacity and resources within religious communities be formally linked with the public programmes of the state? How do we build a comprehensive and long term partnership that avoids ad hoc and short term allocations, and focuses on sustainable development programmes? We are convinced that this is possible, if we could create the following framework:

4.7.1 A comprehensive *Agreement of Cooperation* between the Government and the NRLF - on behalf of the religious sector - is necessary. The priorities and guidelines for funding are formally negotiated and implemented through a contract. There can be different contracts for different kinds of programmes, such as combating Aids, fighting poverty, job creation, social housing, etc. The NRLF cannot seriously invite religious communities to submit funding proposals if there is no indication that the administrative process has been

cleared and that at least a certain amount of funding is available. It would even be better if this could be budgeted for in terms of 2-3 year periods, in advance – since it would give stability in project management.

4.7.2 Important: the management and implementation of such agreements should be the responsibility of the NRLF: the key religious leadership is involved in the NRLF and representatives from this sector know the strengths, the weaknesses and the pitfalls of this sector – more than any bureaucrat. The NRLF would create management committees that allocate and report back according to guidelines that were negotiated between Government and the NRLF. A Board of Trustees – with senior representatives from Government and the NRLF could oversee the implementation of projects, whilst a smaller programme management committee could take responsibility for the daily management (similar to the public-private partnership between the Business Trust and Government).

4.7.3 In its management procedures the NRLF would only allocate funds to projects and programmes on the basis of the following: proper business plans (including a clear indication of the real beneficiaries, proof of the capacity of the denomination applying for funds; an indication of what alternative resources would be contributed by a denomination; clear financial reporting and auditing procedures, etc. All this could be implemented by sub-contracts between the NRLF and individual denominations or religious communities.

4.7.4 As part of the management network the NRLF could implement a cost-effective decision-making system by using the existing representatives/expertise within the religious sector: the costs of meetings; screening of proposals; implementation of proposals; evaluation and report back to government, project-secretariat; etc. should be covered by reserving approx. 10% of the turnover for the management process. Important: the NRLF would not create a large number of full-time positions, but mainly refund representatives of religious networks according to a fixed agreement for their time and costs incurred – on a part-time basis.

5. CONCLUSION:

The state has already accepted the principle of subsidiarity through the fostering of public-private partnerships. The State has also accepted religious networks as partners, in view of several bilateral agreements between certain churches and the Department of Welfare. The State has also accepted the principle of structured agreements, or block grants with specific sectors – where the formal cooperation between the State and the Business Trust is a well-known example. The Business Trust allocated approximately R 1 billion to partnerships over a period of 5 years – apart from the few hundred million Rand they have received from the State. Religious communities contribute more than that – every year – to social programmes.

With the formal agreement of cooperation between the National Religious Association for Social Development (NRASD) and the National Religious Leaders' Forum, there is no question that the NRLF represents the widest network of religious communities in South Africa. The principles and the values that form the basis for the NRLF, are of fundamental importance to the building of a new society and a new community in South Africa.

According to the Human Sciences Research Council's surveys almost 80% of the people of South Africa trust their religious communities – the highest total of all institutions surveyed; they have the largest developed networks spreading into all the corners of South Africa, and they offer more than just administrative programme support – they are essential in the formation of values and value-systems in our broader society.

What has lacked thus far, was a comprehensive and formal agreement between the State and the NRLF that could provide the framework to develop a sustainable, long term programme to eradicate poverty in South Africa.

Such an agreement would not only coordinate and focus limited public funds for the most needy in our society, but it would enable the NRLF and members to access additional international funding. With the process of democratisation in South Africa, international agencies are more and more demanding that at least a share of a project's budget should come from South African funds — as a precondition to access international funds. This is seen as a sign of commitment, of credibility and sustainability of a local programme. Thus, again the subsidiary principle or the multiplication of resources plays a decisive role. In the ideal case many religious development projects are funded by a combination of own contribution, state or government support, and international religious donor agencies. At the same time it should be emphasised that a lack of formal cooperation in South Africa between the state and the NRLF would automatically mean that South African networks are not able to meet the conditions of international donors, and that less funds are available for social programmes.

From the state's perspective the following fact is important: in the ideal case of the preliminary research being conducted by the EFSA Institute, for every Rand of State support for a specific project of a religious community, two Rand of value could be added! The implication is clearly that formal cooperation stretches the funds and the possibilities to reach more people in need.

As NRLF we value the acknowledgement of the role of the religious sector by government. If the State and the NRLF could form a structured agreement that could guide formal project cooperation, all South Africans (but especially the poor) would benefit from such cooperation. We thank you for this opportunity.

24 April 2003