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## **Paneelverslag voorspel probleme vir landbou**

Agri SA is baie bekommerd oor verskeie aspekte van die Presidensiële Raadgewende Paneel oor Grondhervorming se verslag, wat insluit omstrede voorstelle soos die wysiging van die Grondwet en grondplafonne. Agri SA ondersteun nie enige beleid of wetgewing wat inbreuk maak op eiendomsregte of enige ander fundamentele reg wat deur die Grondwet beskerm word nie.

**“Indien die voorstelle in die verslag geïmplementeer word soos dit uitgestippel is, sal dit voedselsekerheid vir elke Suid-Afrikaner in die weegskaal hang,” sê Omri van Zyl, Agri SA Uitvoerende Direkteur. “Belegger- en sakevertroue is reeds laag en die laaste ding wat ons nou nodig het is nóg druk op die ekonomie en die landbousektor.”**

Agri SA se president, Dan Kriek, is 'n lid van dié Presidensiële Raadgewende Paneel oor Grondhervorming en het homself heelhartig tot die proses verbind. Dit het egter mettertyd duidelik geword dat daar fundamentele verskille tussen paneellede is in opinie en benadering ten opsigte van grondhervorming. Kriek en sy mede-paneellid, Nick Serfontein het daarom 'n alternatiewe verslag saamgestel wat veral op privaatsektor-oplossings fokus.

**“Die alternatiewe verslag bied sinvolle oplossings vir grondhervorming, wat nie in besonderhede uitgespel word in die paneelverslag nie,” sê Annelize Crosby, Agri SA Beleidshoof: Grond. “Ons is van mening dat grondhervorming in plaasgebiede vooruit sal kan beweeg met die daarstel van 'n landbou-ontwikkelingsagentskap waar die privaatsektor in die bestuur en finansiering van volhoubare grondhervorming die voortou kan neem.”**

Tydrowende konsultasieprosesse wat na verwagting op die bekendstelling van die paneelverslag sal volg, kan die implementering van grondhervorming kniehalter.

**“Ons moet nou eerder saam werk en betekenisvolle projekte implementeer tot die voordeel van die sektor,” sê Crosby. “Indien die konsultasieprosesse wel begin, sal Agri SA daaraan deelneem en seker maak dat die ekonomiese realiteite, wat nie in die paneelverslag genoegsaam in aggeneem word nie, ook aangespreek word.”**

Agri SA is ook bekommerd oor die mosie in die parlement wat Donderdag bekendgemaak is. Dié mosie dui op 'n duidelike voorneme deur die regerende party om voort te gaan met die onnodige en potensiële skadelike wysiging van die eiendomsklousule.

**“Dit word duidelik net om politieke redes gedoen, omdat dit nie geregverdig is nie en geen oplossing vir grondhervorming bied nie,” het Crosby gesê.**

Agri SA bly verbind tot ons lede en die volhoubaarheid van die landbousektor. Agri SA wil benadruk dat ons teen enige wysiging van die Grondwet gekant is en geen steen onaangeraak sal laat om die regte van boere te beskerm nie.

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## Panel report raises red flags for agriculture

Agri SA is extremely concerned about several aspects of the Presidential Advisory Panel on Land Reform's report and particularly the controversial recommendations which include amending the Constitution and land ceilings. Agri SA does not support any policy or legislation that infringes on property rights or any other fundamental right enshrined in the constitution.

**“If the recommendations contained in this report are implemented to the letter, food security for all South Africans will be compromised,” says Omri van Zyl, Agri SA Executive Director. “Investor and business confidence are already low, and the last thing we need is further strain on the economy and the agricultural sector.”**

Agri SA President, Dan Kriek, was a member of the Presidential Advisory Panel on Land Reform and fully vested himself in this process. However, it became clear that there were fundamental differences in opinion and approach to land reform within the panel. Kriek and fellow panel member, Nick Serfontein, therefor compiled an alternative report with a focus on private sector solutions.

**“The alternative report presents identifies common-sensical solutions to land reform, which is lacking in many aspects of the panel report,” says Annelize Crosby, Agri SA Policy Head: Land. “We are strongly of the view that land reform in farming areas will take a huge step forward with the establishment of an agricultural development agency where the private sector takes a leading role in driving and financing sustainable land reform.”**

Time-consuming consultation processes that will likely follow the panel report could hamper the implementation of land reform.

**“The focus should be on working together and implementing meaningful projects to the betterment of the sector,” says Crosby. “However, should these consultation processes unfold, we will participate fully and make sure that the economic realities, which are not sufficiently addressed in the report, are put on the table.”**

Agri SA is also concerned about the motion in Parliament on Thursday that indicates a clear intention by the ruling party to press ahead with the unnecessary and potentially damaging amendment of the property clause.

**“This is clearly only being done for political reasons, as it is not warranted and will not solve the land reform problem,” said Crosby.**

Agri SA remains committed to our members and the sustainability of the agriculture sector. Agri SA wish to reiterate that we are against any amendment of the Constitution and will leave no stone unturned to protect farmer's rights.

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## **Background:**

The Advisory Panel on Land Reform, appointed by President Cyril Ramaphosa in 2018 to advise him and the Inter-Ministerial Committee on Land Reform on a way forward with land reform in its broadest meaning and on the issue of compensation. The Panel report covers all the programmes of land reform and contains recommendations on measures for urban and rural land reform. The report addresses aspects such as land tenure in communal areas, tenure security on farms, expropriation, agrarian reform, land demand and beneficiary selection.

## **Controversial recommendations:**

The Panel's recommendations are comprehensive and, in some cases controversial. Agri SA cannot support these controversial recommendations. Some of the worrying recommendations are:

- The amendment of section 25 of the Constitution to enable expropriation without compensation, a moratorium on farm-evictions and the removal of the 1913 cut-off date for restitution;
- A compensation policy which boils down to a set-formula for compensation to current landowners. The proposal is that there should be a compensation spectrum from zero to minimal to substantial to market-related compensation. There is a suggestion that those who inherited land should be treated differently than those who bought land after 1994.
- Forced on-farm settlements;
- That private title should not be allowed in communal areas;
- The consideration of a land tax,
- Land ceilings;
- A proposal that land for redistribution should be identified at municipal level based on land needs and that the current landowner will be given an opportunity to donate the land, enter into negotiations with the state or face expropriation;
- Water allocation reform where water rights must be re-allocated to smallholder-farmers;
- The regulation of foreign ownership of land.

## **Other recommendations:**

- The Panel recommends a new White Paper process. Whilst Agri SA will always participate in all policy processes that can affect our members, these processes take up a huge amount of time and they take up a lot of resources, also in terms of taxpayers 'money. From Agri SA's point of view, and this was also stated in the High-Level Panel Report on Key legislation, the main problems, are not policy related, but can be attributed to poor implementation, inadequate budgets and corruption. These are the things that require priority focus and attention, not the policy side of things.
- A National Land Reform Framework Bill: Although there may be merit in drafting redistribution legislation, it is not entirely clear what aspects such a Bill will address and how. There are indications in the Report that such legislation may be used to target and then forcefully acquire land identified by municipalities as being required for redistribution. This is an invitation for corrupt practices and misuse of power. Coupled with proposals for expropriation without or at minimal compensation, this will exasperate uncertainty in farming areas and further contribute to disinvestment in the farming sector.

- Subdivision of land: Whilst Agri SA agrees that some subdivision may be necessary, wholesale subdivision of a scarce resource in the absence of legislation that protects high quality agricultural land, is dangerous for the future of food security in our country.
- Land donations: Agri SA has cautioned that the numbers of farmers who are in a position to donate land should not be over-estimated. Many farmers are struggling to make ends meet and economy of scale is a survival mechanism for farmers. Also, no real incentives are in place as yet to encourage farmers who can do so, to donate land;
- Water rights re-allocation: This is actually a debate on its own. Agri SA needs to point out that water is a scarce resource in South Africa and that commercial irrigation farmers make a huge contribution to food production and export earnings.
- Registrable rights for farm dwellers: There are recommendations contained in the report that seem to indicate an intention to register the tenure rights of farm dwellers who are residing on commercial farms and to then enforce those rights in competition with the rights of the current landowner. This reminds one of the 2010 Land Tenure Bill, which was very controversial at the time;
- Recommendations that can be welcomed, include:
  - Measures must be taken to curb corruption;
  - A land audit of public and private land that takes into account the Agri SA / ADS/ Landbouweekblad audit results;
  - Establishment of a Land Reform Fund;
  - Transparent beneficiary selection;
  - Strengthening the capacity of the Restitution Commission in order to enable them to expedite claims;
  - The development of outcome indicators for successful land reform monitoring and evaluation.

### **The alternative report:**

Agri SA has also studied the alternative report submitted by Dan Kriek and Nick Serfontein. This report focusses on the role of the free market and the private sector in land reform and contains practical proposals of how agricultural land reform can be achieved in a sustainable manner. Important elements of the alternative report are:

- A land depository;
- A land reform Fund;
- Joint ventures;
- Farmer support;
- Enablers / incentives for participation by commercial farmers;
- A Social compact
- Beneficiary selection

Agri SA broadly supports the principles of these proposals. We are strongly of the view that land reform in farming areas will take a huge step forward with the establishment of an agricultural development agency where the private sector takes a leading role in driving and financing sustainable land reform. We also believe that we should build on existing best practice models such as the ones showcased at the Bela-Bela land summit last year.

## **Way forward**

Agri SA is concerned about several aspects of the report and particularly the controversial recommendations highlighted earlier. We are of the view that rather than having more time-consuming consultation processes, the focus should be on working together and implementing meaningful projects now. However, should these consultation processes unfold, we will participate fully and make sure that the economic realities, which are not sufficiently addressed in the report are put on the table. In the meantime, Agri SA will continue on full steam with its many transformation initiatives and with the establishment of an agri development fund.