

**RECORD OF THE KWANALU CONGRESS
HELD ON THURSDAY, 19 SEPTEMBER 2019
AT THE ROYAL SHOW, PIETERMARITZBURG**



**21st Annual Congress
CONGRESS THEME
“Advancing agriculture for today
and our future generations”**

An enabling environment must be established for value chain development through policy, regulatory and institutional support by the public sector. Greater involvement of the private sector in agriculture, to develop and improve the agricultural value chain through partnerships, will bring some reprieve to the inherent incognito dictate that farmers are solely responsible for land reform.

1. Registration

2. Welcome

The President, Mr Andy Buchan, called the meeting to order and asked the Vice-Chairman, Mr Peter-John Hassard, to open proceedings. Mr Hassard welcomed past presidents, Ms Bongzi Sithole-Moloi KwaZulu Natal MEC for Agriculture and Rural Development and Head of Ministry Mr Nzimande. Young Farmer Finalists as well as the sponsor representative Mr Graham Smith from Toyota SA (Pty) Ltd. Students and staff from educational institutions. Government Officials, SAPS, the Deputy Executive Director of Agri SA Christo van der Rheede and Chairman of the NAU Trust Mr Andries Geyser. The representatives from sponsors; Land Bank, Absa, AgriSeta, Santam, JSE, Pannar, Nedbank, Royal Show, Genesis, Stats SA, Stihl and Old Mutual were thanked for their contribution towards our Congress.

A special welcome to all Kwanalu delegates and members attending was made.

Apologies had been recorded on the attendance register.

3. Opening

The Chairman requested Mr Robin Barnsley to open Congress with a message of inspiration and encouragement.

4. Motions

The Chairman requested Congress to stand for a moment's silence in remembrance of those who had lost loved ones as well as those who had been victims of crime since the 2018 Congress.

5. Constitution of Congress

The CEO, Mrs Sandy La Marque, confirmed that the notice of Congress had been circulated and with the representative delegates present, a quorum had been met and Congress was properly constituted.

6. Keynote Speaker: Chief Justice of South Africa Mogoeng Mogoeng

Chief Justice Mogoeng Mogoeng expressed his gratitude that farmers considered it possible for him to make a meaningful contribution in the congress. He added that it was a huge honour precisely because of the critical role that farmers and agriculture has to play in this country and around the world.

The food we eat, the clothes we wear and the furniture in our homes will not be possible without agriculture, without our farmers. Chief Justice said had it not been for people choosing farming as a profession - a career there would be no sustenance for humanity.

The Chief Justice encouraged farmers and organisations to embark upon a meaningful awareness campaign to promote themselves to help the nation appreciate just how critical the role they play is in South Africa.

The Chief Justice said he had perceived that one of the major problems is that agriculture is not as united as it should be. He was shocked at how the different sectors in agriculture are so critical of each other.

He said it is time to put our differences aside, particularly in view of the economic challenge that South Africa finds itself in. Everything reasonably possible needs to be done to unite all formations in the agricultural sector so that there is an organised, very powerful voice, for agriculture.

The Chief Justice said differences could be made through one big voice that speaks for agriculture explaining to the nation what agriculture all is about, what is done, and what challenges are faced. He said we are one nation in South Africa. One Family. Stand united against crime, in whichever form it appears.

The Chief Justice encouraged farmers to communicate their challenges and confront them however sensitive they may be. If issues are deferred today, tomorrow or in 10 years' time it will always be an issue. They need to be addressed effectively and challenges faced must be communicated. However intractable the issues seem in relation to the land issue, crime, the economy or whatever else, may be or may seem to be, farmers have a solution to share. Together a solution can be found. There is no problem that defies the human capacity to find a solution. He referred to the phrase "’n boer maak ’n plan".

He advised delegates to never see yourself as a victim or possible victim as a farmer, as individual farmers, as small groups of farmers, he encouraged the congress to make it "your" business to always reflect on how we/you can address issues in and a way that does not ruin our economy and our country.

As a collective of farmers, even South Africans that are not farmers, never threaten to leave this country. It has a very dangerous and negative effect. To those who say white South Africans are not real South Africans, your attitude should be "I don't have anywhere else to go. I belong here". The preamble to the constitution says South African belongs to all who live in it. United in our diversity. The Chief Justice called on delegates to find a way to heal the divisions of the past and to address conceptions or miss conceptions about the agricultural sector. He acknowledged that while Africa is fertile the expertise exists in South Africa to make a difference.

He encouraged the congress to look past colour, forget the challenges of the past, and remember them only for the purpose of knowing what it is that still needs to be done. How it should be done, and how the agricultural sector could be made more inclusive, how the land issue could be resolved. He said as long as we adopt a non-confrontational manner in which we approach issues, as long as whatever solutions we are going to arrive at they should not just be made to please people.

He said that imagine if South African farmers will stubbornly insist on preserving the agricultural sector in South Africa, ensuring that all institutions, including educational institutions that are related to the farming sector, are developed to the right level, and refusing to allow themselves to be marginalised no matter the challenges and insist on being part or party to finding the solutions to the serious problems that we have, agriculture and the farmers of South Africa will prevail.

The Chairman thanked the Chief Justice for his inspirational message and invited delegates to pose any questions or comments.

A number of delegates posed questions and comments amongst other:

- The autonomy of municipalities and their lack of service delivery and accountability
- Whether expropriation without compensation is "fair"
- Party politics which is preventing people from accessing assistance / services, government officials who only assist depending on which party card a person carries

The Chief Justice responded saying amongst other:

- Whilst the municipalities exist, they are still subject to higher authorities, ie. Ultimately the President. There are different levels of power, but it is up to the President to make sure that people who are employed, that govern, have the capacity to carry out the responsibilities that go with the it. Everyone is subject to the judiciary. Should we see challenges that exist in legislation we should lobby to have it changed.
- Expropriation is a very complex situation which requires a great deal of careful consideration from all to find a solution. The starting point is an appreciation that we are one nation, a deeply troubled nation, amongst other the land issue, if not resolved in a way that half pleases land owners and half pleases those that were previously dispossessed, it will not end well, history has shown that people fight to the death over land. We owe it to our great grandchildren to look for a solution. Questions must be asked: what mistakes were made with land repossession, what impact did it have on the economy and how should that important issue

be handled differently and where should it have been handled differently? Are some of the many questions that should be asked. Eventually a solution will need to be found.

- Make a request to the office of the President if you don't have success at local level. Wherever you are do your best. Never think you are too small to make a difference. Influence those around you positively. Don't adopt a negative attitude towards anybody. Don't worry about people who are failing, it's a matter of time before they are not there anymore. Remain positive and continue to engage and look for solutions.

The Chairman thanked Chief Justice Mogoeng Mogoeng for his time and message to the Congress.

7. Awards

Young Farmer 2019

Mrs Sandy La Marque explained the running of the competition. She said it was the 11th year that the competition had been held with the support of Toyota SA. She explained the criteria for competing in the competition. She thanked Toyota SA for sponsoring the competition. She introduced the finalists to Congress in no particular order: James Hoatson, Vaughan Gilson, Andrew Stiebel and Simon D'Aubrey.

Simon D'Aubrey was announced as the winner of the Young Farmer 2019. The President and Mr Graham Smith from Toyota SA presented him and the runners up with their certificates.

8. Donation

A cheque was handed over for the Agri SA Drought Fund from the Pongola "Suiker Boere" and rugby players to assist with the drought relief in South Africa.

9. President's Address

The Chairman handed over the chair to the Vice-Chairman, Mr Phineas Gumede, to enable him to present his address. The Chairman presented his President's Address to Congress. A copy of his address is attached to the file copy of this report.

The Vice-President, Phineas Gumede, thanked the President for his address.

He proposed the adoption of the President's address. This was seconded and adopted.

10. KwaZulu Natal MEC for Agriculture and Rural Development, Mrs Bongzi Sithole-Moloi

The Chairman welcomed the Honourable Mrs Sithole-Moloi to bring a message of greeting.

She said that as she is representing Agriculture and Rural Development it was an honour and a privilege to be present at the annual Congress.

She reiterated that the Department of Agriculture and Rural Development and relevant stakeholders need each other and should have a good working relationship. She admitted that there will not always be an agreement on everything, but the lines of communication are open. The MEC confirmed that she will listen to farmers as she wants to have a clear vision and understanding when she implements her vision of the department.

The MEC pledged the Department of Agriculture and Rural Development's support to the congress delegates and specifically to Kwanalu. She said it was her vision to see Kwanalu and the Department of Agriculture and Rural Development working together to try to mitigate some of the challenges that are faced.

The MEC acknowledged that the Department of Agriculture and Rural Development has not supported commercial farmers in the way they should have but she is willing to talk about and work on ways to find a solution. She expressed her hope that the working relationship will improve and grow from strength to strength.

11. Professor Danie Brand

Creating an enabling environment through policy, regulatory and institutional certainty specifically in the context of the Constitution section 25, expropriation without compensation and land reform.

The presentation is attached to the file copy of the report and is available on the Kwanalu website.

12. **Dr Kathy Hurly**

Greater involvement of the private sector in agriculture, to develop and improve the agricultural value chain through partnerships today and our future generations.

The presentation is attached to the file copy of the report and is available on the Kwanalu website.

Dr. Hurly said we need to adopt a brave leadership style, that sees the best in the human spirit and to transform our society. Leaders that are generous, creative and kind, not brutal, competitive and self-serving. She said we need to trust, that the organisations we belong to, will address the big issues that are being faced in South Africa and to create stability in our volatile world.

Dr Hurly said we need to work together to ensure our contributions are not duplicated and overlap. That our National body is doing what it should be doing and that our structures are self-organising and we are able to find and sort out our own problems. Transformation is impossible without us. Dr Hurly said that the most important person in transformation is ourselves, we need to achieve social cohesion. We need to pay it forward and put a project in place to assist our communities.

She said if farmers are not integrated into our local structures, then all the work that the commodities and organised agriculture do, all becomes meaningless. We need to make sure we are able to integrate farmers in a meaningful and sustainable way. We need to work strong and hard in our local community.

She encouraged local associations to find ways to bring all farmers together, it needs to be about shared values, authentic, empathetic, simple and respectful. We need shared principles, transparency, accountability but most importantly we need inclusive agendas, talking about what unites us, and not talking about what divides us.

We need to become an agricultural warrior working towards the best for all.

13. **Dr Requier Wait**

The importance of an enabling environment being established for value chain development through policy, regulatory and institutional support by the public sector today and our future generations.

The presentation is attached to the file copy of the report and is available on the Kwanalu website.

Dr Requier Wait said we need to create an enabling environment, not only for the economy but also for organised agriculture. We will attract investment with an enabling environment.

He said the quality of government institutions and structures has a great influence in creating an enabling environment, with the key factor being the implementation of policy documents.

Dr Wait said there are a lot of issues that play a role in creating an enabling environment, from crime to corruption, low stagnating economic growth etc.

An enabling environment in the value chain includes:

<ul style="list-style-type: none">• Policy certainty• Land reform issue• Safety & Security• Infrastructure maintenance – Roads, Electricity,• Exports• Lack of capacity or skills in Labour Skills	<ul style="list-style-type: none">• Water Resources• Investment in Agricultural research to support the industry.• Drought• Development• Finance helping emerging farmers
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He said organised agriculture receives limited government support and would like more support in terms of drought disaster, affordable agricultural insurance (such as in the form of a subsidised premium, cover for excess), credit regulations etc.

Dr Wait said the Economic Policy Paper suggests potential actions to rectify and/or support to create an enabling environment with the ultimate end goal in creating sustainable economic growth. He said we need macroeconomic stability to be able to create an enabling environment, but with support from the private sector. He highlighted the need for the government to boost our education outcomes and address critical skills needs.

The good news is that agriculture always comes up in talks about the future in South Africa, about how it is improving our economical wellbeing. He said agriculture is still performing well despite all of the above challenges and there will still be a market for agriculture in the future.

14. Discussion by delegates

An interactive session was held with delegates and speakers engaging on a wide range of issues. Amongst other the following questions and comments were posed:

- It was mentioned that expropriation was not necessarily the best tool to use for land reform, it was specifically asked, what would be the best tool to use for land reform?
- What is the position of the banks as well as their plans to assist clients and ensure asset security etc?
- It does not appear that an enabling environment is being created in South Africa, how can we address this?
- Is there any attempt by government to put together an accurate historical account of land that might bring about some acceptance by all?
- Is the debate aimed at land only or all asset classes?
- In the past year transformation and rural development has been experienced. Kwanalu is doing what it says through fearless and courageous leadership. We must remain united in our common goals and cause – agriculture.

The speakers; Professor Brand, Dr Wait and Dr Hurly provided inputs to the abovementioned questions and comments;

- It was pointed out that there is a vast amount of land in state ownership that is not being utilised, agricultural land is always available for purchase in the open market and not a hinderance to land reform. Some options to redistribute state land would ease tensions.
- It was interesting to note that the banks views on the amendment of the constitution is not favoured, the banks approach is not an attack on private ownership of land, they need to look at other rights to land other than ownerships that can form the basis of land value.
- Creating an enabling environment is certainly complex, in the current times there are a vast number of different interest groups pulling in opposing directions. There are strong political views and pure economic views which are largely contradictory, which clouds the opportunities and the focus. It's becoming evident that some difficult choices need to be made to ensure future success and to move the country forward.
- Stolen means taken dishonestly. The truth is land was taken openly and by force in many instances. The story of our history is a story about conquest, of specifically where land was taken. It is however imperative that each and every situation needs to be looked at specifically and on its own merits. As a country we will need to apply wisdom when seeking a resolution
- It was pointed out that the current debate is not aimed at all asset classes but only at land.
- Kwanalu was certainly progressive and holds a sound balance between protecting its members rights and finding an all-encompassing solution to challenges experienced.

15. Annual Report 2018/2019

Mrs Sandy La Marque addressed Congress and highlighted some of the issues dealt with during the past year.

A copy of the presentation is attached to the file copy of this report.

16. Financial Statements year ending 30 June 2019

The President called on Mrs La Marque to present the financials. Delegates were all in possession of the audited financials. She said that Kwanalu was compliant and sound accounting practices were in place. She presented the audited financials. The auditors and Board had expressed their satisfaction with the financial status of Kwanalu. It was confirmed that the Board as duly authorised had approved and signed the audited financial statements.

17. Annual membership subscription & Budget proposal

Mrs Sandy La Marque presented the proposed Income and Expenditure for year ending 2020/2021. She informed Congress that according to the Kwanalu Constitution, the Board of Governors had determined subscriptions for the 2020/2021 year. The subscription fee had only increased by 6.7% with the fees being set within the relevant categories as follows:

1 July 2020 to 30 June 2021 excluding vat:

Main member	R3 796.70 if received by 30/9/2020 Or R3 996.52 if received thereafter
New main member – Young farmer <30 / Main member >70, Rural Land Ownership / Weekend or Lifestyle / AgriTourism (e.g. B&B)	R1 898.35 if received by 30/9/2020 Or R1 998.26 if received thereafter
Previously disadvantaged farmers	R547.83

19. Acceptance

Mr Bobby Hoole addressed Congress. He encouraged that members remain united and committed. He shared how being part of the Board one could see first-hand the vast amount of work covered and the extensive range of issues dealt with in a professional and committed manner for farmers. The governance and fiduciary responsibility of Kwanalu continued to be achieved. He proposed the acceptance of the financials, budget and annual report as circulated to delegates.

The financials, budget and annual report were seconded and unanimously **ACCEPTED**.

18. President's conclusions

Mr Andy Buchan highlighted the common message which had run through the Congress – a message of unity, collective action and opportunity to provide solutions.

He reiterated that Kwanalu will defend the Constitutional Rights of its members.

He said that whilst defending its members rights ways to unlock resources through solutions and intent will be seen as part of a greater team to make South Africa work.

Mr Buchan said strong clear-thinking leadership is needed to bring about unity, he called on delegates not to underestimate the collective value that can be achieved by being united as a sector. He encouraged delegates to continue to play a key role in shaping agriculture and to support each other.

19. Closure

Mrs Sandy La Marque announced the Board for 2019/2020: -

- Messer's, Andy Buchan, Phineas Gumede, Peter-John Hassard, Bobby Hoole, Colin Wellbeloved, Dr Kathy Hurlly and Ms Lindiwe Madonsele

The President thanked all the speakers for their participation and thought-provoking inputs. He thanked delegates and observers for attending, the officials of the various Departments, the Kwanalu staff for their work, the media for their support and the sponsors.

Mr Buchan proceeded to close Congress with a prayer.

Congress adjourned at 14:15.

Kwanalu

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20 September 2019