

Strategic Planning Session of the Portfolio Committee on Rural Development and Land Reform

02 February 2016



rural development
& land reform
Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

About the Department



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& land reform

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Introduction

- In 2009 the Department of Rural Development and Land Reform (DRDLR) was created **with some** of its key priorities identified as follows:
 - Compliance with Government Immovable Asset Management Act (verification of ownership of land)
 - Improve land use and management
 - Improve access to infrastructure
 - Contribute towards poverty alleviation, unemployment reduction, skills development and job creation
 - Implement land redistribution and development
 - Develop an enabling policy and legislative framework to support implementation

Strategic Direction of the Department

Vision of the Department	Vibrant, equitable and sustainable rural communities
Mission of the Department	To initiate, facilitate, co-ordinate, catalyse and implement an integrated rural development programme
Strategic Goals of the Department	<ol style="list-style-type: none">1. Corporate governance & service excellence2. Improve land administration for integrated and sustainable growth and development3. Promote equitable access to and sustainable use of land for development4. Promote sustainable rural livelihoods5. Improved access to services6. Sustainable rural enterprises and industries7. Restoration of land rights

Progress in, and limitations to, the implementation of policy priorities and strategic interventions planned over the last five years (Review)



POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION
Settlement of Labour Tenants Claims	98 applications settled during 2013/14	These claims used to be settled through Settlement and Land Acquisition Grants which tended to be lower per household. This resulted in redistribution grants being used since 2002/2003, which then diluted the targeted beneficiaries and no clear categorisation was made per beneficiary at the time of acquisition. Though claims were being settled, no specific mention was made of the category of the beneficiary hence the quantification of actual labour tenants assisted prior to 2013/2014 has been extremely difficult.



POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION
		<p>There was also a policy shift in 2010 which abolished the use of land reform grants since the Proactive Land Acquisition Strategy became the only land acquisition instrument. This simply exacerbated the non-classification of beneficiaries to draw a distinction between labour tenants and other types of beneficiaries.</p>

POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION
		This intervention was publicly measured for the first time in 2013/2014 hence there were insufficient dedicated resources for delivery. The necessary infrastructure for delivery is only being put in place now, however this is likely to be impacted by the government wide reduction in Compensation of Employees allocation.



POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
Number of Communal Property Associations supported to be compliant with legislation	89 during 2015/16	<p>This was first measured in 2014/15. Some work in this regard had already been done since 2009 through the Land Rights Management Facility. Such work initially focused on establishing the compliance status of each CPA than support.</p> <p>The very first compliance status report was done in 2009/10 when there were already more than 1 200 CPAs in existence. The extent of complications within CPAs coupled with the absence of CPA support capacity within DRDLR has made this task almost impossible to achieve.</p>



POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
		<p>The general trend as shown in the 2014/15 Annual CPA Report is that CPAs are increasingly becoming compliant even though they are in far lesser numbers than the number of registered CPAs. There were 284 compliant CPAs in 2014/15 compared to only 100 in 2009/10.</p> <p>The CPA challenges as discussed in various Annual CPA Reports demonstrate the need for dedicated CPA support capacity however the adverse economic growth patterns suggest that it might not be easy to make such capacity available immediately.</p>



POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS (LAST FIVE YEARS)

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
Number of land parcels confirmed as vested	6339 from April 2009 – December 2015	This relates to DRDLR controlled land parcels where vesting certificates have been issued to confirm ownership by National Government. The figure shows upward growth in performance from 2009 – March 2015. There has been a slow down in 2015/16 as a consequence of land surveying problems that are currently being attended to and lack of availability of title deeds. The latter relates to areas that were located in former homelands in the North West and Mpumalanga provinces



POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
		The DRDLR also perform the function of confirming ownership of state land held by provinces and national government. This is done in addition to the above figures that relate to DRDLR controlled land parcels.
Accuracy and Completeness of the Immovable Asset Register	100% from 2012/13 up to 2014/15	The DRDLR had received a qualified audit opinion between 2008/09 to 2011/12 financial years particularly due to inaccuracies and incompleteness of its immovable asset register. This was eliminated since 2012/13 financial as a result of improvements in the policy environment and investment in technical capacity.

POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
State land made available for sustainable human settlements	12 379 hectares since April 2009	The Minister had signed a delivery agreement with the Minister of Human Settlements in 2010 to make land available towards Outcome No. 8 (Sustainable Human Settlements and Improved Quality of Household Life). This land was subsequently transferred towards the achievement of the objects of Outcome 8.

POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
Proactive land acquisition	1488241 ha acquired	Prohibitive land prices/ high
Land Recapitalisation & Development	1496 farms	Volatility of agricultural commodities prices and inputs limit the entry of the supported beneficiaries to enter the market and move to the commercial sector/sustainable

POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
Farmer Skills Development	2202 farmers trained	Pilot phase on the recapitalisation and development programmes had vaguely defined the TOR for Strategic Partners on capacity building to farmers
Job Creation	5473 jobs created	<ol style="list-style-type: none"> 1. In the pilot phase of the implementation of the recapitalisation & development programme insufficient attention was given to the cost per job created 2. The definition of the job was not clearly defined (not aligned to EPWP definition)

POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION
Proposed registration of institutional land use rights	<p>Minister set up an advisory task team to explore operationalise the registration of Institutionalised Land Use Rights (ILUR).</p> <ul style="list-style-type: none"> • Short term solution – The registration of Notarial Deeds in general terms • Medium term solution – The registration of Notarial Deeds (with diagram) • Legislative provisions for registration of Certificates of Land Use Rights <p>Draft Notarial Deed has been prepared and approved by the state attorney.</p> <p>Chapter to the Communal Land Tenure Bill has been drafted.</p>	<p>Department might not have adequate resources and skills to draft the Land Use Rights Certificates for lodgement in Deeds Registries once the CLTA has been promulgated.</p>



POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS: DEEDS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION / COMMENTS
Deeds Registries Amendment Bill, 2015	The Deeds Registries Amendment Bill will be submitted to Cabinet for approval for publication for public comments.	The current skills and competencies (including qualifications) within the Deeds Registries are inadequate to implement the proposed Bill at this point. The department is exploring a broad Institutional Transformation Programme that will include: Policy & Legislation, Change Management (culture, skills, leadership, competence), Business Process Re-engineering and the Enterprise Architecture Review.

POLICY PRIORITIES / STRATEGIC INTERVENTIONS

- PROGRESS AND LIMITATIONS: DEEDS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	LIMITATION
Realignment of Deeds Registries' Areas of Jurisdictions to Provincial Boundaries	Programme has been set up to embark on realigning the deeds areas of jurisdiction to provincial boundaries (as they are articulated in Section 103 of the Constitution). Programme planning has begun subsequent to the Minister approving the programme concept. The DG has approved the programme Business Case which justifies the scope of the programme and estimated time frames.	Successful implementation of the programme will be hindered by lack of internal capacity (HR, programme and project management). Resistance by the legal fraternity. Vryburg conveyancers have already displayed their dissatisfaction with the possible relocation of the Vryburg Deeds Registry to Mahikeng. This matter was already in court.

POLICY PRIORITIES / STRATEGIC INTERVENTIONS - PROGRESS AND LIMITATIONS

PLANNED POLICY PRIORITY / STRATEGIC INTERVENTION	PROGRESS	COMMENTS
Strategic intervention 2010 – 2014: Households producing own food	2009 to 2014: 10 268 households	The focus of the strategic interventions in the current and next financial year is aligned to the implementation of the Agri-Parks programme. Production support will be provided to the Farmer Production Support Unit (FPSU), example seeds)
Strategic intervention: from 2014: Projects implemented in rural communities to improve production, in support of improved food security	15/16 to date: 23 (target: 30)	The mobilisation and organisation of the members of the agricultural and smallholder farmers for participation in the Agri-parks are very essential for the effective participation of these organisations and individual farmers.

Review of Performance targets up to 2014/2015



Key Programmes

Land Reform

- Restitution
- Land Acquisition
- Recapitalisation & Development
- Land Tenure

Land Administration and Management

- Number of hectares State land in the former homelands surveyed
- Establishment of the Office of the Valuer General

Rural Development

- Improved access to infrastructure
- Support to Rural Enterprises
- Food Security

Poverty alleviation, unemployment reduction, skills development and job creation

- Youth recruited through Narysec
- Geomatics training
- Job Creation

Policies and legislation

- SPLUMA
- Property Valuation Act



Review of performance 2009 to March 2015

Performance Indicators	Objective	Form of Measure	Achieved
Land Claims finalised	Facilitate the restoration of land rights and alternative forms of equitable redress	Number of land claims finalised	1745 settled
			877 finalised
Land Acquisition	Promote equitable land redistribution and agricultural development by acquiring strategically located land	Number of hectares acquired	1 488 241
Recapitalisation	Provision of comprehensive farm development support to small holder farmers and land reform beneficiaries for agrarian transformation	Number of projects (farms)	1 496
Labour tenants applications finalised	Institutional arrangements for tenure and land administration to enable agrarian reform	No of applications finalised	98

Review of performance 2014

Performance Indicators	Objective	Form of Measure	Achieved
Re-opening of the land claims process	Facilitate the restoration of land rights and alternative forms of equitable redress	Process Opened and lodgement facilities availed	Lodgement process opened
			<ol style="list-style-type: none"> 1. 14 lodgement offices fully operational 2. 6 mobile offices fully operational (4 buses, 2 4x4 trucks 3. As at 19 January 2016 123, 571 claims have been lodged

Review of performance over the past five years

Performance Indicators	Objective	Form of Measure	Achieved
Capacitation of farmers	Farm development support to small holder farmers	Number of Farmers trained	2 202
Number of hectares State land in the former homelands surveyed	Compliance with GIAMA	Hectares surveyed	3 393 726.4313 hectares
State land register verified	Compliance with GIAMA	Land verified	100%
Establishment of the Office of the Valuer General	Implementation of Property valuation Act	Establishment of office and appointment of Valuer-General	VG assumed duties with effect from August
Asset Register	Compliance with GIAMA	Complete Immovable asset register	100%

Review of performance over the past five years

Performance Indicators	Objective	Measure	Achievements
Infrastructure projects facilitated	Facilitation of infrastructure development to support rural economic transformation	Number of Projects	45 847 (H/H, Socio-economic, bulk, RVCP, AVMP, Agri-Parks, Agricultural, Public & Economic)
Rural Enterprises supported	Provision of support to rural enterprises and industries in areas with economic development potential and opportunities	Number of Enterprises supported	947 (incl 92 Agricultural)
Improved food security	Poverty alleviation	Number of projects/ h/h gardens	10 268
Jobs Created	Increase job opportunities through CRDP and land reform initiatives	Number of jobs created	23 564 (18094 CRDP & 5470 LRD)

Review of performance over the past five years

Performance Indicators	Objective	Measure	Achievements
Geomatics training (scarce skills training)	Enhance service delivery & development of scarce skills	No of people trained	183
Skills Development	Reduction of unemployment	No of people trained	27 366 (CRDP only)
Youth recruited through the Narysec	Ensure skills development through CRDP and land reform initiatives	No of youth recruited	25197
SPLUMA	Facilitate integrated spatial planning & land use management	Act approval	2013
Property Valuation Act		Act approval	2014
Policies Approved	Enable implementation of programmes/interventions	No of policies approved	<ul style="list-style-type: none"> - Land Management Commission policy - Land tenure security policy for commercial farming areas - Restitution Policy



Planned Policies up to 2019



PLANNED POLICY PRIORITIES TO 2019

The following are the planned policies for the upcoming MTEF period i.e. 2016-2019

- Communal Land Tenure
- Communal Property Association
- Regulations of Land Holdings Policy
- Electronic Deeds Registration Policy
- Policy Framework for the Strengthening of Relative Rights for persons working the land
- Policy of exceptions to pre-1913 Claims and on Access to Heritage Sites and Historic Land Marks

The following are bills being processed therefore, work in progress

1. Communal Land Bill, 2015	The Bill has been submitted to the Office of the Chief State Law Advisor for a pre-certification opinion.
2. Regulation of Land Holdings Bill, 2015	<p>The Bill has been submitted to the Office of the Chief State Law Advisor for a pre-certification opinion.</p> <p>The Bill will be submitted to Cabinet for approval for publication for public comments.</p>
3. Communal Property Associations Amendment Bill, 2015	Bill is being submitted to Cabinet for approval for public comments.
4. Extension of Security of Tenure Amendment Bill, 2015	Bill has been introduced to Parliament.
5. Deeds Registries Amendment Bill, 2015	The Bill will be submitted to Cabinet for approval for publication for public comments.



LEGISLATION PROGRAMME FOR 2016/2017

Nine Bills Targeted for the Year 2016/2017

Committed Dates

1. Communal Property Association Amendment Bill [to Cabinet for Gazetting for Public Comment February 2016]
2. Deeds Registries Amendment Bill (1) [to Cabinet for Gazetting for Public Comment February 2016]
3. Communal Land Tenure Bill [to Cabinet for Gazetting for Public Comment March 2016]
4. Regulation of Agricultural Land Holdings Bill [to Cabinet for Gazetting for Public Comment March 2016]

LEGISLATION PROGRAMME FOR 2016/2017 Continued

5. Sectional Titles Amendment Bill 1[To Cabinet by May 2016]
6. Sectional Titles Amendment Bill 2 [To Cabinet by May 2016]
7. Deeds Registries Amendment Bill 1 [To Cabinet by April 2016]
8. Planning Professions Amendment Bill [To by April 2016]
9. Land Surveys Amendment Bill [To Cabinet by May 2016]

Planned interventions 2016-2019



Geospatial and cadastral services

The purpose of this programme is to provide geospatial information, cadastral surveys, deeds registration and spatial planning, as well as technical services in support of sustainable land development.

The Branch SPLUM utilizes legislation to facilitate integrated spatial planning and land use management in all provinces. This is done in order to address fragmented spatial planning and uncoordinated settlement patterns.

To deal sufficiently with incomplete and non-reformed land administration systems, the department must ensure comprehensive and integrated land administration.

DRDLR strives to construct a Cadastre modernisation programme that will result in a secure, accessible, integrated, scalable, cost effective and self-sustainable solution, that provides accurate and reliable land administration and information.

Rural Development Plans will be implemented by all districts and National Spatial Development Frameworks finalised by 2019

Rural development and Rural Economy Transformation

The purpose of Rural Development programme is to initiate, facilitate, coordinate, and act as a catalyst for the implementation of a comprehensive rural development programme leading to sustainable and vibrant rural communities.

In order to support rural economic transformation as espoused in slide 4, this programme will facilitate infrastructure development in rural areas. This will increase job opportunities and ensure skills development in line with the CRDP.

The department will provide support to rural communities in prioritised rural districts to enable them to improve their livelihoods by 2019. It will also facilitate the development of rural enterprises and industries in areas with economic development potential and opportunities.

45 Agri-parks infrastructure projects will be implemented in all districts and at least 1000 enterprises supported. 14 000 skills development opportunities 14200 job opportunities will be provided through rural development initiatives

- Market certainty and amplified support will be provided to the 250 000 small scale farmers and the establishment of 80 000 more as committed to in the MTSF.
- Enterprises developed shall be sustained and nurtured;
- Local and household food and nutrition security will be enabled and delivered through the Agri-Park institutions, particularly the Rural Urban Marketing centres.
- Jobs will be created through these enterprises sustained enterprises and effective demand and growth in the economy driven through an initial 330 000 small producers.

Rural development & Rural Economy Transformation Continued

Enterprise development will focus on supporting beneficiaries in the Agriparks Programme. This includes enterprises that surround the Farmer Production Support Units, agricultural enterprises within the identified agricultural commodities as well as the logistic development enterprises.

The Department will enter into partnership with government departments supporting enterprises as well as with the private sector. A move to enter into transversal agreement with the Department of Small Business Development is underway and the partnership will help to resolve the problem of duplication and double dipping as well as ongoing dependency on government to ensure sustainability. Meaningful contribution of the rural enterprises to the rural economy will occur if economies of scale are pursued with vigour and partnership with entities involved in enterprise development will go a long way to achieve that.

Rural enterprises still lack access to markets and more attention will be given to this area through product improvement support. The rural-urban linkages will be strengthened at the ground level to ensure that the production and processing activities of the Agri-parks have a competitive edge with the commercial farmers' products.

Land redistribution and development

One of the key drivers of land reform is restoration of land rights and alternative forms of equitable redress. The department will ensure that enabling legislation is passed as already highlighted above in order to deal with all issues pertaining to land claims and fast track this process.

The department aims to promote equitable land redistribution and agricultural development by acquiring strategically located land. The target is more than a million hectares by 2019

The Recapitalisation and Development Programme provides comprehensive farm development support to smallholder farmers and land reform beneficiaries for agrarian transformation. **Through this programme 1000 farms will be recapitalised in this MTEF period and more than 5000 farmers will be trained.**

The department aims to promote equitable land redistribution and agricultural development by acquiring strategically located land. The target is more than 2 million hectares by 2019 of which 1 million will be targeted at small producers and 200 000 hectares to farmworkers and farm dwellers over and above the 50-50 Framework Policy deliverables in collaboration with farmers and organized agriculture

Continuous completeness and accuracy of Immovable Assets Register (IAR) remains a priority for this department.

Land redistribution and development

The following implementation strategies will also be employed to improve impact and sustainability

- To effect the recapitalisation policy more on communal areas
- Pursue more labour intensive methods of projects implementation
- Use of more credible industry players in the implementation of Recapitalisation & Development
- Intensifying the approach of targeting younger farmers to ensure sustainable cadre
- Focus on succession planning

Tenure reform

Functional systems and institutional arrangements for tenure and land administration to enable agrarian reform in all provinces remains a priority for this department. The department introduced the Policy on Strengthening Relative Rights for People Working the Land in order to improve the conditions of labour tenants.

ESTA Amendment Bill is at an advanced stage towards completion, it has been taken through the Parliamentary process.

The department will assist 1310 Communal property Associations to be compliant with the CPA Act in the upcoming MTEF period and settle more than 1000 labour tenants applications

The 50-50 Framework Policy on establishing secure tenure and opportunities in the enterprise will deliver the targeted 10 for 2015/2016 and at least 15 for 2016/2017 – the DRDLR and organized agriculture are collaborating on this project pilot to 2019 as announced in the 2015 State of the Nation address by the Sate President.

Tenure reform Continued

The Extension of Security of Tenure Amendment Bill is most likely to be accented into law in this calendar year and will provide resource opportunities to extend these ostensibly “on farm” arrangements as this legislation calls for as well as off farm settlements for those choosing this option as well as for the millions who have been evicted and retrenched over the years. Types of off-farm settlements also envisaged by this legislation as well as forums to address these problems would be supported.

The development of Spatial development frameworks, Rural Development Plans in terms of SPLUMA as well as strategically allocating lands for land reforms, will all fuse into a new settlement vision and guided land use footprint

Restitution

- In response to the autonomy of the Commission , the Commission has developed a stand-alone Strategic Plan for the period 2015-2020 for submission to Parliament in March 2015. It is essential to note is that “The Autonomy programme is a process of transforming the Commission into an efficient, cost effective organisation that improves the experience of our constituents, of which becoming autonomous (“being a separate public entity”) is but one project”. This project is underway and numerous sub-projects have been completed.
- In light of recent budget cuts, the strategy and plan for the reconfiguration and restructuring of the Commission will have to be reassessed.

HR/Organisational Structure Impact

The department has a staff complement of 4635 to perform the functions and deliver services.

- 425 vacant posts have been advertised at different operational and management levels. The selection process are under way to enhance delivery of services in line with the operational plan of the department.
- The organogram is currently being reviewed and aligned to the mandate and service delivery programmes. The project will be completed at the end of the financial year (2015/2016).

People Management

- Skills : the department is currently undertaking skills audit so as to ensure availability of required skills to implement its mandate
- Effectiveness : Various standard operational procedures and business processes are being undertaken to improve organisational efficiency and effectiveness

Policy Financial Implications

COMMUNAL LAND BILL: AMENDMENT BILL 2015 ESTIMATED COSTS SUMMARY

TOTAL COST SUMMARY FOR ALL THREE PHASES 2016-2035		
Bill Item	Total Cost	Average cost per annum
Years	20	
Validate Rights	R 30,670,000,000	R 1,533,500,000
General Plans	R 14,893,000,000	R 744,650,000
Comparable redress	R 827,000,000	R 41,350,000
Acquisition of land	R 2,556,000,000	R 127,800,000
Communal Land Board	R 402,740,301	R 20,137,015
Dispute Resolution	R 334,500,000	R 16,725,000
Total Cost over ALL THREE PHASES 2016-2035		R 49,683,240,301
Average total cost PER ANNUM		R 2,484,162,015

Policy Financial Implications..Cont

COMMUNAL LAND BILL: AMENDMENT BILL 2015 ESTIMATED COSTS SUMMARY

EXCLUSIVE OF COSTS		
Bill Item	Total Cost	Average Cost per annum
Years	20	
Validate Rights ⁽¹⁾	R -	R -
General Plans ⁽²⁾	R -	R -
Comparable redress ⁽³⁾	R -	R -
Acquisition of land ⁽⁴⁾	R -	R -
Communal Land Board	R 402,740,301	R 20,137,015
Dispute Resolution ⁽⁵⁾	R -	R -
Total Cost over ALL THREE PHASES 2016-2035		R 402,740,301
Average total cost PER ANNUM		R 20,137,015

Policy Financial Implications Cont..

COMMUNITY PROPERTY ASSOCIATIONS: AMENDMENT BILL: 2015 ESTIMATED COSTS SUMMARY

TOTAL COST SUMMARY, 2016-2025

Bill Item	Labour Tenants	CPA Members	Total CPA Cost (2016-2025)	Average cost per annum
Validate Rights	R 450,000,000	R 1,699,858,800	R 2,149,858,800	R 214,985,880
Registration of land	R 73,102,000	R 276,140,200	R 349,242,200	R 34,924,220
Cost of General Plans	R 291,398,000	R 1,100,745,500	R 1,392,143,500	R 139,214,350
Cost of Registrar	R 4,649,000	R -	R 4,649,000	R 464,900
Cost of CPA-office	R 40,571,000	R 153,255,500	R 193,826,500	R 19,382,650
Total cost (2016-2025)	R 859,720,000	R 3,230,000,000	R 4,089,720,000	R 408,972,000

Policy Financial Implications..Cont

COMMUNITY PROPERTY ASSOCIATIONS: AMENDMENT BILL: 2015 ESTIMATED COSTS SUMMARY

EXCLUSION OF COST

Bill Item	Labour Tenants		CPA Members		Total CPA Cost (2016-2025)	Average cost per annum
Validate Rights ⁽¹⁾	R	-	R	-	R -	R -
Registration of land ⁽²⁾	R	-	R	-	R -	R -
Cost of General Plans (3)	R	-	R	-	R -	R -
Cost of Registrar	R	4,649,000	R	-	R 4,649,000	R 464,900
Cost of CPA-office	R	40,571,000	R	153,255,500	R 193,826,500	R 19,382,650
Total cost (2016-2025)	R	45,220,000	R	153,255,500	R 198,475,500	R 19,847,550



Policy Financial Implications..Cont

REGULATION OF LAND HOLDING BILL: ESTIMATED COSTS SUMMARY

TOTAL COST SUMMARY

PLANNED SCENARIO AT 50 KM RADIUS PER NODE	TOTAL COST - RAND	AVERAGE ANNUAL COST OVER 20 YEARS - RAND
ESTABLISHMENT OF THE LAND COMMISSION	1 223 360 677	61 168 034
The Commission	305 753 120	15 287 656
Establishing the Commission's Administration	917 607 557	45 880 378
DISCLOSURE	28 167 000	1 408 350
Registration of Disclosures	-999 750	-49 988
Investigations and Assessments - Private and Foreign Land Holdings	8 046 000	402 300
Determination of Land to be Disposed	21 120 750	1 056 038



Policy Financial Implications..Cont

REGULATION OF LAND HOLDING BILL: ESTIMATED COSTS SUMMARY

TOTAL COST SUMMARY

PLANNED SCENARIO AT 50 KM RADIUS PER NODE	TOTAL COST - RAND	AVERAGE ANNUAL COST OVER 20 YEARS - RAND
ESTABLISHMENT OF THE LAND COMMISSION		
DISPOSAL OF LAND	17 679 976 409	883 998 820
Transfers of Land - Private and Foreign Land Holdings	16 206 608 729	810 330 436
Financial charges on land holdings - 10%	1 473 367 681	73 668 384
Farmer Support Programmes	2 681 112 067	134 055 603
MONITORING AND EVALUATION	163 333 800	8 166 690
GRAND TOTAL COST ALL TRANSACTIONS	21 775 949 953	1 088 797 498



Policy Financial Implications..Cont

REGULATION OF LAND HOLDING BILL: ESTIMATED COSTS SUMMARY

EXCLUSIONS OF COSTS

PLANNED SCENARIO AT 50 KM RADIUS PER NODE	TOTAL COST - RAND	AVERAGE COST OVER 20 YEARS - RAND
ESTABLISHMENT OF THE LAND COMMISSION	1 100 044 624	55 002 231
The Commission	305 753 120	15 287 656
Establishing the Commission's Administration	794 291 504	39 714 575
DISCLOSURE	21 120 750	1 056 038
Registration of Disclosures	0	0
Investigations and Assessments - Private and Foreign Land Holdings	0	0
Determination of Land to be Disposed	21 120 750	1 056 038



Policy Financial Implications..Cont

REGULATION OF LAND HOLDING BILL: ESTIMATED COSTS SUMMARY

EXCLUSIONS OF COSTS

PLANNED SCENARIO AT 50 KM RADIUS PER NODE	TOTAL COST - RAND	AVERAGE COST OVER 20 YEARS - RAND
ESTABLISHMENT OF THE LAND COMMISSION		
DISPOSAL OF LAND	17 679 976 409	883 998 820
Transfers of Land - Private and Foreign Land Holdings	16 206 608 729	810 330 436
Financial charges on land holdings - 10%	1 473 367 681	73 668 384
Farmer Support Programmes	0	0
MONITORING AND EVALUATION	0	0
GRAND TOTAL COST ALL TRANSACTIONS	18 801 141 783	940.7 089

Policy Financial Implications..Cont

SUMMARY OF ALL THREE BILLS

Grand total

Bill Item	Total Cost	Average cost per annum
COMMUNAL LAND BILL Total Cost over ALL THREE PHASES 2016-2035	49 683 240 301	2 484 162 015
COMMUNITY PROPERTY ASSOCIATIONS Total cost (2016-2025)	4 089 720 000	408 972 000
REGULATION OF LAND HOLDING BILL GRAND TOTAL COST ALL TRANSACTIONS	21 775 949 953	1 088 797 498
GRAND TOTAL ALL THREE BILLS	75 548 910 254	3 981 931 513



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Policy Financial Implications...Cont

SUMMARY OF ALL THREE BILLS

Grant total with exclusions

Bill Item	Total Cost	Average cost per annum
COMMUNAL LAND BILL Total Cost over ALL THREE PHASES 2016-2035	402 740 301	20 137 015
COMMUNITY PROPERTY ASSOCIATIONS Total cost (2016-2025)	198 475 500	19 847 550
REGULATION OF LAND HOLDING BILL GRAND TOTAL COST ALL TRANSACTIONS	18 801 141 783	940 057 089
GRAND TOTAL ALL THREE BILLS	19 402 357 584	980 041 654



Financial Impact on Establishment

Due to economic climate in the Country the Department has been required by National Treasury to reduce its COE, below is the COE deficit for each financial year totalling to R1, 042, 720.85 for the MTEF.

Establishment	No of posts	2016/17	2017/18	2018/19
		R'000	R'000	R'000
Filled	4,237	2,002,550	2,198,800	2,413,732
Vacant posts	485	243,023	259,549	242,147
Permanent additional posts	225	85,175	93,522	102,688
Contracts	358	47,607	49,818	17,642
Total		2,378,355	2,601,689	2,776,209
2016 MTEF COE Baseline		2,142,593	2,218,992	2,351,947
Surplus/deficit		-235,762.26	-382,696.74	-424,261.85

THANK YOU



rural development
& land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA