



rural development & land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA

MEDIA STATEMENT

MINISTER NKWINTI TABLES R10-BILLION BUDGET TO TRANSFORM RURAL ECONOMIES AAND SPED UP LAND REFORM

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Rural Development and Land Reform Minister Gugile Nkwinti tabled this week a R10-billion budget before parliament; which will add stimulus to rural economic transformation.

The mandate of Department of Rural Development and Land Reform (DRDLR) includes creating sustainable rural communities across the country through its Comprehensive Rural Development Programme.

The Department has identified social categories for prioritisation in land distribution and redistribution: women, youth, agricultural graduates, military veterans, people with disability, farm dwellers and labour tenants. A total of R140 million will be utilised in this regard in the new financial year.

Half-a-billion rands has been set aside for rolling out land reform programme on transforming land ownership patterns - Strengthening of Relative Rights (SRR) of People Working the Land (50/50 Policy Framework).

At the budget vote debate on Tuesday, Minister Nkwinti praised the partnership between his department and the National Empowerment Fund (NEF) for laying a strong foundation for the advancement of the 50/50 land reform model.

Delivering his 2016/17 budget vote speech the minister said the model opens a new and exciting front in the land redistribution program and black economic empowerment (BEE).

Established last year, the partnership is directed towards empowerment of farm workers through a model that positions workers to become part owners in agricultural operations alongside the existing farm owners. The initiative sprung out of a new policy approach called Strengthening the Relative Rights of People Working The Land and widely known as the 50/50 land reform model. Twenty-seven proposals had been received from commercial farmers, and four were being implemented in the Eastern Cape and the Free State, said the minister.

The Department is rolling out the "One Household, One Hectare" programme with an aim to eradicate poverty and create a class of black smallholder farmers, producers and agro-manufacturers. It is targeting particularly state-owned and what could at best be described as traditional communal land.

The "One Household, One Hectare" initiative will be rolled out and aligned to the Agri-Parks development programme; thus, providing the participant households with a solid outlet for marketing their produce.

Initially, each one of the 44 Agri-park Districts will have 5 x One Household One Hectare Sites. This will amount to 220 Sites in the 2016/17 financial year. A minimum of 50 Households will participate in each Site. This will therefore touch the livelihoods of over 10 500 rural households. The department has set aside R100m for the initial year of implementation through its Recapitalization and Development Budget.

We are moving to the next phase of implementation of the Agri-Parks Programme across 44 district municipalities for food production, design and construction of new infrastructure. R2 billion has been set aside for this purpose for the new financial year.

In accelerating the pace of land reform we are allocating land to smallholder farmers and providing protection to vulnerable communities, including farm labourers and people working on farms. In this regard, an amount of R89 million has been allocated for providing legal and mediation support for land reform beneficiaries to promote security of tenure. An amount of R791 million has been set aside in this financial year for land acquisition in line with this objective.

The Department continues with the implementation of SPLUMA by providing support to rural Municipalities. Cabinet has, however, taken a decision to place the management of this Act in the Presidency. Transfer modalities are under way.

During this financial year, the Department will recruit 2 700 NARYSEC and 500 Interns in the new financial year. In respect of the internship programme, an amount of R21.7 million has been allocated and in respect of the NARYSEC programme, an amount of R337 million has been set aside.

The model is implemented by financing the communities to acquire meaningful equity in farms in an arrangement that is designed to facilitate skills transfer from old farm owners to the new worker/owner structure. The initiative also contributes towards the much needed social cohesion in rural communities.

According to the Minister support will be provided to communities as well to engage in food production and subsistence farming to promote food security. The National Development Plan (NDP) proposes a multifaceted approach: creating more jobs through agricultural development, based on effective land reform and the growth of irrigated agriculture and land production.

Vision 2030 of the National Development Plan (NDP) calls for an inclusive rural economy where rural communities participate fully in the economic, social and political life of the country.

People should have access to high-quality basic services that enable them to be well nourished, healthy and increasingly skilled.

Rural economies will be supported by agriculture, and where possible by mining, tourism, agro-processing and fisheries better integration of the country's rural areas, achieved through successful land reform, job creation and poverty alleviation.

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