

Report of the Portfolio Committee on Rural Development and Land Reform on Budget Vote 39: Rural Development and Land Reform, dated 20 April 2016

The Portfolio Committee on Rural Development and Land Reform, having considered the Strategic Plans (2015 – 2020), the 2016/17 Annual Performance Plans, and budget allocations for the Department of Rural Development and Land Reform, the Commission on Restitution of Land Rights and the Ingonyama Trust Board, reports as follows:

1. Introduction

This report accounts for the work done by the Portfolio Committee on Rural Development and Land Reform, hereinafter referred to as the Committee, during consideration of the strategic plans and budget allocations of the Department of Rural Development and Land Reform (the DRDLR), the Commission on Restitution of Land Rights (the CRLR), and the Ingonyama Trust Board (ITB). Analysis draws on a range of sources such as the 2015 and 2016 State of the Nation Address (SONA) by the President, the National Development Plan (NDP), the New Growth Path (NGP) and the Estimates of National Expenditures (ENE) by the National Treasury, the 2016 Budget Speech by the Minister of Finance, and the Committee’s Budget Review Recommendations Reports (BRRR). Processes to consider the strategic and annual performance plans in conjunction with budget allocations entailed engagement with various government entities as outlined in the Table 1 below.

Table 1: List of stakeholders consulted during the process of consideration of the Budget

Date	Entity	Key focus
05/04/2016	National Treasury	Expenditure trends over the last five years and responses to previous BRRR of the Committee
	HSRC	Analysis of the rural development and land reform budget against the national priorities and critical reflection on the impact of expenditures.
06/04/2016	AGSA	Previous audit findings and extent to which government has responded to the recommendations.
	DPME	Performance report against Outcome 7 and MPAT report.
	CRLR	Strategic Priorities and Annual Performance Plans. Further,

	ITB	present budget allocation and implications to service delivery for the 2016/17 financial year and over the medium-term.
07/04/2016	DRDLR	

Such process enabled the Committee to assess the extent to which the medium-term plans of the Department and entities addressed key challenges expressively highlighted through contextual scan of the environment within which they operated; and whether allocations of budget have taken into consideration the priorities set out in the NDP, Medium-Term Strategic Framework (MTSF) and the 2016 SONA. Against this backdrop, this report proceeds as follows: It presents an overview of the strategic plans and budgets of the Department and its entities. It further documents key observations and conclusions drawn on the Committee’s deliberations. It concludes with recommendations to the Minister of Rural Development and Land Reform for consideration by the National Assembly.

2. The Department of Rural Development and Land Reform

The mandate of the Department, as articulated in the Strategic Plan 2015-2020 of the Department is to create and maintain an equitable and sustainable land dispensation; and acting as a coordinator and catalyst in rural development to ensure sustainable rural livelihoods, decent work and continued social and economic advancement of all South Africans. Its vision is to ensure attainment “vibrant, equitable and sustainable rural communities”, and its mission is to initiate, facilitate, coordinate, catalyse and implement an integrated rural development program. The vision and mission of the Department is underpinned by agrarian transformation as a strategy. Agrarian transformation is understood to mean “a rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, cropping and community”.

2.1 Strategic context, goals and the key priorities for the 2016 financial year.

The Strategic Plan (2015-2020) proposes concrete plans and steps to address marginalisation of the poor, especially those living in the rural areas. Such marginalisation results from the legacy of apartheid’s spatial design which excluded blacks from the mainstream of the economy, unequal land ownership patterns, underutilisation and unsustainable use of natural resources, weak coordination of planning and implementation of rural development programmes, and

inability of rural areas to attract sustainable enterprises and industries. Agrarian Transformation System, eloquently espoused in the Green Paper on Land Reform (2011) comprehensively integrates land reform and rural development. Such a system is aimed at ensuring transformation of rural economy in line with Chapter 6 of the National Development Plan titled “An Integrated and Inclusive Rural Economy”. It aims for integrated rural areas where residents will be economically active, have food security, access to basic services, health-care and quality education. It further acknowledges the potential to create 300 000 jobs in different farming levels. The Agrarian Transformation System, as a strategy for transformation of rural economy, involves the following development measurable: Phase 1: Meeting basic human needs; Phase 2: Rural enterprise development; Phase 3: Agro-village industries, sustained by credit facilities and value-chain markets; and Phase 4: Improved land tenure.

The MTSF 2014-2019 sets out the following priorities: increase the percentage of productive land owned by previously disadvantaged individuals from 11.5 per cent in 2013 to 20 per cent by 2019 (or 16.2 million hectares); reduce the percentage of households who are vulnerable to hunger from 11.4 per cent in 2013 to less than 9.5 per cent; reduce the percentage of the population living below the lower bound poverty line (R443 in 2011 prices) from 32.3 per cent to below 22 per cent; and reduce rural unemployment from the current 49 per cent to less than 40 per cent.

The operations of the DRDLR in this financial year, and over the MTSF period, takes place within the context of drought and its impact on rural livelihoods, especially scarcity for water for both domestic use and agricultural purposes. Comprehensive relief programme entail integrated support from a range of government and non-government departments. Most of the affected provinces are mostly rural. The Committee noted that by February 2016, the DRDLR had already approved an expenditure of R460 million toward drought relief. With the budget that is already constrained due to the current economic climate, the Committee recommended that it was vitally important for the DRDLR, together with the CRLR to ensure that there was a balance, whilst not neglecting the constitutional mandate to settle land claims and to ensure equitable land redistribution.

In view of the MTSF priorities, the Department identified the seven MTSF priority areas that are linked to the NDP policy imperatives, namely:

- Improved land administration and spatial planning for integrated development with a bias towards rural areas;
- Up-scaled rural development as a result of coordinated and integrated planning, resource allocation and implementation by all stakeholders;
- Sustainable land reform;
- Improved food security;
- Smallholder farmer development and support for agrarian transformation;
- Increased access to quality basic infrastructure and services, particularly in education, healthcare and public transport in rural areas; and
- Growth of sustainable rural enterprises and industries characterised by strong rural-urban linkages, increased investment in agro-processing, trade development and access to markets and financial services resulting in rural job creation.

Table 2: Strategic outcome oriented goals

Strategic Goal	Strategic Goal Statement
- Corporate governance and service excellence	- Foster corporate governance and service excellence through compliance with the legal framework
- Improved land administration for integrated and sustainable growth and development	- Improve land administration and spatial planning for integrated sustainable growth and development with a bias towards rural areas
- Promote equitable access to and sustainable use of land for development	- An inclusive and equitable land dispensation with transformed patterns of land tenure and use
- Promote sustainable rural livelihoods	- Improve rural livelihoods as a result of capabilities, income and job opportunities provided
- Improved access to services	- Improve access to services in rural areas through the coordinated of quality infrastructure
- Sustainable rural enterprise and	

industries	- Promote economically, socially, and environmentally viable rural enterprises and industries
- Restoration of Land Rights	- Restoration of Land Rights in terms of the Restitution of Land Rights Act, as amended.

Source: Strategic Plan of the DRDLR (2015-2020)

Whilst Table 2 above illustrates the strategic goals; Table 3 below illustrates strategic objectives according to the five main programmes (Programme 1 to 5). The Committee observed that the strategic objectives of the Department largely remained unchanged. However, it commended the DRDLR for inclusion of performance indicators related to tenure security on farms and support to communal property institutes. Further, the current strategic plan and the APP provide limited scope for reporting on tenure reform in communal areas (i.e. enforcement of the Interim Protection of Informal Land Rights Act). Nonetheless, the Committee welcomed plans to finalise tenure rights policies and legislation for both communal land and commercial farming areas. It also called for dialogue on communal land policy so that this could be addressed together with stakeholders.

Table 3: Strategic objectives of the Department of Rural Development and Land Reform

Programme	Strategic Objective
1. Administration	<ul style="list-style-type: none"> - Compliance with all public sector legal prescripts - Unqualified regularity audit opinion - Skills development for improved service delivery
2. National Geomatics Management Services	<ul style="list-style-type: none"> - Improved spatial planning - Integrated and comprehensive land administration system
3. Rural development	<ul style="list-style-type: none"> - Job creation and skills development in rural areas - Quality infrastructure provided - Functional and institutional arrangements - Facilitate the establishment of rural enterprises and industries
4. Restitution	<ul style="list-style-type: none"> - Land Rights restored - Redress land rights lost after 1913
5. Land Reform	<ul style="list-style-type: none"> - Strategically located land acquired - Support to rural communities to produce their own food - Farm development support provided to smallholder farmers

Source: Strategic Plan of the DRDLR (2015-2020)

The Committee also noted that the mandate of the Department has expanded tremendously since the establishment of the Department, especially an inclusion of the rural development component of it. Against this backdrop, Table 4 below illustrates the priority projects for the 2016/17 financial year and key performance areas to receive attention. Realignment of organisational structure is central to building an effective organisation to drive the mandate.

Table 4: Priorities and key focus performance indicators for 2016/17

Priorities	Focal Key Performance Areas
<ul style="list-style-type: none"> – Agri-Parks – Revitalisation of the Agriculture and Agro-processing Value-Chain (RAAVC) 	<ul style="list-style-type: none"> – Roll-out of the Agri-Parks Programme across 44 District Municipalities for food production, design and construction of new infrastructure
<ul style="list-style-type: none"> – Accelerate the pace of land reform and protection of vulnerable communities – One household, one hectare programme 	<ul style="list-style-type: none"> – Scaling up implementation of the programme on Strengthening of Relative Rights of People working the Land (50/50 policy) – Speed up processing of Labour Tenants applications, especially Mpumalanga and KwaZulu-Natal – Acquisition and allocation of land to smallholder farmers
<ul style="list-style-type: none"> – Realignment of the organisational structure to ensure effective and efficient service delivery 	

Source: Strategic Plan of the DRDLR (2015-2020)

Over the MTSF, other priorities of the Department include: recapitalisation and development of redistributed farms; socio-economic and River Valley Catalytic Programme together with the Animal and Veld Management programme; lodgement of land claims, National Rural Youth Service Corps; Security of Tenure; and coordination of the work for the South African Geomatics Council.

Appraisal of the strategic objectives, illustrated in Table 2 as well as priorities in Table 4, demonstrate the manner in which the programmes of the DRDLR have been aligned to the NDP priorities as outlined through the MTSF of government. It further demonstrates an alignment of

the plans to relevant MTSF priorities and Outcome 7 of the 14 Outcomes of government. Section 3 of this report will demonstrate how each programme contributes to the priorities set out in Table 3 above.

2.2 Priority legislation and policies to be developed over the medium-term

Ongoing policy development work resulting from public consultations pursuant to the publication of the Green Paper on Land Reform in 2011 led to development and amendment of a number of pieces of legislation. For the 2016/17 financial year, the Department has planned to process the following pieces of legislation:

- 2.2.1 *Regulation of Agricultural Land Holding Bill, 2016*: This Bill seeks provide for regulation of communal land, disclosure by landowners of their nationality, race and gender; the circumstances under which foreign persons may own and/or have access to land; the establishment and maintenance of a register of land ownership; the submission of information on public land; the establishment and composition of the Land Commission; and the resolution of disputes over situations in which two or more title deeds have been issued in respect of the same parcel of land. At the time of the briefing session, the Bill had been submitted to the Office of the Chief State Law Advisor for a pre-certification opinion.
- 2.2.2 *Communal Property Association Amendment Bill, 2016*: This Bill seeks to amend the Communal Property Associations Act (1996) so as to redefine the kind of communities and persons to whom the provisions of the Act apply. It is further intended to clearly define the nature and substance of the report on communal property associations that has to be tabled in Parliament. The Department reported that Bill was going to serve before the Cabinet Committee in April 2016.
- 2.2.3 *Deeds Registries First Amendment Bill, 2016 and the Deeds Registries Second Amendment Bill, 2016*. The Bills were at various stages, the First bill had been submitted to the Office of the Chief State Law Advisor for a pre-certification opinion; and the Second Bill had been published for public comment on 9 March 2016 for a period of 30 days.

- 2.2.4 *Communal Land Bill, 2016*: The Bill provide for the regulation of communal land; legal security of tenure by transferring communal land, including KZN Ingonyama land, to communities and members of communities; the administration of communal land by communities; communal land administration committees and households forums; land rights enquiries; establishment of the Communal Land Board; and amendment and repeal of certain laws. At the time of the briefing session, the Bill had been submitted to the Office of the Chief State Law Advisor for a pre-certification opinion.
- 2.2.5 *Sectional Titles First Amendment Bill, 2016 and Sectional Titles Second Amendment Bill, 2016*. At the time of the briefing session, the Bill had been submitted to the Office of the Chief State Law Advisor for a pre-certification opinion.
- 2.2.6 *Planning Profession Amendment Bill, 2016*. The Bill was still at a drafting stage, and there were no target dates for completion of the drafting.
- 2.2.7 *Land Survey Amendment Bill, 2016*. The Bill was still at a drafting stage, and there were no target dates for completion of the drafting.

The Committee also noted that over the last five years, the Department had completed a number of policies which culminated in drafting of different bills. For example, the Communal Land Bill, Communal Property Associations Policy, Regulations of Landholding Bill, and Electronic Deeds Policy. However, the Committee expressed concerns that of the five planned Bills meant to be tabled in Parliament, only 1 was tabled, that is the Extension of Security of Tenure Amendment Act. In 2016/17, the Department increased the Bills to nine (9).

The Committee also expressed concerns over lack of finalization of policies and sometimes the contradictions of policy making in the Department. For example, the Department had been piloting the ‘50/50’ policy, starting with 10 sites in 2016/17 and it planned to scale up implementation of the programme to 20 in 2019, yet the Policy Framework was still being developed. Having noted the planned policies as demonstrated in Table 5, the Committee resolved that it should create opportunities for thorough policy engagement, especially policies previously planned for 2015/16, in order to ascertain progress made. It would also seek to gain insights into plans put in place to address the capacity constraints in policy development. Further, it noted that the Policy on Exceptions to the 1913 cut-off date was long overdue, and urged the Department and the Commission to finalise the policy. Similarly, the policy on access to

Historical Land Marks and Heritage Sites as pronounced by the President during the SONA of 2012.

Table 5: Planned Policies over the MTEF period

2015/16	2016/17	2017/18
Policy on Rural Enterprises and Industry Development	Exceptions on the June 1913 cut-off date of the Restitution of Land Rights	Rural Settlements Operations Policy
Policy on Strengthening of Relative Rights for People Working the land	National Land Tenure Policy: Responses to historically racial based social and economic disparate space	Policy on Rural Development Agency
Policy on a Rural Development Investment and Finance Facility	Policy on access to historical land marks and heritage sites on private land	
Electronic Deeds Registration Policy		
Policy reviews: RADP, PLAS, Farm Share Equity Schemes		

Source: DRDLR (2015)

Having considered the number of pieces of legislation to be processed and the various stages. The Committee expressed its dismay in relation to failure of the Department to table legislation as planned for 2015/16. Further, it noted that for 2016/17, the Department has not put specific deadlines for tabling of legislation in Parliament citing lack of control of Cabinet processes. The Committee expressed concerns due to the fact this renders the oversight function and accountability by the Executive difficult as there would be no obligations for tabling in Parliament within particular timeframes. The Committee urged the Department to document a plan for submission to the Committee in order to enhance its oversight on policy making processes within the Department.

3. Overview of the 2016/17 Budget and MTEF estimates

The total budget allocation for the Department, over the MTEF period, is R31.7 billion. The largest share of the budget goes to Restitution in order upscale the settlement and finalisation of land claims. In 2016/17 financial year, the Department received R10.1 billion (1.4 per cent of the total appropriation for government) departments increasing at an average growth rate of 6.5 per cent in nominal terms to R11.1 billion in 2018/19.

Table 6: Programme Appropriations from 2015/16 to 2016/17

Programme R million	Budget		Nominal Rand Change	Real Rand Change	Nominal % change 2016/17	Real % change 2016/17
	2015/16	2016/17				
Administration	1 314.9	1 462.1	147.2	56.7	11.19 %	4.31 %
Geospatial & Cadastral Services	748.1	817.9	69.8	19.2	9.33 %	2.56 %
Rural Development	1 984.6	1 914.4	- 70.2	- 188.7	-3.54 %	-9.51 %
Restitution	2 602.7	3 168.2	565.5	369.3	21.73%	14.19 %
Land Reform	2 537.1	2 761.8	224.7	53.7	8.86%	2.12 %
Total	9 187.4	10 124.4	937.0	310.2	10.2	3.38 %

Source: Based on National Treasury (2016), Estimates of National Expenditure, Vote 39

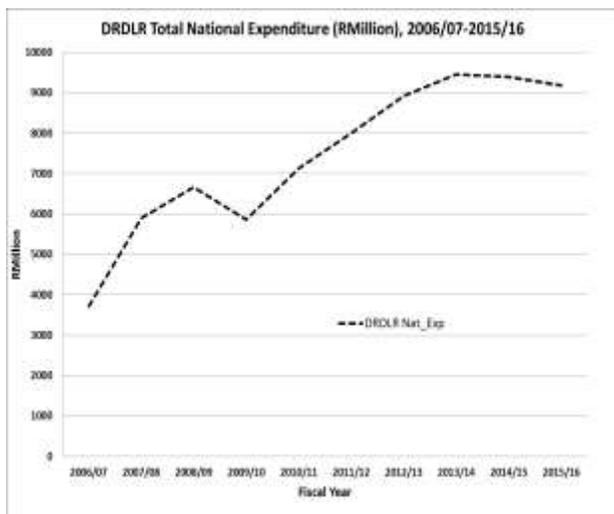
As illustrated in Table 6 above, in the 2016/17 financial year, the Department received a 10.2 per cent nominal increase in budget allocation, from adjusted allocation of R9.2 billion in 2015/16 to R10.1 billion in 2016/17. In real terms, this amounts to 3.38 per cent.

Whilst the national spending of the Department has been on the rise over the last ten years (from R3.8 billion to just over R 9 billion in 2015/16), Figure 1 and 2 below, based on HSRC's analysis and presentation to the Committee, shows that the expenditure of the Department, as a share of the total national spending has been in decline in the last decade. This begs the question

of rural development and land reform as a priority of government, and a commitment to address and reverse the challenges of poverty, unemployment and inequality in the rural areas.

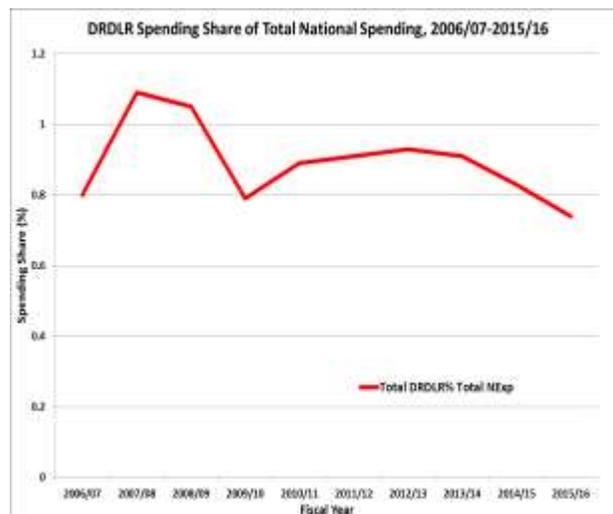
Both Figure 1 and Figure 2 below raise important questions relating the land reform and rural development as national priorities and their strategic role to creation of jobs, fighting unemployment and reducing inequalities in South Africa. In terms of the NDP priorities, to bring all land reform farms in full production and creation of 1 million jobs. The Committee expressed concern over the decline in spending as a percentage share of the total national spending between 2006/07 and 2015/16.

Figure 1: DRDLR National Expenditure, 2006/07 - 2015/16



Source: HSRC (2016) Presentation to the Committee, 05/04/2016

Figure 2: DRDLR spending share (%) of Total National spending, 2006/07 - 2015/16

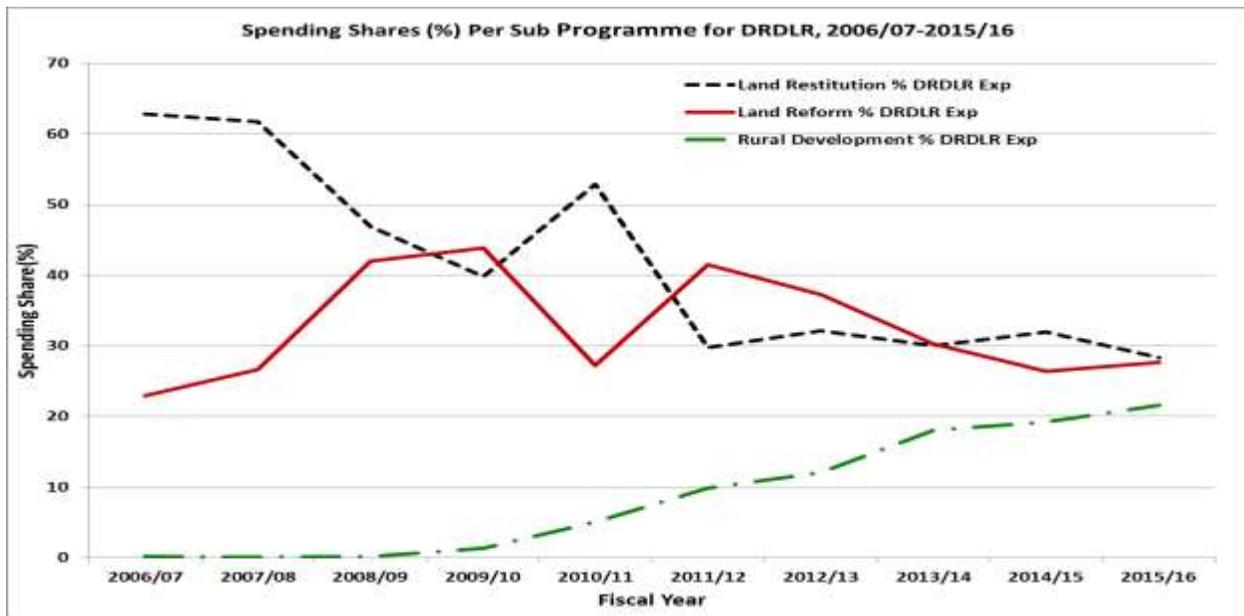


Source: HSRC (2016) Presentation to the Committee, 05/04/2016

To add, Figure 3 below further raises important aspect relating budget and expenditure vis-à-vis priorities. It demonstrate the declining expenditure of restitution and land reform as a share of the total programmes of the DRDLR, and increasing expenditure in terms of rural development. Having noted this expenditure pattern and trend, the Committee expressed concerns in relation to the extent to which the budget for land reform and restitution or rather the expenditure to date was adequate to fast-track the pace of land redistribution in order to reverse the legacy of the 1913 Natives Land Act. It noted that in terms of yearly budget allocations for the department,

there has been an increase in allocation as indicated in figure 1. But in actual fact, as a percentage of the rest of government, the expenditure has declined. This picture points to a need to rethink funding for rural development and land reform in general in order to ensure that the NDP targets related to jobs in agriculture, revitalisation of land reform farms as well as productivity of such farms could be attained.

Figure 3: Spending share (5) per sub-programme (2006/07 – 2015/16)



Source: HSRC (2016) Presentation to the Committee, 05/04/2016

3.1 Overview of budget allocation for the DRDLR according to the programmes

The following sub-sections presents the analysis of budget and resource allocation, performance and expenditure trends. It presents all programmes except Programme 4 (Restitution), which is presented in the next section as part of the Commission on Restitution of Land Rights.

(a) Programme 1 - Administration

This programme provides leadership, management and support services to the entire Department. It consist of the following sub-programmes: Ministry, Management, Internal Audit, Corporate Services, Financial Services, Provincial Coordination, and Office Accommodation. Budget allocation for this programme has nominally increased by 10.4 per cent from R1 314.3 billion in 2015/16 to R1 462.1 billion in this financial year (*viz.* 15 per cent of the entire budget Department). This represents a 3.5 per cent in real terms. With the exception of Ministry and Internal Audit, all the sub-programmes have received substantive increases in nominal terms. For example, financial services and office accommodation increased from R183 million in 2015/16 to R227 million in 2016/17 and R191m to R255m respectively.

Table 7: Programme 1 appropriations from 2015/16 to 2016/17

Sub- Programme	Budget		Nominal change 2016/17	Real change 2016/17	Nominal % change 2016/17	Real % change 2016/17
	2015/16	2016/17				
R million						
Ministry	41.0	38.6	- 2.4	- 4.8	-5.85 %	-11.68 %
Management	151.5	153.3	1.8	- 7.7	1.19 %	-5.08 %
Internal Audit	51.8	47.8	- 4.0	- 7.0	-7.72 %	-13.44 %
Corporate Services	387.6	406.0	18.4	- 6.7	4.75 %	-1.74 %
Financial Services	183.4	227.2	43.8	29.7	23.88 %	16.21 %
Provincial Coordination	318.5	334.1	15.6	- 5.1	4.90 %	-1.60 %
Office Accommodation	191.1	255.1	64.0	48.2	33.49%	25.23 %
Total	1 324.9	1 462.1	137.2	46.7	10.4 %	3.5 %

Source: National Treasury (2016) - Vote 39

The Committee noted a R48 million reduction of the COE over the MTEF. The committee was further concerned that this could affect service delivery due to lack of human capacity. The trend observed was that the Department had struggled to fill in a number of vacancies, hence in previous BRRR it was reported that it could not meet the acceptable vacancy rate of 10per cent. The Committee suggested that the Department should effectively implement its vacancy management plan in order to ensure that critical programmes, especially the constitutional imperatives do not suffer due to the reduction. The Committee noted improvements resulting from effective internal audit as reported by the Auditor-General of South Africa. Although the Committee noted a nominal decrease for Internal Audit, it urged that such services should not be compromised too in order to avoid the Department regressing in the audit outcomes for the 2016/17 financial year.

(b) Programme 2 - Geospatial and Cadastral Services

This programme provides geospatial information, cadastral surveys, deeds registration, spatial planning information and other technical services in support of sustainable land development. The work is carried out under five sub-programmes; namely, National Geomatics Management Services, Spatial Planning and Land Use Management, Registration of Deeds Trading Account, South African Council of Planners, and e-Cadastre.

Table 8: Programme 2 Appropriations from 2015/16 to 2016/17

Programme R million	Budget		Nominal Change 2016/17	Real Change 2016/17	Nominal % change 2016/17	Real % change 2016/17
	2015/16	2016/17				
National Geomatics Management Service	513.2	565.0	51.8	16.8	10.09 %	3.28 %
Spatial Planning and Land Use Management	211.8	177.9	- 33.8	- 44.8	-15.97 %	-21.17 %
Registration of Deeds Trading Account	15.9	67.6	51.7	47.5	325.16 %	298.83 %
South African Council of Planners	3.2	3.3	0.1	- 0.1	3.12 %	-3.26 %
South African Geomatics Council	4.0	4.0	0.0	- 0.2	0.00 %	-6.19 %
Total	748.1	817.8	69.8	19.2	9.3 %	2.6 %

As illustrated in Table 8, the budget allocation for this Programme increased from adjusted R748 million in 2015/16 to R817.8 million in 2016/17 (a nominal increase of 9.3 per cent). An increase of allocation for the Registration of Deeds Trading Account accounts for the budget increase. Considering the significance of implementation of SPLUMA, the committee expressed concern regarding a decrease in the allocations for this area of work, especially where is a need to support many rural municipalities that lack capacity in spatial and development planning. Further, there has been an increase illegal occupation of land in communal areas. Capacity of municipality to develop inclusive spatial development plans could assist to resolve this challenge.

(c) Programme 3 - Rural Development

The purpose of this programme is to initiate, facilitate and coordinate and catalyse the implementation of the Comprehensive Rural Development Programme that leads to sustainable and vibrant rural communities. It operates through three sub-programmes; namely, rural infrastructure development (RID), Rural Enterprise and Industrial Development (REID), and National Rural Youth Service Corps (NARYSEC). Among the top priorities, the Department has planned to support rural communities by supporting development of 12000 rural livelihoods by 2020; in addition, development of 1300 sustainable rural enterprises and industries, creation of 17157 job opportunities through CRDP and provision of 23700 training opportunities to youth by 2020.

Table 9: Programme 3 appropriations from 2015/16 to 2016/17

Sub-Programme	Budget		Nominal change 2016/17	Real change 2016/17	Nominal % change 2016/17	Real % change 2016/17
	2015/16	2016/17				
R million						
Rural Infrastructure Development	926.7	906.5	- 20.2	- 76.3	-2.18 %	-8.24 %
Rural Enterprise and Industrial Development	725.9	581.8	- 144.1	- 180.1	-19.85 %	-24.81 %
National Rural Youth Service Corps	331.9	425.9	94.0	67.6	28.32 %	20.38 %
TOTAL	1 984.5	1 914.2	- 70.3	- 188.8	-3.5 %	-9.51 %

Source: National Treasury (2016) - Vote 39

Two critical interventions under this programme are Agri-parks and ‘One household-One hectare’. These are expected to contribute to outcome 7, especially in terms creation of 1 million jobs in rural economies, food security and improved rural livelihoods.

For the 2016/17 financial year, the total appropriated funds for this programme is R1.914, representing a 3.5 per cent decrease in real terms when compared to allocation of R1 984 for 2015/16. A decrease in allocation for Rural Infrastructure Development (RID) and Rural Enterprises and Industrial Development (REID) by 8.24 per cent and 24.8 respectively. The Committee expressed concerns regarding this reduction because of the enormity of the rural development work as well as the challenges related to coordination of interventions by other

government agencies. An increase in the allocation for the NARYSEC was welcome. However, the Committee noted the challenges related to management of the programme and delays with regard to issuing of accredited certificates to graduates of the programme. The committee reiterated that this matter should receive utmost attention to address youth skills deficit and ultimately the challenge of unemployment.

(d) Programme 5 - Land Reform

This purpose of this programme is to initiate sustainable land reform programmes in South Africa. It operates through four sub-programmes; namely, land redistribution and development national office, land redistribution and development provincial offices, land redistribution and development grants, and land tenure and administration.

Table 10: Programme 5 appropriations from 2015/16 to 2016/17

Sub-Programme	Budget		Nominal change 2016/17	Real change 2016/17	Nominal change 2016/17	Real change 2016/17
	2015/16	2016/17				
R million						
Land Reform National Office	166.2	242.7	76.5	61.5	46.03 %	36.99 %
Land Ref. Provincial Office	480.5	451.8	- 28.7	- 56.7	-5.97 %	-11.79 %
Land Reform Grants	524.9	539.4	14.5	- 18.9	2.76 %	-3.60 %
Ingonyama Trust Board	18.0	18.8	0.8	- 0.4	4.44 %	-2.02 %
Agricultural Land Holding Office of the Valuer-General	1 342.0	1 502.1	160.1	67.1	11.93 %	5.00 %
	5.5	7.0	1.5	1.1	27.27 %	19.39 %
Total	2 537.1	2 761.8	224.7	53.7	8.9 %	2.12 %

Source: National Treasury (2016) - Vote 39

As indicated in Table 10 budget allocation for the Land Reform Programme has increased from adjusted allocation of R2.537 billion in 2015/16 to R2.762 billion in 2016/17, which is an increase of 8.86 per cent in nominal terms or 2.12 per cent in real terms. The budget for the programme is expected to increase at a nominal annual average growth rate of 6.6 per cent over the medium term. The budget allocation for all sub-programmes has increased in nominal terms with the exception of Land Reform Provincial Office Sub-programme, which has decreased by

5.97 per cent in 2016/17 compared to 2015/16. Although these offices implements land reform programmes and projects as well as assist with recapitalising and developing distressed land reform projects, no explanation has been given for the decrease.

There is noticeable increase in the budget allocation for Land Reform National Office of 46 per cent in nominal terms or 37 per cent in real terms Land Reform sub-programme in 2016/17 compared to 2015/16. This implies more money will be available for coordination of land reform projects, providing support to provincial offices and for the Land Rights Management Facility among other things. Through reprioritisation, R493 million is set aside over the medium term for the implementation of Extension of Security of Tenure Act and Land Rights Management Facilities.

The Committee commended the DRDLR for speeding up appointment of the Office of the Valuer general to assist to curb the challenge of escalating land prices which in some respect began to exceed the market value.

3.2 Public Entities and other agencies

With the exception of the ITB and the Commission, there are two entities reporting under the Department; namely, the Agricultural Landholding Account (ALHA) and the Registration of Deeds Trading Account.

- (a) *Agricultural Land Holding Account:* The purpose of ALHA is to acquire, hold and lease land to beneficiaries under the Proactive Land Acquisition Strategy (PLAS). Over the medium-term, ALHA is expected to acquire 1.1 million hectares of strategically located land for redistribution and development and recapitalisation of 1 051 farms under the Recap programme at the cost of R4.7 billion over the medium-term. The expenditure on acquisition of productive land is expected to slightly increase from adjusted allocation of R1.342 billion in 2015/16 to R1.502 billion in 2016/17, which represents an increase of 11.9 per cent in nominal terms or 5 per cent in real terms. This amount is expected to be used to acquire 83 074 hectares and to have 331 farms become productive through RADP in 2016/17.

(b) *Registration of Deeds Trading Account:* This account contributes to the effective land planning, administration and property registration which are comprises national priorities to improve land administration and spatial planning. Its purpose is to register rights in land and maintain public registers of land. Over the medium term, the priority will implementation of e-Cadastre, improvement of the process to register as well as the turnaround times. The main priority over the medium term will be the improvement of the property registration process and expedite the registration of title deeds. The target for 2016/17 is to register 982 518 title deeds which is an increase from 967 518 registered in 2015/16. In 2016/17, the trading account received a transfer of R67.6 million, which is huge increase of 325.1 per cent in nominal terms compared to the transfers of R15.9 million received in 2016/17, which indicates a commitment towards ensuring integrated and comprehensive land administration system. Revenue is expected to increase at the average growth rate of 8 per cent over the medium term. Revenue is expected to increase due to the increased in property registration as market stabilise and more property is acquired in the medium term.

3.3 The Commission on Restitution of Land Rights

The Commission on Restitution of Land Rights (CRLR) was established in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994) to provide restoration of land rights and equitable redress in line with the provisions of section 25 (7) of the Constitution, 1996 (Act 108 of 1996). By the 31st December 1998, a total of 79 687 claims had been lodged and at the end of March 2014, approximately 77 610 (97 per cent) of them had been settled at a cost of R29.3 billion, including restoration of 3.07 million hectares and awards of financial compensation of R8 billion. By end of December 2014, about 8 204 land claims were outstanding.

The Committee observed the following developments which has a bearing on the functioning of the Commission:

- By the end of March 2015, the Commission had a commitment register of R5.8 billion.

- Amendment of the Restitution of Land Rights Amendment Act in 2014, resulted in the reopening of the lodgement of land claims with effect from 29 June 2014. By March 2015, over 120 000 land claims had been received.
- The national evaluation of the Restitution Programme by the DPME recommended that the autonomy of the Commission should be upheld, hence restructuring of the Commission.

3.1 Strategic priorities for the Commission on Restitution of Land Rights in 2015/16

In line with MTSF, Outcomes framework of government, and the NDP, the Commission identified three strategic goals as follows:

- Land rights restored in order to support land reform and agrarian transformation by 2020.
- Lodgement of restitution land claims re-opened for people who did not meet the 1998 deadline.
- Organisational change management.

The Commission set out the following annual targets for the MTEF:

- To settle 1 748 claims over the medium term, of which 615 claims will be settled in 2016/17.
- To finalise 1 133 claims over the medium term, of which 454 will be finalised in 2016/17.
- To finalised 490 phased projects over the medium term, of which 72 will be finalised in 2016/17.
- To have 7 288 of claims lodged by 1998 researched over the medium term, of which 2 660 will be researched in 2015/16.
- To convert 9 communication vehicles into mini-lodgement units by 2017/18.

The Committee commended the Commission for alignment of its strategic goals with the national priorities as outlined in the NDP and government priorities for MTSP for 2014-2019. Such priorities are interventions towards sustainable land reform and agrarian transformation; in particular, facilitating transfer of land to previously disadvantaged people; the re-opening of the lodgement of land claims; and faster pace of settlement of land claims.

Performance of the CRLR over the last two years showed that it had spent 100% of its budget and meeting (and exceeding in some cases) the set targets. Further, the CRLR was commended for the publicity of the lodgement of land claims as well as the increasing number of land claims. It noted that this has implications for budget allocation for research, negotiation and settlement of pre-1998 land claims so that work on new land claims could be started. It welcomed initiatives to enter into partnerships with institutions of higher learning and research organisations, as service providers, to assist to fast track completion of research for all land claims received by 1998.

3.2 Overview of estimates of expenditure for restitution (the Commission)

Table 11 below shows that budget allocation the Restitution Programme has increased from adjusted appropriation of R2.6 billion in 2015/16 to R3.2 billion in 2016/17, which represents a nominal increase of 21.7 per cent or 14.2 per cent in real terms. The increase is influenced by huge increase in the budget allocation for Restitution National Office Sub-programme and Restitution Grants of 266.95 per cent and 18.76 per cent, respectively. The Committee welcomed an increase in Restitution Grants Sub-programme due to a need to settle outstanding claims and clear the commitment register.

Table 11: Programme 5 appropriations from 2015/16 to 2016/17

Sub-programme	Budget		Nominal change 2016/17	Real change 2016/17	Nominal % change 2016/17	Real % change 2016/17
	2015/16	2016/17				
R million						
Restitution National Office	59.3	217.6	158.3	144.8	266.95 %	244.23 %
Restitution Regional Offices	427.4	437.7	10.3	- 16.8	2.41 %	-3.93 %
Restitution Grants	2 116.0	2 512.9	396.9	241.3	18.76 %	11.40 %
TOTAL	2 602.7	3 168.2	565.5	369.3	21.7 %	14.2 %

Source: National Treasury (2016). Vote 39

Whilst the allocation for Restitution Regional Offices has increased at a minimal 2.4 per cent in nominal terms, in real terms it decreased by 3.9 per cent. The Committee noted with concern that the capacity to research land claims should not be affected, hence contracting institutions of higher learning and research organisations. The CRLR guaranteed that all pre-1998 land claims would be research by the end of 2017/18 financial year.

The Committee further noted that according to the Department of Planning Monitoring and Evaluation (DPME) study, in terms of scenario 1 of how the Commission should finalise land claims, it estimated that the 8 471 outstanding would cost R16.9 billion to the state. Further, it would take just over 7 years to finalise those land claims. However, the concern is that the pace at which claims are settled annually, and the related costs, makes it difficult to increase the pace.

4. The Ingonyama Trust Board

The ITB is a schedule 3A Public Entity and reports to the Minister of Rural Development and Land Reform. As the accounting authority, the ITB derive its mandate from the founding legislation and the Public Finance Management Act (Act 1 of 1999). The Ingonyama Trust was established in terms of the Kwazulu-Natal Ingonyama Trust Act No 3 of 1994, amended by the National Act 9 of 1997 which provided for the establishment of the Ingonyama Trust Board (ITB). The Ingonyama Trust functions as a landowner-in-law of the Ingonyama Trust Land (previously owned by the KwaZulu Government). To date, such land was estimated to be 2, 844,903 hectares under some 1600 individual titles in all of the 11 Districts of Kwazulu-Natal and eThekweni Metro. The ITB 's vision is to become a leader in sustainable communal land management and its mission is to contribute to the improvement of the quality of life of the members of traditional communities living on Ingonyama Trust Land by ensuring that land management is to their benefit and in accordance with the laws of the land. The ITB has innovatively set out to develop best practices “to ensure that by 2025 all persons occupying its land shall have formal tenure in the form of a lease on surveyed land”.

4.1 Strategic context and priorities

The following subsections provides an analysis of the plans vis-à-vis the founding legislation, available resources, and the capacity of the ITB to perform the functions as planned. Increasingly the recurring question about the mandate and the role of the ITB vis-à-vis its programmes to date is becoming more relevant than ever. Introduction of programme 3 (Rural Development), which is discussed below, makes this even more urgent. The current policy proposals regarding land tenure indicates that South Africa will have a four tier land tenure system. Additionally, the Communal Land Tenure Policy, which is currently being debated in the DRDLR also makes proposals that would have significant implications for land administration within traditional communities, including communities on the Ingonyama Trust land.

4.2. Estimates of expenditure according programmes

As illustrated in Table 12 below, the ITB categorised its operations under four programmatic areas, viz. administration, land management, rural development and support to traditional councils, with a total budget of approximately R115 million. For 2016/17, Administration has been allocated R73.5 million, it thus accounts for 63.6per cent of the total budget of the ITB for the same year. The second higher allocation is for Support to Traditional Councils with R30.7 million, representing 26.6 per cent of the total budget. Rural Development was allocated R9 million, representing 7.8 per cent of the total budget. Land Management, the key responsibility of the ITB, was allocated R2.3 million, and it thus account for 2per cent of the entire budget.

Table 12: Estimate of expenditure over the MTEF period

Programme	Actual	Budget			Proposed Budget	
	Budget	2014/15	2015/16	2016/17	2017/18	2018/19
Administration	59 074	59 637	73 570	57 459	59 943	62 881
	160.00	201.00	489.76	150.02	764.37	364.67
Land	537	2 238	2 322	2 438	2 560	2 688
Management	742.00	613.00	436.35	558.17	486.08	510.38
Rural	-	9 000	9 000	9 270	9 455	9 644
Development		000.00	000.00	000.00	400.00	508.00

Traditional	29 116	16 766	30 771	32 343	33 984	35 683
Councils	246.00	610.00	310.82	237.16	104.71	309.96
TOTAL	88 728	87 642	115 664	101 510	105 943	110 897
	148.00	424.00	236.93	945.35	755.16	693.01

Source: ITB (2016)

(a) Administration

This programme provides strategic leadership of the organisation, corporate services, logistical services and financial management to the Trust. It consist of strategic units such as legal services, communication, financial services and general administration as well as Human Resources are under this programme. The focus of this programme is to ensure efficient management of the Ingonyama Trust Board, skills development to employees and to improve customer relations. A significant shift in the APP is the focus on development of effective M&E systems, effective stakeholder engagement, and IT support.

Table 11 above shows that that the significant portion of the budget allocations is for administration. The Committee noted that it increased substantially from just below R60m in 2015/16 to just over R73 million in 2016/17 (i.e. an increase of about 12 per cent). Over the MTEF, the budget will decline to R57 in 2017/18 but increase in the following years to R62 m in 2019/20. It should be noted that part of the allocation for Administration is funded through the transfers of approximately R18 million from the DRDLR.

The Committee noted that as at 31 March 2015, the Secretariat operated with a total component of 56 staff members but in 2016/17, the ITB reported an increase of staff component to 58 people. The Committee raised the issue that over the last two years, the number of contract workers were higher than the permanent staff of the ITB. Of the entire staff component, 27 were permanent and 31 were contractors.

The Committee further expressed concerns regarding absence of policy framework to guide the ITB in relation to study grants and many other issues as raised during previous BRRR processes.

In addition, the matter of the annual renewal of the Board was also a major concern. It further suggested that there was a need to review the founding legislation to address two pertinent issues; namely, the establishment of the Board and the mandate of the ITB (taking consideration of its expanded functions)

(b) Land management

This programme entails provision of secure tenure to residents or businesses on the Trust land and establish a comprehensive land tenure information system. The Committee welcomed this initiative as a key mandate of the ITB. It further commended the ITB for this work in the absence a guiding comprehensive national policy framework pending the finalisation of the Communal Land Tenure Policy. The work of the ITB in this areas provides important lessons for tenure policy, especially in relation to provision of tenure that is legally secure and can be used as a collateral, as well as system of communal land management, interfacing modern management techniques and the role institutions of traditional leadership functioning alongside the municipalities.

For the 2015/16 financial year, close to R2.2 million has been budgeted for this programme, and the budget increases to R2.6 million over the MTEF period. Significant portion of this budget, i.e. R1.1 million, is allocated for tenure upgrade and settlement formalisation, focussing on approval of 1350 land tenure rights by the ITB.

(c) Rural Development

This programme was introduced a year ago in order to coordinate, initiate, and facilitate the implementation of rural development to enhance agricultural production and development. As stated in previous committee meetings, the ITB has been working on an amendment of the Act in order to, amongst others, align the mandate of the ITB and its current operations and what is deemed to be its role. Rural Development has been allocated R9 million as it was in the previous year. A slight increase will be observed over the MTEF period to R9.6 million in 2019/20. The

key function in this regard agricultural production, and audit of land as well as the development of the agriculture production plan. The Committee raised questions in relation to criteria used to select beneficiary communities and where there has been any socio-economic impact analysis done to gauge whether the interventions have contributed to poverty reduction and job creation.

(d) Traditional councils

The focus of this programme is to utilise the financial resources of the Trust in advancing economic growth, creating employment and eradication of poverty. It entails provision of training to Traditional Councils and educational awards to community members. This programme is the next highest cost driver, after administration. Its budget is R30.7 million, almost increasing by close to 50 per cent from R16.7 million in 2015/16. For this financial year, the ITB has planned to train 12 Traditional Councils and grant 110 educational awards. One notes that the number of Traditional Councils targeted (12) has decreased drastically from 45 in the previous year but the number of awards increased by 10 from 110 in the previous year.

5. Summary of key conclusions drawn from the deliberations on the Strategic Plan, the Annual Performance Plan of the DRDLR, the CRLR, and the ITB

Having received the briefing and deliberated the findings and observations on budget allocations and Annual Performance Plans of the Department, the Commission and the ITB; the Committee drew the following conclusions:

5.1 Department of Rural Development and Land Reform

Overarching observations

5.1.1 The mandate of the DRDLR is anchored on just and equitable land redistribution, yet the vision and mission has no reference to land at all. The idea that the vision and mission is underpinned by agrarian transformation is welcome. However, the DRDLR's definition of agrarian transformation narrows it to changes in patterns of ownership of land as well

as livestock and cropping, yet the production in most rural areas transcends livestock and crops.

- 5.1.2 Rural Development and Land Reform is a priority of government, but expenditure trends as a share of the overall government expenditure has been in decline over the last decade.

Administration

- 5.1.3 The programmes of the DRDLR are aligned with government priorities outlined in the NDP, particularly, pronouncement of rural development and land reform as one of the strategies for creation of job opportunities is welcome. However, the declining expenditure as a share of total government spending as well as the fact that budget for this portfolio accounts to less than 1% of the entire government budget is inconsistent with these articulations of rural development and land reform as a priority.
- 5.1.4 A focus on corporate governance and provincial coordination would assist to streamline the work carried out by provincial/regional offices of the DRDLR. Such initiative could result in an improved reporting and better understanding of the socio-economic impact of DRDLR's interventions.
- 5.1.5 A decrease in budget allocation for Internal Audit, Compensation of Employees (COE) noted as a matter of concern. Such has a potential to impact negatively on the capacity of the DRDLR and the CRLR to perform its complex and expanding mandate.
- 5.1.6 Processes to finalise establishment of an autonomous CRLR have been slow and were likely to be affected by the decrease in the budget allocations, especially the COE. This has adverse implications giving effect to the Constitutional obligations for the rights to land restitution.
- 5.1.7 The absence of estimate of timeframes for submission of planned policy and legislation to Parliament was a key weakness in the legislative programme of the DRDLR. It posed a challenge regarding the Committee's overall responsibility to hold the Executive to accountable on finalising planned policies and bills.
- 5.1.8 Appointment of critical and strategic positions such as the CFO and the OVG was welcome and it would result in improved performance and better use of resources,

especially during acquisition of strategically located land and accountability on funds expended.

National Geomatics Management Services

- 5.1.9 Implementation of SPLUMA, driven by municipalities with participation of local stakeholders, could result in emergence of pro-poor spatial and land use patterns. This would require enhancement of the capacity of municipalities to develop the required development schemes and plans. A decrease in budget allocation for this programme is likely to have negative impact on SPLUMA as a sub-programme.
- 5.1.10 Central to achievement of the SPLUMA ideals is the mobilisation of stakeholders such institutions of traditional leadership who had until recently challenged the legislation and alleged that they were not consulted. .
- 5.1.11 Ongoing challenges to the E-cadastre project have delayed the implementation of this innovative way of an electronic deeds system.

Rural Development

- 5.1.12 Agri-parks are an innovative way to revitalise rural economies through agriculture and agro-processing. The DRDLR as a coordinator of this programme, working together with DAFF and other government agencies, has to find mechanisms to ensure that it harness expertise and financial resources elsewhere in government rather than implementing the programme on its own. Inadequate capacity to coordinate commitment and participation of other government departments could impede the integrated nature of support required.
- 5.1.13 National Treasury's commitment to resolve the duplication and overlap of programmes between DAFF and DRDLR was welcome. This initiative could free some of the resources for a focussed implementation of land reform and coordination of rural development programmes which empowers the poor to take charge of their own destiny.
- 5.1.14 The focus on recruitment of youth to the NARYSEC programme obscures the significance of placement of graduates of the programme in job opportunities. This has

been compounded by the delays in issuing of accredited certificates by the relevant SETAs.

Land Reform

- 5.1.15 Land reform and rural development is a priority of government, yet the expenditure as a share of national spending has been in decline over the last decade. Similarly, expenditure of land reform and restitution as a percentage share of the total expenditure of programmes of the DRDLR has also been in decline. Rural development, however, has seen increasing allocations since its inception in 2009. This trend has wider significance for agrarian transformation, especially the commitment to increase the pace of land redistribution, finalisation of all pre-1998 land claims and reopening of lodgement of land claims until 2019.
- 5.1.16 The split of the land reform programme into land redistribution and development as well as land tenure was a welcome initiative which could result in a focussed land management under ALHA; especially lease management and allocation of land to deserving beneficiaries and support them through the RADP.
- 5.1.17 The RADP has a potential to set up emerging commercial farmers for success in large-scale commercial farming. However, lack of enterprise analysis which assesses progress in terms of profitability among most of RADP farmers is a key loophole that requires attention in order to assess if the programme was achieving its intended outcomes; sustainable, viable and profitable commercial farms.
- 5.1.18 Prioritisation of acquisition of strategically located land matched with adequate recapitalisation and development support, both in terms of pre and post settlement stages of the project could assist to off-set some of the current challenges that has entangled land reform.
- 5.1.19 Recapitalisation and development support for land reform farmers and rural communities is the most crucial complement of agrarian transformation, especially if it addresses the needs and aspirations of the intended beneficiaries. Poor monitoring of the programme to recapitalise and develop the farms, especially the use of private sector partners and mentors, has the potential to undermine the intentions of the programme. RADP is

undermined by lack of streamlining of farmer support programmes offered by DAFF and DRDLR creating confusion among beneficiaries.

5.1.20 The District Land Committees, as set out by the NDP, could assist in area-based land reform that is driven by the needs and aspirations of local people. A range of other institutional structures such as those set up under Agri-parks and CRDP, land management commission, land rights board, and others require some kind alignment at a local level.

5.2 Restitution - Commission on Restitution of Land Rights

5.2.1 An increasing number of new land claims arising from the reopening of lodgement of land claims shows that indeed there was a need for amendment of the Act. This already points to future burden on the fiscus and a need for better planning and capacity to handle the number of land claims that is double the claims received in 1998. A need for assessment of the existing claims and the cost of settlement and finalisation of such claims could assist in better planning, especially budget allocation.

5.2.2 Research capacity is central to settlement of land claims, and plans to finalise all research of existing claims implies that the Commission would be able to fast-track the existing claims. However, budget allocation could constrain that potential.

5.2.3 Finalisation of establishment of an autonomous structure of the CRLR should address the overlap of roles between the CRLR and the DRDLR, especially establishment and support to CPAs as required in terms of the CPA Act.

5.3 The Ingonyama Trust Board

5.3.1 Introduction of the programme of rural development prior to amendment of the founding legislation poses was noted by the Committee. The Committee was concerned about delays in the amendment of the founding legislation to ensure that its programmes are aligned with their legislative mandate.

5.3.2 The absence of a range of policies, especially policies on funding cultural activities, women's independent access to land, and other relevant policies affected the manner in which the ITB performed some of its functions effectively.

- 5.3.3 The ITB has not resolved perennial question raised by the Auditor-General in relation to asset management. Inability to resolve this matter has implications toward achievement of clean audit.
- 5.3.4 Appointment of the CEO for the ITB has resulted in improved management and reporting. Such development was welcomed by the Committee.

6. Recommendations

In view of the observations and key conclusions discussed above, the Committee recommends that, within three months after adoption of this report by the National Assembly, the Minister of Rural Development and Land Reform should:

Overarching recommendations

- 6.1 Review the Mission and Vision of the Department to ensure that land is foundational to all interventions and intensions of the DRDLR in the rural spaces. Further, ensure that agrarian transformation is defined broadly to beyond livestock and cropping to include all aspects on property, power and production relations.

Administration

- 6.2 To continue engaging the National Treasury to ensure that allocation for rural development and land reform are at par with the enormity of the task to purchase land and support emergent farmers to utilise the land productively.
- 6.3 Enhance the capacity of the Monitoring and Evaluation component of Corporate Services to ensure that the Department has capacity to conduct outcome-based socio-economic impact assessments of programmes, enterprise analyses of various RADO farms and Agri-

Parks to establish viability of farming businesses and how it benefits the intended beneficiaries.

- 6.4 Ensure that the reduction of budget allocations, especially the COE does not negatively affect the capacity to implement constitutional imperatives such as restitution.
- 6.5 Prioritise the finalisation of creating an autonomous CRLR by creating adequate capacity to support its operations. Further submit a plan which outlines key milestones and the total cost for this programme and how it would be funded.
- 6.6 Submit a legislative programme which realistically outlines targets for tabling of planned pieces of legislation to the National Assembly.
- 6.7 Continue to streamline and align the work of the OVG to other branches for Maximum support to programmes.

National Geomatics Management Services

- 6.8 Against the backdrop of budget decline for Spatial Planning and Land Use Management sub-programme, develop a list of priority municipalities for support and submit to the Committee.
- 6.9 Engage traditional leaders and other stakeholders to resolve some of the challenges and objections to the implementation of the Spatial Planning and Land Use Management Act. Further, report to the National Assembly the outcome of such engagements.

Rural Development

- 6.10 Improve integrated planning and implementation of Agri-parks by drawing on expertise in other government departments such as Department of Agriculture of Forestry and Fisheries, Department of Trade Industry, Small Business Development, and others. Further, ensure that the DRDLR, as a coordinator of Agri-parks, guard against being the sole implementer of programmes that it does not have expertise for.

- 6.11 Work together with the National Treasury and DAFF on initiatives to review all programmes under rural development, especially those linked to revitalisation of agriculture and agro-processing, with intensions to avoid duplication of work as well as ensure unnecessary overlap.
- 6.12 Conduct a review of the NARYSEC programme to assess if the programme has achieved the intended outcomes over the last five years, challenges encounters, and implications for future implementation of the programme. Further, ensure that the programme of rural development transcend a focus on recruitment of NARYSEC trainees but also put emphasis on the outcomes of the programme which emphasises the quality of the training programme, the types of skills qualification they acquire to enable them to proceed in other technical vocation and participation of the graduates in the local economy.

Restitution (Commission on Restitution of Land Rights)

- 6.13 Continuously engage National Treasury about increasing allocation of funding for restitution to clear the commitment register of settled land claims.
- 6.14 Assess the total cost of settlement and finalisation of all outstanding land claims, with estimates of time frames, and report to the National Assembly within three months of adoption of this report by the House.
- 6.15 Prioritise research of pre-1998 land claims and ensure monitoring of research conducted by service providers, i.e. research organisations and academic institutions, to ensure that research output is useful for settlement of land claims and can stand the test at the Land Claims Court, if need arises to refer matters to court. Further, ensure research skills transfer to researchers within the Commission.
- 6.16 Ensure that the land claims register, compiled in terms of the Restitution of Land Rights, is inclusive of the pre-1998 land old claims by the end of the 2016/17 financial year. This should assist the Commission to identify duplicate and counter land claims on land previously claimed and settled in favour of the pre-1998 land claimants.
- 6.17 Encourage land claimants to opt for land restoration where possible as opposed to financial compensation.

- 6.18 Considering the contribution of grants approved in terms of Restitution of Land Rights Act, the Minister should ensure that the Commission develop mechanisms to ring-fence grants allocated to Recapitalisation and Development Programme and institute policy mechanisms to track its expenditure and ensure that respective beneficiaries have access to such development funding.

Land Reform

- 6.19 Ensure that the pace of the land redistribution is increased by finalising policy frameworks to guide an interface of the work of the Office of the Valuer-General and the CRLR and the entire chain for acquisition of strategically located land.
- 6.20 Over the MTEF period, conduct enterprise analysis and socio-economic impact assessment of a sample of RADP farms in order to assess whether government funds invested under this programmes were yielding viable and sustainable farming businesses.
- 6.21 Further, increase capacity of the DRDLR to monitor land reform projects, especially an interface strategic partnership and mentorship programmes and distribution of resources to members of the communal property institutes.
- 6.22 Submit a progress report on the Agri-Parks, One Household-One Hectare programmes. Amongst others, the report should indicate the extent to which these programmes targets marginal groups such as women, youth and people living with disabilities.
- 6.23 Fast-track the finalisation of the Integrated Funding Model, together with National Treasury and the Department of Agriculture, Forestry and Fisheries; and ensure that this completed by the end of the 2016/17 financial year.

The Ingonyama Trust Board

- 6.24 Review the founding legislation to procedures for appointment of the Ingonyama Trust Board and its mandate of the ITB so that it is in line with its expanded functions.

- 6.25 Finalise policies to address gaps relating to funding of cultural activities, promotion of women's independent access to land and other relevant policies that affect the manner in which the ITB performs its functions.
- 6.26 Facilitate, without delay, resolution of ongoing questions raised by the Auditor-General in relation to the value of the ITB's land/property so that the ITB could move toward achievement of an unqualified clean audit. Further submit quarterly progress report on implementation of the remedial measures.
- 6.27 Conduct a comprehensive socio-economic impact assessment of the performance of the ITB and how the beneficiaries have materially and socio-economically benefited from the ITB programmes.

Report to be considered.