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President Ramaphosa's land release push could profoundly help build an inclusive agriculture sector in South Africa

- In his Opening of Parliament Address (OPA) last week, President Cyril Ramaphosa stated that the government, " will increase funding to land reform, prioritise the transfer of state land and improve post-settlement support by strengthening the institutional capacity of responsible structures."
- This profound statement is at the heart of South Africa's agricultural inclusive growth agenda. Over time, the South African government has amassed over 2 million hectares of land that was never released to beneficiaries with title deeds. These now mostly underutilised government-owned farms were acquired through the Pro-active Land Acquisition Strategy and sit in the Government Land Holding Account.
- Many black farmers we interact with tell countless stories of frustration and their inability to expand and commercialise their farming operations because of their lack of secure access to land. In instances where they have access to the land, the short-term leases that the government provides them, hinder accessing capital and expanding their farming operations to commercial and viable businesses that could create sustainable jobs for communities. In some cases where farmers have made a success despite the insecure lease arrangements, they are unceremoniously and illegally removed from the farms by [corrupt officials](#) in the Department of Land Reform and Rural Development¹. This lack of insecure tenure to land is one of the factors that contributes to South Africa's longstanding challenge of duality, a topic discussed in greater detail in our recent work of "[A Country of Two Agricultures](#)".
- If South Africa is to see the expansion of the gross value added to agriculture, an increase in black farmers' share in commercial farming, and a boost in agricultural jobs, transferring the state land to appropriately selected beneficiaries, with title deeds, should be a starting point. The OPA was not the first time President Ramaphosa spoke about the need to accelerate land reform in South Africa and boost the farming economy. But, it was certainly one of the few times where there was clarity about the need to release state land to beneficiaries.
- The speedy launch of [the Land Reform and Agricultural Development Agency](#) will be critical for driving the objective that the President outlined. President Ramaphosa first announced this Agency in his 2021 State of the Nation Address. In the years that followed, the then Minister of Agriculture, Land Reform and Rural Development, Ms Thoko Didiza, championed the Agency and its formation. While not formally launched by Minister Didiza's end of term, we understand the internal process was virtually completed. However, we fail to understand why the officials have delayed the process.

¹ <https://www.dailymaverick.co.za/article/2024-03-10-award-winning-karoo-wool-farmers-win-battle-to-have-farms-returned-after-government-locked-them-out/>

- Thus, to bring life to President Ramaphosa's words, we see no need to reinvent the wheel. The government should launch the Land Reform and Development Agency speedily. While there would be a temptation to accommodate such an Agency under the Department of Land Reform and Rural Development, it would be appropriate to place it as a stand-alone Agency, running on slim staff or housed under one of the State entities that work with the Department of Agriculture closely. Bringing private sector stakeholders into its management would be vital to rescue it from the internal politics of the Department of Land Reform and Rural Development. The corruption cases in this department over the years are evident in various media coverages and [books](#). Thus, the work of releasing land and providing post-settlement support requires a fit-for-purpose and competently run institution.
- Still, the Agency would not be divorced from its parent department, which would continue to provide policy guidelines. The execution of work, however, should happen at arm's length. For example, the selection of beneficiaries would still be guided by the government's Beneficiary Selection Criteria policy.
- Regarding the "post-settlement support" that the President noted, we believe the beneficiaries of the land would be individuals who could benefit from the Blended Finance Scheme. This Scheme is currently run by the Department of Agriculture, Land Bank, and other financial institutions and agribusinesses. There would also be room for commodity associations to help lend support through training when required in some beneficiaries.
- Notably, the Department of Land Reform and Rural Development would still focus on critical land policy aspects such as completing all outstanding land claims, modernise the deeds office, the reform of communal land tenure, the Ingonyama Trust and communal property associations.
- President Ramaphosa provided clarity this past week about the government's policy direction on land reform and agricultural development. The President's intention is to continue releasing land to black farmers, which is vital to building an inclusive farming sector. If done with great focus and collaboration with relevant departments and stakeholders in the sector, this may be a first step towards addressing South Africa's profound challenge of being "[A Country of Two Agricultures](#)".