

## Recent discussions taking place in Parliament

A number of discussions recently took place in Parliamentary portfolio committees that can have an impact on the Agribusiness sector. Herewith a brief summary of the recent discussions:

### Rural Development and Land Reform

1. Private member's Bill on restitution discussed  
On the 5<sup>th</sup> of October, the committee discussed the private member's Bill to reopen the land restitution claims lodgement process. After the 2014 Restitution of Land Rights Amendment Bill was declared unconstitutional in 2016, a private member's Bill with substantially the same content has been tabled. In the discussion, it was stated that the aim of the Bill was to address the growing discontent around the slow pace of land reform, although concerns were raised as to whether or not new legislation would be able to deal with the systematic challenges experienced in the implementation of the programme. As per the court order, the Commission has a mere 8 months to settle the 6600 lodged prior to 1998 that are still outstanding. The committee noted that an extension may be sought. Indication was given that members of the public that submitted comments on the Bill would be called to make submissions to the portfolio committee soon. Agbiz submitted comments and may be called upon to make an input.
2. On the 4<sup>th</sup> of October the portfolio committee received a status update from the Finance and Fiscal Commission (FFC), the Department and the Commission on the Restitution of Land Rights (CRLR). The FFC noted that rural areas were diversifying from farm-based economies, but that agriculture was still the dominant factor in poverty reduction. The FFC noted that the rural areas were the primary recipients of infrastructure development grants, but still service delivery was lagging and urbanisation increasing. The Department reported on progress made in providing institutional support to communal property associations and the CRLR reported that its targets for the year were met, its budget been spent and that it received a clean audit.
3. On the 3<sup>rd</sup> of October the Auditor-General reported on irregular expenditure within the Deeds Office. It was also reported that the Ingonyama Trust received a qualified audit and questions were asked as to the underspending of the DRDLR previously reported on.

### Water and Sanitation

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1. On the 13<sup>th</sup> of September the Minister appeared before the portfolio committee. Questions were raised about the senior officials who were previously suspended pending investigations into allegations of corruption that have subsequently been reinstated. The Minister assured the committee that the investigations would still take place and it was proposed that the committee schedule a closed session with the Minister to discuss the issue. In response to allegations that land reform beneficiaries were being hampered by the slow delivery of water rights, the Minister informed the committee that a task team has been set up comprising DAFF, DWS, DRDLR and the Department of Energy to look at supporting land reform beneficiaries with the necessary services.

Regarding the Department's financial woes, the committee noted that the Department's R2,675 Billion overdraft from the Reserve Bank was frozen by Treasury (with the exception of paying salaries) as no plan is in place to repay the funds. It seems as if the plan was to reduce spending on infrastructure to reduce the debt to R700 million by March 2018. On the 4<sup>th</sup> of October the Auditor-General confirmed that the DWS received a qualified audit for the 2016/2017 financial year as it did not have adequate procedures in place to prevent fruitless and wasteful expenditure. This was supported by the finding that 99,6% of the budget for infrastructure was spent but only 28% of the targets achieved.

Finally, the Department reported that the much anticipated, new water legislation may be published for public comments in March 2018.

### **Agriculture, Forestry and Fisheries**

1. On the 5<sup>th</sup> of September the portfolio committee on agriculture, forestry and fisheries reviewed the Department's performance in the first quarter of 2017. The acting DG reported that they had achieved 64% of their quarterly milestones, however this may improve when additional information reported by the Provincial Departments are obtained. Fisheries was the poorest performing division having spent 53% of its budget but only achieving 29% of its targets. It was further reported that a policy is being developed for compensation in relation to the outbreak of avian flu and the losses that have consequently been suffered due to animals being destroyed. This is complicated by the fact that the budget for 'disasters' are also being used to mitigate the effects of the drought and the fires in the Southern Cape. Finally, the Liquor Amendment Bill was adopted by the committee.

### **ENQUIRIES:**

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