

Presentation to Agbiz Congress: Where is land reform going?

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Background

- Past three years: Green Paper, Constitutional Court ruling, rhetoric on willing-buyer-seller;
- New policies and laws represent drastic departure from existing policies;
- Presence of EFF in Parliament;
- Farmers and financiers getting worried;
- First need to understand where are we coming from and where are we at currently?

Where have we come from?

- *1993 – Interim Constitution;*
- *1996 – Final Constitution and White Paper;*
- *3 programmes of land reform;*
- *Good laws and policies, but poorly implemented;*
- *High expectations but little delivery;*
- *2005 Land Summit resolutions: willing-buyer-seller, more intervention in market, land ceilings, right of first refusal, etc.*

Where have we come from? (cont)

- ANC policy conference 2007
- Green Paper – 2011
- NAREG consultation process
- Resulting policies and laws (14 policies and draft policies)
- Some controversial (ceilings and relative rights)
- Still no final Green Paper

Where are we at now?

Green Paper on Land Reform:

- Consultations went on for 2 years;
- No final White Paper;
- Lots of loose-standing new policies (e.g. state land, recap, tenure reform in commercial farming areas, agricultural landholding policy;
- Legislation includes Restitution Amdt Bill, Property Valuation Bill, ESTA Amdt Bill, Regulation of Landholdings Bill?

EXPROPRIATION BILL

- Expropriation Bill – NEDLAC process – substantially improved;
- No new powers of expropriation, but uniform process;
- Administrative justice;
- Good protection for landowners;
- Just and equitable compensation;
- Not yet tabled in Parliament.

Promotion and Protection of Investment Bill

- Emanates from DTI;
- Has received a lot of media attention;
- Expropriation without compensation?
- Likely unconstitutional.

RELATIVE RIGHTS POLICY

- Very controversial;
- 50% of every farm to farmworkers;
- Strong objections from Agbiz, banking Sector, Agri SA and AFASA – also more recently sharply criticised by prominent academics and lawyers.
- Unconstitutional, unworkable and a danger to food security;
- Further 12 months for consultation.
- Land Tenure Conference : 4-6 Sept??



Re-opening of Restitution

- Re-opening criticised by wide range of stakeholders (LAMOSA, Cheryl Walker, LRC, Agri SA, TAU-SA, Agbiz);
- Article by Dr Andries du Toit: “At the stroke of a pen, the Restitution process has effectively been shipwrecked. It is not surprising that most existing Restitution claimants have vociferously opposed the amendment. That those objections have been flatly ignored is nothing short of scandalous – and probably grounds for a Constitutional court challenge.”

Whereto now?

- Govt seems to have chosen a road of increased state intervention in the land market, of more state ownership of agricultural land, of continually raising expectations of farmworkers and the landless and of placing the burden of cost of land reform on the private sector.
- Dr Andries du Toit recently commented on these policies as follows: “but the policies that are being proposed are so ill-conceived, so dangerous, so cockamamy, that they seem to emanate from cloud-cuckoo land.... Nkwinti’s vision is flawed from the ground up.”

Whereto now?

- Du Toit suggests: “South Africa needs an approach that can deliver the inclusive and broad based growth government has called for. This means land reform should contribute to economic opportunities and tenure security for poor people - in the countryside as well as the cities. Land and rural development need to be situated within broader approaches to *regional* development that engage with the realities of urbanisation and economic integration. Most of all we need policies based on democratic citizens’ rights for *all* our people; not strategies for reinstating indirect tribal government in the former homelands.”



Where to now?

- Land reform cannot be divorced from broader economic development. What is sorely needed in this country is economic growth and jobs in the urban and rural space.
- This will only happen if there is policy certainty and a policy environment which is conducive to investment and growth.
- We also need to be very realistic about what the trends in the modern world are with respect to farming and food production. Sentimental and idealistic visions of a comfortable rural existence based on household food security are not helpful.
- We need to get serious as a country about implementing the National Development Plan and our government and other political parties need to stop using the land issue as a political football – this is a very, very dangerous strategy.

Where to now?

- What do we as a sector need to do, to ensure that we take the high road in this country with regards to land reform, rather than the low road to reduced commercial production, land grabs, rising food prices, food riots and social instability?
- Do we, as a sector, have a clear enough vision for the future which we want? Some elements of this vision should be:

Where to now?

Elements of a vision:

- A population which appreciates the contribution of farmers and the farming industry, which has some understanding of the complexities of the industry and is prepared to speak up on behalf of farmers and the industry because they realize that it is very much in their interest. Herein lies a huge educational challenge for the sector;
- A sector that is perceived as a caring sector with programmes of corporate social responsibility that makes a difference also to the lives of poor people;
- A focus on production rather than on the politics of land;

Where to now?

- Policies and laws that bring certainty and thus encourage investment;
- Good living conditions for farmworkers and bright prospects for their children;

Where to now?

- A focus on production rather than on the politics of land;
- Functional public-private partnerships;
- Effective support for particularly smaller farmers;
- Innovative models for financing land acquisition and development that do not place an undue burden on existing landowners;

Where to now?

- In order to realize such a vision, we need to start by building trust through action, by coming up with funding models to help fund promising projects, by remaining engaged in skills transfer and supporting new entrants into the industry, by educating the public about food security and economic realities, by partnering with government, with communities, with financiers and experts to maximise results and by showcasing our successes.

Conclusion

- Although there is certainly cause for concern regarding the direction (or maybe the lack of direction) of government policies regarding land, and although the land debate has never been more heated, we should never underestimate our influence as a sector and our ability to make a difference even in these times.
- We need leadership, at this point in time, also from within our own ranks, to create a vision, get society excited about that vision and then find ways to implement it. And we need to get better at telling the world what we are already doing and what our contribution is. This country cannot do without its agricultural sector, but it is up to us to truly make people and particularly our government realize that.



Thank you

