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PO Box 76297, Lynnwood Ridge, South Africa, 0040

Grain Building, 1st Floor, 477 Witherite Road
The Willows, Pretoria, South Africa, 0184

Tel. +27 12 807 6686, Fax. +27 12 807 5600
admin@agbiz.co.za, www.agbiz.co.za

Vat nr. 4920204684

Agbiz position on proposed limitations to ownership and use of agricultural landholdings.

This Agbiz position is with specific reference to the Department of Rural Development and Land Reform (DRDLR) policy document entitled: *“Agricultural Landholding Policy framework: Setting upper and lower bands for the ownership and use of agricultural landholdings”*. This policy position was highlighted during the week with statements emanating from the ANC Lekgotla that land ownership would be limited to two farms per owner, as well as to a maximum of 12 000 hectares.

Agbiz does not support this policy as the imposition of limitations to landholdings in an open land market compromises the principle of a competitive and efficiency-driven agro-food system that ensures food security for this country. If you compromise on this universally accepted economic principle, the setting of so-called bands or ceilings becomes arbitrary and such decisions are then ultimately taken by government with potentially dire consequences. But it is not just an important economic principle that would be compromised, the effective practical implementation thereof is highly questionable.

At the Land Tenure Summit held in September 2014, Minister Nkwinti raised the issue of large landholdings by white commercial farmers being immoral in a country where the black majority were deprived of land through specific legislation, such as the Natives Land Act of 1913. Agbiz would fully concur with the Minister if highly excessive agricultural landholdings were held by individuals, corporates, state-owned entities and government, and such

agricultural landholdings were clearly not being used/farmed optimally or productively in the broadest sense of the term. To this end Agbiz believes that where such situations do occur, an ad hoc engagement approach, probably through the envisaged District Land Committees, could be initiated to deal with the matter in a completely different manner to the proposed blunt and discriminatory ceilings per district.

The imposition of blunt ceilings could be hugely detrimental to food security and should be discouraged at all costs. This does however not take away the absolute imperative of Land Reform and creating significant opportunity for previously disadvantaged individuals to access land through support from government and through other measures, such as AgriBEE. Agbiz/BASA have developed a proposal for the commercial financing of land reform, in line with the NDP's model on land reform, to specifically and significantly speed up such necessary land reform by committing a minimum of R1,0 billion per annum in financing such NDP proposed ventures. Nowhere does the NDP speak of land ceilings or landholding limitations in its proposal on land reform in Chapter 6. Its model in fact allows for and encourages successful white commercial farmers to expand and grow their landholdings, obviously in a joint venture with previously disadvantaged individuals or groups (worker trusts, for example), with the latter holding the majority stake in such a property investment to ensure significant and sustainable land reform.

The point is that there are far better and more effective ways to effect sustainable and significant land reform in South Africa, and benefit society as a whole.

Enquiries:

Dr John Purchase

CEO: Agbiz

082-441 2308

john@agbiz.co.za