



Date: 19 August 2013

Open and Fair Land Restitution and Reform

1. PURPOSE OF SUBMISSION

To give a perspective on land restitution and reform and offer comments and suggestions for consideration and implementation in a new system and process of optimal land reform in South Africa.

2. INTRODUCTION

Parliament on 6 June 2013 by way of resolution 2574 established an Ad Hoc Committee to exercise co-ordinated oversight on the Legacy of the Native Land Act of 1913.

This Committee was specifically mandated to:

- a. Enquire about the systems put in place and to monitor processes toward the re-opening of the lodgement of land claims so that the Commission on Restitution of Land Rights can implement a programme that is fair and transparent to all South Africans
- b. Assess the extent to which programmes of land reform and rural development have addressed the legacy of the Natives Land Act of 1913, especially with regard to the mandate in respect of land divisions and agricultural development
- c. Assess the success or otherwise of the land restitution programmes;
- d. Make recommendations on the removal of blockages preventing the restitution of land.

3. HISTORIC PERSPECTIVE

British imperialism in Southern Africa led to the colonialism of the Cape with the Xhosa, Natal with the Zulus and the formation of protectorates for Bechuanaland, Basutoland and Swaziland as effective means to isolate the two Boer Republics of the Transvaal and Orange Free State from the sea. The pattern of territorial separation established by legislation in the earlier Boer republics was thwarted to a degree by the British policy of assimilation in the Cape and Natal that permitted Blacks to purchase land on the open market in white territories and to inhabit any land. Bechuanaland, Basutoland and Swaziland came into being because they comprised the heartlands of a number of Black people and government felt they need to retain and protect this land solely for Blacks. In Lesotho land remains reserved for Black ownership only.

When the Union of South Africa was formed in 1910, the idea existed that the protectorates would later be incorporated into one Union. The Native Land Act of 1913 was basically reaffirming the South African Government support for separate parallel institutions in separate territories based on traditional residential areas and not so much by ownership or economic use of land. The Act identified 8 928 000 hectare as separate territory for exclusive use of Blacks but also identified some 4 366 960 ha outside these territories that were occupied by Blacks (807 062 ha Crown Land and 3 559 898ha other land).

The Act was not viewed as a final allocation, but rather as an interim measure to control the arbitrary purchase and occupation of land by either White or Black people in each other's territories. Through further investigations and negotiations by the Beaumont Commission and a system of local committees in the provinces it was recommended in 1918 that the Black territories be extended with a further 6 442 000 ha. Eventually through the Bantu Trust and Land Act of 1936 a further 6 221 000 ha was recommended as "released territory" to be added either by purchase at market prices by the SA Government or by Blacks themselves. In addition so-called "Black spots" (land where members of the Black population had freehold but did not fall within the demarcated or released land), and "badly situated Black areas" (certain demarcated and released land that because of locality would have impeded a logical consolidation of the Black areas), were identified and recognised.

The position as it developed during these initial years is explained in a publication released in 1976 called: "Black Development in South Africa" by the Bureau for Economic Research and Bantu Development (Benbo). Further perspectives flowing from this publication are the following:

1. Land occupied by Blacks generally offered a greater agriculture potential than land in possession of Whites. This land was primarily situated in the eastern, better agricultural regions of SA with a warm, moderate and humid climate and an average rainfall between 500 mm and 1260 mm per annum. If 500 mm of rain is regarded as the margin between successful and unsuccessful dry-land crop production, the 76% of these areas compares favourably with 35% for South Africa as a whole. The total area of arable land estimated at 13.2% also offers a better co-efficient of land cultivability than the 12% for SA as a whole.
2. The communal land use system practised by Black farmers on tribal land was not supporting optimal land use and the establishment of independent commercial farmers driven by optimum yields and profits. Most Blacks practised a right to the use of land to satisfy reasonable family requirements and attaches an importance to land and cattle in everyday political and cultural life that elevates agriculture into a category of its own.
3. Males in the economic active age groups only constituted 18.1% of the total population leaving it primarily to females to depend on subsistence agriculture for a livelihood. As a result the contribution of agriculture as economic growth sector in these areas was disappointing low, contributing only 24% to the economy but having to accommodate 66.5% of the population living off the land.
4. Only 66.5% of the available cultivated dry land area, 78.8% of the available irrigation land and 85.2% of demarcated forestry land was actually utilised in 1973. The practise of cultivation adjoining land when the production potential of the previous piece of land had been destroyed by over-cropping illustrated sociological challenges associated with the present land tenure system. Overstocking and overgrazing of available agriculture land with far reaching damaging effects on soil productivity and future carrying capacity of grazing fields was also registered.
5. Average yields of less than 4 000 kg per hectare for grain (maize and sorghum), in comparison with yields above 10 000 kg and a low conversion co-efficient in total cattle sales of less than 2% per annum in comparison with average conversion rates above 20% by commercial White farmers illustrated the under-utilisation of land as economic entity for agriculture purposes but simultaneously also over-exploitation and misuse of scarce high potential land for purposes other than production. Cattle were kept as cultural and wealth status symbols and clearly not as production and distribution tool to make profits.

The land position as it developed up to 1936 is captured in the next table.

The slightly improved net position to 16 346 000 ha for Blacks after the 1936 Act is shown and also the position if adjustments are made to accommodate the slightly better agriculture potential of land and the impact of adding the earlier British protectorates that have since developed into another direction. The net "British" Southern Africa impact of 52,8% of land in favour of Whites and 47,2% in favour of Blacks show a much more reasonable scenario that have in history disappeared from the horizon, but should not be totally discarded.

LAND OCCUPATION AND ALLOCATION PERSPECTIVE FOR SOUTHERN AFRICA: 1913 to 1936							
	LAND DESCRIPTION	Transvaal (ha)	Cape (ha)	Natal (ha)	Free State (ha)	TOTAL POSITION	
						Area (ha)	Proportions (%)
A	ACTUAL POSITION IN 1916						
1	Land legally occupied by Blacks	1 278 390	6 639 252	2 763 463	200 611	10 881 716	71.4%
1.1	Reserves and Locations	922 890	6 094 478	2 481 383	63 629	9 562 380	62.7%
1.2	Missionary Land in Reserves	99 637	203 910	130 622	26 920	461 089	3.0%
1.3	Farms in possession of Blacks	255 863	340 864	151 458	110 062	858 247	5.6%
2	Land Illegally in Black Possession	3 073 331	134 835	1 158 794	0	4 366 960	28.6%
2.1	Crown Land occupied by Blacks	464 634	50 532	291 896		807 062	5.3%
2.2	White Land occupied by Blacks	2 608 697	84 303	866 898		3 559 898	23.3%
	TOTAL POSITION	4 351 721	6 774 087	3 922 257	200 611	15 248 676	100.0%
B	RECOMMENDED POSITIONS FROM 1913 to 1936						
3	Separate Territory as per Land Act of 1913	993 000	5 325 000	2 546 000	64 000	8 928 000	59.0%
4	Recommended additional area by Local Committees in 1918	4 670 000	1 393 000	379 000	0	6 442 000	
5	Released Territory by Bantu Trust and Land Act (1936)	4 307 000	1 384 000	451 000	69 000	6 211 000	41.0%
	TOTAL AREA AS PER ACT OF 1936	5 300 000	6 709 000	2 997 000	133 000	15 139 000	100.0%
6	PLUS: Land that Legally belonged to Black People before 1913					1 207 000	7.4%
C	TOTAL AREA FOR BLACKS AFTER ACT OF 1936	4 307 000	1 384 000	451 000	69 000	16 346 000	13.4%
	TOTAL AREA FOR WHITES					106 000 000	86.6%
	TOTAL SOUTH AFRICAN AREA					122 346 000	100.0%
D	Application of Tomlinson assumption that that 86 ha land allocated to Blacks have the potential of 126 ha with Whites						
	CALCULATED LAND FOR BLACKS					23 948 791	19.6%
	CALCULATED LAND FOR WHITES					97 960 209	80.4%
	TOTAL SOUTH AFRICA AREA					121 909 000	100.0%
E	Addition of the three British Protectorates on assumption that they were part of the original perspective of a fair deal for land demarcation of the British territories						
	Botswana					58 730 000	31.7%
	Lesotho					3 035 500	1.6%
	Swaziland					1 736 400	0.9%
	CALCULATED LAND FOR BLACKS					87 450 691	47.2%
	CALCULATED LAND FOR WHITES					97 960 209	52.8%
	TOTAL SOUTHERN AFRICA AREA					185 410 900	100.0%

It was only when the Tomlinson Commission identified the fragmented nature of the Black areas as a major obstacle in the development of these areas as separate identifiable areas for multinational political, economic and cultural development that consolidation of the scattered areas became the new buzzword after 1954.

The position in 1975 regarding the outstanding quota on "released land" and consolidation proposals formulated to establish 10 Homelands with a total land area of 17 006 000 ha (13.9% of South Africa land), is summarised in the next table. It is important to observe that purchases of 1 239 600 (20%) of the original "released area" was outstanding at that stage and

that an additional 660 000 ha was to be added to bring the total area allocated to Blacks after consolidation to 17 006 000. Because of consolidation and transfers however the total land to change ownership implied a “double “impact of 3 068 700 ha and a considerable addition in costs.

LAND OCCUPATION AND ALLOCATION PERSPECTIVE FOR SOUTHERN AFRICA: 1936 to 1975							
	LAND DESCRIPTION	Transvaal (ha)	Cape (ha)	Natal (ha)	Free State (ha)	TOTAL POSITION	
						Area (ha)	Proportions (%)
5	Released Territory by Bantu Trust and Land Act (1936)	4 307 000	1 384 000	451 000	69 000	6 211 000	41.0%
	TOTAL AREA AS PER ACT OF 1936	5 300 000	6 709 000	2 997 000	133 000	15 139 000	100.0%
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	TOTAL SOUTH AFRICAN AREA					122 346 000	100.0%
F POSITION WITH CONSOLIDATION PROPOSALS of 1975							
7	Outstanding Quota from 1936 Act	657 000	520 800	54 800	7 000	1 239 600	40.4%
	Black spots to be compensated	56 000	51 000	43 100	7 000	157 100	5.1%
8	Badly situated Black areas to be compensated *	328 600	142 900	317 200		788 700	25.7%
9	Total Compensatory Land to be purchased	384 600	193 900	360 300	7 000	945 800	30.8%
10	Reserve quota land retained for unforeseen events	22 800	18 900	20 800	±(110)	62 500	2.0%
11	Total White Land to change ownership (7 + 9-10)	1 018 800	695 800	394 300	14 000	2 122 900	69.2%
12	Total Black Land to change ownership (9)	384 600	193 900	360 300	7 000	945 800	30.8%
F	TOTAL CHANGE OF OWNERSHIP TO BE EFFECTED **	1 403 400	889 700	754 600	21 000	3 068 700	100.0%
	Estimated net increase in land allocated to Black People (G-C)					660 000	
G	ESTIMATED POSITION FOR HOMELANDS AFTER CONSOLIDATION OF 1975					17 006 000	13.9%
Notes	* Property belonged to SABT and need not be purchased.						
	** Esimated that total of 290 000 ha was allready state land and need therefore not to be purchased.						

Towards the end of 1976 the outstanding balance of land to be purchased was estimated at 2 280 000 ha and an estimated cost of R 417 million in 1976 prices. Provision for the resettlement of an estimated 175 000 Black families at an estimated cost of R 2 1333 per family to provide a house was estimated at R380 million at 1976 money value. Benbo estimated a further R10 million as provision for essential services at that stage.

The total budget to execute consolidation and resettlement as one decisively important determining factor to promote separate development was therefore estimated at less than R1 billion in 1976.

A study on the historical development of the land issue by the Afrikanerbond reported that President Botha announced in 1986 that all outstanding released land in accordance with the

1936 legislation was purchased. The total area allocated was given as 17 608 615 ha, slightly larger than the target of 17 006 000 in 1975. It can therefore be concluded that government fulfilled its commitment in terms of the 1936 Act.

One of the very first actions of the new democratically elected government was the adoption of the Reconstruction and Development Plan (RDP) in 1994. In the plan the objective was stated to restore land to their rightful owners. The target set was to transfer 30% of land to Black farmers by 1999. This date was later extended to 2014.

According to statistics supplied by Minister Gugile Nkwinti in the *Mail and Guardian* of 5-11 April 2013 a total number of 77 148 claims have been concluded and 4 813 farms have been transferred to date. A total of 5 856 benefited from land transfers while the other claimants became urbanised and opted for money instead. This makes the keeping of statistics in compliance with the 30% target by 2014 very difficult.

4. BACK TO BASICS

From the perspective above the following important findings and conclusions result:

4.1 Application of Race and Ethnicity in Land allocations is outdated.

The allocation of land based on racial and ethnic considerations only make sense where it is the intention to continue an existing pattern of territorial separation of people and communities based on the colour of their skin, race or ethnicity. These are not the characteristics of the new Constitution and new South Africa. South Africa today belongs to all people who have the freedom and rights entrenched in the Constitution to live, work and play where they want and associate as they wish. No discrimination based on skin colour, ethnicity and/or religion apply.

Affirmative action to correct imbalances from the past is provided for in the Constitution but not relevant in the case of territorial separation as South Africa is regarded a unitary state where group rights cannot be enforced and minorities cannot be discriminated against. Why should there still be White and Black land in a non-racial dispensation?

The introduction of a classification system based on race would become increasingly difficult to implement in South Africa in future. Who is to determine the race of a person and how should this be done in a non-racial society without risking racial bias in one way or another? What should the different cut-off points in terms of proportional mixes be? Even the racial composition of companies and other legal entities is almost impossible to determine in a society where most people see themselves as South Africans and refuse to be racially categorised in future.

4.2 Optimal Land use is not determined by skin colour.

Stereotypes regarding racial groupings that are better or worse in utilising land are an unfortunate legacy from the past based on circumstances and cultures under which people have developed and been expected to perform. The simplistic view that skin colour determines the success or failure to use land, is without substance and is based on racial prejudices that have been discredited many times.

Farmers are a unique breed of free spirit people with a special love of the soils and livestock and special competencies and dedication to make a life out of farming. Not every person can become a successful farmer but you find successful farmers amongst every nation and in all

parts of the World. Key determining factors are opportunity, interest, training and attitude and not race.

A variety of criteria to identify and select farmers exist. There are also universal norms and standards that can be applied to determine merit to be classified as successful farmers. Race and the colour of your skin can definitely not be a credible criterion to qualify as farmer or be recognised for special performances.

4.3 High potential agriculture land is a scarce national asset

It is evident that high potential land for agricultural use is very scarce in South Africa and in danger of being wasted and misused for a variety of other purposes. Food security is of strategic importance for any country and it is crucially important that governments accept the responsibility of making sure that available land can be accessed by the best and that all valuable land is well managed and protected as national asset for future agricultural use.

The rules and regulations under which such optimal land use can be secured require careful consideration and supervision and should apply consistently to state, communal and privately owned and used land.

4.4 Land ownership is not the same as land use

It is important to understand the basic distinction between ownership of land as a fixed asset and the way that land is utilised for production and distribution processes. State ownership, communal ownership and land as freehold property by individuals, companies and partnerships are all recognised forms of ownership that determine the role of land as economic asset to gain financial assistance but this has less to do with the way that land is actually utilised.

There are many examples of land that belongs to individuals that are not utilised at all or wrongly utilised. In contrast communal and state owned land can be productively used under a variety of circumstances that allow individuals to perform and be compensated on merit on the land.

The major stumbling block for production and distribution is rather the inability to gain sufficient financial assistance without ownership and the scope allowed for people to work for individual gain. Both these aspects can be resolved through the application of sound principles, criteria and management. Direct interventions to resolve these issues will remain artificial and will eventually not work.

4.5 Communal land use is an African curse

Irrespective of the ownership of land, it is the global experience that it is far better to work in an environment where individuals are recognised and given the opportunity to gain directly from performances and not indirectly from a communal pool or corruptive activities.

The communal land use system whereby everybody has access to land and share equitably in the proceeds irrespective of time, effort and contributions made have led to outrageous over-exploitation and misuse of land and considerable lack of commitment and individual effort to contribute a fair share and gain accordingly. The ability to sufficiently take care of the poor through communal and feudal practices has been a disappointment and is increasingly rejected by most countries.

Communal land use can therefore not be further tolerated and should be replaced with systems where individuals are recognised and compensated even when they contribute to the communal good. “Batho Pele” is therefore not outdated but should rather be applied in an integrated way where the total benefit gained is greater than the sum of individual gains.

4.6 The State requires instruments to secure optimal land use

Because agriculture land is scarce and of strategic importance it is in the national interest to make sure that this asset is properly used and protected for future generations. This is even more important where it is the inclination for individuals to place their own individual interest and gains above that of the communities and the national interest.

Over-stocking and over-cropping that lead to soil erosion and destruction of environmentally sensitive climate, flora and fauna are typical examples where the state must intervene for purposes of sustainability in the national interest. Neglect and under-utilisation of a scarce resource could equally qualify for state intervention to improve productivity.

The key is to engage in transparent consultations and investigations to develop common norms, standards and criteria that are globally acceptable and agree on the most appropriate instruments and interventions that could be considered.

4.7 The market mechanism as dynamic instrument for change

Although the market is known to register important failures that must be managed, it is widely recognised as still the best possible mechanism to make individuals and groups to respond in a rational and responsible way. The interaction between many suppliers and demands that produce a price as indicator for individuals to respond accordingly is a powerful instrument to regulate economic performances even indirectly.

When the market and prices fail to give correct signals it remains an appropriate strategy to first consider indirect market instruments and interventions rather than direct interventions to achieve the optimal outcome. Distortion of market forces must however be carefully planned and implemented because of unintended consequences that could easily result.

Transparency is again called for in determining market failures and in developing and designing appropriate instruments and interventions to achieve the desirable outcome and avoid unintended consequences.

4.8 Expropriation as a last resort

Expropriation is an intervention that should best be avoided and kept to the minimum. Where this is considered as only alternative to achieve the desired outcome, indirect mechanisms and instruments should rather be implemented before consideration is given to direct interventions.

Direct interventions without in-built corrections almost inevitably require power, authority and administration that create opportunities for corruption and bribery. In the end the saying: “Power corrupts and absolute power corrupts absolutely” applies and is very evident in the South African context.

4.9 How to restore mishaps from the past

All the above perspectives, principles and instruments contribute very little if the potential is not offered to correct mistakes from the past.

It is evident that mistakes were made in the past that call for correction. The resolutions formulated by Parliament give an indication of the goals and intentions of government.

This submission is not denying nor ignoring the fact that land use is skewed and should be optimised. The intention is however to contribute constructively from a correct perspective and sound basis with application of correct and appropriate principles, systems, institutions and instruments.

5. RESPONDING TO THE MANDATE OF THE AD HOC COMMITTEE

In response to the terms of reference formulated for the Ad hoc Committee and request to respond before 20 September, the following further inputs are proposed:

5.1 The Problem Statement

An optimal solution can only be found if the correct root cause is identified and a correct problem statement is formulated for attention. It is evident from the earlier sections of this document that restoration of the position before the 1913 Land Act and placing earlier land users back on land has not identified the correct root cause and formulated the correct problem statement.

Previously disadvantaged people may be replaced on land belonging to their forefathers in accordance with legitimate claims and at considerable cost only to find that these same people (or their children) soon leave the land and return to other destinations and ways of living again. Land restitution as it is presently practised is threatening current commercial farmers who are expected to give up their knowledge and expertise in farming for another career outside farming. It is also threatening emerging farmers who are immediately expected to continue the momentum as successful farmers in a highly competitive and risky business whether they regard them as farmers or not.

At present land restitution offers little prospects of improved agricultural practises, better land use, increased productivity, improved prospects for young, upcoming and dynamic farmers who are predominantly Black, and guarantees on food security. It is evident that this transition must be managed with the utmost care to offer a viable alternative that will continue productive land use in the best interest of the country.

The root cause is one of correcting a historic wrong that moved people from land and formulating the problem statement as the challenge to provide a viable and sustainable alternative for the future. This entails that the substance of previous ownership and land-use rights be thoroughly confirmed and corrected but that all these and present rights then be placed on a course of action that will achieve optimal land use as ultimate goal.

Farmers must prosper in a highly competitive environment where it is almost impossible for the small emerging farmer to benefit from specialisation and economies of scale and survive against the forces of business that exploit the vulnerability of small farmers. Co-operative farming practices where small farmers could stand together, preferably with the assistance and

support of bigger commercial farmers to buy and sell in bulk and share in capital intensive practices is likely the only viable and sustainable solution for small farmers.

The dynamics and risks in rural areas and on land are such that only a comprehensive and integrated approach towards land restitution and reform that simultaneously offers stability and growth for commercial farmers and promotes a competitive edge for emerging farmers, would be a sustainable proposition.

Driven from this common basis the foundations are there for constructive debate around a variety of land reform models and land-use systems under different combinations of free market and state ownership that are in operation with proven track records of successes and failures. It should be accepted that present evidences seem to suggest that all models and systems show shortcomings that must be debated and resolved as part of a process of developing sound norms, standards and indicators that would ensure optimal land use in future.

This submission could form the initial foundations for such a constructive approach.

5.2 Determine the most appropriate system

The system that responds to the above problem statement is not one of simply restoring past wrongs and replacing people under the same dysfunctional ownership and land-use systems as in the past. Without appropriate selection criteria, on-farm and off-farm infrastructure and support systems in place very little improvement would result in establishing sustainable farming units and independent commercial farmers.

A comprehensive and integrated land ownership and land-use system that allows the establishment of viable farming units that can be accessed by accredited prospective farmers is proposed. When farmers are selected for farming appropriate qualification and appropriate performance systems should be in operation to award success and deal correctly with failures to respond accordingly. In addition infrastructure and support systems should be in place for farmers to access minimum training, financial, production, mechanisation, marketing and information resources that would place them in the position to effectively compete in the open market and overcome seasonal and other unforeseen risks that are so typical in the farming environment.

The above system should simultaneously create space and opportunity for commercial farmers to co-exist with small, subsistence and part-time farmers who could benefit from the counselling and example of successful farming and more importantly the advantages from economies of scale offered through these farming operations. An integrated system of core farming units that offer feasible and easier production, mechanisation, marketing, processing and financial opportunities for smaller satellite farmers to benefit from, has proven over centuries to be the ideal model for farming and rural development. Opportunities for partnerships, co-operation and co-existence that promise “win-win” solutions for farmers and rural communities should be exploited.

It is doubtful whether the present systems in operation are meeting the above criteria for comprehensive and integrated agriculture and rural development.

5.3 Monitor the process dealing with land claims

Although the process of dealing with land claims start much earlier, it is only when the above system to ensure optimal land-use is properly designed and implemented, that a firm basis will be established to monitor the success or failure of land restitution.

A way forward may be to divorce the assessment of the merits of a land claim totally from the right to execute land-use?

The logic is that individuals may have all the rights in the world to claim for past wrongs that affected them directly and be compensated accordingly. This is basically a legal process and should be dealt with on merit by the courts. Whether compensation should be in the form of physically regaining land and the right to use the land is another issue requiring another set of norms, principles, criteria and rules.

People executing their rights to land ownership and use must do this in accordance with the findings and considerations formulated above and be subject to similar rules and regulations that are consistently applied for all owners (state, traditional authorities, individuals and companies) and all land-users (communal, private, co-operative).

An appropriate monitor mechanism should be established that receives regular reports regarding claims received, under consideration and concluded and thereafter an objective assessment and evaluation on the likely outcome and impact on growth and development.

5.4 Evaluating existing land reform and rural development programmes

Progress and outputs have been registered with land reform and rural development programmes but it is abundantly evident that the desired outcomes and impacts have not as yet been properly assessed and evaluated.

The public media reported extensively with horror stories about highly productive and high potential land that was purchased as fully operational and profitable ventures, only to be in a totally collapsed and dilapidated state at present. This is not a new phenomenon and definitely not restricted to one or two provinces at this time of our development only.

The South African history is full of earlier consolidation and other attempts to buy productive units and transfer then to new users who do not have the understanding, willingness, capacity and appreciation to continue operations as in the past. The question is whether the individual or the system is to be blamed when this happens?

The goals, objectives, performance norms and criteria, rules and regulations must all be clearly spelled out in advance to allow later assessment and evaluation whether conditions were met.

Monitoring and evaluation should be by a completely objective and external institution based on the principle that the referee cannot be the player as well. Norms, standards and criteria to be met should be established upfront to make monitoring and evaluation meaningful and credible. The outcome of these evaluations must also be ploughed back as lessons of experience to improve the next cycle of land reform and rural development.

5.5 Evaluating the success of land restitution programmes

The above comments apply equally well to an evaluation of the land restitution programme.

Statistics about claims processed:

Date:	Land Claims Processed	Expenditure (R billion)	Farms Transferred	Monetary Beneficiaries
At 31 March 2003	36 488			
At 31 March 2007	74 417	R 16	4 813	
At 31 January 2013	77 148		5 856	71 292

Source : Minister Gugile Nkwinti according to *Mail en Guardian* of 5-11 April 2013

According to a study on the historical development of the South African Land issue by the Afrikanerbond an amount of R1 billion was voted for 2010/11 to restore productivity on 504 of these farms. At that stage it was accordingly estimated by the Democratic Alliance that 29% of these farms have failed dismally and that another 22% was in a downward spiral towards failure.

It is frightening to observe the implementation of this programme for several years now but without a comprehensive report and reliable statistics on performances to date and the latest audited position in terms of expenditures and impact.

5.6 Removal of blockages

It is proposed that the problem statement formulated above should result in a complete new appreciation of the situation and the formulation of a new goal, strategy, partnership and implementation plan as follows:

5.6.1 Goal and Objectives:

Agriculture land is a valuable and strategic resource that must be optimally utilised as a National asset.

Land reform must happen through an evolutionary process as has already begun and not an revolutionary process as can easily happen if the situation is not handled honestly and according to acceptable norms and standards. This can easily be achieved within the present constitution and free market principles.

The goal is to harness all available farming knowledge and expertise that is potentially available in South Africa as a competitive asset for the development of emerging farmers and secure sustainable agriculture production and potential exports.

The precondition is that systems should be in operation that will secure optimal agriculture production under all circumstances. Objectives are to increase production, promote profitability and guarantee food security, graduate small emerging farmers into commercial farmers and to create employment opportunities within the agricultural and rural sector. The selection and training of farmers should be based on sound principles to ensure longer term sustainability and appropriate evaluation and control mechanisms should apply that deals decisively with non-performance and mismanagement. A risk assessment of the circumstances under which

farming is taken place should be performed to ensure fair and consistent interventions at all stages.

5.6.2 Proposed strategy

The strategy is to investigate the potential for co-operative governance and develop a complete proposal with norms, principles and standards that are fully compatible with international best practice and that offers a win-win solution for:

- Emerging farmers who could gain from a quicker land transformation process and structured access to some of the best farming expertise available at their doorstep and without feeling threatened that they may lose their independence;
- Integrated and sustainable rural development through a variety of agriculture co-operative and/or partnership schemes to assist emerging farmers with bulk purchasing, financial, mechanisation, crop protection, weed control, veterinary services, marketing and training practices;
- Commercial farmers affected by land reform that feel less threatened and begin to appreciate the value that they can contribute as farming experts and partners situated and operating in rural areas and offering economies of scale benefits;
- Increased job opportunities with increased and cheaper food production for the poor in rural areas;
- Solutions for food security challenges faced in highly populated communities; and
- The establishment of viable rural communities that fully exploit and benefit from the advantages of cooperative governance.

The ideal “To be” position should be determined and packaged into a maturity model that facilitates an analysis and correct plotting of the present South African in context of this ideal “to be” position.

Based on this analysis and contributions made a system should be designed as a road map and appropriate intervention strategy how to get to the “to be” position in the most realistic and feasible way possible. The flexibility and robustness of the model and road map under different scenarios should be tested and agreement reached on the most appropriate way forward before implementation.

Parallel to the above a strategy should be designed and implemented that allow farmers to register and be accredited as competent farmers in a competitive environment. Provision should also be made for training and consistent feedback as these farmers put their services into practise and a credible rating system that can be used as reference when compliance and performances are assessed. The “Post Record Scheme” whereby farmers were given the opportunity to continually rate themselves against the top, middle and bottom third of farmers in their environment and discipline used to be an important tool to improve knowledge and productivity on farms. Recent internet and computer technologies should make this a much easier operation to maintain than in the past.

Even the best designed and developed land reform strategy and plan is not an automatic recipe and guarantee for success during implementation. A third strategy is therefore to develop project plans and design appropriate terms and conditions that should be applied in negotiating Service Level Agreements (SLA's) with potential participants and beneficiaries of each rural development or land reform project and agree on monitoring and evaluation mechanisms that would introduce corrective steps in time.

5.6.3 Promoting Partnerships

Successful land reform will be determined by the success at which the above strategies could find expression in partnership agreements and a social compact from both a “Bottom Up” and Top-down” approach..

It is of utmost importance that maximum participation and involvement should be sought from both emerging and commercial farmer representative groups in the country and that internationally acceptable norms, principles and standards should be developed and negotiated that would withstand negative pressures during implementation.

Ongoing discussions would be the appropriate way to go about in building sufficient consensus and a social compact on the way forward

Once a detailed proposal is conceptualised and adopted, consultation and negotiations within the wider South African environment is required. Lasting partnerships between organised businesses, labour and civil society is required so that everybody could appreciate and support the proposal and accept joint responsibility for the outcomes realised.

5.6.4 Implementation Plan

Once the plan is adopted implementation should take place in accordance with Service Level Agreements (SDA) entered into. It is advisable that a technical team should be established that could guide and oversee implementation and keep key stakeholders informed of progress, challenges experienced and corrective steps.

Because of the strategic importance of land restitution and land reform, consideration should also be given to establish a policy oversight institution and mechanism.

Change management should be promoted through regular **workshops** with key focus groups and stakeholders where critical milestones resulting from implementation could be debated and negotiated as directives for the final outcome.

6. CONCLUSION

This submission was prepared as our humble contribution for further consideration and debate.

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