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SOUTH AFRICAN SUGAR ASSOCIATIONS' COMMENT ON THE RESTITUTION OF LAND RIGHT'S AMENDMENT BILL

1. INTRODUCTION

The South African Sugar Association (SASA) is created by a statute, specifically section 2 of the Sugar Act. It is an association which promotes the interest and sustainability of the South African sugar industry; provides specialist support to the cane growers and sugar millers who make up the sugar industry and their representative bodies, the South African Cane Growers Association and the South African Sugar Millers' Association. SASA represents the views of the sugar industry to parliament, government and other public bodies and officials in South Africa.

The South African sugar industry is one of the world's leading costs competitive producers of high quality sugar and makes an important contribution to employment, particularly in rural areas, to sustainable development and to the national economy. The cane growing sector comprises of approximately 29 130 registered sugarcane growers farming predominantly in KwaZulu-Natal and Mpumalanga. Sugarcane growers annually produce on average 20 million tons of sugarcane from 14 mill supply areas.

The industry produces an estimated average of 2.2 million tons of sugar per season. About 60% of this sugar is marketed in Southern African Customs Union (SACU) with the remainder exported to markets including those in Africa, Asia and the Middle East.

The South African sugar industry makes an important contribution to the national economy, given its agricultural and industry investments, foreign exchange earnings, its high employment and its linkages with major suppliers, support industries and customers.

Based on revenue generated through sugar sales in the SACU region as well as world market exports, the South African sugar industry is responsible for generating an annual estimated average direct income of R12 billion. This constitutes R5.1 billion in value of sugarcane production.

Direct employment within the sugar industry is approximately 137 000 jobs, and indirectly another 110 000 jobs. This represents 11% of the total agricultural workforce in the country which makes the sugar industry the largest agricultural employer. In addition, approximately 1 million people, more than 2% of South Africa's population depends on the sugar industry for a living.

The industry's social and economic contribution in the predominantly rural areas that it is invested in, is well document and indisputable. It is a rural-based industry, and through its resource-based rural investments adds similar value to rural economies, and sustains a number of small to medium size towns in Kwazulu-Natal and Mpumalanga Province.

The industry is now poised to benefit from a number of opportunities which are dependent on government policy directives. These opportunities relate to:

- **Preferential access for sugar to the European Market**

The industry's current request for access is for a quota of 320 000 tons. The total additional revenue (raw sugar) is estimated to be \$66 793 600 or R487 593 280. This is the money that would come into the industry partnership, and Growers would share in this additional revenue.

- **Renewable electricity generation from sugarcane biomass**

The industry has requested an allocation of 1000MW in the Integrated Resource Plan, for export to the national grid.

There also a number of multiplier industries that have arisen. These relate to a range of products from the production of animal feed, ethyl alcohol, furfural, small confectionary firms, and transportation systems (McCarthy, 2008).

SASA therefore proposes that a review of the restitution policy and legislative framework should take into consideration the role of the industry in employment creation, and the catalytic role that sugar production plays in rural economies. In addition, the legislative framework should create an environment which encourages on-farm investments that lead to increases in sugar cane production, employment generation, and investments in value-adding infrastructure to realise the above opportunities for both Growers and Millers. **The sugar industry believes that the Restitution of Land Rights Amendment bill, which proposes the blanket re-opening of the lodgement date for restitution claims, poses a significant threat to the sustainability of the industry.**

2. **ROLE OF THE SUGAR INDUSTRY IN THE LAND REFORM PROGRAMME**

The South African Sugar Industry has long recognised the need to promote diverse ownership of agricultural land under sugarcane and has a range of support instruments in place to promote sustainable land reform. It has vigorously pursued transformation and the achievement of government objectives towards land reform. The industry decided from the outset to dedicate on-going coordinated, resourced efforts to sincerely support government policy and enable its implementation. The industry has established a dedicated department at SASA to focus on working with government to implement a sustainable land reform programme.

The sugar industry was proactive in developing and implementing its own redistribution model, prior to the inception of the land reform programme. Tongaat Hulett and Illovo Sugar, using their own land (MCP), redistributed 18 789 hectares to 170 farmers, using a loan financing model with Ithala Bank. This initiative reduced Miller ownership of land from 22% in the late 1990's to 6 % in 2010. Miller ownership will decline further as restitution claims on MCP land is settled.

Further evidence of these efforts is that freehold land under sugarcane under black ownership has increased from 5% in 1994 to 21% currently, or over **70 626** hectares under cane farmed by land reform beneficiaries.

Black growers produced over 3.5 million tons of sugarcane in the 2011/12 season. Sugar is the only commodity sector to have achieved this result, and we are confident that as the pace of the settlement of existing gazetted restitution claims in the sugar industry gains momentum, we will achieve the target of 30% by 2014. We believe that once claims are settled in the sugar growing regions, over 50% of land ownership will rest in the hands of black growers / landowners.

The sugar industry has committed significant resources to support a sustainable land reform programme. **Specialist extension officers, agricultural economists, social facilitators, skilled trainers, and experienced project and agricultural managers have been assigned to support the programme.** In addition, the industry has also invested its own resources in training and governance support programmes for land reform growers. Over **R21 million** has been committed to support training and governance support programmes over the next three years.

However, the lack of a comprehensive and programmatic approach to the restitution of land to dispossessed communities has since emerged as a fundamental determinant to the future sustainability of the sugar industry. The industry has consequently expanded its focus on land reform to address the restitution processes and outcomes. **Currently, 39% of land under commercial sugar cane production in KwaZulu-Natal is under claim.**

3. RESTITUTION CLAIMS IN THE SUGAR INDUSTRY

3.1 Gazetted claims

The sugar industry has assembled data on gazetted claims in KwaZulu-Natal. The data reveals that **130 400 hectares** of commercial freehold land is under claim. This represents **39%** of commercial sugar cane land in Kwazulu-Natal. The industry has developed a comprehensive status report on all outstanding gazetted claims, and a proposal has been presented to the RLCC: KwaZulu-Natal to develop structured annual plans to manage the settlement process. This initiative will be implemented from 2013/14 onwards.

STATUS	HECTARES
Gazetted	130 400
Settled	41 983
Total freehold hectares	336 321

3.2 Slow pace of settlement of gazetted claims

The lodgment process for claims closed in 1998. However, **14 years later** the industry has not seen significant progress in the settlement of outstanding gazette claims.

The lack of a programmatic approach to the settle of outstanding claims is impacting negatively on sugar cane supply. The lack of clear processes and timeframes to address these outstanding claims is having a negative impact

of production levels, jobs opportunities and on community stability in the affected rural areas. The challenges associations with the restitution programme are summarized below:

3.2.1 Outstanding claims and the impact on production and community stability

With 39% of the commercial freehold sugarcane land gazette under restitution claim in KwaZulu-Natal, the impact has been significant in terms of sugar cane production. This inability to timeously settle the outstanding gazetted claims has had several unintended consequences:

- Growers are reluctant to make major investments on their farms due the uncertainty of the timeframes for addressing a claim. This has resulted in declining yields on these farms;
- Claimant communities are becoming increasingly impatient with the landowners relating to the settlement of the claims. At times the perception arises that landowners are delaying the settlement of claims;
- Given the extent of gazette claims, the restitution process has effectively "strangled" the market, leaving very limited land for private transactions. This has a further unintended consequences; such as, the above average increases in land prices.

Within this context, the industry believes that the re- opening of the lodgment process will create further uncertainty amongst landowners and lead to further disinvestments of farm. Disinvestment will lead to declining production and will pose a serious threat to the sustainability of Mills, and therefore the entire sugar industry.

4. POST TRANSFER CHALLENGES

The settled restitution claims poses significant challenges that not only places production at risk, but has resulted in serious institutional challenges, especially in terms of governance and financial management for the land holding / business entities.

4.1 Production Challenges

The case study below reflects the challenges encountered by the industry, primarily on transferred restitution projects that have had little or no post settlement production support. The current policy position of the RLCC, not to purchase the farms as a "going concern" with the basic machinery and equipment, place the new landowners in an extremely difficult position. Without operating capital and basic on farm machinery and equipment, the new grower is essentially set up for failure. The case of Mvuzane Restitution Project is an example of the impact of no post settlement support being received by the beneficiaries.

Mvuzane Restitution Project: Case Study

The Invuzani Trust was afforded the opportunity to farm on Kent Manor farm after the land claim was settled in 2004 with the Department of Land Reform and Rural Development (DRDLR). The Trust took over the management of the farm in November 2004 comprising of up to 76 households. The Mvuzane Farm is situated at Umlalazi Local Municipality.

Farms Involved: Kent Manor, Innerdale, Pala Ranch – Ext. 949.8 hectares
Land Use:

Productive Cane Land	332.3 ha
Timber	22.7 ha
Citrus	16.6 ha
Grazing Land	578.2 h

The farm has a potential to produce 20 000 tons of sugar cane per season and historically such yields were attainable when the farm was in a fully productive state. Trust members say the production decline was due to the delays in the handover of the project on the side of the government and when the time came the farm was already degraded, and there was support forthcoming. The table below shows the tons produced after the farm was transferred to the Trust

Year	Tons
2005	187
2006	478
2007	323
2008 – present	0

The citrus orchards were leased by Mr JP Stevenson and needed immediate rehabilitation which never happened. The timber plantation was also very small and not high yielding. The total job lost on this farm is 80 seasonal and 25 permanent jobs.

The impact of losing 20 000 tons of cane per annum is huge. Mill operations are negatively affected because of low cane stocks. Furthermore, this threatens existing jobs at the Mill.

4.2 Conflicts within claims

The industry has witnessed several projects degenerate into conflict due to contestation over land by several interest groups. This has often resulted where traditional leadership has claimed jurisdiction over freehold land. This has led to conflict between claimant groups and traditional authorities. The North Pondoland project is an example of the negative impact of a contested claim.

North Pondoland Sugar case study

North Pondoland Sugar (NPS) is a cane farming operation in the Eastern Cape supplying cane to Illovo Sugar's Umzimkulu mill situated in Port Shepstone, some 80km from the growing area. The operation began in the late 1980s, with a highest tonnage of 129 000 tons that was delivered from NPS in the 1996/97 season.

The area under cane at its peak was 3 300 ha but over time the area gradually decreased to 500 ha in the 2008/09 season, producing only 6 400 tons. NPS is now completely out of cane, with cane deliveries having ceased as of the 2009/10 season. Historically, NPS leased the land from the Government. NPS then leased out individual plots averaging 10 ha each to 33 growers. These individual leases technically expired in 2008. However this was disputed by growers.

Complicating the situation were unresolved land claims over the area. The tensions around land tenure rights and the award of the land to a single claimants group without considering other claimants eventually resulted in the **collapse of the scheme**. The community has lost an annual income of **R30 million annually**, and various downstream enterprises that supported the project were also negatively impacted upon. The area has no significant economic activity and unemployment and household poverty levels are high.

4.3 Communal land ownership model

The Department has continued with the practice of restoring land to Communal Property Institutions (CPI's). These CPI's often lack the capacity to manage the complex land holding responsibilities. In addition, poor governance practices and lack of transparent financial management systems have led to only a few persons in leadership position benefitting. Therefore should the Department continue to use the current model for the transfer of land, one would assume that the proposed re-opening of the lodgement process will continue to benefit a few. SASA therefore, cannot support a programme that has failed to ensure that the majority of claimant benefit for land transfers.

5. SUGAR INDUSTRY'S RESPONSE TO RESTITUTION CHALLENGES

The sugar industry has not been complacent, but has used its own resources to address the challenges identified above.

5.1 Database of all gazetted claims in the sugar industry

SASA also developed a comprehensive database on all outstanding gazette claims in the industry. The industry has spent several months to develop detailed information on each gazette property. It is proposed that this document will enable both SASA and the RLCC to annually plan for the settlement of land claims.

5.2 Structured process for the settlement of claims in the sugar industry

SASA has taken the initiative to develop an **industry specific business process and a set of post settlement models** that makes specific proposals which would lead to a more sustainable process for the settlement of outstanding claims. These manual addresses the specific challenges listed below:

ISSUE IDENTIFIED	INTERVENTION PROPOSED
Inadequate links between pre- and post-settlement support.	Recognition in business process is given to strong linkages between pre- and post-settlement support (including induction and orientation to the sugar industry).
Timing of transfers not given adequate consideration.	<ol style="list-style-type: none"> 1. Policy Decision on Timing of Transfers in sugar industry to take place in fourth quarter. 2. Inspections pre and post transfer to ensure cane is maintained appropriately: to ensure seamless transition of land ownership, and continued optimal productivity.
Time Scale of the project: the length of time the project takes and the time it takes before a project is sustainable.	<p>Policy Decision: Following gazetting the project will be prioritized within the MTEF (3 years).</p> <p>Models and business process proposed aim to enable sustainability.</p>
Insufficient co-ordination between key role-players and stakeholders in both pre- and post-settlement support.	Business Process defines roles linked to milestone activities (KPI: Output driven rather than just process-driven).
Insufficient social facilitation in pre- and post-settlement (and/or) focused social facilitation.	Business Process identifies where what type of social facilitation should occur: with more attention being paid to pre-transfer governance facilitation support.
Lack of ownership of business plans by restitution entrant growers.	Business Planning Methodology within the broader process of capacity-enhancement with regards to land ownership, governance matters and business.

ISSUE IDENTIFIED	INTERVENTION PROPOSED
Ad-hoc and insufficient capacity-enhancement programmes for restitution entrant growers.	Facilitatory methodology pre-and post-transfer linked to support programmes.
Project Structuring/Modeling not necessarily given due consideration, and/or not fully understood and/or restitution entrant growers are not making informed choices of models.	Models proposed and business process details and methodologies aim to ensure empowered restitution entrant growers to make choices and that models are appropriately chosen as suitable for them and their circumstances.
Unrealistic community expectations	Up-Front Initial Facilitation and continuous feedback on project progress, and capacity enhancement programme implementation both pre-and post-settlement. Governance capacity enhancement given more focused attention.
Entities involved in project: land owning and business and others not optimally functional.	Institutional Support Programme Implementation: governance training with focused attention on role definition (roles and responsibilities).
Various Tenure sub issues: gender equity and inheritance rights, sales/rental/exiting, and beneficiation.	Models details and Institutional Support Project.

The industry and the RLCC have agreed on a generic business processes and post settlement models for the sustainable restitution transfers in the industry. As part of the business processes, the industry as committed significant technical resources to support the programme. A key element of the business process that is proposed is a transitional management model that enables growers to progress towards self-management.

5.2.1 Progression to Self-Management Model (PSM)

The PSM model is an encompassing model which is underpinned by the notion of a progression of model-types until the ideal model-type of self-management is reached. This model aligns with the progression of categories of growers and will ensure the matrix indicating services and

support per stage are offered until readiness is obtained to make choices and progress accordingly.

During pre-settlement phases assessments done with beneficiaries/restitution entrant growers will enable them to assess themselves in terms of readiness. The results of the assessment will channel the beneficiaries/ restitution new entrant growers towards post-settlement model options. With the base model being the transitional management phase of the PSM model. Once in this phase there will support provided, readiness assessments done which will channel the beneficiaries/restitution new entrant growers towards model options; until the self -model is realised.

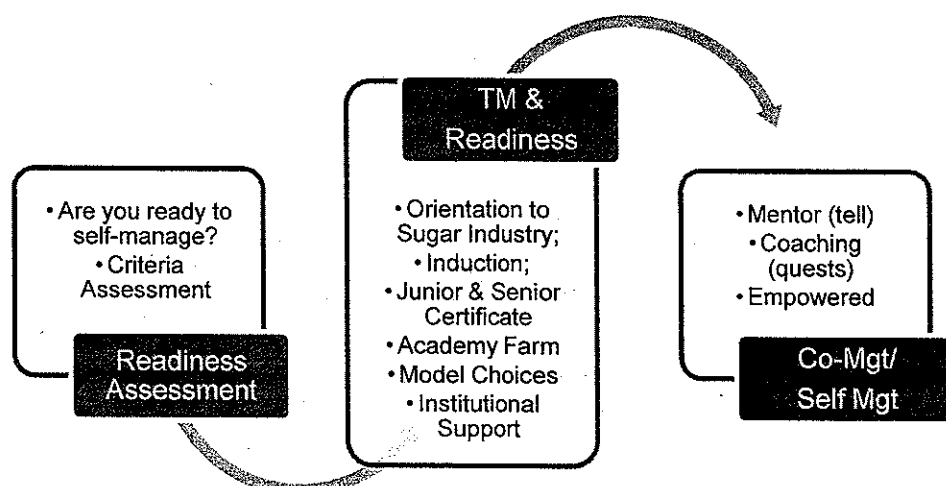


Figure 11: Readiness Assessment Model

5.3 Governance and institutional Support

The State has invested substantially in commercial enterprises, and as a result the overall impact that land reform could have on the commercial sector is significant. In KwaZulu-Natal and Mpumalanga, the investment in land acquisition in the sugarcane production area has been in excess of R3 billion.

This has resulted in the transfer of 21% of sugar cane land under commercial production. Most of the land transfers in the sugar industry has been to Trust and CPA's. These communal entities range in beneficiary /claimant numbers from 30 persons to in excess of a 10 000 persons.

In the sugar industry there are over 140 Communal Property Institutions that have taken ownership of land. The number of CPA's taking ownership of land will increase significantly over the next three years, as valid restitution claims are settled on sugar cane land.¹

Through the RADP Programme the sugar industry has leveraged over R280 million to support land reform and small scale grower projects, over a three to five year period. The RADP Programme has been in implementation for a

¹ The gazetted restitution claims on commercial sugar cane land in approximately 143 000 hectares.

year, and significant progress has been made in sustaining and expanding production on the prioritized farms.

However, despite the current initiatives by both the industry and government, especially in the area of addressing the declining production, it is evident that the governance issues are often the most significant obstacle to the running of a sustainable farming enterprise.

5.3.1 Challenges confronting CPI's

The DRDLR creates Trusts and CPA's to take ownership of land on behalf of hundreds of beneficiaries / claimants. These CPI's have been formed to facilitate the process of land transfer, with limited support being provided to beneficiaries in the functioning of these governance structures.

The lack of governance / business training and mentorship has resulted in these institutions being dysfunctional, leading to conflict within the institutions. These unintended consequences now present a serious challenge to expected outcomes that were associated with the land reform programme, namely; community stability, economic opportunities and job creation.

The needs analysis by Agri-Seta in 2009 of restitution projects in KwaZulu-Natal and Mpumalanga has confirmed that the lack of good governance and sound business management are key obstacles to the sustainability of these projects.

These findings were confirmed in the industry's Training and Capacity Project. SASA commissioned a service provider, Manstrat Consultants, to conduct an independent evaluation of the effectiveness of the current training and support services to land reform growers. The report was completed in November 2011 and revealed that governance and business management support is urgently required for the large restitution and LRAD projects.

These challenges can be located within the following categories:

- **Institutional**
 - Lack of knowledge on the functioning of the Entity;
 - Poor or limited knowledge of compliance matters as a landowner
 - Judicial control;
 - Poor governance;
 - Lack of capacity
- **Financial/Economic**
 - Mistrust since business arrangements have been facilitated by "third parties";
 - Failed farming activities;
 - Lack of dividend disbursement, procurement, financial policies;
 - JV, lease and Co-management agreements are not clearly understood;
 - Limited knowledge of regulatory compliance matters as the owner of a business;

- Socio-political
 - Power struggles within the Trusts;
 - Poor communication between Trustees and community members;
 - Only trustees benefiting from the business enterprise;
 - Lack of funding for post transfer agricultural activities

5.3.2 SASA Institutional Support Project

Within the context of these challenges SASA has developed an **institutional support programme** for transferred projects; in order to develop best practice models to address the governance challenges that have arisen in group based projects. Three cluster projects have been launched in which 29 restitution projects will be provided with governance and business management support over a three year period. The industry has invested **R12 million in this project.**

The key elements of the intervention programme are as follows:

Social cohesion (community)	Operational / Business	Governance
Governance Structure and Business Skills <ul style="list-style-type: none"> • Basic Business Skills / understanding • Dividend disbursements • Operational costs for farming • Operational Costs for legal entity / trustees • Lease, co-management, JV principles and conditions • Understanding of the Constitution 	Business Skills <ul style="list-style-type: none"> • Financial planning and management • Management skills • Production management • Labour relations • Office Administration • Managing the beneficiary list • Basic computing • Setting up and implementation of systems • Dividend disbursement policy 	<ul style="list-style-type: none"> • Business planning / Strategic planning (to include a land assessment and plan) • Policy development • Constitutional review • How to run meetings and AGM's • Financial planning and management • Roles of the Trustees, Board of Directors / Separation of powers • Corporate governance framework
Interpersonal relations <ul style="list-style-type: none"> • Aligning expectations • Perception management • Conflict 	Interpersonal relations <ul style="list-style-type: none"> • Conflict management • Managing diversity 	Interpersonal relations <ul style="list-style-type: none"> • Conflict management • Managing diversity • Communication

Social cohesion (community)	Operational / Business	Governance
management		
Consultative workshops <ul style="list-style-type: none"> • Governance structure • Beneficiation / community development plans • New projects 		Consultative workshops <ul style="list-style-type: none"> • Community development plans

These interventions are an indication of the industry's commitment to support the sustainable settlement of restitution claims. **The proposed blanket re-opening of claims has the potential to significantly disrupt these initiatives.**

6. COMMENTS ON THE AMENDMENT BILL

6.1 General comments

- 6.1.1 SASA **does not support** the general re-opening of claims until all 39% (130 400) of gazetted claims within the sugar cane growing area is addressed. SASA proposes **a phased approach** supported by sound research to address the exclusions identified in the document. SASA propose the following phases:

Phase	Category	Comment
Phase 1	Currently gazetted claims	SASA proposes that dedicated capacity and funding is committed by the RLCC to deal with the current backlog within a 3-5 year period.
Phase 2	Exclusion due to "betterment planning"	Research and detailed information of the affected areas needs to be gathered to determine the extent of the exclusion. This will assist the Department in terms of resource needs to address this particular area of exclusion.
Phase 3	Excluded by the 1988 cut-off date	There is limited evidence to justify that those dispossessed were not able to lodge claims by the 1998 cut-off date. Additional research is required

		in this area.
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- 6.1.3 At the first consultation session with the Minister of Rural Development and Land Reform on the green paper policy formulation process at the CSIR 18 months ago, the Minister expressly indicated that the **restitution model had failed**, and wanted focused attention on re-engineering the business process and broader model. The Amendment Bill does not address the fundamental challenges that plague the restitution programme.

6.1.4 Potential impact of the re-opening process

The re-opening of claims will have several unintended consequences. The following have been identified by SASA and requires serious consideration:

- **“Stalled” settlement programme**

The re-opening process will have a negative impact on the settlement plans of RLCC Provincial Offices who are working on the outstanding claims. The limited resources of the RLCC will most probably be re-directed to deal with the “new” lodgement process. More importantly the prioritised claims would need to be “stalled” to confirm if there are new claims on the properties being transferred. This will be extremely disruptive to the settlement programme.

- **Claims on transferred land reform farms**

In the settlement of many rural claims, including those in the sugar industry, the RLCC adopted a strategy of “consolidating” a claim. This resulted in the “grouping” claimed properties under a single CPI and/or the inclusion of adjacent willing sellers of properties into the prioritized project. The re-opening process will allow for claims to be lodged on settlement and transferred land. The consequences are rural social instability and increasing tension amongst community members.

- **Impact on the redistribution programme**

The re-opening the lodgment process will effectively result in the halting of the redistribution programme in the sugar industry. One would envisage that the land under claim would increase. This would effectively leave a very limited number of properties available for sale on the open market and the redistribution programme would need to complete in this market. A further consequence would be a sharp rise in the price of cane farms.

6.1.5 Prioritisation of claims

SASA further proposed that should the lodgement date be re-opened, there needs to be a prioritisation process, wherein claims lodged before 31 December 1998 being settled first. SASA further propose that a detailed implementation plan be endorsed by the CLCC that provides timeframes for the settlement of these claims.

6.1.6 Alternative Redress

SASA believes that for various reasons individual claimants may not want to return to the land or be part of a communal land holding / business entity. The right to financial compensation must be accommodated. The industry also proposes that the national working group explores other forms of compensation that maybe more applicable, should a claimant not opt for the restoration of land. Access the SMME grants, housing and other State programmes may be more beneficial to the individual claimant. Section 42E of the Act enables the Department to explore these alternatives

6.2 Specific comments per Section

6.2.1 Section 1 and section 3 of the Amendment Bill

SASA is **not supportive** of the proposed timeframe for the re-opening of claims. As stated earlier in the document it would stall the current settlement programme. SASA proposes that should the legislative amendment process result in the change in the cut-off date for lodgment, the period for lodgement be **limited to a period on 1-3 months**.

It is further proposed that once the legislative process is complete, an intensive communication campaign is launch to create an aware of the lodgement process. A communication strategy similar to that employed by Statistics SA and SARS is advocated

6.2.2 Section 4 of the Amendment Bill

SASA is supportive of the proposal to criminalise the fraudulent lodgement of claims. However, the capacity to implement such a proposal will depend on the resources assigned to this task.

6.2.3 Section 5 of the Amendment Bill

SASA is supportive of the increase in capacity of the number of judges appointed to the Land Claims Court. SASA proposes section 5 (a) 3 is amended to indicate the number of judges to be appointed by the President. SASA proposes that a minimum of 5 judges should be appointed to deal with the cases that are referred to the Land Claims Court.

6.2.4 Proposed amendment of section 33 of Act 22 of 1994

SASA proposes that section 33 of the principal Act be amended by the substitution for paragraph (cA) of the following paragraph:

“(cA) if restoration of a right in land is claimed –
 (1) the feasibility and cost of such restoration; and
 (ii) the ability of the claimant to use the land productively;”.

These amendments were proposed during the policy discussions on the Restitution Policy.

6.2.5 Proposed amendment to section 11 of Act 22 of 1994

SASA propose removable of restrictive conditions contained in section 11(7), in that these conditions have a negative impact on production. Should this not be possible, the industry would then propose that **no gazettment** takes place for current and new claims until that RLCC has the resources to settle a claim within one or two years. This approach will not ensure that the negative trends associated with gazettment are minimized

7. CONCLUSION

The South African Sugar Association is supportive of a legislative and policy environment that fosters stable relationships in rural communities, and facilitates the growth of sugar cane production amongst both freehold and communal growers.

In summary SASA would want to confirm the following as motivated in various sections the document:

- SASA is **not supportive of the blanket** re-opening of claims. SASA is supportive of a **phased approached** in which the current gazetted claims in the industry (130 400 hectares) are addressed as the first priority. A detailed, well-resourced plan needs to be agreed upon.
- SASA is supportive of a total review of the restitution models and business processes to ensure individual claimants access have access to the rewards of the programme. SASA has developed **settlement options and a new business process** for the sugar industry and would urgently want an engage the Department (CLCC) to agree of a plan of action to settle outstanding claims in the sugar industry;
- SASA also proposes that **no gazettment** occurs unless that RLCC has the resources to settle settle a claim within one or two years, or agreement is reached by respective stakeholders to refer a matter to the Land Claims Court.

SASA is of the view that the solution to a number of the challenges confronting the land restitution programme requires the development of clearly defined "operational policy", rather than a total overhaul of the current policy and legislative framework. This together with support of private sector partners will enable us to make significant progress in creating stable and prosperous rural communities.

