



NORTH WEST PROVINCIAL LEGISLATURE

**Legislature Building
Dr James Moroka Drive
Private Bag X2018
MMABATHO, 2735**

NEGOTIATING MANDATE

TO : HON KENNETH MOSIMANEGAPE MMOIEMANG
CHAIRPERSON OF THE SELECT COMMITTEE ON
TRANSPORT, PUBLIC SERVICE &
ADMINISTRATION, PUBLIC WORKS &
INFRASTRUCTURE

NAME OF BILL : EXPROPRIATION BILL

NUMBER OF BILL : B 23B - 2020

VOTE OF THE LEGISLATURE : North West Provincial Legislature vote in favour of
the Bill

HON. M. CWAILE
**CHAIRPERSON: PORTFOLIO COMMITTEE ON COMMUNITY SAFETY COMMUNITY
SAFETY & TRANSPORT MANAGEMENT, PUBLIC WORKS & ROADS**

DATE 13/06/2023



PROPOSED AMENDMENTS

1. The Bill stipulates processes of expropriation initiated by government. A proposal is made that the Bill must also provide for situations wherein the communities are the one suggesting land/areas to be expropriated. In that there are lots of forests land closer to villages which pose risks to communities and may be sought for alternative usage.

2. The property clause broadly protects property rights, stating among other things that property may only be expropriated subject to compensation, the amount of which should be agreed upon by affected parties or decided court. However, the term "property" is not explicitly defined to include or exclude certain types of assets. While the general interpretation of section 25 has primarily focused on land due to the historical and political context of land ownership, the broad wording of the clause theoretically extends these protection to all forms of property, including intellectual property, shares in company, or movable assets. It is therefore proposed that the definition of property be amended to include "public use "as opposed to public interest."

3. The Bill is not addressing circumstances wherein the whereabouts of the property owner is unknown, as most of the property owners are no longer residing in the country.



4. Clause 12 (3) provides no compensation where land is expropriated where the land is not being used and the owner's main purpose is not to develop the land or use it to generate income, but to benefit from appreciation of its market value. This clause is been rejected as it will create disincentive for investment. Property rights and the security of such rights are fundamental to the investment decision of both local and foreign investors. If these rights can be disregarded, it could decrease the confidence of investors, leading to lower levels of investment, economic growth and job creation.

This clause will impact negatively on the banks and financial sectors as these sectors have substantial investment in land, property and agriculture often in the form of loans secured by the land. If such clause applies it could potentially result in financial instability if these loans are not been paid back. It is further submitted nil compensation clause as per this clause might result into inequities.

5. The Bill is not addressing the inequalities that was caused to communities whose land was expropriated without compensation.



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