

# Reflections on land reform as we recover from a pandemic and a sluggish economy



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Many land reform claimant communities found the sluggish pace of the land reform programme during 2022 wearisome. However, the policy and regulatory milestones that have been reached in the past two years offer a glimmer of hope, showing that the process is on the right track, despite the lacklustre rate of policy implementation.



Peter Setou, chief executive of the Vumelana Advisory Fund

While some sceptics may point to the past failures of the land reform programme as evidence of a lack of political will to expedite the process, it would be wrong to discount the groundwork that has been laid in the past two years, notwithstanding the disruptions brought by the Covid-19 pandemic.

Admittedly, the lethargic pace of land reform, coupled with the "capture" of this process by political elites in some instances and the reported widespread failure of some communities to render the claimant land productive, has added to the aggravation and growing frustration around this important social and political programme.

Following its 55th National Elective Conference in December 2022, the ANC has made several resolutions regarding the land reform programme. The conference confirmed that the government acknowledges the capacity issues of the Land Bank and has resolved that the bank's capacity needs to be strengthened to enable it to deliver on its mandate.

Furthermore, it was acknowledged that there is a need to accelerate the implementation of the new Expropriation Act which is at an advanced stage in the legislative process. Of significance, the conference emphasised that the process of bringing underutilised land into production should be sped up and that the new Land Reform and Agricultural Development Agency should be speedily implemented. It was also acknowledged that there is a need to address the problems of access to water use rights as they relate to rural communities, and to develop strategies to increase the productivity of land in communal areas.

Furthermore, it was proposed that a Land Redistribution Bill be initiated to facilitate equitable access to land, based on the needs of the people of South Africa. It is envisaged that this will enable the state to acquire agricultural land for purposes of distribution to previously disadvantaged persons, based on the constitutional principle of equitable access to land.



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## Setting out criteria for land beneficiaries

The ruling party has also committed to setting out clear legislative criteria for beneficiaries of land to be distributed by the state. Beneficiaries will include all persons working on the land, such as farm workers, farm dwellers and aspirant small-scale and commercial farmers. The state will apply the principle of just and equitable compensation when acquiring land for the benefit of persons and entities who meet the criteria for land allocation.

Although these resolutions are prudent and necessary, there is still a huge gap regarding implementation processes and timelines. Timelines for achieving these resolutions as well as addressing other challenges that have been identified in the past must be clearly determined to support efforts in driving a successful land reform programme.

The reality, 28 years on, is that the current state of the land reform programme has left many communities feeling that they are set up for failure. They are unable to access finance and markets, they have no clear water usage rights, and they lack the technical expertise to manage productive land. If implemented effectively, the proposed changes could make a real difference in South Africa's land reform.

## Restitution and redistribution process tedious

During the ANC Elective Conference, President Ramaphosa conceded that although the ruling party has made some strides to restore the land to communities who were forcibly dispossessed through policies of the past regime, much work still needs to be done. Adding his voice to the growing chorus of those lamenting the slow pace of land reform, Congress of Traditional Leaders of SA secretary-general Zolani Mkiva blamed "petty political squabbles" in the ANC for derailing the land reform programme.

"The land question is a very important question that ought to be a priority for the ANC and government," Mkiva said. "I think we have lost time and our people are becoming impatient with the tedious process of restitution and redistribution of land in this country. We Africans are the natives of this country, and the restitution of land should be to us, the African majority."



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## Challenges are not new

The challenges that beset the land reform programme are not new. They have been highlighted in studies such as the Motlanthe Panel, whose recommendations are, worryingly, yet to be implemented. However, the challenges that are associated with this programme do not negate the need to address the historical injustices of widespread land dispossession. Despite the challenges that continue to plague the land reform programme, the government has made inroads, although some may say negligible, in a bid to address the racially skewed land ownership patterns in South Africa.

President Ramaphosa said that though the land reform programme has been painfully slow, government has managed to transfer over four million hectares through restitution and over five million hectares through redistribution, accounting for nearly 11% of commercial farmland. "This is far below the initial target of 30% by 2014," the president told delegates at the conference.

## Instruments to drive meaningful land reform

He further reiterated government's commitment to accelerate land reform, saying, "There are a few instruments that we will use to drive meaningful land reform, not only to correct the historical injustices but to also use our land more effectively for economic growth and transformation."

To that end, the president said that more than 100,000 small-scale farmers were given sufficient equipment to carry on farming, through the presidential employment stimulus programme.

"This includes support for emerging commercial farmers as well as small-scale farmers. The impact of the input vouchers provided to around 140,000 small-scale farmers to buy seed, fertiliser and equipment as part of the presidential employment stimulus shows the great potential for such targeted support," said Ramaphosa.

Lack of post-settlement support to successful claimant communities is a barrier that the Vumelana Advisory Fund has persistently highlighted as one of the key impediments to successful land reform. It is for this reason that we have advocated and facilitated partnerships between claimant communities and private-sector investors to close this gap.

It is encouraging to see that government has realised that the lack of post-settlement support has set up land claimant communities for failure, and it will hopefully take concrete steps to plug this gap. Vumelana is ready to partner with the government and other stakeholders to address this challenge.



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## **Encouraging signs of hope**

Notwithstanding the reported failure of the land reform programme, there have been encouraging signs in the land reform space over the last two years, which should give many claimant communities some hope.

In February 2021, President Ramaphosa announced the establishment of a Land Reform and Agricultural Development Agency to accelerate land reform by removing it from political and bureaucratic control. The agency would ideally facilitate national coordination, reduce red tape, and serve as a one-stop shop for issues relating to decentralised agricultural land redistribution.

It has been indicated that the agency would not need any additional financial outlay but would instead rely on existing sources of material and other forms of assistance from the commercial agricultural sector.

Another land reform development in 2021 was the new Land Court Bill, which aims to address the slow processing of land claims. The Bill seeks to give effect to the recommendations of the Presidential Advisory Panel on Land Reform and Agriculture's 2019 report on the establishment of two new courts: a Land Court and a Land Court of Appeal. According to the Advisory Panel Report and the Bill's Memorandum, the creation of these specialised and permanent courts would also aid in the development of case law on land restitution and land rights.



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#### Release of vacant state land

During 2022, the minister of agriculture, land reform and rural development, Thoko Didiza, announced the government's plans to release 700,000 hectares of underutilised and vacant state land as part of the government's contribution to the land reform programme. We hope that this process will be pursued vigorously despite the challenges associated with the release of such land parcels.

Despite the urgency required to accelerate the land reform programme, the president cautioned against taking drastic steps that will hinder agricultural production, compromise food security or spook investors. Any interventions to be implemented should not cause harm to other sectors of the economy.

South Africa's macroeconomic environment has been deteriorating for some time – many hard-pressed consumers are struggling to make ends meet in a high-inflation and spiralling interest rate environment. Unemployment has peaked at record highs, and there is no immediate relief in sight in the short to medium term.

The land question is an important political and economic imperative that has to be resolved for the stability of the country, economic sustainability and for social cohesion. The price of a deferred or failed land reform is too high for South Africa to pay.

#### **ABOUT PETER SETOU**

Peter Setou is the chief executive of the Vumelana Advisory Fund, a non-profit organisation that works with land reformbeneficiaries to make their land productive by facilitating partnerships between communities and investors who have, among other resources, access to capital and markets.

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