

Agbiz welcomes SONA 2018 but issues remain

The Agricultural Business Chamber of South Africa (Agbiz) welcomed the State of the Nation Address by President Cyril Ramaphosa and the general thrust of his SONA's focus on revitalising the economy and the commitment to root out corruption.



Image Source: [Vryheid Herald](#)

"However, the indicated policy of expropriation without compensation of property to effect radical land reform remains an issue of major concern to Agbiz. To address growing uncertainty and disillusionment in the land reform space, the government needs to engage business on the issue of property rights as a matter of urgency. All the good intentions in the SONA will be in vain if property rights are not dealt with within the ambit and context of the current Constitution of South Africa", Dr John Purchase, CEO of Agbiz, said today.

A further interesting call by Ramaphosa was for financial institutions to partner with government in mobilising resources to accelerate the land redistribution programme as increased investment is required in the sector. Agbiz, together with the Banking Association South Africa (BASA,) developed such a commercial model for accelerated land reform more than two years ago. Despite repeated efforts by Agbiz and BASA to implement this co-financing model, adopted in principle by the Minister and the Department of Rural Development and Land Reform (DRDLR), nothing came of the private sector initiative.

"Agbiz welcomes the focus on ensuring greater coherence and consistency in the implementation of economic policy and the envisaged establishment of a Presidential Economic Advisory Council comprising appointments from business, labour, civil society and academia. Perhaps the president should also consider the establishment of a Presidential Working Group for Agriculture, as functioned successfully under the auspices of President Thabo Mbeki during his term as president of South Africa," Purchase added.

“Clearly there are various good and commendable intentions indicated in the SONA by President Ramaphosa. However, it will be the actions that will determine whether the new administration has the ability to turn South Africa around from the disastrous path former President Jacob Zuma embarked on,” said Purchase.

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