

Land uncertainty 'hobbles agriculture'

By Bekezela Phakathi 23 Aug 2016

Policy uncertainty, especially around land reform, is hampering growth and transformation in the agricultural sector, according to a report by the Bureau for Food and Agricultural Policy. The tardiness around land reform in SA has created uncertainty in the agricultural sector and has at times led to sporadic land occupations and tension on farms.



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The Bureau for Food and Agricultural Policy is a nonprofit organisation founded in 2004 with the purpose of informing decision-making by stakeholders in the agrofood, fiber, and beverage industries by providing independent research. The report was produced by researchers from the universities of Pretoria and Stellenbosch and the Western Cape department of agriculture.

Enabling framework necessary

The report says the successful completion of SA's land reform programme is necessary to ensure a stable and growing agricultural and rural economy. There is widespread concern in SA that land reform has not been successful, the authors say.

According to the report, many of the issues around land reform and transformation of the agricultural sector can be addressed through an "efficient and effective" bureaucracy and "clear and direct" leadership in the national and provincial departments of agriculture.

"There are enough entrepreneurs - black and white - who will jump at greater policy certainty, improved incentives, security of tenure, secure water-use rights and stability in the sector. Positive agricultural growth is a prerequisite for successful transformation of the sector and it can only occur through continued public and private sector investments," it says.

"The new entrants and land reform beneficiaries will only succeed if the fundamental enabling framework of government is in place. Successful completion of the land reform programme is necessary to address duality in the sector and to ensure a stable and growing agricultural and rural economy."

Uncertainty about successful completion of land reform project

In 1994, the national government set a target of handing 30% of agricultural land to black recipients by 2014. In 2013 it announced that only 8% of claimed land had been handed over, although settlements had been finalised for a far larger portion of SA's farmland.

In July a Constitutional Court ruling created uncertainty about the successful completion of the land reform project. The ruling invalidated the Restitution of Land Rights Amendment Act because Parliament had failed to allow for suitable consultation prior to the law being passed. The Department of Rural Development and Land Reform is due to brief MPs on Wednesday on the implications of the Constitutional Court judgment.

The amendment act was passed in 2014 and reopened the window for land claims. The Commission on Restitution of Land Rights has to date awarded a total of R30.8bn for the restitution programme, according to government figures. More than 55,000 land claims were lodged with the commission between 2014 when the land claims process was reopened, and April 2015. A total of 60,319 land claims lodged before the initial 1998 deadline have been finalised.

Ben Cousins, chairman of the Institute for Poverty, Land and Agrarian Studies and a senior professor at the University of the Western Cape, said land reform had largely failed because policy frameworks lacked coherence, with poor links between land and agricultural policy and even poorer links with water policy.

Source: Business Day

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