

IN THE HIGH COURT OF SOUTH AFRICA,  
WESTERN CAPE DIVISION (CAPE TOWN)

CASE NO.:

5663/23

In the matter between:

JOHANNES JOSHUA BEZUIDENHOUT	First Applicant
HEROLD BEZUIDENHOUT	Second Applicant
JAN BERGH	Third Applicant
NUVELD FARMING ENTEPRISE (PTY) LTD	Fourth Applicant
EASTERN CAPE AGRICULTURAL RESEARCH PROJECT	Fifth Applicant
and	
MINISTER FOR AGRICULTURE RURAL DEVELOPMENT AND LAND REFORM	First Respondent
DEPUTY DIRECTOR GENERAL FOR AGRICULTURE RURAL DEVELOPMENT AND LAND REFORM	Second Respondent
CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE	Third Respondent

NOTICE OF MOTION

BE PLEASED TO TAKE NOTICE that the applicant intends to make application to this Honourable Court, on a date to be determined by the Registrar, for an order in the following terms:

Review of the decision of 27 September 2020

1. Insofar as it is necessary, exempt the applicants in terms of section 7(2)(c) of the Promotion of Administrative Justice Act 3 of 2000 (PAJA), from the obligation to exhaust internal remedies;
2. Insofar as it is necessary, condone the applicants' non-compliance with the 180-day period for the review of a decision in terms of section 7(1) of the PAJA;
3. The decision of the third respondent dated 27 September 2020 is reviewed and set aside in terms of sections 6(2)(a)(i), 6(2)(b), 6(2)(c), 6(2)(d), 6(2)(e)(i), 6(2)(e)(iii), 6(2)(e)(iv), 6(2)(f)(cc), 6(2)(f)(dd), 6(2)(f)(i), 6(2)(f)(ii)(bb), 6(2)(h), and 6(2)(i) of the Promotion of Administrative Justice Act;
4. The decision of the third respondent dated 27 September 2020, is substituted with a decision to award the 30-year lease to the fourth applicant;
5. The respondents are directed to, within 30 days of the date of the order, provide the applicants with the 30-year lease agreement as per the terms and conditions had the lease been allocated to the fourth applicant as per the recommendations from NLAACC;
6. Alternatively, and in the case of the court refusing to substitute the decision, an order remitting the decision to the third respondent in terms of section 8(1)(c)(i) of the PAJA, and direct him to communicate his decision to the applicants within 15 days of the date of the order;
7. Alternatively, and in the case of the court finding that the third respondent has not taken a decision, reviewing, and setting aside the failure to take a decision in terms of section 6(2)(g) of PAJA and directing the third respondent to take and communicate a decision within 15 days of the date of the court order.

8. In the event that the court finds that the third respondent did not have the delegated authority to take the decision to allocate the lease to the fourth applicant, the failure by the first respondent to take the decision is reviewed and set aside in terms of section 6(3) of PAJA; and
9. Directing the first respondent to make the decision and communicate it to the applicants within 30 days of the date of the order;
10. Further and /or alternative relief.

Declaratory relief

11. Declaring that any applicant that applies for the redistribution of agricultural state land in terms of any legislation, policy, or programme of the government, has a right to administrative action that is lawful, reasonable, and procedurally fair;
12. Declaring that the right to administrative action in paragraph 11 of this order, includes a right to:
  - 12.1. in terms of sections 3(2)(b)(i) and (iii) of PAJA, be provided with confirmation of the policy in terms of which their application will be considered, including the criteria to be applied, upon request and prior to the application being submitted or considered;
  - 12.2. in terms of section 3(2)(b)(ii) of PAJA, be notified of the intended decision and the reasons for it, and to be given a reasonable opportunity to make representations in that regard;
  - 12.3. in terms of section 3(2)(b)(iv) of PAJA, to adequate notice of any right of review or internal appeal, where it is applicable; and

12.4. in terms of section 3(2)(b)(v) and 5(1) of PAJA, to the reasons for the decision upon request within 90 days of such request.

13. Further and/or alternative relief.

**TAKE NOTICE THAT** the affidavits of **MR JOHANNES JOSHUA BEZUIDENHOUT, LALITHA NAIDOO, PROF AJL SINCLAIR, JACQUES PHEIFFER, and PROF RUTH HALL** as well as the annexures attached thereto, will be used in support of this application.

**TAKE NOTICE FURTHER THAT** the applicant has appointed the address of the **LEGAL RESOURCES CENTRE** whose details appear hereunder, at which they will accept service of all notices and other process in these proceedings.

**TAKE FURTHER NOTICE THAT:**

1. In terms of Rule 53(1)(b) of the Uniform Rules of Court, the respondents are required to, within 15 days after receipt thereof, to dispatch to the Registrar of this Court the record of the proceedings sought to reviewed and set aside, including all correspondence, reports, recommendations, evidence, and any other information that was before the third respondent at the time when the decision was taken.
2. Within 10 days of receipt of the record from the Registrar, the applicants may, by delivery of a notice and accompanying affidavit, amend, add, or vary the terms of the Notice of Motion and supplement their founding affidavit in terms of Rule 53(4) of the Uniform Rules of Court;
3. If any of the respondents intend to oppose the application, they are required to in terms of Rule 53(5):

- a. Within 15 days after the receipt of this Notice of Motion or any amendment thereof, deliver notice to the applicants that they intend to oppose and in such notice, appoint an address within fifteen (15) kilometres of the office of the Registrar at which they will accept notice and service of all process in these proceedings; and
  - b. Within 30 days after the expiry of the time referred to in Rule 53(4), deliver any affidavit they may desire in answer to the allegations made by the applicant.
4. If no notice of intention to oppose is given, application will be made to this Court for an order in terms of the Notice of Motion on a date to be determined by the Registrar.

**KINDLY ENROLL THE MATTER FOR HEARING ACCORDINGLY**

**DATED AT CAPE TOWN ON THIS 4<sup>th</sup> DAY OF APRIL 2023.**



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**LEGAL RESOURCES CENTRE  
Attorneys for the Applicants  
Aintree Business Park  
Block D  
c/ Doncaster and Loch Roads  
Cape Town  
7708  
Ref: W Wicomb  
Per email: [wilmien@lrc.org.za](mailto:wilmien@lrc.org.za)  
Telephone number: 021 879 2398**

**TO: THE REGISTRAR OF THE ABOVE  
HONOURABLE COURT, CAPE TOWN**

**AND TO:  
THE MINISTER OF AGRICULTURE,  
LAND REFORM AND RURAL DEVELOPMENT**

First Respondent  
184 Jeff Masemola Street  
Pretoria Central  
Pretoria  
c/o THE STATE ATTORNEY, CAPE TOWN  
4th Floor  
22 Long Street  
Cape Town

STAATSPROKUREUR: KAAPSTAD  
For First Resp  
2023 -04- 05  
STATE ATTORNEY: CAPE TOWN



**AND TO:  
CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICES  
CENTRE**

Second Respondent  
120 Plein Street  
Room 133  
Cape Town

RURAL DEVELOPMENT & LAND REFORM  
PROVINCIAL SHARED SERVICES CENTRE - WC  
2023 -04- 05  
HUMAN RESOURCES  
114 LONG STREET, CAPE TOWN, 8000



**AND TO:  
DEPUTY DIRECTOR GENERAL FOR AGRICULTURE, LAND REFORM AND  
RURAL DEVELOPMENT**

Third Respondent  
184 Jeff Masemola Street  
Pretoria Central  
Pretoria

**IN THE HIGH COURT OF SOUTH AFRICA,  
WESTERN CAPE DIVISION (CAPE TOWN)**

**CASE NO.:**

In the matter between:

<b>JOHANNES JOSHUA BEZUIDENHOUT</b>	<b>First Applicant</b>
<b>HEROLD BEZUIDENHOUT</b>	<b>Second Applicant</b>
<b>JAN BERGH</b>	<b>Third Applicant</b>
<b>NUVELD FARMING EMPOWERMENT ENTEPRISE (PTY) LTD</b>	<b>Fourth Applicant</b>
<b>EASTERN CAPE AGRICULTURAL RESEARCH PROJECT</b>	<b>Fifth Applicant</b>
and	
<b>MINISTER FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>First Respondent</b>
<b>DEPUTY DIRECTOR GENERAL FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>Second Respondent</b>
<b>CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE</b>	<b>Third Respondent</b>


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**FOUNDING AFFIDAVIT**

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I, the undersigned,

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**JOHANNES JOSHUA BEZUIDENHOUT**

hereby make oath and state:

1. I am a sheep farmer residing in Beaufort West. I am a director of Nuveld Farming Empowerment Enterprise (Pty) Ltd ("Nuveld"), the fourth applicant. I am authorised to make this application and this affidavit on behalf of the second to fourth applicants. A board resolution confirming this is attached to this application as annexure "JB1".
2. Save to the extent that the context indicates otherwise the facts deposed to herein are within my personal knowledge. To the best of my knowledge and belief they are true and correct.

Terms

3. In this affidavit I will use the following terms:
  - 3.1. "The Land Reform Act" or "Act 126" is the Land Reform: Provision of Land and Assistance Act 126 of 1993.
  - 3.2. "PLAAS" is the Proactive Land Acquisition Strategy
  - 3.3. "PLAP" is the Proactive Land Acquisition Policy
  - 3.4. "SLLDP" is the State Land Lease and Disposal Policy
  - 3.5. "PAJA" is the Promotion of Administrative Justice Act 3 of 2000.

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- 3.6. "RECAP" is the Policy for the Recapitalisation and Development Programme
- 3.7. "The Minister" is the Minister for Agriculture, Land Reform and Rural Development
- 3.8. "The Department" is the Department of Agriculture, Land Reform and Rural Development (previously known as the Department of Land Affairs);
- 3.9. "Plateau Farm" refers to the various portions of farms applied for and listed in full in the application attached to this affidavit as annexure "JB2".
- 3.10. "NLAACC" is the National Land Acquisition and Allocation Control Committee.


## I INTRODUCTION

4. I am a sheep farmer who comes from a family of farm workers. I was born near Beaufort West in 1969, not far from Plateau Farm that lies at the heart of this application. I grew up around sheep, and was taught by my father how to take care of them. He taught me what to feed them, how to shear them, how to test the quality of their wool, and when the lambing season came, how to help an ewe with a difficult birth, and how to raise lambs that had been rejected by their mothers. I came to love and appreciate the fulfilment of living this close to the land.
5. I worked with my father on the farms of white farmers during the apartheid era. I never thought that I would ever myself be able to farm. I am a "coloured" man,

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- and the discrimination we experienced under apartheid made it impossible to imagine ever having my own land where I could farm. After leaving school in standard 8 (now grade 10), I went to work, but I never forgot about farming and my dream to farm with sheep. It is in my blood, and I have a deep passion for it.
6. In 2006, I learned from a friend that it was possible to apply to the Department for land, and I decided to apply. The Department was making land available to people to give effect to section 25(5) of the Constitution, which obliges the State to take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis. The Department called the programme the Proactive Land Acquisition Strategy (PLAS). I thought this could be an opportunity to get access to a piece of land on which I could keep a few sheep, make a living, and realise my dream.
  7. After our applications apparently went missing a few times, I did not really think anything would come of it. But in 2009, I was contacted by the Department, and they told me that they had some land available if I was still interested. I was working in Simon's Town at the time, but asked the Department to show me the available land. While driving to the farm near Beaufort West, I realised we were heading to a part of Plateau Farm. I could not believe it. Plateau was close to where I grew up, so I knew the farm since I was a child. I also knew everyone in the area and my family still lived around Beaufort West. It felt like fate.
  8. As a child, I remember Plateau Farm being farmed as one farm, but I discovered that it consisted of several portions namely, Dassiesfontein, Rondawel, Melrose, Willemskraal, and Matjieskloof that were collectively known as Plateau Farm.

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While they can be farmed collectively, they are registered as separate farms in the deeds office.

9. I was told that I would be allowed to farm on Rondawel. I resigned from my job and moved with my family to pursue my love for farming. It was a dream come true.
10. Since 2009, the other applicants and I have been farming wool sheep, initially as members of different entities but since 2017 as one entity. We have won farming awards for sheep shearing and wool production in the Central Karoo area, despite being a small enterprise. We even managed to beat all the commercial farmers in the area, which is an achievement we are very proud of and for which we worked incredibly hard.
11. However, as I will set out below, the success we have achieved is now being threatened by the same Department that gave us access to the farm in the first place. Despite the fact that we successfully completed the application process and interviews, scored the highest of all applicants by far, and were recommended for a long-term lease by the district beneficiary selection committee and committees at all levels of the Department, the Acting Chief Director and second respondent decided that we cannot get the lease, for reasons that are irrational and unreasonable. Worst still, the Acting Chief Director has refused to make those reasons – or even his decision – known to us, prohibiting us from pursuing any recourse.
12. Not only is his decision unlawful, but so are the policies that allow such decision-making to go unchecked.

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13. The unlawful decision of the second respondent refusing to provide us with a 30-year lease threatens our security of tenure on the farm, and makes it impossible for us to get financing, enter into marketing agreements and attract investors. It is contrary to the objectives of the Land Reform Act, which aims at alleviating poverty, promoting economic growth and empowering historically disadvantaged persons. Most importantly, the unlawful decision negates the purpose of section 25(5) of the Constitution that is aimed at fostering conditions that will enable people like me and the other applicants to access land on an equitable basis.
14. This application is about my right and the rights of the other applicants to be treated fairly, rationally, and reasonably as beneficiaries of the land reform programme. As applicants, we had all given up our livelihoods to pursue our dreams of accessing farmland, and proved ourselves more than capable of farming the land, only to be scuppered by a capricious and impenetrable process that does not allow us to protect our rights or hold relevant officials to account. We are now turning to this Court to do so.
15. Most importantly, we are asking this Court to give effect to section 25(5) of the Constitution and to compel the respondents to fulfil their obligation to take steps to create the conditions which enable land to be redistributed, and citizens to gain access to land in a manner that is equitable. This will remedy the discriminatory patterns of land ownership that persists in South Africa.

## II PURPOSE OF THIS APPLICATION


16. The purpose of this application is to seek the following orders from the Court:

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- 16.1. **First**, reviewing and setting aside the decision by the second respondent, as delegated, taken on or about 27 September 2020, not to approve the allocation of Plateau Farm to Nuvelde, the fourth applicant, as per the recommendations from the NLAACC;
- 16.2. **Second**, directing the respondents to take all necessary steps to provide Nuvelde with a lease agreement as per the terms and conditions had the lease been awarded to Nuvelde within 30 days of the order;
- 16.3. **Thirdly**, declaring that applicants for agricultural state land allocation are entitled:
- 16.3.1. in terms of sections 3(2)(b)(i) and (iii) of PAJA, to be provided with confirmation of the policy in terms of which their application will be considered, including the criteria to be applied, upon request and prior to the application being submitted or considered;
- 16.3.2. in terms of section 3(2)(b)(ii) of PAJA, to be notified of the intended decision and the reasons for it, and to be given a reasonable opportunity to make representations in that regard;
- 16.3.3. in terms of section 3(2)(b)(v) and 5(1) of PAJA, to the reasons for the decision upon request within 90 days of such request.

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### III PARTIES

#### Applicants

17. I am the first applicant and a co-director of the fourth applicant. My identity number is 6906035111089. While I live permanently on Plateau Farm, my address in town is 5 Ernest Avenue, Prins Valley, Beaufort West.
18. The second applicant is Herold Bezuidenhout, a sheep farmer and co-director of the fourth applicant. His identity number is 5802285249086. He currently resides at 7 Bos Street, Nelspoort.
19. The third applicant is Jan Bergh, a sheep farmer and co-director of the first applicant. His identity number is 6611045275086. He currently resides at Buitekant Street, Beaufort West.
20. The fourth applicant is Nuvelde Farming Empowerment Enterprise (Pty) Ltd, a private company duly incorporated in terms of the laws of South Africa with registration number 2017/460296/07. The company address is 5 Ernest Avenue, Beaufort West 6970. The memorandum of incorporation is attached as "JB3". Nuvelde was established by the other applicants and me to jointly run our farming operations on Plateau Farm.
21. The fifth applicant is the Eastern Cape Agricultural Research Project (**ECARP**), currently conducting its business at 4 Trollope Street, Makhanda. ECARP is a non-profit organisation, based in Makhanda (formerly Grahamstown) in the Eastern Cape, and was established in 1993. The organisation strives to promote the human and socio-economic rights of farm workers, dwellers, and rural communities by positively transforming their working and living conditions. They

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provide support to rural workers and communities that form part of the state's land reform programmes. This includes restitution and redistribution projects.

To further their mission, ECARP focuses on:

- 21.1. Facilitating rural workers and communities' access to legislation and policy and developing mechanisms to enforce them.
  - 21.2. Lobbying and advocacy to ensure that policies and legislation reflect the needs, concerns and development priorities of rural communities and agricultural workers.
  - 21.3. Promoting human rights.
  - 21.4. Promoting labour rights.
  - 21.5. Advancing land ownership and tenure security on farms.
  - 21.6. Advancing sustainable, holistic, and environmentally sound development and land use strategies.
  - 21.7. Research in relation to land reform.
22. ECARP acts in its own interest and in the interest of communities and individuals that are similarly situated to the first to the fourth respondents. It also acts in the public interest.

#### Respondents

23. The first respondent is the **MINISTER OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT** cited in her capacity as the minister responsible for administering the Land Reform Act. Service of this application will be affected at 184 Jeff Masemola, Pretoria. Service of this application will be affected at the State Attorney, 4<sup>th</sup> Floor, 22 Long Street, Cape Town.

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24. The second respondent is the **CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE (“CHIEF DIRECTOR”)** cited in his capacity as the delegated authority for the approval of leases related to land redistribution. Service of this application will be affected at the Provincial Office: Western Cape of the Department of Agriculture, Land Reform and Rural Development on the 1<sup>st</sup> Floor, 14 Long Street, Cape Town.
25. The third respondent is the **DEPUTY DIRECTOR GENERAL FOR AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT (“DDG”): LAND REDISTRIBUTION AND TENURE REFORM** cited in his capacity as the delegated authority for the approval of leases related to land redistribution. Service of this application will be affected at Agriculture Place, 20 Steve Biko Street, Arcadia, Pretoria.

#### **IV STANDING**

26. I bring this application in several capacities:
- 26.1. In terms of section 38(a) of the Constitution, in my own interest;
- 26.2. In terms of section 38(c) of the Constitution in the interests of prospective beneficiaries of the Department’s redistribution programme. I record in this regard that I do not bring this application as a class action, and I do not seek orders which bind other prospective beneficiaries; and
- 26.3. In terms of section 38(d) of the Constitution, in the public interest.

Handwritten signature and initials. The signature is a stylized, cursive mark. To its right are the initials 'JJB' written in a simple, blocky font.



## V PERSONAL HISTORY OF THE APPLICANTS

27. I was born in 1969 on a farm close to Plateau Farm, into a farmworker family. I could not obtain my matric as my family needed me to go and work and earn money to help support them. After completing standard 8 (now grade 10), I found a job as a research assistant for South African National Parks (SANParks). During this time, I enrolled in a night school programme where I later completed my matric certificate.
28. I became a guide for SANParks and was later promoted to a sergeant, working in SANPark's anti-poaching unit in Simon's Town. As I explain below, it was during this time that I applied for land from the Department in 2006.
29. The second applicant, Herold Bezuidenhout, was born on Welgevonden Farm, which neighbours the Plateau farms, in 1958. His parents were also farm workers. He attended primary school near the farm, but in standard 6 (now grade 8) he had to attend school in Nelspoort which is about 50km from Beaufort West. After completing standard 6, he had to start working to help support his family and found employment at Nelspoort Hospital. He worked there for a year before joining the army in 1979. After returning from the army in 1982, he returned to Nelspoort and worked for the Department of Health as a driver for 32 years.
30. During his time as driver, he started farming with pigs and then sheep on the Nelspoort municipal-owned commonage land, and achieved some success as a farmer. This was not surprising as he, like me, had grown up on the farms and knew how to work with the animals.

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31. While he was farming on the commonage with a number of other small-scale farmers, the commonage farmers were approached by Patrick Skosana from the Department in around 2006, indicating that they could apply for access to state land. Herold said that he would like to apply for a farm on behalf of his extended family as they had been working together, and Patrick said it was possible. They took all their identity documents to Patrick's office for the application.
32. However, Patrick left the Department before anything could happen with their application, and the person who replaced him (who was also called Patrick as I recall) simply discarded their application.
33. In 2009, the Department contacted Herold again and said that it was not possible for him to apply on behalf of his family, but that he should form an entity with all the small-scale farmers on the Nelspoort commonage land and that entity could then apply for a farm. Even though it did not sound like a great idea to combine all these individual farmers into one entity, they did it as he really wanted access to more land. He in fact quit his job of 32 years as a driver to be available to farm full time. The entity they formed was called Nkosi Farming. There were about 9 or 10 small farmers in the entity.
34. They were told that one of the Plateau Farms, namely Melrose Farm, was available for leasing, and the Department then entered into a lease agreement with Nkosi Farming over that farm. It was on Plateau Farms where Harold and I met and became friends and eventually business partners. The entity called Nkosi Farming struggled with endless infighting between the small-scale farmers who were all in reality farming for their own account. It never worked effectively.

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35. The third applicant is Jan Bergh, who was born in 1966 on a farm in the Beaufort West area. He has no formal education and grew up looking after his grandfather's goats. He learnt the practice of farming from a young age and always had a dream to be a farmer in his own name. He was a farmworker on Hazeldene close to Plateau Farms. He was invited by another former farmworker, Frikkie Vaaltuin, to be included in a farmworker trust called the Kamaroo Trust, and in 2009 the Department then entered into a lease agreement with this trust for the farm Matjieskloof, one of the Plateau Farms.

## VI MOVING ONTO PLATEAU FARM

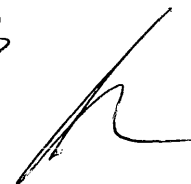
### The first lease – 2009 to 2012

36. In 2006, a friend of mine who lived in Eersterivier told me that he had seen an advertisement in a Cape Town newspaper that people could apply to the Department of Land Affairs, as it then was, for agricultural land. This was at the time of the rollout of the Proactive Land Acquisition programme that the Department adopted in or around 2006. My friend, my brother and I then applied for this programme at the Beaufort West office of the Department. There we were told that we must form an entity and bring our identity documents. The three of us then registered Langkuil Saamstaan Boerdery ("**Saamstaan**"), a close corporation with registration number 2006/056309/23, and applied for land in the name of the entity.
37. We heard nothing for three years. Whenever we enquired about progress, we would be told that some part of our application had gone missing.

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38. In 2009, I received a phone call from someone at the Department inquiring if we were still interested in accessing land. I confirmed that we were still interested, and the Department then arranged for us to view the land on offer. It was a farm called Rondawel, one of the Plateau Farms. The land the Department was offering was a farm located close to where I had been born and raised.
39. The Department took us to Rondawel and showed us around the house and farm a little bit. We saw that lucerne had been planted. We indicated that we had some *dorper* sheep and they said we must just pick up the key from the office when we were ready to move onto the farm. That was it. We got no instruction, guidance or support.
40. We moved onto Rondawel with our *dorper* sheep in June 2009. I had brought my family with me from Simon's Town and my friend, Edward Malgas, and I moved into the house on the farm. Edward later withdrew and is no longer involved.
41. It was very exciting for me. We saw this as the start of something wonderful and rewarding. We were suddenly given access to land, and this was a time of great possibilities. We were excited about the opportunities the land could create and the ways in which it could change our lives.
42. Saamstaan was granted a three-year lease which we signed on 16 April 2009.
43. Three days after I had moved onto the farm with our sheep, I noticed other people moving their goats onto Rondawel. I will refer to them as the "other groups". The Department never informed us of these other groups, and we did not understand what was going on. I asked the other groups what they were doing there, and they said they belonged on the farm. I enquired from the Department why there

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- were other groups moving on to the farm. Patrick Maqabanga at the Department told me that Rondawel was allocated to seven different entities. I was utterly confused, as it did not seem possible to make a viable living on any of the individual farms if multiple people would be farming there at the same time.
44. I said to Mr Patrick Skosana from the Department that we were never told other beneficiaries would also be moving onto the farm and that this should surely have been explained. He replied that if I was unhappy, I could leave. I did not have a choice as I had left my previous job already to take up this seemingly incredible opportunity. I had no choice but to stay. In addition, it was my dream to be a farmer, so I was determined to try and make it work despite these circumstances.
45. To add insult to injury, all the other entities that were given lease agreements for Rondawel were groups that had previously benefitted from land reform programmes by becoming shareholders in the farm Bakhovensfontein, an earlier land reform project in the Beaufort West area. It made no sense why these groups were allowed to double dip, while there were still many other farmers on the Beaufort West commonage land who were desperate for land.
46. Only five of the seven entities ever showed up at Rondawel. Those that came, only dropped off their personal goats and left. They employed different people over time to look after the goats, but themselves hardly ever came to the farm, other than to pick up a goat for slaughter.
47. On Matjieskloof, the Kameroo Trust of former farmworkers from the area was the only entity with a lease agreement. Frikkie Vaaltuin, who oversaw the upkeep of the buildings on Plateau farms when it still belonged to Prof Sinclair, the former owner, was in this trust.

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48. On Melrose, it was also only Nkosi Farming, the group of small-scale farmers from the Nelspoort commonage, who held a lease agreement. However, only one person, namely Herald, the second applicant, moved onto the farm and into the house permanently. None of the other farmers did.
49. Another Plateau farm, Dassiesfontein, had two entities, namely Dater's Trust and Small Beginnings. Small Beginnings was another entity consisting of people who were already beneficiaries of previous land reform programmes and were shareholders in Bakhovensfontein. The trust included Hendrik Booysen who came from George, although he did not benefit from the Bakhovenfontein project.
50. All in all, there were 80 beneficiaries and 11 entities that got lease agreements over parts of Plateau Farms. The entities were divided across the farms as follows:

Dassiesfontein – two entities

Rondawel – five entities


Melrose – one entity

Willemskraal – two entities

Matjeskloof – one entity


51. As with us, the Department gave no guidance whatsoever to the new beneficiaries beyond handing over the keys. Things were thus quite chaotic. Frikkie Vaaltuin, who was one of the beneficiaries on Matjieskloof, still had

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contact from time to time with Prof Sinclair, who had owned and farmed the Plateau farms successfully for many years and knew the land intimately. He decided to contact Prof Sinclair and ask him to advise the beneficiaries as to how to make a success on these farms. Prof Sinclair lives near Cape Town, but he agreed to come to Beaufort West and talk to us. An affidavit of Prof Sinclair is attached to this application.

52. One must understand the Plateau farms in order to farm on them: most of the land is very mountainous, which makes it tricky to use productively. The soil also differs quite significantly from farm to farm.
53. Prof Sinclair came out and all the beneficiaries gathered. He told us that he did not think it is feasible for so many people to farm individually and make a living from these farms. He suggested we decide amongst ourselves who really wants to farm and has the skills to do so. Then the entities could support those persons to do the actual farming together. He said that he would be available to provide advice if we wanted to phone him.
54. Unfortunately, no one really heeded his advice, and things remained chaotic on the farms.
55. For the first three years, we did our best under these circumstances. It soon became clear, as I explain below, that Herold, Jan and I were some of the few beneficiaries who were serious about farming the land and had given it our full-time attention. This is how we got to know each other.

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The second lease – 2012 to 2017


56. In 2012, when the initial lease expired, the Department called a meeting of all the entities to announce that we will all be awarded a further five-year lease for our farms. An extract of the lease is attached as “**JB4**”. The Department did not do any evaluation of the beneficiaries or require anything more from us to qualify for a further five-year lease. It did not matter that most of the beneficiaries never even came to the farm; everyone received a new five-year lease.
57. In 2014, the Department told us that they had appointed Bono Holdings as a strategic partner to come and assist us with farming on Plateau farms. We were not involved in the decision at all. Bono are experts in citrus farming and therefore a peculiar choice to be strategic partners for a karoo sheep farm, but we were not consulted as to who the strategic partner should be.
58. I am advised that this appointment must have been done in terms of the ‘Policy for the Recapitalisation and Development Programme’ (RECAP) which the Minister signed on 23 July 2013. The policy is annexed as “**JB5**”. The policy “seeks to provide black emerging farmers with the social and economic infrastructure and basic resources required to run successful agricultural business. It is the intention of the policy that black emerging farmers are deliberately ushered into the agricultural value-chain as quickly as possible, through this state intervention. This is a strategic farmer support policy by the developmental state” (p10). The policy was adopted after the Department undertook an evaluation in 2009 and “identified that many land reform projects were not successful and, thus, in distress or lying fallow, due to a lack of adequate and appropriate post-settlement support” (p11).

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59. The policy provided for 'mentorship' and 'co-management' as strategic support interventions (p12). I assume the arrangement they chose for us was one of co-management with Bono.
60. Bono created a business entity for each of the Plateau Farms. Bono was a 49% shareholder in each of these entities, with the beneficiaries on each farm holding the other 51% . The Department would make between R2 million and R4 million available over five years for each of the farms for buying livestock, upgrading the fencing and infrastructure, and so forth.
61. Bono appointed a farm manager, Mr Phillip Taylor, who was supposed to oversee operations on the entire Plateau. I was appointed as a '*voorman*'. There were several other positions created, but few were taken by beneficiaries simply because they were not interested in the farm.
62. Each of the business entities created on the five farms had two of the beneficiaries as directors. I was one of the directors on Rondawel. Five of the directors of the business entities on each farm met monthly with Taylor to discuss what needed to be done.
63. In August 2014, the beneficiaries met with Taylor and an official from the Department called Gaynore de Jager. We decided jointly that we should farm the five farms as one.
64. At the monthly directors' meetings, however, it quickly became evident that some of the directors were simply not interested in farming. They were happy to take tenders to hang gates or do other maintenance work at the cost of the Department, but they did not want to build a farming business.

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65. The other groups seemed to believe that being shareholders in a business entity meant that they should get cash pay-outs. For example, when the first shearing of the sheep started under Bono's watch in November 2014, the other groups, led by two of the farm directors, came to Rondawel and disrupted the shearing to demand that dividends be paid. The police had to intervene to allow the shearers to do their work.
66. Bono instructed everyone to remove their own sheep and goats from the farm as the new livestock would be brought in. I sold my 50 or 60 sheep, while Herold also sold his goats. Most of the other beneficiaries, however, refused to do so and continued to allow their goats to run free on the land, which caused problems of overgrazing.
67. A number of the beneficiaries, including myself, made some income by doing some of the maintenance work required on the farms and getting paid for that by the Department. This did create problems, however.
68. Hendrik Booysen, a beneficiary who later complained about us to the Minister, was awarded tenders for seven projects totalling more than R450 000, 25% of the total funds received from the state for repairs and development on the farm. However, Taylor reported to the Department that Booysen had hugely inflated his quotes and did not complete a number of his projects. This was reported to the Department by Bono in their farm reports of November 2014 which I attach marked "**JB6**".
69. The report also notes fraudulent activity by some other beneficiaries, notably Dennis Morries.

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70. The report concludes:

*“In total, only about 8 beneficiaries are working on the farms fulltime/part time. The rest never come to the farm, even if they are asked to come and help with work such as shearing etc. They only surface when there is talk about money or when they want to slaughter some of the sheep. The beneficiaries actually on the farm:*

*Rondawel: Joshua Bezuidenhout, and his brother always comes to help when we are shearing etc.*


*Melrose: Herold Raymond Bezuidenhout and Dirk Reitz*

*Willemskraal: Dennis Morries and Gersvin Morries*

*Matjieskloof: Frikkie Vaaltyn and Jan Bergh.”*

71. In 2017, the five-year lease came to an end, including Bono's lease. Although we only received the letters confirming that our lease came to an end in May 2018, the Department's actions signalled that the lease period was over.
72. In September 2017, there was a meeting with the Department, Bono, ourselves, and the other groups. Mr William Toto was the chairperson of the meeting.
73. Unbeknown to us, the Department had at the time already met with the other groups to ask their opinion as to whether Bono should stay or leave, and they had said Bono must leave. We were not aware of this prior meeting, and had not even been invited to it by the Department.
74. At the September 2017 meeting, where we were present, Bono were supposed to present financial statements to all the beneficiaries, but this never happened. The chairperson said that Bono had not made a profit and asked if the beneficiaries wanted Bono to stay or to leave. The other groups again voted Bono out.

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75. After all the leases expired and Bono left the farm in October 2017, Prof Sinclair offered to the Department to speak to the beneficiaries and try to ascertain what the issues were and how these could be resolved. Prof Sinclair had over the years been kept abreast of developments by Frikkie Vaaltuin and when asked, provided small loans or donations to Vaaltuin and others, as he did not want to see the farms go under.
76. Prof Sinclair thus met with the beneficiaries of all five farms during that time. He concluded that the biggest problem was that an impression had been created amongst beneficiaries that they would have instant access to an income by having access to farmland. But given that there were more than 80 beneficiaries on Plateau Farms, the reality was that that was simply not possible.
77. Prof Sinclair advised the beneficiaries and the Department that he thought that one entity should be created to farm the Plateau farms as a unit. He offered to provide any advice he could. I believe he also shared this advice with the Department at the time.
78. As it turned out, only Herold, Jan and I were interested in forming such an entity. Hendrik Booysen and Frank Diedericks indicated that they did not want to join us, but the two of them wanted to farm together. The Tyansis were interested initially, but then decided they wanted to farm on their own and specifically just on a piece of Rondawel farm. Mrs Nduke initially joined the entity, but then resigned.
79. In reality, after Bono left and the lease agreements ended, the other groups never came back to the farm. The persons looking after their goats on the farm also

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left. Some of the group collected their goats, but others just left them on the farm without ever returning for them.

80. It was at this time that we set up Nuveld.

Period between 2017 and 2019

81. After the five-year lease had expired, the Department indicated that it would advertise the land again so that people could apply for a lease over the land. It was during this time that I wrote to the Department and asked if Nuveld could continue farming on the land while we wait for this new lease to be awarded. The Department confirmed in writing that we could stay on the farm, and the letter is attached as "JB7".

82. We were able to take stock of what was left at this time, after the other groups had all left.

83. It became apparent that a number of the beneficiaries had simply sold off much of the livestock for slaughter for their personal account (Bono had already reported this to the Department from 2014) and many cattle died, apparently from hunger. Another 900 of the 2600 sheep that the Department provided through RECAP were in such a poor condition that they could no longer be productive. We had to sell them.

84. We approached Prof Sinclair for advice on how to turn Plateau farm into a successful venture, as he had suggested. We looked at what was left on the farm and realised that, given how much of the livestock had disappeared, sustainable farming was not feasible. We needed to increase the livestock number urgently.

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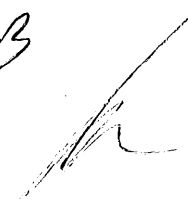
He made enquiries in the district and advised us that there were about 300 sheep for sale at a very reasonable price of R1200 per sheep.

85. We did not have any financing to pay for the sheep, as whatever the Department had paid to Bono was long finished. We could not access financing as Nuveld did not have any lease agreement at all, let alone a long-term agreement.
86. Prof Sinclair advised that he could request a loan from a trust called the Black Education Empowerment Trust (BEET) of which he was a trustee, if Nuveld could repay the loan over two years. We were very grateful for this opportunity and went ahead and purchased the sheep. The loan was arranged with the accountant of the trust. This was in March 2018.
87. There is no doubt that that loan and the purchase saved Nuveld and enabled us to start building an enterprise that, a couple of years later, allowed us to be awarded a number of prizes in the district. These include the following prizes:
- 87.1. 2018: At the NAMPO Bredasdorp Show Competition we were awarded the overall prize for the best *merino* sheep at the show, while our other sheep also obtained the second to the fifth prizes on the show;
- 87.2. 2018: The then Department of Agriculture awarded me the prize as the overall regional winner for the Central Karoo region in its agriculture competition. In 2018, I also won the first prize in the category for middle management, after having won the same prize in 2014 for junior management. The prize is awarded based on a person's knowledge and understanding of agriculture and farming;

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- 87.3. 2020: Nuveld's wool obtained the highest price for wool at the yearly national wool auction in Gqeberha (formally Port Elizabeth).
- 87.4. 2023: Nuveld Farming once more received the top price for wool as well as the highest average in the Beaufort West region. Attached is a letter from our wool agents BKB labelled "**JB8**" which confirms this award.
88. In around March 2018, after we made the loan arrangement, the Department's office in Beaufort West phoned me and said that they had picked up that BEET had 49% shareholding of Nuveld, and wanted to know why this was the case. I had no idea about this, so I phoned Prof Sinclair to enquire from him. He also had no idea, because he was not involved in the loan agreement himself. He contacted the accountant, who explained that it was an administrative arrangement given that Nuveld had no other security. Prof Sinclair instructed the accountant to change it and the BEET immediately divested. In any event, Nuveld repaid the loan in full after two years as agreed.
89. In May 2018, all beneficiaries received letters saying that our leases had ended, but by this stage it was just a formal notification as Bono had left as well as the other beneficiaries.
90. The three of us wrote again to the Department and offered to stay on the farm as caretakers, taking care of the animals and continuing with our farming operations. The Department agreed to this arrangement in writing (attached as annexure "**JB8A**"). We understood that there was no guarantee that the land would automatically be allocated to us at a later stage, but that we would be able to continue to farm, while the Department decided on the future of the farms.

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91. None of the other beneficiaries ever returned to the farm. Even some of the workers, who those beneficiaries had paid to look after their goats, left. Some of the beneficiaries came to fetch their goats while others just left the goats there.

#### The 2019 application process

92. In 2019, there was a *Boeredag* (Farmer's Day) in Beaufort West. It was open to everyone that wanted to attend. On that day, the Department held a meeting to inform people about its plans for Plateau Farm. Ms De Jager, the project coordinator of the Central Karoo District office of the Department, spoke. Most of the former beneficiaries who had contracts on the farms that made up Plateau Farm, attended the meeting, and the few who could not make it were invited to attend at the Department's office in Beaufort West afterwards to gain access to the information.
93. The Department informed us they would be advertising all the portions as a unit called Plateau Farm, for redistribution. This included Rondawel, Melrose, and Matjieskloof. We were told to keep an eye on the newspapers and to apply when the applications opened. The Department said that they would only be awarding the farm to one group to continue farming, and that we had to demonstrate that we would be able to move from upcoming farmers to commercial farmers. Ms De Jager also said we should start preparing a business plan for the application process.
94. We saw the advertisement for Plateau Farm in *Die Burger* and *The Courier* on 6 December 2019. A copy of the advertisement is attached as annexure "JB9".

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95. The advertisement stated that to qualify for the application, you needed to physically visit the site on 13 December 2019 during the 'farm visit'. It read (in Afrikaans)

*"attendance at the farm visit and the signing of the attendance register is compulsory; any potential applicant who does not do so will be disqualified. No potential applicant/farmer will be accommodated after 12h00."* [my emphasis]


96. The advertisement stated that it was open to Category 3 candidates, namely "small scale farmers who are already farming or plan to farm commercially at various scales, but who have been at a disadvantage due to location, size of the land and other resources and circumstances, but who have the potential to grow".

97. It stated that the applicants would be evaluated "in accordance with the terms of the District Beneficiary Selection Committee as determined by the Department of Rural Development and Land Reform's Framework of Reference". Unfortunately, there was no explanation of the terms or framework to which the advertisement referred, or in terms of what policy this process was being conducted.

98. It further stated that "the Provincial Committee has the power to recommend the suitable candidate to the National Land, Allocation, Acquisition and Control Committee (NLAACC) for consideration and *approval*" [my emphasis].

99. The closing date for applications was 23 December 2019.

100. On 13 December 2019, we went to the site visit at 10:00 as required by the advertisement. The location of the site visit was the furthest farm, Matjieskloof, about 80km north of Beaufort West. At the site, people from Oudtshoorn and Dysseisdorp were also present, as well as an individual from Nelspoort.

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101. However, none of the other groups attended the site visit, despite having been specifically informed of the call by the Department. The Department waited until around midday to see if there was any other interest. Prior to leaving, the Department asked us if we would accept it if they found people along the road on their way back and allowed such people to be considered, despite the advertisement specifically indicating that no one would be considered after 12h00. We agreed, but Ms De Jager did not find anyone on the road.
102. We submitted our application on 17 December 2019. It is attached as "**JB10**".
103. On or about 15 January 2020, we were invited to an interview by the District Beneficiary Selection Committee. We complied with all procedures and submitted various business plans as required. All of these documents are attached as "**JB10A**".
104. The interview was held on 21 January 2020 by the District Beneficiary Selection Committee of the second respondent. The interview panel was made up of Lorette Brown, the head of the Department's Central Karoo office, Jacques Pheiffer, a director from the Department's Cape Town office, and an official from Agriculture, Freddie Mpona. There were also two others from the district municipality whose names I unfortunately cannot recall. At the interview, we saw one other beneficiary from Nelspoort, who had created an entity and had applied. There was nobody else at the interviews. We were told to expect a decision in March 2020.

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## VII THE DECISION TO AWARD NUVELD THE LEASE


105. Following the interview in January 2020, we waited for months to get feedback from the Department on whether we had been successful, but we heard nothing from them. In June 2020, we had become somewhat frustrated with waiting for the Department, and we approached the mayor of Beaufort West, Mr Truman Prince, in the hope that he could help. He phoned Mr Jacques Pfeiffer, the director of Strategic Land Acquisition in the Department on our behalf, to ask whether he knew what was going on with our application.

106. He reported to us that Mr Pfeiffer told him that Nuvelde had been successful, and it had been recommended and approved that the farm be leased to Nuvelde. Mr Pfeiffer said we must go to the local office of the Department in Beaufort West to pick up the documents confirming the recommendation. A confirmatory affidavit by Mr Pfeiffer is attached. We went to the office on the same day, and they provided me with the document entitled "Matters Arising, Acquisitions and Allocations Schedule – NLAACC 21 May 2020" (attached marked "JB11"). The document was signed by Deputy-Director General of Land Reform and Tenure Security, on 9 June 2020. The DDG was the chairperson of the NLAACC. On the last page, it states that the NLAACC had decided to allocate the Plateau Farms to Nuvelde. The comments read:

*"The DRDLR acquired the 5 Plateau farms in 2007 and 2008 and were allocated to 11 entities with 80 beneficiaries. This led to non-production and absent farmers. Lessees signed lease agreement which had expired and a new lessee allocation process was proposed. All 11 entities were invited to submit the applications for allocation.*

*The proposed entity (Nuvelde Farming Empowerment Enterprise Pty Ltd (Registration Number 2017/450296/07) was formed by 3 of the previous lessees who formed a new*

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*company. They were appointed as the Caretakers on the Plateau farms and they were farming on the farms since the acquisition of the land in 2007 and 2008. They took responsibility for the maintenance of the properties and they contributed a lot to the breeding of the merino sheep and wool production. They currently have 2665 merino sheep and plan to increase the numbers. The entity is registered with Responsible Wool Standards (RWB) and they provide their wool to BKB who auction their wool at a better price. Within the Central Karoo area, a farmer needs at least 5000 ha or more to ensure an economic unit. The Nuvelde Farming Empowerment Enterprise (Pty) Ltd is currently creating 10 permanent jobs, resulting in 10 households secured of a monthly income, under their caretakership."*

107. After receiving this document, I contacted Lefras Nortje in the Department to ask what the next steps would be. At the time, he was unaware that Nuvelde had been approved by the NLAACC, but he indicated that if the NLAACC decision had been taken, we should expect to receive the 30-year lease contract within three to five days. Because Mr Nortje assumed that the lease would be awarded within a few days, he proceeded to apply for funding from the Provincial Department of Agriculture for Nuvelde. The funding would have been utilized for the purchasing of vehicles and other infrastructure on the farms after the lease was awarded. This funding was approved on the basis that NLAACC approved our lease, but has never been paid to us as the lease is still outstanding.

108. We continued waiting for the lease to be issued, but nothing was forthcoming. I also followed up with Lorette Brown in the Department during this time. She said that we should wait for Mr Lubabalo Mbekeni, the Acting Chief Director of the Department in the Western Cape to get back to us.

#### The "dispute" about the allocation of the land to Nuvelde

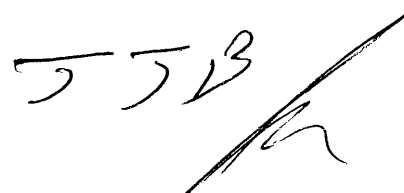
109. On 16 September 2020, we were phoned by Ms De Jager, who told us that Mr Mbekeni arrived in Beaufort West that day to meet with the other group. She told

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us to make sure to stay in signal as he might want to look for us, and we needed to be reachable on our cell phones.

110. This naturally took us by surprise, as the other group had not attended the site meeting, did not apply for the land, and was never interviewed. We could not understand why Mr Mbekeni was meeting with them at all. In any event, we prepared the sheep to be at the meeting site so that he could take a look at them.
111. Later in the day, however, we were told to drive about 40km to meet Mr Mbekeni on the side of the road. With him were Ms De Jager and another official whose name I do not recall. He asked for our names as well as the name of our business. We spoke for about 10 or 15 minutes.
112. We asked Mr Mbekeni why we had not yet received our lease. He responded that the "other groups" had lodged a 'dispute' alleging that we were not farming for ourselves. We asked him how people who did not even apply could lodge 'disputes'? He responded that he had to listen to everyone.
113. He then asked us why we had chased people off of the farm. This was of course not true. The beneficiaries had left because the five-year leases had expired in 2017. We all received letters from the Department confirming that in 2018. As I have stated above, most of them were in any event not living on the land at the time that the lease expired. The reason we remained on the farm was that we had requested permission from the Department who then gave us a concession to stay on the farm as caretakers whilst they advertised it.
114. Mr Mbekeni also told us that Nuvelde belonged to Prof Sinclair. This was completely untrue, and we told him that it was a lie. Mr Mbekeni then said that



he would meet with Prof Sinclair to discuss his involvement in the farms and Nuveld. As far as we know, Prof Sinclair eventually set up a meeting with Mr Mbekeni during October 2020, and went to see Mbekeni at his office to explain that Nuveld did not belong to him and that he had only stayed involved in Plateau Farm in an advisory capacity. According to Prof Sinclair, Mr Mbekeni accepted this explanation and told him that the road was open for Nuveld to get the lease. Prof Sinclair also met with Mr Sidwell Fonk about a week later and provided him with all the evidence to substantiate his version of events. An affidavit of Prof Sinclair is attached.

115. At the meeting of 16 September 2020, Mr Mbekeni told us he would revert within a month on what the way forward would be, after he had finished his investigation. Following this 15-minute meeting on the side of the road with Mr Mbekeni, we did not hear back from him as promised. I attempted to call him to get an update, but he was aggressive and unhelpful.
116. Unbeknown to us at the time, on 27 September 2020, Mr Mbekeni refused the recommendation to award the lease to Nuveld. I attach the document reflecting his decision and reasons marked “**JB12**” (at page 14 of the document) and discuss it further below.
117. On 13 October 2020, we wrote to the Minister asking that the 30-year lease be released to Nuveld. We indicated that we had followed all the processes for the application and had been recommended by NLAACC, but were still waiting for the lease to be given to us. The Minister did not respond. The letter is attached marked “**JB13**”.

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118. On 16 October 2020, we wrote to the Deputy Director-General, Land Reform, Mr Terries Ndove, asking him to meet with us when he was in Cape Town so that we could discuss with him what we regarded as a severely unfair process. The letter is attached marked “**JB14**”. We received no response.

119. We addressed again to Mr Ndove on 23 October 2020 (annexure “**JB15**”). We wrote:

*“I would appreciate it if we could have some feedback regarding our contracts that was [sic] approved. The delay and uncertainty have negative affects on the farming enterprise. [...] We have waited almost a year for the contracts and we cannot wait any longer. Please tell us why we don't get our contracts?”*

120. Finally, we were notified that Mr Ndove would come to Beaufort West on 2 December 2020 to meet with all the erstwhile beneficiaries of Plateau Farm.

#### Meeting of 2 December 2020


121. The meeting of 2 December 2020 was held in the Karoo National Park. It was attended by ourselves, the other groups, Mr Ndove, Mr Mbekeni, and Jacques Pfeiffer. Prof Sinclair was also present. We were very positive that at this meeting we would get clarity on when the lease would be provided to us and that matters would be resolved.

122. However, right at the start of the meeting, Mr Ndove said to the other groups that they must state their case. They then rehashed all the unsubstantiated allegations once more. They complained that they had never been given an opportunity to farm and that their things were removed from the farms. They said that they were not able to attend the site visit. They said that the other applicants

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and I had “chased them away from the farm”. These allegations were not only untrue, they were ironic, as many of them had already been beneficiaries of other land reform projects before joining Plateau Farms. Their inclusion in the redistribution project at Plateau Farm in 2009 was their second bite at the redistribution-cherry.

123. Mr Mbekeni then got up to speak and said that he was not going to approve the granting of the lease to Nuvelde. (We later found out that he had already rejected the granting of the lease to Nuvelde months earlier, but he did not mention that.) Mr Mbekeni informed us that Mr Hendrik Booysen had told him that we were farming for a white man, namely Prof Sinclair. He said that Nuvelde belonged to Prof Sinclair and that we were farming for him. This was shocking given that Prof Sinclair, who was in attendance that day, had met with Mr Mbekeni beforehand and shown proof that all the allegations were nonsense.
124. Mr Jacques Pfeiffer then got up and said that there had been a process in place for the applications, people were asked to prepare their business plans, and the other group complaining now had not got their entities in order nor had they applied. He stressed that they had not followed the correct process, but it seemed to us that this rational argument fell on deaf ears.
125. It was clear that Mr Mbekeni was now on the side of the other groups and was supporting their position, although they had never applied for the lease and did not participate in the district beneficiary selection committee’s process. His reasons for not wanting to just give the lease contract to Nuvelde were based on false allegations. Suddenly, it seemed the entire application process and awarding of the lease had been derailed, and the Department now had numerous

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excuses for not simply giving the lease to us, when it had already been awarded to Nuveld.

126. I made it clear in the meeting that the lease was duly advertised and it had been open for all to apply. In addition, it was a requirement for those interested in applying to attend the site visit. I stated that we were not a front for a white farmer and that we have always farmed for ourselves.
127. After Mr Ndove had listened to everyone, he stated that a task team would be appointed to investigate the allegations against the Nuveld. He also said that the long-standing allegations against Mr Hendrik Booysen, first raised by Bono, would be investigated by the Task Team.
128. Despite repeated requests, the minutes of this meeting have never been made available to us.
129. Prof Sinclair was deeply upset by Mr Mbekeni's suggestion that we were 'fronting' for him. Mr Sidwell Fonk, legal advisor to the Department and a member of Mr Ndove's Task Team, requested a meeting with Prof Sinclair soon thereafter. However Mr Fonk called the meeting off two days before it was to take place.
130. On 24 February 2021, Prof Sinclair's lawyers wrote to Mr Mbekeni seeking an unconditional withdrawal of the "unfounded and defamatory statements" he had made in the presence of about 40 persons at the meeting of 2 December 2020. *"What makes your statements worse, is the fact that my client met, at your request, with the senior legal advisor of the department, Mr Sidwell Fonk, a week after he had met with you [in October 2020] and provided him with concrete evidence which refuted your allegations."* The letter is attached marked "JB16".

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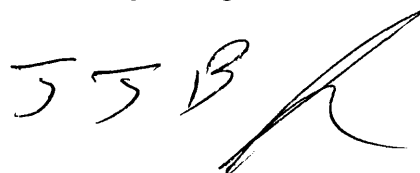
131. On 4 March 2021, Mr Mbekeni responded. He stated that he was “deeply saddened” to learn that he had made defamatory statements and that he “bear[s] no knowledge and have no recollection of any defamatory statements [...] on 2 December 2020 or at any other place or meeting”, and further “[t]he discussions and the subjects in the meeting could not create any basis for me to act in the manner that is alleged that I have acted.” The letter is attached marked “**JB17**”.

#### The appointment of the task teams

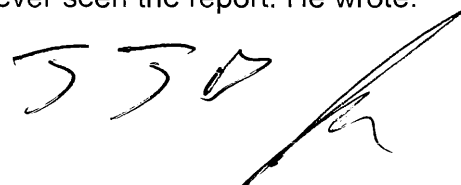
132. The task team was subsequently appointed. It consisted of Mr Truman Prince, Mr Fonk, Mr Mpono and Mr Mbekeni as the chairperson. We had some meetings with the task team, and we were told that a report would be made available containing the findings of the investigation. When we inquired about the progress of the task team, we did not get regular updates.

133. It was irregular for Mr Mbekeni to sit as the chair of the team. At the stage that the team was formed to investigate the allegations, Mr Mbekeni had already made it clear that he believed the stories that the other group had told him about us, and that he was not impartial. His appointment as the chair was completely irregular. He should never have been involved in a supposedly independent investigation.

134. I followed up with Mr Ndove on 26 January 2021 to ask that the contract be issued, but he only indicated that they were still waiting for the finalised report. We then approached attorneys to try to obtain legal advice on the way forward in the matter. On 10 February 2021, our attorney wrote a letter to Mr Ndove, requesting that he provide clarity on the situation of the granting of the lease. The letter is attached as “**JB18**”.



135. On 15 February 2021, Mr Ndove arranged another meeting between ourselves, the other groups and the task team. No minutes from the previous meetings were tabled. The findings of the task team were also not made available, despite having apparently been submitted to Mr Ndove by the end of December 2020.
136. Mr Prince, the Mayor of Beaufort West was a member of the task team. It came as a complete surprise to him that the report had been submitted, as he had not seen it. He expressed total dismay at the situation, upon which Mr Ndove answered that the report would hopefully be public within the coming two to three weeks. This is recorded in a letter from Mr Prince to Mr Fonk, attached as **“JB19”**.
137. At the meeting, Mr Ndove also announced that a caretaker must be appointed until the report of the task team was completed. Mr Ndove then bizarrely chose Mr Booysen, the member of the other group who had not only made false allegations against us, but whose conduct was being investigated, as the caretaker.
138. On 17 February 2021, our attorney wrote another letter to Mr Ndove, questioning the appointment of Mr Booysen as caretaker. The letter is attached as **“JB20”**. In the event, Mr Booysen did not take up this role because he insisted on being provided with a bakkie, which the Department would not do. All the same, the incident shocked us, as it again showed that the Department was not making any attempt to be impartial, but had sided with the other groups.
139. On 1 March 2021, Mayor Prince wrote to Mr Fonk and Mr Ndove complaining about the fact that, as a task team member, not only had he not known that the report was submitted to Mr Ndove, but he had never seen the report. He wrote:

A handwritten signature in black ink, consisting of stylized letters and a long, sweeping flourish extending to the right.

“As yet, I still have not received a copy! Can you give me an explanation for this?”

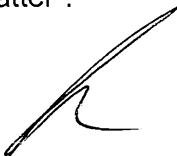
The letter is attached marked “**JB21**”.

140. That same month, the Department phoned me and said Mr Ndove had appointed a new task team at national level to inquire into the matter. Ms Rowena Joemat, who was unknown to me, was the chair of this team. Ms Joemat held a virtual meeting with us around the end of March or early April 2021. She inquired about the farming operations and for whom we farm, to which we once again answered that we farm for ourselves. We reiterated that the allegation of ‘fronting’ was unfounded, and that we duly applied for a lease and had been informed that we won the bid. We also noted that some of the members of the other groups were municipal officials. Ms Joemat said that she would note all these points in a report to the DDG.

141. Ms Joemat also undertook to provide us with minutes of the previous meetings; however, this did not materialise. I attempted to follow up telephonically and was informed by Ms Joemat that the report was with the Minister, who needed to sign it off. We are not in possession of the report and Ms Joemat is no longer taking any of my calls.

142. She also met with Prof Sinclair on 13 April 2021 to discuss the allegations of ‘fronting’ with him. I attach a letter from Prof Sinclair to Ms Joemat the day after their meeting, setting out what was discussed (“**JB22**”).

143. On 11 June 2021, Prof Sinclair wrote to Mr Joemat to enquire what the status of the investigation was and reminding her that she committed to sharing notes of their discussion months earlier. Ms Joemat responded on the same that that “the report is now with Mr Ndove who is responsible for settling the matter”.

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144. To this day, we have not received any report from either of the two task teams. We have no idea what the findings were of the task teams, or what decisions were ultimately taken by them.

145. We also received no response to the letters from our attorneys, bar one email from Mr Ndove dated 12 May 2021. The email is attached hereto as "JB23".

146. The email provided no clarity on when the lease would be issued. On 18 June 2021, our attorney again wrote to Mr Ndove, requesting clarity on the situation and an explanation for why the lease had not been issued. The letter is attached as "JB24". We received no response to this letter.

#### The decision of 27 September 2019

147. By the beginning of 2022, we were completely desperate for any news on the lease. We contacted Prof Sinclair, who provided us with a document dated 27 September 2019 that stated that Mr Mbekeni had officially decided not to award the lease to Nuvelde. The document is already attached as "JB12".

148. That document contained the recommendation by NLAACC and the reasons for its recommendation, as well as the decision by Mr Mbekeni to refuse the award of the lease to Nuvelde. This decision was never formally communicated to us.

149. The document clearly indicates that on the day of the interviews only two candidates were interviewed, namely Nuvelde and Mr Pieter Jakobus Meintjies, the man we saw from Nelspoort. Nuvelde scored a percentage of 79.84% and Mr Meintjies a percentage of 64.30%. These percentages seem to have been awarded based on an assessment of our applications and the interviews. At paragraph 4.10, the document states:

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*“Nuveld Farming Empowerment Enterprise (Pty) Ltd scored the highest. The Nuvelde Farming Empowerment Enterprise (Pty) Ltd consist of Mr Joshua Bezuidenhout, Mr Herold Bezuidenhout and Mr Jan Bergh. The concluded 30 years lease agreement will be in the name of the registered legal entity that will be their operational business.”*

150. Some of the reasons for the decision were also set out in the document, including that:

150.1. I and the two other applicants have been farming on the land since the acquisition of the land by the Department;

150.2. We took responsibility for the maintenance of the properties;

150.3. We contributed to the breeding of the merino sheep and wool production;

150.4. We have 2665 merino sheep and are planning to expand on that number;

150.5. Nuvelde is registered with Responsible Wool Standards (RWS) and provides wool to BKB, Nuvelde’s agent which will auction the wool at a better price; and

150.6. Nuvelde is creating 10 permanent jobs that result in ten households securing a monthly income.

151. The recommendation is captured in paragraph 13 of the document. It states:

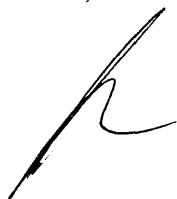
**“13. RECOMMENDATION**

*It is recommended that:*

**13.1 Approval be granted by the Chief Director: Provincial Office-Western Cape in terms of Section 11 of the Act as delegated for the allocation of the properties described as:**

*Dassiesfontein: Portion 6 (South Dassiesfontein) of the Farm Dassiesfontein No.73, in extent 2982.0047ha, Portion 5 (Portion of 1 North Dassiesfontein), No. 73, in extent*

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298.7398ha, Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

Rondawel: Portion 5 of the Farm Bok Poort (Portion of Portion 4) No. 54, in extent 343.6754ha, Portion 6 of the Farm Bok Poort No. 54 (Portion of Portion 4) No 54, in extent 2.1257ha, Portion 1 of the Farm Esterville No. 57, in extent 30.0965ha, Ptn 4 of the Farm Dassiesfontein No. 73 (Portion of Portion 1), in extent 753.8581ha, , Portion 2 of the Farm Taaiboschhoek No. 75, in extent 473.9789ha, Portion 1 of the Farm Scheurfontein No. 112, in extent 1773.0426ha, Portion 1 of the Farm Grasplaats No. 113, in extent 1069.0119ha, Portion 2 (Remaining extent), in extent 392.6857ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;


Melrose: Portion 2 of the Farm Adj.Driekop No. 48, in extent 368.5915ha, Portion 1 of the Farm Taaibosch Hoek No. 75, in extent 2662.0772 ha, Portion 0 (Remaining extent) of the farm Bronkers Valei No 76, in extent 1829.3525ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

Willemskraal: Portion 1 of the Farm Bronkers Valei No. 76 (Willemskraal), in extent 1 661.6007ha with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

Matjieskloof: Farm 421, in extent of 4 739.000ha with Title Deed no T00005829/2007 situated in the Beaufort West Municipality in the Western Cape Province, **to Nuvelde Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07), as the appointed lessee to lease the land and movable assets for a period of 30 years.** (My emphasis.)

152. The document indicates that NLACC recommended Nuvelde for approval as the appointed lessee to lease the land and movable assets for the period of 30 years.
153. Once NLAACC recommended Nuvelde as the preferred lessee, the final decision had to be taken to lease the farm, based on the recommendation of NLAACC. According to the document containing the recommendation, the duty to take the decision to approve the allocation of the land lay with the Chief Director: Provincial Office – Western Cape in terms of section 11 of the Act, as delegated

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to him. This meant that Mr Mbekeni had to make the final decision as to whether the farm will be allocated to Nuveld.


154. As indicated in that document, Mr Mbekeni refused to approve the recommendation and the granting of the lease to Nuveld. Mr Mbekeni provided the reasons for his decision which are recorded as follows:

*"This allocation is not approved, albeit that it was approved by NLAAC. I think it is critical that I highlight background and motivation to my decision. On 23 August 2020 I received a message from Ministry to follow-up a complaint of Mr. Hendrick Booysen who sent numerous messages to the Minister about his ejection from a farm in Beaufort West. I met with him in George on 27 August 2020 and I was accompanied by the Acting District Director, Mr. J Klassen. Mr. Booysen also referred us to other complainants being Tyantsi, Morris and Nduku Family Trusts. I met with these families on 15 Sept 2020 in Beaufort West.*

*On the 16 September 2020 I met with the Beaufort West team and the officials from Provincial Department of Agriculture. We then agreed to invite the three families of Nduku, Tyantsi and Morris and they came. We proceeded as officials from both DALRRD and PDA to meet with the 3 members of Nuvelde Farming Enterprise mention in this memo. Following these meetings on 18 September 2020 I convened a virtual meeting with Senior Managers responsible for SLA, Property Management, District, former Acting CDs and Legal services to present outcomes of these consultations.*

*Out of these consultations it became clear that Nuvelde was established by Professor Sinclear [sic] who is the previous owner of these Plateau farms. At one point he was a shareholder with a majority stake. He loaned the company large amount of money. Some of the Nuvelde members were his previous employees. Allegations of fronting cannot be ignored and must be investigated in this matter. Allocating this property/ies to Nuvelde could be tantamount to handing it back to Prof free of charge at the expense of the complainants. Moreso this information was not disclosed to the DBSC, PTC and NLAAC. Officials who managed this process indicated that they are hearing it for the first time and they had no prior knowledge of Prof's involvement at all in the establishment or ownership of Nuvelde. In the light of this they all agreed that the Acting CD:PSSC WC must not approve the recommendation to allocate the Plateau Farms to Nuvelde Farming Empowerment Enterprise (Pty) Ltd (Registration Number*

*SSB*



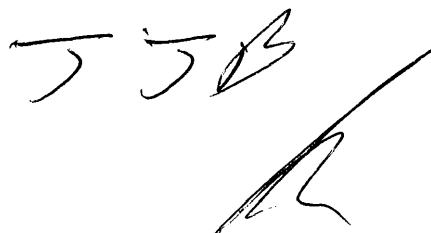


2017/460296/07), as the appointed lessee to lease the land and movable assets for a period of 30 years.

The other worisome issue on this matter is the lack of records of the number or size of biological assets left by Bono when his contract expired. It is shocking because the very same reason that this property/ies were bought was to accomodate livestock farmers. So its core business is a livestock farm. There are serious allegations that Nduku, Tyantsi, Morris and Booyesen Families left thier own livestock which Prof chase them away, bought at ridiculously low prices and others kept it for his Nuvelde. In the light of the above the 2665 livestock on the Property mentioned in this memo could include those left by Bono and/or those left by the complaining families who were forced out through letters from the Department. The ownership of the 2665 was be independently verified.


Lastly the Department had issued letters to all including the three who formed Nuvelde. All other families were as a result ejected from the farm save the three. There is not reason to apply double standards. Nuvelde that is owned by Prof has no right to be on these farms. In handling this matter care must be provided to protect the investment of the State and these farms must not be left without caretakership. Ascertaining the ownership of the 2665 animals and ejection of Nuvelde must be done not later than 31 October 2020. By that time the Caretakership of this property must be in place and plan to re-allocate it must be put in place and followed.”

155. The stated reasons for refusing to grant the lease to Nuvelde are completely baseless. I have already dealt with this above, and deal with it further below.
156. Shockingly, the decision was taken on 27 September 2020, prior to the appointment of the two task teams, and the investigation of the allegations by Mr Booyesen. This meant that the whole story of the task teams and the investigation was nothing more than window dressing, as Mr Mbekeni had already taken the decision months before.



### Intervention by the LRC

157. In May 2022, we approached the Legal Resources Centre (LRC) for assistance to take the matter forward. We were desperate for some finality to the process so that we can obtain the lease and make progress with our farming operations.
158. The LRC wrote on our behalf to the Department, and in particular to the Acting Chief Directorate of the Western Cape, inquiring whether a decision to **not** grant the lease to us had been made, and asking that if this was not the case, we be furnished with the lease immediately. A copy of this letter, dated 18 May 2022, is attached as annexure "**JB25**".
159. The reply from the Department, dated 8 June 2022, requested the applicants to prove that the NLAACC had recommended that the lease be awarded to them. The letter is attached marked "**JB26**". In response, the LRC provided the document that had been shared by the Department officials and that everyone had been aware of at the time.
160. On 27 June 2022, Mr Fonk on behalf of the Directorate of Corporate Services in the Western Cape Office wrote to the LRC. He stated that the NLAACC did not have the final say on lease agreements and that there are processes on different levels including one that involves lease agreements being approved by the Minister. A copy of this letter is attached as annexure "**JB27**".
161. The correspondence from the Department did not address the explicit question of whether any decision was taken after the NLAACC recommendation. Neither the Acting Chief Directorate of the Western Cape nor the Directorate of Corporate

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Services stated that in fact, the Acting Chief Director had disapproved the application on 27 September 2020.

162. On Friday, 17 February 2023, I received a call from Ms De Jager at the district office of the Department in Beaufort West. She advised me that we needed to come to the office on Monday, 20 February 2023 for a meeting with Mr Mbekeni. On Monday, 20 February 2023, I and the second and third applicants attended the meeting with Mr Mbekeni. Mr Mbekeni was accompanied by Mr Freddie Mpona from the national department's office in Cape Town. Some of the other beneficiaries were also at the office for the meeting.

163. Mr Mbekeni asked us from Nuvelde to come into the office first as he wanted to meet with us apart from the other beneficiaries. He announced that we were there to find a solution to the problem of the 30-year lease. He said that the Department had conducted a legal investigation into the letters that were issued to the beneficiaries in 2017, terminating our five-year contracts, as well as the process of advertising Plateau Farm again for the 30-year lease to be issued. He said that they had found that the cancellation of the leases in 2017 was illegal and that all the further steps that had been taken after this were also illegal. Therefore, the whole advertisement and application process Nuvelde took part in was also not legal. Mr Mbekeni said that the Department has decided to scrap everything after the cancellation of the leases. We asked if we could see the legal document in which they made all these findings, but he said it was an internal document and we could not see it.

164. Mr Mbekeni further said that Nuvelde will get some of the farms that form part of Plateau, and that some of the other beneficiaries will get other farms. He said

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that he wanted us to agree that Nuveld would get three of the farms that form part of Nuveld, while Dassiesfontein and Willemskraal will go to the other beneficiaries. He said we could keep all the sheep that belonged to Nuveld on the three farms that we would get, and that the Department will buy new sheep for the other beneficiaries. He said that the purpose of this meeting was for us to agree to this arrangement, in which case the Department will issue us with the lease over the three farms. Mr Mbekeni will then do a report to the national department to indicate that they had resolved the dispute in relation to the Plateau Farms.

165. I then asked Mr Mbekeni what happened to the process Nuveld took part in to apply for the 30-year lease and the money we spent in participating in that process. I showed him the NLAACC document in which we were recommended, which included his decision to refuse us the lease was reflected. He was angry and wanted to know where we got the document. I said it does not matter, we have it now, and then he said that it just falls away because the process was illegal.

166. Mr Mbekeni then got visibly upset and said that we needed to realise that we were on the farms illegally. I said that it was not true as we had the concession from the Department. Mr Mbekeni then said that since we now had lawyers in this matter, we needed to speak to them about this and that he did not want to

167. Later in the afternoon, we received a call from Ms De Jager. She said that Mr Mbekeni had also met with the other beneficiaries after our meeting, but I am not sure what happened in that meeting. She said that she was calling to ask if we would agree to Dassiesfontein and Willemskraal going to the other beneficiaries

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so that we could get the lease over the other three farms. We said no. We wanted the lease over all the land and in terms of the NLAACC recommendation.

## VIII LEGISLATIVE AND POLICY CONTEXT

### Legislation

168. Section 25(5) of the Constitution enjoins the State to redistribute land:

*"The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis."*

169. I am advised that since 1994, with the exception of the Land Reform (Labour Tenants) Act, no substantive new legislation has been passed which guides and directs the Government's power and duty in terms of section 25(5) of the Constitution to enable the equitable redistribution of land. No legislative measures have been enacted and implemented which enable citizens to gain access to land on an equitable basis, by conferring rights on them.

170. Instead, legislation passed by the old National Party government continues to provide the empowering provisions, subject to some amendments made after 1994. Instead of legislation being enacted, the Department has adopted policies and processes which are rarely published and are not made readily accessible to those who are affected. There is a lack of communication with those who are affected as to which policy applies to which process. I am thus not certain which policy applied to our application, or was supposed to guide the decision of the third respondent.

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171. Prof Ruth Hall of the Institute of Poverty, Land and Agrarian Studies will file an expert affidavit along with this application. In it, she sets out, on the basis of extensive research by PLAAS, how this policy is incoherent and lacks transparency. This applies not only to the policies but to the decisions made and the reasons provided. The research also highlights the disconnect between the policy framework and its implementation on ground level. All of this indicates the systemic problems plaguing land redistribution. Our case is but one example of this.

172. In the circumstances, I set out the legislative and policy framework as my legal representatives have been able to piece it together.

173. Initially, the State Land Disposal Act 48 of 1961 ('SLDA') was used to enable the redistribution of state land for land reform purposes. On 18 April 2000, a document setting out the procedures for disposal of agricultural state land was signed by the then Minister and attached to a Power of Attorney.

174. I summarise some of the salient terms here, as there is some uncertainty as to whether these procedures remain in place, as I explain below.

175. The procedures provide that:

175.1. The powers afforded by the SLDA to the Minister will be delegated to relevant MECs.

175.2. Emerging black farmers and previously disadvantaged groups are identified as 'targeted beneficiaries'.

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- 175.3. The role of the Department of Land Affairs (as it then was) includes “to provide enabling legislation and the delegation of powers to allow the disposal of state land to occur”.
- 175.4. Provincial Departments of Agriculture are responsible for “the disposal, including administration of lease agreements, of such land.”
- 175.5. A Provincial State Disposal Land Committee is created for each province. The Committees will deal with the disposal of state land. They will consider all applications in their province and make a recommendation to the relevant Minister or MEC.
- 175.6. State land can be leased and lease periods can be anything from 1 year to a maximum of 10 years.
176. The Provision of Certain Land for Settlement Act 126 of 1993 was passed by the National Party during its last minute, pre-emptive attempts at land reform before the dawn of democracy in South Africa. The Act has since been renamed as the Land Reform: Provision of Land and Assistance Act.
177. In 2008, the Act was amended to include the following objects (s1A):
- 177.1. *Give effect to the land and related reform obligations of the State in terms of the Constitution of the Republic of South Africa, 1996;*
- 177.2. *Effect, promote, facilitate or support the maintenance, planning, sustainable use, development and improvement of property contemplated in this Act;*
- 177.3. *Contribute to poverty alleviation; and*

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177.4. *Promote economic growth and the empowerment of historically disadvantaged persons.*

178. I note a few relevant sections of the Act:

178.1. Section 10 was amended to empower the Minister to make state land available; maintain, plan, develop or improve such property and to provide financial assistance to any person for that purpose.

178.2. Section 10A required the establishment of a separate trading entity to account for the Department's activities in terms of section 10.

178.3. Section 11 was amended to empower the Minister to "sell, exchange, donate, lease, award or otherwise dispose of or encumber any property" for the purposes of the Act. This is the provision in terms of which long-term leases are awarded to redistribution beneficiaries.

178.4. Section 15 allows the Minister to delegate all powers in terms of the Act, barring the power to make regulations.

### Policies

179. In the absence of any legislative guidance as to when and how land should be acquired for redistribution purposes and, more importantly, how, by whom and to whom the land should be allocated, the Department has resorted to adopting a series of policy documents.

180. These policy documents are almost never published for public comment prior to adoption. The adopted policies are very rarely published or placed on the Department's website, leaving the public – and in particular, potential applicants

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and beneficiaries – mostly in the dark as to what policies are applicable at any given time and what those policies require.

181. The result is that anyone whose rights and interests are potentially affected by decisions of departmental officials, struggles to protect and enforce those rights and interests in the absence of a clear and transparent guiding framework.

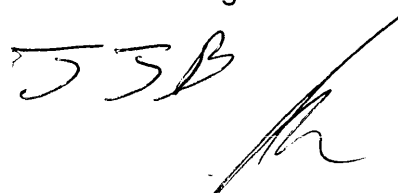
182. As my own case illustrates, this lack of transparency is also a feature of the Department's decisions: it treats its decisions and the reasons for those decisions as confidential, making it impossible to hold them to account.

183. My legal representatives have been able to find versions of some of these policy documents. These versions are often unsigned or labelled 'draft', in which event their status is unknown.

184. In 2006, the Department of Land Affairs (as it then was) for the first time adopted a strategy that involved the state *purchasing* land and making it available to beneficiaries. This was called the Proactive Land Acquisition Strategy ("PLAS") and required the amendment of Act 126. Previously, the state only played a role in screening applicants, approving and supplying grants and subsidising the transfer of land from persons willing to sell their land to persons wanting to access land.

185. From 2011, the mechanism of the State purchasing land became the only form of land redistribution, with all other redistribution programmes discontinued.

186. While the initial plan was to make the State land available through long-term leases with the aim of eventual transfer of ownership to beneficiaries, the emphasis since 2013 has been on the model of long-term leases only. I believe



this decision was motivated by the challenges experienced in the former LRAD programme that allowed for the transfer for land but saw many farms resold by the beneficiaries to white commercial farmers.


**i. Proactive Land Acquisition Strategy (PLAS)**

187. In 2006, then Minister of Agriculture and Land Affairs, Ms Lulu Xingwana, launched the PLAS programme. By 2011, it was the only means of land redistribution implemented by the newly constituted Department of Rural Development and Land Reform.

188. My lawyers could find no document setting out the PLAS itself but gained access to a document entitled "Manual for the Implementation of the Proactive Acquisition Strategy Version 2 July 2007" ("**the PLAS Manual**"). The document is attached as "**JB28**".

189. The PLAS Manual purports to create a separate route from what it calls "the state land disposal route". The Manual provides that should the Minister delegate her powers in terms of section 11 of Act 126 with approved terms and conditions, this will allow "Provincial Chief Directors to dispose of land acquired through Act 126 and it will be a non-negotiable aspect of the Provincial Grants Committees approvals process. In this way all proactive projects, if they comply with the Ministerial terms and conditions, need not be sent through the state land disposal route". As I explain below, it appears that the Ministerial terms and conditions were adopted in 2009.

190. The PLAS Manual envisioned the following process for the acquisition and disposal of land:

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- 190.1. Step 1: Assess land need within a specific area
  - 190.2. Step 2: Identify suitable land in the area
  - 190.3. Step 3: Determine costs and motivate for release of provisional budget
  - 190.4. Step 4: Obtain valuation report
  - 190.5. Step 5: Obtain feasibility report
  - 190.6. Step 6: Acquire and register land
  - 190.7. Step 7: Appoint caretaker/management company as holding arrangement
  - 190.8. Step 8: Beneficiary Selection
  - 190.9. Step 9: Approve planning costs and develop business plan
  - 190.10. Step 10: Survey and subdivide as needed
  - 190.11. Step 11: Appoint service providers to finalise development and provision of infrastructure.
  - 190.12. Step 12: Sign leases according to existing state land procedures.
  - 190.13. Step 13: Manage the lease.
191. The Manual includes guidelines on leases in terms of the Proactive Strategy. It provides that:

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- 191.1. Authority to approve leases with regard to land acquired proactively has been delegated to the Chief Director: Provincial Land Reform Office (PLRO) in terms of section 11 of Act 126.
- 191.2. Leasing periods are granted mainly on a three-year basis.
- 191.3. Leases are to be allocated to beneficiaries that are black South African citizens.
- 191.4. The allocation of leases may be undertaken by a Selection Committee accountable to the Chief Director: PLRO.
- 191.5. Any objections by the public on the allocation of leases may be directed to the Provincial Chief Director for response.
192. In a report to Parliament (attached as “JB29”), Hall and Kempe described the PLAS programme as follows (p24):
- “PLAS gives far-reaching discretionary powers to officials of the renamed and redefined DRDLR (previously the Department of Land Affairs) to purchase land directly, rather than disburse grants to enable beneficiaries to buy land for themselves. **Officials may determine which land should be acquired by the state, whether it should be transferred or leased, and if so, to whom and on what terms.** A key feature of PLAS is the provision of state land on leasehold, ostensibly on a trial basis pending an assessment which could pave the way towards a later ‘second’ transfer of ownership to beneficiaries.”*
193. Because PLAS created a state-driven acquisition process, it meant that the state could buy land before or after beneficiaries had been identified and quantified. The mechanism and criteria for identifying and quantifying beneficiaries was left unspecified by PLAS.

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194. In 2009, a draft Volume 3 of the PLAS Manual was published. My lawyers were not able to ascertain whether this document was adopted in this or another version. Significantly, however, this draft document includes the Minister's 'non-negotiable' conditions for land allocations in terms of Section 11 of Act 126. If this document was adopted, that means that the Provincial Chief Directors had full authority since the date of adoption to allocate state land in terms of Act 126.

195. The 'non-negotiable' conditions attached to the 2009 draft Manual were:

195.1. The State Land Disposal Policy must be followed to dispose of land (immovable property) acquired and held in the name of the state in terms of Act 126 of 1993.


195.2. Disposal of movable assets must be at market-related value or by way of price quotations, competitive bids or auctions, whichever is most advantageous to the state, unless determined otherwise by the relevant treasury as per the PFMA and Treasury Regulations.

195.3. Prior to the transfer of land (sale) to the selected beneficiaries the Provincial Land Reform Offices must assess whether all the conditions of the lease agreement were met.

ii. **The State Land Lease and Disposal Policy (2013) ("SLLDP 2013")**

196. In 2013, the SLLDP was published (attached marked "JB30"). It states that it is to "replace all existing policies on the leasing of immovable assets of the Department. It also takes precedence over any other departmental policy that contains any provision on leasing of immovable assets". The policy explicitly applies to land acquired in terms of Act 126.

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197. The SLLDP was thus presumably intended to replace PLAS, although the practice of the Department suggests otherwise.

198. The SLLDP 2013 prescribed a 30-year lease with the option of renewing for a further 20 years, whereafter beneficiaries could become owners. The initial period of 5 years is treated as a probation period "in which the performance of the lessee shall be assessed" (para 12).

199. It further introduced four categories of intended beneficiaries:

199.1. Category 1: Households with no or very little access to land, even for subsistence production.


199.2. Category 2: Small-scale farmers who have been farming for subsistence purposes and selling part of their produce on local markets. This may be land in the communal areas, on commercial farms, on municipal commonage or on church land.

199.3. Category 3: Medium-scale commercial farmers who have already been farming commercially at a small scale and with aptitude to expand, but are constrained by land and other resources.

199.4. Category 4: Large-scale or well established commercial farmers who have been farming at a reasonable commercial scale, but are disadvantaged by location, size of land and other resources or circumstances, and with real potential to grow.

200. In respect of the approval of leases, the SLLDP 2013 provides:

*"8. APPROVAL OF LEASES*

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*8.1 All leases shall be approved by the Approval Authority in accordance with any existing delegation or assignment or power of attorney.*

*8.2 All documents that constitute proof of existing delegation or assignment of authority or function in relation to the signing of leases shall become Appendices to this Policy Document. Such documents however exclude isolated delegations which are given in individual lease applications.*

*[...]*

*8.7 All leases on immovable assets referred to in this Chapter, other than those referred to in 8.5 above, shall be signed by the Deputy Director General: Land Reform and Administration.*

*8.8 Should any change in the existing delegation of powers for approval of leases occur after the approval of this policy, the provisions of any document providing for such change shall take precedence over the provisions of this paragraph."*


201. The policy created district level committees to screen all potential lessees and make recommendations to the Provincial Technical Committee, which makes final recommendations to the National Land Allocation and Recapitalisation Control Committee (NLARCC – later called the NLAACC).

**iii. The State Land Lease and Disposal Policy 2019 ("SLLDP 2019")**

202. The State Land Lease and Disposal Policy 2019 (26 March 2019) replaced the 2013 Policy (attached marked "JB31"). However, as Prof Hall recounts in her affidavit, the public was never made aware of this development and the status of this policy, as with all the others, is entirely unclear.

203. Be that as it may, the SLLDP of 2019 removes the fourth of the four categories of beneficiaries, namely that of large scale and successful commercial farmers.

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204. The SLLDP 2019 removed the requirement for the DG to approve leases. A delegation, attached to the policy, states: "Approval or termination of agricultural leases and allocation of immovable assets approval – Chief Director: Provincial Shared Services Centre subject to NLAAC".

**iv. Proactive Land Acquisition Policy (14 May 2019) ("PLAP")**

205. The copy of the PLAP that my legal representatives were able to obtain is unsigned and indicates that it is an "amended version 2" (attached marked "JB32"). They were not able to ascertain whether this policy was actually adopted. The document is dated 14 May 2019, which suggests that it would have been applicable at the time of our application, assuming it had been adopted.

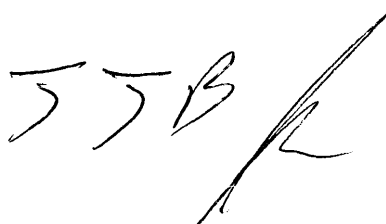
206. Prof Hall confirms that, despite her and the research institute, PLAAS', on-going work on redistribution, she had never heard of or seen the PLAP prior to being advised of its existence by my legal representatives.

207. The PLAP states that it replaces the 2007 Manual for the Implementation of PLAS (p7). This is curious, given that the SLLDP of 2013 already purported to replace PLAS. It is also entirely unclear whether the SLLDP and the PLAP should be read together, as they cover largely the same field.

208. One of the PLAP's three main identified policy measures is:

*"Provision of such land [acquired in terms of Act 126] to identified beneficiaries through direct disposal or conditional long-term leasehold with eventual option to purchase, where the land is made farmable before usage by the lessee or beneficiary, based on a credible development plan."*

209. It retains the three categories of beneficiaries.





210. The policy includes, for the first time, guidance on how beneficiaries should be selected:

*“Applicants for access to land must be solicited through a transparent public process including -*

- Notices requesting expression of interest put up at municipal notice boards and other public spaces frequented by people, to consider applications;*
- Advertisement in local and national per category or target group;*
- Information disseminated at farmers 'meetings, and*

*The Department's Provincial offices shall establish a **fair and transparent** process of Beneficiary Selection in each District Municipality and Metropole. The Province shall establish a District Beneficiary Selection Committee which will act as a sub-committee of the Provincial Technical Committee and shall screen, shortlist and interview applicants for access to land for Land Redistribution purposes and make recommendations to the Provincial Technical Committee. The Provincial Technical Committee shall support and recommend projects for land acquisition; land development and suitable candidates for land allocation to the National approval structures or Committee.*

#### *Beneficiary Selection Criteria*

- All Black South Africans (Africans, Indians and Coloureds) over the age of 18 have the right to apply for access to land for agricultural and other productive purposes in terms of the Department's State Land Lease and Disposal Policy.*
- Special priority will be given to those with experience in agriculture or a willingness to undertake training and incubation on properties established by the Department; and Agricultural or other relevant qualifications including participation in Government and Commodity Organization training programmes.*
- Capacity and capability of the applicant to manage the intended farming enterprise based on the farm potential as defined above.*
- Applicants who possess basic farming skills, and demonstrate a willingness to acquire these, or have qualifications in the field of agriculture; graduates of the Department's incubation programme;*



- *Priority will further be given to special groups, women, youth, agricultural and science graduates, people with disabilities and military veterans; farm dwellers, farm workers and labour tenants; subsistence producers in communal areas and villages; and, other Category 1 and 2 producers below as defined in the above policy.*
- *Other targeted groups are black commercial farmers who want to expand for markets import and export, people with the necessary farming skills in urban areas, apprentices and learners.”*

211. In addition to the District Land Reform Committees created by the SLLDP, the PLAP also establishes District Beneficiary Selection Committees to “screen, shortlist and interview applicants for access to land” and make recommendations to the Provincial Technical Committee, which in turn will decide whether to support the recommendation to the “National approval structure or Committee”.

#### **Standard Operating Procedures in terms of PLAP**


212. On 5 June 2019, Standard Operating Procedures (SOPs) were approved in terms of PLAP. These are also not publicly available but was made available to my legal representatives by an official in the department. It is attached marked “JB33”.

213. The SOPs requires the following steps to be followed for disposal:

213.1. Step 1: Beneficiary Application – publish advert, create register of applications; disseminate to Districts for shortlisting etc.

213.2. Step 2: Beneficiary Selection – Convene District beneficiary selection committee to screen, select and interview potential applicants as per the election criteria; site visit and interviews with successful applicants; district-based selection committee (DBSC) make

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recommendations to provincial technical committees (PTC) for consideration; District Office prepares a joint memorandum to request approval for Land acquisition and Land allocation to the recommended lessee.

213.3. Step 3: Approval of beneficiary allocation: PTC presents recommended lessee from DBSC to NLAACC; Chief Director submits the final schedule to NLAACC secretariat and present applications to NLAACC for approval; obtain NLAACC approval in terms of section 11 of Act 126 and submit memorandum to Chief Director for approval.

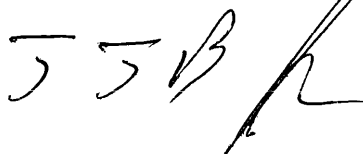
214. The document provides no indication of the procedure to be adopted if the Chief Director does not approve the final memorandum, as occurred in my case.

215. As far as we can decipher, and in the absence of any formal communication to that effect, the PLAP and the SOPs adopted in terms of the PLAP was the applicable framework used for our application for the long term lease which is the subject of this application.

#### Delegations

216. In the letter which Mr Fonk on behalf of the Department sent to my legal representatives on 27 June 2022, they were 'advised' that an application for an appointment as a lessee "within the policy prescripts of the Department ... culminates with the Minister" and further, "in the ordinary course of events, the application would after consideration by NLAACC be tabled before the Minister for a final decision as empowered by the Land And Assistance Act 126 of 1993."

217. I am advised that this is not in line with the legislative and policy framework.

A handwritten signature in black ink, appearing to be 'JJB' followed by a stylized flourish.

218. Act 126 provides, in section 11, that the Minister may delegate her powers in terms of the Act to dispose of state land “on such terms and conditions as she deems fit.”

219. The 2007 PLAS manual confirmed that section 10 of Act 126 had been delegated to Provincial Chief Directors (CDs), and this gives them the authority to dispose of land for the purposes of Act 126.

*“Once land has been made farmable, Section 11 of Act 126 can be invoked to dispose of the land. It is therefore not necessary to process applications through the Provincial State Land Disposal Committees because Section 11 of Act 126 affords the Provincial CDs the discretion to sell, exchange or donate any land acquired in terms of Act 126 for the purposes of Act 126 or if the land is not required for the purposes of the Act. However, it should be noted that Section 11 is a partial delegation and the power to impose terms and conditions still vests with the Minister. The approved terms and conditions will allow Provincial Chief Directors to dispose of land acquired through Act 126 and it will be a non-negotiable aspect of the Provincial Grants Committees approvals process. In this way all proactive projects, if they comply with the Ministerial terms and conditions, need not be sent through the state land disposal route.”*


220. Volume 3 of the PLAS Manual, a draft of which was published in 2009, includes ‘non-negotiable’ conditions imposed by the Minister in terms of section 11. These may be the terms and conditions contemplated to effect the delegation, but the status of the document is still unclear to us.

221. In any event, the 2013 SLLDP replaced all other policies on the leasing of immovable assets and provides that “all leases on immovable assets [...] shall be signed by the Deputy Director General: Land Reform and Administration”.

222. The 2019 SLLDP replaces the delegation:

*“Approval or termination of agricultural leases and allocation of immovable assets approval – Chief Director: Provincial Shared Services Centre subject to NLAAC.”*

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223. The SOPs to the PLAP, also published in 2019, refers to delegations signed by the Minister on 28 September 2018. The Minister delegated her powers in terms of section 11 to the “Deputy Director General and other relevant Chief Directors”. My legal representatives have not been able to find this document, but this appears to confirm that the power was delegated to the Deputy Director General and Chief Director.

## IX THE DECISION SOUGHT TO BE REVIEWED

224. The decision that we are seeking to have reviewed and set aside is Mr Mbekeni’s decision not to approve Nuveld’s application for the 30-year lease. That decision was taken on 27 September 2020 and we became aware of it the beginning of 2022.

225. Before I discuss the reasons for the review, I address the Department’s contention in its letter to the LRC dated 27 June 2022 (annexure “JB27”) that no decision has been taken as the Minister must make the decision.

### A decision has been taken

226. The power to acquire property and make it available for the purposes of section 25(5) of the Constitution is assigned to the Minister by section 10 of Act 126. Section 10 provides that “[t]he Minister may acquire property and, on such conditions as he or she may determine, make the land available; maintain, plan, develop or improve property; provide financial assistance [...] as the Minister considers suitable for the achievement of s25.”

227. Section 11 of the Act empowers the Minister to “on such terms and conditions as he or she may deem fit, for the purposes of this Act, sell, exchange, donate,

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*lease, award or otherwise dispose of or encumber any property contemplated in this Act...*"

228. Section 15 authorises the Minister to delegate these powers. This must be done in writing. In the letter of 6 June 2022, Mr Fonk made it clear that the *"Minister has in certain instances including a lease which is relevant in this matter delegated her authority and power flowing from provision of the Land and Assistance Act no. 126 of 1993 to the Head of the Provincial Shared Services Centre."* In this instance, that person is Mr Mbekeni who made the decision of 27 September 2020 not to approve the granting of the lease to Nuveld.

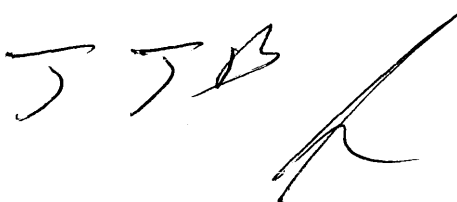
229. In the document compiled by NLAACC and dated 4 March 2020 recommending that the lease be granted to Nuveld, the issue of delegation is again confirmed. At paragraph 3.1 it clearly states the following:

*"Approval for the allocation of land as per Section 11 of the Act, is delegated to Deputy Director General and other relevant Chief Directors as per present delegations, signed on the 28th September 2018, in terms of item 28, section 11 of the Provision of Land and Assistance Act 126 of 1993 as amended." (My emphasis.)*

230. I point out that the NLAACC recommendation is signed by the Deputy Director General who appears also to be a delegated authority.

231. It is thus clear that on the Department's own version, the Minister does not have to take a decision on the lease, as her power to do so has been delegated to the DDG and the relevant Chief Director, namely Mr Mbekeni.

232. A plain reading of the document by Mr Mbekeni makes it clear that a final decision was taken by him. The following extracts indicate this:

A handwritten signature in black ink, consisting of the letters 'JJB' followed by a long, sweeping horizontal stroke that ends in a small hook.

232.1. *"This allocation is not approved, albeit that it was approved by NLAAC. I think it is critical that I highlight background and motivation to my decision."*

232.2. *"In the light of this they all agreed that the Acting CD:PSSC WC must not approve the recommendation to allocate the Plateau Farms to Nuvelde Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07), as the appointed lessee to lease the land and movable assets for a period of 30 years."*

232.3. *"Ascertaining the ownership of the 2665 animals and ejection of Nuvelde must be done not later than 31 October 2020. By that time the Caretakership of this property must be in place and plan to re-allocate it must be put in place and followed." (My emphasis.)*

233. It is clear that Mr Mbekeni has the delegated authority to decide whether to allocate the lease to Nuvelde, and that he exercised this authority on 27 September 2020 by deciding to refuse the allocation.

## **X            GROUNDS OF REVIEW**

### The decision was based on incorrect facts

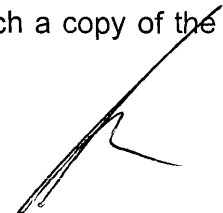
234. Mr Mbekeni gave a number of reasons for refusing to approve the lease, which are based on a failure to understand or to recognise the facts, and (at best for him) on a misapprehension of the facts.

235. **First**, he says that there may be a "fronting" relationship between Nuvelde and Prof Sinclair, the previous owner of Plateau Farm. He says the following:



- 235.1. Nuveld was established by Prof Sinclair;
- 235.2. At one point he was the majority shareholder in Nuveld;
- 235.3. He lent Nuveld large amounts of money; and
- 235.4. Some of the Nuveld members were his previous employees.
236. These are allegations which were made by members of the other groups, and in particular Mr Hendrik Booysen. They are false.
237. In truth, Nuveld was established and registered in 2017 by the three of us, not by Prof Sinclair. He gave us advice, as he also gave advice to Mr Booysen himself, Frikkie Vaaltuin and other beneficiaries. He was always willing to assist beneficiaries where possible. However, Prof Sinclair did not establish Nuveld.
238. The other applicants and I have never worked for Prof Sinclair. As set out above, we all held employment in other areas, before returning to Plateau Farm in 2006, by which stage Prof Sinclair had already left.
239. I met Prof Sinclair as all the beneficiaries did, when he came to talk to us on the invitation of Frikkie Vaaltyn, who did previously work for him. Prof Sinclair was there in an advisory capacity as the person who probably best knows the Plateau Farms, having farmed there for decades. He spoke to all the beneficiaries, including Mr Booysen, and assisted any beneficiary who asked for his help over the next number of years.
240. Prof Sinclair never gave Nuveld a loan. As I have explained above, in 2019 Prof Sinclair assisted Nuveld to obtain an interest-free loan from the Black Educational Empowerment Trust for R516 625.20. I attach a copy of the loan

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agreement marked “JB34”. The loan was not from Prof Sinclair. It is the only loan that Nuveld received. The financial officer handling the loan recorded that a shareholding was given to the Trust as security for the loan, but this was immediately reversed when Prof Sinclair discovered it. It was a minority shareholding,

241. Prof Sinclair was never either a majority or minority shareholder in Nuveld.


242. Mr Mbekeni was presented with all the relevant evidence proving the falseness of these allegations, before he made his decision.

243. **Second**, Mr Mbekeni appears (again, at best for him) to have been confused around the livestock on the farm, perhaps partly because of the lack of records in relation to the livestock left on the farm when Bono’s contract expired. He seems to suggest that some of the 2665 sheep on the farm belonged to Nduku, Tyantsi, Morris and the Booysen family, and were left there when Prof Sinclair “chased” them away. The livestock was then allegedly bought at a low price by Prof Sinclair for “his” Nuveld. From this, Mr Mbekeni concludes that the 2665 sheep on the farm could include livestock of Bono or the complaining families.

244. It is true that the Department never came to take stock of the livestock after Bono left. That is not our fault, or the fault of Prof Sinclair. As caretakers, we took stock of what was there. We established the following.

245. When Bono left in 2017, many of the 2665 sheep that had been provided through RECAP had disappeared. The Nduku’s, for example, lived on Dassiesfontein and received 300 sheep through RECAP, but sold most of them in town. There were only 84 of the 300 sheep remaining when Bono left. On

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Willemskraal, 17 cows died of hunger. After Bono's departure the other groups who still had livestock on the farm (which they had refused to remove years earlier as required) came to remove it. None of those animals remained on the farm. Prof Sinclair had nothing to do with this.

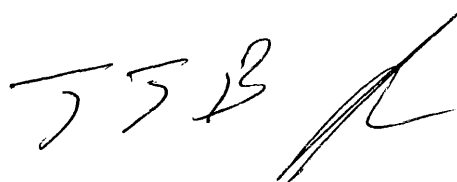
246. All the beneficiaries were requested at this time to fetch any livestock they had left on the farm. We even gathered the sheep to make it easier for them to do so. No-one showed up to fetch any of the remaining livestock.

247. Around 900 of the remaining sheep were in such a poor condition that we had to sell them to replace them with new sheep. We did not sell them to Prof Sinclair. To the best of my knowledge, he does not even own a farm any more.

248. In any event, the conduct attributed to Prof Sinclair is an entirely irrelevant consideration with regard to whether we (not Prof Sinclair) should be allocated the lease. Mr Mbekeni does not explain its relevance, or why it would make us undesirable candidates for the lease.

249. Mr Mbekeni's decision was based on rumour and speculation, without any basis in fact. The rumour and speculation were false. They are an irrelevant consideration with regard to the decision which he had to make. He ignored the evidence and information we had given him as to the actual facts. He thus ignored a relevant consideration.

250. **Third**, Mr Mbekeni states that the Department had issued letters to me and the other two applicants to eject us from the farm, and that the other families were ejected. He states that there is no reason for a "double standard" to be applied and that we also had to be ejected. He ignored the relevant consideration that



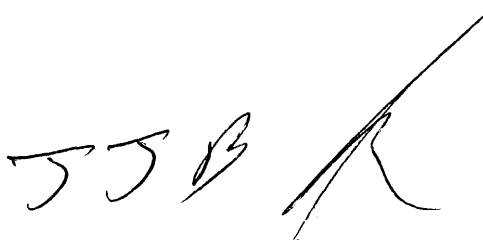
we had been given formal permission to stay on the farm in order to look after the State's assets.

251. In any event, whether or not we had previously been provided with letters to leave is an irrelevant consideration as to whether we should have been allocated the lease. Whether other people had been ejected from the farm is similarly irrelevant. Mr Mbekeni was required to decide who were the most suitable people to be allocated the lease.

252. In December 2019, we applied afresh for the 30-year lease. This was a new contract that had nothing to do with the previous lease agreements. The "reasons" given by Mr Mbekeni were irrelevant considerations in the decision which he then had to make.

253. **Fourth**, as Mr Pfeiffer sets out in his affidavit attached hereto, it is not only untrue that the officials convened for a meeting by Mr Mbekeni on 18 September 2020 "all agreed" with his proposal to reject Nuveld's application, but the very meeting itself was irregular. Mr Mbekeni included in the meeting several people with very little knowledge of or involvement with the land redistribution process, probably, according to Mr Pfeiffer, to drum up support for his view from people with too little knowledge of the case and the process to meaningfully object. Even if they did agree with Mr Mbekeni's proposal, their agreement would be an irrelevant consideration.

254. In fact, they did not all agree with him. To cite such "agreement" as a reason for the decision means the decision was based on an error of fact.



255. Mr Mbekeni failed to have regard to the relevant consideration that Nuveld has been farming on the land since 2017, with the permission of the Department and in terms of the concession that it granted us.

256. When Mr Mbekeni made his decision he thus had regard to irrelevant considerations, while ignoring relevant considerations. The decision was also not rationally connected to the information before Mr Mbekeni or the reasons given for the decision. The decision must therefore be reviewed and set aside in terms of sections 6(2)(e)(iii), 6(2)(f)(cc) and (dd) of the PAJA.

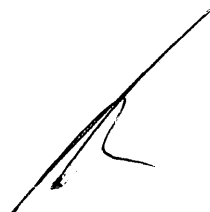
The decision is procedurally unfair

257. There are a number of reasons why the decision is procedurally unfair.

258. **First**, the decision was taken by Mr Mbekeni on the basis of allegations made by the other group, which Nuveld was never provided with an opportunity to answer and confirm or refute. The decision was simply taken without us being given an opportunity to have our side of the story heard. The only meeting that we had with Mr Mbekeni about this was the one on the side of the road on 16 September 2020. This was not a proper meeting, we were not confronted with all the alleged evidence, and we were certainly not provided with an opportunity to respond fully to the allegations.

259. **Second**, the decision was taken before a proper investigation had been conducted or concluded. It was only after the meeting of 2 December 2020 that a task team was appointed to investigate the allegations against us. But by this time, Mr Mbekeni had already decided to disapprove our application.

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260. **Third**, the decision-making process was inconsistent with the procedure which the Department communicated to the applicants. That procedure was that:

260.1. Interested parties needed to attend the site visit on 13 December 2019;

260.2. Interested parties needed to submit an application;

260.3. Identified candidates were interviewed on 21 January 2020 by the District Beneficiary Selection Committee;

260.4. The District Beneficiary Selection Committee would make a recommendation to the Chief Director: Provincial Office: Western Cape for a final decision.

261. As I have explained above, Nuveld and Mr Meintjies were the only two applicants for the lease agreement, and the only two that were interviewed. The other group was advised by the Department of the advertisement in the newspapers but did not attend the site visit and did not apply for the farm to be leased to them. It was also not interviewed. It therefore did not qualify for consideration.

262. Following the interviews in January 2020, Nuveld was identified as the preferred candidate and recommended to Mr Mbekeni for approval.

263. At this stage the other group complained about the allocation to Nuveld. But by this stage, the process had run its course. If they wanted to be considered, they should have applied as we did. The fact that they are now being considered, and that their interests and allegations have been used to disapprove Nuveld's application, is completely irregular and unfair.

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264. The decision stands to be reviewed and set aside in terms of section 6(2)(c) of the PAJA.

The reasons for the decision is irrational


265. In his decision, Mr Mbekeni states the following:

*“Officials who managed this process indicated that they are hearing it for the first time and they had no prior knowledge of Prof’s involvement at all in the establishment or ownership of Nuvelde. In the light of this they all agreed that the Acting CD:PSSC WC must not approve the recommendation to allocate the Plateau Farms to Nuvelde Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07), as the appointed lessee to lease the land and movable assets for a period of 30 years.” (own highlighting added)*

266. Mr Jacques Pfeiffer, whose supporting affidavit is attached to this affidavit, attended the meeting to which Mr Mbekeni is referring in his decision. Mr Pfeiffer states that this meeting was held virtually on 18 September 2020 and that it is absolute untrue that “all agreed that the Acting CD: PSSC Western Cape must not approve the recommendation to allocate the Plateau Farms to Nuvelde[...]”. Mr Pfeiffer says that in fact, they listened with astonishment to Mr Mbekeni’s announcement that he would not approve the allocation. He states that in his 18 years at the Department, it was the first time that a Chief Director defied the recommendation of the NLAAC. Mr Pfeiffer did not agree to this decision, for reasons that are set out in his supplementary affidavit.

267. Mr Mbekeni is therefore misrepresenting the facts around this meeting when he says that the reason for his decision was that there was agreement amongst the officials who managed the process to not award the lease to Nuvelde. This is

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simply not true. According to Mr Pfeiffer, there was in fact “astonishment” and disagreement with what he said. He says that he firmly expressed his disagreement, and others present also expressed their disagreement.

268. The decision therefore stands to be reviewed and set aside in terms of section 6(2)(f)(ii)(dd) of the PAJA.

Mr Mbekeni is biased or can reasonably be suspected of bias

269. Mr Mbekeni’s conduct throughout this process proves that he is biased against the applicants, or can reasonably be suspected of bias. I say this for the following reasons:

269.1. Mr Mbekeni has, despite clear evidence to the contrary, chosen to believe the allegations raised against the applicants by the other beneficiaries. Despite repeated meetings with the applicants and Prof Sinclair in which the allegations were addressed and evidence to the contrary provided, he has chosen the side of the other beneficiaries;

269.2. Mr Mbekeni’s blatant misrepresentation of the meeting of 18 September 2020, and the use of this meeting as part of the reasons for refusing to award the lease to Nuveld, is highly suspicious. Mr Mbekeni lied in his reasoning about what was decided at this meeting and used this lie to support his refusal to grant the lease to Nuveld.

270. His conduct in this case is so inexplicable, and his explanation for it is so dishonest, that the most reasonable inference is that he made the decision because he was biased. As a result, the decision should be reviewed and set aside in terms of section 6(2)(a)(iii) of the PAJA.

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The decision was inconsistent with applicable legislative or policy guidelines

271. Mr Mbekeni was obliged to exercise his discretion consistently with the applicable legislative or policy guidelines, unless there was a justifiable basis for deviating from them.

272. As I have indicated that from what we could glean, the understanding within the Department, at least, was that the process had to follow the PLAP and its associated SOPs. For the purposes of this section, I will leave aside whether that was indeed the applicable policy and assume for the sake of argument that it was.

273. As explained above, the PLAP has never been publicly available. Our legal representatives were only able to get an unsigned version described as 'Amended version 2'. I set out the significant aspects of this policy above. I note that the policy provides very little by way of guidance. Principally, it requires:

273.1. That applicants be solicited through a transparent public process;

273.2. That beneficiaries be selected through a fair and transparent process established by the Provincial offices;

273.3. By way of criteria, that all Black South Africans (African, Indian and Coloured) over the age of 18 may apply; that special priority be given to those with experience in agriculture or a willingness to undertake training and incubation; that the "capacity and capability of the applicant to manage the intended farming enterprise based on the farm potential" be considered; and that priority be given to women, youth, agricultural and science graduates, people with disabilities and military veterans, farm

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dwellers, farm workers and labour tenants; subsistence producers in communal area and villages and other Category 1 (households with no or very limited access to land) and 2 producers (small scale farmers).

274. While the applications were solicited through a transparent public process, the selection process was not fair and transparent as the policy requires (p10 of "JB32"):

274.1.late applicants were allowed to enter and or influence the process;


274.2.persons who did not attend the compulsory farm visit were allowed to enter and/or influence the process;

274.3.persons who did not even apply at all were allowed to interfere in the process with wild and unproven allegations against applicants;

274.4.unproven allegations were treated as fact and unfairly prejudiced the applicants (which allegations were in fact proven to be untrue);

274.5.The selection process was not transparent in any way. We were given information about the outcomes of committee meetings and indeed of Mr Mbekeni's decision only through unofficial channels and to this day, Mr Mbekeni insists that we are not entitled to know what happened during the selection process.

275. Finally, as applicants we squarely fulfilled the criteria of the PLAP: we are coloured South Africans, all from farmworker families (my two co-applicants were indeed farm workers) and we have acquired significant skills in farming on Plateau that we have proven through the multiple awards we have won for our

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work there. None of this appears to have been considered by the decision-maker.

276. The decision falls to be set aside in terms of section 6(2)(b), section 6(2)(d), 6(2)(e)(i), 6(2)(e)(vi), 6(2)(f)(i), 6(2)(f)(ii)(bb), and 6(2)(i) of the PAJA.

The decision is unreasonable

277. Mr Mbekeni's decision was so unreasonable that no reasonable decision-maker could have made it. I say this for the following reasons:

277.1. The decision was procedurally unfair and not in line with any guiding legislation or policy;

277.2. He considered irrelevant considerations when making the decision while ignoring relevant considerations;

277.3. No reasonable or sensible justification for the decision is possible, given the facts of the matter.

277.4. The decision was one that a reasonable decision-maker could not make.

278. The decision therefore falls to be reviewed and set aside in terms of section 6(2)(h) of the PAJA.

**XI RELIEF**

Review of the decision

279. I submit that the decision made by Mr Mbekeni on 27 September 2020 should be reviewed and set aside.

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280. In addition, we submit that the court should substitute Mr Mbekeni's decision with a decision by the court to grant Nuvelde Farming Empowerment Enterprise (Pty) Ltd the 30-year lease, as per the recommendations from NLAACC. We submit that this case demonstrates "exceptional circumstances" as contemplated in section 8(1)(c)(ii)(a) of the PAJA. We say so for the following reasons:

280.1. **First**, it is unclear to whom the court could remit the decision.


280.2. **Second**, remitting the decision to Mr Mbekeni will be an exercise in futility. Mr Mbekeni's conduct in taking this decision has proven him not competent to make it. He has continually been distracted by factors that are irrelevant, and has shown himself incapable of weighing the facts that were presented to him. Mr Mbekeni's ability to exercise his discretion whether to award the contract to Nuvelde is completely compromised;

280.3. **Third**, the court is in as good a position to take the decision as Mr Mbekeni. We say this for the following reasons:

280.3.1. The decision of Mr Mbekeni must be based on NLAACC's recommendation and the evidence presented to him in its recommendation. That document is before this court and can be considered by the court in the taking of the decision.

280.3.2. There were only two applicants who applied for the lease. None of the other group applied. Mr Meintjies, the other applicant, scored less than Nuvelde in the assessment by NLAACC. Mr Mbekeni could have taken no other decision

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than to award the lease to Nuveld as it was the only successful applicant.

281. Should the court substitute the decision of the second respondent, we ask the court to direct the respondents to take all necessary steps within 30 days of the court's order to provide Nuveld with a lease agreement as per the terms and conditions had the farm been allocated to the applicants as per the recommendation from NLAACC;
282. Alternatively, and in the case of the court declining to substitute the decision, we ask the court to remit the decision to Mr Mbekeni in terms of section 8(1)(c)(i) of the PAJA, and direct him to make a decision and communicate it to us within 15 days of the date of the order.
283. The Department contends that Mr Mbekeni has not made a decision, that he is not empowered to do so, and that it is for the Minister to make a decision. We applied for this lease more than three years ago, in December 2019. The Department does not say when, if ever, the Minister will make a decision on our application. If the decision indeed has to be made by the Minister, this delay is grossly unreasonable.
284. Further alternatively, and in the case of the court finding that it is for the Minister to make the decision, we seek an order reviewing, and setting aside her failure to take a decision in terms of section 6(2)(g) of PAJA, and directing her to take a decision and communicate it to us within 15 days of the date of the court order.



Declaratory relief

285. As I have shown, much of the reason for the circumstances of our case, is the Department's failure to create a transparent and consistent legal and policy framework for land redistribution in South Africa. This is addressed further in the affidavit of Professor Hall.

286. To remedy some of the injustices that result from the current chaos around redistribution, we ask the court to grant systemic relief in the form of declarations that:

286.1. Any applicant that applies for the redistribution of land in terms of any legislation, policy, or programme of the government, has a right to administrative action that is lawful, reasonable, and procedurally fair.

286.2. This includes a right to:

286.2.1. a lawful, reasonable, and procedurally fair application process;

286.2.2. lawful, reasonable, and procedurally fair consideration of the application for redistribution;

286.2.3. be provided with the procedure, in writing, that will be used to assess the application

286.2.4. be provided, in writing, with the criteria that will be used to assess the application;

JJB  


286.2.5. a decision that is taken within a reasonable time after the lodging of the application, or the closure of the application process;

286.2.6. a decision, and the reasons for the decision, in writing, to be communicated to the applicant.

## **XII          CONDONATION**

287. The decision of Mr Mbekeni on 27 September 2020 and the reasons for it were never communicated to us formally. They first came to our knowledge at the beginning of 2022. Since this was not communicated formally, we could not be certain of the status of the document.

288. We therefore instructed our legal representatives to write to the Department to confirm whether a decision was taken or not. I have referred to this correspondence above. The Department refused to acknowledge the decision, and instead contended that a decision was still to be made by the Minister.

289. Despite repeated requests by us and our lawyers, the Department refuses to communicate an official decision.

290. This application is brought outside of the 180-day period for the review of a decision in terms of section 7(1) of the PAJA. We ask the court to condone the late filing of this application for the following reasons:

290.1. When we received the decision at the start of 2022, we were uncertain what to do. We had received the decision but we did not know if we could actually use it to take any legal steps as it had not reached us through

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the proper communication channels, and had reached us from outside the Department. We were uncertain of what steps to take formally to address the issue. We did not know where to turn.

290.2. Around May 2022 we were informed of the existence of the Legal Resources Centre. We were told that they provide legal services without charge, and that they have expertise in land reform matters. We subsequently approached the LRC as we thought they would be able to assist. We hoped that this matter could be resolved by way of correspondence and that a legal intervention like this would be unnecessary.

290.3. We therefore instructed the LRC to write to the Department to ask that the lease be provided to us, or alternatively, that a decision not to grant the lease to us be communicated. This resulted in the back-and-forth communication between the Department and the LRC that I have detailed above. It became clear through this correspondence that the Department was refusing to commit either to providing us with the lease, or alternatively, communicating whether a decision has been taken, and if not, when it will be taken.

290.4. By October 2022 it became clear that correspondence would not yield the desired result and we instructed the LRC to prepare this application. The application is complex and required multiple consultations between us and our attorneys, and preparation of the application was finally completed for the consideration of counsel in February 2023.

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291. I submit that although this application is brought outside the 180-day period prescribed in PAJA, this was not due to a reckless disregard for the timeline, but rather due to a genuine (and it, turns out, over-optimistic) belief that the matter could be settled through correspondence and without having to engage in litigation. Once it became clear that the Department had no intention of resolving this matter amicably, we took immediate steps to instruct our attorneys to bring this application.

292. In the circumstances we ask that the court condone the late filing of this application.

293. The applicants respectfully pray for an order in terms of the Notice of Motion.



**JOHANNES JOSHUA BEZUIDENHOUT**

I hereby certify that the deponent declared that he knows and understands the contents of this affidavit and that it is to the best of his knowledge both true and correct. This affidavit was signed and sworn to before me at Cape Town on this <sup>17<sup>th</sup></sup> day of March 2023. The Regulations contained in Government Notice R1258 of 21 July 1972, as amended, have been complied with.

  
**COMMISSIONER OF OATHS**

**WAYNE MOSTERT**

36 DONKIN STR., BEAUFORT-WES(T)  
Practising Attorney, Rep. of S.A.  
Praktiserende Prokureur, Rep. van S.A.

55B



**Resolution by Shareholders of Nuveld Farming Empowerment Enterprises  
(Pty) Ltd**

**At a meeting of the shareholders held on 10 February 2023, the following resolutions were taken:**

**Resolution:** The directors resolved to instruct the Legal Resources Centre (LRC) to institute legal proceedings against the relevant departments and officials of the national and provincial governments of the Republic of South Africa.

The legal proceedings arise out of the decision to refuse to provide Nuveld Farming Enterprises (Pty) Ltd with a 30-year lease over the farms collectively known as Plateau Farm in the Beaufort West area.


The purpose of the legal proceedings is to review and set aside the decision not to award the 30-year lease to Nuveld Farming Enterprises (Pty) Ltd, as well as to obtain certain declaratory relief in relation to the state's redistribution programme.

**Resolution:** It was further resolved that Mr Johannes Joshua Bezuidenhout is authorised to sign all the necessary legal documents to institute the legal proceedings in furtherance thereof.


**Resolution:** It was also resolved that Mr Herold Bezuidenhout and Mr Jan Bergh are authorised to sign confirmatory affidavits to accompany all the necessary legal documents to institute the legal proceedings.

**Date:** 10/02/2023

**Directors:**

1. Mr Johannes Joshua Bezuidenhout 

2. Mr Herold Bezuidenhout 

3. Mr Jan Bergh 



**Property Descriptions of Plateau Farms per NLAACC**

*Dassiesfontein: Portion 6 (South Dassiesfontein) of the Farm Dassiesfontein No.73, in extent 2982.0047ha, Portion 5 (Portion of 1 North Dassiesfontein), No. 73, in extent 298.7398ha, Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;*

*Rondawel: Portion 5 of the Farm Bok Poort (Portion of Portion 4) No. 54, in extent 343.6754ha, Portion 6 of the Farm Bok Poort No. 54 (Portion of Portion 4) No 54, in extent 2.1257ha, Portion 1 of the Farm Esterville No. 57, in extent 30.0965ha, Ptn 4 of the Farm Dassiesfontein No. 73 (Portion of Portion 1), in extent 753.8581ha, , Portion 2 of the Farm Taaiboschhoek No. 75, in extent 473.9789ha, Portion 1 of the Farm Scheurfontein No. 112, in extent 1773.0426ha, Portion 1 of the Farm Grasplaats No. 113, in extent 1069.0119ha, Portion 2 (Remaining extent), in extent 392.6857ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;*

*Melrose: Portion 2 of the Farm Adj.Driekop No. 48, in extent 368.5915ha, Portion 1 of the Farm Taaibosch Hoek No. 75, in extent 2662.0772 ha, Portion 0 (Remaining extent) of the farm Bronkers Valei No 76, in extent 1829.3525ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;*

*Willemskraal: Portion 1 of the Farm Bronkers Valei No. 76 (Willemskraal), in extent 1 661.6007ha with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;*

*Matjieskloof: Farm 421, in extent of 4 739.000ha with Title Deed no T00005829/2007 situated in the Beaufort West Municipality in the Western Cape Province.*

JSA  
/

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Companies and Intellectual Property Commission  
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Memorandum of Incorporation

COR 15.1A

Registration Number: K2017460296  
Enterprise Name: NUVELD FARMING EMPOWERMENT ENTERPRISES



Tracking Number: 987890865



Customer Code: DAWIET

MEMORANDUM OF INCORPORATION  
OF  
NUVELD FARMING EMPOWERMENT ENTERPRISES

which is a private company, has 1 directors(s), 1 incorporators and 0 alternate director(s), is authorised to issue no more than 1 000.00 share(s) of a single class of shares as described in Article 2, and is referred to in the rest of this Memorandum of Incorporation as "the Company".

In this Memorandum of Incorporation -

- a) a reference to a section by number refers to the corresponding section of the Companies Act 2008;
- b) words that are defined in the Companies Act, 2008 bear the same meaning in this Memorandum as in that Act.

Adoption of Memorandum of Incorporation

This Memorandum of Incorporation was adopted by the incorporators of the Company, in accordance with section 13 (1), as evidenced by the following signatures made by each of them, or on their behalf.

Full Name of Incorporator	ID or Passport Number	Cellphone Number	Email Address	Address
WILLIAMS, STANTON CLEMENT	7704065135089	0828813585	STANTON@ESST.ORG.ZA	Postal: P O BOX 3958, TYGERVALLEY, BELLVILLE, WESTERN CAPE, 7636

Signature

Date

Residential: 14 MADELAINE STREET, GAYLEE, BLACKHEATH, WESTERN CAPE, 7580



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**Article 1 - Incorporation and Nature of the Company**

**1.1 Incorporation**

- (1) The Company is incorporated as a private company, as defined in the Companies Act, 2008
- (2) The Company is incorporated in accordance with, and governed by -
  - (a) the provisions of the Companies Act, 2008 without any limitations, extension, variation or substitution; and
  - (b) the provisions of this Memorandum of Incorporation.

**1.2 Powers of the Company**

- (1) The Company is not subject to any provision contemplated in section 15 (2) (b) or (c).
- (2) The purposes and powers of the Company are not subject to any restriction, limitation or qualification, as contemplated in section 19 (1) (b) (ii).

**1.3 Memorandum of Incorporation and Company Rules**

- (1) This Memorandum of Incorporation of the Company may be altered or amended only in the manner set out in section 16, 17 or 152 (6) (b).
- (2) The authority of the Company's Board of Directors to make rules for the Company, as contemplated in section 15 (3) to (5), is not limited or restricted in any manner by this Memorandum of Incorporation.
- (3) The Board must publish any rules made in terms of section 15 (3) to (5) by delivering a copy of those rules to each shareholder by ordinary mail
- (4) The Company must publish a notice of any alteration of the Memorandum of Incorporation or the Rules, made in terms of section 17 (1), by delivering a copy of the notices to each shareholder by ordinary mail.

**1.4 Optional provisions of Companies Act, 2008 do not apply**

- (1) The Company does not elect, in terms of section 34 (2), to comply voluntarily with the provisions of Chapter 3 of the Companies Act, 2008.
- (2) The Company does not elect, in terms of section 118 (1) (c) (ii), to submit voluntarily to the provisions of Parts B and C of Chapter 5 of the Companies Act, 2008, and to the Takeover Regulations provided for in that Act.

**Articles 2 - Securities of the Company**

**2.1 Securities**

- (1) The Company is authorised to issue no more than the number of shares of a single class of shares with no nominal or par value as shown on the cover sheet, and each such issued share entitles the holder to -
  - (a) vote on any matter to be decided by a vote of shareholders of the company;
  - (b) participate in any distribution of profit to the shareholders; and
  - (c) participate in the distribution of the residual value of the company upon its dissolution.
- (2) The Company must not make an offer to the public of any of its securities and an issued share must not be transferred to any person other than-
  - (a) the company, or a related person;
  - (b) a shareholder of the company, or a person related to a shareholder of the company;
  - (c) a personal representative of the shareholder or the shareholder's estate;
  - (d) a beneficiary of the shareholder's estate; or

Page 2 of 5



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**Memorandum of Incorporation**

**COR 15.1A**

Registration Number: K2017460296  
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Tracking Number: 987890865



Customer Code: DAWIET

- (e) another person approved by the company before the transfer is affected.
- (3) The pre-emptive right of the Company's shareholders to be offered and to subscribe for additional shares, as set out in section 39, is not limited, negated or restricted in any manner contemplated in section 39 (3), or subject to any conditions contemplated in that section.
- (4) This memorandum of incorporation does not limit or restrict the authority of the Company's Board of Directors to -
  - (a) authorise the company to issue secured or unsecured debt instruments, as set out in section 43 (2); or
  - (b) grant special privileges associated with any debt instruments to be issued by the company, as set out in section 43 (3);
  - (c) authorise the Company to provide financial assistance to any person in relation to the subscription of any option or securities of the Company or a related or inter-related company, as set out in section 44;
  - (d) approve the issuing of any authorised shares of the Company as capitalisation shares, as set out in section 47 (1); or
  - (e) resolve to permit shareholders to elect to receive a cash payment in lieu of the capitalisation share, as set out in section 47 (1).

**2.2 Registration of beneficial interests**

The authority of the Company's Board of Directors to allow the Company's issued securities to be held by and registered in the name of one person for the beneficial interest of another person, as set out in section 56 (1), is not limited or restricted by this Memorandum of Incorporation.

**Article 3 - Shareholders and Meetings**

**3.1 Shareholders' right to information**

Every person who has a beneficial interest in any of the Company's securities has the rights to access information set out in section 26 (1).

**3.2 Shareholders' authority to act**

- (1) If, at any time, there is only one shareholder of the company, the authority of that shareholder to act without notice or compliance with any other internal formalities, as set out in Section 57 (2), is not limited or restricted by this Memorandum of Incorporation.
- (2) If, at anytime, every shareholder of the Company is also a director of the Company, as contemplated in section 57 (4), the authority of the shareholders to act without notice or compliance with any other internal formalities, as set out in that section is not limited or restricted by this Memorandum of Incorporation.

**3.3 Shareholder representation by proxies**

- (1) This Memorandum of incorporation does not limit, restrict or vary the right of a shareholder of the Company -
  - (a) to appoint 2 or more persons concurrently as proxies, as set out in section 58 (3) (a); or
  - (b) to delegate the proxy's powers to another person, as set out in section 58 (3) (b).
- (2) The requirement that a shareholder must deliver to the Company a copy of the instrument appointing a proxy before that proxy may exercise the shareholder's rights at a shareholders meeting, as set out in section 58 (3) (c) is not varied by this Memorandum of Incorporation.
- (3) The authority of a shareholder's proxy to decide without direction from the shareholder whether to exercise, or abstain from exercising, any voting right of the shareholder, as set out in section 58 (7) is not limited or restricted by this Memorandum of Incorporation.

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## Memorandum of Incorporation

**COR 15.1A**

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Enterprise Name: NUVELD FARMING EMPOWERMENT ENTERPRISES



Tracking Number: 987890865



Customer Code: DAWIET

### 3.4 Record date for exercise of shareholder rights

If, at any time, the Company's Board of Directors fails to determine a record date, as contemplated in section 59, the record date for the relevant matter is as determined in accordance with section 59 (3).

### 3.5 Shareholders meetings

- (1) The Company is not required to hold any shareholders meetings other than those specifically required by the Companies Act, 2008.
- (2) The right of the shareholders to requisition a meeting, as set out in section 61 (3), may be exercised by the holders of at least 10% of the voting rights entitled to be exercised in relation to the matter to be considered at the meeting.
- (3) The authority of the Company's Board of Directors to determine the location of any shareholders meeting, and the authority of the Company to hold any such meeting in the Republic or in any foreign country, as set out in section 61 (9) is not limited or restricted by this Memorandum of Incorporation.
- (4) The minimum number of days for the Company to deliver a notice of a shareholders meeting to the shareholders, is as provided for in section 62 (1).
- (5) The authority of the Company to conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 63 is not limited or restricted by this Memorandum of Incorporation.
- (6) The quorum requirement for a shareholders meeting to begin, or for a matter to be considered is as set out in section 64 (1) without variation.
- (7) The time periods allowed in section 64 (4) and (5) apply to the Company without variation.
- (8) The authority of a meeting to continue to consider a matter, as set out in section 64 (9) is not limited or restricted by this Memorandum of Incorporation.
- (9) The maximum period allowable for an adjournment of a shareholders meeting is as set out in section 64 (13), without variation.

### 3.6 Shareholders resolutions

- (1) For an ordinary resolution to be adopted at a shareholders meeting, it must be supported by the holders of more than 50% of the voting rights exercised on the resolution, as provided in section 65 (7).
- (2) For a special resolution to be adopted at a shareholders meeting, it must be supported by the holders of at least 75% of the voting rights exercised on the resolution, as provided in section 65 (9).
- (3) A special resolution adopted at a shareholders meeting is not required for a matter to be determined by the Company, except those matters set out in section 65 (11), or elsewhere in the Act.

## Article 4 - Directors and Officers

### 4.1 Composition of the Board of Directors

- (1) The Board of Directors of the Company comprises at least the number of directors, and alternate directors shown on the cover sheet, each of whom is to be elected by the holders of the company's securities as contemplated in section 68.
- (2) The manner of electing directors of the Company is as set out in section 68 (2), and each elected director of the Company serves for an indefinite term, as contemplated in section 68 (1).

### 4.2 Authority of the Board of Directors

- (1) The authority of the Company's Board of Directors to manage and direct the business and affairs of the Company, as set out in section 66 (1) is not limited or restricted by this Memorandum of Incorporation.

Page 4 of 5



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Memorandum of Incorporation

**COR 15.1A**

Registration Number: K2017460296  
Enterprise Name: NUVELD FARMING EMPOWERMENT ENTERPRISES



Tracking Number: 987890865



Customer Code: DAWIET

- (2) If, at anytime, the Company has only one director, as contemplated in section 57 (3), the authority of that director to act without notice or compliance with any other internal formalities, as set out in that section is not limited or restricted by this Memorandum of Incorporation.
- (3) The Company's Board of Directors must not register the transfer of any shares unless the conditions for the transfer contemplated in article 2.1 (2) have been met.

**4.3 Directors' Meetings**

- (1) The right of the Company's directors to requisition a meeting of the Board, as set out in section 73 (1), may be exercised by at least 25% of the directors, if the board has 12 or more members, or by 2 (two) directors, in any case.
- (2) This memorandum of incorporation does not limit or restrict the authority of the Company's Board of Directors to -
- conduct a meeting entirely by electronic communication, or to provide for participation in a meeting by electronic communication, as set out in section 73 (3); or
  - determine the manner and form of providing notice of its meetings, as set out in section 73 (4); or
  - proceed with a meeting despite a failure or defect in giving notice of the meeting, as set out in section 73 (5), or
  - consider a matter other than at a meeting, as set out in section 74.

**4.4 Directors compensation and financial assistance**

This Memorandum of Incorporation does not limit the authority of the Company to -

- pay remuneration of the Company's directors, in accordance with a special resolution approved by the Company's shareholders within the previous two years, as set out in section 66 (9) and (10);
- advance expenses to a director, or indemnify a director, in respect of the defence of legal proceedings, as set out in section 78 (4);
- indemnify a director in respect of liability, as set out in section 78 (5); or
- purchase insurance to protect the Company, or a director, as set out in section 78 (7).



55B

**AGREEMENT OF LEASE**

**WC905298 (CID: 5009)**

**1. PARTIES**

The parties to this lease are

**THE NATIONAL GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA THROUGH ITS DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM (WESTERN CAPE PSSC)**

herein represented by **BABALWA MAGODA** in his/her capacity as **DELEGATED AUTHORITY** in the **DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM (WESTERN CAPE PSSC)**, he/she being duly authorised thereto,

("the Lessor")

**AND**

**LANGKUIL SAAMSTAAN BOERDERY**  
Registration Number: 2006/056309/23

herein represented by **JOSHUA JOHANNES BEZUIDENHOUT** (Identity Number **6906035111089**) in his capacity as Director/Member/Trustee of the **CC**, duly authorised thereto in terms of the attached resolution, marked ,

("the Lessee").

**2. INTERPRETATION**

2.1 In this lease, except in a context indicating that some other meaning is intended,

2.1.1 "Charges" means levies, taxes, fees or other amounts payable by the Lessor to any authority having jurisdiction over the Property that arise from the ownership and use of the Property;

2.1.2 "day" means any day of the week, excluding Sundays and public holidays;

*Handwritten signatures and initials:*  
AM, BM, SS, R, JG, LN



- 2.1.3 "the Farm" means the Property, the Improvements, and the Plant and Equipment, and livestock;
- 2.1.4 "the Improvements" means the buildings, installations, fences, irrigation works, structures, dams and roads together with any integral machinery which form part of the foregoing as well as crop-bearing trees, vines, trees grown for cutting, and ornamental trees on the Property, listed in Schedule 1 to this lease;
- 2.1.5 "the Lease Period" means the period for which this lease subsists, including any period for which it is renewed;
- 2.1.6 "month" means a calendar month, and more specifically;
- 2.1.6.1 in reference to a number of months from a specific date, a calendar month commencing on that date or the same date of any subsequent month; and
- 2.1.6.2 in any other context, a month of the calendar, that is, one of the 12 months of the calendar, and "monthly" has the corresponding meaning;
- 2.1.7 "the Plant and Equipment" means the movable plant and equipment owned by the Lessor and listed in Schedule 1 to this lease;
- 2.1.8 "the Property" means :

**i) PORTION 5 OF  
THE FARM BOK POORT No. 54, BEAUFORT WEST RD, PROVINCE OF WESTERN CAPE  
MEASURING: 343.6754 (Three Four Three Point Six Seven Five Four) HECTARE  
HELD BY DEED: T63410/2008**

- 2.1.9 "year" means a period of 12 consecutive months, and "yearly" refers to a year commencing on the date on which this lease comes into operation or any anniversary of that date;
- 2.1.10 references to notices, statements and other communications by or from the Lessor include notices by or from the Lessor's agent;
- 2.1.11 expressions in the singular also denote the plural and vice versa;
- 2.1.12 words and phrases denoting natural persons refer also to juristic persons, and vice versa; and

Am  
Bm  
JJB  
LW  
LW

MEMORANDUM OF AGREEMENT OF LEASE BETWEEN THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM (WESTERN CAPE PSSC) AND LANGKUIL SAAMSTAAN BOERDERY (WC905298)

SIGNED at Beaufort West on this 15 DAY OF April 2012

Johannes Joshua B. Zuidenhou\*

LESSEE

WC905298 (CID: 5009)

WITNESSES:

- 1. [Signature]
2. [Signature]

SIGNED at Cape Town on this 16 DAY OF July 2013

[Signature]

LESSOR

WITNESSES:

- 1. [Signature]
2. [Signature]

Handwritten notes and signatures at the bottom of the page, including 'AM', 'Bill', 'LW', and other illegible marks.



rural development  
& land reform

Department:  
Rural Development & Land Reform  
REPUBLIC OF SOUTH AFRICA

**POLICY FOR THE  
RECAPITALISATION AND  
DEVELOPMENT PROGRAMME  
OF THE DEPARTMENT OF RURAL  
DEVELOPMENT AND LAND  
REFORM**


23 July 2013

*SSB* *R*

**.POLICY FOR THE RECAPITALISATION AND DEVELOPMENT PROGRAMME OF  
THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM  
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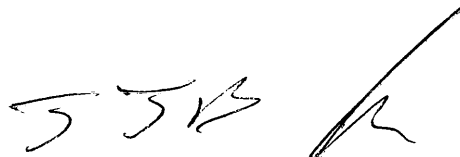
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**POLICY FOR THE RECAPITALISATION AND DEVELOPMENT PROGRAMME OF  
THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM  
ABBREVIATIONS**

<b>EBF</b>	Emerging Black Farmers
<b>RADP</b>	Recapitalisation and Development Programme
<b>NDP</b>	National Development Plan
<b>CRDP</b>	Comprehensive Rural Development Plan
<b>SPs</b>	Strategic Partners
<b>SLAG</b>	Settlement Land Acquisition Grant
<b>LRAD</b>	Land Reform for Agricultural Development Programme
<b>SPLAG</b>	Settlement Production Land Acquisition Grant
<b>PLAS</b>	Proactive Land Acquisition Strategy
<b>MTSF</b>	Medium Term Strategic Framework
<b>DAFF</b>	Department of Agriculture, Fisheries and Forestry
<b>SDF</b>	Spatial Development Framework
<b>SARS</b>	South African Revenue Service

Minister's Initials GEN  
Date Signed 24/07/2013



**POLICY FOR THE RECAPITALISATION AND DEVELOPMENT PROGRAMME OF  
THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM**

**DEFINITION OF TERMS**

- i. The meaning of words or terms that are defined in this document is operative only in the context of this document and shall supersede any other meaning provided elsewhere.
- ii. All policy statements articulated in this document are mainly applicable to the Department of Rural Development and Land Reform; hence no continuous citation of the name of the said department is necessary in the body of this document.
- iii. Any citation of a law without the words, "*as amended*", refers to the latest version of that law, including amendments.
- iv. **Agricultural Leases** refer to lease arrangements that provide for the use of property at the primary agricultural level. Such level is construed to exclude processing of raw agricultural products.
- v. **Agricultural value-chain** refers to the full range of activities implemented by various actors (primary producers, processors, traders, service providers etc.) that bring a basic agricultural product from raw production to final consumption, where value is added to the product at each respective stage.
- vi. **Approval Authority** means any person who has authority to approve leases in terms of existing delegation or power of attorney issued under the laws referred to in this Policy.
- vii. **Approved Business Plan** is a business plan envisaged in the Recapitalization and Development Policy.
- viii. **Emerging Black Farmers (EBF)** means those persons (or their descendants) who were excluded from South Africa's formal agricultural economy on the basis of their skin colour, and who have recently begun to engage in farming on a larger scale to sell crops and livestock on the market with the support and assistance of the State.
- ix. **Informal Rights to Land** refer to the land use rights, occupation rights or land access rights envisaged in the Interim Protection of Informal Land Rights Act, 1996 (Act No. 31 of 1996).
- x. **Land and Agricultural Bank of South Africa** means the Bank as defined in the Land and Agricultural Development Bank Act, 2002 (Act No. 15 of 2002).

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- xi. **Land Tenure Right** is defined as any right held under a rental agreement by which the owner gives another the right to occupy or use land for a fixed period of time.
- xii. **Leasehold** means the right to hold or use property for a fixed period of time at a given price, without transfer of ownership, on the basis of a written lease contract.
- xiii. **Long-Term Lease** refers to any leasehold that is 10 years or longer.
- xiv. **Net Income** means net results of turnover excluding input costs; direct ploughing/ breeding costs, and salaries or wages.
- xv. **Non-Agricultural Leases** mean any lease arrangement that permits leased property to be used for a purpose other than those activities that fall within the definition of primary agriculture.
- xvi. **Option Agreement** is an agreement between two parties whereby, in exchange for a fee, one of the parties has the right (but not the obligation) to lease a property at a specified price until a specified date or event.
- xvii. **Previously disadvantaged persons** means South African Citizens who are racially classified as African, Coloured and Indian.
- xviii. **Proxy farmers** are people who run their own businesses in towns and cities, while employing managers to run their distressed farms, which include farms that are characterised by low or complete lack of productivity, are lying fallow, under debt administration or that require further support regimes to reach optimal levels of production.
- xix. **Public Servants** refer to any persons working under the employ of the Government of the Republic of South Africa, including: public representatives at the national, provincial or municipal levels; traditional leaders who are recognised under any legislation; and employees of any company or entity where the State is a majority shareholder.
- xx. **Recapitalisation** refers here to the capital renewal or restructuring of poor and previously disadvantaged and under-producing agricultural enterprises of Emerging Black farmers who are beneficiaries of the State's land reform programme. Development here refers to support to human (capacity development), infrastructural development and operational inputs on other newly acquired properties.
- xxi. **Spatial Development Framework (SDF)** is the same as the term referred to in Chapter 4 of the Spatial Planning and Land Use Management Bill 14B 2012.
- xxii. **Turnover** refers to the market value of harvest crop or the market value of average number of livestock of saleable age, including cash.

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**A. CONTEXT AND BACKGROUND**

**a) Reversing the legacy of the 1913 Natives Land Act**

The root of the land question today arises out of the pervasive process of land alienation that dispossessed the majority of South Africans of their land over the past few centuries. 2013 is the centenary of the 1913 Natives Land Act, which was the first of a number of discriminatory laws that reinforced the massive dispossession of land from black South Africans. The formulation of this policy forms part of Government's undertaking to review all land reform policies as enunciated in the 2011 Green Paper on Land Reform, with a view to address issues relating to historical exclusion, equitable access to land, and participation in the optimal utilisation of land; as well as to address challenges relating to access to food at both household and national level to bring about household food security and national food self-sufficiency.

**b) The Constitution**

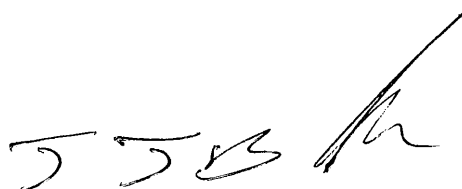
The context of all rural development and land reform policies is the 1996 Constitution of post-apartheid South Africa. In this instance, the most pertinent sections of the Constitution are 25, 26, 27 and 36.

Section 25 (5) enjoins "The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis". In a context wherein the majority of citizens still do not have equitable access to land, this constitutional promise still remains an imperative

Furthermore, Section 25 (5) is the only clause that recognizes this exclusive right for "citizens" and it's accordingly weighted higher than that of non-citizens or foreign controlled juristic persons; hence, although South Africa belongs to all who live in it and afforded Basic Rights, when it comes to land it is citizens that are prioritized.

Section 25 (4) talks to national interest and states that "For purposes of this (a) the public interest includes the nations commitment to land reform and to reforms to bring about equitable access to all South Africa's natural resources, and (b) property is not limited to land.

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Implied here is that national interests take precedence and that limitations and exemptions to such limitations of access, will be in furtherance of national interests.

Section 25(8) of the constitution states that 'No provision of this section may impede the state from taking legislative and other measures to achieve land, water and related reform, in order to redress the results of past racial discrimination, provided that any departure from the provisions of this section is in accordance with the provisions of section 36 (1) Consequently it compels the state to spare no effort in addressing land reforms and racial disparity and inequity in land ownership by South Africans; this section

Section 36(1) that limits the rights in the Bill of Rights states that "the right in the Bill of Rights may be limited only in terms of law of general application to the extent that the limitation is reasonable and justifiable in an open and democratic society based on human dignity, equality and freedom taking into account (a) the nature of the right; (b) the importance of purposes of the limitation; (c) the nature and extent of the limitation; (d) the relation between the limitation and its purpose; and (e) less restrictive means to achieve the purpose. Hence Sections 25 (4), (5) and (8) on the imperative of land reform, its national interest status and its override of rights, provided its generally applicable underscores the importance of land reform and accelerating equitable access.

**B. THE COMPREHENSIVE RURAL DEVELOPMENT PLAN (CRDP)**

The Comprehensive Rural Development Plan (CRDP), which was conceptualized by the Department of Rural Development and Land Reform, and adopted by Cabinet in 2009, serves as the overarching policy trajectory for the Department of Rural Development and Land Reform. Based on a pro-active participatory community-based planning approach to rural development, the envisaged outcome of the process is the creation of "*vibrant, equitable and sustainable rural communities*". The strategy of the CRDP is "agrarian transformation", which denotes "*a rapid and fundamental change in the relations [systems and patterns of ownership and control] of land, livestock, cropping and community*". The ultimate goal is social cohesion and inclusive development of the rural landscape and economies.

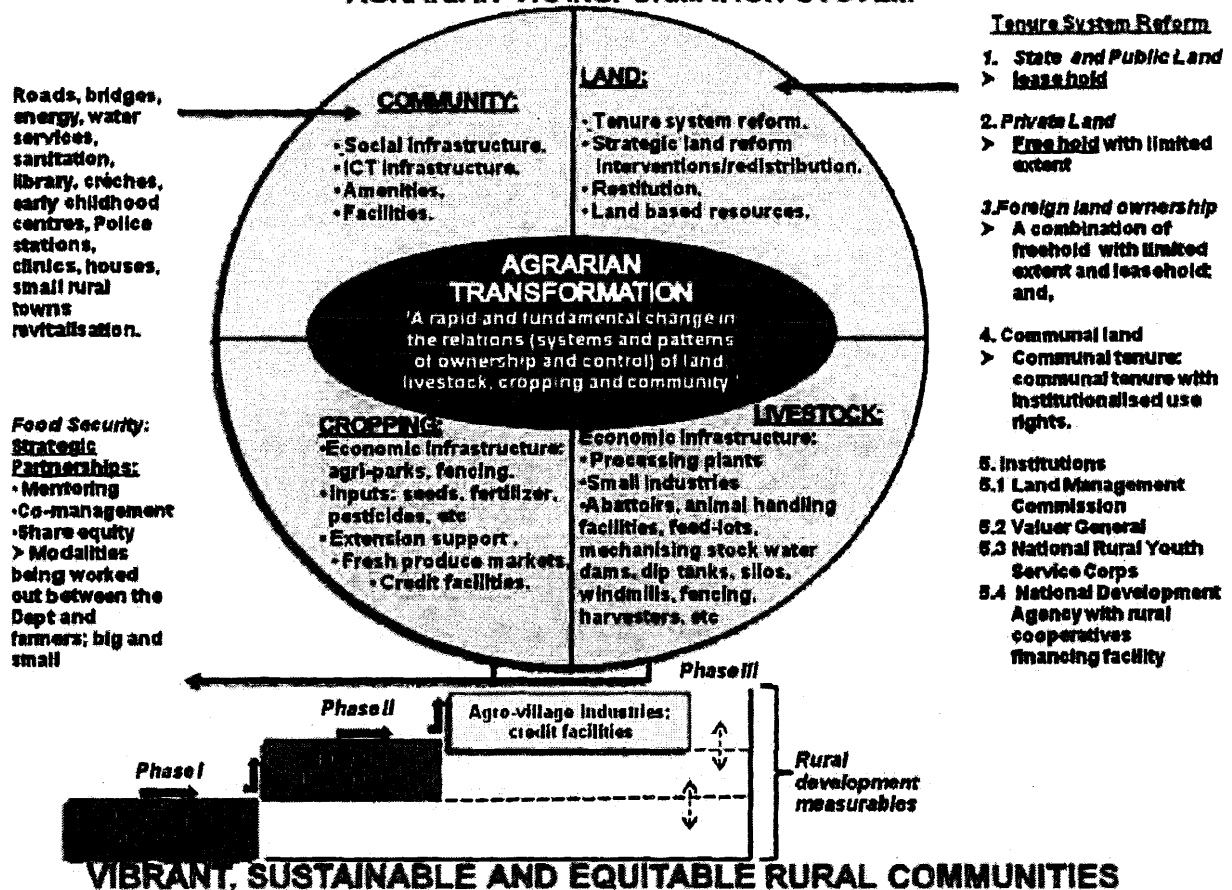
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**Figure 1: RURAL ECONOMY TRANSFORMATION: AGRARIAN TRANSFORMATION SYSTEM**



The CRDP outlines 3 phases or programmes to achieve this outcome:

Phase 1 - Meeting Basic Human Needs;

Phase 2 - Enterprise Development; and

Phase 3 - Light agro industries maintained by rural markets and credit facilities.

Effective implementation of these phases requires the mobilisation and organization of rural people into functional groups to effectively take charge of their own development, especially in identifying the most pressing needs of the community and perceived optimal ways to address these. Here an employment creation model has been developed in which selected households members participate in various programmes that require employees to share half of all wages with their respective households. The first phase, the "incubator" stage, is focused on the provision of basic services and infrastructure (water, sanitation, electricity, housing etc). The second phase involves facilitating rural communities in the

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development of entrepreneurial skills and medium to large-scale infrastructure necessary to establish successful business initiatives.

The final phase entails the emergence of key economic sectors characterized by a diverse range of small, medium and large agro-industries sustained by rural markets and credit facilities.

All work undertaken by the Department of Rural Development and Land Reform thus serves to realise the intended outcomes of the CRDP through this 3-phase model. Aimed at providing EBF (Emerging Black Farmers) and other emerging Black entrepreneurs with the necessary know-how, instruments and conducive environment to participate in the mainstream economy, the RADP has been developed as an enabling mechanism to give effect to all the above phases. Numerous core objectives of the CRDP, including self-reliance of rural communities, local economic development, increased agricultural production, sustainable use of natural resources, inclusive rural participation in developed value chains and improved rural livelihoods shall be accomplished through the RADP. This will further give expression to the desired Outcome 7 of Government: Vibrant, Equitable and Sustainable Rural Communities and Food Security for all communities.

**C. ALIGNMENT WITH THE NATIONAL DEVELOPMENT PLAN (NDP)  
AND THE MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)**

The Recapitalisation and Development Programme is closely aligned with Chapter 6 of NDP, which proposes a revised model for land reform based on a number of principles including the:

- i. Rapid transfer of agricultural land to blacks without distorting the land market or business confidence;
- ii. **Sustainable production based on capacity building prior to transfer through incubators, mentorships and other accelerated forms of training;**
- iii. Development of sound institutional arrangements to monitor markets against corruption and speculation;
- iv. Alignment of transfer targets with fiscal realities; and
- v. **Enhanced opportunities for commercial farmers and organised industry to contribute through mentorship, training, commodity chain integration and preferential procurement.**

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The Recapitalisation and Development Programme will provide an enabling mechanism to achieve the above principles and the imperatives outlined in the Medium Term Strategic Framework (MTSF).

The first cycle (2014 -2019 MTSF) of the implementation of the NDP for the rural sector will focus primarily on 7 imperatives that are a core foundation for an inclusive and integrated rural economy. These are as follows:

- i. Improved land administration and spatial planning for integrated development with a bias towards rural areas;
- ii. Up-scaled rural development as a result of coordinated and integrated planning, resource allocation and implementation by all stakeholders;
- iii. **Sustainable land reform (agrarian transformation);**
- iv. **Improved food security;**
- v. **Smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation;**
- vi. Increased access to quality basic infrastructure and services, particularly in education, healthcare and public transport in rural areas;
- vii. **Growth of sustainable rural enterprises and industries characterised by strong rural-urban linkages, increased investment in agro-processing, trade development and access to markets and financial services resulting in rural job creation.**

**D. THE POLICY**

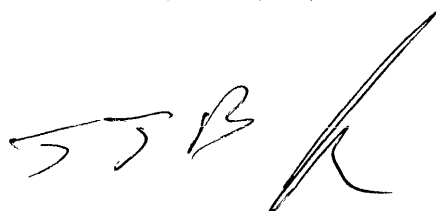
**a) What does the policy seek to address?**

The policy seeks to provide black emerging farmers with the social and economic infrastructure and basic resources required to run successful agricultural business. It is the intention of the policy that black emerging farmers are deliberately ushered into the agricultural value-chain as quickly as is possible, through this state intervention. This is a strategic farmer support policy by the developmental state.

It is the deliberate intention of the policy that the Recapitalisation Programme complements agricultural development programmes of the Department of Agriculture,

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Forestry and Fisheries.

The following focus areas are particularly strategic in this context:

- a)(i) rekindling the class of black commercial farmers destroyed by the 1913 and 1936 Land Acts;  
a)(ii) combating poverty, unemployment and income inequality; and,  
a)(iii) reducing the tide of rural-urban migration.

**b) What is the policy not meant to address?**

The policy is not meant to be a substitute for, or competition to the agricultural development programmes of the Department of Agriculture, Forestry and Fisheries.

Secondly, it does not create a welfare programme meant to provide support to so-called beneficiaries.

The policy is particularly against the following tendencies, which have come to be associated with the existing Recapitalisation Programme practices:

- b)(i) supporting people who have got the means to develop their land;  
b)(ii) proxy farmers - people who run their own businesses in towns and cities, but employ managers to run their farms; and,  
b)(iii) failed commercial farmers who want to make a fortune from disbursements meant to fairly compensate strategic partners for work done.

**E. RATIONALE FOR THE POLICY**

In 2009, the Department undertook an evaluation of the implementation of the Land Reform Programmes, since their inception. It identified that many land reform projects were not successful and, thus, in distress or lying fallow, due to a lack of adequate and appropriate post-settlement support. Furthermore, the study indicated that numerous properties acquired through various programmes (such as the Land Redistribution for Agricultural Development (LRAD) were on the verge of being auctioned or had been sold due the collapse of the project, resulting in a reversal of the original objectives of land reform.



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In order to address these challenges the Policy targets properties acquired since 1996 through both the Restitution programme, enacted by the Restitution of Land Rights Act 22 of 1994, and the Redistribution programmes. The latter refers to all properties acquired through the grant programmes in terms of the Land Reform: Provision of Land and Assistance Act 126 of 1993. These include the Settlement Land Acquisition Grant (SLAG); the Land Reform for Agricultural Development (LRAD) programme; the Settlement Production Land Acquisition Grant (SPLAG); and the Proactive Land Acquisition Strategy (PLAS).

The Policy further aims to contribute to the transformation of the rural economy through the establishment of enterprise and industrial development in the various agricultural value chains and other industries in order to ensure national and household food security, sovereignty and job creation. A major beneficial impact of rural economic transformation is the significant reduction of the rural-urban population and resources flow.

**F. THE STRATEGY**

**a) Mentorship**

In a mentorship relationship, the mentee has a fair amount of knowledge, skill and experience, but requires strategic support, such as financial management, markets and marketing. This may be in the form of free support from neighbouring or local farmers. This form of strategic support which may require the mentor to interact less intensively with the mentee could necessitate part-time arrangements, with aligned remuneration or reimbursement packages. In other words, mentorship could be an exit strategy, from share-equity and co-management, both of which tend to be intensive and relatively expensive.

**b) Co-management**

Co-management is an arrangement where two or more parties define and guarantee amongst themselves a fair sharing of the management functions, entitlements and responsibilities for a given territory or set of natural resources. In the land reform context, consideration is given to social and historical factors as well as to the sustainability of projects. Rather than an end in itself, co-management is a strategic approach; and, in many instances, each co-management construction needs to be tailor-made to the specific situation.

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Land reform is underpinned by the strategy of agrarian transformation, which denotes a rapid and fundamental change in the relations (patterns and systems of ownership and control) of land, livestock, cropping and community. In order to create more equitable relations within the agricultural sector and broader rural economy, both systems and patterns of ownership and control of the land must change. In many instances, however, land reform, particularly in land restitution, does not translate into change of ownership when it is not in the public interest to restore or redistribute land or where legislation prohibits such full restoration or redistribution. Under these circumstances, partial control of the land shall be provided to the beneficiary.

In land redistribution and land restitution co-management is applicable only in the business or operations on the land, and not on the ownership of the land. Where land is restituted or redistributed, it applies as an example of strategic partnership, whether combined with share equity or not.

Where land is not restorable (instances where public interest supersedes the right to restoration or where restoration is prohibited by legislation) the strategy is used as a means to provide access and beneficiation. An example of the latter are land claims in the Kruger National Park where, in order to protect the iconic status and strategic importance of the Park. Cabinet directed that there shall be no restoration of ownership rights to the Park, but transformation of management to benefit the claimants.

Co-management also applies in land tenure reform, in particular to share equity schemes and to farms that have occupiers (defined in the Extension of Security Act) and labour tenants (defined in the Land Reform (Labour Tenants) Act). Through co-management certain entitlements, duties and responsibilities shall be placed on occupiers and labour tenants to play an active role in ensuring that their right of tenure to the land is earned and their rights can be defended.

Co-management has four pillars, namely Tangible Benefits, Transformation, Accountability and Transparency and Risk Mitigation, which must be reduced to agreements. Thus, the co-management agreement shall be structured in such a way that the applicants receive

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- tangible, realistic and optimal benefits without compromising the sustainability of the operations.

Institutional arrangements shall be outlined and agreed upon for the implementation of the co-management agreement, with clear definition of procedures, roles and responsibilities including agreement on a dispute resolution procedure.

**c) Share-equity arrangements**

Partners acquire shares in an existing agricultural farm or other enterprises across the value chain with farmers or entrepreneurs. Share equity arrangements seek to contribute towards the achievement of the RADP objectives through leveraging of skills and finance from the private sector.

The key elements of these equity arrangements are as follows:

- Profit and risk sharing based on shareholding components;
- Management development;
- Beneficiation; and
- Off-take agreements and market development.

Farmers and other entrepreneurs in this model should always retain controlling interest, have majority voting rights and participate on the board of directors (where established). Entities would be restructured under the RADP to reflect the equity partnership agreement. The restructuring costs should also be co-financed by the SPs as per their percentage shareholding in relation to projects where SPs are buying into existing land reform enterprises.

**d) Contract farming and concessions**

Contract farming is an agreement between farmers (generally small-scale) and processors or marketing firms, the basis of which is "a commitment on the part of the farmer to provide a specific commodity in quantities and at quality standards determined by the purchaser and a commitment on the part of the company to support the farmer's production and to purchase the commodity"<sup>1</sup>.

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<sup>1</sup> (FAO, 2001:2)

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All other non-agricultural economic activities that arise from the various land reform and rural development programmes, such as tourism and mining enterprises, may be developed through concessionary partnership arrangements.

Persons from previously discriminated communities who bought land, but could not generate resources to develop it, may make application for RADP support directly with the Department of Rural Development and Land Reform.

**G. STRATEGIC OBJECTIVES OF THE POLICY**

The policy has three strategic objectives:

- a) That all land reform farms are 100% productive;
- b) That the class of black fledgling commercial farmers which was destroyed by the 1913 Natives Land Act is rekindled; and,
- c) That the rural-urban population and resources flow is significantly reduced.

**H. IMPLEMENTATION OF THE POLICY**

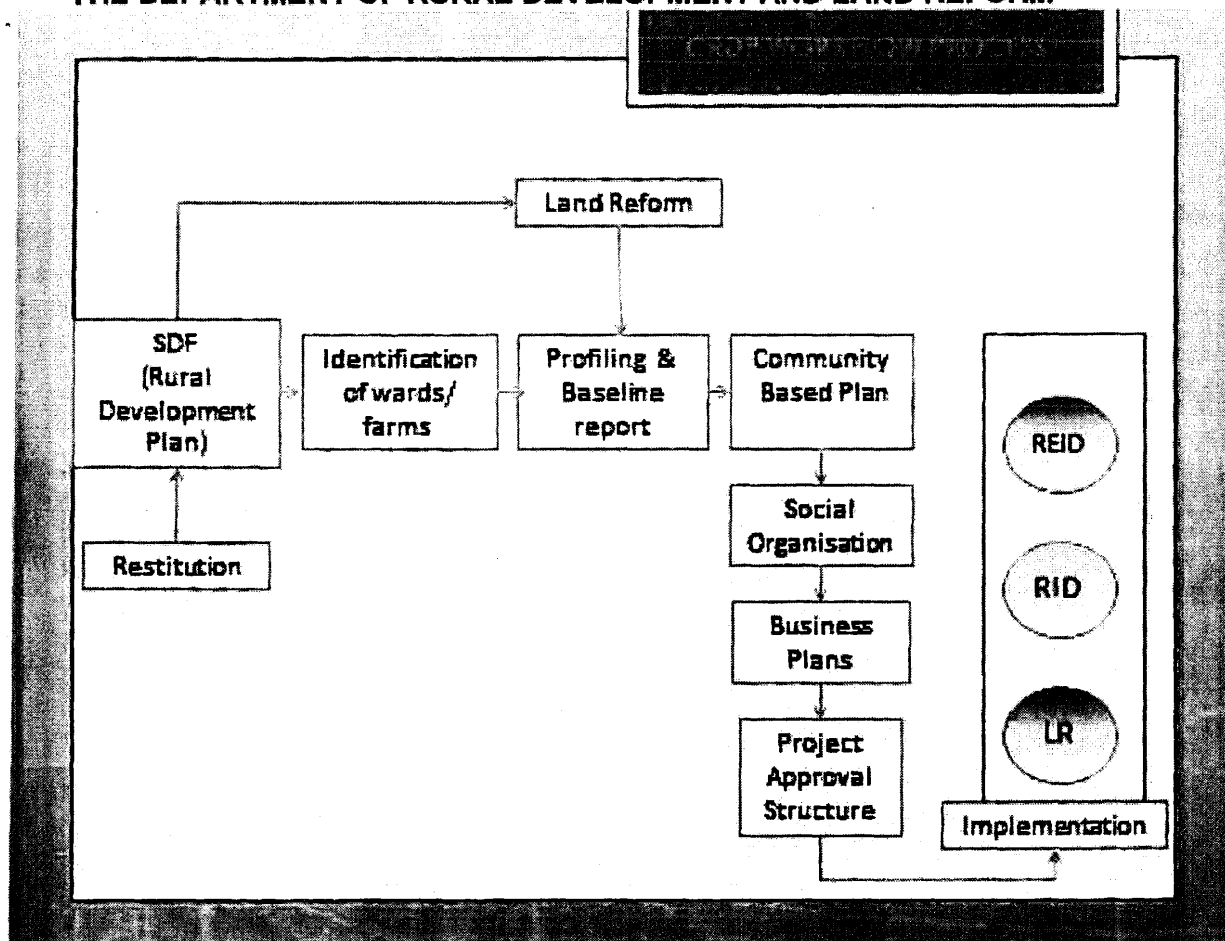
The Policy will prioritise on the 23 poorest districts in the country and other sites in the congested communal areas; and, in collaboration with other service delivery Branches in the Department, will service river valley catalytic projects, revitalisation of irrigation schemes, and animal and veld management projects.

The Spatial Development Framework (SDF) will serve as the basis on which the CRDP will take place. SDF shall identify resources based on the competitive advantage of the area for strategic acquisition and development of land. The development of agricultural land will need agricultural assessment reports for selected properties whilst rural development projects will be selected on CRDP priority districts and based on developmental needs. Profiling of selected projects will be done to establish baseline information, while individual small-holder and co-operative farmers will be selected on the basis of commitment, ability and passion for hands-on-farming. The information from both farm assessment and profiling will be used to recruit Partners who will develop Business Plans.

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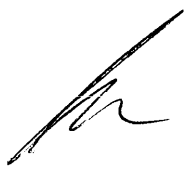
**THE CRDP VIRTUOUS CYCLE**

In order to give effect to the three phases of the Comprehensive Rural Development Plan, namely meeting basic human needs, enterprise and industrial development and light agro-industries, the RADP will:

- i. Where appropriate, work together with commercial agricultural and the private farming sector to promote black economic empowerment;
- ii. Create partnerships between emerging and established farmers;
- iii. Create linkages between agricultural produce retailers and small farmers through procurement and 'contracting-out'.
- iv. Build institutions to contribute towards more equitable structures of production and ownership in rural South Africa through collective ownership, employment equity, skills development and support for new enterprises in the agricultural and other sectors;

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- v. Support the growth of rural market institutions (rural economic transformation) through the provision of infrastructure and by helping rural communities and small farmers to establish organisations which facilitate market access;
- vi. Build links with formal sector value chains and coordinate their activities to realise economies of scale. Such organisations may include producer co-operatives, small-holder associations, input supply co-ops, marketing co-ops and/or state regulated institutions designed to support and promote market access and collective action amongst small rural producers;
- vii. Give particular attention to the empowerment of women and youth in co-operatives; and,
- viii. Encourage non-agricultural enterprise opportunities through concessionary arrangements.


The Programme will apply to the following categories of properties requiring and deserving support:

- Selected distressed land reform properties;
- Properties selected by District Land Reform Committees;
- Sites within the former homelands and other communal areas; and,
- Farms, acquired by individuals or collectives from historically disadvantaged communities, requiring strategic support.

Selection of farms and properties for Recapitalisation and Development funding will be in line with the objectives of this Policy. The projects will be prioritized in accordance with the categories as outlined in the Agricultural Land Holdings Policy Framework and State Land Lease and Disposal Policy.

In addition, the Department will select properties based on the commodity clustering approach by working together with sector departments (e.g. financial institutions, farmers, municipalities, and commodity organisations, social partners in the private and non-governmental sectors).

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**a) Institutional controls:**

**(i) Administrative controls:**

All applicants must have legal entities that comply with South African Revenue Services (SARS) requirements. The form of legal entity to be established will be determined by the nature and history of the enterprise. A Tax Clearance Certificate must be provided to the Department on an annual basis.

Trading on the enterprise must be through the entity's bank account and interest generated from the investment must be accounted for and re-invested into the enterprise. The department will not control the activities within the enterprise, but rather monitor implementation of the programmes. In line with the CRDP virtuous cycle, the Branch Rural Enterprise and Industrial Development (REID) will take over further development responsibility for the enterprise, as soon as recapitalisation is completed.

A comprehensive Business Plan or Development Plan, facilitated by REID or a Strategic Partner, will be used as a guiding tool to financing enterprises under the Recapitalisation and Development Programme. In the case of urgent intervention the cost must be justified through a Business Plan which will give reasons for the intervention and the future plan to prevent a recurrence of such urgent interventions. All Business or Development Plans will be subjected to appraisal by both provincial and national control committees.

Any proposed deviations from the Business or Development Plan must be submitted in writing and recorded accordingly. Any such deviations will be approved by a delegated authority. Business or Development Plans must include an exit strategy with clear time frames that illustrate a proper hand-over and termination of the strategic partnership. For effective monitoring purposes, Business or Development Plans without clear milestones or costed implementation plans will not qualify for the Programme.

**(ii) Financial controls**

The Department will enter into fund arrangement agreements with the financial institutions or banks for the management of funds.

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Assets acquired through RADP will be transferred to the legal entities, if the entity meets the required conditions. In this case, assets would be treated as a "notarial bond", similar

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to the banks' for the duration of the contracts. Assets acquired and allocated to other properties shall be owned by respective enterprises through legal entities; and, the Department will monitor the use of such assets. Farmers must inform the Department when acquiring and disposing assets. Penalties will be instituted in cases of assets being damaged, sold or misused within the five year period, provided all necessary precautions would have been taken to avoid damage, loss or misuse.

Assets shall be transferred into the farmers' legal entities after the Department would have satisfied itself that the legal entity conforms to set standards, i.e. good governance, proper internal controls and sustainability of the enterprise. A standard legal agreement for the transfer and management of assets would then be signed between the entity and the Department.

Farmers will be responsible to carry out maintenance and safekeeping of assets. This includes verification of all assets on the enterprise and farmers are required to keep an updated register of assets, fixed or mobile. It shall be the responsibility of the legal entity to insure all assets.

Living animals and plants (biological assets) are not classified as assets but inventory or trading stock which must be accounted for through the farm inventory. A register of all livestock must be maintained and updated at all times, listing the number of animals as per the requirements. Animals must be branded as required by the Animal Identification Act No. 6 of 2002.

Farmers who hold freehold title on their properties; and, have received RADP funding, may not sell their properties for a period of 10 years after receiving such funding. This condition will be endorsed against the title deed of the property and will be specified within the pre-emptive conditions. Supported legal entities must ensure that their accounting systems reflect the deferral above.


Applicants who receive support under the Curatorship Model must agree on Debtor Possession, giving the State and Bank the right to hold title against the property.

Applicants will also be subjected to payment arrangements based on a payment schedule

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based on performance indicators.

**(iii) Political management**

The Department's Executive Management Committee, chaired by the Minister; and, which is composed of Top Management, provides policy and strategic directives in terms of all programmes of the Department.

The National Land Allocation and Recapitalisation Control Committee (NLARCC) are chaired by the Deputy Minister, deputised by the Deputy Director-General: Land Reform. The NLARCC is composed of Deputy Directors-General and other Senior Managers from the Department's Rural Development and Land Reform Branches, the Chief Financial Officer, of the Members of the Executive Councils (MECs) of Provincial governments responsible for land reform, or their Heads of Department, representatives of other national Departments, state and private entities in the agricultural and rural development sector, and Directors of the Department responsible for land reform in the various Provincial offices.

The NLARCC meets monthly to consider applications for acquisition, allocation and recapitalisation; and, submit its decisions to the Ministerial Co-ordination Meeting for concurrence and approval.

Contravention of this Policy will be dealt with in terms of the Public Service Regulations for officials and applicable legislation for non-officials and juristic persons. The misuse of RADP funding, or, assets acquired through the funds, will be contractually addressed. Breach of contract may result in termination of the contract and lease. Furthermore, the principle of "use-it-or-lose-it" will kick in, should contractual agreements be breached without justification. Strategic Partners should, also, hold the Department to account, should it breach contractual agreements.

**b) Direct Support**

In cases where a partnership is not yet in place; intervention is deemed urgent; and, the amount required is less than, or equal to R 500 000; which is the maximum intervention allowed per enterprise, the Department's normal procurement processes will be followed, in line with a Business or Development Plan.

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**POLICY FOR THE RECAPITALISATION AND DEVELOPMENT PROGRAMME OF  
THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM**

Certain enterprises may not require a partnership, but may qualify for direct support if they illustrate sustainable financial and enterprise development based on audited statements and due diligence. Project Managers from REID will, however, be charged with the responsibility of monitoring such enterprises.

**I. FUNDING THE POLICY**

**a) The Fiscus**

The primary Recapitalisation and Development Fund is based on 25% of the baseline land redistribution and restitution of land rights budget, over every MTSF period. The fund replaces the following land reform grants:

- (i) The 25% PLAS Operational Budget;
- (ii) The 25% Household Development Grant;
- (iii) The 25% Restitution Development Grant;
- (iv) The Restitution Settlement Grant; and,
- (v) The Commonage infrastructure grant.


Privately-raised funding by either Strategic Partners or individual farmers or collectives of farmers, shall constitute a secondary source of funding for the Policy. The Strategic Partnership Model below (figure 2) demonstrates the relationship.

**b) Contribution by partners as described in Section G above - commercial farmers (particularly bridging finance) and EBFs (mainly labour)**

The model below demonstrates the tripartite collaboration between the DRDLR, SPs and Farmers or Entrepreneurs. The middle numbers (1-5) demonstrate the five-year involvement of DRDLR in the farm both financially and at the enterprise management level. The contribution of the DRDLR will decrease from the first year to the fifth year, whilst the contribution of both SPs and Farmers or Entrepreneurs will increase both financially and at the enterprise management level.

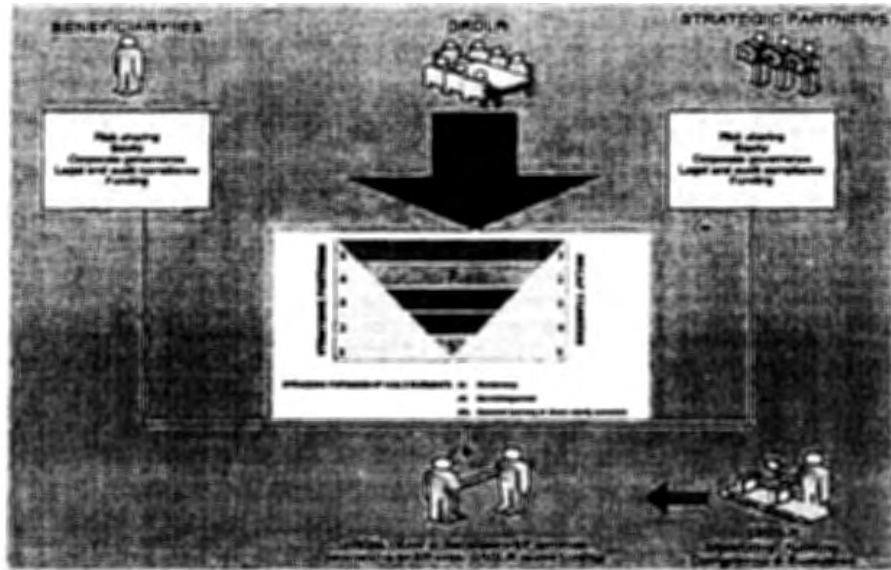
Minister's Initials GEN

Date Signed 24/07/2013

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**POLICY FOR THE RECAPITALISATION AND DEVELOPMENT PROGRAMME OF  
THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM**

**Figure 2: Strategic Partnership Contribution Model**



**J. GOAL OF THE POLICY**

The overall goal of the policy is social cohesion and development.

**K. LEGISLATIVE FRAMEWORK**

There are three key pieces of legislation directly applicable to the RADP:

- The Land Reform: Provision of Land and Assistance Act, Act No. 126 of 1993 as amended in 2008, is the key legislation that governs the Recapitalisation and Development Programme (refer to Section 10)
- The Restitution of Land Rights Act, 1994 (Act No. 22 of 1994 as amended) (refer to Section 42C)
- The Extension of Security of Tenure Act, 62 of 1997, similarly provides for the Minister to allocate funds for developments related to farm-dwellers who live with insecure tenure. (refer to Section 4 of the Act)

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**POLICY FOR THE RECAPITALISATION AND DEVELOPMENT PROGRAMME OF  
THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM**

Legislation under the responsibility of other Departments and spheres of government is also relevant to the implementation of the RADP. This includes


1. Constitution of South Africa 1996 (Section 13 clause 217) Act 108 of 1996;
2. The Public Finance Management Act 1 of 1999 (as amended by Act 29 of 1999);
3. Treasury Regulations issued in terms of PFMA: March 2005;
4. The Preferential Procurement Policy Framework Act 5 of 2000;
5. The Preferential Procurement Policy Framework Act Regulations of August 2001;
6. Supply Chain Management – A 2003 Guide for Accounting officers/ Authorities;
7. Broad Based Black Economic Empowerment Act 53 of 2003; and
8. National Small Business Act 102 of 1996



**NKWINTI, GE (MP)**  
**MINISTER: RURAL DEVELOPMENT AND LAND REFORM**  
**DATE: 24 JULY, 2013**

Minister's Initials \_\_\_\_\_

Date Signed \_\_\_\_\_

JJB 

## Farm report

### Plateau Farms

Philip Taylor (Farm Manager)

24 November 2014

#### Matjieskloof

From the day I started working for Bono on the Plateau Farms I had trouble with the director of Matjieskloof, Frikkie Vaaltyn. It seemed as if he never really had any interest in the farm. He would never stay on the farm fulltime, and would only stay there 2 or 3 days at a time. When I started, the only sheep we had was on Melrose. At a monthly meeting I have with the 5 directors, we decided on a specific date for splitting the sheep between the 5 farms. On the day that we decided on, Frikkie and his team did not participate at all. All the sheep was moved except Matjieskloofs sheep that stayed behind in the kraal. I had to drive to Matjieskloof to see where they were. They only collected the sheep the next day. A week or two later a interlink loaded with sheep came to offload, and they could not travel further than Melrose farm because of the condition the road was in. We offloaded the interlink, once again without the help of Frikkie and his team. He only came to get his sheep a few days later.

In May 2014, one of the workers of Matjieskloof came to me and said that he was not happy. Frikkie received money for work done on Matjieskloof, for the hanging of gates etc. The total amount for the work was R11 000. On the quote, there was an amount of R6837 allocated for labour. Two of the farm workers did all the work. He paid them R500 each and took the rest of the money.

On 26 September 2014 I had a monthly meeting with the directors. In the month of October 2014 we had to inject the sheep with Multivax P. We decided that we would start on Matjieskloof and then move from farm to farm. To do the work faster we decided that the 5 farms would work together. On 7 October 2014 I went to Matjieskloof to find the all the directors and general workers in the kraal except Frikkie Vaaltyn. We started the work without him, seeing as it gets hot during the day and we had a lot of work to do. As we were about to work with the last sheep, Frikkie Vaaltyn came strolling to the kraal. I asked him if he was not going to come and help with the work, seeing as it was "his" sheep. He laughed and replied that we are already helping out nicely and his input was not needed. I again told him that all the other farms are here to work on "his" sheep, and he is not even in the kraal. He then proceeded to tell me that I should leave him alone otherwise there would be "trouble". I walked away and continued with the work. After that he did not come to help on the other farms.

On 10 November 2014 a meeting was scheduled with the 11 directors of the farms, Paul Thompson and Jacque from Bono in Cape Town, and Gaynore from department of agriculture. Not all the directors came to the meeting, but instead a lot of the other beneficiary came. Within half an hour the meeting was disrupted by Frikkie Vaaltyn and Dennis Morries, and everyone left the meeting except Joshua Bezuidenhout and Raymond Bezuidenhout. As some of the beneficiaries wanted to return to the meeting, Frikkie Vaaltyn and Dennis Morries intimidated them into staying outside.

JJB R

On 14 November 2014 I talked to Frikkie Vaaltyn and told him that I spoke to CMW and they will be sending a shearing team to start shearing sometime next week and that they should get the shearing shed ready and bring the sheep closer. He understood what I said and did not seem to have a problem with it. When I spoke to him again on 18 November 2014, they were still to start cleaning the shed etc. He said that he did not want me or Bono to come to the farm anymore. I told him that after we finish the shearing we could continue talking about who wants what. On 19 November 2014 the shearing team arrived on Matjieskloof. They were intimidated by Frikkie, and Frikkie said that they were not to start shearing. The shearing foreman phoned me and told me everything. On the next day, 20 November 2014, I went to fetch the shearing team to move them to Rondawel. On 21 November they started shearing at Rondawel. On 22 November 2014 Joshua Bezuidenhout phoned me and told me that Frikkie Vaaltyn had brought some of Rondawels beneficiaries and told them to once again intimidate the shearers so that they would not shear. I arrived on Rondawel and told the shearers to continue shearing. Frikkie Vaaltyn was not there. The Police also came to Rondawel to keep the peace. Frikkie Vaaltyn later came to collect the people that he brought from town.

When I came back to town, Joshua Bezuidenhout phoned me again and told me that one of the workers from Willemskraal told him that Frikkie Vaaltyn and Dennis Morries loaded sheep from Willemskraal in the back of Frikkie Vaaltyns bakkie and took them to town. This morning, 24 November 2014, I phoned Karoo Lam, the local abattoir. After searching through the last month's paperwork, we found that on two dates Frikkie Vaaltyn and Dennis Morries delivered sheep to Karoo Lam. (07/11/2014 and 14/11/2014). A total of R4869.30 was paid out to Frikkie Vaaltyn and R7835.20 to Dennis Morries (20 Sheep). Both times they used Frikkie Vaaltyns bakkie, using diesel that is meant to be used for the tractors.

On 6 August 2014 me and Gaynore held a meeting with the beneficiaries. At this meeting they decided that they want to farm the 5 farms as one. Now Frikkie Vaaltyn wants to farm on his own.

Frikkie Vaaltyn is intimidating a lot of the beneficiaries into "standing up" to Bono and the Department of Rural Development. He tells them that they don't need BONO or the Department, as this is now their own farms.

### Willemskraal

(see above)

Dennis Morries sold 12 sheep, to the value of R 7835.20, to the local abattoir, without any permission. He also used diesel, which should be used for the tractor on the farm, to put into Frikkie Vaaltyns bakkie and take the sheep in to town.

He also approved the motion to farm the 5 farms as one, on 6 August 2014, and now wants to farm on his own. He is also intimidating the other beneficiaries etc.

### Dassiesfontein

—————→

SSB



From the start of **June 2014 Frank Diederiks**, the director of Dassiesfontein, was not on the farm. I talked to Frank on two occasions in that month where he told me that he would be on the farm ASAP. In July 2014 he still did not come to the farm.

I phoned Frank Diederiks on 25 August 2014 to tell him that I am going to come and work the lambs on Dassiesfontein and that he should make sure that he is there. On arriving on Dassiesfontein on 26 August 2014, Frank was not there. I told the general workers to wait for him and I quickly drove to Melrose. When I returned to Dassiesfontein Frank Diederiks was still not there. We started with the work, with the help of Joshua Bezuidenhout and his workers. While working the last of the lambs, Frank Diederiks got to the farm and helped with the last +-20 lambs. I once again talked to him about his absence on the farm and he said that he would be on the farm from now on. He did not come to the farm again.

I phoned Frank Diederiks on 22 September 2014, and told him that Graham Harris and I would be on the farm the next day to come and look at the Hammels. When we arrived on the farm on 23 September 2014 Frank Diederiks was not on the farm, and he also did not tell the general workers to bring the sheep to the kraal.

Frank Diederiks was not at the last meeting that I held with the directors, held on 26 September 2014. For the last months before this meeting, and the day of the meeting, Frank Diederiks almost never picked up his phone, and was never on the farm.

In April 2014 Frank Diederiks received the contract to fix the fencing of a part of Dassiesfontein. He has received the full amount, but is still to finish the work. On multiple meetings with Frank Diederiks I told him that the fencing is priority and it needs to be finished. Till this day nothing has been done further.

A meeting was held on 31 October 2014, with Frank Diederiks, his Mother, Graham Harris and I, where Graham and I told Frank Diederiks that he should decide whether he wanted to be on the farm or not, and if we should get someone else for the job. He said that he was sorry for his past actions and that he would be on the farm fulltime from now on. He has only been on the farm for 4 day after that.


In April 2014 **Hendrik Booyesen**, one of the beneficiaries of Dassiesfontein, also received a contract to fix a part of the fencing on Dassiesfontein. He has also received the full amount for the work, but the fencing is still not finished. If I talk to him about the fencing, or anything else for that matter, he tells me that he is going to take me to Court and that we cannot tell him what to do etc.

Twice now Hendrik Booyesen has taken diesel from the farm, which is meant to be used for the tractor. If I confront him about the stolen diesel he once again tells me that he is going to take me to Court etc.

He is constantly accusing Graham Harris and me of having "hidden racist agendas", and that we are oppressing them because we are white and that we don't want to see them succeed.

In General

JJB



In total, only about 10 beneficiaries are working on the farms fulltime/part-time. The rest never come to the farm, even if they are asked to come and help with work such as shearing etc. They only surface when there is talk about money or when they want to slaughter some of the sheep.

JTB



## Farm report

### Plateau Farms

Philip Taylor

27 November 2014

### Challenges in Plateau Farms

As with any farming enterprise there will always be challenges that one will face. The general challenge we encountered from the beginning was that when the farms were stocked, there was an opportunity for the beneficiaries to be employed on the farm, to benefit from the transfer of skills, and essentially work in their farms. Unfortunately, very few of the positions were taken up by the beneficiaries, and we had to employ many non-beneficiaries on the farm. This is due to lack of interest in farming. However the following three project are proving to be quite a challenge.

#### Matjieskloof Farm

From the day I started working for Bono on the Plateau Farms I had trouble with the director of Matjieskloof, Frikkie Vaaltyn. It seemed as if he never really had any interest in the farm. He would never stay on the farm fulltime, and would only stay there 2 or 3 days at a time. When I started, the only sheep we had was on Melrose. At a monthly meeting I have with the 5 directors, we decided on a specific date for splitting the sheep between the 5 farms. On the day that we decided on, Frikkie and his team did not participate at all. All the sheep was moved except Matjieskloofs sheep that stayed behind in the kraal. I had to drive to Matjieskloof to see where they were. They only collected the sheep the next day. A week or two later a interlink loaded with sheep came to offload, and they could not travel further than Melrose farm because of the condition the road was in. We offloaded the interlink, once again without the help of Frikkie and his team. He only came to get his sheep a few days later.

In May 2014, one of the workers of Matjieskloof came to me and said that he was not happy. Frikkie received money for work done on Matjieskloof, for the hanging of gates etc. The total amount for the work was R11 000. On the quote, there was an amount of R6837 allocated for labour. Two of the farm workers did all the work. He paid them R500 each and took the rest of the money.

On 26 September 2014 I had a monthly meeting with the directors. In the month of October 2014 we had to inject the sheep with Multivax P. We decided that we would start on

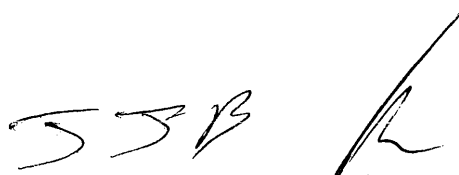


Matjieskloof and then move from farm to farm. To do the work faster we decided that the 5 farms would work together. On 7 October 2014 I went to Matjieskloof to find that all the directors and general workers in the kraal except Frikkie Vaaltyn. We started to work without him, seeing as it gets hot during the day and we had a lot of work to do. As we were about to work with the last sheep, Frikkie Vaaltyn came strolling to the kraal. I asked him if he was not going to come and help with the work, seeing as it was "his" sheep. He laughed and replied that we are already helping out nicely and his input was not needed. I again told him that all the other farms are here to work on "his" sheep, and he is not even in the kraal. He then proceeded to tell me that I should leave him alone otherwise there would be "trouble". I walked away and continued with the work. After that he did not come to help on the other farms.

On 10 November 2014 a meeting was scheduled with the 11 directors of the farms, Paul Thompson and Jacque from Bono in Cape Town, and Gaynore from department of agriculture. Not all the directors came to the meeting, but instead a lot of the other beneficiaries came. Within half an hour the meeting was disrupted by Frikkie Vaaltyn and Dennis Morries, and everyone left the meeting except Joshua Bezuidenhout and Raymond Bezuidenhout. As some of the beneficiaries wanted to return to the meeting, Frikkie Vaaltyn and Dennis Morries intimidated them into staying outside.

On 14 November 2014 I talked to Frikkie Vaaltyn and told him that I spoke to CMW and they will be sending a shearing team to start shearing sometime next week and that they should get the shearing shed ready and bring the sheep closer. He understood what I said and did not seem to have a problem with it. When I spoke to him again on 18 November 2014, they were still to start cleaning the shed etc. He said that he did not want me or Bono to come to the farm anymore. I told him that after we finish the shearing we could continue talking about who wants what. On 19 November 2014 the shearing team arrived on Matjieskloof. They were intimidated by Frikkie, and Frikkie said that they were not to start shearing. The shearing foreman phoned me and told me everything. On the next day, 20 November 2014, I went to fetch the shearing team to move them to Rondawel. On 21 November they started shearing at Rondawel. On 22 November 2014 Joshua Bezuidenhout phoned me and told me that Frikkie Vaaltyn had brought some of Rondawels beneficiaries and told them to once again intimidate the shearers so that they would not shear. I arrived on Rondawel and told the shearers to continue shearing. Frikkie Vaaltyn was not there. The Police also came to Rondawel to keep the peace. Frikkie Vaaltyn later came to collect the people that he brought from town.

When I came back to town, Joshua Bezuidenhout phoned me again and told me that one of the workers from Willemskraal told him that Frikkie Vaaltyn and Dennis Morries loaded sheep from Willemskraal in the back of Vrikkie Vaaltyns bakkie and took them to town. This morning, 24 November 2014, I phoned Karoo Lam, the local abattoir. After searching through the last month's paperwork, we found that on two dates Frikkie Vaaltyn and Dennis Morries delivered

A handwritten signature in black ink, appearing to be 'SSB' followed by a stylized flourish.

sheep to Karoo Lam. (07/11/2014 and 14/11/2014). A total of R4869.30 was paid out to Frikkie Vaaltyn and R7835.20 to Dennis Morris (20 Sheep). Both times they used Frikkie Vaaltyns bakkie, using diesel that is meant to be used for the tractors. We have since opened a theft Case against them, as we view this as stealing, considering that the stock belong to Government. **The case was opened on 26<sup>th</sup> November 2014 in Beaufort West Police Station (023-414 8800). The Case Number is: CAS 654/11/2014**

On 6 August 2014 me and Gaynore held a meeting with the beneficiaries. At this meeting they decided that they want to farm the 5 farms as one. Now Frikkie Vaaltyn wants to farm on his own.

Frikkie Vaaltyn is intimidating a lot of the beneficiaries into "standing up" to Bono and the Department of Agriculture. He tells them that we are stealing their money etc.

#### Willemskraal Farm

(see above)

Dennis Morris sold 12 sheep, to the value of R 7835.20, to the local abattoir, without any permission. He also used diesel, which should be used for the tractor on the farm, to put into Frikkie Vaaltyns bakkie and take the sheep in to town.

He also approved the motion to farm the 5 farms as one, on 6 August 2014, and now wants to farm on his own. He is also intimidating the other beneficiaries etc.

#### Dassiesfontein Farm

##### **Mr Frank Diederiks**

From the start of June 2014 Frank Diederiks, the director of Dassiesfontein, was not on the farm. I talked to Frank on two occasions in that month where he told me that he would be on the farm ASAP. In July 2014 he still did not come to the farm.

I phoned Frank Diederiks on 25 August 2014 to tell him that I am going to come and work the lambs on Dassiesfontein and that he should make sure that he is there. On arriving on Dassiesfontein on 26 August 2014, Frank was not there. I told the general workers to wait for him and I quickly drove to Melrose. When I returned to Dassiesfontein Frank Diederiks was still not there. We started with the work, with the help of Joshua Bezuidenhout and his workers. While working the last of the lambs, Frank Diedericks got to the farm and helped with the last +-20 lambs. I once again talked to him about his absence on the farm and he said that he would be on the farm from now on. He did not come to the farm again.

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In April 2014 Frank Diederiks received the contract to fix the fencing of a part of Dassiesfontein. He has received the full amount, but is still to finish the work. On multiple meetings with Frank Diederiks I told him that the fencing is priority and it needs to be finished. Till this day nothing has been done further.

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#### **Mr Hendrik Booysen**

The day we received the recapitalization funding for these farms, we communicated to the beneficiaries, through their nominated representative, that they were also allowed to provide us with quotes for the work that needed to be done. One beneficiary, Mr Booysen, in particular, proved to be quite a challenge. Mr. Booysen applied for eight of these project, of which seven were awarded to him, totaling an amount of R 456 968.03. However, during the process of awarding the work, we had to continually ask him to adjust his quotes, to bring it in line with the other commercial quotes that we had received for the same work. The impression he gave to us, was that these were state funds, and that spending it economically, was not of any importance. We will now highlight some of the problems that we had with him.

- a. Our first dealing with Mr. Booysen was for the repairs and erection of new fencing. His quote for the Dassiesfontein farm was for an amount of R 683 036.00. The quote that was accepted was for R 279 892.00. We did not accept the quote from Mr. Booysen.
- b. The second quote from Mr. Booysen was for the building of the new house on Dassiesfontein. His quote was for an amount of R 412 415.28. The other commercial quotes that we received were in the region of R 250 000.00. We gave Mr. Booysen the opportunity to submit an




amended quote, which he did for R 267 000.00. We accepted the quote from him.

- c. Once he started to build the house, he then, without discussing it with anyone, started to build an additional "generator room", with the dimensions of 3x4m. Needless to say, as he was using the funds he had received for the building of the house, he ran out of funds. At this stage we had committed all the funds of that particular tranche at that stage, and this meant that the house couldn't be completed. The eventual cost of this additional room, amounted to R 45 975.25.
- d. As this was a new house, we needed to have water supplied to the house. Mr. Booysen initially quoted us an amount of R 27 210.80 for the installation of 2 x 5000 liter water tanks. Once again, once we indicated to him that another competitive quote was in the region of R 15 000.00 he requoted us for an amount of R 15 079.71. Again we accepted this quote. To date only one of the tanks has been installed.
- e. Once the building of both the house and the "generator room" was completed, he quoted us on a generator, for the amount of R 38 608.22. After some discussion with him, the quote was once again amended to an amount of R 35 463.07. We also finally accepted this quote.

A part of our mandate is to recapitalize the farms, and to make sure that they can be sustainable going forward. This meant that we have had to spend the money as effectively and efficiently as possible, while sticking to the business plan, as best we could. As can be seen from the examples above, that while we have been very willing to give large parts of the contract to Mr. Booysen, he has constantly been given us hugely inflated quotes. In total we gave contracts to Mr. Booysen which amounted to 25% of the funds we received for infrastructural repairs and development for his farm.

Additionally, in carrying out our mandate, it is our responsibility to look after for best interest of all the beneficiaries on the farms. We are not trying to victimize anyone, however when we can see that there seems to be an element of self-serving interest displayed by a single beneficiary, to the possible detriment of the group, we cannot allow this to happen. From the above examples, it can be clearly seen that we have had to have some serious discussion with Mr. Booysen, while often under the threat of him approaching his legal representative, to bring his quotes in line with industry norms. He has additionally, without discussing it with any other members of the team, started work and then demanded payment for the work done.

He was also unwilling to join the team of farmers, but wants to still stay on the farm. Additionally, the fact that he wants to use farm resource for own use, is an indication that he

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is not looking after the interest of the entire group of beneficiaries. Also, interesting to note, that over and above the many contracts supplied to Mr. Booyesen, he is the only beneficiary to occupy the new house built on the farm, even though he is not employed on the farm, or there on a permanent basis.

Finally, we have had an incident, where Mr. Booyesen has drawn diesel, on Bono Farm Management's account. He did this, despite not being employed by Bono, or even working on the farm.

**Mr Hendrik Booyesen**, also received a contract to fix a part of the fencing on Dassiesfontein. He has also received the full amount for the work, but the fencing is still not finished. If I talk to him about the fencing, or anything else for that matter, he tells me that he is going to take me to Court and that we cannot tell him what to do etc.

Twice now Hendrik Booyesen has taken diesel from the farm, which is meant to be used for the tractor. If I confront him about the stolen diesel he once again tells me that he is going to take me to Court etc.

#### In General

In total, only about 8 beneficiaries are working on the farms fulltime/part-time. The rest never come to the farm, even if they are asked to come and help with work such as shearing etc. They only surface when there is talk about money or when they want to slaughter some of the sheep. The beneficiaries actually on the farm:

**Rondawel:** Joshua Bezuidenhout, and his brother always comes to help when we are shearing etc.

**Melrose:** Herold Raymond Bezuidenhout and Dirk Reitz

**Willemskraal:** Dennis Morries and Gersvin Morries

**Matjieskloof:** Frikkie Vaaltyn and Jan Bergh

SSB



**rural development  
& land reform**

Department  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

**JB7**

BEAUFORT WEST DISTRICT OFFICE: P.O. BOX 002, CHURCH STREET, SARS BUILDING, BEAUFORT WEST, 6870.  
TEL 023 414 2333 Web: www.drdlr.gov.za

21 November 2017

Nuveld Farming Empowerment Enterprise Pty (Ltd)

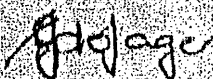
**ERKEN ONTVANGS VAN SKRYWE**

Hiermee erken die Departement van Landelike Ontwikkeling en Grondhervorming ontvangs van u skrywe gedateer 20 November 2017.

Ons wens die Nuveld Farming Empowerment Enterprise Pty (Ltd) sterkte toe met die boerdery en maak staat op die 3 maandelikse verslae wat u aan die departement sal voorsien.

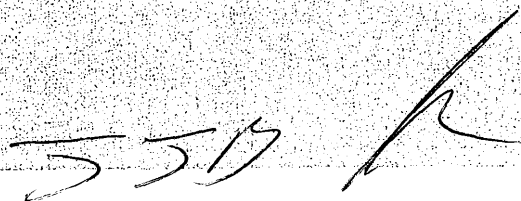
By voorbaat dank

Die uwe



G. De Jager

**PROJEK KOORDINEERDER**





Wol & Bokhaar /  
Wool & Mohair

Grahamstadweg 61 Grahamstown Road  
Noordeinde/ North End  
Port Elizabeth 6001  
Posbus / PO Box 2002  
Noordeinde/ North End 6056  
Direk / Direct: 041 503 3111  
e-pos / e-mail: leandre.nelson@bkb.co.za

Datum / Date: 16 Februarie 2023

Ons Verwysing / Our Reference:

**487010A – NUVELD FARMING ENTERPRISES EMPOWERMENT TRUST**

Graag wil BKB u, ons gewaarde klient, baie geluk wens met die uitstekende aanbieding van u wol skeersel. Die aanbieding was besonderlik vir die Beaufort Wes area en behaal daarom vir die area die top prys en ook die top gemiddelde prys vir al die totale skeersels aangebied op die wolveiling gehou 8 Februarie 2023 te Port Elizabeth.

Die skeersel aanbeiding was van so aard dat daar gesien kan word dat moeite in gesit is nie net in die teling van die diere nie maar ook in die klas en voorbereiding van die skeersel.

BKB wens dus u geluk met u vordering en sterkte en seenwense met die toekoms.

Beste wens

DocuSigned by:  
*Corne Nel*  
74CA35CD827C476...  
**CORNE NEL**  
**BESTUURDER: KAROO**



**JB8A**

## rural development & land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

Provincial Shared Services Centre: Western Cape, 14 Long Street, Cape Town  
Private Bag x9159, Cape Town, 8000, Tel: 021 409 0300, Fax 021 409 26 2947

Beaufort West District Office, P.O. Box 602, Church Street, BEAUFORT WEST, 6970  
Tel. 023-414 2333/5, Fax 023-414 3220

**Nuveld Farming Empowerment Enterprise**  
**Plateau farmers**  
**BEAUFORT-WES**  
**6970**

### **TOESTEMMING TOT TOEGANG TOT DIE PLASE (Matjieskloof, Melrose, Willemskraal Dassiesfontein en Rondawel)**

Die plase Matjieskloof, Melrose, Willemskraal Dassiesfontein en Rondawel is die eiendom van die Departement van Landelike Ontwikkeling en Grond Hervorming. Die Nuveld Farming Empowerment Enterprise het 'n skrywe aan die departement gerig dat hulle verantwoordelikhed vir die vee sal neem wat deur die departement aangekoop is.

Die Departement gee dus toestemming aan Nuveld Farming Empowerment Enterprise dat hulle toegang het tot al die vyf plase. Daar is tans geen formele kontrak met enige van die ander entiteite in plek.

Vir verdere vrae is u welkom om met Joshua Bezuidenhout te kontak te Rondawel..

By voorbaat dank

**Me G De Jager**  
**PROJEK KOORDINEERDER: Sentraal Karoo Distrik**  
**01 April 2019**

- Verslagspan: Adrian da Meyer en Meghan

ttel

met plastiek bestrooi  
oor julle dit, kinders?  
Hergebruik. Herwin,"  
skryf.  
Pratt Woensdag op  
verskoning gevra om  
in die openbaar geta-  
arna die teregwyding  
iale media versprei is.  
jy weet, is ek en my  
oor jou en alles wat jy  
jammer my inskry-  
leg ontvang en dit was  
oeling nie," sê Mamoa.  
is die onderwaterstad  
kan en al sy inwoners.



REEDS  
CLOUT

REEDS, CO. ZA

10% AFSAAG OP  
Windmeul  
KELDER  
**PLAASMARK**  
7 Desember 2019  
Kom sluit die jaar af saam met  
Windmeul Kelder en musiek deur  
Wynand Windpomp.

Bemerk jou besigheid of verbeel  
ons watter kursusgeleenthede  
beskikbaar is. **JB9**

Sperdatum: Dondardag  
12 Desember

Kontak: Melanie Els

Tel: 021 910 6536

E-pos: mels@dieburger.com



rural development  
& land reform  
Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

AANSOEK OM STAATSPLASE TE HUUR: MATJIESKLOOF,  
GROOTTE 4739,9000 HA; WILLEMSKRAAL GROOTTE  
1881,8007HA; MELROSE GROOTTE 4 800,0212HA; RONDAWEL  
GROOTTE 4932,1822HA AND DASSIESFONTEIN GROOTTE  
3200,7443HA; GELEE IN DIE BEAUFORT WES MUNISIPALITEIT  
BINNE DIE SENTRAAL KAROO DISTRIK, WESKAAP PROVINSIE

Projektype/Kategorie	Klein Skaal Boere
Huidige Grondgebruik	Vee boerdery
Voorgenome Grondgebruik / Kommoditeit	Vee boerdery
Totale grootte van die eiendom	Natuurlike waiding: 19374,0301 ha Area nie geskik vir boerdery: ~100ha Totale hektare: 19 474,0301
Dra kapasiteit	1GVE/20ha
Kategorie huurder	3

Kandidate wat kwalifiseer as kategorie 3-word aangemoedig om aansoek te doen vir bogenoemde staatsplase in die Sentraal Karoo Distrik.

**Kategorie 3:** Klein skaal boere wie alreeds boer of beplan om kommersieel te wil boer op verskeie skale, maar wat benadeel word deur ligging, grootte van die grond en ander bronne of omstandighede, maar wat die potensiaal het om te groei.

**Kennis:** Die teiken groep vir die landelike huurders is: Suid-Afrikaners (Swart, Indiers, Bruinmense) soosook mense met gestremde klein skaal boere. Plaas besoek (Inligtingssessie) is verpligtend, geen vervoer sal voorsien word. Aansoekvorms kan afgehaal word by die kantoor, maar sal ook voorraai word tydens die plaas besoeke

Die plase is gelee op die De Jager's Pas tussen 45km en 83 km tot by Matjieskloof vanaf die N1 buite Beaufort Wes.

Koördinate vir die eiendom is:

- 32.073470,22.587517 Matjieskloof
- 32.031081,22.729681 Dassiesfontein
- 31.989214,212.712171 Rondawel
- 31.934365,22.611953 Melrose
- 31.948052,22.598503 Willemskraal

NB: Datum vir plaasbesoeke: 13 Desember 2019 (Matjieskloof plaas)

NB: Tyd 10H00 -12H00

NB: Bywoning van plaas besoek en die ondertaking van die bywoningeregister is verpligtend; indien nie sal die potensiele aansoeker / boer gediskwalifiseer word. Geen potensiele aansoeker / boer sal na 12h00 akkommodeer word.

Aansoekers sal gevalueer word volgens die terme van die District Beneficiary Selection Committee (DBSC) soos bepaal deur die Departement van Landelike Ontwikkeling en Grondhervorming (DRDLR) se Verwysings Raamwerk. Die Provinsiale Komitee beskik oor die reg om die geskikte kandidaat aan te bevel na die National Land Allocation, Acquisition and Control Committee (NLAACC) vir oorweging en goedkeuring

Die aansoeke moet vergesel word met 'n getekende Besighheidsvoorstel en moet in 'n verseelde kovert wat duidelik aandui die Eiendom/Plaas name en kan per hand afgelewer word by DRDLR-Kerk Straat, SARS Gebou / of gepos word na Posbus 602, Beaufort Wes, 6970.

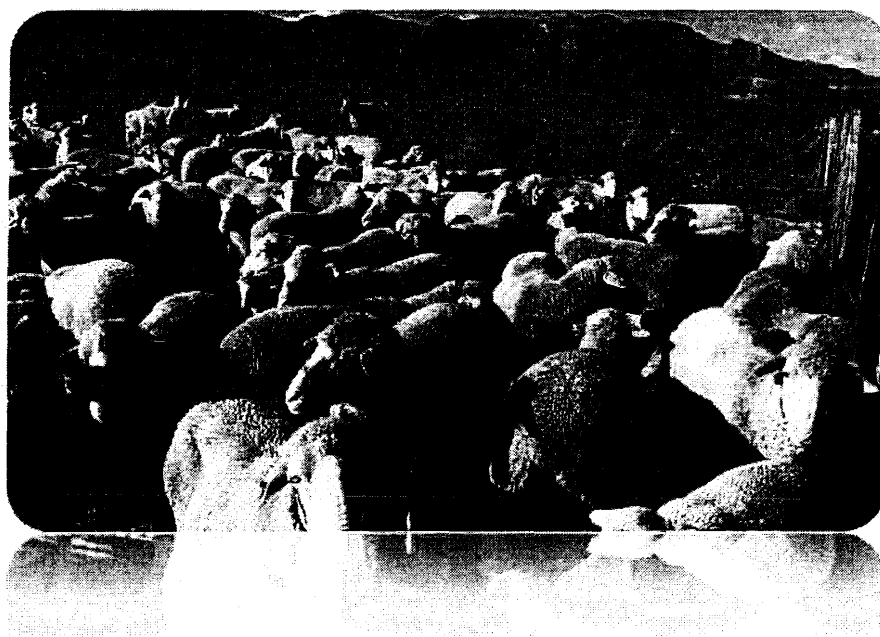
SLUITINGS DATUM VIR AANSOEK: 23 DESEMBER 2019 OM 14H00

Disclaimer: Die Tak – Grond Hervorming en Landelike Ontwikkeling het baie moeite gedoen om te verseker die akkuraatheid en/ of betroubaarheid van die inligting soos voorsien deur die kliente. Die inligting soos hierin vervat is nie bedoel en kan nie gebruik word as 'n wettik bindende dokument nie. Die tak het die allenreg en kan volgens absolute diskresie die advertensie onttrek, verander of aanpas in geheel of 'n gedeelte daarvan te enige tyd.

Administratiewe navrae kan gerig word aan Ms G De Jager by tel: (023) 414 2333 en Ms L Brown by tel: (044) 874 1839.

JJB

**BESIGHEIDSVOORLEGGING  
VIR DIE TOEKENNING  
VAN DIE  
VYF PLATO PLASE**



**Nuveld Farming Empowerment Enterprises (Pty) Ltd**

**Kontak Persoon: Hannes Bezuidenhout**

**5 Ernest Laan, Beaufort-Wes, 6970**

**Tel: 084 864 1484**

**Registrasie No. 2017/460296/07**



**BESIGHEIDSVORLEGGING VIR DIE TOEKENNING VAN DIE VYF PLATO PLASE**

(Johannes Joshua Bezuidenhout, Harold Bezuidenhout, Jan Berg) (Plateau Farms)

**AGTERGROND****Begunstigde Profiel****Naam van die Projek**

Nuvelde Farming Empowerment Enterprises (Pty) Ltd

**Doen u aansoek as 'n individu of a groep?**

Groep, bestaande uit Johannes Joshua Bezuidenhout, Harold Bezuidenhout en Jan Berg

**Indien u as 'n groep aansoek doen, hoeveel lede is in die groep?**

3 persone wat die afgelope 10 jaar aktief by die boerdery op die Plato plase betrokke is.

**Hoeveel vroue is in die projek?**

Die getal varieer, aangesien vroue stukwerk van tyd tot tyd doen, soos byvoorbeeld met die klassering van wol.

**Hoeveel van die vroue is jeug?**

Van die vroue wat by die boerdery betrek word, bring ook hul werklose dogters saam om te help. By geleentheid het studente van landboukole hulle praktiese werk op die plase kom doen, waarvan 'n aantal vrouestudente was. Sodra daar sekerheid oor die toekoms van die plase is, wil ons graag 'n vaste ooreenkoms aangaan met Grootfontein (Middelburg), Elsenburg en die veeteeltafdelings van die Departemente Landbou aan die Universiteite van Stellenbosch en die Vrystaat. Voorkeur sal aan opgeleide vroue gegee word in die toekoms, juis omdat daar so min van hulle in landbou betrokke is in die Sentraal-Karoo.

**Hoeveel van die vroue het gestremdheid?**

Ons maak geen onderskeid wanneer dit by individue met gestremdhede kom nie en gee aan hulle voorkeur, afhangende van die take.

**Hoeveel vroue is militêre veterane?**

Geen

**Hoeveel vroue het in Landbou gegradueer?**

Tans geen, maar die situasie sal drasties verander indien daar sekerheid oor die toekoms is. Gegradueerdes in veeteelt, veral vroue, kan 'n enorme bydrae lewer in die uitbou van ons kudde.

**Hoeveel mans is in die projek?**

3 persone

**Hoeveel van die mans is jeug?**

Die 3 individue in beheer is middeljarig, maar daar is reeds jong persone wat voltyds by die boerdery betrokke is en wat beskik oor naskoolse kwalifikasies.

Handwritten signature and initials at the bottom of the page.

**Hoeveel van die mans is gestremd?**

Geen

**Hoeveel van die mans is militêre veterane?**

1 veteraan (Veteraan nommer: 79689477)

**Hoeveel van die mans het in landbou gegradueer?**

Geen, maar diegene betrokke by die bestuur van die boerdery het wel verskeie pryse/toekennings gekry vir prestasies en woon alle kursusse by wat die Departement aanbied oor 'n verskeidenheid onderwerpe, ten einde hulle kennis te verbreed.

### PROFIEL VAN HUIDIGE LANDBOU AKTIWITEITE

**Watter grondbesittipe is van toepassing op die plase waar die projek plaasvind?**

Langkuil Saamstaan, Kammaroo Werkers Trust en Ikhosi Farming het voorheen vyf-jaar huurooreenkomste met die Departement van Landelike Ontwikkeling en Grondhervorming gesluit. Kontrakte het tot 'n einde gekom in 2017/2018. Langkuil Saamstaan se ooreenkoms was ten opsigte van Rondawel, Kammaroo ten opsigte van Matjeskloof en Ikhosi Farming ten opsigte van Melrose.

'n Strategiese vennoot, Bono Holdings, was betrokke vir 'n tydperk van 7 jaar (5+2) en hul kontrak het tot 'n einde gekom 31 Oktober 2017. Nadat dit bekend geword het dat Bono einde Oktober gaan onttrek, is 'n nuwe entiteit gestig deur die drie individue wat vir die afgelope 10 jaar by die boerdery betrokke is, nl. Nuvelid Farming Empowerment Enterprises Pty Ltd, wat die verantwoordelikheid aanvaar het vir die eiendom van die staat en voortgeboer het vir die tydperk 01 November 2017 tot op hede. Die plase is as 'n eenheid bestuur (sien Addendum A vir Riglyne). 'n Opsigter-ooreenkoms ten gunste van Johannes Joshua Bezuidenhout is met die Departement gesluit vir 3 maande, vanaf 11 Oktober 2019 tot 10 Januarie 2020, wat beteken dat Nuvelid tot dan die plase sal bestuur.

**Name van die plase waar u besigheid bedryf soos dit op die titelakte verskyn**

Matjeskloof  
Willemskraal  
Melrose  
Rondawel  
Dassiesfontein

**Grootte van die plase waar die projek bedryf word**

19 474.0301 hektaar

**Huidige grondgebruik waar die projek bedryf word**

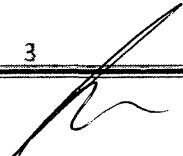
Lewende hawe, nl. merino skaap

**Hoeveel hektaar word gebruik?**

Daar word op die volle 19 474.0301 hektaar geboer, behalwe vir die werwe en enkele gedeeltes wat te bergagtig is (+/-100 hektaar kan nie geboer word nie).

**Watter hulpbronne het die plase?**

Al 5 plase beskik oor voldoende grenslyne en binnelyne met kampe wat eweredig verdeel is. Willemskraal en Melrose beskik oor lamkampe.

SSB 

Elke kamp het voldoende toegang tot water deur 'n krip of 'n fontein. Water word voorsien deur windpompe, sonpompe en fonteine.

Die Plato plase is 80% begroei met Anker-Karoo (skaapbossie) wat 'n uitstekende voedingswaarde het. Daar is baie gras, veral rooigras en kortbeen/- langbeenboesmangras op die berge, wat geskik is vir beide bees en skaap.

Omdat die plase op die Nuveld Plato geleë is, is hulle baie geseënd met reën, met slegs (kort) tussenperiodes van droogte. Die plase bestaan uit twee-derdes berg en een-derde rante/leegteveld.

#### **Huidige bates wat u besit om die besigheid te bestuur?**

Intensiewe ervaring en kennis van die plase en hoe daar op die mees doeltreffende manier geboer moet word. (Sien CVs en sertifikate)

Eie vervoer

Kommunikasiesisteem wat die 5 plase met mekaar verbind

Gereedskap

2 Motorfietse

#### **Huidige finansiële posisie van die besigheid**

Finansiële state aangeheg

#### **Waar is die grond geleë?**

Plato plase, nl. Matjeskloof, Willemskraal, Dassiesfontein, Melrose en Rondawel

#### **Distrik Munisipaliteit:**

Sentraal Karoo

#### **Afstand na die toegangs pad:**

Al 5 plase lê aan 'n grondpad na Beaufort-Wes.

#### **Afstand na die naaste FPSU?**

Die afstand vanaf die plase wissel van 45 km (Dassiesfontein) tot en met 83 km (Matjeskloof).

### **DOELWITTE**

#### **Wat is die doel van die projek. Verduidelik?**

Die oorhoofse einddoel is om 'n winsgewende, kommersiële stoetboerdery te bedryf, wat werkgeleenthede vir ten minste 30 mense voltyds sal verskaf en deelyds vir 'n verdere 20 plus (stukwerk tov instandhouding van infrastruktuur, bv heinings, damme/krippe, geboue, ens.)

Binne die afgelope 2 jaar het die boerdery ontwikkel tot een van die voorste kommersiële boerderye in die distrik, vandaar die RWS (Responsible Wool Standard) stempel waaronder die wol bemark word. Naspourbaarheid is die wagwoord en daar word met die grootste omsigtigheid met beide die veld en diere, insluitende wilde diere, omgegaan. (sien Addenda B en C vir Omgewingsbewaring-bestuursplan en Kwantitatiewe Risiko Waardebepaling onderskeidelik)

Daar word baie nou saamgewerk met BKB en in die besonder met mnr Corné Nel, wat betref die bemarking van skaap/wol, die keuring van die kudde, die aankoop van ramme en veldbestuur in die geheel.

Die gehalte van die kudde is sodanig dat verskeie pryse, ook eerste pryse, behaal is op die plaaslike skou te Beaufort-Wes, asook te Bredasdorp.

Die beplanning is om 'n stoetery op die been te bring, wat, naas eie gebruik, ramme sal verskaf aan opkomende boere by voorkeur.

Die boerdery moet 'n bewys wees dat voorheen benadeelde individue, indien hulle die kans gegun word om hulle kennis en ervaring toe te pas, enige tyd vergelykbaar, indien nie beter, as gevestigde boere kan presteer.

Gevestigde boere raadpleeg Nuvelde gereeld oor byvoorbeeld holistiese boerderypraktyke en veral die feit dat daar geen slagysters gestel word nie, die berge ten spyte, en ons desnieteenstaande daarin slaag om in harmonie met die natuur te boer sonder noemenswaardige veeverliese (+/- 1%). Die welsyn van mense en diere, alle diere, word vooropgestel.

Sou ons aansoek suksesvol wees, wil ons baie graag iets aan die gemeenskap van Beaufort-Wes terug gee vir die voorreg om kommersieel te kan boer. 'n Gedeelte van ons wins wil ons graag aanwend vir programme wat veral vroue en jongmense sal bemagtig, gesien die hoë werkloosheidsyfer. Daar is nie-regeringsorganisasies wat uitstekende programme het waardeur vroue in staat gestel word om hulle bestaande kennis van naaldwerk so aan te wend dat hulle bemerkbare eindprodukte produseer en terselfdertyd nuwe vaardighede aanleer. Die moontlikhede is onbeperk! Dieselfde geld vir die jeug. Daar is entrepreneurskapprogramme wat individue nuut en anders laat dink oor moontlikhede om inkomste te genereer. Selfs 'n selfoon, wat almal reeds het, is al 'n goeie begin om deel te word van sosiale media en bemerking. Daar is voorbeelde van sulke programme wat met groot sukses in die mees afgeleë dele in die Noord-Kaap toegepas word. Hoekom nie hier in Beaufort-Wes nie. Ook sal ons graag wil help om straatkinders by sport betrokke te kry, ter wille van eiewaarde en die besef dat hulle 'n sukses van hul toekoms kan maak.

Nuvelde wil bekend staan as 'n boerdery wat 'n verskil maak, eerder as een wat baie geld maak.

**Is daar enige planne om die besigheid uit te brei in die toekoms?**

Ja, kwalitatief, wat die gehalte van die huidige veestapel van +/- 2 800 merinos betref – vrugbaarheid, aanwas (100%+ lameraanwas), kwaliteit van wol (tans 18.9 mikron, maar wil dit nader aan 20 mikron kry). 'n Eie stoetery is binne die volgende 3 jaar haalbaar, met die hulp van BKB tov seleksie.

Melding is reeds gemaak van die 20% gras op die berge. Daar kan met gemak met 80 bees geboer word, ten einde die gras behoorlik te benut. Beeste vreet 'n graspol van bo af en 'n skaap van die kant af. Beeste vreet dus die gras kort en skaap verkies die kort gras.

Daar is 5 hektaar land beskikbaar op Willemskraal vir die aanplant van lusern onder vloedbesproeiing. Terselfdertyd is daar genoeg water op elke plaas vir kleiner landjies, wat wissel van 'n halwe tot 'n volle hektaar, vir lusern/hawer/oumansoutbos.

Omdat elke plaas waterryk is, moet elkeen sy eie groentetuin hê, wat groente vir die plaaslike mark voorsien (bo en behalwe vir eie gebruik). Vrouens gaan veral by hierdie inisiatief betref word. Daar is ook genoeg besproeibare grond (+/- 3 ha) vir groentesaadverbouing.

Ekotoerisme gaan ook ontgin word. Die berge bied pragtige natuurskoon vir stap en fietsroetes en daar is reeds veldpaaie bo-op die berge. Ekotoerisme kan 'n beduidende bron van inkomste word.

Die groot skuur op Dassiesfontein kan, met 'n klein bietjie aanpassing (ablusiegeriewe) gebruik word vir konferensies/werkswinkels, wat ook addisionele inkomste kan inbring.

**Voorgestelde grondgebruik vir die beoogde grond?**

**Watter tipe onderneming beoog u om op die grond te bedryf?**

Skaap- en beesboerdery, lusern, groente

**Wat is die beoogde grootte van die area per onderneming?**

19 364 hektaar vir skaap en beesboerdery waarvan 7 hektaar vir lusern/hawer/groente en 3 hektaar vir groentesaadverbouing

**Wat is die beoogde opbrengs?**

**Omskryf u produksie plan of skedule wat die kritieke stadiums van produksie of aktiwiteite aandui wat uitgevoer moet word (bv grondvoorbereiding, plant, oes, ens.)**

Die skaapboerdery word bedryf volgens die aangehegte skedule (sien Addendum D), wat impliseer dat beide dragtige ooie en lammers optimale voeding kry, asook ramme, alvorens hulle by ooie wat aan minimum gewigstandaarde voldoen, geplaas word vir paring. Die doelwit is om 100% plus lammeraanwas te hê. Wanneer beesboerdery 'n aanvang neem, sal dit ooreenkomstig die aangehegte riglyne bestuur word (sien Addendum E). Die lusern is mediumtermyn (+/- 7 jaar) en die groente seisoenaal. Vir gewasverbouing sal die nodige bemesting toegedien word.

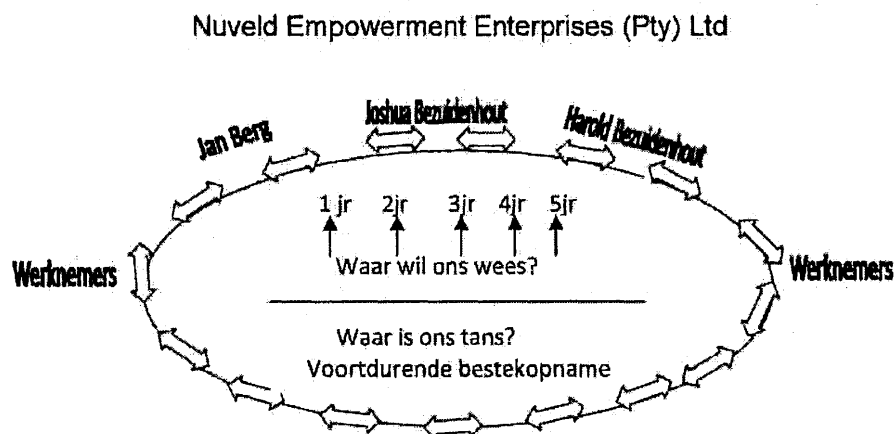
**Grondontwikkelingsbestuur en reëlings met betrekking tot verblyfreg?**

**Watter tipe regsentiteit is gestig?**

Private maatskappy

**Hoe gaan die grond bestuur word en besluite gemaak word?**

Die bestuurstyl is konsentries, nie hiërgies nie, dws kennis word voortdurend uitgeruil en individue aanvaar verantwoordelikheid vir die onderskeie vertakkinge van die boerdery. Verslaggewing is van kritieke belang, ten einde enige tekortkominge tydig die hoof te bied.



Wat is bereik oor die afgelope 2 jaar:

1. Konsolidasie van die skaapkudde

'n Derde van die kudde het by oorname uit ooie bestaan wat tandloos of verslete tande gehad het. Die kudde is tans op standaard en alles moontlik word gedoen om die gehalte van die kudde verder te verhoog.

2. 'n Veldbestuursplan

By oorname was party kampe tot op die grond kaal gevreet en ander in 9 jaar nie bewei nie. In oorlog met kundiges, word 'n volle veldbestuursplan toegepas en die uitgetrapte veld het reeds wonderlik herstel.

3. 'n Holistiese benadering tot boerdery

Daar moet in harmonie met die natuur geboer word, daarom praktyke wat wilde diere insluit (rookatte, jakkalse, bobbejane), bv. veewagters/donkies/afwisselende geraas en veral 'n dramatiese toename in

538

kleinwild (geen jagtery), wat voorkeurprooi vir karnivore is. Die RWS erkenning (Responsible Wool Standard) is 'n bewys van hoe nougeset die boerdery volhoubaar bestuur word, met aanvaarding van die verantwoordelikheid teenoor die grond, diere en werknemers.

#### 4. 'n Kompeterende kudde

Die velerlei pryse op skoue spreek reeds van die gehalte van die kudde, maar dit kan nog altyd verbeter word.

#### 5. Kennisoordraging

Bemagtiging van werknemers is 'n prioriteit. Tydens 'n onlangse meting van kennisvlakke by plaaswerkers op Beaufort-Wes, het Nuveld skoonskip gemaak.

#### 6. Finansiële bestuur en administrasie

Kwartaalike verslae aan die Departement, wat finansiële state insluit, en alle administrasie rakende 'n maatskappy (BTW, PAYE, UIF, WCA) – belastingvrywaringsvorm aangeheg

#### 7. Seisoenale/handelsrekening

Nuveld beskik oor 'n R 120 000.00 seisoenale rekening by BKB.

**Lys alle persone betrokke in die besigheid sowel as hul vaardigheid en kundigheid?**

Full name/ Naam	Identity number / ID Nommer	Responsibility / Verantwoordelikheid	Expertise/skills Vaardigheid / kundigheid
Johannes Joshua Bezuidenhout	690603 5111 08 9	Hou van tydstaats Rekordhouding van vee Aankope vir die plase Aankoop van vee by kommersiële boere en veilinge Skakel met departement en ander rolspelers Aanstel van werknemers Bemaking van vee Vergesel DALRRD op hul besoeke Tref alle reëlins vir skeer Eindverantwoordelikheid tov die bestuur van die kudde Merk van lammers	<b>Sien Addendum F</b> As na my formele toekennings gekyk word en my breë ervaring in boerdery en boerderyverwante vertakkings, sien ek myself as 'n leierboer in die Sentraal Karoo.
Harold Bezuidenhout	580228 5449 08 6	Medisyne-toekenning vir die vee Dag tot dag bestuur van die vee Veldbestuur Ondersoek en herstel van waterwerke en draadheininge Vergesel DALRRD op hul besoeke Onderhoud tov DALRRD implemente Onderhoud van paaie Betrokke by die skeer van wol Merk van lammers	Woon ARC kursus by vir bemaking, diervoedingsprosedures en veehantering. Ontvang toekennings vir junior bestuurder/ voorman, diereproduksie, wolproduksie en vele skoupryse.
Jan Berg	661104 5275 08 6	Medisynetoekenning vir die vee Dag tot dag bestuur van die vee Veldbestuur Herstel van windpompe, krippe, draadheininge Vergesel DALRRD op hul besoeke Onderhoud van DALRRD implemente Onderhoud van paaie Betrokke by die skeer van wol Merk van lammers	Algemene plaaswerker vir 32 jaar.  Beplanning- en Bestuurskursus gedoen by Sustainable Land Management Project  Ontvang toekenning vir 3de beste plaaswerker  Woon kursus by in diereproduksie, ongediertebeheer, lewensorientering, metaalwerk  Ontvang ook 1ste prys vir wolproduksie en kudde-evaluering

7  
SSB

Gaan die grond besit word individueel of gesamentlik of gaan dit gehuur word?

Huur

Natuurlike hulpbron evaluering (slegs as die grond bekend is aan die aansoeker)

- **klimaat**  
Droë somers en koue winters met temperature tussen -3 tot 42°C
- **grondontleding**  
Baie vrugbare leemgrond
- **veld toestand eendrakrag**  
28 hektaar per grootvee-eenheid x 4.1 kleinvee-eenheid = 2 780 skaap
- **grondvermoë**  
Die 5 plase kan 'n maksimum van 2 780 kve en +/- 80 bees dra **afwisselend**

#### FINANSIËLE INFORMASIE

Projekteerde kapitaal vereistes (langtermyn, medium termyn en korttermyn)  
Selfonderhoudend. Nuvelde kan voorsien in sy eie behoeftes.

Aanduiding van addisionele finansies benodig, moontlike bronne van finansiering, en die tipe finansiering.

Geen. Selfonderhoudend.

Dui aan hoe boekhouding gaan plaasvind?

Daar is reeds 'n gekwalifiseerde persoon in diens vir finansiële advies, wat ook die boekhouding en algemene administrasie doen.

Finansiële state (balanstate, inkomstestaat, ondernemingsbegroting, kontantvloei ens) moet ingesluit word as addendum by die besigheids voorstel (sien Addendum G).

#### BEMARKINGSINFORMASIE

Dui in u plan aan hoe u die produk surplus gaan hanteer, bv dit stoor of bemark.

Surplus vee gaan bemark word teen kompeterende pryse

Indien die surplus bemark gaan word bespreek hieronder;

Tipe, ligging en betroubaarheid van die mark.

Skaap, wol en bees gaan bemark word deur BKB volgens heersende pryse. BKB is 'n leier in die bedryf.

Afstand na die mark (Vervoer)

Dit wissel tussen 45 en 83 km en vervoer word deur BKB gereël

Hoe kwaliteit, hoeveelheid en goeie prys verseker kan word?

BKB het kundiges wat gratis advies voorsien in hierdie verband

Watter is die beperkende faktore indien enige (Vervoer, opleiding, kwaliteit, hoeveelheid, vermoë om waarde toe tevoeg)

Droogte  
Afstand van mark

Daar moet 'n plan gegee word hoe om hierdie probleme te oorkom

Droogte is 'n mindere probleem as daar oordeelkundig/holisties geboer word. Vervoerkoste word verdiskonteer teen die prys wat beding word.

### ONDERSTEUNING NA OORDRAG

Om die volhoubaarheid van die projek te verseker moet die volgende aangedui word?  
Sou u ondesteuning benodig na die oordrag? JA/ NEE

Indien nee dui aan hoe u sonder ondersteuning sal regkom? (heg relevante dokumente aan)  
Sien finansiële state.

Indien ja watter tipe ondersteuning gaan u benodig?

NVT

Mentorskap, opleiding programme?

Dui aan die tipe ondesteuning, mentorskap programme of opleiding wat benodig gaan word?

Geen, aangesien die individue in bestuursposisies oor die nodige ervaring en kennis van die boerdery op die plase beskik en steeds kursusse bywoon om hulle kennis te verbreed. Hierdie kennis word ook vrylik gedeel met werknemers. Artikels in Die *Landbouweekblad* en *Farmer's Weekly* is ook baie waardevol en rigtinggewend.

Dui aan hoe daarvoor voorsiening gemaak sal word (wat, wanneer en deur wie)

NVT

Wat is die verwagte koste vir sodanige ondersteuning?

NVT

### 9. Attachments / Aansoekers

- List of beneficiaries / Lys van begunstigdes
- Qualifications of applicants / Kwalifikasies van aansoeker
- Id copies / ID afskrifte
- Force number for military veterans / Militêre mag nommer vir veterane
- Proof of legal entity (if one was formed) Bewys van regsentiteit
- Resource and assets inventory / Batelys
- Financial statements (if applicable) e.g balance sheet and income statement, enterprise budget and cash flow statement on the envisaged surplus / Finansiële state (indien van toepassing) bv balansstaat, inkomstestaat, onderneming begroting, kontantvloei.

  
JJ Bezuidenhout

17 Desember 2019



# 5-YEAR FINANCIAL PLAN

Nuveld Farming Empowerment Enterprises (Pty) Ltd

## FORECASTED REVENUE

	Units sold annually	Average price per unit	Annual revenue per product
Merino Wool - return of wool sales per sheep	2780	295,00	820 100,00
Merino Sheep - Sale of sheep/lamb per year	1800	1 850,00	3 330 000,00
Lucerne - bales per year	4000	80,00	320 000,00
Seed production/vegetables (hectare in total)	1	165 000,00	165 000,00
<b>TOTAL OF FORECASTED REVENUE</b>			<b>4 635 100,00</b>

## COST OF GOODS SOLD

	Expected gross margin	Annual cost of goods sold
Merino Wool - shearing costs and commissions	10%	82 010,00
Merino Sheep	30%	999 000,00
Lucerne	25%	80 000,00
Seed production/vegetables	30%	49 500,00
<b>TOTAL COST OF GOODS SOLD</b>		<b>1 210 510,00</b>

## ANNUAL MAINTENANCE, REPAIR AND OVERHAUL

Factor (%) on capital equipment

## ASSET DEPRECIATION

Number of Years

## TAX

Annual Tax Rate

## INFLATION

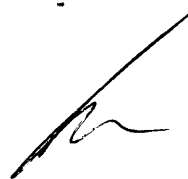
Annual Inflation Rate

## PRODUCT PRICE INCREASE

Annual Price Increase

## FINANCING

Loan Amount	-
Annual interest rate	4,00%
Term of loan (months)	60
Monthly rate	0,33%
Payment	-
Total Amount Payable	-

55B 

# PROFIT AND LOSS PROJECTION

Nuveld Farming Empowerment Enterprises (Pty) Ltd

## PROFIT AND LOSS ASSUMPTION

	Year 1	Year 2	Year 3	Year 4	Year 5
Annual cumulative price (revenue) increase	0,00%	8,00%	16,00%	24,00%	32,00%
Annual cumulative inflation (expense) increase	0,00%	5,00%	10,00%	15,00%	20,00%

## INCOME

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenue</b>					
Merino Wool - return of wool sales per sheep	820 100,00	885 708,00	1 027 421,28	1 274 002,39	1 681 683,15
Merino Sheep - Sale of sheep/lamb per year	3 330 000,00	3 596 400,00	4 171 824,00	5 173 061,76	6 828 441,52
Lucerne - bales per year	320 000,00	345 600,00	400 896,00	497 111,04	656 186,57
Seed production/vegetables (hectare in total)	165 000,00	178 200,00	206 712,00	256 322,88	338 346,20
<b>Total revenue</b>	<b>4 635 100,00</b>	<b>5 005 908,00</b>	<b>5 806 853,28</b>	<b>7 200 498,07</b>	<b>9 504 657,45</b>

## Cost of Sales

Merino Wool - shearing costs and commissions	82 010,00	86 110,50	94 721,55	108 929,78	130 715,74
Merino Sheep	999 000,00	1 048 950,00	1 153 845,00	1 326 921,75	1 592 306,10
Lucerne	80 000,00	84 000,00	92 400,00	106 260,00	127 512,00
Seed production/vegetables	49 500,00	51 975,00	57 172,50	65 748,38	78 898,05
<b>Cost of goods sold</b>	<b>1 210 510,00</b>	<b>1 271 035,50</b>	<b>1 398 139,05</b>	<b>1 607 859,91</b>	<b>1 929 431,89</b>

## Gross Profit

	3 424 590,00	3 734 872,50	4 408 714,23	5 592 638,16	7 575 225,56
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## Non-Operation Income

Interest income	-	-	-	-	-
Loss (gain) on sale of assets	-	-	-	-	-
Other income (specify)	-	-	-	-	-

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<b>TOTAL INCOME</b>	3 424 590,00	3 734 872,50	4 408 714,23	5 592 638,16	7 575 225,56
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**EXPENSES****Operating expenses**

Communication	15 000,00	15 750,00	17 325,00	19 923,75	23 908,50
Depreciation	10 000,00	10 000,00	10 000,00	10 000,00	10 000,00
Farm supplies	35 000,00	36 750,00	40 425,00	46 488,75	55 786,50
Payroll and salaries	950 000,00	997 500,00	1 097 250,00	1 261 837,50	1 514 205,00
Accounting fees	25 000,00	26 250,00	28 875,00	33 206,25	39 847,50
Maintenance, repair, and overhaul	35 000,00	38 500,00	42 350,00	46 585,00	51 243,50
Travel and transport	240 000,00	252 000,00	277 200,00	318 780,00	382 536,00
Stationery and general farm expenses	12 000,00	12 600,00	13 860,00	15 939,00	19 126,80
Interest expense on long-term debt	-	-	-	-	-
Sheep feed and medication	600 000,00	630 000,00	693 000,00	796 950,00	956 340,00
<b>Total operating expenses</b>	<b>1 922 000,00</b>	<b>2 019 350,00</b>	<b>2 220 285,00</b>	<b>2 549 710,25</b>	<b>3 052 993,80</b>

**Non-Recurring Expenses**

Unexpected Expenses	-	-	-	-	-
Other expenses	-	-	-	-	-

**Total Non-Recurring Expenses**

<b>TOTAL EXPENSES</b>	<b>1 922 000,00</b>	<b>2 019 350,00</b>	<b>2 220 285,00</b>	<b>2 549 710,25</b>	<b>3 052 993,80</b>
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**TAXES**

Income Tax	420 725,20	480 346,30	612 760,18	852 019,81	1 266 224,89
Other Tax (specify)	-	-	-	-	-

<b>TOTAL TAXES</b>	<b>420 725,20</b>	<b>480 346,30</b>	<b>612 760,18</b>	<b>852 019,81</b>	<b>1 266 224,89</b>
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<b>NET PROFIT</b>	<b>1 081 864,80</b>	<b>1 235 176,20</b>	<b>1 575 669,05</b>	<b>2 190 908,09</b>	<b>3 256 006,87</b>
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# BALANCE SHEET PROJECTION

Nuveld Farming Empowerment Enterprises (Pty) Ltd

## ASSETS

Current Assets	Initial balance	Year 1	Year 2	Year 3	Year 4	Year 5
Cash and short-term investments	100 000,00	1 191 864,80	2 437 041,00	4 022 710,05	6 223 618,14	9 489 625,01
Accounts receivable	-	-	-	-	-	-
Total inventory	2 800 000,00	2 800 000,00	2 800 000,00	2 800 000,00	2 800 000,00	2 800 000,00
Prepaid expenses	-	-	-	-	-	-
Deferred income tax	-	-	-	-	-	-
Other current assets	-	-	-	-	-	-
<b>Total current assets</b>	<b>2 900 000,00</b>	<b>3 991 864,80</b>	<b>5 237 041,00</b>	<b>6 822 710,05</b>	<b>9 023 618,14</b>	<b>12 289 625,01</b>

Property and Equipment	Initial balance	Year 1	Year 2	Year 3	Year 4	Year 5
Buildings	-	-	-	-	-	-
Land	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	-
Machinery and equipment	50 000,00	50 000,00	50 000,00	50 000,00	50 000,00	50 000,00
Less Accumulated depreciation expense	-	10 000,00	20 000,00	30 000,00	40 000,00	50 000,00
<b>Total Property and Equipment</b>	<b>50 000,00</b>	<b>40 000,00</b>	<b>30 000,00</b>	<b>20 000,00</b>	<b>10 000,00</b>	<b>-</b>

Other Assets	Initial balance	Year 1	Year 2	Year 3	Year 4	Year 5
Goodwill	-	-	-	-	-	-
Deferred income tax	-	-	-	-	-	-
Long-term investments	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Other long-term assets	-	-	-	-	-	-
<b>Total Other Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>TOTAL ASSETS</b>	<b>2 950 000,00</b>	<b>4 031 864,80</b>	<b>5 267 041,00</b>	<b>6 842 710,05</b>	<b>9 033 618,14</b>	<b>12 289 625,01</b>
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**LIABILITIES**

<b>Current Liabilities</b>	<b>Initial balance</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Accounts payable	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-
Notes payable/short-term debt	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
<b>Total Current Liabilities</b>	-	-	-	-	-	-
<b>Debt</b>	<b>Initial balance</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Long-term debt/loan	-	-	-	-	-	-
Other long-term debt	-	-	-	-	-	-
<b>Total Debt</b>	-	-	-	-	-	-
<b>Other Liabilities</b>	<b>Initial balance</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Other liabilities (specify)	-	-	-	-	-	-
Other liabilities (specify)	-	-	-	-	-	-
<b>Total Other Liabilities</b>	-	-	-	-	-	-
<b>TOTAL LIABILITIES</b>	-	-	-	-	-	-

**EQUITY**

	<b>Initial balance</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
Owner's equity (common)	100 000,00	100 000,00	100 000,00	100 000,00	100 000,00	100 000,00
Paid-in capital (current assets)	2 850 000,00	2 850 000,00	2 850 000,00	2 850 000,00	2 850 000,00	2 850 000,00
Capital reserves	-	-	-	-	-	-
Retained earnings	-	1 081 864,80	2 317 041,00	3 892 710,05	6 083 618,14	9 339 625,01
<b>TOTAL EQUITY</b>	<b>2 950 000,00</b>	<b>4 031 864,80</b>	<b>5 267 041,00</b>	<b>6 842 710,05</b>	<b>9 033 618,14</b>	<b>12 289 625,01</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2 950 000,00</b>	<b>4 031 864,80</b>	<b>5 267 041,00</b>	<b>6 842 710,05</b>	<b>9 033 618,14</b>	<b>12 289 625,01</b>

# CASH FLOW PROJECTION

Nuveld Farming Empowerment Enterprises (Pty) Ltd

Operating activities	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Net income	1 081 864,80	1 235 176,20	1 575 669,05	2 190 908,09	3 256 006,87	9 339 625,01
Depreciation	10 000,00	10 000,00	10 000,00	10 000,00	10 000,00	50 000,00
Accounts receivable	-	-	-	-	-	-
Inventories	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-
Amortization	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Other operating cash flow items	-	-	-	-	-	-
<b>Total operating activities</b>	<b>1 091 864,80</b>	<b>1 245 176,20</b>	<b>1 585 669,05</b>	<b>2 200 908,09</b>	<b>3 266 006,87</b>	<b>9 389 625,01</b>

Investing activities	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Capital expenditures	-	-	-	-	-	-
Acquisition of business	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-
Other investing cash flow items	-	-	-	-	-	-
<b>Total investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Financing activities	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Long-term debt/financing	-	-	-	-	-	-
Preferred stock	-	-	-	-	-	-
Total cash dividends paid	-	-	-	-	-	-
Common stock	-	-	-	-	-	-
Other financing cash flow items	-	-	-	-	-	-
<b>Total financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

<b>Cumulative cash flow</b>	<b>1 091 864,80</b>	<b>1 245 176,20</b>	<b>1 585 669,05</b>	<b>2 200 908,09</b>	<b>3 266 006,87</b>	<b>9 389 625,01</b>
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<b>Beginning cash balance</b>	<b>100 000,00</b>	<b>1 191 864,80</b>	<b>2 437 041,00</b>	<b>4 022 710,05</b>	<b>6 223 618,14</b>	
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<b>Ending cash balance</b>	<b>1 191 864,80</b>	<b>2 437 041,00</b>	<b>4 022 710,05</b>	<b>6 223 618,14</b>	<b>9 489 625,01</b>	
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*[Handwritten signatures]*

# NOTES AND ASSUMPTIONS

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## Nuveld Farming Empowerment Enterprises (Pty) Ltd

### General notes

The cashflow projection is based on managing the 5 plateau (+- 20 000 Hectares) farms as a unit for the next 5 years  
 The directors have already made a decision that once the contracts have been concluded an application for finance will be made to increase our stock to 2 780 Merino sheep.  
 Nuveld Farming is in the best position to manage these farms as a commercial unit due to the skills and experience of managing these farms over the last 2 years

### Notes

#### Model Inputs

##### Revenue

Our projected revenue for sheep and wool are based on a current formula of 1 Merino ewe = R1,500.00 per year (Income ratio provided by Corne Nel - BKB)  
 Additional income of Lusern and vegetable gardens have been included based on the land and water supply it has to offer  
 Provision for 1 hectare for seed production have been made but Nuveld plans to expand it to 3 hectares

Other factors have been included in this projection such as inflation rate @ 5%, annual maintenance of 10%, income tax rate of 28% annual price increase of 8%

#### Profit and Loss

Our revenue for Year 1 amounts to R4,635,100.00 and after cost of sales, expenditure and tax we should have achieved a net profit of R1,081,864.80

Expenditure has been increased accordingly as per stock increase as well as starting with the plant of lusern and vegetables. Labour costs will increase significantly for this purpose.

Travel and transport include the purchase of diesel and petrol for our tractors, bakkies and motorbikes. Due to the mountainous areas of the farms all types of vehicles will be used.

The net profit will be retained as per the balance sheet, but would be utilised for upkeep and upgrading of farm infrastructures as required.

**Balance sheet**

Our current assets(stock) amount to R2,800,000.00

Our return on equity in Year 1 shows a healthy return of 37% and will increase over the next 5 years

After 5 years we anticipate an increase in equity to R12,289,625.01

Deferred tax was not included as this will decrease over the years as stock is sold and revalued.

**Cash Flow**

Cashflow on a month to month basis is always a challenge for any farming enterprises and strategic planning has been done to ensure continuous

cashflow into the enterprises during the year

Income has been planned according the following time schedule

Sales	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Comments
Wool Sales		Yes		Yes	Every 8 months
Sheep sales	Yes		Yes		Sale of old sheep in accordance to our lambing season
Lucerne	Yes	Yes	Yes	Yes	Sale of Lucerne every quarter
Seed production/vegetables			Yes		Once a year

The above schedule will assist Nuvelid to cover monthly expenditure over the 5 year cycle

**Loan Payment calculator**

Not applicable

**Special notes**

The 5-year income projection has been drawn up based on our current experience.

Purchase of additional caravans for shepherds have not been included as the current grazing will be adapted according the increase of sheep

Please note that we will upgrade the infrastructure on all the farms to ensure that it is adequate and in accordance to the RWS standards

Handwritten signature and initials, possibly 'RTR' followed by a large flourish.



## ADDENDUM A

## Nuveld Farming Empowerment Enterprises (Pty) Ltd


## Riglyne vir Effektiewe Bestuur

30 November 2017

Om die boerdery uit te bou tot die beste in die omgewing, moet ons dieselfde doelwitte nastrewe:

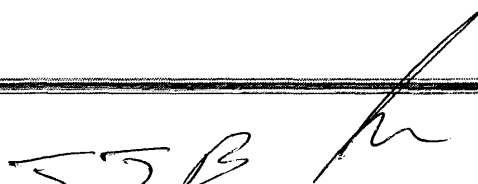
1. Ons skaap- en beeskudde gaan van 'n baie hoë standaard wees en ons moet doelbewus met dit in gedagte, voortdurend die nodige beplanning doen. Ons gaan nuut na dinge kyk en die jongste boerderybeginsels toepas. Dit is veral van toepassing as dit by die voeding van diere kom.
2. Ons respekteer mekaar onderling en is bereid om na mekaar se standpunte te luister. Elkeen het 'n bydrae te maak, solank dit in belang van die boerdery is. Aan die einde moet ons saamstem oor hoe dinge gedoen moet word.
3. Ons behandel diegene wat vir ons werk en met wie ons besigheid doen, met die grootste respek. As direkteure het ons 'n reuse verantwoordelikheid, want ons is die spieël van die boerdery na buite. Niemand skinder van iemand nie, want skinder is kwaadwillig en dien geen positiewe doel nie.
4. Ons behandel ook ons diere met respek, omdat ons respek het vir onself. Ook diere het gevoelens, kry seer en gee ons nie die reg om hulle te mishandel nie. Trouens, ons kan baie by diere leer, hoe hulle bind as 'n groep, omgee vir mekaar, aanpasbaar is, ens. Daarom is slagtery deur 'n dier se keel af te sny wreed en onmenslik. Daarom sal daar 'n reëling wees dat vleis van skaap wat by 'n slagpale geslag is, vir eie gebruik, aangekoop word.
5. Ook die aanjaag van diere na 'n kraal en die deurwerk van hulle, moet met so min geraas moontlik geskied. Geraas maak hulle gespanne en laat hulle selfs gewig afvall!
6. Geen jagtery sal op enige van die plase toegelaat word nie, hetsy met honde of met gewere. Daar is omtrent nie meer kleinwild (bokkies, hase, dassies, skilpaaië, oewerkonyne) in die Groot Karoo oor nie, hoekom sal ons dan nog verder hierdie unieke diertjies uitroei? Deur hulle uit te roei, skep ons 'n wanbalans in die natuur en verplig ons roofdiere om skaap te vang.
7. Daar is nie so iets soos 'n ongedierte nie. Ons optrede veroorsaak sulke gedrag onder diere. Roofdiere maak jag op ander diere, maar ons kan dit voorkom deur in harmonie met die natuur te boer. Daar moet twee donkies by elke skaaptrop wees, verkieslik merries by ooie en enige geslag by die hamels. Daar is bewyse dat die donkies bind met die skaaptroppe en hulle beskerm teen roofdiere. Terwyl die een donkie waghou, verwilder die tweede een enige naderende roofdier. Op Willemskraal en Melrose, waar daar net met ooie geboer gaan word, sou ons ook, indien daar steeds verliese is, opgeleide Anatoliese honde kry om die ooie met lammers op te pas. Ons mik vir 'n 100% plus lammeraanas! Slagysters is wreed en behoort baie lankal verbied te gewees het. Daar sal dus geen slagyster op enige plaas gestel word nie! Verkoop hulle vir skroot.
8. Daar sal 'n beweidingsplan wees, waarby streng gehou sal moet word, om te verseker dat die plantegroei nie benadeel word nie.

9. Ten alle tye sal troppe deurgegaan word vir enige siektes, sodat betyds opgetree kan word. Dit geld ook vir die instandhouding van windpompe, krippe, lyndrade, ens.
10. Alle geboue sal opgeknop word en geboue en werwe moet ten alle tye netjies gehou word. Enige iemand moet op 'n werf kan kom en sien dat dinge ordelik en netjies is.
11. Ons moet spaarsamig lewe, sodat ons vir onself en ons huismense kan sorg, en ook mededeelsaam wees teenoor andere. Daar is soveel mense wat nie werk of inkomste het nie, so laat ons ons voorregte tel en dankbaar lewe.
12. Hierdie boerdery is 'n sprong in die geloof. Laat ons voortdurend bid dat die Here dit ryklik sal seën.



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Johannes Joshua Bezuidenhout  
Bestuurshoof



## NUVELD FARMING EMPOWERMENT ENTERPRISES (PTY) LTD

### OMGEWINGSBEWARING-BESTUURSPLAN

#### FILOSOFIE

Die grond waarop geboer word, word aan ons toevertrou, met die veronderstelling dat dit nie net opgepas sal word nie, maar ook verbeter sal word ter wille van hulle wat na ons kom.

#### VISIE EN MISSIE

Om die boerdery volhoubaar te bestuur, die bewaring en onderhoud van ekologiese prosesse en sisteme te verseker, met die klem op biodiversiteit, endemiese en bedreigde spesies en die bewaring van waterbronne.

#### DOELSTELLINGS

Ten einde die visie en missie 'n werklikheid te maak, word die volgende doelstellings nagestreef:

- Eie navorsing sal die kern wees waarop die hele boerdery-onderneming gebaseer word, gepaardgaande met die versameling van data oor al die sleutelkomponente van die boerdery.
- Om die topografie van die verskillende plase te bestudeer en te interpreteer tov beste boerderypraktyke, dws wat aard die beste op die veld: hamels/ooie/beeste/bokke, inagnemende hulle aard/vreetgewoontes ens.
- Die ekosisteem sal ten alle tye bewaar word deur deeglike weidingsplanne te volg. Veral sal daar gekyk word na 'n balans tussen plante wat by voorkeur gevreet word en ander wat minder smaaklik is of slegs onder druk gevreet word. Omdat 'n groot deel van die grond uit berge bestaan, waar storm byvoorbeeld 'n werklikheid is, sal daar so beplan word dat wanneer die plante blom, daar geen skaap in daardie kampe is nie. Die balans tussen oor- en onderbeweiding sal nagestreef word, met die oog op die bewaring van die kwaliteit van die plantegroei.
- Ten alle tye sal gebruik gemaak word van eksterne kundigheid, onder andere van die onderskeie departemente, om sodoende te verseker dat wat ons doen wetenskaplik gefundeer is.
- Waterbronne moet ten alle koste na waarde geskat en benut word.

### OORSIG VAN DIE NATUURLIKE OMGEWING

#### Ligging

Nuvelde Farming Empowerment Enterprises (Pty) Ltd bestuur 5 plase naamlik Dassiesfontein, Rondawel, Melrose, Willemskraal en Matjeskloof. Die totale area van die 5 plase is +/- 20 000 hektaar. Die naaste dorp is Beaufort-Wes.

#### Plantegroei

Die plantegroei bestaan hoofsaaklik uit karoobossies, skaapbos, vyebos, kapokbos, gannabos en dit is juis hierdie spesifieke plante wat ten alle tye bewaar en beskerm moet word. 'n Volledige indeks van alle plantsoorte is in die proses van opgestel te word, sodat verhoudings tussen die soorte beter bestuur kan word.

#### Diere

Die inheemse dierebevolking, hoofsaaklik oewerkonyne, hase, dassies, steenbokke, koedoes en bobbejane word ten volle beskerm en geen jag word op die plase toegelaat nie. Dieselfde geld ten opsigte van die voëllewe, waaronder die bedreigde witkruisarend. Ons ingesteldheid is om in harmonie met die natuur te lewe. Wat sogenaamde probleemdiere aanbetref, soos jakkalse en rooikatte, word hulle op natuurlike

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wyses beheer en geen slagysters word toegelaat nie. Hierdie benadering het tot gevolg dat daar omtrent geen veeverliese vanweë roofdiere is nie.

#### OMGEWINGSBESTUURSRIGLYNE VAN DIE NATUURLIKE HULPBRONNE

##### Grond

Die bewaring van die grondgehalte word voorop gestel en enige vorme van moontlike gronderosie/panvorming word voorkomend aangespreek.

##### Water

Die doelmatige benutting van water is 'n prioriteit en die instandhouding van riviere (veral na vloede) en van damme/krippe geniet voortdurend aandag. Waar besproeiing wel toegepas word, is dit uit surplus afvloeiwat wat geensins die totale vloei van water negatief beïnvloed nie.

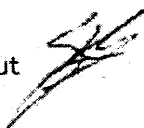
##### Vuur

Daar vind geen brand van veld plaas nie. Die nodige brandblustoerusting is beskikbaar indien veld as gevolg van byvoorbeeld weerlig sou brand.

##### Indringerplante

As gevolg van 'n nougesette veldbestuursprogram, is daar nie noemenswaardige indringerplante nie. Wat egter wel belangrik is, is om die verhouding tussen verskillende tipes plante te bestudeer en te beheer, tot voordeel van die gehalte van die weiding.

Johannes Joshua Bezuidenhout  
Bestuurshoof



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Nuveld Farming Empowerment Enterpri:  
**Kwantitatiewe Risiko Waaredebepaling**  
 Gevare en risiko's verbonde aan skaap en wolproduksie

**1. Skaap Veeteelt**

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
Bymeekaarmaak / Kraal / Bymeekaar stel/ Hantering	Stamp van diere in drukgange en krale	Werkers betrokke by skaap hantering	Beserings aan knieë, bene bolyf, voete, hande, kop	3	2	Medium	Ramme en sekere rasse te samed risiko. Swaarder skape verhoog beseringsrisiko.
	Vienwielmotorfiets besering - val, botsing met voorwerpe / heinings	Vee-aanjaers	Dood (ATV) Druk (vergruis) besering Fraktuur / verswik onderste ledemate Laserasies / kneusings boonste ledemaat, kopbesering	5	2	Medium	Jong mans teen 'n hoë risiko
	Perde beserings	Vee-aanjaers	Dood Druk (vergruis) besering Fraktuur / verswik onderste ledemate Laserasies / kneusings boonste ledemaat, kopbesering	5	1	Laag	Alle ouderdomme in gevaar. Groter risiko van fraktuur in ouer mense
	Om skape op te tel	Werkers betrokke by skape hantering	Rugbesering Muskuloskeletale beserings Ergonomie	3	1	Laag	Swaarder skape verhoog beseringsrisiko.
	Buig / buk	Werkers betrokke by skape hantering	Rugbesering Muskuloskeletale beserings Ergonomie	3	1	Laag	
	Gly, struikel, val	Werkers betrokke by skape hantering	Verstuiging, verrekking, frakture enkels, polse, rug en voete	2	1	Laag	n Groter risiko van fraktuur in ouer mense

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## Nuvelo Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Tereg wysing	Herhaldelike Tereg wysing	Risiko Tereg wysing	Gepaardgaande risiko feite
	ORF in die mens (brandsiek by skape)	Werkers by skaap hantering	Uitslag op hande	1	1	Lae	
	Byt van Honde	Werkers betrokke by skape hantering, lede en besoekers	Laserasies Besmette byt	2	1	Lae	
	Hidatiedsiekte van skape honde	Werkers en familieledede wat besmette honde hanteer.	Ernstige siekte	3	1	Medium	
Paring / Kunsmatige Inseminasie	Stamp deur ramme	Werkers wat skape hanteer.	Beserings aan hande, kop	3	2	Medium	Swaarder skape verhoog beseringsrisiko.
	Om skape op te tel	Werkers wat skape hanteer.	Rug en muskuloskeletale beserings	3	1	Lae	Swaarder skape verhoog beseringsrisiko.
Swangerskap toetse	Buig / Oplig / Draai	Veearts, Operateur	Rug en muskuloskeletale beserings	3	1	Lae	
Lamtyd	Buig / Oplig / Draai	Werkers bestuur lamtyd	Rug en muskuloskeletale beserings	3	1	Lae	
	Soönotiese infeksie	Werkers bestuur lamtyd	Bloed, liggaamsvloeistof oordraagbare siektes Q-koors	3	2	Medium	
Kastrasie / stert / merk van ore	Om lammers op te tel Buig / Oplig / Buk	Werkers hanteer die lammers	Rug en muskuloskeletale beserings	3	2	Medium	Swaarder skape verhoog beseringsrisiko.
	Mes	Operateur	Laserasie om hande	3	2	Medium	
	Plaagdoders	Operateur	Blootstelling aan gevaarlike stowwe	3	1	Lae	Onderworpe aan gevaarlike stowwe wetgewing
Voeding van lammers	Om lammers op te tel Buig / Buk	Werkers en dikwels plaas familieledede.	Rug en muskuloskeletale beserings	3	1	Lae	
Speen	Stamp van diere in drukgange en krale	Werkers betrokke by skaap hantering	Beserings aan knieë, bene bolyf, voete, hande, kop	3	3	Medium	Swaarder skape verhoog beseringsrisiko.

## Nuveld Farming Empowerment Enterpr:

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
	Op tel van skape	Werkers betrokke by skape hantering	Rug besering muskuloskeletale beserings	3	1	Lae	Swaarder skape verhoog beseringsrisiko
	Buig / Buk	Werkers betrokke by skape hantering	Rug besering, muskuloskeletale beserings, Ergonomie	3	1	Lae	
	Gly, struikel, val	Werkers betrokke by skape hantering	Verstuiging, verrekking, frakture enkels, polse, rug en voete	2	3	Medium	n Groter risiko van fraktuur in ouer mense
	ORF in die mens (brandsiek by skape)	Werkers betrokke by skape hantering	Uitslag op hande	1	1	Lae	
	Hond byt	Werkers betrokke by skape hantering, familie lede en besoekers	Laserasies Besmette byt	2	1	Lae	
	Hidatiedsiekte van skape honde	Werkers en familieledede wat besmette honde hanteer.	Ernstige siekte	4	1	Medium	
Verkoop van skape	Gatte van diere in drukgange en krale	Werkers betrokke by skape hantering	Beserings aan knieë, bene bolyf, voete, hande, kop	3	3	Medium	Swaarder skape verhoog beseringsrisiko
	Op tel van skape	Werkers betrokke by skape hantering	Rug besering muskuloskeletale beserings Ergonomie	3	2	Medium	Swaarder skape verhoog beseringsrisiko
	Buig / buk	Werkers betrokke by skape hantering	Werkers / helpers voed skape	3	2	Medium	

## Nuvelo Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
	Gly, strykel, val	Werkers betrokke by skape hantering	Verstuiging, verrekking, frakture enkels, polse, rug en voete	2	2	Medium	n Groter risiko van fraktuur in ouer mense
	ORF in die mens (brandsiek mond in skape)	Werkers betrokke by skape hantering	Uitslag op hande	1	1	Lae	
	Hond byt	Werkers betrokke by skape hantering, familie lede en besoekers	Laserasies Besmette byt	2	1	Lae	
	Motorvoertuig / sleepwa	Operateurs / omstanders	Dood, besering deur omry, botsing besering	5	1	Hoë	
	Hidatiedsiekte van skape honde	Werkers en familieledede wat besmette honde hanteer.	Ernstige siekte	4	1	Medium	
Voeding / weiding	Op tel van voer/ Buig / Buk	Werkers / helpers voed van skape	Rug besering muskuloskeletale beserings Ergonomie	4	2	Medium	
	Gly, struikel, val	Werkers betrokke in voer hantering.	Verstuiging, verrekking, frakture enkels, polse, rug en voete	2	2	Medium	n Groter risiko van fraktuur in ouer mense
	Organiese stof van gestoorde voer	Werkers / helpers voed van skape	Vreemde voorwerp in die oog Respiratoriese siekte - asma, Toksiese organiese stof sindroom, hipersensitiewe pneumaties (longontsteking)	4	1	Lae	Hoë risiko groter vir diegene met asma en diegene wat nie rook

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## Nuvel Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
Brommer behandeling	Blootstelling aan plaagmiddels	Werkers, helpers	Plaaigmiddels giftigheid	3	2	Medium	Onderworpe aan gevaarlike stowwe wetgewing
		Skeerders, wol hanteerders	Plaaigmiddels giftigheid	3	1	Lae	
	Buig / Buk / Dtaai	Werkers wat skape dip	Rug besering muskuloskeletale beserings Ergonomie	3	1	Lae	
Uitwendige Parasietbeheer (Backliner-pour on)	Blootstelling aan plaagdoders - hande, rug	Werkers, helpers	Plaaigmiddels giftigheid	3	1	Lae	Onderworpe aan gevaarlike stowwe wetgewing
Interne parasietbeheer	Blootstelling aan wurmmiddels	Werkers wat skape deurdrenk	Wurmmiddels toksisiteit	2	2	Medium	
	Buig / Buk / Draai	Werkers wat skape dip	Rug besering muskuloskeletale beserings Ergonomie	3	1	Lae	
Ander siekte bestuurspraktyke	Blootstelling aan landbou chemikalieë	Veeartse, Werkers wat siek skape hanteer	Plaaigdoder vergiftiging, prik, tetanus	3	2	Medium	Onderworpe aan gevaarlike stowwe wetgewing
	Op tel van skape	Veeartse, Werkers wat siek skape hanteer	Rug besering muskuloskeletale beserings Ergonomie	3	2	Medium	

## 2. Wol Skeer en Mikskeer

Kraal van skaap	Stamp van diere	Skaap kraller		3	2	Medium	Swaarder skape verhoog beseringsrisiko
	Gly, struikel, val	Skaap kraller		3	1	Lae	n Groter risiko van frakture in ouer mense

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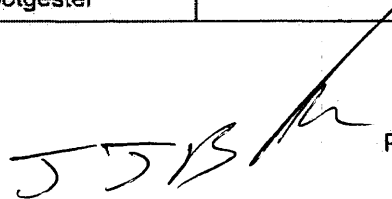
## Nuvelde Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
Skeer	Vang, sleep, optel	Skeerder	Rug besering / muskuloskeletale beserings	3	2	Medium	Swaarder skape verhoog beseringsrisiko
	Skeer masjien - gordels / katrolle / kruk	Skeerder/ Skeerhok Arbeider	Druk (vergruis) besering aan hande / arms	3	2	Medium	n Hoër risiko as toerusting nie binne bereik is nie
	Skeer handstuk	Skeerder	Laserasies aan hande, arms, bene "Squeaky wrist" of herhalende spanning sindroom Vibrasie besering	3	2	Medium	
	Skeerproses - optel / buig / buk / draai / trek / stoot	Skeerder	Rug besering / muskuloskeletale beserings	3	3	Medium	Swaarder skape verhoog beseringsrisiko
	ORF	Skeerder/ Skeerhok Arbeider	ORF uitslag op hande	1	3	Lae	
	Ander infeksies van die vel/ juk "boils", pilonidale sinus	Skeerder/ Skeerhok Arbeider	Vel infeksie op hande, arms bene	1	3	Lae	
	Skop van dier	Skeerder	Druk (vergruis) besering knieë, bene, hande	2	1	Lae	Swaarder skape verhoog beseringsrisiko
Skeer / miksker in mobiele stelsels	Buk / draai	Skeerder	Rugbesering / inspanning	3	2	Medium	
Wol hantering	Buk, buig, draai, optel, gooi	Vag opteller en gooier	Rugbesering / Muskuloskeletale beserings	3	2	Medium	
	Soönotiese infeksie	Skeerder/ Skeerhok Arbeider	Bloed, liggaamsvloeistof oordraagbare siektes	3	2	Medium	
	Plaagdoder residu	Skeerder	Plaagdoder vergiftiging	3	2	Medium	

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## Nuvelo Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyning	Herhaldelike Teregwyning	Risiko Teregwyning	Gepaardgaande risiko feite
Afranding, Sortering en Samevoeging & Vermenging	Optel / buig / buk / draai	Wol roller, wol klasser	Rugbesering / Muskuloskeletale beserings	3	3	Medium	
	Plaagdoder residu	Skeerder	Plaagdoder vergiftiging	3	3	Medium	
	Soönotiese infeksie	Skeerder/ Skeerhok Arbeider	Bloed, liggaamsvloeistof oordraagbare siektes	3	2	Medium	
	Ander infeksies van die vel/ juk "boils", pilonidale sinus	Skeerder/ Skeerhok Arbeider	Vel infeksie op hande, arms bene	1	2	Lae	
Wol persing	Buk, buig, draai, optel	Wol "persers"	Rugbesering / Muskuloskeletale beserings	4	3	Medium	
	Wool pers	Wol "persers"	Gedrang besering aan hande / arms, ander liggaamsdele, dood	5	3	Medium	
Slyp van messe, kamme	Slypers wat gebruik word om te slyp - kamme en messe	Skeerders, Kenners, Omstanders	Vreemde voorwerp in die oë, hande Laserasie as gevolg van kontak met slypwiël	3	2	Medium	
Stoor / vervoer / verkoop van	Wolbale - handleiding hantering	Skeerhok arbeider, plaas werkers,	Rugbesering / Muskuloskeletale	3	2	Medium	
	Gly, struikel, val	Skeerhok arbeider, plaas werkers,	Verstuifings, verrekings, gebreke gewigte, arms,	2	1	Lae	Groter risiko van frakture in ouer mense
Algemene	Skeerhok geraas (skeer masjinerie, wol pers, slypers, skape honde, radio's, klank stelsels)	Alle werkers in wol stoor	Geraasgeïnduseerde gehoorverlies	2	2	Medium	
	Skeerhok hitte	Alle werkers in wol stoor - Skeerders in besonder aan risiko blootgestel	Hittestres, dehidrasie	3	2	Medium	



## Nuveld Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
	Skeerhok amoniakdampe	Alle werkers	Boonste lugweg irritasie	1	2	Lae	Risiko van respiratoriese simptome is groter in diegene met asma
	Skeerhok koue	Alle werkers in wol store	Algemene griep, longontsteking	2	2	Lae	Erns van siekte groter by die wat reeds TB onderlede het
	Onvoldoende beligting	Alle werkers in wol store	Spanning op die oë, lei tot die dra van 'n bril	2	2	Lae	

## 3. Instandhouding van weiding en hooi en kullvoerproduksie

Aanplantings / Grond voorbereiding	Trekker	Operateur, passasiers, omstanders	Dood / gedrang besering van rol, omry	5	1	Hoë	
	Geraas	Operateur	Geraasgeïnduseerde, hoë frekwensie gehoorverlies	2	3	Medium	
	"PTO"	Operateur, omstander	Amputasie ledemate, gedrang besering, dood	5	3	Medium	
	Implemente	Passasiers, Operateur tydens operasionele onderbreking & roetine- onderhoud	Dood, Gedrang besering, laserasies, kneusings	5	2	Hoë	
	Aanhaak	Operateur	Vergruis beserings van vingers en hande Ernstige beserings	3	2	Medium	

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## Nuveld Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwysing	Herhaldelike Teregwysing	Risiko Teregwysing	Gepaardgaande risiko feite
	Gly, struikel, val	Operateur	Verstuïtings, verrekings, gebreekte gewrigte, arms, bene, rug, gewrigte	2	2	Medium	Groter risiko van frakture in ouer mense
	Onkruiddoder blootstelling	Operateur tydens vermenging en toediening Omstanders	Akute toksisiteit afhange van spesifieke onkruiddoder	2	2	Medium	Onderworpe aan gevaarlike stowwe wetgewing
	Ultraviolet en sonstraling	Operateur	Sonbrand, velkanker, dehidrasie	3	3	Medium	Middel van die dag 'n groter risiko Kinders / tieners spesiale risiko
Kunsmis toediening	Trekker	Operateur, passasiers, omstanders	Dood / gedrang besering van rol, omry	5	5	Medium	
	Geraas	Operateur	Geraasgeïnduseerde, hoë frekwensie gehoorverlies	2	3	Medium	
	PTO	Operateur, omstanders	Amputasie ledemate, gedrang besering, dood	5	5	Hoë	
	Implemente	Operateur tydens operasionele onderbreking &	Dood, Gedrang besering, laserasies, kneusings	4	2	Medium	
	Aanhaak	Operateur	Druk (vergruis) besering vingers, hande ernstige beserings	3	2	Medium	
	Gly, strykel, val	Operateur	Verstuïtings, verrekings, gebreekte gewrigte, arms, bene, rug, gewrigte	2	1	Medium	Frakture meer waarskynlik in ouer mense
	Buig, Optel	effekte	Rugbesering / Muskuloskeletale beserings, verstuïtings / verrekings	3	1	Medium	

## Nuvel Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
	Stof / Deeltjies	Operateur, omstander	Vreemde voorwerp in die oog respiratoriese effekte	2	2	Lae	Asemhalingsprobleme is groter vir diegene met hipersensitiwiteit
	Kalk	Operateur	Vel brand deur chemikalie	3	2	Medium	
	Kunsmis store / silo's / kunsmis dromme	Operateur	Asma in hipersensitiewe mense Druk (vergruis) besering van onstabiele strukture	4	1	Lae	
	Ruptuur van een ton kunsmis sakke slinger	Operateur	Gedrang besering	4	2	Medium	Onvoldoende sterkte van ondersteuningsbalke en struktuur
	Ultraviolet en sonstraling	Operateur	Sonbrand, velkanker, dehidrasie	3	5	Hoë	Middel van die dag 'n groter risiko Kinders / tieners spesiale
Plant / saai	Trekker	Operateur, passasiers, omstanders	Dood / gedrang besering van rol, omry	5	5	Hoë	
	Geraas	Operateur	Geraasgeïnduseerde, hoë frekwensie gehoorverlies	2	4	Medium	
	"PTO"	Operateur, omstander	Amputasie ledemate, gedrang besering, dood	5	5	Hoë	
	Implemente	Operateur tydens operasionele onderbreking & roetine- onderhoud	Dood, Druk (vergruis) besering, laserasies, kneusings	4	2	Medium	Enkelas kunsmis stooier is onstabiel en kan agteroor val
	Aanhaak	Operateur	Druk (vergruis) besering vingers, hande ernstige beserings	3	1	Medium	
	Gly, struikel, val Val van planter	Operateur	Verstuifings, verrekings, gebreekte gewigte, arms, bene, rug, gewigte	2	3	Medium	Frakture meer waarskynlik in ouer mense

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## Nuvel Farming Empowerment Enterpri.

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
	Buig, Optel	Operateur	Rugbesering / Muskuloskeletale beserings, verstuitings / verrekings	3	1	Medium	
	Ultraviolet en sonstraling	Operateur	Sonbrand, velkanker, dehidrasie	3	3	Hoë	Middel van die dag 'n groter risiko Kinders / tieners spesiale risik
	Organiese stof / Deeltjies	Operateur, omstander	Respiratoriese simptome - asma, stange	4	2	Medium	Mense met respiratoriese hipersensitiwiteit 'n groter risiko. Risiko aansienlik toeneem met tabak rook
	Ultraviolet en sonstraling	Operateur	Sonbrand, velkanker, dehidrasie	3	3	Hoë	Middel van die dag 'n groter risiko Kinders / tieners spesiale risik
	Pompe / gordels / PTO's & skagte / skuif van parte	Operateur tydens onderhou	Amputasie vingers, hande Gedrang besering Laserasies	3	?	Medium	Automatiese sensors kan risiko verhoog
	Fonteine - giftige gasse, beperkte ruimte	Operateurs doen onderhoud op pompe. Reddingswerkers	Dood	5	3	Medium	
Hooi / Kuilvoer sny Hark, windrye gooi, Baal en toedraai	Trekker	Operateur, passasiers, omstanders	Dood / gedrang besering van rol, omry	5	3	Medium	
	Geraas	Operateur	Geraasgeïnduseerde, hoë frekwensie gehoorverlies	2	4	Medium	
	PTO	Operateur, omstander	Amputasie ledemate, gedrang besering, dood	5	3	Medium	

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## Nuveld Farming Empowerment Enterpris

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwysing	Herhaldelike Teregwysing	Risiko Teregwysing	Gepaardgaande risiko feite
	Implemente	Operateur tydens operasionele onderbreking &	Dood, Gedrang besering, laserasies, kneusings	4	2	Medium	Enkelas baler / snyer / hark is onstatbiel en kan agteroor val
	Aanhaak	Operateur	Gedrang besering vingers, hande ernstige beserings	3	2	Medium	
	Gly, strykel, val	Operateur	Verstuitings, verrekings, gebreekte gewrigte, arms, bene, rug, gewrigte	2	3	Medium	Frakture meer waarskynlik in ouer mense
	Hooi / Kuilvoer sny implimente	Operateur tydens operasionele onderbreking & roetine-onderhoud	Amputasie voete, laserasies, kneusings	4	2	Medium	
	Voer stropers	Operateurs Omstanders	Laserasies, amputasies frakture Vergruis van masjiene wat weghardloop (vrylopend)	4	2	Medium	
	Hooi hark implemente	Operateur tydens operasionele onderbreking & roetine-onderhoud	Laserasie, kneusing	2	2	Medium	
	Hooi baler / implimente Silo "wrapper" toedraai	Operateur tydens operasionele onderbreking & roetine-onderhoud	Gedrang besering hande, arms Gedrang besering / dood van rollende bale	5	2	Medium	Groot ronde baler verhoog die risiko van bale wat kan weghardloop / beserings van rollende bale
	Ultraviolet en sonstraling	Operateur	Sonbrand, velkanker, dehidrasie	3	5	Medium	Middel van die dag 'n groter risiko Kinders / tieners spesiale risik

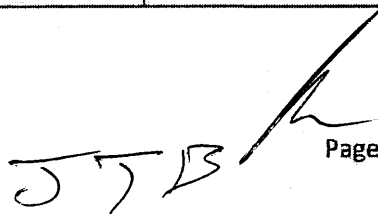


## Nuvelo Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyning	Herhaldelike Teregwyning	Risiko Teregwyning	Gepaardgaande risiko feite
	Organiese stof / Deeltjies	Operateur, omstander	Respiratoriese simptome - asma, hipersensitiwiteit pneumonitis Vreemde voorwerp in die oog	4	2	Medium	Mense met respiratoriese hipersensitiwiteit 'n groter risiko. Risiko aansienlik toeneem met tabak rook

## 4. Heining

Sny, vervoer poste	Kettingsaag terugslag, gly, val	Werkers	Laserasies, amputasies, dood	5	2	Hoë	
	Geraas van 'n kettingsaag	Operateur, omstanders	Geraasgeïnduseerde, gehoorverlies	2	4	Medium	
	Rollende pale	Werkers, omstanders	Gedrang besering, frakture	4	?	Medium	
	Vallende bome, ledemate	Werkers, omstanders	Gedrang besering, frakture, dood	5	2	Medium	
	Gly / strykel / val	Operateur	Verstuïtings, verrekings, gebreekte gewigte, arms, bene, rug, gewigte	2	3	Medium	Frakture meer waarskynlik in ouer mense
	Sleepwa en trekker doodry	Werkers, omstanders	Gedrang besering, frakture, dood	5	3	Hoë	
Anker paal gat grou, anker paal plant	Anker paal gat grou Verstrengel	Werkers, omstanders	Gedrang besering, laserasies, amputasies, dood	5	4	Hoë	
	Vasstamp van grond	Werker	skouer verrekking / muskuloskeletale beserings	1	3	Lae	



## Nuvel Farming Empowerment Enterpris

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwysing	Herhaldelike Teregwysing	Risiko Teregwysing	Gepaardgaande risiko feite
	Gly / struikel / val	Operateur	Verstuitings, verrekings, gebreekte gewrigte, arms, bene, rug, gewrigte	2	2	Lae	Frakture meer waarskynlik in ouer mense
Oprig van heinings	Slyt van draad, doringdraad	Werkers	Laserasies	2	2	Lae	
	Draad ooreising, breek en terugskiet	Werkers, omstanders	Laserasies, oogbesering	4	2	Medium	
	Tang	Werkers	Gedrang besering aan vingers Laserasies	1	1	Lae	
	Buk, trek, draai, oplik	Werkers	Rugbesering / Muskuloskeletale beserings	3	3	Medium	
	Gly / struikel / val	Operateur	Verstuitings, verrekings, gebreekte enkels, voete, rug, gewrigte	2	1	Lae	
Hanging gates	Oplik, stoot, trek	Werkers	Rugbesering / Muskuloskeletale beserings	3	1	Medium	
	Gly / struikel / val Omval van hekke	Operateur	Verstuitings, verrekings, gebreekte enkels, voete, rug, gewrigte	2	1	Lae	Frakture meer waarskynlik in ouer mense
Herstel werk	Draad spanning, breek en terugskiet	Werkers	Laserasies, oogbesering	4	2	Medium	

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## Nuveld Farming Empowerment Enterprise

Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
Reis / Vervoer	ATV, motorfiets beserings - val, botsings met voorwerpe / heinings	Werkers	Dood (ATV) Gedrang besering Fraktuur / verswik onderste ledemate Laserasies / kneusings boonste ledemaat, kopbesering	5	4	Hoë	

## 5. Masjinerie, Toerusting Onderhoud

	Hoekslyper ("Angle grinder")	Werkers	Laserasies, kneusings, brandwonde	3	2	Medium	
Hand gereedskap	Kontak met hande, vingers	Werkers	Druk (vergruis) besering hande, vingers	2	3	Medium	
Hystoerusting	Mislukking	Werkers	Gedrang besering, dood	5	?	Hoë	
Chemikalieë	Oplosmiddels	hanteerders	Veltoestand Toksiteit	3	1	Medium	
Vuurwapens	Toevallige / opsetlike ontslag	Werkers, ander	Indringende besering, dood	5	1	Laag	Geen jag word toegelaat op plase nie.

## Nuveld Farming Empowerment Enterpris


Produksiefase	Verbandhoudende fisiese gevaar	Wie is in gevaar?	Aard van risiko	Ernstige Teregwyding	Herhaldelike Teregwyding	Risiko Teregwyding	Gepaardgaande risiko feite
Windpomp	Werk op hoogtes	Werkers	Val van hoogte	5	4	Hoë	Wind verhoog risiko

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<b>ADDENDUM D</b>		<b>EERSTE PAARDATUM =</b> bv. as dit 1 Maart is, tik in 1-Mar			
		<b>LENGTE VAN PAARSEISOEN (WEKE) =</b> bv. as dit 5 weke is, tik in 5			
		<b>GEMIDDELDE OUDERDOM WAAROP LAMMERS GESPEEN WORD (MAANDE) =</b> bv. as hulle op 4 maande gespeen word, tik in 4			
<b>Datum</b>	<b>Produksie Stadium</b>	<b>Kudde-Bestuur</b>	<b>Inentings</b>	<b>Doserings</b>	<b>Vitamiene en Spoor-elemente</b> <b>Voeding</b>

**EERSTE LAMSEISOEN**

4-Feb	8 weke voor paring	1 Laat toets ramme 2 Skeer ramme 3 Begin ramme fiks kry 4 Sorg vir genoeg ramme 5 Knip ramme se hoewe 1 Mikskeer ooie	1 Ooie - Ensoötiese aborsie	1 Ramme - Interne parasiete (inspuitbaar) Ramme - Neuswurm (inspuitbaar) 1 Ooie - Interne parasiete (oraal) Ooie - Neuswurm (oraal)	1 Ramme - Minerale 2 1 Ooie - Minerale 2	1 Begin om ramme ekstra voeding te gee (indien nodig)
18-Feb	6 weke voor paring			1 Ramme - Koringkiem		
11-Mar	3 weke voor paring			1 Ramme - Koringkiem		
18-Mar	2 weke voor paring					
23-Mar	9 dae voor paring	1 Ondersoek die ramme vir dekgereedheid				
25-Mar	1 week voor paring			1 Ramme - Koringkiem		

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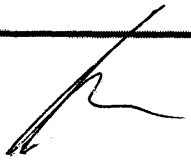
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1-Apr		1 Sit ramme in 2 Moenie ooie tydens hierdie periode hanteer nie				
22-Apr		1 Haal ramme uit 2 Probeer om nie die ooie in volgende 6 weke te hanteer nie	1 Ent ramme Bloutong A, Bloednier en Pasteurella (as hulle nie reeds na die vorige paring ge-ent is			
20-May			1 Ent ramme Bloutong B (as hulle nie reeds na die vorige paring ge-ent is nie)			
3-Jun	6 weke na ramme uitgehaal is	1 Skandeer ooie - ooi wat droog is skuif oor na trop wat eerste hierna gepaar gaan word				
17-Jun			1 Ent ramme Bloutong C (as hulle nie reeds na die vorige paring ge-ent is nie)			
15-Jul	6 weke voor ooie lam	1 Skeer of mikskoor die ooie 2 Skei ooie in lamgroepe (bv. tweetande, eenlinge en meerlinge apart)	1 Ooie - Pasteurella 2 Ooie - Bloednier 3 Ooie - Blou-uier 4 Ooie - Rooi/Bloedderm 1 Ooie Bloutong A	1 Ooie - Interne parasiete (inspuitbaar) Ooie - Neuswurm (inspuitbaar)	1 Ooie - Vit A & E 2 2 Ooie - Minerale	1 Kondisie-punt ooie - tree op as kondisie swak is 2 Ooie - begin met lek-aanvulling vir dragtige ooie
31-Jul						
21-Aug			1 Ooie Bloutong B			
	Ooie begin	1 Ooie begin lam				1 Ooie - pas lek-aanvulling aan vir lakterende ooie

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26-Aug	Ooie begin lam			
9-Sep	2 weke nadat ooie begin lam het			1 Lammers - begin met kruipvoeding
11-Sep		1 Ooie Bloutong C		
19-Sep		1 Ooie klaar gelam		
7-Oct	6 weke nadat ooie begin lam het	1 Soog & Droog Ooie		
25-Oct	2 maande nadat ooie begin lam het		1 Lammers - Melklintwurm	1 Lammers - Vit A 2 Lammers - Minerale
27-Nov	Op speendag	1 Speen lammers 2 Selekteer vervangings-ooie 3 Soog & Droog 4 Skot ou ooie uit 5 Inspekteer uiers	1 Vervangings ooilammers - Bloutong A 2 Lammers - Bloednier 3 1 Vervangings ooilammers - Bloednier opvolg 2 Vervangings ooilammers - 1 Vervangings ooilammers - Bloutong C	1 Lammers - Lintwurm 2 Lammers - Interne parasiete
25-Dec				
22-Jan				

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## TWEEDE LAMSEISOEN

5-Oct	8 weke voor paring	<ul style="list-style-type: none"> <li>1 Laat toets ramme</li> <li>2 Skeer ramme</li> <li>3 Begin ramme fiks kry</li> <li>4 Sorg vir genoeg ramme</li> <li>5 Knip ramme se hoewe</li> </ul>	<ul style="list-style-type: none"> <li>1 Ramme - Interne parasiete (inspuitbaar)</li> <li>Ramme - Neuswurm (inspuitbaar)</li> </ul>	<ul style="list-style-type: none"> <li>1 Ramme - Minerale</li> </ul>	<ul style="list-style-type: none"> <li>1 Begin om ramme ekstra voeding te gee (indien nodig)</li> </ul>
19-Oct	6 weke voor paring		<ul style="list-style-type: none"> <li>1 Ooie - Ensootiese aborsie</li> <li>1 Ooie - Interne parasiete (oraal)</li> <li>Ooie - Neuswurm (oraal)</li> </ul>	<ul style="list-style-type: none"> <li>1 Ooie - Minerale</li> </ul>	
9-Nov	3 weke voor paring		<ul style="list-style-type: none"> <li>1 Ramme - Koringkiem</li> </ul>		
16-Nov	2 weke voor paring		<ul style="list-style-type: none"> <li>1 Ramme - Koringkiem</li> </ul>		
21-Nov	9 dae voor paring	<ul style="list-style-type: none"> <li>1 Ondersoek die ramme vir dekgereedheid</li> </ul>			
23-Nov	1 week voor paring		<ul style="list-style-type: none"> <li>1 Ramme - Koringkiem</li> </ul>		
30-Nov		<ul style="list-style-type: none"> <li>1 Sit ramme in</li> <li>2 Moenie ooie tydens hierdie periode hanteer nie</li> </ul>			
21-Dec		<ul style="list-style-type: none"> <li>1 Haal ramme uit</li> <li>2 Probeer om nie die ooie in volgende 6 weke te hanteer nie</li> </ul>			
		<ul style="list-style-type: none"> <li>1 Skandeer ooie - ooi wat</li> </ul>			

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1-Feb	6 weke na ramme uitgehaal is	droog is skuif oor na trop wat eerste hierna gepaar gaan word				
15-Mar	6 weke voor ooie lam	1 Skeer of mikskoor die ooie 2 Skei ooie in lamgroepe (bv. tweetande, eenlinge en meerlinge apart)	1 Ooie - Pasteurella 2 Ooie - Bloednier 3 Ooie - Blou-ulier 4 Ooie - Rooi/Bloedderm	1 Ooie - Interne parasiete (inspuitbaar) Ooie - Neuswurm (inspuitbaar)	2 2 Ooie - Minerale	1 Kondisie-punt ooie - tree op as kondisie swak is 2 Ooie - begin met lek-aanvulling vir dragtige ooie
12-Apr						
26-Apr	Ooie begin lam	1 Ooie begin lam				1 Ooie - pas lek-aanvulling aan vir lakterende ooie
10-May	2 weke nadat ooie begin lam het					1 Lammers - begin met kruipvoeding
20-May		1 Ooie klaar gelam				
7-Jun	6 weke nadat ooie begin lam het	1 Soog & Droog Ooie				
25-Jun	2 maande nadat ooie begin lam het			1 Lammers - Melklintwurm	1 Lammers - Vit A 2 Lammers - Minerale	
28-Jul	Op speendag	1 Speen lammers 2 Selekteer vervangings-ooie 3 Soog & Droog 4 Skot ou ooie uit	1 Vervangings-oolammers - Bloutong A 2 Lammers -	1 Lammers - Lintwurm 2 Lammers - Interne parasiete		


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25-Aug	5 Inspekteer uiers	Bloednier 3 1 Vervangings ooilammers - Bloednier opvolg
22-Sep		2 Vervangings ooilammers - 1 Vervangings ooilammers - Bloutong C

**DERDE LAMSEISOEN**


5-Jun	8 weke voor paring	1 Laat toets ramme 2 Skeer ramme 3 Begin ramme fiks kry 4 Sorg vir genoeg ramme 5 Knip ramme se hoewe	1 Ramme - Interne parasiete (inspuitbaar) Ramme - Neuswurm (inspuitbaar)	1 Ramme - 2 Minerale	1 Begin om ramme ekstra voeding te gee (indien nodig)
19-Jun	6 weke voor paring	1 Mikskeer ooie	1 Ooie - Ensootiese aborsie	1 Ooie - Interne parasiete (oraal) 2 Ooie - Neuswurm (oraal)	1 Ooie - Minerale
10-Jul	3 weke voor paring			1 Ramme - Koringkiem	
17-Jul	2 weke voor paring			1 Ramme - Koringkiem	
22-Jul	9 dae voor paring	1 Onderzoek die ramme vir dekgereedheid			
24-Jul	1 week voor paring			1 Ramme - Koringkiem	

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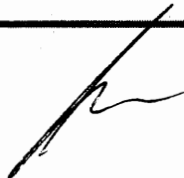


31-Jul		1 Sit ramme in 2 Moenie ooie tydens hierdie periode hanteer nie				
21-Aug		1 Haal ramme uit 2 Probeer om nie die ooie in volgende 6 weke te hanteer nie	1 Ent ramme Bloutong A, Bloednier en Pasteurella (as hulle nie reeds na die vorige paring ge-ent is)			
18-Sep			1 Ent ramme Bloutong B (as hulle nie reeds na die vorige paring ge-ent is nie)			
2-Oct	6 weke na ramme uitgehaal is	1 Skandeer ooie - ooi wat droog is skuif oor na trop wat eerste hierna gepaar gaan word				
16-Oct			1 Ent ramme Bloutong C (as hulle nie reeds na die vorige paring ge-ent is nie)			
13-Nov	6 weke voor ooie lam	1 Skeer of mikskoor die ooie 2 Skei ooie in lamgroepe (bv. tweetande, eenlinge en meerlinge apart)	1 Ooie - Pasteurella 2 Ooie - Bloednier 3 Ooie - Blou-uier 4 Ooie - Rooi/Bloedderm 1 Ooie Bloutong A	1 Ooie - Interne parasiete (inspuitbaar) Ooie - Neuswurm (inspuitbaar)	1 Ooie - Vit A & E 2 Ooie - Minerale	1 Kondisie-punt ooie - tree op as kondisie swak is 2 Ooie - begin met lek-aanvulling vir dragtige ooie
29-Nov						
20-Dec			1 Ooie Bloutong B			
25-Dec	Ooie begin lam	1 Ooie begin lam				1 Ooie - pas lek-aanvulling aan vir lakterende ooie

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8-Jan	2 weke nadat ooie begin lam het			1 Lammers - begin met kruip- voeding
10-Jan		1 Ooie Bloutong C		
18-Jan		1 Ooie klaar gelam		
5-Feb	6 weke nadat ooie begin lam het	1 Soog & Droog Ooie		
23-Feb	2 maande nadat ooie begin lam het		1 Lammers - Melklintwurm	1 Lammers - Vit A 2 Lammers - Minerale
27-Mar	Op speendag ooie	1 Speen lammers 2 Selekteer vervangings- ooie 3 Soog & Droog 4 Skot ou ooie uit 5 Inspekteer uiers	1 Vervangings ooilammers - Bloutong A 2 Lammers - Bloednier 3 1 Vervangings ooilammers - Bloednier opvolg 2 Vervangings ooilammers - 1 Vervangings ooilammers - Bloutong C	1 Lammers - Lintwurm 2 Lammers - Interne parasiete
24-Apr				
22-May				

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## Die inskakeling van beesboerdery op Karooveld

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### INLEIDING

Karooveld was in die verlede as skaapweiding beskou, waar daar nie plek vir beeste is nie. Die afgelope aantal jare het daar egter op baie plase 'n verandering in veldsamestelling plaasgevind en die gras komponent het baie toegeneem.

Hierdie verandering kan hoofsaaklik aan twee redes toegeskryf word naamlik:

- Die reënvalpatroon wat grasveldontwikkeling bevorder het.
- Verandering van die gesindheid van boere teenoor gras wat meebring dat die veldbestuur wat toegepas word ook die gras komponent bevorder.

Hierdie verandering in veldsamestelling bring mee dat boere al meer belangstel om bees by hul boerdery in te skakel.

In die Karoo kan beesboerdery riskant wees en daarom is dit noodsaaklik dat elke boer eers sy eie situasie goed moet ontleed voordat hy 'n besluit neem. Hy moet vir homself die volgende vrae vra en antwoorde daarop kry:

- Wat is my doel?
- Is my plaas en veld geskik vir beesboerdery?
- As dit geskik is, hoeveel bees kan ek aanhou?
- Watter ras is geskik?
- Watter produksiestelsel moet gevolg word?
- Hoe gaan bees ingeskakel word by die beweidingsprogram?

Om te help met die besluitneming, word elkeen van die vrae bespreek.

### 1. Doel

Die inskakeling van bees met die doel om oor die korttermyn geld te maak, is wensdenkery en is tot mislukking en moontlike finansiële verliese gedoem. As die doel egter is om oor die langtermyn, met behulp van die bees, beter veldbenutting en veldverbetering teweeg te bring wat lei tot 'n konstante hoër produksie van hoe gehalte weiding, is dit die regte pad.

### 2. Geskiktheid van plaas

#### 2.1 Fisiese fasiliteite

'n Bees se waterbehoefte is groot en daarom kan swak water, klein krippies met stadige toevoer en klein damme met min opgaarkapasiteit probleme gee. Reservoirs en tenks wat nie toegekamp is, nie kan probleme gee, omdat dit beskadig word. Lae heinings, veral by suipings, het oorsprong van bees as gevolg. Krale en drukgange wat vir skape gebou word, is nie geskik vir bees nie. Bepaal watter verbeterings aangebring moet word en wat die koste sal beloop.

#### 2.2 Veld

Die huidige toestand en potensiaal van die veld om beeskos te produseer, sal bepaal of die inskakeling van bees oorweeg moet word. Gronddiepte, helling saam met klimaat bepaal produksie-potensiaal van veld. Stel dus vir elke kamp op die plaas 'n inventaris op met betrekking tot grootte, veldsoort, plant-bedekking, gronddiepte, soort grond, helling, erosie ens. en maak 'n beraming van sy potensiaal om beeskos te produseer. By die potensiaal bepaling moet altyd in gedagte gehou word dat dieper grond in staat is om 'n permanente grasbedekking te behou, terwyl vlak grond slegs gedurende normaal tot bo-normale reënjarige gras produseer.

Nadat die veld se potensiaal vir bees bepaal is, moet die koste om die fisiese fasiliteite te verbeter, in berekening gebring word. In die meeste gevalle sal dit op 'n plaas met lae potensiaal beesveld meer ekonomies oor die langtermyn wees, om liewer bestuursaanpassings in die skaapboerdery te maak. Oorweeg die inskakeling van merinohamels, hoër beweidingsdruk met groter trappe, korter weiperiodes met langer rus ens.

### 3. Beeras

Wanneer daar op 'n beeras besluit word, is daar 'n paar faktore wat in gedagte gehou moet word.

3.1 Beeste met 'n ligter raam doen beter onder laer voedingstoestande, omdat voedingsbehoefte laer is. Vir Karoo toestande word dus 'n ligte- of mediumraam ras aanbeveel.

3.2 'n Ras met 'n goeie temperament d.w.s. een wat mak is, vergemaklik hantering veral waar fasiliteite nie geskik is nie.

3.3 Die beskikbaarheid van teelmateriaal, veral bulle, is belangrik. Wanneer op kleinskaal met bees geboer word, is bulkoste 'n groot faktor. Die uitruil van bulle tussen bure kan die koste baie verminder.

### 4. Getal bees

Die hoofdoel met die inskakeling van bees is om langtermyn veldverbetering en veldbenutting te verkry. Die idee dat skaap en bees nie kompeteer nie en dat bees ekstra ingebring kan word, is nie reg nie. Om veldverbetering te verkry, is dit nodig om die skaapgetal te verminder, sodat die weidingskapasiteit van die plaas nie oorskry word nie. Daar bestaan geen vaste reëls oor die persentasie bees wat op Karooveld ingeskakel kan word nie.

Dit is dus noodsaaklik dat die veldinventaris deeglik opgestel en geïnterpreteer word. Deur die potensiaal van kampe in te deel in swak, gemiddeld, bo-gemiddeld en hoog, kan die volgende norms gebruik word in die bepaling van beesgetal.

Bees potensiaal van veld	% bees
70 - 100 % bo-gemiddeld tot hoog	18 - 20%
50 - 70% "	15 - 18%
30 - 50% "	10 - 15%
Minder as 30 % "	Nie geregverdig

Bogaande norms moet slegs as 'n breë riglyn beskou word. Dit word aanbeveel dat met min bees begin word en getalle geleidelik vermeerder word. Dit sal die boer in staat stel om homself op hoogte te stel met beesboerdery-bestuur, sonder om duur foute te maak. Deur die veld gedurig te monitor, kan die regte skaap:bees verhouding beter bepaal word.

## 5. Produksiestelsel

Verskillende produksiestelsels word deur beesboere gevolg waar kalwers op verskillende ouderdomme bemark word.

5.1 Speenkalfstelsel: - Kalwers word direk na speen (7 - 8 maande) verkoop. Slegs vervangingsverse word gehou.

5.2 Tolliestelsel: - Alle kalwers word vir een jaar oorgehou. Vervangingsverse word op 18 - 20 maande geselekteer en ander verkoop saam met tollies.

5.3 Os-stelsel: - Alle kalwers word een jaar oorgehou. Op 12 - 18 maande word vervangingsverse geselekteer en uitskotverse verkoop. Ossies word oorgehou en op 28 - 30 maande ouderdom verkoop.

5.4 Inkoop van speenkalwers - Die inkoop van speenkalwers is 'n praktyk wat deur boere gevolg word in gebiede waar speenkalwers maklik bekombaar is. Die praktyk het die groot voordeel dat geen aanteel diere aangehou word nie en die risiko faktor dus baie laag is. Die sukses van die praktyk word grootliks deur die volgende bepaal.

5.4.1 Koop goeie gehalte speenkalwers aan wat die potensiaal het om goed te ontwikkel en vleis te produseer.

5.4.2 Aanpassings probleme kan ondervind word as jou veld baie verskil van die veld waarop die kalwers geloop het. Probeer dus kalwers bekom van plase waar veld die meeste met joune ooreenstem.

5.4.3 Doen aankope so vroeg moontlik voor die winter (Maart) wanneer veld nog in groeiende fase is.

5.4.4 Die getal kalwers wat gekoop word, word bepaal deur die veldtoestand. Evalueer dus elke jaar die veldtoestand en reserwes beskikbaar en bepaal die getal voordat aankope gedoen word.

5.4.5 Deur 'n paar mak koeie in 'n kamp te plaas, kan help om kalwers rustiger te maak.

## 5.5 Opmerkings

5.5.1 Ekonomiese ontledings toon dat daar nie betekenisvolle verskil is met die inkomste wat verkry word met die verskillende stelsels nie. Ander faktore sal dus die keuse van stelsel bepaal.

5.5.2 Die sukses van al die stelsels berus daarop dat die kalwers so vroeg as moontlik na die winter gebore moet word. Die mikpunt moet wees dat alle koeie voor die einde van November moet kalf. Die dektyd wat aanbeveel word, is 15 Desember tot 15 Februarie.

5.5.3 Met al drie produksiestelsels het vroeë kalwers die voordeel dat hulle gespeen word, terwyl die veld nag in 'n goeie toestand is. Sulke kalwers verwerk makliker die speenskok en oorwinter beter. 'n Verdere voordeel van

vroeë kalwers is, dat bemerking met al drie stelsels voor die winter gedoen kan word. Minder vee op die veld gedurende die winter laat meer reserwekos vir die normale moeilike na-winter periode.

5.5.4 In die Karoo met sy wisselvallige reënval en normaalweg swakker voedingstoestande, gedurende die lente en voor-somer, word die os-stelsel aanbeveel, omdat dit minder riskant is. Minder koeie word aangehou en alle aanteel (kalwers, tollies en osse) kan in 'n swak jaar voor die winter verkoop word en slegs aanteelkoeie oorgehou word.

## 6. Getal koeie

Die getal koeie word bepaal deur die persentasie vee wat as bees aangehou word en die produksiestelsel wat gevolg word. In tabel 1 word 'n gemiddelde kudde samestelling met die verskillende produksiestelsels gegee. Vir die berekening is 100 GVE as basis gebruik. Kalfpersentasie - 80%, Vervanging - 12%, verse word op 20 - 24 maande gepaar en daar word met 'n mediumraam ras geboer. Bulle - 3%.

### NB.

1. Vir berekening van GVE is Meisnertabel gebruik en GVE is afgerond tot heelgetalle.
2. Vir enige getal GVE wat aangehou word, kan die kudde-samestelling bereken word deur die GVE van bogaande tabelle om te reken na beplande getal GVE en dan veegetal volgens Meisnertabel te bepaal. Bv. As 70 GVE aangehou word en osstelsel word gebruik, sal die koeigetel wees :

$$\frac{50 \times 70}{100} = \frac{35}{1.21} = 29 \text{ koeie}$$

## 7. Beweiding

Die hoofdoel met die inskakeling van bees is langtermyn veldverbetering en konstante hoër produksie. Om hierdie doel te bereik, moet die bees reg by die weidingsprogram ingeskakel word.

Die beplanning van weiveldbestuur moet dus daarop gebaseer word dat skaap en bees mekaar aanvul en nie kompeteer nie. Die volgende praktiese wenke kan van waarde wees.

7.1 Bees kan goed gebruik word om erosiedele te herwin. Kamp erosie deel af en beweï vir 'n kort periode (2 - 3 weke) teen 'n hoë weidingsdruk gedurende die winter met bees. Volg die beweïding op met rus tot die volgende winter en herhaal behandeling totdat die veld so herstel het dat dit by die normale beweïdingsprogram ingeskakel kan word. Behou die heining anders kan die agteruitgaan proses weer plaasvind.

Beweïding met bees vir die behandeling gee beter resultate as skaapbeweïding, omdat bees plante nie so kort afvreet nie. Plante word gestimuleer en nie doodgevreet nie. Bees het ook 'n baie beter lostrap effek waardeur 'n saadbed geskep word vir saad om te ontkiem en saailinge kan vestig.

Die veldherstel met die behandeling kan versnel word, deur die pak van klipwalletjies, die maak van takwalle of ander meganiese metodes.



7.2 Waar kaalkolle voorkom, word goeie herstel verkry deur bees se lekblokke op die kaalkolle te plaas. Miskruiers speel hier 'n groot rol, omdat die meeste soorte miskruiers direk onder die misboek in die grond inwerk. Die grond word sodoende deurlug, organiese materiaal word in die grond ingewerk en die grond neem water op deur die miskruier tonnels.

Hierdie herstelproses kan ook versnel word as organiese materiaal soos koringstrooi, gras, riete ens. terselfdertyd oor die kaalkol gestrooi word. Genoeg organiese materiaal moet gestrooi word, sodat diere 'n deel in die grond kan intrap. Permanente herstel van kaalkolle kan slegs verkry word as die regte behandeling oor 'n lang periode geskied. Kaalkolle ontstaan deur kolseleksie, wanneer 'n kamp vir lang periodes beweë word deur skaap. Deur 'n kamp met kaalkolle vir 'n paar jaar slegs met bees te beweë en weiperiodes kort te hou (3 tot 6 weke) sal die veld weer tot sy volle potensiaal ontwikkel.

7.3 Met die inskakeling van bees word die vraag altyd gevra: "Watter vee moet eerste 'n kamp beweë?" Die antwoord hierop is dat die beste resultate behaal word as bees en skaap gelyktydig 'n kamp beweë. Die rede hiervoor is dat beide veesoorte eers die smaaklike plante met die hoogste voedingswaarde selekteer. Die soort wat dus eerste ingaan, sal beter presteer.

Indien daar onoplosbare praktiese probleme is waarom saambeweëding nie kan plaasvind nie, moet 'n program gevolg word waar 'n kamp een weiperiode met bees en die volgende weiperiode met skaap beweë word. Die "skoonmaak" van kampe met bees na skaapbeweëding is 'n praktyk wat baie omsigtig hanteer moet word, omdat skaap reeds die smaaklike kos met hoe voedingswaarde verwyder kan die bees maklik 'n voedingstekort ondervind. As die praktyk gevolg word, moet die weiperiode van die skaap kort wees, sodat daar genoeg goeie gehalte kos beskikbaar is vir die bees. Gebruik dan osse vir die skoonmaakproses en nie produserende koeie nie.

### Opsomming

Die besluit om bees by 'n boerdery in te skakel, moet nie ligtelik geneem word nie, want dan kan die nadele dalk meer wees as die voordele. Beplan vooraf en verkry die nodige kennis van beesboerdery.

Die volgende is van belang :

1. Besluit wat die doel met die inskakeling van bees is.
2. Evalueer veld en fisiese fasiliteite om geskiktheid vir beesboerdery te bepaal.
3. Bereken beesgetal en besluit op produksiestelsel. Vir die Karoo word die os-stelsel aanbeveel, omdat dit minder riskant is of die inkoop van kalwers waar prakties moontlik.
4. Moet nie die weidingskapasiteit van die plaas oorskry deur bees in te bring nie.
5. Kies 'n aangepaste ras waarvan teelmateriaal maklik bekombaar is. Boer met 'n ras en vergeet van kruisteling sonder 'n plan.
6. Bestuur die bees kudde, sodat koeie vroeg kalf en bemarking voor die winter kan plaasvind.
7. Die inskakeling van bees moet gesien word as 'n langtermyn beleid, waar daar deur beter veldbestuur, met behulp van die bees, veldverbetering kan plaasvind wat sal lei tot hoër en konstante produksie deur die bees en skaap.
8. Om sukses van beesboerdery te maak, moet daar met bees geboer word en moet bees nie net aangehou word nie.



**Nuveld Farming  
Empowerment Enterprises (PTY) LTD**

5 Ernest Avenue, Beaufort West, 6970  
PO Box 6460, Welgemoed, 7538

Cell no: 084 864 1484  
Tel: 021 913 7710  
Fax: 021 913 7727

18 Desember 2019

Me G De Jager  
Departement Grond Hervorming en Landelike Ontwikkeling  
Kerkstraat 18  
SARS Gebou  
Beaufort-Wes  
6970

Tel: 023 414 2333

Geagte me De Jager

**Huur van staatsplase**

Hiermee doen ek aansoek vir die huur van die staatsplase soos geadverteer in *Die Burger* van 6 Desember 2019. Die nodige dokumentasie word aangeheg.

Ek hoop van harte dat my aansoek suksesvol sal wees.

Die uwe

  
\_\_\_\_\_  
J Bezuidenhout

Registration Number: 2017/460296/07  
Directors: J Bergh, H Bezuidenhout, JJ Bezuidenhout



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**AANSOEK OM STAATSPLASE TE HUUR  
IN BEAUFORT-WES MUNISIPALITEIT**

MATJIESKLOOF

WILLEMSKRAAL

MELROSE

RONDAWEL

DASSIESFONTEIN

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## PLAS FARMS LEASE APPLICATION FORM

### APPLICATION INFORMATION AND CONDITIONS

#### 1. Eligibility Criteria

To be eligible to be granted a Land/Farm to Lease you must meet the following Eligibility Criteria:

- Applicant/s must not be employed by the three spheres of government or employees of all public entities prior to the signing of lease, politicians who hold public office, traditional leaders who receives remuneration from the State and permanent residents who are issued permanent resident permits as prescribed into Sec 26 & 27 of Immigration Act 2002 (Act 13 of 2002). Public servants and their spouses shall not qualify to benefit from agricultural support irrespective of them falling under any of the categories identified above.
- You must live on the land/farm following lease approval.
- The target group for agricultural support, which is: Africans, Indian and Coloured.
- Agricultural Science university and college graduates, (c) Agricultural students, including IAR, SRC participants and participants in other similar institutions, (d) Internship, and (e) Agricultural entrepreneurs.
- Subsistence farmers, (f) Community wealth assistance farmers, (g) Beneficiaries of income grants, (h) Smallholder farmers, and (i) Smallholder farmers who hold a lease.
- Persons who are eligible to be granted a lease, (j) Veterans and their spouses, (k) Military Veterans, (l) Military Veterans' widows, (m) Military Veterans' Act 2011 (Act No 18 of 2011) (irrespective of their race), shall also be prioritised. This shall however exclude those who served in the Union Defence Force (prior to 1961) and the South African Defence forces (prior to 27 April 1994), who do not fall under the categories defined.
- Public servants and their spouses shall not qualify to benefit from agricultural support irrespective of them falling under any of the categories identified above.

#### 2. Compliance Check

A full compliance check of your details provided in this Application for Land Lease and any other information requested and provided by you will be undertaken checked for compliance.

If you are deemed ineligible:

- Your application will be rejected.
- If you have provided false or misleading information, DRDLR will terminate Contract.

#### 3. Acceptance or Rejection of Application

The Application will be assessed in accordance with the conditions and requirements advertised and may be rejected if:

- You do not meet the Eligibility Criteria above, or
- You or your spouse are employed by the state,
- The Application has not been fully completed or executed to the satisfaction of DRDLR.

#### 4. Termination of Application

A provisional allocation or selection shall cease under the following circumstances:

- Death of the potential beneficiary
- Criminal records or conviction
- Written withdrawal of application by the beneficiary
- Withdrawal of the farm by the land owners or seller
- Any other circumstances that the committee may feel justify the termination or withdrawal of the allocation.

#### 5. Documents to be attached to the PLAS application Form

- SA certified ID copy of applicant & spouse.
- Proof of residence
- Certified Legal Entity Registration Certificate (if the applicant is an entity)
- Schedule of own assets (related to farming) eg. Livestock, farm implements and machinery etc.
- Copy of marriage certificate (if married)
- Livestock Branding Certificate
- Certificate/s of training provided (if any)
- Financial Resources to cover first production cycle / to purchase livestock (e.g. proof from the bank)

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<b>Date Received</b>
<b>Province/District</b>
<b>Application reference number</b>
<b>Name of official receiving application</b>
<b>Signature of applicant</b>

All questions contained in this questionnaire are strictly confidential

The applicant/s must provide a written commitment (in the form of affidavit) to pay the lease as per contract terms and also a written commitment to reside on the farm. The land obtained through PLAS should not be sub-let/rented out, if found the Department should take back the land.

#### APPLICANT DEMOGRAPHIC PROFILE

<b>Full Name</b>	JOHANNES JOSHUA BEZUIDENHOUT	<input checked="" type="checkbox"/> M <input type="checkbox"/> F	<b>ID Number:</b>	690803511089
<b>Surname</b>	BEZUIDENHOUT	JJB	<b>Date of Birth</b>	03 JUNE 1969
<b>Marital status:</b>	<input type="checkbox"/> Single/never married <input type="checkbox"/> Cohabitation(living together) <input checked="" type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed			
<b>Category of Applicant</b>	<input type="checkbox"/> category 1 (Subsistence Farmer) <input type="checkbox"/> category 2 (Small Scale Farmer) <input checked="" type="checkbox"/> category 3(Medium Scale Farmer) <input type="checkbox"/> Category 4 ( Large Scale Commercial Farmer)			
<b>Target Group of Applicant</b>	<input type="checkbox"/> Farm dweller <input type="checkbox"/> farm worker <input type="checkbox"/> Labor tenant <input type="checkbox"/> War Veteran <input type="checkbox"/> youth <input type="checkbox"/> Women <input type="checkbox"/> War Veteran <input type="checkbox"/> Commonage Farmer <input type="checkbox"/> NARYSEC/Agricultural Graduate <input checked="" type="checkbox"/> Other Specify SMALL HOLDER FARMER			
<b>Ethnic Group of Applicant</b>	<input type="checkbox"/> African <input type="checkbox"/> Indian <input checked="" type="checkbox"/> Coloured			
<b>Spouse Full Name</b>	FELICITY DAPHNE BEZUIDENHOUT	<b>Spouse Employer</b>	NOT EMPLOYED	
<b>Spouse ID</b>	6804130300089	<b>Spouse contact Details</b>		
<b>Residential Address:</b>	5 ERNST AVENUE		<b>Postal address:</b>	
<b>Suburb/village</b>	BEAUFORT WEST		<b>Suburb</b>	
<b>Nearest Town</b>				
<b>Municipality</b>	BEAUFORT WEST		<b>Postal Code</b>	
<b>District</b>	BEAUFORT WEST		<b>Province</b>	
<b>Province</b>	WESTERN CAPE		<b>Facebook/twitter account</b>	
<b>Telephone no</b>	078 958 4577		<b>Cell phone no</b>	
<b>Fax number</b>	<b>Email Address</b>			
<b>How long have you been living in this address</b>	<input type="checkbox"/> 1-2 yrs. <input type="checkbox"/> 2-4 yrs. <input type="checkbox"/> 5-9 <input checked="" type="checkbox"/> 10+			
<b>Preferred District/Municipality to Lease</b>	BEAUFORT WEST			

#### EMPLOYMENT AND EDUCATIONAL DETAILS

<b>Occupation:</b>	<input type="checkbox"/> student <input type="checkbox"/> Pensioner <input checked="" type="checkbox"/> Farmer <input type="checkbox"/> Farm worker <input type="checkbox"/> Self Employed <input type="checkbox"/> Employed in the private Sector <input type="checkbox"/> Unemployed <input type="checkbox"/> Internship <input type="checkbox"/> other			
<b>Name of Employer</b>	NUVELO FARMING EMPOWERMENT ENTERPRISES (Pty) LTD			
<b>Type of Employment</b>	<input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input type="checkbox"/> Seasonal <input type="checkbox"/> Internship/NARYSEC <input type="checkbox"/> Volunteering <input type="checkbox"/> other			
<b>Business activities (self-employed)</b>	SHEEP FARMING			
<b>Sources of Income</b>	<input checked="" type="checkbox"/> Salaries, wages, commissions <input checked="" type="checkbox"/> Income from Business <input type="checkbox"/> Pensions funds <input type="checkbox"/> Grants(includes old age pension) <input type="checkbox"/> Sales of Farming products and services <input type="checkbox"/> Remittances(money received from people living elsewhere) <input type="checkbox"/> no income <input type="checkbox"/> other income sources (rental income, interest)			



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PLAS FARMS LEASE APPLICATION FORM

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Highest level of Education completed:  Primary  Secondary  National Diploma (Technikon/University)  Bachelor's Degree  Bachelor's Degree & Postgraduate  Master's Degree  Doctorate Degree

Matric  N1-N4  N5-N6  Honors Degree

Have you received any training related to farming (formal or informal)  Yes  No

**Training of Applicant Related to Farming/Agriculture**

Year	Name of Training	Institution (formal/ informal)
	SEE ADDENDUM F	

**Training of Applicant related to Management (Financial, Marketing and etc)**

Year	Name of Training	Institution (formal/ informal)
	SEE ADDENDUM F	

**INSTITUTIONAL ARRANGEMENT**

Are you a member of a group that wants to farm collectively?  Yes  No

	M	F
Size of group	3	
Number of Disabled		
18-35 yrs.		
36-50 yrs.		
51-65 yrs.		
65-79 yrs.	3	
80 yrs. and above		
<b>Total</b>		

Type of Legal Entity:  Communal Property Association  Company  Trust  Close Cooperation  Cooperative  Farmers Association  other

Years of Group entity existence  0-1 year  2-4  5-9  10+

Legal Entity Registration Number: 2017/460296/07  
 Name Surname of Contact Person: JJ BEZUIDENHOUT  
 Postal Address of Entity: PO BOX 6460, WELGEMOED, 7538  
 Telephone: Cell: 084 864 1484 Email: rondawelp@platau@gmail.com

**AGRICULTURAL ACTIVITY**

Are you currently involved in Farming?  Yes  No

Do you pay rent where you farm  Yes  No

Type of Land ownership where you currently Farm  Rented  Private/Family Farm  Communal Land  State Land  Communal Land (Tribal Land)  Labor Tenant  Farm dweller  Other (specify)



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Handwritten signature and initials: JJS



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**How many years have you been Farming**     1-2 yrs.     2-4 yrs.     5-9     10+

**Type of Farming Experience**    **SHEEP FARMER**

**Which Social clubs/ association/organization do you belong to**     Farmers Association     Producers Association     Cooperatives     community Garden Group     Stokvel  
 Special Interest Group     other (specify)

**Do you require assistance with the following**     Development of Business plan     Market Access     Business Registration     Mentorship     Agricultural Training     Management Training     other (specify)

**No of people to be employed by Project?**

No of employees	Type of employment
30	<input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input type="checkbox"/> Seasonal <input type="checkbox"/> Internship <input type="checkbox"/> Volunteering <input type="checkbox"/> other
20	<input type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input checked="" type="checkbox"/> Seasonal <input type="checkbox"/> Internship <input type="checkbox"/> Volunteering <input type="checkbox"/> other
20	<input type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input type="checkbox"/> Seasonal <input checked="" type="checkbox"/> Internship <input type="checkbox"/> Volunteering <input type="checkbox"/> other

**Does your Household own Livestock/crops:**     Cattle     Sheep     Goat     Pigs     Chicken     Geese     other (Specify)  
 Grain     veg     sugar Cane     Pigs     Chicken     Geese     other (Specify)

Type of Animal/Horticulture and Crop Production	Number of Livestock/ hectares farmed	<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
MERINO SHEEP	2882	<input type="checkbox"/> Household consumption	<input checked="" type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale

**Previous Grants received from Government:**     SLAG     LRAD     CASP     Restitution Grant     Housing Subsidy     Agricultural Grant     other (Specify)

Name of Grant	Government Department	Amount Received
	NIA	

**Income Range received through work, business or farming per month**

0-R199     R200-R499     R500-R1199     R1200-R1799     R1800-R2499     R2500-R4999     R5000-R9999     R10000- above



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**What are you intending to use the land for?**

Agricultural Activity	Type
<input checked="" type="checkbox"/> Crop Production	<input type="checkbox"/> Grains <input checked="" type="checkbox"/> Vegetable <input type="checkbox"/> Sugar cane <input type="checkbox"/> Tobacco <input type="checkbox"/> Cotton <input type="checkbox"/> Grain
<input type="checkbox"/> Viticulture/Vineyards	<input type="checkbox"/> Tea <input checked="" type="checkbox"/> Other Specify <b>LUCERNE</b>
<input type="checkbox"/> Horticulture	<input type="checkbox"/> Fruits <input type="checkbox"/> Herbs <input type="checkbox"/> Flowers <input type="checkbox"/> Medicinal plants <input type="checkbox"/> Mushrooms <input type="checkbox"/> Sprouts
<input type="checkbox"/> Beekeeping	<input type="checkbox"/> Non-food crops (Grass) <input type="checkbox"/> Other(specify)
<input type="checkbox"/> Animal Production	<input type="checkbox"/> Beef <input type="checkbox"/> Dairy (cows) <input type="checkbox"/> Dairy (Goats) <input type="checkbox"/> Goat <input type="checkbox"/> Sheep <input type="checkbox"/> Pig <input type="checkbox"/> Ostrich <input type="checkbox"/> Poultry (layers) <input type="checkbox"/> Poultry (Broilers) <input type="checkbox"/> Aquaculture <input type="checkbox"/> Other(specify)
<b>Main Areas of Interest</b>	<input type="checkbox"/> Primary Production <input type="checkbox"/> Processing <input type="checkbox"/> Marketing
<b>Interested in Producing for</b>	<input type="checkbox"/> Own Consumption <input type="checkbox"/> Informal Market <input type="checkbox"/> Formal Market

**List of farm implements (Irrigation Land)**

**HOUSEHOLD MEMBER DETAILS** (List all persons in your Household, Group Applications, this part must be completed by all Members of the group)

HOUSEHOLD REF NO					
<b>Father</b>	<input checked="" type="checkbox"/> Employed(E) <input type="checkbox"/> Unemployed (U)	Full Name: <b>JJ BEZUIDENHOUT</b> ID: <b>6906035111089</b>	<b>Children/ Gran children</b>	<input type="checkbox"/> F	Full Name ID
<b>Mother</b>	<input type="checkbox"/> Employed(E) <input checked="" type="checkbox"/> Unemployed (U)	Full Name: <b>FD BEZUIDENHOUT</b> ID: <b>6804130300089</b>		<input type="checkbox"/> M <input type="checkbox"/> F	Full Name ID
<b>Sibling</b>	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name: ID:		<input type="checkbox"/> M <input type="checkbox"/> F	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandmother Maternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandfather Maternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandmother Paternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandfather Paternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID			

**DECLARATION**

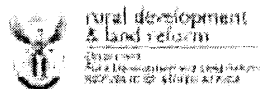
I declare that the information furnished in this applicant form is, to the best of my knowledge, true and correct. I also declare that I am not employed by the public service / not a politician / not a member of the traditional authority remunerated by the State and to the effect that my spouse is not a civil servant and acknowledge that any misrepresentation in this regard constitutes a ground for immediate termination of the agreement.

.....  
Signature of applicant

**JJ BEZUIDENHOUT**

**For office use**

Land parcel Details			
Farm Name		Province	
Property description		District Municipality	
Hectares		Local Municipality	
Current Commodity		Purchase Price	
Proposed Commodity		Proposed date of Transfer	



55B





JB10



Date Received
Province/District
Application reference number
Name of official receiving application
Signature of applicant

**All questions contained in this questionnaire are strictly confidential**

The applicant/s must provide a written commitment (in the form of affidavit) to pay the lease as per contract terms and also a written commitment to reside on the farm. The land obtained through PLAS should not be sub-let/rented out. If found the Department should take back the land.

**APPLICANT DEMOGRAPHIC PROFILE**

Full Name	JOHANNES JOSHUA BEZUIDENHOUT <input checked="" type="checkbox"/> M <input type="checkbox"/> F	ID Number:	690803511089
Surname	BEZUIDENHOUT J.J.B.	Date of Birth	03 JUNE 1969
Marital status:	<input type="checkbox"/> Single/never married <input type="checkbox"/> Cohabitation(living together) <input checked="" type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Divorced <input type="checkbox"/> Widowed		
Category of Applicant	<input type="checkbox"/> category 1 (Subsistence Farmer) <input type="checkbox"/> category 2 (Small Scale Farmer) <input checked="" type="checkbox"/> category 3 (Medium Scale Farmer) <input type="checkbox"/> Category 4 ( Large Scale Commercial Farmer)		
Target Group of Applicant	<input type="checkbox"/> Farm dweller <input type="checkbox"/> farm worker <input type="checkbox"/> Labor tenant <input type="checkbox"/> War Veteran <input type="checkbox"/> youth <input type="checkbox"/> Women <input type="checkbox"/> War Veteran <input type="checkbox"/> Commonage Farmer <input type="checkbox"/> NARYSEC/Agricultural Graduate <input checked="" type="checkbox"/> Other Specify SMALL HOLDER FARMER		
Ethnic Group of Applicant	<input type="checkbox"/> African <input type="checkbox"/> Indian <input checked="" type="checkbox"/> Coloured		
Spouse Full Name	FELICITY OAPHNE BEZUIDENHOUT	Spouse Employer	NOT EMPLOYED
Spouse ID	6804130300089	Spouse contact Details	
Residential Address:	5 ERNST AVENUE	Postal address:	
Suburb/village	BEAUFORT WEST	Suburb	
Nearest Town			
Municipality	BEAUFORT WEST	Postal Code	
District	BEAUFORT WEST	Province	
Province	WESTERN CAPE	Facebook/twitter account	
Telephone no	078 958 4577	Cell phone no	
Fax number		Email Address	
How long have you been living in this address		<input type="checkbox"/> 1-2 yrs. <input type="checkbox"/> 2-4 yrs. <input type="checkbox"/> 5-9 <input checked="" type="checkbox"/> 10+	
Preferred District/Municipality to Lease	BEAUFORT WEST		

**EMPLOYMENT AND EDUCATIONAL DETAILS**

Occupation:	<input type="checkbox"/> student <input type="checkbox"/> Pensioner <input checked="" type="checkbox"/> Farmer <input type="checkbox"/> Farm worker <input type="checkbox"/> Self Employed <input type="checkbox"/> Employed in the private Sector <input type="checkbox"/> Unemployed <input type="checkbox"/> Internship <input type="checkbox"/> other		
Name of Employer	NUVELO FARMING EMPOWERMENT ENTERPRISES (PTY) LTD		
Type of Employment	<input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input type="checkbox"/> Seasonal <input type="checkbox"/> Internship/NARYSEC <input type="checkbox"/> Volunteering <input type="checkbox"/> other		
Business activities (self-employed)	SHEEP FARMING		
Sources of Income	<input checked="" type="checkbox"/> Salaries, wages, commissions <input checked="" type="checkbox"/> Income from Business <input type="checkbox"/> Pensions funds <input type="checkbox"/> Grants(includes old age pension) <input type="checkbox"/> Sales of Farming products and services <input type="checkbox"/> Remittances(money received from people living elsewhere) <input type="checkbox"/> no income <input type="checkbox"/> other income sources (rental income, interest)		



JJB



Highest level of Education completed:  Primary  Secondary  N1-N4  N5-N6  Matric

National Diploma (Technikon/University)  Honors Degree  Bachelor's Degree  Bachelor's Degree & Postgraduate  Master's Degree  Doctorate Degree

Have you received any training related to farming (formal or informal)  Yes  No

**Training of Applicant Related to Farming/Agriculture**

Year	Name of Training	Institution (formal/ informal)
	SEE ADDENDUM F	

**Training of Applicant related to Management (Financial, Marketing and etc)**

Year	Name of Training	Institution (formal/ informal)
	SEE ADDENDUM F	

**INSTITUTIONAL ARRANGEMENT**

Are you a member of a group that wants to farm collectively?  Yes  No

	M	F
Size of group	3	
Number of Disabled		
18-35 yrs.		
36-50 yrs.		
51-65 yrs.		
65-79 yrs.	3	
80 yrs. and above		
<b>Total</b>		

Type of Legal Entity:  Communal Property Association  Company  Trust  Close Cooperation  Cooperative  Farmers Association  other

Years of Group entity existence  0-1 year  2-4  5-9  10+

Legal Entity Registration Number: 2017/460296/07

Name Surname of Contact Person: JJ BEZUIDENHOUT

Postal Address of Entity: PO BOX 6460, WELGEMOED, 7538

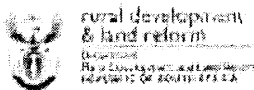
Telephone: Cell: 084 864 1484 Email: rondawelplatou@gmail.com

**AGRICULTURAL ACTIVITY**

Are you currently involved in Farming?  Yes  No

Do you pay rent where you farm  Yes  No

Type of Land ownership where you currently Farm  Rented  Private/Family Farm  Communal Land  State Land  Communal Land (Tribal Land)  Labor Tenant  Farm dweller  Other (specify)



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**How many years have you been Farming**  1-2 yrs.  2-4 yrs.  5-9  10+

**Type of Farming Experience** **SHEEP FARMER**

**Which Social clubs/ association/organization do you belong to**  Farmers Association  Producers Association  Cooperatives  community Garden Group  Stokvel  Special Interest Group  other (specify)

**Do you require assistance with the following**  Development of Business plan  Market Access  Business Registration  Mentorship  Agricultural Training  Management Training  other (specify)

**No of people to be employed by Project?**

No of employees	Type of employment
30	<input checked="" type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input type="checkbox"/> Seasonal <input type="checkbox"/> Internship <input type="checkbox"/> Volunteering <input type="checkbox"/> other
20	<input type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input checked="" type="checkbox"/> Seasonal <input type="checkbox"/> Internship <input type="checkbox"/> Volunteering <input type="checkbox"/> other
20	<input type="checkbox"/> Permanent <input type="checkbox"/> Temporal <input type="checkbox"/> contract <input type="checkbox"/> Seasonal <input checked="" type="checkbox"/> Internship <input type="checkbox"/> Volunteering <input type="checkbox"/> other

**Does your Household own Livestock/crops:**  Cattle  Sheep  Goat  Pigs  Chicken  Geese  other (Specify)  Grain  veg  sugar Cane  Plgs  Chicken  Geese  other (Specify)

Type of Animal/Horticulture and Crop Production	Number of Livestock/ hectares farmed	<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
MERINO SHEEP	2882	<input type="checkbox"/> Household consumption	<input checked="" type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale
		<input type="checkbox"/> Household consumption	<input type="checkbox"/> Sale

**Previous Grants received from Government:**  SLAG  LRAD  CASP  Restitution Grant  Housing Subsidy  Agricultural Grant  other (Specify)

Name of Grant	Government Department	Amount Received
	NIA	

**Income Range received through work, business or farming per month**

0-R199

R200-R499

R500-R1199

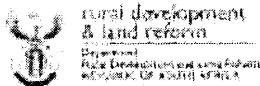
R1200-R1799

R1800-R2499

R2500-R4999

R5000-R9999

R10000- above



JJB



**What are you intending to use the land for?**

Agricultural Activity	Type
<input checked="" type="checkbox"/> Crop Production	<input type="checkbox"/> Grains <input checked="" type="checkbox"/> Vegetable <input type="checkbox"/> Sugar cane <input type="checkbox"/> Tobacco <input type="checkbox"/> Cotton <input type="checkbox"/> Grain <input type="checkbox"/> Tea <input checked="" type="checkbox"/> Other Specify <b>LUCERNE</b>
<input type="checkbox"/> Viticulture/Vineyards	
<input type="checkbox"/> Horticulture	<input type="checkbox"/> Fruits <input type="checkbox"/> Herbs <input type="checkbox"/> Flowers <input type="checkbox"/> Medicinal plants <input type="checkbox"/> Mushrooms <input type="checkbox"/> Sprouts <input type="checkbox"/> Non-food crops (Grass) <input type="checkbox"/> Other(specify)
<input type="checkbox"/> Beekeeping	
<input type="checkbox"/> Animal Production	<input type="checkbox"/> Beef <input type="checkbox"/> Dairy (cows) <input type="checkbox"/> Dairy (Goats) <input type="checkbox"/> Goat <input type="checkbox"/> Sheep <input type="checkbox"/> Pig <input type="checkbox"/> Ostrich <input type="checkbox"/> Poultry (layers) <input type="checkbox"/> Poultry (Broilers) <input type="checkbox"/> Aquaculture <input type="checkbox"/> Other(specify)
<b>Main Areas of Interest</b>	<input type="checkbox"/> Primary Production <input type="checkbox"/> Processing <input type="checkbox"/> Marketing
<b>Interested in Producing for</b>	<input type="checkbox"/> Own Consumption <input type="checkbox"/> Informal Market <input type="checkbox"/> Formal Market

**List of farm implements (Irrigation Land)**

**HOUSEHOLD MEMBER DETAILS** (List all persons in your Household, Group Applications, this part must be completed by all Members of the group)

HOUSEHOLD REF NO					
<b>Father</b>	<input checked="" type="checkbox"/> Employed(E) <input type="checkbox"/> Unemployed (U)	Full Name: <b>JJ BEZUIDENHOUT</b> ID: <b>6906035111089</b>	<input type="checkbox"/> Children/ <input type="checkbox"/> Gran children	<input type="checkbox"/> F	Full Name ID
<b>Mother</b>	<input type="checkbox"/> Employed(E) <input checked="" type="checkbox"/> Unemployed (U)	Full Name: <b>FO BEZUIDENHOUT</b> ID: <b>6804130300089</b>		<input type="checkbox"/> M <input type="checkbox"/> F	Full Name ID
<b>Sibling</b>	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name: ID:		<input type="checkbox"/> M <input type="checkbox"/> F	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandmother Maternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandfather Maternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandmother Paternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID
	<input type="checkbox"/> M <input type="checkbox"/> E <input type="checkbox"/> F <input type="checkbox"/> U	Full Name ID	<b>Grandfather Paternal</b>	<input type="checkbox"/> Employed <input type="checkbox"/> Unemployed	Full Name ID

**DECLARATION**

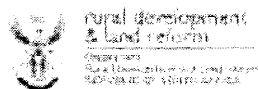
I declare that the information furnished in this applicant form is, to the best of my knowledge, true and correct. I also declare that I am not employed by the public service / not a politician / not a member of the traditional authority remunerated by the State and to the effect that my spouse is not a civil servant and acknowledge that any misrepresentation in this regard constitutes a ground for immediate termination of the agreement.

.....  
 Signature of applicant

**JJ BEZUIDENHOUT**

**For office use**

Land parcel Details	
Farm Name	Province
Property description	District Municipality
Hectares	Local Municipality
Current Commodity	Purchase Price
Proposed Commodity	Proposed date of Transfer



**JJB**







agriculture, land reform  
& rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

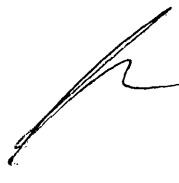
# JB12

CENTRAL KAROO DISTRICT OFFICE: P.O. Box 602, Beaufort West, 6970, Tel: (023) 414 2333;  
Web: www.drdir.gov.za

**APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76;; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE**

**ACTING HIEF DIRECTOR: PROVINCIAL OFFICE-WESTERN CAPE**

<b>REFERENCE NUMBER/PID:</b>	12/2/5-WC/LR/1/C/19
<b>DISTRICT OFFICE:</b>	Central Karoo
<b>DISTRICT MUNICIPALITY</b>	Central Karoo District Municipality
<b>LOCAL MUNICIPALITY</b>	Beaufort West
<b>PROPERTY DESCRIPTION/S:</b>	<p><b>Dassiesfontein:</b> Portion 6 (South Dassiesfontein) of the Farm Dassiesfontein No.73, in extent 2982.0047ha, Portion 5 (Portion of 1 North Dassiesfontein), No. 73, in extent 298.7398ha, Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.</p> <p><b>Rondawel:</b> Portion 5 of the Farm Bok Poort (Portion of Portion 4) No. 54, in extent 343.6754ha, Portion 6 of the Farm Bok Poort No. 54 (Portion of Portion 4) No 54, in extent 2.1257ha, Portion 1 of the Farm Esterville No. 57, in extent 30.0965ha, Ptn 4 of the Farm Dassiesfontein No. 73 (Portion of Portion 1), in extent 753.8581ha, Portion 2 of the Farm Taaiboschhoek No. 75, in extent 473.9789ha, Portion 1 of the Farm Scheurfontein No. 112, in extent 1773.0426ha, Portion 1 of the Farm</p>

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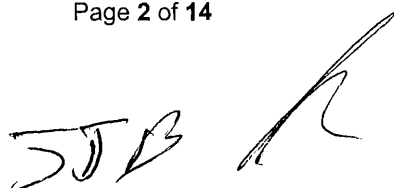


APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF **DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE**

	<p>Grasplaats No. 113, in extent 1069.0119ha, Portion 2 (Remaining extent), in extent 392.6857ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province</p> <p><b>Melrose:</b> Portion 2 of the Farm Adj.Driekop No. 48, in extent 368.5915ha, Portion 1 of the Farm Taaibosch Hoek No. 75, in extent 2662.0772 ha, Portion 0 (Remaining extent) of the farm Bronkers Valei No 76, in extent 1829.3525ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.</p> <p><b>Willemskraal:</b> Portion 1 of the Farm Bronkers Valei No. 76 (Willemskraal), in extent 1 661.6007ha with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.</p> <p><b>Matjieskloof:</b> Farm 421, in extent of 4 739.000ha with Title Deed no T00005829/2007 situated in the Beaufort West Municipality in the Western Cape Province.</p>
<b>PTC DATE:</b>	03 March 2020

**EXECUTIVE SUMMARY:**

Project type (i.e. Smallholder, AVMP, Labour Tenants / Farm Dwellers or Commercial)	Smallholder
Current Land Use: e.g. Livestock farming, crop production.	Livestock farming (sheep)
Envisaged Land Use / Commodity Type:	Sheep
Optimal Land Use	Lucerne
Total extent of Property/s:	19 474.0301 ha
Category of lessee:1,2,3 or 4	3
Date of Initial Application:	February 2020
Seller's Asking Price:	R21 537 283.00 (incl VAT)
Price offer from OVG:	The value of sale was determined

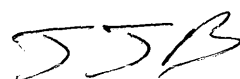
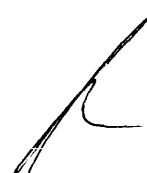


APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF **DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE**

		before LAW and the OVG was established. The offer was made on the basis of the valuation report.
Valuation:	Immovable	R19 450 000.00 (excl VAT)
	Movables	R 0.00
Agreed Purchase price: (Immovable and Movables)		Immovable: R 19 474 447.00 Movables: R 0.00
Cost of Electricity and Water Reconnection		R 0.00
Stakeholders Engaged (internal and external) e.g. REID, RID, LTA, DoA		DoA, LTA, NARYSEC, Central Karoo District Municipality, Beaufort West Municipality
Spatial Information and Zoning:		Agriculture

## 1. PURPOSE:

- 1.1 To request the approval for the allocation of land and movables by the Chief Director: Provincial Office-Western Cape in terms of Section 11 of the Act as amended for the property described as:
- 1.1.1 **Dassiesfontein:** Portion 6 (South Dassiesfontein) of the Farm Dassiesfontein No.73, in extent 2982.0047ha, Portion 5 (Portion of 1 North Dassiesfontein), No. 73, in extent 298.7398ha, Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;
- 1.1.2 **Rondawel:** Portion 5 of the Farm Bok Poort (Portion of Portion 4) No. 54, in extent 343.6754ha; Portion 6 of the Farm Bok Poort No. 54 (Portion of Portion 4) No 54, in extent 2.1257ha; Portion 1 of the Farm Esterville No. 57, in extent 30.0965ha; Ptn 4 of the Farm Dassiesfontein No. 73 (Portion of Portion 1), in extent 753.8581ha, Portion 2 of the Farm Taaiboschhoek No. 75, in extent 473.9789ha, Portion 1 of the Farm Scheurfontein No. 112, in extent 1773.0426ha, Portion 1 of the Farm Grasplaats No. 113, in extent 1069.0119ha, Portion 2 (Remaining extent), in extent 392.6857ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.
- 1.1.3 **Melrose:** Portion 2 of the Farm Adj.Driekop No. 48, in extent 368.5915ha, Portion 1 of the Farm Taaibosch Hoek No. 75, in extent 2662.0772 ha, Portion 0 (Remaining extent) of the farm Bronkers Valei No 76, in extent 1829.3525ha, with

APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76.; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.

- 1.1.4 **Willemskraal**: Portion 1 of the Farm Bronkers Valei No. 76 (Willemskraal), in extent 1 661.6007ha with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.
- 1.1.5 **Matjieskloof**: Farm 421, in extent of 4 739.000ha with Title Deed no T00005829/2007 situated in the Beaufort West Municipality in the Western Cape Province, to Nuveld Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07), as the appointed lessee to lease the land and movable assets for a period of 30 years.

## 2. LEGAL AND POLICY PROVISIONS:

2.1 Section 11, of the Act empowers the Minister to lease any property contemplated in this Act.

2.2 ~~All approved policies and relevant circulars must be adhered to.~~


### 3.1 ~~DELEGATIONS~~

~~3.1 Approval for the allocation of land as per Section 11 of the Act is delegated to Deputy Director General and other relevant Chief Directors as per present delegations, signed on the 28<sup>th</sup> September 2018, in terms of item 28, section 11 of the Provision of Land and Assistance Act 126 of 1993 as amended.~~

## 4. BACKGROUND:

4.1 **Dassiesfontein**: Portion 6 (South Dassiesfontein) of the Farm Dassiesfontein No.73, in extent 2982.0047ha, Portion 5 (Portion of 1 North Dassiesfontein), No. 73, in extent 298.7398ha, Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.;

**Rondawel**: Portion 5 of the Farm Bok Poort (Portion of Portion 4) No. 54, in extent 343.6754ha, Portion 6 of the Farm Bok Poort No. 54 (Portion of Portion 4) No 54,

STB 

APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

in extent 2.1257ha, , Portion 1 of the Farm Esterville No. 57, in extent 30.0965ha, Ptn 4 of the Farm Dassiesfontein No. 73 (Portion of Portion 1), in extent 753.8581ha, Portion 2 of the Farm Taaiboschhoek No. 75, in extent 473.9789ha, Portion 1 of the Farm Scheurfontein No. 112, in extent 1773.0426ha, Portion 1 of the Farm Grasplaats No. 113, in extent 1069.0119ha, Portion 2 (Remaining extent), in extent 392.6857ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.

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**Willemskraal:** Portion 1 of the Farm Bronkers Valei No. 76 (Willemskraal), in extent 1 661.6007ha with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province.

**Matjieskloof:** Farm 421, in extent of 4 739.000ha with Title Deed no T00005829/2007 situated in the Beaufort West Municipality in the Western Cape Province, was acquired and registered at Deeds on 29 October 2007 and 30 September 2008, attached Deeds Web reports **Tag B**.

- 4.2 The Department of Rural Development and Land Reform acquired these properties and movables in accordance with the relevant policy prescripts and it was registered and transferred to the National Government of the Republic of South Africa in the 2007/2008 financial year, thus making it a state property. Approvals memos **Tag B2**.
- 4.3 The reasons for allocation: The farm was acquired to provide black farmers access to productive land in the Central Karoo District Municipal area, which is one of the poorest areas in the Western Cape. The purpose for the acquisition is to address the transformation of land ownership and economic development. The farms are located in the Beaufort West Local Municipality under the Central Karoo District Municipality and is ±82km from in a northern direction from Beaufort West,
- 4.4 Within the Central Karoo a farmer needs at least 5000ha or more to ensure an economic unit therefor the need to allocate all five (5) farms. The Nuveld Farming Empowerment Enterprise (Pty) Ltd is currently creating 10 permanent jobs,

APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

resulting in 10 households secured of a monthly income.

- 4.5 These properties were acquired with no assets, however, the Department secured assets through the Recapitalisation and Development Funds.
- 4.6 The Department entered into a caretaker agreement with the Nuvelde Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07) which expired on 31 December 2019, attached the caretaker agreement as **Tag B3**. A request to appoint the existing entity as caretaker will follow to obtain approval by NLAACC.
- 4.7 In accordance with the farm assessment and the current land use the farm is suitable for the 2837 small stock with a stock rate of 80% of the veld's carrying capacity. Allocation of these properties were earmarked for smallholder farmers as per the advertisement **Tag J**.
- 4.8 The Office conducted the District Beneficiary Selection Committee (DBSC) Interviews on 21 January 2020 at the Central Karoo District Office, DBSC minutes attached as **Tag I**.
- 4.9 The proposed lessee Nuvelde Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07), consisting of Mr Joshua Bezuidenhout (ID 690603 5111 089), Mr Herold Bezuidenhout (ID 580228 5249 086) and Mr Jan Bergh (ID 661104 5275 086) as the Directors, the relevant ID copies are attached as **Tag G** were interviewed by the District Beneficiary Selection Committee on 21 January 2020 along with the other beneficiaries for allocation of this farm. The following table indicates the names and score of all candidates at the time of the interview:

Name	Representative if Legal Entity	Score	Total Possible Score	Percentage
Pieter Jakobus Meintjies	n/a	418	650	64.30%
Nuvelde Farming Empowerment Enterprise (Pty) Ltd	Joshua Bezuidenhout Jan Bergh Herold Bezuidenhout	519	650	79.84%

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APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

- 4.10 Nuvelde Farming Empowerment Enterprise (Pty) Ltd scored the highest. The Nuvelde Farming Empowerment Enterprise (Pty) Ltd consist of Mr Joshua Bezuidenhout, Mr Herold Bezuidenhout and Mr Jan Bergh. The concluded 30 years lease agreement will be in the name of the registered legal entity that will be their operational business. Business proposal as **Tag H**.
- 4.11 The proposed lessee (Nuvelde Farming Empowerment Enterprise Pty Ltd (Registration Number 2017/460296/07) was formed by 3 of the previous lessees who formed a new company. They were appointed as the Caretaker on the Plateau farms and they were farming on the farms since the acquisition of the land in 2007 and 2008. They took responsibility for the maintenance of the properties and they contributed a lot to the breeding of the merino sheep and wool production. They currently have 2665 merino sheep and plan to expand these numbers. The entity is registered with Responsible Wool Standards (RWS) and they provide their wool to BKB who will auction their wool at a better price. The farms were acquired to provide black farmers access to productive land in the Central Karoo District Municipal area, which is one of the poorest areas in the Western Cape. The purpose for the acquisition is to address the transformation of land ownership and economic development. Within the Central Karoo a farmer needs at least 5000ha or more to ensure an economic unit. The Nuvelde Farming Empowerment Enterprise (Pty) Ltd is currently creating 10 permanent jobs, resulting in 10 households secured of a monthly income, under their caretakership.

## 5. FARM ASSESSMENT

Farm assessment was conducted and as per the attached report: **Tag E** the following are the outcomes:

### 5.1 CURRENT LAND USE and PRODUCTION:

Land Use	19 474.0301 Hectares
Grazing land	19 374.0301
Arable land	0.0000
Dry land irrigation (rain fed)	0.0000
Vineyards	0.0000
Homestead, poultry houses, stores and wasteland	100.0000

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APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

## 5.2 FARM POTENTIAL

5.2.1 The farm has a potential carrying capacity 28ha/LSU and can carry 2837 small stock with a stock rate of 80% of the veld's grazing capacity.

## 6. WATER RIGHTS:

6.1 Water is use according to the National Water Act, 1998 (Act No. 36 of 1998) known as a *Schedule 1: Permissible Use of Water: Sections 4(1) (iii) the watering of animals (excluding feedlots) which graze on that land within the grazing capacity of that land from any water resource which is situated on or forms a boundary of that land, if the use is not excessive in relation to the capacity of the water resource and the needs of other users.*

These properties have 15 equipped boreholes. The boreholes need to be registered with the Department of Water and Sanitation through the assistance of the Breede Gouritz Catchment Agency (BGCMA), should it be used for irrigation in future.

## 7. ELECTRICITY

The farm has no Eskom electricity and is relying on diesel generators. All the main houses are provided electricity through diesel generators.

## 8. PROPOSED AND OPTIMAL LAND USE:

8.1 The farm, Willemskraal, has the potential to develop 5 ha Lucerne that can be used during drought. The appointed lessee can use it for the same purposes.

## 9. EXISTING AND PROPOSED TENURE RIGHTS OR TRANSITIONAL ARRANGEMENTS:

9.1 The current owner has no permanent farm workers.

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APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

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9.2 The farm will be occupied by the proposed lessee upon approval and they will reside fulltime on the farm.

9.3 The proposed lessees are not public servants as indicated in the attached declarations labelled as **Tag G5** and are therefore recommended allocation for the following reasons:

- The entity comprises of 3 males of whom one male are classified as a military veteran;
- All three males have technical skills as they are farming on these properties (5 Plateau farms) for the past 10 years. They signed a caretaker agreement and are responsible for the maintenance of the assets of the Department. They are taking responsibility for the repair of windmills, fences and water systems;
- The Nuveld Farming Empowerment Enterprise (Pty) Ltd is currently creating 10 permanent jobs, resulting in 10 households secured of a monthly income;
- The 3 males took part in various agricultural events and won several prizes, eg Best Farmer, 1<sup>st</sup> prizes in Agricultural shows in Beaufort West and the Overberg.
- These males attended several courses in Farm Planning, Animal Production, Handling of problem animals, conflict management, life orientation and welding.
- Mr Joshua Bezuidenhout also attended courses for Junior and Middle Management.

See **Tag K** for various copies of qualifications.

## 10. SERVITUDES AND RESTRICTIONS:

10.1 The servitudes and restrictions are registered as per the Title Deed, T00005829/2007 and T63410/2008.

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APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

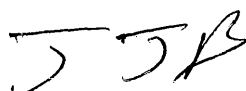
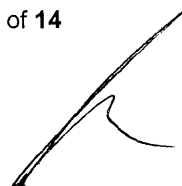
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## 11. FINANCIAL IMPLICATIONS

11.1	Asking Price	R 21 537 283.00 (incl VAT)
11.2	Valuation: Immovable	R 19 450 000.00
11.2.1	Offer from OVG:	No OVG in place during 2007/8
11.3	Agreed Purchase price (Immovable)	R 19 474 447.00
11.4	Agreed Purchase price Movables	R 0.00
11.5	Total Agreed Purchase Price	R 19 474 447.00
11.6	Cost of Water and Electricity Connection	R 0.00

## 12. COMMITTEE RESOLUTIONS:

- 12.1 The District Beneficiary Selection Committee conducted interviews on 21 January 2020. Refer to DBSC minutes attached as **Tag I**.
- 12.2 The application was tabled and supported by the Provincial Technical Committee on 03 March 2020.

APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

### 13. RECOMMENDATION

It is recommended that:

- 13.1 Approval be granted by the Chief Director: Provincial Office-Western Cape in terms of Section 11 of the Act as delegated for the allocation of the properties described as:

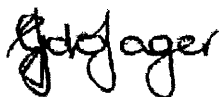
**Dassiesfontein:** Portion 6 (South Dassiesfontein) of the Farm Dassiesfontein No.73, in extent 2982.0047ha, Portion 5 (Portion of 1 North Dassiesfontein), No. 73, in extent 298.7398ha, Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

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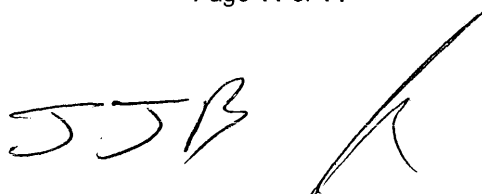
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MS G DE JAGER  
PROJECT COORDINATOR: CENTRAL KAROO DISTRICT OFFICE  
DATE: 03 MARCH 2020



APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76.; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

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Recommendation 13.1 supported / ~~not supported~~

  
 MS L BROWN  
 DISTRICT DIRECTOR: GARDEN ROUTE & CENTRAL KAROO REGION  
 DATE: 03 MARCH 2020

APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF **DASSIESFONTEIN**: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, **RONDAWEL**: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), **MELROSE**: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76; **WILLEMSKRAAL**: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), **MATJIESKLOOF**: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE

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- 13.1 Approval be granted by the Chief Director: Provincial Office-Western Cape in terms of Section 11 of the Act as delegated for the allocation of the properties described as:

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**Rondawel**: Portion 5 of the Farm Bok Poort (Portion of Portion 4) No. 54, in extent 343.6754ha, Portion 6 of the Farm Bok Poort No. 54 (Portion of Portion 4) No 54, in extent 2.1257ha, Portion 1 of the Farm Esterville No. 57, in extent 30.0965ha, Ptn 4 of the Farm Dassiesfontein No. 73 (Portion of Portion 1), in extent 753.8581ha, , Portion 2 of the Farm Taaiboschhoek No. 75, in extent 473.9789ha, Portion 1 of the Farm Scheurfontein No. 112, in extent 1773.0426ha, Portion 1 of the Farm Grasplaats No. 113, in extent 1069.0119ha, Portion 2 (Remaining extent), in extent 392.6857ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

**Melrose**: Portion 2 of the Farm Adj.Driekop No. 48, in extent 368.5915ha, Portion 1 of the Farm Taaibosch Hoek No. 75, in extent 2662.0772 ha, Portion 0 (Remaining extent) of the farm Bronkers Valei No 76, in extent 1829.3525ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

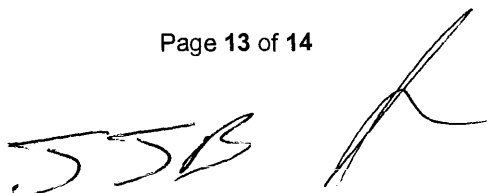
**Willemskraal**: Portion 1 of the Farm Bronkers Valei No. 76 (Willemskraal), in extent 1 661.6007ha with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

**Matjieskloof**: Farm 421, in extent of 4 739.000ha with Title Deed no T00005829/2007 situated in the Beaufort West Municipality in the Western Cape Province, to **Nuvelde Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07)**, as the appointed lessee to lease the land and movable assets for a period of 30 years.

Recommendation **13.1 supported** / not supported



MR JMH PHEIFFER  
DIRECTOR: STRATEGIC LAND ACQUISITION  
DATE: 04 MARCH 2020



**APPLICATION FOR ALLOCATION OF LAND AND MOVEABLE ASSETS IN RESPECT OF DASSIESFONTEIN: PORTION 6 (SOUTH DASSIESFONTEIN) OF THE FARM DASSIESFONTEIN NO.73, PORTION 5 (PORTION OF 1 NORTH DASSIESFONTEIN), NO. 73, RONDAWEL: PORTION 5 OF THE FARM BOK POORT (PORTION OF PORTION 4) NO. 54, PORTION 6 OF THE FARM BOK POORT NO. 54 (PORTION OF PORTION 4) NO 54, PORTION 1 OF THE FARM ESTERVILLE NO. 57, PTN 4 OF THE FARM DASSIESFONTEIN NO. 73 (PORTION OF PORTION 1), PORTION 2 OF THE FARM TAAIBOSCHHOEK NO. 75, PORTION 1 OF THE FARM SCHEURFONTEIN NO. 112, PORTION 1 OF THE FARM GRASPLAATS NO. 113, PORTION 2 (REMAINING EXTENT), MELROSE: PORTION 2 OF THE FARM ADJ.DRIEKOP NO. 48, PORTION 1 OF THE FARM TAAIBOSCH HOEK NO. 75, PORTION 0 (REMAINING EXTENT) OF THE FARM BRONKERS VALEI NO 76,; WILLEMSKRAAL: PORTION 1 OF THE FARM BRONKERS VALEI NO. 76 (WILLEMSKRAAL), MATJIESKLOOF: FARM 421, SITUATED IN THE BEAUFORT WEST MUNICIPALITY IN THE WESTERN CAPE PROVINCE**

### 13. RECOMMENDATION

It is recommended that:

- 13.1 Approval be granted by the Chief Director: Provincial Office-Western Cape in terms of Section 11 of the Act as delegated for the allocation of the properties described as:

**Dassiesfontein:** Portion 6 (South Dassiesfontein) of the Farm Dassiesfontein No.73, in extent 2982.0047ha, Portion 5 (Portion of 1 North Dassiesfontein), No. 73, in extent 298.7398ha, Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

**Rondawel:** Portion 5 of the Farm Bok Poort (Portion of Portion 4) No. 54, in extent 343.6754ha, Portion 6 of the Farm Bok Poort No. 54 (Portion of Portion 4) No 54, in extent 2.1257ha, Portion 1 of the Farm Esterville No. 57, in extent 30.0965ha, Ptn 4 of the Farm Dassiesfontein No. 73 (Portion of Portion 1), in extent 753.8581ha, , Portion 2 of the Farm Taaiboschhoek No. 75, in extent 473.9789ha, Portion 1 of the Farm Scheurfontein No. 112, in extent 1773.0426ha, Portion 1 of the Farm Grasplaats No. 113, in extent 1069.0119ha, Portion 2 (Remaining extent), in extent 392.6857ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

**Melrose:** Portion 2 of the Farm Adj.Driekop No. 48, in extent 368.5915ha, Portion 1 of the Farm Taaibosch Hoek No. 75, in extent 2662.0772 ha, Portion 0 (Remaining extent) of the farm Bronkers Valei No 76, in extent 1829.3525ha, with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

**Willemskraal:** Portion 1 of the Farm Bronkers Valei No. 76 (Willemskraal), in extent 1 661.6007ha with Title Deed no T63410/2008; situated in the Beaufort West Municipality in the Western Cape Province;

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#### Recommendation 13.1 approved / not approved / comment:

This allocation is not approved, albeit that it was approved by NLAAC. I think it is critical that I highlight background and motivation to my decision. On 23 August 2020 I received a message from Ministry to follow-up a complaint of Mr. Hendrick Booysen who sent numerous messages to the Minister about his ejection from a farm in Beaufort West. I met with him in George on 27 August 2020 and I was accompanied by the Acting District Director, Mr. J. Klassen. Mr. Booysen also referred us to other complainants being Tyantsi, Morris and Nduku Family Trusts. I met with these families on 15 Sept 2020 in Beaufort West. On the 16 September 2020 I met with the Beaufort West team and the officials from Provincial Department of Agriculture. We then agreed to invite the three families of Nduku, Tyantsi and Morris and they came. We proceeded as officials from both DALRRD and PDA to meet with the 3 members of Nuveld Farming Enterprise mention in this memo. Following these meetings on 18 September 2020 I convened a virtual meeting with Senior Managers responsible for SLA, Property Management, District, former Acting CDs and Legal services to present outcomes of these consultations.

Out of these consultations it became clear that Nuveld was established by Professor Sinclear who is the previous owner of these Plateau farms. At one point he was a shareholder with a majority stake. He loaned the company large amount of money. Some of the Nuveld members were his previous employees. Allegations of fronting cannot be ignored and must be investigated in this matter. Allocating this property/ies to Nuveld could be tantamount to handing it back to Prof free of charge at the expense of the complainants. Moreover this information was not disclosed to the DBSC, PTC and NLAAC. Officials who managed this process indicated that they are hearing it for the first time and they had no prior knowledge of Prof's involvement at all in the establishment or ownership of Nuveld. In the light of this they all agreed that the Acting CD:PSSC WC must not approve the recommendation to allocate the Plateau Farms to Nuveld Farming Empowerment Enterprise (Pty) Ltd (Registration Number 2017/460296/07), as the appointed lessee to lease the land and movable assets for a period of 30 years.

**MR L MBEKENI**

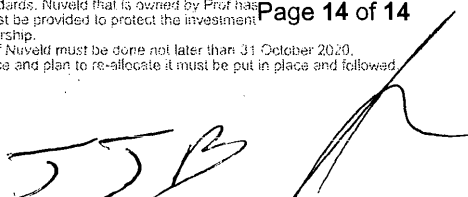
**ACTING - CHIEF DIRECTOR: PROVINCIAL OFFICE-WESTERN CAPE**

**DATE: 27/09/2020**

Lastly the Department had issued letters to all including the three who formed Nuveld. All other families were as a result ejected from the farm save the three. There is not reason to apply double standards. Nuveld that is owned by Prof has no right to be on these farms. In handling this matter care must be provided to protect the investment of the State and these farms must not be left without caretakership.

Ascertaining the ownership of the 2665 animals and ejection of Nuveld must be done not later than 31 October 2020. By that time the Caretakership of this property must be in place and plan to re-allocate it must be put in place and followed.

The other worrisome issue on this matter is the lack of records of the number or size of biological assets left by Bonto when his contract expired. It is shocking because the very same reason that this property/ies were bought to accommodate livestock farmers. So its core business is a livestock farm. There are serious allegations that Nduku, Tyantsi, Morris and Booysen Families left their own livestock which Prof chase them away, bought at ridiculously low prices and others kept it for his Nuveld. In the light of the above the 2665 livestock on the Property mentioned in this memo could include those left by Bonto and those left by the complaining families who were forced out through letters from the Department. The ownership of the 2665 was be independently verified.





**Nuvelde Farming  
Empowerment  
Enterprises (PTY) LTD**

5 Ernest Avenue, Beaufort West, 6970  
PO Box 6460, Welgemoed, 7538

Cell no: 084 864 1484  
Tel: 021 913 7710  
Fax: 021 913 7727

**JB13**

13 October 2020

Dear Honourable Minister Thoko Didiza


After more than 10 years of farming on the Plateau PLAS farms in Beaufort West and celebrating the END AND FALL of the Apartheids regime by our beloved organisation the ANC for which we have voted since 1994 we are perplexed by Mr Lubabalo Mbekeni the Acting Chief Director of the Department of Rural Development and Land Reform in the Western Cape not approving our 30 years lease agreement as approved on the 09/06/2020. The Governments and specific Department of Land Reform dream of those working the land must benefit from the land are now been destroyed by an Official of your Department. I, Joshua Bezuidenhout, also want to mention that my Dear Father has been buried on the 23/09/2020 after 20 years serves to a White commercial farmer just some km from where I am farming now. I was raised on that farm under very difficult circumstances and Minister you are well aware of that during the Apartheid years. There I have worked with my late Farther day and night for which I am very thankful for. My passion for commercial farming was born on that farm. I also remember my Late Father's dream of us been granted the opportunity to farm commercially on our own as previous disadvantaged people.

So, when given the opportunity to make an application, we grabbed it with both hands and to show the Department how previous disadvantage farmers can farm on a commercially viable manner as Nuvelde farming. We have even negotiated with a private company for a loan to purchase additional animals to farm on a viable manner. We have also paid back the loan as Land bank couldn't assist due to the lack of a 30 years lease agreement.

**At this stage the three of us who applied for contracts are even prepared to take legal action against the specific official Mr. Mbekeni in not complying with our own Governmental policies in terms of land allocations as explained to us and which we have followed as prescribed. To date we are denied**

Registration Number: 2017/460296/07

Directors: J Bergh, H Bezuidenhout, JJ Bezuidenhout

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obtaining the 30 years lease agreement after we have followed Governments processes for beneficiary selection.

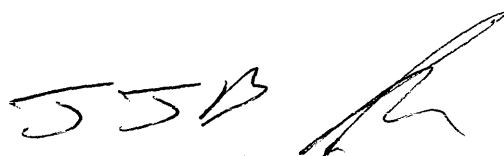
Mr. Mbekeni has arranged a meeting with us to meet on the farm on the 16 September 2020 for 09h00 on the farm. We have prepared and arranged that the sheep and equipment was at the meeting site for his convenience. At 12H00 we were contacted, and it was arranged that we meet next to the road. It seems as if Mr Mbekeni the Acting Chief Director was not interested or serious about our farming activities and our achievements on the farms.

During the month of June 2019 all beneficiaries has received letters from the local Land Reform office that we need to evacuate the land because the Department want us to go through a selection process to select the best suitable beneficiaries for the farms. One of the reasons was that the land was to small and that all beneficiaries is not active on the land. In Central Karoo a farmer need +- 5000 to 6000 ha to farm commercially due to the harsh climate conditions. I have received my letter specifically on the 11/06/2020.

**IMPORTANTLY NOTE THAT WAS A GOVERNMENTAL INSTRUCTION.** However, when Bono the previous Mentors has left us, and we first heard about the process, we, Nuvelde Farming has approached the Department for a 5 years caretaker agreement on 14 May 2019 to protect the Governments assets and to allow us to produce commercially until the Governments processes has been concluded. At that stage we were the only three active farmers permanently staying on the land. As also required by Government.

The Nuvelde Farming Empowerment Enterprise (Pty) Ltd is currently creating 10 permanent jobs (excluding the 3 directors of Nuvelde Farming), resulting in 10 households with a secured monthly income. Temporary work has also been created which varies from 5 to 15 people depending on required activities, ranging from shifting of sheep, providing medication (routine and ad-hoc requirements), our lambing period and shearing of sheep. As we said in our application in our expanded business plan for the next 5 years Nuvelde will create employment for at least 30 permanent staff, 20 seasonal staff and 20 internships. Horticulture is one of our other milestones we have in mind with the focus on including women.

The latest caretaker agreement was approved until the 31/12/2019.  
Process flow of Governments Policy approved process as explained to us.

A handwritten signature in black ink, appearing to be 'JJB' followed by a stylized flourish.


1. That the farm will be advertised in the local papers – Date 06/12/2019  
We have completed our application as required
2. Need to attend a compulsory site visit meeting – 13/12/2019 We did attend the site visit
3. We have attending the beneficiary selection meeting on - 21 January 2020
4. Then the Governments process has followed
5. Then we received the NLAAC schedule with the approval of Nuvelde Farming Empowerment Enterprise as selected beneficiaries.

And still today 12/10/2020 we haven't received our 30 years lease agreement that currently results in us not able to negotiate with the private sector for assistance. Dear Honourable Minister why are we punished while we have followed Government instructions on obtaining a 30 years lease agreement. If there is any omittance from your Departments side, we cannot be liable of punished for that. Kindly release our 30 years lease agreement as for us to continue to farm on an economic viable manner. We can assure you that you will see the first Black commercial farmers in Central Karoo competing with the commercial farmers. We also planning to start the first black owned merino sheep stud in South Africa. On the latest BKB wool action our lamb wool has fetched the highest price competing with established white commercial farmers.

Dear Honourable Minister with your agricultural knowledge and experience you know that the production cycle for sheep farming is 9 months and that we cannot leave the farm with animals in production and put our and Government investment in shambles. Our ewes are currently in lamb and is managed by highly skilled workers and us as qualified Managers. **Further to that we have adhere to Government instructions and policies and cannot be liable for Governments failures if that is the delay in providing us with the agreement.**

Your favourable urgent feedback pertaining the matter will be highly appreciated. We would further request to meet with the DDG of your Department due to the fact that we believe we were not treated fairly or with respect.

Looking forward with anticipation to hear from you as soon as possible.

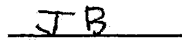
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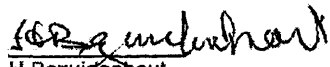


Thanking you for the opportunity – and we hereby also officially invite you to visit a successful Black commercial Merino sheep farming enterprise in Central Karoo.

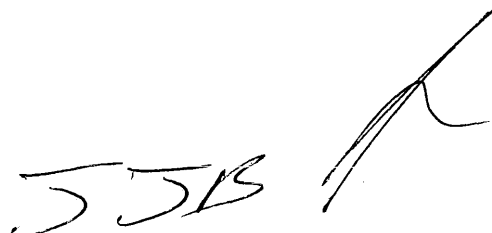
Kind regards

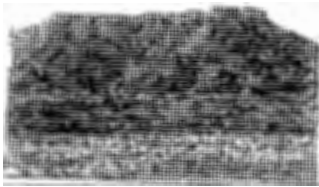
  
\_\_\_\_\_  
J J Bezuidenhout  
(Director and Shareholder)

  
\_\_\_\_\_  
J Bergh  
(Director and Shareholder)

  
\_\_\_\_\_  
H Bezuidenhout  
(Director and Shareholder)

Nuveld Farming Empowerment Enterprise (Pty) Ltd  
Joshua Bezuidenhout - +27 84 864 1484





**Nuveld Farming  
Empowerment  
Enterprises (Pty) Ltd**

5 Ernest Avenue, Beaufort West, 6970  
PO Box 6460, Welgemoed, 7538

Cell no: 084 864 1484  
Tel: 021 913 7710  
Fax: 021 913 7727

**JB14**

16 October 2020

Dear Honourable Mr Ndove

Harold Bezuidenhout, Jan Berg and I Hannes Bezuidenhout have written to the Minister requesting why the 30-year agreements was not approved. After further reflection of my letter dating, 13 October 2020, we as directors of Nuveld Farming Empowerment Enterprises (Pty) Ltd would like to request a meeting at your earliest convenience once you are in Cape Town.

We know that the Acting Chief Director, Mr L Mbekeni already decided not to approve our contracts before he requested to meet with us on the side of the road in Beaufort West on 16 September 2020. He was not interested to hear or see what we have achieved on the farms and the questions he asked did not in anyway relate to our application but only about complaints he received from others. If Mr Mbekeni is any way serious about what Land Reform is all about, he would have made an effort to visit our farms.

The current events that is published in the media about officials is frightening as we have worked closely with the Department of Land Reform in Beaufort West with all their support to ensure we become successful.

We have sacrificed so much over last 3 years and I can assure you that we will not stop fighting for our contracts as we cannot be faulted in anyway. Our future is at stake.

We would appreciate your urgent attention to this matter.

Yours faithfully

Hannes Bezuidenhout  
Nuveld Farming Empowerment Enterprises (Pty) Ltd  
084 864 1484

55B



Nuveld Farming  
Empowerment  
Enterprises (PTY) LTD

5 Ernest Avenue, Beaufort West, 6970  
PO Box 6460, Welgemoed, 7538

Cell no: 084 864 1484  
Tel: 021 913 7710  
Fax: 021 913 7727

23 October 2020

Dear Honourable Mr Ndove

I trust you are keeping well.

I would appreciate it if we could have some feedback regarding our contracts that was approved. The delay and uncertainty have negative affects on the farming enterprise. I wish to bring to your attention the following:

Jan Berg, Harold Bezuidenhout and I have put 10 years of hardwork on these farms and achieved so much over the last three years through our company Nuveld since Bono left. We feel that we deserve in every way the contracts as we have proven ourselves.

1. We have taken it upon ourselves with the approval of the Department of Land Reform to continue farming after Bono left as this was an opportunity to show everyone that we are competitive black farmers. To date we see ourselves as the leading commercial sheep farming enterprises in the Central Karoo. With all due respect, can you imagine if we were not there. All the sheep would have been stolen. As far as we are concerned the sheep which are on the farms now therefor belong to us.
2. We have also ensured that all the infrastructures were well maintained which includes windmill repairs, dam repairs, workers home repairs, farmhouse repairs, clearing of boreholes filled with stones, tractor repairs, etc. which amounts to more than R300,000.00. We have therefore safeguarded the property of the state.

We have waited almost a year for the contracts and we cannot wait any longer. Please tell us why we don't get our contracts?

We thank you.

Mr JJ Bezuidenhout - Director

Mr J Berg - Director

Mr H Bezuidenhout - Director

Nuveld Farming Empowerment Enterprises(Pty) Ltd

Registration Number: 2017/460296/07

Directors: J Bergh, H Bezuidenhout, JJ Bezuidenhout

**VAN NIEKERK PROKUREURS**

MATHILDA SUSANNA VAN NIEKERK - B IURIS LLB (UNISA)

**JB16**

Prokureurs / Attorneys  
 Boedelberedderaars / Administrators of Estate  
 Afslaaers / Auctioneers  
 Taksateurs / Appraisers  
 Transportbesorger/Conveyancer

Birdstraat/street 91  
 Posbus / P O Box 6  
 Beaufort Wes/t  
 6970  
 Telefoon : (023) 414 2131  
 E-mail : mathilda@telkomsa.net

U VERW/YOUR REF :

ONS VERW/OUR REF: MSVN/kc/S881

24 February 2021

E-mail: [lubabalo.mbekeni@drdlr.gov.za](mailto:lubabalo.mbekeni@drdlr.gov.za)**Mr Lubabalo Mbekeni**

Acting Chief Director

The Department of Agriculture, Land Reform and Rural Development

14 Long street

**Cape Town**

8001

**RE: DEFAMATION: PROFESSOR AJL SINCLAIR**

I have been instructed by my client, Prof AJL Sinclair, to demand of you an unconditional withdrawal of the unfounded and defamatory statements you made about him in the presence of ± 40 people at the meeting on 02 December 2020, held in the Karoo National Park. What makes your statements worse, is the fact that my client met, at your request, with the senior legal advisor of the department, Mr Sidwell Fonk, a week after he had met with you and provided him with concrete evidence which refuted your allegations. You, however, saw fit to persist with your misrepresentation of the situation.

I hope you will appreciate the seriousness of the matter which calls into question the behaviour of a senior public servant.

I hope the matter can be resolved without taking further steps.

Yours faithfully

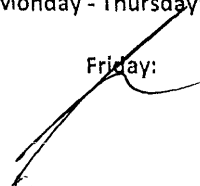
**VAN NIEKERK ATTORNEYS**


~~M S VAN NIEKERK~~

Kantoorure/Office hours:

Maandae - Donderdae: 07:30 - 13:00  
 13:30 - 16:00  
 Vrydag: 07:30 - 13:00  
 13:30 - 15:30

Monday - Thursday: 07:30 - 13:00  
 13:30 - 16:00  
 Friday: 07:30 - 13:00  
 13:30 - 15:30



agriculture, land reform  
& rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

**JB17**

PROVINCIAL SHARED SERVICE CENTRE: WESTERN CAPE: Private Bag X9159, 3<sup>RD</sup>  
Floor, 14 Long Street, CAPE TOWN, 8000, Tel: (021) 409 0300 Web: www.dalrrd.gov.za

VAN NIEKERK ATTORNEYS

91 Bird Street

Beaufort West

6970

4 March 2021

Your ref: MSVN/kc/S881

Our ref: Mr Mbekeni

[mathilda@telkomsa.net](mailto:mathilda@telkomsa.net)

**RE: DEFAMATION : PROFESSOR AJL SINCLAIR**

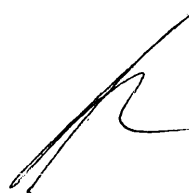
I refer to the above matter and acknowledge receipt of your letter dated 24 February relative thereto.

I am deeply saddened to learn from your correspondence that I have made defamatory statements against Prof AJL Sinclair who is your client in this matter. I bear no knowledge and have no recollection of any defamatory statements I have made against Prof AJL Sinclair at the meeting held 02 December 2020 at Karoo National Park or at any other place or meeting.

I regard Prof. AJL Sinclair in high regard based on his professional status in the academic world, his expertise as a highly rated successful sheep farmer within the Karoo region and as a senior citizen of the country.

It is furthermore not within my upbringing and character to display any kind of disrespect or utter any derogatory statements to any person particularly to senior citizens as in the case of Prof AJL Sinclair.

I unfortunately do not know which words I have used against Prof AJL Sinclair that are construed to be defamatory. In the event that, during our discussion in the meeting referred to above, in my contribution to the discussion, I made certain statements or references which were incorrectly interpreted by Prof AJL Sinclair as defamatory in nature against him, that was never intended to be the case by me. The discussions

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and the subjects in the meeting could not create any basis for me to act in the manner that is alleged that I have acted.

As a public servant I am guided by the Batho Pele principles which I believe is a well-known concept that regulates the behaviour of civil servants in interaction with the members of the public.

In case, for whatever reason, Prof AJL Sinclair is of the view that, there is any kind of misunderstanding between him and myself as an official of the Department, I practice an open-door policy, Prof AJL Sinclair is welcome to discuss same with me and have it amicably resolved.

I trust that you will find this in order.

Kind regards.



**LUBABALO MBEKENI**  
**A/CHIEF DIRECTOR: PROVINCIAL SHARED SERVICE CENTRE-WC**  
**DATE: 15 MARCH 2021**

JJB



**JB18**

# CRAWFORDS

ATTORNEYS - NOTARIES - CONVEYANCERS - ADMINISTRATORS OF ESTATES - AUCTIONEERS - APPRAISERS

VAT NR. 4300198168

SINCE 1929

Ref/Verw: MA/kb

Your Ref/U Verw:

E-mail/E-pos: [mitchsec@crawfordsattorneys.co.za](mailto:mitchsec@crawfordsattorneys.co.za)

Date/Datum: 10 February 2021

ATTENTION: Mr Terries Ndove

Deputy Director General: Land Redistribution and Development  
The Department of Agriculture, Land Reform and Rural Development (DALRRD)  
20 Steve Biko Street  
**PRETORIA**  
0002

PER E-MAIL: [terries.ndove@drdlr.gov.za](mailto:terries.ndove@drdlr.gov.za)

Sir / Madam

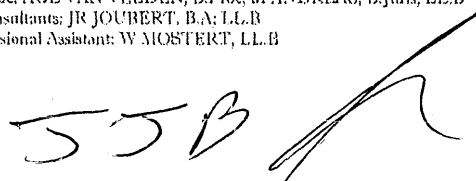
**RE: CONTRACTS**

Further to the discussion Mr Hannes Bezuidenhout had with you on Tuesday, 26 January, and your reference to a forthcoming report for finalisation of the matter, my clients, Messrs Hannes Bezuidenhout, Harold Bezuidenhout and Jan Bergh, still do not understand why their application for contracts should be dependent on a report from a Task Team based at the Cape Town office of the department (except for Mr Truman Prince who was co-opted).

The merit of my client's application was such that it was approved at national level but the process was derailed by unforeseen side issues raised at provincial level. These issues, however, were unrelated to their application and did not in any way call into question their integrity. The *de facto* validity of their application and the approval thereof should therefore still stand.

36 DONKIN STREET - PO BOX 25 - DOCEX 1 - BEAUFORT WEST - 6970  
TELEPHONE:(023)414 2161 - FAX:(023)414 3714

Partners: AG VORSTER, B.Proc; AGE VAN VELDEN, B.Proc; M ANDREAS, B.Juris, LL.B  
Consultants: JR JOUBERT, B.A; LL.B  
Professional Assistant: W MOSTERT, LL.B



Since my clients were not party to or aware of any wrongdoing, I feel it is legally questionable that the issuing of their contracts should be held back for reasons which have no bearing on the protocol to which they strictly adhered and which do not invalidate the subsequent decision taken at the highest level, a decision which in effect entitles them to the contracts.

I shall greatly appreciate it if you could give me an explanation for the present highly unfortunate situation, which has far reaching consequences for the future of my clients, the employees on the farmland and, of course, the farming enterprise itself, which suffers severely because of the uncertainty.

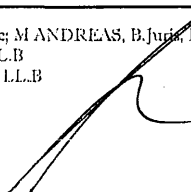
I look forward to hearing from you.

Yours faithfully  
**CRAWFORDS**

KB

FF **M ANDREAS**

JJB





**JB19**

1 March 2021

Mr Sidwell Fonk  
Senior Legal Advisor  
14 Long Street  
Cape Town  
8000

Tel: 021 403 0300/ 0453  
E-mail: sidwell.fonk@drdlr.gov.za

Dear Mr Fonk

**Report: Task Team**

As you are aware, I was caught by total surprise at the meeting on 15 February to hear that the report from the Task Team had already been submitted at the end of December to Mr Ndove and you will remember that I expressed in the strongest possible words my total dismay at the fact that I, as a member, did not receive a (draft) copy. Mr Ndove then mentioned that the report will hopefully be made public within the next two to three weeks, which implies any time now.

As yet, I still have not received a copy! Can you give me an explanation for this? Furthermore, **I wish to stress that, in whichever format I receive the report, it is my prerogative to make some changes and to see the final version.** Since Mr Ndove has placed so much weight on the report, the mere fact that I was overlooked is totally unacceptable and a serious oversight on your part. It factually implies that the report in its present format has no formal status!


I would not like to believe that the disarray which characterised the meeting on 15 February has become endemic within the department, also infiltrating your office.

I look forward to hearing from you.

Sincerely

  
Truman Prince  
Member of Establishment Committee

cc: Mr Terries Ndove

55B 

# CRAWFORDS

## JB20

ATTORNEYS - NOTARIES - CONVEYANCERS - ADMINISTRATORS OF ESTATES - AUCTIONEERS - APPRAISERS

VAT NR. 4390198168

SINCE 1929

Ref/Verw: MA/kb

Your Ref/U Verw:

E-mail/E-pos: [mitchsec@crawfordsattorneys.co.za](mailto:mitchsec@crawfordsattorneys.co.za)

Date/Datum: 17 February 2021

ATTENTION: Mr Terries Ndove  
Deputy Director General: Land Redistribution and Development  
The Department of Agriculture, Land Reform and Rural Development (DALRRD)  
20 Steve Biko Street  
**PRETORIA**  
0002

PER E-MAIL: [terries.ndove@drdlr.gov.za](mailto:terries.ndove@drdlr.gov.za)

Sir / Madam

**RE: PLATEAU FARMS**

We refer to the above.

My clients, Messrs Hannes and Harold Bezuidenhout and Mr Jan Bergh, question the legality of the process which was followed on Monday, 15 February 2021, in the appointment of a caretaker to write up all biological and other assets of the department on the Plateau Farms.

The individuals tasked to nominate the caretaker were referred to as beneficiaries, a legal status none of them have since all of their contracts with the department had come to an end. My clients therefore did not participate in the process and/or signed any documentations.

We shall be pleased to receive your reply.

Yours faithfully

**CRAWFORDS**

*KB*  
**M ANDREAS**

*FP*

36 DONKIN STREET - PO BOX 25 - DOCEX 1 - BEAUFORT WEST - 6970  
TELEPHONE:(023)414 2161 - FAX:(023)414 3714

Partners: AG VORSTER, B.Proc; AGE VAN VELDEN, B.Proc; M ANDREAS, B.Juris, LL.B  
Consultants: JR JOUBERT, B.A; LL.B  
Professional Assistant: W MOSTERT, LL.B

*JJB*

*[Signature]*

1 March 2021

Mr Sidwell Fonk  
Senior Legal Advisor  
14 Long Street  
Cape Town  
8000

Tel: 021 403 0300/ 0453  
E-mail: sidwell.fonk@drdlr.gov.za

Dear Mr Fonk

**Report: Task Team**

As you are aware, I was caught by total surprise at the meeting on 15 February to hear that the report from the Task Team had already been submitted at the end of December to Mr Ndove and you will remember that I expressed in the strongest possible words my total dismay at the fact that I, as a member, did not receive a (draft) copy. Mr Ndove then mentioned that the report will hopefully be made public within the next two to three weeks, which implies any time now.

As yet, I still have not received a copy! Can you give me an explanation for this? Furthermore, **I wish to stress that, in whichever format I receive the report, it is my prerogative to make some changes and to see the final version.** Since Mr Ndove has placed so much weight on the report, the mere fact that I was overlooked is totally unacceptable and a serious oversight on your part. It factually implies that the report in its present format has no formal status!

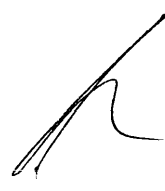
I would not like to believe that the disarray which characterised the meeting on 15 February has become endemic within the department, also infiltrating your office.

I look forward to hearing from you.

Sincerely

  
Truman Prince  
Member of Establishment Committee

cc: Mr Terries Ndove

SSB 

Prof AJL Sinclair

**From:** Prof AJL Sinclair <ajlsinclair@esst.org.za>  
**Sent:** Wednesday, 14 April 2021 14:41  
**To:** 'Rowena Joemat'  
**Cc:** 'stanton@esst.org.za'; 'admin@esst.org.za'  
**Subject:** Re: Plateau farms - investigation  
**Attachments:** PROF SINCLAIR CV.pdf; SIGNED SCHEDULE 21 MAY 2020.pdf; Task Team Letter 29 December 2020.pdf; LAND REFORM IN THE CENTRAL KAROO.pdf; Plateau farms.pdf; memo land redistribution.pdf; CRAWFORDS 10 FEB.pdf; CRAWFORDS 17 FEB.pdf; CRAWFORDS 24 MARCH 2021.pdf; LETTER-From Mr Ndove signed.pdf; CRAWFORDS1.pdf; VAN NIEKERK MBEKENI.pdf; MR MBEKENI TO PROF.PDF; Defamation of Character Response.pdf; NUVELD FARMING EMPOWERMENT ENTERPRISES (EDMS) BPK- BEVESTIGING VAN AANDEELHOUDING EN DIREKTEURE.pdf; Affidavit.pdf; Resignation Letters.pdf; BKB wolmark.pdf; Formal Acknowledgement.jpg; Plateau Farms Beaufort West.pdf; BKB wolmark.pdf

**Importance:** High

**Tracking:**

Recipient	Read
'Rowena Joemat'	
'stanton@esst.org.za'	
'admin@esst.org.za'	
Stanton Williams	Read: 2021/04/14 15:03
admin@esst.org.za	Read: 2021/04/14 15:10

Dear Ms Joemat

**Plateau Farms**

I wish to thank you most sincerely for the opportunity given to Stanton and me to meet with you yesterday afternoon. As I said to you right at the beginning you have an unenviable task to distinguish within a very short period of time between fact and fiction in order to arrive at an accurate version of events. Let me share with you some concerns:

- The time period given to you to bring out a report is simply too short. The information to be covered is far too voluminous, and the time allocated is barely sufficient to have interviews with key individuals. I could gather from your questions that you are under enormous pressure and have not had the time to go through my letter to the Minister and all its attachments. The mere fact that I had to convey to you the names of the successful applicants and that you were unaware of a dubious character by the name of Hendrik Booysen or were not familiar with what happened at the meetings on 02 December 2020 and 15 February 2021, or your question whether I have any financial interest in Nuveld – vital information that is all contained in the documentation that I forwarded to you – is testimony to the undue pressure being placed on you. To ensure that I will not be asked for the umpteenth time whether I have or ever had any financial interest in Nuveld, a lie which started with Booysen and was parroted afterwards by Mbekeni, let me again suggest that you ask Stanton for the name and contact details of the auditor responsible for my accounts, so that he can finally bring this matter to rest.
- If I understood you correctly, the Minister referred my petition for her personal intervention, to Mr Ndove for an explanation and he, in turn, appointed you to come up with a report. I am asking

SSA



myself whether such an arrangement does not put you in a very difficult situation, because it might well happen that you have to be critical of individuals who occupy more senior positions than you do within the department. Ethically it is of course possible to be impartial, but in practice it will be exceedingly difficult since you are in the untenable position of having to scrutinise the actions of those senior to you.

- You mentioned that you have so far spoken only to officials and your meeting with me and Stanton was therefore the first one with other individuals concerned. I motivated to you why I think it is critically important that you also speak to a person like **Mr Truman Prince**, a co-opted member of the Task Team who has been totally side-lined by the coordinator of the task team, Mr Sidwell Fonk and, to my knowledge, never received any response from Mr Ndove or Mr Fonk to the letters of complaint he sent them. He is a key figure in all of this since he has been part and parcel of the application process, **open to all**, and what followed thereafter. Surely, it stands to reason that you should get his views on the process as it has unfolded up to now!
- There is also Mr le Fras Nortjè, who was for years attached to the Beaufort West office, holding the position of Land Acquisition and Recapitalization Project Coordinator, who knows all the individuals associated with the farmland well. His primary brief was to oversee what happens on the plateau farms but, strangely enough, despite his requests to Mr Mbekeni to participate in the two meetings mentioned above, he was (deliberately) overlooked at the behest of Mr Mbekeni.
- The same applies to the **three successful applicants** who are the only ones who can rightfully call themselves complainants, due to the fact that they have not as yet received their 30-year contracts, while they have been active on the farmland for more than 10 years and over the last 3 years have been managing the enterprise on their own. The other so-called complainants have all squandered their opportunities and are in no position to complain about anything, especially considering that they plundered the assets of the department! Yet, it is the interests of these very same individuals which Mr Ndove prioritised, at the meeting on 15 February, when he said that if we want to move forward all should be happy. It is unconscionable that the interests of these individuals should be given equal weight to those of the three legitimate applicants at Nuvelde. The fact that there was an opportunity for all to respond to an advertisement and apply for contracts to farm on the five farms as a unit, has long been forgotten! It is unthinkable that the three successful applicants will again be overlooked and not be given a chance to be heard, they who have given their very best to make the farming enterprise flourish! It would be similar to the disservice given to the applicants by Mbekeni when he gave them a scant 15 minutes of his time by the roadside after having spent hours listening to the false claims of the so-called complainants! Has anybody taken the trouble to look at the application they submitted, their qualifications, skills, experience, etc.? I think it is important that you at least look at it, even just page through it, because on the strength of this document the contracts were signed off nationally, but derailed by Mbekeni for all the wrong reasons! If one looks objectively at how the process has unfolded up to now, **I wish to repeat what I said in my letter to the Honourable Minister, namely that the injustice done to the three applicants is not only comparable to what happened to Mr Ivan Cloete, but that the actions of officials have been even more atrocious.** There is also a farm between two of the five farms by the name of Dundee, almost 7 000 hectares in extent, for which a 30-year contract was awarded to an ex-official, who only visits the farm once a month and has one labourer on the farm (How does that represent employment creation?). On top of it he received 200 sheep and a new bakkie from the department. I shall appreciate it if you will get greater clarity on how this could happen while the successful applicants for the plateau farms are still treated so disrespectfully!
- I wish to repeat that my plea for a black commercial enterprise is based on public pronouncements made by the President, the Deputy President and the Minister, as well as a number of agri-economists of standing such as Wandile Sihlobo. If only officials within the department would also take note of what is said at the highest level and by experts and put aside their own limited perspectives on commercial farming! Lack of skills and poor judgement are very

SSB



evident when it comes to the handling of the Plateau Farms, which in turn allow hidden agendas to flourish and injustices to occur!

If I can be of any further help to you in facilitating your task, please do not hesitate to call upon me.

Kindest regards  
Prof Sinclair

**From:** Prof AJL Sinclair <ajlsinclair@esst.org.za>  
**Sent:** Friday, 09 April 2021 11:34  
**To:** 'Rowena Joemat' <RowenaJ@Dalrrd.gov.za>  
**Cc:** 'Stanton Williams' <stanton@esst.org.za>; 'Michelle de Jager' <admin@esst.org.za>; 'Tebogo Molefe' <Tebogo.Molefe@dalrrd.gov.za>  
**Subject:** RE: Plateau farms - investigation  
**Importance:** High

Dear Ms Joemat

I am in possession of your e-mail dated 08 April 2021, the contents of which have been noted. I am also aware of the fact that you and my colleague, Stanton Williams, spoke yesterday briefly.

I welcome the opportunity to have a meeting with you, with Stanton also present – he has all the facts and figures – and the date and time are convenient to me.

To facilitate matters, I enclose my letter to the Minister, with all its attachments. If there is any more information that you would like to have, please do not hesitate to ask for it, because I have a thick file filled with correspondence.

My wish for our meeting is that it would be a fruitful and rewarding experience.

Kind regards  
Prof Sinclair



NPO No: 000294NPO  
Registration No: T800/89

Prof AJL Sinclair  
Founding Member

Tel: +27 21 913 7710 | Fax: +27 21 913 7727

E-mail: [ajlsinclair@esst.org.za](mailto:ajlsinclair@esst.org.za) | Postal: PO Box 6460, Welgemoed, 7538

Physical: 9 Kommissaris Street, Welgemoed, 7530 (Head Office)

Website: <http://www.esst.org.za/>

**From:** Rowena Joemat [RowenaJ@Dalrrd.gov.za](mailto:RowenaJ@Dalrrd.gov.za)  
**Sent:** Thursday, 08 April 2021 17:28  
**To:** [ajlsinclair@esst.org.za](mailto:ajlsinclair@esst.org.za); [stanton@esst.org.za](mailto:stanton@esst.org.za)  
**Cc:** Tebogo Molefe [Tebogo.Molefe@dalrrd.gov.za](mailto:Tebogo.Molefe@dalrrd.gov.za)  
**Subject:** Plateau farms - investigation

Dear Professor Sinclair

The following email is a request to meet.

My name is Rowena Joemat, from the national Department of Agriculture, Land Reform and Rural Development. I've been recently appointed by our Deputy Director General, Mr Ndove to investigate the Plateau Farms project, based on concerns that reached our Minister's office.


As part of the process, I would like to confirm a meeting date with reference to the above, purposed to understand the challenges from your perspective. I hope next Tuesday, 13 April at 13:30 would be suitable.

Ms Rowena Joemat  
Director Programme Management  
Cell: 066 019 0795 / 072 4174711



agriculture, land reform  
& rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

4  
JJB 

RE: PLATEAU FARMS

**Subject:** RE: PLATEAU FARMS**From:** Terries Ndove <Terries.Ndove@dalrrd.gov.za>**Date:** 2021/05/12, 08:18 am**To:** Karin Buchinger <mitchsec@crawfordsattorneys.co.za>**CC:** Kanthi Nagiah <KanthiN@Dalrrd.gov.za>, Sidwell Fonk <Sidwell.Fonk@dalrrd.gov.za>, Rirhandzu Shilote <Rirhandzu.Shilote@dalrrd.gov.za>

Dear Karin Buchinger

Good morning.

I am confirming that I have received the letter dated 29 April 2021, I also would like to indicate that during month of March 2021, and Department was migrating to new emails system which combines the former two departments into one, and in process I have missed some emails that were sent during the migration period (end of March) and that can explain why I could have missed some of the referred correspondence.

I have attached my previous correspondences for easy reference. I will according respond to your letter.

Regards

Ndove TS

**From:** Karin Buchinger <mitchsec@crawfordsattorneys.co.za>**Sent:** Thursday, 29 April 2021 16:28**To:** Terries Ndove <Terries.Ndove@dalrrd.gov.za>**Subject:** PLATEAU FARMS

**EXTERNAL EMAIL:** This email originated outside of "DALRRD Environment". **CAUTION:** Do not click on links or open attachments unless you recognize the sender and know the content is safe.

See attached.

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**CRAWFORDS - KARIN BUCHINGER**


---

Address:

Tel:

Fax:

Email:

---

Donkinstraat/Street 36  
 Posbus/P O Box/I Bhokisi Yeposi 25  
 Docex 1  
 BEAUFORT-WES/WEST



**JB24**

# CRAWFORDS

ATTORNEYS - NOTARIES - CONVEYANCERS - ADMINISTRATORS OF ESTATES - AUCTIONEERS - APPRAISERS

VAT NR. 4390198168

SINCE 1929

Ref/Verw: MA/kb  
Your Ref/U Verw:

E-mail/E-pos: [mitchsec@crawfordsattorneys.co.za](mailto:mitchsec@crawfordsattorneys.co.za)

Date/Datum: 18 June 2021

ATTENTION: Mr Terries Ndove

Deputy Director General: Land Redistribution and Development

**PER E-MAIL:** [terries.ndove@drdlr.gov.za](mailto:terries.ndove@drdlr.gov.za)  
**CC:** [PA.Minister@daff.gov.za](mailto:PA.Minister@daff.gov.za)

Sir / Madam

**RE: PLATEAU FARMS**

I have taken note of your e-mail dated 29 April 2021 and the problems you experienced with your e-mail system. I wish to refer, however, to my letter of 10 February in which I specifically pointed out why the delay in issuing the contracts to my clients is legally questionable and asked for an explanation. With all due respect, it is totally unacceptable that I have not received an explanation from you to date.

May I therefore, as a matter of urgency, request you to give me an explanation on behalf of my clients, so that I can advise them on the next legal step. I wish to repeat my utter dissatisfaction, however, with the manner in which you have preferred to remain silent instead of responding timeously to my query. Something is terribly amiss about the manner in which this matter has been handled and in time the reasons for it will be brought to light.

I look forward to hearing from you.

Yours faithfully  
**CRAWFORDS**

KB

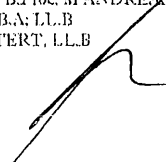
**M ANDREAS**

MP

36 DONKIN STREET - PO BOX 25 - DOCEX 1 - BEAUFORT WEST - 6970  
TELEPHONE:(023)414 2161 - FAX:(023)414 3714

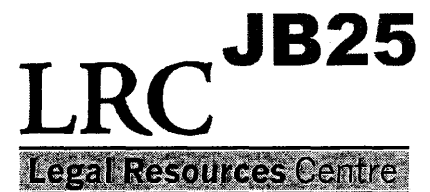
Partners: AG VORSTER, B.Proc; AGE VAN VELDEN, B.Proc; M ANDREAS, B.Juris, LL.B  
Consultants: JR JOUBERT, B.A; LL.B  
Professional Assistant: W MOSTERT, LL.B

JJB



**Cape Town Office**

Aintree Office Park • Block D • Ground Floor • c/o Doncaster Road and Loch Road • Cape Town 7708 • South Africa  
PO Box 36083 • Glosderry • 7702 • South Africa  
Tel: (021) 879 2398 • Fax: (021) 423 0935 • Website • [www.lrc.org.za](http://www.lrc.org.za)  
**PBO No. 930003292**  
**NPO No. 023-004**



Your ref

Our ref: WW/ED

18 May 2022

**To:** Hon Thoko Didiza

Minister of Agriculture, Land Reform and Rural Development

Per email: [PA.Minister@dalrrd.gov.za](mailto:PA.Minister@dalrrd.gov.za)

**And to:** Nomtandazo Thandi Moyo

Chief of Staff: Ministry of Agriculture, Land Reform and Rural Development

Email: [COS@dalrrd.gov.za](mailto:COS@dalrrd.gov.za) / [JacobethM@dalrrd.gov.za](mailto:JacobethM@dalrrd.gov.za)

**And to:** Mr Mooketsa Ramasodi

Director-General: Department of Agriculture, Land Reform and Rural  
Development

Per email: [DGOoffice@dalrrd.gov.za](mailto:DGOoffice@dalrrd.gov.za); [ramasodim@dalrrd.gov.za](mailto:ramasodim@dalrrd.gov.za)

**And to:** Mr Terries Ndove

Deputy Director-General: Land Redistribution and Development, Department of  
Agriculture, Land Reform and Rural Development

Per email: [Terries.Ndove@dalrrd.gov.za](mailto:Terries.Ndove@dalrrd.gov.za)

**And to:** Mr Lubabalo Mbekeni

Acting Chief Director: Western Cape Department of Agriculture, Land Reform  
and Rural Development

Per email: [Lubabalo.Mbekeni@dalrrd.gov.za](mailto:Lubabalo.Mbekeni@dalrrd.gov.za)

National Office:  
Cape Town:  
Durban:  
Makhanda:  
Johannesburg:

N Govender (National Director)  
S Dass (Director) L Mgedezi Z Mhlahlo AL Payne A Turpin D Turner W Wicomb  
S Samuel (Director) S Kadwa  
C McConnachie (Director) S Mguga C van Schalkwyk O Xolo  
E Deochand S Hassim S Linderboom L Nel D Mtshali


SSB

A handwritten signature in black ink, appearing to be 'SSB' followed by a stylized flourish.

Dear Minister Didiza and Director-General Ramasodi

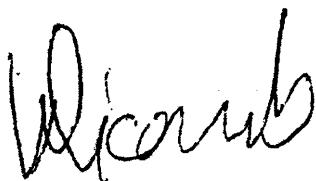
**RE: Demand – Implementation of NLAACC decision to issue lease over Plateau Farms, Beaufort West, Western Cape**

1. We write to you on behalf of our client, Mr Johannes Bezuidenhout. He is the executive director of Nuvelde Farming Empowerment Enterprises (Pty) Ltd with registration number 2017/460296/07 (“Nuvelde”), having its head office at 5 Ernest Avenue, Beaufort West, 6970. The matter relates to the allocation of a 30-year State lease to Nuvelde. The purpose of this letter is to demand action from you.
2. On 6 December 2019, the Department of Agriculture, Land Reform and Rural Development (“the Department”) advertised in the media an invitation for applications for a 30-year lease over the State-owned farms Matjieskloof, Willemskraal, Melrose, Rondawel and Dassiesfontein, situated outside Beaufort West in the Western Cape (“the Plateau Farms”).
3. Nuvelde submitted an application and underwent a selection process.
4. On 21 May 2020 the National Land Acquisition and Allocation Control Committee of the Department (“NLAACC”) approved Nuvelde’s application for the lease (“the NLAACC decision”). Our client was informed of this decision on 9 June 2020 and advised that he would receive the signed lease agreement within a week. However, to this day our client has not received the lease, despite numerous written and telephonic requests to the Department. We are instructed that the Department has ignored these requests.
5. We are furthermore instructed that the officials who bear primary responsibility for implementing the NLAACC decision, namely Messrs Lubabalo Mbekeni and Terries Ndove, continue to refuse to do so.

SSB 


6. It has now been two years since the NLAACC decision has been made. This delay in implementing the decision is both unreasonable and without justification.
7. Accordingly, our client demands that you take all steps necessary to furnish him with a signed agreement recording the terms of the 30-year lease over the Plateau Farms by close of business on **Friday 10 June 2022**. We confirm that the signed agreement may be sent to our office via email.
8. In the event that a formal decision has been made by the Department not to implement the NLAACC decision, we request that you furnish us with the written reasons for that decision.
9. Should you not comply with our client's demand within the timeframe provided, we are instructed to institute legal proceedings against the Department.
10. We trust that you find the above in order.

Yours sincerely,



**LEGAL RESOURCES CENTRE  
PER: WILMIEN WICOMB**

Email: [wilmien@lrc.org.za](mailto:wilmien@lrc.org.za)

55B 

**JB26**

agriculture, land reform  
& rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

Website: [www.dalrrd.gov.za](http://www.dalrrd.gov.za)

Your Reference: WW/ED

Ms Wilmien Wicomb  
Legal Resource Centre  
Aintree Office Park  
Cape Town  
7708

By Email: [wilmien@lrc.org.za](mailto:wilmien@lrc.org.za)  
Contact No: 021 879 2398

Dear Ms Wilcomb

**RE: REPLY TO THE DEMAND – IMPLEMENTATION OF NLAACC DECISION TO  
ISSUE LEASE OVER PLATTEAU FARMS, BEAUFORT WEST, WESTERN CAPE**

1. This is to acknowledge your correspondence with the above quoted title on a letter dated 18 May 2022 with thanks.
2. On paragraph 4 of the same you referred to a decision of NLAACC, communication from the Department to your client dated 09 June 2020 and promise to send an agreement in a week's time from 9 June 2020.
3. In order to enable the Department to provide a comprehensive response to your demands, kindly provide the Department with the Portfolio of Evidence (POE) that substantiate the above-stated allegations

Yours faithfully



Department of Agriculture, Land Reform and Rural Development | Departement van Landbou, Grondhervorming en Landelike Ontwikkeling | Muhasho wa zwa Vhulimi, Mbuedzedzoy a Mavu na Mveledziso ya Mahayani, uMnyango Wezolimo, Izinguquko Kwezomhlaba Nokuthukiswa Kwezindawo Zasemakhaya | Ndzawulo ya Vurini, Antswiso wa Misava na Nhluvukiso wa Matikoxikaya | Liliko Letekulima, Tingucuko Kutemhlaba Nekulufukiswa Kwetindzawo Tasemaphandleni | UmNyango wezokuLima, ukuBuyiselwa kweNarha nokuThuthukiswa kweNdawo zemaKhaya | Kgoroya Temo, Peakinyoleswa ya Naga le Tihaboloya Dinaga- magae | Lefapha la Temothuo, Kabobotjha ya Naha le Tihabollo ya Dibaka tsa Mahae | Lefapha la Temothuo, Pusetsodinyaga le Tihabololo ya Metsemagae | Sebe lezotLimo, uBuyekezo lwemiHaba noPhuhliso lamPhandle



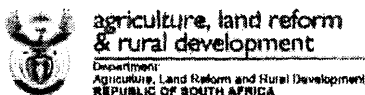
JJB

**MR L MBEKENI****A-CHIEF DIRECTOR: PSSC: WESTERN CAPE****DATE: 08/06/2022**

Department of Agriculture, Land Reform and Rural Development! Departement van Landbou, Grondhervorming en Landelike Ontwikkeling! Muhasho wa zwa Vhulimi.  
Mbuedzedzo ya Mavuna Mveledziso ya Mahayani! uMnyango Wezolimo, Izinguqoko Kwezomhlaba Nokuthuthukiswa Kwezindawo Zasemakhaya! Ndzawulo ya Vurimi,  
Antswiso wa Misava na Nhluvukiso wa Matikoxikaya! Liiko Lelekulima, Tingucuko Kutemhlaba Nekutfufukiswa Kwetindzawo Tasemaphandleni! UmNyango wezokuLima,  
ukuBuyiselwa kweNarha nokuThuthukiswa kweNdawo zamaKhaya! Kgoroya Temo, Paakanyoleswa ya Nagale Tihabololo ya Dinaga- magae! Lefapha la Temothuo,  
Kaboboljha ya Nahale Tihabololo ya Dibaka tsa Mahae! Lefapha la Temothuo, Pusetsodinaga le Tihabololo ya Metsemagae! ISebe tezoLimo, uBuyekezo lwemiHlaba  
noPhuhlisolamaPhandle



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**JB27**

NO. 59 BARING STREET WORCETER 6850, PRIVATE BAG X 3106 WORCESTER 6849 TEL: 023- 3420107.

Legal Resources Centre  
P.O. Box 36083  
Glosderry  
7702

**"Without Prejudice"**  
**by email**

**Attention:** Ms Wilmien Wicomb

Our Ref: 9 /1 – WC / 7  
Your Ref:

**PLATEAU FARMS BEAUFORT WEST**

I refer to the above matter which has now been referred to the writer hereof for his further handling and response.

I have taken the liberty to read your exchange of correspondence with the Department and wish to respond thereto as advised as follows:

- An application for an appointment as a Lessee within the policy prescripts of the Department of Agriculture, Land Reform and Rural Development is an administrative process which commences at a Provincial level of administration and gets escalated to the National level and culminates with the Minister of Agriculture, Rural Development and Land Reform who is the custodian of power and authority as the head of an organ of state.
- The application for an appointment as a Lessee of the Plateau farms by your clients was received by the Department and processed within the administrative structures of the Department for consideration.
- The National Land Acquisition and Allocation Control Committee is one of the structures within the administrative process that considered the application of your clients.
- In the ordinary course of events, the application would after consideration by NLAACC be tabled before the Minister for a final decision as empowered by the Land and Assistance Act, No.126 of 1993.
- It appears from my reading of the content of your correspondence that your clients are labouring under the impression that the National Land Acquisition and Allocation Control Committee has a final say on this matter. It is within the context of that misunderstanding of the process that the complaint against Messrs Mbekeni and Ndove was triggered.

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- It appears that the complaint by your clients is prematurely raised as the Minister has yet not made a final pronouncement on the matter.
- It must also be mentioned that the Minister has in certain instances including a lease which is relevant in this matter delegated her authority and power flowing from provisions of the Land and Assistance Act No.126 of 1993 to the Head of the Provincial Shared Services Centre.
- I have been advised by the PSSC – WC that the matter is being attended to and the outcome of the process will be communicated to all the relevant parties.
- I have been advised that there was no formal communication directed to your clients pertinent to the outcome of this process.
- I understand that your client is in possession of certain documents which are privileged and confidential in nature. It is highly disturbing to learn how such information and documents have been acquired by your client without there being a record of compliance with the provisions of Promotion of Access to Information Act No.2 of 2000. This is the matter that the Department will seriously investigate internally without involving your office in this regard.

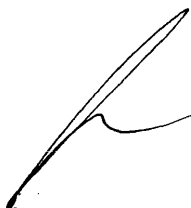
I trust that you will find this in order and further communication to you on this matter will follow in due course.

Kind regards.



Mr Sidwell Bonisile Toto Fonk  
Department of Rural Development and Land Reform  
Directorate: Corporate Services, PSSC WC  
Private Bag X 3106  
Worcester  
6849  
Tel: 023 -3420107 / 0823088048  
Date: 27/06/2022

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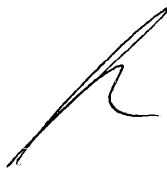
rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

## PROACTIVE LAND ACQUISITION POLICY

Amended version 2

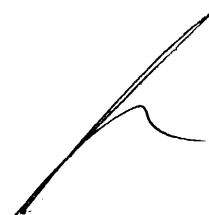
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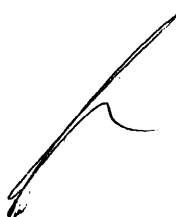
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### ABBREVIATIONS

<b>ALHA</b>	Agricultural Land Holding Account
<b>ALDRI</b>	Accelerated Land Development and Redistribution Initiative
<b>APAP</b>	Agricultural Policy Action Plan
<b>AVMP</b>	Animal and Veld Management Programme
<b>CRDP</b>	Comprehensive Rural Development Plan
<b>CPA</b>	Communal Property Association
<b>DAFF</b>	Department of Agriculture, Forestry and Fisheries
<b>DBSC</b>	District Beneficiary Selection Committee
<b>DLRC</b>	District Land Reform Committee
<b>DRDLR</b>	Department of Rural Development and Land Reform
<b>ESTA</b>	Extension of Security of Tenure Act 62 of 1997
<b>IDP</b>	Integrated Development Plan
<b>IFAD</b>	International Fund for Agricultural Development
<b>LTA</b>	Land Reform: Labour Tenants Act 3 of 1996
<b>MTSF</b>	Medium Term Strategic Framework
<b>NDP</b>	National Development Plan
<b>NLAACC</b>	National Land Acquisition, Allocation and Control Committee
<b>OVG</b>	Office of the Valuer-General
<b>PFMA</b>	Public Finance Management Act 1 of 1999 (as amended by Act 29 of 1999)
<b>PLAP</b>	Pro-active Land Acquisition Policy
<b>PLAS</b>	Pro-active Land Acquisition Strategy
<b>PTC</b>	Provincial Technical Committee
<b>RETM</b>	Rural Economic Transformation Model
<b>SDF</b>	Spatial Development Framework
<b>SLLDP</b>	State Land Lease and Disposal Policy
<b>SPLUMA</b>	Spatial Planning and Land Use Management Act
<b>SRR</b>	Strengthening Relative Rights (of People Working the Land)

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## PREAMBLE

The national land policy context of South Africa is well set out in the preamble to the **Freedom Charter (1955)**, which states amongst others that:

*We, the People of South Africa, declare for all our country and the world to know:*

*that South Africa belongs to all who live in it, black and white, and that no government can justly claim authority unless it is based on the will of all the people;*

*that our people have been robbed of their birth right to land, liberty and peace by a form of government founded on injustice and inequality;*

*And we pledge ourselves to strive together, sparing neither strength nor courage, until the democratic changes here set out have been won.*

Clause 4 further declares that, *inter alia*,

### ***The Land Shall Be Shared Among Those Who Work It.***

*Restrictions of land ownership on racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger...*

The spirit of the Freedom Charter is echoed in the **“Ready to Govern” document (1994)**, where the African National Congress establishes the following as objectives of the new democratic state amongst others:

- *to overcome the legacy of inequality and injustice created by colonialism and apartheid, in a swift progressive and principled way;*
- *to develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans; and,*
- *to encourage the flourishing of the feeling that South Africa belongs to all who live in it, to promote common loyalty to, and pride in, the country, and to create a universal sense of freedom and security within its borders.*

On **Restoring Land Rights, Land Reform and Redistribution, Access to Land** and Restructuring Agriculture, the “Ready to Govern” document stated amongst others that:

Our approach must ensure that the homeless and landless will have access to land, shelter and necessary services for family security.

The programme will include a policy of affirmative action within a viable and sustainable economic development programme. The major beneficiaries of affirmative action should be the landless, rural poor and women who have been deprived of rights to land through patriarchal systems of land allocation and tenure...

The programme of redistribution of agricultural land must be accompanied by measures which will ensure that the land will be productively used.

The agricultural sector will be restructured so as to serve the majority of South Africa’s people and to contribute effectively to economic growth...The restructuring of agriculture

should facilitate a move away from the exclusive reliance on large-scale single crop agriculture, to a more diversified combination of agricultural production systems, including family farms, small scale farms and co-operative farming systems...

**The Constitution** of the Republic of South Africa (1996), echoes the Freedom Charter. Section 25 (4) talks to national interest and states that “For purposes of this (a) the public interest includes the nations commitment to land reform and to reforms to bring about equitable access to all South Africa’s natural resources, and (b) property is not limited to land. Implied here is that national interests take precedence and that limitations and exemptions to such limitations of access, will be in furtherance of national interests.

Furthermore it provides in Section 25 (5) that “the state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis”. In a context wherein the majority of citizens still do not have equitable access to land, this constitutional promise still remains an imperative.

Section 25(8) of the Constitution states that ‘No provision of this section may impede the state from taking legislative and other measures to achieve land, water and related reform, in order to redress the results of past racial discrimination, provided that any departure from the provisions of this section is in accordance with the provisions of section 36 (1). Consequently it compels the state to spare no effort in addressing land reforms and racial disparity and inequity in land ownership by South Africans.

In advancing the Constitutional imperatives, the **National Development Plan (NDP)** (2011) introduces its Overview by the following quotation from the Reconstruction and Development Programme (1994):

*No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government.*

## CHAPTER 1: PROBLEM STATEMENT

### 1.1 Historical Context

The current land tenure system is rooted in more than 300 years of colonial and apartheid land dispossession, racial discrimination, segregation and separate development. The systematic process of land alienation from indigenous South Africans, beginning as early as 1657, was undertaken first through military conquest and colonial expansion, and later through racially discriminatory legislation. The 1913 and 1936 Natives Lands Acts, which designated only 13% of the land for black occupation, together with the plethora of subsequent pieces of ethnically based legislation, culminated in violent forced removals of whole communities for much of the 20<sup>th</sup> century.

Such alienation of land resulted in the loss of ancestral homes and land and other essential livelihood resources, cultural destruction, family and community dissolution, impoverishment and mass unemployment for a large portion of South African citizens. It further resulted in severe spatial fragmentation, in which South Africa was divided into a “white” South Africa constituting the urban and commercial farming areas and a black South Africa consisting of the

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former Bantustans. This division is still evident in the tenurial spaces inherited as a result including: 1) large portions of underdeveloped and poorly utilised state-owned land; 2) overcrowded and marginalised communal areas consisting mostly of the former homelands; and, 3) privately owned Commercial Farming Areas, which are home to approximately 3 million farm dwellers who have no legal claim to the land on which they reside.

Today's systematic triple challenges of inequality, unemployment and poverty are symptoms of this long history of dispossession and the denial of economic, social and human development opportunities for the majority. Considering this severe and systemic crisis of rural underdevelopment and inequitable patterns of land ownership that characterise South Africa, there is a dire need to augment state as well as legislative capacity to accelerate the pace of land acquisition in pursuant of our Constitutional precepts.

## 1.2 Post-1994 Context

Despite various land reform policy efforts initiated in the post-1994 period, more than two decades later, the inequity of land ownership has been left relatively intact. This can largely be attributed to major challenges of land reform, foremost of which are the slow pace of land redistribution and tenure reform (in which the supply of land for farming and other purposes is still not met in areas where demand is greatest) and the overall failure of land reform farms to sustain production and improve livelihoods. A notable number of Africans continue to be landless, are excluded from participating in sustainable agriculture, and live in unsustainable human settlements without sufficient livelihood resources.

The aforementioned challenges made clear the necessity for a more effective plan of land and agrarian reform. In 2005 a number of resolutions were taken at the National Land Summit regarding a recommitment to the redistribution of 30% of White-owned farm land, including the need for Government to assume a stronger leading role in ensuring accelerated and sustainable land and agrarian reform, and to fast-track land redistribution. One of the ways the previous Department of Land Affairs responded was to introduce the Proactive Land Acquisition Strategy (PLAS) in 2007. The intention was to move from a primarily demand-driven programme to a supply driven approach to land acquisition and redistribution.

After 2009, this supply driven approach was instituted as the primary intervention for the acquisition of strategically located land for agricultural and settlement purposes. Through PLAS, the DRDLR acquires strategically located agricultural land and leases it to selected beneficiaries with certain prescribed conditions and strict production discipline. This approach has been pursued within the context of the Comprehensive Rural Development Plan (CRDP), which serves as the key programme to achieve the envisioned outcome of vibrant, equitable and sustainable rural communities and food security for all. The three-pronged strategy of the CRDP includes: agrarian transformation, which denotes "*a rapid and fundamental change in the relations of land, livestock, cropping and community*"; an integrated and strategically planned rural development programme; and an enhanced land reform programme.

The core implementation tools of the CRDP are therefore the Agrarian Transformation System and the Rural Economic Transformation Model (RETM). These place empowerment of communities and households through land at the centre of their approach in achieving rural economy transformation. In order to achieve this, people must have access to a sufficient quantity of well-located quality land that matches their needs, and supported, organised and mobilised to ensure maximum sustainable use of this land to the benefit of all community members. Pro-active land acquisition is therefore critical to ensure that the land acquired by the

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state for land reform is both strategically placed and carries high potential in terms of agricultural production to enable the empowerment of the people, social cohesion, and inclusive development of the rural landscape through sustainable land reform.

An evaluation study of PLAS conducted in 2014/2015 indicated a number of weaknesses inhibiting the effectiveness of PLAS including: lack of understanding and awareness of the strategy and recent changes in the administration of PLAS; no standardisation of the implementation process and no uniformity in the beneficiary selection process; lack of accountability in terms of management at the national level; limited market access for producers; insufficient infrastructure, resources, training and overall support for farmers; delays in processing of applications; problems with strategic partnerships; poor monitoring and evaluation of projects; mismatches between beneficiaries needs and development interventions; and, lack of proper enforcement measures and implementation policy. The analysis also indicated that the absence of a finalised PLAS policy has increased difficulties experienced by farmers in accessing loans. The report suggested the finalisation of the new PLAS policy to overcome these challenges.

This Policy for Proactive Land Acquisition has therefore been developed to provide for more effective and targeted land acquisition to achieve the vision of agrarian transformation and vibrant, equitable and sustainable rural communities. The Policy replaces the 2007 Manual for the Implementation of the PLAS, which is no longer being used to implement the strategy.

The Policy seeks to further advance the strategic thrust of the 2011 Green Paper on Land Reform, namely that land reform should be pursued with minimal disruption to food production and based on the Agrarian Transformation Strategy/ Rural Economy Transformation Model. The Department defines land reform inclusively of the following four functions or pillars: restitution of land rights; redistribution of land; land tenure reform; and land development. The Department further defines the strategic objectives of land reform as two-fold: i) that all land reform farms are 100% productive; and, ii) rekindling the class of commercial farmers which was deliberately and systematically destroyed by the 1913 Natives Land Act, as reinforced by subsequent pieces of legislation enacted by successive Colonial and Apartheid regimes.

The principles underlying land reform, as set out in the 2011 Green Paper, are the deracialisation of the rural economy, the promotion of democratic and equitable land allocation and enhanced production discipline in order to promote social cohesion, food security and sovereignty, sustainable and shared economic growth through the development of rural and urban South Africa.

### 1.3 The NDP and MTSF

The National Development Plan (NDP) proposes a differentiated rural development strategy that focuses on a proposed model for land reform based on the following principles:

- Enable a more rapid transfer of agricultural land to African, Coloured and Indian (hereafter referred to as Black) South African beneficiaries without distorting land markets or business confidence in the agri-business sector.
- Ensure sustainable production on transferred land by making sure that human capabilities precede land transfer through incubators, learnerships, apprenticeships, mentoring and accelerated training in agricultural sciences.

- Establish monitoring institutions to protect land markets from opportunism, corruption and speculation.
- Bring land transfer targets in line with fiscal and economic realities to ensure that land is successfully transferred.
- Offer white commercial farmers and organised industry bodies the opportunity to significantly contribute to the success of Black farmers through mentorships, chain integration, preferential procurement and meaningful skills transfer.

The Proactive Land Acquisition Policy aims to further the vision and targets of the NDP, which views the inclusion and transformation of South Africa's rural areas as a key route to achieving its overarching aims.<sup>1</sup> The NDP states that the first strategic component of its proposed rural development strategy, namely boosted agricultural production, must be achieved through the expansion of irrigated agriculture and dry-land production, "*with emphasis on smallholder farmers where possible.*"<sup>2</sup> Thus a revised model for land reform is proposed based on certain key principles (see Preamble) including the rapid transfer of agricultural land to Blacks without distorting the land market or business confidence, and ensuring sustainable production on transferred land.

To realize these principles, The NDP stresses the need to improve tools for land acquisition. It proposed the creation of District Land Committees to identify at least 20% of commercial farmland in each district that is easily acquirable and which does not cause distortions in the land market for redistribution to Black farmers.

The model further envisions the development of new financial instruments to facilitate land reform, including 40-year mortgages at preferential rates for new entrants into markets.

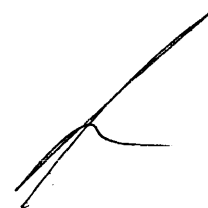
The MTSF 2014-2019 sets the target of 1 million hectares of land allocated to smallholder producers and an additional 80 000 smallholder producers provided with support by March 2019.<sup>3</sup> The other sub-outcomes are improved land administration and spatial planning, sustainable land reform (agrarian transformation), improved food security, increased access to quality basic services, and growth of sustainable rural enterprises and industries.<sup>4</sup> In terms of improving spatial planning, Chapter 8 of the NDP emphasises the importance of spatial development planning for successful agricultural production to overcome the spatial divide that characterises South Africa. In this regard, the NDP posits that a differentiated planning approach is needed to address the varied needs of each type of human settlement. The NDP proposes core principles that should be adhered to in spatial development including spatial justice, spatial sustainability, spatial resilience, spatial quality and spatial efficiency.

## CHAPTER 2: POLICY MEASURES

### 2.1 Objectives

The Proactive Land Acquisition Policy aims to accelerate acquisition of quality, well-located agricultural and other land in order to advance fulfilment of State obligations in terms of Section

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25 of the Constitution, as well as the objectives of the NDP/ MTSF (2014-2019) and of emerging programmes of land reform.

As such, the main objectives of this Policy are to:

- Accelerate the land redistribution process;
- Advance land equity, tenure security and agrarian transformation in commercial farming areas;
- Acquire land in the nodal areas and in the identified agricultural corridors and other high agricultural potential to meet government objectives;
- Help to decongest communal areas;
- Improve the identification and selection of beneficiaries and the planning of land on which people would be settled;
- Support varying types of land need and varying categories of farmers and other producers, particularly smallholder producers;
- Ensure maximum productive use of land acquired;
- Hedge against escalating land prices;
- Promote development of rural enterprise and industries;
- Enhance intergovernmental coordination to pro-actively acquire agricultural land; and,
- Ensure that land reform successfully contributes to growth, equity and employment.

## 2.2 Measures

The Proactive Land Acquisition Policy provides for three main policy measures:

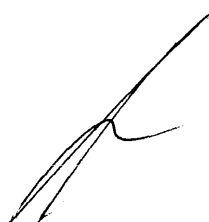
1. Targeting of strategically located land: The DRDLR's rural development, redistribution and tenure reform programmes prioritize South Africa's 44 poorest districts and other sites in the congested communal areas and commonages for strategic land acquisition and development for beneficiaries that have been identified for leasehold or direct transfer.

The Spatial Development Frameworks (SDFs) that are developed in terms of the Spatial Planning and Land Use Management Act 16 of 2013 should be aligned with the Municipal Integrated Development Plans (IDPs) and serve as the basis on which the CRDP and programmes of land redistribution take place. The SDF shall identify resources based on the competitive advantage of the area for strategic acquisition and development of land in relation to the needs of local people and communities.

The Department has categorized the spatial and non-spatial criteria and developed a methodology for the identification of strategically located land in relation to community needs and opportunities. These include the inherent value of the land, its spatial location and proximity to economic development corridors, growth points, agro-processing facilities, infrastructure, irrigation and electrification and linkages to existing markets.

2. Acquisition of land, movable and biological assets by the DRDLR in terms of the Land Reform: Provision of Land and Assistance Act No 126 of 1993 based on selling price, valuation, expropriation or auction price without pre-selection of beneficiaries. The approach is based on proactively acquiring land that is purposively sampled due

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to its location, and suitability for particular agricultural and settlement activities that government can promote through redistribution or its amenability to subdivision.

3. Provision of such land to identified beneficiaries through direct disposal or conditional long-term leasehold with eventual option to purchase, where the land is made farmable before usage by the lessee or beneficiary, based on a credible development plan.

### 2.3 Target Groups and Beneficiary Categorisation.

As per the Constitution, previously disadvantaged South African citizens are the intended beneficiaries of the policy.

The different categories of farmers are defined below as:

**Category 1:** Households with no or very limited access to land, even for subsistence production.

**Category 2:** Small-scale farmers who are farming or intend to farm for subsistence purposes and sell part of their produce in local markets.

**Category 3:** Medium to large-scale commercial farmers who have already been farming commercially at various scales, but are disadvantaged by location, size of land and other resources or circumstances, and with real potential to grow, including small scale farmers who have been farming at subsistence level, selling part of their produce in local markets, who have gained reasonable experience to farm commercially and who intend to graduate to Category 3.

#### 2.3.1 Beneficiary identification Process

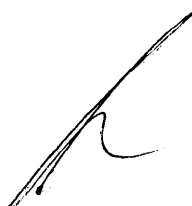
Applicants for access to land must be solicited through a transparent public process including -

- Notices requesting expression of interest put up at municipal notice boards and other public spaces frequented by people, to consider applications;
- Advertisement in local and national per category or target group;
- Information disseminated at farmers 'meetings, and

The Department's Provincial offices shall establish a fair and transparent process of Beneficiary Selection in each District Municipality and Metropole. The Province shall establish a District Beneficiary Selection Committee which will act as a sub-committee of the Provincial Technical Committee and shall screen, shortlist and interview applicants for access to land for Land Redistribution purposes and make recommendations to the Provincial Technical Committee. The Provincial Technical Committee shall support and recommend projects for land acquisition; land development and suitable candidates for land allocation to the National approval structures or Committee.

#### 2.3.2 Beneficiary Selection Criteria

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- All Black South Africans (Africans, Indians and Coloureds) over the age of 18 have the right to apply for access to land for agricultural and other productive purposes in terms of the Department's State Land Lease and Disposal Policy.
- Special priority will be given to those with experience in agriculture or a willingness to undertake training and incubation on properties established by the Department; and Agricultural or other relevant qualifications including participation in Government and Commodity Organization training programmes.
- Capacity and capability of the applicant to manage the intended farming enterprise based on the farm potential as defined above.
- **Applicants** who possess basic farming skills, and demonstrate a willingness to acquire these, or have qualifications in the field of agriculture; graduates of the Department's incubation programme;
- **Priority will** further be given to special groups, women, youth, agricultural and science graduates, people with disabilities and military veterans; farm dwellers, farm workers and labour tenants; subsistence producers in communal areas and villages; and, other Category 1 and 2 producers below as defined in the above policy.
- Other targeted groups are black commercial farmers who want to expand for markets import and export, people with the necessary farming skills in urban areas, apprentices and learners.

#### 2.4 Land Acquisition Funding Models by Category and Target Beneficiary Groups

This policy proposes funding models for strategic acquisition of properties in relation to the Category of beneficiary to whom it will be allocated. There are three funding models for consideration:

- 100% State Grant** - In the case of Category 1, Category 2 beneficiaries, certain Category 3 smallholders and Category 4 farmers including special groups e.g. Military Veterans, youth, women and people with disabilities, the Department will provide a 100% State Grant for direct transfer or leasehold. The State will acquire movable assets and biological assets together with land and improvements to ensure sustainability and successful land reform. Labour tenants and farm dwellers shall qualify for a direct transfer or full title.
- Integrated Funding – Guarantees and/or Grants:** In the case of certain Category 2 smallholders and Category 3 farmers, the Department will provide grants and/or guarantee loans at an integrated gearing determined by the financial or other institution to which the guarantee is issued in terms of relevant Service Level Agreements. The large-scale African, Coloured and Indian commercial farmers who have already been farming commercially at various scales shall be subjected to loan funding from financial institutions plus a portion of grant funding or cash guarantee from the state for land acquisition or production loan.
- Financial Partnerships for Accelerated and Sustainable Land Reform** - This initiative seeks to mobilize the private sector to complement public funding sources to finance the land reform programmes of restitution, redistribution and tenure; to develop public-private sector funding models and financial instruments to provide for the acquisition and development of land on a medium to long-term mortgage and CPI-indexed linked annuity basis; and to foster a new and redefined win-win partnership between previous

land owners and land reform beneficiaries that promotes continued production, increased employment, and social cohesion.

## **2.5 Methods of Land Acquisition**

As guided, land redistribution should prioritise state/public land and donated land over the immediate to short term. This land ought to be strategically located, available and in wards/locals that have an expressed land demand established through the proposed Land Use and Land Reform Needs Assessment. State owned land, privately owned land, commercial farming land, and urban land will be given priority for purposes of redistribution. Also, land on which underground mining is taking place may provide further opportunities for agricultural development and human settlement and thus should be considered for prioritisation. Land donations, land purchases and expropriation of land without compensation will be among the combined measures employed to enable the state to achieve the acquisition of land as enunciated below.

### **2.5.1 Land on the Market**

The State will proactively identify land suitable for acquisition by the State using various identification tools, land that is either put up for sale or ideally suited for acquisition to advance the objectives of the Land redistribution programme and meet the expressed demand for land. A combination of methods will be used to acquire this land including outright negotiation and purchase, donations, auction sales and a Right of First Refusal on the part of the State, where necessary.

### **2.5.2 Land on Auction**

Government will also acquire land for redistribution by purchasing land that has been put up for auction. Land auctions provide the DRDLR with good opportunity to proactively acquire land cheaply, given that the final bidding price for such land is generally much lower than the actual market value of the land.


In most instances the land in question has arisen from insolvencies, deceased estates and financial institutions foreclosing on property. Another avenue relates to mortgaged land purchased at Land Bank auctions and other financial institutions. The guidelines will be developed by the Department on the purchase of land at auctions where both the land and beneficiary group or groups may or may not have been identified. The Department will focus on white commercial agricultural farming land in order to achieve its land reform targets.

Instances in which land is proposed for expropriation without compensation are recommended by this policy to include: i) Land acquired unlawfully; ii) Land used for unlawful ends; iii) Land wherein unlawful and inhuman evictions and treatment of farm dwellers is practiced, and iv) Land acquired in public interest.

## **2.6 Land Maintenance Funding and Development Support.**

In addition to acquisition of immovable and movable property and assets the policy provides for approval of funding for the maintenance of immovable property, movable and biological assets and infrastructure in terms of 10(1)(b)(iii) of the Land Reform: Provision of Land and Assistance

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Act 126 of 1993 (as amended). This includes fees for electrical and/or water connection and reconnection, repair and maintenance of internal services and irrigation, feed and medication for livestock, alien plant eradication and maintenance of fire belts.

The various categories of farmers and producers will be assisted to apply for grant and other funding from both national Departments such as the Department of Agriculture, Fisheries and Forestry (DAFF) and Department of Trade and Industry (DTI), as well as Provincial Departments of Agriculture and Rural Development. Furthermore the DRDLR Policy for Land Development Support (LDS) provides for financial support and skills transfer to Black farmers with Development Partners to ensure their ability to farm independently and access market and value chain integration.

### CHAPTER 3: LEGISLATIVE CONTEXT

The primary legislation utilised to affect Pro-active Land Acquisition is the **Land Reform: Provision of Land and Assistance Act 126 of 1993**, as amended in 1998 and 2008. The objects of the Act are to:

- (a) give effect to the land and related reform obligations of the State in terms of Section 25 of the Constitution of the Republic of South Africa, 1996;
- (b) effect, promote, facilitate or support the maintenance, planning, sustainable use, development and improvement of property contemplated in this Act;
- (c) contribute to poverty alleviation; and,
- (d) Promote economic growth and the empowerment of historically disadvantaged persons.

Section 10(1) of the amended Act empowers the Minister to take the following actions as determined necessary to realize the objectives of the Act: acquire property with funds appropriated by Parliament for the purpose of the Act; make available state land administered or controlled by the Department; maintain, plan, develop or improve property; provide financial assistance to beneficiaries for such, as well as for land acquisition, capacity building, skills development, training and empowerment; authorise the release of funding to lower level government, other state entities and designated persons for these aforementioned purposes. It also provides for the direct transfer and registration of property from the present owner to beneficiaries, and exempts it from any charges associated with such. Furthermore, 10(1)(a) obligates the DRDLR to account for the aforementioned actions, as well as the disposal and leasing of property, through a duly established trading entity that maintains separate financial records for each agricultural enterprise or separately administered piece of land which it acquires, manages, disposes of, or leases. Section 10(1)(b)(iii) provides for the maintenance of properties and infra-structure acquired in terms of the amended Act.

Other existing laws enabling the Department to undertake the strategic acquisition of properties for land reform purposes, regulate land use, and/or provide support for maintenance, development and improvement of land are as follows:

- **Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA)**: provides a framework and institutions for spatial planning and land use management, and the facilitation and enforcement of land use and development matters. In terms of Section 2 (2) of this Act all of the above legislation must comply with the provisions regarding changes in land use; and,

- **Property Valuation Act 17 of 2014:** provides for the regulation property valuation in respect of that identified for land reform, and other property identified for acquisition or disposal by a State Department, as well as establishes the Office of the Valuer-General and provides for the appointment and responsibilities of the Valuer-General.

Legislation under the responsibility of other Departments and spheres of government is also relevant to the implementation of strategic land acquisition. This includes the Constitution of South Africa 1996 Act 108 of 1996; the Public Finance Management Act 1 of 1999 (as amended by Act 29 of 1999) (PFMA); and Treasury Regulations.

## **CHAPTER 4: INSTITUTIONAL MEASURES**

### **4.1 Intergovernmental Coordination**

The National Land Acquisition and Allocation and Control Committee (NLAACC) is composed of Deputy Director Generals and other Senior Managers from DRDLR branches, representatives of the various National Departments involved in Land issues and development, state and private entities in the agricultural and rural development sectors, and Chief Directors of the Department responsible for the Strategic Land Acquisition Programme and Development Programme in their respective provinces.

### **4.2 District Land Reform Committees**

As directed by the NDP and noted above, the Department has established District Land Reform Committees (DLRCs) in all District Municipalities of the country. Forming an important part of the legislative and institutional overhaul of the current land reform programme proposed by the 2011 Green Paper, the DLRCs advance the NDP's call for a more targeted approach to land acquisition that builds the necessary institutional capacity and utilises local knowledge of commercial farmers, municipalities, farm workers/dwellers etc. needs to be developed. DLRCs will promote decentralised implementation, and are in the best position to ascertain important information regarding land in each district (i.e. who it is owned and cultivated by, what it is used for, who is underusing the land, who is retiring, who is an absentee landlord, which is a deceased estate etc.), and thus can play a key role in determining which land is available for redistribution.

Also, the DLRCs will enable substantive and equal participation of all stakeholders in decisions surrounding land acquisition. In promoting a bottom-up, participatory, multi-sectoral approach to land reform, DLRCs will both give a voice to the landless and land-hungry in the redistribution process, while also facilitating landowner cooperation by enabling them to play an active role in land reform. The functions and composition of the DLRCs have been redefined in the Terms of Reference to avoid conflict with the administrative roles and responsibilities of the State in executing the Land Reform mandate.

### **4.3 District Beneficiary Selection Committees**

As noted above the Province shall also establish a District Beneficiary Selection Committee which will act as a sub-committee of the Provincial Technical Committee (PTC) and shall screen, shortlist and interview applicants for access to land for Land Redistribution purposes and make recommendations to the Provincial Technical Committee. The PTC shall support and recommend projects for land acquisition; land development and suitable candidates for land allocation to the National approval structures or Committee.

## CHAPTER 5: REDISTRIBUTIVE INTERVENTIONS.

The Pro-active Land Acquisition Policy will serve as the core instrument utilised by the state to acquire land, as assisted by the Valuations Act and in consonance with the Departmental State Land Lease and Disposal Policy, in order to further the objectives of the Department's Land Redistribution Programmes, including the three central drivers of the RETM, namely the **SRR programme, Agri-Parks programme, and One Hectare-One Household programme**, and others as summarised below.

Firstly, the **Strategic Land Acquisition and Warehousing** provides for the acquisition and warehousing of properties intended to be used for allocation to black farmers, incubation, training and graduation of smallholder farmers and agricultural graduates. These properties will be leased to suitable candidates and also be used as training and incubation centres for agricultural graduates and the different categories of land reform farmers and producers (as discussed in sub-section 2.3 of this Policy). **In selecting candidates for incubation recognition will be given to appropriate prior learning and experience targeting unemployed Agricultural graduates who are interested in farming.** Through a learning-by-doing approach, the incumbents will be exposed to the broad spectrum of agricultural skills such as cropping, livestock production and value adding. The incubation farms should be operated on pure business principles and should ensure sustainability in the long run. Preferably they should comprise of multiple enterprises to enable them to meet their operational and cash flow needs. However in their first one or two years of operation, the department must assist them in order to build up their reserves in order to make them sustainable in the long run. After completing the two-year training, certain Graduates who have displayed competency will be allocated farms acquired and warehoused, while others will be linked to communal land with comprehensive support in terms of infrastructure and the required capital to proceed with their farming aspirations.

**The One Household – One Hectare programme** aims to ensure a just and equitable distribution of land, and to facilitate advancement meaningful and substantive communal tenure rights. The programme will do so by providing residential tenure security in communal areas, communities on commercial farms and other land acquired for farm dwellers/workers, labour tenants, restitution and for the expansion/reform of communal land. Within the programme, the RETM and the One Household – One Hectare principle will be applied, in which land will be surveyed by the Surveyor General upon state acquisition, land use plans will be formulated, and each household will be allocated one hectare of land and issued title deeds for such. Households will be supported to produce for consumption needs and organised into primary cooperatives linked to the proposed Agri-Parks, as well as to develop non-agricultural enterprises. As with the others discussed above, this programme relies wholly on the availability of suitable land for allocation to beneficiaries, to be ensured through PLAS.

The programme to **Strengthening of Relative Rights of persons working the land (SRR)** seeks to fundamentally alter the agricultural landscape by introducing a redistributive model of agricultural growth. It introduces a share-equity and co-management regime based on the relative contribution of each category of people to the development of the farms, with the main objectives of securing tenure, ensuring sustainable land and productivity and improving livelihoods of people who work in commercial farming areas. The state will assist farm labourers to acquire 50% of commercial farms where they reside, with the historical owner retaining the other 50%. It therefore requires the strategic acquisition of land and equity in the form of shares to establish and support partnerships and equity arrangements between new and existing commercial farmers, labour tenants, farm workers and farm dwellers. Proactive Land Acquisition

will be used as the primary method to acquire land to realise the objectives of the SRR programme.

**The Accelerated Land Development and Redistribution Initiative (ALDRI)** aims to provide access to land to a significant number of South Africans, targeting the poorest of the poor, within the shortest possible time frame through government buying up agricultural zoned land in peri-urban areas around towns, including small rural towns, and sub-urban areas across South Africa. Government will then facilitate the development of such land through provision of bulk services, town establishment and subdivision of the land in 1 -10 Ha stands for allocation to Category 1 and 2 small holder farmers, as well as urban landless and jobless people.

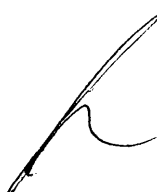
As demonstrated above, the aims of the Proactive Land Acquisition Policy converge with those of these programmes. Achieving the overarching goals shared by these intertwined programmes and the NDP (i.e. advancing smallholder development, agrarian transformation, tenure security, food security, skills expansion, job creation, enterprise development, poverty reduction and equity), depends upon the rapid state acquisition of quality suitably-located agricultural land as facilitated by PLAS. Also important to mention is that the Policy is aligned with the Department of Housing's various programmes linked to the fast tracking of housing delivery.

#### **CHAPTER 6: INTERNATIONAL BENCHMARKING AND LESSONS FOR SOUTH AFRICA -**

The International Fund for Agricultural Development (IFAD) defines inclusive rural transformation as "*a process in which rising agricultural productivity, increasing marketable surpluses, expanded off-farm employment opportunities, better access to services and infrastructure, and capacity to influence policy all lead to improved rural livelihoods and inclusive growth*".<sup>5</sup> As highlighted by the IFAD, the African Development Bank and many other major international development institutions (e.g. the Asian Development Bank and United Nations Development Programme (UNDP)), redistributive land reform is a key catalyst of (and thus essential to) pro-poor growth and broader structural transformation.

However, as seen in South Africa, not all rural growth and transformation is inclusive and pro-poor. Certain patterns of rural economic growth and transformation may involve a wide range of political, social, economic and environmental imbalances and inequities. In order to significantly reduce rural poverty, IFAD contends that inclusive rural transformation must not only occur at a rapid pace, but also requires context-specific agricultural and rural development policies and programmes that "*enable and empower rural people to seize the opportunities and address the threats and challenges associated with the transformation processes*".<sup>6</sup> Such empowerment rests on increasing equity in rural areas, particularly creating more equitable access to and distribution of land and other essential resources.

In countries that have seen significant progress in terms of engendering pro-poor growth and broader structural transformation driven by inclusive rural transformation, land reforms, especially land redistribution, were fundamental to their success. Policies and legislation that redistributed significant amounts of agricultural land to small-scale rural producers and secured rural land rights, while also enhancing access to technology, inputs, finance, knowledge and markets, resulted in more labour-intensive agricultural production and enhanced productivity, increased rural incomes and land investments, and empowerment of rural residents, which led

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to sustained rural development and inclusive rural transformation.<sup>7</sup> Also key were complementary rural development policies that supported the creation of attractive jobs accessible to poor households, promoted major rural infrastructural and institutional development, and integrated smallholder farmers and other rural small and medium entrepreneurs into value chains.<sup>8</sup>

## **CHAPTER 7: CONCLUSION**

Considering the above, the Policy for Proactive Land Acquisition is therefore meant to serve as one of the key entry points in engendering inclusive rural transformation and broader structural transformation in South Africa. With the overarching aim of a just and equitable distribution of agricultural land among those who live on and work it to reverse the legacy of colonialism and apartheid, ensure progressive attainment of objectives enshrined in the Freedom Charter, Ready to Govern document and the Constitution and thus contribute towards socio-economic development, PLAS enables the state to pro-actively acquire and redistribute quality, well-located agricultural land for redistribution.

This will facilitate increased equity in rural spaces, and advance the NDP's vision of successful smallholder agricultural development, strengthened land rights, enhanced productivity, substantial employment creation, widespread food security and poverty eradication. In addition, the different categories of farmers and producers who benefit through a variety of programmes will promote agricultural diversification and stimulate enterprise development.


The overall goal of this policy is social cohesion through an equitable and democratic redistribution of land and resources, accelerated production and prosperity in the rural and urban areas of South Africa.

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**Ms MAITE NKOANA - MASHABANE (MP)**

**MINISTER OF RURAL DEVELOPMENT AND LAND REFORM**

**DATE:**

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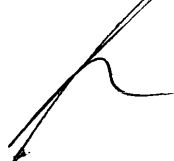
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**Land Redistribution in South Africa**

Commissioned report for High Level Panel on the assessment of key legislation and the acceleration of fundamental change, an initiative of the Parliament of South Africa

Thembele Kepe (University of Toronto/ Rhodes University) and  
Ruth Hall (Institute for Poverty, Land and Agrarian Studies, University of the Western Cape)

28 September 2016

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### Executive Summary

1. Land redistribution is a constitutionally mandated function of government.
2. Thus far, constitutional powers of expropriation have not been used in pursuit of land redistribution; instead a policy choice has been made to follow a 'willing buyer, willing seller' approach based on voluntary sales.
3. Land redistribution has proceeded at a slow and uneven pace over the past 22 years, with fluctuations both in budgets and the scale of land being acquired and redistributed.
4. Budgets for land reform have generally been around 1% of the national budget, and have fallen from a peak of 1.09% in 2007/08 to 0.78% in the current financial year.
5. There are substantial differences in land redistribution across provinces: in how much land has been acquired, how much budget spent, and the number of people benefitting.
6. Policy changes since the 1990s have changed the design and delivery of land redistribution in several significant ways:
  - The removal of a means test to target only poor households;
  - The shift away from a primary focus on settlement towards agricultural production;
  - The shift to an exclusively rural focus;
  - The introduction of state land purchase and leasehold in place of land subsidies for beneficiaries to purchase land and own it themselves;
  - The introduction of joint ventures with commercial strategic partners.
7. The removal of the means test combined with an end to land purchase subsidies (grants) means that there is no longer any system to ration public resources.
8. Since the advent of PLAS, one of the very few ways that the beneficiaries can receive production support from the state is through the Recapitalization and Development Programme (RECAP). However, in order to qualify for RECAP support, beneficiaries have to have a business plan, and either a mentor or a strategic partner.

9. A combination of factors, including limited staff capacity, weak staff management, and expanding mandates for which the DRDLR is not currently equipped, hamper the provision of settlement and production support to beneficiaries.
10. No national monitoring and evaluation system is available to determine the extent to which farms acquired by the state for redistribution have (a) been allocated to beneficiaries, (b) been confirmed through the allocation of long-term leases or (c) are being beneficially used to improve the livelihoods of the recipients.
11. It is not possible from data in the public domain to determine the extent to which land redistribution is (a) targeting poor households or (b) contributing to poverty reduction.
12. The latest redistribution strategy (PLAS), which does not allow for transfer of land ownership to beneficiaries, and in the absence of long-term leases, leaves beneficiaries' land tenure rights insecure. Without clear and secure land tenure rights land redistribution beneficiaries struggle to get production support from state departments.
13. Questions need to be raised about the quality of the relationship between beneficiaries and mentors/strategic partners, particularly control over land, capital and production. In particular, what voice do the beneficiaries have in these situations, and if the relationship is unequal, what processes are in place to deal with that?
14. Budget allocations for land redistribution have declined sharply since 2008/09 in both nominal and real terms. This means less money for land redistribution.
15. Available money to buy land has declined even faster than the budget decline, as several other policies and programmes of the Department are now being funded out of the land reform budget. Land acquisition now constitutes a small share of the land reform capital budget.
16. Land redistribution is clearly moving in contradictory directions. On the one hand, government is entering into costly ventures to acquire high-value land and conclude deals with strategic partners to run commercial farms and associated processing facilities, in the names of farm workers whose beneficiary trusts are invisible to public scrutiny – and further paid out substantial funds in Recap funding under the control of the same strategic partners. On the other hand, government is proceeding to pay out modest amounts to give households one hectare each, or shareholding in commercial farms, in two policies that have not been formally endorsed but are being implemented with public funds. None of these models have been adequately assessed. Government has not made public the relevant information with which to assess these.

## 1. Introduction

### *Objectives of land redistribution<sup>1</sup>*

Following centuries of colonial rule and decades of apartheid rule, democratic South Africa set out to redistribute rights in land as a way to remedy past racial injustice and lay the basis for more equitable development.

'Land is the most basic need for rural dwellers. Apartheid policies pushed millions of black South Africans into overcrowded and impoverished reserves, homelands and townships. In addition, capital intensive agricultural policies led to the large-scale eviction of farm dwellers from their land and homes... Only a tiny minority of black people can afford land on the free market.'<sup>2</sup>

In pursuit of social justice, land reform would seek to undo more than racial discrimination: it would be pro-poor and would promote gender equality and, by changing production and investment patterns, start to transform dualism in agriculture by blurring the lines between the commercial and communal areas of the country. In 1994, the election manifesto of the African National Congress declared that:

'A national land reform programme is the central and driving force of a programme of rural development... This programme must be demand-driven and must aim to supply residential and productive land to the poorest section of the rural population and aspirant farmers. As part of a comprehensive rural development policy, it must raise rural incomes and productivity, and must encourage the use of land for agricultural, other productive or residential purposes.'<sup>3</sup>

Redistribution was a provision to foster improved livelihoods and quality of life for previously disadvantaged individuals and communities through their acquiring commercial farm land. The particular mechanism for acquisition was to be 'market-assisted', by virtue of negotiating with existing owners, 'subsidised' by provision of state grants to beneficiaries, 'demand-led' in that applicants rather than the state would initiate projects, and 'community-based' in that groups would pool their efforts and resources to obtain farms collectively. In the 1990s the targeted groups were defined as the landless, labour tenants and farm workers, 'women and the rural poor', as well as 'emerging farmers', all of whom were subject to a means test to show their need and thereby qualify as eligible. Although this formula corresponded to what had elsewhere – such as in Zimbabwe in the 1980s – been termed a 'willing-buyer-willing-seller' approach it differed from others in that beneficiaries, rather than the state, were to be the 'willing buyers' and became the owners of the redistributed land. The owners were under no compulsion to sell. Transfers did not until the late 2000s involve the prior acquisition of land by the state for subsequent

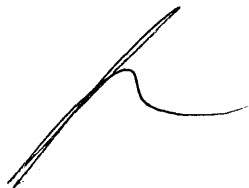
resettlement. Instead the state role was limited to screening applicants, approving and supplying grants to them, subsidising the land transfer and planning land use. These functions were mainly discharged through the Department of Land Affairs (DLA), which was not equipped to provide post-settlement support such as extension advice and credit. In the 1990s this programme was designated the Settlement and Land Acquisition Grant (SLAG). Its operations were suspended between 1999 and 2001, pending a policy review, and was phased out from 2001 in favour of the Land Reform for Agricultural Development (LRAD) programme which put more emphasis on the commercial use of transferred land and provided a sliding-scale of different size of grants. From 2006, experiments started with a Proactive Land Acquisition Strategy involving the state purchasing land itself, possibly for onward transfer to beneficiaries. In 2011, under a redefined Department of Rural Development and Land Reform, the land purchase grants (SLAG, LRAD and others) were discontinued and state land purchase became the only form of land redistribution.

### *Origins of policy*

As the transition from apartheid approached, there was a need to work out concrete initiatives – the aims, modalities and methods of work - to give substance to the principles and aspirations contained in the Charter and in various ANC policy documents. Three main sets of perspectives on possible approaches can be identified with particular lobbies, each with some associated publications. One sprang from the wide range of on-the-ground struggles of the 1970s and 1980s. These had been campaigns against forced removals, land confiscations and evictions of workers and other dwellers from white-owned farms. Activists engaged in such campaigns were among the few supporters of the new order that had experience of land issues, and many were recruited to new roles and institutions as they were set up in government to promote land reform. This perspective gave emphasis to the rights of the dispossessed and urged restitution of those rights.

Second, there had also been some limited brain-storming among exile wings of the liberation movement, but this was restricted to a small handful of interested individuals who thrashed out policy options at a 1989 conference at Wageningen in the Netherlands and in an ANC reading group on land and agriculture that met in Lusaka up until 1990. This constituency did take on board socio-economic arguments for land reform, but did not develop policy outlines, and seemed to have picked up little from potentially relevant lessons, positive or negative, from parts of Africa where the movement had a presence, such as Kenya, Algeria, Tanzania and Zimbabwe. The ANC itself (and other liberation movements) were divided between a vision of smallholder peasant production, on the one hand, and a view that supported large-scale and mechanised farms until their eventual conversion to collective or state farms on the other, with the latter being preponderant.

A third direction was from specialist international actors, notably the World Bank, which underwrote a major review by a joint ANC World Bank mission as early as 1993. The thrust of the World Bank input, then and since, has been to push its finding from international experience that “smaller farms have consistently higher profits and employ far more labor

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per hectare than large farms".<sup>4</sup> Starting from this view of the economic benefits of land redistribution, rather than the question of rights, they sought to promote land redistribution but through a 'market-based' approach, where the state role was restricted to assisting the sales of land by existing white farmers, without compulsion, to prospective users.

A Land Reform Pilot Programme was initiated in late 1994 and was formally launched on 28 February 1995, with just one pilot district in each of the nine new provinces. This small number of 'Presidential lead projects' formed as part of the Reconstruction and Development Programme (RDP), going ahead while the wider parameters of policy were being debated. Draft Land Policy Principles were debated at a National Land Policy Conference in 1995, a Green Paper on Land Policy published for comment and consultation during 1996, and a White Paper on Land Policy finalized in 1997.

*Land Reform: Provision of Land and Assistance Act, 126 of 1993*

The legislation governing land redistribution is the Provision of Certain Land for Settlement Act 126 of 1993, which provides for the designation of land for settlement purposes and financial assistance to people acquiring land for settlement support. While it an apartheid-era law, passed by the National Party government during its own limited and pre-emptive attempts at land reform, it remains the legislation that empowers the Minister to appropriate funds for disbursement as land purchase grants or subsidies, and for direct state expenditure on land acquisition, settlement services and production support. It has since been renamed twice: first, as the Provision of Land and Assistance Act, by an amendment, Act 26 of 1998; second, as the Land Reform: Provision of Land and Assistance Act, by an amendment, Act 58 of 2008. While it is therefore an apartheid-era law, the amendments to the Act by Parliament have provided a mandate to the Minister to continue to appropriate funds to enable land redistribution under changed conditions.

The Provision of Certain Land for Settlement Act 126 of 1993 (commonly known as 'Act 126') provided for the broadening of access to land through land purchase while retaining state powers of regulation over non-productive uses of land. While the COLA would only deal with unimproved state land, improved state land and private land would have to be *bought*. The Act provided for land use conditions to be imposed on land designated for settlement and exempted this land from the provisions of the Prohibition of Subdivision of Agricultural Land Act 70 of 1970. The Minister would retain the power to make regulations concerning any aspect of the Act, including the size of subdivided portions, and applicants would acquire land by purchase.<sup>5</sup>

The objects of the Act are:


'To provide for the designation of certain land; to regulate the subdivision of such land and the settlement of persons thereon; to provide for the rendering of financial assistance for the acquisition of land and to secure tenure rights; and to provide for matters connected therewith.'<sup>6</sup>

Section 10 of Act 126 sets out the Minister's powers to acquire land or provide land purchase subsidies for the acquisition of land (see Box 1 below).

**Box 1: Financial assistance for acquisition, development and improvement of land or to secure tenure rights (Section 10 of Act 126 of 1993, as amended by Act 58 of 2008)**

- (1) *The Minister may, from money appropriated by Parliament for this purpose of this Act –*
- (a) *acquire property; and*
  - (b) *on such conditions as he or she may determine –*
    - (i) *make available state land administered or controlled by him or her or made available to him or her;*
    - (ii) *maintain, plan, develop or improve property or cause such maintenance, planning, development or improvement to be conducted by a person or body with whom or which he or she has concluded a written agreement for that purpose*
    - (iii) *provide financial assistance by way of an advance, subsidy, grant or otherwise to any person for the acquisition, maintenance, planning, development or improvement of property and for capacity building, skills development, training and empowerment; or*
    - (iv) *In writing authorize the transfer of funds to –*
      - (aa) *a provincial government;*
      - (bb) *a municipality;*
      - (cc) *any other organ of state; or*
      - (dd) *any other person or body recognised by the Minister for such purposes, which he or she considers suitable for the achievement of the objects of this Act, whether in general, in cases of a particular nature or in specific cases.*
- (2) *The laws governing land use, the subdivision or consolidation of land, or the establishment of townships, shall not apply to land contemplated in this Act unless the Minister directs otherwise in writing.*
- (3) *The Minister shall have all the rights, powers and duties arising from or incidental to anything contemplated in this section and, without detracting from the generality of the foregoing, may –*
- (a) *maintain property, including state land;*
  - (b) *conduct a business or other economic enterprise; or*
  - (c) *exercise the rights of a holder of shares or a right in or to a juristic person, other entity or trust, contemplated in subsection (1).*
- (4) *Despite section 14 of the Deeds Registries Act, 1937 (Act No. 47 of 1937), and the provision of any other law to the contrary, the transfer of ownership of any property contemplated in this Act –*
- (a) *may be passed and registered directly from the owner of such property to a person to whom the Minister has disposed of such property; and*
  - (b) *shall be exempt from the payment of any transfer, stamp or other duty, fees of the deeds office or other charge.*

Source: Provision of Land and Assistance Act, 126 of 1993, as amended by Act 58 of 2008 (Section 10).

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The amendment Act 58 of 2008 amended Act 126 in several significant ways. Firstly, it broadened the categories of property to be acquired, including moveable and immovable property. Secondly, it defines an 'agricultural enterprise' and empowers the Minister to acquire and dispose of such enterprises. Thirdly, it inserts new objects of the Act. Fourth, it substitutes Section 10, empowering the Minister not only to enable the acquisition of land, but to acquire property and to maintain, plan, develop and improve it, and to delegate these powers to state *and* non-state entities. Fifth, it empowers the Minister not only to sell, exchange, donate or lease, but also to 'award' any property to anyone. Sixth, it requires the Department to establish a 'separate unit' or 'trading entity' to 'maintain separate and itemized financial accounts and accounting records in respect of each agricultural enterprise or separately administered portion of immovable property which it acquires, managements, disposes of, or leases' (section 10A).<sup>7</sup>

Parliament's portfolio committee on Agriculture, Forestry and Fisheries initially objected to certain aspects of the amendments, including:

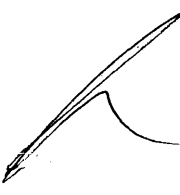
'The Committee felt that the beneficiaries of the land reform process were currently suffering losses and incurring debt as a result of bureaucratic intransigence and inadequate support to enable viable agricultural enterprises. There were also concerns that the procurement process itself was fraught with many dangers since there was no clear mechanism for determining the viability of commercial enterprises or "going concerns" and safeguards to protect beneficiaries from certain harsh economic realities.'<sup>8</sup>

However, many of these concerns relate to institutional and operational matters, rather than legislation *per se*, which has remained permissive rather than prescriptive. The widely permissive provisions of Act 126 create substantial scope for the Minister to determine the direction and content of the land redistribution programme. However, the discretionary powers provided are circumscribed by the requirements of procedural and substantive fairness, as set out in the Promotion of Administrative Justice Act, 3 of 2000.

In summary, Act 126 and its various amendments create wide-ranging power for the Minister to acquire, maintain, plan, develop or improve property, or to delegate these powers to any state entity or any other body or person. Actual progress with land redistribution, and its outcomes, therefore need to be assessed against both Act 126 (which empowers the Minister) and the Constitution (which mandates equitable access to land).

*Constitution: Section 25(5) of Bill of Rights on 'equitable access'*

Section 25 on Property (the 'Property Clause') in the Bill of Rights sets out a wide-ranging mandate to the state to enact land reforms and other related measures. Among the three components of land reform is an injunction to redistribute land, as follows:

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'The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis.' (section 25(5))

While section 25(1) prohibits arbitrary or discriminatory deprivation of land, there is a safeguard clause to prevent any provision from impeding reform to redress past discrimination:

'No provision of this section may impede the state from taking legislative and other measures to achieve land, water and related reform, in order to redress the results of past racial discrimination, provided that any departure from the provisions of this section is in accordance with the provisions of section 36(1).' [ie. the limitations clause] (section 25(8))

The meaning of section 25(5) has not in the past 20 years been interpreted judicially; in other words, while other provisions, such as the right to restitution and to secure tenure, have been extensively challenged and adjudicated in the courts, what constitutes adequate measures to 'enable citizens to gain access to land on an equitable basis' has not. There is no existing jurisprudence as far as we are aware related to this right which forms the constitutional basis for land redistribution.

*Constitution: Section 25(2-3) of Bill of Rights on expropriation and 'just and equitable' compensation*

Section 25(2) of the Constitution allows for property to be expropriated 'in the public interest' and Section 25(3) requires that "*just and equitable*" compensation be determined "having regard to all relevant circumstances, including:

- (1) the current use of the property;
- (2) the history of the acquisition and use of the property;
- (3) the market value of the property;
- (4) the extent of direct state investment and subsidy in the acquisition and beneficial capital improvement of the property; and
- (5) the purpose of the expropriation.

The 'Policy and Procedures for Expropriation of Land in Terms of the Provision of Land and Assistance Act 126 of 1993 and the Extension of Security of Tenure Act 62 of 1997' was adopted as policy in 1999. This policy document sets out an approach to determining what constitutes just and equitable compensation, rather than paying market price. It draws on a formula developed by Judge Antonie Gildenhuys of the Land Claims Court for calculating compensation based on the criteria contained in the Constitution. The 'Gildenhuys formula', is as follows:

$$\text{Compensation} = C - k_0(B-A) - E_1 * k_1 - E_2 * k_2 - E_3 * k_3 \dots$$

where

*C* is the present day market value of the property,

*k*<sub>0</sub> is the inflation factor related to land acquisition, based on the CPI

*B* is the market value of the property at the time of acquisition,

*A* is the actual price paid at the time of acquisition,

*E*<sub>1</sub>, *E*<sub>2</sub>, *E*<sub>3</sub>, etc., are the historical values of infrastructure and interest rate subsidies received, and

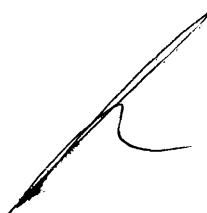
*k*<sub>1</sub>, *k*<sub>2</sub>, *k*<sub>3</sub>, etc., are the corresponding inflation factors for these subsidies, based on the CPI.

This is just one possible approach to interpreting the criteria in Section 25(3) and has been widely criticised. Professor Lungisile Ntsebeza<sup>9</sup>, for example, points out that it still takes market price (25(3)(c)) as a starting point and that, although it discounts for past subsidies and other support received (25(3)(d)), it does not address the other three criteria cited in sections 25(3)(a) (b) and (e). Indeed, these are not easily reducible to a value in a formula. Rather, “*having regard to all relevant circumstances*”, these are to be determined in each case. The Commission’s own “Guidelines for Expropriation in terms of S42E of the Restitution of Land Rights Act 48 of 2003” describes the Gildenhuys formula as “flawed”<sup>10</sup> but does not elaborate on its flaws.

President Zuma has announced on several occasions that the so-called “*willing buyer, willing seller*” approach to land reform is to be abandoned in favour of utilising the “*just and equitable*” provisions of Section 25(3). Several new expropriation bills have been published, and a new Expropriation Act was passed by both houses in 2016, but referred back by the President for further consultation. Unlike the Expropriation Act of 1975, this Bill allows for expropriation ‘in the public interest’ and with ‘just and equitable’ compensation, as provided for in Section 25. These moves suggest that expropriation may be used more often in the future, and also that the state will aim to use these criteria in negotiated sales as well – not only where properties are to be expropriated. The National Development Plan published in 2011 also proposes that an approach be developed to share the costs of doing land reform between the state and landowners.

In 2014, Parliament passed the Property Valuation Act, 17 of 2014, which among other things established an Office of a Valuer-General to address “*the absence of a nationwide comprehensive, reliable hub for the assessment of property values in the country*”. The OVG potentially provides institutional capacity to assist with interpreting ‘just and equitable’ compensation and creating policy and procedures in this regard. According to the Department, the OVG is a statutory office responsible for issues such as:

- the provision of fair and consistent land values for rating and taxing purposes;
- determining financial compensation following expropriation under the Expropriation Act or any other policy and legislation which is in compliance with the constitution;
- the provision of specialist valuation and property advice to government;
- setting standards and monitoring service delivery;

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- undertaking market and sales analysis; setting guidelines, norms and standards required to validate the integrity of the valuation data; and,
- creating and maintaining a data-base of valuation information.

Payment of compensation other than at market rates now looks increasingly likely. Up to now, the difficulty that all participants face – claimants, landowners and the state – is the absence of a clear policy, guideline or formula to determine what constitutes ‘just and equitable’ compensation in any particular case. In each case the participants either start with market value and then add or subtract estimated amounts based on the other Section 25(3) factors, or contest whether there are other possible methods for determining the value of property in a particular case. The problem is that the government has not adopted policy in this regard other than the unused policy for the Provision of Land and Assistance and ESTA discussed above, and the Restitution Guidelines. There is no integrated approach to determining compensation. The White Paper on South African Land Policy has clearly been overtaken by later policies, laws and practices, and there is no national policy framework for land reform that could guide an approach to compensation across all areas of land reform.

The question remains: how do we determine just and equitable compensation? It is feasible to operationalise the criteria, as was done in the 1999 policy, and need not be a formula such as that adopted by Gildenhuys but rather a set of principles for a spectrum of circumstances. It is not known whether the OVG is working on such policy direction or not.

#### *Framework for assessing performance*

Here we clarify, in response to the terms of reference, the way in which we have approached assessing performance in the land redistribution programme.

First, we outline policy changes over time. Related to this are changing institutional arrangements, including the creation of two separate ministries responsible for land and agriculture, and relationships with other bodies, including the Land Bank and private consultants and service providers. We note changes in the objectives of the various land redistribution policies, their target groups, their modalities and implementation strategies.

Second, we assess progress with ‘delivery’ on a national scale, and break this down wherever possible by province, by year, and by sub-programme. We can do so for hectares, beneficiaries and expenditure, but we cannot compare hectares with beneficiaries, beneficiaries with expenditure. We therefore cannot draw firm conclusions as to how available resources have been spread across different projects and people. With regards to scale, we do not use the 30% target previously set as the primary point of comparison, as this target was set for 1999, then deferred to 2014, then to 2025, then apparently abandoned, and was in any case based on estimates of affordability rather than any inherent social, economic or political logic.

Third, we describe the forms of settlement and post-transfer support, including agricultural infrastructure, extension and operating funds, to beneficiaries of land redistribution. With regards to the outcomes of redistribution on the livelihoods of beneficiaries – and the crucial question of whether or not it is reducing poverty – we present the very limited official data, much of which is outdated, as well as evidence from several independent surveys and case studies.

This report therefore assesses policies made on the basis of the enabling legal framework discussed above, which are both enabling and prescriptive, as well as its implementation and the relationship between the policies, delivery and outcomes, on the one hand, and the overall political goals of land reform, as have been stated in various ways over time.

## 2. Policy changes over time

Land reform, one of government's main transformatory programmes and currently one of its top five priority areas, has itself been transformed over the past twenty years, reflecting changing policy agendas and ideological positions within the African National Congress and the tripartite alliance. Since 2011, a Proactive Land Acquisition Strategy (PLAS) has become the only route through which the state is redistributing land. This is now based on the state's buying up land and retaining ownership of it, leasing rather than transferring it to beneficiaries. Eligibility is broad and unclear, yet new insistence on 'production discipline' suggests that those with the resources to continue commercial farming operations will be prioritised, and that the state will evict its beneficiary tenants unable to do so. Initially described as an alternative to the 'willing buyer, willing seller' approach, the PLAS has further obscured the class agenda of land reform, widened the discretionary powers of officials and enabled new patterns of accumulation. While discursively framed as part of a radicalisation of the reform process, the redistribution process appears to be narrowing and is ripe for elite capture.

After twenty years of democracy, not only has land reform fallen far short of both official government targets and the public expectations of the early 1990s, its focus, criteria and modus operandi have also undergone several significant shifts. In 1994, the Reconstruction and Development Programme (RDP), and the first election manifesto of the African National Congress (ANC) set out among other things to transfer ownership of agricultural land in the white commercial farming areas to poor black South Africans (ANC 1994). The RDP target was to transfer 30 per cent of this land within the first five years of the programme. In terms of the overarching White Paper on South African Land Policy (DLA 1997), households with incomes below R1 500 a month were eligible to access a modest Settlement/Land Acquisition Grant (SLAG) with which to buy land and settle on it. By 1999, less than one per cent of commercial farmland had been made available to black South Africans; ten years after the advent of democracy, just three per cent had been transferred through all aspects of the land reform programme combined, and by 2013 about 6.5 per cent had been transferred.<sup>11</sup> In 2001, a revised policy, Land Redistribution for Agricultural Development (LRAD), was adopted, which removed the pro-poor bias of land redistribution and introduced the new aim of establishing a class of black commercial farmers. In 2006, PLAS, initially complementing and later, from 2011 on, replacing LRAD, saw the state buying land and leasing it out to beneficiaries, with the aim of eventually transferring it to them in private ownership – though plans towards this second transfer now appear to have been abandoned. This model was confirmed in a State Land Lease and Disposal Policy, adopted in July 2013, which establishes state land purchase with long-term leases as the model of redistribution. While there has been continued reliance on market-based purchase, significant changes have shifted the character of the programme, diverting attention away from securing tenure for the poor for multiple livelihood purposes.



*Willing buyer, willing seller*

The market-based or 'willing buyer, willing seller' (WBWS) approach was promoted by the World Bank during its mission to South Africa in 1993, drawing on its interpretation of successes and failures elsewhere, notably in Kenya in the 1960s and Zimbabwe in the 1980s. While it appears nowhere in law, this principle has underpinned the practice of land redistribution in South Africa, in the absence of a new Expropriation Act and its use, and despite provisions to the contrary in the Constitution.

WBWS loosely describes how land has been identified and acquired for redistribution, and how land prices are determined, within South Africa's market-based land redistribution process since the 1990s. The core elements of WBWS are: non-interference with land markets and unwillingness by the state to expropriate land for land reform purposes or (until recently) to enter the market as a market-player; reliance on landowners to make available land for sale; self-selection of beneficiaries; and the purchase of land at market price. Related features of the market-based approach are the preference for commercial forms of production and a prominent role for the private sector in the provision of services such as credit and extension to beneficiaries.<sup>12</sup> Even while there have been changes to policy, then, the underlying WBWS approach has remained.

*White Paper on South African Land Policy (1997)*

The policy finally adopted by the new Department of Land Affairs in its 1997 White Paper<sup>13</sup> as the Settlement/Land Acquisition Grant (SLAG), resembled the market-based model proposed by the World Bank. On core questions it remained agnostic: what kinds of farming and social relations were envisaged, and how this would be brought about? Land redistribution merely aimed to contribute to a more diversified size structure in agriculture where all producers would compete in a deregulated environment. That this would entrench rather than erode inequalities – both between white and black and between family and corporate farming enterprises – was eminently foreseeable and is precisely what resulted.

Alongside this policy process, parties in the Constitutional Assembly debated whether to include a property clause in the Constitution, and if so, what its provisions should be. Ultimately, the ANC acceded to a property clause providing for expropriation of property subject to compensation, while also mandating land restitution, land redistribution and land tenure reform.<sup>14</sup> But despite the ANC having fought for these provisions, the policy did not promote expropriation and instead adopted the market-based and state-assisted purchase of land proposed by the World Bank. The initial approach to land reform combined several other features. First, it promoted access to land for poor people only, as it was means-tested. Second, it provided a R16,000 household grant, initially equivalent to the urban housing subsidy, with which people could buy land. Third, while the policy focused on 'communities', many different interests were to be accommodated in the policy, including

people wanting land for their own use as well as those wishing to live and use their land together as community.

Yet the policy alienated almost all interest groups: the NGOs, who opposed its market-based framework; many of the rural communities with whom they worked, who were frustrated with slow delivery and the absence of support for them after they took ownership of their land; the white farmers, who objected to large-scale black settlement in the white commercial farming heartland; and black 'emerging' capitalist farmers, who were excluded from the programme by its pro-poor means test and whose aspirations to individual ownership of whole commercial farms were thwarted by its criteria and the small grants it offered.

The Land and Agriculture Policy Centre's (LAPC) ambitious initiative from 1994 onward to audit the demand for land had confirmed very widespread expressed demand, with 67 percent of respondents in a national survey indicating that they wanted access to (more) land to live on and use for production.<sup>15</sup> It also showed that the vast bulk of this demand was for small plots, with nearly half (48 percent) indicating a desire for one hectare or less. It confirmed 'universal and immediate' demand for land for residential purposes from which to supplement other incomes and to pursue 'straddling' livelihood strategies – rather than the idea of full-time farmers that underpinned Tomlinson's vision. Many respondents aimed to use residential plots for gardening and hoped to be able to run livestock on commonage land. Agricultural production was found to be a secondary objective, to supplement income, rather than the primary demand among those surveyed. DLA argued that the LAPC findings illustrated that:

'the majority of landless people in rural districts and dense settlements prioritise a secure residential site, services and access to income, rather than agricultural land, even if such land were available in the locality, which very often it is not. It was then realized that it would not be sensible to insist that allocation of the HBNG should be conditional on the recipient physically moving to new land. Further, the question arose whether poor households, who did not wish, or who are unable, to move to new land, would be deprived of the land acquisition grant.'<sup>16</sup>

This provided a research basis to justify provision of a settlement grant and exclusion of a complementary grant for acquisition of agricultural land for farming at scale. While the target population was yet to be determined, the single policy instrument by which all these varied needs would be met was defined. It would take the form of a single once-off subsidy for 'settlement and land acquisition' which could be used to pay for land purchase and provision of basic needs on this land, including water, sanitation, waste disposal, internal roads and fencing – but not housing. This was because the grant was set at a maximum of R15 000 'to be consistent with the level of the existing Housing Subsidy' and as an alternative to it<sup>17</sup> because, in the view of DLA senior managers, this was the only way to get the land grant to be taken seriously by the Treasury.<sup>18</sup> Beneficiaries would be registered on the same national database, so that any household receiving a subsidy for land could not also receive a housing subsidy. Rather like the target of redistributing 30 percent of farmland

in the first five years, defining the level of the grant had been arbitrary, in the sense that it was not informed by any inherent logic. It was adopted because it was the solution that conformed to an existing formula for state transfers and would encounter least opposition from within the state bureaucracy. By the end of 1995, the DLA had conceded that the redistribution of land would be broadened to meet multiple target groups, including 'emergent farmers'. However, this concession did not become a reality until the lifting of the means-test in 2001.

In 1999, a new Minister of Agriculture and Land Affairs imposed a moratorium on all new SLAG projects, and initiated an internal review. No final report from the ministerial review was ever released. A preliminary report circulated within the two departments in December 1999 argued that the SLAG had unintended outcomes that 'often ran counter' to the objectives of existing policy<sup>19</sup>. What is widely agreed, and shown by several empirical studies, is that the SLAG approach of the White Paper had produced a 'rent-a-crowd' syndrome where names were added to applications in order to accumulate grant funding, without people having any intention to become part of a project. The minister's review, though, criticized the objectives of SLAG, not only its failing to meet its own aims. By encouraging group projects, 'SLAG indirectly supports the notion that Black people can only prosper under communal and subsistence farming'.<sup>20</sup> Specifically, she argued that land redistribution needed to address the needs not only of the poor but also of aspiring black commercial farmers who wish to farm along.<sup>21</sup> The review process formed the basis for a new proposal, with input from the World Bank and South Africa agricultural economists contracted by them, which later became LRAD (see below).

#### *Municipal commonage (1997)*

Providing poor households with access to municipal commonage land is another way in which access to land has been redistributed, and the constitutional requirement of 'equitable access' promoted. The White Paper identified the need to redistribute existing commonage land and to expand commonages, as follows:

'Municipal commonage provides opportunities for land reform, primarily because it is public land which does not need to be acquired, there is an existing institution which can manage the land, needy residents live next-door and have certain rights to this land. A reallocation of commonage to poor residents who wish to supplement their incomes, could help address local economic development and provide an inexpensive land reform option.'<sup>22</sup>

The problem of municipalities renting out commonage land to commercial farmers and other wealthy land users – often at rates far below market levels, and on long-term leases – was identified as a way in which public land was being used to entrench inequality, and therefore as an opportunity for redistribution. The White Paper committed government to assist municipalities to provide poor residents with access to existing municipal commonage

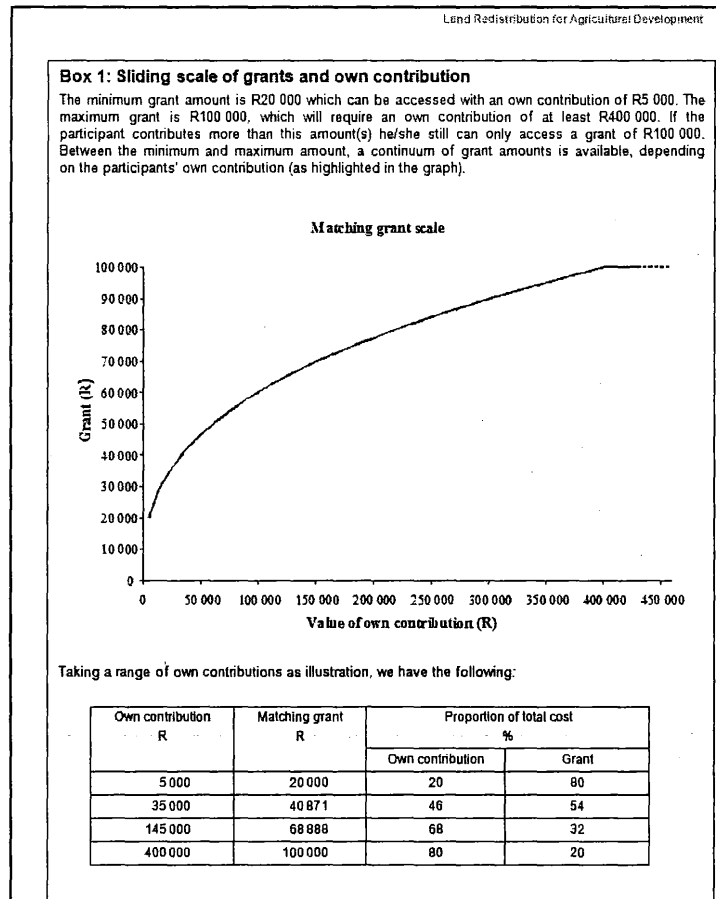
as well as to assist them to acquire additional land to create new, or expand existing, commonages.<sup>23</sup> A specific Grant for the Acquisition of Land for Municipal Commonage was created for this purpose.

Commonage was a large part of land redistribution in the first decade of democracy, providing poor people living around rural towns and villages with access to land for their livestock to graze, and for small food gardens. Commonage projects accounted for nearly half (44%) of all land redistributed in the period 1994-2002, while accounting for just 10% of the land reform budget in each year.<sup>24</sup> Its substantial contribution to redistribution is reflected in Figure 4 below. With the advent of LRAD, and later PLAS, the Department appears to have abandoned the commonage programme, though there has been no formal statement to this effect nor explanation. Overall, commonage may have been seen to be supporting small-scale farmers, rather than enabling wealth accumulation by capitalist farmers, and so did not fit with the shift first to LRAD and then to PLAS and Recap.

#### *Land Redistribution for Agricultural Development (2001)*

In this second phase of land redistribution, the attention shifted to creating black commercial farmers on a variety of scales.<sup>25</sup> In 2000, the World Bank returned to South Africa to work with the Department of Agriculture, to design a revised grant that would replace the SLAG programme and aim instead to create a new class of black commercial farmers. It criticised the government for setting up large collectives unable to manage and use their land, and for failing to address the class interests of those with the resources and capacity to go commercial. From 2001, the new Land Redistribution for Agricultural Development (LRAD) programme provided instead a sliding scale of grants from R20,000 to R100,000 per individual (see Figure 1).<sup>26</sup> The level of grant would now be determined by the level of contributions that applicants themselves could make, meaning that those who were better off would get more state support. The funds were now only available to those wishing to farm, and gave priority to those aiming to farm commercially who could show that they had the means to do so.<sup>27</sup> Under the watch of Thabo Mbeki, the class agenda of land reform had been inverted.

Figure 1: Sliding scale of grants under LRAD



Source: MALA 2001: 6.

Requiring applicants to contribute their own capital and assets was government's response to production failures on redistributed farms. Now, applicants' ability to contribute financially would serve as a proxy indicator of their commitment to farming: if they put in their own money, they would be 'committed'. No research was conducted to demonstrate that this would, or did, have the effect claimed. Nor did this address the possibility that people might be committed to farming but not have the money to invest. By removing the means test, government abandoned the one area in which it could (and did) confidently report success – namely that land reform had been successful in targeting the poor, even if not making real inroads into reducing poverty.

With LRAD, redistribution policy came to prioritise productivity and economic efficiency instead of poverty alleviation and rural livelihoods. This justified channelling available budget resources to fewer people than in the past. A 'picking winners' policy focused on

'emerging farmers' at a variety of scales, and assumed that all black farmers were 'emerging' from non-commercial and into commercial farming. It did not address the land needs of people wanting a secure place to live, instead of farming. Nevertheless, it fulfilled the political purpose of accommodating contradictory interests in the policy process by obscuring class differences.

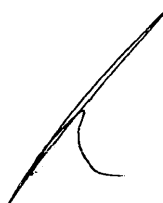
By 2001, when LRAD was launched, Minister Didiza warned of the dangers of 'squatter farming' on redistributed land. She was responding to the commercial farming lobby's attempts to pressure government to ensure that redistributed land would be commercially farmed – and that settlement on farm land in the commercial heartland would be strictly controlled. The government's response was to limit group sizes in LRAD to 10 people per project; this would, she explained, address the problems of overcrowding and group-based conflict that had emerged under SLAG. The primary effect of limiting projects to 10 people, however, was to limit the number of properties that could be bought for redistribution, especially as government did little or nothing to enable farms to be subdivided. For those without money of their own, it meant that they had to find farms that they could buy, invest in and operate for under R200,000. Not surprisingly, very few such opportunities existed.

LRAD, remarkably, involved a return to the logic of the apartheid government's DRLA scheme (see above), which also aimed to create a small class of black commercial farmers. Both were based on a logic that state subsidy, applicants' own contributions and loans would comprise the market price of land to enable its purchase by aspiring black capitalists, from willing sellers. This focus on enterprising individuals, farming full-time, and the imposition of income targets shaped the implementation of LRAD, favouring businessmen with income from other sources and marginalising the majority of rural farmers who are women.

In this period, land reform, which was initially conceived as a means to transform the stark contrasts between white commercial farming areas and black bantustans, succumbed to deeply in-grained dualistic thinking. It would promote (mostly male) entrepreneurs in the commercial farming areas who would require private title to pursue full-time commercial farming while in the ex-bantustans, communal arrangements would persist for the majority of rural people, holding land as whole communities. Nearly 80 years earlier, President Hertzog did precisely the same thing: while allowing black and white to compete to buy land in the 'released areas' of the reserves, his Pact government restricted the size of black groups purchasing land to 10 people, to guard against expanded black settlements in farming areas. In contrast, both then and now, expanded community landholdings have been allowed as long as they were under 'tribes' and therefore the authority of chiefs.<sup>28</sup>

Government adopted most of the World Bank's recommendations, initially by removing state subsidies and controls from agriculture, and from 2000 onwards by revising its land reform goals to focus on promoting black commercial farmers. Government followed Bank advice even though it was not bound to do so through any loan agreements. But the new policies did not achieve their goals. Continued failure to subdivide farms meant that group-based projects remained the norm except for the very well-off; it

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was simply impossible to buy and capitalise a commercial farm with the subsidies on offer. Another way in which the Bank's thinking manifested in LRAD was the equation of land reform with agriculture (and therefore 'beneficiaries' with 'farmers'). This was in contrast with the first aim of land reform in the 1990s, which was to provide secure tenure to land on which people could live and create a community and bring up the next generation. The latter was confirmed as being the priority of rural people, in a major land demand survey that found that the vast majority of people wanting land wanted less than one hectare.<sup>29</sup>

As LRAD was implemented, unforeseen problems arose. The first of these was high levels of indebtedness, as many beneficiaries had taken out loans from the Land Bank in order to leverage higher LRAD grants from the Department. Two factors – the grant structure and reliance on land being offered for sale – led to a widely-recognised mismatch between applicants' needs and the land available. This led either to projects not going ahead or to applicants opting for land or group sizes inappropriate for their needs. The Surplus People Project (SPP), for instance, worked with a particular community in the Western Cape that tried repeatedly, and failed, to acquire land. In one attempt, the community attempted to buy a farm near Aurora in the Swartland region, but could not gather together sufficient applicants to make up the asking price of the whole farm and, although they did not want the whole farm, there was no mechanism to subdivide it into portions suited to their needs and capabilities. As a result, they remained landless.

#### *National Land Summit (2005)*

Substantial opposition not only to market-based 'willing buyer, willing seller' redistribution but specifically to LRAD was voiced at a major gathering, the National Land Summit, in 2005. Delegates complained that land purchase grants were insufficient and that landowners have been able to inflate prices and in some instances have chosen not to sell to land reform applicants. A credible threat of expropriation, coupled with below-market compensation was deemed necessary to encourage landowners to agree to reasonable offers. The Summit proposed a new direction for land redistribution, as itemized in the resolutions, summarised below.<sup>30</sup>

- *Proactive role of the state:* With the exception of Agri South Africa (AgriSA), representing the established commercial farming sector, there was consensus on rejection of the willing buyer, willing seller principle, and a call for the state to become the driving force behind land redistribution. The alternative to willing buyer, willing seller was "proactive acquisition by the state in response to identified needs, through negotiated purchase and where necessary expropriation". There was a call for less bureaucratic processes and substantially increased resources to be allocated to the programme, including for staffing, to enable state agencies to engage in active negotiation with land owners and to expropriate land where needed.

- *Regulating land markets:* Various measures were proposed to regulate land markets to reverse the growing concentration of landholding, including a ceiling on the size of land holdings, a right of first refusal for the state on all sales of agricultural land, and imposition of a land tax to curb speculation and bring under-utilised land onto the market. These proposals were not unanimous; AgriSA contested all measures proposed. There was agreement on the need for proactive subdivision of farms to make available parcels of land appropriate to the needs of smallholders.
- *Who should benefit:* Although the issue was not extensively debated, the Summit resolved that specific measures should be taken to target the poor, women, farm workers and the youth. Implicit in this was a rejection of land reform as a means of promoting a black commercial farming class – though most speakers felt that a wide range of land needs should be addressed.
- *Payment and compensation for land:* There was rejection of paying market prices for land. Except for AgriSA, the Summit resolved that the provision in the Constitution to pay “just and equitable” compensation should be used to justify below-market compensation, taking into account various factors including past subsidies to landowners. There was a minority view that the Constitution should be amended to allow for confiscation with no compensation, in cases where land is unused or underutilized, and where landowners have been abusive of farm workers.
- *Moratorium on foreign land ownership:* Although not debated, the Summit called for a moratorium on foreign ownership of agricultural land but allowing leasehold. Some participants called for the redistribution of land already owned by foreigners and reparations for profits from speculative land purchases.
- *Constitutional reform:* There was a call to insert a “social obligations clause” in the Constitution, which would legally protect landless people who occupy land that is unused, underutilized or owned by absentee landlords or landowners who have abused farm workers. As in Brazil, this would allow land occupations to be regularized through expropriation from the former owner and titling of the new occupants.
- *Local government role:* Delegates agreed that municipalities must play an active role in land reform by identifying local needs, releasing municipal land, identifying land to meet needs and providing services and support to beneficiaries. Delegates proposed a register of land needs and a comprehensive audit of public and private land so that information on who owns what can be made publicly available. Local land forums to identify land needs would need to include landless people themselves, municipalities, the departments of land affairs and agriculture, and landowners.



- *Municipal commonage*: There was a call for municipalities to stop allowing commercial farmers to use commonage land, and instead to promote access for poor people and “emerging farmers” (black but not poor) to this public resource.
- *Models of land use and development*: The Summit issued a call for policy to revisit the dominant models of land use and agriculture and to prioritise public support for small-scale agriculture by investing in coordinated and better-resourced “post-transfer support”, including training, extension services, access to market and to finance. There was a call for a moratorium on “elitist developments”, such as new golf courses and game farms – a call reiterated by the President, Thabo Mbeki, just weeks after the Summit.

Within one year, a new strategy responding to the demand for ‘proactive’ identification and acquisition of land by the state was initiated, and ran alongside continued implementation of LRAD and related grant-based purchases until 2011, when these were discontinued and the state-purchase-and-leasing model became the entirety of land redistribution.

#### *Proactive Land Acquisition Strategy (2006 and 2011)*

In 2006, PLAS was launched under then Minister of Agriculture and Land Affairs, Lulu Xingwana. Initially an adjunct to the LRAD programme, the strategy really took root from 2009 under Zuma’s government, under the leadership of Minister of Rural Development and Land Reform, Gugile Nkwinti, during which time it emerged as the primary and, by 2012, as the only means of land redistribution. PLAS gives far-reaching discretionary powers to officials of the renamed and redefined DRDLR (previously the Department of Land Affairs) to purchase land directly, rather than disburse grants to enable beneficiaries to buy land for themselves. Officials may determine which land should be acquired by the state, whether it should be transferred or leased, and if so, to whom and on what terms. A key feature of PLAS is the provision of state land on leasehold, ostensibly on a trial basis pending an assessment which could pave the way towards a later ‘second’ transfer of ownership to beneficiaries. This direct purchase of farms by the state was itself a reversal of the state land disposal thrust emphasised by Mbeki. For this reason, all land sold by the state under Mbeki, and all land bought by the state under Zuma, now count towards the original RDP target of 30 per cent. As the PLAS framework explains:

‘The department leases farms to emergent black farmers for a minimum of three years [and] after the trial-lease period has expired the land can be disposed of to the same beneficiaries if they have been satisfactorily assessed by the Department. Out of the entire purchase price, the beneficiaries pay 6% as rental fee for three years as part of the loan agreement with DRDLR.’<sup>31</sup>

PLAS perpetuates the reliance on land markets and purchase of whole farms at market price, yet is 'state driven'. This raises the question of how to match people to land, or land to people: 'the state can buy/secure suitable land *before or after beneficiaries have been identified and quantified*'.<sup>32</sup> Not only the timing, but also the mechanisms and criteria for identifying and quantifying beneficiaries, are left unspecified. The PLAS policy says its target is 'black people (Africans, coloureds and Indians), groups that live in communal areas and black people with the necessary farming skills in urban areas, people living under insecure tenure rights'<sup>33</sup> – arguably most of the population. Among these eligible groups, whose interests should take precedence, or how projects should be prioritised, is not specified. As for provisions for a second transfer, from the state to lessees, this would hinge on a formal assessment of the land use and productivity of beneficiaries, through an unspecified process to be overseen by the DRDLR in conjunction with the Department of Agriculture, now the Department of Agriculture, Forestry and Fisheries (DAFF). The desire to ensure the state's ability to remove failed farmers was central: 'Beneficiaries who are in arrears with their lease fees and who have not broken even during the lease period will be removed from the farming operation and new beneficiaries will be installed'.<sup>34</sup>

More recently, this concern with making tenure rights contingent on state-administered determinations of proper land use, and the state's ability to remove and replace beneficiaries, was confirmed: 'Mr Nkwinti said the state would not hesitate to take away a farm and give it to another deserving entrepreneur if...the farmer failed or proved to be uncommitted'.<sup>35</sup>

A central component of PLAS is the privatisation of implementation, through service level agreements with estate agents, financial institutions, commodity-groupings, as well as the Land Bank and major agribusinesses such as Illovo and Tongaat-Hullett (DLA 2006: 9). This has been entrenched further with the adoption of the Recapitalisation and Development Programme ('Recap', below) which similarly transfers state functions to private service providers, some of whom have business interests related to the projects in which they are involved.

The PLAS model was designed to involve a 'double transfer' of land: from the current owner to the state, and then later from the state to identified beneficiaries. The state, as the new owner, could determine the nature of the second transfer though the terms on which people would eventually acquire ownership was not clarified.

#### *Area Based Planning (2006)*

Initiated in 2006, 'area-based planning' (ABP) was considered to be a way to integrate land reform planning into local economic development. ABP plans for land reform were to be developed in each district, and form part of IDP processes, enabling municipalities to plan for and budget for support for land reform projects. These were to be developed through participatory processes, driven by a local steering committee including key national, provincial and local state institutions, and non-governmental stakeholders, to define a strategy, conduct a situation analysis, identify priority areas and identify specific projects to

be taken forward. ABPs were intended to guide land acquisition under PLAS. The ABP approach was piloted in several districts starting in 2006, before being rolled out nationally, however the process was halted in 2009, and reinstated in 2010. The current status of ABP processes is not known, and no details are evident in annual reports since 2007.

The only available review, published in 2012, assessed 22 district level area-based plans; of these, only four were not dysfunctional – ie. achieved either an ‘average’ or ‘strong’ rating in an assessment exercise.<sup>36</sup> The review found that some of the underlying reasons for ABP not working was that the Department contracted consultants who had no relevant capacity to develop ABPs; failed to engage municipalities and provincial governments in the inception phase before initiating these plans in their areas; terms of reference were vague and generic; .<sup>37</sup> Further, the Department had no authority to get ABPs approved as part of IDPs and municipalities considered these an unfunded mandate. This official review found that ‘very few if any of the plans were formally approved and there is little evidence of implementation’.<sup>38</sup>

#### *State Land Lease and Disposal Policy (2013)*

The State land Lease and Disposal Policy of 2013, approved by Minister Gugile Nkwinti in July 2013, confirms the state leasehold model and sets out the criteria and approach to implementation. Unlike the prior PLAS, this policy prescribes 30 year leases, with the option of renewing for a further 20 years. Only after 50 years of renting from the state will beneficiaries may (or may not) become the owners of the land. It is unclear from the policy the terms on which these lessees might be given this option – whether it would be a donation, sold at a reduced price (ie. subsidized purchase) or some other approach.

The policy sets out four categories of intended beneficiaries, spanning different class situations at the time of application. These are:

- Category 1: Households with no or very little access to land, even for subsistence production.
- Category 2: Small-scale farmers who have been farming for subsistence purposes and selling part of their produce on local markets. This may be land in the communal areas, on commercial farms, on municipal commonage or on church land.
- Category 3: Medium-scale commercial farmers who have already been farming commercially at a small scale and with aptitude to expand, but are constrained by land and other resources.
- Category 4: Large-scale or well established commercial farmers who have been farming at a reasonable commercial scale, but are disadvantaged by location, size of land and other resources or circumstances, and with real potential to grow.

The policy does not specify scope for applications from people without any background in farming, despite this being a widespread practice, including allocation of farms to urban businesspeople who may have no background in farming (see below).

### *Proposed new policies*

Since 2013, several new policies have been proposed by the Department and Ministry, but have not been officially confirmed. Despite this, implementation has proceeded in the absence of finalized policy. Two such policies are discussed here briefly. It is beyond the scope of this report to engage in detailed analysis of these policies – especially as we cannot obtain final written versions of the policies or any implementation manuals, nor have any details of their implementation been made public thus far, nor evaluations conducted as far as we are aware. Nonetheless, we offer some brief comments by way of assessing the broad approach adopted in each case.

**The One Household One Hectare Policy** aims to provide small allotments for vegetable gardening for non-commercial purposes on state land. The approach builds on a proposal by the Commission on Gender Equality of a ‘one woman, one hectare’ programme, also endorsed by the social movement, the Rural Women’s Assembly. This programme was launched by the Minister in October 2015, despite there being no formalized policy, ironically on the site of a land reform project initiated in 2008 (of 16 individual households on 138 hectares), where the introduction of the ‘one household, one hectare’ principle implied a reduction in these beneficiaries’ access to land.<sup>39</sup> The African Farmers’ Association of South Africa (AFASA) has condemned the policy, expressing concerns that this will impede opportunities for its members to become commercial farmers at a small, medium and large scale. It advocates that the policy be implemented only in communal areas and not in commercial farming areas and high-value agricultural land.<sup>40</sup>

**The ‘50/50 Policy’: Strengthening the Relative Rights of People Who Work the Land** was published in 2014 as a policy proposal to re-introduce equity share schemes on commercial farms. It provides that each farm owner is to retain 50% ownership of the farm, and will cede 50% ownership to workers, the value of which will be bought out by the state – an uncalculated figure, in the hundreds of billions of rands.<sup>41</sup> Only long-term workers who have provided ‘disciplined service’ will get shareholding – despite the shift in the structure of workforces towards more casual and temporary forms of employment, especially for women. Those long-term workers who are eligible will acquire equity shares in the farm depending on their length of service. Despite these proposals being rejected by both farm workers and farm owner representatives at the Land Tenure Summit in 2014, the Department has commenced with implementation, even though no final policy has been adopted. Budgets have been redirected to the scheme, and away from land acquisition, with the Minister announcing in May 2016 that R500 million will be spent in this financial year on the 50/50 programme.

### *Proposed new legislation*

Several new laws which will affect land redistribution have been proposed and are at varying stages of drafting, consultation and promulgation. It is beyond the scope of this report to

engage in detailed analysis of proposed laws, but we include some brief comments and analysis in relation to each.

**The Expropriation Bill** passed by Parliament in 2016 but not signed into law by the President would bring the law into line with the Constitution, especially in relation to payment of compensation. The new Bill removes the ‘veto power’ of land owners in relation to land reform; the state is empowered to expropriate for land reform purposes, as stated in the Constitution. It also aims to ensure consistency in expropriation undertaken by different arms of government. Despite not automatically resolving the wide-ranging problems facing land reform, enacting the Expropriation Act is a needed step forward to reducing the dependence on markets for land reform. After being passed by Parliament, the President has returned the Bill to both houses for further consultation.

**The Regulation of Land Holdings Bill** seeks to introduce ceilings on the sizes of agricultural landholdings; introduce race and gender designations in the Deeds Registry; and prohibit new purchases of land by foreigners. The Minister has stated that foreigners will be limited to 30-year leases (the same period as land reform beneficiaries). The purpose of the limit on foreign ownership is unclear, given the findings of the Panel of Experts on Foreign Ownership of Land (2004-2007) that only 2% of agricultural holdings were owned by foreigners, which suggests that it would have little impact and not advance land reform.<sup>42</sup> The details of the land ceilings have been unclear: initially, the Minister announced a threefold set of ceilings at 1,000ha for smallholdings, 2,500ha for medium-sized farms and 5,000ha for large farms – a proposal whose internal logic remains confusing. The Minister later indicated an exception for certain categories of land, which would be limited to 12,000ha. The Bill was proposed and a policy framework published in 2014 (proposing that land ceilings be determined at district level), however no Bill has yet been made public.

**The Preservation and Development of Agricultural Landholdings Bill** aims to prevent the fragmentation of high-value agricultural land, and proposes a minimum threshold (ie. a ‘land floor’), establishes a National Agricultural Land Register and replaces the Subdivision of Agricultural Land Act 70 of 1970. Two versions of the Bill have been published for public comment, with consultations underway at the time of writing in September 2016. In relation to the restrictions on subdivision, the Bill contradicts the intentions of the Regulation of Land Holdings Bill, and returns to the logic of the Prohibition of Subdivision of Agricultural Land Act, 70 of 1970, namely to insulate certain categories of land from subdivision, on the basis of a hypothesized size-productivity relationship.

### *Conclusions*

Recent experiments with land redistribution since the National Land Summit in 2005 show continuities not only with the struggling programme of the decade preceding that, but also much older ideas. Notions of ‘proper farming’ that were used by the apartheid government have been invoked yet again in the democratic era, shaping and often constraining opportunities, for poor people in particular, to secure rights to land, and precluding

fundamental social change in the countryside. In the past, the creation of 'self-governing' bantustans saw successive attempts to control and 'modernise' black agriculture, from the Tomlinson Commission in the 1950s, through betterment planning, through parastatal development corporations, to farmer support programmes in the 1980s. The ideological advancement of 'modernisation' of a small core of black emerging farmers was central to the apartheid government's bantustan policies, which aimed to show 'development' and to secure political support from a black rural elite, while leaving the vast majority of rural people as surplus labour in the reserves. Such an agenda was premised on ideas about minimum farm sizes, income targeting, full-time farming – and these historically-produced and ideologically-underpinned notions continue to have currency in land reform policies today. These ideas should be interrogated, both because they lack intrinsic value and because their effect is to justify prioritising a narrow sector of black commercial farmers instead of creating a more inclusive redistribution process.

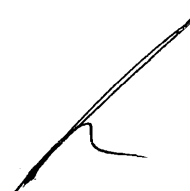
This review of policy changes shows how land redistribution has changed. Several significant changes were made: the land tenure arrangement has changed; the class agenda has changed; and the intended land uses have changed. Apart from the state now being the 'willing buyer', the method of acquisition has not changed, and remains one of market-based purchase (see Table 1 below).

**Table 1: Summary of policy shifts and continuities over time**

	Acquisition	Tenure	Class agenda	Land use
<b>SLAG (1995-2000)</b>	Market-based purchase	Transfer of title	Means-tested (ie. pro-poor)	Multiple livelihoods
<b>LRAD (2000-2010)</b>	Market-based purchase	Transfer of title	Not means-tested (unclear)	Agriculture only
<b>PLAS (2006-now)</b>	Market-based purchase	No transfer of title	Not means-tested (unclear)	Agriculture only

Source: Authors' own design.

Changing the way that land is acquired does not by itself lay the basis for a new approach to land reform. While the plethora of policy initiatives since the Land Summit in 2005 has focused on how land is acquired – WBWS, negotiation, expropriation – little attention has been paid to the question of who is to benefit and, therefore, how land will be identified for redistribution.



### 3. Review of the scale, pace and spatial spread of land redistribution

It is widely held, among politicians, civil servants, and the general public in South Africa that the process of land redistribution is 'slow'.

Since the inception of the land redistribution programme, an annual average of 214,415ha has been redistributed. Is this a lot or a little? This depends on many variables, including how it compares with the 30% target (now apparently abandoned), and what quality of land is being redistributed. There are several ways to explore the scale, pace and spatial spread of delivery, which we look at in turn below.

#### *Scale of land redistribution*

Since its inception 21 years ago in 1995, the land redistribution programme has transferred 5.46% of commercial agricultural land (see Table 2 below).

**Table 2: Summary data on land redistribution in relation to South Africa's land area**

Land area of South Africa	Land area of former 'homelands'	Land area of former 'white RSA'	Commercial agricultural land	30% of commercial agricultural land	Total land redistribution to date	Land redistribution as % of commercial agricultural land
122 320 100 ha	17 112 800 ha	105 267 300 ha	86 186 026 ha	25 855 808 ha	4 701 542 ha	5.46%

Sources: Various. The source for the last two columns is DRDLR 2016: 4 (authors' own calculations).

Note: The figures in the last two columns are for redistribution only, and do not include restitution or tenure reform.

Some caveats are needed to help interpret these figures.

First, these figures combine three main forms of redistribution: transfer of ownership to beneficiaries (under SLAG and LRAD); transfer to a state institution (Commonage and PLAS); and transfer of shareholding in businesses (Equity Schemes under SLAG, LRAD and 50/50 policy). Some disaggregation is provided in Section xxxx below. The figures must therefore be understood as representing a combination of state-subsidised purchase, state purchase, and shareholding.

Second, not all land has been 'redistributed' in that, where equity schemes are established on commercial farms, hectares are listed as 'redistributed' even where workers hold shares in a farm rather than own the land. We are unable to determine whether, in such a case, the whole area of the farm is listed as 'redistributed' or whether a proportion

commensurate to the level of shareholding is listed (eg. 5% worker shareholding = 5% of the land area, or 100% of the land area).

Third, some land acquired or transferred may not be commercial agricultural land at all. For instance, some land acquired may be in urban areas or in communal areas, and may have been land acquired for non-agricultural purposes – before land reform became equated with agriculture. Nonetheless, we may presume that most may be considered land zoned for agriculture outside of the former Bantustans.

#### *Pace of land redistribution*

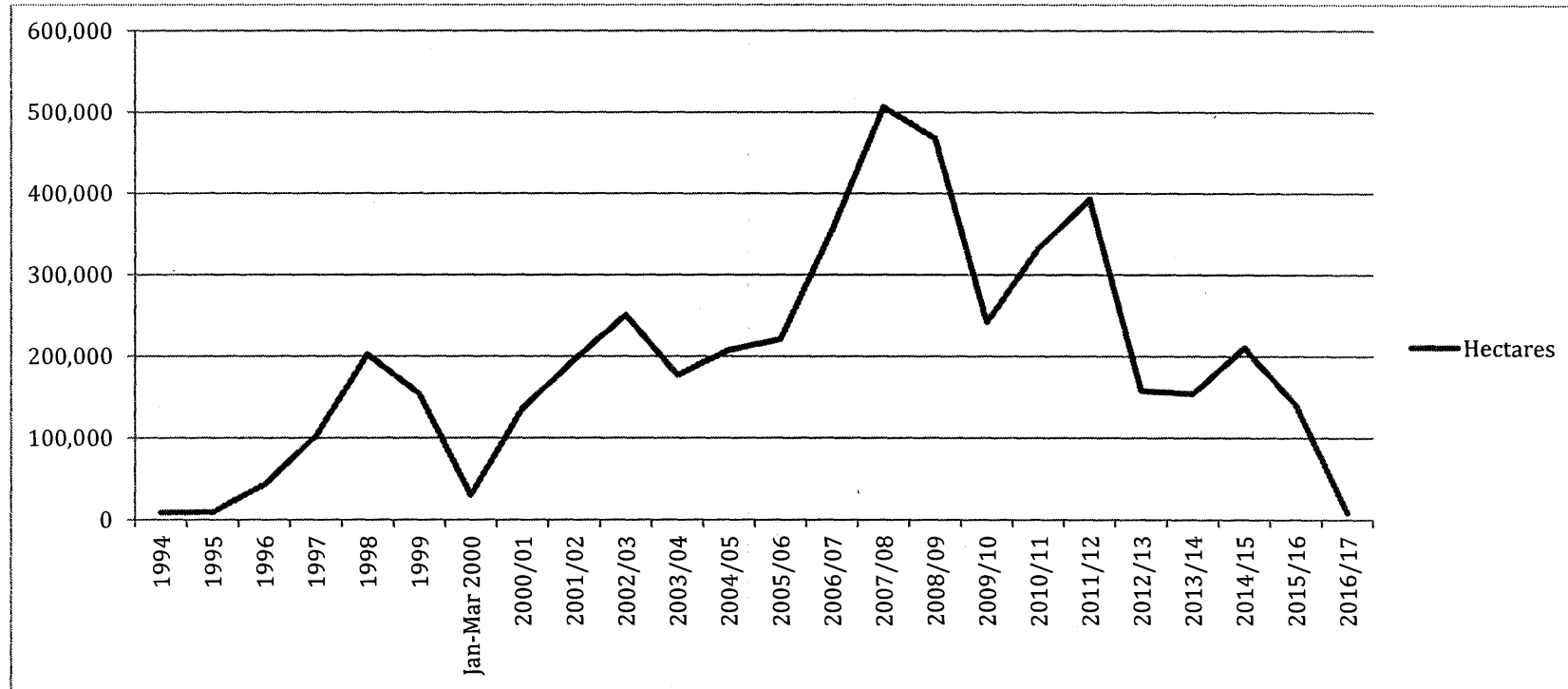
There has been a downward trend in the pace of redistribution, measured by hectares, since 2008, as shown in Figure 2 below.

The pace of redistribution has fluctuated with the changing of ministers (and in two cases ministerial reviews leading to policy change), but also in response to changes in budget allocation. The high point of redistribution was in financial year 2007/08. Last year 2015/16 was the lowest year since 2000/01, and the current financial year 2016/17 is projected to be the low point since the pilot programme of 1995.

What this shows is that the pace of land redistribution is far from even and political choices – not only in relation to budget – can have a big effect. It also suggests a winding down of redistribution in the past seven years. Overall, land redistribution is slowing down quite dramatically.




Figure 2: Hectares redistributed by year, nationally (1994-2016)



Source: DRDLR 2016: 4 (authors' calculations)

Note: Figures presented here are per calendar year for the period 1994-1999 and then by financial year from 2000/01 onwards. The delivery in the period Jan-Mar 2000 is shown separately between 1999 and 2000/01. Even if Jan-Mar 2000 were amalgamated with 2000/01 to make a 15-month period, it would still show a dip in the rate of delivery. Also note that the 2016/17 is incomplete, and so the degree of the dip for that year is exaggerated, but the dip is correctly reflected for 2015/16 and is projected to continue to decline in 2016/17.

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### *Spatial spread*

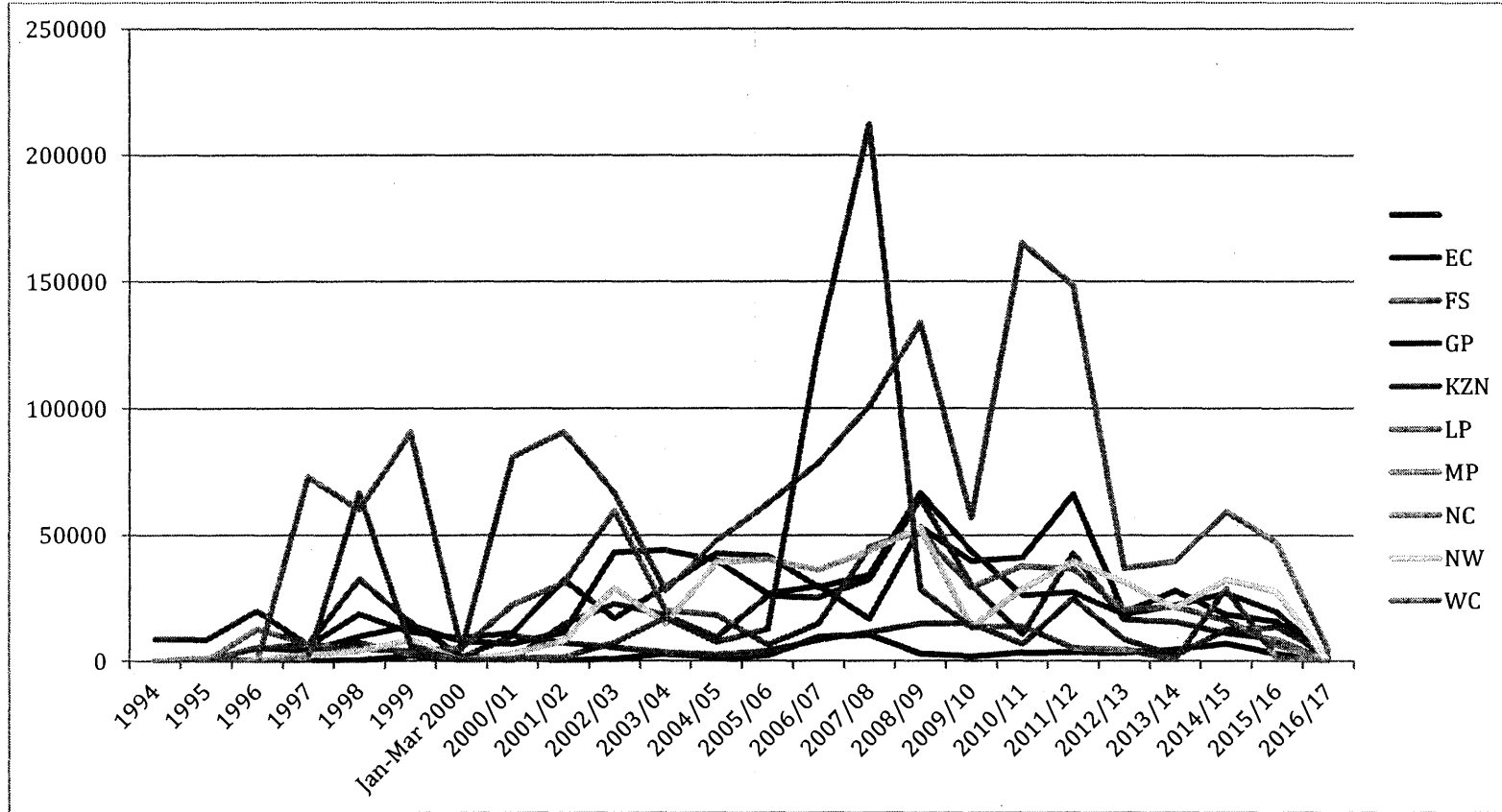
The provincial breakdown of land redistribution (see Figure 3 below) shows the general trend of the Northern Cape being the province in which most land is redistributed, and also shows increases in delivery in KwaZulu-Natal and the Eastern Cape in the past decade.

This picture of delivery of hectares by different project type shows strong provincial variations. It shows that in the early years of the SLAG projects (1994-2000 exclusively, and partially thereafter), more land was redistributed in the Western Cape and KwaZulu-Natal and Mpumalanga. The commonage programme (running concurrently with the SLAG programme) delivered most in the Northern Cape, which is not surprising and is explained by the demand for large areas of land for extensive grazing. Commonage has also been a fairly significant feature of land redistribution in the Eastern Cape, Free State and to a lesser degree in the North West. The largest area of land redistributed – via commonage in the Northern Cape – was achieved almost entirely in the decade between 1997 and 2006, after which the commonage programme appears to have been discontinued. It is striking that commonage was not promoted in KwaZulu-Natal, Gauteng or the Western Cape, and there was no commonage projects at all in Limpopo.

One of the implications of the provincial breakdown above is that far more land has been redistributed in the semi-arid Northern Cape than elsewhere.

With regards to LRAD (2001-2011), most land was redistributed in the Western and Eastern Cape, followed by KwaZulu-Natal and the North West. The least land redistributed via LRAD was in Gauteng, followed by Limpopo, Mpumalanga and the Free State.

Figure 3: Redistribution in hectares by province, 1994-2016



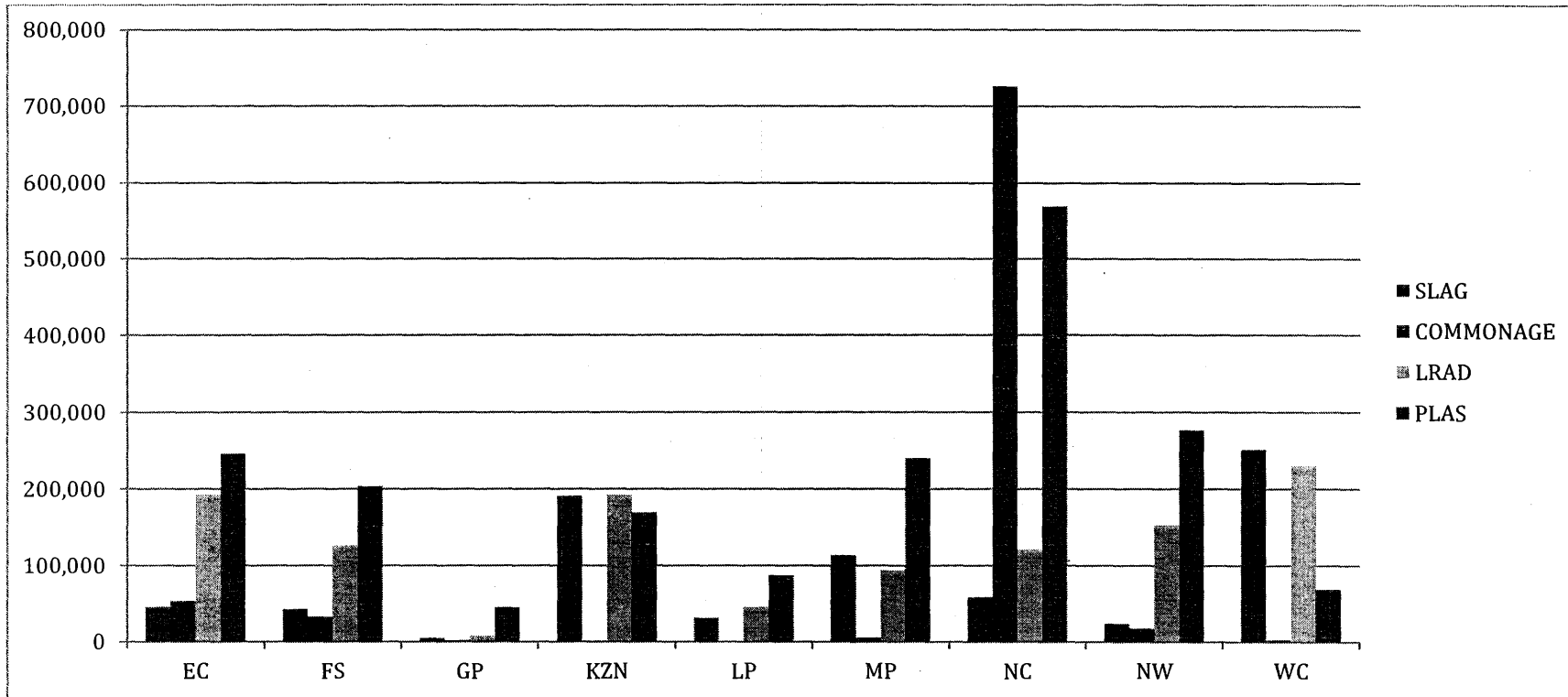
Source: DRDLR 2016: 4 (authors' calculations)

Note: Figures presented here are per calendar year for the period 1994-1999 and then by financial year from 2000/01 onwards. The delivery in the period Jan-Mar 2000 is shown separately between 1999 and 2000/01.

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Figure 4: Hectares acquired and redistributed, by province, 1994-2016



Source: DRDLR 2016: 3 (authors' calculations)

Note: the project category SPLAG (Settlement Planning and Land Acquisition Grant) have been combined with SLAG. Other minor categories have been omitted: 50/50 (a total of 2,632ha nationally) and 'other' including donations and church land (a total of 29,213ha nationally).

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As far as we can determine, there has been no spatial targeting directed from the national level, or at least there are no public documents indicating as much. District and provincial offices have made the decisions about where resources should be prioritised. In the future, the choice of land will depend on a range of factors, such as concentrations of population. A priority now is to determine how a programme of land reform should target people and land – and match these. Therefore, differentiated land needs must be identified. Such questions will be even more crucial in any future policy based on 'need'.

A further result of the market-based approach is the dispersed pattern of redistribution, in which individual properties are acquired one-by-one, requiring separate planning in each case. This precludes economies of scale in planning for whole areas where land could be redistributed, as well as the provision of infrastructure appropriate to new land users and uses. This may be characterised as a 'mosaic' pattern of redistribution, which proceeds in an ad hoc manner. In contrast, acquiring and allocating land at scale will require moving to acquire whole blocks of properties in areas of high demand, in a 'partition' model. A combination of these may be needed, but partition approaches, or block purchases, will be particularly important in areas surrounding rural towns and around the edges of the communal areas.

<sup>43</sup> Planning for blocks of properties, as in Zimbabwe's resettlement programme of the 1980s, would reduce planning costs, including those of land surveyors and conveyancers involved with subdivision and transfer (if land is to be transferred in private title).

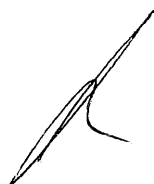
Land redistribution requires that privately-owned land be targeted – though this by itself does not assist with spatial targeting. A common perception that there is an abundance of state land that could be redistributed is fallacious. A total of 80.4% of all land in South Africa is in private hands and, of 24 million hectares of state land, 18.5 million constitute the communal areas in former homelands, national parks, provincial parks and other protected areas. Of the remaining 5.5 million hectares of state land, the largest category is ex-South African Development Trust (SADT) land outside of the former homelands (i.e. land acquired for homeland consolidation) and land acquired for land reform purposes (DLA 2002). Other smaller categories of state land, in descending order, are public works land, provincial land, and land controlled by the government departments of water affairs and forestry, defence, and correctional services<sup>44</sup>.

What we find from the redistribution data is that there are substantial provincial variations in how much land has been redistributed. This is the case both overall, and in relation to particular programmes (see Figure 4 below). It is not possible to provide any information about the spatial distribution of land reform projects other than at the provincial level. Ideally, in the future, online mapping would enable greater clarity.

#### *Gender distribution of land*

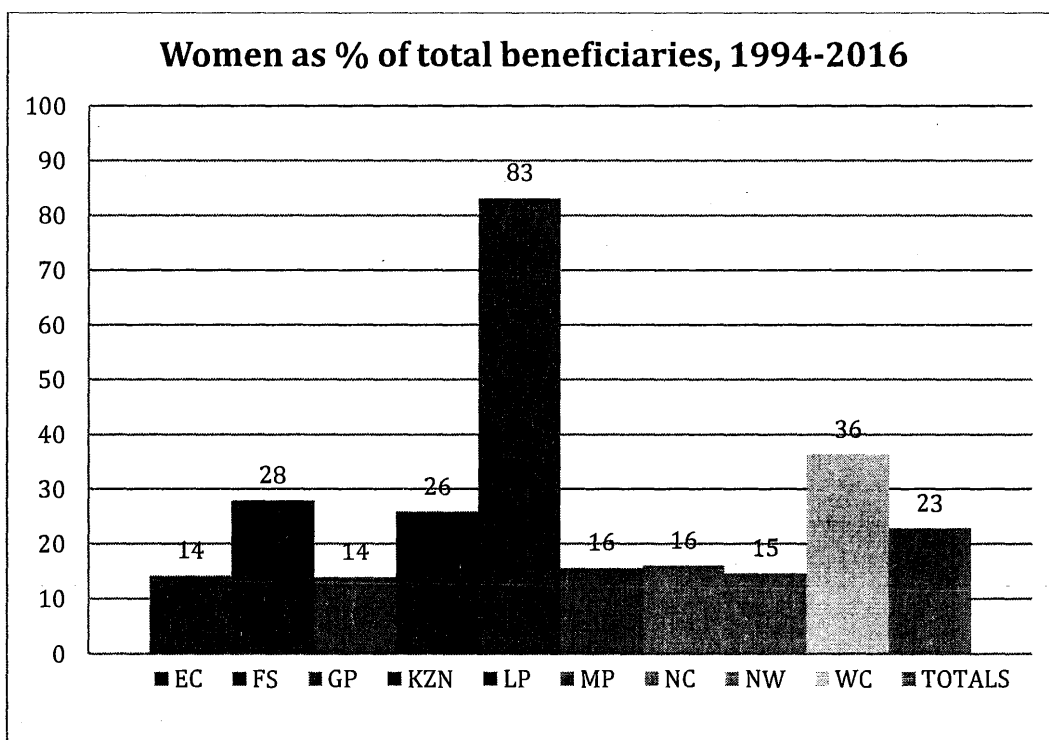
All policies relating to land redistribution emphasise gender equity as a goal, and prioritise women to gain access to land. What exactly this prioritisation consists of is unclear.

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Nationally, women constitute 23% of land redistribution beneficiaries.<sup>45</sup> We do not have detailed breakdowns of women beneficiaries, or women headed households, under the various land redistribution programmes. However, we can present summary of women as a percentage of land redistribution beneficiaries by province (see Figure 5). We cannot draw conclusions as to why the figures for Limpopo are so much higher than elsewhere; further studies including interviews and analysis of project data would be needed to explain this pattern.

Figure 5: Gender distribution of land beneficiaries



Source: DRDLR 2016: 4 (authors' calculations)

In short, while all land reform policies claim to promote gender equity and prioritise women, the national data shows that women are a minority of beneficiaries in all provinces bar one. We cannot show whether there have been changes over time. Overall, women make up less than one quarter of beneficiaries.

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#### 4. Beneficiary selection

How 'beneficiaries' are selected has changed substantially over time. This is due in part to the change from an application-based subsidy programme for land purchase by beneficiaries (under SLAG and LRAD and associated programmes) to the state purchase and allocation on leasehold model of PLAS. Three issues are addressed briefly here: first, the categories of intended beneficiaries and how these are to be prioritized, as stated in policy and where possible where evident in practice; second, the actual institutional procedures and actors involved in making determinations as to who should benefit and how these have changed over time; third, what is known about who is being selected to benefit from land redistribution and how this compares with the intention of policy.

##### *Intended beneficiaries and priorities*

Here we briefly review the changing terminology for beneficiary targeting in the redistribution policies since 1994. The White Paper said:

The purpose of the Land Redistribution Programme is to provide the poor with land for residential and productive purposes in order to improve their livelihoods... Land redistribution is intended to assist the urban and rural poor, farm workers, labour tenants, as well as emergent farmers.<sup>46</sup>

Among these broad groups of 'the poor' certain priority criteria were established: 'The most critical and desperate needs will command government's most urgent attention. Priority will be given to the marginalized and to the needs of women in particular.'<sup>47</sup>

Under LRAD, policy specified certain categories of people as priority groups to be targeted, namely the four 'marginalised groups' of women, farm workers, the disabled and the youth (35 years and below) (see, for instance, all departmental plans and annual reports since DLA 2003). These are apparently a proxy for the 'poor', introduced after the removal of the income-based criterion that limited eligibility on the basis of a means test. Whether the poor in fact did predominate among beneficiaries is far from clear; available data do not show whether or not this was the case. These groups might have got preference in the evaluation of project proposals, but there was no evidence of a differentiated strategy to seek them out and then give them priority.

More fundamentally, the focus on 'marginalised groups' was in tension with the 'own contribution' required by LRAD, which, according to policy, is intended to demonstrate (and lead to) a degree of commitment by beneficiaries to dedicate themselves to farming, which, in turn, is supposed to lead to project success (MALA 2001). These arguments, however, are more moral than empirical; they also imply that the better-off are more committed, since this is recognised in the form of own contributions of capital, assets and loans.

The requirement to submit business plans, under LRAD (and also for Recap) also generates exclusions. The use of income targets in some provinces requires applicants to demonstrate their anticipated profit in the first year of operation – effectively making the majority of poorer applicants ineligible.<sup>48</sup> The criteria being applied in approvals processes may result not only in applications being rejected, but there is some evidence that consultants and planners encouraged LRAD applicants to take out loans as one way of making the figures work on paper, thereby promoting indebtedness which became a major problem facing LRAD beneficiaries.

Under PLAS, eligibility is broad: black South Africans not employed by the state – and including households with limited or no access to land; expanding commercial small holder farmers; well established black commercial farmers; and financially capable aspirant black commercial farmers. The two main rural constituencies privileged in the Freedom Charter's statement that 'The Land Shall Be Shared Among Those Who Work It!' – residents of the bantustans, and farm workers and labour tenants – are not explicitly privileged in the land reform process currently, but compete for public funds (in selection processes obscured from public scrutiny) with those able to bring capital and skills from other sectors.

In all periods, how these varied target groups are to be addressed and weighted has not been clarified. Decisions about who actually gets land are opaque, as discussed below.

#### *Institutional processes for beneficiary selection*

A National Land Allocation Control Committee (NLACC) was established following the adoption of PLAS as the body to oversee and approve the allocation of land. Its name was later – though we cannot ascertain when – changed to the National Land Allocation and Recapitalization Control Committee (NLARCC), indicating the expansion of its mandate to overseeing and approving now only land acquisition and allocation to beneficiaries, but also the approval and disbursement of Recapitalisation funds.

The SLLDP specifies requirements to guide beneficiary selection:

'7.5. The recommended lessees should have been selected from an updated district database of potential beneficiaries. Such database shall be maintained by Director: Land Reform.

7.6. In the absence of a district database of potential lessees, the Director: Land Reform shall apply transparent mechanisms to ensure that such a database exists. Such mechanisms may include advertisements in local newspapers.'<sup>49</sup>

We were unable to determine whether or not districts have databases of potential beneficiaries, as indicated in the SLLDP, nor whether any proactive measures to engage with potential beneficiaries have been taken, such as advertising in local newspapers. As a result,



we cannot draw conclusions about how beneficiaries are selected, and therefore how the state decides on whom it will spend public money.

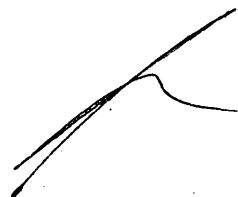
*Evidence of who is being targeted and prioritized*

The short answer is that we simply do not know.

More than a decade ago, a review of the LRAD programme found that most applicants were applying for grants towards the bottom end of the sliding scale, and inferred from this that the programme was indeed mostly targeting the poor. There was a difference between projects implemented by provincial offices versus projects implemented by the Land Bank, with the latter able to leverage higher levels of grant, due to having access to loan finance.

With the advent of PLAS, where there is no means test and now also no leveraged grant, there is no way to say the degree to which the purported target beneficiaries are in fact being targeted, and which of these target groups are being prioritised. At a national level, for instance, we cannot determine the degree to which land redistribution is now a programme for 'the rural poor, farm workers and women in particular' or is a programme for 'emerging commercial farmers' and also for urban-based businesspeople, a category not mentioned in policy but evident among beneficiaries.

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## 5. Constraints to scaling up land redistribution

Here we consider some of the constraints to scaling up land redistribution, and specify budgets and land prices; (the absence of) subdivision; institutional capacity and design constraints. A general trend in the early years was for substantial under-spending even of the limited budget for land reform. This ended with LRAD, when expenditure rose rapidly, and projects would have to queue for disbursement. In the past decade, the lowest level of expenditure was 92% of the budget allocation.<sup>50</sup>

### *Budget constraints*

One of the constraints to land redistribution is that of budget, which is addressed in section 11 below. It must be clarified, though, that budget is a constraint in several different ways. First, the choice to pay market price means that available budget constrains how much land can be acquired. For this reason we review land price trends below. Second, the internal allocation of budget across competing priorities – eg. land acquisition, Recap, 50/50 policy and Agriparks – means that even given a certain budget envelope, redistribution is limited by the diversion of funds to other purposes. Third, the capacity of the Department to implement its programmes is constrained by operational budgets. We deal with these various constraints in turn in this section, but also draw attention to non-budgetary constraints, notably the way in which land redistribution has been designed, which is both bureaucratic and market-dependent, requiring professional services – usually outsourced to private service providers – in relation to each project.

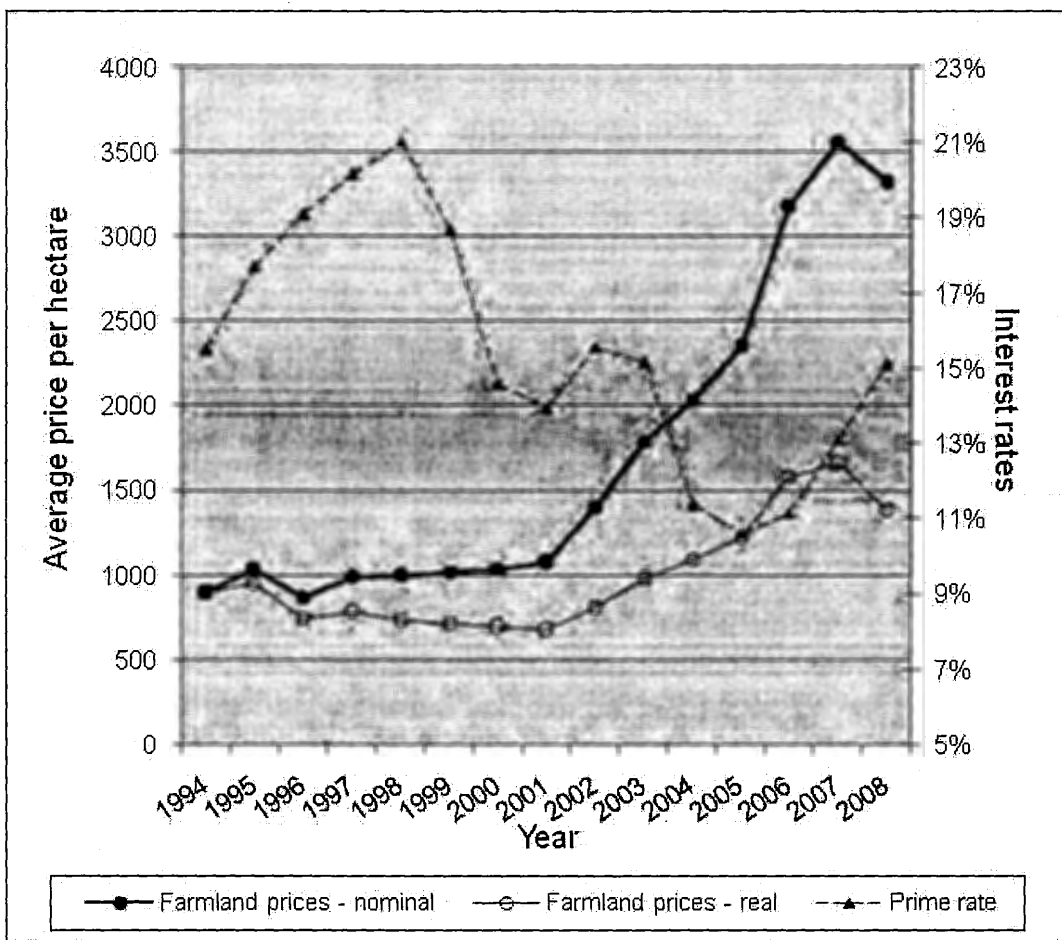
### *Land prices*

The best evidence on land price trends and their implications for land reform is a report<sup>51</sup> from 2009 commissioned by the Department; no more recent information is available. One of the main objections to the WBWS approach is that it is too expensive. This is true in the sense that the market price of much farmland far exceeds its productive value. But one must clarify: too expensive for whom? If it is too expensive for applicants, which it clearly is, it is a sign of an inappropriate grant structure, which provides small subsidies compared to the cost of buying and investing in land. If it is too expensive for the government, however, then ways of bringing down the cost and paying in forms other than upfront cash must be found. While the LRAD grant was 'flexible' in providing different levels of funding depending on what people can contribute, it was entirely *inflexible* in responding to different land prices across the country, effectively excluding the landless from the programme in high-value farming zones. Land prices are a major obstacle in terms of the existing grant approach and, unless brought down, will similarly limit any proactive approach in which the state purchases land for beneficiaries.

Land prices have risen rapidly since 1999, due to declining interest rates and increased non-agricultural interests in land (e.g. for tourism purposes). On the other hand, volatile and

declining commodity prices in some sectors have had the opposite effect, pushing prices downwards. When adjusted for inflation, the rise in average land prices between 1994 and 2003 was an average of 14% per year, although this obscures much more stark price rises in certain regions of the country. For instance, in 2003, farmland reached R28 000 per hectare in some registration divisions in the Western Cape, and some equity schemes involved prices of up to R150 000 and even R165 000 per hectare (though these factor in the value of the operating enterprise as well as the land). By 2007, the DLA was buying sugar cane land for about R35 000 a hectare and up to R55 000 in parts of Mpumalanga. About 4.6 million hectares (5.5%) of farmland was transacted each year, well over the total land redistributed through land reform during this entire period.<sup>52</sup>

**Figure 6: National trends in nominal and real farmland prices, 1994-2008**

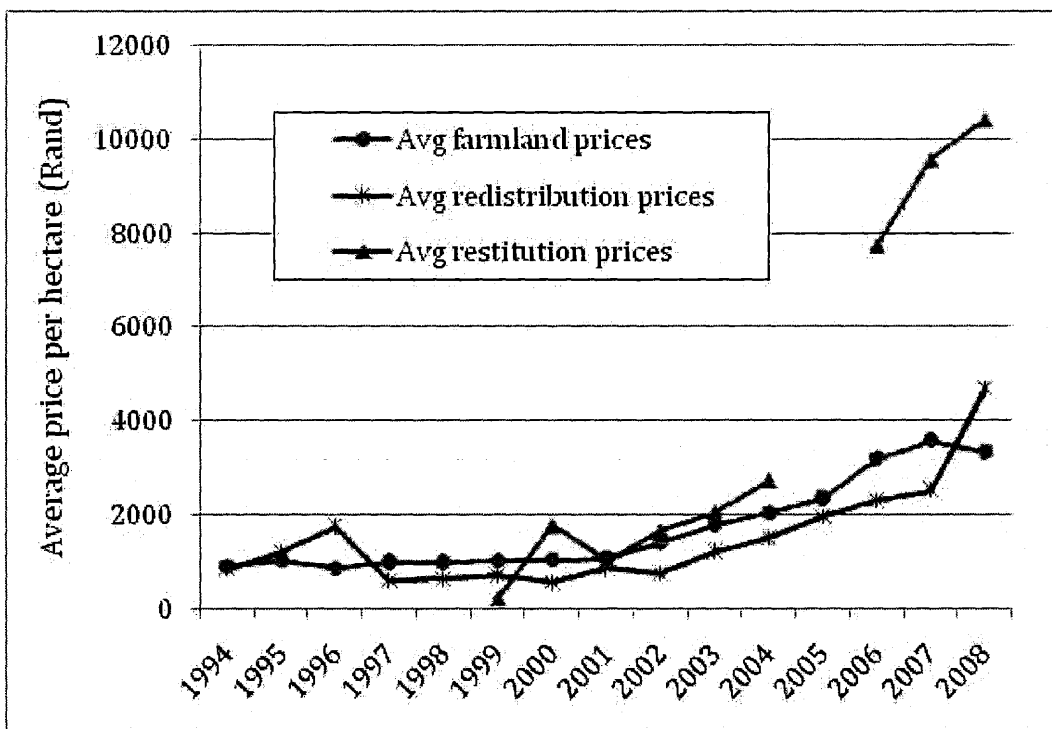


Source: Aliber 2009: v.

The farmland price trends shown above demonstrate that while nominal prices rose sharply from 2001-2007, when adjusted for inflation, the real growth in farmland prices was far more modest, but still upward during this period, and dipping after 2007. The trends also show the significant impact of fluctuations in prime lending rates on farmland price growth, though interest rates and prices do not exactly co-vary.

A further way in which one can look at land prices as a constraint to land reform is to ask whether the prices being paid are at, above or below average prices. Figure 7 below shows that, from the late 2000s, the amounts being paid per hectare on average in both redistribution and (to a greater degree) in restitution exceeded the general average price. In restitution, this may be because high-value land is under claim, but also because the state may offer higher prices to landowners who refuse to sell so that claims can be settled. In redistribution, one cannot say for sure why higher prices are being paid; this could indicate that higher-value land is being targeted, or that the state is paying above-market value. With limited information available, one cannot say for sure why this is the case, and also what the trends have been since 2008.

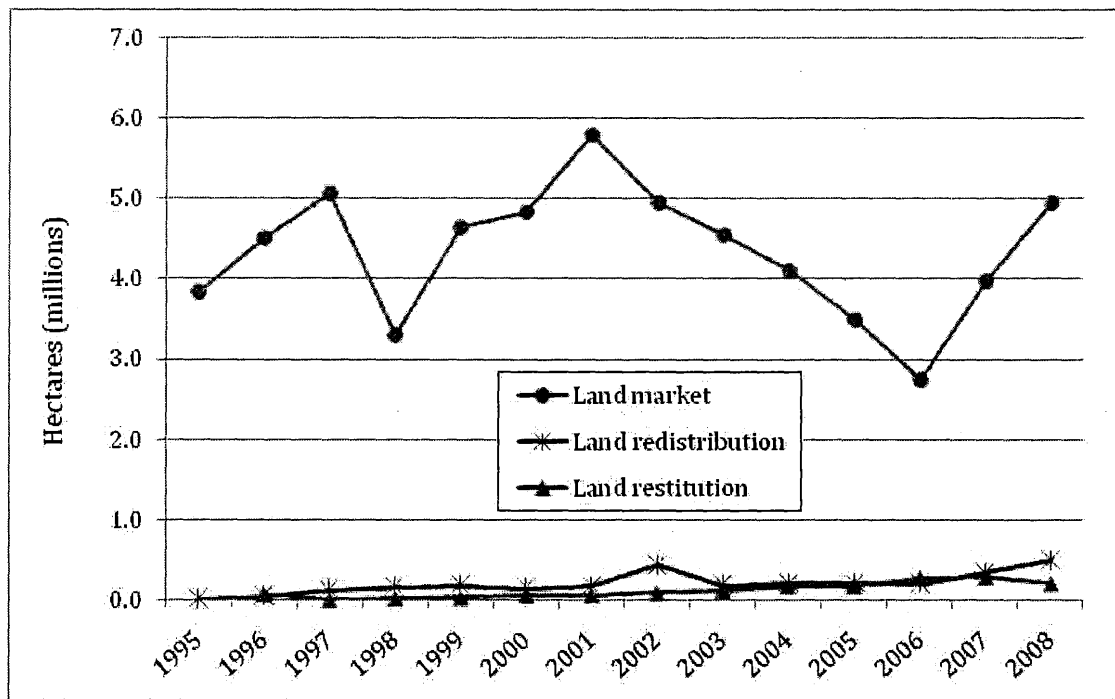
**Figure 7: Hectares transacted in the farmland market and via redistribution and restitution**



Source: Aliber 2009: vii.

Land reform – redistribution and restitution – have constituted a relatively small portion of the total scale of transactions in agricultural properties (see Figure 8). Overall, between 5% and 6% of agricultural properties are transacted each year, but only a very small proportion of these are for land reform purposes.

Figure 8: Hectares transacted in the farmland market and via redistribution and restitution

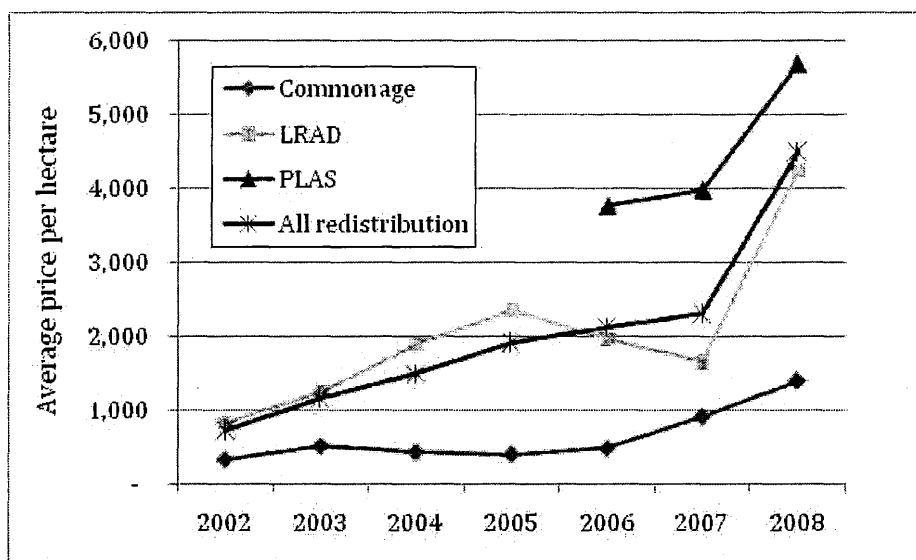


Source: Aliber 2009: viii.

Naturally, land prices differ markedly across the country. Most variation in land prices is within, rather than between, provinces: between different sectors, different regions and different sized properties. Underlying the variation are not only differences in the quality and productive potential of land but also other factors, including non-agricultural interests in land.

Land prices paid for land acquired has varied also across redistribution programmes (see Figure 9). Typically, commonage land has been cheaper to acquire, largely because of it being a programme most pursued in low-potential areas. However, the distinctions between SLAG, LRAD and PLAS suggest that PLAS is targeting high-value properties, compared to the prior redistribution programmes. The year 2008 saw a dramatic upswing in the prices paid for land redistribution, across all programmes, and it is presumed that this continued, given the faster rate at which delivery has declined than budget has declined in the past 5-7 years.

Figure 9: Comparison of price trends for different redistribution sub-programmes



Source: Aliber 2009: 11.

Is it worthwhile and feasible for the state to bring down land prices? The state needs to consider the trade-off between the *fiscal cost* of major budget increments, and the *political cost* of either allowing the slow pace to continue or of taking steps to reduce the cost to the state (for instance, by paying below market price compensation). It is to be expected that, as well as wanting to bring down prices in order to implement land reforms, the state has a contrary and overriding interest to maintain price levels and to see growth in land prices, both because this is a measure of economic growth, and also because it is in the interests of two powerful constituencies: landowners and banks. A political economy perspective should make one sceptical about the proclaimed desire of the state to put in place measures that will lead to falling land prices.

Overall, land price trends have been upward, with the exception of the period immediately following 2007. The Department has not commissioned (as far as we are aware) nor published land price trends since 2008.

#### *Institutional capacity*

Staff vacancies in the DRDLR have long been a challenge in terms of the institutional capacity to embark on land reform. The most recent annual report shows that, while the Department's overall vacancy rate is just over 10%, the empty posts in the Land Reform programme stand at 26.03%. This is somewhat higher than the empty posts in the Restitution programme, which were at 21.16%. Many of these are implementation rather

than managerial costs. Overall, the staffing data suggest that these programmes are running at between 75-80% of full capacity.

This measure is of course limited, and only shows institutional capacity relative to the number of established posts.


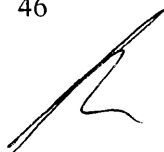
There are other institutional constraints as well, not least the highly bureaucratic and centralized nature of decision-making. Three phases can be identified: in the initial phase of the land reform pilot projects and into the SLAG era, decision-making was highly centralized. Under LRAD, project approval was delegated to provincial offices, enabling faster approval processes, which meant fewer properties were withdrawn and sold elsewhere on the private market. However, these delegations have been reversed, and there has been a re-centralisation of project approval under PLAS, under the NLARCC (see section 4.2 above).

### *Subdivision*

A major impediment to land reform, and to changing farming systems through land reform, is the difficulty involved in subdividing agricultural land.<sup>53</sup> The Subdivision of Agricultural Land Act 70 of 1970 limits when and how this may happen, and was originally intended 'to curtail the fragmenting of agricultural land into uneconomic units'.<sup>54</sup> In effect, this Act was used for zoning purposes, as a measure to limit changes in land use and specifically to guard against the subdivision of agricultural land for residential purposes. Such restrictions are not peculiar to South Africa; throughout the settler colonies of southern Africa, colonial agricultural officials developed criteria for 'economic units' or 'viable farm sizes', differentiated according to agro-ecological zones. Their origin, however, lies not in any inherent economy of scale in production, but rather subjective and ideologically informed calculations regarding *acceptable levels of income* for commercial farmers.

This attachment to 'viable farm size' has been challenged by evidence of an *inverse* size-productivity relationship in certain situations.<sup>55</sup> The key argument in favour of subdivision in the international literature is that there are few intrinsic economies of scale in primary production and that, other things being equal, smaller landholdings in which there is no hired labour are more efficient than large farms.<sup>56</sup> However, whether or not small farms are more efficient than large ones is *contingent* on what is being produced, with what technology and for which markets. Where economies of scale in primary production *do* exist, they are largely due to the use of substantial inputs like machinery (e.g. combine harvesters) and the costs of compliance with private and public regulation – although co-operation among smallholders, with support from the government or the private sector, can overcome these barriers.

In South Africa, recognition that subdivision restrictions are based on normative, and anomalous, prescriptions for the incomes of commercial farmers led to the Subdivision of Agricultural Land Act Repeal Act 64 of 1998, which does precisely what its name suggests – repeals the Subdivision Act (and all subsequent amendments) in its entirety. Despite being

passed in September 1998, a full decade later it had still not been signed into law by the President – apparently because of the need for new land use management legislation (see discussion above on the Land Use Management Bill), although the real reason may be more political than technical, as some commercial farming interests have lobbied in favour of retaining these restrictions. Meanwhile, section 10(3) of the Provision of Land and Assistance Act 126 of 1991 exempts land reform projects from restrictions on subdivision. For this reason, the most significant obstacles to subdivision for land reform purposes are not legal; rather, there are substantial financial, institutional and ideological obstacles. Most fundamentally, there are no state initiatives to promote subdivision, and inadequate incentives for owners to subdivide, because there is not a sufficiently large, secure market of smallholders ready to purchase land; sales contingent on grants being approved provide very little incentive to landowners to incur subdivision costs upfront.

There are two situations in which subdivision is needed for land reform purposes. The first is to divide portions of existing farms for redistribution, so as to offer a variety of land parcel sizes. This is also essential if under-utilised land is to be targeted. In conjunction with a land tax, which raises the costs to landowners of retaining ownership of large tracts of un-utilised or under-utilised land, subdivision can assist in making land available in smaller parcels suited to the needs of potential beneficiaries. The LRAD programme anticipated that farmers themselves, or developers, would take this initiative, carrying the costs of subdivision and investing in improved infrastructure in order to sell off individual units through redistribution<sup>57</sup>, a scenario that has simply not materialised. The second situation is where large properties are acquired for redistribution and then divided into smaller portions for allocation to beneficiaries. The latter was the route followed in Zimbabwe during the 1980s, where the state bought large farms, often in contiguous blocks, and then subdivided these either into medium-sized farms or into smallholdings, making possible the allocation of common grazing land and the provision of required infrastructure to serve multiple properties. Under PLAS, subdivision could be straightforward but we have not encountered cases in our limited research where subdivision was pursued; rather, informal allocation of areas of land within one property to different families seems to be the general practice.

Subdivision is a precondition for intensifying land use in countries with a highly skewed distribution of land ownership, such as South Africa, where under-utilisation of agricultural land is considered to be substantial. The availability of small parcels of land is crucial, not only at an initial stage of redistribution, but also subsequently, to enable those who wish and are able to move into new types or larger scales of production to extend. To determine the availability of smaller properties, the Department proposed that 'local governments and municipalities should be requested to provide an audit of agricultural smallholdings within their boundaries'.<sup>58</sup> However, this one mechanism to determine the availability of smaller agricultural properties – the Municipal Land Audit – has not been conducted.

Subdivision has remained an obstacle throughout the policy changes in land redistribution. While LRAD offers the 'flexibility' of grant size, there is no equivalent flexibility in land size. Thus, there is a mismatch between policy mechanisms emphasising entry at a variety of levels (ranging from food safety-net projects to small and medium-sized farms) and the

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actual array of properties available to would-be beneficiaries. In land reform, a 'small project' means 'little money' and, therefore, usually not enough to buy any farms being offered for sale. Unless there are interventions to facilitate the subdivision of agricultural land, the sizes of existing land parcels could drive a continued pattern of large group projects – one problem from the first phase of redistribution that LRAD was intended to address but, instead, has tended to perpetuate. LRAD was based on a presumption of 'the ability of participants to subdivide existing large land units' (MALA 2001: 12), yet a review of the programme in 2003 recognised that this had not happened, and argued that production on small farms (or subdivision of larger farms into smaller units) and less capital-intensive production should be considered:

'There is a widespread tendency among officials to want to create what one official called 'instant successful replicas of white commercial farmers'. This tendency is further re-enforced by the reluctance of officials of the Department of Agriculture to sub-divide farms below what they consider to be the 'viable' size. The programme then often ends up with projects attempting collective commercial farming, or projects where beneficiaries hire a farm manager to run the enterprise.'<sup>59</sup>

In practice, though, little subdivision is taking place. Interviews with provincial offices of the Department indicate that these are very much the exception rather than the norm, and only a handful of examples could be found. In the southern Cape, a few were found, including the Friemersheim project near Groot Brakrivier where a group of livestock owners acquired separate plots on a household basis, which they preferred to group-based ownership and production, given their previous experience of working together on the commonage.

The absence of a strategy to promote subdivision in land reform led to a great irony in the SLAG and LRAD programmes. While applicants were given little choice but to buy whole farms intact without dividing these into smaller units more suited to their needs, agricultural properties *are* being subdivided for the purposes of luxury country living for the wealthy who wish to live in an agricultural setting but have no intention of farming – so-called 'lifestyle farming'. So, poor people accessing land are required to adapt their lives to the demand that the land must be farmed and farmed at scale, while for the rich changes have been allowed in land use and farm sizes.

Even now, under PLAS and the SLLDP, where the state could identify land for acquisition and subdivision prior to allocation, we are not able to determine whether or not this is happening.

There is no economic rationale for restricting the subdivision of agricultural land, yet the seemingly intractable attachment to the notion of 'economic units', laden with ideological and historical baggage, remains a core problem for land and agrarian reform.<sup>60</sup> The concept of an 'economic unit' still underpins the position of DAFF, evident in officials' apparent refusal to subdivide farms for land reform purposes. To enable intensified land use and production, and improved impacts on livelihoods, it is essential that the Subdivision Act be

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removed once and for all. This is a necessary, but by no means sufficient, condition to bring about change in the structure and scale of farming. If land reform is to restructure farming, then a core challenge is to develop mechanisms to promote subdivision and, alongside this, investment in appropriate infrastructure for smallholder as well as other scales of production.

Despite the long-term stated commitment to remove obstacles to subdivision, the Department of Agriculture, Forestry and Fisheries has published a Preservation and Development of Agricultural Land Bill which proposes to introduce provisions to limit subdivision especially of high-potential land, in a manner even more stringent than the original Act 70 of 1970.

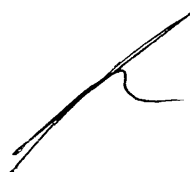
### *Design constraints*

Rather than laying the blame at the door of the Department, or its staff and its empty posts, there are other constraints facing land redistribution. These are aptly summarised by land reform guru and Emeritus Professor Lionel Cliffe:

'One consequence of the South African practice of WBWS is that properties are acquired and transferred one-by-one, and a farm or business plan has to be drawn up for each land transfer. This has proved to be a major bottleneck and has also added greatly to the costs of the programme. This practice in effect militates against the possibilities of smallholder farming. The employment of a separate consultant and drawing up of detailed business plans would hardly be economically justifiable for one smallholding. An analogy with the housing programme would be to require a separate architect to draw up plans for each house, to be commissioned by and possibly paid for by the prospective occupant. If that had been the practice, the country would be even further short of meeting the needs of the homeless. Instead, the country's housing programme was made possible by whole estates being planned on the basis of one or a very few model structures;; the only way such an ambitious building programme could have been achieved. In the housing context such a one-by-one approach can be seen to be absurd, yet it has been the one followed in land reform and must be rethought if large numbers of 'disadvantaged' are to benefit.

This reliance on owners to determine which land will be sold, and the one-by-one process of land transfer, has the further consequence in that it has precluded broader strategic planning of land reform. As a result there is no clear understanding of the ultimate intention of land reform. There could never be a one-formula-fits-all strategy in South Africa as the large commercial farm sector encompasses a range of different types of production units – but not an infinite variety, such as to defy the kind of categorisation that aids planning. The type of agriculture that has resulted from land reform since 1994 is in no sense clear-cut but is whatever the buyers and

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their business plan consultants – and subsequent trial and error – have made of it.’

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Why the South African government never considered a planned approach to land reform, which would target a given area and acquire contiguous farms, subdividing them into smallholdings, is unclear. Policy has repeatedly aimed to support small-scale farmers, but done nothing to create small farms. As a result, ‘small-scale’ has remained code for collective projects on undivided commercial farms. The rising alternative, though, is individual or family-based projects on whole commercial farms – meaning that the available budget for land is being divided among fewer and fewer people.

## 6. Evidence on the impacts of redistribution on livelihoods of beneficiaries

As much as many researchers acknowledge and agree about the multiple meanings of land to people, and thus the diverse importance and potential impact of land redistribution in South Africa<sup>62</sup>, one of the key, and clearly articulated goals of land reform in the country is the improvement of the livelihoods of the rural poor. Thus, without marginalizing the non-productive uses of land, direct access to land for production, particularly sustainable livelihoods, is, and perhaps should be, a major focus of land redistribution. This is because both public perception, as well as research findings, make a strong link between past racially-based land inequalities and rural poverty, particularly food insecurity, of Black people.<sup>63</sup>

How has land reform then impacted on the livelihoods of land reform beneficiaries? Available information is neither comprehensive nor agreed on the relevant indicators. The South African literature on land reform suggests that outcomes, or indicators, of success in land reform should include:

- *improved food security*: improved nutritional status from self-provisioning or from increased disposable cash income;
- *more income*: increased amounts and regularity of income from marketed produce and wage employment, and a more egalitarian distribution of income;
- *increased well-being*: improved access to clean drinking water and to sanitation, improved housing, ownership of household items and access to fuel for cooking;
- *reduced vulnerability*: improved access to social infrastructure like schools and clinics, and increased mobility; and
- *improved sustainability*: more sustainable use of the natural resource base.<sup>64</sup>

### *Quality of Life Surveys*

The Quality of Life (QOL) surveys conducted by the DLA have provided some limited insight into the land uses, production patterns and livelihoods of land reform beneficiaries. The QOL surveys were initially envisaged as annual surveys, later as biannual surveys, and have been published in 1998, 2000 and 2003, with a fourth survey in process during 2007 and 2008. The DLA commissioned the QOL surveys to investigate the extent to which the objectives of the land reform programme have been met, and the surveys claim to provide 'an account of the impact of land reform on the livelihoods of land reform beneficiaries'.<sup>65</sup>

The first survey was a small study conducted internally by the DLA's Monitoring and Evaluation Directorate, and published as the 'Annual Quality of Life Report' in October 1998. This survey, conducted in 1997/8, was widely criticised for its limited scope, its questionable theoretical assumptions and its methodology. The authors of the next QOL report note:

An independent assessment of the report concluded that the study was not sufficiently detailed to permit the assessment that was required by DLA. The

assessment also questioned the sampling procedures that were used, and the way in which these were implemented raising the concern that the study may not be representative or sufficiently rigorous for the purposes of monitoring.

The second QOL survey also attempted to assess the impact of reform on livelihoods, though this was shortly after transfer – more than half of the projects studied had been transferred less than a year prior to the survey. The survey found widespread underutilisation of land, in the sense of land not being used at all, and of land that was potentially arable being used for less intensive forms of production: ‘much land remains under-utilised, with neither grazing or cultivation occurring’ and ‘the most common form of productive use is as grazing land’.<sup>66</sup>

The key findings on livelihood strategies from the second survey were that ‘beneficiary households have alarmingly high levels of poverty, with 78% falling below the expenditure poverty line of R476.30 per adult equivalent per month and 47% classed as ultra-poor (less than half the poverty expenditure line)’.<sup>67</sup> As with the previous QOL survey, this finding would appear to refer to the position of beneficiaries *at the time they joined the project*, rather than as a result of land reform, given that most projects surveyed were still at the inception stage. Nevertheless, it did confirm substantial variation in beneficiaries’ livelihood sources and strategies and, on aggregate, very low incomes.

The key findings of the second QOL survey on the livelihoods of land reform beneficiaries were that:

- 63% of beneficiary households receive some form of waged income;
- just under 20% of beneficiary households receive an income from both agricultural production and self-employment activities;
- only 8% of households acknowledged transfer payments, though this low figure is probably related to the virtual absence of migrant household members in the sample; and
- 38% of households were deriving income either from the sale or own consumption of agriculture and livestock, while 62% were not deriving income at all, indicating that livelihood impacts may be very unequal across households, even within the same project; and
- the average household income from agricultural activities for the total sample was R1 146.00 per annum.<sup>68</sup>

The most common land uses were the extension of existing livestock herds and maize production for household consumption – two important inputs into the livelihoods of poor and vulnerable households. Most production on redistributed land was considered to be for ‘subsistence’, and the survey found that, among those cultivating, most were both buying inputs and selling at least some of their produce, usually in very local markets, as is the norm for ‘subsistence’ producers in South Africa. The study found that land reform beneficiaries were better off than the rural population on average, but failed to demonstrate whether or

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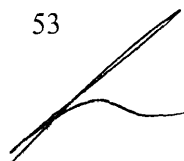
not this was as a result of their improved access to land, or whether this was due to those who were better off being more likely to be able to access the programme.

The third QOL survey, conducted in 2002 and reported in 2003, encountered serious problems and discontinuities with previous surveys. It differed from its predecessors in terms of its sample, the design of the research instruments and analysis of the data. This report was never officially released. Despite (or perhaps due to) the methodological problems encountered, it provided important recommendations for future impact analysis, as follows:

- 'The DLA needs to integrate the collection of baseline household level information into its project cycles so that information on the quality of life of beneficiaries prior to the transfer of land is recorded. This is a basis for monitoring and evaluation. This will require improving the Landbase data system of M&E and capturing more extensive beneficiary and project information during the project approval stage.
- The DLA should produce QOL reports on an annual basis, using a standard set of survey instruments to reflect the impact of land reform over time. The reports should be extended to assessing the resources committed to the delivery of land reform, including staff capacity, capital and operating budgets, and contributions from other government departments, parastatal and local government institutions.
- *The QOL survey should be extended to include a control group of rural households and communities that have not benefited from land reform. This will enable future reports to compare improvements in the quality of life of land reform participants to other rural populations.'* (DLA 2003 xxxii)

The QOL studies have shown that those in the programme are better off than the rural population as a whole, but are they better off because they are land reform beneficiaries or did they manage to become land reform beneficiaries because they are better off? Those who are richer are more likely to have cattle, but are they richer because they have cattle or do they have cattle because they are richer? As observed in the Free State, those who are best placed to participate in the land reform programme, and predominated in an early study of land reform, were those who were literate, had their own disposable resources with which to pursue their applications, and had access to telecommunications, to transport, to officialdom and to social and political networks.<sup>69</sup> Redistribution policy, unlike restitution policy, is based on the presumption that the presence of an 'own contribution' can have a positive impact on projects, as a sign of commitment, but this proposition has not been empirically tested.

In the absence of baseline data (a profile of people entering the programme), subsequent surveys can provide a snapshot of people's livelihoods, but cannot explain how these have changed as a result of land reform. In addition to the 'before' and 'after' dimension, few if any studies have attempted to disentangle or even adequately conceptualise on-project

livelihoods in relation to people's overall livelihood strategies (how land reform is one input into wider livelihood strategies) or to theorise the relationship between the two. As a result, impact studies, which would investigate changes over time and determine whether these can be attributed to land reform, have not been possible.

In summary, there remain both *technical and conceptual challenges* in determining livelihood impacts within the context of South Africa's land reform programme. Existing data from the QOL studies on the livelihoods of land reform beneficiaries demonstrate important correlations, but on the whole fail to demonstrate causal relations that tell us something about the impact of land reform in improving people's livelihoods and lifting them out of poverty.

An audit of land redistribution (LRAD) projects in the North West province by Johann Kirsten and Charles Machethe in 2005 is another source of information on production patterns and livelihood outcomes in land reform. It suggests that project failure can be ascribed largely not to operational problems but to inappropriate planning and contextual factors. This review commissioned by the national DoA assessed 'the extent to which land reform projects are not meeting the agrarian reform objectives of *commercial viability*'.<sup>70</sup> Its key findings were that, of all the land reform projects in that province:

- one-third were locked in intractable conflict and, as a result, the majority of their members had lost interest in the project and had de facto exited;
- 55% of projects had no implements for production and 27% had inadequate implements; and
- more than a quarter of projects had not produced anything since taking ownership of their land.

Business plans were in no way a reliable predictor of actual land use in projects. In just 11% of cases did beneficiaries report that they had drawn up their own business plan; in the bulk of cases, it was a private service provider (consultant) or an official from the DoA who drew it up.<sup>71</sup> In half of the projects, leaders were aware of the contents of their business plans but only a minority had access to a copy of the business plan on the farm itself, and only 35% of projects reported that they were following the original business plan. The most striking finding of this study is that the more successful projects were *less likely* to be following the original business plan than those that were less successful. Among those considered successful, 60% were making up their own plan as they went along, and ignoring the paid-for plan, compared to 42% in the sample as a whole.

The findings of the study draw into question the quality and appropriateness of the type of business plans that form the basis for project approval, since these are widely ignored and, even where they are implemented, correlate negatively with project success. The study found a direct relationship between provision of aftercare support and levels of production – yet nearly three-quarters of business plans did not make any provision for, or indicate the need for, aftercare to be provided. Fewer than half of the projects reported that the DoA

had provided advice to them, and just 5% indicated that they received support from the department.

Two wider points merit attention. First, the emphasis in both the QOL and the North West studies (among others) on marketing of produce, and profits, obscures the *non-monetised* benefits that may have accrued to project members. This raises the possibility that the contribution of land reform to livelihoods may have been *underestimated* in some of these studies – including where projects may be producing benefits for members, but have ostensibly ‘failed’ in the sense that they have not realised the objectives of business plans.

Second, the reasons attributed to the underuse of land and non-operational projects have focused on failures of the project members themselves (such as conflict, lack of skills and poor management) and the absence or inadequacy of support from government institutions, most notably the DoA (such as lack of aftercare, training and extension advice). However, the studies do not question the business plans themselves, but take as given that adherence to business plans is the optimal outcome, even though, as shown in the North West study, there may in fact be a negative correlation between the two.

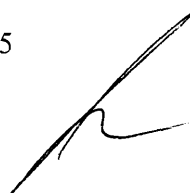
A further issue that merits attention is the wider economic context in which production takes place. The issue of under-utilisation of redistributed land has been framed, in the public imagination and in the few review reports that have been written, predominantly as a problem of production. This has fuelled (sometimes racially) caricatured notions of the limitations of poor black people as custodians of the land.<sup>72</sup> However, concerns about underuse of redistributed land are widely shared across the political spectrum. Among official reviews, the dominant reason put forward for the failure to produce is the lack of skills, in both cultivation and management, thus laying the blame squarely on beneficiaries themselves, rather than on two other possible causes – the inappropriateness of planned land uses, and a hostile policy and economic environment.<sup>73</sup>

With regards to PLAS, operational since 2006, and the SLLDP since 2013, we are not aware of any reviews or surveys to assess the impacts of these programmes on the quality of life of beneficiaries. We do, though, present summary findings from our own study underway in the Eastern Cape since 2014, in some of the sections that follow.

### *Conclusion*

Despite the gloomy picture about the success of land redistribution that has been painted by research, which is fairly accurate, especially about the slow pace of the programme and its limited impacts on various aspects of poor people’s livelihoods, it is clear that land redistribution does have make a difference, albeit small, to beneficiaries. Even though there are no clear, and direct, socio-economic transformations that can be linked to land redistribution, and indeed measured, there is no denying that the symbolic aspects of land redistribution likely yield positive impact on poor people’s livelihoods.<sup>74</sup> Finally, with agriculture being the dominant land use practice being promoted by government in most land redistribution projects, the process of discovering alternative land uses has been slow,

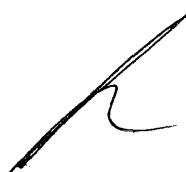
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making it difficult to know what kind of structural changes are needed in production, markets and settlement patterns.<sup>75</sup>

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## 7. Strategic partnerships and joint ventures

### Strategic Partnerships and Joint Ventures

It can be argued that the idea of strategic partnerships and joint ventures as part of land reform originate from the restitution program. The restoration to claimant communities of highly developed commercial farms presented a dilemma of the state, and broader concerns for other sectors of society (e.g. the business community). The main concern was the likely negative impact on food production, the country's export economy, downstream and upstream related economic activities, and on employment, should the farms fail to keep the same level of production. Limpopo Province was the most affected, as almost 50% of commercial agricultural land, which produced a substantial amount of fruit, vegetables and nuts, was under claim.<sup>76</sup> Therefore, since 2005 strategic partnerships and joint ventures have been closely intertwined with high value agricultural land. It is not surprising that most of the lessons available about strategic partnerships and joint ventures in land reform come from land restitution, rather than land redistribution.<sup>77</sup>

Since strategic partnerships and joint ventures have also gained traction in land redistribution projects, the motivation behind their implementation is becoming clearer, and includes the following, among other things already mentioned under restitution,:

- Land redistribution has been dogged by a history of poorly, if at all, used land, as well as farms becoming derelict only a few years after land has been transferred to black beneficiaries;
- There is pressure for the state to show that land redistribution not only meets political goals (e.g. undoing injustices of the past), but that it can meet land reform's economic goals of improving the welfare of the beneficiaries;
- With the millions of Rands that the state is investing in land redistribution, particularly through RECAP funding that is now tied to the latest land redistribution strategy (PLAS), it is important for the state to justify this spending, by increasing chances of high productivity of land given to beneficiaries. In fact, it is now a condition of receiving RECAP funding that beneficiaries either have a strategic partner or a mentor.
- One of the most commonly cited challenges facing the entire land reform program has been the state's limited capacity to implement it. Specifically, for various reasons, and despite good efforts and strong improvements over the last two decades, state officials have limited capacity for providing technical and management support to beneficiaries on commercial agricultural land;<sup>78</sup>
- The continuing and dominant perception among state actors and other members of the public is that large-scale, highly productive commercial agriculture should be the ultimate goal of farming, and that smallholder farming does not represent ultimate success. Strategic partnerships and joint ventures are therefore part of the strategy towards this ultimate goal.<sup>79</sup>
- Related to the point above, the resistance on the part of the state to any subdivision of existing agricultural land has meant that land available for redistribution is in large economic units that in keeping with this particular legislation, should be kept

intact and used for commercial purposes.<sup>80</sup> Again, strategic partnerships and joint ventures are seen as a need fulfil this goal, especially given that very few land reform beneficiaries have any substantial experience operating large-scale agricultural enterprises, at least at management level.

*Policy and implementation of strategic partnerships and joint ventures*

In spite of the state promoting strategic partnerships and joint ventures as being central to land restitution and land redistribution programs meeting their economic goals, there is a lack of policy detail on how these should operate and be monitored. Far from being coherent in terms of policy and implementation, as well as monitoring by the state, strategic partnerships and joint ventures appear to be work under construction. Perhaps the closest articulation of their operation by government came via a question in 2011, by an ANC MP, where the Minister of Rural Development and Land Reform provided an answer.<sup>81</sup> The MP's question was asking about the criteria used to identify strategic partners and service providers for emerging farmers, as well as what the monitoring mechanism in place to ensure that these partners and service providers meet the department's goals of assisting emerging farmers. In Minister Nkwinti's response, the following steps for selection and implementation were laid out:

- Projects Identification
- Engagement with the beneficiaries
- Identification and discussion of the possible interventions with the beneficiaries
- Recruitment and Appointment of the partners for identified projects through the tender process
- Development of Comprehensive intervention plan or Business Plan
- Presentation and endorsement of the proposed Business Plan
- Signing of the contracts
- Creating a legal entity for the project to management funds
- Release of grants
- Implementation of the proposed plan
- Monitoring and evaluation

The strategic partners are encouraged to invest their resources and prepare business plans which form a basic guiding tool to measure profit of the enterprise (DRDLR, 2011, 5).<sup>82</sup> The Minister added that there might be some cases where the beneficiaries will have their Strategic Partners. In that case the department would have to formalize the relationship and align it with Recapitalization and Development policy. On how the department would establish whether strategic partners are meeting the goals of the land redistribution program, the Minister explained that there are two strategies in place to monitor progress. The first one was that the DRDLR Strategic Land Intervention has appointed two audit companies, who have agricultural expertise and legal background, to monitor and evaluate the performance of all projects receiving RECAP funding. The second strategy mentioned was that the Recapitalization and Development team, projects officers, and the Department of Agriculture officials do farm inspections and visits to support the appointed project

management unit. It is however unclear how project officers work hand in hand with the appointed private sector audit company. Also, it is unclear what exactly is being evaluated (the relationship between the strategic partners and the beneficiaries or the level of 'success' in the productivity of the business?), how detailed the evaluations are in terms of time invested and the individual issues being investigated?, and what is done with the outcomes, especially if some problems are identified? Additionally, it is not clear what experiences have emerged about the success and the challenges of strategic partnerships and joint ventures on the ground. Also, it is not clear what expertise the different government officials have on the different aspects of the different aspects being evaluated. As it is discussed below, some of the lessons emerging about strategic partners in both land restitution and land redistribution come from independent studies.

#### *Impact on Beneficiaries: Benefits and Challenges*

Derman, Lahiff and Sjaastad, writing mainly about strategic partnerships and joint ventures in land restitution projects in Limpopo, identify possible benefits and challenges of these relationships.<sup>83</sup> With the exception of a few issues, such as relatively clearer land tenure rights in successful land claims, these findings are easily applicable to land redistribution projects. Thus, some of the possible benefits for land redistribution beneficiaries include, first, getting rental income for land in cases where the beneficiaries hold the title to the land (the exception here being the PLAS, where the state remains the owner of the land). To gain equity in the partnership, a strategic partner has to pay rent on the land. Second, beneficiaries are entitled to a share of profits with the strategic partner. Third, in theory, beneficiaries receive training in different aspects of the business. Fourth, on paper, beneficiaries receive preference when employment opportunities arise. Finally, again with the exception of PLAS, beneficiaries remain owners of the land.

Derman, Lahiff and Sjaastad also list a number of issues that could be seen as challenges facing the government's promotion of strategic partnerships in land reform projects. These include:

- Beneficiaries potentially being patronized – here the assumption held by government and strategic partners is that land reform beneficiaries lack skills to successfully manage a farming operation, and that the strategic partners have all the knowledge. While this may be true in some cases, it is the wrong premise to start a relationship between partners.
- Inequalities in information distribution and power – beneficiaries are often marginalized in high level decision making processes, including capital investments and marketing.
- The possibility that the profit shares going to the beneficiaries are seen as some form of tax by the strategic partner. Therefore the strategic partner might not have immediate incentive to maximize profit.
- While strategic partners are obliged to share profits with beneficiaries from on-farm production, there is no such agreement for other parts of the value chain. Strategic partners can easily transfer value to their companies that are outside of the

partnership with the communities. As Hall and Kepe show, this is happening in some of the PLAS projects with strategic partners.<sup>84</sup>

- Strategic partners can rent out equipment needed for production on the farms, thus making extra profit on the side that is not shared with beneficiaries.
- Strategic partners with interests in the processing industry could manipulate farming activities (e.g. harvesting schedules; favouring inputs that their companies provide) to benefit their other interests.
- In some cases strategic partners get a management fee for their expertise, usually based on turnover percentage. It has been found that strategic partners could increase turnover just to get higher management fee.
- While beneficiaries may gain employment, this could be limited to menial jobs, thus excluding senior management positions.
- Loss of jobs, or the employment of only a small section of the beneficiary population, may result in tensions among beneficiaries with jobs and those without.
- Strategic partnerships tend to concentrate on the continuation of existing farming operations, or at least one single enterprise, thus paying little or no attention other to possible land uses that the beneficiaries maybe interested in.

To further summarize the benefits and challenges of strategic partnerships and joint ventures, we use an adapted version of Lahiff, Davis and Manenzhe's table that compares the South African strategic partnership model with widely accepted standard criteria for inclusiveness in these arrangements.<sup>85</sup> Whereas their example draws from land restitution, we draw from land redistribution, particularly the PLAS.

**Table 3. Strategic partnerships in land redistribution as a form of inclusive business model (adapted from Lahiff et al, 2012)**

Criteria	Vermeulen & Cotula <sup>86</sup> description	South African Model	Comments
<b>Ownership</b>	Ownership of the business (equity shares) and of key project assets such as land and processing facilities.	While in some cases beneficiaries do own the assets (e.g. land), in the latest redistribution strategy (PLAS) they have no ownership rights. The state is the owner of the land.	In the absence of clear land ownership rights, the control of land is effectively ceded to the strategic partner for the duration of the agreement, on behalf of the state.
<b>Voice</b>	Ability to influence key business decisions, including weight in decision-making, arrangements for review and grievance, and mechanisms for	Elected representatives of the beneficiaries are represented in the board/trust, but day-to-day decision making rests exclusively with the strategic	Members of the board/trust who are beneficiaries do not always have much say in day to day decisions about the enterprise management; nor do they control finances.

	dealing with asymmetries in information access.	partner;	
<b>Risk</b>	Including commercial (i.e. production, supply and market) risk, but also wider risks such as political and reputational risks.	Direct financial risk lies largely with the strategic partner and with the state as providers of grants. Beneficiaries are exposed to opportunity costs in terms of time, land use and use of grants. A collapse of an enterprise is likely to leave communities with internal tensions, and loss of livelihoods (e.g. employment). The state stands to lose financial investment and reputation if projects fail.	Potential blame game between the state, strategic partners and the community.
<b>Reward</b>	The sharing of economic costs and benefits, including price setting and finance arrangements.	On paper, communities appear to benefit from a share of profits, employment opportunities and training opportunities. Strategic partners would benefit from share of profits, management fees and exclusive control of upstream and downstream opportunities.	Examples thus far show limited dividends for land redistribution beneficiaries. Many beneficiaries simply earn modest wages as workers in the project rather than as partners.

### Conclusion

Despite the obvious need to provide support to beneficiaries of land reform, particularly redistribution, it is clear that the current situation is far from adequate and sustainable. Rather than providing lessons for duplication in other projects, studies appear to be mainly raising cautionary notes about strategic partnerships. Perhaps the biggest cautionary notes are, first, how inclusive of beneficiaries is the partnership arrangement? The idea here is that a more inclusive model will give the beneficiaries a bigger voice about their own needs in terms of land use and other livelihood concerns. Second, should strategic partnerships be more encompassing or should they be drawn to deal with particular aspects of the operation? Clearly, as Lahiff, Davis and Manenzhe point out, there are dangers when strategic partners take over all operations on a project, even those they are not

specialists/or competent on.<sup>87</sup> Third, should the state play a bigger, more rigorous role in vetting/selecting potential partners; providing legal and other institutional support for beneficiaries; and ensuring that there are clear criteria for success for strategic partners? This last question is important because in the end the state is responsible for land reform, and has a vested interest to see it meet its goals, politically and economically.

## 8. Recapitalisation and Development Programme

The Recapitalisation and Development Programme ('Recap') was initiated in 2010 as a means to fix failing land reform projects. Recap 'seeks to provide black farmers with the social and economic infrastructure and basic resources required to run successful businesses'.<sup>88</sup> Two policies have been adopted. The first, in 2010, followed an internal review that identified over 500 'collapsed' farms where intervention was needed to fix failed projects. With the abandonment of LRAD, and the emergence of PLAS as the only means of land redistribution, Recap emerged as the mechanism used by the Department to provide on-farm support more generally – including to projects in the start-up phase. The idea of 'fixing' farms informed the Recap approach, which was to require a business plan setting out plans for infrastructure investment and operating costs, which the state would fund to 100% in the first year, 80% in the second year, 60% in the third year, 40% in the fourth year, 20% in the fifth year – after which state funding would be terminated. To inform and oversee the implementation of the business plan, a strategic partner or mentor needed to be confirmed as part of the project.

The second Recap policy, in 2013, confirmed the broad approach, setting out mentorship, co-management, equity sharing arrangements and contract farming or concessions as being the four strategies for its implementation.<sup>89</sup> To access Recap funds, then, beneficiaries of land redistribution need to enter into one of these partnerships with private sector actors.

Two main sources of evidence on Recap are a report commissioned by the DPME and parliamentary hearings held on 4-5 February 2015. These provide partial answers to the key questions about Recap: is it well designed, is it cost effective and who is benefitting the most?

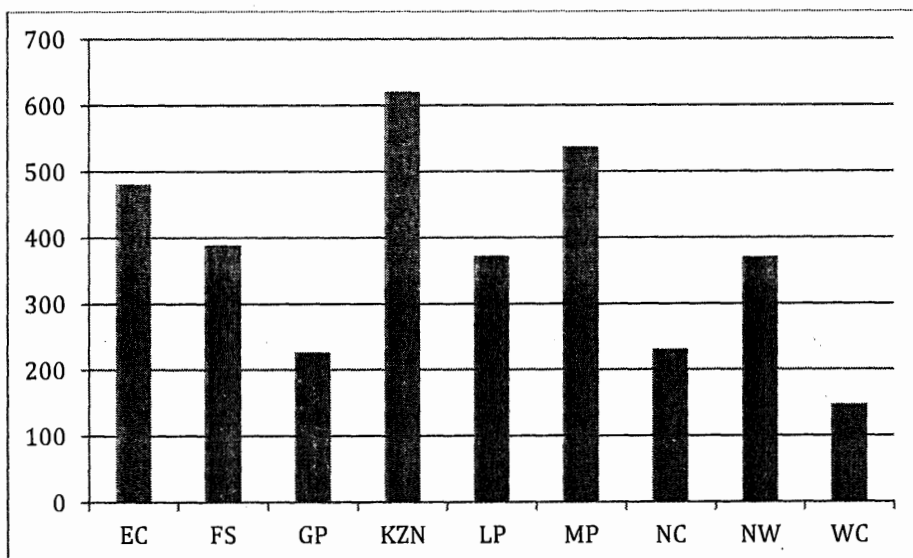
**Table 4: Recapitalisation and Development Programme expenditure (2009 – Jan 2015)**

	2009 to 2012	2012/13	2013/14	April 2014 to 22 Jan 2015	Grand Total
EC	90,838,551	149,510,203	209,192,627	32,432,211	481,973,592
FS	129,174,115	155,301,914	103,366,191	1,277,286	389,119,506
GP	30,891,762	91,519,211	83,900,508	20,985,852	227,297,333
KZN	146,444,743	137,848,568	269,562,216	67,146,308	621,001,835
LP	108,226,016	157,231,772	79,260,550	28,837,178	373,555,516
MP	158,868,381	249,945,241	113,923,035	15,602,888	538,339,545
NC	62,011,362	79,269,857	59,747,525	30,995,997	232,024,741
NW	208,765,773	107,120,161	10,686,828	44,570,941	371,143,703
WC	60,158,331	23,281,196	52,188,292	12,370,257	147,998,076
Total	995,379,034	1,151,028,123	981,827,772	254,218,918	3,382,453,847

Source: DRDLR 2015: 13 (with authors' corrections for addition in columns four and five).<sup>90</sup>



Figure 10: Recap expenditure from inception in 2009 to 22 January 2015 (in million Rands)



Source: DRDLR 2015: 13 (authors' own calculations)

The distribution of Recap expenditure across provinces is clearly highly unequal and provincial variations do not reflect overall spending on land acquisitions in these provinces.

Bear in mind that the Recap expenditure discussed above is split between redistribution and restitution projects. Table 4 below shows the farms redistributed and restored in the first five years of Recap, compared to those under Recap.

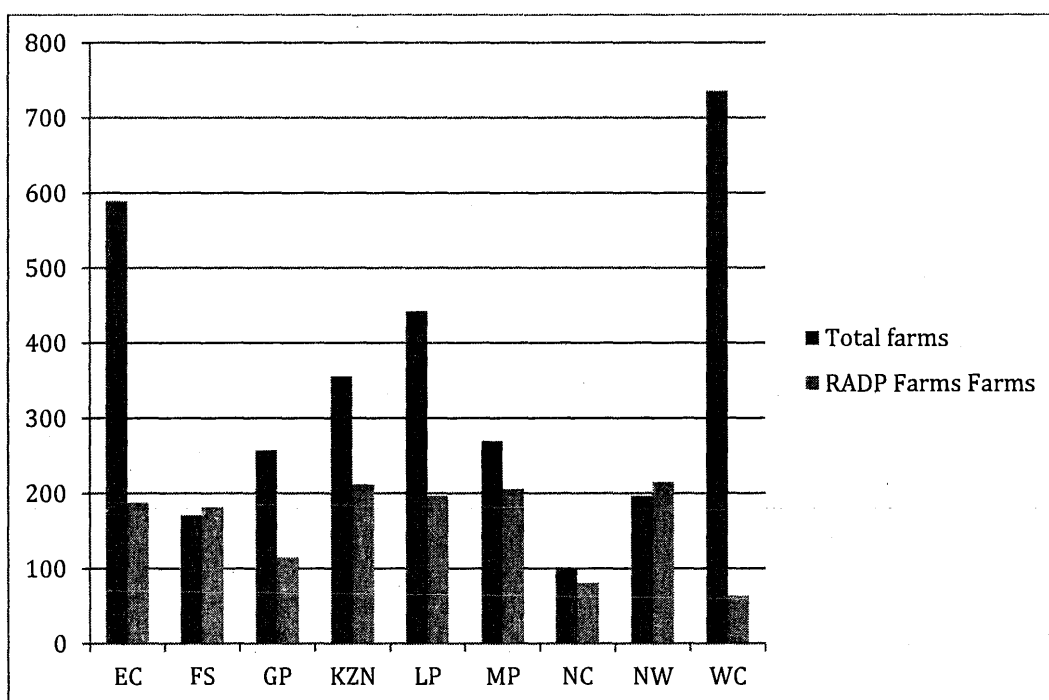
Table 5: Number of farm redistributed and restored vs. number of farms under Recap, 2009 to March 2014

	Redistributed		Restored (Restitution)		RADP Farms	
	Farms	Hectares	Farms	Hectares	Farms	Hectares
EC	211	193,355	378	35,070	188	111,591
FS	154	114,858	17	6,870	182	134,587
GP	95	16,050	162	7,629	115	19,916
KZN	244	136,805	112	135,068	212	131,619
LP	139	56,086	304	106,696	196	79,143
MP	183	144,507	87	99,133	206	165,726
NC	80	449,174	21	62,932	81	464,914
NW	164	129,164	32	122,240	215	225,571
WC	49	34,641	687	128	64	47,714
Total	1,319	1,274,639	1,800	575,766	1,459	1,380,781

Source: DRDLR 2015 (with update for 2015/16)

However, Table 4 above, which the Department presented to Parliament during the hearings on Recap, is misleading. Many (an unknown number) of the farms receiving RADP funds were those acquired and/or transferred *prior* to the inception of the Recap programme in 2010. For this reason, one should not assume that the 'RADP Farms' listed are among those acquired since 2009, especially as 504 existing projects were earmarked for Recap at its inception. This means that possibly half (or more than half) of all farms acquired in the past seven years have received no support.

**Figure 11: Number of farms redistributed and restored through restitution vs number of farms under Recap (2009 to March 2014)**



Source: DRDLR 2015: 12 (authors' own calculations)

Figure 11 above shows that many projects being approved are not getting Recap. In reality, the extent to which 'new' projects get projects is likely lower than shown here, since some of the 'Recap' farms are those transferred prior to 2009, and therefore those shown in the right-hand column are not necessarily among those in the left-hand column. This is why, for instance in the Free State and North West, more farms are under Recap during this period than were transferred during the same period – they include older projects. The anomaly of the Western Cape may be partially explained by the restoration not of whole farms but of small properties, possibly smallholdings or even urban residential land; at the same time, it is also clear that more money is being spent in KwaZulu-Natal, Mpumalanga and the Eastern Cape, and least in the Western Cape, Gauteng and Northern Cape.

The official data suggest an aggregate cost to the fiscus of R558,668 per job created. Further information is needed concerning how 'jobs created' is defined, how this accounts for self-

employment as opposed to waged employment, and whether this is offset against job losses.

Our findings from research in the Eastern Cape reveal an interesting, yet confusing relationship between Recap and land tenure rights of the beneficiaries. These relationships are confusing because they are not clearly articulated in Recap policy, but appear to be what is being implemented by officials on the ground, albeit not uniformly. First, a long-term lease is seen as a requirement for obtaining Recap funding. Many of the beneficiaries in our study have been waiting for years to get Recap funding because their lease has not been finalized. Second, there are cases where a lease is either delayed or refused because the beneficiaries are not (immediately) applying for Recap. In other words the intention, and indeed the process, of applying for Recap appears to leverage a speedy resolution of a long-term lease process. This has particularly been the case in projects that either have mentors or strategic partners in our sample. Therefore, while some depend on a promise of Recap funding to get a long-term lease, others are waiting for a long-term lease to even trigger an application for Recap. It all depends on what the project officers working with them say.

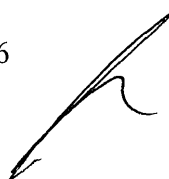
The review of Recap commissioned by the Department of Performance Monitoring and Evaluation and conducted by the University of Pretoria in 2013 found both strengths and weaknesses. Its overall finding, though, was that 'Recap is not appropriately design to achieve its intended objectives'.<sup>91</sup> It found that more than R463,000 was spent per beneficiary and it cost more than R588,000 to create each job. These figures were far higher in the Free State than elsewhere. Based on these and other findings, it concluded that Recap is inappropriately designed and poorly implemented, and that it does not constitute effective use of available resources or value for money. The review provided recommendations for strengthening Recap, as required by its terms of reference, but the authors noted that:

'In our view, the best and lasting solution would entail a redesign and overhaul of all public agricultural support programmes and doing away with existing silos of funding agricultural support services, including post-settlement support.'<sup>92</sup>

The Parliamentary hearings held by the Portfolio Committee on Rural Development and Land Reform on 4-5 February 2015 heard diverse and contradictory versions of how this programme is going and who is benefiting. Among the main challenges observed by the committee in its report were:

- (a) Coordination between the DAFF and DRDLR
- (b) Selection of beneficiaries and farms
- (c) Programme design
- (d) Lack of policy synergies between programmes of the DAFF and DRDLR.
- (e) Lack of targeting support for both redistribution and restitution
- (f) RADP was also hamstrung by administrative challenges
- (g) The sustainability of the funding model

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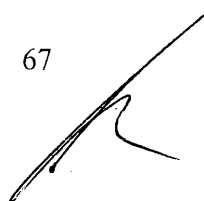
- (h) Integration in value-chains
- (i) Weak monitoring and evaluation
- (j) Exit strategy and business sustainability<sup>93</sup>

Parliament made the following recommendations on the basis of the evidence presented to it and the deliberations of its portfolio committee:

- (a) Endorsed the recommendation by the DPME evaluation of RADP to redesign and overhaul all public agricultural support programs
- (b) DRDLR to finalise the review of the RADP
- (c) Finalize the Integrated Funding Model for agricultural support for implementation, within three months of adoption of this report
- (d) The Minister of Rural Development and Land Reform must ensure that, within three months after adoption of this report by the House,
  - (i) Differentiated farmer support programme which takes into consideration differential needs of various categories of farmers, from small-scale subsistence to large-scale commercial farmers.
  - (ii) There are clear Service Level Agreements (SLAs), in languages that beneficiaries understand, that binds a tripartite cooperation among government, strategic partners and farmers.
  - (iii) Enhanced monitoring and Evaluation of RADP, in particular implementation of business plans, contracts and SLAs.
  - (iv) There is equitable distribution of recapitalisation and development funding for both redistribution and restitution programmes.
  - (v) A revised RADP policy that to address findings and recommendations of the DPME report must further be presented before the Portfolio Committee on Rural Development and Land Reform jointly with Portfolio Committee on Agriculture, Forestry and Fisheries within three months after adoption of this report by the House.
  - (vi) A progress report on the investigations of allegations of fraud and corruption in the DRDLR, especially relating to the Recapitalisation and Development Fund, be submitted to the portfolio Committee.
- (e) Joint quarterly progress reports to Parliament 'within three months after adoption of this report by the House'.<sup>94</sup>

We were not able to ascertain whether or not these recommendations by Parliament were actioned by the Minister and Departments responsible.

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## 9. Implications of state leasehold as a tenure model

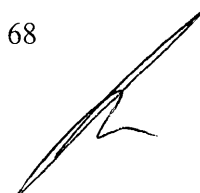
As discussed earlier, under the Proactive Land Acquisition Strategy, the state has adapted the willing buyer, willing seller approach; but now the state has itself become the purchaser of land, acquiring land for redistribution to beneficiaries without transfer of title. State leasehold has replaced the original private ownership model. But with what consequences? And to what degree has this significant change helped to remedy the many problems of the initial programme or produced new problems?

The state leasehold model has been implemented in a variety of ways in different parts of the country, guided by a Proactive Land Acquisition Strategy (PLAS), which empowers state officials to buy farms on the open market and allocate them to selected beneficiaries (DLA 2006). This was initially for a three-year test period after which title would be transferred to 'emergent farmers' who had proven themselves to be successful. However, after widespread non-payment of rent, the promise of eventual title has been abandoned. From 2011, state land purchase and leasing has come to constitute the entirety of land redistribution, as grant-based purchase was discontinued. The state leasehold model has since been amended through the State Land Lease and Disposal Policy (SLLDP) of 2013 that established a principle that black farming households and communities may obtain 30 year leases, renewable for a further 20 years, before the state will consider transferring ownership to them (DRDLR 2013a). To qualify for on-farm infrastructure and production support, under a Recapitalisation and Development Programme, 'beneficiaries' are required to enter into a partnership with a 'strategic partner' – ie. a farming or agribusiness company – in a mentorship or joint venture arrangement.

### *No beneficiaries had current documented land rights*

Although policy emphasises the need for tenure security, and aims to achieve this through the provision of long-term leases, we found that beneficiaries did not have leases in any of our case study projects. The only two valid leases among the sample were concluded between government and strategic partners (ie. agribusiness companies), not the ostensible 'beneficiaries'. The inability of beneficiaries to pay rent to the state has led officials to institute a practice of issuing 'caretakership' agreements (mostly lapsed) in order to absolve beneficiaries of a need to pay for their land. Under such agreements, rather than being rights-holders, they are given a duty to look after state property for a limited period, normally three months, with the state being able to give them 30 days' notice to vacate the property. In one case, a family was granted permission to occupy a state farm (without a lease), and asked by the DRDLR to deliver an informal eviction notice to those already occupying it. This is possibly the opposite of the vision of secure long-term rights for black South Africans which was at the core of land reform as envisaged in the 1990s; it was to end the situation of precarious tenure that colonial and apartheid governments entrenched.

Situations in which people either have no documented rights, or have caretakerships or expired leases produce high degrees of uncertainty, leading people to avoid investment in


land use, production or maintenance of infrastructure. This means that 'beneficiaries' have little or no tenure security. In a twist of Orwellian irony, the 'beneficiaries' may not benefit at all, but are allowed to be temporary squatters on land over which they have no rights.

The following case from our research in the Eastern Cape illustrates the point: *'Good Earth is a 299ha farm just off the national N2 road between Port Elizabeth and Grahamstown. Contrary to its name, it is a bush-encroached farm without any of the essential infrastructure for grazing cattle. The Department bought the farm<sup>1</sup> and allocated it to a family but, in 2012, re-allocated it to a man from Uitenhage and his extended family. This family had for years kept their cattle on the Uitenhage commonage about 45km away, and was desperate for their own farm, following bad losses of cattle to theft and motor accidents on and around the unfenced commonage. From 2004 they had been putting in applications to the department, without luck, but in 2012 were told that they could occupy Good Earth for six months if they delivered a letter to the current resident instructing him to vacate. This informal eviction process went ahead, and the Uitenhage family moved their 127 livestock onto the farm. There is a derelict house on the farm, no running water and no electricity, and so the family commuted to their farm, once or twice a week, to check on their cattle – a considerable cost to them made possible only by incomes of two pensions and one salaried job among the extended family of four brothers, their wives and adult children and their elderly father and mother. There is also no internal fencing and, having lost a further 20 cattle on the farm, the family negotiated access to grazing on neighbouring white farmers' land. Following our interventions in 2013 and 2014, they were offered an alternative farm closer to where they live in Uitenhage, with better grazing and fencing. But they were not allowed to see the farm prior to its purchase, and afterwards were told that they would be sharing the farm with another farmer. They moved their livestock across in early 2015 and, with help from officials, negotiated an informal subdivision of the farm with the other farmer. This entailed them getting the larger area of land for their more numerous livestock, while the other farmer and his family would occupy the main farmhouse and a smaller portion. Since then, conflicts have emerged over which land each family is to use, and their shares of a large arable field with centre-pivot irrigation. More than a year later, both families were uncertain about their futures on the farm; while it provided them with ample land for their needs, neither had a lease nor was clear whether they would ever get documented permission to occupy the land. Neither was willing to invest in fixed improvements in support of their farming operations under these conditions.'*

In addition to the situation of chronic tenure insecurity, there are widespread and inaccurate expectations among beneficiaries that they will become owners of the land they occupy and use. The adoption of the State Land Lease and Disposal Policy in July 2013 – which extends the period of leasehold prior to ownership to 50 years – was not communicated to any of the projects in our sample until we distributed copies of the policy and explained it.

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<sup>1</sup> We were not able to confirm when this purchase took place.

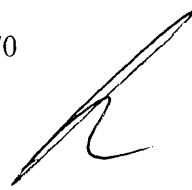
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This unpublicised about-turn in policy suggests political risk in the future as large numbers of people around the country discover that their expectations of gaining ownership of the land they now occupy will not be met. Our findings suggest a need either to revisit the state's policy of retaining ownership and managing state land leases, or to implement profound changes in the system of state land administration to ensure that people occupying state land acquire secure rights and are able to build their livelihoods on this land.

*The absence of secure land rights impedes production support*

The lack of clarity about the status of beneficiaries' tenure has practical implications. Other state institutions refuse to deliver services or invest in their land uses. People are not able to access credit as financial institutions require some proof of their right to occupy. As a result, emerging commercial farmers, including those who have capital from other sources, are being stymied in their farming operations. This is due to an inability to secure loans and other sources of support, and to make on-farm improvements, because they do not have valid leases. Further, we discovered cases where beneficiaries who were making improvements to their infrastructure – fixing a shed roof, renovating farm worker housing, or putting up fences – were told by DRDLR officials to cease such fixed improvements on government property. Without rights, access to land does not translate into opportunities for development.

*The following case from our research in the Eastern Cape illustrates the point: **Malangskraal**, a sprawling 5,200ha farm on the border between Sarah Baartman and Amathole districts, 10km south of Bedford on the Grahamstown road, was once a thriving stud farm, with sheep, goats and cattle. The Department bought the farm from its white owner, who moved to Grahamstown to focus on his butchery business in the town. Three of the farm worker families remained on the farm, now without jobs, and in 2011 the Department allocated the farm to a family from Alice, 90km away. The family had substantial herds of cattle, sheep and goats on the Alice commonage and had managed, through personal connections, to bring their application to the attention of the provincial authorities in the department. A family representative, a policeman at the time, signed a caretakership agreement for one year. He explained the terms of the agreement with the Department as follows: 'I could bring my livestock and during that time I would not have any support. They said I would be tested during that period. There was no rent and no payment.' The family nearly lost the farm when, some time after the caretakership had expired, they were served with a notice to vacate the property within 30 days. Having contested this, the family representative was told he could stay until another farm had been found for him, though this never happened. Instead, in 2014 he was told to move out of the main farmhouse and settle in another house on the farm, as the farm would be subdivided into three. He had brought with him two employees to work on the farm and did not employ the remaining farm workers, but allowed them to stay. Later, conflicts arose as the Department allocated part of the farm to one of the farm workers, who suddenly acquired a large number of cattle, rumoured to belong to the former white owner who was, via him, retaining access to the land he had already sold to government, and allegedly running cattle there to supply his butchery. By 2015, the farm had been informally subdivided in three, between the family trust, the former farm worker, and*

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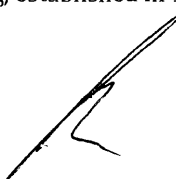
*another man who was a veteran of Umkhonto we Sizwe (MK)<sup>2</sup>. As of 2016, five years after the initial allocation, none of the three has a lease and continue to farm without state support and with intermittent conflicts among them due to the contested and informal nature of the subdivision. As the representative of the family trust said, 'I will be glad if I can get a lease now, because now I am not sure if I will stay here or not, because there is nothing on paper that says I can stay here.' The absence of a lease also means he cannot access credit to expand his operations: 'I went to the Land Bank, but it is for the commercial farmers, not for us. They showed me the paperwork they have there; they want us to pay the installments and I knew I could not pay that. If I get the lease, I might have to pay [rent], but at least I could get a loan.'*

#### *Farm workers face increased tenure insecurity and livelihood uncertainty*

The proactive purchase model means that, from the moment of transfer, when farms become state property, all commercial operations cease, with profound impacts on farm workers – who are usually also resident on farm. When government buys farms, farm workers lose their jobs and often their only sources of cash income. In contrast, the (usually white) farm owners who sell to the state are paid out in full and can create alternative livelihoods elsewhere. Farm workers – without their own capital to invest, and without leases or any recognised rights to the land – are therefore insulated from development opportunities. Some former farm workers who continue to live on the farms expressed feelings of deep insecurity, now that they are not employees of private farmers, but undocumented occupiers of state-owned land. Special consideration may be needed to treat farm dwellers differently from other beneficiaries, especially to avoid the pattern of farm workers losing their jobs as a result of state acquisition.

The following case from our research in the Eastern Cape illustrates the point: **Yarrow Farm** is a small farm of 1,000ha adjacent to the national N2 road, 15 kms west of Grahamstown. Here six families reside. They are the descendants of farm workers who have lived and worked on the farm, in most cases for three or four generations. After the white owner sold the farm to the government in 2008, all the farm workers lost their jobs. In the eight years since, commercial production has not resumed. Initially, government allocated the farm on a one-year lease to an engineer living in East London, nearly 200km away, and then did not renew the lease when it became evident that he was not residing on the farm nor adequately managing it: he had agreed with the former white owner to lease it back to him but this deal had gone sour and no farming was being pursued, and this had led to vandalism and stripping of infrastructure. Following this aborted attempt at redistribution, the farm dwellers – who owned small livestock of their own and kept small vegetable gardens – approached the Department to ask if they could be recognized as the farm's owners. The response was positive: they received a letter in 2009 informing them that the Department would indeed provide them with a lease, but by 2016 they had still not been able to get one, despite repeated letters, phone calls and meetings with district officials, and two visits by the

<sup>2</sup> Umkhonto we Sizwe was the ANC's military wing, established in 1961.

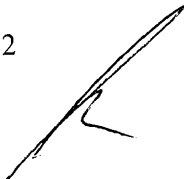
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*national Minister. As one long-term occupier observed, 'Ideally, we would like to eventually own this farm. We have lived here all our lives, so it makes sense that we should be the ones who take control of this farm. Where else are we going to go? We know that government has bought this farm, and that they want to let us live here while they own it, but that makes us feel unsafe.' In the intervening seven years, the families have tried various survival strategies, including clearing bush by hand, fencing and establishing vegetable fields; sending family members to get jobs in town; securing child support grants and old age pensions; setting up a joint chicken project with assistance from the local mayor; and leasing out grazing land (and selling their labour as herders) to wealthy black businessmen from Port Elizabeth, over 100km away. With river frontage on a dammed section of the Assegaai River, and some cleared fields from the former chicory production, the farm is well suited to grazing. Yet intractable conflicts have now emerged: when government officials discovered the sub-letting agreement, they told the livestock owners that they could remain on the farm without paying rent, so the farm dwellers have lost their incomes and are unable to reassert their control over the land they leased out. Families have carved out areas of land for themselves in the absence of an agreed land use plan; and there is continuing uncertainty as to what kind of lease they might get, whether it will be for the whole farm or for subdivided portions, who will get it and what its terms (duration and rent) will be.'*

#### Conclusion

Conditional tenure, under the authority of the state or traditional institutions – is a key way in which black rural populations can be controlled, and their failure to use land in compliance with official designs forms, once again, the basis for them to lose land. Land reform in the past 20 years has gone from prioritizing secure tenure as a basis for poor black South Africans to make their own land-use decisions to a highly prescriptive managerial approach that contributes to the privileging of sustaining commercial land use over providing secure tenure and preference for wealthy beneficiaries or agribusinesses. This can be characterized as a form of 'productionism' that has altered the foundational logic of redistribution. While the state is playing a more interventionist role by purchasing land itself, it is not challenging the supremacy of private property but rather becoming a significant player in the land market. And the capitalist logic of land reform has extended from market participation (to acquire the land) to expectations of commercial production (to use the land) in ways that mitigate against secured land access for the poor. When beneficiaries clearly cannot invest in and operate commercial farms, they are to be sidelined in favour of agribusinesses that can do so. The result, as we found in our field research, is a two-tiered land reform in which some (white-owned) agribusinesses garner handouts from the state, while poor families and communities who have accessed state land are left with insecure tenure and livelihoods. Without redistribution of power and wealth to those who are the ostensible beneficiaries, is it even land reform?

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## 10. Post-transfer support and its coordination

### Post-transfer Support and Coordination

Post-transfer support (also known as post-settlement support) for land reform beneficiaries arguably ranks high, next to the slow pace of the program, as one of the challenges facing this historically important program. In the context of land reform, post-transfer support/settlement entails support. According to the White Paper on Land Policy (1997) support that can be given include assistance with productive and sustainable land use, agricultural extension services support, infrastructural support, access to markets and credit facilities, and agricultural production inputs.<sup>95</sup> Since 1994 numerous studies have highlighted how one of the most evident challenges facing land reform has been the ineffective use by beneficiaries of land given through the program.<sup>96</sup> But studies also show that land reform beneficiaries in both land redistribution and restitution cases are faced with numerous challenges such as poor infrastructure on farms, access to agricultural inputs, group tensions and lack of support from official agencies (e.g. for agricultural extension, business management, legal advice etc). In fact, some scholars extend the definition/understanding of land reform to include post-transfer support as a necessary element of land reform.<sup>97</sup> Ghimire, for example argues that land reform should involve a significant change in the agrarian structure, resulting in increased land access for the rural poor, as well as secure rights to the land. He also believes that the absence of improvement in production structures, through training of beneficiaries, where necessary, access to markets, inputs, capital, and so forth, represent an incomplete land reform.<sup>98</sup> In the case of South Africa, researchers have argued that it is the absence of clear and coherent strategy on post-transfer support that is one of the main challenges.<sup>99</sup>

Early in the process of land reform, the White Paper on Land Policy (1997) acknowledged how crucial post-settlement support is to land reform, but it also acknowledged the constraints that the department would be facing in trying to fulfil this goal, mainly due to the 'severe shortage of trained personnel'.<sup>100</sup>

### *Responsibilities and functions of different levels of government in post-settlement support*<sup>101</sup>

#### *The national government:*

The national government is responsible for policy setting and prioritization thereof in all aspects of land reform, including post-settlement support. It is also supposed to provide implementation guidelines, as well as monitoring, evaluation and review of specific aspects of the land reform. As such, the national government does not have a direct implementation responsibility, as this is done at other levels of government. In regards to post-settlement support, therefore, the national government has created two major policies that have direct relevance to post-settlement support.

The first one is the **Comprehensive Agricultural Support Programme (CASAP)**, which was formulated in 2003.<sup>102</sup> The aim of CASAP is to provide postsettlement support to the targeted beneficiaries of land reform and to other producers who have acquired land through private

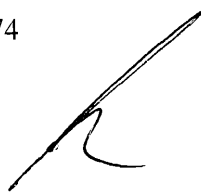
means and are, commercially producing for the domestic or export markets. The six core priority areas of the programme are (i) information and technology management; (ii) technical and advisory assistance, and regulatory services; (iii) marketing and business development; (iv) training and capacity building; (v) on/off farm infrastructure and product inputs; and (vi) financial support. Targeting poor and emerging commercial farmers, CASP seeks to contribute to wealth creation in the countryside, increased food security, sustainable agricultural production, increased employment in the agricultural sector, land use efficiency and increased investor confidence in the agricultural sector, among other things. Importantly, CASP targets people in agricultural based activities through a one-off grant system. CASP is implemented by provincial governments. Studies show that despite its slow start, CASP has seen increased participation and budget increases since 2004/2005, including among foermerly marginalized participants (e.g. Women).<sup>103</sup>

The second national policy relating to post-settlement support is the **Recapitalisation and Development Policy Programme (RECAP)**, which has been analysed in greater detail elsewhere in this report. Created in 2009, RECAP focuses on developing human capacity, infra-structure and operational inputs on properties newly acquired through the land redistribution, restitution and other programmes since 1994, but that experience distress. Since 2014 RECAP has replaced all other forms of funding for land reform, including post-settlement support in both redistribution and restitution programs.<sup>104</sup> It is important to note that RECAP can only be given to beneficiaries if they have strategic partners or mentors, as well as a business plan that is, more often than not, developed by private sector consultants. According to studies show that huge amounts of money have been spend on RECAP, but the strategic partner-beneficiary relationships remain poor, and skills transfers and benefits for beneficiaries are limited.<sup>105</sup>

The national government, mainly through two departments – the Department of Rural Development and Land Reform and the Department of Agriculture, Forestry and Fisheries -, in addition to coming up with policies mentioned above, their other responsibilities are to approve post-settlement support arrangements, establish a framework for interdepartmental cooperation, develop a database for post-settlement support and monitor and review the implementation of the policies created. However, it has been argued that for many of these responsibilities challenges relating to confusion, staff shortage and inefficiency, remain and threaten to undo any gains made.<sup>106</sup> While the two policies mentioned above (CASP and RECAP) are the most prominent ones affecting land reform post-settlement support, there are others that exist, some of which have emerged outside of land reform. These include Illima-Letsema; Black Economic Empowerment in agriculture, agricultural extensions services, to mention a few. These other national strategies mean that it is important to coordinate how these deployed to assist land reform beneficiaries, in such a way that they complement each other rather than duplicate and contradict each other.

#### *The provincial and local government*

Relevant provincial departments are key institutions in the implementation of the land reform post-settlement support programmes. In other words, it is the provincial sphere of

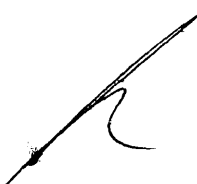
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government that currently plans post-settlement support and steers it through a number of phases, including performing a feasibility study; conducting an EIA; land use planning; capacity building/technical advice and ensuring stakeholder participation. Given that local governments are closest to the people, they are sometimes responsible for the delivery of post-settlement support to the people through its IDPs. Once the land has been acquired by beneficiaries, it becomes part of the municipal IDP projects that are to be given support by a relevant institution or department.<sup>107</sup>

### Conclusion

Government appears to acknowledge how crucial post-settlement support is to the success of land reform, increase in food security, sustainable land-based economic development and increasing the prosperity of poor people who were previously, and sometimes continue to be, marginalized. The policies created and financial investment made towards post-settlement support is clearly commendable, but there are still many challenges. Many of these challenges originate before we can even speak about post-settlement support – they relate to numerous issues, including poor beneficiary selection in redistribution projects, staff capacity to deal with the bureaucracy involved in helping beneficiaries apply for the support they need, over-reliance on consultants to do some of the work, thus leaving many projects without continuity of support, and so forth.<sup>108</sup> While a daunting task in appearance, better record-keeping, good monitoring and evaluation appear to hold promise if done adequately.

An example from our research findings implementation of PLAS in the Eastern Cape also points at how poor departmental coordination can stall post settlement support to beneficiaries: *'Our findings point to a stand-off between key state ministries, notably those responsible for land reform and for agriculture. Provincial agricultural officials we interviewed indicated that they will not provide support to these projects, because of a lack of long-term leases but also because of a perception that since DRDLR has funds under its Recapitalisation and Development Programme, agricultural authorities have no responsibilities to deliver on their mandate of agricultural support. These two departments have no shared policy framework or coordinated input at project level, with the result that some people get land without any support to use it, are sent back and forth between departments, and may wait many years after occupation for any infrastructure or production support. The current policy model requires re-negotiation of state institutions' roles.'*

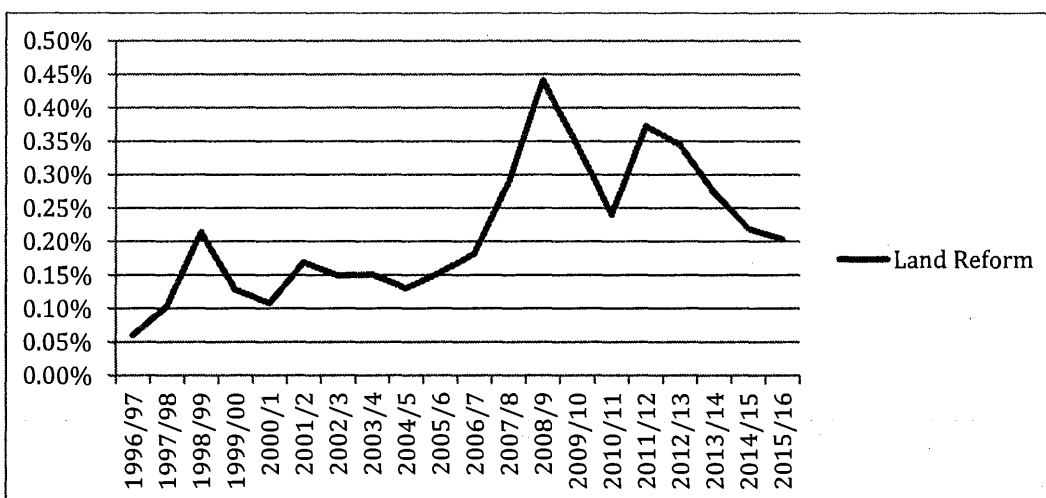
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## 11. Budget review

The budget for land redistribution is contained within the budget vote for Rural Development and Land Reform and appears as a line item entitled 'Land Reform' alongside 'Restitution' and 'Rural Development'. Here our focus is on the 'Land Reform' budget line only.

Expressed as a percentage of National Expenditure, the Land Reform budget has generally been between 0.15% and 0.4%, reaching a peak of 0.44% of the national expenditure in 2008/09 and then declining to 0.2% in the current financial year (see Figure 12).

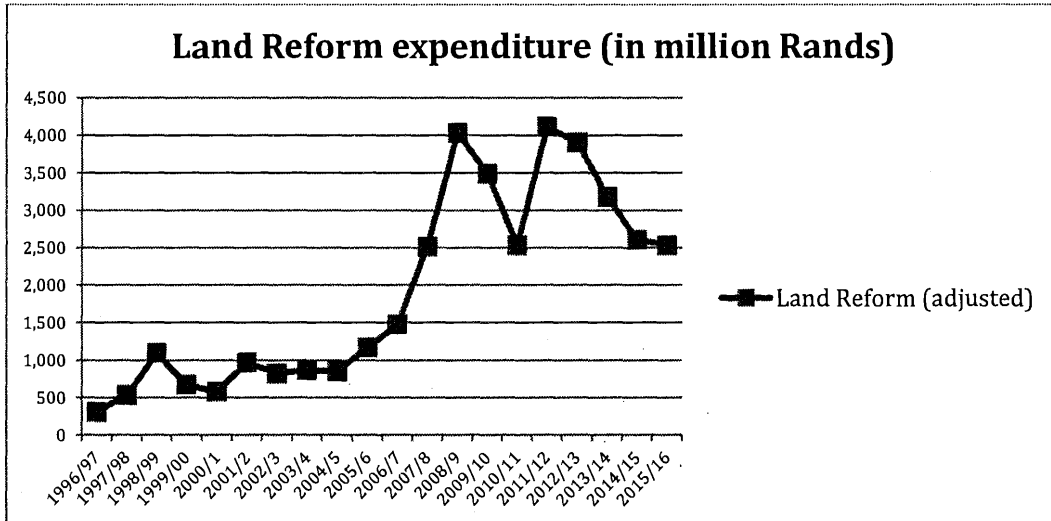
**Figure 12: Land Reform budget as percent of National Expenditure**



Source: National Treasury, various<sup>109</sup>.

Figure 13 shows the growth and then fluctuations, and then decline, in the Land Reform expenditure over time. Note that we present expenditure rather than initial budget allocations at the start of each year. In many years, allocations have been revised in response to under-expenditure, especially up to the early 2000s and even in the past two years.

Figure 13: Land reform expenditure (in million Rands), 1996-2016 (inflation adjusted)

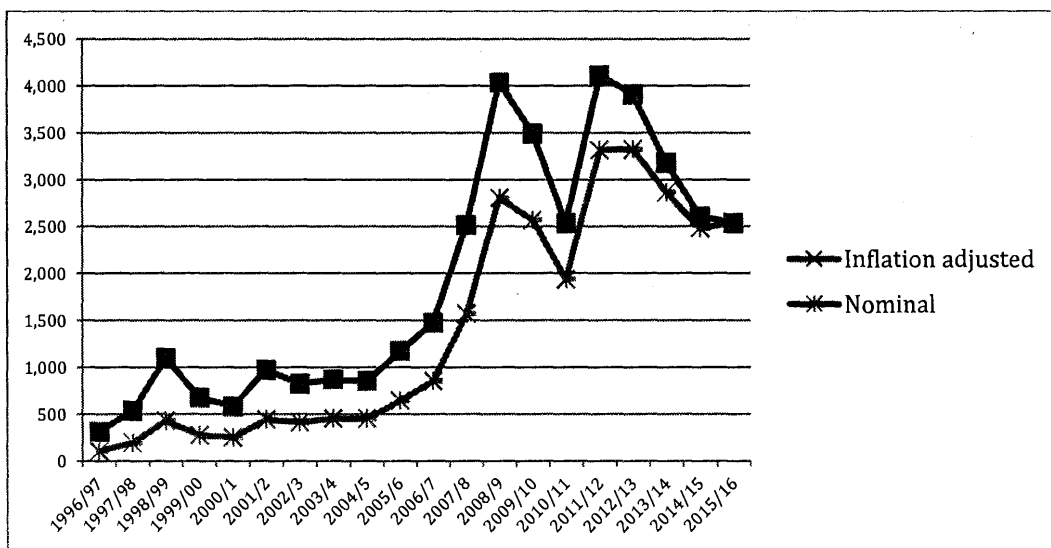


Sources: Estimates of National Expenditure 2000, 2003, 2006, 2009, 2012, 2015, 2016.

Note: Figures have been adjusted for inflation, to 2015/16 levels, using StatsSA CPI.

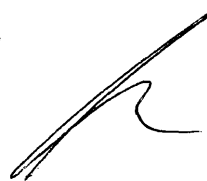
Figure 14 shows these same fluctuations, comparing nominal Rands with inflation adjusted Rands. This shows how the fluctuations are greater in reality than when looking at the Rand figures in the budget. It also shows that in real terms, the current level of expenditure for land reform has returned to the levels of 2006/07.

Figure 14: Land reform expenditure – nominal and inflation adjusted (in million Rands), 1996/97 to 2015/16



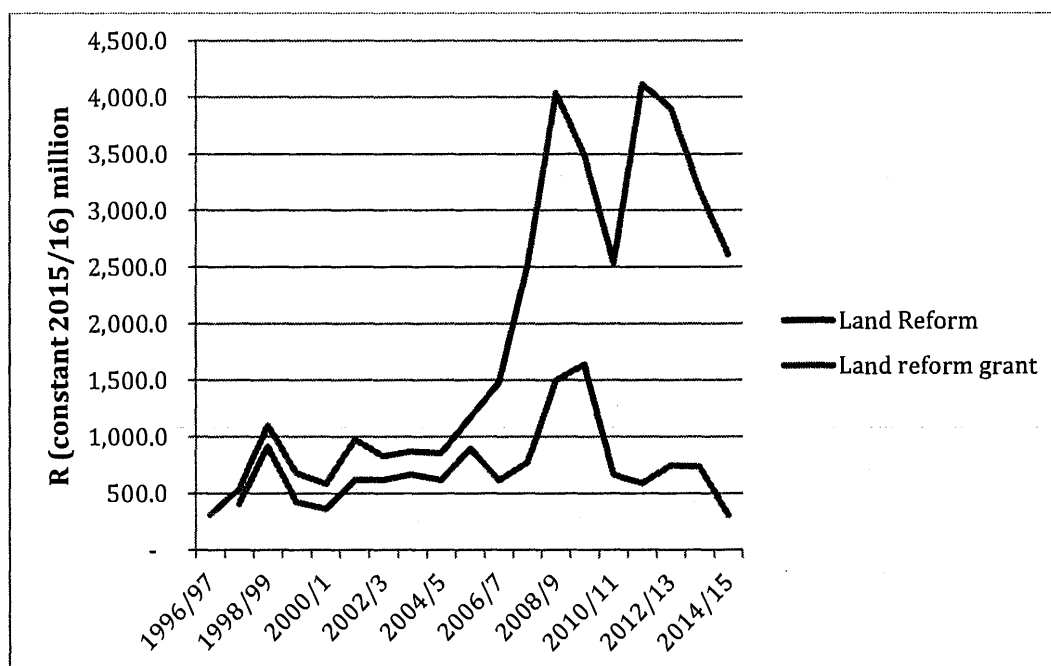
Sources: Estimates of National Expenditure 2000, 2003, 2006, 2009, 2012, 2015, 2016.

Note: Figures have been adjusted for inflation, to 2015/16 levels, using StatsSA CPI.

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The Land Reform budget includes current costs, including operational costs of the offices of the Department and its staff. Capital costs include Land Reform Grants (previously SLAG, LRAD, Commonage and other products, and now also Recap) and an Agricultural Landholding Account (for state purchase of land for redistribution). Since land grants were abandoned in 2011, the Agricultural Landholding Account is therefore the only budget line for acquiring land for redistribution. Overall, Land Reform Grants have constituted a declining share of the Land Reform budget, as Figure 15 shows below.

**Figure 15: Land Reform Grants compared to Land Reform expenditure for 1996/97-2014/15 period (in million Rands)**



Source: authors' own calculations based on Annual Reports and National Treasury, as summarised in Parliament 2016: .5

Note: Adjusted for inflation to 2015/16 Rands.

By 2016, expenditure on land reform grants had returned to the levels of 20 years ago. However, land acquisition is no longer included under 'Land Reform Grants', given the creation of the Agricultural Landholding Account through which the state purchases land for redistribution on leasehold.

On 6 May 2016, the Minister announced in Parliament a plan for speeding up land reform, and outlined a re-allocation of the Land Reform budget across different policy areas. Key among these is Agri Parks, the initiative by the Department to establish agro-processing infrastructure in hubs connected to black farmers – which is nonetheless being funded out

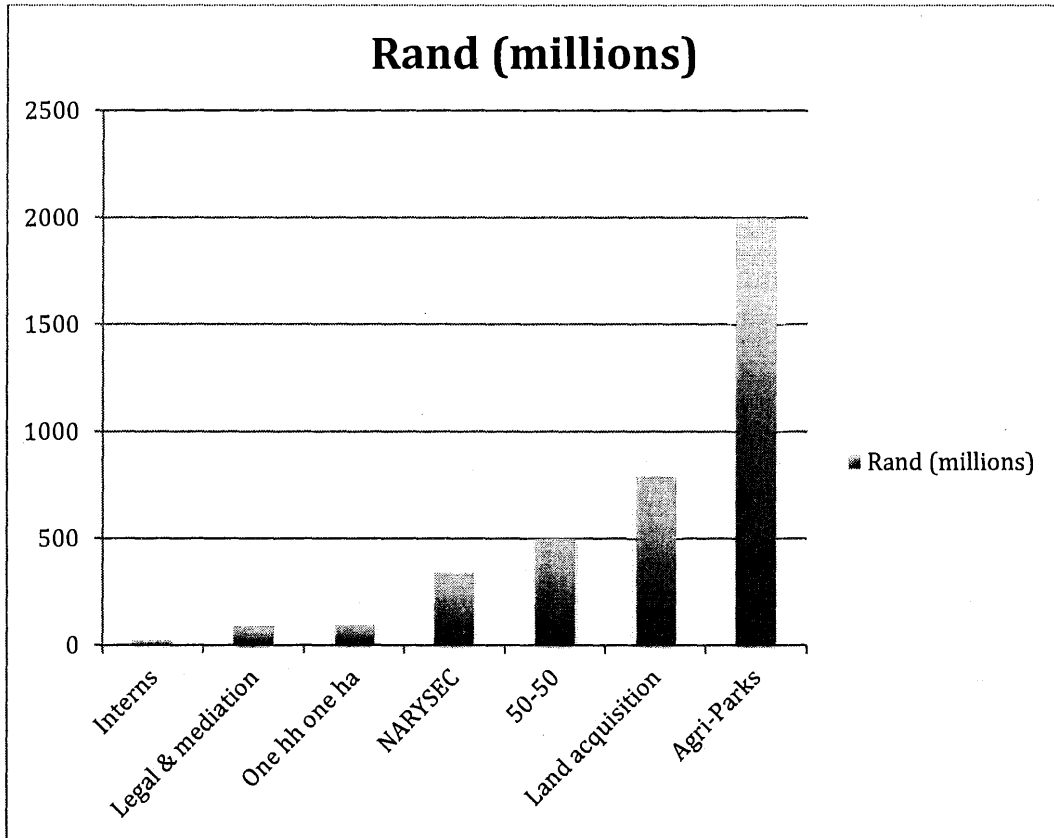
of the land reform budget. Also allocated funds are the two new and not formalized policies – 50/50 and One Household, One Hectare. Further smaller allocations are made to NARYSEC and others. Overall, just R750m is still earmarked for land acquisition. Headed ‘Government serious about speeding up land reform’, the Minister actually set out a re-allocation of funds away from land acquisition – in other words, announcing that redistribution would slow down. The re-allocation announced is shown in Figure 16 below.

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Figure 16: Re-allocation of Land Reform budget, 2016/17



Source: MRDLR 2016 (author's calculations)<sup>110</sup>

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## 12. Gaps in knowledge

There is very little detailed information about implementation, delivery and outcomes of land redistribution nationally that is in the public domain. We therefore in this section raise questions that we are not in a position to answer, but which we feel the High-Level Panel is concerned with, and could ask questions of the Department, or set in place better systems to be able to answer these questions over time.

### *12.1 Is land redistribution reducing poverty and inequality?*

Land redistribution is about race but it is also about equity more broadly, and has been consistently identified as a programme of government that can contribute to achieving goals of reducing poverty and inequality. But to what degree is it doing this?

There are several ways to investigate this, the best of which would be a longitudinal panel data study of land reform projects, tracking beneficiaries from before they are allocated land to the early period, and over time from there. No such study has been done in South Africa – though there is a longstanding study of this kind in Zimbabwe, dating from the early 1980s, which has produced important insights.

### *How equitable or inequitable is the distribution of budget?*

In the absence of proper studies to tell us whether or not land redistribution is reducing poverty and inequality, we can only look at the question of equity in the distribution of available public funds.

Since the abandonment of the means test in 2001, there has been no official mechanism for rationing scarce public funds. Unlike in the housing programme, where there is a transparent system, in land redistribution now, some households may get to share a modest farm with many other people, and with zero state support or relevant infrastructure. Others, though, are bought large going concerns by the state, complete with advanced infrastructure, livestock, crops, and are then subsidized for the first five years with Recap funds. Who gets what is simply impossible to say – nor whether there is any rationale driving the decision to give a little to some and a lot to others. Our examples from the Eastern Cape in particular highlight the need to ask these questions.

While comprehensive information is not available to answer these questions now, at least the Department should be able to provide summary data to show the distribution of budget across beneficiaries, to show how much public money is being spent on the range of beneficiaries, from those the state spends the least on, to those it spends the most on. Such an exercise could start with disclosing basic distributional data along the lines of the (empty) Table 5 below, which could either be provided by the Department, or computed if the Department were to provide its full project database.

**Table 6: Distribution of budget per beneficiary**

Range	Number of projects	Number of beneficiaries	Total Rands
< R10,000 per person			
R10,000 – R50,000 per person			
R50,000 – R100,000 per person			
R100,000 – R250,000 per person			
R250,000 – R500,000 per person			
R500,000 – R1,000,000 per person			
R1,000,000 – R2,500,000 per person			
R2,500,000 – R5,000,000 per person			
>R5,000,000 per person			

Source: authors' design. No data available.

### 12.2 How equitable or inequitable is the redistribution of land?

How much do people get? Clearly, there is no standard amount of land being acquired and variation is to be expected. At the same time, there is as far as we can tell currently no way that Parliament can exercise oversight over how land is distributed – to how many people – and the degree of equity or inequity involved. To understand the degree to which the allocation of land is equitable or skewed would require at least an initial set of summary data. Further details would need to include provinces. In the absence of national project-level data, summary data on how much people are getting could be presented in a table such as this.

**Table 7: Distribution of hectares per beneficiary**

Range	Number of projects	Number of beneficiaries	Women	Youth	Disabled	Farm workers	Rands
1-10ha per person							
10-50ha per person							
50-100ha per person							
100-250ha per person							
250-500ha per person							
500-1,000ha per person							
1,000-2,500ha per person							
2,500-5,000ha per person							
>5,000ha per person							

Source: authors' design. No data available.

*How many long-term leases are in place on state-acquired farms?*

Land redistribution used to involve one process of land acquisition – land passed directly from private owners (sellers) to beneficiaries (buyers, with state support). Since the advent of PLAS, acquisition of farms by the state is a separate process from allocation of land to beneficiaries. In many cases we have found that the state has managed to spend budgets and acquire hectares – but not to redistribute the land to beneficiaries, or to conclude leases on the land. In this sense, the delivery data on ‘redistribution’ may not refer to land that is redistributed, but rather to land acquired by the state. What remains to be seen is how much of the land acquired by the state has in fact been redistributed.

**Table 8: Status of project (number) per province**

	Land acquired	Land allocated	Leases current	Rent up to date	Beneficiaries settled	Production underway
Eastern Cape						
Free State						
Gauteng						
KwaZulu-Natal						
Limpopo						
Mpumalanga						
North West						
Northern Cape						
Western Cape						
TOTAL						

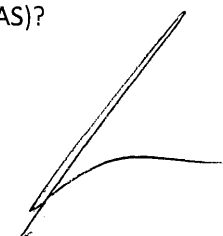
Source: authors' design. No data available.

*Other*

There are several other important questions that we wish to raise even though we cannot answer them. The paucity of publicly-available information about the operational matters of land redistribution, and the extremely limited monitoring and evaluation information material available, prevents us from answering these questions. Nonetheless, a combination of case studies, media reports and statements from beneficiaries themselves raise these questions.

We suggest a few core questions to be addressed in the course of this inquiry, though there are certainly many more that could be asked:

- How are the beneficiaries actually assessed and prioritized in district, provincial and national land allocation decisions?
- How many farms ‘redistributed’ have been lost again due to foreclosure on debts (especially under LRAD)?
- How many beneficiaries has the state evicted (especially under PLAS)?



### 13 Conclusion

Land redistribution is slowing down quite dramatically. Budgets have declined, and the rate of delivering access to land has declined faster, as available funds are diverted to purposes other than acquiring land and securing rights.

In conclusion, we wish to suggest to the High-Level Panel that it could decide to reject the standard views of the 'problems' with land reform. The first standard view is this: land reform is on track but just too slow; it must be speeded up and better ways found of acquiring land at reasonable cost. The second standard view is: land reform beneficiaries are not productive enough: they must be 'disciplined' or land must be given over to those with skills and own means to be productive, or to commercial strategic partners to farm instead. These are not the most important strategic questions facing land reform. This review of the past 20 years shows that these are wholly inadequate ways of characterizing the big questions facing land redistribution. Land reform is clearly in flux, but where is it heading?

We suggest an alternative set of questions that deserve to be answered, either in legislation or in policy.

**First, who should get the land?** Should this be the 'rural poor', the experienced, the dispossessed or the creditworthy? Should emerging black commercial farmers be the focus? What about farm workers? Or should it be urban business people and entrepreneurs with capital to invest? Related to this is how public funds should be distributed: should the wealthy get substantially more support than the poor? Should women be prioritised or not? What would priority to women and to the poor require in terms of policy prescription, and how would this be assessed?

**Second, how should the land be used** – what type and scale of farming? Should land be redistributed to enable settlement and multiple livelihoods? Or should it be exclusively for farming? If so, should this be farming on a small scale, made possible through proactive subdivision? Or should it be on various scales? Or should it be for farming only on existing farming units?

**Third, how should land be identified and acquired?** Should redistribution be restricted to those properties that are offered for sale – ie. no targeting? Or should there be area-based priorities? If so, how can these priorities be set, what state planning is needed to inform this and how can the process be participatory and enable local people to identify their land needs and vision for redistribution? In other words – who will determine where land is redistributed? The market? State officials? Or rural communities themselves?

**Fourth, how is land to be valued?** What should the state, or beneficiaries, pay for land? Should this be a 'market' price, a negotiated price, or a price determined on the basis of Section 25(3) of the Constitution? If the latter, how should 'just and equitable' compensation be defined? How should the history of acquisition, market value, past subsidies, current use and purpose of expropriation be defined, and how can a formula be

developed to clarify this? Should a case be taken to the Constitutional Court precisely to get judicial guidance on how to address valuation?

**Fifth, what rights should beneficiaries have?** Should they be owners of the land? Or long-term lessees? What is the rationale for leasing, and should those who don't pay lose their land? Does the state have the capacity to enforce leases and extract rents – now and in the future when more properties are obtained? Should land be held by traditional councils on behalf of communities, or by beneficiaries through communal property institutions? Is payment of rent to the state a feasible and workable system, and what does the track record of the past decade tell us about this? Should people obtain secure long-term rights, or contingent rights based on 'production discipline' and a 'use it or lose it' approach? What capacity does the state have to determine effective use of land within people's available resources? And is there a strong political and legal rationale for land reform beneficiaries' tenure to be contingent on 'production discipline' while private owners' tenure is not?

On each the above core questions relating to land redistribution, existing policy is unclear.

What is clear is that land redistribution is moving in contradictory directions. On the one hand, government is entering into costly ventures to acquire high-value land and conclude deals with strategic partners to run commercial farms and associated processing facilities, in the names of farm workers whose beneficiary trusts are invisible to public scrutiny – and further paid out substantial funds in Recap funding under the control of the same strategic partners. On the other hand, government is proceeding to pay out modest amounts to give households one hectare each, or shareholding in commercial farms, in two policies that have not been formally endorsed but are being implemented with public funds. None of these models have been adequately assessed. Government has not made public the relevant information with which to assess these. However, some sources of information raise serious questions as to the manner in which decisions are made to buy farms; to allocate them to beneficiaries; to enter into strategic partnerships; to allocate Recap funds. All these processes are far from the scrutiny of Parliament and the public at large, and only case study and anecdotal evidence suggests that there are widespread problems, though their scale and also their causes cannot be definitively stated at this stage.

The legislation enacted by Parliament – the Constitution with Section 25 of the Bill of Rights, and Act 126 of 1993 and its amendments in 1998 and 2008 – give enormous powers to the Minister of Rural Development and Land Reform. How these powers are used, what discretion the Minister exercises and what kind of land redistribution is pursued, are matters in which Parliament and the public at large have an interest.

<sup>1</sup> This report draws in part from: Hall, R. 2009. (Ed). *Another Countryside? Policy Options for Land and Agrarian Reform in South Africa*. Bellville: PLAAS.; Hall, Ruth. 2010. *The Politics of Land Reform in Post-Apartheid South Africa, 1990-2004: A Shifting Terrain of Power, Actors and Discourses*. Doctor of Philosophy thesis, University of Oxford; Hall, Ruth, 2015. "Who, what, where, how, why? The many disagreements about land redistribution in South Africa" in Ben Cousins and Cheryl Walker (eds) 130-148, in: *Land Divided, Land Restored: Prospects for Land Reform in 21st Century South Africa*. Jacana, Cape Town, pp. 130–148.

<sup>2</sup> ANC (African National Congress). 1994. *The Reconstruction and Development Programme*. Johannesburg: Umanyano Publications, page 19

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<sup>5</sup> RSA 1993a

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<sup>7</sup> We cannot find any record of such an entity being established, as required in section 10A of the amended act, Act 58 of 2008.

<sup>8</sup> Parliamentary Monitoring Group. 2008. Provision of Land and Assistance Amendment Bill [B40 of 2008] deliberations. 28 August 2008. <https://pmg.org.za/committee-meeting/9548/>

<sup>9</sup> Ntsebeza, 2007

<sup>10</sup> CRLR 2005: 123

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<sup>13</sup> DLA (Department of Land Affairs), *White Paper on South African Land Policy* (Pretoria, 1997).

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<sup>15</sup> Marcus et al. 1996 p. 197

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<sup>18</sup> DLA 1997b p. 3

<sup>19</sup> MALA 1999a p. 2

<sup>20</sup> MALA 1999b p. 5

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<sup>22</sup> DLA 1997: 28

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<sup>24</sup> Anderson, Megan and Kobus Pienaar 2003. *Municipal Commonage*. Evaluating land and agrarian reform in South Africa occasional paper. Cape Town: Programme for Land and Agrarian Studies, University of the Western Cape, page 11.

<sup>25</sup> Cochet, Hubert, Ward Anseeuw, Sandrine Freguin-Gresh. 2015. *South Africa's Agrarian Question*. Cape Town: Human Sciences Research Council Press.

- <sup>26</sup> MALA (Ministry of Agriculture and Land Affairs), *Land Redistribution for Agricultural Development: A Sub-programme of the Land Redistribution Programme* (Pretoria, 2001).
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- <sup>32</sup> DLA 2006: 11; original emphasis
- <sup>33</sup> DLA 2006: 7
- <sup>34</sup> DLA 2006: 16–17
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- <sup>37</sup> DRDLR 2012: 6-7.
- <sup>38</sup> DRDLR 2012: 7.
- <sup>39</sup> <http://www.gov.za/speeches/minister-launched-one-household-one-hectare-programme-kenton-sea-eastern-cape-30-oct-2015> (accessed 27 September 2016)
- <sup>40</sup> AFASA. 2016. One household, one hectare policy. *Farmers' Weekly*. 3 June 2016, p. 25.
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- <sup>44</sup> DLA 2002
- <sup>45</sup> Note: The meaning of the DRDLR data is somewhat unclear, as in the SLAG period, households rather than individuals were listed as beneficiaries, and only female-headed households were distinguished from male-headed households. How households and individuals have been combined in summary data from the Department is unclear.
- <sup>46</sup> DLA 1997: ix
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- <sup>49</sup> RSA 2013a
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<sup>52</sup> DLA & HSRC 2005

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<sup>54</sup> South African Property Owners' Association 2004

<sup>55</sup> Binswanger, Deininger & Feder 1995

<sup>56</sup> Binswanger et al. 1995

<sup>57</sup> MALA 2001

<sup>58</sup> MALA 2001: 13

<sup>59</sup> MALA 2003: 12

<sup>60</sup> Hall & Williams 2003; Van den Brink et al. 2004

<sup>61</sup> Cliffe, Lionel. 2007. *Policy options for land reform in South Africa: New Institutional Mechanisms?* Policy brief 26. Programme for Land and Agrarian Studies, University of the Western Cape.

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<sup>64</sup> Andrew et al. 2003; DLA 1997; May & Roberts 2000

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<sup>67</sup> May & Roberts 2000: 14

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<sup>69</sup> Murray 1997

<sup>70</sup> Kirsten J & Machete C 2005 Appraisal of Land Reform Projects In Northwest Province. University of Pretoria: Pretoria; : 6, emphasis added

<sup>71</sup> Kirsten & Machethe 2005: 33

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- <sup>94</sup> Parliament 2015: 7-8; authors' summary
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rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

## STATE LAND LEASE AND DISPOSAL POLICY

THIS POLICY REPLACES ALL EXISTING POLICIES ON THE LEASING OF IMMOVABLE ASSETS OF THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM. IT ALSO TAKES PRECEDENCE OVER ANY OTHER DEPARTMENTAL POLICY THAT CONTAINS ANY PROVISION ON LEASING OF IMMOVABLE ASSETS.

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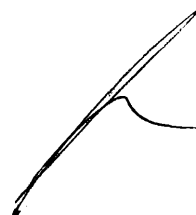
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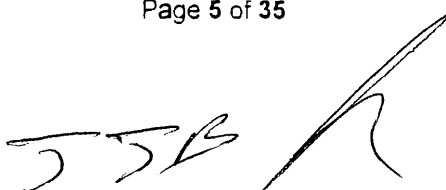
## DEFINITION OF TERMS

- i. The meaning of words or terms which are defined in this document is operative only in the context of this document and shall supersede any other meaning provided elsewhere.
- ii. All policy statements articulated in this document are mainly applicable to the Department of Rural Development and Land Reform hence no continuous citation of the name of the said department is necessary in the body of this document.
- iii. Any citation of a law without the words, "*as amended*", refers to the latest version of that law, including amendments.
- iv. **Agricultural Leases** refer to lease arrangements that provides for the use of property at primary agricultural level. Such level is construed to exclude processing of raw agricultural products.
- v. **Approval Authority** means any person who has authority to approve leases in terms of existing delegation or power of attorney issued in terms of laws referred to in this Policy.
- vi. **Approved Business Plan** means a business plan envisaged in the Recapitalization and Development Policy.
- vii. **Informal Right to Land** means the land use rights or occupation rights or land access rights envisaged in the Interim Protection of Informal Land Rights Act, 1996 (Act No. 31 of 1996).
- viii. **Land and Agricultural Bank of South Africa** means the Bank as defined in the Land and Agricultural Development Bank Act, 2002 (Act No. 15 of 2002).
- ix. **Land Tenure Right** means leasehold or any long term lease.
- x. **Leasehold** means the right to hold or use property for a fixed period of time at a given price, without transfer of ownership, on the basis of a written lease contract.
- xi. **Long Term Lease** means any lease which is 10 years or longer.
- xii. **Net Income** means net results of turnover excluding input costs, direct ploughing / breeding costs, and salaries or wages.
- xiii. **New and Eligible Lessee** means a first time lessee who qualifies in terms of the criteria set by the National Land Allocation and Recapitalization Control Committee.
- xiv. **Non Agricultural Leases** mean any lease arrangement that provides for the use of property for a purpose that excludes activities which may fall within the definition of primary agriculture.

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- xv. **Option Agreement** means an agreement between two parties whereby, in exchange for a fee, one of the parties has the right but not the obligation, up to a specified date or event, to lease a property at a specified price.
- xvi. **Previously disadvantaged persons** means South African Citizens who are racially classified as African, Coloured and Indian.
- xvii. **Provincial Vesting and Disposal Committee** means an intergovernmental committee established by various State land custodians at provincial level to consider, amongst other things, vesting and land disposal applications.
- xviii. **Public Servants** means State employees employed under any national or provincial legislation; municipal employees; public representatives at national provincial and local levels; traditional leaders who are recognized under any legislation; employees of any company or entity where Government of the Republic of South Africa is a majority shareholder or where a provincial government is a majority shareholder or where a municipality is a majority shareholder.
- xix. **Reference to a position or post description e.g. Director: Land Reform:** Any reference to any position or post description refers to that post as on the date of approval of this Policy. Should the functions of that post be assigned to another position, such reference shall be construed to be relating to the new position.
- xx. **Spouse** means a partnership in a civil or religious or customary marriage. This includes partners who live together as if they are married.
- xxi. **State Land Leasing Debtor System** means the Spatial Module of the web based State Land Leasing Debtor System.
- xxii. **Turnover** means market value of harvest crop or average number of livestock of saleable age, including cash received from the sale of produce.

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## CHAPTER 1

### 1. CONTEXT

#### 1.1 REVERSING THE LEGACY OF THE 1913 NATIVES LAND ACT

The root of the land question today arises out of the pervasive process of land alienation that dispossessed the majority of South Africans of their land over the past few centuries. 2013 is the centenary of the 1913 Natives Land Act, which was the first of a number of discriminatory laws that reinforced the massive dispossession of land from black South Africans. The formulation of this policy forms part of Government's undertaking to review all land reform policies as enunciated in the 2011 Green Paper on Land Reform, with a view to address issues relating to historical exclusion, equitable access to land, and participation in the optimal utilisation of land; as well as to address challenges relating to access to food at both household and national level to bring about household food security and national food self-sufficiency.

#### 1.2 THE CONSTITUTION

The context of all rural development and land reform policies is the 1996 Constitution of post-apartheid South Africa. In this instance, the most pertinent sections of the Constitution are 25, 26, 27 and 36.

Section 25(5) provides that, "*The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis*". In a context wherein the majority of citizens still do not have equitable access to land, this constitutional promise still remains an imperative.

Furthermore, Section 25(5) is the only clause that recognizes this exclusive right for "citizens" and it's accordingly weighted higher than that of non-citizens or foreign controlled juristic persons; hence, although South Africa belongs to all who live in it and afforded Basic Rights, when it comes to land it is citizens that are prioritized.

Section 25(4) talks to national interest and states that '*For purposes of this (a) the public interest includes the nation's commitment to land reform and to reforms to bring about equitable access to all South Africa's natural resources, and (b) property is not limited to land*'. Implied here is that national interests take precedence and that limitations and exemptions to such limitations of access will be in furtherance of national interests.

Section 25(8) of the constitution states that '*No provision of this section may impede the state from taking legislative and other measures to achieve land, water and related reform, in order to redress the results of past racial*

*discrimination, provided that any departure from the provisions of this section is in accordance with the provisions of section 36(1)*. Consequently it compels the state to spare no effort in addressing land reforms and racial disparity and inequity in land ownership by South Africans.

Section 36(1) that limits the rights in the Bill of Rights states that *'the rights in the Bill of Rights may be limited only in terms of law of general application to the extent that the limitation is reasonable and justifiable in an open and democratic society based on human dignity, equality and freedom taking into account (a) the nature of the right; (b) the importance of purposes of the limitation; (c) the nature and extent of the limitation; (d) the relation between the limitation and its purpose; and (e) less restrictive means to achieve the purpose'*. Hence Sections 25(4), (5) and (8) on the imperative of land reform, its national interest status and its override of rights, provided it's generally applicable underscores the importance of land reform and accelerating equitable access.

The envisaged policies towards limiting access to land by South Africans with excessive land holdings and foreign nationals and juristic persons ought to be weighed against the stated importance and compulsion upon the state in Sections 25(4), (5) and (8) addressed above. These define the nature and significance of land.

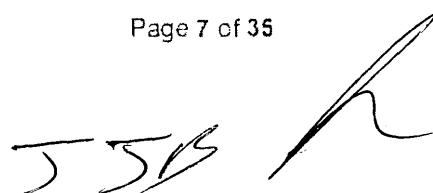
### 1.3 THE PRINCIPLES AND STRATEGIC THRUST OF THE GREEN PAPER ON LAND REFORM

In 2011, the Green Paper on Land Reform provided for a single land tenure framework, integrating the current multiple forms of land ownership - communal, state, public and private - into *'a single 4-tier tenure system'*:

- 1.3.1 State and public land: Leasehold;
- 1.3.2 Privately owned land: Freehold, with limited extent;
- 1.3.3 Land owned by Foreigners. Freehold, but Precarious Tenure, with obligations and conditions to comply with; and
- 1.3.4 Communally owned land: Communal Tenure, with institutionalised use rights.

The principles and the strategic thrust underlying land reform, as set out in the Green Paper on Land Reform, are deracialising the rural economy; democratizing the allocation and use of land across gender, race and class; and sustained production discipline for food security (and food sovereignty).

The strategic thrust, also set out in the Green Paper, is that land reform should be pursued with minimal disruption to food production and based in



the agrarian transformation strategy. Agrarian transformation refers to the '*rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, cropping and community*'. The first part of the strategy deals with building the person, the household and the community. This focuses primarily on dealing with basic human needs and providing the required social infrastructure for improved access to services. This part of the strategy also includes community building, organisational and skills development initiatives.

The issue of land forms the basis of development in many rural areas as well as commercial farm land in South Africa and therefore an essential part of the strategy includes the implementation of an improved land tenure system. The other two components of the strategy dealing with livestock and cropping are directly linked to the growth of the rural economy and focuses on the provision of the required economic infrastructure as well as development of entrepreneurs and improved market access and credit facilities. In addition these two components also deal with the recapitalisation of all farms acquired through land reform so as to ensure improved food security for South Africa.

#### 1.4 THE NATIONAL DEVELOPMENT PLAN AND THE MEDIUM TERM STRATEGIC FRAMEWORK

Land reform within the context of the National Development Plan (2012) is accorded the daunting task of ensuring that economic growth and integration is facilitated as an intended outcome of land and agrarian reform. Poverty alleviation and job creation are therefore key hallmarks that will measure the success of land reform. The NDP land reform proposals are aligned with the Medium Term Strategic Framework (2014-19) on (a) sustainable land reform (agrarian transformation); (b) improved food security; and (c) smallholder farmer development and support (technical, financial, infrastructure) for agrarian transformation.

Within the MTSF period (2014-19), this Policy will seek to promote conditions which enable the previously disadvantaged persons to gain access to land on an equitable basis and also promote agricultural production and capital investment in rural areas in particular.

## 2. SCOPE

2.1 This Policy applies to all immovable assets for which the Department has legal title and which fall under the following categories:

2.1.1 Former South African Development Trust (SADT) immovable assets and those which previously vested in the former homelands (Gazankulu, Lebowa, KaNgwane, KwaNdebele, QwaQwa, Transkei, Bophuthatswana, Venda and Ciskei), except those immovable assets

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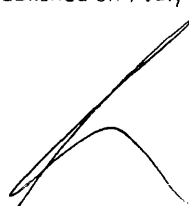
which were assigned or vest in other authorities in terms of specific legislation;

- 2.1.2 Immovable assets acquired in terms of the Land Reform: Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993) for achieving the objectives of the Proactive Land Acquisition Strategy (PLAS).
  - 2.1.3 Immovable assets transferred from other government departments for land reform purposes;
  - 2.1.4 Immovable assets acquired in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994) and temporarily held by the Department for future transfer to claimants.
  - 2.1.5 Immovable assets held by the Minister, in trust for traditional communities, as provided in relevant title deeds.
  - 2.1.6 Some immovable assets which may have been acquired and transferred to National Government as part of asset forfeiture proceedings involving the Asset Forfeiture Unit.
- 2.2 This Policy shall be implemented and adhered to by all officials involved with any activity relating to leasing of Departmental immovable assets.

### 3. LEGISLATIVE MANDATE

- 3.1 The laws discussed in this paragraph are only those which are regarded as core in the performance of immovable asset management functions.
- 3.2 As indicated above, the Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996) enjoins the State to take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis. The provisions of this Policy are consequently about access and equity as opposed to revenue generation.
- 3.3 The State Land Disposal Act, 1961 (Act No 48 of 1961) empowers the President to, amongst other things, lease State land. These powers were assigned<sup>1</sup> to the predecessor to the Minister of Rural Development and Land Reform in July 1995 in respect of land located in former homelands. The powers therefore vest in the Minister of Rural Development and Land reform in succession.

<sup>1</sup> See Notice No. 1012 of 1995 in Government Gazette No. 16511 Published on 7 July 1995.

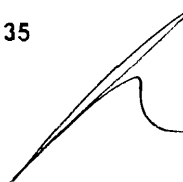
- 3.4 The Land Reform: Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993), empowers the Minister to, amongst other things, lease any property contemplated in the said Act. The land acquired to further the objectives of the Proactive Land Acquisition Strategy is leased in accordance with the provisions of this Act.
- 3.5 The Restitution of Land Rights Act, 1994 did not envisage the possibility of land acquired in terms of that Act being retained by the State for a longer period hence it does not have land administration related provisions. The only authority for the administration of this land can be located in the Public Finance Management Act, 1999 (Act No. 1 of 1999).
- 3.6 Section 38 of the Public Finance Management Act, 1999 deals with General Responsibilities of Accounting Officers. The said responsibilities include;
- 3.6.1 Effective, efficient, economic and transparent use of the resources of the department<sup>2</sup>;
- 3.6.2 Taking effective and appropriate steps to collect all money due to the department<sup>3</sup>; and
- 3.6.3 Responsibility for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities of the department<sup>4</sup>.
- 3.7 Similar responsibilities are also imposed to other officials by section 45 of the Public Finance Management Act, 1999.
- 3.8 It should be noted that the Public Finance Management Act, 1999 does not define the word "resources" and the word "assets". The Concise Oxford Dictionary defines a resource as a stock or supply of materials or assets. As the word "assets" generally refer to both movable and immovable assets, it is safely construed in this Policy that land acquired through the Restitution of Land Rights Act, 1994 is administered in terms of section 38 of the Public Finance Management Act, 1999.
- 3.9 As already implied above, land acquired through the Restitution of Land Rights Act, 1994 is managed in accordance with directives and policies

<sup>2</sup> Section 38(1)(b).

<sup>3</sup> Section 38(1)(c)(i).

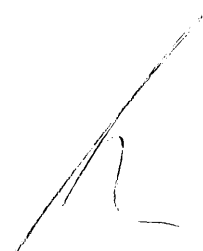
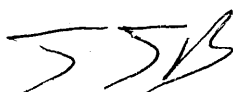
<sup>4</sup> Section 38(1)(d).

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approved by the Accounting Officer from time to time. Any policy relating to the administration of the subject land which is approved by the Minister after being supported, in writing, by the Accounting Officer shall be presumed to have been approved or issued by the Accounting Officer in terms of the Public Finance Management Act, 1999.

- 3.10 The Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007) mainly provides a uniform framework for the management of immovable assets that are held or used by national or provincial departments. It also seeks to ensure coordination of the use of immovable assets with service delivery objectives of national and provincial departments. The provisions of this policy have consequently been designed in a manner that seeks to adhere to immovable asset management principles provided in the said Act.



## CHAPTER 2

## AGRICULTURAL LEASES

**4. THE NATIONAL DEVELOPMENT PLAN ON AGRICULTURE AND LAND REFORM**

The National Development Plan (NDP) boldly states that rural economies will be supported by, amongst other things, agriculture. Its vision 2030 includes better integration of the country's rural areas, achieved through successful land reform, infrastructure development, job creation and poverty alleviation.

The NDP further asserts that underdevelopment in the former homelands should be confronted through agricultural development, improved land management, infrastructure and targeted support to rural women. Having recognised agriculture as the primary economic activity in rural areas, it then projects that agriculture has the potential to create close to 1 million new jobs by 2030, which is a significant contribution to the overall employment target. The use of some underused land in communal areas and land-reform projects for commercial production is proposed as part of the interventions that will lead to the creation of 1 million new jobs by 2030.

In dealing with jobs and livelihoods in communal areas, the NDP proposes a stepped programme of financing for land reform farmers. *'This can be achieved through giving successful applicants a rent-free probation for two or three years. If farmers prove capable, they will move to a long-term lease of about 40 years with the full commercial rental phased in over four years. Part of the rental fee applied to a sinking fund held at the Land Bank will eventually give them full title'*. Whilst this proposal is in relation to communal areas, it is argued that the same approach can be applied elsewhere, outside communal areas, and achieve the same results or more. This policy consequently provides for a rent free five year period for qualifying farmers.

**5. CATEGORIES OF FARMERS AND OTHER PERSONS IN THE AGRICULTURE SPACE**

The land reform programme is understood as referring to land redistribution; land restitution; land tenure reform and land development. It is premised on the principles of de-racialising the rural economy; democratic and equitable land allocation and use across race, gender and class; and sustained production discipline towards guaranteed food security.

At a very specific level, land reform seeks to contribute to the decongestion of communal areas, provide secure on or off farm settlement, provide access to land for food security and sustainable livelihoods for individuals and groups in various settings and also support the development of agricultural and other land-based



commercial enterprises. In an endeavour to achieve these noble objectives, this policy departs from the premise that farmers aren't homogeneous. It acknowledges that farmers, whether subsistence or commercial, have different needs and are at different levels of development in terms of technical capacity (farming, business management and marketing), access to resources and willingness to take risks.

This policy adopts a more targeted approach that seeks to create developmental pathways appropriate to the different categories of farmers and other persons. This approach seeks to address food security and social justice issues at the lower level (Category 1) and provides the very poor with the opportunity to gain initial access to land to make a start with farming and other land uses.

At a second level (Category 2), this categorization approach seeks to address the needs of persons that have had access to limited extents of land and have been producing for subsistence purposes but who want to expand their operations.

At a third level, the categorization approach enables qualifying emerging farmers (Category 3) to obtain access to land at a level that they can manage, in order to expand their existing commercial production on land (with sufficient support). At the same time, it addresses the transformation of agriculture through giving opportunities to existing and qualifying commercial farmers (Category 4).

The different categories of farmers are defined below as:

- Category 1:** Households with no or very limited access to land, even for subsistence production.
- Category 2:** Small-scale farmers who have been farming for subsistence purposes and selling part of their produce on local markets. This may be land in the communal areas, on commercial farms, on municipal commonage or on church land.
- Category 3:** Medium-scale commercial farmers who have already been farming commercially at a small scale and with aptitude to expand, but are constrained by land and other resources
- Category 4:** Large-scale or well established commercial farmers who have been farming at a reasonable commercial scale, but are disadvantaged by location, size of land and other resources or circumstances, and with real potential to grow.

The adopted categorization approach envisages that farmers may graduate from one category to the next. The initial land allocation should therefore take into account the likelihood of graduation and thus either allow for it in the land that is acquired and allocated, or anticipate that land that is acquired may be transitional



for a particular farmer. An example of this is that a number of livestock farmers may share a farm with different grazing camps allocated to each one of them. In the long term, however, it could be expected that as each farmer's stock numbers grow, they will graduate out of the farm onto a larger area of land with the farm either being kept for graduation purposes, or eventually being used by only one of the original group of farmers. A single farmer may therefore benefit more than once in terms of this policy. This shall however be balanced against the need to assist more qualifying farmers.

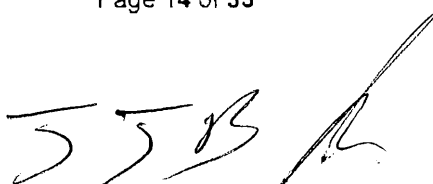
Any persons who is in Category 1 or is in transition from Category 1 to Category 2 at the time s/he enters into a lease agreement with the Department shall only become entitled to a long term lease without an option to purchase. On the other hand, any person who is already in Category 2 at the time of entering into a lease agreement with the Department and who intends to graduate to Category 3 shall qualify for a long term lease with an option to purchase.

Any persons who is already in Categories 3 or 4 shall automatically qualify for a long term lease with an option to purchase. The applicable conditions for the exercise of the option to purchase are provided in paragraph 22 below.

## 6. TARGET GROUP

The discussion in paragraph 5 above represents a sectoral segmentation of the target group.

- 6.1 The target group for agricultural leases shall be Africans, Indians and Coloureds. The African in this context includes persons from the first nations of South Africa.
- 6.2 Further priority, within the target group shall be given to women and the youth who either have basic farming skills or demonstrate a willingness to acquire such skills. Special attention shall be paid to the youth with experience or qualifications in the field of agriculture.
- 6.3 Military Veterans, as defined in the Military Veterans Act, 2011 (Act No. 18 of 2011) irrespective of their race, shall also be prioritised. This shall however exclude those who served in the Union Defence Force (prior to 1961) and the South African Defence Force (prior to 27 April 1994) who do not fall under the categories identified in 6.1 above.
- 6.4 Public Servants and their spouses shall not qualify to benefit from agricultural leases irrespective of them falling under any of the categories identified above. The lessee shall therefore sign a declaration to the effect that their spouse is not a civil servant and acknowledge that any misrepresentation in this regard constitutes a ground for immediate termination of the lease agreement.

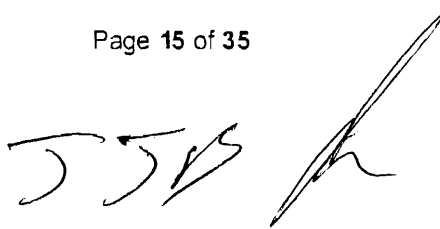


- 6.5 It often occurs that immovable assets acquired in terms of the Restitution of Land Rights Act, 1994 are transferred to the State as a result of claimants being unable, for a variety of reasons, to take transfer at that stage. Such occurrences are normally sudden and therefore not always carefully considered hence decisions on how the immovable assets and / or existing businesses should be taken care of are taken in rather urgent circumstances. The previous landowners normally become the immediately available persons who can keep acceptable levels of production until transfer to claimants is possible or until a suitable lessee could be found.
- 6.6 The target group criteria outlined above may therefore be relaxed in relation to immovable assets acquired for restitution purposes in those instances where the only viable option is considered to be a lease agreement with the previous land owner, who may be white. A motivation in this regard would be prepared by the Chief Director: Land Restitution Support for approval in accordance with 8.4 and 8.5 below.

## 7. SELECTION OF LESSEES

- 7.1 There shall be district level committees called District Beneficiary Selection Committees which shall screen all potential lessees and make recommendations to the Provincial Technical Committee<sup>5</sup>, which shall make final recommendations to the National Land Allocation and Recapitalization Control Committee. The functions of the District Beneficiary Selection Committee shall in future be assumed by the District Land Reform Committees or District Lands Committees envisaged in the NDP.
- 7.2 The District Beneficiary Selection Committee shall comprise of the:
- 7.2.1 DRDLR: District or Regional Office Manager; Head of Land Reform in the district, if such a person is different from the District / Regional Office Manager; relevant project officers / coordinators; a State Land Administration / Property Management official from the District / Regional Office or Provincial Office and such other officials appointed by the Director Land Reform from time to time;
- 7.2.2 Representative from a provincial department responsible for the agriculture function;

<sup>5</sup> Reference to this committee includes any other future name of the same structure provided that it performs the same function.



- 7.2.3 Representatives from a district municipality and a relevant local municipality;
  - 7.2.4 A representative from the Department of Agriculture, Forestry and Fisheries, where possible.
  - 7.2.5 Organized Agriculture;
  - 7.2.6 Representative from the Reference Group<sup>6</sup>;
  - 7.2.7 Commodity Organisations in the relevant area; and
  - 7.2.8 Any other member who may, in the opinion of the District Beneficiary Selection Committee, add value to its business.
- 7.3 The National Land Allocation and Recapitalization Control Committee (NLARCC) shall provide the District Beneficiary Selection Committee with, amongst other things;
- 7.3.1 General rules of operation which shall provide for reasonable notices of meetings, declaration of conflict of interest and quorum, provided that the absence of non-Departmental members shall not result in the absence of quorum. The general rules referred to here shall also provide for accurate record keeping by the District Beneficiary Selection Committee; and
  - 7.3.2 Guidelines containing a transparent and fair criteria for the assessment of lease applicants; and
- 7.4 All members of the District Beneficiary Selection Committee shall be appointed, in writing, by the Director: Land Reform. Non-departmental members of the committee shall be issued with appointment letters once their respective organisations have indicated their identity to the Director: Land Reform.
- 7.5 The recommended lessees should have been selected from an updated district database of potential lessees. Such a database shall be maintained by the Director: Land Reform.
- 7.6 In the absence of a district database of potential lessees, the Director: Land Reform shall apply transparent mechanisms to ensure that such a database exists. Such mechanisms may include advertisements in local newspapers.

<sup>6</sup> Members selected from the Land Reform Beneficiary Reference Group

7.7 Leases on immovable assets acquired for restitution purposes shall also be processed in accordance with this paragraph. There are no grounds for urgency that may justify a deviation since this process can be undertaken simultaneously or immediately prior to the commencement of conveyancing processes.

## 8. APPROVAL OF LEASES

- 8.1 All leases shall be approved by the Approval Authority in accordance with any existing delegation or assignment or power of attorney.
- 8.2 All documents that constitute proof of existing delegation or assignment of authority or function in relation to the signing of leases shall become **Appendices** to this Policy Document. Such documents however exclude isolated delegations which are given in individual lease applications.
- 8.3 All leases falling under this chapter shall be regarded to have commenced on the first date of the month in which they were signed and end on the last date regardless of such date falling on a weekend or public holiday and also regardless of the date of signature by the last signing party.
- 8.4 Leases which are 5 years or less on immovable assets acquired in terms of the Restitution of Land Rights Act, 1994 shall be approved by the Deputy Director General: Land Reform and Administration.
- 8.5 Leases which are longer than 5 years on immovable assets acquired in terms of the Restitution of Land Rights Act, 1994 shall be approved by the Director General. Such leases are however discouraged and shall only be approved in exceptional circumstances. The Director General shall be the only authority to determine whether such exceptional circumstances do exist, depending on the motivation submitted to her / him.
- 8.6 Leases on immovable assets acquired for restitution purposes shall be submitted to the Approval Authority immediately after they have been considered by the Provincial Technical Committee hence they shall not be submitted to the National Land Allocation and Recapitalization Control Committee.
- 8.7 All leases on immovable assets referred to in this Chapter, other than those referred to in 8.5 above, shall be signed by the Deputy Director General: Land Reform and Administration.
- 8.8 Should any change in the existing delegation of powers for approval of leases occur after the approval of this policy, the provisions of any document

providing for such change shall take precedence over the provisions of this paragraph.

8.9 The Chief Director Provincial Shared Service Centre shall ensure that all approved leases in the province are captured in the State Land Leasing Debtor System (SLLDS). The procedures to be followed in capturing leases in the SLLDS are outlined in **Appendix 1** of this Policy.

8.10 The Chief Director Provincial Shared Service Centre shall deliver signed copies of lease agreements to the Chief Director Financial Management Services and the Chief Director State Land Administration. In the case of PLAS immovable assets leases, copies shall also be sent to the Director PLAS.

## 9. RENTAL DETERMINATION

9.1 Treasury Regulations, issued in terms of the Public Finance Management Act, 1999 provide for the letting of immovable state property at market-related tariffs, excluding state housing for officials and political office bearers, unless the relevant treasury approves otherwise. The said regulations further provide that no state property may be let free of charge without the prior approval of the relevant treasury.

9.2 In seeking to address the provisions referred to in 9.1 above, the Department had previously determined rental at 6% of production value. Difficulties were however experienced in finding competent professionals to help determine production value. This policy position was entirely placed on an incorrect assumption that the Land and Agricultural Development Bank would supply sufficient expertise for this purpose. The assumption was indeed misplaced hence there was no delivery from the very beginning. This necessitated a shift to a market related rental, as provided in the Lease Management Policy of March 2009.

9.3 A market related rental has been unaffordable to land reform lessees since they generally start from a zero capital base. This makes it impossible for them to bring any agricultural enterprise to a point of profitability hence the default rate in rental payments constantly increase. By virtue of the target group starting from a point of material disadvantage as a result of lack of asset base and other resources, a special rental determination and payment dispensation is provided for in this Policy.

9.4 All lessees shall develop business plans, which will then form the basis for determination of rental. Such business plans shall be reviewed by the Provincial Technical Committee and approved by the NLARCC.

- 9.5 New and eligible lessees, excluding those mentioned in 9.7 below shall pay zero percent rental for the initial period of 5 years. During this period, they may be supported through the development component of the Recapitalisation and Development Programme, in accordance with an approved business plan.
- 9.6 In the event that the support provided by the Recapitalisation and Development Programme lasts for a period lesser than 5 years, the lessee shall become liable for rental from the beginning of April of the following year, irrespective of which month in a year the implementation of the business plan was finalised.
- 9.7 New and eligible lessees who are allocated immovable assets which operate as going concerns which require no immediate capital investment in terms of the Recapitalisation and Development Programme shall have their rental determined in accordance with 9.9 below and such rental shall be payable immediately upon commencement of implementation of the business plan.
- 9.8 Lessees who have valid operating leases at the time this Policy comes into effect shall have their rental percentage reviewed to 5% of projected annual net income, after 90 days of this Policy coming into operation. The first day shall be calculated from the first day of the month after the month in which the Minister appended his / her signature on this Policy Document. The projected annual net income referred to here shall be determined through a business or farm plan. Such plans shall be reviewed by the District Beneficiary Selection Committees, Provincial Technical Committee and approved by the NLARCC. In the event the business plan is not approved after 90 days of the approval of this Policy, the provisions of 11.3 below shall apply.
- 9.9 The rental rate for all leases falling under this chapter shall therefore be 5% of projected annual net income. In order to create certainty at commencement of the lease agreement and also to simplify revenue collection processes, the rental percentage shall always be based on projected net income, instead of actual net income. This will motivate the lessee to work towards achieving the projected income and any additional income shall serve as an incentive for the lessee to work harder and achieve more.

## 10. ESCALATION

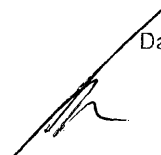
There shall be no annual escalation of rental since the rental amount is not fixed, but rather dependent on projected annual income, which may fluctuate from year to year

## 11. RENTAL PAYMENT

- 11.1 Rental shall be paid annually, in arrears. Any lessee who intends to pay monthly may do so, provided that such payment period is recorded in the original or amended lease agreement.
- 11.2 Where the nature of the crop does not allow annual harvesting, the rental shall become payable within a period of three months from the date the crop is expected to be harvested. This period shall always be projected from available information on crops of that nature so that lease agreements can be finalized timeously. Such a projection shall be contained in the business plan.
- 11.3 Liability for rental in respect of lessees who have valid leases at the time this Policy comes into operation shall be suspended only after 90 days of this Policy coming into effect until a business plan is developed and approved, which period shall not be later than 12 months from the date the suspension of rental payment came into effect. The 90 days period is meant to allow communication with lessees and prevent the possibility of subsequent claims by lessees on the basis of having paid when they already have an exemption in terms of the Policy.
- 11.4 Once the business plan is approved and the lessee duly notified of such approval, such lessee shall then become liable for payment, immediately upon the commencement of the implementation of such business plan provided that rental shall still be payable in accordance with 11.1 or 11.2 above.
- 11.5 Liability in this case is immediately upon commencement of business plan implementation since these lessees would have had the benefit of being in the Departmental leasing system long before the commencement of this Policy and also since rental payments shall become part of the financial projections of the enterprise.
- 11.6 Rental on immovable assets acquired for restitution purposes shall accrue to the State until the date of transfer to the claimants or until the date on which risks and rewards pass to claimants. If the date of passing of risks and rewards to claimants is prior to the date of transfer, such date shall be specified in the agreement envisaged in section 42D or Court Order envisaged in section 35 of the Restitution of Land Rights, 1994.

## 12. LEASE PERIOD

- 12.1 The lease period for all leases shall be 30 years, which may be renewable for another 20 years.

- 12.2 The initial 5 year period shall be treated as a probation period in which the performance of the lessee shall be assessed. This period may be extended in those instances where the relevant crop's production cycle only allows harvesting after 5 years. In such instances, the first two production cycles shall be treated as a probation period.
- 12.3 The Director: Land Reform shall keep a list of all lessees who are on probation.
- 12.4 The assessment of performance of lessees who are on probation shall mainly be based on their ability to implement their business plans. Other issues relating to compliance of the lessee with their lease agreements shall also be considered.
- 12.5 At the expiry of the initial 5 year period, the Director: Land Reform shall produce and present a report to the National Land Allocation and Recapitalization Control Committee on the reasons why the lessee should be removed from the list of lessees who are on probation.
- 12.6 In the event the lessee's performance is regarded by the NLARCC to be unsatisfactory, the probation period may be extended for a further 5 year period or the lease may be terminated. In either case, the Director: Land Reform shall inform the lessee, in writing, of the reasons for the extension of the probation period or for the termination of the lease agreement.
- 12.7 All lessees whose leases have reached a cumulative period of 50 years shall be eligible to apply for new leases altogether. Such applications should however be submitted at least within a period of 3 years prior to the expiry of the 20 year extension.

### 13. WATER USE CHARGES

- 13.1 A lessee may apply for water use authorization or water use license from the relevant water authority in relation to leased Departmental immovable assets.
- 13.2 In the event of the appropriate authority granting such a license or water use authorization, the lessee shall then become liable for payment of water use charges.
- 13.3 As a water use charge is a charge on land<sup>7</sup>, the Department may settle any debt arising out of water use on Departmental immovable assets and then recover from the lessee the cost in order to avoid litigation and costs escalation.

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<sup>7</sup> Section 60(1) of the National Water Act, 1998 (Act No. 36 of 1998).



13.4 Upon termination of a lease agreement or immediately prior to the very first lease agreement being signed, the Chief Director: Provincial Shared Service Centre shall ensure that all water use charges have been fully paid by the previous lessee or land owner and written confirmation from the relevant water use authority should be obtained.

#### 14. PROPERTY RATES

14.1 The Department is generally liable for property rates<sup>8</sup> on immovable assets falling under its custodianship, except in those instances where the Municipal Property Rates Act, 2004 (Act No. 6 of 2004) provides scope for another person to be considered liable.

14.2 Notwithstanding 14.1 above, a lessee who has a lease which is longer than 5 years shall become liable for property rates from the beginning of the 6<sup>th</sup> year. This shall also apply to lessees whose crop's production cycle only allows harvesting after 5 years, provided that the Department shall pay and recover that amount from the lessee.

14.3 Any spouse or dependent that is approved to take over a lease agreement after death of a lessee shall also be liable from the date the cumulative lease period<sup>9</sup> amounts to more than 5 years.

14.4 Lessees shall be obliged to pay property rates immediately upon receipt of invoices or at any other time arranged between them and relevant municipalities.

#### 15. IMPROVEMENTS

15.1 The lessee shall request permission from the Chief Director: Provincial Shared Service Centre, in writing, for any intended improvement. Such request shall declare the purpose of the intended improvement.

15.2 The Chief Director: Provincial Shared Service Centre shall, if the improvement is in his or her opinion justified, grant consent in writing.

15.3 Upon completion of construction, the lessee shall provide the Chief Director: PSSC with proof of expenditure incurred on any improvement which naturally appreciate in value and which contribute to the production of the farm.

<sup>8</sup> See Section 24 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004).

<sup>9</sup> The lease period of the deceased lessee added to that of the spouse or dependent.

15.4 If the improvement constitutes refurbishment of an existing structure that predates the commencement of the lease, the refurbishment costs shall be deducted from the value of the improvement when the immovable asset is sold to the lessee.

15.5 In the event the improvement was constructed by the lessee from scratch, the value of the whole improvement shall be deducted from the value of the immovable asset upon sale of such immovable asset to the lessee.

15.6 In the event the lease is terminated as a consequence of the actions or omissions of the lessee, the improvement shall become the property of the Department and no compensation shall be paid to the lessee for such improvement. If however the improvement can be removed without any ground damage or nuisance, the lessee shall be entitled to remove such improvement.

## 16. FIREBREAKS

16.1 The National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998) imposes an obligation on the owner of land to prepare and maintain firebreaks. The definition of the owner in this Act includes a lessee.

16.2 The lessee shall therefore be responsible for the preparation and maintenance of firebreaks and shall discharge all the obligations of the owner envisaged in the said Act. Such obligations shall include participation in a Fire Protection Association<sup>10</sup>.

## 17. ELECTRICITY CONNECTIONS AND CONSUMPTION COSTS

17.1 The Department shall, at its discretion and after taking the use of the immovable asset into consideration, take steps to get electricity connected to such asset. Expenditure for initial electricity connection costs shall therefore be incurred by the Department.

17.2 If there is an existing connection, the cost of opening an account with the relevant supplier shall also be borne by the Department. The lessee shall then pay all subsequent electricity consumption costs.

17.3 Should electricity supply be terminated as a result of the lessee's action or omission, reconnection fees shall remain the sole responsibility of the lessee.

<sup>10</sup> Association envisaged in section 3 of the National Veld and Forest Fire Act, 1998.

**18. MAINTENANCE OF OTHER INFRASTRUCTURE**

- 18.1 The Department shall ensure that farming units are accessible by road, except where the nature of the enterprise does not require any more than the main access road to the farm.
- 18.2 Minor day to day maintenance of farm roads shall be the responsibility of the lessee, whilst the Department shall assume responsibility for major road maintenance. Such maintenance may be carried out once in 5 years or within a reasonable period after natural disasters.
- 18.3 The Department shall ensure routine maintenance of boundary fences after 10 years of the erection of such fences.
- 18.4 Day to day repairs of boundary and internal fences shall be the responsibility of the lessee.

**19. INSURANCE**

- 19.1 All productive assets, including standing crop and/or trading stock, that contribute to continued production on a farm shall be insured by the lessee.
- 19.2 Any document that proves the existence of insurance shall be provided by the lessee prior to the expiry of the first production cycle, unless there's no existing productive asset that may be insured during that year.
- 19.3 Premiums payable during the first production cycle, may be paid from Recapitalisation and Development funds. This shall however be limited to farms which would be under Recapitalisation and Development support during that period.

**20. TERMINATION OF LEASES**

- 20.1 A lease agreement shall terminate in accordance with the provisions of such lease agreement.
- 20.2 A lease agreement shall also terminate upon death of a lessee. The surviving spouse or dependent shall enjoy the first preference in the event they elect to apply for a lease on the subject land.
- 20.3 The spouse or dependent referred to above should be eligible in terms of the requirements of this Policy and also in terms of the criteria prescribed by the NLARCC.
- 20.4 In the event of the surviving spouse or dependent not satisfying the criteria, the Provincial Technical Committee shall produce a report with recommendations for the Approval Authority to make a decision. Such a

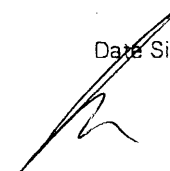
report shall include recommendations on steps that would need to be taken to place the applicants in a position that will make them eligible.

- 20.5 Except in circumstances described above, a lessee shall not cede its rights and obligations to any other person, except with the approval of the NLARCC.
- 20.6 Any subletting or cession on the part of the lessee shall constitute grounds for immediate termination of the lease agreement without any notification period to remedy the breach.

## 21. OPTION TO PURCHASE

- 21.1 As already mentioned above, only Categories 3 and 4 shall qualify for long term leases with option to purchase.
- 21.2 The lessee's right to exercise the option shall depend on:
- 21.2.1 Successful completion of the probation period;
- 21.2.2 Whether the lessee or farmer had expanded or at least maintained production on the land;
- 21.2.3 Whether the farmer had utilized the Recapitalization and Development or other funds according to the agreements and the Business Plan and where this had not taken place, whether the decisions that were made to revise the plan were economically justified and the funds appropriately utilized;
- 21.2.4 Whether the farmer complied with the terms of the lease agreement;
- 21.2.5 Where the farmer has been deemed, by the NLARCC, capable to independently manage his/her/its/their finances as well as market his/her/its/their produce; and
- 21.2.6 Whether the farmer consents to the State's right of first refusal being registered against the relevant title deed.
- 21.3 As noted in the Green Paper on Land Reform, State and Public land remain under Leasehold. The option to purchase provided in this chapter is therefore a concession granted to farmers just as an incentive for them to pursue production. In view of the fact that the option is only available to Category 3 and Category 4 farmers, it's therefore safe to assume that the landowning class will be better off, financially, in relation to persons falling under Category 1 and 2 who are more likely to be greater in numbers in relation to the land owning class. The sale value of the land should therefore

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not constitute a giveaway in view of the fact that this option is not available to all since it may inadvertently create new forms of land conflict in the country.

21.4 In the event of the option to purchase being realized, the immovable asset shall, in the light of 21.3 above, be sold at a market related price.

Minister's Initials GEN

Date Signed \_\_\_\_\_

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## CHAPTER 3

### COMMERCIAL DEVELOPMENTS

#### 22. INTRODUCTION

The Department, including its predecessors, has been routinely receiving long term lease applications for a variety of commercial enterprises in communal areas or in areas that previously fell under the control of Homelands. Such enterprises include mining; tourisms; entertainment; small shopping centres; big malls; township development for low, medium and high income groups; petrol filling stations; alternative energy sources and short term accommodation like hotels and bed and breakfast establishments.

The Government policy since 1994 recognised inhabitants of former homelands as rightful owners of the land they occupy, irrespective of how the ownership of such land may be reflected in the Deeds Registry. In recognition of the fact that the rights of such inhabitants may not be adequately protected in law, Parliament passed the Interim Protection of Informal Land Rights Act, 1996 in order to provide for the temporary protection of such rights.

In 1999 the Department approached National Treasury (then Department of State Expenditure) for general approval for proceeds of long term leases on communal land to be paid directly to the affected communities. This was approved and has remained the policy position of the Department since then. This seems to have created an attitude that the Department need not concern itself with up to date information on such leases since the immediate benefits were not directly accruing to the State. The effect is that the amount of investment that goes into communal areas as a consequence of these leases cannot be quantified. The question whether the lessees do comply with their lease obligations and whether the benefits do actually flow from the lessees to community entities and from community entities to the individual members of the community remains unknown. Whilst this chapter is intended to focus on procedural issues to be observed towards having long term lease on commercial developments approved, a separate investigation or policy discussion will be initiated with a view to address the shortcomings discussed here.

#### 23. TARGET GROUP

23.1 Unlike agricultural leases, commercial developments are highly dependent on the ability of the applicant to independently secure development finance. Such developments also have greater potential to benefit communities at a large scale in areas which were systematically marginalised for almost a century. This Policy has consequently taken a non-protectionist approach in order to encourage private sector investment in these areas.

23.2 There shall be no target group criteria for determining who may benefit under this chapter

23.3 The prospective lessee should simply demonstrate prospects for community participation in the intended enterprise. Such prospects need not be limited to potential employment but should also include the possibility of skills transfer and community shareholding in the enterprise.

23.4 Whilst existing sector specific Broad Based Black Economic Empowerment targets may be used for guidance, the commercial entity operating in a communal area should allocate a minimum of 10% free-rider shareholding in the operating entity.

#### 24. COMMUNITY PARTICIPATION

24.1 Where the envisaged development is to take place on land which, at any time prior to 27 April 1994, was allocated to a traditional community or other community, such community shall be consulted in accordance with procedures issued in terms of the Interim Protection of Informal Land Rights Act, 1996.

24.2 Where the envisaged development is to take place on land where certain natural persons have enjoyed informal rights to land, such persons shall also be consulted in accordance with the same procedures referred to at 24.1 above.

24.3 The land development applicant or prospective lessee shall initiate and manage the consultation process and incur all costs relating to the convening of consultation meetings.


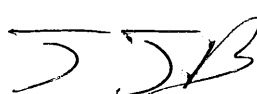
24.4 The Department shall assist the land development applicant or prospective lessee in identifying the correct community to be consulted, where such community exists.

#### 25. APPROVAL PROCESS

25.1 Commercial developments require land development approval by relevant land use regulation authorities or land development approval authorities.

25.2 The land development approval authorities routinely require, amongst other things, proof of tenure rights, proof of approval of environmental impact assessments or Records of Decisions or any plan of similar nature, proof regarding future provision of engineering and other services, approval of access to or egress from a national road and such other information required by empowering legislation.

- 25.3 Land development applicants have been frustrated by different authorities requiring another authority to have approved its part before it can also approve its part. The Department has also made these types of demands in the past and the effect is that no approval gets granted as the respective approvals are dependent on the other.
- 25.4 The Department shall, in view of 25.2 – 25.3, not require any prior approval from another authority for granting a lease for non-agricultural developments.
- 25.5 Where there is a possibility that the prospective lessee's land development application may not be approved, the Department shall approve either an option agreement or a long term lease containing a suspensive condition. The option or suspensive condition shall depend on the nature of the future event which the land development application is dependent on.
- 25.6 The approval of a land tenure right or long term lease shall be preceded by the consultation envisaged in 24 above, only in those instances where such consultation is applicable. Proof of such consultation shall be in the form of a resolution signed by all the persons who attended such a meeting.
- 25.7 All applications for land tenure rights or long term leases under this chapter shall be presented to a Provincial State Land Vesting and Disposal Committee (PSLVDC). The application to the said committee shall include:
- 25.7.1 a business plan or any other document that sufficiently describes the envisaged development;
- 25.7.2 An approved diagram of the development area or a diagram produced by a registered land surveyor, which should be in the process of being submitted or have already been submitted for examination by a Surveyor General;
- 25.7.3 A letter from the Regional Land Claims Commissioner or the Chief Director: Land Restitution Support indicating whether the development area or the parent property is not claimed in terms of the Restitution of Land Rights Act, 1994. Where the development area is claimed, the letter should contain an indication whether the claimants have been consulted and whether the approval of a long term lease will not jeopardise the future settlement of the claim;
- 25.7.4 A valuation report produced by a person entitled to practice and registered in terms of the Valuation Profession Act, 2000 (Act No. 47 of 2000) or a written opinion produced by an Estate Agent who is entitled to practice in terms of the Estate Agency Affairs Act, 1976; and





25.7.5 Proof or any information justifying the Department's legal title to the affected development area.

25.8 After a recommendation by the PSLVDC, the head of the relevant provincial office shall then process the application for approval by the Minister.

## 26. LEASE PERIOD

26.1 The lease period for all leases under this chapter shall be 30 years, which may be renewable for another 20 years.

26.2 Lessees may reapply for new leases altogether in the event they would still need a lease after the 50 year period. Such an application should however be submitted at least within a period of 3 years prior to the expiry of the renewed period.

## 27. RENTAL DETERMINATION

27.1 The general norm in commercial developments is that rental becomes a percentage of turnover. The difficulty in these situations is that the quantum remains unknown until the financials of the company are finalised. This poses a challenge since some of the community entities do not have the capacity to manage this and there's also no corresponding Departmental capacity to help communities with revenue collection in long term leases. A fixed rental calculation method has consequently been adopted since it provides certainty on the rental amount from the commencement of the lease.

27.2 The Department shall conduct a valuation of the development area in respect of each application, at the expense of the development applicant or prospective lessee. This shall take the form of the applicant instructing a valuer identified by the Department from the database of valuers.

27.3 In the event the valuation requires special knowledge which ordinarily falls outside of the property valuation profession, the property valuer shall procure such skill so as to ensure that there's only one comprehensive document to be relied on for purposes of determining rental.

27.4 The purpose of the valuation shall be to determine market related rental value of the development area. Market relatedness in this regard shall be determined through a comparison of the future land use with similar land uses elsewhere and rental prices paid in that specific industry. Such comparison may not be restricted by considerations of proximity to the proposed development area.

27.5 In the event the Head of a Property Management or State Land Administration Unit in the PSSC forms a view that the opinion of an ordinary property valuer would not be sufficient or relevant in view of the nature of the development concerned, the opinion of an estate agent who operates in that geographical area or closest geographical area, shall be sought.

27.6 In the event of the Department not being satisfied with the first opinion, it may seek another opinion at its own expense.

## 28. ESCALATION

Rental shall escalate by 10% per annum until reviewed by the Director General.

## 29. RENTAL PAYMENT

29.1 Rental for leases under this chapter shall be payable annually in advance.

29.2 Payment shall be due within a period of 3 months from the effective date hence interest may only be charged from the beginning of the 4<sup>th</sup> month from the effective date.

29.3 The effective date on all leases falling under this chapter shall be the first date of the month in which they were signed and the termination date shall always be at the end of the month regardless of such date falling on a weekend or public holiday and also regardless of the date of signature by the last signing party.

## 30. ELECTRICITY CONNECTIONS AND CONSUMPTION COSTS

30.1 The lessee shall open water and electricity accounts directly with appropriate authorities.

30.2 Electricity connection costs to the development area shall be the responsibility of the lessee.

30.3 Water and Electricity consumption costs shall also be the responsibility of the lessee.

## 31. PROPERTY RATES

The lessee shall be responsible for municipal property rates on the development area from the effective date.

## 32. OTHER COSTS

32.1 All land tenure rights or long term lease related costs shall be the responsibility of a prospective lessee or applicant.

32.2 The costs referred at 32.1 above shall include publication of notices for community consultation, property valuation, land surveying and registration of the lease agreement in any office of a Registrar of Deeds.

### 33. IMPROVEMENTS

33.1 The improvements shall, at the end of the lease, become the property of the relevant community or Department and no compensation shall be paid in respect of such improvement. Should the nature of the improvement require that it is demolished at termination of the lease agreement, the lessee shall take care of all demolition costs.

33.2 The improvement shall only become the property of the Department in those instances where the land is not allocated or legitimately used by any community.

### 34. ENVIRONMENTAL COMPLIANCE AT TERMINATION.

The lessee shall, at the final termination date, ensure that the development area and its immediate environment are in a condition that complies with any environmental legislation applicable in that area. The Department, as custodian, is not and shall not be considered liable for the lessee's actions and omissions in this regard.

### 35. MAINTENANCE

Maintenance of any improvement and infrastructure shall be the responsibility of the lessee, except such infrastructure which, by law should be provided and maintained by a State Organ.

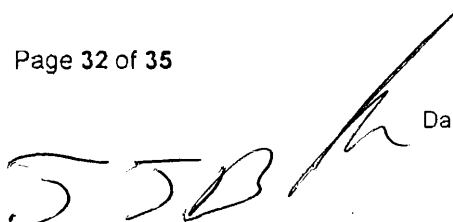
### 36. CESSION

36.1 A lessee may cede its rights and obligations with the prior written variation of the lease agreement, unless the Lease Agreement always contained a cession provision.

36.2 In the event the cession or any variation of the lease terms have the effect of materially changing the general terms agreed to during a Community Resolution meeting, the relevant community shall be consulted prior to such cession or variation being formalised and signed.

### 37. TERMINATION

A lease agreement shall terminate in accordance with the provisions of such lease agreement.



## CHAPTER 4

### CARETAKER ARRANGEMENTS

#### 38. CARETAKER AGREEMENTS

- 38.1 Caretaker agreements shall be used sparingly and mainly on land referred to in Chapter 2 above.
- 38.2 Caretaker agreements shall always be treated as temporary measures to ensure that the property is looked after, whilst a lessee has not yet been selected.
- 38.3 Caretaker agreements may also be used on land referred to in Chapter 3 in those instances where reasonable suspicions exist that the security of the land will be compromised, unless a caretaker is appointed.
- 38.4 As caretaker arrangements may result in the deterioration of the property, such arrangements shall therefore be limited to a maximum of 12 months.
- 38.5 No caretaker agreement may be extended for any period beyond 12 months.
- 38.6 No caretaker agreement shall contain any provision for any form of payment by the caretaker to the Department.

#### 39. APPROVAL

- 39.1 The Chief Director: Provincial Shared Service Centre shall approve and sign caretaker agreements after being provided with a written motivation regarding why such agreement is necessary.
- 39.2 The written motivation shall be filed together with the caretaker agreement and shall be an annexure to it.
- 39.3 The appointed caretaker should have been recommended by the District Beneficiary Selection Committee and the Provincial Technical Committee, so as to ensure that such a caretaker has reasonable capacity to take care of the relevant property.

## CHAPTER 5

LETTING OF LAND TO LABOUR TENANTS, OCCUPIERS AND OTHER  
PERSONS WITH LIMITED OR INSECURE TENURE

40. A labour tenant<sup>12</sup> may have applied for award of land defined in section 16(1)(a) – (d) of the Land Reform (Labour Tenants) Act, 1996, provided that such application was submitted by no later than 31 March 2001.
41. In the event that the labour tenant's application is uncontested and such land is subsequently acquired by the Department for purposes of settling the labour tenant's application, such land shall only be leased to the labour tenants on a long term lease basis at a nominal rental of R 1.00 per annum.
42. Labour tenants or former labour tenants may however apply for leases on any Departmental land, other than land acquired for purposes of settling applications submitted to the Director General in terms of section 17 of the Land Reform (Labour Tenants) Act, 1996. Where labour tenants or former labour tenants submit such lease applications, they will have to comply with the provisions of the relevant chapters of this Policy.
43. Occupiers<sup>13</sup> who need long term security of tenure are, in terms of section 4(1) and (2) of the Extension of Security of Tenure Act, 1997 (Act No. 62 of 1997)

<sup>12</sup> 'labour tenant' means a person-

- (a) who is residing or has the right to reside on a farm;
- (b) who has or has had the right to use cropping or grazing land on the farm, referred to in paragraph (a), or another farm of the owner, and in consideration of such right provides or has provided labour to the owner or lessee; and
- (c) whose parent or grandparent resided or resides on a farm and had the use of cropping or grazing land on such farm or another farm of the owner, and in consideration of such right provided or provides labour to the owner or lessee of such or such other farm,

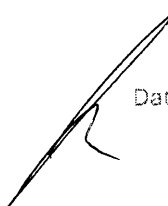
including a person who has been appointed a successor to a labour tenant in accordance with the provisions of section 3 (4) and (5), but excluding a farmworker;

<sup>13</sup> 'occupier' means a person residing on land which belongs to another person, and who has or on 4 February 1997 or thereafter had consent or another right in law to do so, but excluding-

- (a) .....

[Para (a) substituted by s. 20 (b) of Act 61 of 1998 and deleted by s. 6 (a) of Act 51 of 2001.]

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entitled to apply for subsidies to acquire land or rights in land and for the development of land occupied or to be occupied in terms of on-site<sup>14</sup> or off-site developments<sup>15</sup>.

44. In the event that the Department may have acquired or acquires land for purposes of processing the type of application envisaged in the sections cited at 38 above, such land shall only be leased to the Occupiers on a long term lease basis at a nominal rental of R 1.00 per annum.
45. Persons who fall within Category 1 and those who graduate from Category 1 to 2, as defined in Chapter 2 of this Policy shall also qualify to apply for long term leases at nominal rental of R 1.00 per annum.

(b) a person using or intending to use the land in question mainly for industrial, mining, commercial or commercial farming purposes, but including a person who works the land himself or herself and does not employ any person who is not a member of his or her family; and

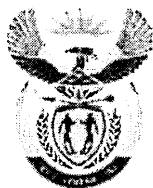
(c) a person who has an income in excess of the prescribed amount

<sup>14</sup> 'on-site development' means a development which provides the occupants thereof with an independent tenure right on land on which they reside or previously resided

<sup>15</sup> 'off-site development' means a development which provides the occupants thereof with an independent tenure right on land owned by someone other than the owner of the land on which they resided immediately prior to such development





**JB31****rural development  
& land reform**

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

**STATE LAND LEASE AND DISPOSAL POLICY**

**THIS POLICY REPLACES ALL EXISTING POLICIES ON THE LEASING OF IMMOVABLE ASSETS OF THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM. IT ALSO TAKES PRECEDENCE OVER ANY OTHER DEPARTMENTAL POLICY THAT CONTAINS ANY PROVISION ON LEASING OF IMMOVABLE ASSETS.**

**EFFECTIVE DATE:**

The effective date of this Policy shall be the date of signature.

A small, stylized handwritten mark or signature, possibly a monogram or initials.

A large, stylized handwritten signature, possibly reading 'JJB' followed by a flourish.

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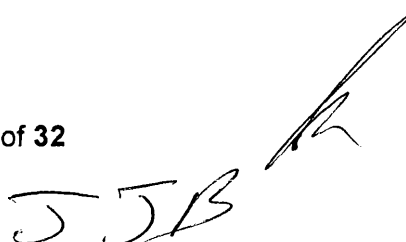


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## DEFINITION OF TERMS

- i. The meaning of words or terms which are defined in this document is operative only in the context of this document and shall supersede any other meaning provided elsewhere.
- ii. All policy statements articulated in this document are mainly applicable to the Department of Rural Development and Land Reform (DRDLR) hence no continuous citation of the name of the said department is necessary in the body of this document.
- iii. Any citation of a law without the words, "as amended", refers to the latest version of that law, including amendments.
- iv. **Agricultural Leases** refer to lease arrangements that provides for the use of property for agricultural purposes, including the processing of raw agricultural products.
- v. **Approval Authority** means any person who has authority to approve leases in terms of existing delegation or power of attorney issued in terms of laws referred to in this Policy.
- vi. **Approved Business Plan** means an agricultural business plan that has been approved by the National Land Allocation and Recapitalisation Control Committee.
- vii. **Development Period** means the period when the lessee is undertaking town planning or rezoning processes to make the relevant land parcel fit for purpose. This period includes construction up to the date of issuing of occupation certificate by a relevant authority.
- viii. **Informal Right to Land** means the land use rights or occupation rights or land access rights envisaged in the Interim Protection of Informal Land Rights Act, 1996 (Act No. 31 of 1996).
- ix. **Land Tenure Right** means leasehold or any long term lease.
- x. **Leasehold** means the right to hold or use property for a fixed period of time at a given price, without transfer of ownership, on the basis of a written lease contract.
- xi. **Long Term Lease** means any lease which is 10 years or longer.
- xii. **Market Value** means the price that a property might be expected to bring if offered for sale in a fair market. Such price shall have been determined by a professional valuer.
- xiii. **Non Agricultural Leases** mean any lease arrangement that provides for the use of property for a purpose that excludes activities which may fall within the definition of agriculture.

- xiv. **Option Agreement** means an agreement between two parties whereby, in exchange for a fee, one of the parties has the right but not the obligation, up to a specified date or event, to lease a property.
- xv. **Previously disadvantaged persons** mean South African Citizens who are racially classified as African, Coloured and Indian.
- xvi. **Property** means land and immovable assets to it.
- xvii. **Provincial State Land Vesting and Disposal Committee** means an intergovernmental committee established by various State land custodians at provincial level to consider, amongst other things, vesting and land disposal applications.
- xviii. **Public Servants** means State employees, employed under any national or provincial legislation; municipal employees; public representatives at national provincial and local levels; traditional leaders who are recognized under any legislation; employees of any company or entity where Government of the Republic of South Africa is a majority shareholder or where a provincial government is a majority shareholder or where a municipality is a majority shareholder; employees of any company or entity that has been created by an Act of Parliament.
- xix. **Reference to a position or post description e.g. Director: Land Acquisition** Any reference to any position or post description refers to that post as on the date of approval of this Policy. Should the functions of that post be assigned to another position, such reference shall be construed to be relating to the new position.
- xx. **Spouse** means a partnership in a civil or religious or customary marriage. This includes partners who live together as if they are married.
- xxi. **State Land Leasing System** means the Spatial Module of the web based State Land Leasing System.



## 1. POLICY CONTEXT

### 1.1 REVERSING THE LEGACY OF SOUTH AFRICA'S RACIALLY DISCRIMINATORY HISTORY

The root of the land question today arises out of the pervasive process of land alienation that dispossessed the majority of South Africans of their land over the past centuries. The 1913 Natives Land Act was the first of a number of discriminatory laws that reinforced the massive dispossession of land from black South Africans.

The formulation of this policy forms part of Government's commitment to implement a Land Redistribution Programme that seeks to address historical exclusion, inequitable access to land, insufficient participation in the agrarian economy; and household food insecurity.

### 1.2 THE CONSTITUTION

Section 25(5) provides that, "The state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis". In a context wherein the majority of citizens still do not have equitable access to land, this constitutional promise still remains an imperative. This policy therefore constitutes "other measures" referred to in the Constitution.

### 1.3 THE NATIONAL DEVELOPMENT PLAN

Land reform within the context of the National Development Plan (2012) is accorded the daunting task of ensuring that economic growth and integration is facilitated as an intended outcome of land and agrarian reform. Poverty alleviation and job creation are therefore key hallmarks that will measure the success of land reform.

## POLICY IMPLEMENTATION MEASURES

## 2. POLICY SCOPE

2.1 This Policy applies to all immovable assets for which the DRDLR has legal title and which fall under the following categories:

2.1.1 Former South African Development Trust (SADT) immovable assets and those which previously vested in the former homelands (Gazankulu, Lebowa, KaNgwane, KwaNdebele, QwaQwa, Transkei, Bophuthatswana, Venda and Ciskei), except those immovable assets which were assigned or vest in other authorities in terms of specific legislation;

2.1.2 Immovable assets acquired in terms of the Land Reform: Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993) for achieving the objectives of the Proactive Land Acquisition Strategy (PLAS).

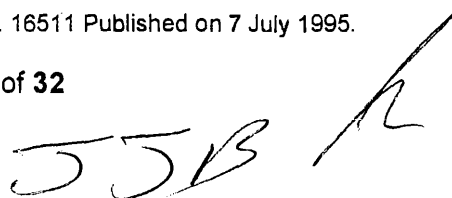
- 2.1.3 Immovable assets transferred from other government departments for land reform purposes;
  - 2.1.4 Immovable assets acquired in terms of the Restitution of Land Rights Act, 1994 (Act No. 22 of 1994) and temporarily held by the DRDLR for future transfer to claimants.
  - 2.1.5 Immovable assets held by the Minister, in trust for traditional communities, as provided in relevant title deeds.
  - 2.1.6 Some immovable assets which may have been acquired and transferred to National Government as part of asset forfeiture proceedings involving the Asset Forfeiture Unit.
- 2.2 This Policy shall be implemented and adhered to by all officials involved with any activity relating to leasing of DRDLR's immovable assets.

### 3. APPLICABLE LEGISLATION

- 3.1 The laws discussed in this paragraph are only those which are regarded as core in the performance of immovable asset management functions.
- 3.2 The Constitution of the Republic of South Africa Act, 1996 (Act No. 108 of 1996) enjoins the State to take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis. The provisions of this Policy are consequently about access and equity as opposed to revenue generation.
- 3.3 The State Land Disposal Act, 1961 (Act No 48 of 1961) empowers the President to, amongst other things, lease State land. These powers were assigned<sup>1</sup> to the predecessor to the Minister of Rural Development and Land Reform in July 1995 in respect of land located in former homelands. The powers therefore vest in the Minister of Rural Development and Land Reform in succession.
- 3.4 The Land Reform: Provision of Land and Assistance Act, 1993 (Act No. 126 of 1993), empowers the Minister to, amongst other things, lease any property contemplated in the said Act. The land acquired to further the objectives of the Proactive Land Acquisition Strategy is leased in accordance with the provisions of this Act.
- 3.5 The Restitution of Land Rights Act, 1994 did not envisage the possibility of land acquired in terms of that Act being retained by the State for a longer period hence it does not have land administration related provisions. The only authority for the administration of this land can be located in the Public Finance Management Act, 1999 (Act No. 1 of 1999).



<sup>1</sup> See Notice No. 1012 of 1995 in Government Gazette No. 16511 Published on 7 July 1995.

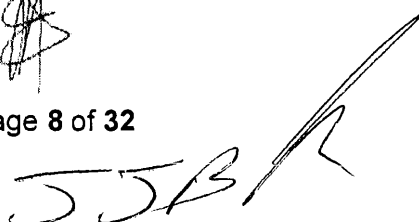


- 3.6 Section 38 of the Public Finance Management Act, 1999 deals with General Responsibilities of Accounting Officers. The said responsibilities include;
- 3.6.1 Effective, efficient, economic and transparent use of the resources of the department<sup>2</sup>;
  - 3.6.2 Taking effective and appropriate steps to collect all money due to the department<sup>3</sup>; and
  - 3.6.3 Responsibility for the management, including the safeguarding and the maintenance of the assets, and for the management of the liabilities of the department<sup>4</sup>.
- 3.7 Similar responsibilities are also imposed to other officials by section 45 of the Public Finance Management Act, 1999.
- 3.8 Treasury Regulations, issued in terms of the Public Finance Management Act, 1999 provide for the letting of immovable state property at market-related tariffs, excluding state housing for officials and political office bearers, unless the relevant treasury approves otherwise. The said regulations further provide that no state property may be let free of charge without the prior approval of the relevant treasury.
- 3.9 It should be noted that the Public Finance Management Act, 1999 does not define the word "resources" and the word "assets". The Concise Oxford Dictionary defines a resource as a stock or supply of materials or assets. As the word "assets" generally refer to both movable and immovable assets, it is safely construed in this Policy that land acquired through the Restitution of Land Rights Act, 1994 is administered in terms of section 38 of the Public Finance Management Act, 1999.
- 3.10 As already implied above, land acquired through the Restitution of Land Rights Act, 1994 is managed in accordance with directives and policies approved by the Accounting Officer from time to time. Any policy relating to the administration of the subject land which is approved by the Minister after being supported, in writing, by the Accounting Officer shall be presumed to have been approved or issued by the Accounting Officer in terms of the Public Finance Management Act, 1999.
- 3.11 The Government Immovable Asset Management Act, 2007 (Act No. 19 of 2007) mainly provides a uniform framework for the management of immovable assets that are held or used by national or provincial departments. It also seeks to ensure coordination of the use of immovable assets with service delivery objectives of national and provincial departments. The provisions of this policy have consequently been designed in a manner that seeks to adhere to immovable asset management principles provided in the said Act.

<sup>2</sup> Section 38(1)(b).

<sup>3</sup> Section 38(1)(c)(i).

<sup>4</sup> Section 38(1)(d).



## AGRICULTURAL LEASES

### 4. CATEGORIES OF FARMERS IN THE AGRICULTURE SPACE

The land reform programme is understood as referring to land redistribution; land restitution; and land tenure reform. It is premised on the principles of de-racialising the rural economy; equitable land allocation and use across race, gender and class.

At a very specific level, land reform seeks to contribute to the decongestion of communal areas, provide secure on or off farm settlement, provide access to land for food security and sustainable livelihoods for individuals and groups in various settings and also support the development of agricultural and other land-based commercial enterprises. In an endeavour to achieve these noble objectives, this policy departs from the premise that farmers aren't homogeneous. It acknowledges that farmers, whether subsistence or commercial, have different needs and are at different levels of development in terms of technical capacity (farming, business management and marketing), access to resources and willingness to take risks.

This policy adopts a more targeted approach that seeks to create developmental pathways appropriate to the different categories of farmers and other persons. This approach seeks to address food security and social justice issues at the lower level (Category 1) and provides the very poor with the opportunity to gain initial access to land to make a start with farming and other land uses.

At a second level (Category 2), this categorization approach seeks to address the needs of persons that have had access to limited extents of land and have been producing or who intend to produce for subsistence purposes.

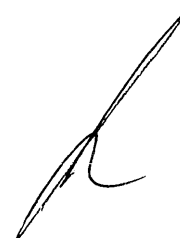
At a third level, the categorization approach enables qualifying emerging farmers (Category 3) to obtain access to land at a level that they can manage, in order to expand their existing commercial production on land (with sufficient support). At the same time, it addresses the transformation of agriculture through giving opportunities to existing and qualifying commercial farmers.

It is acknowledged that there could be more categories of commercial farmers that are more advanced than Category 3. Such categories are deemed to require no special mention in this policy since they will be treated on the same basis as Category 3. The different categories of farmers are defined below as:

**Category 1:** Households with no or very limited access to land, even for subsistence production.

**Category 2:** Small-scale farmers who are farming or intend to farm for subsistence purposes. They may be or may not be selling some of their produce in local markets.

SJB



**Category 3:** Small-scale farmers who have been farming at a subsistence level, selling part of their produce in local markets, have gained reasonable experience to farm commercially and/or who intend to graduate to Category 3; Medium to large-scale commercial farmers who have already been or intend farming commercially at various scales, but are disadvantaged by location, size of land and other resources or circumstances, and with real potential to grow as determined by Beneficiary Selection Policy.

The adopted categorization approach envisages that farmers may graduate from one category to the next. The initial land allocation should therefore take into account the likelihood of graduation and thus either allow for it in the land that is acquired and allocated, or anticipate that land that is acquired may be transitional for a particular farmer. An example of this is that a number of livestock farmers may share a farm with different grazing camps allocated to each one of them. In the long term, however, it could be expected that as each farmer's stock numbers grow, they will graduate out of the farm onto a larger area of land with the farm either being kept for graduation purposes, or eventually being used by only one of the original group of farmers. A single farmer may therefore benefit more than once in terms of this policy. This shall however be balanced against the need to assist more qualifying farmers.

Any person who is in Category 1 or is in transition from Category 1 to Category 2 at the time he/she enters into a lease agreement with the DRDLR shall only become entitled to a long term lease without an option to purchase. On the other hand, any person who is already in Category 2 at the time of interacting with the DRDLR and who intends to graduate to Category 3 shall be treated as a Category 3 farmer and shall qualify for a long term lease with an option to purchase subject to the NLAACC approval.

Any person who is already in Categories 3 shall automatically qualify for a long term lease with an option to purchase. The applicable conditions for the exercise of the option to purchase are provided in paragraph 19 below.

## 5. TARGET GROUP

The discussion in paragraph 4 above represents a sectoral segmentation of the target group.

- 5.1 The target group for agricultural leases shall be Africans, Indians and Coloureds, who are South African citizens. The African in this context includes persons from the first nations of South Africa.
- 5.2 Further priority, within the target group shall be given to women and the youth who either have basic farming skills or demonstrate a willingness to acquire such skills. Special attention shall be paid to the youth with experience or qualifications in the field of agriculture.
- 5.3 Military Veterans, as defined in the Military Veterans Act, 2011 (Act No. 18 of 2011) irrespective of their race, shall also be prioritised. This shall however exclude those who served in the Union Defence Force (prior to 1961) and the



South African Defence Force (prior to 27 April 1994) who do not fall under the categories identified in 5.1 above.

- 5.4 Public Servants and their spouses shall not qualify for agricultural leases regardless of them falling under any of the categories identified above. This exclusion does not affect lessees or persons who were officially authorised to take occupation of State immovable assets or property prior to 25<sup>th</sup> July 2013. The word "occupation" in this context, means physical residence or continued use of the property with the permission of the DRDLR or its predecessor despite the expiry of any agreement that would have given rise to occupation.
- 5.5 Public Servants who undertake to resign from public duty upon being allocated a farm must, prior to their application being considered, submit an affidavit which discloses their status as public servants and undertake to terminate any relationship that creates the public duty. Such a relationship shall be terminated immediately after the decision to allocate the farm has been taken by the relevant authority, but prior to the signing of the lease agreement and occupation of the premises. If the relationship that creates a public duty requires them to serve notice for a particular period, such notice period must have lapsed at the time of the lease coming into effect and them taking occupation of the premises.
- 5.6 It often occurs that immovable assets acquired in terms of the Restitution of Land Rights Act, 1994 are transferred to the State as a result of claimants being unable, for a variety of reasons, to take transfer at that stage. Such occurrences are normally sudden and therefore not always carefully considered hence decisions on how the immovable assets and / or existing businesses should be taken care of are taken in rather urgent circumstances. The previous landowners normally become the immediately available persons who can keep acceptable levels of production until transfer to claimants is possible or until a suitable lessee could be found. The target group criteria outlined above may therefore be relaxed in relation to immovable assets acquired for restitution purposes in those instances where the only viable option is considered to be a lease agreement with the previous land owner, who may be white.
- 5.7 Joint ventures, other than those envisaged in paragraph 43 - 44, between persons who fall within the target group and persons falling outside the target group may qualify for agricultural leases.

## 6. APPROVAL OF LEASES

- 6.1 All leases shall be approved by the Approval Authority in accordance with delegations in **Annexure A**.
- 6.2 All Agricultural Leases shall be regarded to have commenced on the first day of the month immediately following the date the lease was signed by the last signing party.
- 6.3 Should any change in the existing delegation of powers for approval of leases occur, after the approval of this policy, the provisions of any document





providing for such change shall take precedence over the provisions of this paragraph.

## 7 RENTAL DETERMINATION

- 7.1 All Agricultural Leases (paragraphs 4 – 19), with the exception of those mentioned in 7.2 and 7.3 below, shall pay a rental amount of 1% of the land cost. In cases where the cost of acquisition cannot be reliably established, 1% of the current municipal valuation or the going rate of similar properties in the area shall be utilised.
- 7.2 Persons who fall within Category 1 shall qualify for long term leases at a nominal rental rate of R 1.00 per annum. Persons who become beneficiaries under the 1 Household 1 Hectare programme shall not be regarded as lessees and therefore shall pay no rental.
- 7.3 Rental to persons envisaged in 5.6 to 5.7 and 43 to 44, shall be 2% of the market value of the land.
- 7.4 Lessees who have signed leases on the basis of the State Land Lease and Disposal Policy of July 2013 shall have their lease terms, including rental, reviewed on the basis of this Policy at expiry of the initial business plans.
- 7.5 The probation period and option to purchase provisions, for lessees referred to at 7.4 above, shall be dealt with in accordance with their signed contracts.

## 8 ESCALATION

Rental shall escalate by 6% per annum (twelve months from the effective date of the lease agreement) until reviewed by the Director General.

## 9 RENTAL PAYMENT

- 9.1 Rental shall be paid annually, in arrears and interest shall be charged on overdue accounts, in accordance with any debt management policy of the DRDLR or Agricultural Land Holding Account. Any lessee who intends to pay monthly may do so, provided that such payment period is recorded in the original or amended lease agreement.
- 9.2 Notwithstanding the provisions of 9.1 above, the following rental discounts shall apply to Category 3 lessees and those referred to at paragraphs 43 – 44, during the first three years from the effective date, excluding lessees envisaged in paragraphs 5.6 – 5.7:
- 9.2.1 75% rental discount during the first year;
- 9.2.2 50% rental discount during the second year;
- 9.2.3 25% rental discount during the third year;
- 9.2.4 0% rental discount from the fourth year onwards.

9.3 Rental on immovable assets acquired for restitution purposes shall accrue to the State until the date of transfer to the claimants.

## 10 LEASE PERIOD

The initial lease period for any lease shall not be longer than 30 years and may be renewable for another 20 years.

## 11 WATER USE CHARGES

11.1 In instances where the land parcel requires water use authorization, the lessee may apply for water use authorization or water use license from the relevant water authority in relation to leased DRDLR immovable assets.

11.2 In the event of the appropriate authority granting such a license or water use authorization, the lessee shall then become liable for payment of water use charges.

11.3 As a water use charge is a charge on land<sup>5</sup>, the DRDLR shall settle any debt arising out of water use on DRDLR immovable assets and then recover the cost from the lessee, in order to avoid litigation and costs escalation.

11.4 Upon termination of a lease agreement or immediately prior to the very first lease agreement being signed, the Chief Director: Provincial Shared Service Centre shall ensure that all water use charges have been fully paid by the previous lessee or land owner and written confirmation from the relevant water use authority shall be obtained.

## 12 PROPERTY RATES

12.1 The DRDLR is liable for property rates<sup>6</sup> on immovable assets falling under its custodianship even in those instances where the Municipal Property Rates Act, 2004 (Act No. 6 of 2004) provides scope for another person to be considered liable.

12.2 The DRDLR shall, in relation to all properties involved in agricultural leases envisaged in paragraphs 4 to 19, assume exclusive liability for property rates.

## 13 IMPROVEMENTS

13.1 The lessee shall request permission from the Chief Director: Provincial Shared Service Centre, in writing, for any intended improvement. Such request shall declare the purpose of the intended improvement.

<sup>5</sup> Section 60(1) of the National Water Act, 1998 (Act No. 36 of 1998).

<sup>6</sup> See Section 24 of the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004).

- 13.2 The Chief Director: Provincial Shared Service Centre shall, if the improvement is in his or her opinion justified, grant consent in writing.
- 13.3 Upon completion of construction, the lessee shall provide the Chief Director: PSSC with proof of expenditure incurred on any improvement which naturally appreciate in value and which contribute to the production of the farm.
- 13.4 If the improvement constitutes refurbishment of an existing structure that predates the commencement of the lease, the lessee shall provide proof of the refurbishment costs, which shall then be deducted from the value of the improvement when the immovable asset is sold or disposed of to the lessee.
- 13.5 In the event the improvement was constructed by the lessee from scratch, the value of the whole improvement shall be deducted from the value of the immovable asset upon sale or disposal of such immovable asset to the lessee.
- 13.6 In the event the lease is terminated as a consequence of the actions or omissions or death of the lessee, the improvement shall become the property of the Department and no compensation shall be paid to the lessee or deceased estate of the lessee for such improvement. If, however, the improvement can be removed without any ground damage or nuisance, the lessee shall be entitled to remove such improvement.

#### 14 FIREBREAKS

- 14.1 The National Veld and Forest Fire Act, 1998 (Act No. 101 of 1998) imposes an obligation on the owner of land to prepare and maintain firebreaks. The definition of the owner in this Act includes a lessee.
- 14.2 All lessees shall therefore be responsible for the preparation and maintenance of firebreaks and shall discharge all the obligations of the owner envisaged in the said Act. Such obligations shall include participation in a Fire Protection Association<sup>7</sup>.

#### 15 ELECTRICITY CONNECTIONS AND CONSUMPTION COSTS

- 15.1 The Department shall, at its discretion and after taking the use of the immovable asset into consideration, take steps to get electricity connected to such asset. Expenditure for initial electricity connection costs shall therefore be incurred by the Department.
- 15.2 If there is an existing connection, the cost of opening an account with the relevant supplier shall also be borne by the Department. The lessee shall then pay all subsequent electricity consumption costs.

<sup>7</sup> Association envisaged in section 3 of the National Veld and Forest Fire Act, 1998.

15.3 Should electricity supply be terminated as a result of the lessee's action or omission, reconnection fees shall remain the sole responsibility of the lessee.

## 16 MAINTENANCE OF OTHER INFRASTRUCTURE

16.1 The DRDLR shall ensure that farming units are accessible by road at the time of acquisition and/or allocation except where the nature of the enterprise does not require any more than the main access road to the farm.

16.2 The maintenance of farming infrastructure<sup>8</sup> shall be the responsibility of the lessee.

16.3 In the event of the lessee incurring any expenditure as a consequence of performing farming infrastructure maintenance activities, proof of such expenditure shall be submitted to the Chief Director: Provincial Shared Service Centre within a period of not more than 90 days of such expenditure being incurred. Should such expenditure be incurred during the period January to March, the lessee shall provide proof of such expenditure within a period of not more than 30 days of such expenditure being incurred.

16.4 The lessee shall not be compensated for maintenance of farming infrastructure.

## 17 INSURANCE

17.1 Any productive asset, including standing crop and/or trading stock, that contribute to continued production on a farm, may be insured by the lessee.

17.2 Insurance of State assets must be done with written permission from the Chief Director: PSSC.

## 18 TERMINATION OF LEASES

18.1 A lease agreement shall terminate in accordance with the provisions of such lease agreement.

18.2 A lease agreement shall also terminate upon death of a lessee. The surviving spouse or dependent shall enjoy the first preference in the event they elect to apply for a lease on the subject land.

18.3 The spouse or dependent referred to above should, however, be eligible in terms of the requirements of this Policy.

18.4 Except in circumstances described above, a lessee shall not cede its rights and obligations to any other person, except with the approval of the DRDLR.

18.5 Any subletting or cession on the part of the lessee shall constitute grounds for immediate termination of the lease agreement, without any notification period to remedy the breach.

<sup>8</sup> Farming infrastructure means any State asset, whether immovable or movable, that is associated with the leased land in terms of this Policy.

**19 OPTION TO PURCHASE**

- 19.1 As already mentioned above, only Category 3 shall qualify for long term leases with option to purchase, which can only be exercised after 5 years from the effective date of the lease.
- 19.2 The lessee's right to exercise the option shall depend on:
- 19.2.1 Whether the lessee or farmer had expanded or at least maintained production on the land;
  - 19.2.2 Whether the farmer complied with the terms of the lease agreement for a period of at least 5 years;
  - 19.2.3 Where the farmer has been deemed, by the NLAACC, capable to independently manage his/her/its/their finances as well as market his/her/its/their produce; and
  - 19.2.4 Whether the farmer consents to the State's right of first refusal being registered against the relevant title deed.
- 19.3 In the event of the option to purchase being exercised, the DRDLR shall have a right of first refusal and the lessee shall be prohibited from selling the land within a period of 10 years from the date of transfer.
- 19.4 In the event of the option to purchase being realized, the immovable asset shall be sold at a market related price unless approved otherwise by the National Treasury.
- 19.5 The DRDLR shall bear the costs of valuation and the purchaser shall be responsible for transfer and registration costs.
- 19.6 Any lessee who lawfully sells the property after exercising their option to purchase shall never qualify for any agricultural lease from the DRDLR in future.

## COMMERCIAL DEVELOPMENTS

### 20 INTRODUCTION

The DRDLR, including its predecessors, has been routinely receiving long term lease applications for a variety of commercial enterprises in communal areas or in areas that previously fell under the control of Homelands. Such enterprises include mining; tourism; entertainment; small shopping centres and big malls; township development for low, medium and high income groups; fuel service stations; renewable energy; short term accommodation like hotels and bed and breakfast establishments.

The Government policy since 1994 recognised inhabitants of former homelands as rightful owners of the Government owned land they occupy, irrespective of how the ownership of such land may be reflected in the Deeds Registry. In recognition of the fact that the rights of such inhabitants may not be adequately protected in law, Parliament passed the Interim Protection of Informal Land Rights Act, 1996 in order to provide for the temporary protection of such rights.

In 1999 the then Department of Land Affairs approached National Treasury (then Department of State Expenditure) for general approval for proceeds of long term leases on communal land to be paid directly to the affected communities. This was approved and has remained the policy position of Government since then.

### 21 TARGET GROUP

- 21.1 Unlike agricultural leases, commercial developments are highly dependent on the ability of the applicant to independently secure finance. Such developments also have greater potential to benefit communities at a large scale in areas which were systematically marginalised for almost a century. This Policy has consequently taken a non-protectionist approach in order to encourage private sector investment in these areas.
- 21.2 There shall be no target group criteria for determining who may become a lessee in Commercial Developments (paragraphs 20 – 35). Public Servants shall also qualify for leases falling under Commercial Developments.
- 21.3 The prospective lessee should simply demonstrate prospects for community benefits in the intended enterprise.

### 22 COMMUNITY PARTICIPATION

- 22.1 Where the envisaged development is to take place on land which, at any time prior to 27 April 1994, was allocated to a traditional community, other community or where certain natural persons have enjoyed informal rights to land, such community/natural persons shall be consulted in accordance with Regulations issued in terms of the Interim Protection of Informal Land Rights Act, 1996, once they are issued, or in accordance with community consultation

guidelines that may be issued by the DRDLR from time to time until the Regulations are issued.

22.2 Where the proposed development is to take place on land allocated to a community which is different from the community in occupation, only the community occupying the land shall be consulted in accordance with procedure referred to at 22.1 above, provided that such a community has beneficial occupation rights in terms of the Interim Protection of Informal Land Rights Act, 1996.

22.3 The land development applicant or prospective lessee shall initiate and manage the consultation process and incur all costs relating to the convening of consultation meetings.

### 23 APPROVAL PROCESS

23.1 Commercial developments require land development approval by relevant land use regulation authorities or land development approval authorities.

23.2 The land development approval authorities routinely require, amongst other things, proof of tenure rights, proof of approval of environmental impact assessments or Records of Decisions or any plan of similar nature, proof regarding future provision of engineering and other services, approval of access to or egress from a national road, where applicable, and such other information required by relevant legislation.

23.3 Land development applicants have been frustrated by different authorities requiring another authority to have approved its part before it can also approve its part. The DRDLR has also made these types of demands in the past and the effect is that no approval gets granted as the respective approvals are dependent on the other.

23.4 The DRDLR shall, in view of 23.2 – 23.3, not require any prior approval from another authority for granting a lease.

23.5 All commercial development leases shall be approved by the Approval Authority in accordance with **Annexure A**.

23.6 Where there is a likelihood that the prospective lessee's land development application may not be approved, the DRDLR shall approve either an option agreement or a long term lease containing a suspensive condition. The option or suspensive condition shall depend on the nature of the future event which the land development application is dependent on.

23.7 The approval of a land tenure right or long term lease shall be preceded by the consultation envisaged in 22 above only in those instances where such consultation is applicable. Proof of such consultation shall be in the form of a resolution signed by all the persons who attended such a meeting.



23.8 The lessee shall take full responsibility of the leased area from the effective date of the lease.

## 24 LEASE PERIOD

24.1 The initial lease period for any lease shall not be longer than 30 years and may be renewable for another 20 years.

24.2 Lessees may reapply for new leases altogether in the event they would still need a lease after the 50-year period. Such an application should however be submitted at least within a period of 3 years prior to the expiry of the renewed period.

## 25 RENTAL DETERMINATION

25.1 The general norm in commercial developments is that rental becomes a percentage of turnover. The difficulty in these situations is that the quantum remains unknown until the financials of the company are finalised. This poses a challenge since some of the community entities do not have the capacity to manage this and there's also no corresponding DRDLR capacity to help communities with revenue collection in long term leases. A fixed rental calculation method has consequently been adopted since it provides certainty on the rental amount from the commencement of the lease.

25.2 The prospective lessee or applicant shall conduct a valuation of the development area in respect of each application, at their expense. This shall take the form of the applicant instructing a valuer identified by the DRDLR from the database of valuers.

25.3 In the event the valuation requires special knowledge that ordinarily falls outside of the property valuation profession, the property valuer shall procure such skill so as to ensure that there's only one comprehensive document to be relied on for purposes of determining rental.

25.4 The purpose of the valuation shall be to determine market related rental value of the development area. Market relatedness in this regard shall be determined through a comparison of the future land use with similar land uses elsewhere and rental prices paid in that specific industry. Such comparison may not be restricted by considerations of proximity to the proposed development area.

25.5 In the event the opinion of an ordinary property valuer would not be sufficient or relevant in view of the nature of the development concerned, the opinion of an estate agent who operates in that geographical area or closest geographical area, shall be sought.

25.6 All valuations shall be reviewed by the Office of the Valuer-General.



**26 ESCALATION**

Rental shall escalate by 6% per annum (twelve months from the effective date of the lease agreement) until reviewed by the Director General.

**27 RENTAL PAYMENT**

27.1 Rental for leases in Commercial Developments shall be payable annually in advance.

27.2 Notwithstanding the provisions of paragraphs 25 and 26 above, the lessee shall only pay 5% of the agreed market related rental during the first three (3) years of the conclusion of the lease agreement, which period shall be regarded as the development period. There shall be no rental escalation during the development period. Should the lessee however finalise construction and start operating on an earlier date, the agreed market related rental shall become payable from the date of operation. Should the lessee realise that the business will not start operating at the expiry of the development period, they shall request a reasonable extension of such a period, provided they can demonstrate that the reasons that resulted in non-commencement of operation were beyond their control.

27.3 Rental shall be due within a period of three (3) months from the effective date of the lease and interest shall be charged on overdue accounts in terms of the Debt Management Policy.

27.4 All Commercial Developments leases shall commence on the effective date, as defined in each lease agreement.

**28 ELECTRICITY AND/OR WATER CONNECTIONS AND CONSUMPTION COSTS**

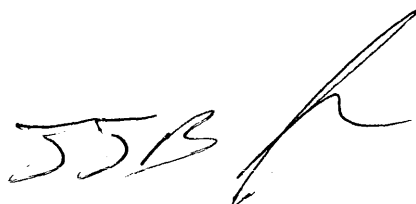
28.1 The lessee shall open water and electricity accounts directly with appropriate authorities.

28.2 Electricity connection costs to the development area shall be the responsibility of the lessee.

28.3 Water and Electricity consumption costs shall also be the responsibility of the lessee.

**29 PROPERTY RATES**

The lessee shall be responsible for municipal property rates on the development area from the effective date.



**30 OTHER COSTS**

- 30.1 All land tenure rights or long term lease related costs shall be the responsibility of a prospective lessee or applicant.
- 30.2 The costs referred at 30.1 above shall include publication of notices for community consultation, property valuation, land surveying and registration of the lease agreement in any office of a Registrar of Deeds.

**31 IMPROVEMENTS**

- 31.1 The improvements shall, at the end of the lease, become the property of the relevant community or DRDLR and no compensation shall be paid in respect of such improvement. Should the nature of the improvement require that it is demolished at termination of the lease agreement; the lessee shall take care of all demolition costs.
- 31.2 The improvement shall only become the property of the DRDLR in those instances where the land is not allocated or legitimately used by any community.

**32 ENVIRONMENTAL COMPLIANCE AT TERMINATION.**

The lessee shall at the final termination date, ensure that the development area and its immediate environment are in a condition that complies with any environmental legislation applicable in that area. The DRDLR, as custodian, is not and shall not be considered liable for the lessee's actions and omissions in this regard

**33 MAINTENANCE**

Maintenance of any improvement and infrastructure shall be the responsibility of the lessee, except such infrastructure which, by law should be provided and maintained by a State Organ

**34 CESSION**

- 34.1 A lessee may cede its rights and obligations with the prior written variation of the lease agreement.,
- 34.2 In the event the cession or any variation of the lease terms has the effect of materially changing the general terms agreed to during a Community Resolution meeting, the relevant community shall be consulted prior to such cession or variation being formalised.

**35 TERMINATION**

A lease agreement shall terminate in accordance with the provisions of such lease agreement.



## CARETAKER ARRANGEMENTS

### 36 CARETAKER AGREEMENTS

- 36.1 Caretaker agreements shall be used sparingly and mainly on agricultural leases discussed in the section on Agricultural Leases above.
- 36.2 Caretaker agreements shall always be treated as temporary measures to ensure that the property is looked after, whilst a lessee has not yet been selected.
- 36.3 Caretaker agreements may also be used on non-agricultural properties<sup>9</sup>, provided that there is a reasonable suspicion that the security of the property will be compromised, unless a caretaker is appointed.
- 36.4 As caretaker arrangements may result in the deterioration of the property, such arrangements shall therefore be limited to a maximum period of 12 months. This restriction shall, however, not apply to caretaker agreements envisaged in 36.3 above.
- 36.6 Caretaker agreements envisaged in 36.3 may be granted to any suitable person or body, for any period, at the discretion of the DRDLR. In the event of the expiry of the initial period, the DRDLR may extend it once or more, for as long as the identified threat on the security of the property is reasonably conceivable or still exists.
- 36.7 No caretaker agreement shall contain any provision for any form of payment by the caretaker to the DRDLR.

### 37 APPROVAL

- 37.1 All caretaker agreements shall be approved by the Approval Authority in accordance with delegations in **Annexure A**.
- 37.2 The DRDLR may also enter into a caretaker agreement with an approved lessee, in relation to the same property, without going to any DRDLR structure, in instances where an approved lessee is, for whatever legitimate reason, unable to immediately get a lease agreement signed.

<sup>9</sup> This is communal land which is partly occupied or vacant or State land which is not utilised for agricultural purposes.

55B

**LETTING OF LAND TO LABOUR TENANTS, OCCUPIERS AND OTHER  
PERSONS WITH LIMITED OR INSECURE TENURE**

38. A labour tenant<sup>10</sup> may have applied for award of land defined in section 16(1)(a) – (d) of the Land Reform (Labour Tenants) Act, 1996, provided that such application was submitted by no later than 31 March 2001.
39. In the event that the labour tenant's application is uncontested and such land is subsequently acquired by the DRDLR for purposes of settling the labour tenant's application, such land shall only be leased to the labour tenants on a long term lease basis at a nominal rental of R 1.00 per annum.
40. Former labour tenants may however apply for leases on any DRDLR controlled land, other than land acquired for purposes of settling applications submitted to the Director General in terms of section 17 of the Land Reform (Labour Tenants) Act, 1996. Where former labour tenants submit such lease applications, they shall be treated as ordinary applicants who therefore should comply with the provisions of the relevant sections of this Policy. The contents of this paragraph shall, in the context of Occupiers and former Occupiers, have equal application.
41. Occupiers<sup>11</sup> who need long term security of tenure are, in terms of section 4(1) and (2) of the Extension of Security of Tenure Act, 1997 (Act No. 62 of 1997) entitled to apply for subsidies to acquire land or rights in land and for the development of land occupied or to be occupied in terms of on-site<sup>12</sup> or off-site developments<sup>13</sup>.
42. In the event that the DRDLR may have acquired or acquires land for purposes of processing the type of application envisaged in the sections cited at 41

<sup>10</sup> 'labour tenant' means a person-

- (a) who is residing or has the right to reside on a farm;
- (b) who has or has had the right to use cropping or grazing land on the farm, referred to in paragraph (a), or another farm of the owner, and in consideration of such right provides or has provided labour to the owner or lessee; and
- (c) whose parent or grandparent resided or resides on a farm and had the use of cropping or grazing land on such farm or another farm of the owner, and in consideration of such right provided or provides labour to the owner or lessee of such or such other farm, including a person who has been appointed a successor to a labour tenant in accordance with the provisions of section 3 (4) and (5), but excluding a farmworker;

<sup>11</sup> 'occupier' means a person residing on land which belongs to another person, and who has or on 4 February 1997 or thereafter had consent or another right in law to do so, but excluding-

- (a) .....  
[Para. (a) substituted by s. 20 (b) of Act 61 of 1998 and deleted by s. 6 (a) of Act 51 of 2001.]
- (b) a person using or intending to use the land in question mainly for industrial, mining, commercial or commercial farming purposes, but including a person who works the land himself or herself and does not employ any person who is not a member of his or her family; and
- (c) a person who has an income in excess of the prescribed amount

<sup>12</sup> 'on-site development' means a development which provides the occupants thereof with an independent tenure right on land on which they reside or previously resided

<sup>13</sup> 'off-site development' means a development which provides the occupants thereof with an independent tenure right on land owned by someone other than the owner of the land on which they resided immediately prior to such development

above, such land shall only be leased to the Occupiers on a long term lease basis at a nominal rental of R 1.00 per annum.

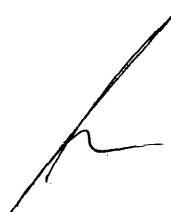
**LETTING OF LAND IN ACCORDANCE WITH THE POLICY ON  
STRENGTHENING OF RELATIVE RIGHTS (SRR) OF PEOPLE WORKING THE  
LAND**

43. The DRDLR has acquired 50% shares in agricultural ventures, for farm workers, under the above mentioned policy. This results in joint ventures between the previous land owner and the farm workers' entity.
44. In the event that the DRDLR properties are leased to the joint ventures envisaged in paragraph 43 above, such properties shall be leased in terms of paragraphs 7 – 19 of this Policy, with the following variations:
- 44.1 Rental shall be 2% of the market value of the land;
- 44.2 Rental shall be paid annually, in arrears and interest shall be charged on overdue accounts;
- 44.3 Rental shall escalate by 6% per annum (twelve months from the effective date of the lease agreement) until reviewed by the Director General;
- 44.4 The farm workers' entity shall have the option to purchase the land after 10 years of the lease agreement being signed. In the event the option to purchase is realized, the properties shall be sold at market related prices.
45. Approval
- All SRR leases shall be approved by the Approval Authority in accordance with **Annexure A**.

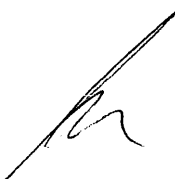

## LETTING OF LAND TO NON-PROFIT ORGANISATIONS (NPO)

46. The DRDLR, including its predecessors, has been routinely receiving applications from a variety of Non-Profit Organisations operating in communal areas or in areas that previously fell under the control of Homelands. Such organisations offer a number of welfare services including; pre-schools, day care centres, churches, elderly care, disabled centres and home based cares.
47. In the event that the DRDLR receives an application for land from an NPO, such land will be leased in terms of the provisions set out in paragraph 22 – 35 above.
48. Approval
- All NPO leases shall be approved by the Approval Authority in accordance with delegations in **Annexure A**.
49. An NPO may be exempted from rental payment provided;
- 49.1 It has been registered by the South African Revenue Service (SARS) as a Public Benefit Organisation (PBO).
- 49.2 It has been partially or wholly exempted from paying income tax.
- 49.3 Proof of such tax exemption is provided to the DRDLR on an annual basis.
50. If at any time the NPO's approval as a PBO is withdrawn by SARS for whatever reason, rental for such NPO shall be determined in terms of paragraph 51 read with paragraph 52 below.
51. The rental for NPO leases other than those mentioned in paragraph 49, shall be 1% of the market value of the land and shall escalate by 6% per annum (twelve months from the effective date of the lease agreement) until reviewed by the Director-General.
52. Notwithstanding the provision of paragraph 51 above, rental discounts prescribed in paragraph 27.2.1 – 27.2.4 shall apply in cases where rental is payable.
53. Rental shall be paid annually, in arrears and interest shall be charged on overdue accounts in terms of the Debt Management Policy.
54. A lessee may cede its rights and obligations with the prior written variation of the lease agreement, provided the organisation or entity the lease is being ceded to is also registered as an NPO in accordance with paragraph 46 above.
55. The DRDLR may terminate the lease if it is established that the NPO registration was cancelled, deregistered, dissolved or some facts have been misrepresented.





56. All costs incidental to the lease shall be the responsibility of the prospective lessee.

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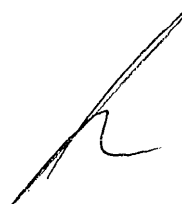


**SHORT TERM LEASES**

57. There are instances where the DRDLR receives short term lease applications for purpose of commercial activities that require the use of land on a short term basis. A list of identified commercial activities requiring short-term leases is depicted in **Annexure B** of this policy. The list shall be updated as and when new forms of activities that require short term leases emerge. Such list shall be approved by the Director General by way of a circular that will then become an attachment to this Policy.
58. Short term lease applications shall be processed in terms of the provisions set out in paragraph 22 – 35 above, with the following variations:
- 58.1 The lease period for all short term leases shall be a maximum period of 5 years, which may be renewable for a further maximum period of 5 years. The lessees may re-apply for new leases altogether in the event they would still need a lease after the expiry of the renewed period. Such an application should however be submitted at least within a period of 1 year prior to the expiry of the renewed period.
- 58.2 Rental shall be determined by the Director-General, after recommendation by the Valuer General.
- 58.3 No rental discounts shall apply.
- 58.4 Lease Unit Diagrams may be created for purposes of determining the lease area.
59. All short term leases shall be approved by the Approval Authority in accordance with delegations in **Annexure A**.



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## DISPOSALS

### 60. SALE

#### 60.1 Sale of Residential Erven

In the event the DRDLR decides to sell residential erven, they shall be sold at market related value and all costs incidental to the transaction shall be borne by the applicant

#### 60.2 Sale for Township Establishment

60.2.1 The DRDLR may sell immovable assets to private developers for residential developments.

60.2.2 Erven reserved for non-residential purposes within the envisaged township shall remain the property of the DRDLR, excluding those meant for State Domestic Facilities and public municipal infrastructure. Such DRDLR sites may be leased or sold to the highest bidder, after following a transparent process that involves advertisement of the sites and screening of proposals. Procedures for managing this process shall be developed separately from this Policy.

60.2.3 Where applicable, properties shall be sold subject to existing land rights and State Domestic Facilities shall be transferred to the relevant custodians, free of charge.

60.2.4 In the event the sale is approved the properties shall be sold at market related prices

60.2.5 All incidental costs shall be borne by the purchaser

### 61. DONATION

61.1 In the event that a person, including a public institution provides a reasonable motivation to the effect that they cannot afford to purchase DRDLR properties at a market related price the DRDLR may donate such properties, particularly for sustainable human settlements or public purposes.

61.2 The DRDLR may also donate properties to other spheres or custodian departments for the advancement of their service delivery objectives, including State Domestic Facilities

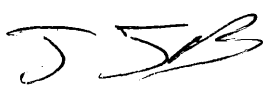
61.3 The DRDLR may also donate properties for land and tenure reform purposes, in line with relevant legislation

61.4 The donee with the exception of 61.3 above, shall be responsible for all incidental costs, including the settlement of property rates account(s) for the affected properties.

- 61.5 Any income generated from the sale of erven demarcated on donated land envisaged in 61.1 and 61.2 shall accrue to the National Revenue Fund or relevant community, depending on the nature of that property.
- 61.6 Where applicable, immovable asset(s) shall be donated subject to existing land rights and State Domestic Facilities shall be transferred to the relevant custodians free of charge.
- 61.7 A detailed valuation report or valuation certificate issued by a Professional Valuer or municipality can be used for donation

## 62. EXCHANGE

- 62.1 The DRDLR may, where it is deemed appropriate, exchange immovable asset(s) with public or private land owners.
- 62.2 The underlying principle is that the land parcels being exchanged should be of similar value. Where there is a significant difference in the value, the difference will be settled in terms of the agreement between the parties.
- 62.3 Where applicable, immovable assets shall be exchanged subject to existing land rights and State Domestic Facilities shall be transferred to the relevant custodians free of charge.
- 62.4 All related costs including valuation, transfer and registration costs shall be determined in terms of the exchange agreement.



**MISCELLANEOUS PROVISIONS****63. MONITORING OF LEASES**

- 63.1 The Director: Property Management shall monitor the lessees' compliance to the terms of the lease agreements.
- 63.2 The Director: Property Management shall ensure that all approved leases in the province are captured in the State Land Leasing Systems (SLLS).
- 63.3 The Director: Finance and Supply Chain Management and Chief Director: PLAS, as the case may be, shall monitor rental payments due to the DRDLR or Agricultural Land Holding Account.

**64. DEVIATION**

- 64.1 Any deviation to this Policy shall be approved by the Minister. This shall include the Minister delegating duties or assigning powers to any official to perform a function which is not dealt with in this Policy.
- 64.2 For any other form of lease not specified in this Policy, market related rental shall be determined by a professional valuer or estate agent and concurred to by the Valuer General.

**65. NON-COMPLIANCE**

Failure to comply with the provisions of this Policy shall be construed to be a misconduct and punishable in terms of relevant legislation or procedure.

**ANNEXURE A: DELEGATION OF AUTHORITY IN TERMS OF THE STATE LAND LEASE AND DISPOSAL POLICY**

ITEM NO	DESCRIPTION OF POWER	DELEGATED TO
1	Approval or termination of agricultural leases and allocation of immovable assets <sup>14</sup>	CD: PSSC subject to NLAACC approval
2	Approval and termination of leases on immovable assets acquired in terms of the Restitution of Land Rights Act	Chief Director: PSSC subject to motivation by Chief Director: Land Restitution Support
3	Approval of long term leases for commercial developments	None <sup>15</sup>
4	Approval and termination of Caretaker Agreements	Chief Director: PSSC
5	Approval of extension of a caretaker agreements	Chief Director: PSSC subject to NLAACC approval
6	Approval and termination of leases with NPOs	Chief Director: PSSC subject to NLAACC approval
7	Approval and termination of all short term leases	Chief Director: PSSC
8	Approval of option to purchase	Minister
9	Approval of disposal of immovable assets, excluding those acquired in terms of the Land Reform: Provision of Land and Assistance Act No. 126 of 1993	None <sup>16</sup>

**ANNEXURE B - COMMERCIAL ACTIVITIES THAT REQUIRE SHORT TERM LEASES**

1. Telecommunication masts.
2. Borrow pits

<sup>14</sup> The allocation of immovable assets referred to here may include the allocation of movable assets that may have been acquired simultaneously with the immovable assets

<sup>15</sup> The power vests with the Minister

<sup>16</sup> The delegations in terms of the Land Reform: Provision of Land and Assistance Act No. 126 of 1993 shall take precedence in relation to assets acquired in terms of the said Act.

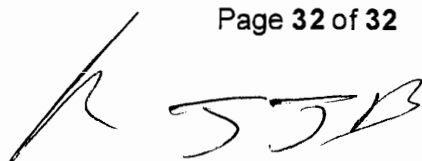
THIS POLICY HAS BEEN APPROVED BY THE MINISTER OF RURAL DEVELOPMENT AND LAND REFORM.



Ms MAITE NKOANA-MASHABANE (MP)

26/03/2019

DATE SIGNED



**JB32**



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

## **PROACTIVE LAND ACQUISITION POLICY**

**Amended version 2**

*14 May 2019*

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*R*      *JJB*



## ABBREVIATIONS

<b>ALHA</b>	Agricultural Land Holding Account
<b>ALDRI</b>	Accelerated Land Development and Redistribution Initiative
<b>APAP</b>	Agricultural Policy Action Plan
<b>AVMP</b>	Animal and Veld Management Programme
<b>CRDP</b>	Comprehensive Rural Development Plan
<b>CPA</b>	Communal Property Association
<b>DAFF</b>	Department of Agriculture, Forestry and Fisheries
<b>DBSC</b>	District Beneficiary Selection Committee
<b>DLRC</b>	District Land Reform Committee
<b>DRDLR</b>	Department of Rural Development and Land Reform
<b>ESTA</b>	Extension of Security of Tenure Act 62 of 1997
<b>IDP</b>	Integrated Development Plan
<b>IFAD</b>	International Fund for Agricultural Development
<b>LTA</b>	Land Reform: Labour Tenants Act 3 of 1996
<b>MTSF</b>	Medium Term Strategic Framework
<b>NDP</b>	National Development Plan
<b>NLAACC</b>	National Land Acquisition, Allocation and Control Committee
<b>OVG</b>	Office of the Valuer-General
<b>PFMA</b>	Public Finance Management Act 1 of 1999 (as amended by Act 29 of 1999)
<b>PLAP</b>	Pro-active Land Acquisition Policy
<b>PLAS</b>	Pro-active Land Acquisition Strategy
<b>PTC</b>	Provincial Technical Committee
<b>RETM</b>	Rural Economic Transformation Model
<b>SDF</b>	Spatial Development Framework
<b>SLLDP</b>	State Land Lease and Disposal Policy
<b>SPLUMA</b>	Spatial Planning and Land Use Management Act
<b>SRR</b>	Strengthening Relative Rights (of People Working the Land)

SJB

## PREAMBLE

The national land policy context of South Africa is well set out in the preamble to the **Freedom Charter (1955)**, which states amongst others that:

*We, the People of South Africa, declare for all our country and the world to know:*

*that South Africa belongs to all who live in it, black and white, and that no government can justly claim authority unless it is based on the will of all the people;*

*that our people have been robbed of their birth right to land, liberty and peace by a form of government founded on injustice and inequality;*

*And we pledge ourselves to strive together, sparing neither strength nor courage, until the democratic changes here set out have been won.*

Clause 4 further declares that, *inter alia*,

### ***The Land Shall Be Shared Among Those Who Work It.***

*Restrictions of land ownership on racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger...*

The spirit of the Freedom Charter is echoed in the **"Ready to Govern" document (1994)**, where the African National Congress establishes the following as objectives of the new democratic state amongst others:

- *to overcome the legacy of inequality and injustice created by colonialism and apartheid, in a swift progressive and principled way;*
- *to develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans; and,*
- *to encourage the flourishing of the feeling that South Africa belongs to all who live in it, to promote common loyalty to, and pride in, the country, and to create a universal sense of freedom and security within its borders.*

On **Restoring Land Rights, Land Reform and Redistribution, Access to Land** and Restructuring Agriculture, the "Ready to Govern" document stated amongst others that:

Our approach must ensure that the homeless and landless will have access to land, shelter and necessary services for family security.

The programme will include a policy of affirmative action within a viable and sustainable economic development programme. The major beneficiaries of affirmative action should be the landless, rural poor and women who have been deprived of rights to land through patriarchal systems of land allocation and tenure...

The programme of redistribution of agricultural land must be accompanied by measures which will ensure that the land will be productively used.

The agricultural sector will be restructured so as to serve the majority of South Africa's people and to contribute effectively to economic growth...The restructuring of agriculture

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should facilitate a move away from the exclusive reliance on large-scale single crop agriculture, to a more diversified combination of agricultural production systems, including family farms, small scale farms and co-operative farming systems...

**The Constitution** of the Republic of South Africa (1996), echoes the Freedom Charter. Section 25 (4) talks to national interest and states that "For purposes of this (a) the public interest includes the nations commitment to land reform and to reforms to bring about equitable access to all South Africa's natural resources, and (b) property is not limited to land. Implied here is that national interests take precedence and that limitations and exemptions to such limitations of access, will be in furtherance of national interests.

Furthermore it provides in Section 25 (5) that "the state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis". In a context wherein the majority of citizens still do not have equitable access to land, this constitutional promise still remains an imperative.

Section 25(8) of the Constitution states that 'No provision of this section may impede the state from taking legislative and other measures to achieve land, water and related reform, in order to redress the results of past racial discrimination, provided that any departure from the provisions of this section is in accordance with the provisions of section 36 (1). Consequently it compels the state to spare no effort in addressing land reforms and racial disparity and inequity in land ownership by South Africans.

In advancing the Constitutional imperatives, the **National Development Plan (NDP)** (2011) introduces its Overview by the following quotation from the Reconstruction and Development Programme (1994):

*No political democracy can survive and flourish if the mass of our people remain in poverty, without land, without tangible prospects for a better life. Attacking poverty and deprivation must therefore be the first priority of a democratic government.*

## CHAPTER 1: PROBLEM STATEMENT

### 1.1 Historical Context

The current land tenure system is rooted in more than 300 years of colonial and apartheid land dispossession, racial discrimination, segregation and separate development. The systematic process of land alienation from indigenous South Africans, beginning as early as 1657, was undertaken first through military conquest and colonial expansion, and later through racially discriminatory legislation. The 1913 and 1936 Natives Lands Acts, which designated only 13% of the land for black occupation, together with the plethora of subsequent pieces of ethnically based legislation, culminated in violent forced removals of whole communities for much of the 20<sup>th</sup> century.

Such alienation of land resulted in the loss of ancestral homes and land and other essential livelihood resources, cultural destruction, family and community dissolution, impoverishment and mass unemployment for a large portion of South African citizens. It further resulted in severe spatial fragmentation, in which South Africa was divided into a "white" South Africa constituting the urban and commercial farming areas and a black South Africa consisting of the

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former Bantustans. This division is still evident in the tenorial spaces inherited as a result including: 1) large portions of underdeveloped and poorly utilised state-owned land; 2) overcrowded and marginalised communal areas consisting mostly of the former homelands; and, 3) privately owned Commercial Farming Areas, which are home to approximately 3 million farm dwellers who have no legal claim to the land on which they reside.

Today's systematic triple challenges of inequality, unemployment and poverty are symptoms of this long history of dispossession and the denial of economic, social and human development opportunities for the majority. Considering this severe and systemic crisis of rural underdevelopment and inequitable patterns of land ownership that characterise South Africa, there is a dire need to augment state as well as legislative capacity to accelerate the pace of land acquisition in pursuant of our Constitutional precepts.

## 1.2 Post-1994 Context

Despite various land reform policy efforts initiated in the post-1994 period, more than two decades later, the inequity of land ownership has been left relatively intact. This can largely be attributed to major challenges of land reform, foremost of which are the slow pace of land redistribution and tenure reform (in which the supply of land for farming and other purposes is still not met in areas where demand is greatest) and the overall failure of land reform farms to sustain production and improve livelihoods. A notable number of Africans continue to be landless, are excluded from participating in sustainable agriculture, and live in unsustainable human settlements without sufficient livelihood resources.

The aforementioned challenges made clear the necessity for a more effective plan of land and agrarian reform. In 2005 a number of resolutions were taken at the National Land Summit regarding a recommitment to the redistribution of 30% of White-owned farm land, including the need for Government to assume a stronger leading role in ensuring accelerated and sustainable land and agrarian reform, and to fast-track land redistribution. One of the ways the previous Department of Land Affairs responded was to introduce the Proactive Land Acquisition Strategy (PLAS) in 2007. The intention was to move from a primarily demand-driven programme to a supply driven approach to land acquisition and redistribution.

After 2009, this supply driven approach was instituted as the primary intervention for the acquisition of strategically located land for agricultural and settlement purposes. Through PLAS, the DRDLR acquires strategically located agricultural land and leases it to selected beneficiaries with certain prescribed conditions and strict production discipline. This approach has been pursued within the context of the Comprehensive Rural Development Plan (CRDP), which serves as the key programme to achieve the envisioned outcome of vibrant, equitable and sustainable rural communities and food security for all. The three-pronged strategy of the CRDP includes: agrarian transformation, which denotes "*a rapid and fundamental change in the relations of land, livestock, cropping and community*"; an integrated and strategically planned rural development programme; and an enhanced land reform programme.

The core implementation tools of the CRDP are therefore the Agrarian Transformation System and the Rural Economic Transformation Model (RETM). These place empowerment of communities and households through land at the centre of their approach in achieving rural economy transformation. In order to achieve this, people must have access to a sufficient quantity of well-located quality land that matches their needs, and supported, organised and mobilised to ensure maximum sustainable use of this land to the benefit of all community members. Pro-active land acquisition is therefore critical to ensure that the land acquired by the

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state for land reform is both strategically placed and carries high potential in terms of agricultural production to enable the empowerment of the people, social cohesion, and inclusive development of the rural landscape through sustainable land reform.

An evaluation study of PLAS conducted in 2014/2015 indicated a number of weaknesses inhibiting the effectiveness of PLAS including: lack of understanding and awareness of the strategy and recent changes in the administration of PLAS; no standardisation of the implementation process and no uniformity in the beneficiary selection process; lack of accountability in terms of management at the national level; limited market access for producers; insufficient infrastructure, resources, training and overall support for farmers; delays in processing of applications; problems with strategic partnerships; poor monitoring and evaluation of projects; mismatches between beneficiaries needs and development interventions; and, lack of proper enforcement measures and implementation policy. The analysis also indicated that the absence of a finalised PLAS policy has increased difficulties experienced by farmers in accessing loans. The report suggested the finalisation of the new PLAS policy to overcome these challenges.

This Policy for Proactive Land Acquisition has therefore been developed to provide for more effective and targeted land acquisition to achieve the vision of agrarian transformation and vibrant, equitable and sustainable rural communities. The Policy replaces the 2007 Manual for the Implementation of the PLAS, which is no longer being used to implement the strategy.

The Policy seeks to further advance the strategic thrust of the 2011 Green Paper on Land Reform, namely that land reform should be pursued with minimal disruption to food production and based on the Agrarian Transformation Strategy/ Rural Economy Transformation Model. The Department defines land reform inclusively of the following four functions or pillars: restitution of land rights; redistribution of land; land tenure reform; and land development. The Department further defines the strategic objectives of land reform as two-fold: i) that all land reform farms are 100% productive; and, ii) rekindling the class of commercial farmers which was deliberately and systematically destroyed by the 1913 Natives Land Act, as reinforced by subsequent pieces of legislation enacted by successive Colonial and Apartheid regimes.

The principles underlying land reform, as set out in the 2011 Green Paper, are the deracialisation of the rural economy, the promotion of democratic and equitable land allocation and enhanced production discipline in order to promote social cohesion, food security and sovereignty, sustainable and shared economic growth through the development of rural and urban South Africa.

### 1.3 The NDP and MTSF

The National Development Plan (NDP) proposes a differentiated rural development strategy that focuses on a proposed model for land reform based on the following principles:

- Enable a more rapid transfer of agricultural land to African, Coloured and Indian (hereafter referred to as Black) South African beneficiaries without distorting land markets or business confidence in the agri-business sector.
- Ensure sustainable production on transferred land by making sure that human capabilities precede land transfer through incubators, learnerships, apprenticeships, mentoring and accelerated training in agricultural sciences.

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- Establish monitoring institutions to protect land markets from opportunism, corruption and speculation.
- Bring land transfer targets in line with fiscal and economic realities to ensure that land is successfully transferred.
- Offer white commercial farmers and organised industry bodies the opportunity to significantly contribute to the success of Black farmers through mentorships, chain integration, preferential procurement and meaningful skills transfer.

The Proactive Land Acquisition Policy aims to further the vision and targets of the NDP, which views the inclusion and transformation of South Africa's rural areas as a key route to achieving its overarching aims.<sup>1</sup> The NDP states that the first strategic component of its proposed rural development strategy, namely boosted agricultural production, must be achieved through the expansion of irrigated agriculture and dry-land production, "*with emphasis on smallholder farmers where possible.*"<sup>2</sup> Thus a revised model for land reform is proposed based on certain key principles (see Preamble) including the rapid transfer of agricultural land to Blacks without distorting the land market or business confidence, and ensuring sustainable production on transferred land.

To realize these principles, The NDP stresses the need to improve tools for land acquisition. It proposed the creation of District Land Committees to identify at least 20% of commercial farmland in each district that is easily acquirable and which does not cause distortions in the land market for redistribution to Black farmers.

The model further envisions the development of new financial instruments to facilitate land reform, including 40-year mortgages at preferential rates for new entrants into markets.

The MTSF 2014-2019 sets the target of 1 million hectares of land allocated to smallholder producers and an additional 80 000 smallholder producers provided with support by March 2019.<sup>3</sup> The other sub-outcomes are improved land administration and spatial planning, sustainable land reform (agrarian transformation), improved food security, increased access to quality basic services, and growth of sustainable rural enterprises and industries.<sup>4</sup> In terms of improving spatial planning, Chapter 8 of the NDP emphasises the importance of spatial development planning for successful agricultural production to overcome the spatial divide that characterises South Africa. In this regard, the NDP posits that a differentiated planning approach is needed to address the varied needs of each type of human settlement. The NDP proposes core principles that should be adhered to in spatial development including spatial justice, spatial sustainability, spatial resilience, spatial quality and spatial efficiency.

## CHAPTER 2: POLICY MEASURES

### 2.1 Objectives

The Proactive Land Acquisition Policy aims to accelerate acquisition of quality, well-located agricultural and other land in order to advance fulfilment of State obligations in terms of Section

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25 of the Constitution, as well as the objectives of the NDP/ MTSF (2014-2019) and of emerging programmes of land reform.

As such, the main objectives of this Policy are to:

- Accelerate the land redistribution process;
- Advance land equity, tenure security and agrarian transformation in commercial farming areas;
- Acquire land in the nodal areas and in the identified agricultural corridors and other high agricultural potential to meet government objectives;
- Help to decongest communal areas;
- Improve the identification and selection of beneficiaries and the planning of land on which people would be settled;
- Support varying types of land need and varying categories of farmers and other producers, particularly smallholder producers;
- Ensure maximum productive use of land acquired;
- Hedge against escalating land prices;
- Promote development of rural enterprise and industries;
- Enhance intergovernmental coordination to pro-actively acquire agricultural land; and,
- Ensure that land reform successfully contributes to growth, equity and employment.

## 2.2 Measures

The Proactive Land Acquisition Policy provides for three main policy measures:

1. Targeting of strategically located land: The DRDLR's rural development, redistribution and tenure reform programmes prioritize South Africa's 44 poorest districts and other sites in the congested communal areas and commonages for strategic land acquisition and development for beneficiaries that have been identified for leasehold or direct transfer.

The Spatial Development Frameworks (SDFs) that are developed in terms of the Spatial Planning and Land Use Management Act 16 of 2013 should be aligned with the Municipal Integrated Development Plans (IDPs) and serve as the basis on which the CRDP and programmes of land redistribution take place. The SDF shall identify resources based on the competitive advantage of the area for strategic acquisition and development of land in relation to the needs of local people and communities.

The Department has categorized the spatial and non-spatial criteria and developed a methodology for the identification of strategically located land in relation to community needs and opportunities. These include the inherent value of the land, its spatial location and proximity to economic development corridors, growth points, agro-processing facilities, infrastructure, irrigation and electrification and linkages to existing markets.

2. Acquisition of land, movable and biological assets by the DRDLR in terms of the Land Reform: Provision of Land and Assistance Act No 126 of 1993 based on selling price, valuation, expropriation or auction price without pre-selection of beneficiaries. The approach is based on proactively acquiring land that is purposively sampled due

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to its location, and suitability for particular agricultural and settlement activities that government can promote through redistribution or its amenability to subdivision.

3. Provision of such land to identified beneficiaries through direct disposal or conditional long-term leasehold with eventual option to purchase, where the land is made farmable before usage by the lessee or beneficiary, based on a credible development plan.

### 2.3 Target Groups and Beneficiary Categorisation.

As per the Constitution, previously disadvantaged South African citizens are the intended beneficiaries of the policy.

The different categories of farmers are defined below as:

**Category 1:** Households with no or very limited access to land, even for subsistence production.

**Category 2:** Small-scale farmers who are farming or intend to farm for subsistence purposes and sell part of their produce in local markets.

**Category 3:** Medium to large-scale commercial farmers who have already been farming commercially at various scales, but are disadvantaged by location, size of land and other resources or circumstances, and with real potential to grow, including small scale farmers who have been farming at subsistence level, selling part of their produce in local markets, who have gained reasonable experience to farm commercially and who intend to graduate to Category 3.

#### 2.3.1 Beneficiary identification Process

Applicants for access to land must be solicited through a transparent public process including -

- Notices requesting expression of interest put up at municipal notice boards and other public spaces frequented by people, to consider applications;
- Advertisement in local and national per category or target group;
- Information disseminated at farmers 'meetings, and

The Department's Provincial offices shall establish a fair and transparent process of Beneficiary Selection in each District Municipality and Metropole. The Province shall establish a District Beneficiary Selection Committee which will act as a sub-committee of the Provincial Technical Committee and shall screen, shortlist and interview applicants for access to land for Land Redistribution purposes and make recommendations to the Provincial Technical Committee. The Provincial Technical Committee shall support and recommend projects for land acquisition; land development and suitable candidates for land allocation to the National approval structures or Committee.

#### 2.3.2 Beneficiary Selection Criteria

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- All Black South Africans (Africans, Indians and Coloureds) over the age of 18 have the right to apply for access to land for agricultural and other productive purposes in terms of the Department's State Land Lease and Disposal Policy.
- Special priority will be given to those with experience in agriculture or a willingness to undertake training and incubation on properties established by the Department; and Agricultural or other relevant qualifications including participation in Government and Commodity Organization training programmes.
- Capacity and capability of the applicant to manage the intended farming enterprise based on the farm potential as defined above.
- **Applicants** who possess basic farming skills, and demonstrate a willingness to acquire these, or have qualifications in the field of agriculture; graduates of the Department's incubation programme;
- **Priority will** further be given to special groups, women, youth, agricultural and science graduates, people with disabilities and military veterans; farm dwellers, farm workers and labour tenants; subsistence producers in communal areas and villages; and, other Category 1 and 2 producers below as defined in the above policy.
- Other targeted groups are black commercial farmers who want to expand for markets import and export, people with the necessary farming skills in urban areas, apprentices and learners.

#### 2.4 Land Acquisition Funding Models by Category and Target Beneficiary Groups

This policy proposes funding models for strategic acquisition of properties in relation to the Category of beneficiary to whom it will be allocated. There are three funding models for consideration:

- 100% State Grant** - In the case of Category 1, Category 2 beneficiaries, certain Category 3 smallholders and Category 4 farmers including special groups e.g. Military Veterans, youth, women and people with disabilities, the Department will provide a 100% State Grant for direct transfer or leasehold. The State will acquire movable assets and biological assets together with land and improvements to ensure sustainability and successful land reform. Labour tenants and farm dwellers shall qualify for a direct transfer or full title.
- Integrated Funding – Guarantees and/or Grants:** In the case of certain Category 2 smallholders and Category 3 farmers, the Department will provide grants and/or guarantee loans at an integrated gearing determined by the financial or other institution to which the guarantee is issued in terms of relevant Service Level Agreements. The large-scale African, Coloured and Indian commercial farmers who have already been farming commercially at various scales shall be subjected to loan funding from financial institutions plus a portion of grant funding or cash guarantee from the state for land acquisition or production loan.
- Financial Partnerships for Accelerated and Sustainable Land Reform** - This initiative seeks to mobilize the private sector to complement public funding sources to finance the land reform programmes of restitution, redistribution and tenure; to develop public-private sector funding models and financial instruments to provide for the acquisition and development of land on a medium to long-term mortgage and CPI-indexed linked annuity basis; and to foster a new and redefined win-win partnership between previous

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land owners and land reform beneficiaries that promotes continued production, increased employment, and social cohesion.

## 2.5 Methods of Land Acquisition

As guided, land redistribution should prioritise state/public land and donated land over the immediate to short term. This land ought to be strategically located, available and in wards/locals that have an expressed land demand established through the proposed Land Use and Land Reform Needs Assessment. State owned land, privately owned land, commercial farming land, and urban land will be given priority for purposes of redistribution. Also, land on which underground mining is taking place may provide further opportunities for agricultural development and human settlement and thus should be considered for prioritisation. Land donations, land purchases and expropriation of land without compensation will be among the combined measures employed to enable the state to achieve the acquisition of land as enunciated below.

### 2.5.1 Land on the Market

The State will proactively identify land suitable for acquisition by the State using various identification tools, land that is either put up for sale or ideally suited for acquisition to advance the objectives of the Land redistribution programme and meet the expressed demand for land. A combination of methods will be used to acquire this land including outright negotiation and purchase, donations, auction sales and a Right of First Refusal on the part of the State, where necessary.

### 2.5.2 Land on Auction

Government will also acquire land for redistribution by purchasing land that has been put up for auction. Land auctions provide the DRDLR with good opportunity to proactively acquire land cheaply, given that the final bidding price for such land is generally much lower than the actual market value of the land.

In most instances the land in question has arisen from insolvencies, deceased estates and financial institutions foreclosing on property. Another avenue relates to mortgaged land purchased at Land Bank auctions and other financial institutions. The guidelines will be developed by the Department on the purchase of land at auctions where both the land and beneficiary group or groups may or may not have been identified. The Department will focus on white commercial agricultural farming land in order to achieve its land reform targets.

Instances in which land is proposed for expropriation without compensation are recommended by this policy to include: i) Land acquired unlawfully; ii) Land used for unlawful ends; iii) Land wherein unlawful and inhuman evictions and treatment of farm dwellers is practiced, and iv) Land acquired in public interest.

## 2.6 Land Maintenance Funding and Development Support.

In addition to acquisition of immovable and movable property and assets the policy provides for approval of funding for the maintenance of immovable property, movable and biological assets and infrastructure in terms of 10(1)(b)(iii) of the Land Reform: Provision of Land and Assistance

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Act 126 of 1993 (as amended). This includes fees for electrical and/or water connection and reconnection, repair and maintenance of internal services and irrigation, feed and medication for livestock, alien plant eradication and maintenance of fire belts.

The various categories of farmers and producers will be assisted to apply for grant and other funding from both national Departments such as the Department of Agriculture, Fisheries and Forestry (DAFF) and Department of Trade and Industry (DTI), as well as Provincial Departments of Agriculture and Rural Development. Furthermore the DRDLR Policy for Land Development Support (LDS) provides for financial support and skills transfer to Black farmers with Development Partners to ensure their ability to farm independently and access market and value chain integration.

### CHAPTER 3: LEGISLATIVE CONTEXT

The primary legislation utilised to affect Pro-active Land Acquisition is the **Land Reform: Provision of Land and Assistance Act 126 of 1993**, as amended in 1998 and 2008. The objects of the Act are to:

- (a) give effect to the land and related reform obligations of the State in terms of Section 25 of the Constitution of the Republic of South Africa, 1996;
- (b) effect, promote, facilitate or support the maintenance, planning, sustainable use, development and improvement of property contemplated in this Act;
- (c) contribute to poverty alleviation; and,
- (d) Promote economic growth and the empowerment of historically disadvantaged persons.

Section 10(1) of the amended Act empowers the Minister to take the following actions as determined necessary to realize the objectives of the Act: acquire property with funds appropriated by Parliament for the purpose of the Act; make available state land administered or controlled by the Department; maintain, plan, develop or improve property; provide financial assistance to beneficiaries for such, as well as for land acquisition, capacity building, skills development, training and empowerment; authorise the release of funding to lower level government, other state entities and designated persons for these aforementioned purposes. It also provides for the direct transfer and registration of property from the present owner to beneficiaries, and exempts it from any charges associated with such. Furthermore, 10(1)(a) obligates the DRDLR to account for the aforementioned actions, as well as the disposal and leasing of property, through a duly established trading entity that maintains separate financial records for each agricultural enterprise or separately administered piece of land which it acquires, manages, disposes of, or leases. Section 10(1)(b)(iii) provides for the maintenance of properties and infra-structure acquired in terms of the amended Act.

Other existing laws enabling the Department to undertake the strategic acquisition of properties for land reform purposes, regulate land use, and/or provide support for maintenance, development and improvement of land are as follows:

- **Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA)**: provides a framework and institutions for spatial planning and land use management, and the facilitation and enforcement of land use and development matters. In terms of Section 2 (2) of this Act all of the above legislation must comply with the provisions regarding changes in land use; and,

- **Property Valuation Act 17 of 2014:** provides for the regulation property valuation in respect of that identified for land reform, and other property identified for acquisition or disposal by a State Department, as well as establishes the Office of the Valuer-General and provides for the appointment and responsibilities of the Valuer-General.

Legislation under the responsibility of other Departments and spheres of government is also relevant to the implementation of strategic land acquisition. This includes the Constitution of South Africa 1996 Act 108 of 1996; the Public Finance Management Act 1 of 1999 (as amended by Act 29 of 1999) (PFMA); and Treasury Regulations.

## **CHAPTER 4: INSTITUTIONAL MEASURES**

### **4.1 Intergovernmental Coordination**

The National Land Acquisition and Allocation and Control Committee (NLAACC) is composed of Deputy Director Generals and other Senior Managers from DRDLR branches, representatives of the various National Departments involved in Land issues and development, state and private entities in the agricultural and rural development sectors, and Chief Directors of the Department responsible for the Strategic Land Acquisition Programme and Development Programme in their respective provinces.

### **4.2 District Land Reform Committees**

As directed by the NDP and noted above, the Department has established District Land Reform Committees (DLRCs) in all District Municipalities of the country. Forming an important part of the legislative and institutional overhaul of the current land reform programme proposed by the 2011 Green Paper, the DLRCs advance the NDP's call for a more targeted approach to land acquisition that builds the necessary institutional capacity and utilises local knowledge of commercial farmers, municipalities, farm workers/dwellers etc. needs to be developed. DLRCs will promote decentralised implementation, and are in the best position to ascertain important information regarding land in each district (i.e. who it is owned and cultivated by, what it is used for, who is underusing the land, who is retiring, who is an absentee landlord, which is a deceased estate etc.), and thus can play a key role in determining which land is available for redistribution.

Also, the DLRCs will enable substantive and equal participation of all stakeholders in decisions surrounding land acquisition. In promoting a bottom-up, participatory, multi-sectoral approach to land reform, DLRCs will both give a voice to the landless and land-hungry in the redistribution process, while also facilitating landowner cooperation by enabling them to play an active role in land reform. The functions and composition of the DLRCs have been redefined in the Terms of Reference to avoid conflict with the administrative roles and responsibilities of the State in executing the Land Reform mandate.

### **4.3 District Beneficiary Selection Committees**

As noted above the Province shall also establish a District Beneficiary Selection Committee which will act as a sub-committee of the Provincial Technical Committee (PTC) and shall screen, shortlist and interview applicants for access to land for Land Redistribution purposes and make recommendations to the Provincial Technical Committee. The PTC shall support and recommend projects for land acquisition; land development and suitable candidates for land allocation to the National approval structures or Committee.

## CHAPTER 5: REDISTRIBUTIVE INTERVENTIONS.

The Pro-active Land Acquisition Policy will serve as the core instrument utilised by the state to acquire land, as assisted by the Valuations Act and in consonance with the Departmental State Land Lease and Disposal Policy, in order to further the objectives of the Department's Land Redistribution Programmes, including the three central drivers of the RETM, namely the **SRR programme, Agri-Parks programme, and One Hectare-One Household programme**, and others as summarised below.

Firstly, the **Strategic Land Acquisition and Warehousing** provides for the acquisition and warehousing of properties intended to be used for allocation to black farmers, incubation, training and graduation of smallholder farmers and agricultural graduates. These properties will be leased to suitable candidates and also be used as training and incubation centres for agricultural graduates and the different categories of land reform farmers and producers (as discussed in sub-section 2.3 of this Policy). **In selecting candidates for incubation recognition will be given to appropriate prior learning and experience targeting unemployed Agricultural graduates who are interested in farming.** Through a learning-by-doing approach, the incumbents will be exposed to the broad spectrum of agricultural skills such as cropping, livestock production and value adding. The incubation farms should be operated on pure business principles and should ensure sustainability in the long run. Preferably they should comprise of multiple enterprises to enable them to meet their operational and cash flow needs. However in their first one or two years of operation, the department must assist them in order to build up their reserves in order to make them sustainable in the long run. After completing the two-year training, certain Graduates who have displayed competency will be allocated farms acquired and warehoused, while others will be linked to communal land with comprehensive support in terms of infrastructure and the required capital to proceed with their farming aspirations.

**The One Household – One Hectare programme** aims to ensure a just and equitable distribution of land, and to facilitate advancement meaningful and substantive communal tenure rights. The programme will do so by providing residential tenure security in communal areas, communities on commercial farms and other land acquired for farm dwellers/workers, labour tenants, restitution and for the expansion/reform of communal land. Within the programme, the RETM and the One Household – One Hectare principle will be applied, in which land will be surveyed by the Surveyor General upon state acquisition, land use plans will be formulated, and each household will be allocated one hectare of land and issued title deeds for such. Households will be supported to produce for consumption needs and organised into primary cooperatives linked to the proposed Agri-Parks, as well as to develop non-agricultural enterprises. As with the others discussed above, this programme relies wholly on the availability of suitable land for allocation to beneficiaries, to be ensured through PLAS.

The programme to **Strengthening of Relative Rights of persons working the land (SRR)** seeks to fundamentally alter the agricultural landscape by introducing a redistributive model of agricultural growth. It introduces a share-equity and co-management regime based on the relative contribution of each category of people to the development of the farms, with the main objectives of securing tenure, ensuring sustainable land and productivity and improving livelihoods of people who work in commercial farming areas. The state will assist farm labourers to acquire 50% of commercial farms where they reside, with the historical owner retaining the other 50%. It therefore requires the strategic acquisition of land and equity in the form of shares to establish and support partnerships and equity arrangements between new and existing commercial farmers, labour tenants, farm workers and farm dwellers. Proactive Land Acquisition

will be used as the primary method to acquire land to realise the objectives of the SRR programme.

**The Accelerated Land Development and Redistribution Initiative (ALDRI)** aims to provide access to land to a significant number of South Africans, targeting the poorest of the poor, within the shortest possible time frame through government buying up agricultural zoned land in peri-urban areas around towns, including small rural towns, and sub-urban areas across South Africa. Government will then facilitate the development of such land through provision of bulk services, town establishment and subdivision of the land in 1 -10 Ha stands for allocation to Category 1 and 2 small holder farmers, as well as urban landless and jobless people.

As demonstrated above, the aims of the Proactive Land Acquisition Policy converge with those of these programmes. Achieving the overarching goals shared by these intertwined programmes and the NDP (i.e. advancing smallholder development, agrarian transformation, tenure security, food security, skills expansion, job creation, enterprise development, poverty reduction and equity), depends upon the rapid state acquisition of quality suitably-located agricultural land as facilitated by PLAS. Also important to mention is that the Policy is aligned with the Department of Housing's various programmes linked to the fast tracking of housing delivery.

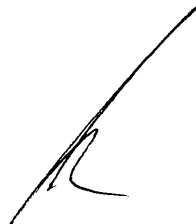
## CHAPTER 6: INTERNATIONAL BENCHMARKING AND LESSONS FOR SOUTH AFRICA -

The International Fund for Agricultural Development (IFAD) defines inclusive rural transformation as "*a process in which rising agricultural productivity, increasing marketable surpluses, expanded off-farm employment opportunities, better access to services and infrastructure, and capacity to influence policy all lead to improved rural livelihoods and inclusive growth*".<sup>5</sup> As highlighted by the IFAD, the African Development Bank and many other major international development institutions (e.g. the Asian Development Bank and United Nations Development Programme (UNDP)), redistributive land reform is a key catalyst of (and thus essential to) pro-poor growth and broader structural transformation.

However, as seen in South Africa, not all rural growth and transformation is inclusive and pro-poor. Certain patterns of rural economic growth and transformation may involve a wide range of political, social, economic and environmental imbalances and inequities. In order to significantly reduce rural poverty, IFAD contends that inclusive rural transformation must not only occur at a rapid pace, but also requires context-specific agricultural and rural development policies and programmes that "*enable and empower rural people to seize the opportunities and address the threats and challenges associated with the transformation processes*".<sup>6</sup> Such empowerment rests on increasing equity in rural areas, particularly creating more equitable access to and distribution of land and other essential resources.

In countries that have seen significant progress in terms of engendering pro-poor growth and broader structural transformation driven by inclusive rural transformation, land reforms, especially land redistribution, were fundamental to their success. Policies and legislation that redistributed significant amounts of agricultural land to small-scale rural producers and secured rural land rights, while also enhancing access to technology, inputs, finance, knowledge and markets, resulted in more labour-intensive agricultural production and enhanced productivity, increased rural incomes and land investments, and empowerment of rural residents, which led

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to sustained rural development and inclusive rural transformation.<sup>7</sup> Also key were complementary rural development policies that supported the creation of attractive jobs accessible to poor households, promoted major rural infrastructural and institutional development, and integrated smallholder farmers and other rural small and medium entrepreneurs into value chains.<sup>8</sup>

## **CHAPTER 7: CONCLUSION**

Considering the above, the Policy for Proactive Land Acquisition is therefore meant to serve as one of the key entry points in engendering inclusive rural transformation and broader structural transformation in South Africa. With the overarching aim of a just and equitable distribution of agricultural land among those who live on and work it to reverse the legacy of colonialism and apartheid, ensure progressive attainment of objectives enshrined in the Freedom Charter, Ready to Govern document and the Constitution and thus contribute towards socio-economic development, PLAS enables the state to pro-actively acquire and redistribute quality, well-located agricultural land for redistribution.

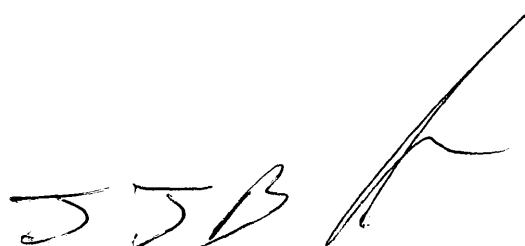
This will facilitate increased equity in rural spaces, and advance the NDP's vision of successful smallholder agricultural development, strengthened land rights, enhanced productivity, substantial employment creation, widespread food security and poverty eradication. In addition, the different categories of farmers and producers who benefit through a variety of programmes will promote agricultural diversification and stimulate enterprise development.

The overall goal of this policy is social cohesion through an equitable and democratic redistribution of land and resources, accelerated production and prosperity in the rural and urban areas of South Africa.

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**Ms MAITE NKOANA - MASHABANE (MP)**

**MINISTER OF RURAL DEVELOPMENT AND LAND REFORM**




**DATE:**

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OFFICE OF THE DEPUTY DIRECTOR-GENERAL: LRD, Private Bag X833, Pretoria, 0001. Tel: 012 312 9531 / 8892

**STANDARD OPERATING PROCEDURES FOR PROPERTY ACQUISITION AND ALLOCATION: PROACTIVE LAND ACQUISITION  
POLICY (PLAP)**

<p><b>Compilation Date:</b></p> <p>29 May 2019</p>	<p><b>Compiled by:</b></p> <p>Chief Policy Advisor: SLRI </p>
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## ABBREVIATIONS

ALHA	Agricultural Land Holding Account
APAP	Agricultural Policy Action Plan
CRDP	Comprehensive Rural Development Plan
CPA	Communal Property Association
DAFF	Department of Agriculture, Forestry and Fisheries
DBSC	District Beneficiary Selection Committee
DLRC	District Land Reform Committee
DRDLR	Department of Rural Development and Land Reform
ESTA	Extension of Security of Tenure Act 62 of 1997
IDP	Integrated Development Plan
LTA	Land Reform: Labour Tenants Act 3 of 1996
MTSF	Medium Term Strategic Framework

NDP	National Development Plan
NLAACC	National Land Acquisition and Allocation Control Committee
SLLT	Strategically Located Land Identification Tool
NTC	National Technical Committee
OVG	Office of the Valuer-General
PFMA	Public Finance Management Act 1 of 1999 (as amended by Act 29 of 1999)
PLAP	Pro-active Land Acquisition Policy
PLAS	Pro-active Land Acquisition Strategy
RETM	Rural Economic Transformation Model
SDF	Spatial Development Framework
SLLDP	State Land Lease and Disposal Policy
SPLUMA	Spatial Planning and Land Use Management Act
SRR	Strengthening Relative Rights (of People Working the Land)

## 1. PURPOSE

The purpose of this document is to provide the standard operating procedures to be followed when processing Land acquisition and allocation applications submitted in terms of Section 10 of Act 126 as amended for Land Redistribution purposes.

## 2. CONTEXT

**The Constitution** of the Republic of South Africa (1996), echoes the Freedom Charter. Section 25 (4) talks to national interest and states that "For purposes of this (a) the public interest includes the nations commitment to land reform and to reforms to bring about equitable access to all South Africa's natural resources, and (b) property is not limited to land. Implied here is that national interests take precedence and that limitations and exemptions to such limitations of access, will be in furtherance of national interests.

Furthermore it provides in Section 25 (5) that "the state must take reasonable legislative and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis". In a context wherein the majority of citizens still do not have equitable access to land, this constitutional promise still remains an imperative.

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**Land Reform: Provision of Land and Assistance Act 126 of 1993**, as amended in 1998 and 2008 in section 10(1) of the amended Act gives effect to section 25(5) and empowers the Minister to take the following actions as determined necessary to realize the objectives of the Act: acquire property with funds appropriated by Parliament for the purpose of the Act; make available state land administered or controlled by the Department; maintain, plan, develop or improve property; provide financial assistance to beneficiaries for such, as well as for land acquisition, capacity building, skills development, training and empowerment; authorise the release of funding to lower level government, other state entities and designated persons for these aforementioned purposes. It also provides for the direct transfer and registration of property from the present owner to beneficiaries, and exempts it from any charges associated with such. Furthermore, 10(1)(a) obligates the DRDLR to account for the aforementioned actions, as well as the disposal and leasing of property, through a duly established trading entity that maintains separate financial records for each agricultural enterprise or separately administered piece of land which it acquires, manages, disposes of, or leases. Section 10(1)(b)(iii) provides for the maintenance of properties and infra-structure acquired in terms of the amended Act.

This document gives effect to the Proactive Land Acquisition Policy which aims to further the vision and targets of the NDP, which views the inclusion and transformation of South Africa's rural areas as a key route to achieving its overarching aims. The NDP states that the first strategic component of its proposed rural development strategy, namely boosted agricultural production, must be achieved through the expansion of irrigated agriculture and dry-land production, "*with emphasis on smallholder farmers where possible.*"<sup>1</sup> Thus a revised model for land reform is proposed based on certain key principles (see Preamble) including the rapid transfer of agricultural land to Blacks without distorting the land market or business confidence, and ensuring sustainable production on transferred land.

To realize these principles, The NDP stresses the need to improve tools for land acquisition. It proposed the creation of District Land Committees to identify at least 20% of commercial farmland in each district that is easily acquirable and which does not cause distortions in the land market for redistribution to Black farmers.

The model further envisions the development of new financial instruments to facilitate land reform, including 40-year mortgages at preferential rates for new entrants into markets.

The MTSF 2014-2019 sets the target of 1 million hectares of land allocated to smallholder producers and an additional 80 000 smallholder producers provided with support by March 2019. The other sub-outcomes are improved land administration and spatial planning, sustainable land reform (agrarian transformation), improved food security, increased access to quality basic services, and growth of sustainable rural enterprises and industries. In terms of improving spatial planning, Chapter 8 of the NDP emphasises

the importance of spatial development planning for successful agricultural production to overcome the spatial divide that characterises South Africa. In this regard, the NDP posits that a differentiated planning approach is needed to address the varied needs of each type of human settlement. The NDP proposes core principles that should be adhered to in spatial development including spatial justice, spatial sustainability, spatial resilience, spatial quality and spatial efficiency.

### 3. SCOPE

This document applies when processing applications submitted for acquisition of land and allocation of land in terms of section 10 of Act 126 for land redistribution purposes. This document shall apply to all officials of the Department responsible for the processing of land acquisition and allocation applications.

### 4. LEGISLATIVE MANDATE

**Land Reform: Provision of Land and Assistance Act 126 of 1993**, as amended in 1998 and 2008 in section 10(1) of the amended Act gives effect to section 25(5) and empowers the Minister to take the following actions as determined necessary to realize the objectives of the Act: acquire property with funds appropriated by Parliament for the purpose of the Act; make available state land administered or controlled by the Department; maintain, plan, develop or improve property; provide financial assistance to beneficiaries for such, as well as for land acquisition, capacity building, skills development, training and empowerment; authorise the release of funding to lower level government, other state entities and designated persons for these aforementioned purposes.

The Act also provides for the direct transfer and registration of property from the present owner to beneficiaries, and exempts it from any charges associated with such.

Furthermore, 10(1)(a) obligates the DRDLR to account for the aforementioned actions, as well as the disposal and leasing of property, through a duly established trading entity that maintains separate financial records for each agricultural enterprise or separately administered piece of land which it acquires, manages, disposes of, or leases. The following sections are critical:

1.1 Section 10(1)(a) of the Act empowers the Minister of Rural Development and Land Reform to acquire property from the money appropriated by Parliament for purposes of this Act.

1.2 Section 10(1)(b)(iii), of the Act empowers the Minister from money appropriated by Parliament to provide financial assistance by way of an advance, subsidy, grant or otherwise to any person for the acquisition, maintenance, development or improvement of property and for capacity building, skills development, training and empowerment for the purposes of this Act.

1.3 Section 11, of the Act empowers the Minister to lease any property contemplated in this Act.

1.4 Section 10(2), allows for the laws governing land use, the subdivision or consolidation of land, or establishment of townships apply to land contemplated in this Act.

**5. PROCEDURES**

This section provides for guidance to the officials of the DRDLR responsible for land acquisition and allocation on the steps and activities to be followed, including administrative steps that must be performed in the processing of Land acquisition and allocation application.

PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
1. Identification of Strategically Located Property	District Director	<ul style="list-style-type: none"> <li>• Advertise the online application system for land offers</li> <li>• Map all agricultural Property in the District Municipality.</li> <li>• Identify Property suitable for acquisition guided by the SLL tool and determine which may require further agricultural assessment before valuation</li> <li>• Conduct Land Rights Enquiry working with Branch LTA to determine if there are statutory lands rights on the property (restitution or tenure).</li> <li>• Obtain letter from the Provincial Restitution Commission of Land rights confirming if there are or no land claim/s lodged against the property to be acquired.</li> <li>• Submit the report to the PSSC Chief Director.</li> <li>• Consult with District Land Reform Committee, farmers' associations, Provincial Departments and Municipalities and Financial Institutions to identify farms for sale or suitable for acquisition by the State.</li> <li>• Receive offers to sell from Property owners and other stakeholders.</li> <li>• Create register of all offers received from the mapped areas</li> <li>• Prioritize farms based on needs in the District or region</li> </ul>	SPLUM PSSC  Deputy Director: SLA	30 days	PSSC District Office

DDG LRD INITIALS:

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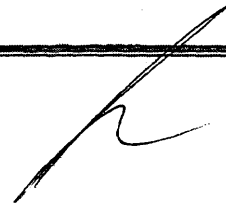
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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
	CD PSSC	<ul style="list-style-type: none"> <li>Facilitate the loading of farms on the SLL tool</li> <li>Approve planning funds to conduct farm assessments, property valuation, due diligence and any other planning activities as per Act 126 delegations<sup>2</sup></li> <li>Conduct farm assessments working with commodity organizations or Department of Agriculture or appointed Service provider.</li> <li>Director: SLA makes a decision to proceed or not proceed with the Acquisition based on the Assessment Report</li> <li>Analyse and recommend for acquisition</li> <li>Develop a project register and submit to PSSC for consolidation.</li> </ul>	Director: SLA		
	CD PSSC	<ul style="list-style-type: none"> <li>Align/Prioritize the project register in line with the Provincial Budget Allocated and IOP</li> <li>Quality check the Provincial Project Register in line with the developed check list</li> <li>Consolidate project registers and submit to National Office</li> <li>Present project register to BMM/Branch Planning Session for approval</li> <li>Submit the project register to SPLUM to map all the properties identified and also test them against the SLL tool to ensure they are suitable or strategically located.</li> </ul>	Director: SLA	5 days	PSSC
2. Approval of Project Registers	CD SLRI CD SDC	<ul style="list-style-type: none"> <li>Receive and consolidate all project registers from PSSC Offices into a National Project Register</li> <li>Submit the consolidated project register to CD: SLRI to ensure compliance with policy and strategic directive.</li> </ul>	Director: IMRC Director: LAW	10 days	National Office
	DDG	<ul style="list-style-type: none"> <li>Receive consolidated project register from CD SLRI</li> <li>Analyse the National project registers and align with budget allocation and the APP</li> <li>Quality check the National Project Register in line with the developed</li> </ul>	CD SLRI CD SDC	15 days	National Office

<sup>2</sup> REFER TO TERMS OF REFERENCE FOR FARM ASSESSMENTS

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
		<ul style="list-style-type: none"> <li>check list</li> <li>• Provide feedback to the CD SLRI</li> <li>• Submit the final project register for the Branch to DDG for approval</li> <li>• Submit approved project register for Property acquisition to CFO, ALHA and ODG.</li> </ul>			
3. Stakeholder Consultation and Resource mapping of selected projects	Director: SLA	<ul style="list-style-type: none"> <li>• Consultation with landowners, Provincial Departments and Municipalities and Financial Institutions whose properties have been prioritized for acquisition.</li> <li>• Presentation to the District Land Reform Committee of the priority list of farms for acquisition in the financial year.</li> <li>• Define the Property acquisition process (negotiated sale, auction, donation or expropriation) for the prioritised properties.                             <ul style="list-style-type: none"> <li>◦ SEE ANNEXURE A – PROCEDURAL GUIDELINES ON THE PURCHASE OF LAND ON PUBLIC AND BANKS AUCTIONS FOR THE PURPOSE OF LAND REDISTRIBUTION.</li> </ul> </li> </ul>	District Director	5 days	District Office
	Director SLA	<ul style="list-style-type: none"> <li>• Conduct farm assessments working with commodity organizations or Department of Agriculture or appointed Service provider.</li> <li>• Facilitate due diligence for going concerns and deal structuring WHERE applicable<sup>3</sup>.</li> </ul>	Deputy Director SLA	3 days 14 days	PSSC

<sup>3</sup> REFER TO TERMS OF REFERENCE FOR DUE DILIGENCE STUDIES

DDG LRD INITIALS: TSW

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
4. Property Valuation and Determination of price	CD PSSC	<ul style="list-style-type: none"> <li>Facilitate the appointment of the property valuers to value prioritized farms<sup>4</sup>.</li> <li>Or submit request to OVG to commence with the appointment of property valuers for the prioritized farms</li> <li>Consult SCM and Finance to commence with the process of appointment as per the Property Valuation Act and Terms of reference obtained from OVG.</li> <li>Receive the valuation report from the appointed property valuer/s</li> <li>Submit the valuation report to OVG for the quality assurance and determination of an offer on behalf of the State.</li> </ul>	Director SLA	30 days	PSSC OVG
5. Price negotiations with Property owners.	CD PSSC	<ul style="list-style-type: none"> <li>Update approved project register with valuations and recommended prices</li> <li>Obtain confirmation that the valuation certificate from OVG has been issued upon receipt of all information and ensure that OVG submits to land owner, proxy or their representative as per PVA regulations of 2018.</li> <li>Ensure OVG issue final offer/valuation certificate to the seller or proxy or legal representative.</li> <li>Receive the final valuation certificate from the OVG for consideration and processing.</li> <li>Prepare a letter of price offer to the Property owner/s or legal representative, based on OVG valuation certificate, signed by Chief Director PSSC<sup>5</sup></li> <li>Submit the letter to the seller/s/Property owner/s or their legal representatives.</li> </ul>	Director SLA	30 days	PSSC OVG

<sup>4</sup> REFER TO TERMS OF REFERENCE FOR APPOINTMENT OF VALUERS

<sup>5</sup> REFER TO DRAFT CONDITIONAL PRICE OFFER LETTER

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
		<ul style="list-style-type: none"> <li>• Upon receipt of an acceptance letter from the Property owner, the District office prepares the submission to PTC for consideration and approval by NLAACC.</li> <li>• In the event the offer is rejected, the seller/s/Property owner/s or legal representative shall submit a representation via the Chief Director PSSC to OVG with reasons why offer was rejected and provide new information.</li> <li>• Attend Price negotiations and representations by the seller, or proxy or legal representatives in the event the OVG offer is rejected.</li> <li>• Confirm if OVG has received all the documents (financial statements, management accounts, income and expenditure statements and other relevant information) for discussion during the representation by the Property owner/s or seller/s to conduct a review.</li> <li>• Arrange the price negotiation sessions in consultation with the OVG and the Property owner/s or seller/s or proxy.</li> <li>• Ensure that after price negotiations the OVG issue a revised valuation certificate to the land owner or proxy or legal representative.</li> <li>• Obtain an acceptance letter from the Property owner/s or seller/s.</li> <li>• Inform the OVG on receipt of the acceptance letter from the land owner/s or sellers.</li> <li>• Upon receipt of an acceptance letter from the Property owner, the District office prepares the submission to PTC for consideration and approval by NLAACC.(SEE ANNEXURE B: FORMAT FOR ACQUISITION AND ALLOCATION APPLICATIONS TO NLAACC, AND ANNEXURE C: NLAACC CHECKLISTS)</li> </ul>			
6. Beneficiary Application	CD PSSC	<ul style="list-style-type: none"> <li>• Upload approved advert onto the website and other media in the</li> </ul>	Dir: SLA	As per advert timeline	District and PSSC

DDG LRD INITIALS: TBN

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
		Province and Districts. <ul style="list-style-type: none"> <li>• Receive applications from prospective lessees either directly online or manual application form through a designated district official<sup>6</sup>.</li> <li>• The designated district official will scan and send by email all manual forms accompanied by copy of the movement register, indicating date and time of submission to a designated official at PSSC</li> <li>• Issue receipt of the application to the applicant.</li> <li>• Designated PSSC official will upload all manual forms onto the website as soon as received from District Offices.</li> <li>• System to acknowledge receipt by sending automated notification to applicant/ contact person nominated by the applicant and the relevant District Office.</li> <li>• Monitor closing date and ensure system is controlled not to receive late applications.</li> <li>• System enabled to classify applications per province; proposed land use and commodity.</li> <li>• Conduct online verification of all documents attached to the cited application.</li> <li>• Create register of all applications received from the website and submit to CD: PSSC for approval.</li> <li>• Disseminate each register to Districts for shortlisting.</li> </ul>			
7. Beneficiary Selection	CD PSSC	<ul style="list-style-type: none"> <li>• Receive the verified and approved District register of all applicants from PSSC.</li> <li>• Convene District beneficiary selection committee to screen, select and interview potential applicants as per the selection criteria.<sup>7</sup></li> <li>• Contact applicants to arrange compulsory farm inspection.</li> </ul>	Director: PM Director: SLA	14 days	PSSC

<sup>6</sup> REFER TO MANUAL APPLICATION FORM

<sup>7</sup> REFER TO DEPARTMENTAL STATE LAND LEASE AND DISPOSAL POLICY

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
		<ul style="list-style-type: none"> <li>Conduct interviews with successful applicants</li> <li>DBSC make recommendations to PTC for consideration.</li> <li>In the event that Beneficiary selection and land allocation goes concurrently with the Land acquisition, the District Office prepares a joint memorandum to request approval for Land acquisition and Land allocation to the recommended lessee.</li> </ul>			
8. Approval of beneficiary allocation <sup>a</sup>	CD PSSC	<ul style="list-style-type: none"> <li>Convene PTC to present the recommended lessee from DBSC.</li> <li>Present the PTC recommended lessee to NLAACC.</li> </ul>	Director SLA	30 days	PSSC
	PSSC CD	<ul style="list-style-type: none"> <li>Submit final allocation schedule and project files to CD SLRI for quality check.</li> <li>CD SLRI submits the final schedule to NLAACC secretariat.</li> <li>Present applications to NLAACC for approval.</li> <li>Obtain NLAACC approval in terms of Section 11 of the Act.</li> <li>Submit memorandum to Chief Director for approval.</li> </ul>	Director SLA	5 days	National Office
9. Approval for acquisition and release of funds.	Director. SLA	<ul style="list-style-type: none"> <li>District office prepares the submission for presentation to PTC or the similar Provincial structure.</li> <li>PTC or the similar Provincial structure recommends approval of acquisition of property and release of funds to NLAACC and ensure compliance with the checklist for Property acquisition.</li> <li>Submit all submissions and schedule to SLRI Chief Directorate</li> </ul>	District Director	10 days	PSSC
	CD SLRI	<ul style="list-style-type: none"> <li>Convene quality assurance session to perform compliance check on submissions and compile an NLAACC schedule of acquisition and allocation applications.</li> <li>Conduct quality assurance check meeting and invite affected Directors from Provinces</li> <li>Engage Directors SLA on outstanding information or documentation.</li> <li>Submit the final schedule and memorandums to NLAACC secretariat for</li> </ul>	Director LAW Director SIP	7 days	National Office

<sup>a</sup> IN THE CASE OF RE-ALLOCATION REFER TO STANDARD OPERATING PROCEDURES FOR REALLOCATION

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
		consideration.			
	DDG LRD	<ul style="list-style-type: none"> <li>NLAACC secretariat prepares the NLAACC agenda and submits to the Chairperson/s for approval.</li> <li>NLAACC Chairperson approves/disapprove the NLAACC agenda items.</li> <li>NLAACC Chairperson advise secretariat on items to be excluded from the NLAACC Agenda.</li> <li>Send out invitations, Agenda and memorandums to NLAACC members.</li> <li>PSSC CD or delegated person presents Property acquisition and/or allocation applications to NLAACC for approval.</li> <li>NLAACC approves/disapprove the Property Acquisition and/or allocation applications in terms of Section 10(1)(a) of the Act.</li> <li>CD SLRI prepares the final schedule and memo for approved acquisitions and/or allocations and submit to NLAACC Chairperson and Deputy Chairperson for signature.</li> <li>NLAACC secretariat finalizes the minutes, schedules and action lists and circulates them to NLAACC members.</li> </ul>	CD SDC  NLAACC Chairperson  NLAACC Secretariat  CD SLRI	9 days	National Office
	PSSC CD DDG LRD	<ul style="list-style-type: none"> <li>Attend to NLAACC conditions and submit to NLAACC secretariat for noting at NLAACC.</li> <li>Submit revised memorandum for approval and release of funds by the delegated authority in terms of the revised Act 126 delegations.</li> <li>Scan and submit the approved memorandum by CD PSSC to National office for record keeping.</li> <li>Approves release of funds or refers application to relevant delegated person/s as per act 126 delegations for approval and release of funds.</li> <li>Obtain approved memorandum from the delegated authority.</li> </ul>	Director SLA CD SLRI CD SDC	2 days	PSSC
10. Appointment of Conveyancers	CD PSSC	<ul style="list-style-type: none"> <li>Engage Director Finance to start the conveyancing process as per SCM.</li> <li>Submit the request to director Finance and SCM for the appointment of conveyancers.</li> <li>Appoint conveyancing attorneys to facilitate Property transfer/s.</li> </ul>	Director Finance & SCM District Director	5 days	PSSC

DDG LRD INITIALS:

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
		<ul style="list-style-type: none"> <li>• Ensure Director Finance and SCM issue appointment letters and guarantees.</li> </ul>	Director SLA		
11. Transfer of Property	CD PSSC	<ul style="list-style-type: none"> <li>• Discuss through the Provincial Legal Unit the special clauses or substantive clauses to be included in the Deed of Sale e.g. Standing timber and crops if any, movable assets and any financial retainers as determined by NLAACC.</li> <li>• Finalize and sign deed of sales and expedition and consult with conveyancers to ascertain lodgement date at Deeds office.</li> <li>• Obtain transfer confirmation letter from the conveyancers.</li> <li>• Submit the letter to Finance to prepare payment parcels and submit to National office</li> </ul>	Director Finance & SCM District Director Director SLA	14 days	
12. Processing of Payment	CD PSSC CFO	<ul style="list-style-type: none"> <li>• Confirm the transfer of property to the name of the State or relevant authority or legal entity.</li> <li>• Register the project on ACPACC</li> <li>• Compile and submit parcel payment</li> <li>• Process Payment and confirm the transfer of funds.</li> <li>• Transfer funds to Property owners and register the property in the asset register</li> </ul>	Director: Finance Director: SLA Director: Finance Director: ALHA Finance	14 days	PSSC PSSC: Finance and SCM National
13. Hand over to Property Management	CD PSSC	<ul style="list-style-type: none"> <li>• Hand over the file to Property Management</li> <li>• The following documents should form part of the handover memorandum checklist;                             <ul style="list-style-type: none"> <li>o Approved memorandum.</li> <li>o Application form with details of the applicant. Certified copy of the applicant Identity Document or certificate of incorporation in case of close corporations or companies. In case of Trusts, letter of authority /trust deed and certified copies of trustees' identity documents. Letter of authority for signing documents on behalf of the closed corporation/company/trust.</li> </ul> </li> </ul>	Director: SLA Director: PM	3 days	PSSC

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PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
		<ul style="list-style-type: none"> <li>○ Declaration form signed by the applicant to the effect that they and their Spouse are not public Servants or Affidavit envisaged in Clause 5.5 of the State Land Lease and Disposal.</li> <li>○ Sale agreement or deed of sale specifying what was bought.</li> <li>○ Special conditions or agreement signed with the previous owner.</li> <li>○ Valuation report in case of new acquisition</li> <li>○ In case where a Portion of the farm is allocated to two (2) or three (3) individuals or entities, the draft lease unit diagram from SPLUM should be attached.</li> <li>○ Inventory list of fixed and movable assets.</li> <li>• Conduct a joint in-loco farm inspection and asset verification upon Property transfer with the appointed lessee.</li> <li>• In the event the lessee has not been identified, identify a caretaker<sup>9</sup>.</li> <li>• Finalize the caretakership agreement<sup>10</sup></li> <li>• Arrange for the signing of the agreement and hand over of the property.</li> <li>• Compile the asset register of both assets acquired, donated and any asset on the farm.</li> <li>• Ensure the caretaker sign the asset register and accept the assets on the farm.</li> </ul>			

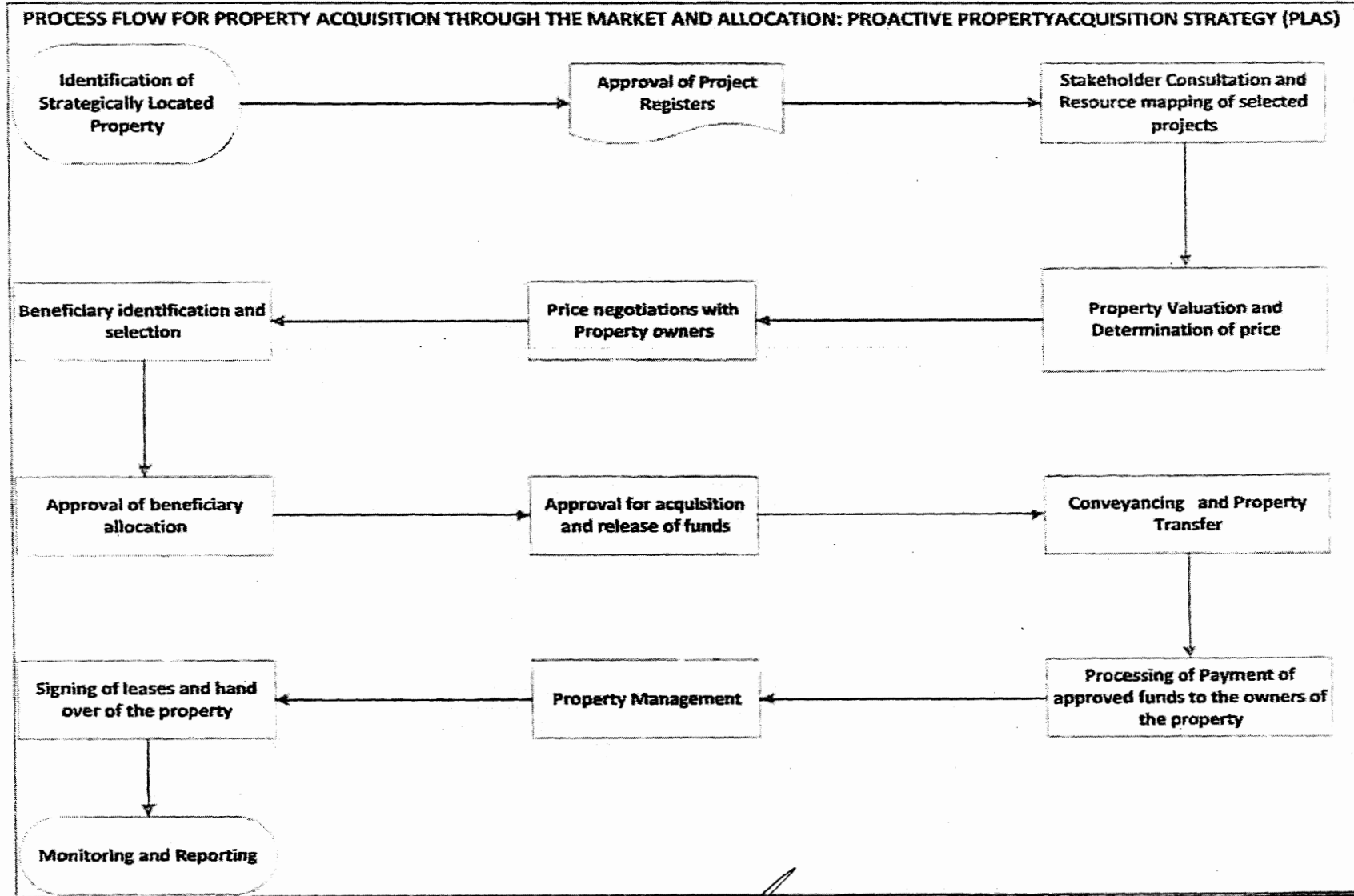
<sup>9</sup> REFER TO STANDARD OPERATING PROCEDURES FOR APPOINTMENT OF CARETAKERS

<sup>10</sup> REFER TO STANDARD CARETAKERSHIP AGREEMENT

DDG LRD INITIALS: TSW

*[Handwritten initials/signature]*

PROCESS	RESPONSIBLE PERSONS	ACTIVITIES	RESPONSIBILITY	TIMELINES	OFFICE
14. Signing of lease agreement and hand over of the property.	CD PSSC	<ul style="list-style-type: none"> <li>Facilitate the signing of lease agreement by both parties in a manner prescribed in the Contract Management Procedures.</li> <li>Facilitate the hand-over of the property to the new lessee.</li> <li>Inform Municipality and Provincial Departments for assistance.</li> <li>Inform the Land Development Chief Directorate for settlement support assistance.</li> </ul>	Director SLA Director PM	5 days	PSSC
15. Monitoring and Reporting	CD PSSC CD SLRI CD SDC	<ul style="list-style-type: none"> <li>Assign projects to project officers</li> <li>Ensure project officers visit the acquired farms quarterly with property management to monitor progress and utilization of the farm</li> <li>Ensure project officers submit quarterly on project performance reports on the performance of the lessee, management of assets and production on the farm.</li> <li>Submit the District consolidated report to Director SLA in the Province for consolidation and submission to CD SLRI.</li> <li>Monitor the progress on the deliverables/milestones of the projects in the project register</li> <li>Manage the amendment of the projects in the project register and seek approval from the Branch Management meeting.</li> <li>Submit consolidated quarterly Provincial Report projects performance on deliverables/milestones and identify challenges on the PLAS farms.</li> <li>Submit monthly and quarterly performance information to CD SDC as per the APP indicators and Technical indicator descriptions for consolidation of Branch Quarterly performance information.</li> </ul>	District Director Director SLA Director LAW Director IMRS	Ongoing	National PSSC



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## 8. DELEGATIONS

The powers and responsibilities of the Minister in terms of Section 15 of Act 126 have been delegated through the delegations document (ANNEXURE D) as follows:

- 6.1 Approval for the acquisition of immovable property as per section 10(1) (a) up to the amount of R50 000 000.00 is delegated to the Chief Director: Provincial Shared Service above R50 000 000.00 to the Deputy Director General as per present delegations, signed 28<sup>th</sup> September 2018, item 19, section 10(1) (a) of the Land Reform: Provision of Land and Assistance Act 126 of 1993 as amended.
- 6.2 Approval for the acquisition of moveable assets for development of land contemplated in this Act as per section 10(1) (b) (iii), up to R 500 000.00 is delegated to the Chief Director: Provincial Shared Service Centre, and above R 500 000.00 to the Deputy Director General as per present delegations, signed 28<sup>th</sup> September 2018, item 22, section 10(1) (b) (iii) of the Land Reform: Provision of Land and Assistance Act 126 of 1993 as amended.
- 6.3 Approval for the allocation of land as per Section 11 of the Act is delegated to Deputy Director General and other relevant Chief Directors as per present delegations, signed 28<sup>th</sup> September 2018, item 28, section 11 of the Land Reform: Provision of Land and Assistance Act 126 of 1993 as amended.
- 6.4 Approval for the validation of laws governing land use, the subdivision or consolidation of land, or the establishment of townships, not to apply as per section 10(2) is delegated to the Deputy Director General and other relevant Chief Directors as per present delegations, signed 28<sup>th</sup> September 2018, item 26, section 10(2) of the Land Reform: Provision of Land and Assistance Act 126 of 1993 as amended.

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6.5 Approval for the provision of financial assistance by way of an advance, subsidy, grant or otherwise to any person for the maintenance and to plan for the development and improvement of property which may be necessary is delegated to the Deputy Director General and other relevant Chief Directors as per present delegations, signed 28<sup>th</sup> September 2018, items 22 and 23, section 10(1) (b) (iii) of the Land Reform: Provision of Land and Assistance Act 126 of 1993 as amended.

9. ANNEXURES

- A. PROCEDURAL GUIDELINES ON THE PURCHASE OF LAND ON PUBLIC AND BANK AUCTIONS FOR THE PURPOSE OF LAND REDISTRIBUTION.
- B. FORMAT FOR ACQUISITION AND ALLOCATION APPLICATIONS TO NLAACC.
- C. CHECKLISTS FOR ACQUISITION AND ALLOCATION APPLICATIONS TO NLAACC.
- D. DELEGATIONS IN TERMS OF SECTION 15 OF THE LAND REFORM: PROVISION OF LAND AND ASSISTANCE ACT 126 OF 1993 AS AMENDED.

LOAN AGREEMENT

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**JB34**

ACKNOWLEDGEMENT OF DEBT

entered into between:

The Black Educational Empowerment Trust - Reg no IT64/2004  
Herein represented by Mr SC Williams - Financial Officer

\_\_\_\_\_  
("the Lender")

and

Nuveld Farming Empowerment Enterprises (Pty) Ltd - Reg no. 2017/460296/07  
Herein represented by Mr JJ Bezuidenhout - Director

\_\_\_\_\_  
("the Borrower")

**1) Amount of loan**

The Lender hereby agrees to lend the sum of R 516,625.20 the Borrower. This loan is specifically made available for the purchase of sheep. The terms are set out hereunder.

**2) Payment of loan to Borrower**

It is agreed between the parties that payment of the loan amount will be made immediately once an invoice is submitted to Nuveld Farming Empowerment Enterprises (Pty) Ltd. It is further agreed that the Borrower shall provide the Lender a copy of the invoice and proof of payment of the invoice.

**3) Period of loan**

This loan shall endure for a period of 30 months calculated from the date the loan is made available on the conditions of Note 2.

**4) Interest**

No interest will be charged on the amount and the agreement will be an interest free loan.

**5) Place and time of repayment**

Payment of loan shall be made via electronic funds transfer (EFT) on an ad-hoc basis before the end of the period of the loan.

**6) Acceleration clause**

If the Borrower fails to pay any instalment on due date the Lender shall be entitled but not obliged to claim the full balance of the loan.

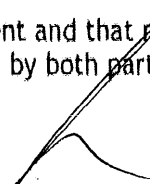
**7) Breach of terms**

If the Borrower fails to make repay the loan by the due date and the Lender decides to enforce the acceleration clause, he shall first give written notice to the Borrower calling upon him or her to make payment within (number) days, failing which the Lender shall be entitled to claim payment of whatever is due in terms of this agreement by way of summons.

**8) The whole contract**

The parties confirm that this contract contains the full terms of their agreement and that no addition to or variation of the contract shall be of any force and effect unless done in writing and signed by both parties.

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9) Domicilium citandi et executandi

The parties choose as their domicilium citandi et executandi the following addresses:

The Lender - 9 Kommissaris Street, Welgemoed, Bellville, 7530

The Borrower - 5 Ernest Avenue, Beaufort West, 6970

Thus done and signed at Beaufort West (place) on this 15<sup>TH</sup> of FEBRUARY 2018.

W. Williams

Signature of lender

Witnesses:

[Signature]

(Signatures of witnesses)

Thus done and signed at Beaufort West (place) on this 15<sup>TH</sup> of FEBRUARY 2018.

[Signature]

(Signature of borrower)

Witnesses:

JB

(Signatures of witnesses)

JJB [Signature]





## Absa Online: Notice of Payment

02 March 2018

Dear Nuveld Farming Empowerment Enterprises

**Subject: Notice Of Payment: Karoo Lam**

Please be advised that you made a payment to Karoo Lam as indicated below.

Transaction number:	80557CD20D-1
Payment date:	2018-03-02
Payment made from:	Nuveld Farming
Payment made to:	Karoo Lam
Beneficiary bank name:	STD S.A.
Beneficiary account number:	82959285
Bank branch code:	050008
For the amount of:	516,625.20
Immediate interbank payment :	N
Reference on beneficiary statement:	Nuveld farming 10968
Additional comments by payer:	-

Please remember that the following apply to Absa Online payments to non-ABSA bank accounts.

- Payments made on weekdays before 15:30 will be credited to the receiving bank account by midnight of the same day but may not be credited to the beneficiary's bank account at the same time.
- Payments made on weekdays after 15:30 will be credited by midnight of the following day.
- Payments made on a Saturday, Sunday or Public holiday will be credited to the account by midnight of the 1st following weekday.

If you need more information or assistance, please call us on 08600 08600 or +27 11 501 5110 (International calls).

If you have made an incorrect internet banking payment, please send an email to [digital@absa.co.za](mailto:digital@absa.co.za)

Yours sincerely

General Manager: Digital Channels

This document is intended for use by the addressee and is privileged and confidential. If the transmission has been misdirected to you, please contact us immediately. Thank you.

**IN THE HIGH COURT OF SOUTH AFRICA,  
WESTERN CAPE DIVISION (CAPE TOWN)**

**CASE NO:**

In the matter between:

<b>JOHANNES JOSHUA BEZUIDENHOUT</b>	<b>First Applicant</b>
<b>HEROLD BEZUIDENTHOUT</b>	<b>Second Applicant</b>
<b>JAN BERGH</b>	<b>Third Applicant</b>
<b>NUVELD FARMING EMPOWERMENT ENTEPRISE (PTY) LTD</b>	<b>Fourth Applicant</b>
<b>EASTERN CAPE AGRICULTURAL RESEARCH PROJECT</b>	<b>Fifth Applicant</b>
and	
<b>MINISTER FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>First Respondent</b>
<b>DEPUTY DIRECTOR GENERAL FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>Second Respondent</b>
<b>CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE</b>	<b>Third Respondent</b>

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**CONFIRMATORY AFFIDAVIT: SECOND APPLICANT**

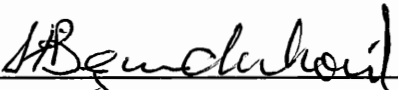
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I, the undersigned,

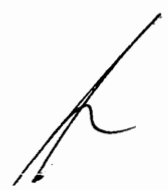
**HEROLD BEZUIDENHOUT**

do hereby make oath and say:

- 1 I am an adult male currently residing at 7 Bos Street, Nelspoort.
- 2 All the facts herein are within my personal knowledge and to the best of my belief true. Where I make legal submissions, I do so on the advice of my legal representatives.
- 3 I have read the founding affidavit of the first applicant, Mr Johannes Joshua Bezuidenhout and confirm the contents thereof in so far as they relate to me.
- 4 I support the relief sought in the Notice of Motion.




**HEROLD BEZUIDENHOUT**





I hereby certify that on the 17<sup>th</sup> day of MARCH 2023 in my presence at Beaufort West the Deponent signed this Affidavit and I administered the oath/affirmation in full compliance of the provisions of Act 16 of 1963 and Regulations promulgated thereunder (GN R1258 in GG 3619 of 21 July 1972, as amended).



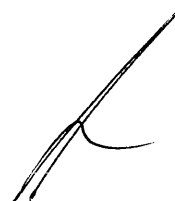
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**COMMISSIONER OF OATHS**

**WAYNE MOSTERT**

36 DONKIN STR., BEAUFORT-WES(T)  
Practising Attorney, Rep. of S.A.  
Praktiserende Prokureur, Rep. van S.A.

HB.



**IN THE HIGH COURT OF SOUTH AFRICA,  
WESTERN CAPE DIVISION (CAPE TOWN)**

**CASE NO:**

In the matter between:

<b>JOHANNES JOSHUA BEZUIDENHOUT</b>	<b>First Applicant</b>
<b>HEROLD BEZUIDENHOUT</b>	<b>Second Applicant</b>
<b>JAN BERGH</b>	<b>Third Applicant</b>
<b>NUVELD FARMING EMPOWERMENT ENTEPRISE (PTY) LTD</b>	<b>Fourth Applicant</b>
<b>EASTERN CAPE AGRICULTURAL RESEARCH PROJECT</b>	<b>Fifth Applicant</b>
and	
<b>MINISTER FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>First Respondent</b>
<b>DEPUTY DIRECTOR GENERAL FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>Second Respondent</b>
<b>CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE</b>	<b>Third Respondent</b>

---

**CONFIRMATORY AFFIDAVIT: THIRD APPLICANT**

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I, the undersigned,

**JAN BERGH**

do hereby make oath and say:

- 1 I am an adult male currently residing at Buitekant Street, Beaufort-West.
- 2 All the facts herein are within my personal knowledge and to the best of my belief true. Where I make legal submissions, I do so on the advice of my legal representatives.
- 3 I have read the founding affidavit of the first applicant, Mr Johannes Joshua Bezuidenhout and confirm the contents thereof in so far as they relate to me.
- 4 I support the relief sought in the Notice of Motion.

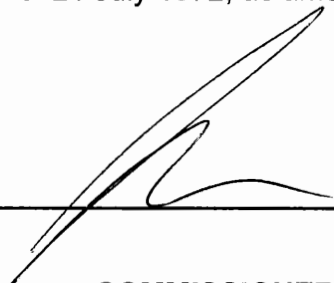
JB

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**JAN BERGH**



I hereby certify that on the 17<sup>th</sup> day of MARCH 2023 in my presence at Beaufort West the Deponent signed this Affidavit and I administered the oath/affirmation in full compliance of the provisions of Act 16 of 1963 and Regulations promulgated thereunder (GN R1258 in GG 3619 of 21 July 1972, as amended).



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**COMMISSIONER OF OATHS**

**WAYNE MOSTERT**  
36 DONKIN STR., BEAUFORT-WES(T)  
Practising Attorney, Rep. of S.A.  
Praktiserende Prokureur, Rep. van S.A.



**IN THE HIGH COURT OF SOUTH AFRICA,  
WESTERN CAPE DIVISION (CAPE TOWN)**

**CASE NO.:**

In the matter between:

<b>JOHANNES JOSHUA BEZUIDENHOUT</b>	<b>First Applicant</b>
<b>HEROLD BEZUIDENHOUT</b>	<b>Second Applicant</b>
<b>JAN BERGH</b>	<b>Third Applicant</b>
<b>NUVELD FARMING EMPOWERMENT ENTEPRISE (PTY) LTD</b>	<b>Fourth Applicant</b>
<b>EAST CAPE AGRICULTURAL RESEARCH PROJECT</b>	<b>Fifth Applicant</b>
and	
<b>MINISTER FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>First Respondent</b>
<b>DEPUTY DIRECTOR GENERAL FOR AGRICULTURE LAND REFORM AND RURAL DEVELOPMENT</b>	<b>Second Respondent</b>
<b>CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE</b>	<b>Third Respondent</b>

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**AFFIDAVIT OF THE EAST CAPE AGRICULTURAL RESEARCH PROJECT (ECARP)**

*Ch*

*[Signature]*

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I, the undersigned,

**LALITHA NAIDOO**

hereby make oath and state:

1. I am the director of the EAST CAPE AGRICULTURAL RESEARCH PROGRAM (**ECARP**). ECARP conducts its business at 4 Trollope Street, Makhanda. ECARP is a non-profit organisation and was established in 1993. ECARP's NPO Registration number is 079-450.
  
2. ECARP strives to promote the human and socio-economic rights of farm workers, dwellers, and rural communities by positively transforming their working and living conditions. We provide support to rural workers and communities that form part of the state's land reform programmes. This includes restitution and redistribution projects. To further its mission, ECARP focuses on:
  - 2.1. Facilitating rural workers' and communities' access to legislation and policy, and developing mechanisms to enforce them.
  
  - 2.2. Lobbying and advocacy to ensure that policies and legislation reflect the needs, concerns and development priorities of rural communities and agricultural workers.
  
  - 2.3. Promoting human rights.
  
  - 2.4. Promoting labour rights.



- 2.5. Advancing land ownership and tenure security on farms.
- 2.6. Advancing sustainable, holistic, and environmentally sound development and land use strategies.
- 2.7. Research in relation to land reform.
3. ECARP currently works with farm workers, farm dwellers, small scale farmers, and micro-food producers across four municipal areas, namely Makana, Sundays River Valley, Ndlambe, and Raymond Mhlaba of the Sarah Baartman and Amathole District Municipalities of the Eastern Cape.
4. Save to the extent that the context indicates otherwise the facts deposed to herein are within my personal knowledge. To the best of my knowledge and belief they are true and correct.
5. Where I make legal submissions, I do so on the advice of ECARP's legal advisers.
6. I have read the founding affidavit of Mr Johannes Josua Bezuidenhout and the annexures thereto. I confirm the correctness of that affidavit in as much as it relates to ECARP. The purpose of this affidavit is to set out briefly the experiences that ECARP, and the communities and individuals that we assist, have had in navigating the state's redistribution programme and projects.
7. I state at the outset that the experiences of the first to the fourth applicants in this matter are not unique. ECARP has encountered similar challenges in the communities that we assist. As a result, we too seek the systemic relief that is

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sought by the first to the fourth applicants in this case, as it will similarly assist those communities and individuals that ECARP supports in the achievement of their rights and in obtaining equitable access to land.

8. ECARP seeks this relief in its own interest, in order to promote the achievement of its objects; in the interest of the communities and individuals with which it works; and in the public interest.

## INTRODUCTION

9. Since 1993, ECARP has conducted research and support work with land reform projects across the Sarah Baartman District Municipality. This includes the following projects:
  - 9.1. Four Proactive Land Acquisition Strategy (PLAS) projects – Yarrow, Rockhurst, Outspan, Clifton Towers; and
  - 9.2. Eight Land Redistribution for Agricultural Development (LRAD) projects – Dekom, Nangkos, Groentuin, Masibambane, Masizakhe, Kamvalethu, Greenhills, Kuduvale, Nonzaliseko.
10. Our involvement in these redistribution projects has provided us with insight into the challenges that beneficiaries of the projects face.





## CHALLENGES FACES BY BENEFICIARIES

### Land redistribution policies are vague, creating avenues for abuse

11. The redistribution projects that ECARP have been involved in have demonstrated that the redistribution policies of the Department are not framed clearly enough to ensure that the correct people benefit from land redistribution. The Department often use these projects to benefit people who have either no farming experience, or little to no connection to the land.
12. In ECARP's experience, existing farm workers and dwellers who work and live on the farms and who have the necessary skills to work the land are often overlooked for redistribution projects. Where they are considered for these projects, they are grouped together with individuals who are politically connected, have no connection to the land, and know nothing about farming.
13. This "grouping" of beneficiaries is a recipe for disaster and has caused serious issues on the farms that ECARP works with in the Eastern Cape. Many of the problems raised by the first to the third applicants in this matter in relation to the selection of beneficiaries and the grouping of beneficiaries have also played out in the projects mentioned above.
14. Because of a lack of clarity in relation to the application processes, the beneficiary selection criteria, and the process that will be followed in allocating the land, potential beneficiaries who would like to benefit from these projects often have no idea when a project is being undertaken, where they can apply,

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and how they should apply. As a result, the land is often handed over to beneficiaries who have no real interest in the land.

15. For example, of the four PLAS projects mentioned above:
  - 15.1. Rockhurst was farmed by the male farm workers. None of the female farm workers or farm dwellers benefitted
  - 15.2. Businessmen leased two of the other farms, and a human resource manager employed in a private company leased the fourth. None of them had any previous relationship with the land.
16. The three PLAS projects other than Rockhurst resulted in the conditions of the farm workers and farm dwellers deteriorating after the redistribution projects commenced.
17. The Department acquired Outspan Farm in 2008 in terms of the PLAS. At the time of acquisition, the farm produced ostrich, livestock, lucerne, and paprika. By 2013, the farm was producing only the lucerne that had been planted by the previous owner. All the other farming activities had been neglected to such an extent that they were no longer functional. Fifty seasonally employed female farm workers, who had tended to the paprika, lost their jobs. The relationship between the beneficiaries and the farm workers and dwellers was incredibly poor.
18. On Yarrow farm, the initial lease agreement with the beneficiary came to an end in 2011. The beneficiary failed to maintain production on the farm, and the lease

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was not renewed. The farm workers and dwellers on the farm tried to engage the Department several times to allow them to take over the running of the farm and make it productive again, as it has been unproductive, and the land has been lying fallow, for the greater part of the time since government acquired it. There had also been major vandalism of property and equipment on the farm which had been reported by the workers and dwellers to the Department. Worker and dweller households no longer had access to water on the farm, as the cable for the water pump was vandalised and subsequently removed by the police to prevent further vandalism.

19. Despite the Yarrow farm workers and dwellers asking to take over the running of the farm, the Department initially suggested other people, who were not known to any of them. When the farm workers and dwellers protested about unknown and unconnected people gaining access to the land, the Department suggested that the workers and the dwellers enter into a joint partnership with the other interested beneficiaries, but failed to clarify what the terms of this partnership would be. The suggestion was rejected by the workers and farm dwellers.
20. The farm workers and farm dwellers on Yarrow Farm were at no point directed to an application process with identified criteria that they could follow in order to apply and be properly considered, amongst other possible beneficiaries, for the land. They were simply informed by the Department of the plans that the Department had for the land, and how the Department saw their role in it. After a long and protracted battle with the Department, the farm workers and dwellers



were allowed to farm the land. They now do so on the basis of the one-household-one-hectare project.

21. The reality is that the redistribution policies are often unclear and phrased in broad language, leaving it open to the Department to use it to benefit well-connected individuals over those people who need land for agricultural purposes. The lack of clear selection criteria and a process for consideration of beneficiaries creates loopholes for officials to circumvent beneficiaries who are actually on the land and equipped to farm the land.
22. It is telling that the only farm of the four that we studied that was successful was Rockhurst, which was allocated to the existing farm workers. On the three farms given to other beneficiaries, farm workers and dwellers who were already on the farms and had the technical skills to run the farms were side-lined by the Department and the outside beneficiaries. This resulted in the farms becoming unproductive. It was only much later and after immense pushback by both the farm workers and ECARP, that Yarrow Farm was allocated to the farm workers.

Frequent changes in policy result in uncertainty for beneficiaries

23. One of the challenges faced by beneficiaries of land redistribution projects is that repeated policy changes by the Department result in beneficiaries often being denied benefits they would have been entitled to when they initially became beneficiaries. The founding affidavit as well as Prof Ruth Hall's supplementary affidavit set out in detail how policies have shifted in land redistribution and I will not repeat that here. I will however discuss a few examples of how these changes have affected beneficiaries whom ECARP assists.



24. As mentioned above, Rockhurst is one of the farms supported by ECARP. The seven male farm workers initially entered into a lease with the Department for a period of three year. They were told that after that period they would become the owners of the farm if they could prove that they were farming productively. They were able to maintain production and pay their annual rent of R293 000 to the Department as well as monthly salaries of R1 700 to the seven beneficiaries.
25. After the expiry of the initial contract in 2010, Rockhurst beneficiaries were told that the land would not be sold to them, despite the promise that if they met the initial lease agreement, the farm would be sold to them, and the rent paid over the three years would be subtracted from the price of the farm.
26. Instead, they were promised a lease. There is currently confusion amongst the beneficiaries as to whether these lease agreements have been issued. Since 2011, they have waited for a lease agreement, but it was not until 2022 that one of the beneficiaries said that he had finally signed a lease agreement for a period of 30 years. None of the other beneficiaries are however aware of this agreement. They do not recall being part of the process. ECARP is currently trying to determine whether such a lease exists and if so, what it says.
27. While waiting for the leases, some of the male workers simply continued to farm the land with sheep, while others gave up and left the farm. The failure to issue leases made it difficult for the beneficiaries to gain access to credit or enter into agreements in relation to the land, as they cannot prove that they have legal rights in relation to the land. Even now that there is talk of a lease having been



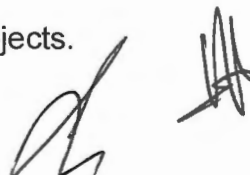
- signed, the majority of the beneficiaries are in complete darkness as to what was signed and what it means for them in relation to the land.
28. Some of the farms and beneficiaries to which the LRAD policy was applied have been similarly affected. In July 2013, the Department indicated that it would no longer be giving title deeds to beneficiaries under this programme and said that people who by that time had not received title deeds, would no longer receive them. They would instead be provided with lease agreements. Nangkos, Masibambane, Masizakhe, Kamvalethu, and Greenhills were affected by this decision. The beneficiaries of these projects all thought they would receive ownership of the land in terms of the LRAD, but when the PLAS policy started, they were told that they would not receive ownership any more.
29. I need to mention that in 2022, the Department changed its mind again and transferred ownership to some beneficiaries. However, not all beneficiaries are aware of this or have received the title deeds. It is not clear whether ownership was transferred to individual beneficiaries or to the relevant communal property associations. ECARP is currently trying to gain clarity on this.
30. In general, however, although beneficiaries were promised ownership in terms of the policy that existed at the time when they made application for land, the shift in policy meant that the Department did not comply with those undertakings. Beneficiaries were therefore occupying land and working it on the basis that they would become the owners of the land, only for the policy to change and for them to become lessees. In many instances copies of these leases are not provided



to the beneficiaries, leaving them with insecure tenure and an inability to access credit or enter into any agreements as the people in charge of the land.

Lack of monitoring of redistribution projects

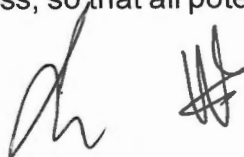
31. The Department often fails to oversee and monitor the existing redistribution projects. Many of these projects are not properly overseen by officials, and beneficiaries are then left in the hands of 'strategic partners' who have become involved for their own financial benefit. When projects fail, the Department often washes its hands of the process, and does not undertake a proper analysis of the project and what lead to its demise.
32. For example, in ECARP's experience there is a particular problem with the ability of strategic partners to transfer skills to beneficiaries. ECARP's work with beneficiaries reveal that skills enhancement is either non-existent or confined to one or two individuals. Where skills are transferred, the skills transferred are generally not comprehensive enough, and do not cover all of the financial and administrative aspects of farming. For example, in the Masibambane project there is only one beneficiary who has acquired computer and internet banking skills.
33. These projects are rarely audited by the Department and properly interrogated to determine whether they were successful in transferring the necessary skills, and what can be done in future to improve upon project implementation. So instead of understanding what factors lead to the success or failure of redistribution projects, the Department simply adapts its policies, without addressing the issues that underlie the projects.



34. In ECARP's experience, the Department is also generally unwilling to listen to beneficiaries when they air their grievances or raise problems in relation to their projects. This results in policies not truly reflecting the needs of beneficiaries and addressing the issues that they encounter on ground level.

### **SOLUTIONS TO THE PROBLEMS OF LAND REDISTRIBUTION**

35. The main challenge with land redistribution in South Africa, is the fact that despite section 25(5) of the Constitution making provision for land redistribution, no legislation has been enacted to give effect to this section and to guide the implementation of land redistribution in South Africa. As a result, it has been driven by policies that have been unclear, not informed by the actual needs and experiences of beneficiaries and potential beneficiaries, and not consistent in their approach to redistribution.
36. It is for this reason that ECARP believes that the systemic relief sought in this application is necessary to start the process of ensuring that the Department at least abides by certain basic principles when designing and implementing redistribution policies.
37. As set out in the founding affidavit and the affidavit of Prof Hall, any applicant that applies for the redistribution of land in terms of any legislation, policy, or programme of the government has a right to administrative action that is lawful, reasonable, and procedurally fair.
38. This means that they must have access to a fair application process that is known to them, and that they can easily access, so that all potential beneficiaries

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know how to apply and when to apply. This will avoid the situation discussed above where farm workers and dwellers were not able to apply for the land, but were simply told by the Department what would happen with the farm, without their wishes or their ability to farm the land being considered.

39. Once would-be beneficiaries have applied, their application must be properly considered and interrogated by the Department. This process should be fair and transparent so that it is clear that due consideration has been given to all the applications, and the applicants can be satisfied that the Department has properly applied its mind to their individual applications.
40. Applicants should also know what procedure and criteria will be used to assess the applications. This will enable them to frame their applications properly, and to understand how the Department will determine who the successful applicant will be.
41. It is also important that applicants be provided with timely decisions. As set out above, beneficiaries often wait for extended periods of time for the Department to issue them with leases or title deeds, or engage with them on the future of the land. This leaves people in limbo with little tenure security or no clarity on what their future may hold in relation to the land. This is simply not acceptable. Applicants and beneficiaries ought to be advised of the Department's decisions in relation to redistribution applications in a timely fashion.
42. Finally, it is critical that applicants be provided with the reasons for a decision by the Department. This allows applicants to assess the reasons for the decision, and to challenge the decision if appropriate.

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**CONCLUSION**

43. In light of the above, ECARP seeks an order in terms of the Notice of Motion.

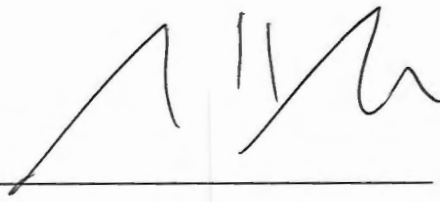


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**LALITHA NAIDOO**

I hereby certify that the deponent declared that he knows and understands the contents of this affidavit and that it is to the best of his knowledge both true and correct.

This affidavit was signed and sworn to before me at <sup>March and</sup> ~~Cape Town~~ on this <sup>27</sup> day of <sup>March</sup> ~~February~~ 2023. The Regulations contained in Government Notice R1258 of 21 July 1972, as amended, have been complied with.



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**COMMISSIONER OF OATHS**

Roy Tresco Horatio Hart  
118A High Street  
Grahamstown  
Commissioner of Oaths  
Practising Attorney, R.S.A

**IN THE HIGH COURT OF SOUTH AFRICA,  
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<b>JAN BERGH</b>	<b>Third Applicant</b>
<b>NUVELD FARMING EMPOWERMENT ENTEPRISE (PTY) LTD</b>	<b>Fourth Applicant</b>
and	
<b>MINISTER FOR AGRICULTURE RURAL DEVELOPMENT AND LAND REFORM</b>	<b>First Respondent</b>
<b>DEPUTY DIRECTOR GENERAL FOR AGRICULTURE RURAL DEVELOPMENT AND LAND REFORM</b>	<b>Second Respondent</b>
<b>CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE</b>	<b>Third Respondent</b>

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**AFFIDAVIT: JACQUES PHEIFFER**

---

I, the undersigned

**JACQUES PHEIFFER**

hereby make oath and say:

*JP  
all*

1. I was previously the Western Cape Director: Strategic Land Acquisition of the Department of Agriculture, Land Reform and Rural Development (“the Department”), where I worked for 16 years.
2. Save to the extent that the context indicates otherwise, the facts deposed to herein are within my personal knowledge and belief. They are true and correct. To the extent that I make legal submissions in this affidavit, I do so on the advice of the applicants’ legal representatives.
3. The purpose of this affidavit is two-fold. Firstly, I relate my personal knowledge of some of the events surrounding this matter. Secondly, I confirm the information and allegations contained in Mr Johannes Josua Bezuidenhout’s founding affidavit in as much as they relate to me.
4. I started working at the Department 1 March 2005 as a Chief Planner (District Manager). By the time I left in 2021, I was the Director: Strategic Land Acquisition. I left the Department because the policy was being deviated from in ways that I found intolerable, and internal office politics had become unbearable.
5. In 2009, when Plateau farm was allocated to more than 80 beneficiaries, it was clear that such an allocation could never be sustainable. The beneficiaries were largely subsistence farmers. An economic unit in the Karoo is considered to be more or less 5000 hectares in extent. The farms making up Plateau are about 19000 hectares in extent, much of the land being mountainous land. An allocation to three farmers who permanently live and farm there would be ideal to enable them to farm sustainably and make a living.

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6. The land is 80km from the nearest town. It is thus quite inaccessible to small scale or subsistence farmers who do not live there, as it is not viable for them daily to drive to and from the farm at such a distance.
7. Plateau would therefore never have been a sustainable option for small scale farming/subsistence farmers. The income which the farm could potentially generate, even if Plateau is farmed optimally, would not materially improve the lives of 80 beneficiaries.
8. Even so, when the second lease agreements of the different beneficiary groups expired in 2017, the Department intended in principle to renew the contracts of all the groups. However, the Department was aware that almost none of the beneficiaries remained active on the land. The lack of economic viability of leasing the farm to so many people had become obvious, as most of the beneficiaries who preferred small-scale farming had simply stopped going to the farm and were no longer interested in it.
9. The Department invited all the groups to form new entities in order to apply for the new thirty-year leases. All of the beneficiaries ignored us, except for the three applicants. They were the only ones who had stayed on the farm, and they had taken responsibility for the farm and the livestock. That is why the Department had agreed to allow them to stay in order to protect these assets of the state. The risk of leaving the assets and the Department's investment unattended and without control was immense.
10. The result was that it was that only Nuvelde – amongst the former beneficiaries – applied through the formal process for a thirty-year lease on Plateau.

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11. At that time, I was the chair of the District Beneficiary Selection and Allocation Committee (DBSC). The DBSC recommended an allocation to Nuvelde and, in accordance with the process, referred the recommendation to the Provincial Technical Committee (PTC).
12. The PTC also recommended that Nuvelde be awarded the farm. At that time, Mr Mbekeni was not yet acting Chief Director, but he was the chairperson of the PTC.
13. From there the matter went to the NLAACC. In May 2020 it also recommended Nuvelde.
14. It was only in June 2020, after that process had been completed, that some of the former beneficiaries appeared on the scene with their 'complaints'. This was irregular. These former beneficiaries were all well aware of the application process, and some had even come to the Department seeking assistance with their applications. They however never followed through and made applications.
15. In the reasons that Mr Mbekeni provided for not approving the proposed allocation to Nuvelde, he states the following:

*Following these meetings [with the complainants and others] on 18 September 2020 I convened a virtual meeting with Senior Managers responsible for SLA, Property Management, former Acting CDs and Legal services to present outcomes of these consultations [...] Allegations of fronting cannot be ignored and must be investigated in this matter. Allocating this property/ies to Nuvelde could be tantamount to handing it back to Prof free of charge at the expense of*

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*the complainants. Moreso this information was not disclosed to the DBSC, PTC and NLAAC. Officials who managed this process indicated that they are hearing it for the first time and they had no prior knowledge of Prof's involvement at all in the establishment or ownership of Nuvelde in the light of this they all agreed that the Acting CD: PSSC Western Cape must not approve the recommendation to allocate the Plateau Farms to Nuvelde Farming Empowerment Enterprise (Pty) Ltd as the appointed lessee to lease the land and moveable asset for a period of 30 years.*

16. I attended that virtual meeting of 18 September 2020. It is absolutely untrue that "all agreed that the Acting CD: PSSC Western Cape must not approve the recommendation to allocate the Plateau Farms to Nuvelde ....". To the contrary, we listened with astonishment to Mr Mbekeni's announcement that he would not approve the allocation. In my 18 years at the Department, it was the first time that a Chief Director had overturned the recommendation of the NLAAC. As Director of Strategic Land Acquisition and chairperson of the DBSC at the time, I absolutely did not agree with this decision. I expressed my disagreement. My reasons for not agreeing were as follows:

- 16.1. It is so that this was the first time many heard the allegation that Professor Sinclair had ownership in Nuvelde. Steps could easily have been taken, before any decision was made to reject Nuvelde's application, to establish whether the allegation was true. That did not happen.
- 16.2. Mr Mbekeni as the Acting Chief Director did some sort of 'investigation' without informing the Director Strategic Land Acquisition, who was

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primarily responsible for acquisition of land and the allocation thereof. This was irregular.

- 16.3. Mr Mbekeni's approach in this case lacked objectivity. I observed him treating the present Applicants with little or no respect, while he appeared to have a bias towards the groups that had complained.
- 16.4. All branches responsible for land reform (Property Management and Land Development Support) as well as the legal officer had been fully briefed in terms of the plan to mitigate the risk of securing the Plateau asset through a selection and allocation process, and they had formed part of various meetings where the plan was discussed and agreed.
- 16.5. After the expiry of the second leases of the 80 beneficiaries in 2017, the Department did not have any obligation in terms of policy to automatically renew the leases. It had every right to start a new selection and allocation process which would secure the assets of the state, and to ensure viable land reform and creating a new class of successful black farmers. The disgruntled beneficiaries had no expectation to have their leases renewed. Yet, despite the fact that they had put the asset of the state at risk through their conduct while they were on the farm, they were now being treated as if they had greater rights and privileges.
- 16.6. Mr Mbekeni appeared to deliberately involve colleagues without land reform experience in this process, so as to support a particular narrative which did not serve the best interest of land reform, nor of creating successful agricultural businesses.

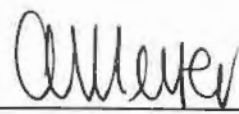
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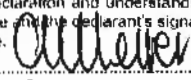


17. I have read the founding affidavit of the first applicant. I confirm its contents in so far as they refer to me.

  
JACQUES PHEIFFER

I hereby certify that the deponent stated that he knows and understands the contents of this affidavit, and that it is to the best of his knowledge both true and correct. This affidavit was signed and sworn to before me at Vredenburg on this 31 day of March, 2023, the Regulations contained in Government Notice R1258 of 21 July 1972, as amended, have been complied with.

  
COMMISSIONER OF OATHS

1. I certify that before taking the prescribed oath/affirmation, I put the following questions to the declarant and wrote down his/her answers in his/her presence:
    - (1) Are you familiar with the contents of the above declaration and do you understand it?  
Answer: Yes
    - (2) Do you have any objections to taking the prescribed oath?  
Answer: No
    - (3) Do you regard the prescribed oath as binding on your conscience?  
Answer: Yes
  2. I certify that the declarant acknowledges that he/she is familiar with the contents of the declaration and understands it. This declaration has been sworn/affirmed before me and the declarant's signature/thumb print/mark thereto was made in my presence.  

- Commissioner of Oaths  
 Position (rank) Manager: Administration Saldanha Bay Municipality  
 Date 31/3/2023 Place Vredenburg



IN THE HIGH COURT OF SOUTH AFRICA,  
WESTERN CAPE DIVISION (CAPE TOWN)

CASE NO.:

In the matter between:

JOHANNES JOSHUA BEZUIDENHOUT	First Applicant
HEROLD BEZUIDENHOUT	Second Applicant
JAN BERGH	Third Applicant
NUVELD FARMING EMPOWERMENT ENTERPRISES (PTY) LTD	Fourth Applicant
EASTERN CAPE AGRICULTURAL RESEARCH PROJECT	Fifth Applicant
and	
THE MINISTER FOR AGRICULTURE, RURAL DEVELOPMENT AND LAND REFORM	First Respondent
DEPUTY DIRECTOR GENERAL FOR AGRICULTURE, RURAL DEVELOPMENT AND LAND REFORM	Second Respondent
CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE	Third Respondent

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AFFIDAVIT OF PROFESSOR AJL SINCLAIR

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I, the undersigned,



## AJL SINCLAIR

do hereby make oath and state:

1. I am a retired professor of linguistics, with psycholinguistics as my field of specialisation and currently reside at 10 Kommissaris Street, Welgemoed, 7530. My wife and I were the owners of the farms that make up the Plateau Farms.
2. Save to the extent that the context indicates otherwise, the facts deposed to herein are within my personal knowledge and belief. To the extent that I make legal submissions in this affidavit, I do so on the advice of the applicants' legal representatives, whose advice I believe to be correct.
3. The purpose of this affidavit is two-fold. Firstly, it seeks to set out some background in relation to my involvement in this matter, and secondly, it seeks to confirm the information and claims contained in Mr Johannes Joshua Bezuidenhout's founding affidavit in as much as they relate to me.
4. I have read Mr Bezuidenhout's founding affidavit and I confirm the correctness of the affidavit in as far as it relates to me. I will however provide some information below to illuminate some of the information provided in his founding affidavit.
5. I must state at the outset that I have no financial interest in this application. As will be set out below, I no longer own any of the farms that make up the Plateau Farms. My interest in this matter and my continued involvement with the Plateau Farms is purely personal and is based on a desire for the land reform project to succeed. I have tried since 2009 to assist the beneficiaries of the farms to make a success of the project, as I wanted the farms that I once owned to benefit people who had been landless and marginalised due to the injustice of the apartheid regime.

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## I BACKGROUND

6. I am a retired professor in Linguistics, and I hold a doctorate degree from the University of Natal (today known as the University of KwaZulu-Natal). I taught at several universities across South Africa and held professorships at both the University of the Western Cape and the then University of the North.
7. I am also the founder of the Educational Support Services Trust (ESST) which is aimed at creating optimal educational opportunities for the socio-economically disadvantaged sectors of our society. I am a Fellow and Honorary Life Member of the South African Association for Research and Development in Higher Education.
8. During the period 1994/95 to 2000, I bought Melrose, Willemskraal, Matjeskloof, Rondawel and Dassiesfontein. These farms make up the Plateau Farms which form the basis of this legal dispute. I mainly used the farms for merino sheep farming. While I did not live on the farms permanently as I was still employed at the University of the Western Cape, I travelled there as often as I could and employed farm managers. There were a number of farmworker families living on the farms including the family of Mr Frikkie Vaaltyn. Mr Vaaltyn looked after the buildings on the farms in my absence.
9. None of the applicants in this matter were ever employed by me.
10. I owned the farms until I sold them to the department in 2007/8.
11. In 2005, I wrote to Mr Barry Levinrad. He was employed in the then Department of Rural Development and involved in redistribution. I told him that my wife and I owned almost 20 000 hectares of land near Beaufort West and that I wanted to sell it to the state for land reform purposes.
12. In December 2005, Mr Levinrad and one of the local representatives from the



departmental office in Beaufort West came to look at the farms. I was there, together with my accountant, as well as Mr Vaaltyn. They inspected the farms, and I was told that they would get back to me about the sale to the state.

13. In October 2007, I sold Matjeskloof to the state. The four remaining farms were sold in 2008. I wanted the farms to be used for land reform. It was my conviction that the land had to go to people who had previously been denied the opportunity to own land or farm it for themselves.

14. After selling the farms, I found out from Mr Vaaltyn that the department had decided that the land reform project on the farms would be structured to benefit around 80 people. This meant that 80 beneficiaries now had to farm and make a living from this land. I thought this was crazy. I know the land like the back of my hand and I knew that it was not feasible. I told Mr Patrick Maqabangqa, head of the department's office at Beaufort West, that it was impossible for so many people to farm on this land. While the farms may be vast in size, their carrying capacity is extremely limited.

15. Melrose has a rocky terrain and is prone to drought. Matjeskloof is mountainous, with two camps on flat areas. Rondawel consists almost entirely of mountains. Dassiesfontein is mainly mountains, but with some flat areas here and there. The only successful way to farm this land is the way in which I did it while I still owned it – farm all the individual farms together as one entity.

16. These farms cannot accommodate as many people as the department wanted to place on the land, particularly if the farms are being farmed separately. For example, a part of Dassiesfontein, about 300 hectares, was allocated to the Datertrust, which consisted of 11 beneficiaries. Mr Hendrik Booysen was one of the beneficiaries. When broken down into agricultural terms, it meant that each



beneficiary would receive around 27 hectares of the farm. The carrying capacity of that farm is around 4 hectares per small stock unit (sheep), which means that each of the beneficiaries would be able to keep, at most, 7 sheep. It was completely and utterly impractical and would destroy the vegetation forever.

17. I advised the department that what they were planning would fail. The farms simply did not have the capacity for what the department was planning. It also struck me that having 80 beneficiaries farm the land may lead to conflict and differences and make effective farming almost impossible. I was not wrong.

## II INVOLVEMENT WITH THE PLATEAU FARMS AFTER SELLING THEM TO THE STATE

18. After I had sold the farms, I still had regular phone calls from Mr Vaaltyn asking for advice. As he had also benefitted as one of the beneficiaries, he was involved in this land reform project. From my discussions with him, it became clear that the majority of the beneficiaries that formed part of this project understood very little about farming and that this was causing conflict.

19. In 2009, he phoned me again and asked if I could come and speak to the beneficiaries to advise them on what to do on the farms. We arranged a meeting with all 80 beneficiaries. I told them that 80 people could not farm the land as individuals as it was simply impossible. I suggested that they should decide amongst themselves who really want to be farmers and who had knowledge of farming, and that those people should take responsibility for farming the land. I must point out that while I knew some of the beneficiaries, I did not know the first to the third applicants at this time and do not recall having had specific interactions



with them at this stage of the process. We only formally met each other later, as I explain below.

20. At this meeting I undertook to try and help the beneficiaries. I said I would approach some of the commercial farmers in the area to ask that they provide the beneficiaries with some sheep for a period of 5 years, during which time they would transfer skills, share income, and maintain infrastructure with a view to withdrawing their involvement at the end of the 5 years, leaving behind their livestock for the beneficiaries to continue farming. I did succeed in getting the cooperation of the surrounding commercial farmers, but before any of these efforts could be put in place, the department appointed Bono as a strategic partner to assist the beneficiaries.

21. I have read the founding affidavit and confirm that the version provided by the applicants in relation to the Bono years correlates with my understanding of how matters played out on the farms during Bono's time. I therefore do not deem it necessary to provide any further information in this affidavit on Bono.

22. The only significant aspect that I will add in relation to the time that Bono was in control, is that it was during this time that I formally met the applicants. The first and second applicants, together with Mr Vaaltyn and Mr Dennis Morries, travelled to Cape Town to come and meet with me as they wanted some advice on how they could best handle a situation where there was no leadership, while the farming enterprise was quite chaotic. I met Jan Bergh a little later, but soon realised that I had actually employed his father on Hazeldene, one of my other farms at the time that does not form part of this application. In meeting the applicants, it was clear to me that they had all been born close to the Plateau Farms and that their families had farmed and worked on farms in the area for



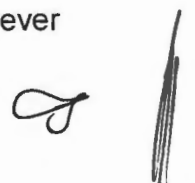


generations. It also struck me that the three applicants were very passionate about farming, and were the only ones really trying to save the farms from complete ruin.

### III ESTABLISHMENT OF NUVELD

23. On 11/12 July 2017, I convened meetings with all the beneficiaries with the consent of the department. – This was at the end of the second lease period granted to the 80 beneficiaries and before the formal relationship with Bono would come to an end on 31 October 2017. I had offered to come and speak to the beneficiaries again to see if anything could be salvaged. My impression was that most of the beneficiaries thought that they were going to get money almost immediately by being part of a farming enterprise. When this did not happen, partly because of the fact that there were so many beneficiaries to start with, it bred a lot of discontent. However, at that stage, I understand that there were many beneficiaries who were never actively involved in the farmland allocated to them. Some of them did not even know where it was. The applicants were still on the farmland, apart from a few others who sometimes went to collect goats/sheep for slaughtering.

24. At the meetings with all the beneficiaries, I indicated that I thought the best approach would be for them to establish one entity, and that they should farm all the farms together in the way I did when the land still belonged to me. I also conveyed this idea to the department. I recall that Hendrik Booysen came to me at the meeting with his group and indicated that he and one of the other beneficiaries, Frank Diedericks, wanted to farm together and that they were not interested in joining the proposed new entity. As far as I am aware they never

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established their own company. I set out more detail of what had happened at this time in the letter I wrote to the Task Team members in December 2020 and that is attached hereto marked **AJS1**.

25. I should pause to say that at this point, from what I heard from the beneficiaries there was very little happening on the farms in terms of actual farming. My impression was that the applicants were trying to keep things going under very difficult conditions and with little support, but with a real passion for and knowledge of farming.

26. The three applicants were very keen to establish a new entity, and thus Nuvelde Farming Empowerment Enterprises (Pty) Ltd was formally established on 17 October 2017 and started to operate formally on 1 November 2017.

27. There were a few animals left at Dassiesfontein and Willemskraal which Nuvelde bought from Messrs Nduku and Morries. This is dealt with in detail in my letter to the Task Team members. I raise this point because Mr Mbekeni later used every bit of this history to concoct a story that painted me as the person in control of Nuvelde, which I categorically deny.

28. There were 900 sheep from the flock left behind by Bono on the farmland in an appalling condition. I could not believe what had happened to the animals under Bono's control. At the request of the applicants, I negotiated with the abattoir in Beaufort West that the sheep be sold to them and ensured that a good price was secured for the animals.

29. The dedication of the applicants did give me renewed hope that something could come of the farming operations. Nuvelde had secured a concession from the department to remain on the farms in a caretaking role and I wanted to do everything I could to support the applicants in achieving success on the farms.



30. Since it has been alleged by departmental officials, and in particular, Mr Mbekeni, that I established Nuvelde as a 'front' to hide that I remained in control of the farms, I want to put it on record that I unequivocally deny this allegation. I was never part of Nuvelde in any capacity and I have never benefitted from Nuvelde in any manner. The sole motive for my involvement with Nuvelde was to try and assist the applicants to make a success of the farms, by providing technical and administrative assistance. I have explained all of this to the department, and to Mr Mbekeni, *ad nauseam*. It remains completely bizarre to me that they still believe, and publicly state, that I own Nuvelde or that Nuvelde is a front for me. As set out below, it later transpired that Hendrik Booysen planted this suggestion in their minds, and it seems that it was accepted without any further evidence.
31. There were 406 sheep for sale from one of the neighbouring farmers soon after the 900 sheep had been sold. Nuvelde needed to buy sheep to expand their operations but of course did not have enough money. They also did not have a lease agreement at the time so could not secure a loan anywhere. They thus approached Mr Williams, my financial officer, for advice and to explore the possibility of taking out a loan from the Black Educational Empowerment Trust, of which I am one of the trustees.
32. In terms of the agreement with the trust, it would loan Nuvelde the money for the sheep, on condition that it be paid back within a period of two years. The agreement between Nuvelde and the trust was drafted by Mr Williams in November 2017.
33. I was not aware at the time, but my understanding is that the agreement was framed so that the trust obtained 49% shareholding in Nuvelde as security for the loan which is a standard accounting practice and protects the trust's assets. It



was never a majority shareholding as Mr Mbekeni alleged. That is the basis upon which a loan was possible. I only realised that this arrangement had been made in March 2018, when I was phoned by Mr Bezuidenhout who said the department had contacted him and flagged the shareholding by the trust. I was very surprised and instructed Mr Williams to immediately divest all of the trust's shareholding, which he did. In any case, Nuvelde paid off the loan in the two years as agreed and the provisional shareholding would thus have come to an end in any event.

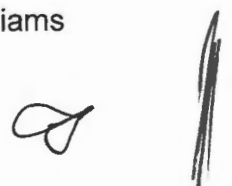
34. Mr Williams and I have explained this and provided proof to the department on a number of occasions, as I explain below, but Mr Mbekeni was seemingly never interested in the truth.

35. Between 2017, when Nuvelde was established, and now, it is my impression that the applicants, through Nuvelde, have achieved immense success in restoring farming operations on the farms. They really are farming very successfully, which is incredibly heartening.

### III APPLICATION FOR 30-YEAR LEASE

36. In December 2019, Nuvelde applied for the thirty-year lease agreement.

37. Sometime in 2020, I received a call from Mr Hannes Bezuidenhout. He advised me that they had a meeting with Mr Mbekeni next to the side of the road and when they asked him when they would receive the lease, he told the applicants that Nuvelde belonged to me. I was very shocked to hear this. I contacted Mr Mbekeni for an appointment and met with him in October 2020 as I wanted to set the record straight. I met with him and Mr Bastille at his office and explained to them in detail that I did not own Nuvelde, had no financial interest in it, and that my involvement had purely been with the aim of assisting and advising the applicants. Mr Williams

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accompanied me and provided all necessary proof of the information we shared with them (facts and figures). I was convinced that Mr Mbekeni understood me and his response was a very positive one. His parting remark was that until then the door had been only slightly open but now that he had listened to us, it was wide open.

38. Mr Sidwell Fonk, the legal advisor to the department, phoned me a few days after I had the meeting with Messrs Mbekeni and Bastile, to arrange for a meeting in order to give him concrete evidence to refute the claim that I owned Nuvelde. I met with him and explained to him that I was not involved in any fronting, that I had no financial interest in Nuvelde, and that I was simply acting in an advisory capacity. I provided him with all the documentation that he requested. Unfortunately, I did not keep record of what I handed over to him, but what I can say is that he was fully satisfied with my explanation.

39. On 2 December 2020, a meeting was held at Karoo National Park with Mr Mbekeni, the applicants, and some of the ex-beneficiaries. It was arranged by Mr Ndove, as explained in the Founding Affidavit. I was invited to attend the meeting. There were about 40 people attending the meeting, including Mr Fonk.

40. At this meeting, Mr Mbekeni got up and said, in the presence of all the people, that the applicants were farming for me, that Nuvelde was a front for me, and that I should be investigated for fronting. The accusations he levelled at me, were in fact a repetition of what Hendrik Booysen had been saying all along about my involvement with Nuvelde. I cannot even begin to explain how shocked and livid I was. Not only were these claims completely untrue and defamatory, but it was entirely disingenuous given that I had met with him and Mr Fonk a couple of months before and already refuted any allegations of fronting. Suddenly, in front



of everyone, I was being accused of illegal actions. I felt insulted and humiliated since the integrity of my character was under direct attack. A Task Team was appointed by Mr Ndove to further investigate matters. It should also be mentioned that Mr Ndove instructed the Task Team to also investigate Hendrik Booysen for possible fraudulent activities.

41. What upset me was that I had, through the years, provided Hendrik Booysen with financial assistance when he requested it. I once paid for his bakkie to be fixed and paid for his transport when I met with the beneficiaries. In addition I went out of my way to attend to his complaints about the department. This is also dealt with in my letter to the Task Team Members. It therefore came as an unpleasant surprise when he all of a sudden turned against me for no rational reason. Having shown good will to him, he was now using my benevolence to make absurd allegations against me.
42. What also struck me about this meeting was that whatever process was in place for the awarding of this lease agreement had gone out the window. It did not seem to matter to Mr Mbekeni and/or Mr Ndove for that matter that the applicants were the only ones who actually applied for the 30-year lease – they were now listening to ex-beneficiaries who had not applied, had no interest in farming, and had already shown themselves to be incompetent farmers.
43. Shortly after the meeting of 2 December, I was contacted by Mr Fonk, chairman of the Task Team, to request a meeting. We had a teleconference on 9 December, which was also attended by my financial officer, Mr Stanton Williams. The meeting dealt primarily with facts and figures relating to Nuveld. Another meeting with me in person was due to take place on Friday, 18 December 2020. In anticipation of the meeting, I wrote to each Task Team member to, once and



for all, give clarity about my non-involvement in Nuveld in any capacity and related matters (attached above as **AJS1**). On the Thursday before the meeting would have taken place, Mr Fonk informed me that it was cancelled and that I would be contacted in the new year if necessary. End of Story. The email correspondence in this regard is attached hereto as **AJS2**.

44. There was a second meeting arranged by Mr Ndove for 15 February at Beaufort West. This meeting was all about past beneficiaries (my name never came up) and Mr Ndove made it very clear that all should be happy in the end, not only the three applicants! How could he make such an outrageous statement while knowing that all of the past beneficiaries had plundered the assets of the state and had proven themselves incapable of running a farming enterprise?
45. I wish to point out that no minutes of the two meetings on 2 December 2020 and 15 February 2021 were distributed afterwards, despite the applicants' lawyer at the time, Mr Mitch Andreas of Crawfords, Beaufort West, requesting the minutes. This very fact has serious implications in terms of the validity of both meetings.
46. On 24 February 2021, my lawyers wrote to Mr Mbekeni. The detail of this correspondence is aptly captured in paragraphs xxx and xxx of the founding affidavit and I do not intend to rehash them here, save to say that it is an accurate reflection of my correspondence with Mr Mbekeni.
47. I also met with Ms Rowena Joemat on 14 April 2021, accompanied by Mr Williams, via a teleconference. She was under the impression that I in person had applied for the 30-year contract. As explained in the founding affidavit, she was appointed as the person to carry out the second investigation into the allegations. The meeting offered me an ideal opportunity to point out to her my non-involvement in Nuveld.



48. Ms Joemat undertook to provide me with minutes of our meeting as well as the finalised report. I heard nothing from her subsequently and on 11 June 2021, I again sent her an email to request an update on the investigation. This email is already attached as part of the founding affidavit (annexure xxx). Ms Joemat sent an email on the same day to say that “the report is now with Mr Ndove who is responsible for settling the matter”.

49. To date, I have not received minutes of our meeting or the actual report.

#### IV THE DECISION

50. Since I had no concrete evidence of why the application was turned down, I phoned Mr Jacques Pfeiffer at the Cape Town office, with whom I was familiar, to ask about what was going on as I was not getting any satisfactory response from anybody. He confirmed that Mr Mbekeni had rejected the Nuveld application. I subsequently had access to the document in which the recommendation by the NLAACC and the decision of Mr Mbekeni of 27 September 2020 are set out, but I wish to state categorically that this document was not sent to me in person.

51. I was surprised by the fact that the decision to not award the lease to Nuveld had already been taken before Mr Mbekeni met with me in October 2020. It was also before the two meetings on 02 December 2020 and 15 February 2021 respectively. This meant that he had already made up his mind about the non-awarding of the lease at an earlier stage, and that all the interactions with me and the applicants as well as the task teams were just an empty formality intended to serve as window dressing. This is a serious accusation against the integrity of departmental officials and how they deal with land reform.

52. While the content of the decision is correctly reflected and dealt with in the





founding affidavit, I do wish to reiterate that it should be clear from what was said above that at no stage had I been involved in any dubious activities. Mr Mbekeni's accusations levelled at me are complete fabrications framing me as a scapegoat to further his own hidden agenda. It is an agenda that is destined to fail in the light of the truth.

## V CONCLUSION

53. I have set out in this affidavit as best I could the circumstances that surrounded my involvement with the farms, Nuveld, and the department.

54. I am not sure what will happen with the formal application submitted to the department, but I can only say that since selling the land to the state in 2007/8, the achievements of Nuveld are proof to me that successful land reform is indeed possible, despite incompetent/corrupt officials – a reality that the Honourable Minister has openly acknowledged.



AJL SINCLAIR

I hereby certify that the deponent declares that the deponent knows and understands the contents of this affidavit and that it is to the best of the deponent's knowledge both true and correct. This affidavit was signed and sworn to before me at this <sup>nd</sup> 22 of <sup>2023</sup> March, and that the Regulations contained in Government Notice R1258 of 21 July 1972, as amended, have been complied with.





COMMISSIONER OF OATHS

**SAMANTHA JANE BOSSENGER**  
Commissioner of Oaths  
Practising Attorney and Conveyancer, R.S.A.  
Kemp & Associates  
8 Church Street, Durbanville, 7550



Dear Task Team Member

### Statements made about me by the ACD

Compliments of the season to you!

I am writing to you since the meeting with me which was scheduled for Friday, 18 December, at 11h00 was cancelled (see attached e-mail), during which occasion I would have had the opportunity to respond to the statements made about me by the ACD at the meeting on 02 December at Beaufort West.

I was looking forward to the meeting in the hope that it would resolve any issues that individuals/groups might have in respect of Nuvelde and its role on the plateau farms. The day, however, turned into an ordeal for me for two reasons:

- I had not realised earlier that I was actually temporarily suffering from a hearing defect, which only became apparent on that day and proved to be an enormous hindrance, because I could not hear clearly what individuals were saying.
- The totally unexpected slanderous, unfounded and defamatory statements made about me by the ACD. At the time, I did not know how to respond to them and felt throughout that it was not the occasion to counter attack, which I could easily have done. I therefore let them pass, but I cannot refrain from commenting on them. It is the first time in my life that somebody has dared to accuse me of such grievous misdeeds.

In addition to information I have forwarded to you earlier about my career and work through an educational trust, the linkage to what was happening on the farmland in question should be clear. I am widely respected as an expert on sheep farming and the application of new methodologies.

Allow me therefore to respond as follows to the ACD's statements.

○ The claim that I have a 49% shareholding in Nuvelde is entirely untrue. (see attached shareholding certificate) The 49% originated with my auditor as a temporary arrangement when a loan was made available to Nuvelde. When it was brought to my attention, I had it immediately cancelled. The auditor's reasoning was that to lend money interest-free without any security, might seem suspicious and therefore he thought the 49% would at least make the loan seem more credible in terms of providing some sort of security. In passing, the money was lent by a trust and not in my name, although I have an interest in the trust as a trustee.

○ The reason for giving Nuvelde a temporary loan  
After Nuvelde had taken over from Bono, a serious concern was the condition of the sheep, health and nutrition-wise. At the same time, about a third of the stock were aged (no teeth or barely any teeth), so they had to be sold almost immediately. The implication was that the number of sheep on the farmland dwindled at one stage to below 2000, which in effect meant that the farming enterprise had no hope of survival, taking into consideration the medicinal and nutritional expenses which were to be incurred, as well as the remuneration of employees. The three farmers, Messrs Hannes and Harold Bezuidenhout and Mr Jan Bergh, mentioned to my colleague Stanton Williams, Financial Administrator of Nuvelde, that there were +/- 400 young lambs on a neighbouring farm for sale and approached him regarding a short-term loan, which he made available via the Black Educational Empowerment Trust (BEET). The loan was paid back in full. (see attached Affidavit.) Let me add that I had full confidence in the above three individuals that the loan would be fully repaid within a short period of time.

○ My relationship with the three individuals concerned  
I only got to know Messrs Hannes and Harold Bezuidenhout as part of a delegation who came to see me during the Bono era and Mr Jan Bergh when Nuvelde was established, although his father was an employee of mine and an outstanding individual. There can therefore be no ulterior motive for backing these individuals apart from having the highest respect for their knowledge of sheep farming and the fact that they have persevered over so many years on the farmland in the hope that things would normalise one day.

○ The Complainants  
Mr Hendrik Booysen



I still find it hard to believe that Mr Booysen could say anything acrimonious about me, let alone write to the Honourable Minister about me. I have always maintained a very good relationship with Mr Booysen (as I try to have with all people) and took his complaints about Bono so seriously that I brought them to the personal attention of the then Minister of Agriculture in the Western Cape, Mr Allan Winde. It is all on record. We met on three occasions in person and all along I have tried to convince him that 10 or 11 beneficiaries cannot farm sustainably on 294 hectares and that he must ask the department for more land. At the meeting with his particular group of beneficiaries on 12 July 2017, I invited him to become part of the new entity to be established after Bono, which he declined and made it clear that he wanted to do his own thing. It is therefore a mystery to me why his attitude towards me has changed so dramatically! It is, however, a well-known fact that he is an opportunist, thrives on stirring up emotions and has a very dubious track record. (see what the then manager of Bono said about him). It is therefore disconcerting that the ACD took his complaints so seriously that he paid him a visit in George and saw fit to base his concocted hypothesis about me on Mr Booysen's unreliable testimony!

#### Mr Tyantsi

I met Mr Tyantsi only once, when I addressed his group of beneficiaries on 11 July 2017, when he acted as translator. When he mentioned to me that he was interested in farming, I invited him to become part of the new entity envisaged, but as he indicated at the meeting on 02 December, he declined my invitation because he wanted to farm on his own. Apparently he believes that the upper part of Rondawel should be allocated to him, although I have pointed out to him that that particular part of Rondawel is very mountainous and challenging, as well as home to many predators. The chances that he would farm there successfully were just about zero, unless one incorporates that section into the rest of the farmland and follows a strict protocol in respect of living in harmony with wild animals.

#### Ms Lucy Nduku

She joined Nuvelde on invitation from the beginning and admitted that she was not coping after the death of her husband. The statement made by Mr Frank Diedericks, her son, at the meeting that he wanted to farm at Dassiesfontein, is devoid of all truth and although he was present at the farm when Nuvelde took over, it was soon clear that he is not really interested in farming (see attached report on him by the then manager of Bono). Ms Nduku also complained that the number of sheep on her farm was diminishing at an alarming rate due to predators (one or two sheep per night) and she also accused Mr Booysen of theft, with the result that she was advised not to put sheep in any of the camps adjacent to Mr Booysen's farmland, which she did indeed do. I have to mention that she was not cooperative and did not want to accept the managerial role of Mr Hannes Bezuidenhout and at times even locked the gates, so that workers could not get access to Dassiesfontein. The end-result was that she willingly resigned.

#### Ms Anne Morries

Ms Anne Morries joined Nuvelde only later, when she admitted that she could no longer handle the farming enterprise, because there was no income (except by selling off stock) and she could not pay her worker's wages. She was lost without her husband as far as farming was concerned and was at times very obstructive, e.g. she would not go to sign off fodder for drought relief or would have it delivered to her garage. There was serious neglect of animals at Willemskraal and the skeletons of dead cattle are still there as evidence! At least I was instrumental in getting her goats and those of an elderly gentleman who was also a beneficiary, sold through BKB at extremely good prices. Needless to say, these very goats were the reason why kilograms of wool had to be thrown away during the Bono era because of goat hair in the wool, not to mention the damage the goats did to the vegetation, which has as yet not fully recovered. In the end she willingly resigned and clearly expressed her desire to be on her own, farming with goats and dorpers.

I am apparently accused of buying the last few animals (cattle, a horse and a few donkeys), sheep excluded, at ridiculously low prices from the above two women. I only wanted to ensure that the animals remained on the farmland and that at all times they would be treated humanely, in line with the RWS standards. Both ladies renegotiated prices with Stanton until they were satisfied and I can categorically state that there was no attempt on my part to take advantage of them!

It should be made clear that the only reason the three applicants remained on the farmland after the resignation of Mss Nduku and Morries, was to take care of the animals. If they had not been there, let it be said very clearly that at the rate at which theft took place and predators killed sheep, there would not have been any sheep remaining within a reasonably short time (see attached permission from the department to stay on).

Conclusion arrived at by the ACD

That the ACD could go as far as to accuse me of fronting and suggest that I might even get the farmland back for free, boggles the mind! At this stage of my life – I turned 82 in October – forcing me to take the land back would be nothing short of a nightmare for me! It is one thing to give advice, but a totally different one to take on the end-responsibility, something the three applicants have eagerly accepted!

What makes his statements about me even more suspicious, is the fact that he did not contact me as he promised the applicants when he met with them alongside the road, after having listened to the complainants for more than two hours during a meeting at Beaufort West! At my request, I set up an appointment with him and was accompanied by Stanton Williams (Financial Administrator of Nuvelde). We met with him and Mr Bastille and had an hour-and-a-half in-depth discussion about Nuvelde. Needless to say the names of the complainants inevitably surfaced. Mr Mbekeni thanked us in the end for a very insightful discussion and made the remark that while the door had only been a wee-bit open, it was now wide open and that we had given him a totally different perspective on matters. Why then did he not make mention of the discussion we had at the meeting on 02 December?

There is only one logical conclusion one can arrive at as to why he persisted with the serious accusations he levelled at me, namely that he wanted to use me as a scapegoat, in order to pursue his own agenda! Suffice to say, it is entirely unprofessional and unethical for a senior official within the department to conduct himself in such a manner. In an earlier writing of mine on the reasons for land reform failure, I referred to officials of a certain kind. Mr Mbekeni can no doubt be numbered amongst them!

Let me reaffirm that my role in Nuvelde was to give direction to the establishment of a commercial enterprise that would be competitive and respected, based on my knowledge of sheep farming and the land in question. What has happened over the past three years, is a miracle in every sense, with Nuvelde being generally regarded as the leading commercial enterprise not only in the district of Beaufort West, but also in the Central Karoo.

The farming enterprise is run in accordance with the Responsible Wool Standard (RWS) requirements, which are animal welfare, land management and social welfare, and Nuvelde is one of the few enterprises which carries RWS certification. It therefore came as no surprise that Nuvelde obtained the highest price for its wool at the BKB auction of 08 July 2020. (See attached document.) In short, Nuvelde is perhaps at present the best example of land reform success in the country if one takes into account the difficult conditions under which it was established and its accomplishments over the past three years, which begs the question: Why destroy this promising enterprise and not entrust the three applicants who have emphatically proven themselves as successful farmers, with 30-year lease contracts?

I sincerely hope that sanity will prevail!

Yours faithfully

Prof AJL Sinclair



**Prof AJL Sinclair**

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**From:** Prof AJL Sinclair <ajlsinclair@esst.org.za>  
**Sent:** Friday, 18 December 2020 09:43  
**To:** 'trumanprince@beaufortwest.net'  
**Subject:** FW: Meeting

**From:** Sidwell Fonk <sidwell.fonk@drrdlr.gov.za>  
**Sent:** Wednesday, 16 December 2020 19:54  
**To:** ajlsinclair@esst.org.za  
**Subject:** Re: Meeting

Dear Professor Sinclair

The above matter has reference.

Receipt of your email correspondence is hereby acknowledged.

Kindly be advised that the meeting we intended to have with you has due to unforeseen circumstances been cancelled.

We will communicate further with you whenever the need to hold a meeting with you arises.

We trust that you will find this in order.

Kind regards.

S. Fonk



On 16 Dec 2020 11:48, [ajlsinclair@esst.org.za](mailto:ajlsinclair@esst.org.za) wrote:

**EXTERNAL EMAIL:** This email originated outside of "DRDLR Environment".  
**CAUTION:** Do not click on links or open attachments unless you recognize the sender and know the content is safe.

Dear Mr Fonk

What is the purpose of the meeting with me on Friday, so that I can prepare accordingly?

Kind regards  
Prof Sinclair



EDUCATIONAL SUPPORT SERVICES TRUST

NPO No: 000294NPO  
Registration No: T800/89

Prof AJL Sinclair  
Founding Member

Tel: +27 21 913 7710 | Fax: +27 21 913 7727

E-mail: [ajlsinclair@esst.org.za](mailto:ajlsinclair@esst.org.za) | Postal: PO Box 6460, Welgemoed, 7538

Physical: 9 Kommissaris Street, Welgemoed, 7530 (Head Office)

Website: <http://www.esst.org.za>

A handwritten signature or set of initials, possibly 'B', followed by a vertical line.

**IN THE HIGH COURT OF SOUTH AFRICA,  
WESTERN CAPE DIVISION (CAPE TOWN)**

**CASE NO.:**

In the matter between:

<b>JOHANNES JOSHUA BEZUIDENHOUT</b>	<b>First Applicant</b>
<b>HEROLD BEZUIDENTHOUT</b>	<b>Second Applicant</b>
<b>JAN BERGH</b>	<b>Third Applicant</b>
<b>NUVELD FARMING EMPOWERMENT ENTEPRISE (PTY) LTD</b>	<b>Fourth Applicant</b>
<b>and</b>	
<b>MINISTER FOR AGRICULTURE RURAL DEVELOPMENT AND LAND REFORM</b>	<b>First Respondent</b>
<b>DEPUTY DIRECTOR GENERAL FOR AGRICULTURE RURAL DEVELOPMENT AND LAND REFORM</b>	<b>Second Respondent</b>
<b>CHIEF DIRECTOR: WESTERN CAPE PROVINCIAL SHARED SERVICE CENTRE</b>	<b>Third Respondent</b>
<b>NATIONAL LAND ALLOCATION AND RECAPITALIZATION CONTROL COMMITTEE</b>	<b>Fourth Respondent</b>

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**AFFIDAVIT OF PROFESSOR RUTH HALL**

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I, the undersigned,

**RUTH HALL**

do hereby make oath and state:

*AA*      *RH*



## INTRODUCTION

1. I am a Professor at the University of the Western Cape. I hold the Department of Science & Technology / National Research Foundation Chair in Poverty, Land and Agrarian Studies, at the Institute for Poverty, Land and Agrarian Studies (PLAAS).
2. Save to the extent that the context indicates otherwise the facts deposed to herein are within my personal knowledge and belief. To the extent that this affidavit contains expressions of opinion, I submit that I am properly qualified to express such opinions as an expert in the field.
3. I hold a Masters of Philosophy in Development Studies and a Doctorate (DPhil) in Politics from the University of Oxford. My dissertations for both degrees focussed on post-apartheid land reform policies in South Africa. For more than two decades, I have dedicated myself to understanding land reform policy in South Africa first at the Centre for Rural Legal Studies from 1999 to 2001 and then at PLAAS from 2002, where I still work today.
4. I was presidential advisor on land reform to President Cyril Ramaphosa from 2018 to 2020 and was ministerial advisor to both the Minister of Public Works and the Minister of Justice in 2019. I am thus recognised as a leading researcher in the field of land reform policy.

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5. I have edited or co-edited eleven books, published 32 peer reviewed articles and 28 book chapters on land reform and agrarian issues. I refer in this regard to my curriculum vitae which I attach as annexure RH1.
  
6. I have been requested by the Legal Resources Centre to provide the Court with a summary of my own and PLAAS' ongoing research on the state's land redistribution programmes and my expert opinion, based on our research, as to what the key problems are and the extent to which the facts in the Applicants' case reflect these broader systemic issues. In this affidavit, I address the following issues in turn:
  - 6.1. I describe PLAAS and the research it conducts;
  
  - 6.2. I discuss the current state of land redistribution in South Africa and how the policies have been implemented; and
  
  - 6.3. I discuss the need for land redistribution policies that comply with the principles of administrative justice.

## PLAAS

7. PLAAS is a research and teaching programme which focuses on developmental, social, economic and legal issues in the rural areas of South Africa. It aims, on the basis of its research, to provide considered and practical policy recommendations. It seeks to foster scholarship and to provide expertise in matters pertaining to rural development. PLAAS was formed in 1995. It is a research institution employing 16 staff with researchers from disciplines which include sociology, anthropology, agricultural economics, geography, political science and development studies.

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8. PLAAS has a particular focus on rural livelihoods, natural resource management and land reform. Current projects in this field include –
  - 8.1. Land reform for social justice: equitable access to land in South Africa;
  - 8.2. Privatisation of customary land and implications for women's land tenure Southern Africa
  - 8.3. Living landscapes and 'convivial conservation'.
  
9. Through the extensive research and policy work I have done over time, including three postgraduate dissertations and research projects spanning over 20 years, I have come to have an understanding of the problems besetting access to land, as well as the state's land reform programmes. In particular, I have gained an understanding of the various policies and programmes that govern redistribution in South Africa, and the manner in which these programmes and policies have been implemented.

#### OVERVIEW OF LAND REDISTRIBUTION IN SOUTH AFRICA

10. Over the last 28 years, land redistribution policy and practice have undergone profound changes. Land redistribution in South Africa is almost exclusively driven by policy documents and manuals, rather than by a clear legislative framework to govern the implementation of redistribution in the country. As a result, we have seen significant shifts in the policy on redistribution, which has been coupled with large-scale uncertainty as to how the policies should be implemented, who should benefit, and for what purpose.

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11. In my experience, the policies are generally unilaterally adopted by the Department, changed without due notice, difficult to access by the general public, and fail to provide clear guidelines to beneficiaries and departmental officials on how they should be implemented.
12. I am aware that the policies have been dealt with in detail in the founding affidavit. I will provide only a brief overview of the policy shift in redistribution that has taken place since the White Paper on South African Land Policy was adopted in 1997.
13. In 1997, the state adopted a state-assisted land purchase and transfer of title model. It sought to enable the beneficiaries of redistribution programmes to gain access to land by providing small grants to poor households to buy modest areas of land for settlement and small-scale farming. This was initially designed as a rural counterpart to the housing programme, and the land subsidies were initially set at the same level of R15,000 per household. These were formalised through a Land Reform Pilot Programme into a policy mechanism known as the Settlement / Land Acquisition Grant (SLAG), which prioritised the provision of modest land purchase grants or subsidies to enable poor households to buy land – typically through collective forms of ownership, given the low level of these grants relative to the cost of land. This led to large group-based projects in which ownership was transferred to legal entities like Communal Property Associations (CPAs) or Trusts.
14. From 2000 onwards, a new Land Redistribution for Agricultural Development (LRAD) policy was developed. Its implementation commenced in 2001. It

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explicitly promoted black commercial farmers. To make grants available to the better-off, LRAD removed the means test that had previously preserved public money for land reform for low-income households, and now offered larger land purchase subsidies to those with their own means to engage in commercial farming.

15. The Land Bank and other financial institutions played a significant role in lending to applicants to enable them to access the larger-sized land purchase subsidies with which to buy land.
16. Over time, reports emerged of land reform beneficiaries defaulting on loans. Both commercial banks and the Land Bank repossessed farms from land reform beneficiaries.
17. The Department's 2006 Proactive Land Acquisition Strategy (PLAS) (not to be confused with my own organisation PLAAS) empowered the state to buy farms on the open market and allocate them to selected beneficiaries. This meant that instead of beneficiaries buying land with state subsidies, the state itself would be the 'willing buyer'. This model of state purchase was explained as being a solution to the problem of redistributed land being lost through loan defaults, and as allowing the state to 'test' whether beneficiaries were effective farmers prior to providing ownership or long-term tenure rights.
18. Once the state purchased land, various approaches were developed over time for the onward transfer of rights to beneficiaries. Initially, the policy position was to allocate farms to beneficiaries on a three-year leasehold, after which title would be transferred to 'emergent farmers' who were farming successfully and had

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proven themselves to the state.

19. In the interim, beneficiaries were to pay rent to the state. The rent was determined as a percentage of the purchase price. The evidence shows that in practice, very few beneficiaries paid this rent. It seems that the state had neither the capacity nor the inclination to find out whether this was because they could not afford to do pay rent. Non-payment may have been partly because the requirement of payment was not enforced. In any event, in the wake of large-scale non-payment of the rent, the promise of eventual title was abandoned.
20. The PLAS gave wide discretionary powers to officials to buy land for the state, and then determine whether it should be transferred or leased, and who the beneficiaries would be. This wide discretion was problematic as it left much of the decision-making to officials as to who would benefit from redistribution, and on what terms, without making sure that this discretion was exercised in a transparent manner that was at least guided by consistent principles or criteria.
21. At the same time, policy had been changing across many spheres of land reform. The result was that the White Paper of 1997 did not serve as a guide to practice.
22. In 2011, Minister Nkwinti published a 'Green Paper' on Land Policy as a draft new policy. It was an odd document, in no way equivalent to the former White Paper: it was extremely short, vague and largely centred on rhetorical flourishes rather than specific policy provisions. Following extensive critique in the public sphere, the Green Paper was never taken further, redrafted, or developed into a White Paper (an official policy paper). As a result, the official framework policy even now ostensibly remains the White Paper of 1997, although it only accurately

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described the policy framework for its first two years of existence.

23. From 2011, the leasehold model came to constitute the entirety of the state's land redistribution approach. The state completely discontinued grant-based purchase, through which the government provided land purchase subsidies to people to buy their own land - was discontinued.
24. The State Land Lease and Disposal Policy (SLLDP) of 2013 provided that black farming households and communities may obtain land through a 30-year lease agreement with the state. These leases may be renewed for a further 20 years, before the state will consider transferring ownership to the beneficiaries. This model thus presupposes that beneficiaries must pay rent to the government for 50 years before certain categories of them will have an option to purchase their land.
25. In the same year, the Minister signed another policy, the Agricultural Landholding Policy Framework of July 2013. As its subtitle indicates, it aims at "setting upper and lower bands for the ownership and use of agricultural land". It sets out land ceilings as well as limits on subdivision of agricultural landholdings, and empowers district committees to determine 'floor' and 'ceiling' levels. This was not a draft policy, but as far as I am aware there was no consultation on it, before or after publication, nor are there any mechanisms to operationalise or enforce its provisions. In this sense, even though the Minister signed it, and it appears on the Department's website, I believe that it is not in fact policy.
26. The SLLDP policy was replaced in 2019 with an updated SLLDP, which gave the Department's Chief Director: Provincial Shared Services Centre with the

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delegated authority to approve or terminate agricultural leases and allocate immovable assets. The updated SLLDP retained the leasehold model.

27. At the time that the new SLLDP was adopted in 2019, I was serving on the President's Advisory Panel on Land Reform and Agriculture. On the day the Minister signed off this new policy, 26 March 2019, we as the Panel were meeting at the Union Buildings with senior officials of the Department – yet we were not informed of the new policy. I only became aware of the new policy nearly six months later, and through informal means, when a senior official shared a copy of it with me. That was the first I had heard of the policy being changed. By that time, our Panel had already completed its work and finalised its report.
28. This updated SLLDP of 2019 still does not appear on any official website. I have not heard it referred to by officials in this context or other contexts. I do not know what its status is, but on paper at least, it may be the overarching land redistribution policy for the country.
29. I have been informed by the Applicants' legal representatives that an entirely different policy, namely the Proactive Land Acquisition Policy, apparently guided the process in their case. I have never heard of this policy before, and I have never seen it.
30. On 3 January 2020, government published a Draft National Policy for Beneficiary Selection and Land Allocation, dated 8 November 2019. One of the proposed principles was to "Create a credible and transparent system of land allocation and beneficiary selection (Section 4.1.(e))."

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31. PLAAS made a submission in response to this Draft, which I attach as Annexure “RH2”. We welcomed the initiative to spell out criteria for beneficiary selection and land allocation, but raised fundamental concerns with the proposal itself, which in our view was permissive and would not provide adequate guidance to officials. We called on the Department to shelve this draft and consult more widely to get input, and then redraft policy. This did not happen.
32. The final version of the National Policy for Beneficiary Selection and Land Allocation of 2022 is signed off by Minister Thoko Didiza. It is the only policy document in the area of Land Redistribution that appears on the Department’s website. It can be found at <http://www.dalrrd.gov.za/index.php/core-business/land-redistribution-tenure-reform/land-redistribution>.
33. On the ‘old’ DALRRD website, too, no Land Redistribution policy other than the Beneficiary Selection and Land Allocation Policy is included (see <http://www.old.dalrrd.gov.za/Branches/Land-Redistribution-and-Tenure-Reform/Communal-Land-Tenure-Policy-and-Systems-Development> ).
34. The land redistribution programme demonstrates systemic problems of policy incoherence, lack of transparency as to the applicable policies, lack of transparency as to how decisions are taken and for what reasons, and a disconnect between the policy framework and its implementation on ground level. They are reflected in the First to Fourth Applicants’ case. The case is but one example of the systemic problems that have plagued land redistribution for years. In the next section, I further address these problems and explain how the Applicants’ experiences are symptomatic of the systemic problems.

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## IMPLEMENTATION OF POLICY FRAMEWORK

35. From 2013 to 2016, in partnership with Professor Thembela Kepe (previously of the University of the Western Cape and now at the University of Toronto), I conducted research into redistribution projects in the Western Cape and Eastern Cape.
36. We found that the selection of people and allocation of land to them is not transparent. We also found that decisions taken are frequently changed afterwards, with beneficiaries being told they must leave the land allocated to them, or share it with other people, or cease their own farming to make way for companies contracted by government as 'strategic partners' to manage 'their' farms for them.
37. I attach as annexure "RH3", a research paper titled "Elite capture and state neglect: new evidence on South Africa's land reform" that we published in 2017. It sets out some of PLAAS's findings in this regard. I highlight a few of the most relevant findings here:
- 37.1. Since the abolishment of the land reform grants, the state has had no clear system to ration the use of public resources in relation to redistribution. The state used to spend around R2 billion per year in buying land for redistribution purposes under the leasehold model. This has currently shrunk to under R1 billion for the present financial year.
- 37.2. There is no public oversight, even by Parliament, of the manner in which decisions are made regarding which beneficiaries will get what land, how

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much land, and how much additional grant financing. This is because of the lack of transparency of the regulatory framework, and also the lack of publicly available information about decisions taken and resources spent.

- 37.3. As a result, large communities are given small farms that are unsustainable to farm, while large farms with substantial infrastructure and livestock may be given to a single family.
- 37.4. For these reasons, some land redistribution projects are unsustainable from the start, in turn generating mistrust and suspicion amongst beneficiaries.
- 37.5. Some beneficiaries simply receive more resources than others, without any clear rationale for the decision. The practice is experienced as arbitrary and unfair - both as to the extent and quality of land provided, and also as to the quantum of infrastructure and other financing provided, for instance through what was known for many years as the Recapitalisation (Recap) programme. One provincial official depicted it to our research team, when interviewed, as “handing out political Smarties”.
38. A key finding of our research in the Eastern Cape and Western Cape related to the chaotic state of land leases. These findings were supported by further research conducted by my colleagues Dr Farai Mtero, Ms Katlego Ramantsima and Mr Nkanyiso Gumede in five provinces, and published as Mtero et al (2019), On the advice of the Applicants’ attorneys I do not attach a copy here, in order to avoid over-burdening the papers, but will make a copy available on request.
39. We found that, in many instances, beneficiaries were allocated land but never

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obtained a lease, despite this being a requirement of policy. Some were given three-year leases which lapsed, and then were told they could remain on the land but were not given a new lease. Some obtained a 'caretakership' arrangement in which they were issued with papers saying that they undertook the obligation to manage the land on behalf of the state as owner – an agreement that could be rescinded on just 30 days' notice. Others still treasure old pieces of paper in which Department officials had written to say that a lease is being prepared and that they may in the interim continue to occupy the farms they were allocated. Some such documents are now well over a decade old, with no leases ever forthcoming.

40. Some people have continued to live on, and sometimes even farm, state land on the basis of oral permission given by Departmental officials.
41. In short, occupation of state-bought farms under 'land redistribution' often involves insecure tenure in which beneficiaries are dependent on the goodwill of officials and subject to the vagaries of Department decisions and processes that unfold far from sight.
42. The circumstances of the first to fourth applicants reflect this insecurity of tenure. After entering into two previous lease agreements that lapsed, they obtained a concession in 2017 to stay on the farms while the Department decides what it wants to do with the land. They have no formal caretakership agreement and no lease that will enable them to obtain financing for the farms. Even when they applied for the 30-year lease, and were recommended by the NLAACC, it did not result in a lease being issued. Since they applied, more than three years have

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passed in which they have not been issued with a lease or obtained any level of certainty as to their continued presence on the farms. This perpetuates tenure insecurity for the applicants, and illustrates some of the frustrations that arise from the state's redistribution programme.

43. The lack of clarity in respect of tenure has practical implications for the ability of beneficiaries to use the land successfully. Beneficiaries are not able to access credit as financial institutions require some proof of their right to occupy. As a result, emerging commercial farmers, including those who have capital from other sources, are stymied in their farming operations. This is due to an inability to secure loans and other sources of support, and to make on-farm improvements, because they do not have a valid lease,
  
44. In addition to the distress, inconvenience and difficulties that this creates for beneficiaries, the obscure processes and the frequent reversals or changes in state decisions about the selection of beneficiaries and the allocation of land, and the terms of such allocation, mean that the limited redistribution of land that does happen is highly unlikely to realise its own objectives. The result is that public funds are spent on land purchase and related costs, including the vast costs of administration, without reasonable prospects of creating the conditions for success. As the High Level Panel and the Presidential Advisory Panel both noted, this means that land reform progress is assessed in terms of hectares acquired and budget spent, but they cannot determine whether the political, social and economic objectives are being effectively pursued and achieved.

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**THE NEED FOR A REDISTRIBUTION PROGRAMME THAT COMPLIES WITH THE  
RULES OF ADMINISTRATIVE JUSTICE**

45. In my experience, the circumstances of the first to the fourth applicants in this case are not unique. They are an example of what many beneficiaries across South Africa have to deal with when trying to obtain land through redistribution.
46. There are a number of characteristics that contend I believes should characterise redistribution policies and practice in South Africa in order to address some of the problems that continue to plague the programme.
47. Firstly, it is essential that there is a lawful, reasonable, and procedurally fair application process. This means that all potential applicants are made aware of the process for application and are treated the same when making their application. It also means that applicants are held to the predetermined and communicated application process, without any exceptions being made to certain applicants for reasons that are not provided for in the application process.
48. Secondly, it requires lawful, reasonable, and procedurally fair consideration of applications and decision-making. The process and criteria that have been determined in laws or policies for the consideration of applications must be lawful, reasonable, and fair. The process should not be influenced by irrelevant considerations that have not been identified in the laws or policies, or be unduly influenced by people who are not legally part of the process, or deviate from the process that has been determined in laws and policies.
49. Thirdly, it is important that applicants be provided in writing, with the procedure,

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that will be used to assess the application. In the experience of PLAAS, applicants are very rarely informed of the procedure that will be used to assess the applications. These procedures should be clearly set out in the laws or policies on redistribution. However, in the experience of PLAAS, these policies are not always available to applicants, cannot be found online, and are not made available to applicants when they are applying. If organisations like PLAAS and the LRC struggle to obtain access to some of the policies and implementation manuals, it is difficult to imagine that applicants, who have far fewer resources, will be able to access these documents.

50. Fourthly, applicants must be provided, in writing, with the criteria that will be used to decide the application. I cannot overstate the importance of this requirement. Historically, the lack of criteria to assess the applications has resulted in confusion and uncertainty in the selection of the beneficiaries. The lack of criteria provides officials with an unfettered discretion when deciding who should benefit from redistribution, and creates the opportunity for corruption. In addition, it is unclear to applicants what criteria they have to meet in order to be successful. Before the introduction of the 2019 Proactive Land Acquisition Policy, there were no specific criteria for the selection of beneficiaries. However, that Policy is not widely available, and in the experience of PLAAS it has not made available to beneficiaries when the selection takes place. Criteria were set out in the National Policy on Beneficiary Selection and Land Allocation of 2022. Based on publicly available information, it is not possible to determine to what extent these criteria have actually been used in practice to select beneficiaries since 2022. The criteria must be much more transparent, and provided to applicants at the start of the process, to ensure that both the applicants and the Department know and

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understand against what criteria they will be assessed.

51. Fifthly, it is critical that the decision on an application be taken within a reasonable time after the lodging of the application, or the closure of the application process. The delay in awarding leases and the consequential uncertainty are very detrimental to applicants. It leaves applicants in limbo. It is completely unacceptable that applicants such as these have to wait more than three years for a clear answer on whether their application has been successful. This exacerbates insecurity of tenure, makes it difficult for them to access financing and obstructs the achievement of the objectives of land redistribution.
52. Sixthly, it is important that a decision, and the reasons for the decision be communicated to the applicant in writing. This case illustrates that point. While a decision has clearly been taken in this case, it has never been formally communicated to the applicants. They had to obtain the decision through people outside the department. This is unacceptable. The failure to provide the decision and the reasons in writing also deprives applicants of the ability to challenge the decision if they are unhappy with it.

## CONCLUSION

53. My research, and the research of others, demonstrates that the experience of the applicants in this case is unfortunately typical of the experience of many applicants for land redistribution. In my considered opinion, it is the result of systemic deficiencies and failures in the land redistribution programme. Those deficiencies and failures need to be remedied if an effective land redistribution programme, which provides access to land on an equitable basis, is to be

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achieved.

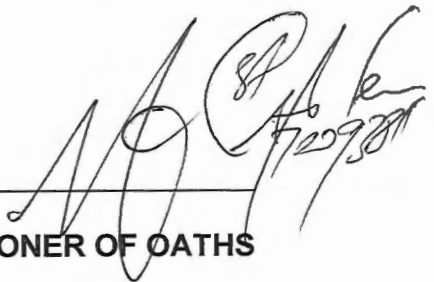


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**RUTH HALL**

I hereby certify that the deponent stated that she knows and understands the contents of this affidavit and that it is to the best of her knowledge both true and correct. This affidavit was signed and sworn to before me at Cape Town on this *31* day of *Mar* 2023, after the Regulations contained in Government Notice R1258 of 21 July 1972, as amended, had been complied with.

SUID-AFRIKAANSE POLISIEDIENS
COMMUNITY SERVICE CENTRE
<b>31 MAR 2023</b>
RONDEBOSCH
SOUTH AFRICAN POLICE SERVICES



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**COMMISSIONER OF OATHS**



## Professor Ruth Hall

<https://www.plaas.org.za/sarchi-chair/>

[Google Scholar profile](#)

Date of birth: 19 March 1973

Nationality: South African

Email: [rhall@uwc.ac.za](mailto:rhall@uwc.ac.za)

Tel: +27 83 302 2063

### Employment

- 2002-present      **SARChI Chair and Professor in Poverty, Land and Agrarian Studies (2020-2024)**  
(previously Professor, Associate Professor, Senior Researcher and Researcher)  
Institute for Poverty, Land and Agrarian Studies (PLAAS) University of the Western Cape,  
South Africa
- 1999-2002      Senior Researcher, Centre for Rural Legal Studies, Stellenbosch, South Africa

### Other positions

- 1998-99      Researcher, Women's Rights to Land project: Institute of Economic Growth, Delhi, India.
- 1996      Policy Officer, Equal Opportunity Office, University of Cape Town
- 1995      Equal Opportunity Research Project, University of Cape Town
- 1994      Seminar Intern, Centre for African Studies, University of Cape Town

### Education

Higher Education: University of Oxford (2011)

- Doctor of Philosophy in Politics, Faculty of Politics and International Relations  
Dissertation: *The Politics of Land Reform in Post Apartheid South Africa, 1990 to 2004: A Shifting Terrain of Interests, Actors and Discourses*

Higher Education: University of Oxford (1996-1998)

- Master of Philosophy in Development Studies, Queen Elizabeth House  
Dissertation: *Contested Terrain: The Politics of Land Reform Policy in Post Apartheid South Africa*

Higher Education: University of Cape Town (1992-1995)

- Bachelor of Social Science in Political Studies and Sociology
- Bachelor of Social Science (Honours) in Political Studies (distinction)  
Dissertation: *Land Reform Policy and Practice: A Theoretical and Empirical Review of Gender Perspectives Internationally and in South Africa*

Secondary Education: United World College of the Adriatic, Italy (1989-1991)

- International Baccalaureate Diploma

A.A.      RH

## Advisory positions, Awards and Scholarships

2018-20	Presidential advisor: Cyril Ramaphosa
2019	Ministerial advisor: Minister of Public Works: Patricia De Lille
2019	Ministerial advisor: Minister of Justice: Ronald Lamola
2010	Featured in UWC Women in Research 2010
2010	UWC Research Repository 10 most downloaded research outputs (10th)
2005, 06, 08, 09	Mail & Guardian Book of South African Women
2006, 07	Mail & Guardian 100 Young South Africans
1998	Wingate Trust Scholarship
1997	Rhodes Trust Southern African Internship
1996	Rhodes Scholarship (South Africa-at-Large)
1996	Vice Chancellor's Award for an Excellent Contribution to Gender Equity
1992, 93, 94	Dean's Merit List for Academic Achievement
1989-1991	United World College Scholarship for South Africa

## Professional Experience

I have led and participated in a series of research projects and consultancies dealing with land and agrarian reform, mostly in South Africa and in the Southern African region, including the following:

- Primary Investigator of a three-country study (Ghana, South Africa, Tanzania) on the impacts of COVID-19 responses on the political economy of African food systems, funded by the International Development Research Centre, Canada
- Primary Investigator of a three-country study (Ghana, Kenya and Zambia) on institutional arrangements in large-scale international land deals, funded by the Economic and Social Research Council and Department for International Development, UK
- Primary Investigator of a five-country study (Malawi, Mozambique, Namibia, Zambia, Zimbabwe) on community participation in commercialisation of land deals and 'land grabbing' in Southern Africa, funded by Austrian Development Cooperation
- Regional Hub Coordinator of the Future Agricultures Consortium in Southern Africa, and theme coordinator of the Future Agricultures Consortium's work on land in Africa, consisting of case study research on transnational land allocations in five countries (Nigeria, Ghana, Kenya, Malawi, Congo, Mozambique) in Africa
- Coordinated the Land Deal Politics Initiative small grant programme on large-scale land acquisitions in Africa
- Initiated and implemented a three-country study on small-scale farmers and fishers in South Africa, Malawi and Zimbabwe (with Gaynor Paradza)
- Developed and delivered a training module on Land Tenure and Economic Development for the Government of Southern Sudan (GOSS) Land Commission, funded by USAID (with ARD-Inc)
- Conducted a systematic review of evidence from South Africa and elsewhere on the efficacy of small-scale farmer development policies for the Programme to Support Pro-poor Policy Development in the Presidency (with Michael Aliber)

- Conducted research on farm workers and farm dwellers in Limpopo province, funded by the Norwegian Centre for Human Rights (with Poul Wisborg and Shirhami Shirinda)
- Led a national research and advocacy project on policy alternatives for land and agrarian reform, funded by ICCO (with Phillan Zamchiya)
- Jointly led a regional project on decentralisation of land reform in Southern Africa, funded by the Austrian Development Agency (with Karin Kleinbooi)
- Conducted research on the impacts of Zimbabwe's land reform on rural livelihoods in Mozambique, South Africa and Zambia, as part of a collaborative research project, funded by the Research Council of Norway (with Phillan Zamchiya)
- Contributed one report to a restitution post-settlement support project for the Commission on the Restitution of Land Rights, funded by Belgian Technical Cooperation
- Reviewed the Land, Environment and Development (LEAD) programme of the Legal Assistance Centre (LAC), Windhoek, Namibia, for EED
- Conducted analysis of research data collected by the HEED Programme on Pesticide Use Among Small-Scale Farmers in South Africa and Tanzania, School of Public Health, University of Cape Town.
- Commissioned by the Department of Land Affairs to conduct a review of progress towards the realisation of the socio-economic rights of farm dwellers, for the Deputy President
- Commissioned by the Presidency to write a review of land reform, restitution and post-settlement support, for the Second Economy Strategy (with Michael Aliber, Ben Cousins and Edward Lahiff)
- Commissioned by Department of Land Affairs to produce a diagnostic review of communal property institutions in South Africa's land reform, together with the Council for Scientific and Industrial Research
- Commissioned by GTZ to conduct research on local government development planning, and approaches to land and agrarian reform in integrated development plans (with Moenieba Isaacs and Munyaradzi Saruchera)
- Commissioned by Department for International Development (UK) to conduct a review of methods and impacts in land reform in South Africa (with Edward Lahiff and Peter Jacobs)
- Conducted a national review of land reform policy, practice and outcomes, funded by the Norwegian Centre for Human Rights
- Led a national review of land reform policy, practice and outcomes, funded by the European Union's Foundation for Human Rights (EU-FHR) (with Peter Jacobs)
- Commissioned by the Department of Labour to lead national research to inform the sectoral determination and minimum wage regulations for farm workers, and led initiative on international agricultural trade and its impact on rural livelihoods
- Conducted primary field-based research in Andhra Pradesh and Rajasthan on strategies pursued to secure women's land rights in contexts of *dalit* communities, as part of a Women's Rights to Land project, Institute of Economic Growth, India
- Conducted an evaluation of the gender impacts of CAMPFIRE's programmes for community-based natural resources management in Nyaminyami District, as part of a Gender and Natural Resource Management Project, Zimbabwe.

## Publications

### Books

- Scoones, Ian, Marc Edelman, Saturnino M. Borras Jr, Lyda Fernanda Forero, Ruth Hall, Wendy Wolford, Ben White. 2022. *Authoritarian Populism in the Rural World*. London: Routledge.
- McKay, Ben, Ruth Hall and Juan Liu. 2018. *Rural Transformations and Agro-Food Systems: BRICS and Agrarian Change in the Global South*. London: Routledge.
- Edelman, Marc, Ruth Hall, Saturnino M. Borras Jr., Ian Scoones, Ben White and Wendy Wolford. 2018. *Global Land Grabbing and Political Reactions 'From Below'*. London: Routledge.  
<https://www.routledge.com/Global-Land-Grabbing-and-Political-Reactions-from-Below/Edelman-Hall-Borras-Jr-Scoones-White-Wolford/p/book/9781138082373>
- Hall, Ruth, Ian Scoones and Dzodzi Tsikata. 2015. *Africa's Land Rush: Rural Livelihoods and Agrarian Change*. Oxford: James Currey.
- Hall, Ruth, Joseph Gausi, Prosper Matondi, Theodor Muduva, Camilo Nhancale, Dimuna Phiria and Phillan Zamchiya. 2015. *Large-scale land deals in Southern Africa: Voices of the people*. Cape Town: Institute for Poverty, Land and Agrarian Studies, University of the Western Cape.
- White, Ben, Saturnino M. Borras Jr., Ruth Hall, Ian Scoones and Wendy Wolford (eds). 2013. *The New Enclosures: Critical Perspectives on Corporate Land Deals*. London and New York: Routledge.
- Wolford, Wendy, Saturnino M. Borras Jr., Ruth Hall, Ian Scoones and Ben White (eds). 2013. *Governing Global Land Deals: The Role of the State in the Rush for Land*. Oxford: Wiley Blackwell.
- Wisborg, Poul, Ruth Hall, Shirhami Shirinda and Phillan Zamchiya. 2013. *Farm Workers and Farm Dwellers in Limpopo Province, South Africa: Struggles over Tenure, Livelihoods and Justice*. Cape Town: Institute for Poverty, Land and Agrarian Studies, University of the Western Cape.
- Cherryl Walker, Anna Bohlin, Ruth Hall and Thembele Kepe (eds). 2010. *Land, Memory, Reconstruction and Justice: Perspectives on Land Restitution in South Africa*. Athens OH / Scottsville: Ohio University Press / University of KwaZulu-Natal Press.
- Hall, Ruth (ed). 2009. *Another Countryside? Policy Options for Land and Agrarian Reform in South Africa*. Cape Town: Institute for Poverty, Land and Agrarian Studies, University of the Western Cape.
- Ntsebeza, Lungisile and Ruth Hall (eds). 2007. *The Land Question in South Africa: The Challenge of Transformation and Redistribution*. Cape Town: Human Sciences Research Council Press.

### Journal Articles

- Annie Shattuck, Jacobo Grajales, Ricardo Jacobs, Sergio Sauer, Shaila Seshia Galvin and Ruth Hall. 2023. Life on the land: new lives for agrarian questions. *Journal of Peasant Studies* 50(2): 1-29.  
<https://orcid.org/0000-0003-4127-8108>

- Kepe, Thembela and Ruth Hall. 2020. Creating Learning and Action Space in South Africa's Post-apartheid Land Redistribution Program. *Action Research* 18(4): 510-527.  
<https://doi.org/10.1177/1476750317705966>
- Scoones, Ian, Rebecca Smalley, Ruth Hall and Dzodzi Tsikata. 2019. Narratives of Scarcity: Framing the global land rush. *Geoforum*
- Thembela Kepe & Ruth Hall. 2018. Land Redistribution in South Africa: Towards Decolonisation or Recolonisation? *Politikon*, 45:1, 128-137.  
<https://www.tandfonline.com/doi/full/10.1080/02589346.2018.1418218>
- Hall, Ruth and Thembela Kepe. 2017. Elite capture and state neglect: New evidence on South Africa's land reform. *Review of African Political Economy*. 1-9.  
<http://www.tandfonline.com/doi/full/10.1080/03056244.2017.1288615>
- Hall, Ruth, Ian Scoones and Dzodzi Tsikata. 2017. Plantations, outgrowers and commercial farming in Africa: Agricultural commercialisation and implications for agrarian change. *Journal of Peasant Studies* 44(3): 1-23. <http://www.tandfonline.com/doi/abs/10.1080/03066150.2016.1263187>
- Lawry Steven, Cyrus Samii, Ruth Hall, Aaron Leopold, Donna Hornby, and Farai Mtero. 2017. The impact of land property rights interventions on investment and agricultural productivity in developing countries: a systematic review. *Journal of Development Effectiveness* 9(1): 61-81.  
<http://www.tandfonline.com/doi/abs/10.1080/19439342.2016.1160947>
- Scoones, Ian, Marc Edelman, Saturnino M. Borrás Jr., Ruth Hall, Wendy Wolford & Ben White 2017. Emancipatory rural politics: confronting authoritarian populism. *Journal of Peasant Studies*. 1-20.  
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- McKay, Ben, Ruth Hall and Juan Liu. 2017. The Rise of BRICS: Implications for Global Agrarian Transformation. Introduction to Special Issue. *Third World Thematics* 1(5): 581-591  
<http://www.tandfonline.com/doi/full/10.1080/23802014.2016.1362323> (Special Issue:  
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- Hall, Ruth and Ben Cousins. 2017. Exporting contradictions: The expansion of South African agrarian capital within Africa. *Globalizations* 1-20.  
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- Hall, Ruth, Marc Edelman, Saturnino M. Borrás Jr., Ian Scoones, Ben White and Wendy Wolford. 2015. 'Resistance, acquiescence or incorporation? An introduction to land grabbing and political reactions 'from below'. Editorial introduction to special Issue: Global land Grabbing and Political Reactions from Below. *Journal of Peasant Studies* 42(3-4): 467-488.  
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- Wolford, Wendy, Saturnino Borrás Jr., Ruth Hall, Ian Scoones and Ben White. 2013. 'Governing Global Land Deals: The Role of the State in the Rush for Land' (Editors' introduction to special issue on Governing Global Land Deals). *Development and Change*, 44(2): 189-210.

- Hall, Ruth, Poul Wisborg, Shirhami Shirinda and Phillan Zamchiya. 2013. 'Farm workers and farm dwellers in Limpopo province, South Africa.' Special issue on *Re-thinking land reform, agrarian change and rural poverty in South Africa*, edited by Henry Bernstein, Ben Cousins, Bridget O'Laughlin and Pauline Peters. *Journal of Agrarian Change* 13(1): pp 47-70.
- Hall, Ruth and Ben Cousins. 2013. 'Rangeland Commons in South Africa's Land and Agrarian Reform.' *African Journal for Range and Forage*. Special Issue on Aligning policy with the socio-ecological dynamics of rangeland commons: 1-5.
- Aliber, Michael and Ruth Hall. 2012. 'Support for smallholder farmers in South Africa: Challenges of scale and strategy.' *Development Southern Africa* (Special Issue: Sustainable rural development in South Africa: Rethinking theory, policy and practice), 29(4): 548-562.
- White, Ben, Saturnino M. Borrás Jr., Ruth Hall, Ian Scoones and Wendy Wolford. 2012. 'The new enclosures: critical perspectives on corporate land deals.' *Journal of Peasant Studies*. (Editors' introduction to special issue), 39(3&4): 619-647.
- Hall, Ruth. 2012. 'The Next Greak Trek? South African commercial farmers move north.' *Journal of Peasant Studies*, 39(3&4): 823-843.
- Hall, Ruth. 2012. 'El Nuevo Acaparamiento de Tierras y las Cambiantes Dinámicas de la Agricultura en el sur de África.' *Revista Española de Estudios Agrosociales y Pesqueros*, 231: 175-207.
- Hall, Ruth. 2011. "Revisiting unresolved questions: land, food and agriculture." *Transformation: Critical Perspectives on Southern Africa*, 75: 81-94.
- Hall, Ruth. 2011. "Land Grabbing in Southern Africa: The many faces of the investor rush." *Review of African Political Economy*, 128: 193-214.
- Borrás, Saturnino, Ruth Hall, Ian Scoones, Ben White and Wendy Wolford. 2011. "Towards a Better Understanding of Global Land Grabbing: An Editorial Introduction." *Journal of Peasant Studies*, 38(2): 209-216.
- Hall, Ruth. 2011. "Landmarked: Land Claims and Land Restitution in South Africa by Cherryl Walker." Book review. *Journal of Agrarian Change*. Vol 11, No 1, January 2011: pp 126-129.
- Rother, Hanna-Andrea, Ruth Hall and Leslie London. 2008. "Pesticide Use Among Emerging Farmers in South Africa: Contributing Factors and Stakeholder Perceptions." *Development Southern Africa*, 25(4): 399-424.
- Hall, Ruth. 2005. "The Shifting Terrain of Land Reform in South Africa: The National Land Summit, July 2005." *Review of African Political Economy*, 106: 621-627.
- Cousins, Ben, Edward Lahiff and Ruth Hall. 2005. "The land shall be shared among those who work it!" *New Agenda*. Special Issue on the Freedom Charter: the next fifty years: 35-39.
- Hall, Ruth. 2004. "Land Reform: A Terrain of Ongoing Struggle." *South African Labour Bulletin*. October 2004.

- Hall, Ruth. 2004. "Land Restitution in South Africa: Rights, Development and the Restrained State." *Canadian Journal of African Studies*; Special Issue: A Decade of Democracy in Southern Africa 1994 – 2004, 38(3): 654-671.
- Hall, Ruth. 2004. "A Political Economy of Land Reform in South Africa." *Review of African Political Economy* Special Issue on South Africa, 100: 23-37.
- Hall, Ruth. 2001. "Globalisation and Farm Workers: Why do Women Bear the Brunt?" *Agenda: South African Feminist Journal*, 48.
- Hall, Ruth. 1998. "Design for Equity: Linking Policy with Objectives South Africa's Land Reform." *Review of African Political Economy*, 77: pp 451-462.

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- Hall, Ruth and Farai Mtero. 2021. 'Land and Agrarian Development in South Africa' in Arkebe Oqubay, Fiona Tregenna, and Imraan Valodia (eds). *The Oxford Handbook of the South African Economy*. Oxford: Oxford University Press.
- Aliber, Michael and Ruth Hall. 2019. 'Support to smallholder farmers in South Africa: Challenges of scale and strategy' in Peter T. Jacobs (ed) *Equitable Rural Socioeconomic Change: Land, Climate Dynamics and Technological Innovation*. Cape Town: Human Sciences Research Council Press: 45-60.
- Kepe, Thembela and Ruth Hall. 2016. 'Land, politics and policy change in South Africa: What questions for land redistribution policy and practice?' in Thembela Kepe, Melissa Levin and Bettina von Lieres (eds) *Domains of Freedom: Justice, Citizenship and Social Change in South Africa*. Cape Town: University of Cape Town Press: 27-39.
- Sulle, Emmanuel and Ruth Hall. 2015. 'Agrofuels and Land Rights in Africa' in Kristina Dietz, Achim Brunnengräber, Bettina Engels and Oliver Pye (eds) *The Political Ecology of Agrofuels*. London: Routledge: 115-131.
- Hall, Ruth, Ian Scoones and Dzodzi Tsikata. 2015. 'Introduction' in Ruth Hall, Ian Scoones and Dzodzi Tsikata (eds.) *Africa's Land Rush: Rural Livelihoods and Agrarian Change*. Oxford: James Currey: 1-29.
- Hall, Ruth, Ward Anseeuw and Gaynor Paradza. 2015. 'South African commercial farmers in the Congo' in Ruth Hall, Ian Scoones and Dzodzi Tsikata (eds.) *Africa's Land Rush: Rural Livelihoods and Agrarian Change*. Oxford: James Currey: 162-180.
- Hall, Ruth. 2015. 'Who, what, where, how, why? The many disagreements about land redistribution in South Africa' in Ben Cousins and Cheryl Walker (eds) *Land Divided, Land Restored: Prospects for Land Reform in 21<sup>st</sup> Century South Africa*. Cape Town: Jacana: 130-148.
- Hall, Ruth. 2014. 'Land redistribution: The politics of not making policy' in Thenjiwe Meyiwa, Muxe Nkondo, Margaret Chitiga-Mabugu, Moses Sithole and Francis Nyamnjoh (eds) *State of the Nation. South Africa 1994-2014: A Twenty Year Review of Freedom and Democracy*. Cape Town: Human Sciences Research Council: 171-182.
- Hall, Ruth, Saturnino M. Borrás and Ben White. 2014. 'Land Reform' in Vandana Desai and Rob Potter (eds) *The Companion to Development Studies*, Third Edition. London: Routledge: 260-264.



- White, Ben, Saturnino M. Borrás Jr. and Ruth Hall. 2014. 'Land Reform' in Bruce Currie-Alder, Ravi Kanbur, David M. Malone and Rohinto Medhora (eds) *International Development: Ideas, Experience and Prospects*. Oxford: Oxford University Press: 479-494.
- Hall, Ruth. 2013. 'Hierarchies, Violence, Gender: Narratives from Zimbabwean Migrants on South African Farms' in Bill Derman and Randi Kaarhus (eds) *In the Shadow of a Conflict: Crisis in Zimbabwe and its Effects in Mozambique, South Africa and Zambia*. Harare: Weaver Press: 180-206.
- White, Ben, Saturnino M. Borrás and Ruth Hall. 2013. 'Land' in Bruce Currie-Alder, Ravi Kanbur, David M. Malone and Rohinton Medhora (eds) *International Development: Ideas, Experience, and Prospects*. Oxford: Oxford University Press: 479-494.
- Cousins, Ben and Ruth Hall. 2013. "Rights without Illusions: The potential and limits of rights-based approaches to securing land tenure in rural South Africa" in Malcolm Langford, Ben Cousins, Jackie Dugard and Tshepo Madlingozi (eds.). *Symbols or Substance? The role and impact of socio-economic rights strategies in South Africa*. Cambridge: Cambridge University Press: 157-186.
- Aliber, Michael and Ruth Hall. 2011. 'The case for re-strategising spending priorities to support small-scale farmers in South Africa' in Leslie Nyagah (ed.) *Seeds of Growth: Financing Smallholder Farming in Southern Africa*. Cape Town: Institute for Democracy in South Africa.
- Walker, Cheryl, Anna Bohlin, Ruth Hall and Thembela Kepe. 2010. "Introduction" in Cheryl Walker, Anna Bohlin, Ruth Hall and Thembela Kepe (eds.) *Land, Memory, Reconstruction and Justice: Perspectives on Land Restitution in South Africa*. Athens OH / Scottsville: Ohio University Press / University of KwaZulu-Natal Press: 1-13.
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- Hall, Ruth and Lungisile Ntsebeza. 2007. "Introduction" in Lungisile Ntsebeza and Ruth Hall (eds) *The Land Question in South Africa: The Challenge of Transformation and Redistribution*. Cape Town: HSRC Press, 1-24.
- Hall, Ruth. 2007. "Transforming Rural South Africa? Taking Stock of Land Reform" in Lungisile Ntsebeza and Ruth Hall (eds) *The Land Question in South Africa: The Challenge of Transformation and Redistribution*. Cape Town: HSRC Press, 87-106.
- Moyo, Sam and Hall, Ruth. 2007. "Conflict and Land Reform in Southern Africa: How Exceptional is South Africa?" in Adekeye Adebajo, Adebayo Adedeji and Chris Landsberg (eds). *South Africa in Africa: The Post-Apartheid Era*. Scottsville: University of KwaZulu-Natal Press: 150-176.
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- Hall, Ruth and Williams, Gavin. 2003. "Land Reform in South Africa: Problems and Prospects" in Mwesiga Baregu and Chris Landsberg (eds): *From Cape to Congo: Southern Africa's Evolving Security Architecture*; Lynne Rienner Publishers; New York: 97-129.

#### Selected research reports

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- Hall, Ruth. 2003. *Farm tenure*. Cape Town: Programme for Land and Agrarian Studies, University of the Western Cape. (Evaluating land and agrarian reform in South Africa series; No. 3.)
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#### Films

<https://youtu.be/dIXPhESQTO>

[https://youtu.be/OtmHiAZiD\\_A](https://youtu.be/OtmHiAZiD_A)

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[https://www.youtube.com/watch?v=OtmHiAZiD\\_A&t=107s](https://www.youtube.com/watch?v=OtmHiAZiD_A&t=107s)

#### Selected policy briefs

Hall, Ruth and Marc Wegerif. 2021. Building back better after COVID-19. PLAAS Policy Brief.

Sulle, Emmanuel, Ruth Hall and Gaynor Paradza. 2014. *Inclusive business models in agriculture? Learning from smallholder cane growers in Mozambique*. Policy brief 66. Brighton and Nairobi: Future Agricultures Consortium.

Sulle, Emmanuel and Ruth Hall. 2014. *International frameworks International and regional guidelines on land governance and land-based investments: An agenda for African states*. Policy brief 77. Brighton and Nairobi: Future Agricultures Consortium.

Cousins, Ben, Ruth Hall and Alex Dubb. 2014. *The Restitution of Land Rights Amendment Act of 2014 - What are the real implications of reopening land claims?* Policy brief 34. Cape Town: Institute for Poverty, Land and Agrarian Studies.

Hall, Ruth and Alex Dubb. 2013. 45% of black South Africans want land. Fact Check Series: Land Reform, 2. Cape Town: PLAAS.

Hall, Ruth. 2011. *Land Grabbing in Africa and the New Politics of Food*. Policy brief No. 41. Nairobi, Brighton and Cape Town: Future Agricultures Consortium. June 2011.

Aliber, Michael and Ruth Hall. 2011. *Making the Case for a Decentralized Small-scale Farmer Strategy in South Africa*. Policy brief. Programme to Support Pro-poor Policy Development. Pretoria: Presidency / PSPPD.

Hall, Ruth. 2009. *A fresh start for rural development and agrarian reform?* Policy brief 29. Institute for Poverty, Land and Agrarian Studies (PLAAS), University of the Western Cape.

Hall, Ruth and Lahiff, Edward. 2004. *Budgeting for Land Reform*. Policy Brief: Debating land reform and rural development. No. 13. Cape Town: Programme for Land and Agrarian Studies, University of the Western Cape.

#### Major Conferences convened

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Ruth Hall: curriculum vitae

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“Climate Change and Agrarian Justice Conference”, hosted by PLAAS, Journal of Peasant Studies, Transnational Institute and Collective of Agrarian Scholar-Activists of the Global South, 26-29 September 2022 (convening committee)

“Land Conference: The Failed Promise of Tenure Security”, hosted by PLAAS at University of the Western Cape, Land and Accountability Research Centre at the University of Cape Town, Social and Work Programme at the University of the Witwatersrand, and Legal Resources Centre, hybrid conference in Cape Town / Johannesburg / Durban / East London, 17-19 August 2022 (convening committee)

“Conference on Land Policy in Africa” hosted by African Union, UN Economic Commission for Africa and African Development Bank. Biennial Conference, Kigali, Rwanda, 1-4 November 2021. (Scientific Committee)

“Resolving the Land Question” conference hosted by PLAAS at the University of the Western Cape, Cape Town, 4-5 February 2019 (co-convenor with Ben Cousins)

“The Future of Farm Workers in South Africa” conference hosted by PLAAS and the School of Government at the University of the Western Cape and the Women on Farms Project, 16-18 October 2019 (co-director with Stephen Devereux)

“Authoritarian Populism and Emancipatory Rural Politics”, hosted by PLAAS at the University of the Western Cape, the International Institute for Social Studies at Erasmus University, the Institute of Development Studies at the University of Sussex, Cornell University, 16-18 March 2018, The Hague, Netherlands. (convening committee)

“International Conference of the BRICS Initiative for Critical Agrarian Studies”, hosted by the Russian Presidential Academy of National Economy and Public Administration (RANEPA) in partnership with PLAAS at University of the Western Cape, China Agricultural University, International Institute for Social Studies at Erasmus University, Institute for Development Studies at the University of Sussex, 13-17 October 2017, Moscow, Russia (convening committee)

“International conference on rural transformations and food systems: The BRICS and agrarian change in the global South”, hosted by PLAAS at the University of the Western Cape, University of Brasilia, University of Rio Grande do Sul, Cornell University, University of Sussex and International Institute for Social Studies at Erasmus University, 19-21 April 2015, Cape Town (co-convenor)

“Conference on Land Policy in Africa” hosted by African Union, UN Economic Commission for Africa and African Development Bank. Biennial Conference, Addis Ababa, Ethiopia, 11-14 November 2014. (Scientific Committee)

“Agricultural Investment, Gender and Land in Africa” hosted by PLAAS, Future Agricultures Consortium, Food and Agricultural Organization of the United Nations, Land Policy Initiative of the African Union / African Development Bank / UN Economic Commission for Africa, Cape Town, 5-7 March 2014 (co-organised with Martha Osorio, Emmanuel Sulle, Sue Mbaya, Clara Park and Anna Rappazzo)

“Land Divided Conference”, hosted by PLAAS at University of the Western Cape, Stellenbosch University and the University of Cape Town, Cape Town, 25-27 March 2013 (convening committee)

“International Conference on Global Land Grabbing II” hosted by the Land Deal Politics Initiative, Future Agricultures Consortium and Journal of Peasant Studies, at Cornell University, 17-19 April 2012 (co-organised with Jun Borras, Ian Scoones, Ben White, Wendy Wolford).

“International Conference on Global Land Grabbing” hosted by the Land Deal Politics Initiative, Future Agricultures Consortium and Journal of Peasant Studies, Institute for Development Studies, University of Sussex, 6-8 April 2011 (co-organised with Jun Borrás, Ian Scoones, Ben White, Wendy Wolford).

“Conference on Policy Options for Land and Agrarian Reform in South Africa,” hosted by PLAAS, Lord Charles Hotel, Somerset West, 27-29 October 2007.

“Conference on Land, Memory, Reconstruction and Justice: Perspectives on Land Restitution in South Africa,” hosted by PLAAS, Human Sciences Research Council and University of Stellenbosch, Houw Hoek Inn, Grabouw, 13-15 September 2006 (co-organised with Cheryl Walker, Anna Bohlin, Thembela Kepe, Michael Aliber).

“Conference on International Agricultural Trade and Rural Livelihoods”, hosted by the Centre for Rural Legal Studies, Lord Charles Hotel, Somerset West, October 2001 (co-organised with Bronwyn Page-Shipp, Karin Kleinbooi).

## Fundraising

I have fundraised numerous research grants over the past 15 years including:

- USD\$200,000 UN Economic Commission for Africa / GIZ (2022)
- € 80 000 Volkswagen Foundation (2008-2010) (co-fundraised with Cyriaque Hakizimana)
- USD\$200,000 UN Economic Commission for Africa / GIZ (2021)
- CAD\$900,000 International Development Research Centre (IDRC) (2020-2021)
- USD\$200,000 UN Economic Commission for Africa / GIZ (2019)
- ZAR 250,000 RAITH Foundation (2019-2020)
- € 120,000 Rosa Luxemburg Stiftung (2018)
- € 250,000 European Union / Oxfam Pan Africa (co-fundraised with Emmanuel Sulle)
- USD\$140,000 Open Society Foundation (Global) (2017-2019)
- USD\$250,000 Open Society Institute for Southern Africa (regional) (2016-2017)
- CAD\$100,000 Social Science and Humanities Research Council of Canada (2017-2018)
- GB£ 500,000 UK Economic and Social Development Council (2013-2016)
- € 600,000 Austrian Development Cooperation (2012-2014)
- € 15,000 German Technical Cooperation (GIZ) (2011)
- GB£ 270,000 Department for International Development (2010-2013)
- US\$ 250,000 Ford Foundation (2010-2012)
- € 299,000 Austrian Development Agency (2008-2010)
- € 81 000 Volkswagen Foundation (2008-2010) (co-fundraised with Frank Matose)
- NKr 475,000 Research Council of Norway (2007-2009)
- NKr 600,000 Norwegian Centre for Human Rights (2007-2009) (co-fundraised with Ben Cousins)
- ZAR 1,916,000 InterChurch Development Cooperation (ICCO) (2005-2007)

## Research posts fundraised

Researcher: Ms Karin Kleinbooi (2007-2011)  
 Researcher: Mr Phillan Zamchiya (2006-2009)  
 Researcher: Mr Shirhami Shirinda (2007-2009)  
 Senior Researcher: Dr Gaynor Paradza (2011-2014)  
 Senior Researcher: Dr Barbara Tapela (2012)  
 Senior Researcher: Dr Darlene Miller (2013-2014)

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*RH.*

Researcher: Mr Emmanuel Sulle (2014-2019)  
 Researcher: Ms Refiloe Joala (2016-2017)  
 Researcher: Mr Cyriaque Hakizimana (2013 onward)  
 Senior Researcher: Dr Phillan Zamchiya (2016 onward)

## Teaching and Supervision

### Teaching and Training

- Convenor: The Agrarian Question in Southern Africa, MPhil in Land and Agrarian Studies, (2008-2019)
- Convenor: The Economics of Food and Farming Systems, MPhil Land and Agrarian Studies (2020-2022)
- Convenor: The Political Economy of Land Governance in Africa, short course (2018-2022)
- Convenor: Writeshop in Critical Agrarian Studies and Scholar-Activism (2019-2022)
- Convenor: The Agrarian Question in Africa, short course (2019)
- Convenor (with Ben Cousins): Political Economy of the Agrarian Question in Southern Africa (2013)
- Convenor (with Ben Cousins): NUMSA short course (2013)

### Postdoc Supervision

Dr Mngqobi Ngubane, University of the Western Cape (South Africa) – completed  
 Dr Arnold Chamunogwa, University of Oxford, UK (Zimbabwe) – completed  
 Dr Boaventura Monjane, Coimbra University, Portugal (Mozambique) - ongoing  
 Dr George Mudimu, China Agricultural University, China (Zimbabwe) – ongoing

### PhD Supervision

- Eria Serwajja, PhD in Development Studies, 2014 (Uganda)
- Emmanuel Sulle (PhD in Land and Agrarian Studies, 2021 (Tanzania)
- Odenda Lumumba (PhD in Land and Agrarian Studies, pending (Kenya)
- Refiloe Joala, PhD in Land and Agrarian Studies, pending (South Africa)
- Loveness Msofi, PhD in Land and Agrarian Studies, pending (Malawi)
- Charity Dangwa Rusere, PhD in Land and Agrarian Studies, pending (Zimbabwe)
- Cyriaque Hakizimana, PhD in Land and Agrarian Studies, pending (SA/Burundi)
- Nduduzo Majozi, PhD in Land and Agrarian Studies, pending (South Africa)
- Shane Phiri, PhD in Land and Agrarian Studies, pending (South Africa)
- Katlego Ramantsima, PhD in Land and Agrarian Studies, pending (South Africa)
- Sthandiwe Yeni, PhD in Land and Agrarian Studies, pending (South Africa)

### MPhil Supervision

- Boyce Tom (MPhil in Land and Agrarian Studies, 2007 (South Africa)
- Phillan Zamchiya (MPhil in Land and Agrarian Studies, first class, 2009 (Zimbabwe)
- Shirhami Shirinda (MPhil by full thesis in Land and Agrarian Studies, 2012 (South Africa)
- Sithandiwe Yeni (MPhil in Land and Agrarian Studies, 2013 (South Africa)
- Ndivhuho Ranwedzi (MPhil in Land and Agrarian Studies, first class, 2013 (South Africa)
- Odenda Lumumba (MPhil in Land and Agrarian Studies, first class, 2014 (Kenya)
- Prisca Mandimika, MPhil in Land and Agrarian Studies, 2020 (Namibia)
- Sienne Molepo, MPhil in Land and Agrarian Studies, pending (South Africa)
- Ashley Fischhoff, MPhil in Land and Agrarian Studies, pending (South Africa)
- Constance Mogale, MPhil in Land and Agrarian Studies, pending (South Africa)
- Tetelo Maila, MPhil in Land and Agrarian Studies, pending (South Africa)
- Clemente Ntauazi, MPhil in Land and Agrarian Studies, pending (Mozambique)

### External examiner

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*Ruth Hall: curriculum vitae*

*A.A.* *RH.*

- University of Cape Town
- University of Free State
- University of KwaZulu-Natal
- Rhodes University
- University of Stellenbosch
- University of North West
- University of the Witwatersrand
- International Institute for Social Studies, The Hague, Netherlands
- University of Oxford

### Journal Editorial Role

Editor-in-Chief: *Journal of Peasant Studies* (current)

International Advisory Board: *Journal of Peasant Studies* (2013 onward)

Editorial Board: *Social Dynamics* (2016-2021)

Book Series Editor: *Agrarian Change and Peasant Studies*, Fernwood and Practical Action (2015 onwards)

Reviews Editor: *Journal of Peasant Studies* (2009-2013)

### Journal Referee

*African Affairs, African Conflict and Peace Review, Agenda, Agrekon, Agricultural Economics, Development and Change, Development Southern Africa, Ecology & Society, Feminist Africa, Food Security, Geoforum, Journal for Contemporary History, Journal of Agrarian Change, Journal of Contemporary African Studies, Journal of Development Studies, Journal of Peasant Studies, Land Use Policy, Review of African Political Economy, South African Journal of Human Rights, Stellenbosch Law Review, Transformation.*

### Boards and Professional bodies

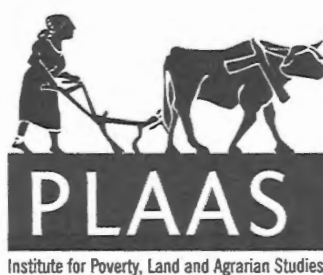
- Board of Trustees: Ndifuna Ukwazi (2019 onwards)
- Advisory Board: Merian Institute for Advanced Studies in Africa, University of Ghana (2019 onwards)
- Advisory Board: Cadasta (2016-2017)
- Steering Committee: South African Land Observatory (2017-2019)
- Panelist: Illovo Roundtable Committee on Land (2016-2017)
- Regional Hub Coordinator: Future Agricultures Consortium (FAC), Southern Africa (2013-2017)
- Co-founder and co-convenor: BRICS Initiative for Critical Agrarian Studies (BICAS), (2013-2019)
- Co-founder and co-convenor: Land Deal Politics Initiative (LDPI), (2010-2017)



**NATIONAL POLICY FOR BENEFICIARY SELECTION AND LAND  
ALLOCATION**

Submission to the  
DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM

from the  
Institute for Poverty, Land and Agrarian Studies (PLAAS)  
University of the Western Cape



2 March 2020

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## 1. Introduction

- 1.1. The Institute for Poverty, Land and Agrarian Studies (PLAAS) is constituent unit under the Faculty of Economic and Management Sciences (EMS) at the University of the Western Cape (UWC).
- 1.2. PLAAS engages in research, training, policy development and advocacy in relation to land and agrarian reform, rural governance and natural resource management, and poverty and inequality. We aim for rigor in scholarship, excellence in training, and effectiveness in policy support and advocacy. It strives to play a critical yet constructive role in processes of social, economic and political transformation.
- 1.3. PLAAS has read and considered the implications of the National Policy for Beneficiary Selection and Land Allocation, and submits the following comments and recommendations to the Director-General: Rural Development and Land Reform.

## 2. Purpose of the policy

- 2.1. To provide a uniform, fair, credible and transparent process and criteria for selection of beneficiaries for land allocation or leasing of State properties;
- 2.2. To rekindle the class of Black commercial producers who were destroyed by the 1913 Land Act;
- 2.3. To address diverse or different land needs - agricultural production, human settlements, commonage, and residential and industrial development purposes;
- 2.4. To promote industrialization, changes in spatial development, support for township economies, and the creation of special economic zones and industries in rural areas through access to land;
- 2.5. To promote accountability and transparency within the Department in allocating State assets;
- 2.6. To ensure qualified, suitable and deserving candidates gain access to land on an equitable basis;
- 2.7 To ensure special and targeted groups of land reform beneficiaries (youth, women, people living with disabilities, producers on communal land and military veterans) gain access to land for production purposes;
- 2.8 To ensure that the selected beneficiaries have the skills and capacity to maintain immovable state assets;
- 2.9 To establish an independent Land Allocation Panel to preside over the selection of suitable candidates for land allocation;
- 2.10 To provide for a standardized national land application system to ensure a fair and transparent process of beneficiary selection and the rationing of resources; and
- 2.11 To provide for the creation of a Provincial and National land application register for potential beneficiaries of land allocation.

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### 3. OUR RESPONSE

#### Eligibility Criteria - Who qualifies

##### Agricultural Production:

3.1 We support that all previously disadvantaged citizens should be considered for the allocation of land for agricultural purposes. We acknowledge that the injustices of the past deprived Blacks, Indians and Coloureds including Khoi-San of the land. Thus, it is the mission of the democratic government to ensure that all South African citizens benefit from land reform. However, it is also important to take into consideration that the previously disadvantaged group referred to by the policy are also facing economic injustice and deprivation. The gap between the rich and the poor is increasing and this results in contestation over resources. It is up to government to ensure that the previously disadvantaged and currently advantaged do not benefit ahead of the poor.

This is our interpretation of the injunction in Section 25(5) of the Constitution, which requires that:

***The state must take reasonable legislative and other measures to enable citizens to gain access to land on an equitable basis*** (RSA 1996: Section 25(5)).

It is therefore the case that equitable access to land – ie. land redistribution – is a rights-based programme, just like restitution and tenure reform. We have discovered in our research that many departmental officials consider redistribution not to be a rights-based programme, but to be discretionary. We believe this to be an incorrect understanding of the Constitution. The right of equitable access to land is a justiciable socio-economic right, which means that government is accountable to citizens to demonstrate that its programme of land redistribution meets constitutional muster. To demonstrate this, government's policies and programmes of land redistribution need to be reducing inequalities in access to land. These inequalities include but are not limited to race, class and gender.

Previous research on land redistribution shows that resource allocation for land reform tends to be skewed towards elites, a phenomenon which has come to be known as 'elite capture'. The High-Level Panel report (2017), the Presidential Advisory Panel on Land Reform and Agriculture (2019) and the recently published PLAAS research 'Elite Capture in Land Redistribution in South Africa' (2019) all demonstrate that ***previously disadvantaged individuals who are currently advantaged are benefiting more from land reform compared to those who are still disadvantaged***. They are benefiting ahead of the poor. PLAAS research findings on Elite Capture on Land Redistribution in South Africa demonstrates how the ambiguity of the concept of the 'previously disadvantaged' has been used by economically empowered elites to use the redistribution programme to benefit them even though they can afford to purchase their own farm land, or access non-state financing to do so. The Department needs to come up with mechanisms to curb this phenomenon.

The policy lists women and people living with disabilities as one of the priority groups to qualify for the allocation of agricultural land. This is positive however; these priority groups have been listed before – and yet the statistics from government show that women have not been prioritised. Figures cited in the High-Level Panel report show that women constitute a small minority of beneficiaries, meaning that land redistribution is failing to reduce gender inequalities in land access. If government is to prioritise all previously disadvantaged South African citizens, it is imperative that the policy acknowledges that women are a social group that is previously and currently disadvantaged. It is the post apartheid state's aim to include women in land reform and other policy programmes. But, the inclusion of women has often faced additional barriers due to the fact that they are often listed as a homogenous group. Women are not a homogenous group; they are differentially impacted by forces of gender, class, ethnicity and so forth. This political vision needs to respond to their contextual reality by stating how poor and economically marginalised women will specifically be prioritised in the allocation of land. In the previous policy documents, women have been listed as priority group, but in practice they are under-represented. We therefore, recommend that the Department adopts the recommendation by the Presidential Advisory Panel (2019) that **women must constitute at least 50% of the beneficiaries of land reform, acquiring at least 50% of redistributed land or receiving at least 50% of the available budget. These are three ways in which gender inequality can be measured: (a) percent of beneficiaries; (b) percent of land; (c) percent of budget. Women should account for at least 50% of each.**

3.2 While people living with disabilities need numerous forms of targeted and appropriate help, their inclusion in the beneficiary selection here smacks of empty rhetoric and lip service. We are concerned that the list of targeted groups does not include the poor, the landless, farm workers and dwellers, marginalized youth and subsistence farmers that are historically and currently disadvantaged. It is our considered view that such groups must be a priority in order to ensure equitable access to land.

3.4 The State Land Lease and Disposal Policy (SLLDP) of 2013, which governed land redistribution until 2019, did not allow civil servants or their spouses to benefit from land redistribution. However, the 2019 version of the SLLDP introduced the idea, which is also reflected on this policy. Included also in this policy are the politicians (S.7.4.4) and traditional leaders (S.7.4.9). It is not clear what informs this decision. The constitution refers to equitable access to land. Priority should be given to those who are economically marginalized. If these groups are included strong measures must be put in place to guard against nepotism and conflict of interest.

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**Who does not qualify:**

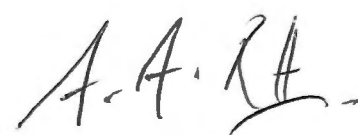
3.5 Although the policy aims to reach all previously disadvantaged citizens as noted in the previous sections, one needs to take note that amongst this group there are those who are currently advantaged. Thus, this section should make it explicit who does not qualify instead of repeating who qualifies and the terms in which they qualify for. The provision of a cooling off period for politicians holding office, state employees, employees of any company and public entities where government is a majority shareholder does not explicitly suggest that they do not qualify. Therefore, this clause has to be explicit in stating those who do not qualify at all, this is to avoid policy biases and ambiguity which often results in the manipulation of policy processes and engagement in corrupt means to obtain land.

3.6 Moreover, we would also like to caution against the 12-24 months cooling off period applicable to the above-mentioned applicants. The programmes intention should not be to encourage government officials to resign in order to benefit from the land reform programme but to ensure that the needs of the poor are met first and their livelihood and tenure are improved.

3.7 We welcome that the policy explicitly states that land reform beneficiaries who have incompetently used state land reform resources in some way, shall not benefit. However, we suggest that all current beneficiaries of the land redistribution programme of any kind should not qualify for future selection. This is to prevent an occurrence of double or multiple dipping in the allocation of land and also ensure that new entrants are given some access to land including those who have been previously excluded by the programme.

3.8 We recommend that no traditional leader should qualify for the allocation of agricultural land, even with proven involvement in farming at various scales. This is because traditional leaders benefit from government through remuneration and are administrators of land. We maintain that priority and preference over land allocation should be given to the poor.

3.9 The policy outlines selection criteria for land redistribution beneficiaries in section 8. The requirements listed for the different category of farmer beneficiaries have the potential to exclude non-elite beneficiaries. For instance, to qualify for a mega or a large-scale farm, the beneficiary must have proof of own investment and an annual turnover of more than R10 million, and will only be provided with land, and no post-settlement support will be provided. Exceedingly few beneficiaries will meet these requirements. If they do it will only be the elites, who in most cases are men with businesses and powerful agribusiness companies. The same goes for the medium-scale farm beneficiaries. To ensure that access to these farms is not exclusionary government must provide all the required support for all scales of farming, but must adopt the equitable formula suggested in the Presidential Advisory Panel (2019), where it proposes that public resources must be rationed such that,



the land-poor households, smallholder commercial oriented, and middle-scale farmers are each allocated 30% of the public resources, and the large-scale commercial farmers are allocated 10%, since they have the ability to leverage private resources in most instances. There is also a need to clarify whether there will be any subdivision of farms to accommodate prospective beneficiaries interested in small-scale farming.

### **Control Measures**

#### **Agricultural production:**

3.10 We welcome the introduction of skills audit as a measure to determine training needs for the potential beneficiaries (S9.1). This will help address the skills shortage, one of the critical barriers to the success of land reform.

3.11 The proposal to make commonage land available to the poor and less privileged residents (S 9.2.a) is welcomed. However, there needs to be strong measures to ensure that this undertaking is followed through as access to commonage land is in most cases captured by well-resourced elites. Access must also be widened on commonages in the urban areas.

#### **Application processes for leasing land:**

3.12 The policy proposes that some farms will be advertised for the selection of potential beneficiaries (S10.1). An online application system will be developed to ensure transparency (S10.2). However, the policy further states that “Communal residents, state land residents, Municipalities and developers defined above shall not be subjected to an advert but the allocation will be based on land needs assessment audit and shall apply directly to the State for access to land.” Advertising farms has the potential to exclude those who do not have access to information, and it tends to favour elite beneficiaries who have access to information (Presidential Advisory Panel (PAP), 2019; Mtero et al., 2019). It will therefore be important to take deliberate measures to ensure that different forms of media available and accessible to non-elite beneficiaries are also used to advertise farms. The provision that walk-in assistance will be available at special dedicated provincial and District offices is a positive proposal.

3.13 We also welcome the proposal to allow communities or villagers that want to apply collectively for land (S11.5). To anticipate communities and villager applying for land collectively is a progressive move. This means that land redistribution can be used to cater for communities that do not meet the requirements to qualify for restitution but have a need for access to land.

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### Institutional Arrangements for Land Allocation:

3.14 The policy indicates that a National and Provincial Land Allocation and Selection Panel will be established to select beneficiaries (S12). There is no mention of the role of the District Land Reform Committee. Are they officially discontinued? This needs to be clarified as calls for participatory beneficiary selection and land allocation have been made to ensure proper selection of beneficiaries. We recommend that communities must be directly involved in the selection of the beneficiaries to ensure inclusivity and transparency.

### Dispute Resolution:

3.16 The policy introduces a system where applicants may appeal when not appointed as beneficiaries or are not satisfied with the selection process. This is welcomed as it will ensure satisfaction and more transparency and accountability.

3.18 Currently, there is no recourse for applicants who have not been selected as beneficiaries of land reform. Allowing applicants to appeal their exclusion is a positive proposal, but to minimize disputes, the process must be transparent and participatory. This will prevent the stalling of the process of beneficiary selection and land allocation. There is a need to fast track the development of Monitoring and Evaluation indicators.

## 4. Summary

Policy objectives	Our analysis of policy provisions
2.1. To provide a uniform, fair, credible and transparent process and criteria for selection of beneficiaries for land allocation or leasing of State properties;	This objective is partly realised.
2.3. To address diverse or different land needs - agricultural production, human settlements, commonage, and residential and industrial development purposes:	This objective is realised.
2.4. To promote industrialization, changes in spatial development, support for township economies, and the creation of special economic zones and industries in rural areas through access to land;	The policy may promote this.
2.5. To promote accountability and	The policy provides some measures to

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transparency within the Department in allocating State assets;	promote such accountability.
2.6. To ensure qualified, suitable and deserving candidates gain access to land on an equitable basis;	The policy fails to provide for this.
2.7 To ensure special and targeted groups of land reform beneficiaries (youth, women, people living with disabilities, producers on communal land and military veterans) gain access to land for production purposes;	The policy promotes this, but does not ensure it. Stricter accounting and reporting requirements are needed.
2.8 To ensure that the selected beneficiaries have the skills and capacity to maintain immovable state assets;	This provision reflects a misunderstanding of the reasons for land redistribution, which is not transferring responsibility for maintaining assets, but promoting equitable access to land as a right. We propose that this policy objective be removed.
2.9 To establish an independent Land Allocation Panel to preside over the selection of suitable candidates for land allocation;	The policy meets this objective, and we support the establishment of such a Panel to promote greater democratic participation and transparency.
2.10 To provide for a standardized national land application system to ensure a fair and transparent process of beneficiary selection and the rationing of resources; and	The policy makes such provision. In developing the system, application should be locally based - and not centralised at national level, which would exclude the marginalised. Further consultation should be undertaken on how applications can be made easier and more accessible.
2.11 To provide for the creation of a Provincial and National land application register for potential beneficiaries of land allocation.	The policy makes such provision, and responds to the proposal of the High-Level Panel.
2.2. To rekindle the class of Black commercial producers who were destroyed by the 1913 Land Act;	This objective reflects the draft Green Paper policy of 2011, and can only be one among several class objectives of land redistribution, since establishing commercial farmers would not, by itself,

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	meet the constitutional requirement of equitable access to land. Reducing landlessness and homelessness need to be included alongside this objective.
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## 5. Recommendations

- 5.1. We welcome the publication of this draft policy, and the opportunity to comment on it. This reflects a significant step towards remedying the problems in the land redistribution programme.
- 5.2. We support and endorse the objectives, though note that establishing commercial farmers cannot be seen in isolation from addressing wider and diverse land needs, notably those of the landless and homeless who want and need land for purposes other than commercial farming.
- 5.3. We note that many of the provisions do not fully meet the objectives set out. Therefore while we endorse many of the objectives, our concerns are that the actual provisions are insufficient, and require greater elaboration, in order to ensure that the objectives are met in practice.
- 5.4. On the basis of the analysis and arguments outlined above, we suggest strongly that the National Policy for Beneficiary Selection and Land Allocation should not be adopted in its current form.
- 5.5. We recommend that the policy be withdrawn and redrafted after due consideration of these and other arguments.
- 5.6. We offer to make available our time and expertise, to contribute to tightening up certain provisions in the policy, and making any helpful input as may be required.
- 5.7. We look forward to further engagement with the Department on this matter, and assure you of our commitment to strengthening the land redistribution process.

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The following PLAAS staff members have endorsed this submission:

Katlego Ramatsima, Researcher  
Nkanyiso Gumede, Researcher  
Dr Farai Mtero, Senior Researcher  
Prof Ruth Hall, Professor  
Prof Andries du Toit, Professor

kramantsima@plaas.org.za  
ngumede@plaas.org.za  
fmtero@plaas.org.za  
rhall@uwc.ac.za  
adutoit@plaas.org.za

**Contact**

info@plaas.org.za

Contact:

Tel: 021 959 3733

AA.

RH.



## Elite capture and state neglect: new evidence on South Africa's land reform

Ruth Hall & Thembela Kepe

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BRIEFING

## Elite capture and state neglect: new evidence on South Africa's land reform

Ruth Hall<sup>a</sup> and Thembela Kepe<sup>b,c</sup>

<sup>a</sup>Institute for Poverty, Land and Agrarian Studies, University of the Western Cape, South Africa; <sup>b</sup>Department of Geography and Planning, University of Toronto, Canada; <sup>c</sup>Geography Department, Rhodes University, South Africa

### SUMMARY

The most recent incarnation of South Africa's land reform is a model of state purchase of farms to be provided on leasehold, rather than transferring title. This briefing presents headline findings from our field research in one district.

### Introduction

South Africa's land reform is in flux – and, arguably, in crisis. We argue here that the widespread criticism of its slow pace fails to capture the extent of this crisis. Our argument follows from that of Lionel Cliffe (2000), who pointed out that land redistribution was constrained not merely by the constitutional settlement and protection of private property, nor by the World Bank's market-based land reform formula of the 1990s. More profoundly, he argued, the manner in which redistribution was practised was 'constricted by old-fashioned "modernist" (and often implicitly colonial) orthodoxies still current in South Africa' (Cliffe 2000, 273). This briefing shows how, years later and after several policy shifts, these orthodoxies have shaped a contorted reform, centred on criteria of commercial 'viability' and governed by state officials, consultants and agribusiness 'strategic partners' concerned with surveillance and control of 'beneficiaries' in 'projects' with precarious tenure on un-subdivided commercial farms now owned by the state. This is a far cry from the vision of land reform restructuring the countryside and establishing a major smallholder class with independent and secure land rights.

Since the National Land Summit of 2005 where, at least discursively, the government abandoned the 'willing buyer, willing seller' approach (Hall 2005), a raft of new policies and laws has been developed. Proposed new laws and policies that, as of mid 2016, are under preparation or under consideration, in public consultations and in parliament, include measures to introduce land ceilings, to prohibit new purchases by foreigners, and to introduce race and gender information in the national deeds registry (Regulation of Land Holdings Bill); to limit the subdivision of high-potential agricultural land (Preservation and Development of Agricultural Land Framework Bill); to transfer ownership of customary land in the former 'reserves' or Bantustans to 'traditional communities' and entrench the powers of traditional leaders in its governance (Communal Land Tenure

CONTACT Ruth Hall ✉ [rhall@uwc.ac.za](mailto:rhall@uwc.ac.za)

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Bill); to introduce equity ownership schemes for long-term farm workers (Strengthening the Relative Rights of People Working the Land Policy); to promote allocation of small plots to the landless (One Household, One Hectare Policy).

Across all of these, the precise class agenda and vision for agrarian reform has become obscured. Who is the target for land reform: an emerging commercial class of black capitalist farmers or the rural poor, farm workers and small-scale farmers? Is the aim to promote and defend large land holdings or to promote their subdivision to make available smallholdings? Should rights be vested in rural households or in traditional councils? And what is the role of state ownership and state land administration, as an alternative to private ownership? As contradictions emerge in these new policy directions, the foundational logic of land reform is being inverted.

This briefing addresses the changes in processes of land redistribution specifically, presenting headline findings from field research in one district, to raise questions about the political and economic implications of the latest incarnation of land reform policy in South Africa. Our aim is to investigate and analyse how land redistribution is progressing, specifically the state's purchase-and-lease approach. We provide a brief review of how land redistribution has evolved, and the various policy shifts and adjustments since the 1990s as background. Next we discuss our rationale, objectives and research questions; research design, sample selection and methods; and highlight five key findings from the research. While we will report more fully on our research in due course, the disturbing patterns of state control, state neglect and elite capture that we discovered merit urgent attention.

### **The shift to state purchase and leasing**

Land redistribution policy and practice have undergone profound changes over the past 20 years. Among these is the shift away from state-assisted land purchase and transfer of title to beneficiaries – the model advanced by the World Bank in the early 1990s (Binswanger and Deininger 1996) and adopted by the ruling African National Congress as policy in 1997 (DLA 1997). In the early years this took the form of small grants to poor households to buy modest areas of land for settlement and small-scale farming. From 2000 onwards, under President Thabo Mbeki, a new policy promoted black capitalist farmers, providing larger land purchase subsidies to those with their own means to engage in commercial production. This, it was argued, would prevent patterns of overcrowding and under-utilisation of land evident in the first phase, but produced high levels of indebtedness among the new capitalist farmers. From 2011, under President Jacob Zuma, the state has adapted the willing buyer, willing seller approach; now the state has itself become the purchaser of land, acquiring land for redistribution to beneficiaries without transfer of title. State leasehold has replaced the original private ownership model. But with what consequences? And to what degree has this significant change helped to remedy the many problems of the initial programme or produced new problems?

The state leasehold model has been implemented in a variety of ways in different parts of the country, guided by a Proactive Land Acquisition Strategy (PLAS), which empowers state officials to buy farms on the open market and allocate them to selected beneficiaries (DLA 2006). This was initially for a three-year test period after which title would be transferred to 'emergent farmers' who had proven themselves to be successful. However, after widespread non-payment of rent, the promise of eventual title has been abandoned. From

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2011, state land purchase and leasing has come to constitute the entirety of land redistribution, as grant-based purchase was discontinued. The state leasehold model has since been amended through the State Land Lease and Disposal Policy (SLLDP) of 2013 that established a principle that black farming households and communities may obtain 30-year leases, renewable for a further 20 years, before the state will consider transferring ownership to them (DRDLR 2013a). To qualify for on-farm infrastructure and production support, under a Recapitalisation and Development Programme, 'beneficiaries' are required to enter into a partnership with a 'strategic partner' – i.e., a farming or agribusiness company – in a mentorship or joint venture arrangement (DRDLR 2013b).

Government appears to have no clear system to ration public resources, since it abolished the land reform grants that enabled people to buy land for themselves. While funds allocated to land reform have been in decline, most of the budget – in the region of R2 billion<sup>1</sup> each year – is spent on the state's Agricultural Landholding Account to fund land acquisition for redistribution under this leasehold model. Who will get how much of the shrinking land-reform pie? In the absence of land reform grants, there is huge disparity in who gets what. In some cases, a sizeable community may get a small farm, while in other cases government buys a large farm with substantial infrastructure and even livestock, and gives it to a single family. The result is that some beneficiaries receive nothing other than occupation of farms, some of which are dilapidated, while others receive valuable farms as going concerns with infrastructure, equipment and livestock. This practice is seen as arbitrary and unfair, and generates mistrust and suspicion among beneficiaries regarding government decision-making and the basis on which officials allocate resources.

### Rationale, objectives and research questions

The rationale for our study was to find out if the current policy approach is achieving the aims of land reform and addressing the problems that were identified with previous programmes. Our purpose was to contribute evidence and analysis to the lively public debate on land issues. National government, parliament and the South African public at large know very little about what is happening on the ground. The voices of those who *do* know – including state officials responsible for implementation and beneficiaries themselves – are generally absent from the political debates under way, and research can help to foreground their experiences and understandings. There are detailed sets of studies in the literature about other aspects of land reform, including restitution (Walker et al. 2010), earlier phases of redistribution (Aliber et al. 2013), farm workers and evictions (Wegerif, Russell, and Grundling 2005) and communal tenure (Claassens and Cousins 2009), and land reform and land use in general (McCusker, Moseley, and Ramutsindela 2016). However, with one known exception (Ranwedzi 2012<sup>2</sup>), there is a complete dearth of academic research on this latest wave of redistribution. We aim through this ongoing research to start to address this gap and to encourage more critical scholarly engagement on the topic.

Our research objectives were threefold. First, we aimed to investigate the state's practices and approaches with regards to land acquisition, the selection of beneficiaries and support for farmers. We asked what factors shape decisions regarding land acquisition and how the needs of beneficiaries are matched with land available. We also ask what land tenure rights beneficiaries have acquired, what land uses are being promoted, what support is provided to the beneficiaries and by whom. Second, we aimed to explore and

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derive lessons regarding the impact of PLAS on the farmers who are beneficiaries of the scheme. This involved assessing the extent to which they perceive their land tenure as being secure, given that the state does not transfer the land title to them. We also asked how their perception of tenure security affects their farming practices and land use, investment decisions, and therefore the benefits they can derive from the land they acquired. Third, we aimed to understand how government actors and beneficiaries see PLAS in terms of the overall goal of land reform that includes redressing historical land injustice and social and economic inequality. In answering this question, we explored how the purposes of land redistribution are understood both by state actors and by beneficiaries.

### **Research design, sample selection and methods**

The study was conducted in response to a request from the Portfolio Committee on Agriculture in the Eastern Cape Provincial Legislature. We focused on one district, Sarah Baartman District, and conducted in-depth investigations of 11 projects during a series of fieldwork visits over a period of three years. We adopted a qualitative, field-based research design, selecting cases from the database of the Department of Rural Development and Land Reform (DRDLR). Our sampling frame aimed to achieve as diverse a sample as possible. For our purposive sample, we used selection criteria that included projects that involve larger and smaller land sizes, higher and lower purchase prices, larger and smaller beneficiary numbers, diverse land uses, and to cover sites in several local municipalities within the district. We have no reason to believe that our sample misrepresents the wider reality within the district, although this cannot be definitively concluded in the absence of wider post-acquisition monitoring. We make no claim as to whether the findings reflect patterns in other districts and provinces, but contribute our findings in order to raise questions about wider patterns at the national level.

We aimed not merely to derive field-based research findings but to engage on this basis with beneficiaries and officials. We therefore adopted an iterative process of ‘action research’, which involved interviewing beneficiaries, and then providing feedback to implementers in government, and specifically the DRDLR officials in the province. From there, we provided further feedback to beneficiaries regarding the views of the DRDLR, and also provided updates to them regarding changes in policy and discussed how these would affect them, and how they planned to interact with the Department in view of its new policies: the State Land Lease and Disposal Policy and the Recapitalisation and Development Programme.

### **Summary findings**

Our findings show the stark contrast between proclaimed policy aims and realities on the ground. Across all our thematic areas of enquiry, the policy principles of tenure security, poverty reduction, gender equity, sustainable land use, and resilient rural livelihoods appear to have foundered in practice. Here we present in summary some key findings.

#### ***No beneficiaries had current documented land rights***

Although government policy emphasises the need for tenure security, and aims to achieve this through the provision of long-term leases, we found that beneficiaries did not have

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leases in any of our case study projects. The only two valid leases among the sample were concluded between government and strategic partners (i.e., agribusiness companies), not the ostensible 'beneficiaries'. The inability of beneficiaries to pay rent to the state has led officials to institute a practice of issuing 'caretakership' agreements (mostly lapsed) in order to absolve beneficiaries of a need to pay for their land. Under such agreements, rather than being rights-holders, they are given a duty to look after state property for a limited period, normally three months, with the state being able to give them 30 days' notice to vacate the property. In one case, a family was granted permission to occupy a state farm (without a lease), and asked by the DRDLR to deliver an informal eviction notice to those already occupying it. This is possibly the opposite of the vision of secure long-term rights for black South Africans which was at the core of land reform as envisaged in the 1990s; it was to end the situation of precarious tenure that colonial and apartheid governments entrenched. Situations in which people either have no documented rights, or have caretakerships or expired leases produce high degrees of uncertainty, leading people to avoid investment in land use, production or maintenance of infrastructure. This means that 'beneficiaries' have little or no tenure security. In a twist of Orwellian irony, the 'beneficiaries' may not benefit at all, but are allowed to be temporary squatters on land over which they have no rights.

Our sample is summarised in Table 1, indicating the tenure status prevailing at each project (i.e., farm).

In addition to the situation of chronic tenure insecurity, there are widespread and inaccurate expectations among beneficiaries that they will become owners of the land they occupy and use. The adoption of the SLLDP in July 2013 – which extends the period of leasehold prior to ownership to 50 years – was not communicated to any of the projects

**Table 1.** List of case studies indicating land uses and tenure status.

Farm	Municipality	Land uses	Strategic partner	Tenure status
TM	Amathole	Beef cattle, sheep, chickens	No	No lease (expired caretakership)
MF	Ndlambe	Dairy cattle	No	No lease (expired caretakership)
WZ	Sunday's River	None	No	No lease (expired lease)
SF	Sunday's River	Beef cattle	No	No lease (no documented rights)
GK	Ndlambe	None	Yes	No lease (expired lease)
GM	Ndlambe	Chicory, cattle, rye grass	Yes	No lease (expired lease and expired caretakership)
SL	Sunday's River	Citrus	Yes	Lease (but lease is with the agribusiness strategic partner; beneficiaries are not the lessees)
NG	Sunday's River	Citrus	Yes	Lease (but lease is with the agribusiness strategic partner; beneficiaries are not the lessees)
NK	Ndlambe	Cattle, vegetables	No	No lease (no documented rights)
YS	Makana	Vegetables, chickens	No	No lease (no documented rights)
RG	Makana	None	No	No lease (expired caretakership)

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in our sample until we distributed copies of the policy and explained it. This unpublicised about-turn in policy suggests political risk in the future as large numbers of people around the country discover that their expectations of gaining ownership of the land they now occupy will not be met. Our findings suggest a need either to revisit the state's policy of retaining ownership and managing state land leases, or to implement profound changes in the system of state land administration to ensure that people occupying state land acquire secure rights and are able to build their livelihoods on this land.

### ***The absence of secure land rights impedes production support***

The lack of clarity about the status of beneficiaries' tenure has practical implications. Other state institutions such as the provincial Department of Agriculture and Rural Development refuse to deliver services or invest in their land uses. People are not able to access credit as financial institutions require some proof of their right to occupy. As a result, emerging commercial farmers, including those who have capital from other sources, are being stymied in their farming operations. This is due to an inability to secure loans and other sources of support, and to make on-farm improvements, because they do not have valid leases. Further, we discovered cases where beneficiaries who *were* making improvements to their infrastructure – fixing a shed roof, renovating farm worker housing, or putting up fences – were told by DRDLR officials to cease such fixed improvements on government property. Without rights, access to land does not translate into opportunities for development.

### ***State institutions are working at cross purposes***

Our findings point to a stand-off between key state ministries, notably those responsible for land reform and for agriculture. Provincial agricultural officials we interviewed indicated that they will not provide support to these projects, because of a lack of long-term leases but also because of a perception that since DRDLR has funds under its Recapitalisation and Development Programme, agricultural authorities have no responsibilities to deliver on their mandate of agricultural support. These two departments have no shared policy framework or coordinated input at project level, with the result that some people get land without any support to use it, are sent back and forth between departments, and may wait many years after occupation for any infrastructure or production support. The current policy model requires renegotiation of state institutions' roles.

### ***Farm workers face increased tenure insecurity and livelihood uncertainty***

The proactive purchase model means that, from the moment of transfer, when farms become state property, all commercial operations cease, with profound impacts on farm workers – who are usually also resident on farm. When government buys farms, farm workers lose their jobs and often their only sources of cash income. In contrast, the (usually white) farm owners who sell to the state are paid out in full and can create alternative livelihoods elsewhere. Farm workers – without their own capital to invest, and without leases or any recognised rights to the land – are therefore isolated from development opportunities. Some former farm workers who continue to live on the farms expressed

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feelings of deep insecurity, now that they are not employees of private farmers, but undocumented occupiers of state-owned land. Special consideration may be needed to treat farm dwellers differently from other beneficiaries, especially to avoid the pattern of farm workers losing their jobs as a result of state acquisition.

### ***There is evidence of elite capture – and state collusion with agribusiness***

We found in two cases that government has concluded leases with the strategic partners (i.e., agribusiness companies), rather than with 'beneficiaries' themselves, who therefore neither own the land nor lease it, but remain workers on state farms, working for strategic partners. In both cases the people involved as strategic partners are established farmers or representatives of large agribusinesses and all those we came across were white men. A key condition for financial support from the DRDLR is that beneficiaries must have either a strategic partner (to operate the farm on their behalf) or a mentor (to advise them how to do so). This is why beneficiaries often enter into such partnerships; yet in the two cases we came across, the agribusiness company itself started the project and, having acquired farms from the state, signed up the farm workers as 'beneficiaries' to be registered in the official database. Beneficiaries in these strategic partnership projects lack control over land, capital and production. There is no clarity on whether strategic partners are vetted, by whom and how. Strategic partners and mentors garner tangible benefits: mentors receive monthly cash payments from the state for playing this role, while strategic partners hold shares in joint ventures while benefiting from state subsidies and access to state land. In three cases we found that the strategic partners owned downstream processing and packing factories, to which they sold the farm produce, enabling transfer pricing. In one case, the 'strategic partner' was an agribusiness which ran the PLAS farm as its own operation, directly siphoning the produce to its processing facility, without payment to the 'beneficiaries', whom it treated as employees (and paid below minimum wage) on the farm the state claimed to have bought for them. Such cases comprehensively draw into question whether state funds for 'redistribution' are being used to provide (white) agribusinesses with cheap or free access to land in the name of redistributing land to (black) rural people. To the extent to which this is more widespread, it begs the question of *why* this is the case – and the degree to which the phenomenon can be attributed to corruption and collusion by the state officials who sanction such deals, or to attempts by officials to ensure commercial production even at the cost of redistributing land or wealth to the ostensible beneficiaries.

### **Conclusions**

South Africa's land reform seems to have succumbed to the ingrained scepticism held by officials in successive departments of 'native affairs' and 'bantú affairs' about secure and independent land rights for black people (Cousins and Walker 2015; Hall 2015; Hall and Williams 2003). Conditional tenure – under the authority of the state or traditional institutions – is a key way in which black rural populations can be controlled, and their failure to use land in compliance with official designs forms, once again, the basis for them to lose land. As Colin Murray and Gavin Williams (1994, 320), introducing the *Land and freedom* special issue of *ROAPE* aptly observed, when it comes to land,

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## Notes on contributors

*Ruth Hall* is professor at the Institute for Poverty, Land and Agrarian Studies (PLAAS) at the University of the Western Cape, South Africa. Email: rhall@uwc.ac.za

*Themba Kepe* is associate professor in the Department of Geography and Planning at the University of Toronto, Canada, and visiting fellow at the Geography Department, Rhodes University, South Africa. Email: kepe@utsc.utoronto.ca

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- Expert Reviewer: Finnish National Research Foundation
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- Reviewer: China-Africa programme, UK Department for International Development and Economic and Social Research Council
- Reviewer: South African National Research Foundation
- Advisor: International Land Coalition advisor for Strategic Framework
- Reference Group on the Sector Plan for Agriculture, Department of Agriculture, Forestry and Fisheries, South Africa
- Reviewer of LANDac research funding proposal for Land Academy, Leiden University, Netherlands
- Panel of Experts on Agricultural Production in South Africa, National Department of Agriculture, Forestry and Fisheries, South Africa, 2009
- Vice-chairperson: Rural Education and Community Health (REACH) – NGO working on sexual violence, sexual harassment among women farm workers
- Expert review panel: Women and Girls' Property and Inheritance Rights Grants Program, International Center for Research on Women (ICRW), UN Food and Agriculture Organization (FAO) and Global Coalition on Women and Aids (GCWA), with funds provided by UNAIDS.
- Reviewer, Department for International Development (Dfid) and Economic and Social Research Council (ESRC) Joint Research Scheme, United Kingdom.
- HOPE Africa, rural development training reference group, Anglican church, Southern Africa
- HEED Programme on Pesticide Use Among Small-Scale Farmers in South Africa and Tanzania, School of Public Health, University of Cape Town.
- Department of Land Affairs reference group on Alternative Dispute Resolution
- Department of Land Affairs reference group on Communal Property Institutions