

# COMMISSION 1

## Land Redistribution: Urban and Rural Development

Day 3: 29 July 2005

### LUNGISILE NTSEBEZA

Lungisile raised key issues that emerged over the past two days, concentrating on two themes, namely obstacles to land redistribution and what should be done.

#### Obstacles to land redistribution

- Condemnation of the *willing buyer, willing seller* principle. There seems to be broad consensus that this principle is one of the key obstacles to land delivery. Not everyone agrees, however, there is broad consensus.
- The *price of land* is an obstacle. There is broad consensus that the price of land is too high and makes it difficult for the Department to budget for an effective land delivery programme.
- *Foreign ownership* of land not only makes it difficult for us to get land but also impacts on the price of the land. Because people come with foreign currency, they inflate prices for prime land in particular.

#### What should be done?

- Government should be given a *right of first refusal* to purchase land before it is offered for sale on the market.
- The state should not be limited to paying market prices for land. There must be a mechanism to arrive at a price for land that is not market-related. Leaving this to the market is not the way to go.
- The state should reclaim *unused and underutilized land* for redistribution.
- A land tax should be imposed on agricultural land, with the aim of bringing more land onto the market for redistribution.
- *LRAD does not work* and must be reviewed. If we are serious about land delivery, we should begin by addressing this.
- The *target of 30%* by 2014 is not enough. Together with the 13% of the Bantustans, by 2014 only 43% of the land will have been transferred. This is not enough. More than half the land will still be in white hands.
- The *willing buyer, willing seller* principle must be scrapped. Some people suggested that the principle that should prevail should be “one farmer, one farm” – “een boer, een plaas”.
- *Expropriation* should be used and should be used effectively.

### **Observations about issues that need more attention**

- To scrap WBWS means that the process cannot be market-led. While there is broad agreement that the willing buyer, willing seller approach should be scrapped, some suggest that it is possible to do this while advancing land reform within a market-led approach. Others suggest that these are twins: WBWS is market-led land reform.
- The Property Clause in the Constitution was raised as an obstacle and should be revised. This must be discussed.
- What is an acceptable price? If the market should not determine the price, what should? We should consider the available mechanisms, including the provision in Section 25 of the Constitution for expropriation and the payment of “just and equitable” compensation that takes into account a variety of factors, including the history of acquisition, past subsidies and market price. This is open to interpretation. We need to see how this can help to define a policy to define the prices (compensation) that will be paid. A judgment by Judge Gildenhuis of the Land Claims Court grappled with this and proposed a formula – known as the “Gildenhuis formula” – that puts these criteria into a mathematical formula, but it takes market price as its starting point. Can this precedent be challenged in a future court judgment? The history of the acquisition and use of the property should be taken into account, including the role of cheap labour in contributing to the success of commercial agriculture and the current market value of the land. This requires reparation. How will this be incorporated into an approach to determining what is “just and equitable”?

### **MEC JOEMAT**

What we are saying now is that we must structure our discussions on what is to be done. We have a problem statement and a summary of the discussions. We are not going to repeat discussion of the problems. We are asking people not to repeat these statements in your inputs. In your inputs we want to focus on any issue we have omitted, and a way forward in terms of what must be done, firstly, by government, and also by our financial institutions, by NGOs, by beneficiaries, and by the current owners of both public and private land. We must focus on our short-term, medium-term and long-term solutions or recommendations. When we present to plenary, we will present as a Commission around our overwhelming consensus positions, on areas where we have minimal consensus so these can be taken forward, and our areas of complete disagreement.

### **DISCUSSION**

*David Modise, ARC*

- When beneficiaries are relocated, the land size is not taken into consideration. Land size must be considered. There is congestion on redistributed land that does not help with agricultural practices.
- Land profiling has been ignored. People are given land that is quite barren, and may not have potential for the agricultural practices that they want to pursue.

*Fani Ncapayi, CALUSA*

- We have been working with communities that have been trying to get land, and have experienced situations where farmers are willing to sell, but then withdraw their land from sale. In many cases we have encountered this even after government has agreed to buy the land. They then increase the price they are asking for the land. Government should be able to hold farmers to the agreement and not withdraw. The land should get frozen from any sale outside government.

*Benny Radebe, DALA*

- Post-settlement support like extension, access to credit and research support, must be included as a key factor.

?? (*English accent black guy with red tie*)

- Administration of DLA and NDA and Land Bank does not support people to pursue a land purchase. They only have certain dates when they can approve support, but sellers want to sell quickly.
- Isn't the government already the biggest landowner? We should make a GPS audit to know who owns which land. We need such an audit.

*Weskaap*

- This is the sorry tale of what is happening in the Southern Cape.
- There must be a uniform policy for commonage
- Adequate budget for land reform
- Speed up pace
- Increased support from municipalities
- Stop development of game farms and golf courses
- Pay mentors
- Change Land Bank policies
- Support access to markets
- We do not believe that government is very serious about land reform.
- Three years ago we asked for a moratorium on all government and municipal land.
- We asked that Ministers should have a national land audit. We asked for a moratorium on sale of private land too. They must look immediately at rezoning so that they cannot continue with their mischief in our area.
- A moratorium on the shooting of animals. We landless people do not have farms but our livestock are shot and it costs us a lot to protect our animals.

*MEC Joemat*

Only raise the issues that affect everybody, not your own issues. What are the broad issues that we need to take up as a Commission?

*Edward Lahiff, PLAAS*

- Who is to benefit from land reform? Should it be the poor and landless or is it to be the emerging bourgeoisie? It has never been adequately defined and we have seen a major shift.

- What kind of land use is being promoted? Are we looking forward to a country with thousands of household farmers, or a few large-scale farmers? This has not been addressed adequately in policy and has therefore been abused.
- What is to be the role of the state? Is it to be a minimalist hands-off approach or a proactive approach in partnership with local progressive forces?

*Samuel Mathebula, Mpumalanga*

- Tenure upgrading in rural areas and communal land should be registered and fixed boundaries clarified.

*Andrew Modise, Standard Bank*

- How do we understand urban and rural development?
- How can land redistribution promote these?
- Migration must be addressed as well as demographics.
- Women are most workers on rural land.
- Impact of HIV/Aids on land redistribution
- Basic literacy

*Sithembiso Cele, KZN*

- WBWS has history and casualties. We must salvage those who have suffered in the quagmire of WBWS.

*Thobekile Radebe, KZN*

- When people move to other places, their own original places are turned into homes for animals

*Man, Limpopo province*

- The transfer of state-owned property under claim should be expedited.
- The strategic partnership model should be revisited.

*Busela Jacobs, FS SACP*

- Subdivision of large farms
- Review of ESTA

*Mabatho, Weltevreden Park, QwaQwa*

- LRAD is the one that is most acceptable for our people in order to access land.

*SACP*

- Municipal government. We must call on municipalities to release commonage for public use and to identify land to meet needs.

*Maureen Mnisi, LPM*

- Informal settlements
- Unused and underutilized land
- People who live on farms

*MEC Joemat*

- We are stopping taking issues.

## SUMMARY

Issue	Details	Incidence
Land size & subdivision	Not appropriate for beneficiaries; subdivision must be used; rezoning is also an issue	III
Quality of land	Not appropriate for beneficiaries. Too much marginal land.	I
Availability of land on market	Withdrawal of properties that have been offered for sale	I
Right of first refusal	Should be adopted	I
Post-transfer agricultural support	Factors that must be prioritised	I
Land audit	Should identify public and private land	I
Just and efficient administrative action	Slow turnaround in state institutions prevents people from getting land on the market	I
Moratorium on sale of state land		I
Uniform commonage policy		I
Unused and underutilized land		I
Budget		I
Role for municipalities	Not just in commonage; must be in IDPs	II
Moratorium on golf course developments		I
Moratorium on game farm developments		I
Mentors		I
Strategic partnerships		I
Land Bank		I
Who should benefit?		I
Models of land use		I

Informal settlements		I
Existing projects	Intervention to save projects already established that are in trouble	I
Migration		I
Women	Women must be prioritised	I
HIV/Aids		I

## **LUNCH**

### **MEC JOEMAT**

If willing buyer willing seller is out, what is the alternative? What is the “how”? The landowner representatives here must also tell us: what is the “how”?

### **LUNGISILE NTSEBEZA**

Lungisile presented the summary of issues emerging from the session before lunch.  
*[Issues excluded by mistake from the powerpoint presentation were expropriation and the property clause.]*

## **DISCUSSION**

### *Strategic direction*

The state has been given a two-thirds majority that empowers it to change the Constitution and is also mandated to address poverty and transformation.

- The state should enact a law to make redistribution possible.
- The state should address land tenure in the rural (communal) areas.

We sometimes go to one departments and they say one thing and the other says something else.

- Various government departments must work more closely.
- Land reform must be speeded up.

The government bought farms for us. I need help from the government so that we may get also the equipment. I wish that government may help us to build houses.

- There must be a massive land audit and that must be fast-tracked and done as soon as possible. It must distinguish between land owned by the three tiers of government, so that it can be redistributed.
- State-owned properties that are being vested should be handed over to claimants without any precondition.
- The state must use Section 25 of the Constitution in its entirety. If the expropriation act is too weak, it must be beefed up.

- The state must release farms to communities who did not get time to claim or were not eligible to claim. This will address the land hunger that communities are experiencing.

Lourie Bosman, AgriSA: We are supportive all forms and initiatives for transformation of the agricultural sector. The state has a huge role to play in dictating the pace of land reform. We find it lacking that at the moment there is no idea of how many housing facilities are needed, how many small-scale farmers and how many commercial farmers will be established. We must also have a database on that, and also a database of what land is available. The state must start planning around that. Then money can be allocated

- Sufficient money must be allocated for all the different initiatives

We are happy that the restitution process now has sufficient money to pursue this process. But the opposite of it is the willing buyer, willing seller, LRAD and land reform are lagging behind. In this year's budget there was R2.7 billion for restitution and only R770 million for land redistribution. So the reason why it is slower is because there is not enough money. In the legal framework of restitution, 812 million hectares were transferred, whereas 1.78 hectares were transferred through land redistribution. This means the problem is not with willing buyer, willing seller. The state will dictate the pace of reform, through allocation of budgets. We should look at the financing of it. More initiatives to finance should be instituted. The state alone need not pay for the land that is acquired. Others can contribute. The financing is the biggest problem, according to us.

- Allocate more budget for redistribution

We find it peculiar that the farm workers are not looked after very carefully because they are on the land and they should be included.

- Prioritise farm workers to benefit from land redistribution.

The process is very slow because there are not enough people working for government. The state should do something about land reform policy so that the implementation process will be speeded up.

- The government needs to employ more people.

The Constitution talks about the expropriation of property for a public purpose and deals with compensation.

- Use the scope provided in the Constitution

Karen du Plessis, Northern Cape: I want a radical approach. I want to know: when is the government going to tackle the mines concerning the millions of hectares of land that they have in the Northern Cape?

- Government must address the redistribution of land owned by mines.

Various government departments own land and control it. Every department can decide how to use their land. We suggest that all government owned agricultural land in the country should be vested in the ownership and control of the Ministry of Agriculture and Land Affairs. Then we will not have the Ministry of Public Works and others allow their high potential agricultural land to be developed for industry or housing. We should not allow the country to go this way.

In the provinces, Land Affairs and Agriculture are separate. If government were to integrate these, and conduct its audit, then we will lessen the burden.

- Integrate Land Affairs and Agriculture at provincial level.

We must look at increasing the budget for all these programmes and increasing the personnel, the employees who will work on the projects. If not, year after year we will

come to summits like this and we will be talking about the same things for ever.

Whatever we are talking about, all these things are linked to budgets.

Dora, NAMC: All government departments must be involved in land reform.

- There must be integration of all government departments.

William Joseph, Central Karoo: I was sure that we would talk about the willing buyer, willing seller. I am sure that there are people in this room who do not agree that we should scrap it. Let us hear it. I find it strange that the farmer representative talked about farm workers. This should be their first contribution to helping us with land redistribution. The farmers do not assist their farm workers, then we are not going anywhere. The people who are touched most by this are the farm workers. At this gathering today, there are lots of us but less than 20% of us are farm workers.

- Prioritise farm workers for redistribution.
- Farmer organisations must support farm workers to benefit from redistribution.

There is so much land that is still white owned. The main problem is the willing buyer, willing seller issue.

The government must take initiative and be proactive here.

We have witnessed one farmer owning numerous farms all over the place. Most of those are underutilized or not used at all.

- Government should identify all the land that is underutilized or unused, and redistribute it to people.
- Government should offer training to new farmers and to people who want to farm.

Sithembiso Cele, KZN: Government should take stock first and decide how much to redistribute over a certain period of time and decide how to do this.

- There should be support for commercial farming as well.
- Previously disadvantaged communities should be prioritised

Should we continue with willing buyer, willing seller in another form? This could be for those who are able to do commercial farming.

*Who should benefit?*

- Those that have resources and the inclination should benefit, but preference should be given to those who have nothing.

Siyabonga, TRALSO:

- The most needy must be given land.

The basis of life is on the family. This Summit must clarify a way of distribution of land that can promote our development. There are families that live on subsistence farming. What size of land can be considered adequate for farming on the subsistence level? There should be a minimum or maximum size of land that should be allocated to farmers. How many farmers can make a joint venture and take one farm? All the people should be accommodated, but some farmers might get all the land. This should not happen. Budgets by themselves will not assist with land redistribution. Then prices also will increase, as farmers will aim to get more for the land they sell.

For farm workers to benefit from land reform, the government must play a clear and specific role. When farms are transferred, the government must deal with what happens to the farm workers.

- Prioritise farm workers for land redistribution



- Make a plan where farm workers will not be employed on farms that are redistributed

The benefits of this land reform are not structured at all.

- Focus on people who were previously disadvantaged

Failure of existing projects is due to little capacity building and inadequate budget. We must fight this in a sober way. We must look at this and see that there are people who farm commercially.

Marcus Garvey lot, Northern Cape:

- Rastafarians must also benefit – and then people will also change their perception of us.
- Local farming district associations must be established so that policy and other planning can be dealt with at this level.
- Government must create conditions for repatriation.

Beneficiaries of land reform should be the poor and the historically disadvantaged.

This support in rhetoric can be undermined in practice, like the very poor, women and farm workers. Unless we address the root causes of that, we will continue with rhetorical support for the poor, but actually they will be excluded. The structural obstacles to the poor accessing redistribution are the highly conservative views of agricultural officials which emphasising “economic units” and “viability”.

- Subdivide farms. There can be no land reform for the poor unless we subdivide farms.
- The notion of economic viability must be discarded. It is hostile to the poor.

It cannot be that the only option is to look like a white farmer. The real criteria for projects must be supportive of the very poor and farm workers and other marginalised group. This is a challenge for government and specifically the Department of Agriculture, but also among the commercial farmers.

- Let us see the farmers subdividing their land and giving blocks to farm workers.

AgriSA: President Mbeki said we are missing the bus if the poor do not benefit.

- The poor must benefit.

South Africa belongs to all who live in it. The Strategic Plan for Agriculture provides some direction. The realistic expectations of the poor must be brought to fruition.

- Land must go to the poor.

Mathebula, Free State:

The poor in the urban areas and the rural areas. The urban people also face evictions.

- The landless must benefit the most.

LPM:

- The landless people must benefit, because we need the land for different uses, including for residential purposes, in the urban and in the rural areas. We also need land to live on in the rural areas.

It must create work, and 40% of young people are unemployed. The legacy of apartheid teaches us that young people cannot farm, but it is not true. Why are young people left out of discussion in this Summit?

- Young people must be prioritised

Denver Williams, DFPT: Everyone should benefit from this. Not only the top echelons have a performance management contract, but also the lower officials should also be held accountable for their work. Do we want a community to benefit? Does this work

economically? In our experience, one farmer, one success, but one community, one big mess. The systemic strategy is that everybody in the value chain should benefit. Government must give people money to help people with cattle and goats. It must not only be land. People need livestock.

## **LUNGISILE NTSEBEZA**

The poor should be the beneficiaries. This is the consensus. There are differences. Some say only the poor. Others say that everyone should benefit. There have been calls for preference for women, farm workers and youth. This is endorsed, and all agreed. There is more emphasis on the poor benefitting from land redistribution, however, and there is consensus on this.

## **DISCUSSION**

*Who should benefit? (contd.)*

To adequately address prioritisation of women, more needs to be done. Women in the rural areas have been at the centre of reproducing the South African economy. Now we have casualisation and privatisation and outsourcing, including in the rural areas, and women are bearing the brunt.

We should say *how* the poor and the women can be prioritised.

- One way to do this is to increase the grant, for everyone.
- Family units inside communities instead of communities alone.
- Ownership and delivery to the poorest of the poor.

*Rural and urban development*

Deputy Minister: the impounding of cattle is an urban development problem, since people moving from the rural areas bring their cattle. Let's hear more about the problem. Maybe we need a new law.

Deon de Vos, Port Elizabeth: In most of our areas, there is a lot of land belonging to SAFCOL and Transnet, and we battle to get this land. It makes development very difficult. If they can release those areas it can assist us enormously. Some of the Transnet people have been left there at those rural stations. Please assist us, Mister Minister.

Mchane, SACP: Blacks cannot afford to buy land.

- Local government needs to acquire the land that is needed for development around the towns.
- Let municipalities have these powers to deal with the issue of the land at the local level.

We need to give government a timeframe to deal with the people who are living in the informal settlements, living under electricity pylons, and in other dangerous situations.

- Government must authorise local government to acquire enough land which must be developed so that informal settlements must be a thing of the past.
- By the end of next year, municipalities must have identified the land they need to purchase or acquire for development, for the people of the informal settlements.

Geoffrey, KZN: We must start creating land forums at our local governments. We have seen this happening with the Department of Transport, and we think it will help with the land issue.

- Create land forums at a local level, in local government

Lourie Bosman, AgriSA: Getting land is not enough. To become viable, you must have infrastructure in the rural areas, roads and telecommunications. It must be possible to get to markets. Land redistribution will have to be linked to infrastructure development, otherwise it will not work.

- Redistribution must be linked with local infrastructure development

Sbu, researcher: we should focus on non-agricultural land uses. We should also look at mining, forestry, rural industries as well as for human settlement.

Simon Makekula: municipal land is there but they are not going to be developed, and even so, when we propose that we want to use this for agricultural purposes, but we do not find that they will make this available. The bylaws are a problem. Will they donate the land or must we buy it?

- Municipalities must identify land that can be used for our livestock and make it available to us.

The Department of Agriculture has a lot of land and it hogs this and doesn't want to give this out. When they give it out, they should not be politically biased.

- There must be a transparent process to give the agricultural land to the people.

People in urban areas need land not only for housing and living there. You can't have a place to stay and still be hungry. There are people who are unemployed but have started gardening for sustenance, having vegetable gardening. You should not discriminate between urban and rural people. The urban people also want to be able to cultivate. We can also have fruit and vegetable gardens. We don't just want houses. We want gardens as well to feed our families.

- Make provision for access to land for cultivation and vegetable gardening in urban areas for food production purposes.

These people are just looking for profit. They do not want to help us. We want to plant for food. We did not come here to waste time. We came here because we want help. Our children have HIV/Aids and we need to be able to feed them.

### *Right of first refusal*

Lourie Bosman, AgriSA: a right of first refusal is one of the basics of the open market out there. If we have a system such as exists in Namibia, and they have a very transfer of land, but there must be a timescale attached to that. The state must have a certain period of time to decide whether they would like to take it or not.

There was agreement that there should be a right of first refusal. There was no disagreement. There was agreement that some limit should be placed on how long the landowners must wait for the state.

Leonard Mosala, Doornkop: If the state does not purchase the farm, there should still be an effort to sell it to a previously disadvantaged person for agricultural use.

### *Land tax*

The more land you have, the less tax you pay. This makes it difficult for people to release land for government to buy. The difficult question is how to tax our emerging farmers. I think people will be more eager to release land.

- There should be a land tax, for properties larger than a certain size, and it should be set high enough to bring more land onto the market.

Lourie Bosman, AgriSA: The viability of a land tax is uncertain, since most commercial farmers are small businesses and are not very profitable. Studies have shown that if you tax land, you escalate the cost of production, which is not acceptable. On a tax, we are convinced that land reform is in everyone's interest, so everyone will have to pay for it. If a tax is to be levied, then we should rather increase taxes on the broad base of taxpayers in South Africa. It is unfair and discriminatory to tax on the production side.

- Do not tax land.

Turkeys don't vote for Christmas. No landowner will vote for a land tax. Economists and public finance agree that a land tax is an efficient and widely accepted practice. It is inaccurate to describe it as a tax on production. It is a tax on speculation and idleness. It encourages land to be used more intensively. It must encourage people to use land better and release land that is underused, which is a pressing requirement.

- Use the land tax on agricultural property to promote land redistribution. By itself, this is not an answer, but is needed as one ingredient.

There was not consensus, since the representative of AgriSA indicated that they oppose this. All others who spoke on this supported an aggressive land tax specifically to promote land redistribution.

### *Budget*

There was consensus in the previous discussion.

### *Land size, land ceiling and subdivision*

Lourie Bosman, AgriSA: If I have one hectare under irrigation, is that big enough? If I have 5,000 hectares in the Karoo, and cannot viably farm on it, . The Department of Agriculture used to talk about viable farm sizes, but we don't use this idea anymore. It only makes sense if you define the type of land and land use. We are not against subdivision. Also, if you can identify land that is not used or underutilized, this should be prioritised. But we need to be able to specify

- Identify what is meant by an appropriate land size
- Promote subdivision

Each family must be able to have the same sized land. The white people own huge amounts of land, whether or not that land is used.

- One family, one farm.
- Let us address the question of an appropriate land size and land ceilings after the Summit. This is a technical question. Here, we need the political agreement on this.

Siyabulela, NERPO: The ceilings and subdivision should depend on the type of land use. By itself, land ceilings will not be useful.

We must look at redistribution of prime agricultural land.

- Arable land must be prioritised for redistribution.
- There must be some limit on corporate ownership of farms, not only individual private landowners.

There must be a land audit. This must address private as well as state land, so that both can be subdivided and redistributed.

- Pursue the audit of state and private land

Mama Fani, Eastern Cape: I am hungry and thirsty to get my land back. My grievance is that instead of a farmer being just a farmer, let us look at it this way. A family is one farmer. Let us just say that one farmer is equivalent to one family.

Douglas Ntamo, Eastern Cape: I agree. You have to add something to that. For example, I could be a man who previously owned a lot of farms, more than one farm. I will give these farms to my children. They will remain in the family. These are also previously disadvantaged people. So I do not agree with the one-farmer, one farm.

One farm is not enough sometimes in the arid areas, like in the Northern Cape.

Lourie Bosman, AgriSA: Economics in the agricultural sector is not so lucrative as people think. In 2002, 51% of the farm's turnover is less than R300,000 a year; after costs, most do not make a profit. From 1994 to 2002, more than 12,000 farmers left their farms. The only reason why people have bigger farms is that they have to try to farm profitably. We cannot dictate prices from the farming sector. This reality is also going to strike the new farmers. We are not against subdivision. If people only want a smallholding to have food security, then obviously that must be catered for. But we also must cater to the commercial sector. Some people have a number of farms that are small but operate them as one farm and this might work well. For this reason, AgriSA believes that there should not be a limit on the number of farms that each owner can own.

We agreed on one family, one farm, and we agree on subdivision, and DLA should audit all farmers, to know who owns how many farms. We must be realistic. Just because you want to be viable, does not mean you can own 15 farms. No!

Dyantyi, Eastern Cape: If each have a farm, no-one will be hungry. The white farmers are concerned about the size of land, but for many of us there are 40 of us on one farm. So which one is better?

There is a need for greater ownership (distribution) of land.

There was consensus on the issue of promoting subdivision. There was disagreement on the issue of a fixed land size and also on the role of a land ceiling. It was also not feasible at this point to specify the size or number of farms per owner, despite strong endorsement to the general idea, and for the idea of "one farmer, one farm". Further discussion will be needed to address whether these are the appropriate responses to the underlying problem which is one of the over-concentration of land. Research may be needed.

### *Land audit & moratorium on the sale of state land*

There was consensus on the need for a land audit to identify ownership of state and private land, in the previous discussion. There was agreement that there should be a moratorium on the sale of state land, except within a land reform framework.

### *Just administrative action*

There was agreement on the call for just and efficient administrative action, and to cut the bureaucracy and red-tape in all processes of land acquisition. Processes need to be expedited, otherwise applicants and beneficiaries are disadvantaged.

### *Post-settlement support*

No discussion as yet, beyond what was in the morning.

### *Intervention in existing projects*

In existing projects, post-settlement support needs to go further to see whether the willing buyer, willing seller approach has worked for them and what their needs are now so that they can be assisted.

## **LUNGISILE NTSEBEZA**

We all agreed that we need a proactive state in land redistribution. We need to concretize what we mean by a proactive state. We need to discuss willing seller, willing buyer, and also market prices.

### *Proactive land acquisition versus willing buyer, willing seller*

We have said that WBWS is a disaster. We need to change it. We must use expropriation, but we need to give just compensation. We need to include factors like the type of farm that you have, how long you had it for, the profitability, the relationship of the farmer and the farm workers and community. These are the factors that will determine just compensation. When we give people that land, it will be based first on unused and underutilized land, and the land that belongs to foreign owners.

Attie Swart, NDA: We dealt with the issue of partnership. The point that came out was the creation of local farmer association. We find difficulty with who do we speak to? We need suggestions about how we organise ourselves to create that partnership. In the Brazilian model, they had strong linkages with social movement stakeholders.

- We need structures through which to engage with stakeholders, including the landless

Mike Aronsmo? For those properties that were initially owned by foreigners, where these are restored to the claimants, there should be reparation of some sort because of their exploitation. Past legislation meant that foreign countries were paying R1 per year for a forest area or plantation. We should request reparation of some sort. The dop system has also been used by some of those.

Sthembiso Cele, KZN: When we talk about WBWS policy, it is not clear whether we are saying we should totally eradicate this policy.

- We should wipe this policy out.

Andile: Yesterday, we agreed that WBWS policy has to be wiped away. Let's wipe this away. That should be made clear. This thing of buying our land from willing sellers has never worked. There is a need to amend the Constitution in this way. The Property Clause means that it must be protected as private property. There must be a social obligations clause that makes it possible for landless people to move onto land if it is unused, underutilized or abusive farmers, and be protected. This is a mechanism to deal with historical justice.

- Do away with WBWS
- Bring in a social obligations clause in the Constitution

The Minister has a right to acquire land in the interest of the public. This must be used for redistribution. Unused and underutilized land could mean that new entrant farmers will have to have capacity to use this land. It could also mean that they are wanting to make a profit. There must be involvement of strategic stakeholders. New entrants in farming do not have the capacity to run these farming units, but you should organise new farmers in commodity organisations so that capacity building and viability can be addressed. All these concerns about skills should be covered in this way.

- WBWS has got to be phased out

Land that is not used or underutilized must be acquired to provide for people. People are forcefully removed and this makes their lives hard for food and transport and getting jobs.

- Government must take unused and underutilized land and give it to people in nearby informal settlements

Thobekile: This land belongs to the people. It has to be returned to the people. We should not compensate. These people might take the money but they still do not have property. The judges are still biased. Let us get new judges.

Lourie Bosman, AgriSA: We have agreed that the state could have first option on the purchase of land. When the state buys that land, it should not hang onto it indefinitely. It should be transferred to identified groups. There is more land available in the open market that can be bought. Over the past 10 years over 40% of land has traded in the open market. This means less than 9% of the land that was transferred has been bought for land reform. In LRAD, the project applications cost much more than the money that was available.

Let me talk. I want to say something. The person who is selling us land has many farms out there, which he has given to his brothers. This person rents out land. People pay R1,000 a month. Now we also want R1,000 a month. For 20 years, I have lived with these white people. Even if you want to publicise it, I want people to hear I want that land and the R1,000 a month.

Fani Ncapayi: The government should play a proactive role in this. It must be clear and unequivocal. We have tried on many occasions to identify farms and negotiate the sale of the farms. Usually people who want to get land cannot afford to purchase it. Government usually says, this is your problem, you negotiate. The farmers do not want anything to do with us, so we cannot negotiate effectively without the support of government.

- Government must play a very proactive role to purchase land

AgriSA mentioned that they usually talk to government, but when they talk to government, the landless are not present in those meetings. So every stakeholder should be involved in the negotiations. Sometimes when you want to purchase land, the people who value land are people who have no business with the land. They will value the property in favour of the people who are selling the property.

- Every stakeholder must be present in the negotiations for the purchase of property by the state

Parts of farms used as informal settlements. Where I stay, there are farms where people pay R100 a month for living there on a farm.

- One should have a training farm that should be bought by a municipality where a group can try out living together and get training.

There was consensus that willing buyer, willing seller should be scrapped. There was disagreement about the role of the market. Most participants said that land reform should *not* be market led, with the sole exception of AgriSA. It was agreed that WBWS is the same as the market led approach. Some said we should revisit the property clause and remove the protection of property rights, replacing it with a social obligations clause, that will legitimise certain kinds of land occupations, on unused land, underutilized land and land of abusive farmers. Others said we need not change the Constitution but should use the space in it for expropriation.

#### *Price and compensation*

- The government should negotiate with the seller on the price.

People are charging too much per hectare. If the willing seller decides on his own how much he will charge, this cannot work. He must negotiate with the government. We have to make suggestions, but when we go back home we will still witness people being violently chased away from their land and evicted from their land. The government has to put a Commission in charge to make sure these things are implemented.

- We should pay the use value of the land, not the market value

Eva, LPM: This land was not bought from people. This land was confiscated and forcefully taken from people. So government should not even give them a cent. Government should not compensate people. It should just take the land.

- There should be no compensation

Most people said that unused and underutilized land should be taken over by the state but compensated. There was disagreement; some said that there should be no compensation; it should be confiscated.

There was consensus that government must negotiate with sellers about prices. Some participants said that there should be no compensation for expropriated land. Others said that there should be confiscation without compensation.



### *Foreign ownership*

So much land is in foreign hands. This must be redistributed among people in need of it in the country. Let us talk of the review of the land that is already in foreign hands, not only a moratorium on sales to foreigners.

Foreigners cannot take the land away, because this is a commodity that can expand, instead it shrinks because of erosion. They must be limited to leasehold, not buy it outright. Even in Europe, we can only lease, so if they want to invest, let them lease it.

- Allow foreign investors to lease land rather than buy it

Foreign owners should pay higher taxes on ownership of land. They sell it for high prices. So many foreigners own land. I suggest that government must take over that land from those people, because the fact that they don't live on those farms mean that they don't really need it.

Lungisani, Limpopo: I agree. If the state cannot stop that, the foreigners who are coming must be screened, because we have some good farmers who we were staying along with since 1907. We were staying together peacefully. But the foreigners who came from Zimbabwe, they are different. The state has given us a portion of land through the Dept of Forestry. We started our IDP programme and through this way the Vhembe district has been stopped – no development – because that route we were using for access to our land has been stopped. The foreigners caused this.

- If there is no moratorium on foreign ownership, then foreigners must be screened In the Karoo, there are lot of foreigners who bought land. Most of them only come twice a year. They don't need those farms.

Lourie Bosman, AgriSA: We should be careful about limiting foreign ownership. It will cause an outflow of capital and it will have an influence on our economy and even the global economy.

There was agreement that there should be a moratorium on sales to foreigners, with the exception of AgriSA which objected to this proposal. There was also a call for land already owned by foreigners to be addressed. Leasehold was the preferred option for those foreigners who wish to invest in South Africa.

### *Discussion on process*

Andile: How will landless people's voices be taken seriously, when we are allowing AgriSA to define this discussion?

### *Farm dwellers*

Let farm dwellers have full title to the land on which they are residing, so that they cannot be evicted and can have security

### *Local government*

Not just land reform, but land and agrarian reform must be incorporated in IDPs. Spatial planning must address this, in a way that promotes food security.

Deon de Vos: Many municipalities have commonages, but where people have stock, the commonage should be made available to those local people. This should apply in all municipalities.

- Make commonages available to local people who have livestock

There must be clear communication between DLA, Agriculture, local government and districts. I take part in IDP meetings. When we raise the issue of land, they will just tell you that it is a political matter. They don't want to discuss it. Municipalities are meant to help and facilitate land issues and make sure that development involves access to land. They do not help because they say they do not want to touch these political issues.

- Address the unwillingness of municipalities to deal with land issues in IDPs

It is not just municipalities but also the public and all the departments that must be involved. Otherwise there is favouritism and nepotism.

- There must be one committee to deal with the land issues at the local level
- Land audit must happen in municipalities, on the land that municipalities own.
- There should be a moratorium on the disposal of municipal land other than through a land reform framework
- Government should ensure that municipalities go and talk to the public and engage us in these discussions. We were born and raised on the farms and we also want development.

When councillors report to constituencies, they do not report on what is being done to address the need for land for development. From all levels, we need to monitor what progress local government is making.

This is a very important point. They must play a vital proactive role. But the councillors do not know anything about the Land Summit, where I come from.

Local government is going to treat this separately. If we treat this as LED, the municipality is going to appoint its own valuer, and this will make it expensive, because they do not use the agricultural market price. The Department of Agriculture should send its own valuers, and not use these local valuers.

- There must be an audit of the land at municipal level
- Municipalities must discuss with communities about what they want

Commonage must be promoted because this is a stop-gap towards emerging farmers.

However, they restrict the number of cattle we can have, because of fears of over-utilization of land. When people can farm by themselves, the municipality must help us to move onto our own land. DLA and PDOA must assist. They should work hand in hand.

- Municipalities, DLA and Agriculture to work together to identify land to meet needs, including to cater for those whose stock exceeds the capacity of the commonage

Commonage is a road to commercial farming for some people. Farmers have lots of trouble with municipalities, though. Hantam municipality has commonages but they give it to commercial farmers, and we emerging farmers have to struggle to get access to it.

- There must be priority to poor people and emerging farmers for access to commonage; it should not be accessible for commercial farmers

Commercial farmers are offering municipalities money to get access to the commonage. We can't offer that much.

The commonage is being leased to commercial farmers. Why is nothing being done about that?

- The leasing of commonage to commercial farmers must be stopped

The President spoke about corruption and nepotism and local government is rife with this. Farmers with land with minerals go to the big mining houses. They are already big farmers. Corruption is part of this.

People have worked for people for years and years, and then they just kick them away without any compensation, they kick them out, they burn them, but these farmers do not get imprisoned for all these violent crimes.

- The municipality must rescue us from these white people (commercial farmers).

### *Land use and development*

We need training. There are people who burn land, but the chiefs do not have authority to stop this. People are desperate for land for settlement and are making informal settlements on agricultural land. We need to be honest and realistic about this: some land is not being utilised properly.

Land use in coastal areas must be prioritised for aquaculture and mariculture. Many farms in the Northern Cape are not viable anymore because of drought. We need to find alternative types of land use.

Government must give us money to run our projects. They must know about the money that has been lent to them and how they must pay it back. Those people who have taken loans must have more information, and government must intervene to ensure that they benefit.

In the Southern Cape, the way that development takes place excludes us from the coastal land. The farmers are being affected by these developments. The increasing sale of land for golf courses and game farms is a problem. A large amount of land is being removed for the exclusive use of rich people. This causes the gap between rich and poor to grow every day. Poor people have less and less access to natural resources. This must be addressed to give poor people access to the land and to the sea. Not only a few elite people must gain benefit from these developments

- Stop elitist developments that exclude the poor
- Give poor people access to the sea

People in informal settlements are forced by the apartheid regime to live there. They live there because of the rent boycott in 1977. These people are excluded from the development that is happening. Government must give people land instead of building malls and parks. Instead, people are being evicted from informal settlements.

- Prioritise the provision of land for people in informal settlements

### *Private sector and financial sector*

The DFID representative challenged us to say whether donors should fund land reform. We must respond to this. We do need this support.

There are loans available but if we go to the Land Bank and other financial institutions, it will also mean that some of us will end up in poverty. For this reason, we as emerging farmers need subsidies for production.

- Make production subsidies available to emerging farmers for production

Many projects are falling apart. At the same time, strategic partnerships cause people to lose their land back to the same settlers. We must be careful of this model and communities must be assisted by the Department of Agriculture so that they are empowered in these partnerships.

- Government must assist claimants to identify correct partners

Nicky Mouton, AgriSA: The problem with mentors is that they can walk away from emerging farmers without any risk. The concept of shareholding schemes should strongly be considered. If I as a commercial farmer enter into an equity share scheme with my labourers, I also stand to suffer financial failure if it fails.

Land Bank is working on profit. They can give you money but you do not benefit. The climate is unpredictable and so we are at risk. Government must ensure that the people benefit more than the Land Bank.

Partnerships are not the answer. There is this talk about equity sharing, but my concern is that power and authority of the farmers and workers is not the same. Even if you say these people are equal, this is not true. They do not speak the same language. There will always be that mark. The workers who get shares do not have so much power. There must be monitoring about what happens on these equity schemes.

I have a problem with the Land Bank interest rate. They are very high and prohibitive for us. You have to factor this into your costs, and then compete with commercial farmers. Then we find that we are in a no win situation.

- Land Bank should restructure their interest rates and only add 0.5% onto the rate at which they borrow.

Strategic partnerships have to be very well chosen, because many of our farmers have to use these people. Financial institutions are prepared to help our farmers, so we should look beyond the Land Bank.

## **WAY FORWARD**

1. Land forums at local level: what composition and how often they should meet?
2. We must form a stakeholders' forum in each province to see that these things are implemented right.
3. Should a group of key stakeholders at national level sit after this Summit, and prepare a programme of action?