

SOUTH AFRICA YEARBOOK 2017/18

Rural Development



The Department of Rural Development and Land Reform (DRDLR) has an ongoing commitment to building sustainable rural livelihoods that aligns the department's work with Chapter 6 of the National Development Plan (NDP) and Outcome 7 of Government's 2014 – 2019 Medium Term Strategic Framework.

The NDP and the framework set out that sustainable rural livelihoods will depend on integrated spatial planning and land administration, land reform as well as sustainable rural enterprises and industries, among other things.

Over the medium term, the DRDLR will focus on:

- recapitalising and redeveloping redistributed farms
- establishing agri-parks
- the One Household, One Hectare programme
- socio-economic implications and the river valley catalytic programme
- animal and veld management projects
- extending the lodgement of land claims
- the national rural youth service corps
- security of tenure
- the Land Rights Management Facility
- establishing the South African Geomatics Council
- strengthening the relative rights of people working on the land.

In line with this, over the medium term the department will focus on implementing its Recapitalisation and Development Programme (RADP), establishing the Office of the Valuer-General, reopening the lodgement of land claims, increasing participation in the rural youth service corps and implementing spatial planning legislation.

The department's RADP is responsible for making redistributed land productive and profitable through mechanised irrigation, farmer mentorship and other interventions to improve farms. Since the programme's inception in 2008/09, just over 4,3 million hectares (ha) of land have been acquired for redistribution and 1 459 farms have been created through the department's recapitalisation and development interventions.

It is envisaged that over the medium term, an additional estimated 1,2 million ha of strategically located land will be acquired and an estimated 1 051 productive and profitable farms created. The estimated cost will be R4,7 billion.

Expenditure on consultants and professional services and travel and subsistence in the programme is expected to rise moderately to fund these reform activities.

Legislation and policies

The DRDLR executes its legislative mandate around the following Acts:

- The Restitution of Land Rights Act, 1994 (Act 22 of 1994) provides for the restitution of rights in land to persons or communities dispossessed of such rights after 19 June 1913. The Act makes provision for the establishment of the Commission on Restitution of Land Rights and the Land Claims Court. The Minister of Rural Development and Land Reform is authorised to purchase, acquire and expropriate land or rights in land for the purpose of restitution awards.
- The Provision of Land and Assistance Act, 1993 (Act 126 of 1993) provides for the designation of certain land, the regulation of the subdivision of such land and the settlement of persons thereon. It also provides for the acquisition, maintenance, planning, development, improvement and disposal of property and the provision of financial assistance for land reform purposes.
- The Communal Property Associations (CPA) Act, 1996 (Act 28 of 1996) enables communities to form juristic persons – to be known as communal property associations – to acquire, hold and manage property on a basis agreed to by members of a community in terms of a written constitution.
- The Transformation of Certain Rural Areas Act, 1998 (Act 94 of 1998) provides for the transfer of certain pieces of land to municipalities and certain other legal entities, as well as for the removal of restrictions on the alienation of land.
- The Physical Planning Act, 1991 (Act 125 of 1991) promotes the orderly physical development of South Africa, and for that purpose makes provisions for the division of the country into regions, and for the preparation of national development plans, regional development plans, regional structure plans and urban structure plans.
- The Deeds Registries Act, 1937 (Act 47 of 1937) provides for the administration of the land registration system and the registration of land rights.

- The Restitution of Land Rights Amendment Act, 2014, (Act 15 of 2014) extends the deadline for land claims to June 2019. The amendment also criminalises false and fraudulent claims that have been deemed a waste of taxpayers' money, where people submit land claims, knowing that they do not have a valid historic claim to a piece of land. The Act reopens the window for people or communities dispossessed of their land due to past discriminatory laws and policies to lodge claims. Extending the deadline for the lodging of claims was in line with the proposals of the NDP, the Comprehensive Rural Development Programme (CRDP) and other growth strategies intended to promote national reconciliation and social cohesion. Cabinet also approved the submission of the report on the Audit of Registered State Land and a desktop analysis of private land ownership in South Africa for submission to Parliament. The audit aims to determine the quantity of state-owned land and for what it was used. The land audit will be used to enhance the integrity of the land register, which will serve as the basis for enhanced land planning and administration, including other functions relating to property portfolio management and improved service delivery. About 1,15 million land parcels have been surveyed. The State owns 14% of land in South Africa, 79% is privately owned and 7% has not been registered. About four million ha of unregistered land in the former Transkei are occupied by citizens and will be transferred either by the State or private owners once the verification process has been concluded.
- The Spatial and Land Use Management Act, 2013 (Act 16 of 2013) seeks to bridge the racial divide in spatial terms and transform the settlement patterns that put a considerable burden on public resources. The Act will also ensure that the restructuring of South African cities, towns and settlements is in line with the priorities and principles of the democratic Government. The objectives of the Act are to:

i The Office of the Regional Land Claims Commissioner in Limpopo distributed vouchers worth R35,3 million as financial compensation to 118 families of the Mamaila Bolobedu Tribe who were dislodged from their land of birth through dispossession. Each family received an amount of R299 093,68.

- provide for a uniform, effective and comprehensive system of spatial planning and land-use management
 - ensure that the system of spatial planning and land-use management promotes social and economic inclusion
 - provide for development principles, norms and standards
 - provide for the sustainable and efficient use of land
 - provide for the cooperative government and intergovernmental relations among the national, provincial and local spheres of government.
 - redress the imbalances of the past and ensure that there is equity in the application of spatial development planning and land-use management.
- The Co-Operatives Amendment Act, 2013 (Act 6 of 2013). This is an amendment to the Co-Operatives Act, 2005 (Act 14 of 2005), which came into effect in May 2007. It provides for the establishment, functions and powers of the Co-Operatives Development Agency. Among other things, the amendment also provides for associate membership of co-operatives, the annual submission of information to the Companies and Intellectual Property Commission, categories of primary co-operatives and the national apex co-operatives. Besides providing for the establishment, composition and functions of the Co-Operative Tribunal, the Act provides for a co-operative to apply for a declaratory order in respect of the liquidation process, and for the registrar of the tribunal to order the winding-up of a co-operative. The legislation amends the accounting practices by providing for the audit and independent review of co-operatives, the payment of fees by the co-operative for the amalgamation, division and conservation, including the transfer of cooperatives. The Act states that the provincial departments of economic development, under which co-operatives in South Africa fall, will be responsible for coordinating and reporting all co-operative activities in the provinces involving other departments and stakeholders, while the municipalities will be responsible for coordinating activities within their area of jurisdiction.

Budget and funding

In terms of the budget allocated for 2017/18, the department

spent R9.730 billion or 95.5% of the adjusted appropriation of R10.184 billion, leaving the total of unspent funds of R454.1 million.

Unspent funds were mainly due to vacant posts and the unspent funds allocated to the Public Private Partnership project for the construction of the office accommodation.

Role players

National Reference Group

The National Reference Group is an inclusive structure that represents varied interest groups ranging from beneficiaries, organised agriculture and civil society to academics and experts on land and agrarian issues.

National reference groups constitute five working groups in respect of policy proposals made by the department in the Green Paper, namely the Land Management Commission, the Land Rights Management Board and committees, the Office of the Land Valuer-General, the Three-Tier Tenure System as well as Legislative Amendments and communal tenure.

Geospatial and cadastral services

The national geospatial information component is responsible for the national control survey network, the national mapping and aerial imagery programmes and the provision of geospatial information services.

This component will continue its map literacy and map awareness training for adults, and support to educators and learners to promote the use of geospatial information. Priority will be given to rural communities.

Aerial imagery is a significant source of geospatial information and a record of the land at a given time. National geospatial information acquires aerial imagery annually. Selected CRDP sites have been prioritised.

The branch will also assist in creating orderly and sustainable rural settlements by ensuring alignment and harmonisation of rural development plans with existing planning frameworks, including provincial growth and development strategies and integrated development plans.

The DRDLR has considered the adverse effect that disasters have on rural areas and the lives of rural people, and included in

its strategy a disaster management component, which, together with other sector departments, will coordinate responses to rural disasters.

The Braille atlas for the visually impaired is a first in South Africa and is primarily intended to give visually impaired people access to geospatial information (maps).

Cadastral surveys management

Cadastral surveying is the survey and demarcation of land for the purpose of defining parcels of land for registration in a land registry.

Cadastral surveying in South Africa is undertaken exclusively by or under the control of professional land surveyors.

South Africa not only allows the private ownership of property but also, in the case of land, actively encourages it. Initially, all land derives from the State but, should the State wish to give or lend a piece of land to one or more of its citizens to develop and to enjoy its use, cadastral surveying becomes necessary.

Later, should the owner wish to sell off part of that land, the cadastral surveyor is again tasked with partitioning the land to be sold. The services of the cadastral surveyor are required whenever a boundary beacon must be found or replaced.

Once the positions of the boundaries have been marked and recorded, the cadastral surveyor and the conveyancer work together to record ownership in a public register. This action ensures that the rights of the owner can be upheld against false claims and that who owns what is accessible public knowledge.

Deeds registration

The core responsibility of South Africa's deeds registries is to:

- register real rights in land
- maintain a public land register
- provide registration information
- maintain an archive of registration records.

There are deeds registries in Bloemfontein, Cape Town, Johannesburg, Kimberley, King William's Town, Mthatha, Nelspruit, Pietermaritzburg, Pretoria and Vryburg.

These offices register deeds and documents relating to real rights in more than eight million registered land parcels consisting of township erven, farms, agricultural holdings,

sectional title units and sectional title exclusive-use areas in terms of the Deeds Registries Act of 1937 and the Sectional Titles Act, 1986 (Act 95 of 1986).

To take deeds registry services to the people, the department aims to establish a deeds registry in every province. The deeds registry is open to any member of the public to access information regarding:

- the registered owner of a property
- the conditions affecting such property
- interdicts and contracts in respect of the property
- the purchase price of the property
- rules of a sectional title scheme
- a copy of an antenuptial contract, deeds of servitude and mortgage bonds
- a copy of a sectional title plan
- township-establishment conditions
- information relating to a property or deed.

Deeds registration has progressively introduced e-Cadastre, which is aimed at improving cadastral surveys management and deeds registration as well as the consolidation of data stores.

As far as the e-Cadastre Project is concerned, the enterprise architecture investigation, which is aimed at consolidating cadastral surveys and deeds registration data stores, has been concluded. Digital scanning of the microfilm records is ongoing.

In April 2017, the DRDLR opened Limpopo's first deeds registry office, providing better access deeds services to the people of the province. Before the launch, approximately 361 672 land parcels of the Limpopo Deeds Registry were handled by the Pretoria Deeds Registry, and 2 226 land parcels of Limpopo Deeds Registry were handled by the Mpumalanga Deeds Registry.

Upon the separation of the land parcels from the Pretoria and Mpumalanga deeds registries, the Limpopo Deeds Registry will have an approximate total of 363 898 land parcels.

Commission on the Restitution of Land Rights

The Restitution of Land Rights Act of 1994 created a Commission on the Restitution of Land Rights under a chief land claims commissioner and seven regional commissioners. In addition, the Act established the Land Claims Court to address land claims

and other land-related though later amendments enabled an administrative process of settling claims with court referrals only in cases of dispute.

The DRDLR is authorised to administer the Act, including by negotiating on behalf of the State, acting as a respondent before the court, and managing the implementation and finances of the restitution process. Legally, all land claims are against the State and not against past or current landowners.

In 2016, the Constitutional Court ruled the Restitution of Land Rights Amendment Act of 2014 invalid and contrary to the Constitution. The Commission on Restitution of Land Rights was tasked to resubmit the Act within two years.

In the same period, the commission plans to settle claims lodged before 1998. In terms of the judgment, should all claims emanating from original lodgement be processed before the two-year period lapses, the commission may approach the Constitutional Court for a review of the judgment.

Consultants are extensively used as part of the pre-settlement of claims, and is a major cost driver in the restitution programme. Over the MTEF period, R503,7 million will be spent on consultants conducting research to confirm the validity of claims that have been launched.

The total number of claims over the two-year period, from 2017/18 to 2018/19, was expected to be 2 152. A total of R10,3 billion has been allocated for settling land restitution claims over the MTEF period, which constitutes 32% of the department's total budget.

Programmes and projects

Agri-Parks programme

The agri-parks initiative supports rural enterprises, develops rural industries and facilitates the efficient movement of rural produce to markets.

The initiative develops networked systems of agro-production, processing, logistics, marketing, training and extension services in district municipalities and developments on underused land.

Each agri-park supports smallholder farmers by providing capacity-building, mentorship, farm infrastructure, extension services, and production and mechanisation inputs. Smallholder farmers own 70% of an agri-park, while the remainder is owned

by Government and commercial farmers.

Agri-parks are expected to contribute to Government's targets of creating one million new jobs in rural economies by 2030, through the development of 300 000 new small-scale farmers and the creation of 145 000 agroprocessing jobs by 2019.

Since the inception of the initiative in 2015/16, approximately 10 566 smallholder farmers have been identified to benefit from agri-parks, and 69 692 ha of land has already been distributed.

A total of R2 billion per year, over a 10-year period beginning in 2015/16, was allocated for the development of agri-parks in 44 districts. Over the medium term, R2,9 billion is allocated for the Rural Infrastructure Development subprogramme of the CRDP, which constitutes 9,2% of the department's budget.

Communal Property Associations

The CPA Act of 1996 is aimed at enabling communities "to form juristic persons, to be known as CPAs, to acquire, hold and manage property on a basis agreed upon by members of a community in terms of a written constitution and to provide for matters connected therewith."

A total of 1 483 CPAs have been registered since the passing of this Act, with 48 registered during 2015/16. These entities were established for projects designated under various departmental programmes.

The DRDLR has facilitated the establishment of CPA district forums to assist in the provision of support to CPAs and serve as a platform for the CPAs to share experiences, approaches and lessons on how to handle matters. Forums are fully operational in all provinces.

National Rural Youth Service Corps (NARYSEC)

The NARYSEC is a skills development initiative, which forms part of the CRDP's job-creation model. The initiative recruits unemployed youth from rural areas between the ages of 18 and 25, who have passed Grade 12 or have higher qualifications, and equips them with business and entrepreneurial skills. The initiative expects to increase the number of new participants by 2 700 each year over the medium term to reach 8 100 by 2019/20.

Land Reform Programme

The principles which underpin the new approach to sustainable land reform are:

- deracialisation of the rural economy
- democratic and equitable land allocation and use across gender, race and class
- strict production discipline for guaranteed national food security.

District land reform committees were established in 44 districts of the country. The committees completed a training programme that enables them to:

- identify farms that are suitable for acquisition by Government (the target is 20% of strategic agricultural farming land in the country by 2030)
- identify and interview potential candidates for farm allocation
- advise the Minister on the strategic support needs of identified farms
- advise the Minister on the strategic support needs of recommended candidates
- advise the Minister on resolving land rights conflicts.

The Land Reform Programme has been allocated R8,3 billion over the MTEF period for the acquisition of land and the creation of productive and profitable farms.

One Household, One Hectare

The One Household, One Hectare initiative is the key mechanism used to provide landless people access to land and promote agrarian transformation. The objective of the initiative is to create smallholder producer for the agri-parks initiative, focusing on the poorest districts in the country and other sites in densely populated areas.

The department projects that 16 500 households will participate in the One Household, One Hectare initiative over the MTEF period, at an estimated cost of R4,3 billion, budgeted for in the Agricultural Land Holding Account subprogramme.

Recapitalisation and development

The Recapitalisation and Development Programme ensures that redistributed land becomes productive and profitable by providing mechanised irrigation, farmer mentorship and farm

inputs.

Since the programme began in 2008/09, 1 496 farms have been created from more than 4,7 million ha of land acquired. Over the medium term, the department aims to acquire approximately 281 165 ha of strategically located land.

The Office of the Valuer-General, which has been operational since 2015/16, ensures efficient acquisition and equitable valuation of land.