



Official Guide to **SOUTH AFRICA** 2021/22

**AGRICULTURE, LAND REFORM AND
RURAL DEVELOPMENT**



The mandate of the Department of Agriculture, Land Reform and Rural Development (DALRRD) includes developing agricultural value chains, providing agricultural inputs, and monitoring production and consumption in the agriculture sector, as well as facilitating comprehensive rural development.

The department executes its mandate by implementing, managing and overseeing key legislation, including the:

- **Conservation of Agricultural Resources Act of 1983**, which makes provision for control over the use of the country's natural agricultural resources to conserve soil, water sources and vegetation;
- **Agricultural Product Standards Act of 1990**, which provides for control over the sale and export of certain agricultural products, and the sale of some imported agricultural products;
- **Provision of Land and Assistance Act of 1993**, which makes provision for the designation of certain land, the regulation of the subdivision of such land, and the settlement of people on it. It also provides for the acquisition, maintenance, planning, development, improvement and disposal of property, and the provision of financial assistance for land reform;
- **Restitution of Land Rights Act of 1994**, which makes provision for the restitution of rights to land to people or communities dispossessed of such rights after 19 June 1913 because of racially discriminatory laws or practices of the past. To administer this task, the act established a Commission on the Restitution of Land Rights and a Land Claims Court;
- **Spatial Planning and Land Use Management Act of 2013**, which seeks to enable the transformation of South Africa's settlement patterns by adopting a new approach to spatial planning and the management of land use.

Over the medium term, the department was expected to continue focusing on improving agricultural production and revitalising essential agricultural infrastructure; accelerating land reform and finalising land restitution claims; and increasing its research and development capacity to improve the agricultural value chain and increase the safety and quality of agricultural products.

Improving agricultural production and revitalising infrastructure

Extension officers support farmers with decision-making by providing them with information on effective and sustainable farming practices based on current research. They are essential in providing a link between farmers and new markets and are therefore central to economic transformation and job creation in this sector.

In recognition of their vital role, the department planned to employ 10 000 extension officers over the medium term, which is set to result in a five-fold improvement in the ratio of extension officers to farmers. The department also planned to upgrade 21 fresh produce markets across the country and revitalise five irrigation schemes to make production schemes functional. It will also

continue to assess the viability and allocation of state land (including communal land) for production.

Accelerating land reform and finalising land restitution claims

The department aimed to acquire 130 687 hectares of productive land for land reform purposes at a projected cost of R3 billion over the medium term to address social injustice and inequality through accelerated land reform. To fund this, the department has adopted a blended finance model comprising grant and loan portions.

Increasing research and development capacity to improve agricultural outputs

Over the period ahead, the department planned to enhance capacity in research and development to improve logistics, market access, and the safety and quality of agricultural products. This entails streamlining the policy and legislative framework related to quarantine and regulated plant pest surveillances to improve market access through surveillance and export certification.

As part of its efforts to strengthen biosecurity, sanitary and phytosanitary standards for agricultural products, the department aimed to protect existing international markets and open new ones. This includes commissioning studies to inform biosecurity decision-making, particularly on the management and control of pests and diseases.

Role of agriculture

Agriculture plays an important role in the process of economic development and can contribute significantly to household food security. Agriculture has shown buoyancy over the past two years, growing by 13.4% year-on-year in 2020 and 8.3% in 2021. The employment figures in the sector were at 868 000 in the fourth quarter of 2021, reflecting stability over the past few years.

According to Statistics South Africa's General Household Survey (GHS) of 2021, only 17,2% of South African households were involved in some sort of agricultural production activities during the reference period. Households in Limpopo (37,9%), Eastern Cape (33,4%) and Mpumalanga (32,2%) were most involved, while only 2,9% of households in Western Cape, and 6,4% of households in Gauteng engaged in some agricultural activity.

According to the GHS, more than four-fifths (85,0%) of South African households that were involved in agriculture were involved in an attempt to secure an additional source of food. Another 4% of households engaged in agriculture as subsistence activity (producing the main source of food), while 5% used agriculture to produce additional income. Households that were engaged in agricultural production, 63,9% grew fruit and vegetables, 51,7% cultivated grains and 34,0% produced poultry, while livestock were produced by 26,0% of the country's households.

Agri-Industrial Fund

Agricultural financing remains the critical element in ensuring that agriculture remains the productive sector of the economy, which contributes to food security, poverty alleviation and job creation. Production finance needs to take into consideration the variables that are inherent in the cycle of production of relevant commodities as well as risks. Non-financial services to producers are equally important in order to reduce the default rate from farmers.

Master plans:

Agriculture and Agro-processing Masterplan (AAMP)

After recognising different challenges constraining the growth and development of commercial and emerging farmers in the country, the AAMP had recommended the adoption of a “Theory of Change” to train farmers and grow the agricultural sector in an inclusive manner.

The theory advocates for a co-existence of commercial and emerging farmers to promote the agricultural and food sectors on a new growth trajectory that can ultimately contribute to taking South Africa’s economy out of the “Middle Income” trap. This AAMP is complementary to the Poultry and Sugar Master plans.

Cannabis Masterplan

The legalisation and commercialisation of cannabis have been at the forefront of public debate and on top of the agenda of policymakers globally. An interdepartmental team comprising representatives from various departments was established to guide the development of the National Cannabis Master Plan with the DALRRD as the convener.

The department was expected to start, begin issuing and monitoring permits for the production of hemp in South Africa from October 2021. By mid-2022, 31 hemp permits had been issued. To ensure an inclusive value chain, the DALRRD will be working with Agricultural Research Council (ARC) to set up demonstration farms in all nine provinces, to ensure education of primary producers on the appropriation production technologies.

Poultry Masterplan

In support of the Poultry Masterplan, six black-owned and operated farms have been supported. These farms produce 1,9 million birds a month.

Role players

Land and Agricultural Development Bank of South Africa

As a development finance institution, the mandate of the Land and Agricultural Development Bank of South Africa is to address agricultural and rural development in South Africa. The bank operates in the primary agriculture and agribusiness

sectors, and is regulated by the Land and Agricultural Development Bank Act of 2002 and the Public Finance Management Act of 1999. The bank plays a pivotal role in advancing agriculture and rural development.

Agricultural Research Council

The ARC was established by the Agricultural Research Act of 1990, which mandates the council to conduct research and development, and effect the transfer of technology in the agriculture sector; contribute to a better quality of life; and facilitate and ensure natural resource conservation.

KwaZulu-Natal Ingonyama Trust Board

The KwaZulu-Natal Ingonyama Trust Act of 1994 provides for approximately 2.8 million hectares of land spread across KwaZulu-Natal to be held in trust by the Ingonyama Trust on behalf of communities. The affairs of the Ingonyama Trust and trust land are administered by the KwaZulu-Natal Ingonyama Trust Board, which was established in terms of the Act.

The board is responsible for providing land tenure rights to an estimated 4.5 million people living on trust land under the jurisdiction of 241 traditional councils. The board's focus over the period ahead will be on improving land tenure administration, protecting land from illegal occupants and providing appropriate spatial planning for integrated development.

National Agricultural Marketing Council (NAMC)

The NAMC is a statutory organisation of the DALLRD. It derives its mandate from the Marketing of Agricultural Products Act of 1996, which provides for the authorisation, establishment and enforcement of regulatory measures to intervene in the marketing of agricultural products, including the introduction of statutory measures on agricultural products.

The council was expected to continue to coordinate the work of agricultural industry trusts; undertake thorough research aimed at advising the Minister of Agriculture, Land Reform and Rural Development and affected groups on marketing matters; and work directly with farmers to address their marketing matters.

Office of the Valuer-General (OVG)

The Property Valuation Act of 2014 prescribes that the OVG must be impartial in exercising its powers and performing its functions, and be accountable to the Minister of Agriculture, Land Reform and Rural Development.

The Act states that the office must value all land to be acquired for the purpose of land reform in accordance with a defined set of criteria based on Section 25(3) of the Constitution of the Republic of South Africa of 1996.

Onderstepoort Biological Products

OBP was established as a public company in terms of the OBP Incorporation Act of 1999. Its mandate is to prevent and control animal diseases that impact food security, human health and livelihoods. This is achieved through the continued development and efficient manufacturing of innovative pharmaceutical products, including vaccines and related products.

Perishable Products Export Control Board (PPECB)

The PPECB is an independent service provider for quality assurance, food safety and cold chain management services for producers and exporters of perishable food products. It is mandated by government in terms of the following legislation: the Perishable Products Export Control Act of 1983, which broadly requires the board to ensure the orderly export of perishables and monitor the proper maintenance of a continuous cold chain for exports; and the Agricultural Products Standards Act of 1990, which broadly requires the board to monitor the minimum quality standards of perishable exports as required by government and bilateral agreements with importing countries.

Registration of Deeds Trading Account

The Deeds Registries Act of 1937 provides for the administration of the land registration system and the registration of rights to land. The main goal of the trading account is to contribute to effective land planning, administration and property registration.