



**AGRICULTURE,
LAND REFORM
AND RURAL
DEVELOPMENT**

**OFFICIAL GUIDE TO
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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 DALRRD was expected to continue focusing on improving agricultural production and revitalising infrastructure, accelerating land reform and finalising land restitution claims, and increasing the department's research and development capacity to improve agricultural outputs.

Improving agricultural production and revitalising infrastructure

Over the medium term, the department was expected to work on implementing the Agriculture and Agro-processing Master Plan (AAMP). The plan has buy-in from various constituents across the agricultural value chain, including the South African Grain Farmers Association, the Grain Farmer Development Association, the South African Sugar Association, the South African Pork Producers' Organisation, the South African Poultry Association, the National Emergent Red Meat Producers' Organisation, and the South African Mohair Growers' Association.

This will see retailers and agro-processors commit a minimum of 3% of their net profit after tax to programmes aimed at investing in black farmers and black-owned agri-businesses.

As part of the master plan, the department planned to intensify the implementation of the agri-parks model – which includes creating farmer production support units, agri-hubs, irrigation schemes and other socio-economic infrastructure – as part of its drive to revitalise agricultural infrastructure.

This model is primarily intended to improve rural employment, support industrialisation efforts by smallholder farmers, support rural economic development, and create capacity in agro-processing and industrialisation value chains for broad-based job creation and market access opportunities.

Implementing the model also entails determining the viability of and allocation of state land (including communal land) for agricultural production. The department plans to implement infrastructure projects over the medium period as part of the agri-parks model.

Accelerating land reform and finalising land restitution claims

Government's land reform programme is fundamental to responding to South Africa's triple challenge of inequality, poverty and unemployment. The department plays a central role in coordinating this response by purchasing land, settling people on it and providing assisting post-settlement.

Government also aimed to acquire substantial hectares of land specifically to provide security of tenure to farm dwellers and labour tenants. The department is crucial in government's response in settling land restitution claims to ensure that land is returned to its rightful owners before they were dispossessed through the colonial or apartheid regimes, and to ensure that claimants are able to use it for both settlement and productive purposes.

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, the safety and quality of agricultural products, and market access.

Among other things, studies will be commissioned to inform biosecurity decision-making, particularly on the management and control of pests and diseases. The streamlining of the policy and legislative framework related to quarantine and regulated plant pest surveillances is expected to improve market access.

Role of agriculture

Agriculture plays an important role in the process of economic development and can contribute significantly to household food security. South Africa's rich agricultural heritage has long been an integral component of the nation's economy and cultural fabric.

About 9% of agricultural output is produced by previously disadvantaged farmers, implying the sector is growing and gradually improving on inclusivity. The growth in agriculture could be attributed to the enhancement of its

competitiveness, made possible by clear policies, regulatory environment and financing instruments such as the statutory measures and agricultural trusts that have financed the collection of industry data, market development, transformation, and research and development as well as innovations.

The National Development Plan (NDP): Vision 2030 recognises the need to integrate rural areas in agricultural development by mainly expanding irrigated areas and promoting dry-land farming where feasible. The NDP further envisions the conversion of underutilised land in communal areas and land reform projects into commercial production.

The DALRRD aimed to focus on these areas, including engagements with Amakhosi to facilitate the development of areas-based plans to revive agricultural production. It has been engaged in drone flyovers in some communal areas to map them to facilitate better planning.

The surveillance of pests and diseases is key not only for our country's agricultural production but equally important to maintain the confidence of trading partners, especially when the pest or disease has a quarantine categorisation in the territory of the trading partner.

Through engagements with partners such as the National Animal Health Forum, the department has been able to engage industry on animal disease control matters, including on surveillance.

It will continue its surveillance and intervention measures of the exotic fruit fly, Citrus Greening and Banana Bunchy Top Virus as well as surveillance of livestock diseases of economic importance including the Foot-and-Mouth Disease (FMD) and, Contagious Bovine Pleuropneumonia. Control of the FMD in recent months has demonstrated a need for investment in prevention rather than control.

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.

International trade and market access

The world of agriculture, including its trade, as governed by the World Trade Organisation (WTO) Agreement on Agriculture has been stagnant over the last decade. The aspiration of establishing a fair and market-oriented agriculture trading system has been elusive. Ministerial conference after Ministerial conference have not yielded the desired reforms in agriculture.

At the WTO's 12th Ministerial Conference held in Geneva, Switzerland in June 2022, member countries adopted the Sanitary and Phytosanitary Standards (SPS) Declaration, which responds to modern SPS challenges. A Ministerial Declaration on the Emergency Response to Food Insecurity was also adopted to provide for

emergency measures that countries must take during unforeseen situations to ensure global food security. At the 13th Ministerial Conference in the United Arab Emirates in February 2024, South Africa aimed to push for reforms that would create a fair agricultural trading system. Government's efforts to improve market access for South Africa's products on the international markets are bearing fruit.

In June 2022, government signed the Protocol of Phytosanitary Requirements for export of Soybean from South Africa to China and in August 2022, it successfully negotiated the lifting of a ban on South Africa's wool and other cloven-hoofed animals 'skin products with China.

There were several inspections in favour of South African animal and plant products in export markets such as Saudi Arabia.

In May 2023, a total of 54 million tons of maize for feed from South Africa docked in the port of Dongguan, China. This import of maize was captioned in China as it is reported that it has injected long-term impetus into food security, strengthening agricultural cooperation of China with South Africa, and promoting the interconnection of industrial supply chains between the two countries.

Agro-Energy Fund

To address alternative energy sources in the sector, the DALRRD was setting up the "Agro-Energy Fund" at the Land Bank, to focus on energy intensive agricultural activities. These will include irrigation, intensive agricultural production systems and cold chain related activities. The following criteria will be used:

- A large-scale farmer will receive 30% grant funding to be matched with 70% loan portion, where the grant amount is capped at the maximum of R1.5 million.
- A medium scale farmer will receive a 50% grant to be matched with 50% loan portion, where the grant is capped at the maximum of R1 million.
- Smallholder farmers will be supported by a grant portion of 70% to be matched with 30% loan. For this category the maximum grant funding is capped by R500 000. There will be a special recognition and application mechanism for small-scale irrigation schemes.

Master plans:

Agriculture and Agro-processing Master Plan

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 Master Plan

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 current Private Members Bill has been expanded to include commercialisation of cannabis and hemp. By mid-2023, the National Assembly was seized with processing public comments on this section of the Bill. The Inter-Ministerial Committee has also been meeting to give direction to ensuring that interim measures on commercialisation of hemp are realised.

These measures include changes to the existing THC limit for hemp to 1% and amendment of Schedules 4 and 6 of the and Related Substances Control Act of 1965. Demonstration sites for hemp production have since been set up in Rustenburg in North West and Roodeplaat in Gauteng. By mid-2023, the department had issued 397 hemp permits for hemp production.

Poultry Master Plan

The poultry industry consists of the day-old chick supply industry, the broiler industry and the egg industry. Overall, the poultry industry in South Africa is the largest segment of the agricultural sector, contributing approximately 20% of its share to the gross domestic product (GDP and 41% of animal GDP).

The South African Poultry Master Plan has been developed in partnership between government and stakeholders in the industry drawn from poultry producers, farmers, processors, exporters, importers and organised labour. The introduction of a poultry sub-sector master plan in the country aims to stimulate local demand, boost exports and protect the domestic chicken industry. The Poultry Master Plan takes into account several systematic and other problems in the industry.

The main objectives of the plan are centered on driving local demand and protecting the local industry, reducing feed costs, meeting safety and veterinary requirements, as well as compliance to boost exports and transformation.

The master plan set a number of targets and a number of detailed actions would be implemented. These actions had been identified through the five (5) pillars that were instrumental in refocusing the Poultry sub-sector and building its future.

- The first pillar included the establishment of partnerships to increase production and availability of feed, while simultaneously ensuring that workers were provided with training and development opportunities.
- The second pillar entailed driving domestic demand and the affordability of local broiler products.
- The third pillar concerned the establishment of the safety and veterinary requirements within markets and offering producers opportunities for exporting their chicken products.

- The fourth pillar was the introduction of measures to enhance the regulatory environment and ensure compliance. This will include making products traceable and announcing measures to ensure that the industry as a whole complies with trade requirements.
- The last pillar aimed to protect the local chicken industry by considering specific, rather than ad valorem tariffs, simplifying trade systems, undertaking anti-dumping measures where appropriate, and considering the introduction of import licences to support compliance.

Entities:

Agricultural Land Holding Account (ALHA)

The ALHA was established in 2009 in terms of the Provision of Land and Assistance Act of 1993. The Act authorises the Minister of Agriculture, Land Reform and Rural Development to purchase land to enable the department to accelerate the land redistribution process, acquire land in nodal areas and other areas of high agricultural potential, improve the process of identifying and selecting beneficiaries and the planning of land on which people could be settled, and ensure that acquired land is used productively.

The ALHA aimed to focus on promoting equitable land redistribution and agricultural development over the medium term by acquiring a targeted 115 467 hectares of strategically located land, of which 50% is set to be allocated to women, 40% to young people and 10% to people with disabilities.

Agricultural Research Council (ARC)

The ARC is the main agricultural research institution in South Africa. It was established by the Agricultural Research Act of 1990 and is mandated to conduct research and development and effect the transfer of technology to promote agriculture and industry; contribute to better quality of life; and facilitate and ensure the conservation of natural resources.

Over the medium term, the council planned to focus on: generating knowledge and technologies that will enhance the efficiencies of crop production, animal production and health; managing natural resources; developing a foot- and-mouth vaccine production facility at Onderstepoort to reduce reliance on imports; maintaining national assets; and providing diagnostic and analytical services on behalf of the department.

In an effort to ensure the integrity of the food value chain and protect consumers from food fraud and their rights to food choices, the ARC has partnered with the DALRRD in using whole genome sequencing to investigate and curb the incidences of contamination and adulteration of meat products with undeclared species.

The country has experienced an unprecedented increase in disease outbreaks. This resulted in an unprecedented number of samples being submitted from the field. The ARC rose to the occasion by responding excellently and timeously processing all the samples without fail. To ensure that the country has sufficient

capacity to produce the FMD vaccine in future, the ARC had by mid-2023 completed Phase I of the FMD Vaccine Production Facility towards a fully fledged facility that will be able to fully meet the requirements of the country and beyond.

KwaZulu-Natal Ingonyama Trust Board

The KwaZulu-Natal Ingonyama Trust Act of 1994 makes provision for an estimated 2.8 million hectares of land spread across KwaZulu-Natal to be held in trust by the Ingonyama Trust on behalf of communities. The KwaZulu-Natal Ingonyama Trust Board, which was established in terms of the Act, administers the trust. Over the medium term, the board will focus on improving its administration of land tenure and engaging in spatial planning to ensure integrated development.

National Agricultural Marketing Council (NAMC)

The NAMC is a statutory organisation of the DALRRD. 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.

Over the medium term, the council planned to continue coordinating the work of agricultural industry trusts; undertake thorough research aimed at advising the minister and affected groups on marketing matters; and work directly with farmers to address their marketing needs.

The NAMC has continued to offer valuable market information and analysis to both government and the agricultural sector. Such information has enabled agri-entrepreneurs to make informed decisions in terms of marketing of their products. By mid-2023, the NAMC was finalising the construction of the feedlots that were already in the process of construction as part of the National Red Meat Programme.

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. Over the medium term, the OVG planned to continue focusing on valuing all land for land reform purposes and complete 100% of requested valuations.

Onderstepoort Biological Products (OBP)

The OBP was established in terms of the OBP Incorporation Act of 1999, with government as the sole shareholder. It is mandated to prevent and control animal diseases that affect food security, human health and livelihoods by developing, manufacturing and commercialising animal vaccines, and ensuring food security

through the promotion of animal health. Over the medium term, the OBP planned to focus on the development and manufacturing of vaccines and related products to prevent and control animal diseases that threaten food security and animal health. It will also seek to maintain a reserve stock of vaccines for government to be used in the event of an outbreak of animal diseases.

Perishable Products Export Control Board (PPECB)

The PPECB is an independent provider of quality assurance, food safety and cold chain management services for producers and exporters of perishable food products.

The board is mandated by government in terms of the Perishable Products Export Control Act of 1983, which broadly requires it 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.

Over the medium term, the PPECB planned to focus on ensuring sustainable, socially responsible service delivery without compromising the quality of products. This included performing technical research and development, providing training and assistance to historically disadvantaged individuals and smallholder farmers, and ensuring its personnel are professional and well trained so that they add value to the perishable export industry.

Registration of Deeds Trading Account

The Deeds Registries Act of 1937 makes provision for the administration of the land registration system and the registration of rights in land. The Act requires that deeds and documents be prepared and lodged in the deeds registry by a conveyancer or public notary, and scrutinised for accuracy and compliance with common law, case law and statutory law. The entity's main goal is to contribute to effective land planning, administration and property registration.

Over the medium term, the Registration of Deeds Trading Account planned to implement an electronic deeds registration system that is expected to result in a secure, more accessible, integrated, innovative, scalable, cost effective and sustainable deeds registration system that provides accurate and reliable land administration and information.

The system was expected to accommodate the registration or recording of other insecure land tenure rights and lead to enhanced confidence in the country's land registration process, as stipulated in the Electronic Deeds Registration Act of 2019.