



OFFICIAL GUIDE TO SOUTH AFRICA 2019/20

**AGRICULTURE,
LAND REFORM AND RURAL
DEVELOPMENT**

Agriculture plays an important role in the process of economic development and can contribute significantly to household food security. The National Development Plan (NDP) sets out a broad vision of eliminating poverty and reducing inequality by 2030.

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.

Chapter 6 of the NDP envisions an integrated and inclusive economy that involves the expansion of agricultural activity, the need for effective land reform and the promotion of sustainable rural development. This vision is expressed specifically in terms of priority 1 (economic transformation and job creation) of government's 2019-2024 Medium Term Strategic Framework, with which the work of the DALRRD is directly aligned.

The nature and extent of the department's interventions are, therefore, underpinned by reducing poverty and inequality, and creating employment by allocating adequate resources and requisite skills to address the persistent challenges associated with agriculture, land reform and rural development in South Africa.

Accordingly, over the medium term, the department was expected to focus on: providing redress and equitable access to land, increasing food security and creating employment in the agricultural sector, improving agricultural production, developing the agricultural value chain through greater market access, and promoting an inclusive rural economy.

Providing redress and equitable access to land

The DALRRD's focus on providing redress and equitable access to land is far reaching in that these provisions contribute to ensuring inclusive and sustainable economic development.

The One Household, One Hectare initiative is aimed at providing landless South Africans with access to land and promoting agrarian transformation. The initiative aims to support rural enterprises by creating smallholder producers, who will, in turn, supply their produce to agri-parks in poor districts in the country and other densely populated areas. In this regard, the department aimed to acquire about 312 218 hectares of strategically located land, and provide agricultural inputs and infrastructure to make resettled farms productive.

Increasing food security and creating employment in the agricultural sector

Over the period ahead, the department is expected to focus on food security, job creation and increasing the agriculture sector's contribution to the gross domestic product. In this regard, the department's interventions over the medium term will involve increasing support to subsistence, smallholder and black commercial farmers through the Fetsa Tlala food production initiative, which is funded through the Ilima/Letsema projects grant.

As part of the initiative, in each year over the Medium Term Expenditure Framework (MTEF) period, 145 000 subsistence and smallholder producers are expected to be supported with agricultural inputs and the mechanisation of farms, and 120 000 hectares of productive land are expected to be planted.

In 2020/21, the department plans to conduct a survey aimed at setting the baseline for poverty, vulnerability and food insecurity in South Africa. This project will be undertaken as part of the department's continued involvement in the regional vulnerability assessment committee of the Southern African Development Community (SADC).

Funds from the Comprehensive Agricultural Support Programme grant over the period ahead will be used to provide subsistence, smallholder and commercial farmers with infrastructure in the areas of grain, livestock and horticultural production. These farmers will also be assisted with infrastructure, in particular agro-processing infrastructure, both on and off farms. Funds from the grant will be used to revitalise provincial agricultural colleges, and recruit and train extension officers as well as for the placement of unemployed agricultural graduates in commercial farms in all provinces.

To streamline the provision of agricultural finance, the department was expected to transfer R1.2 billion over the MTEF period to the Land and Agricultural Development Bank of South Africa, to enable the bank to offer blended finance (a combination of government grants and loans at cheaper rates) to emerging black farmers in the Black Producer Commercialisation Programme. The aim is to create a projected 450 black commercial farmers in each year over the period ahead.

Improving agriculture production and food safety

The DALRRD ongoing objective is to increase its capacity to respond to biosecurity threats and ensure food safety in South Africa, strengthen animal and plant health, and improve inspection and laboratory services. This includes local and international surveillance of specific animal and plant diseases, especially in areas where there is a prevalence of foot-and-mouth (FMD), ovine rinderpest and Newcastle disease.

Over the medium term, the department is expected to implement microbial and antimicrobial monitoring, and all relevant pathogen reduction programmes. Other activities include conducting inspections of facilities that produce food of animal origin.

Developing the agricultural value chain through greater market access

Over the period ahead, the DALRRD plans to continue monitoring the implementation of the SADC-European Economic Partnership Agreement, which commenced in October 2016. The agreement has already provided new and greater market access for about 32 South African agricultural products including sugar, flower varieties, fruit and wine.

The department will also ensure that primary product commodities are converted into value-added products, and that there is domestic and international market access for South African agricultural products. The availability of an integrated system to identify and trace livestock and other products of animal origin will provide the local agriculture industry with the necessary credibility for improving and expanding market access.

Promoting an inclusive rural economy

The department's ongoing commitment is to promote inclusive economic growth, broadly, and an inclusive rural economy, specifically. This commitment is realised through activities carried out in the Rural Development Programme, which is expected to benefit rural enterprises and farmer production support units through the provision of infrastructure and inputs, both on and off farms.

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. Its broader mandate is to promote: the equitable ownership of agricultural land, particularly by historically disadvantaged people; agrarian reform, land redistribution or development programmes for historically disadvantaged people; land access for agricultural purposes; productivity, profitability, investment and innovation in agriculture; the growth of agricultural sectors and better use of land; rural development and job creation; commercial agriculture; and food security.

Agricultural Research Council (ARC)

The ARC was established in terms of the Agricultural Research Act of 1990 and is the main agricultural research institution in South Africa. The council's primary mandate is to conduct research, and develop and effect the transfer of technology to promote agriculture and industry, contribute to a better quality of life, and facilitate and ensure the conservation of natural resources.

Over the MTEF period, the ARC was planning to construct a FMD vaccine production facility at a cost of R400 million in Onderstepoort, Gauteng, to reduce reliance on imports.

KwaZulu-Natal Ingonyama Trust Board

The KwaZulu-Natal Ingonyama Trust Board is a land management agency that ensures that commercial activity on communal land is developmental and beneficial to local communities. The KwaZulu-Natal Ingonyama Trust Act of 1994 provides for the 2.8 million hectares of land spread across KwaZulu-Natal to be held in trust and managed on behalf of communities.

National Agricultural Marketing Council

The National Agricultural Marketing Council was established in terms of Section 3 and 4 of the Marketing of Agricultural Products Act of 1996. The council is mandated to investigate the establishment, continuation, amendment or revocation of statutory measures affecting the marketing of agricultural products; and evaluate the desirability, necessity or efficiency of these statutory measures. It is also mandated to, if necessary, propose alternatives to the establishment, continuation, amendment or repeal of a statutory measure, and report to and advise the Minister accordingly.

Office of the Valuer-General

The Office of the Valuer-General values all land to be acquired for land reform purposes, in accordance with a defined set of criteria based on section 25(3) of the Constitution, to ensure fair and equitable prices.

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

Onderstepoort Biological Products

Onderstepoort Biological Products was established as a public entity in terms of the Onderstepoort Biological Products Incorporation Act of 1999, with government as its sole shareholder. The entity's mandate is to prevent and control animal diseases that affect food security, human health and livelihoods through the continued development and efficient manufacturing of innovative animal-related pharmaceuticals (including vaccines) and related products.

Perishable Products Export Control Board

The Perishable Products Export Control Board is an independent service provider of 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 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.

It also derives its mandate from 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 Registration of Deeds Trading Account makes provision for the administration of the land registration system and the registration of rights in land. It requires that deeds and documents are prepared and lodged in the deeds registry by a conveyancer or public notary, and are scrutinised for accuracy and compliance with common law, case law and statutory law. The main goal of the trading account is to contribute to effective land planning, administration and property registration.