



AGRICULTURAL POLICY STATEMENTS

Agriculture as a point of debate

Agriculture and agriculture-related matters are not only of interest to farmers and people who wish to become involved in agriculture, but also affect the daily lives of every individual in our society. It is therefore obvious that political parties will express opinions and adopt views on agricultural issues. Equally important is that the voice of those within the sector be heard so that relevant viewpoints, including how policy, legislation and programmes should be implemented within agriculture, can also be discussed in the public domain. This is particularly important in the run-up to an election when political parties tend to inform the electorate more intensively regarding their ideals and goals.

To this end Agri SA deems it fit to highlight a number of agricultural viewpoints on which political parties should provide farmers and the general public with their opinions. Agri SA will discuss and debate these and related views with all political parties.

Profitability and competitiveness

- Role players in agriculture and the food value chain need a clear and equitable agricultural trade, tariff and marketing policy within the context of the international market environment, which is being distorted due to the protection and subsidies provided by certain governments. Such a policy dispensation should contribute towards agricultural development and improved national food security.
- An adequate rural road, rail and telecommunication infrastructure is a priority for the development and competitiveness of agriculture. Deterioration of certain infrastructure increases costs and could result in serious problems when handling exportable surpluses or essential imports. A need-driven infrastructure programme, backed by state assistance, is required for this purpose.
- Administered prices have a significant effect on the cost structure of agriculture. Price determination mechanisms must be more transparent and should balance cost recovery with development and affordability considerations.

- The local farming industry is exposed to significant climate risks, which justify more comprehensive and meaningful support programmes than is currently available. The effective administration of such schemes to ensure timely and sufficient assistance should also enjoy attention.
- Primary producers as role players in the food chain are increasingly being marginalised due to monopolistic or related practices, which hamper competition. While the market mechanism for pricing purposes must remain in place, there should be greater transparency in terms of price forming and market access practices in the food value chain, backed by consistent enforcement of competition legislation.
- Technology development and transfer, as well as an effective dispensation to regulate plant and disease control, is a prerequisite for the development of the industry. The identification of problems and development of an appropriate policy for service delivery, financing and co-operation must take place in close consultation with role players within the sector.
- The agricultural dimensions of the integration of Southern African economies must be taken into consideration with the development of the local farming industry.
- Tax demands, such as property rates, should in terms of acceptable tax principles take into consideration the sector's ability to pay.

Land redistribution, farmer development and Broad-based Black Economic Empowerment

- The continued participation of existing commercial farmers in agriculture who wish to continue farming amid the transformation process, must as far as practically possible not be hindered or negatively affected as a result of government intervention.
- For the sake of greater certainty and trust, there should be clarity and transparency regarding transformation targets and the future thereof.
- The land redistribution process and broadening of access to other natural resources must be implemented with transparency within the context of recognising property rights, fair compensation and the retention of production potential. There are concerns in certain areas regarding concealed expropriation without compensation, with resultant loss of property rights.
- The state should use market value as norm when acquiring land for land redistribution purposes. This also applies to expropriation – which should

serve as last resort for land acquisition when *bona fide* negotiations have failed – bearing in mind that land owners should have access to courts for rulings regarding the purpose of land acquisition as well as for price determination.

- Ineffectiveness and administrative irregularities in state structures, which hamper progress with land procurement and transfer, are major obstacles within the redistribution programme and should be urgently addressed and rectified.
- Completion of the restitution process is being delayed by red tape and a lack of transparency. In various provinces the delay in finalising land claims hampers progress with the redistribution programme because land that is subject to a claim cannot be disposed of, sub-divided or developed. This also discourages essential investment in agricultural production and already has a negative impact on food production.
- The contribution that agriculture makes in terms of job opportunities and food security must be appropriately valued in the transformation process and should not be hampered by poor administration and pursuing unrealistic targets.
- A credible database on the status of ownership of land as well as farming businesses must be created and maintained and should include statistics regarding free market transactions which contributes towards transformation. It should provide timely information whereby progress with redistribution programmes in agriculture can be evaluated.
- Local forums inclusive of interested parties should be used to identify land for redistribution purposes, to identify beneficiaries and to mobilise development funding.
- The seamless transfer of land to beneficiaries requires better planning and careful implementation so that agricultural production is maintained and enhanced in the process. This challenge must be tackled by the state in collaboration with role players such as organised agriculture.
- A holistic approach must be followed regarding development funding, based on total cost of a project as stipulated in a business plan. The state should use accredited agencies with proven knowledge to assist them in this regard.
- The Land Bank should play a key role in providing development finance. For this purpose the government should continue with the necessary steps to restore the integrity and credibility of the bank, also on the part of

commercial farmers whose confidence and participation are essential to enable the bank to fulfil its mandate.

- The state must financially support those organisations and individuals involved with successful farmer development programmes.
- The AgriBEE process must be implemented with due regard to the small-business profile of commercial agriculture, in line with what is envisaged for other small-business enterprises in the general BEE codes for best practice. Incentives should be used to assist exempted and qualifying small-business operations in agriculture with development programmes.

Labour and social upliftment functions

- The state should have a range of “off-farm” housing options for farm workers and their dependants, including housing for poor “rural dwellers”, in order to meet the long-term tenure security needs of such people. Agricultural landowners should not be burdened with government responsibilities regarding housing for the poor.
- Claims to on-farm tenure should be linked to the provision of labour for production purposes on such a farm. Farm worker housing on farms should be of an acceptable standard and landowners should have access to government support for this purpose.
- It is the state’s responsibility to ensure that an effective, affordable and practical statutory mechanism is in place to prevent unlawful occupation of land from undermining property rights as enshrined in the Constitution. In cases where land is invaded, government must take strong action to protect the rights of the landowner by the immediate removal of illegal occupiers.
- Within the parameters of the law, evictions from farms should be possible.
- Government down to local level should work in close partnership with farmers within organised agriculture context with regard to development initiatives aimed at the farm worker community, especially with a view to training, sport and recreation, nutrition and health care.
- Immigration control should be improved, not only to protect local job opportunities but also to relieve the pressure on health and social service systems and also to prevent social unrest.

Environmental and sustainability considerations

- South Africa's agricultural resources represent a national asset, which should be used optimally for competitive and sustainable food and fibre production. Such resources should therefore be effectively protected, but bearing in mind what should be regarded from a development perspective as a healthy balance in terms of aspects such as sub-division, changed land-use status, granting of mining permits and pollution control.
- Legislation relating to the environment, as well as the implementation of policy, strategies and regulatory aspects, are sometimes confusing and deficient. This should be addressed, simplified and implemented in such a way that interested organisations and affected parties can contribute optimally to environmental objectives. Co-ordination between different laws, regulations and implementation agencies should also be improved.
- Training and retention of professional expertise for the sustainable management, protection and development of natural resources should be a priority.
- Pollution control, especially with regard to water, should be a national priority. The situation in terms of food safety and disease control is assuming crisis proportions. Aspects such as better control over the waste generated by informal settlements and inadequate water purification by local authorities should receive priority attention.
- The purposeful development and implementation of a renewable energy policy and strategy, which will limit the carbon footprint and counteract climate change, should receive attention. This will, among other things, require attention to Eskom's monopoly in terms of electricity provision and access to its distribution network as well as determining a tariff structure for independent small-scale power generators. This will contribute towards addressing electricity problems and open up opportunities for "energy farmers".

Safety and security

- There is a culture of violence and lack of respect for life and property in South Africa. The problem manifests in crimes with a high incidence of brutality. Agri SA expect from government to implement an integrated crime prevention and management plan, which includes all state departments, whereby crime-fighting can be managed effectively in a co-ordinated manner at all government levels. This includes a streamlined criminal justice system.

- Rural communities have a particular need for a more effective sector policing system for which manpower and equipment are needed. The dispensation for reservists must make it possible for volunteers within civil society to be incorporated to a greater extent into the police service than is currently the case.
- Purposeful action is needed to eliminate corrupt elements in the police service and to maintain a satisfactory level of service delivery.
- Ensuring the integrity of South Africa's borders in a strict and consistent manner is of great importance for trade, disease control, safety and crime-fighting as well as the imperative to protect the right of landowners to utilise their land without undue cross-border interference or constraints. Shortcomings in this regard must be urgently addressed.

Balanced policy making

During an era in which South Africa for the first time became a net importer of food and where food prices are becoming central to the political debate, all political parties are compelled to apply wisdom and fresh ideas in rethinking their attitude, views and policy regarding agriculture. A successful agricultural industry and food security in South Africa cannot be taken for granted and care should therefore be taken not to subject it to uninformed policy statements or to distorted implementation programmes. Excessive focus on the industry's transformation challenges and social functions, to the detriment of its core functions, namely competitive and sustainable food production, detracts from the ability of the sector to perform optimally. In this regard South Africa has a neighbour as a case study of where an ideologically driven approach to agriculture could lead.

Agri SA has confidence in our democratic dispensation to accept the correct policies and enforce it in such a way that agriculture will flourish and make its full contribution towards feeding and developing the people of South Africa.