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**BELEIDSKOMITEE  
POLICY COMMITTEE**

Agri SA Annual Report 2013 | 2014

# Natuurlike Hulpbronne Natural Resources

Dan Kriek is die voorsitter van die Natuurlike Hulpbronne Beleidskomitee. Hy word bygestaan deur Dr Leon van Rooyen as ondervoorsitter en Wayman Kritzinger as addisionele lid. Nic Opperman is die funksionaris.

## WATERSAKE

### Hersiening van die Nasionale Waterbeleid

**D**ie Departement van Waterwese (DWA) het die voorgestelde wysigings aan die Nasionale Waterbeleid op 30 Augustus 2013 in die Staatskoerant vir kommentaar gepubliseer. Die beleidsdokumente wat die waterwetgewing tans rugsteun, dit is die Witskrif op Watervoorsiening en Sanitasie (1994), die Witskrif op die Nasionale Waterbeleid vir SA (1997), die Witskrif op Basiese en Huishoudelike Sanitasie (2001) en die Witskrif op die Strategiese Raamwerk vir Waterdienste (2003), word hersien.

Die bedoeling is om bogenoemde beleidsrigtings in een witskrif te konsolideer en beleidsgapings in toekomstige wetgewing te oorbrug. Die oogmerk is verder om die Nasionale Waterwet en die Wet op Waterdienste in een wet te konsolideer, met ander woorde, die integrasie van die totale water-waardeketting.

Toepaslikheid vir besproeiing van die voorgestelde wysigings:

- Die 'use it or lose it'-beginsel is van toepassing. Water wat vir 'n bepaalde tydperk nie gebruik word nie, word na die openbare trust sonder vergoeding geallokeer;
- Die minister sal hertoedeling doen om sosiale- en ekonomiese gelykheid te bereik;
- Die minister sal tydsraamwerke en die metodologie goedkeur wanneer bestaande wettige watergebruik eindig en gebruikers vir lisensies aansoek moet doen;
- 'n Moratorium word geplaas op die verhandeling van watergebruiksregte sowel as die tydelike en permanente oordrag van watergebruiksregte tussen gebruikers. Die waterregte wat op hierdie wyse bekom word, sal aan die openbare trust oorgedra word;
- Die minister het die diskresie om waterregte toe te ken volgens die transformasie- en ontwikkelingsdoelwitte van die regering – dit versterk dus die 'use it or lose it'-beginsel;
- Besluitneming oor die hertoedeling van watergebruiksregte moet gelykheid as primêre oorweging bevorder;
- Die totstandkoming van 'n ekonomiese reguleerder oor die totale water-waardeketting dui op 'n sterk inslag van sosiale regulering;
- Die instelling van streekswater-instellings vir 'bulk water supply' word voorsien;
- Die rol en funksies van watergebruikersverenigings (WUA's) word ingeperk – opvanggebiedbestuursagentskappe (CMA's) sal die funksies vervul. Die minister sal 'n datum aankondig wanneer die WUA's se funksies verbandhoudend met staatswater-infrastruktuur gedelegeer sal word na CMA's of die te stigte



Dan Kriek

Die Departement van Waterwese het ondersoek gedoen na die instelling van 'n nasionale besproeiingstarief, maar het ná deeglike evaluering daarvan afgesien.

The Department of Water Affairs had inquired into the introduction of a national irrigation tariff, but after thorough evaluation, abandoned the idea.



Dan Kriek is the chair of the Natural Resource Policy Committee. He was assisted by Dr Leon van Rooyen as vice chairman and Wayman Kritzinger as additional member. Nic Opperman served as functionary.

## WATER AFFAIRS

### Review of the National Water Policy

**T**he Department of Water Affairs published the proposed amendments to the National Water Act in the Government Gazette on 30 August 2013. The policy documents that currently support the water legislation, i.e. the White Paper on Water Provision and Sanitation (1994), the White paper on the National Water Policy for SA (1997), the White Paper on Basic and Household Sanitation (2001) and the White Paper on the Strategic Framework for Water Services (2003), are being reviewed.

The intention is to consolidate the above-mentioned policy documents into one White Paper and to bridge policy gaps in future legislation. The aim is also to consolidate the National Water Act and the Water Services Act into one piece of legislation, i.e. integration of the total water value chain.

The proposed amendments for irrigation have the following relevance:

- The use-it-or-lose-it principle is applicable. Water that is not used for a specific period is allocated to the public trust without compensation being payable;
- The minister will reallocate water to achieve social and economic equality;
- The minister will approve time frames and the methodology when existing legal water use ends and users have to apply for licences;
- A moratorium is placed on trading in water use rights, as well as the temporary and permanent transfer of water use rights between users. The water rights acquired in this way will be transferred to the public trust;
- The minister has the discretion to allocate water rights according to the transformation and development objectives of the government – thus strengthening the use-it-or-lose-it principle;
- Decision-making regarding the reallocation of water use rights must promote equality as primary consideration;
- The establishment of an economic regulator over the total value chain serves as a strong indication of social regulation;
- The introduction of regional water utilities for bulk water supply is envisaged;
- The role and functions of water user associations (WUAs) are restricted – catchment management agencies (CMAs) will perform these functions. The minister will announce the date when the WUAs' functions relating to state water infrastructure will be delegated to CMAs or the proposed regional water utilities;
- Appeal functions are integrated with the National Environmental Management Act (NEMA), namely a process of mediation;

streekswater-instellings;

- Appél-funksies word met die Nasionale Omgewingsbestuurswet (NEMA) geïntegreer, naamlik 'n proses van mediasie;
- Die minister kan 'n onafhanklike paneel aanwys om oor dispute te adviseer; en
- Waar mediasie nie 'n oplossing bied nie, kan dit vir arbitrasie verwys word.

Agri SA en ander groeperinge in die water-waardeketting het omvattende kommentaar op die voorgestelde beleidsveranderinge gelewer. Die kommentaar het egter nie enige noemenswaardige wysigings aan die voorgestelde waterbeleid teweeggebring nie, aangesien die genoemde beginsels deur die Kabinet goedgekeur is. Die voorgestelde wetswysigings wat die beleidsveranderinge sal weerspieël, word vir kommentaar in die Staatskoerant afgewag en sal aan die openbare parlementêre prosesse onderhewig wees.

### Watertariefbedeling 2014/2015

Agri SA het deelgeneem aan die jaarlikse watertarief-konsultasievergaderings van die Departement van Waterwese (DWA) op 10 en 17 September 2013.

Gegewe sake wat na vore gekom het tydens hierdie vergaderings, is die volgende aangeleenthede aan die DWA voorgelê. Dié aangeleenthede het meestal nog nie aandag geniet nie:

- Die behoefte aan deursigtigheid ten opsigte van die berekening van tariewe, verkieslik 'n nul-begrotingbenadering;
- Duidelikheid oor die metodiek wat gebruik word met die oog op berekening van toekomstige tariewe wat deel moet vorm van die hersiening van die Prysstrategie vir Rouwatergebruiksvorderings;
- Die DWA moet skuldverhaling opskerp en die verhaling van (swak) skuld verbeter, asook verslagdoening daarvoor aan belanghebbendes. Swak skuld sal ongetwyfeld 'n impak hê op toekomstige tariefstrukture – 'n situasie wat aandag moet geniet;
- Poste wat blykbaar reeds vir 'n aantal jare vakant is, vorm waarskynlik deel van die tariefberekening. Indien koste in hierdie verband nie materialiseer nie, sal die reserwes wat sodanig opgebou word 'n dempende effek op toekomstige tarieftoenames hê;
- Depresiasiekoste word in wese reserwes wat geskep word vir toekomstige kapitaalluitgawes (CAPEX). Reservering van dié fondse is noodsaaklik;
- Die DWA moet beleidsuitwysings en operasionele aangeleenthede ten opsigte van watergebruikerverenigings (WUA's) finaliseer en opvanggebiedsbestuursagentskappe (CMA's) as 'n saak van dringendheid implementeer. Hierdie instellings kan 'n waardevolle bydrae lewer tot deursigtigheid van tariefstrukture en doeltreffende bestuur van waterhulpbronne; en
- Kommunikasie met WUA's moet opgeskerp word, veral met die oog op korrekte faktureringsprosedure.

Agri SA het die DWA gevra om indiepte-aandag aan hierdie kwessies te gee, veral wat die volhoubaarheid van die besproeiingsektor betref. Faktore wat in hierdie verband oorweeg moet word, sluit in die negatiewe ruilvoet tussen produsentepryse en watertariewe, wat blykbaar

- The minister may appoint an independent panel to advise on disputes; and
- Where mediation does not produce a solution, the matter may be referred for arbitration.

Agri SA and other groupings in the water value chain have commented extensively on the proposed policy changes. The commentary, however, failed to bring about any significant changes to the proposed water policy since the above-mentioned principles had been approved by the Cabinet. The proposed amendments that will reflect the policy changes are being awaited for commentary in the Government Gazette and will be subject to the parliamentary processes.

### Water tariff dispensation 2014/2015

Agri SA participated in the annual water tariff consultation meetings of the Department of Water Affairs (DWA) held on 10 and 17 September 2013.

In the light of matters transpired at the meetings, the following issues were submitted to the DWA, which currently remains largely unresolved:



'n uiters negatiewe impak op die winsgewendheid van die besproeiingssektor het. Agri SA het die Departement van Waterwese (DWA) versoek dat:

- Stygings vir die waterinfrastruktuur- en waterhulpbronbestuurskoste tot 5.79% (VPI – April) beperk word;
- 'n Beperking van 20% op die stygings van die waterinfrastruktuurkoste geplaas word in dié gevalle waar staatswaterskemas moet beweeg na die volle verhaling van die onderhoud- en bedryfskoste, soortgelyk as die bedeling wat tans van toepassing is.

Agri SA het die Departement daarop attent gemaak dat hul aanname om die jaarlikse Producenteprys-indeks (PPI) intern te bereken foutief is, aangesien dié berekening op 'n nasionale grondslag van toepassing behoort te wees.

Terugvoering word afgewag.

### Hersiening van die prysstrategie vir gebruiksvorderings op rouwater

Die Departement van Waterwese (DWA) het met belangegroepes oor die hersiening van die Prysstrategie vir Water samesprekings gevoer. Die oogmerk om 'n befondsingsmodel en die moontlikheid om 'n ekonomiese reguleerder in plek te stel, is egter op koers.

Die Departement het ondersoek gedoen na die instelling van 'n nasionale besproeiingsstarief, maar het ná deeglike evaluering daarvan afgesien. Die beginsel van 'n opvanggebiedskematief blyk steeds die beste oplossing te bied.

Die Departement is egter ten gunste van die volle verhaling van koste (onderhoud en bedryf), insluitend die kapitaal en rente op bestaande en nuwe skemas. Agri SA het in sy kommentaar versoek dat verdere ondersoek gedoen moet word na die totale fiskale uitwerking van die onderskeie besproeiingskemas om 'n beter prentjie van die direkte en indirekte skaalvoordele vir die regering ten opsigte van belasting, uitvoerverdienste ens. te bekom. Volle verhaling van koste kan dubbele belasting tot gevolg hê, waarvan 'n regering hom moet van vergewis, aangesien dit sosio-ekonomiese implikasies inhou. Die verwagting is dat geteikende subsidies in die toekoms via die Departement van Landbou, Bosbou en Visserye (DAFF) en die Nasionale Tesourie beding moet word. In 'n skrywe het dié departement die problematiek met sodanige benadering aan die DWA uitgewys. Verdere gesprek in hierdie verband sal by die Forum vir Hoof-uitvoerende Beamptes in die Landbousektor (CEO Forum) van DAFF plaasvind.

Die 'Waste Discharge Charge System' (WDCS) word opnuut ondersoek. Twee tariewe word voorsien, naamlik 'n 'Waste Discharge Levy' en 'n 'Waste Mitigation Charge'. Die toepassing hiervan op besproeiing is ietwat onseker, vanweë die landbou se nie-punt-bron-besoedeling-karakter. Die instelling van 'n 'Future Infrastructure Build Charge' (FIBC) word egter ook op die besproeiingslandbou voorsien en sal oor 'n periode van 10 jaar ingefaseer word. Dié heffing sal die opbrengs op

Agri SA requested the Department of Water Affairs to place a limit of 20% on water infrastructure cost increases in those cases where state water schemes must move towards full recovery of maintenance and operating costs, similar to the dispensation currently applicable.



- The need for transparency on the calculation of tariffs, preferably a zero budget approach;
- Clarity on methodologies used with a view to calculation of future tariffs, which should form part of the review of the Pricing Strategy for Raw Water Use;
- The need for the DWA to step up on revenue collection and improvement on (bad) debt collection and the reporting thereof to stakeholders. Undoubtedly bad debts would have an impact on future tariff structures, a situation which should be rectified;
- Vacant posts apparently being vacant for a number of years most likely did form part of tariff calculations. If costs in this regard did not materialise, reserves so created should be calculated in future tariff increases;
- Essentially depreciation charges are reserves created for future capital expenditure (CAPEX). Ring fencing in this regard should be affected;
- The DWA should finalise policy directives and operational matters in relation to water user associations (WUAs) and catchment management agencies (CMAs) (to be implemented) as a matter of urgency. These institutions could make a meaningful contribution towards the transparency of tariff structures and effective management of water resources; and
- Communication with WUAs needs to be stepped up especially with a view to correcting invoicing procedures.

Agri SA urged the DWA to pay in-depth attention to these matters, especially with regard to the sustainability of the irrigation sector. Factors to be considered in this regard include the negative terms of trade between producer prices and water tariffs, which seem to have an extremely detrimental impact on profitability in the irrigation sector.

Agri SA requested the Department of Water Affairs to:

- Limit increases in water infrastructure and water resource management costs to 5.79% (CPI – April 2014); and
- To place a limit of 20% on water infrastructure cost increases in those cases where state water schemes must move towards full recovery of maintenance and operating costs, similar to the dispensation currently applicable.

Agri SA pointed out to the department that their assumption to calculate the annual producer price index (PPI) internally was incorrect because this calculation should be applicable on a national basis.

Feedback was awaited.

### Review of the Pricing Strategy for Raw Water Use Charges

The Department of Water Affairs (DWA) has consulted with interest groups regarding the revision of the pricing strategy for water. A funding model and the possibility of establishing an economic regulator, however, are being considered.

The Department had inquired into the introduction of a national irrigation tariff,

kapitaalheffing (ROA) vervang, waarvan die landbou voorheen uitgesluit was. Die konsep-prysstrategie word vir kommentaar in die Staatskoerant afgewag.

### Waterkwaliteit

Die bevindinge van die Waternavorsingskommissie (WNK) se studie oor waterkwaliteit en voedselveiligheid wek ernstige kommer by Agri SA. Die verslag bevestig die organisasie se vermoede dat rivierwater wat vir besproeiing gebruik word, nie deurgaans aan die vereiste standaard van die Wêreldgesondheidsorganisasie (WGO) voldoen nie. Dit is veral bakteriese en virologiese besoedeling afkomstig van onverwerkte rioolafval wat potensiële gesondheidsrisikos vir gebruikers van varspprodukte kan inhou wat met besoedelde water besproei word.

Agri SA het reeds in 2009 die organisasie se kommer oor waterkwaliteit onder die voormalige Minister van Waterwese se aandag gebring. Daarbenewens is die Nasionale Ekonomiese-, Ontwikkelings- en Arbeidsraad (NEDLAC) se verslag oor waterkwaliteit in 2011 ook aan minister Edna Molewa beskikbaar gestel. Dit dui daarop dat die bakteriese en virologiese patogene in waterhulpbronne teenwoordig heel bo aan die lys van besoedelingselemente verskyn en – benewens die ander besoedelingselemente – 'n groot bedreiging vir mens- en dieregesondheid, die ekonomie asook die samelewing inhou.

Die Departement van Waterwese gee in die Nasionale Waterhulpbron-

but after thorough evaluation, abandoned the idea. The principle of a catchment area scheme tariff still seems to offer the best solution.

The DWA, however, is in favour of recovering the full (maintenance and operating) cost, including capital and interest, on the existing and new schemes. In its commentary, Agri SA asked that further inquiries be conducted into the total fiscal impact of the respective irrigation schemes in order to get a better picture of the direct and indirect economies of scale for the government in respect of taxation, export earnings etc. Full recovery of costs could result in double taxation, which the government should be aware of since it holds socio-economic implications. Expectations are that targeted subsidies will have to be negotiated via the Department of Agriculture, Forestry and Fisheries and the National Treasury in future. In a letter to the Department of Water Affairs, this department pointed out the problem with such an approach. Further discussion in this regard will take place at the Department of Agriculture, Forestry and Fisheries' Forum of Chief Executive Officers (CEO Forum) in the agricultural sector.

The Waste Discharge Charge System (WDCS) is being re-examined. Provision is made for two tariffs, namely a Waste Discharge Levy and a Waste Mitigation Charge.

The application of this to irrigation is somewhat uncertain, given agriculture's non-point-source-pollution character. The introduction of a Future Infrastructure Build Charge (FIBC), however, is also envisaged for irrigation farming and will be phased in over a period of 10 years. This charge will replace the return on capital levy (ROA), from which agriculture was previously excluded.

The draft pricing strategy is awaited for commentary in the Government Gazette.

### Water quality

The findings of the Water Research Commission (WRC) study on water quality and food safety are a source of concern for Agri SA. The report confirms the organisation's suspicions that river water used for irrigation purposes does not always meet the required standards of the World Health Organisation (WHO). In particular, bacterial and viral pollution resulting from unprocessed sewerage could potentially pose health risks to consumers of fresh market produce.

Agri SA brought the organisation's concern over water quality to the attention of the former Minister of Water Affairs in 2009. In 2011 the National Economic Development and Labour Council (NEDLAC) report on water quality was also made available to Minister Edna Molewa. It indicated that the bacterial and viral pathogens present in water resources appeared at the top of the list of polluting elements and, in addition to other polluting elements, posed a huge threat to human and animal health, the economy as well as society.

In the National Water Resource Strategy (NWRS-2) of June 2013, the Department of Water Affairs recognises water quality as one of the biggest challenges: "Communities are at high risk of being affected by waterborne diseases when drinking water directly from the river without any treatment and using the water for recreation, washing and irrigation purposes."



strategie (NWRS-2) van Junie 2013 erkenning daaraan dat waterkwaliteit een van die grootste uitdagings is. "Communities are at high risk of being affected by waterborne diseases when drinking water directly from the river without any treatment and using the water for recreation, washing and irrigation purposes".

Agri SA het by die "Strategic Water Partners Network Forum" (SWPN) ingeskakel, wat ten doel het om die watergaping teen 2030 te oorbrug. Die Minister van Watersake ondersteun die werksaamhede van die SWPN, so ook die "The New Partnership for Africa's Development" (NEPAD) se Besigheidstigting en die Wêreld Ekonomiese Forum (WEF). Belangegroep in die privaatsektor stel hul kapasiteit en kundigheid beskikbaar met die oog op die verbetering van waterkwaliteit.

Benewens hierdie aksies vorm Agri SA deel van die Waternavorsingskommissie se opvolgstudie om metodes te ondersoek waarop water vir besproeiing sodanig gesuiwer kan word om aan die voorgeskrewe gesondheidsvereistes te voldoen.

### Regsmening oor watergehalte

Agri SA het regsadvies ingewin oor die regsposisie van besproeiers wat betref watergehalte en voedselveiligheid as gevolg van bevindinge van die studie wat die Waternavorsingskommissie uitgevoer het. Die fokus sal nie op litigasie as sodanig wees nie maar eerder op onderhandeling met die Regering met die beste moontlike inligting wat beskikbaar is.

Vir hierdie doel het Agri SA vir duidelikheid gevra oor die Regering se verantwoordelikhede ingevolge artikel 27 van die Grondwet sowel as die betrokke artikels in die Nasionale Waterwet. Ons het veral duidelikheid nodig oor die moontlikheid dat die regering sy kontraktuele verantwoordelikhede teenoor besproeiers nie nakom nie. Ons wil daarom 'n regsmening inwin oor die moontlikheid van sukses om hierdie probleem behoorlike aandag te gee.

Die risiko dat besproeiers biologies besmette water gebruik (Wet op Verbruikersbeskerming, CPA) moet ook bepaal word. Die evaluering van die Wet op Munisipale Finansiële Bestuur (MFMA) is ook nodig ten opsigte van die toepassing van fondse en hoe die reëls moontlik aangepas kan word om besoedeling te verhoed waar besproeiers benadeel word. Ter opsomming: Agri SA moet ingelig wees oor die betrokke aksies wat hy kan neem en die kansen dat litigasie suksesvol sal wees indien hy daarmee sou voortgaan.

Die regsmening in verband met die CPA het aangedui dat boere blootgestel word aan die risiko om aanspreeklik gehou te word vir liggaamlike beserings, sterftes en/of siektes van 'n natuurlike persoon en enige gevolglike ekonomiese verlies, tensy die verbruiker kan bewys dat sodanige besering, sterfte en/of ekonomiese verlies veroorsaak is deur die besoedelde water wat gebruik is vir besproeiing van gewasse. Om die oorsaaklike verband tussen die skade en/of verlies wat gely word en die besoedelde water te bewys ten einde 'n suksesvolle eis teen 'n boer (verskaffer en/ of produsent) ingevolge artikel 61 van die CPA in te stel, sal na hul mening en in

Die Departement van Waterwese gee in die Nasionale Waterhulpbronstrategie (NWRS-2) van Junie 2013 erkenning daaraan dat waterkwaliteit een van die grootste uitdagings is.



Agri SA forms part of the Strategic Water Partners Network Forum (SWPN), which aims to bridge the water gap by 2030. The Minister of Water Affairs supports the activities of the SWPN, as does the New Partnership for Africa's Development (NEPAD) Business Foundation and the World Economic Forum (WEF). Interest groups in the private sector have made their capacity and expertise available with a view to improving water quality.

Besides these actions, Agri SA also forms part of the Water Research Commission's follow-up study to look at methods whereby water for irrigation can be purified to meet the prescribed health requirements.

### Legal opinion on water quality

Agri SA approached legal advice on the legal position of irrigators on water quality and food safety as a result of the findings of the study by the Water Research Commission (WRC) on food safety and water quality. The focus will not be on litigation per se but rather to negotiate with government with the best information available.

For this purpose Agri SA requested clarity on government's responsibilities in terms of both section 27 of the Constitution and the relevant sections of the National Water Act. We particularly need clarity on the possibility that government is breaching its contract responsibilities to irrigators. We therefore seek legal opinion on the possibility of success to address these problems.

The risks of irrigators using biologically contaminated water in relation to the Consumer Protection Act (CPA) are also required. The evaluation of the Municipal Finance Management Act (MFMA) is also needed in respect of the application of funds and how the rules could possibly be amended to prevent pollution where irrigators are prejudiced. The problems foreseen in terms of proving the causality between pollution and impairment should also form part of the opinion. In summary: Agri SA needs to know of the applicable actions we could follow and the chances of success, should we decide to litigate.

The legal opinion pertaining to the CPA indicated that farmers are exposed to the risk of being held liable for personal injury, death and/or illness of a natural person and any resultant economic loss, provided the consumer is able to prove that such injury, death, illness and/or economic loss was caused by the contaminated water used for irrigation crops. Proving the causal nexus between the harm and/or damage suffered and the contaminated water will, in their opinion and in most cases – if not all – be an onerous burden for the consumer to discharge in order to succeed with a claim against a farmer (supplier and/or producer) in accordance with section 61 of the CPA.

The legal opinion on government's responsibilities in terms of section 27 of the Constitution, relevant sections of the National Water Act and the MFMA are awaited.

meeste indien nie alle gevalle, 'n erge las op die verbruiker plaas.

Die regsmeening wat betref die regering se verantwoordelikhede ingevolge artikel 27 van die Grondwet, tersaaklike artikels van die Nasionale Waterwet en die MFMA word afgewag.

### Nasionale Waterhulpbronstrategie

Die Departement van Waterwese (DWA) het die implementering van die Nasionale Waterhulpbronstrategie (NWRS-2) met Agri SA bespreek, met die fokus op die volgende:

- Die strategiese aksies gemeld in elk van die hoofstukke in hierdie strategie;
- Die implementeringsbenadering;
- Die sektor-spesifieke implementeringsplanne wat die DWA ontwikkel; en
- Om te kyk na die moontlike rol van Agri SA in sodanige implementering.

Die NWRS-2 het die volgende vyf prioriteite geïdentifiseer waarop die watersektor oor die volgende vyf jaar gaan fokus:

- Waterbewaring en wateraanvraagbestuur;
- Beplanning, infrastruktuur-ontwikkeling en die bedryf en instandhouding van waterhulpbron-infrastruktuur;
- Daarstelling van gelykheid, insluitend waterallokeringshervorming (WAR);
- Institusionele vestiging en beheer; en
- Monitoring en afdwinging van nakoming.

Die implementering van die NWRS-2 sal 'n top-prioriteit op die sakelys van die DWA-seniorbestuur en ander strategiese forums bly.

Die volgende sleutelsektore is vir spesiale aandag geïdentifiseer: plaaslike regering, landbou, die mynwyse, energie en die privaatsektor in die algemeen. Die watersektor as geheel sal ingestel moet wees op die sleutel-uitkomst en sal bewustheid moet kweek oor en aanspreeklikheid aanvaar vir doeltreffende waterbestuur binne die totale waardeketting, met water as sentrale fokus van al hul planne, en moet verslag doen oor sy vordering.

Die implementeringsplan sal geïntegreer word en in ooreenstemming gebring word met die breë strategiese doelwitte van die regering, soos uiteengesit in verskeie dokumente, veral die Nasionale Ontwikkelingsplan.

### OMGEWINGSKAKE

#### Skaliegas-ontwikkeling

Agri SA het kommentaar gelewer op die konsep-tegniese regulasies oor Petroleum Eksplorasië en Ontginning wat op 15 Oktober 2013 in die Staatskoerant gepubliseer is. Die afhandeling van die regulasies word afgewag. Die President het in sy April 2014-staatsrede melding gemaak van skaliegas-ontwikkeling as 'n 'game-changer' vir die Karoo-streek, en Minister Pravin Gordhan het in die 2014-begrotingsrede verwys na: "*Pursue the exploration of shale-gas to provide an additional energy source for our economy*".



### National Water Resource Strategy

The Department of Water Affairs (DWA) discussed the implementation of the National Water Resource Strategy (NWRS-2) with Agri SA. The discussions focused on:

- The strategic actions mentioned in each of the chapters in the strategy;
- The implementation approach;
- The sector specific implementation plans that DWA is developing; and
- The possible role for Agri SA in the implementation.

The NWRS-2 identified the following five priorities for the water sector to focus on during the next five years:

- Water conservation and water demand management;
- Planning, infrastructure development and operation and maintenance of water resources infrastructure;
- Achieving equity, including Water Allocation Reform (WAR);
- Institutional establishment and governance; and
- Compliance monitoring and enforcement.

The implementation of the NWRS-2 will remain a top priority in the agenda of senior management of DWA and other strategic forums.

The key sectors that have been identified for special attention are: local government, agriculture, mining, energy and the private sector at large. The water sector as a whole will need to be geared towards the achievement of key outcomes, promote awareness and accountability for

In die lig hiervan kan daar aanvaar word dat die Regering ernstig is om voort te gaan met die eksplorasië en ontginning van skaliegas.

Agri SA sal 'n riglyndokument opstel aan die hand van die regulasies, ook met inagneming van die wysigings aan die Minerale- en Petroleum Hulpbronne Ontwikkelingswet (MPRDA) om grondeienaars van advies te bedien oor toekomstige skakeling met die ontwikkelaars van skaliegas.

### Graslande-program

Die ingrypings ingevolge die graslande-program sluit die volgende in:

- Ondersteuning aan biodiversiteit-vriendelike vee/wild-produksiestelsels wat bevorder word deur middel van markgebaseerde meganismes

Tesame met bedryfsgroepe, ontwikkel die program tans veldbestuurriglyne en standaarde vir ekosistemo funksies met die oog op aanvaarding daarvan deur bedryfsgroepe in die rooivleis sektor. Dit sluit in die bepaling van die ekonomiese haalbaarheid van sodanig verbeterde veldbestuurpraktyke vir die ekosistemo funksie.

- Ontwikkeling van biodiversiteit-verenigbare besteparktyk-bestuurstrategie wat die behoeftes aan biodiversiteit integreer met produksie – soos geleer by demonstrasie terreine in geselekteerde gebiede

Die brand van veld en weiding is die mees invloedryke faktore in die bestuur van hierdie landskappe vir produksie sowel as biodiversiteit. Die aanwending van besteparktyk-beginsels in dié verband help om lewensonderhoud, veeproduktiwiteit op plaasvlak, biodiversiteit en ekologiese infrastruktuur te beveilig. Dit is die rede waarom die program so trots is om die *Grazing and Burning Guidelines: Managing Grasslands for Biodiversity and Livestock Production* bekend te stel.

- Hierdie publikasie bevat die primêre beginsels vir ekonomies lewensvatbare en volhoubare veeproduksie sonder om die biodiversiteit en ekosistemo van die Graslande Bioom in gedrang te bring

Die riglyne is saamgestel uit die kennis en kundigheid van verskeie ekoloë, boere, akademië, en biodiversiteits- en weidingspesialiste. As gevolg van sodanige samewerking, inkorporeer die riglyne die beste beskikbare begrip van weiding en brand van veld en konsolideer beste praktyk met 'n praktiese hulpmiddel vir bestuurders oor hoe om bestuursdoelwitte te bereik wat onderling voordelig is.

### Invloed van mynbou op die landbou

Agri SA het in April 2013 'n konferensie gehou oor mynbou en die landbou. Die Kamer van Mynwese het die konferensie toegesprek oor: *"Responsible mining development; the need for co-ordination and effective governance"*. Daar is ooreengekom dat Agri SA en die Kamer van Mynwese sal vergader om areas vir samewerking in hierdie verband te bespreek.

Tydens 'n daaropvolgende bespreking met die Kamer van Mynwese het Agri SA kennis geneem van laasgenoemde se Omgewingsbeleid-komitee wat maandeliks

The key sectors that have been identified for special attention are: local government, agriculture, mining, energy and the private sector at large.



efficient water management within the whole value chain, put water at the centre of all their plans and report on their achievements.

The implementation plan will be integrated and aligned to the broad strategic imperatives of government as outlined in various documents, especially the NDP.

## ENVIRONMENTAL MATTERS

### Shale-gas development

Agri SA has commented on the draft technical regulations on Petroleum Exploration and Extraction published in the Government Gazette on 15 October 2013. Finalisation of the regulations is awaited. In his April 2014 State of the Nation address, the President referred to shale-gas development as a 'game-changer' for the Karoo region, while Minister Pravin Gordhan said in his 2014 budget speech: "Pursue the exploration of shale-gas to provide an additional energy source for our economy."

In the light of Gordhan's recommendation it can be assumed that the government is serious about going ahead with the exploration for and extraction of shale gas.

Agri SA will compile a guideline document with reference to the regulations, also taking into account the amendments to the Minerals and Petroleum Resources Development Act (MPRDA) to advise land owners on future liaison with shale-gas developers.

### Grasslands programme

The Grasslands Programme's interventions in agriculture included the following:

- Supporting biodiversity-friendly livestock/game production systems promoted through market based mechanisms

Working with industry groups, the programme is developing rangeland management guidelines and standards for ecosystem function to be adopted by industry groups in the red meat sector. This will include establishing the economic feasibility of such improved rangeland management practices for the ecosystem function.

- Development of biodiversity-compatible best practice management strategies that integrate the needs of biodiversity with production – learning from demonstration sites in selected areas

Fire and grazing are the most influential factors in managing these landscapes for both production and biodiversity. Applying grazing and burning best-practice principles in grasslands helps to secure livelihoods, farm-scale livestock productivity, biodiversity and ecological infrastructure. It is for this reason that the programme is proud to introduce the *Grazing and Burning Guidelines: Managing Grasslands for Biodiversity and Livestock Production*.

- The *Grazing and Burning Guidelines* provide primary principles for achieving economically viable and sustainable livestock production without compromising



vergader om tersaaklike omgewingsake te bespreek.

Die moontlikheid van samewerking op strategiese vlak is genoem, wat impliseer dat skakeling ook kan plaasvind op senior vlak met die oog op bereiking van 'n konsensusstandpunt wat aan beleidsmakers voorgelê kan word.

Die verteenwoordigers van die Kamer het saam met Agri SA 'n konsep-memorandum van verstandhouding voorberei vir verdere oorweging.

**Doeltreffendheid van Suid-Afrika se omgewingsimpak-bedeling**

Agri SA het op 31 Julie 2013 praktiese voorbeelde voorgelê aan die parlementêre portefeuljekomitee vir Water en Omgewingsake oor hoe omgewingsimpaktudies in boerdery-konteks meer stroombelyn te maak, dit is:

- Strategiese beplanning om landboubeplanning en omgewingsevaluering in boerderygebiede te rig en wat saamval met belangrike omgewingseienskappe (die sogenaamde *Agri-Environmental Management Frameworks*);
- Rivier-bestuursplanne om instandhoudingsaktiwiteite en rivier-rehabilitering op 'n opvangsgebiedskaal te ondersteun; en



the biodiversity and ecosystems of the Grassland Biome.

The guidelines have been collated from the knowledge and expertise of various ecologists, farmers, academics, biodiversity and grazing specialists. As a result of this collaboration, the guidelines incorporate some of the best available understanding about grazing and burning, and consolidate best practice into a practical resource for managers on how to achieve the mutually-beneficial management objectives.

**Influence of mining on agriculture**

Agri SA held a conference on mining and agriculture in April 2013. The Chamber of Mines addressed the conference on: "Responsible mining development; the need for co-ordination and effective governance". It was agreed that Agri SA and the Chamber of Mines should meet to discuss areas of co-operation in this regard.

During a subsequent discussion with the Chamber Agri SA took note of the Environmental Policy Committee of the latter, which meets monthly to discuss relevant environmental issues.

The possibility of co-operation at strategic level was mooted, implying that liaison could also take place at senior level with a view to seeking consensus positions to be conveyed to policy makers.

- Gekombineerde of klas-toepassings wat voorsiening maak vir boere om een omgewingevalueringsproses te gebruik om aansoek te doen vir magtiging van aktiwiteite op verskillende plase of in geval van verskillende riviere.

Die komiteevoorsitter, Johnny de Lange (ANC), is van mening dat daar dalk 'n saak uitgemaak kan word om die landbou anders te hanteer as ander sektore vir doeleindes van omgewingsregulering. Hy het ook sy goedkeuring uitgespreek vir die idee van Agri-EMF's (*Agricultural Environmental Forums*).

In sy voorlegging het Agri SA spesifiek aangedui dat behoorlike skakeling benodig word tussen die verskillende regeringsvlakke wat betref die EIA-vereistes, waar dringende herstel van beskadigde infrastruktuur onderweg is as gevolg van vloedskade. Die gebrek aan koördinerende met die toepassing van die EIA-bedeling tussen die Wes-Kaapse wetgewer se omgewing- en landboudepartemente word uitgelig as 'n voorbeeld in die gebiede van George (Waboomsrivier) en Heidelberg (Duivenhoksrivier). Hierdie praktyk kan ook moontlik vertraging tot gevolg hê by die herstel van infrastruktuur in die Oranjerivier- en Langkloof-boerderygebiede.

Die voorsitter het aangedui dat hierdie knelpunte aandag sal geniet in die Tweede Nasionale Wysigingwetsontwerp op Omgewingsbestuurwette, wat voorsiening maak vir vrystelling van omgewingsmagtiging vir gelyste aktiwiteite, veral in nood-situasies.

### Beskerming van landbougrond

'n Konsultasiegroep bestaande uit verteenwoordigers van alle sektore wat 'n belang het by grond, naamlik die landbousektor, staatsorgane, grondontwikkelaars, tradisionele leiers en ander, het op 22 Januarie 2013 vergader om die tersaaklike wetsontwerp te bespreek (*Objectives of the Preservation and Development of the Agricultural Land Framework Bill*).

Die doelstellings wat in dié besprekingsdokument uitgespel word, is soos volg:

- Die beskerming en ontwikkeling van landbougrond om volhoubare, langtermyn-nasionale en huishoudelike sekuriteit in terme van produksie sowel as toegang te verseker;
- Om volhoubare ontwikkeling van die landbousektor, 'n toename in landbou-produksie, 'n bydrae tot die BBP, landelike werksgeleentheid en afname in armoede te verseker;
- Alle landbougrond sal geklassifiseer word volgens 'n Suid-Afrikaanse grond-vermoëstelsel waar geo-verwysingsdata van alle landbougrond-verwante inligting weerspieël sal word. Dit sal deel vorm van die Nasionale Landbougrondregister;
- Die beskerming en sonering van landbougrond en verklaring van beskermd landbougrondgebiede sal 'n voorvereiste in hierdie verband wees; en
- Enige verandering in grondgebruik sal moet voldoen aan die kriteria vir voedselproduksie.

Die voorgestelde wetsontwerp sal die Wet op die Onderverdeling van Landbou-

Agri SA het op 31 Julie 2013 praktiese voorbeelde voorgelê aan die parlementêre portefeuljekomitee vir Water en Omgewingsake oor hoe omgewingsimpaktudies in boerdery-konteks meer stroombelyn te maak.



The representatives of the Chamber prepared a draft memorandum of understanding with Agri SA for further consideration.

### Efficiency of South Africa's environmental impact regime

Agri SA presented practical examples of how environmental assessments could be streamlined in farming contexts to the Portfolio Committee on Water and Environmental Affairs in Parliament on 31 July 2013, that is:

- Strategic planning to guide agricultural planning and environmental assessment in farming areas that coincided with important environmental features (so-called Agri-Environmental Management Frameworks);
- River management plans to support maintenance activities and river rehabilitation at a catchment scale; and
- Combined or class applications that allowed farmers to use one environmental assessment process to apply for authorization of activities on different farms or in different rivers.

Committee chair Johnny de Lange (ANC) said there seemed to be a case for treating agriculture differently to other sectors for the purposes of environmental regulation. He also expressed approval for the idea of Agri-EMF's (Agricultural Environmental Forums).

In its submission Agri SA specifically indicated that proper liaison between the different spheres of government pertaining to the EIA-requirements are needed, where emergency repairs on damaged infrastructure are in progress as a result of flood damage. The lack of co-ordination in the application of the EIA-dispensation between the provincial legislator of the Western Cape's environmental and agricultural departments were highlighted as an example in the George (Waboomsriver) and Heidelberg (Duivenhoksrivier) areas. This practice could also possibly delay the repairs to infrastructure in the Orange River and Langkloof farming areas.

The chairperson indicated that these concerns will be addressed by the amendments to the National Environmental Management Laws Second Amendment Bill, which provides for exemptions of environmental authorisations of listed activities, particularly in emergency situations.

### Preservation of agricultural land

A consultative group consisting of representatives of all sectors who have an interest in land, namely the agricultural sector, state organs, land developers, traditional leaders etc. met on 22 January 2013 to discuss a document outlining the Objectives of the Preservation and Development of the Agricultural Land Framework Bill.

The objectives outlined in the discussion document are:

- The preservation and development of agricultural land to ensure sustained long term national and household security, in terms of both production and access;

grond (SALA) vervang en al die tersaaklike wetgewing ten opsigte van landbougrond wysig. Die redes hiervoor is soos volg: SALA maak nie voorsiening vir die allokering van wetgewende en uitvoerende magte tussen nasionale en provinsiale regerings nie; dit is slegs van toepassing op private grond; die voormalige tuislande en TBVC-state word uitgesluit van SALA; sekere ander statutêre instrumente het groter regsrag as SALA (bv. die Wet op Ontwikkelingsfasilitering van 1995); magtig enige staatsorgaan (insluitend staatsdepartemente en openbare ondernemings) om landbougrond te bekom, onderverdeel en/of die gebruik daarvan verander sonder goedkeuring op nasionale vlak.

Die doeltreffendheid van SALA word ook beperk deur onlangse beleid en wetgewing met betrekking tot grondhervorming, grondgebruikbeplanning, die omgewing en mynbou.

Die beoogde konsepwetgewing in dié verband word afgewag.

### Hersiening van die Wet op die Bewaring van Landbouhulpbronne

Die Departement van Landbou, Bosbou en Visserye (DAFF) het tussentydse wysigings aan die Wet op die Bewaring van Landbouhulpbronne (CARA) voorgestel. Die wysigings het hoofsaaklik ten doel om skakeling op plaaslike, provinsiale en nasionale vlak te formaliseer.

Agri SA het deelgeneem aan die besprekings van die CARA-konsep-wysigings tydens 'n werkwinkel van DAFF. Agri SA se voorstel is aanvaar dat die *"equitably accessed and"* in artikel 1A(2) geskrap word, aangesien dit moontlik grondwetlike implikasies mag inhou. Die aangeleentheid sal weer oorweeg word, wanneer CARA in sy geheel hersien word.

- Ensure the sustainable development of the agricultural sector, increase agricultural production and contribute to the GDP, rural employment and reduction of poverty;
- All agricultural land will be classified through a South African land capability system, whereby geo-referenced data of all agricultural land related information will be reflected. This will form part of the National Agricultural Land Register;
- The protecting and zoning of agricultural land and declaration of protected agricultural land areas will be a foregone requirement; and
- Any change in land use will have to meet the criteria of food production.

The proposed bill will replace the Subdivision of Agriculture Land Act (SALA) and amend all relevant acts pertaining to agricultural land. The reasons include that SALA does not provide for allocation of legislative and executive powers between national and provincial governments; it only applies to private land; the former homelands and TBVC states are excluded from SALA's; certain other legislative instruments override SALA (e.g. the Development Facilitation Act, 1995); any organ of state (including state departments and public enterprises) can acquire agricultural land, subdivide the land and/or change the land use without approval at national level.

The effectiveness of SALA is also limited by recent policies and legislation related to land reform, land use planning, the environment and mining.

### Review of the Conservation of Agricultural Resources Act

The Department of Agriculture, Forestry and Fisheries (DAFF) has proposed interim amendments to the Conservation of Agricultural Resources Act (CARA). These amendments are largely aimed at formalising liaison at local, provincial and national level.



Die bepaalde gewysigde gedeelte lees soos volg: *“Without limiting subsection (1), the Minister is ultimately responsible to ensure that agricultural land and all other natural agricultural resources are [equitably accessed and] used beneficially in the public interest, while—”*

Die goedkeuring van die wetswysigings word afgewag.

### **Voorgestelde wysigings aan die Minerale- en Petroleum Hulpbronne Ontwikkelingswet**

Agri SA het kommentaar gelewer op die voorgestelde wysigings aan die Minerale- en Petroleum Hulpbronne Ontwikkelingswet (MPRDA) en dit opgevolg met 'n voorlegging aan die betrokke parlementêre portefeuljekomitee.

Die doel van die betrokke wetswysigings is onder meer om bepalings van die water- en mynbouwetgewing in ooreenstemming te bring, soos ooreengekom tussen die ministers van Water- en Omgewingsake en dié van Minerale Hulpbronne. Dit word saamgevoeg in 'n geïntegreerde lisensiestelsel waarby die departemente van Minerale Hulpbronne en Water- en Omgewingsake saam oor mynbou-aansoeke sal besluit. Dit word voorsien dat hierdie proses per aansoek binne 300 dae afgehandel kan word, terwyl appêlle binne 90 dae afgehandel moet word.

Die goedkeuring van die MPRDA-wetswysigings word afgewag.

### **Wakkerstroom Rentmeestersprojek**

Agri SA is deur die Departement van Omgewingsake se streekkantoor in Mpumalanga genader om betrokke te raak by die Wakkerstroom Rentmeesters Grondgebruiker Insentief Skema. Agri SA was suksesvol met die indiening van 'n besigheidsvoorstel vir die projek vir 'n tydperk van drie jaar en dit geskied binne die raamwerk van die Uitgebreide Openbare Werke Program van die Departement van Omgewingsake, meer spesifiek die Werk-vir-Water-program.

Met die blootlegging van alle dokumentasie oor dié projek, moes Agri SA sy betrokkenheid by die projek heroorweeg. Agri SA het besluit om van die projek te onttrek, aangesien die vereistes buite die organisasie se kernbesigheid resorteer. Agri SA het die Departement in kennis gestel dat die organisasie nie met die projek kan voortgaan nie. Agri SA het egter sy samewerking aangebied om 'n geskikte implementeringsagent te vind.

Agri SA was approached by the Department of Environmental Affairs' regional office in Mpumalanga to become involved in the Wakkerstroom Stewardship Land User Incentive Scheme.



Agri SA participated in discussions around the CARA draft amendments during a DAFF workshop. Agri SA's proposal was accepted, namely that the words “equitably accessed and” in section 1A(2) be scrapped because it could hold constitutional implications. The matter would be considered again when CARA is reviewed in total.

The amended section reads as follows: *“Without limiting subsection (1), the Minister is ultimately responsible to ensure that agricultural land and all other natural agricultural resources are [equitably accessed and] used beneficially in the public interest, while—”*

Approval of the amendments was awaited.

### **Proposed amendments to the Mineral and Petroleum Resource Development Act**

Agri SA commented on the proposed amendments to the Minerals and Petroleum Resources Development Act (MPRDA) and followed it up with a submission to the parliamentary portfolio committee.

The purpose of the relevant amendments was, among others, to align the provisions of the water and mining legislation, as agreed between the ministers of Water and Environmental Affairs, and that of Mineral Resources. This is combined in an integrated licence system where the Departments of Mineral Resources and Water and Environmental Affairs will together decide on mining applications. It is envisaged that this process can be finalised within 300 days per process, while appeals should be finalised within 90 days.

The approval of the MPRDA amendments was awaited.

### **Wakkerstroom stewardship project**

Agri SA was approached by the Department of Environmental Affairs' regional office in Mpumalanga to become involved in the Wakkerstroom Stewardship Land User Incentive Scheme. Agri SA was successful in submitting a business proposal for the project for a period of three years, which could take place within the framework of the Extended Public Works Programme of the Department of Environmental Affairs, more specifically the Working-for-Water program.

With the disclosure of all documentation on this project, Agri SA had to reconsider its involvement in the project. Agri SA decided to withdraw from the project, given that the requirements fall outside the ambit of the organisation's core business. The Department was informed that Agri SA cannot continue with the project but that we will endeavour to find a suitable implementing agent.

