



25 October 2016

**Petition by the smallholder farmers of South Africa for comprehensive support to enable them to own and manage viable agricultural businesses**

Twenty-two years into democratic South Africa, many Black farmers still operate in the peripherals of the mainstream agricultural industry, with no real opportunities to grow viable businesses. **The farmers are thus calling for well-coordinated, systematic and comprehensive support from all relevant government departments and institutions to enable them to own land and agribusinesses that are profitable and sustainable.**

The challenge is not that there has not been any support at all. In fact there has been probably more than enough to achieve significant impact from the over R40 billion that has been spent on programmes such as land reform, CASP, RECAP, extension services, MAFISA, agricultural cooperatives, Ilima/Letsema, AgriBEE to name but some of the support programmes.

What is wanting is well-orchestrated and comprehensive support at farmer level that enables farmers to own land or have long term tenure security, produce and competitively market quality products in mainstream markets; and, optimise income consistently. Farmers want to be able to pay themselves a decent wage; afford to pay their workers minimum wages that are consistent with the labour laws; and be self-sustaining beyond government grants.

As the recent evaluations of the various government support programmes have shown, this has not been achieved by and large. The land reform process has left many Black farmers as illegal squatters on the land, with no proof of tenure and certainly no ownership of the land. Should the political tides turn, many Black farmers will have no recourse whatsoever to continue on the land on which they are farming.

The producer support programmes did not help to develop the farmers' businesses to viable commercial units. Instead, a self-destructive dependency syndrome was fostered; with many beneficiaries not able to survive on their own once the support was terminated.

The farmers are aware and appreciate that the Department of Agriculture, Forestry & Fisheries is developing the Comprehensive Producer Development Support policy and, with DRDLR, are engaged in an agriculture, land reform and rural development Phakisa, which aims to develop a consensus plan for revitalising key agricultural industries. However over the years government

has consistently been in planning mode and hardly ever gets to execute the plans with meaningful impact. Some cases in point are the several iterations of CASP, iterations of the land reform programmes and extension recovery. More recently APAP, CAADP, RAAVAC have barely seen the light of day and yet we have moved on to operation Phakisa.

Reluctantly, farmers have supported the government and repeatedly provided what they perceive to be solutions that would be practical for them to the Departments of Agriculture, Forestry and Fisheries (DAFF) and Rural Development and Land Reform (DRDLR). In most instances the best response has been acknowledgement of receipt with no further engagement on implementation, the weakest point of government in agriculture.

The African Farmers of South Africa are fully aware of the on-going operation Phakisa but are fearful that it too may end up the same as all other strategic plans:

- No visible implementation;
- No known evaluation that informs agricultural sector role-players of what has been achieved, what has failed, and hence what needs to be stepped-up or revised; and then
- A silent life on the shelves of DAFF and DRDLR and periodic revision until a new plan is hatched.

With this experience in mind, the Black farmers of South Africa call upon the State President to ensure that farmer development and support programmes are implemented to enable them to be competent and respectable farmers of South Africa and not perceived as failures. The farmers propose as follows:

### **1. National policy for supporting smallholder farmers**

The farmers call for a focussed Comprehensive Producer Support Policy with measureable targets, and monitoring and evaluation plan to be ready for implementation by April 2017. There are enough plans on the table (including the recent operation Phakisa) to make this feasible.

- A key target should be to fully develop and support 50 Black commercial farmers per province per year for the next 10 years, until each one is commercially viable and sustainable.

### **2. Strengthening the collective voice of smallholder farmers at various levels**

Set minimum standards for national organisations of smallholder farmers and support with capacity to effectively represent themselves at various spheres of government.

### **3. Access to land, water and energy**

Black farmers demand an opportunity to hold title deeds to agricultural land, with water rights and adequate energy supply.

- a. Farmers who acquire land through PLAS and have completed five years in production should have appropriate long term lease agreements with the state by 31 March 2017.
- b. No later than 31 March 2017, government should afford deserving farmers who have proved themselves progressive on the PLAS farms an opportunity to purchase the farms, with the state having the right of first refusal for the re-purchase of such farms, should the farm wish to sell or the farm is in dire distress.

- c. Farmers who have signed an offer to purchase with the government, through the PLAS programme must receive a 50% government subsidy on an agreed purchase price.
- d. Farmers who wish to lease the farms should pay a lease fee equivalent to 5% of profit before tax at the end of each year and after 30 years of lease, the farm must automatically be handed over to the lessee without any further payment, except transfer cost.
- e. Establish land reform implementing agencies by 31 March 2017 in order to remove red tape in land acquisition and post settlement support.
- f. By 31 October 2017, a full evaluation of all farms leased out under PLAS should have been conducted to determine their current status, further support that they may require, which must be budgeted for and provided.
- g. From April 2017, government should set aside an adequate budget for farm acquisition and development per district.
- h. Government should have first right of refusal of any farm agricultural land that is on the market.

#### **4. Comprehensive register of farmers**

There should be a comprehensive register of all farmers by December 2017, based on which farmer support will be provided.

#### **5. Skills development and access to information**

A vocational programme for farmer training in business and modern, practical technical skills should be established and implemented from April 2018 using the existing agricultural colleges.

By December 2017, multi-plural extension services, linked to commodity associations and private sector should be enabled, backed with dependable information services and responsive research and development to address farmer needs.

#### **6. Financial support**

By December 2017 all financial support provided by the state should be coordinated through one institution, and in such a manner that it can leverage private sector funding.

Procurement for inputs and infrastructure must be done by farmers and not government or consultants on behalf of farmers.

#### **7. Providing a favourable investment climate**

Programmes for infrastructural development and unlocking local and international markets should be stepped-up in priority areas to enable investments and growth of the sector.

#### **8. Regular monitoring and evaluation**

There should be annual monitoring and evaluation of progress with Black farmer and agricultural development, focussing on the value gained from the expenditure. Districts and provinces that

performed well should be incentivised and poorly performing districts and provinces should be put under administration by DAFF.

**9. Declare 2017 Year of Commercialisation of Black farmers**

2017 should be declared Year of Commercialisation of Black Farmers, with clear targets for the growth of the sector.