

# The long road to land reform

By Nathi Khumalo

The debate as well as the confusion around land expropriation without compensation is heating up faster than ever before, as government faces increased pressure to follow through with its land reform policy in the country.

The ruling party, the African National Congress, held a 2day Land Summit over the weekend of the 18th of May, where it resolved to speed up and implement new laws for land reform.

However, the head of the ANC's sub-committee on economic transformation, Enoch Godingwana, did point out that the outcomes and recommendations from the summit were not binding.

The party then came out to say it would not be hasty in its drive for land expropriation without compensation and would not revise Section 25 of the Constitution to drive land reform. This development is one that business can and should take as a sigh of relief albiet short term.

## Business & Land Reform

SA's land reform programme has largely been dubbed a failure and that's mostly due to political will - or lack thereof. Government has failed to support black farmers once they become landowners and there are still massive backlogs in processing land claims, resulting in most farms and estates remaining in white hands. According to a land audit conducted by The Department of Rural Development and Land Reform, whites owned 72% of the nations farm and agricultural land in 2017.

As it stands, there is still no certainty as to which land has been earmarked for purposes of expropriation - although residential, agricultural, communal and urban land seems to be high on the agenda. This uncertainty, has also contributed to business nervoursness about their future in SA.



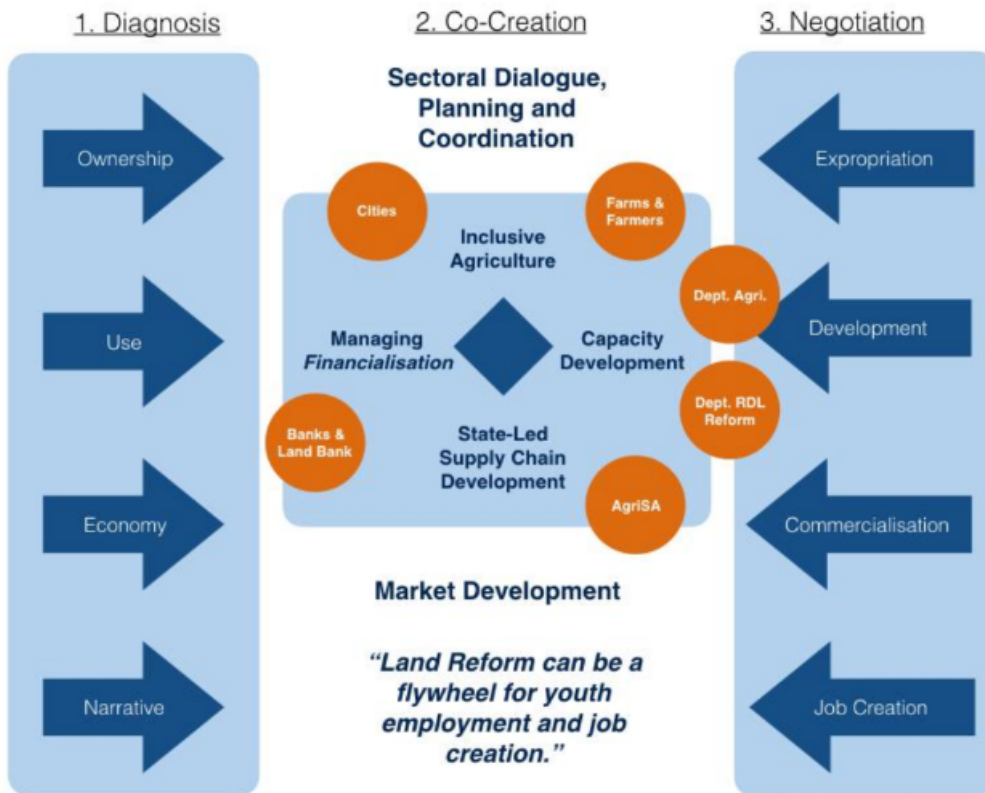
Getting it Right

In his State of the Nation Address, President Cyril Ramaphosa said expropriation of land without compensation must be done in such a way that it does not harm the economy and improves on the nations food security. The exact meaning and mechanics of how this will be done is yet to be clarified.

The business community can become pro-active in the land reform debate by remaining engaged with government, civil society and transformation experts such as Traverse Advisory, as well as adopting a strategy with land reform in the forefront including:

- Having real, frank conversations land reform
- Being pro-active with a growth strategy focusing on empowering black farm workers, black businesses in distribution channels & boost job creation
- Attempt to address issues of inclusive agriculture and existing financialisation of land
- Increase collaboration among sector players

**Phased Process: Land Reform that Works**



Marius Oosthuizen  
**GIBS: Strategic Foresight**  
 +27 84 670 1723  
 oosthuizenm@gibs.co.za

There is a saying, if a dog is sick you must play under its nose, but if you run from it, even though it won't smell you, it will see you. This rings true for businesses that may be affected by land reform once it does start being rolled out. Remaining in the dark corner, hoping for it to go away and not engaging the relevant stakeholders will only make the process even more tedious.