



## Report

### **STRATEGY WORKSHOP: Re-thinking rural transformation in South Africa**

**31 January 2011, Mandela/Rhodes Place in Cape Town**

**Hosted by Foundation for Human Rights in collaboration with Institute for Poverty, Land and Agrarian Studies**

#### *Overview*

The Foundation for Human Rights (FHR) and Institute for Poverty, Land and Agrarian Studies (PLAAS) have collaborated to convene a civil society workshop aimed to strengthen strategic engagement around rural development and land reform in South Africa. The workshop purpose was to develop some fresh thinking on these complex and contested issues, and contribute to more inclusive, open and participatory policy processes on rural transformation in South Africa. It intended to create a space for in depth content-oriented discussions while current policy proposals were clarified and debated.

The workshop took place in the context of heated policy debates in the media about controversial issues relating to land reform and property rights alongside an unusually secretive and opaque policy process with a Green Paper on rural development and land reform. At the time of writing public consultation on the Green Paper continues to be delayed, and the Land Tenure Security Bill was released for public consultation only in December 2010 with limited time to make submissions.

A key expected outcome for the workshop was to improve conditions for achieving a shared strategic agenda for rural transformation in South Africa, driven by civil society and informed by rigorous knowledge and understanding of the current policy and political environment. By focusing on the content of the issues at hand and asking *What should be the components of a rural transformation programme?*, the focus was on developing practical realistic proposals that would have traction in public policy debates. However, as the day proceeded the focus shifted from the content of an agenda to a process for engagement, which resulted in a joint exploration of the question *What process/es do we build or build onto in order to develop robust civil society engagement regarding rural development and land reform?*

### *Key outcomes*

1. PLAAS researchers shared research evidence and information on recent developments in and content of policy and legislative documents
2. Participants were asked what they think should be on an agenda for rural transformation
3. Some participants voiced a concern that it is not enough for the sector to become clear on the content of an agenda for rural transformation. Perhaps more importantly, they need to get clear on a process for effective policy engagement. It was suggested that both FHR and PLAAS are part of such a process and provide key strategic support to ensure that the content of an emerging agenda gets traction in policy debates
4. A question of self-organisation on the side of civil society remains: PLAAS is a research organization, and does not have a mandate to represent any particular constituency. For this reason it cannot drive the process of overcoming civil society fragmentation. It can only play a facilitating role, improve conditions for debate and engagement by informing it with research evidence and insight
5. The energy in the workshop was quite positive and it seems clear that there is scope to take this initiative further. However, the conceptualization of such a process must be consulted and debated within the wider group

Key representatives of civil society and community based rural organizations, as well as individual strategic thinkers and intellectuals on rural development issues participated in the workshop.<sup>1</sup>

The workshop consisted of prepared inputs from speakers, discussion sessions in both plenary and small group settings.

Highlights from the discussion and key proposals for moving forward can be found in this report.

## **I. Morning session: Presentations and discussion**

### *Welcome and Introduction*

The workshop participants introduced themselves after words of welcome from the Director of the FHR, Yasmin Sooka, and Obiozo Ukpabi from PLAAS, who also outlined the workshop agenda and process.

### ***Presentation 1: Key issues, challenges, questions facing us in relation to rural transformation in the context of the agro-food regime – by Andries du Toit***

Before Andries du Toit, Director of PLAAS presented his overview on rural development and agrarian restructuring in South Africa, he asked the participants what they think should be the purpose of rural development. Responses from the floor included:

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<sup>1</sup> A list of participants and the presentations delivered at the workshop has been attached and can be downloaded from the PLAAS website, at [www.plaas.org.za](http://www.plaas.org.za)

1. To address poverty
2. To achieve redress for past wrongs
3. To change power relations

Du Toit's presentation departed from the premise that South Africa's agrarian order *is already being restructured*. This restructuring is being driven by large corporations and supermarkets and affects both the upstream and the downstream relations in South Africa's food system. This process is not taking place in the interests of the poor, and the outcomes of it are not likely to benefit the poor.

Du Toit briefly outlined the historical roots of a dualist approach to rural development that is still apparent in government policies and thinking. Even the creation and function of a separate Department for Rural Development and Land Reform, in addition to a Department for the 'productive' sectors of Agriculture, Forestry and Fisheries, can be seen in the light of this dualist thinking.

Du Toit argued that before coming up with an agenda for change it is important to ask what the key practical questions are, that emerge from the restructuring that is already happening. The crucial questions are:

1. **How can rural livelihoods be sustained and invigorated**, both in commercial farmlands where consolidation and concentration among commercial farmers leads to job losses among farm workers; and in the former homelands where pressures on subsistence agriculture and lack of support for smallholder agriculture have not been addressed. The nature of markets and value chains are key here.
2. **How can we ensure food security** for the poor and the marginalised and at a national level? South Africa's status as a food secure nation is in doubt, which something that requires interventions at the market level, rather than the production level.
3. **How can the political legacy of colonialism and apartheid be redressed?** This question displays the key tensions that are part of an agrarian reform process in South Africa, and indicates why a failed land reform programme has such far-reaching political implications. If the legacy of dispossession is not addressed it will work as a lightning conductor for unresolved racial problems in broader society.
4. **What arrangements for land use and tenure can support vibrant settlements and sustainable livelihoods?** Finding the answers must include unpicking key aspects of the social technology of Apartheid such as racialization of space, undermined land use, access to land and land tenure rights. It must acknowledge that land has more than productive value, it is for many people a place to stay.
5. **What practices / vision of agriculture can ensure environmental sustainability?** And can 'organic' agriculture provide cheap food for the urban poor?

All these questions must be seen in the context of a bigger picture in which options are influenced by some key constraints, including a fragile economy, the power of supermarkets and agribusiness, a weak and fragmented rural civil society and, especially at the local level, a weak state.

## **Presentation 2: Current policy initiatives & legislative reforms – by Karin Kleinbooi and Ben Cousins**

Karin Kleinbooi from PLAAS commenced a reflection on policy developments with the acknowledgement that land reform in South Africa has failed. This reality is set against a background of vague and disparate policy directions, exemplified by a number of current and proposed policy frameworks and legislative interventions:

1. A Land Tenure Security Bill
2. The Comprehensive Rural Development Programme that is already being implemented
3. A Green Paper on Rural Transformation that has not yet been officially released for public consultation, but has been leaked in the press

### **The Tenure Security Bill**

After a brief background on the sidelining of tenure security in land reform interventions, Kleinbooi explored some of the key points of concern in relation to the proposed new Bill. Because it stands to replace ESTA and the LTA, the Bill only regulates when and how evictions can happen, it does not aim to stop evictions from taking place. Although it upholds tenure security for long-term farm occupiers and there is mention of sub-division of farms for temporary use and the possibility of expropriation, the key concern is that it fails to address the fundamental issue of real tenure security on farms. Other concerns are the complex and onerous procedures that are part of the evictions process, which seem to nonetheless favour employers.

In addition, responsibilities and obligations that are required from the municipality, employers and the Land Rights Management Board concerning the provision of suitable alternative land for an evicted person are

1. not clearly located within the framework of the local government planning and budgeting process,
2. Exclude the needs and input of the evicted person/s
3. Are based on an unrealistic expectation that the Land Rights Management Board (consisting of in total 9 members) must affect the eviction and manage relocation throughout the entire country, and
4. Land owners' goodwill or strategic partnerships

The deadline for submissions on the TSB is 28 February 2011. Since this meeting the deadline had been extended to the first week in March 2011.

### **The Comprehensive Rural Development Programme**

The CRDP sets out to “*bridge the false dichotomy between the urban and rural space*” through agrarian transformation, rural development and land reform. The role of the DRDLR is pivotal. Implementation has started with 15 pilots at ward level, and focuses on 3 levels of ‘development drivers’ from basic needs to large scale infrastructure and emergence of industrial and financial sectors – driven by small, micro and medium enterprises & village markets.

What is missing in this picture is the outside world: markets, cities and wealth distribution. The premise that rural underdevelopment originates from a services deficit and from community fragmentation, and can be remedied by localised interventions is problematic. The ward-level approach appears to perpetuate the dualism that determines the nature of rural and agricultural policies.

What is needed is a wider vision for the future of farm dwellers and labour tenants, and their place in the agrarian system.

### The Green Paper on Rural Transformation

Ben Cousins took over from Kleinbooie with a review of the leaked Green Paper, noting that it does not address the situation in communal areas, and it is absolutely silent on tenure security. Key components of the Green Paper are:

1. It introduces a three-tier tenure system:
  - I. State land, which is distinct from public land and described as: “Land previously acquired by community but held in trust by state: compulsory adjudication prior to surveying of outer boundaries”. All use rights will be allocated via leasehold and the Minister will have authority to grant rights for use and development
  - II. Private land, proposing regulatory limitations of freehold title in relation to *sensitive land*: “communal, coastal, heritage, rural, agricultural, environmentally sensitive, security-sensitive and border land”. Further proposals for purposes of equitable redistribution are land quantity restrictions/land ceilings; and right of first refusal for the state be imposed on both SA and non-SA nationals
  - III. Foreign ownership/precarious tenure, proposing that all new land acquisitions by non-nationals to be in the form of leaseholds and that all freehold titles by non-nationals on *sensitive and controlled land* to be converted to leasehold.
2. To reduce costs of land acquisition it proposes a multi-tier pricing regime, including:
  - I. Willing buyer-willing seller for all private transactions
  - II. And for land reform transactions capped land prices as fair and just compensation
  - III. A land tax as a long-term strategy
3. To regulate use, management and allocation of land it introduces A Land Management Commission (LMC) and a Valuer-General.

### *The Recapitalisation and Development Programme (R&DP)*

Among a number of strategic interventions, including strategic land acquisition and strategic partnerships, the green paper features a Recapitalisation and Development Programme (RDP) to

1. Increase production;
2. to guarantee food security;
3. to ‘graduate’ small farmers into commercial farmers;
4. to create employment opportunities within the agricultural sector; and
5. to establish rural development rangers

The R&DP was first introduced in the Medium Term Strategic Framework (MTSF) for 2009-2014 proposing a comprehensive rural development programme linked to land and agrarian reform and food security. In the financial year 2010-2011 25% of the capital budget has been allocated to the R&DP. It replaces all other “development” grants. All black farmers are eligible, including those who obtained land through land reform or through other means, whose “credible business plan” shows that it is a viable option. The programme introduces mentors that are paid by the state (and then business), and strategic partners, i.e. managing investors. It remains unclear what the maximum amount of funding is that can be allocated to each “project”.

Cousins reports that the R&DP is heavily biased toward large commercial projects as only these will be able to absorb the funds. The requirement of having a strategic partner also excludes small-scale, non-commercial farming projects from state support. A clear concern is that land reform ‘beneficiaries’ are no longer the focal point for engagement, but rather the farms themselves, which must be ‘turned around’. This means that farmers themselves may lose control of the process and choices around farming their land productively. An advantage of the RDP approach is that it mobilises private sector investment in land reform.

Key questions arising from the proposed R&DP identified by Cousins are:

1. The focus is only on production, but other issues which often constrain production, e.g. institutional arrangements in Communal Property Institutions, are not addressed – can Strategic Partners do this?
2. Does the Department have the capacity to monitor these initiatives on farms, e.g. the spending, the actual profit share over time, etc?

### ***Discussion 1: Clarifications***

Initial inputs from participants revolved around calls to look critically at how we got to the present failure of land reform, before coming up with new plans and programmes. An understanding of why land reform has failed, should inform people’s steps forward.

It was proposed that the Constitution should be taken seriously, especially the principle of subsidiarity which implies that the driving force for rural development should be local government.

Some questions of clarity and information were raised in relation to the haphazard policy processes. These include questions about other policy development such as: the Land Use Management Bill (the Bill seeks to provide an integrated regulatory framework for land use and land use management in the interest of the public through principles and compulsory norms and standards for land use management in an effort to address the imbalances of the past and ensure that there is equity in land use management). This Bill appeared to have been laid to rest, showed signs of a recent revival; however there is little public information available on this process.

From a broader perspective the challenge of achieving transformation in an economic setting that features a strong trend of concentration of monopolies was raised. Although the power of supermarkets

is great, there is still a 40% of the food market that is not controlled by agribusiness and supermarkets. There is still some room to maneuver for example by promoting fresh produce markets in bigger towns, or by interventions such as zoning to control supermarkets establishing themselves in certain areas.

Attention was called to the fact that these dynamics are not just a feature of the South African agro-food system; similar tensions in the capitalist system are seen at the global level as well – pointing at long term sustainability questions and internal fragmentation within the global agro-food system.

A fundamental question and comment was raised that sits at the heart of development in rural South Africa: Whose land are we talking about the reference to the strong impacts of the current ineffective policy links between rural transformation and land holding equity. The question of women and access to land rights which is both a result and a symptom of unequal social and political relations continues to be neglected as government stares itself blind on the 30% paradigm.

There is a desperate need for clarity about farm dwellers and their tenure rights, which has not been addressed by ESTA, nor will it be resolved by the new proposed legislation in the Tenure Security Bill. Securing the rights of people living on farms is a complex challenge for policy-makers, given that tenure security on commercial farms is reflective of a much broader issue. In effect, the form of tenure reflects the nature of property rights and social control in South Africa, and the legacy of years of Apartheid policy, therefore any attempt to introduce policy will have to confront these directly.

### ***Discussion 2: Substantive issues***

The group then split up into smaller buzz groups to brainstorm what they think should be key components of a rural transformation programme.

Ideas that emerged from this exercise ranged between critiques of processes of policy development and lack of coherence between strategies on the one hand, and proposals for detailed interventions.

The ideas were grouped under the following clusters:

**A. PROCESS OF POLICY DEVELOPMENT AND IMPLEMENTATION:** Inclusive, participatory, transparent and based on analysis and a coherent vision

1. Inclusive process for developing a vision for the SA countryside and agricultural sector
2. Reflection on past initiatives and assessment of what has been achieved
3. Added coherence and depth in the proposed tenure systems
4. Need for further analysis to develop a theoretical model for rural development
5. Increase political will and capacity

**B. NATURE OF THE POLICIES:** Pro-small-scale farming and livelihoods

1. A revision of the principle of private property, so that it would include possibilities for protection of tenure rights of vulnerable and marginalized on both private and public land

2. A move away from neo-liberal bias in agricultural policies, with creation of rural employment and support of small livelihood initiatives as a central focus

C. PRACTICAL INTERVENTIONS: work from the bottom up, including poor rural people themselves in interventions and learning

1. Radical spatial re-engineering of the two changing farming systems
2. Restructure value chains from below and above
3. Redistribution and strengthened access to land rights for women in areas of customary law
4. Mechanisms for state resources to flow directly to CPAs where appropriate, circumventing non-functioning local government
5. A multi-pronged and multi-phased intervention:
  - a. Disbanding the DRDLR and reformulating it under DAFF with a Minister for Agrarian Reform – while documenting and reviewing what has been done in land reform so far, asking: what has worked, what has not, and why, to develop shared perspectives on what the challenges are;
  - b. Develop a national knowledge bank:
    - i. Declare knowledge assets
    - ii. Declare a disbursement strategy
  - c. Stimulating local learning processes in the form of a formalized local people's college; within each municipality a rural people's conference to be held to:
    - i. encourage local coalitions (include upstream and downstream actors) and
    - ii. place-based strategies and plans/markets
  - d. Create a National Conference of Rural People providing space for lateral linkages and enabling people to speak to each other

## II. Afternoon session: Discussion on moving forward from here

### *Which comes first: Content or process?*

As they returned from lunch participants were asked to look at the substantive issues that had emerged from the buzz groups, and that had been clustered on flash cards on a wall. The discussion that followed was based on a common agreement amongst the participants that:

- a) A broader constructive civil society process is needed: The group that was at the workshop is not comprehensive enough as representative of the rural civil society sector in SA to bring forward a solid and convincing proposal for the focus of a programme for rural development
- b) Enhancing purposeful civil society engagement: Even if the group was adequately representative, there is not enough time left to do draft a rural development programme today

With this in mind the workshop programme was amended, leaving the content issues on the backburner while attention centered on conceptualizing a process for policy engagement. Participants felt strongly

that the pertinent questions in the current context of fragmentation and inertia are not so much about the substantive issues but rather about how we move forward as a sector, how we engage successfully and create collaborative processes through which we can push an agenda for rural transformation. Small group discussions focused on the following question:

***What process(es) do we build or build onto in order to use this year to develop robust civil society engagement regarding rural development and land reform?***

Only after gaining clarity on the above a next step would be to take the content issues as identified here forward in such a process.

### ***Feedback from the small groups on a process to build civil society engagement***

#### **RESOURCES**

While funding for CS engagement has dwindled over the last 10 years we must reflect critically how funds have been used ineffectively in the past, and co-ordination of initiatives and resources is key to ensure better future spending.

Recommendations:

- Reports must include some review of impact
- Maximizing civil society strengths and resources to advance shared goals includes proper consultation and pooling of resources
- Leverage public funding of rural civil society and popular initiatives

#### **MOBILISATION**

There was a broad agreement that the interests of poor rural people would not be secured without grassroots organization. The question was how this was to be achieved

Recommendations:

- Bring together and mobilize churches to work with rural civil society and popular organizations
- Be strategic by supporting local struggles bringing common voices to the fore, and building solidarity between popular movements
- Bring on board organised rural, popular organisations
- Get information to the communities and hear back from them (distribute leaflets, convene workshops)

Identify: what are the key rallying points around which organization could take place?

- What vehicle do people use to take their resolutions and ideas forward?
- Organizations may need a steering committee or a working group
- What concrete steps are to follow from this?
- What will be the mandate of participating organizations and on what basis will they participate in this process?

A big question is: who co-ordinates this process? The Legal Resources Centre may soon have recruited a person who can perform a light but crucial co-ordinating role, such as supplying crucial information on their website, including:

- a calendar of consultations and dialogues for the year made
- docs and reports to be shared

Build on and link to existing networks and initiatives and use these: Tsintha Amakhaya (SPP; SCLC; TCOE; Afra; LRC; WFP; BRC; FSG) is funded by EED and ICCO

- Other organisations to be included are: LAMOSa, Masifundise, TRAC, Nkuzi, SCLC, SCAT, Sikula Sonke, WFP, AFRA, ANCRA, FAWU, Centre for Rural Legal Studies, ECARP, TRALSO, CALUSA, Rhodes University, Rural Women's Movement, LRG
- Call this a Rural People's Dialogue to address issues such as Traditional Courts Bill, Women

Use the processes and events around the three Bills/policies discussed here to canvass an agenda of issues as they emerged from this meeting

### **SPACES FOR ENGAGEMENT**

Recommendations:

- Use existing spaces to connect with policy issues
- Create a series of popular events on policy alternatives
- Convene a provincial people's conference (in 2011) and a national people's conference in (2012)
- From this meeting: prepare engagement notes on each substantive issue
- Document and share information from consultations
- Use consultations on Tenure Security Bill, planning meetings at provincial level

### **ISSUES**

- Agri-food complex
- IPILRA/CLaRA and protection of rights
- Tenure Security Bill
- 4000 land entities identified as in need of 'fixing' (recapitalization)
- Communal Property Act amendment
- Black Administration Act
- Impact of mining on rural rights

The above list is not exhaustive and strategic engagement opportunities should be identified. A working list could be completed as far as possible by a steering committee with suggestions and comments from the wider group of civil society organisations.

The following issues of building the capacity of civil society with an incorporated monitoring and evaluation mechanism were not thoroughly discussed but we should be mindful of these in taking these ideas forward.

PLAAS takes the liberty to highlight as follows:

- Adoption of a learning approach to the policy engagement process on the part of all civil society participants
- A need for constructive responsiveness to upcoming processes where such opportunity is strategic yet accepting the need for sufficient time lines, therefore an awareness of policy processes and spaces for engagement. Quality participation demands space for trial and error and a reflection on these should be built into any ongoing process
- Recognition of governance issues (i.e., taking into account representation and accountability questions on the part of all actors)
- Self-reflection around institutional strengths and weaknesses; this as a basis for strategic and effective alliances and partnerships
- We have to take into account the fragmentation of this sector and the history of engagement in the last 10 years. Re-constituting and restructuring civil society policy engagement requires clarity of roles, responsibilities, participation, coherent agendas and continuity.

## *Conclusion*

In the process of facilitating a space for civil society organizations to come together and debate issues around rural poverty and effective engagement with policy processes, it has been important for PLAAS to be clear about its limited role as a research organization. Providing analysis and information that can be helpful to form strategic inputs into policy processes and debates is one aspect of the work that the Institute for Poverty, Land and Agrarian Studies (PLAAS) has done and plans to continue doing in the future. Plans about a more coherent and co-ordinated effort in this kind of work are being developed within PLAAS as well as in other organizations such as the Legal Resources Centre.

It has been clear from the onset that neither PLAAS, nor the Foundation for Human Rights are well suited to drive a process of engagement that must rather come from civil society organizations themselves. Yet, it is clear that some kind of co-ordinating and strategizing role must be conceived and carried out, if the momentum that was created at this and similar kinds of initiatives is to be kept.

Key issues that have emerged from this workshop can contribute to a better understanding of the opportunities and constraints that are part of a drive for strengthened civil society engagement with policy processes. For example, it appears that there exists a strong need for research evidence and analysis of current dynamics with civil society organizations:

- The presentations (overview of policy developments, with some thoughts about concerns as well as more contextual analyses of agri-food regime in global context) from PLAAS researchers were well-received. Participants asked for copies, and were quite enthusiastic about the content and analyses provided.

- There was some consensus about ‘needing to go back to the drawing board’ which implies that it was generally felt that more and fresh thinking is needed – people were not as entrenched in their ideological positions as is sometimes the case in these workshops.
- PLAAS can thus make a valuable contribution by providing research insights and helping to define insights

But change will only happen if organizations are able and willing to act and organize:

- What is missing at present is strong self-organisation. No-one but civil society organizations themselves can deal with that.
- There are different forms of policy engagement: some organizations work directly with clients who will be assisted in accessing services and using policies to improve their lives, while others are more active in advocacy and lobbying. Some do both. Either kind of activity offers useful options to engage with policy processes.
- There is a need to develop clear messages within the sector that can be used to focus the debate on key issues regarding rural poverty, rural development and land reform
- There is always much talk about things needing to be done differently, and agreement usually follows, but it is at least as important to implement these ideas, and share the impacts and lessons from experiments.

The conveners of the workshop propose that each organization that wants to be part of or continue to be included in a process of more co-ordinated and coherent policy engagement regarding issues of rural poverty and land reform reflects critically on the following questions within their respective organizations and share their responses with each other:

1. How do you engage with policy processes as a civil society organization?
2. What kind of partnerships do you form with peer organizations to enhance your impacts?
3. What is your theory of change, i.e. the underlying assumptions on what will affect change that drive what you do and how?
4. How do you convey messages from the local communities you work with into policy arenas and how do you involve local communities in policy engagement initiatives?

PLAAS proposes to establish with the organizations that were present at the workshop described in this report, initially, and work on a broadening of participation as we go along, whether they are interested in being part of a sustained process that will be both reflective and focused on learning about the opportunities and constraints of policy engagement in the current political and policy context, as well as building a stronger rural civil society sector that can benefit from information and debate sharpening a more strategic engagement with policy processes in South Africa.

22 March, Cape Town