Mr Speaker,
Your Excellencies, The President and Deputy President,
Madame Deputy Speaker,
Honourable Ministers and Deputy-Ministers,
Honourable Members of Parliament,
Honourable MECs,
Honourable Mayors,
Esteemed Traditional Leaders,
Representatives of Organised Agriculture,
Private Sector Partners,
Senior Government Officials,
Ladies and Gentlemen

Mr Speaker, I would also like to welcome a number of important guests sitting in the gallery today, namely:

- Members of the Department’s National Reference Group;
- Community representatives from all our Comprehensive Rural Development Programme sites across the country;
- Emerging Farmers;
- Restitution Claimants from the provinces of Free State, Mpumalanga, North-West and Western Cape;
- Youth from the National Rural Youth Service Corps;
- Members of the Goegedacht Trust;
- Community leaders from Masia, Mvezo and Ludondolo;
- Representatives from SAPPI;
- Members of the Departments Audit Committee; and,
- Representatives of International Development Partners.

Mr Speaker, it is important for us to acknowledge these various stakeholders and partners since they have been with us from the beginning of May 2009 when we were still trying to find our feet. Some of them are here as witnesses to the progress we have made, and they have come to better appreciate the challenges we face.

Welcome, and thank you for gracing this occasion.
Mr Speaker, the resolution of the 52nd National Conference of the ANC in Polokwane, in December 2007, on agrarian change, land reform and rural development led directly to the establishment of a new department – the Department of Rural Development and Land Reform.

Why, Mr. Speaker? Why did the ruling party make this decision to add yet another layer to the many layers of government? Let us examine why.

Mr Speaker, none who have lived their whole lives in an urban environment can truly appreciate what life is like for the poor people locked in a deep rural community. The vast majority have no work and no hope of getting any work since they have a low skills base and no chance of achieving any. No work means a complete loss of dignity, little or no food, dependence on others – a life of misery with nothing to look forward to but more misery.

Mr. Speaker, the ANC decided that this was a state of affairs which could not be allowed to continue – that something significant had to be done about this. We promised a better life – not only for the people in our cities – not just for the folks in our towns and villages – we promised a better life for all, irrespective of their area of birth or residence.

That is why, when we opened our doors for business in 2009, we introduced the Comprehensive Rural Development Programme – the CRDP. It is my pleasure and privilege today to reveal to you how we are progressing with the development of that programme, and what our plans are for unlocking the vast potential that the people who reside in our rural areas represent for this great nation.

Mr. Speaker, I can tell you that we are now active in every part of our country. We have a footprint in every province. But with 20 million South Africans living under stress in rural areas we have a long way to go before we can claim even modest successes. In the list of national priorities my department was assigned the responsibility of co-ordinating one of the twelve outcomes, namely, outcome 7, which is, “creating vibrant,
equitable and sustainable rural communities and food security for all”. I regret to inform you, Mr Speaker, that we are not yet there. But, we are getting there!

The monster called poverty is a very stubborn animal. It feeds off inequality and unemployment; it thrives on lack of skills. To defeat it we have to be both clever and persistent.

Today, to coincide with this address, we present a Mid-term Review Report on the CRDP. It is a sincere attempt to reflect on what we have achieved in two and a half years of effort - what ground has been covered, what success and failures have been recorded, and what we think needs to be done going forward. Make no mistake, we have made progress and we are proud of that progress. But, Mr. Speaker, we are under no illusions. We are fully aware that to achieve meaningful progress will require a strong resolve and a collective will of the people, both those who continue to be trapped in poverty, and the people whose duty is to free them – people like you, me, all the honourable members gathered here today and all of their constituents.

Mr Speaker, we have taken the liberty of distributing the mid-term review booklet, together with a pictorial review of the projects we have implemented on the ground. When my talk is over, I hope this will remind us about the important work around which the futures of so many of our fellow South Africans revolve.

As many gathered here will recall, when we took office in 2009 we did so having absorbed the previous Department of Land Affairs. Unsurprisingly, the focus of that department was on affairs to do with land, whereas our brief is to deal with land reform, access to land; use, management and transformation of land relations, and all other matters related to the hopes and life styles of those who live on the land, and off the land. In fact, every person in our country.

I can reveal to you that this transformation – the refocusing of priorities from a terrestrial perspective to one concerned with humanity required a lot of determination and resolve. A lot has been done, and many challenges were overcome during the process.
The Auditor General raised, and continues to raise, issues, including structures that are not aligned, to ensure that financial and operational objectives are met. We have responded to these audit concerns. The Strategic Planning and Monitoring Unit and the Chief Audit Executive are now at an appropriate level to improve accountability. The Audit Committee continues to play its role of oversight over controls. A separate Risk Management Committee has been established. These efforts are starting to bear fruit. In the 2011 financial year the Auditor General produced only one qualification.

Mr Speaker, I am pleased to announce that all, but one, Deputy Directors-General’s posts have been filled. These include the appointment of the first black woman, as Chief Land Claims Commissioner. The post of Chief Financial Officer became vacant when the former incumbent resigned.

The department has implemented an organisational renewal strategy, which has created a more focused and aligned Corporate Support Service, thus ensuring that line function programmes have the requisite strategic support.

The Department’s expenditure during the first three years was R21.0 billion or 96.3 per cent of the final appropriation of R21.8 billion for the period. The Mid-term Review Report which is released today, will further elaborate on progress and achievements in the past two and a half years.

Mr Speaker, I want to report to you on our progress with rural development, which is, when all is said and done, what my department is all about. Progress has been made, particularly on the implementation of the first phase of the CRDP, namely, Meeting Basic Human Needs. But, Mr. Speaker, the challenges are obstinate – particularly in the areas of sustainable job creation and enterprise development.

We felt we needed a better understanding of the needs of rural households – so as to inform better planning and development initiatives. In this regard we commissioned, and have now completed, a spatial analysis of CRDP wards, as well as the 23 prioritised
districts. In fact we gathered socio-economic data from no less than 190 700 households.

Unsurprisingly, yet frighteningly, household food security remains one of the main challenges facing vulnerable rural communities. That is partially why our department, as part of Phase 1, has placed emphasis on improving food productivity. We have, for example, as part of a pilot project, and in collaboration with the Agricultural Research Council, trained 800 agri-paraprofessionals in vegetable production. We hope that those who have been trained will assist the communities they come from, in improving their ability to grow more and better food.

Mr. Speaker, as will be observed in the mid-term Review Report, the good news is that we have achieved remarkable results where food security interventions have been made. For example, in Mhlongamvula in Mpumalanga, 200 hectares of soya and 200 hectares of maize have been harvested. In addition, 8 other Provinces are currently harvesting at least 400 hectares of different commercial crops each, which will contribute to better livelihoods.

I am not saying that this is the answer to all problems; but, these successes give us hope that we can prevail when we all have the will and the means.

Yet successes are invariably tempered with further challenges. In Diyatalawa in the Free State, for example, a community of 50 households grew a brilliant 100 hectare Lucerne crop, and harvested 314 tons of wheat. Despite this success, certain challenges persist, including timing of planting and harvesting of crops, which may result in lesser yields. One other challenge facing this community is the absence of silos to store their crops, which would enable it to sell at strategic moments. Yes, the Diyatalawa community was happy to have generated an income of R12 000 for each of the participating households; and, yes, the community went further and used some of their income to plant new crops. This indicates a level of maturity in that community and suggests that they are ready for a move to Phase Two of the CRDP, which deals with enterprise development.
This is confirmed by Mr. Mokete Radebe of Diyatalawa, who said, and I quote, “We have become a big family that continuously strives to develop and sustain the area which results in a better life for all. We are now working as a team”. That is music to our ears.

The CRDP proposes an institutional system that ensures that communities drive and monitor their own development. It’s all about partnerships – partnerships between those who have the need, and those who have the will, the skills and the means. And the key institution we are using to bring together communities, public and private sector partners is what we call the Council of Stakeholders. We have now mobilized rural people into 52 Councils of Stakeholders throughout the 9 provinces. These are organs of people’s power which are meant to enable communities to co-direct and co-manage, thus, own their development.

Mr Speaker, with the best will in the world, the plain fact is that we are not in complete control of our own destiny, and in our case we find that many rural areas are still experiencing backlogs in service delivery and infrastructure development. For this reason, over the past two years, as part of the CRDP, emphasis has been placed on providing new infrastructure, and revitalizing old infrastructure in our rural areas.

What is especially needed is infrastructure to facilitate access to services. And progress has been made, notably through coordination of Outcome 7 with other sector Departments and Provinces, to improve access to basic services. For example, 780 households have been connected to energy in Msinga, KwaZulu-Natal; 3000 households have benefitted from the construction of reservoirs in Disake, North West and Msinga, KZN; and, in a major achievement, in the dry region of Riemvasmaak in the Northern Cape, a 70 kilometre water pipeline now links the villages with the Orange River.

Mr. Speaker, they say God helps people who help themselves. But the underlying truth is that some people have to be taught how to help themselves; which is why education
continues to be such a key priority for government. On education, our department is collaborating closely with national and provincial departments. So far 28 schools have been built or renovated as a direct result of this collaboration. Rural children are no less deserving of quality education than their urban counterparts. Again we have examples of success. In Mpumalanga we worked closely with the Provincial Government, and they have facilitated the delivery of a state of the art boarding and educational facility at the Mkhondo CRDP site. Now the children from surrounding farms need no longer travel long distances to get to, and from, school; and, I am certain we will soon see greatly improved results from the area.

To further contribute to education and access to information technology, we have also rolled out the I-school Africa programme, which provides learners and teachers with access to I-pods, computers and digital cameras, linking them to a training programme that has already provided access to learners and educators in 13 schools in some CRDP wards.

Mr Speaker, when I spoke here a year ago I announced our plan for the construction of the Nelson Mandela Legacy Bridge, across the River Mbashe. Now we are pleased to report that the construction of that bridge, and a 10km access road, are well underway; and, the Bridge is scheduled for completion by January 2013.

Also last year, I highlighted the development of the Nkandla Mlalazi Smart Growth Centre, which His Excellency the President, describes as potentially the first rural town to be developed post-1994. Feasibility studies and design work have been completed and the model of the intended “rural town”, based on ‘green’ principles, was showcased at COP 17. We anticipate that site clearance will commence by end July. Similar initiatives are soon to commence in May Flower, Mpumalanga, and Jane Furse, Limpopo.

Mr. Speaker, let me turn now to the important issue of Land Reform.
Following a series of consultations with Land Reform Beneficiaries countrywide, including Restitution, Farm Equity Schemes, Settlement Production and Land Acquisition Grant, the department decided to discontinue the use of these grants, and to shift the focus towards the acquisition of strategically located agricultural land through the Pro-active Land Acquisition Strategy – PLAS. In terms of this strategy, acquired land would be made available to beneficiaries which include farm workers/dwellers, the National Rural Youth Services Corps participants, women, and unemployed agricultural graduates, through lease agreements. With regard to the Land Redistribution for Agricultural Development (LRAD) scheme, we decided to discontinue it as well, but finalize those applications which were already in the pipeline.

As a result, under the land acquisition programme we have acquired, during the period under review, some 848 farms totalling 882 238 hectares, of which 10 000 hectares constitute the core estate of the recently announced Cradock biofuels project. It is worth noting that overall, a total of 4 428 females and 3 756 youth benefitted from the land. Once again the department prioritised the vulnerable groups.

Mr. Speaker, I wish to take this opportunity to clarify this issue of the government’s commitment to distribute 30 percent of the country’s agricultural land by 2014. In 1994 South Africa had approximately 82 million hectares of white owned agricultural land. That is when the government set itself the target to redistribute 30% of this land to the previously disadvantaged by 2014. This constitutes approximately 24.5 million hectares of the said agricultural land. Up to the end of the third term of this democratic state, the government had acquired 6.7 million hectares of that land, which equals approximately 26% of that 24.5 million ha target. This figure does not include hectares of land for which the government paid financial compensation, either because people so chose, or because land could not be restored. Roughly, therefore, land which has been restored, from 1994/95 - May 2009, amounts to 6.7m ha + 882 238ha (land redistribution: 2009 to-date) + 368 483ha (restitution: 2009 to-date), totalling 7.950 721m ha. That is about 30% of the 24.5m ha targeted by 2014. The department is working on translating the amounts paid for financial compensation into hectares.
With the introduction of the Recapitalisation and Development Programme (Recap), the department targeted 1807 projects. To date we have succeeded in assisting 595 projects. I am happy to report that of these projects, 11 have been successfully ushered into the red meat industry; and, each has a real equity in the red meat value chain. Yet, once again, there are challenges facing both Land Acquisition and the Recapitalisation and Development Programme. In addressing these challenges we are working closely with representatives of organised agriculture, agri-business chamber and land reform beneficiaries, who have been organised into a National Reference Group.

During 2012-13, the Land Reform Programme aims to provide access to over 320,000 hectares of agricultural land at a cost of R2.7bn. Strategic support will be provided to 416 new emerging farmers through Recap, in addition to the existing 595 farms currently being supported at a cost of R1. 2bn; and, work will commence in revitalising eight irrigation schemes in the former homelands. These being Ncora and Keiskamma Hoek, EC; Taung, NW; Vaalharts, NC; Nkomazi, Mpumalanga; and, Tugela Ferry, Nsuze and Bululwane in KZN. We will, also, this financial year, revive the Butterworth Abattoir and Tannery. This will propel the local communal livestock farmers into the red meat value-chain.

I want to go back briefly to the subject of restitution, and the Commission on Restitution of Land Rights. Mr. Speaker, here too we are confronting many complex issues, which are both external and internal to the department. Externally, we have to deal with community and family disputes; escalating land prices; boundary and other disputes amongst communities, traditional leaders, and office bearers of communal property institutions. Internally, the scarcity of resources, both financial and human, became a major barrier. The service delivery model was, perhaps, the biggest obstacle to rapid progress in settling claims. This has since been partially corrected, at least in so far as it relates to the structure of the Commission.

I don’t want to paint too dark a picture here, but the result was insufficient capacity to administer functions mandated by the constitution, such as proper research and verification of land claims and deal making; information and records management;
communication with claimants regarding their claims; and, constantly monitoring the state and functionality of the communal property institutions.

The good news is that the Commission has now been rationalized to create better synergy with, and clearer lines of accountability to the department, in its day-to-day operations. The core of the Commission, being the Chief Land Claims Commissioner (the CLCC); the Deputy Land Claims Commissioner; and, the Regional Land Claims Commissioner remain within the ambit of the founding legislation. In the provinces, however, restitution support personnel have been placed under the Public Service Act. Responsibility for restitution support services has been formally delegated to them by the CLCC. Restitution Support Chief Directors have taken charge of these delegated responsibilities, and report directly to the CLCC.

This realignment is starting to produce benefits:

- We are seeing reduced timelines in the finalization of land claims.
- We have strengthened the capacity of the legal division, and are beginning to see a reduction of court orders resulting in emergency settlement of claims which had a negative effect on the budget.
- We have now introduced an electronic data system to capture and process all the land claims - and we have now completed 95% of the process.
- Since 2009, the Commission has spent R4.8 billion to acquire 368 483 hectares of land for restoration.

Mr. Speaker, South Africa is making a serious investment to ensure that all land claims are resolved timeously.

I am pleased to announce that I have approved the claims of 5 churches around the Western Cape, which were dispossessed of their land, namely, the Wynberg Seventh Day Adventist Church; the United Reform Church of South Africa; the Independent Lutheran Mission; the Dutch Reformed Mission Church; and the Christian Evangelical Church. Representatives of the respective churches have honoured us with their presence here today.
The Department has received a number of legitimate complaints about its failure to communicate with claimants and affected land owners, about the status of the outstanding land claims, for which we apologise. The Commission will, from now onwards, be communicating with all land claimants, land owners and other affected parties to inform them on the status of their claim, on a regular basis.

Let me now address the issue of the so-called ‘disengaged youth’, and the department’s initiative in this regard. The department is making progress with the National Rural Youth Service Corps (the Narysec). The NARYSEC’s main goal is to recruit and develop rural youth to be para-professionals, by training them to render needed community services where they live. This Corps was launched in 2011 with an initial 7900 participants, of which 4500 have either received, or are in the process of completing training in various disciplines, mainly in the construction sector; 855 have been trained in records management, and are currently scanning and counting land claims files in all provinces; and, about eighty (80), with maths and geography, have been trained in disaster management, for placement in municipalities.

This programme is widely viewed as a success and is targeted for growth. But it requires additional resources. In his budget speech the Minister of Finance announced his intention to allocate funds to this programme, over the next three years. Working in conjunction with the Department of Higher Education and Training, through the National Skills Development Fund, we have managed to secure an additional R190m for the current financial year. These additional resources will enable us to increase enrolment from the current 8041 to a total of 15,000 participants by the end of this financial year. This is surely a shining example of constructive collaboration in skills training for meaningful job creation.

Let me now address the art and craft emerging enterprise, which we reported on in our last Policy Speech. We hope that other communities could enjoy the same longer term success as that achieved by the 450 rural women who were trained in arts and crafts, so successfully that they were able to obtain guaranteed markets for their work, both
locally and internationally. These women were infected with the entrepreneurial spirit, and we need to spread this infection. The fact is that a large percentage of our budding entrepreneurs are women, amongst them are those who recently made us all proud when they exhibited at the Womens’ World Conference in New York. To help these women improve the successful marketing of their products, as well as to securely store their supplies, we will be establishing two warehouses in close proximity to markets in the country.

Mr Speaker, with respect to Policy Research and Legislation Development, 11 pieces of legislation will be submitted to Parliament by November/December this year; and, ten (10) policy instruments will be developed, including policy on Communal Land Tenure and a review of the land management and administrative system. We will also start work on a restitution performance review. All this is aimed at sharpening our service delivery capacity.

Mr. Speaker, the publication of the Green Paper in September 2011 found a robust platform for structured deliberations, in the form of the National Reference Group, which was referred to earlier. Six thematic work streams, constituted of representatives from the reference group and academics, have been established to deliberate on the key elements of the Green Paper, as well as related legislative instruments. Over the last six months these work-streams have been considering policy, principles and strategic issues informing their work areas. We aim to present this work to Cabinet soon, and to this House during the course of this year.

Work has already been started with regard to the Green Paper on Rural Development and should be finalized during this year. The final proposals will include a policy on a Rural Development Agency, technically premised on a proposed Rural Cooperatives Bank. In addition, various rural enterprise models will be developed to further facilitate the implementation of Phases 1 and 2 of the CRDP. Finally, I refer you to our ongoing work to establish a rural norms and standards framework, which should be completed in the current financial year. This instrument is essential, if equity is to be ensured in funding rural development across the country.
Having learnt from the pilot projects, we are introducing two programmes in rural development: (a) Animal and Veld Management, with seven pegs, focusing on fencing and animal handling facilities; stock water dams and boreholes; mechanization; dip tanks; soil rehabilitation; crop storage facilities and, fire breaks. The aim of this programme is to increase production in communal areas and state land. This year 60 rural communities across the country will benefit from this programme. (b) The River Valley Catalytic Programme, which has been started along the Tugela River in KZN and is about to start along the Mbashe River, as part of the Nelson Mandela Legacy Bridge in the Eastern Cape. This project aims to develop agricultural land along river banks in South Africa, and is linked to agro-logistics infrastructure, including roads and processing plants. Along the Tugela, we will be partnering with the Provincial Department of Agriculture to bring into production approximately 1 500 hectares of land. In addition to this we will continue to support the excellent work of the Masibambisane Rural Development Initiative, spearheaded by the President.

Mr Speaker, I am also pleased to announce that initiatives to revitalize rural towns and villages, which commenced in 2010, will continue, and that this year we will complete a sports stadium and recreation facilities in Jacobsdal in the Free State; and, we have started work on the construction of a multi-purpose facility in the Village of Masia in Limpopo. As could be observed from the range of services which will be offered in this facility (computer lab; amphitheatre; cultural village; sports facilities; auditorium; library; and administration offices), this is a multi-sectoral initiative. The Ministers of Arts and Culture and of Sports and Recreation have already committed to participating with us. Others will follow.

Furthermore, in our quest to create sustainable rural settlements, we will, this year, be focusing on the provision of sanitation, early childhood development centres, improved health facilities and ICT infrastructure in Amajuba and Abaqulusi district municipalities in KZN. Eight hundred young people have already been identified for training from these municipalities. They are due for intake in the Narysec Programme as we speak.
Access to information and communication services is crucial to unlocking economic and educational opportunities in rural areas. To achieve this, we will continue the roll out of the I-school programme in partnership with Apple, coordinated with the Department of Science and Technology; the roll out of digital doorways, and to ensure the establishment of ICT centres in at least 5 wards across the country.

In terms of scaling up rural development in the 23 prioritised districts, a national multi-sectoral team is currently working with these district municipalities towards ensuring that at least one catalytic project per district will commence during this financial year. We will soon submit to Cabinet a medium and long term plan for each of these districts.

We will continue to find ways of improving accountability and internal control measures that seek to identify and address major performance challenges and areas of greatest risk of fraud, waste, abuse and mismanagement. We have set ourselves the target of achieving a clean audit opinion by 2013/14.

Mr Speaker, next year is the centenary anniversary of the notorious and infamous 1913 Natives Land Act. This law was part of the repertoire of instruments of oppression used by colonialists in the 19th Century to usurp land from indigenous populations. That is the era in which the future of what became South Africa was ‘shaped, and its power structure determined’. The Act dumped Africans, in particular, to 13% of the land, with dire social consequences, which are still with us today. As one of South Africa’s scholars, Colin Bundy, observed forty years after the promulgation of this Act:

In the forty years that followed the 1913 Act, the details abound of infant mortality, malnutrition, diseases and debility; of social dislocation expressed in divorce, illegitimacy, prostitution and crime; of the erosion, desiccation and falling fertility of the soil; and, of the ubiquity of indebtedness and material insufficiency of the meanest kind.

Ordinarily, there could be no appropriate, civilised, manner in which this Act could be marked, for, it cannot be celebrated. Doing so would be to rub salt to the wound! But, it cannot be ignored either, because its dire social consequences are a constant reminder
that radical action is required to arrest those consequences. The ANC has been magnanimous and very generous in victory, almost to a fault! Our people complain that the period for the lodgement of land claims was too short, with the result that research and verification were very poor; and, that the 1913 cut-off date is too close. The department interacted with more than three thousand people from August, 2010 to March, 2011. They call on the government to consider re-opening the lodgement date and extending the cut-off date. This call may appear to be radical; but, if one considered the social consequences outlined by Bundy, which perfectly match our material reality, it is a fair and just call. In one of the Work-streams on the Green Paper on Land Reform we are confronted with a question from the Khoi and San descendants. They are asking the question: ‘what is in this for us, the original people of this land?’ Their land in what is now the Western and Eastern Cape was forcefully taken from them way before the 1913 Act. And, whatever land that is returned to them is non-productive, urban, land. We are persuaded to consider asking Cabinet to, while retaining the current cut-off date, consider exceptions to the law. With regard to the lodgement date, Cabinet has established an Inter-ministerial Committee to study the proposals by our people. A preliminary report from the consultations has already been submitted to Cabinet.

Conclusion

I am happy to report that the work we report on here is informed by, and speaks directly to, the National Development Plan, the New Growth Path, and the recently announced Presidential Infrastructure Build Programme, as well as the Medium Term Expenditure Framework, the 12 government Outcomes and other imperatives.

Mr. Speaker, I often think about how hard the people around me work, and then I think about how fortunate we are to have the opportunity to work hard. Because on the other side of that fence are the people who have no work, no qualifications for work – destined to suffer hunger, poverty and misery, as their parents did; and, as their children would, unless we worked even harder to break this chain. To break that chain, and to give the people of rural South Africa a brighter future, that is surely something worth burning the midnight oil for, Mr. Speaker.
I express my appreciation and that of the Deputy Minister, for the leadership and guidance provided by the President and the Deputy-President. Our whole department thanks the Portfolio Committee for the oversight role it performs. A special thanks also to our national, provincial and local government partners, whose contributions are crucial. I thank the Deputy-Minister for his strategic support and leadership. My appreciation is also extended to the Director-General, and his team of officials, for their constant support and dedication to serving the people of South Africa.

Mr Speaker, rural development and land reform is one of five key priorities for creating a better life for all – the others being education, health, decent work and sustainable livelihoods and the fight against crime and corruption. We continue committing ourselves to sharpening our capacity to implement this crucial programme, to ensure that all South Africa’s people are able to share in the prosperity that this wonderful country has to offer.

I thank you.