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SUBMISSION TO PLARFO BY INKEZO LAND COMPANY

1. INTRODUCTION

Inkezo Land Company is a not-for-profit company that renders land reform services in sugar growing areas in KwaZulu-Natal. The uniqueness of Inkezo is that it is a non-governmental specialist that provides professional services, more particularly the technical know how on land reform. Services rendered by Inkezo cover both the policy-making and implementation processes. The Company strives towards meeting specific targets in order to contribute towards the 2014 thirty percent land reform requirement set by the Government. It is in this context that Inkezo is making a submission on restitution backlog and post settlement support.

2. RESTITUTION BACKLOG

2.1. Delays in the resolution of land claims

Inkezo Land Company is struggling to transfer its target hectares since most of the land in the sugar growing areas is under claim and the process of resolving claims is characterized by delays.

- Delays in the resolution of land claims cause a lot of uncertainty among both the claimants and the landowners. Both parties cannot move on with their plans and their enthusiasm for land reform is dampened.
- Some farms are eventually neglected and run down by the time they are transferred to claimant communities. It becomes costly to rehabilitate them. This reality undermines the whole core business of Inkezo which is facilitation of sustainable land reform.

2.2. Lack of clarity on policies or guidelines

- Stakeholders remain unclear about the policies or guidelines utilized by the Land Claims Commission in the process of settling claims; for example the extent to which the size of the land under claim be negotiated, given the absence of precise boundaries.

3. POST SETTLEMENT CHALLENGES

3.1. Lack of a clearly outlined project cycle that takes into consideration both the pre-settlement and the post-settlement challenges characterizing land reform.

Such a problem is evident in the following:

- Government resources, especially grant funding; are not aligned. It is estimated that the Department of Agriculture has R56 million backlog. Given the timing of transfers, joint ventures often have cash flow problems and it takes a number of years before claimants receive benefits.
- The RLCC does not buy going concerns. The restored land cannot be used as collateral and this makes it difficult for the beneficiaries to raise operating funds.
- Farms that are purchased, or entire claims are in some cases settled without the knowledge of the stakeholders; sellers exit farms without the knowledge of the claimant communities. This results in last minute interventions in an effort to remedy such situations problems arising from such situations.
- Grower number at the mill not transferred to claimant community and the income will continue to accrue to the seller.
- Lack of legal entities and where they exist, are fragile. They are often established and registered close to transfer. This creates a need for interim arrangements to be made to run the farm.

3.2. Unrealistic expectations by claimants due to lack of information; for example the expectation that Government will absorb all the costs related to the project and that the project will be an adequate source of income for all members of the community.

3.3. Lack of/limited capacity among the claimant communities.

Claimants may not be adequately prepared for their new roles. Trustees often lack the skills for providing guidance to community members. Other examples of areas where they lack capacity include:

- understanding of contracts/documents signed
- understanding of business processes
- skills on governance issues, and
- understanding of the concept of shareholding