



# **ADDRESSING LAND REDISTRIBUTION THROUGH THE ONE HOUSEHOLD ONE HACTARE POLICY**

Yolisa Mfaise  
Legal Advisor, Agri SA  
July 2017

agrisa@agrisa.co.za  
www.agrisa.co.za



+27 (0) 12 643 3400



Inkwazi Building, Block A  
1249 Embankment Rd  
Zwartkop X7



## BACKGROUND

On 23 to 24 June 2017, the Department of Rural Development and Land Reform (DRDLR) hosted a stakeholder consultative session. The objective of the session was to provide feedback to the department's stakeholders on the department's programmes. This article will focus mainly on the One Household One Hectare (1HH 1H) Policy feedback.

The DRDLR highlighted that the focus of the 1HH 1H programme is growth through redistribution. The policy gives effect to the department's mandate for access to land on an equitable basis. It also secures tenure of beneficiaries who are on that specific piece of land.

## OBJECTIVES OF THE 1HH 1H PROGRAMME

The one household one hectare programme was launched by the Minister of DRDLR in November 2015. The main objectives of the programme are:

- a) To contribute to the reduction of poverty in rural areas;
- b) Revive a caliber of highly productive black smallholder farmers and food producers;
- c) Build security of tenure, access to land, increase the involvement of individual households in production activities and minimize controversies on CPI lead landed projects;
- d) Create sustainable employment in rural household;
- e) Create viable rural small to medium agricultural enterprises;
- f) To build competencies and broaden the skills base for targeted households and communities;
- g) The restoration of the social capital and beauty of ubuntu as the currency that creates social cohesion among rural households; and
- h) Rebuilding the sanctity and dignity of family life as the most critical success factor in the rural socio-economic transformation effort of the state.

The department alluded to the Stats SA report indicating that lack of access to food in households declined and that the percentage of persons with access to food has increased from 2010 to date. Through the 1HH 1H policy, the DRDLR hopes to increase this percentage in rural areas. Both state and communal arable land currently not utilized, including farms acquired in terms of the Proactive Land Acquisition Strategy (PLAS), land acquired under the Restitution Act and land acquired for settlement of labour tenants.

agrisa@agrisa.co.za  
www.agrisa.co.za



+27 (0) 12 643 3400



Inkwazi Building, Block A  
1249 Embankment Rd  
Zwartkop X7



## HOW THE PROGRAMME WORKS

Qualifying households are assisted to acquire a site on which to operate and plant. In instances where communal land is utilized, traditional leaders play a central role. To be beneficiaries, households are required to organize themselves into registered cooperatives. Produce is delivered to processing facilities through primary cooperatives to Agri Parks for processing and to the market. These primary cooperatives take up ownership in the processing facilities. Further, the primary cooperatives form secondary cooperatives that take up equity in the 70% ownership share in the AgriParks. Secondary cooperatives then have representation in tertiary cooperatives and take up share equity in the RUMCs. Each of the cooperatives must save 10% of its profits which are in turn reinvested in the production to ensure sustainability. The DRDLR provides funding for infrastructure and production units. Local and district municipalities also play a key role in this programme.

## COMMENTS

Over the years, the DRDLR has had various programmes with similar objectives to the 1HH 1H programme; specifically aimed at supporting government's land redistribution. Between 1994 and 1999, the Settlement Land Acquisition Grant (SLAG) programme was introduced. Through SLAG qualifying rural dwellers, farm workers and farm dwellers a grant to purchase and develop agricultural land. The programme's objective was to improve secure tenure and livelihoods by providing access to and productive resources for beneficiaries. Following various challenges with the SLAG programme, in 2001 the department introduced the Land Redistribution for Agricultural Development programme (LRAD) to replace SLAG.

LRAD was aimed at improving nutrition and incomes of rural communities, stimulate growth from agriculture and empower beneficiaries to improve their socio-economic wellbeing. LRAD was also aimed at creating black commercial farmers. Some of the challenges which led to its failure include lack of access to capital and market, poor infrastructure, lack of mentorship and limited financial management skills. Further, LRAD was critiqued for its slow pace in transferring land to previously disadvantaged persons. These, and many other challenges led to the phasing out of this programme between 2007 to 2010.<sup>1</sup>

A closer look into these policies suggests that their objectives are similar. LRAD may have been aimed at mainly commercial farmers whilst the 1HH 1H programme is aimed at small scale household producers, however, both programmes have the objective to address poverty in rural areas, effective land use and job creation; and are form part of the department's land reform agenda. More concerning, particularly with

<sup>1</sup> Information about the LRAD and SLAG programmes was taken from a paper published by Michael Antwi & KKS Nxumalo 'Impact of Proactive Land Acquisition Strategy Projects on Human Capital Livelihood of Beneficiaries in the DR. Kenneth Kaunda District in South Africa' 2014; and from the drdlr.gov.za website.

agrisa@agrisa.co.za  
www.agrisa.co.za



+27 (0) 12 643 3400



Inkwazi Building, Block A  
1249 Embankment Rd  
Zwartkop X7



regards to SLAG and LRAD is that they phased out not because they had reached their finality, but rather they failed. Both lasted only five years respectively.

With regards to the 1HH 1H, to date, the DRDLR has allocated R30 469 924.19 benefitting 689 households in Eastern Cape, KwaZulu-Natal and Mpumalanga. For the 2017/18 financial year, the department intends to spend approximately R32 760 791.16 and benefit approximately 6 000 households. The amounts are not determined by the department itself, but are rather requested by the respective provinces and the department allocates these accordingly.

The number of households which have benefited from the programme is significant, considering the poverty alleviation objective of the programme and increasing the number of households with access to food; and this must be commended. Particularly when considering the unemployment rate in rural areas and various other socio-economic challenges faced by rural communities.

Perhaps the increase in the percentage of persons with access to food as reported by Stats SA can be owed to such initiatives. The programme certainly does make a difference in achieving this particular objective, however there are certain concerns about it.

As mentioned above, previous programmes by the department have failed and there was no indication in the department's presentation how it intends ensure the sustainability of this one. It is envisaged that for sustainability, cooperatives will reinvest 10% into the business. However, questions arise as to how will the cooperatives be supported in instances where they have not made enough profits and are unable to either reinvest or sustain themselves.

Another concern is that there seems to be no involvement of the Department of Agriculture, Forestry and Fisheries. DAFF is the ministry mandated to handle agricultural matters and ensure food security and yet, no mention of collaboration with DAFF was alluded to. Whilst the programme is a land reform initiative, however, directly linked to that is the agricultural aspect.

Further, without getting into the politics of government and deployment of Ministers, however, the lifespans of both SLAG and LRAD coincide precisely with the Ministers in the department in those periods. For instance, SLAG lasted for a period of five years during Minister Hanekom's term; whilst LRAD lasted for the period during Minister Didiza's term. By the time Minister Xingwana took over as Minister, LRAD was being gradually phased out. This uncertainty and failure is likely to have adverse consequences for the very communities it is intended to benefit. It raises questions whether programmes are linked to ministerial terms and what then happens to beneficiaries once the term ends.

agrisa@agrisa.co.za  
www.agrisa.co.za



+27 (0) 12 643 3400



Inkwazi Building, Block A  
1249 Embankment Rd  
Zwartkop X7



## CONCLUSION

During the consultative session, the Acting Director General of DRDLR highlighted the fact that whilst the department's programmes may seem like a duplication of one another, they are in fact initiated to enhance the already existing initiatives. The programme is set to be rolled out again in the 2017/18 financial year and a budget has been allocated for its implementation across the various provincial districts.

## CONTACT



**Yolisa Mfaise**

Legal Advisor, Agri SA

012-643 3400

[yolisa@agrisa.co.za](mailto:yolisa@agrisa.co.za)

[agrisa@agrisa.co.za](mailto:agrisa@agrisa.co.za)  
[www.agrisa.co.za](http://www.agrisa.co.za)



+27 (0) 12 643 3400



Inkwazi Building, Block A  
1249 Embankment Rd  
Zwartkop X7

