

# Land offensive

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Land ownership by foreigners will be prohibited and South Africans will be entitled to own no more than two farms, or an equivalent of 12,000ha...



ANC national executive committee members Enoch Godongwana and Lindiwe Zulu, and secretary general Gwede Mantashe leave after addressing the media yesterday at Luthuli House in Johannesburg. Photographer: Mbeletsi Mabe

These provisions are among the plans the ANC has said it will implement to deal with land distribution.

With South Africa's coastline dominated by high-value properties that are in foreign hands, the ANC's decision will have a profound effect on the housing market.

An estimated 7% of land in South Africa is owned by foreigners.

Speaking yesterday after the ANC lekgotla, party secretary general Gwede Mantashe said there should be "a ceiling on land ownership".

He said that if legislation were passed "its application retrospectively is an issue which will be tested constitutionally. The government must pass the law and test it constitutionally. It must comply with constitutional requirement."

He said foreigners would be able to access land through leaseholds.

The ANC land policy decision was announced less than a week after President Jacob Zuma's return from the World Economic Forum, in Davos, Switzerland, at which he attempted to charm local and international investors.

Zuma's "warm reception" in Davos emboldened the ANC to "work even harder" to stabilise the economy and eliminate the

gap between rich and poor, reads a statement issued by Mantashe's office.

The ANC has warned in the past that if South Africans failed to regulate land ownership they would "lose" their country.

## **Foreign ownership**

The ruling party has in the past raised concerns about foreign ownership of land in coastal areas.

Wealthy foreigners have been snapping up top-end properties on Cape Town's Atlantic seaboard.

Estate agents said there has been an increase over the past few years in the number of Russians splashing out on homes costing about R20 million.

Henk van de Graaf, assistant general manager of agricultural organisation TLU SA, said the policy of limiting land ownership to a certain size or number of farms would be difficult.

"It would all depend on where you are. In the Karoo, 12,000ha could be too small to function as an economic unit. In the Cape Winelands, a farm of that size would be more than enough."

Even within one region the viability of farms can vary greatly because of the quality of the land and the climate, he said.

Van de Graaf warned that farmers needed economies of scale to survive because their average profit margin was only about 3%.

Mantashe said the government would elaborate on the 50/50 policy framework, which would give effect to the Freedom Charter clause that stipulated that land must be shared among those who work on it.

## **Land redistribution**

"[The] lekgotla has called for more decisive and interventionist leadership from the government to accelerate the pace of land redistribution.

"The ANC has committed that land will be returned to our people and the government must move with the necessary speed to put legislation in place to effect this," said Mantashe.

In his 8 January speech in Cape Town, Zuma also committed the ANC to this goal.

He said although about 1.8 million claimants have benefited from land redistribution, and 3.2 million hectares have been redistributed and R18 billion paid out, the ANC was concerned about the pace of land redistribution.

Mozambique also prohibits foreigners from owning land. Many South Africans there instead hold 99-year leases.

The president of the National African Farmers' Union, Motsepe Motlala, welcomed the ANC's proposal.

"It is a step in the right direction. It will revolutionise the debate on land in South Africa."

But Motlala said his union's view was that South African citizens should not be made to buy land from the state.

"Almost all of the countries in Africa do not sell land to their citizens, why should South Africa do that?"

He evaded a question about the restriction on the number of farms a person can own but said the government must ensure that land given to the people was productive.

In June, Zuma signed the Restitution of Land Rights Amendment Act into law, reopening land claims as from 1 July 2014.

He plans to enact a new Expropriation Act this year, he said earlier this month.

Land claims closed on 31 December 1998 and the government had to draft a new bill to allow claims that had missed the deadline.

About 80,000 claims were made during the first window period and the Department of Rural Development and Land Reform estimates that 397,000 claims will be lodged during the newly proposed window period.

It is estimated that the process will cost between R129 billion and R179 billion if the claims are settled within 15 years.

**Source:** The Times

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