

Integrated Food and Nutrition Security Initiative

Is it a possible key towards making
Land reform more sustainable ?

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Background

- Last year marked the centenary of the Natives Act of 1913
- The Act was a piece of legislation that forced the removal of the African people from the land
- The Act immediately transferred 87% of the land into the hands of a white minority
- The remaining 13% reserved for the African majority was deemed unsuitable for any economic and sustainable livelihoods
- The act of depriving African people access to land did not end with the Land Act of 1913
- The creation of Homelands and the ensuing forced removals further deprived even more of the rural Africans access to the 13% reserved
- It is this past that has largely shaped the political and economic landscape of our country
- The ANC in its past two national conferences emphasized the importance of rural development as defined in the
 - Freedom Charter and
 - Reconstruction and Development Programme




Background cont..

- The emphasise was due to limited attention that rural development was receiving as opposed to the manufacturing, mining, services (particularly financial), etc
- The need to revive and resuscitate rural South Africa's economy is central in the delivery programme of the ANC as articulated by its 2009 Election Manifesto, adopted also at Mangaung and spelt out in the NDP
- As a result, the immediate past administration (Zuma's 1st term) adopted the outcomes approach to speed up service delivery



Prelude to IFSNI

- Successful land reform is not going to take place without an realistic economic underpin
- LR is not going to succeed if there isn't a vision with respect to what to do with the land where it is transferred (i.e. Transfer or the land “cannot be an end to a means – but a means to an end” – which should include enhancing Food Security as all three levels of the household, region and nationally)
- A realistic platform and plan for LR hasn't been articulated and due to the perceived lack of delivery / success – diversions taking place at a rapid rate
- Academics / researchers / social commentators / practitioners and agriculturalists must give substance to the debate on land reform and FS and stopped playing the “critic”



Creating a platform to move the Land Reform debate forward and enabling FS

- What to my mind are key developments on the agricultural horizon? Two stand out – essentially emanating from the NDP Chapter 6 views on agriculture:
 1. Making tribal, communal and land given to land reform beneficiaries productive (Fetsa Tlala);
 2. Investing in infrastructure as a instrument to unlocking the rural economy (captured in the Strategic Infrastructure Plans (SIP's) and specifically for agriculture SIP 11 (agrologistics, provision of bulk infrastructure including storage, irrigation, processing)
 3. Providing appropriate supports (including financing solutions) and technology (research etc)
 4. Shared resources and more flexible operating systems and models (why should farmers own their own tractors and machinery? These can be leased from professional service providers)
 5. Consideration of a farmer bond (could also be bought by the private sector for BEE points over 20 years with a 10% yield. Proceeds for bond used to buy land earmarked for transfer. This mechanism replace farmers selling their land to farm -workers or making 50% contribution.
 6. Go back to the ANC mandate of 30% of all farmland and support it by all means possible - the current debates are all but a dangerous and potentially costly distraction (financially, socially disruptive, legal and political)



IFNSI

- Against this background, in 2011 the Masibambisane Rural Development Initiative (MRDI) was launched. It arose directly out of a local initiative of President Zuma.
- The programme was meant to simply mobilise resources and contribute towards creating jobs and food secure in rural areas (for the 1st time resources were to be devoted to the rural poor – beyond grants and social services)
- The MDRI gave birth to a broader government initiative, the Integrated Food and Nutrition Security Initiative (IFNSI) or as some labelled it for a while “Fetsa Tlala” (Sotho for end hunger)
- The IFNSI is led by DRDLR and the DAFF supported by other government agencies
- But IFSNI has practically been “stillborn” and there must be questions raised about this? Why such resistance and opposition? Who benefits? Can there be or is there an ideological divide?

Objectives of IFNSI

- **Two pronged focus:**
 1. Revitalization of Dead Agricultural Assets in provinces (SIP 11)
 - *Flagship Programs*
 2. Dry Land Crop Development (Land Reform Properties, District, Municipal, Communal, Family Cooperative Gardens & Lands) (DRDLR document 2013)
- The main objectives of IFNSI summarised hence are to:
 - Utilise the vast tracts of land lying fallow in communal areas by bringing it back to production
 - A secondary aim tries to integrate agricultural value chains in areas which never existed to promote development
- In this way, the potential for rural areas to create jobs and improve livelihoods will be unlocked
- The IFNSI is primarily targeting communal land and the land occupied by land reform beneficiaries by assisting with the production of grain crops and to a lesser extent vegetables
- IFNSI assumes that at the base of all the projects and programs will be the establishment of value chains



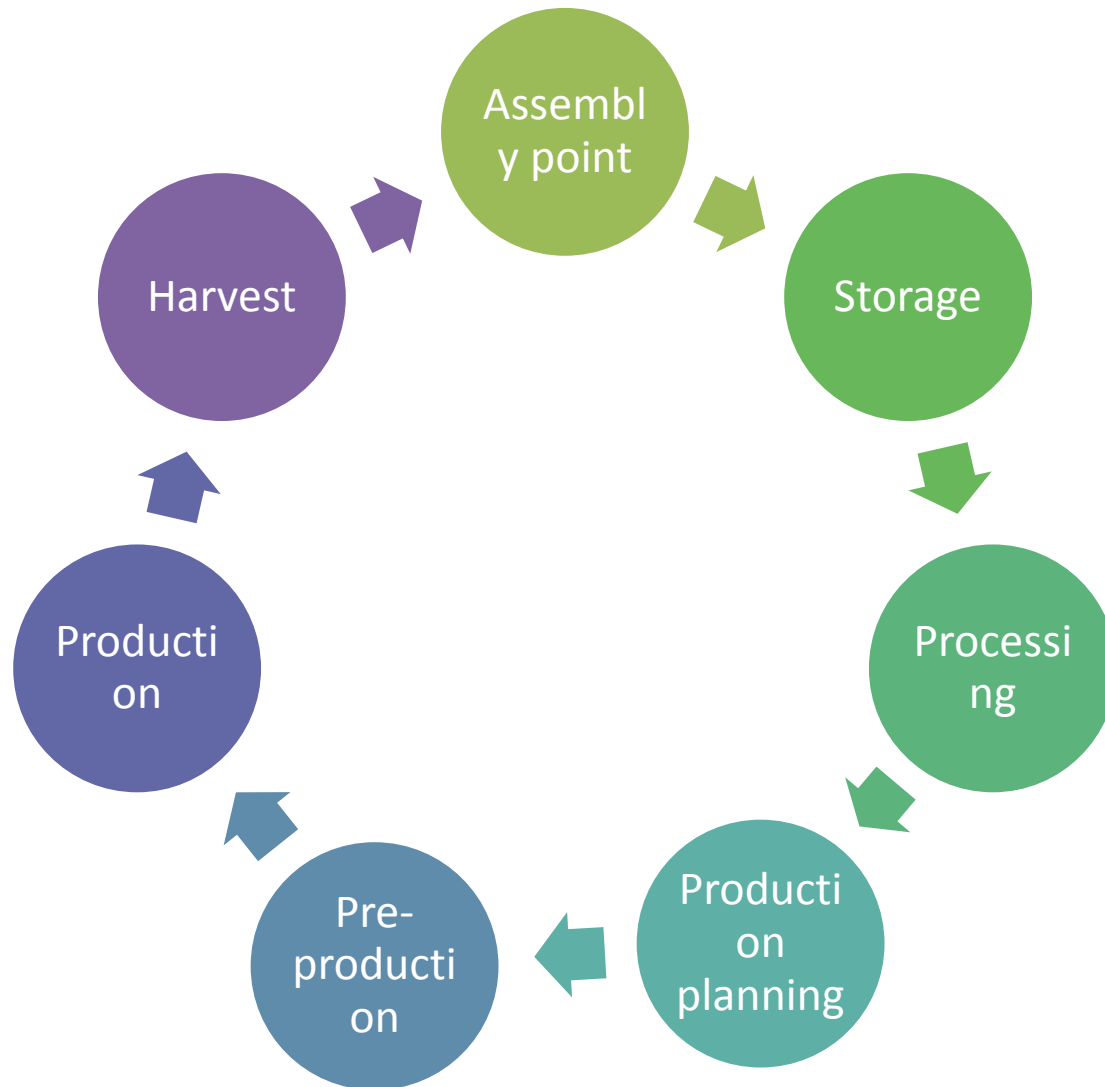
Objectives of IFNSI

- All projects identified will have tangible benefits that will contribute to the up-liftment of rural communities and reduce poverty
- The IFNSI is a government commitment to transform rural economies for millions of people residing in those areas
- 7 provinces were to be selected which were
 - Limpopo, KZN, Northern Cape, North West, Eastern Cape, Mpumalanga and Free State (however politically this has not flown has included WC and NC)

Agribusiness and value Chain

- Planning of each projects is based on a value chain model
- Farmers are organised in commodity association and cooperatives
- Agro-processing facilities for each commodity (Red Meat Abattoirs, Chicken Abattoirs, Maize Mills, Dairy) to be established

Value Chain Model





Expected Benefits

- The expected benefits of IFNSI will ensure the following:
 - Large number of hectares from communal land will be brought back to production
 - Creation of job opportunities for rural people will be realised
 - Increased investment in rural areas by bringing infrastructure, support system, etc
 - Making food accessible and affordable to the rural poor
 - Securing markets for surplus products produced
 - Establishing new value and supply chains
 - Establishing links to other government programmes

Progress to Date

- The IFNSI is to supposedly aggressively support rural communities in planting maize and dry beans which are staple crops
- But support is also given to the production of other crops such as
 - sunflower, potatoes, sweet potatoes, sorghum and groundnuts
- IFNSI seeks to empower communities, therefore it works with cooperatives, women and youth organisation and local farmers associations
- However, the reality is that the top down approach to development dominates the thinking and approach of government
- Some significant resources devoted to IFNSI in mainly EC, KZN and to a lesser extent the other provinces

Planted fields in Eastern Cape (2012 /13)



Targeted Beneficiaries



The 2 Seasons to date

- During the 2012/2013 season considerable strides and lessons were made
 - **137 000 hectares** of land was planted
- This represented a significant increase in production in the communal areas (but the communities were not ready to absorb the crop and no planning was made for post harvest management)
- A large portion of crop was lost due to post harvest losses and poor management
- The coordination led a multitude of government departments was poor and largely dysfunctional
- There was an immediate impact on the livelihoods of the rural communities (but not as much as could to should have been there)
- More than **11 000 job opportunities** were created during the 2012 /13 season



2nd Season

- The 2013/ 14 season which was meant to be significant enhancement on 2012 /13 was essentially a step back
- No clarity existed in terms of who was in charge of the program between DRDLR and DAFF
- NAMC went through a failed tender process to appoint service providers
- No budget – provided by treasury and in the end money diverted from CASP in the provinces with limited roll out (less than 60 000 ha nationally)



Lessons learnt

- IFNSI has failed to light up the imagination of the public and get wholesome support
- The state has sent confusing signals (infighting rife)
- Lack of private sector involvement and participation
- Funding (who is going to spend the money and what will lose out – CASP not the right program to lose out)
- Absence of specifically financial institutions
- Poor institutional framework and delivery mechanisms
- Involve the people - consult, bring them into play early and ensure they take responsibility for production, use their tractors, labour, build their capacity etc
- The government must be clear in the design that the project is about building capacity and enabling and is not a social security replacement



Sustainability of IFNSI

- In order to ensure projects sustainability the following issues are being addressed in preparation for the next planting season
 - Active participation of the rural poor in the new supply chains in every manner possible
 - Appointment of a champion and key institutional arrangements and systems to be designed properly
 - Long term contracts need to be signed with service providers and to create new HDI capacity
 - Institutional markets (government e.g. Schools, hospitals, prisons, etc) to be utilised to provide market access as a first step
 - Beneficiaries to be assisted with the provision or establishment of localised storage facilities and other infrastructure for storing of their produce
 - Development of localised value adding opportunities such as mills, feedlots, processors,
 - Development of an exit strategy is crucial and beneficiaries will be guided to carry the project forward independently (i.e. Develop a long term financial model)
 - Training and mentorship will be built into the programme as it expand
 - A financial platform through the creation of revolving fund to capitalise the projects on an ongoing basis to be considered
 - Government must hand over project to the private sector and to local communities and entrepreneurs / enterprises as soon as possible (there must be a time scale and plan to move out)



Concluding remarks

- The panacea to fast-tracking LR lies in keeping the end goals and targets simply and realistic (30% by 2014 was understood by all)
- They must be a realisation that government capacity is extremely limited (compounded by cadre deployment) and there are competing and conflicting interests
- Objecting and positing other hurdles just makes the whole situation worse not better – accept the easy wins like government being the “buyer of first resort”
- Must make the land work and be productive since the other evils confronting SA which are more dangerous to social cohesion and stability are poverty, food insecurity and a sense of hopelessness
- Food security can and should be enhanced by promotion an economic agenda to land reform and land owners
- Rural economies must be promoted and supported – hence the portion of the economic cake must shift back to rural areas
- The structure of agriculture and agribusiness must fundamentally change (blacks must own and operate in the full value chains – continued exclusion whether by design or default is extremely dangerous
- The continued proliferation of monopolies and oligopolies in the supply and value chains must be broken and new “black” ones created – even if it means the government must fund or subsidize them to get them established
- IFSNI is a good place to start or at least as good as any – but it also needs a clear cut plan on action, good institutional arrangements, coordination, financing etc etc

Thank you