

Wandile Sihlobo | Chief Economist | Tel: +27 12 807 6686 | Email: wandile@agbiz.co.za

June 27 2024

## The ANC, DA and IFP leaders are closely aligned on agriculture and thus deserve the support of all stakeholders in the sector

- As the dust settles following the outcome of the May 29 elections and the seventh administration begins
  its term, the next step will be realigning policy ideas under the Government of National Unity. With
  respect to agriculture, the major political parties in the Government of National Unity, namely the
  African National Congress (ANC), Democratic Alliance (DA), and the Inkatha Freedom Party (IFP),
  appear to be broadly aligned in our assessment.
- The ANC has been governing under the vision of the National Development Plan, which was recently distilled into the Agriculture and Agro-processing Master Plan. The aim is to grow an inclusive and competitive agricultural economy. The approach is through deep-dive value chains and commodity corridors in various regions of South Africa. The implementation of the plan so far has been scant, but the enthusiasm for it amongst major stakeholders in the sector remains. The missing element is also the proper socialization of various government officials in provincial and local government, who are key to implementing such a plan that is centered on collaboration with the private sector. The ANC's government agricultural policy included the release of nearly three million hectares of state land to beneficiaries with title deeds. Indeed, months before her term as Minister of Agriculture, Land Reform and Rural Development Plan ended, Ms Thoko Didiza began the land release process with title deeds.
- The DA's agricultural approach is no different from what the ANC has in its books. For example, in the 2024 manifesto, the DA states that the party will "empower South Africans through land ownership by protecting private ownership of land as outlined in section 25 of the Constitution." The DA adds that they will "utilize government-owned land and prioritize the use of land owned by the government, specifically focusing on the vast tracts currently held by the Department of Agriculture, Forestry and Fisheries and the Department of Public Works and Infrastructure. The DA government will focus on underutilized state-owned land for land reform projects, including housing, farming, and providing land access for South Africans."
- Furthermore, the DA will "improve post-settlement support by strengthening the institutional capacity of provincial structures responsible for post-settlement support and establishing specialized units within provincial departments which are solely mandated with providing pre- and post-settlement support." The DA concludes that they will "prioritize the land reform in the budget with feasible project plans and will commit increased funding to land reform, specifically emphasizing post-settlement support for beneficiaries." Such ideas are broadly aligned with the National Development Plan, the Agriculture and Agro-processing Master Plan, and, indeed, various government-led initiatives such as the Blended Finance instrument, amongst others.

- The IFP's position on agriculture and land reform is equally aligned with the ideas of the ANC and DA. For example, the IFP states that the government must "ensure significant State support, especially for new entrants into the agriculture industry." This work is already being implemented through the Blended Finance instrument that the Department of Agriculture, Land Reform and Rural Development is rolling out in partnership with financial institutions. The IFP further argues for partnerships, stating that the government must "promote the involvement of both private and public sectors in the country's agricultural development processes." This partnership approach is at the heart of the Agriculture and Agro-processing Master Plan.
- Admittedly, the IFP has slight ambiguity on land policy, stating in its manifesto that it will "continue to support the policy of land expropriation with reasonable compensation". Still, considering everything at hand, there is much alignment in the IFP's agricultural views with those of the ANC and the DA. Our view is that this should not be a huge area of contention as the parties in the GNU work to find a unified policy agenda for the seventh democratic administration.
- Therefore, the Ministers of Agriculture, and indeed, Land Reform and Rural Development, should satisfy the key objectives of all these political parties. The essential program, which would be the starting point, is the Agriculture and Agro-processing Master Plan, paired with the continuous release of State land to beneficiaries with title deeds and Blended Finance in collaboration with the Land Bank and other financial organizations. The Agriculture and Agro-processing Master Plan encompasses key interventions to many sector-focused matters that have slowed growth in recent times. Its rejuvenation and communication with all stakeholders across all levels of government are paramount. The cross-cutting issues that include inefficiencies in the network industries should be addressed through Operation Vulindlela, which the Minister for this sector should support.
- In essence, government officials and industry stakeholders should lend their support to the leader of this sector regardless of the political party they come from. The ideas of all these three parties are aligned and aim for the betterment of the agricultural sector and rural communities.