

Land Claim Triumphs Despite Odds

In a nutshell: Investment procured, jobs saved, houses developed and education improved. That's not the usual story told about the result of land transfer. But this is what the Moletele Communal Property Association, which is supported by the Business Trust, told the Regional Land Claims Commissioner, the Moletele Chief and Maruleng Mayor at the opening of their new offices at Scotia Farm outside Hoedspruit this week.

Significance: Concerns about the slow pace of land reform grab the headlines. But the real story is about what happens after transfer has taken place. Not much is the unhappy truth. It is estimated that in about half of land transfer cases the land is no longer in productive use. That makes the land reform process look like a hollow political gesture which disappoints the intended beneficiaries and threatens the country's agricultural productivity. But with appropriate support, success is possible as the Moletele case shows. It also shows that sustained support at the scale required will take an extraordinary effort.

Detail: The Moletele community has claims on more than 500 farms covering some 73,000 hectares in the Maruleng region, which is adjacent to the Kruger Park. The first of these claims on 35 land portions were settled in 2007 and a Communal Property Association was established to manage the land.

To date the association has:

- signed seven joint venture agreements, to the value of R300m, with private investors for the development of various parts of their land;
- created 1058 direct jobs as a result of the joint ventures which has put the restituted land to productive use;
- initiated a housing development for the local community; and
- established an administration office which also offers adult basic education and computer training.



Mr Tandios Mashile describes where the Moletele community started and where it is going. Mr M Mafogo, Mayor of Maruleng is seated behind him.

This has been made possible by the ingenuity and dedication of the community and the support of the Maruleng and Bushbuckridge Economic Development Initiative [MABEDI] a programme of the Business Trust initiated in cooperation with the Department of Cooperative Governance and Traditional Affairs and undertaken with the support of the Department of Rural Development and Land Reform and the provincial departments of Agriculture in Limpopo and Mpumalanga.

The process of resolving the Moletele land claim has been just as complex as that of other land claims in SA. The social dynamics within the claimant community were complex. Political pressure and challenges to the validity of the claims by landowners had to be faced. And a proper structure had to be created to manage the restored properties. Yet it has been lauded as a success, thanks to the partnerships formed during the process.

The properties claimed and restored to the Moletele community formed a large part of the area's commercial farming and tourism resources - 80% of the economy relies on mango, citrus and game farming. The Maruleng district is the largest producer of citrus and mango in South Africa.

MABEDI signed an agreement with the Moletele CPA in August 2006 to provide it with administration support and transactional advisory services. That led to the successful conclusion of the seven joint venture agreements between the community and private investors referred to above. The transactional advisory services have helped to draft shareholders, lease and management agreements and to identify commercial risks and responsibilities.

Tandios Mashile, Chairperson of the communal property association described the land claims process as long and painful, but said that: "The private sector, especially the Business Trust in the form of MABEDI, and the Limpopo Regional Land Claims Commissioner's staff and Limpopo Department of Agriculture, assisted us each step of the way".

"It is only through the Business Trust and the Department of Rural Development and Land Reform working alongside us that we have been able to establish strategic partnerships which in turn have established viable farming enterprises on this land." Jobs are being created and farming skills transferred to the community by the partners.

MABEDI's Emile de Kock says he was expecting a process of extreme difficulty but the opposite has been true: "Credit for this goes to the positive performance of this extraordinary community and its ability to engage with the previous land-owning community. "This has resulted in the achievements so far. For this I thank the strategic partners and community leaders who have refused to accept any benefit until the whole community benefits, must take credit."

The Business Trust programme manager Golden Mahove echoed his sentiments: "We want to extrapolate from what we have learnt here; this is a breath of fresh air in the arena of land restitution." The Moletele case presents a model for what can be achieved when effective partnerships are established at two levels: firstly, partnerships between government departments and business in jointly addressing development challenges and secondly, partnerships between the private investors and Communal Property Associations in unlocking investment and job creation opportunities.



Ready for export- Moletele community employed in Dinaledi Estate pack house pause after packing their first export consignment of oranges

New Regional Land Claims Commissioner for Limpopo Tele Maphoto said the example set by the Moletele community was heartening: "There are still many challenges in Limpopo, among them disagreements between traditional authorities and CPAs, but this was not the case here. "

De Kock says this has changed people's lives in a very real way: "They have access to markets now, they are generating money, are busy and are positively affecting the economy of the entire community. The adult education centre at the new Scotia Farm office, will further improve the lives of the community," he said.

And the proof is in the thriving Community Private Partnership deals, like the Dinaledi Estate agribusiness venture. This is a partnership between the Moletele Community and the Booy's Group which exports oranges to Canada, EU, Russia, Middle East, Japan and Mauritius and provides seasonal employment for some 450 workers.

The Moletele case is unusual, but not unique. It points to what is needed for the transfer of land while maintaining and developing its productive capacity and to the extraordinary effort that will be required to do so as the rate of land transfer accelerates.

To read more about the Business Trust MABEDI, click here www.btrust.org.za.

Tel: 011 612 2000 | Fax: 086 504 1772 | Web www.btrust.org.za | Email info@btrust.org.za