

# Skills make the difference: Rethinking land reform

Approximately 70% of restituted land in South Africa is less productive, partly because beneficiaries do not receive enough support after the land is returned to them.

Ndavheleseni Ramashau, chairperson of the Masakona Communal Property Association (CPA), in Limpopo, says that the lack of support is the main reason why many restituted farms, including Masakona, are not fully operational. He says that beneficiaries need support to develop the skills they need to run a farm and to access markets.



Source: Sandro Mattei via [Unsplash](#)

According to Ramashau, one of the biggest challenges in the land reform programme is the lack of knowledge and necessary expertise among community members to effectively run their land enterprises.

“Twelve years ago, the government initiated the South African Farm Management programme on our farm in Masakona, providing a substantial loan of over R5m on our behalf. Unfortunately, due to various issues, among others including, a lack of skills and financial management expertise, the funds did not fulfil the intended purpose,” he said.

Other challenges include the community’s lack of involvement in its business affairs and an inadequate engagement in the electoral process when it comes to electing the leadership of the community – which also contributed to the decline of farms.

“I implore both the community and beneficiaries to elect individuals who have the potential to perform their duties effectively, irrespective of their gender or age. What we need are competent individuals, whose interests are to serve the community, and not their own personal interests,” says Ramashau.

## Lease agreements and contracts

Another area where communities have encountered significant challenges is in the overall understanding of lease agreements and contracts, particularly when leasing their land or engaging in joint venture partnerships.

"This is one area where we as communities have experienced the biggest challenges, especially in cases where there is no independent facilitator, this remains a notable area of concern for communities," says Ramashau.

"If these challenges are not addressed, even if the government was to plough billions of rands to support land reform beneficiaries on their farms, if land reform beneficiaries lack the necessary skills as well as financial expertise to effectively utilise the funds, these efforts will not yield required results," he cautions.

Peter Setou, Chief Executive, of the non-profit organisation Vumelana Advisory Fund says it's important that partnerships are facilitated by an independent facilitator, especially given the community vulnerabilities in partnership formations within the land reform context. "We are aware that communities still need a lot of support and where contracts are entered into with private investors, such contracts should be managed with utmost sensitivity to protect the interests of both parties," he says.

Setou highlights that Vumelana, for example, works with both land beneficiary communities and private investors to structure mutually beneficial and commercially viable partnerships through its Community Private Partnership (CPP) model with the aim of enabling communities to create jobs, have access to markets and drive skills development.

## **Supporting advisory: Managing expectations**

"Working with CPAs over the past 10 years, we have observed that often the claimant communities need support in understanding contracts and agreements they enter into. In many instances, they often lack the necessary skills and managerial capacity to effectively run restituted land as successful enterprises that can generate a return on investment and create much-needed jobs.

This is where partnerships with experienced private operators become important to create a win-win situation," says Setou.

Setou contends that beneficiaries of land reform must be supported to effectively manage large-scale projects and enable communities to acquire the necessary skills they need to participate meaningfully in their enterprises.

"It is crucial that a proper assessment is made to determine the needs of the community and implement measures to address such needs," concludes Setou.

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