

**Die Landbou -  
Ekonomiese Vereniging  
van Suid-Afrika**

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**2017 AEASA Conference: Outline of Symposia / Workshops**

An innovation of the 2017 AEASA Conference is the introduction of mid-conference mini-research symposia. The themes of these mini-symposia are all relevant to the Conference theme; however, they have been facilitated independently by interested parties to encourage discussion of pertinent themes that have real-world relevance for practitioners and researchers. The topics have been proposed and decoded by the facilitators themselves, and the symposia will be flexible in content and process. They present a platform for dynamic debate.

Attendance at the symposia is free for full-Conference delegates. Other prospective symposia delegates are reminded that it is possible to register for the Conference on a daily basis at a cost of R1750.00 per day, or for the workshop only at a cost of R1000. **Please note that the registration for the Conference and the symposia has been extended and will remain open until Monday 11 September 2017.**

Workshop-only delegates are welcome to attend lunch preceding the workshops, and to join all delegates for a Conference braai that evening at the Durban Ski Boat Club. The braai will be an excellent networking opportunity for the Agricultural Economics and Agribusiness fraternity.

We take this opportunity to thank the organisations and people involved in facilitating the four mini-symposia that form part of our Conference. We have every expectation that the symposia will be excellent and a worthwhile part of the Conference programme. The following organisations (in alphabetical order) will present symposia at the AEASA Conference in Durban on Wednesday 20 September 2017:

**Land Bank**

**Agricultural production and investment within the context of insecure communal land tenure**

“Development discourse over the past 30-40 years has been that African agriculture will not take off unless people have clear tenure security and there’s an underlying assumption that this is delivered through land rights certification or titling....” Steven Lawry: Campbell Systematic Reviews 2014

Despite the Constitutions promise in:

25(6): A person or community whose tenure of land is legally insecure as a result of past racially discriminatory laws or practises is entitled, to the extent provided by an Act of Parliament, either to tenure which is legally secure or to comparable redress.

The government is yet to realise this promise.

Securing land rights and upgrading tenure in communal areas is an issue that has been inadequately dealt with since 1994. The lack of clarity around security of tenure has significant impacts on the individuals’ willingness to invest in and undertake agriculture or other activities on the land. Given the number of people and the extent of land involved,

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securing such tenure is a crucial area of intervention required from the state and other players. There is a tendency for land in communal areas or held by land reform beneficiaries, commonage land and state land (which may be occupied by individuals or groups) to be un- or underutilised. The need for secure tenure supports access to credit for development of the land – potential providers of credit have to be sure that the right to the land on which the development will take place is secure and that the individual cannot easily lose that right and the proceeds of the development. At a different level, the provider of credit must, in certain circumstances, and dependent on the extent of credit required, be confident that the land can be acquired when that land is utilised as collateral. These issues are complex in the South African context. This seminar contributes to the discussion on communal land tenure security and attempts to explore alternative forms of land rights from various perspectives and presents recent practical approaches to the delays in solving communal land tenure security in South Africa.

### **LIMA (Lima Rural Development Foundation) / SASA (South African Sugar Association)**

#### **New ideas in support of good governance for land reform communal landholding institutions**

The land restitution programme is a key instrument of governments land reform programme aimed at providing redress to those persons and communities that were dispossessed of their land through legislative practices after 1913.

Since the inception of the restitution programme in 1994, the Land Claims Commission has restored 3 227 984 hectares at a cost of R19,9 billion. The majority are rural settlements, where claimant's communities has taken ownership of the land in the form of a communal property institution, namely, as Trust or a Communal Property Association.

It is well documented that these communal property institutions has been confronted by several challenges which has impacted negatively on the stability of the claimant communities, and the associated business enterprises on the land. A number of organisations and individuals have embarked on various initiatives to support good governance. The workshop is aimed at sharing some of the learning experiences from these initiatives. Equally important the workshop will also serve as an opportunity to share "new thinking" and "emerging innovative models" that can contribute to good governance.

### **NAMC (National Agricultural Marketing Council)**

#### **Contemporary issues affecting South Africa's agricultural trade**

South Africa's agricultural trade has been growing over the years with a positive trade balance of R36 billion in 2016. The exports amounted to R128 billion (2016) with a significant growth of 14%, which is better than 6.6% growth realised in the previous year, 2015. The previous year's slower export growth was mainly attributed to the effects of drought that has affected the agricultural supply (production). South Africa's trade environment has been evolving over time including, among others, the completion of the Economic Partnership Agreement (EPA) and subsequent talks aimed at ensuring that South Africa does not lose its AGOA status. More recently has been the new administration in USA and exiting of Britain from the European Union (EU) - Brexit. Using the policy tools available South Africa introduced the dumping duty on poultry imports from a number of countries of the EU (such as Netherlands) and the trade-off that had to be developed in keeping the AGOA status with USA. In light these developments, the workshop will focus on the contemporary issues affecting South Africa's agricultural trade and the selected one include export promotion, regional value chains and implication of BREXIT and AGOA (new Trump Administration).

## **WRC (Water Research Commission)**

### **Agricultural water issues and entrepreneurship in South Africa**

The current reality in South Africa is that water resources are limited. The focus must therefore be on productive use of available water for agriculture. It is estimated that 62% of rainwater is used for natural grazing and woodlands; 12% for rain-fed croplands; and 2.4 % for irrigation (Bennie et al., 1998). Although about 56% of surface and groundwater is used for irrigation (Backeberg, 2003), there is evidence that most smallholder irrigation schemes are operating below potential (Van Averbeke et al., 2011). Given the semi-arid conditions and expected impacts of climate change, more emphasis must be given to increased productivity of water use under irrigation. It will require higher crop production, better product quality and negotiating higher prices for improved operating margins (WRC, 2013). In this context it is noteworthy that according to the programme of action announced by the Presidency during 2010, it is anticipated that Output 4 will deliver improved economic livelihoods. This includes a rising percentage of small-scale farmers producing for market sales and an increased number of jobs in agro-processing. Furthermore, the National Development Plan (2011) forecasts increased production under irrigation and creation of new jobs by 2030. Practically achievable targets for expansion of irrigation at provincial level have been stated in the Irrigation Strategy for South Africa by the Department of Agriculture, Forestry and Fisheries (2015).

The reasonable argument has been made (Sunter, 2011) that for a balanced economy, both an outward and inward focus is essential. The last mentioned involves support for establishment of new small businesses and related job creation. In this regard priority attention should therefore be given to encouraging existing and new small farming businesses to be undertaken on irrigation schemes. This in turn requires that an assessment be made of goals and aspirations of current and potential farmers, in particular women and unemployed youth, to improve economic performance of farming enterprises (WRC, 2013). In this process, due recognition should be given to the wealth “at the bottom of the pyramid” (Prahalad, 2005). “Pull factors” such as incentives linked to secure land tenure and water use rights with empowerment through knowledge and practical skills are mostly neglected. However, it is well known that economic development is driven by innovations of entrepreneurs (Schumpeter, 1934). Entrepreneurial activity, i.e. the willingness to do something new or different that involves the risk of failure, must be distinguished from business calculations of managers (Schumpeter, 1950). In addition to human capital (e.g. leadership and initiative) and social capital (e.g. operating on trust relationships), attention must be given to psychological capital (Luthans et al., 2004). Positive psychological capital consist of variables such as confidence, hope, optimism and resilience of farmers as entrepreneurs. Necessity or opportunity can be the trigger for people to become entrepreneurs. Reasons have also been given for how to avoid struggling as a start-up business and what is needed to become a successful entrepreneur (Maluleke, 2016). Therefore it is important to investigate the potential for entrepreneurial driven small farming businesses in the food value chain.

The WRC has funded research projects and published reports on entrepreneurial development paths of households and enterprises on smallholder irrigation schemes and homestead food gardens in surrounding rural villages. This research work was done in partnership with the Umhlaba Consulting Group/Tshwane University of Technology, University of Fort Hare and University of KwaZulu-Natal. During the symposium presentations will be given and discussions held on research findings in Limpopo, Eastern Cape and KwaZulu-Natal Provinces as well as implications for smallholder crop farming and homestead food gardening as entrepreneurial small businesses in South Africa.