

# Witzenberg PALS- Partnerships in Agri Land Solutions

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## **Executive Summary**

This document will attempt to inform its reader about the Witzenberg PALS initiative. The PALS initiative includes projects pertaining to Farm Land, Housing, Cold Stores, Pack Houses and Community Projects.

A brief introduction and background section explains the Witzenberg PALS initiative and the PALS Centre.

## **Introduction**

The Witzenberg area which includes Ceres, the Koue Bokkeveld, Wolseley, Tulbagh, Breede River North and the Ceres Karoo is implementing a radical land reform initiative.

Witzenberg PALS was established in agreement between the Witzenberg agri producers, Witzenberg Municipality and the community. It was agreed to expedite land reform in a unique manner and to stimulate economic growth, job creation and social harmony. The goals include the establishment of successful black farmers, to involve the whole community in an inclusive process, to extend the initiative to other areas and agri related industries, to establish the Witzenberg Centre as "one stop shop" and focus on mentorships and training programmes. The Centre is a proud creation of PALS. It will also act as a Comprehensive Rural Development Desk and will be the inclusive governing body for the PALS initiative and projects.

Implementation takes place in accordance with the principles of the National Development Plan and the Municipality's Integrated Development Plan.

The initiative is regarded by Government as a radical game changer for land reform in South Africa. It has received recognition and is supported from the highest level of Government. Minister Nkwinti and Zokwana refers to Witzenberg PALS as the best solution for land reform

## Background

The PALS framework represents a radical departure from past land reform in South Africa:

1. Participant commercial farmers donate 30% of the shares in the project to the beneficiary farmer(s) to ensure that the latter have a veto over all major decisions.
2. The relationship between the beneficiary and the partner farmer gives the former better access to finance, and guarantees access to markets.
3. The beneficiary farmer is indemnified from debts of the new venture while a minority shareholder.
4. The Worker Trust receives a percentage of profits for community projects of their choice.
5. The beneficiaries have an option to purchase all the shares from the start.
6. The "one stop shop" provides a physical location where the coordination, facilitation, mentoring functions and also other function can be implemented as shown in figure 1 below.



(Figure 1: The Witzenberg PALS Centre's functions)

Two PALS projects were successfully implemented in 2012 on farms in the Ceres district. The Witzenberg PALS plan to implement approximately 50 new farm land projects with individuals who has the potential to become successful black farmers. A further 30 projects pertains to: Housing, Cold Stores, Pack Houses and Community Projects.

The farms on which the approximately 50 new farm land projects will be launched are situated in all areas of Witzenberg and covers more than 12 000 hectares. The productive irrigated land on these farms is approximately 4 200 hectares of fruit and vegetable land. As world renowned fruit area, the focus is on high value irrigation land and the aim is to exceed the 20% target of

the National Development Plan. It is estimated that 4 000 hectares of irrigated agricultural land will create 12 000 new jobs in the Witzenberg area.

The next phase of 25 identified farm land and value chain projects is being prepared for implementation in 2015.

The projects mentioned above includes the following:

1. 50 plus new farming units in Witzenberg with black commercial farmers of these units.
2. Strategy to make existing black farmers successful.
3. Current LRAD projects improved or restructured.
4. Projects with livestock in the Ceres Karoo.
5. Training College for future black farmers.
6. Access to value chain prioritized.
7. Housing project for farmworkers.
8. Community projects.
9. Municipal livestock farms.
10. Educational projects – schools, crèches, after-care
11. Economic growth - pack houses, tourism, manufacturing.
12. Vuka Trust (Agri - and Sport Facilities for the Ceres Community)
13. Ceres Community Trust.
14. Best practices regarding housing, facilities, labour relations and a sustainable healthy environment

## **WITZENBERG PALS (NPC)**

**Registration number: 2015/164704/08**

### **VISION**

Vibrant, prosperous, reformed, sustainable, agricultural industry, rural economy and harmony.

### **MISSION**

To initiate, facilitate, coordinate and promote reform of agri land ownership, economic growth, job creation and social harmony based on the *Partnership in Agri Land Solutions (PALS)* framework.

### **VALUES**

We uphold the following values:

- Integrity
- Honesty
- Respect
- Trust
- Transparency
- Commitment
- Accountability

The Witzenberg PALS will be govern as a Non-Profit Company. The company is registered (2015/164704/08) and has appointed Mr Lennox Plaatjies as its COO. The Witzenberg PALS NPC consist of 10 board members:

1. Pieter du Toit (Chair)
2. Raymond Koopstad (Vice Chair)
3. Francois Malan (Member of Executive Committee)
4. Nicholas Dicey
5. Tommy Mona
6. Petri Fourie
7. Robert Graaff
8. Jafta Galant
9. Peter Wolfaardt
10. Inus Oosthuizen

## **The Witzenberg PALS Centre**

The Witzenberg Centre is a key part of the strategy. In line with the proposals of the NDP, it is envisaged that a Local Land Committee (LLC) will be established, with representation from the Municipality, commercial farmers, black farmers, the various project teams, State Departments (Agriculture, Rural Development and Land Reform, Water Affairs), financial institutions (Land Bank, commercial banks), and the Land Reform for Agricultural Development (LRAD) Trusts. The LLC or PALS Centre will meet regularly to decide on matters such as new water permits, new projects, evaluation of new applicants for participation in the projects, and to monitor the implementation and management of projects and of mentorship arrangements, as required in terms of the NDP. The PALS Centre focus to be transparent and inclusive, thus inviting all role players of the industry to become partners.

To this end, the Witzenberg PALS established an office in the town of Ceres, which will act as a One-Stop venue for the PALS Initiative. The main functions of the Centre will be coordination, facilitation and implementation of the core business of the land reform projects. The Centre will also take responsibility for many other actions as portrayed in Table 1 below:

## WITZENBERG PARTNERSHIP (Table 1)

1. Partnership between agri-producers from Witzenberg and the Municipality.
2. Supporting Partners: Department of Water Affairs, Agriculture, Rural Development and Finance, Landbank, Commercial Banks, Agri Witzenberg, Hortgro, Korkom, Industry Organizations, CBI, Ceres Rail Company, Packing Houses, Marketing Companies, Supermarkets, Chemical Companies, Market Agents, Packing Material Suppliers.

### CENTRE

PROJECTS	PUBLIC RELATIONS AND MEDIA	WATER	MONITORING WATCHDOG	TRAINING AND SUPPORT	FINANCE	POTENTIAL BLACK FARMERS	COMMUNITY
Planning & Drafting			(Reports and financial statements)			Screening	Housing
Approvals						Monitor	Training
± 80 projects	Liaison with role players, banks, departments, government, media and producers	Approval, permits, use and new irrigation schemes or pipelines, expansion of current schemes.	Committee that confirm that the conditions are met on a yearly basis.	Training facility	Water schemes	Placement	Vredebes and other housing
LRAD projects				Schools and youth projects	Banks	Monitoring	Ceres Rail Company
Livestock Farms			Representative of Rural Development, Agriculture, Water, Municipality and Agri Producers.	Support current black farmers	Government	Examinations	Vuka Trust
Karoo Projects					International funds	New entrants approvals	Community Trust
Agri-gardens, schools and community					Supermarkets		Crèches, etc.