SPEECH BY THE MINISTER FOR AGRICULTURE AND LAND AFFAIRS, HON. LULU XINGWANA (MP)

LAUNCH OF THE AGRIBEE SECTOR CHARTER GAZETTED ON
20 MARCH 2008

SHERATON HOTEL
PRETORIA
4 APRIL 2008
Ladies and Gentlemen:

Allow me on this occasion of the AgriBee Sector Charter launch to open my address with a quote from the Strategic Document on the Black Economic Empowerment:

“The systematic dispossession and disempowerment of black people that has defined South Africa for so long requires an equally systematic response from Government in order to achieve redress, particularly in the context of globalisation and the need for accelerated economic growth to eradicate poverty in our country. Since 1994 the Government has taken many steps to transform the economy and has set the foundation for a focused strategy of Broad-based Black Economic Empowerment”.

Close quote

For this reason, Government defines Black Economic Empowerment as an integrated and coherent socio-economic process that directly
contributes to the economic transformation of South Africa and brings about significant increases in the numbers of black people that manage, own and control the country’s economy as well as significant decreases in income inequalities.

The Black Economic Empowerment Strategy is a necessary government intervention to address the systematic exclusion of the majority of South Africans from full participation in the economy. The defining feature of Apartheid was the use of race to limit and strictly control access to the economy by black persons. The accumulation process was one of restricted wealth creation and imposed underdevelopment of black communities to ensure that they were, in the main, suppliers of cheap labour.

The underdevelopment of black South Africans took the form of a progressive destruction of productive assets, deliberate denial of access to skills and jobs, and the undermining of self-employment and entrepreneurship. In combination, these policies restricted and suppressed wealth and skills endowment in black communities, thereby structurally inhibiting their participation in a legislatively race-based economy. The fact that black communities had little access to technical and scientific teaching and learning further exacerbated the problems connected to the rapidly developing industrialisation process in the country.
The Strategic Document further states that, amongst others, the successful implementation of the BEE Strategy will be evaluated against the following:

- a substantial increase in the number of black people who have ownership and control of existing and new enterprises; and
- a significant increase in the number of black people in the executive and senior management of enterprises.

Furthermore the Strategy Document reiterates that Black Economic Empowerment is an inclusive process which professes that a more equitable economy will benefit all South Africans, individuals and enterprises.

The Black Economic Empowerment Strategy has already been implemented in the other sectors of the economy and was not limited only to those enterprises that derive income from government procurement or those where the sector is regulated by Government.

Programme Director, today we are gathered here to launch the AgriBEE Sector Transformation Charter which was gazetted in terms of Section 12 of the Broad-Based Black Economic Empowerment Act (2003) on 20 March 2008.

The AgriBEE Charter is the product of extended consultations and deliberations among sector and related stakeholders over a number of years. The process was initiated by the launch of the AgriBEE

The objectives of AgriBEE are to facilitate Broad-based Black Economic Empowerment in the Agricultural Sector by implementing initiatives to include black South Africans at all levels of agricultural activity and enterprises by *inter alia*:

- Increasing the extent to which black women, people living with disabilities and youth own and manage existing and new agricultural enterprises, increasing their access to economic activities, infrastructure and skills training; and

- Empowering rural and local communities to have access to agricultural economic activities, land, agricultural infrastructure, ownership and skills.

The employment equity element as reflected in the Act is to increase the representation of black women and black designated groups at senior management level, at professionally qualified, experienced specialists, mid-management level, at skilled technical and academically qualified, junior management supervisory, foremen and superintendent level, in the entire the agri-industry. This will be achieved by increasing the absolute and relative number of black people in these positions and by implementing mechanisms under the skills development element to ensure that secondary, tertiary and
inhouse training and development programmes are designed to meet the targets set under the employment equity element.

Programme Director, preparations are underway to establish an AgriBEE Charter Council that will report to the Black Economic Empowerment Advisory Council, appointed in terms of the Act and the Minister of Trade and Industry on progress made by the Sector in terms of the AgriBEE Charter.

The AgriBEE Charter Council will *inter alia* oversee the work programme that will culminate with the promulgation of a Section 9 Agricultural Sector Code, which will have the same status as the B-BBEE Codes of Good Practice.

Programme Director, the features of unprecedented growth in the economy which are experienced locally have to continue to spill over to our sector as well, providing enterprising and job opportunities and in so doing contributing to the 2014 vision of halving poverty among our people.

The agricultural sector must continue in its contributing efforts towards attaining a better life for all South Africans. More so because agriculture is at the forefront of the urban and rural economic development and this is manifested in our involvement across public and private sector programme initiatives.
I also want to announce that in the next few weeks the Department of Land Affairs will launch a new Land Acquisition/Share Acquisition (LASA) subsidy model which, in my view, will be a radical change from the current Land Redistribution for Agriculture Development (LRAD) grant model and framework. For now I am not saying much about this model, except that members of the media must wait for the actual launch.

In conclusion I would like to thank all stakeholders who were part of the Steering Committee that formulated the goals of the broad-based transformation of the agricultural sector. The Steering Committee must be thanked for the work well completed. It was not easy to reach consensus, considering the diversity of our Sector.

I thank you