

ANNUAL REPORT

2018/2019



We develop the South African Agricultural Industry.
Ons ontwikkel die Suid-Afrikaanse Landbou Industrie.



CENTRE OF EXCELLENCE
Natural Resources



Wayman Kritzing

Wayman Kritzing served as chair of the Centre of Excellence: Natural Resources. He was assisted by Willem Symington as deputy chair and Cornie Swart as an additional member. Janse Rabie was the functionary.

WATER AFFAIRS

Raw water tariff dispensation

The department of water and sanitation's (DWS) approved water tariff dispensation for 2019/20 was circulated to the affiliates. Agri SA played an important role during the national raw water tariff negotiations to ensure that percentage increases (between 4,40% - 14,40%) fell within the parameters as negotiated by Agri SA on behalf of the South African agricultural sector.

Transfer of water use entitlements

Agri SA received numerous requests for support for legal action against the DWS relating to the revised (and in our view incorrect) interpretation by the DWS of section 25 of the National Water Act, 36 of 1998 (NWA). In terms of its revised position, DWS is of the view that section 25 cannot be interpreted to allow for the private trading in water use entitlements. After careful deliberation, two matters were selected by Agri SA's Legal Committee for support:

- i. The Wittewater Boerdery matter (dealing with temporary transfers of water use entitlements) succeeded in the Cape High Court. A copy of the judgement and media statement in relation thereto was circulated to Agri SA's members. The return date for the hearing of the second (main) part of the application will be during the second half of 2019.
- ii. The Doornkraal Besigheidstrust matter (which deals with permanent transfers of water use entitlements as well as declaratory relief relating to the powers of water user associations) has been referred to the judge president of the Pretoria High Court for a hearing before a full bench of that court later in 2019.

Verification and validation process

Agri SA's Natural Resources Centre of Excellence continues to track and bear pressure on the DWS in the

finalisation of the verification and validation process. Once the DWS has finalised the close-out reports for the process, it will start a process of engaging with Agri SA with the view of providing it with a proper update of the status of existing lawful water uses in South Africa.

Illegal water use

The illegal use of water is of grave concern to Agri SA as it causes conflict and inequality among irrigators.

Agri SA has consistently maintained its position that it cannot and will not approve, endorse or in any way support the unlawful use of water by its affiliated members.

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Agri SA maintains that the establishment of outstanding catchment management agencies (CMAs) and the verification and validation of water use rights are essential for the DWS to act against the unlawful use of water.

The purported illegal issuing of water use licenses is of further concern. Agri SA sought legal advice on a matter emanating from the Northern Cape, which it referred to the minister of water and sanitation for further investigation. Agri SA also referred the matter to the Organisation Undoing Tax Abuse (OUTA) for further investigation and action.



Deteriorating water quality

Agri SA is highly concerned about the deteriorating quality of South Africa's water resources and the implications thereof for agriculture. Agri SA's Natural Resources Centre of Excellence has been involved with the initial consultations to develop an integrated national water quality policy and strategy and will continue participating in this and other processes.

Agri SA was instrumental in calling for an investigation into the DWS's water quality monitoring and management functions along the Vaal River. Despite the reprimand by the parliamentary portfolio committee on water and sanitation, the DWS has not been able to fulfil its water quality monitoring and management functions. Agri SA has called upon and will support its various commodity organisation affiliates in addressing the causes and effects of deteriorating water quality in South Africa.

Agri SA believes water quality should be managed at catchment level. The creation of the outstanding catchment management agencies by the DWS is seen as imperative with respect to managing South Africa's deteriorating water resources.

Relationships with external stakeholders

Agri SA maintains strong working relationships with various external stakeholders and role players in the water sector, including the South African Association of Water Users Associations (SAAFWUA), the Strategic Water Partnership Network (SWPN) and the South African National Council on Irrigation and Drainage (SANCID).

In March 2019, Agri SA and SAAFWUA entered into a formal memorandum of understanding to formalise its existing working relationship towards the advancement of the position of agriculture with respect to water affairs.

ENVIRONMENTAL AFFAIRS

Shale-gas development

Agri SA's Natural Resources Centre of Excellence is at the forefront of opposing the proposed establishment of a shale-gas industry in South Africa. Agri SA maintains that, in the absence of information as to the availability of water and details as to how contaminated soil and



water will be treated and disposed of, it cannot endorse or support the proposed creation of a shale-gas industry in South Africa.

Agri SA lodged a review application in the Pretoria High Court against the decision by the acting minister of environmental affairs to dismiss its appeal against the granting of environmental authorisation to Rhino Oil & Gas for exploration activities proposed to take place in North West, Free State, KwaZulu-Natal and the Eastern Cape provinces. The progress of the review application will be tracked and reported to Agri SA's affiliates.



Memorandum of understanding – Minerals Council of South Africa

Agri SA and the Minerals Council of South Africa (MinCoSA) are parties to a memorandum of understanding (MoU) which, amongst other things, aims to provide a communication platform on issues of mutual concern. In terms of the MoU, Agri SA and MinCoSA appointed an external consultant to investigate and assess areas where agriculture and mining can co-exist and is in the process of preparing an overlay atlas, which is intended to be used by the department of mineral resources when deciding on whether to allow mining in certain high-value agricultural areas.

Agri SA will constantly re-evaluate its relationship with organised mining. Should the current MoU prove not to benefit the agricultural sector, Agri SA will reconsider its current relationship with MinCoSA.

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Preservation and Development of Agricultural Land Bill

The draft Preservation and Development of Agricultural Land Bill (PDALB) is currently before the National Economic, Development and Labour Council (Nedlac).

The purpose of the PDALB is to retain and protect high-potential agricultural land for agricultural use. Such land is currently being threatened by competing demands such as those of the mining industry. Existing legislation does not offer adequate regulation in this regard.



MinCoSA remains opposed to agricultural stakeholders within Business Unity South Africa (Busa) regarding the applicability of the PDALB. The difference of opinion relates largely to the powers of the relevant ministers and the respective levels of government.

Agri SA monitors the process and will continue to exert pressure within Nedlac for the PDALB to be signed into law.

Biological control of alien and invasive species

Agri SA actively supported the Centre for Biological Control and Rhodes University in programmes to introduce biological control measures to manage alien and invasive species. Early indications are that this initiative has the potential to dramatically improve the grazing potential and use of rangeland in South Africa.

LandCare

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This includes the formulation of a comprehensive strategy to combat bankrupt bush infestation throughout South Africa as well as assisting Daff in its formulation of a conservation agriculture policy.

Square Kilometre Array

Agri SA is party to a memorandum of understanding (MoU) with the Square Kilometre Array (SKA) management authority. Agri SA continues to assist its affiliated members in negotiations and the resolution of issues of concern arising from the SKA's activities in the Northern Cape.