



POLICY ON THE APPLICATION OF THE RURAL ECONOMY TRANSFORMATION MODEL IN THE SETTLEMENT OF LAND CLAIMS

This policy is applicable in the settlement of land claims in terms of the Restitution of Land Rights Act, 1994 (Act 22 of 1994) where a Community or a group of Direct Descendants that are entitled to restitution has opted for restoration or the granting of a right in alternative state-owned land.

DOCUMENT CONTROL

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Revision Record

Date	Version	Revision Description
	1	

- The Policy on the Application of the Rural Economy Transformation Model in the Settlement of Land Claims outlined below was reviewed and approved by the Chief Land Claims Commissioner.
- This Policy comes into operation on date of signature.

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1. DEFINITIONS AND ACCRONYMS

1.1 Definitions

Term	Meaning
Claim	Means any claim for restitution of a right in land lodged with the Commission in terms of the Restitution Act, or an application lodged with the Registrar of the Court in terms of Chapter IIIA of the Restitution Act for the purpose of claiming restitution of a right in land;
Claimant	Means the any person who has lodged a claim within the timeframes prescribed in the Restitution Act, or for whom a claim was lodged including a person, a direct descendant of a person, an estate or a Community;
Commission	Means the Commission on Restitution of Land Rights;
Communal Property Association	Means an association that has been registered or qualifies for registration in terms of section 8 of the Communal Property Associations Act, 195 (Act No 28 of 1996);
Community	Means any group of persons whose rights in land are derived from shared rules determining access to land held in common by such group, and includes part of any such group. The interpretation of this definition by the courts is as follows.

For there to be a Community that there must be a Community or part of a Community: (a) that exists at the time the claim is lodged; and (b) that must have existed some-time after 19 June 1913; and (c) must have been victim to racial dispossession of rights in land; and (d) must have held rights in land in common.

In deciding whether a Community exists at the time of the claim there must be: (a) a sufficiently cohesive group of persons to show that there is a Community or a part of a Community, regard being had to the nature and likely impact of the original dispossession on the group; and (b) some element of commonality between the claiming Community and the Community as it was at the point of dispossession.

It is not required that the group concerned must show an accepted tribal identity and hierarchy. Where it is appropriate the "bonds of custom, culture and hierarchical



Term	Meaning
	<p>loyalty” may be helpful to establish that the group’s shared rules related to access and use of the land. The “bonds” may also demonstrate the cohesiveness of the group and its commonality with the group at the point of dispossession.</p> <p>To the extent that a claim of direct descendant could include more than one direct descendant entitled to restitution, and the direct descendants resolve to hold the land communally, reference to Community in this policy shall be extended to the group of direct descendants.</p>
Constitution	Means the Constitution of the Republic of South Africa, 1996;
Court	Means the Land Claims Court, or any other competent appeals court;
Direct Descendants	Means the direct descendant of a person that was dispossessed of a right in land, after 19 June 1913, as a result of past racially discriminatory laws or practices and who has died without lodging a claim; and has no ascendant and who has lodged a claim for the restitution of a right in land. A direct descendant includes includes the spouse or partner in a customary union of such person whether or not such customary union has been registered, and excludes collateral relatives. If there is more than one direct descendant who have lodged claims for and are entitled to restitution, the right or equitable redress in question shall be divided not according to the number of individuals but by lines of succession;
Equitable redress	Means any equitable redress, other than the restoration of a right in land, arising from the dispossession of a right in land after 19 June 1913 as a result of past racially discriminatory laws or practices, including- (a) the granting of an appropriate right in alternative state-owned land; (b) the payment of compensation;
Governance Structure	Means a Communal Property Association, a Trust, a Traditional Council, or any other structure that may be formed to hold and administer land on behalf of the Community;
Minister	Means Minister of Rural Development and Land Reform;



Term	Meaning
Office Bearers	Means the Executive Committee in a Communal Property Association; Trustees in a Trust; and Councillors in a Traditional Council; or similar committee in other Governance Structures that may be established by a Community;
Restitution	Means the restoration of a right in land; or equitable redress;
Restitution Act	Means the Restitution of Land Rights Act, 1994 (Act No 22 of 1994) as amended;
Restoration	Means the return of a right in land or a portion of land dispossessed after 19 June 1913 as a result of past racially discriminatory laws or practices;
Right in land	Means any right in land whether registered or unregistered, and may include the interest of a labour tenant and sharecropper, a customary law interest, the interest of a beneficiary under a trust arrangement and beneficial occupation for a continuous period of not less than 10 years prior to the dispossession in question;
Traditional Council	Means a traditional council established in terms of, and fully complies with, the Traditional Leadership and Governance Framework Act, 2000 (Act No 3 of 2000) or any other legislation that will amend or repeal that Act;
Trust	Means a trust established in terms of the Trust Property Control Act, 1988 (Act No 57 of 1988), as amended;

1.2 Acronyms

Term	Meaning
CLCC	Chief Land Claims Commissioner;
CRDP	Comprehensive Rural Development Programme;
DLCC	Deputy Land Claims Commissioner;
DRDLR	Department of Rural Development and Land Reform;
RADP	Recapitalisation and Development Programme;
RETM	Rural Economy Transformation Model;
RLCC	Regional Land Claims Commissioner.



2. TITLE

The Policy on the Application of the Rural Economy Transformation Model in the Settlement of Land Claims is a management tool used by the Commission to ensure the creation of institutional conditions for effective and efficient governance and sustainable development of the land awarded to a Community or a group of Direct Descendants that meets the requirements for restitution; and who has chosen restoration or the granting of appropriate rights in alternative state-owned land.

3. CONTEXT

- 3.1 During the period 1994 to 2009 land reform focused mainly on the number of hectares that were awarded through land restitution and land redistribution. Little attention was paid to the qualitative aspect of land reform, that is developing that land and the productive forces that received that land; and even less attention was paid to the creation of institutional conditions for sustaining the transformation being introduced.
- 3.2 In 2009 the Department of Rural Development and Land Reform (“DRDLR”) was created with a new mandate for rural development, land reform and agrarian change. It developed the Comprehensive Rural Development Programme (CRDP), which was adopted by Cabinet in the same year. Based on the CRDP a Framework for Rural Development was developed. It set out development measurable for development, being meeting basic human needs, enterprise development, and agro-industries sustained by markets and financing facilities.
- 3.3 The strategy for rural development is agrarian transformation, defined as a rapid and fundamental change in relations of land, livestock, cropping and community. This introduced a comprehensive and inclusive approach to land reform.
- 3.4 The diagram marked Figure 1 and Annexed to this document summarises the mandate of the DRDLR presents three development measurables, in phases, which are meant to run sequentially and simultaneously. Restitution development projects, or proposals for projects, must be measured using these three development measurables.
- 3.5 In 2012 Cabinet adopted the National Development Plan (“NDP”). Chapter 6 of the NDP provides for the following key points for “An Integrated and Inclusive Rural Economy” and land reform:
 - (a) Rural communities require greater social, economic and political opportunities to overcome poverty;
 - (b) Agricultural development should introduce a land reform and job-creation / livelihood strategy that ensures rural communities have jobs;
 - (c) Ensure quality access to basic services, healthcare, education and food security;



- (d) Plans for rural towns should be tailor-made according to the varying opportunities in each area; and
- (e) Inter-governmental relations should be addressed to improve rural governance.

3.6 In pursuit of the objects of the NDP, the DRDLR adopted the Rural Economy Transformation Model ("RETM"). Central to the RETM is the separation of governance from development and clarification of institutional roles and relationships.

3.7 Governance is to be undertaken by a Governance Structure and development by a separate Development Structure. A Wagon Wheel model of communal land tenure, which is part of the RETM, provides for a land use plan as well as security of tenure for households, particularly vulnerable female and child headed households. The Wagon Wheel is enhanced by clearly delineated and administrative and developmental institutions, each with clearly defined roles.

4. SCOPE

4.1 This policy applies in the processing of land claims, where a Community is entitled to restitution and has opted for restoration of a right in land or the granting of an appropriate right in alternative state-owned land. Claims for financial compensation are dealt with in the manner set out in the Financial Compensation Policy.

4.2 The policy is to be applied during the third phase of the restitution process, set out below, and once the investigation has been completed; the claim is found to meet the requirements for restitution; and where a Community has opted for restoration of a right in land, or the granting of an appropriate right on state-owned land.

4.3 The RETM applies in rural claims and its principles apply in urban claims.

4.4 It must be pointed out, however, that not all aspects of the RETM are to be implemented by the Commission; but its principles must inform the settlement of the claims.

5. LEGISLATIVE MANDATE

5.1 The Commission is one of the two principal institutions established by the Restitution Act, the other being the Court. Its core mandate is the management of the restitution process.

5.2 The functions of the Commission are set out in Section 6 (1) of the Restitution Act. Broadly the functions of the Commission are to assist claimants to submit their claims, receive them, investigate them and attempt to resolve them through mediation and negotiation.



- 5.3 There are four phases to the restitution claims processes. These are lodgement of the claim; acceptance thereof; the investigation phase of the claim; and the referral or settlement phase of the claim.¹
- 5.4 The lodgement phase starts when a claim is lodged on a prescribed claim form. The land claim form must include a description of the land in question, the nature of the right in land which the Community or person was dispossessed of and the nature of the right or equitable redress that is being claimed.
- 5.5 The Commission is at this stage of the process, required to receive and acknowledge receipt of all claims lodged with or transferred to it in terms of the Act. It must take reasonable steps to ensure that claimants are assisted in the preparation and submission of claims. The cut-off date for lodging of land claims was previously 31 December 1998; it is currently 30 June 2019.
- 5.6 The second phase (acceptance) commences after lodgement and ends with the publication in the Government Gazette. The RLCC, upon accepting the land claim, in terms of section 11(1) of the Act, publishes the land claim in the Government Gazette. The publication of the land claim only takes place once the RLCC is satisfied that the claim has been lodged in the prescribed manner; the claimant has reasonable grounds for arguing that the claim meets the qualifying requirements of section 2 of the Act; and it is not frivolous or vexatious.
- 5.7 If the RLCC refuses to accept the land claim, he or she must inform the applicant of the refusal and furnish reasons for that decision. If she accepts the land claim, the land claim is then published in the Government Gazette and she takes steps to make the acceptance of the claim known in the district in which the land in question is situate.
- 5.8 The investigative phase is governed by the provisions of section 11(6), (7), (8), 11A, 12 and 13 of the Act. The RLCC must, *inter alia*, advise the owner of the land in question of the claim lodged against the land and that it may not, *inter alia*, dispose, develop etc., the land without notifying the Commission. Attempts to settle the claim through mediation and negotiations take place during this phase, including organising the claimants.
- 5.9 The fourth and final phase is the referral or settlement phase. In this phase, the RLCC refers the matter to the Court in terms of section 14. The referral takes place when it is not possible to settle the claim by mediation or negotiation or when the RLCC is of the opinion that the claim is ready for hearing by the Court. As an alternative to the referral to the Court, the Act permits the RLCC to recommend to the Minister how a claim should be settled and upon the Minister being satisfied that the claimant is entitled to restitution of a right in land in terms of section 2 of the Act, the

¹ Gamevest (Pty) Ltd v Regional Land Claims Commissioner, Northern Province, Mpumalanga and Others 2003 (1) SA 373 (SCA)



Minister in terms of section 42D enters into an agreement with the interested parties providing for the settlement of the claim.

- 5.10 The settlement of the claim may be in the form of an award of land, a portion of land or other right in land, payment of financial compensation or both the land and financial compensation.
- 5.11 The Court and the Minister are empowered to settle land claims. The Court may, amongst other things, order the restitution of land or a right in land to the claimant, or order the state to grant the claimant an appropriate right in alternative state-owned land, or order the state to pay compensation to the claimant, or order the state to include the claimant as a beneficiary of a state support programme for housing or the allocation and development of rural land, or it may grant the claimant alternative relief.
- 5.12 Where land or compensation is awarded to a Community, the Minister and the Court are required to ensure that all members of the dispossessed Community have access to the land or the compensation in question in a manner that is fair and non-discriminatory towards any person including a tenant, and which ensures the accountability of the person who holds the land or compensation on behalf of such Community to the members of the Community².
- 5.13 If after an order has been made by the Court or an award made by the Minister, or if an agreement between parties on how to settle a claim certified by the RLCC, it is shown that another claim was lodged in terms of this Act in respect of the land to which the order or agreement relates, any interested party may apply to the Court for the rescission or variation of such order or the setting aside or variation of such agreement; and the Court may grant such an application, subject to such terms and conditions as it may determine, or make any other order it deems fit.

6. POLICY PROVISIONS: RETM IN THE SETTLEMENT OF LAND CLAIMS

- 6.1 The RETM and principles thereto are to be applied during the third phase of the restitution process, set out above, once the investigation has been completed; the claim is found to meet the requirements for restitution; and where a Community or a group of Direct Descendants have opted for restoration of a right in land, or the granting of an appropriate right on state-owned land.
- 6.2 In the settlement of claims the Commission is guided by the principle of the primacy of restoration unless public interest considerations suggest otherwise, in addition to the factors militating for and against restoration set out in the Restitution Act³.

² Section 35 (3) and 42D (2) of the Restitution Act

³ Kwalindile Community v King Sabata Dalinyebo Municipality and Others; Zimbane Community v King Sabata Dalinyebo Municipality and Others (CCT 52/12, CCT 55/12) [2013] ZACC 6; 2013 (5) BCLR 531 (CC); 2013 (6) SA 193 (CC) (28 March 2013) at para 43



- 6.3 Neither a claimant nor a Community may, however, insist restoration or a particular right. What is appropriate Restitution or Equitable Redress will depend upon the circumstances of each case⁴.
- 6.4 In broad terms, the Commission shall approach the settlement of claims in two stages, the first being the acquisition of the land, and the second being development on the land (commonly referred as post-settlement support). Although the Commission does not have a mandate to implement the development aspects, it shall ensure that the fundamentals are in place, i.e. that there is separation between governance and development, and the clarification of Institutional Roles and Role-Relationships.
- 6.5 The above approach is informed by the strategy of agrarian transformation set out above, defined as a rapid and fundamental change in relations (patterns of ownership and control) of land, livestock, cropping and community.
- 6.6 Stage one relates to the restoration of a right in land or an award of an appropriate right on alternative state-owned land (i.e. change in the patterns of ownership of the land), and stage two relates to the development of that land (change in the patterns of control). As stated above, claims for financial compensation are dealt with in terms in the manner set out in the Financial Compensation Policy.
- 6.7 The two stages shall be implemented sequentially and, or, simultaneously.

A: Stage One: Restoration of a right in land or alternative state-owned land (Governance)

- 6.8 The overriding principle is that where land is awarded to a Community, the Minister and the Court are required to ensure that all members of the dispossessed Community have access to the land in a manner that is fair and non-discriminatory towards any person including a tenant, and which ensures the accountability of the person who holds the land or compensation on behalf of such Community to the members of the Community, in compliance with Section 35 (3) and 42D (2) of the Restitution Act.
- 6.9 Where a Claimant is a Community or where there is more than one direct descendant that is entitled to restitution and they have opted for restoration of a right in land, or the granting of an appropriate right on state-owned land a Governance Structure shall be established to hold and administer the land on behalf of the Community or direct descendants.
- 6.10 Key to the process of deciding on the type of a Governance Structure, and establishing the chosen Governance Structure is (a) informed choice, (b) the will of

⁴ Concerned Land Claimants' Organisation of Port Elizabeth v Port Elizabeth Land and Community Restoration Association and Others [2006] ZACC 14; 2007 (2) SA 531 (CC); 2007 (2) BCLR 111 (CC) at para 26 states:



the people, and (c) socio-economic impact on the structure chosen on the lives of the people and the Community / or direct descendants as the case may be.

- 6.11 The Community or direct descendants shall be workshoped on the different types of Governance Structures, i.e. a Communal Property Association, a Trust or a Traditional Council, and shall be required to decide on the appropriate structure for them. The Community or direct descendants must consider the socio-economic impact of the structure chosen on the lives of the people and their Community.
- 6.12 Figures 2(a) and 2(b) attached to this document sets out the two "Wagon Wheel" models. Figure 2 (a) is for instances where the community will elect a Traditional Council and Figure 2 (b) is for Communal Property Associations and Trusts.
- 6.13 Where required, an independent body shall be appointed to conduct the workshop on the different types of Governance Structures; and, or, to conduct elections for Office Bearers.
- 6.14 The Office Bearers must include women, the youth and persons with disabilities, elected from verified households.
- 6.15 The quorum for the meeting where a decision on the Governance Structure is to be taken shall be 60% of the verified households in Community claims, or 60% of the direct descendants in claims of direct descendants.
- 6.16 Regardless of the type of the Governance Structure to be elected the role of the Governance Structure shall be (a) a title holder, (b) land allocation, (c) adjudication of disputes relating to the land, and (d) be a reference point.
- 6.17 In order to enforce accountability, the founding document of the Governance Structure must provide for the following:
 - 6.17.1 Individuals that shall serve on the Governance Structure as Office Bearers (e.g. Executive Committee in a Communal Property Association, Trustees in a Trust, or Councillors in a Traditional Council) shall not be eligible to serve on the Development Structure;
 - 6.17.2 There shall be quarterly general meetings, and an annual general meeting, where the Office Bearers of the Governance Structure will report on work that has been done in respect of their role, i.e. (a) a title holder, (b) land allocation, (c) adjudication of disputes relating to the land, and (d) be a reference point;
 - 6.17.3 In the quarterly general meetings the quorum requirement shall be 60% of the verified households in the case of Community claims; or 60% of the direct descendants in claims of direct descendants;
 - 6.17.4 The office bears of the Governance Structure shall report to the Department of Rural Development and Land Reform (or to the Registrar of CPAs), which in turn shall report to Parliament; and



- 6.17.5 There must be regular elections as required in the founding document of the Governance Structure.
- 6.18 One of the sources of conflict in communities is the concentration of power in the Office Bearers. The strategy to address this is two-fold: separation between governance and development, and the distribution of power. To distribute power Community may establish four additional committees to be responsible for socio-economic development, governance, planning, and social cohesion. The Committees will give an opportunity for more people from the Community to participate in decision making, and will work with the Office Bearers.
- 6.19 The mandate of the socio-economic development committee is to assist the Development Structure of the Community to develop plans and identify projects to be implemented on the land. The committee will be a link between the office bears, the Development Structure and the Community on the development needs of the Community, and will report to the Community on projects being implemented together with the Office Bearers of the Development Structure. This committee will work closely with the Directorate responsible for recapitalisation and development in the Provincial Office of the Department.
- 6.20 The governance committee will monitor compliance of the Office Bearers of the Governance Structure with the founding document. The committee will assist in addressing disputes between the Office Bearers and the Community. This committee will work closely with the Directorate responsible for Communal Property Institutions in the Provincial Office of the Department.
- 6.21 The planning committee will assist in the development of spatial plans for the Community. They will work closely with the Directorate responsible for Spatial Planning and Land Use Management in the Provincial Office of the Department.
- 6.22 The social cohesion committee is responsible for coming up with means, projects; ideas that will help promote social cohesion in the Community. In claims where there is traditional leadership they will work closely with the Royal Household.
- 6.23 In order to protect the land from land sharks, including land that may be set aside for residential purposes, the founding document shall provide that communal land rights shall be protected from alienation or and other form of infringement by instituting the following regime: the first right of refusal shall be given to the household, meaning that land may not be sold, donated, leased, encumbered or in any manner disposed of by a Governance Structure without a written resolution to that effect which is supported by 60 % of households of the relevant Community; failing the households, the right will be enjoyed by the Governance Structure; and failing it the State.
- 6.24 As active citizens, households have, rights and responsibilities. The basic role of households, as holders of comprehensive or limited real rights over land, is the



following: basic unit of production and retailing; manufacturers and consumers of goods and services; rate payers; and voters.

6.25 The founding documents must provide for measures to be followed in development a of Community rules concerning communal land administration and management, as well as ensuring compliance of Governance Structures with these established by-laws.

6.26 Regardless of the type of a Governance Structure, the role of the Royal Household shall be the same; they shall play the historical role of being a moral authority, and above politics. A distinction is made between the Royal Household and their Tribal Councils or Traditional Councils. The Royal Household shall through alternative dispute resolution methods assist to resolve disputes within the Governance or Development Structures or between the households and those structures.

B: Stage Two: Development on restored land

6.27 Simultaneously and, or, sequentially with the establishment of a Governance Structure, another institution, which people must put in place, is that which should manage and control their investment, development and financing facility ("Development Structure"). This facility could be a company, a trust, a co-operative or any other appropriate vehicle.

6.28 There should, as much as possible, be an avoidance of the creation of a myriad of trusts and companies that are set up as these blur accountability lines and escalate tensions within communities.

6.29 The shareholders or members of the Development Structure shall be the households, and shall be managed either by the households (through representatives that they elect – who are not already Office Bearers in a Governance Structure) alone, or with a strategic partner of their own choice.

6.30 In order to determine whether a strategic partner is required a skills audit of the households shall be conducted to determine technical and managerial skills required in the development initiatives. Where the levels of skills are low the Community will be advised to find a strategic partner – on a risk sharing basis. One of the responsibilities of the strategic partner shall be to develop and implement a programme of skills development and training. This process should ensure adequate, informed and inclusive participation process in the business modelling negotiations.

6.31 The Development Structure, whether there is a strategic partner or not, must develop long term business strategy, skills development plan (including a bursary fund), set aside funds to develop and maintain the infrastructure in the land, set aside funds for social cohesion projects, and make funds available (through loans or other forms of



small business support) for supporting co-operatives and other individual enterprises that may be done by households. The development measurables for development, being meeting basic human needs, enterprise development, and agro-industries sustained by markets and financing facilities, must be taken into account.

- 6.32 The Development Structures that have strategic partners shall have following pillars: tangible benefits, transformation, transparency and accountability and risk mitigation, as follows:
- 6.32.1 Regarding Tangible Benefits: there shall be equity; training and development which may include a separate fund; social and economic infrastructure fund; profit sharing; employment (employment opportunities should be set out); acknowledgement (of entitlement, but for the public interest or legislation prohibiting full ownership); exposure to entire value chain and beneficiation; sharing of assets of the business venture (this does not include the land, in restitution and redistribution).
 - 6.32.2 Regarding Transformation – there shall be empowerment - clear goals and milestones on what is to be achieved (including setting out when will control of the partnership be assumed by the beneficiaries, and under which circumstances); skills transfer (education) plan; how management and control shall be transformed; the apportionment or sharing of responsibilities (including delegation); harmonisation and integration; values that will guide implementation (the transformation); visible and demonstrable progression.
 - 6.32.3 Regarding Transparency and Accountability – there shall be clear legal or institutional structure, which complies with good governance principles; clear processes of the management of finances; filling of position / employment; designation of responsibilities; procurement; and management of assets.
 - 6.32.4 Regarding Risk Mitigation, there shall be a risk management strategy and the risk matrix must include, at least, measures for dealing with the following governance risks; production risks, business risk (including cash flow); market risks; and social risks particularly those resulting from the ownership of the enterprise by a Community.
- 6.33 The community may elect to incorporate the above pillars in Development Structure even where there is no strategic partner working with the community.
- 6.34 Development initiatives shall be supported by the Recapitalisation and Development Programme (“RADP Policy”). The funding model for RADP is set out in figure 2 (e) attached to this document.
- 6.35 Strategic partners include share equity arrangements, contract farming and concessions, mentorships, or any other similar arrangements. Details relating to different types of strategic partners are set out in the RADP Policy



- 6.36 The Share-Equity "*Joint Venture*" Enterprise model is the preferred model. A diagram depicting the nature of the new enterprise appears in Figure 2 (d) attached to this document.
- 6.37 Where there are business propositions the Community shall be assisted, by the DRDLR or by a qualified and experienced transactional advisors, to analyse and review those propositions in order to ensure the sustainability of the business model to be adopted.
- 6.38 The mandate of the transactional advisors to be appointed will be as follows:
- 6.38.1 To analyse and review any business proposition that may be presented to the Community, to ensure the sustainability of the business model to be adopted;
 - 6.38.2 To establish the Development Structure (the investment and development financing facility) of the Community;
 - 6.38.3 To engage the Community (both the Governance Structure and the Development Structure) and the Department of Rural Development and Land Reform regarding all business propositions that may be presented to the Community;
 - 6.38.4 To conduct a skills audit and based on the outcome, to develop a programme of skills development and training;
 - 6.38.5 To ensure an adequate, informed and inclusive participation process in the business modelling negotiations.

C: Institutional Roles and Role Relationships

- 6.39 Figure 2(c) attached to this document below sets out the institutional accountability system.
- 6.40 The State's authority is derived from the Constitution and the law. The governance structure's authority is derived from the will of the people. The investment, development and financing facility (Development Structure) is the creation of the people.
- 6.41 The government, particularly the municipal sphere, will perform roles and responsibilities as mandated by the Constitution and other relevant legislation. Government, particularly the municipal sphere, is thus responsible for provision of services and duties to the community, the creation of opportunities for residents, and to create an enabling environment for the exercise of constitutional rights by residents. Local government is required to give priority to the basic needs of the community, and to promote the social and economic development of the community through specific responsibilities that will include duties and services to the community; the creation of opportunities for residents; and through by-laws, create



the environment for the exercise of constitutional rights by residents, and the provision of duties and services to communities, by itself.

7. ROLES AND RESPONSIBILITIES

- 7.1 The Chief Directors: Land Restitution Support shall be responsible for the implementation of the Policy on the Application of the Rural Economy Transformation Model in the Settlement of Land Claims.
- 7.2 The Regional Land Claims Commissioner as the official delegated the function of negotiating claims on behalf of the Minister shall ensure compliance with it when recommendations for settlement of claims are forwarded to the Minister, or his delegate.

8. NON COMPLIANCE

Non-compliance to Policy on the Application of the Rural Economy Transformation Model in the Settlement of Land Claims and other applicable policies, standards and procedures will result in disciplinary action in accordance with the Code of Conduct applicable in the Public Service.

SIGNED BY THE CHIEF LAND CLAIMS COMMISSIONER, IN PRETORIA, ON THE DATE MENTIONED BELOW.

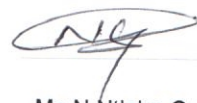


**MS N NTLOKO-GOBODO
CHIEF LAND CLAIMS COMMISSIONER**

DATE: 1/04/2016

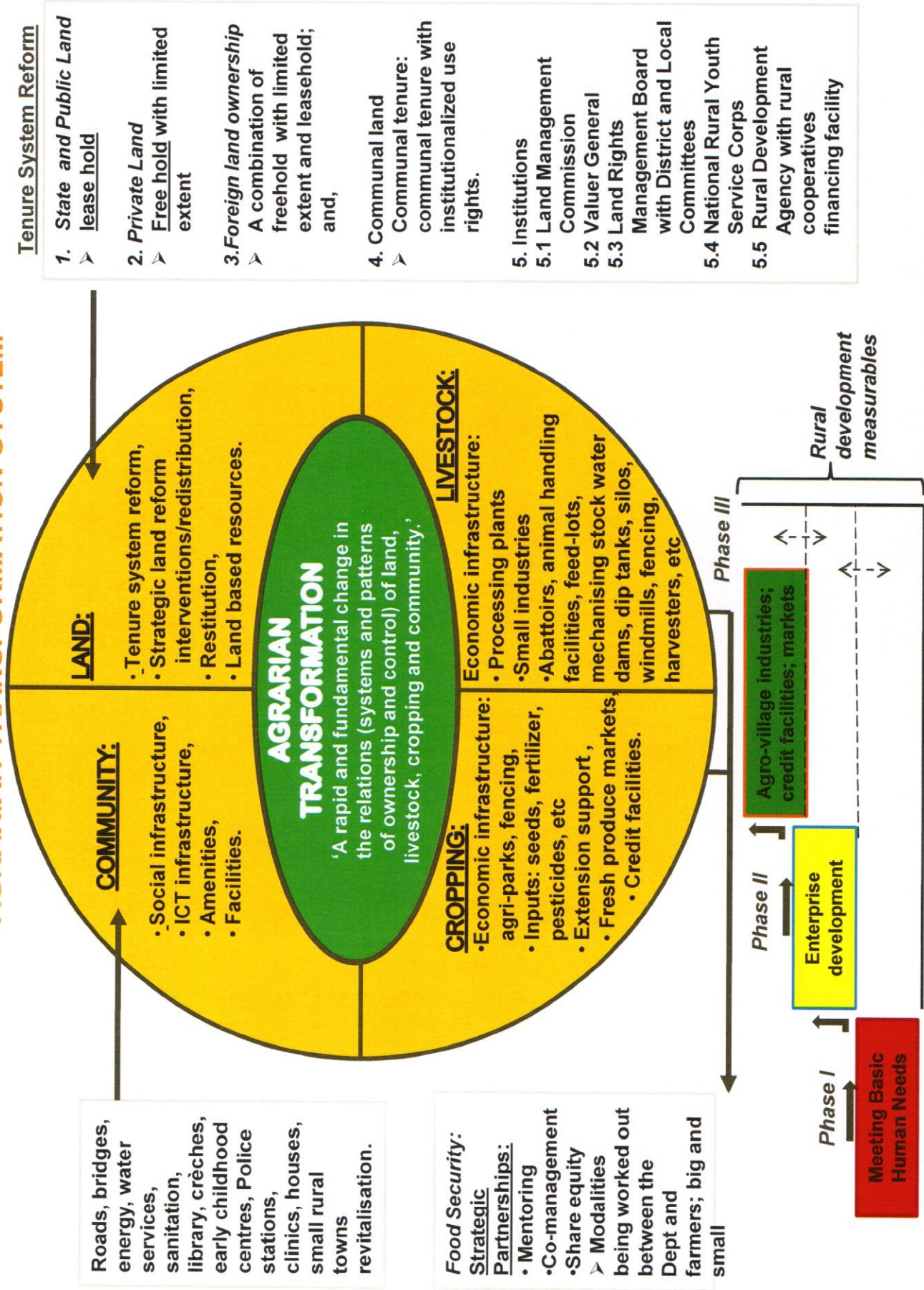
ANNEXURE
RURAL ECONOMY TRANSFORMATION MODEL DIAGRAMS

Initials:



Ms N Ntloko-Gobodo
CLCC

**Figure 1: RURAL ECONOMY TRANSFORMATION:
AGRARIAN TRANSFORMATION SYSTEM**

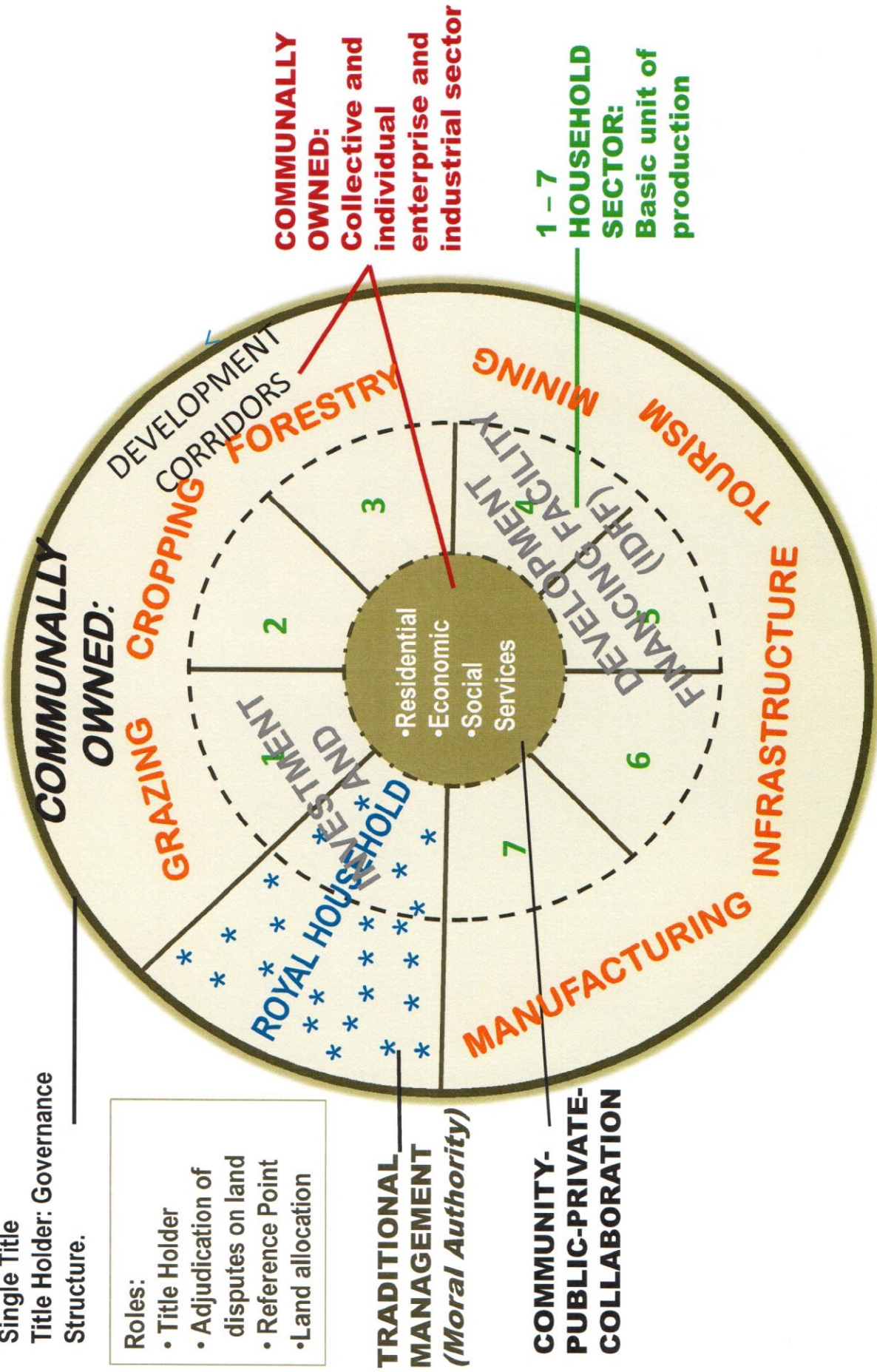


VIBRANT, EQUITABLE AND SUSTAINABLE RURAL COMMUNITIES

**Figure 2 (a): RURAL ECONOMY TRANSFORMATION:
COMMUNAL TENURE MODEL**

Outer Boundary:
Single Title
Title Holder: Governance
Structure.

- Roles:**
- Title Holder
 - Adjudication of disputes on land
 - Reference Point
 - Land allocation



TRADITIONAL MANAGEMENT
(Moral Authority)

COMMUNITY-PUBLIC-PRIVATE-COLLABORATION

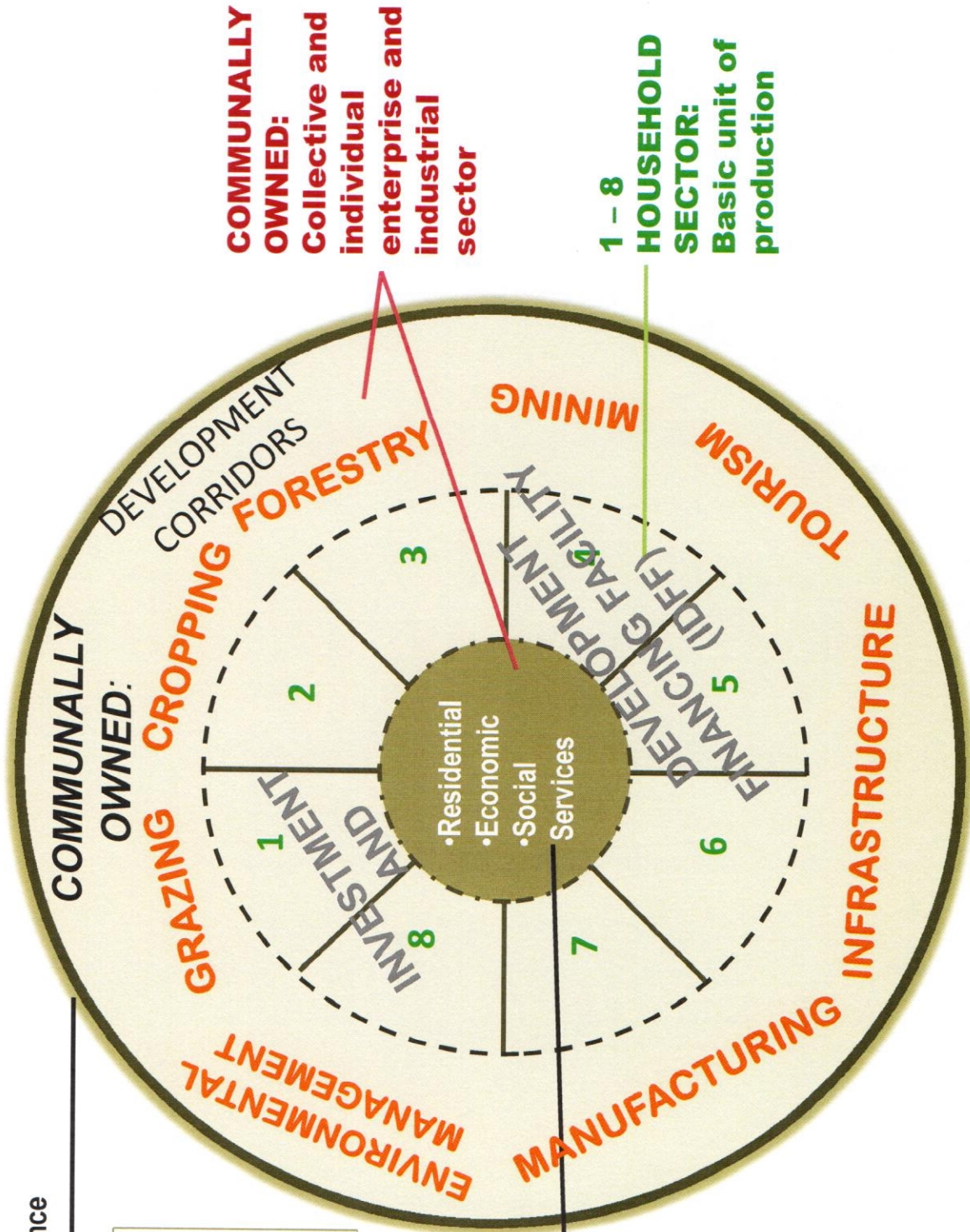
ROLES: TRADITIONAL COUNCIL/ MUNICIPAL COUNCIL

PRINCIPLE: COMPLEMENTARITY ACROSS TRADITIONAL & DEMOCRATIC INSTITUTIONS

**Figure 2 (b): RURAL ECONOMY TRANSFORMATION:
COMMUNAL TENURE MODEL**

Outer Boundary:
Single Title
Title Holder: Governance
Structure.

- Roles:**
- Title Holder
 - Adjudication of disputes on land
 - Reference Point
 - Land allocation



COMMUNITY-PUBLIC-PRIVATE-COLLABORATION

ROLES: TRADITIONAL COUNCIL/ MUNICIPAL COUNCIL / CPA / TRUST
PRINCIPLE: COMPLEMENTARITY ACROSS TRADITIONAL & DEMOCRATIC INSTITUTIONS

Figure 2 (c) : RURAL ECONOMY TRANSFORMATION: INSTITUTIONAL ROLES AND ROLE-RELATIONSHIPS

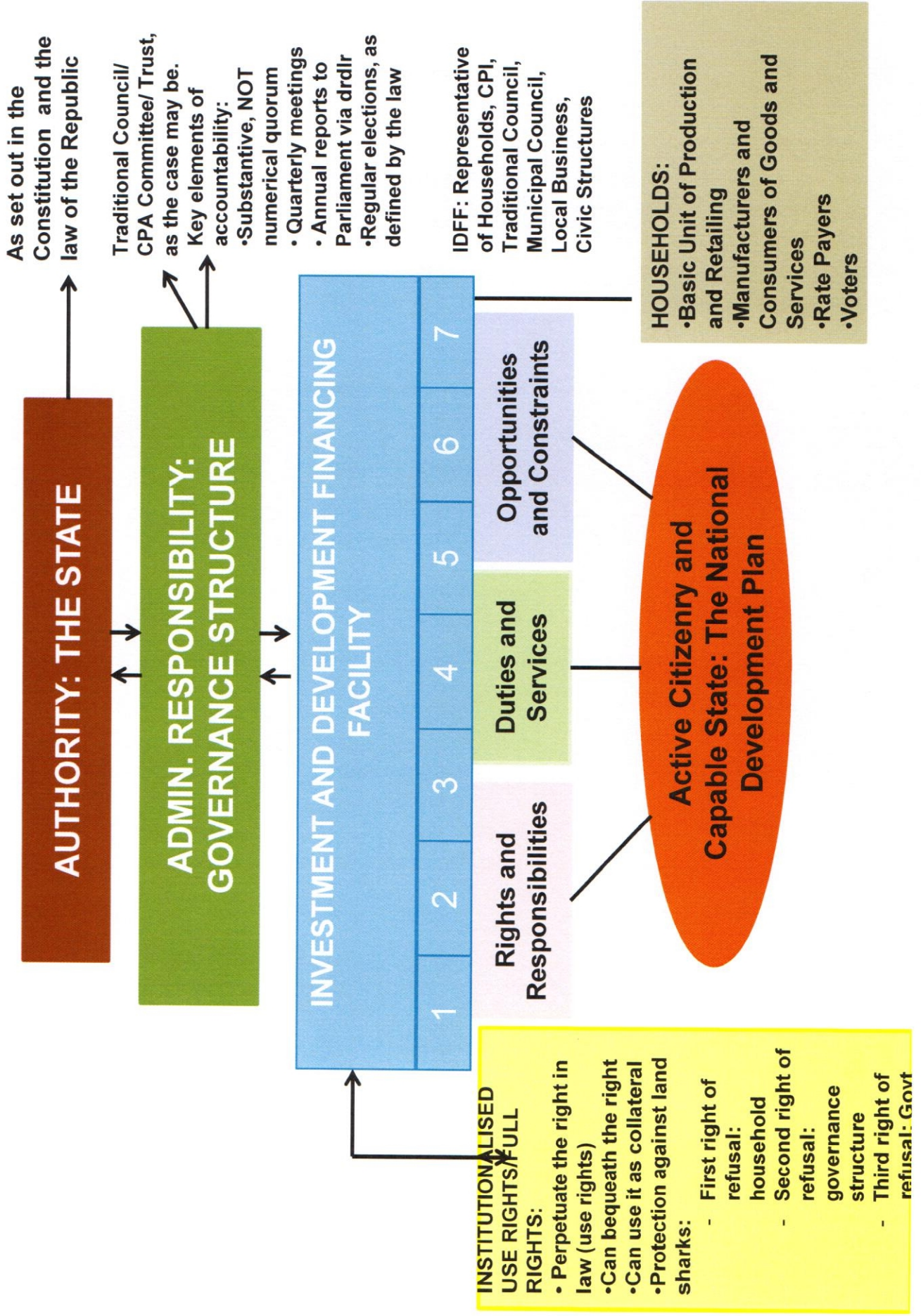


Figure 2 (c) : SHARE EQUITY (JOINT VENTURE) ENTERPRISE

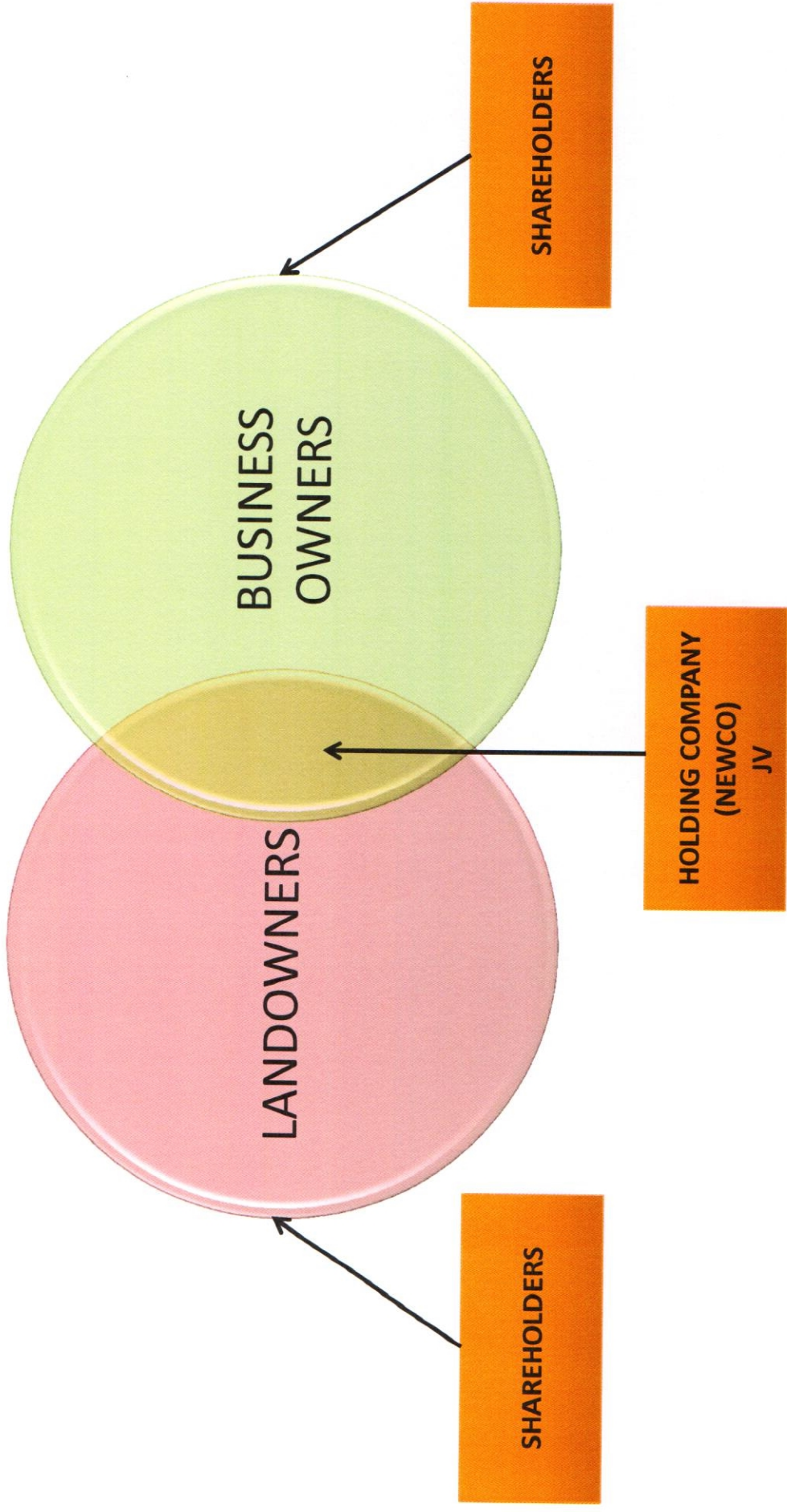


Figure 2(e): RECAPITALISATION AND DEVELOPMENT PROGRAMME WITH STRATEGIC PARTNERSHIPS

