

# Forming community private partnerships for productive land reform

The Vumelana Advisory Fund (Vumelana) - which supports the establishment of commercially viable partnerships between investors and beneficiaries of the land reform programme to create jobs, income and skills and demonstrate the value of community private partnerships (CPPs) as a contributor to successful land reform - has signed an agreement with the Kokame Communal Property Association (CPA) with the aim to support the community in identifying potential investors to work with them to make their land productive.



Kokame CPA together with the Vumelana Advisory Fund and Croftland Business Development

The CPA successfully acquired its land through the land restitution process in 2010 and has been attempting to source funding to support its growth and development. As with many CPAs, this has been difficult. Vumelana has appointed Croftland Business Development Services (Croftland BDS) to act as the transaction advisor to the CPA to facilitate the process

An opportunity was identified to link the CPA's property to Madikwe Game Reserve, one of the country's exclusive Big Five reserves. Since then, ongoing talks and engagement have been taking place with the North West Parks Board, who fully supports the partnership and proposed initiative.

## Giving serious attention to what happens after land has been transferred

Titus Seloro, deputy chairperson of the Kokame CPA, says: "Since our claim was settled in 2010, we have not received any funding from the government. We were stuck, but with this arrangement between the CPA, Vumelana and Croftland we are hopeful of a bright future for our people and for job creation in our community. We trust that this will change our lives for the better."

Mazwi Mkhulisi, programmes manager at Vumelana, explains: “The community-private partnership model has been key in contributing towards pockets of success in a number of projects in which Vumelana has been involved.”

“While it is true that the pace of land reform could be improved, serious attention ought to be given to what happens after land has been transferred to beneficiaries. Productive use of restored land will make South Africa’s land reform process a success. Vumelana’s support for CPPs presents one of a range of possible solutions towards successful land reform,” continues Mkhulisi.

## **The private sector has to come to the party**

According to Tim Damons, CEO of Croftland BDS, land reform beneficiaries often look to the government to fund the development on their transferred land, but as we all know, state resources are limited. “The private sector has to come to the party and this is where Vumelana steps in as an important enabler.”

“When a viable project is identified, Vumelana makes use of one of their transaction advisors to take the project from concept stage all the way through to partnership agreements for the implementation of commercial ventures. We agree on the developmental concept with the community, package it and take it to market to find a suitable investor,” explains Damons.

“We see real value in community-public-private partnerships like these and we believe that this approach will definitely lead to the upliftment of communities across South Africa. It alleviates some of the burden placed on government, who is a major contributor to socio-economic development, by finding innovative ways to build a better, brighter future for our people with the help and support of the private sector. This is how we build South Africa,” adds Damons.

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