

REPUBLIC OF SOUTH AFRICA

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# AGRICULTURAL DEBT MANAGEMENT REPEAL BILL

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*(As introduced in the National Assembly (proposed section 75); explanatory summary of  
Bill published in Government Gazette No. 30979 of 15 April 2008)  
(The English text is the official text of the Bill)*

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(MINISTER FOR AGRICULTURE AND LAND AFFAIRS)

[B 24—2008]

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# BILL

**To repeal the Agricultural Debt Management Act, 2001; and to provide for matters connected therewith.**

**B**E IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

## **Repeal of Act 45 of 2001**

**1.** The Agricultural Debt Management Act, 2001 (Act No. 45 of 2001), is hereby repealed. 5

## **Savings**

**2.** (1) Despite the repeal of the Agricultural Debt Management Act, 2001 (Act No. 45 of 2001), the provisions contained in sections 2, 7, 8(1), (2) and (3) and 9 of that Act remain in force until all agreements referred to in that Act have been terminated and the debt associated with those agreements have been recovered or otherwise extinguished. 10

(2) The repeal of the Agricultural Debt Management Act, 2001, does not affect any rights of the State to collect the debts referred to in that Act.

## **Short title and commencement**

**3.** This Act is called the Agricultural Debt Management Repeal Act, 2008, and shall be deemed to have come into operation on 1 April 2008. 15

**MEMORANDUM ON THE OBJECTS OF THE AGRICULTURAL  
DEBT MANAGEMENT REPEAL BILL, 2008**

**1. OBJECTS**

- 1.1 The Bill seeks to repeal the Agricultural Debt Management Act, 2001 (Act No. 45 of 2001 (“the Act”). The Agricultural Debt Account; and provides for the use of the account as a mechanism to manage agricultural debt repayment. It also regulates the administration of money in the account, the determination of the purposes for which funds in the account may be used, the auditing and reporting on the account to provide for various matters relating to debt and agreements, interest rates, the collection and writing off of debt and the registration of bonds and property.
- 1.2 The Department of Agriculture is currently only administering the recovery of the debt until it is fully recovered or otherwise extinguished. The Bill seeks to do away with the Agricultural Debt Account as a separate entity (account) and to have it incorporated into Vote 25 — Agriculture.
- 1.3 Since the Agricultural Debt Account will cease to exist as a separate entity (account), there is no need for the Act.

**2. BODIES CONSULTED**

- 2.1 National Treasury
- 2.2 State Law Advisers

**3. FINANCIAL IMPLICATIONS FOR STATE**

- 3.1 Surplus monies standing to the credit of the Account as well as future collections will be deposited in the National Revenue Fund. However, these monies will still be earmarked for agricultural development.

**4. PARLIAMENTARY PROCEDURE**

- 4.1 The State Law Advisers and the Department of Agriculture are of the opinion that this Bill must be dealt with in accordance with the procedure established by section 75 of the Constitution, since it contains no provision to which the procedure set out in section 74 or 76 of the Constitution applies.
- 4.2 The State Law Advisers are of the opinion that it is not necessary to refer this Bill to the National House of Traditional Leaders in terms of section 18(1) (a) of the Traditional Leadership and Governance Framework Act, 2003 (Act No. 41 of 2003), since it does not contain provisions pertaining to customary law or customs of traditional communities.