

**SUBMISSION ON THE DRAFT REGULATIONS IN TERMS OF THE *PROPERTY VALUATION ACT*  
17 OF 2014**

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The Centre for Constitutional Rights (CFCR) recently submitted comments to the Department of Rural Development and Land Reform regarding the *Draft Property Valuation Act Regulations*. The Draft Regulations, as read with the *Property Valuation Act*, signed into law in 2015, aim to establish a formula to be used by valuers when assessing property. Officials from the Valuer-General's office, as created by the *Property Valuation Act*, will determine, in line with the mentioned methodology, the value of all property identified for land reform purposes.

Section 25(3) of the Constitution lists the factors to be taken into consideration in the determination of the compensation amount. Such factors include the current use of the property, the market value of the property, as well as the history of the acquisition and use of the property. Indeed, the formula detailed in the Regulations includes all of these factors - but it goes further and includes terms such as "current use value". As we point out in our submission, the fact that "current use value" plays such a prominent role in the compensation formula is ridiculous since it will mean that land lying fallow or not in use will not have a value, or will have a negative value. It is important that there be a compensation formula which reflects the South African reality, however, the formula detailed in the Regulations does not reflect the just and equitable requirement for which the Constitution calls.