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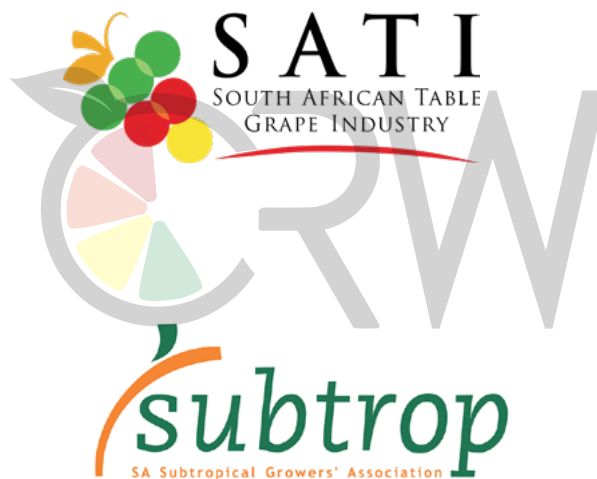
FRUIT INDUSTRY VALUE CHAIN ROUND TABLE (FIVCRT)

Transformation Working Group (TWG)
Annual Review
2019



**agriculture, land reform
& rural development**

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA



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FOREWORD

FIVCRT Transformation Working Group Convener

- Anton Rabe

The Fruit Industry Value Chain Round Table (FIVCRT) Transformation Working Group published its first annual review in 2019 which summarised industry initiatives for 2017 and 2018. This second report provides an updated account of the different Fruit SA commodity members' transformation programmes and achievements in 2019. These industries are representing the producers and exporters of citrus fruit, pome (apples and pears) and stone fruits, subtropical fruits (avocados, litchis and mangoes) and table grapes.

The report highlights some of the industry's transformation programmes and initiatives towards its objective of achieving an equitable and inclusive fruit industry within a sustainable South African agri-economy.

We trust that this report will add new information, perspective and insights into the ongoing transformation discourse in our country and will contribute towards the continued search for solutions to inspire viable programmes and create opportunities for everybody wishing to craft a career in the fruit industry value chain from pre-production to processing and marketing of our world renowned quality fresh produce.

We would therefore welcome any feedback and suggestions to improve these efforts further. This is a long-term industry with high barriers to entry due to its capital and technology intensive nature. As Convener of the Transformation Working Group, I am happy to report good progress since the 2017-2018 review and the adoption of our fruit industry transformation strategy that was first developed in November 2018.

We have a long way to go to achieve our objectives but as an industry we have taken big strides towards our dream of a united and prosperous fruit sector. We will continuously report on the implementation process and will closely monitor achievements and stepping stones aligned with key indicators.

I would like to thank my colleagues in the Transformation Working Group, the Transformation Managers of the different Commodity Associations and their teams for the progress registered in 2019. They are at the forefront of initiatives on the ground. To them we say: "Well done! Keep up, and continue to build on the good work to date."

Our thanks and appreciation also go to our industry leaders, our producers and exporters who have shown their dedication and commitment to transform our sector both sustainably and profitably.

We look forward to greater achievements in 2020 and beyond!



Anton Rabe

LIST OF ABBREVIATIONS AND ACRONYMS

ART:	AFRICAN REALTY TRUST
AGM:	ANNUAL GENERAL MEETING
AGRISETA:	AGRICULTURAL SECTOR EDUCATION TRAINING AUTHORITY
ARC:	AGRICULTURAL RESEARCH COUNCIL
BBBEE:	BROAD-BASED BLACK ECONOMIC EMPOWERMENT
BEE:	BLACK ECONOMIC EMPOWERMENT
BEEBS:	BEE BURSARY SUPPORT
CEO:	CHIEF EXECUTIVE OFFICER
CGA:	CITRUS GROWERS' ASSOCIATION OF SOUTHERN AFRICA
CGA-GDC:	CGA GROWER DEVELOPMENT COMPANY
CGDC:	CITRUS GROWERS DEVELOPMENT CHAMBER
CRI:	CITRUS RESEARCH INTERNATIONAL
CV:	CURRICULUM VITAE
DALRRD	DEPARTMENT OF AGRICULTURE, LAND REFORM AND RURAL DEVELOPMENT
DFDC:	DECIDUOUS FRUIT DEVELOPMENT CHAMBER
DFI:	DEVELOPMENT FINANCE INSTITUTION
DoEL:	DEPARTMENT OF EMPLOYMENT AND LABOUR
dtic:	DEPARTMENT OF TRADE, INDUSTRY AND COMPETITION
FISC:	FRUIT INDUSTRY SOCIAL COMPACT
FIVCRT:	FRUIT INDUSTRY VALUE CHAIN ROUND TABLE
FPEF:	FRESH PRODUCE EXPORTERS' FORUM
HR:	HUMAN RESOURCES
JV:	JOINT VENTURE
MOU:	MEMORANDUM OF UNDERSTANDING
NAMC:	NATIONAL AGRICULTURAL MARKETING COUNCIL
NQF:	NATIONAL QUALIFICATIONS FRAMEWORK
PDI:	PREVIOUSLY DISADVANTAGED INDIVIDUAL
PMU:	PROJECT MANAGEMENT UNIT
PPECB:	PERISHABLE PRODUCTS EXPORT CONTROL BOARD
RAAVC:	REVITALIZATION OF AGRICULTURE AND THE AGRO-PROCESSING VALUE CHAIN
SANCU:	SOUTH AFRICAN NATIONAL CONSUMER UNION
SATI:	SOUTH AFRICAN TABLE GRAPE INDUSTRY
SEDA:	SMALL ENTERPRISE DEVELOPMENT AGENCY
SIZA:	SUSTAINABILITY INITIATIVE OF SOUTH AFRICA
Subtrop:	SOUTH AFRICAN SUBTROPICAL GROWERS' ASSOCIATION
TOC:	TOP OF THE CLASS
TOR:	TERMS OF REFERENCE
TWG:	TRANSFORMATION WORKING GROUP
UK:	UNITED KINGDOM
WCDOA:	WESTERN CAPE DEPARTMENT OF AGRICULTURE

1. INTRODUCTION

1.1 CONTEXT

The FIVCRT was established as a dedicated platform that brings together a diverse stakeholder group, including the Department of Agriculture, Land Reform and Rural Development (DALRRD), the Department of Trade, Industry and Competition (dtic) and the Department of Employment and Labour (DoEL); parastatals like the Perishable Products Export Control Board (PPECB) and the National Agricultural Marketing Council (NAMC); various labour unions; the fruit industry commodity groups (Fruit SA member associations) and civil society, represented by the South African National Consumer Union (SANCU), for fruitful engagement and the speedy resolution of issues.

The FIVCRT, which was established by Fruit SA and DALRRD, is a dialogue process amongst industry stakeholders. The process is aimed at fostering collaborative actions amongst stakeholders to help secure an enduring competitive advantage for the fruit sector. An outcome of the process, which brought about a draft Fruit Industry Social Compact (FISC), was the identification of work streams that were later introduced as focus areas for the FIVCRT.

The work of the FIVCRT is streamlined into five working groups:

- Employment and Worker Welfare (Leader: Rev N. Pieterse)
- Transformation (Leader: Mr A. Rabe)
- Research and Development (Leader: Mr W. Bestbier)
- Trade and Market Access (Leader: Mr D. Donkin)
- Resources and Infrastructure (Leader: Mr A. Kruger)

The terms of reference (ToR) for the Transformation Working Group (TWG) were developed and finalised in 2015 and were, following a strategic session, revised and accepted by all stakeholders during May 2017.

1.2 PURPOSE OF THE TWG

The core purpose of the TWG is to facilitate, monitor, measure and report on the agreed transformation plan and targets; consequently ensuring the entry and sustainable participation of black¹ South Africans, including the youth, into the economy of the primary and secondary fruit value chain.

¹ As defined in the BEE Charter as Black, Indian, Coloured and South African Chinese.

1.3 FOCUS OF THE TWG

The TWG limits its focus to the economic development² and growth dimensions of transformation, which are required for sustainable and profitable businesses, addressing the following key areas:

- i) Ownership:**
 - To increase the number of black commercial fruit growers;
 - To increase black ownership and participation in the fruit value chain in local, national and international markets;
 - To ensure that previously disadvantaged individuals (PDIs) and groups receive title deeds of properties;
- ii) Enterprise and Supplier Development** (business skills, training, mentorship, technical information and extension, access to funding and access to markets);
- iii) Management and Control** (promotion of black people as board members and for executive management positions), and
- iv) Increasing the availability of black and skilled human capital in the fruit industry.**

² The labour, housing and social/socio-economic dimension of transformation are being addressed within the Employment and Worker Welfare Working Group.

1.4 OBJECTIVES OF THE TWG

The TWG outlined the following objectives to help achieve its purpose:

- i) To develop targets and a framework for transformation in the fresh fruit industry that encourages existing and new initiatives/programmes – to help ensure the success of enterprises;
- ii) To review and redefine the fruit industry and subsector strategies and action plans from time to time;
- iii) To develop different economic business models for different circumstances;
- iv) To create a platform within which challenges to transformation in the fruit industry can be identified and resolved, and
- v) To collate information and statistics on fruit industry initiatives and programmes and to inform all stakeholders in and around the sector of transformation activities and progress through reports and media exposure.

1.6 MEETINGS AND REPORTING OF THE TWG

Meetings are held bi-annually, whilst the TWG reports quarterly to the FIVCRT and annually to stakeholders.

1.5 MEMBERSHIP/ COMPOSITION OF THE TWG

The TWG is composed of the following stakeholders:

- Fruit SA CEO
- Transformation Managers of the various industry associations
- The Department of Agriculture, Land Reform and Rural Development (DALRRD) officials
- The Department of Trade, Industry and Competition (dtic) officials
- Relevant experts/officials – co-opted when necessary
- Labour and worker welfare representatives



2. ACTIVITIES AND PROGRESS OF THE WORKING GROUP

The Transformation Working Group made notable progress since the 2017-2018 review. The fruit industry transformation strategy, under the auspices of Fruit SA, was developed and published in November 2018 (Figure 1).

The strategy provides clarity and certainty about the fruit industry’s approach to transformation. It also represents a call to action by all stakeholders (industry players, government, labour, etc.) to take active steps to contribute towards the fruit industry transformation process.

Reporting on indicators of the implementation plan has also started, and table 1 provides a picture on two of the indicators, namely area under BEE and number of BEE exporters. Reporting on these and other indicators will be done annually.



FIGURE 1 FRUIT INDUSTRY TRANSFORMATION STRATEGIC FRAMEWORK

TABLE 1: TOTAL BEE AREA UNDER FRUIT PRODUCTION AND NUMBER OF BEE EXPORTERS

Commodity	Total BEE Area (ha)
Citrus	7 143
Pome & Stone Fruit	4 341
Table Grapes	2 165
Suptropical Fruit	1 216
Total	14 865
Number of BEE Exporters	13

*Exporters (based on 42% responses from FPEF members)

3. SUBSECTOR REVIEWS

3.1 CITRUS GROWERS' ASSOCIATION OF SOUTHERN AFRICA (CGA)

During the past ten years, the citrus industry has made considerable inroads in transforming the industry, in terms of ownership of both land and production, and in terms of integrating PDIs into the management of citrus industry enterprises. Both the proportion of land ownership and export cartons in the hands of PDIs are now nearing the 10% mark.

There are a number of factors that contributed to these successes – the efforts of individual companies in the industry and government funding initiatives are good examples. But the efforts of the Citrus Growers' Association (CGA) and the companies that it has mandated to focus on transformation have without a doubt had the most significant overall impact.

In 2005 the CGA appointed a transformation manager, who had the responsibility of enabling and supporting transformation in the citrus industry. In response to a need expressed by development growers, the CGA then established the Citrus Grower Development Chamber (CGDC) in 2010, which is a forum that development growers

In 2005, the CGA also established the Citrus Academy, tasked with enabling human resource development in the citrus industry. The Citrus Academy manages the Citrus Academy Bursary Fund with its support programmes, develops learning aids related to citrus production, develops and implements learning programmes, arranges capacity building workshops, and promotes the citrus industry as a career of choice for young people.

Both the CGA-GDC and the Citrus Academy are non-profit companies, mandated and resourced by the CGA to address transformation in the citrus industry. Between them, they have put in place a range of support mechanisms for development growers.

Extension Support



Farmer explaining picking to the pickers



Extension officers at Batlhako Temo Farm in Brits

Individual, or face-to-face, are probably the most universally used extension methods in both developed and developing countries. The extension officer meets the farmer at home or on the farm and discusses issues of concern, giving the farmer both information and advice. The atmosphere of the meeting is usually informal and relaxed, and the farmer is able to benefit from the extension officer's individual attention. Holding individual meetings is the most important aspect of extension work and invaluable for building confidence between the extension officer and the farmer.

The personal influence of the extension worker can be a critical factor in helping a farmer make difficult decisions, and can also be instrumental in getting the farmer to participate in extension activities. A farmer is likely to listen to the advice given by the extension agent and is grateful for this individual attention.

During 2019, a total of 140 one-on-one visits were conducted by the CGA-GDC extension officers to the developing citrus growers in all the citrus growing regions of South Africa.

Citrus Study Groups

Citrus study groups, also known as the Technology Transfer Groups (TTGs), play a major role in technically positioning citrus farmers in the current farming environment. They offer citrus farmers the opportunity to engage in more in-depth discussions with peers, sharing information and knowledge about matters in which they are collectively involved. Being a member of a study group where everyone actively strives to learn and remain on task, can be very advantageous toward one's success in citrus farming.

The CGA-GDC has established citrus study groups aimed at development growers, which the CGA-GDC also convenes and manages. There is a total of eight citrus study groups, as follows:

- Limpopo (Vhembe, Mopani and Waterberg)
- North West (Bojanala Platinum)
- Eastern Cape (Sundays River Valley, Kat River Valley and Patensie)
- KwaZulu-Natal (Nkwaleni)

Each study group holds one citrus study group meeting per quarter, making a total of four citrus study group meetings per year. In 2019, a total of 32 citrus study group sessions were held, with 610 people attending.



Melton Mulaudzi conducting citrus study group practical

Information days



Information Day session at Sundays River Valley



Jacomien de Klerk presenting at Kwazulu-Natal Information Day

Two information days were held at Nkwaleni Valley in Kwazulu-Natal and at Sundays River Valley in the Eastern Cape respectively during the second quarter. Two others were held in Limpopo and the North-West during the third quarter, making it a total of four information days during 2019, attended by a total of 305 people.

CRI Citrus Regional Extension Workshops

Citrus Research International (CRI) holds regional citrus workshops every year to capacitate all citrus growers. The CGA-GDC supports the developing citrus growers who attend these regional workshops by paying their registration fees, while farmers cover travelling and accommodation costs. Workshops deal with Citrus Postharvest, and Citrus Production, and Pests and Diseases Management.

The Citrus Postharvest workshops take place in January and February to prepare growers for the upcoming packing season. Information on new quality and export standards and latest research findings is usually provided. At the beginning of 2019, 48 developing growers attended these workshops.

The Citrus Production, and Pests and Diseases Management workshops prepare growers for the upcoming production season, with a particular focus on the management of pests and diseases during the production season. The workshops take place in August and September. In 2019, the CGDC sponsored 37 developing growers to attend the workshops while the Limpopo Department of Agriculture and Rural Development sponsored 30 farmers and 17 officials. Five officials from Amathole and two from Fort Cox College also attended the workshops.



Business Planning Support

The CGA-GDC assists growers with the development of bankable business plans to facilitate their access to funding. In 2019, a total of 19 business plans were developed. These were for five farms in Amathole and 11 farms in Sarah Baartman districts in the Eastern Cape as well as for two farms in Mopani and one in Sekhukhune districts of Limpopo. The Citrus Industry Trust funded the development of some of the business plans.

Introduction to Citrus Business Administration Training

In 2018, the CGA-GDC initiated business administration training for development growers with potential to export. The CGA-GDC requested the Citrus Academy to assist with the development and implementation of the training course. The CGA-GDC secured funding from the Mintirho Foundation of the Coca-Cola Beverages Company South Africa to implement the programme.

The target was 50 farms, whereby two people from every farm would participate. Farms were encouraged to identify young people for participation in order to use the programme as part of succession planning. In the end, 57 farms benefited from the programme, with 91 participants. In the table below is a list of the workshops with a breakdown of the participants.

Youth involvement in the citrus industry is encouraging, and it can also be attributed to the capacity development programmes that are run by the Citrus Academy. The increasing participation of women also does not go unnoticed, which is also an indicator that cultural ideologies that women cannot own land or be involved in decision making on farms, are beginning to shift. The heterogeneous nature of the group brought a lot of benefit during the training as it allowed knowledge transfer across the board.

Representatives from Mintirho Foundation also attended at some of the venues. This was encouraging, since the farmers were inquisitive about the work of the Foundation. Partnerships of this nature are a key to unlocking the potential of the industry and the sector at large.

TABLE 2: LIST OF CITRUS BUSINESS ADMINISTRATION TRAINING WORKSHOPS HELD

Workshop	Total attendants	Youth	Female
26-29 March 2019 – Brits, North-West	10	4	5
2-5 April 2019 – Nelspruit, Mpumalanga	8	1	1
14-17 May 2019 – Thohoyandou, Limpopo	13	4	3
14-17 May 2019 – Mokopane, Limpopo	6	2	2
21-24 May 2019 – Makhado, Limpopo	15	4	2
4-7 June 2019 – Fort Beaufort, Eastern Cape	13	4	6
18-21 June 2019 – Sundays River, Eastern Cape	13	8	6
2-5 July 2019 – Pietermaritzburg, KwaZulu-Natal	13	6	3
Total	91	33	28



Learning material



A group of beneficiaries during the training

Enterprise Development

Each year the company sets aside funding for a group of farmers with critical needs to support their enterprises. The amount is not large enough to cover the entire enterprise but supplements the existing interventions. It therefore does not cover brownfield establishments. For this year, farms in the Eastern Cape were targeted as follows:

Amathole District:

- Production inputs (16 farms)
- Trees (1 farm)
- Equipment (1 farm)
- Infrastructure (fencing and irrigation) (3 farms)

Sarah Baartman District:

- Production inputs (1 farm)
- Trees (1 farm)
- Equipment (12 farms)
- Infrastructure (1 farm)

New Entrants to the Export Markets

In 2019, Batlhako Temo Services, a family-run cooperative, became the first black-owned citrus producer in the North-West to join the export market. Their produce was exported to the Middle East and Taiwan. Over the years, the produce on the farm has gone to the local market and processing, with offtake agreements from Sir Fruit Juice and Magalies Processing.

The project was established in 2010 by six members of the Moilwa family near Brits, and today they lease 61.5 hectares of land from the North West Department of Agriculture and Rural Development. Initially, the cooperative was focused on sunflower production but later saw the potential of growing citrus.

The cooperative has had their fair share of challenges, in particular with low yields due to poor irrigation and lack of inputs, but due to their passion for farming, they have always managed to find solutions. Their success can be attributed to the support from a variety of stakeholders, including the Department of Rural Development and Land Reform³, Small Enterprise Development Agency (SEDA), and the CGA-GDC who provides technical and extension support services. This has resulted in a wide range of on-farm improvements, including the establishment of new infrastructure and increasing the area under production. The members have also reinvested profits into improving the farm. Their long-term vision is to build their own packhouse which will also assist other black farmers in the area.

³ Now part of the DALLRD.



Workers at Bathlako Temo during harvesting

SIZA

Citrus is an export-oriented industry, and it is critical to enable growers to sell to the export market. One programme related to export compliance is the Sustainability Initiative of South Africa (SIZA). SIZA provides a platform for agricultural stakeholders to ensure ethical and environmentally sustainable trade. The SIZA platform monitors care for the environment and compliance with labour legislation. The programme incorporates farm audits, training, workshops, and general assistance to ensure compliance amongst our growers.

In 2019, our support on SIZA compliance was on ten farms as follows:

- Peter Family Trust, Eastern Cape – Gold
- Three Pence, Eastern Cape – Gold
- Masakona, Limpopo – Gold
- Intathakusa, KwaZulu-Natal – Bronze
- Donovale, KwaZulu-Natal – Category A
- Thulwane, KwaZulu-Natal – Not audited
- Bathlako Temo Services, North-West – Not audited
- Healthy Life for Achievers, North-West – Not audited
- Gaman 67 CC, North-West – Not audited
- Elandskraal Boerdery, North-West – Not audited

Department of Agriculture, Land Reform and Rural Development – Stimulus Package Project

The DALRRD entered into a Service Level Agreement with the CGA-GDC for a project aimed at targeted producer support to further achieve the vision of agricultural transformation and vibrant, equitable and sustainable rural communities. In total 262 projects have been identified across different commodities. For citrus, three projects were identified, two in KwaZulu-Natal and one in the North-West. These projects have been assessed and analysed by the Project Management Unit (PMU) and have comprehensive farm assessment reports detailing their capability and viability. Only projects classified as medium to large scale commercial were considered.

Citrus Academy Bursary Fund

The Citrus Academy Bursary Fund was established in 2006. The purpose of the fund is to provide financial support to learners at academic institutions all over South Africa who are studying towards qualifications related to the citrus industry. Up to 2019, the Bursary Fund has awarded 789 bursaries to 292 beneficiaries, to the total value of almost R20.8 million. Included in these totals are the numbers for 2019, when 71 bursaries to the value of R2.6 million were awarded. Of the 292 individual students who have benefited from the Bursary Fund, 80% are PDIs, and 55% are female.

Seventy-eight Citrus Academy Bursary Fund graduates are now working in the citrus industry, some in management positions, with a further 54 employed in the wider agricultural industry, government departments or academia.

One section of the Citrus Academy Bursary Fund, referred to as BEE Bursary Support (BEEBS), is aimed specifically at supporting development growers. The purpose of BEEBS is to subsidise bursaries to relatives of development growers and employees of development citrus enterprises in order to develop the internal capacity of these enterprises over time and to assist with succession planning. Support is given from school level onwards.

Up to 2019, 230 BEEBS bursaries have been awarded to 67 beneficiaries, to a total value of just over R3.3 million. In 2019, 21 bursaries were awarded, totaling just over R530 000.



Neil Ndlovu, graduating from the University of Mpumalanga

The Citrus Academy has also established a number of support programmes for the Bursary Fund, including internship and graduate placement programmes, vacation work placements, and an industry exposure programme.

Citrus Academy Learning Aids

The Citrus Academy develops written learning material and audio-visual learning aids dealing with a variety of citrus production practices. In 2018, the Academy developed an audio-visual series on the Safe Handling of Agrochemicals and added a module on Citrus Rootstocks to the Citrus Propagation series. Copies of these series on DVD were distributed to all development growers, extension officers and other support staff.

Copies of series produced in the past (Integrated Pest Management, Citrus Picking, Citrus Packing, Citrus Planting Management, Citrus Pruning, Citrus Propagation and Plant Structures and Functions) are made available to development growers at no charge, and they are regularly handed out at study group meetings and information days. DVDs are also part of the Citrus Production Short Course resource pack, which many development growers have been sponsored to attend at no cost.



Muriel Rikhotso, a graduate from UKZN



Students at PMA Fresh Connections 2019



Students doing vacation work at the CRI

Citrus Business Management Programme

The Citrus Business Management programme was developed in 2014 in response to a need expressed by development growers for improving their business management skills. The programme is based on a New Venture Creation NQF level 4 qualification, with the programme material developed in the context of citrus production.

The programme was piloted in the Kat River Valley in 2014, and in 2017 a second programme was rolled out in Letsitele, involving eighteen learners from five farms in the region. Since 2018 the programme has been available on the Citrus Academy's e-learning platform where it is more accessible to learners all over the country.

Citrus Short Courses

The Citrus Academy identified an urgent need for the development of a short course covering the whole citrus value chain, and focusing on citrus production practices. The Citrus Short Course was developed in collaboration with Villa Academy, and was first rolled out in the citrus production regions in the form of workshops in October 2018. To date, 70 development growers have received sponsorship to attend the course. The sponsored growers attended in various regions across the country.

The Citrus Export Supply Course was rolled out in 2019. Since its implementation, 16 development growers have received sponsorship to attend the course which has been well received in many citrus production regions. The course takes place with two days in the classroom and a third day with a visit to a nearby Port Terminal.

The Citrus Packing Short Course is the latest addition to the range of short courses the Citrus Academy has to offer. Nine developing growers and their staff were sponsored to attend the first course, which was held in Fort Beaufort.

The Citrus Business Administration is a course for anyone involved in the citrus production system who is looking to improve their skills in financial accounting (including budgeting), stock management, human resource management, production management and marketing. There were four courses held in 2019, where 11 development growers were sponsored to attend at no cost.



Citrus Packhouse short course learners in the packhouse



Citrus Export Supply short course chain learners at the port

3.2 DECIDUOUS FRUIT INDUSTRY – HORTGRO

The Pome and Stone fruit industries have over the last 10 years demonstrated their commitment towards sustainable development and transforming the industry in various ways and have built up an impressive scorecard that can be used to build the next chapter to 2030.

Through the statutory levies the industry was able to create a platform that is used to gear substantial additional funding. The principle of Public-Private-Partnerships has been confirmed to work through the implementation of various economic development initiatives. The results and achievements to date would not have been possible without these partnerships which include a very meaningful contribution by the commercial/grower constituents.

Transformation initiatives were refocused from a training, worker welfare and skills development centered approach to economic development initiatives and support programmes with in excess of 90% of Industry Transformation funds being channeled to economic development. Transformation is however a broader concept than only addressing the production profile of pome and stone fruit growers, and is therefore not just focused on primary production, but the entire value chain.

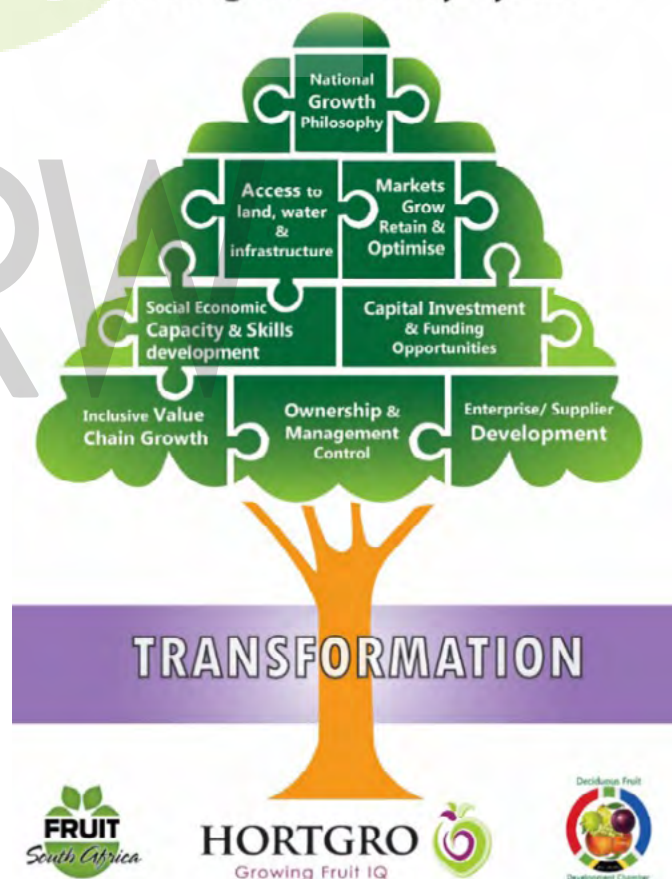
Therefore, not only is the industry committed at a primary production level but to ensure transformation throughout the value chain including research capacity. This portion is however not part of the industry transformation levy funding and augments the industry investment in capacity and expertise.

The transformation strategy of the Pome and Stone fruit industries is collectively driven by the Deciduous Fruit Development Chamber (DFDC) and HORTGRO Pome and Stone Boards with the DFI⁴ acting as an advisory committee regarding transformation initiatives and strategy. The purpose of the DFI is to align on transformation roles between the DFDC and HORTGRO on operational and strategic issues in driving the mandate of inclusive growth, through economic development, funding opportunities, capacity building and building sustainable enterprises.

⁴ DFI - A committee consisting of the DFDC Exco and the Hortgro Pome and Stone Exco focussing on transformation.

THE TRANSFORMATION STRATEGY FOR THE POME AND STONE FRUIT INDUSTRY IS ILLUSTRATED BELOW:

"Doubling the Industry by 2050"



Various transformation initiatives are being implemented in support of the vision of “doubling the industry by 2050”. These include but not limited to:

- The Commodity Approach - a partnership between the Western Cape Department of Agriculture and HORTGRO
- The DFDC Commercialisation Programme
- Mpumalanga Memorandum of Understanding (MoU)
- Coca-Cola
- Hortfin

Deciduous Fruit Development Chamber (DFDC-SA)

The DFDC-SA has been positioned as Hortgro’s Transformation division, with the high-level strategic intent of ‘doubling the deciduous fruit industry by 2050’. This strategic focus seeks to identify and influence two areas (i) increase the number of hectares owned by black producers and (ii) transforming the value chain segment.

There is appreciation that there are more than two focus areas if we are to make an impact in the transformation space, indicators may overlap, however the end goal is to link to the bigger industry targets of:

- By 2028 participation of African women and youth in the deciduous fruit industry (30% target). And 30% of exports should be sourced from black producers.
- By 2038 – the industry is transformed, there is significant export earnings accrued to black growers.

The increase in hectares will be achieved through the expansion in current production areas and focusing on non-traditional areas. The focus over the medium to longer term will be expansion outside the Western Cape province. Focus provinces being, Mpumalanga, Limpopo, the Free State and the Eastern Cape.

The DFDC-SA held a summit launch in Mpumalanga. This was meant to align the DFDC strategy with that of the government of the province, in which post the launch, Mpumalanga province prioritised the deciduous commodity as a catalyst towards greening the province and accelerating food security. A MoU has been signed between the DFDC-SA and the Mpumalanga Department of Agriculture, Rural Development, Land and Environmental Affairs.

- The DFDC participated in the strategy planning of the Department to inform the transformation targets linked to fruit production, extending to women and youth participation, skills development, but most importantly the value chain opportunities
- The above strategy session led to the Mpumalanga Agriculture Masterplan which was launched on 25th October 2019, wherein the DFDC has now been allocated financial resources to roll out the MoU

This reporting period has seen industry and other government departments having keen interest and recognising the deciduous industry's role in achieving economic gains for black producers. Over and above the Mpumalanga MoU, government committed with the industry on the following:

- A MoU was signed with Department of Rural Development and Land Reform, in line with implementing the stimulus package announced by President Cyril Ramaphosa. Projects identified for implementation are in the Western Cape and Gauteng
- A draft MoU is in place with Limpopo Department of Agriculture and Rural Development, to implement the key components of Revitalization of Agriculture and the Agro-processing Value Chain (RAAVC). This MoU seeks to create jobs through commercial agriculture, by growing commodities with high potential (deciduous being one of them).

The DFDC-SA has also been on a funding drive, linking the expansion strategy with funding, to revitalise ailing farms and increase number of hectares in non-traditional areas.

Coca Cola Beverages South Africa (CCBSA- Mintirho Foundation)

Funding to the tune of R37 million was awarded to deciduous fruit farms in Mpumalanga. This funding is viewed as private sector investment and is specific to deciduous fruit potential and increasing hectares, resulting in viable enterprises. Post funding support is also provided to awarded farms, protecting the investment and ensuring sustainability of the funded projects.

Training and Capacity Building

Two key training interventions were made, moving away from primary production training, and elevating it to entrepreneurship and governance.

- (i) Finance, tax and audit compliance, which capacitated producers on the basics of cash flow, tax compliance, and audit requirements, linking it to liquidity, balance sheet and ability to access funding
- (ii) Governance and compliance - this was critical as the producers were informed on the role of directors, trust deeds and most importantly fiduciary duties and the consequences of non-compliance. This workshop received more interest in Langkloof as farmers requested it, and they partly funded the cost.



SUCCESS STORIES

Transformation and success cannot be reported without narrating or elevating success stories.

Raymond Koopstad- winning the New Generation Award

Raymond Koopstad from La Vouere in the Ceres valley was part of the DFDC Commercialisation Programme from 2016 to 2020. The DFDC Commercialisation programme is a partnership between the Jobs Fund, HORTGRO Pome and Stone, DFDC-SA, the Western Cape Department of Agriculture and the Eastern Cape Department of Rural Development and Agrarian Reform. The main focus of the support programme was to develop black commercial growers.

Raymond together with his partner Peter Wolfaardt from Verdun Estates who has also significantly invested in the business once again illustrated that partnerships based on business principles and mutual trust can succeed. La Vouere started harvesting for the very first time in December 2018. Exactly one year later, Raymond, a beneficiary of the DFDC Commercialisation Programme, was awarded the New Generation Award at the prestigious Deciduous Fruit Gala Evening Awards 2019 for his exceptional performance and intelligent decision-making.

Raymond showed what can be achieved when beneficiaries of land reform are serious about agriculture and have the right support and partnerships.



Raymond Koopstad receiving the New Generation Award



Raymond Koopstad and Maggie Jantjies from La Vouere farm in Ceres



Raymond Koopstad's first nectarine harvest

Sewis Van Der Horst – winning Toyota New Harvest of the Year Award

Sewis van der Horst won the prestigious award hosted by Toyota for the 16th time this year. Sewis is a passionate farmer from Villiersdorp district, farming with apples, pears and nectarines.

As Toyota South Africa Motors' Vice President of Sales, Ernie Trautmann, puts it: "Toyota South Africa's Motors has complete faith in the South African farming community and we are proud to be associated with the New Harvest Award."

Sewis appreciated the award, and in his own words: **"I've known for a long time that, with the right skills and knowledge, a desire to be successful and good relations with the right partners, I can reach great heights."**



Sewis Van Der Horst receiving the Toyota New Harvest of the Year Award

Hortfin (Deciduous Fruit Value Chain Financing Programme)

Hortfin was initiated to address a critical challenge to economic development i.e., the lack of meaningful participation of previously excluded groupings in the fruit value chain partly due to the lack of access to finance referred to as the "missing middle" that is creating barriers to economic growth, job creation and greater inclusivity.

Hortfin is a ring-fenced debt facility to the value of R600 million to implement a different and comprehensive financing and support system that would result in economic growth, sustainable development and job creation throughout the deciduous fruit value chain. The focus groups include pome and stone fruit, table grapes and wine grapes. The target beneficiaries of this programme are applicants with a higher risk profile due to a lack of a track record and/or limited or no security, however with the ability to repay. Grant funding is not enough to fund the required level of interventions to support agricultural development and transformation and grants are not a sustainable funding mechanism over the long-term. A new comprehensive and sustainable development finance instrument is required to enable the anticipated growth and transformation that is required. The Hortfin Fund was created based on the experiences with the DFDC Commercialisation Programme to address the gap in finance identified and the positive results achieved with a range of interventions where the involvement in the business from the onset has proven very successful.

The debt finance is made available at very competitive rates provided for the risk category and interest rates vary from Prime -2% to Prime +1%. Repayment is matched to cash flow and the ability to service debt. The focus therefore is not only on finance but creating a sustainable business and the financing thereof.

This programme is focused on majority black owned businesses (51% black ownership and more) with the ability to expand and create additional jobs in the fruit value chain. The objective is to utilize 60% of the funds on primary level (780ha) and 40% in the value chain with 1,700 new jobs linked to these projects.

This is a multi-stakeholder project that includes pome and stone fruit, table grapes and wine grapes industries, the Jobs Fund and the Land Bank as funding partners. Furthermore, the purpose of this project is to attract additional funding to grow this fund and focus on black ownership of less than 51% that is meaningful and impactful. Implementation of this programme is over a 3-year period starting 2019, with a repayment period of 15 years.

Achievements:

- The funding institutional structures have been operationalised with a multi-stakeholder Board that gives effect to the financing decision.
- Industry funding of R100 million interest free loan to Hortfin has been secured.
- All legal agreements between the various parties have been signed with reference to the Land Bank providing R300 million at a rate of Prime -2% and the Jobs Fund that provides a grant to the value of R200 million.
- The application and approval process has been established.
- There is a sufficient pipeline of applications received to date (application top R1,2 Bn).
- All financial contributing partners have made available the funding to date.
- The total funding disbursed by December 2019 is R26 million – the first 2 pilot projects have been approved and are being financed and have created a workflow for the other applications to follow.
- Hortfin has established its operational capacity, systems and structures to be able to effectively deal with the applications.



3.3 FRESH PRODUCE EXPORTERS FORUM

The Fresh Produce Exporters' Forum (FPEF) is a voluntary, non-profit organisation with more than 140 members, accounting for over 90% of fresh produce exported from South Africa. FPEF members consist of fruit exporters, producer-exporters, export and marketing agents, packhouses, logistics and other service providers. Whilst membership is voluntary and open to all South African fresh produce exporting companies and industry service providers, strict accreditation criteria and a Code of Conduct apply to ensure that only competent and reliable marketing agents and grower-exporters are admitted to the Forum.

The neutral and representative status of the FPEF enables it to raise funds for the export industry to ensure attendance of major international trade fairs like Fruit Logistica Berlin and Asia Fruit Logistica, during which an Export Directory is distributed. Essentially a service organisation, some of the FPEF's services include industry transformation, generic promotions for new and existing markets and the distribution of information to members.

As the official Fresh Produce Export Council in South Africa, the FPEF provides a pivotal link between government and the industry regarding market access and related matters such as transformation.

In 2019, the FPEF continued to build on the progress made over the past few years towards their vision of increased inclusion and sustainable participation of black South Africans in the fresh produce export value chain.

In addition to the existing initiatives, including the graduate internship programme, the Top of the Class (TOC) training programme, market access support for emerging farmers and exporters, the FPEF launched a new initiative to provide co-funding for high-achieving current and former interns to attend local and international trade fairs.

Graduate Internship Programme

The FPEF Graduate Internship programme places high calibre, black tertiary graduates into one-year internships within FPEF member companies. The short-term goal is for successful interns to receive full-time positions with their host companies following the internship. The medium to long-term goal is to see a growing group of talented black South Africans advancing to leadership and ownership roles in the industry.

We have seen an encouraging growth in interest from exporters seeking to employ interns, either through the FPEF Graduate Internship programme or independently.

Since the internship programme was launched in 2016, 22 interns have been appointed, 13 of which have received permanent appointments so far. In August 2019, the FPEF appointed Agrijob to manage the recruitment process for 2020. Agrijob are a new career portal that assists with finding jobs, internships, bursaries and short-term junior internships. Agrijob is also closely linked to several top universities.

In February, the FPEF co-funded a former intern, Sesethu Dodo, who received a full-time position with her host company, to attend Fruit Logistica Berlin 2019. In September, Karabelo Motsei, another former intern – now permanently employed by her host company, was co-funded to attend Asia Fruit Logistica 2019. These sponsorships not only provide valuable exposure, but also create a platform for top-performing former interns to serve as ambassadors for the fresh produce export industry.



Shannon Lesch, Sphamandla Nkosi and Lebo Mokopane at Fresh Connections



Bongeka Buthelezi

In July 2019, the FPEF sponsored one current and two former interns (presently in full-time employment at exporter companies) to attend the PMA Fresh Connections conference and trade fair in Cape Town. This provided wonderful opportunities – to benefit from relevant discussions about industry issues and for networking.

FPEF Graduate Internship Programme Interns Reviews

Interview with Bongeka Buthelezi, stock controller at Suiderland and Pieter Rabe, Suiderland HR Manager

In 2016 the FPEF launched a graduate internship programme in collaboration with its members. This initiative aims to facilitate the entry of high calibre tertiary graduates into core roles within fruit export companies in South Africa, in order to further transformation in the industry. Since the internship programme was launched, 22 interns have been appointed, 13 of whom received permanent appointments so far as already alluded to above. In this interview, we catch up with Bongeka Buthelezi, who was appointed as a logistics intern at Suiderland Plase in Tygervalley in 2018 and subsequently received a permanent appointment, and Pieter Rabe, Suiderland’s Human Resources (HR) Manager.

Bongeka, tell us a little bit about your background; where did you grow up, what school and university did you attend and what were your dreams for your future as a student?

My name is Bongeka Buthelezi, a small-town girl with big dreams hailing from the lush green hilly countryside of Empangeni, fondly referred to as Zululand.

Initially I studied and completed a BCom in Law and Supply Chain Management and then went on to do a BCom Honours in Supply Chain Management, both at the University of KwaZulu-Natal, Pietermaritzburg and Westville Campus respectively.

My dreams for the future were and still are to be named among the phenomenal women, the trailblazers of this industry that continue to shape and change the face of the logistics industry as we know it.

Where did you hear about the FPEF internship programme and what inspired you to apply?

While on the hunt for an internship or entry level opportunity on the many job vacancy platforms, I came across the FPEF Internship Programme. Intrigued by the chance to be a part of a transformative, fast growing and competitive environment, I applied, and the rest is history. What resonated with me the most was the fact that this programme not only facilitates mentorships but also had actual initiatives that empowered people from a similar background to mine.

What surprised you most about the fruit industry and work environment when you started at Suiderland?

The intricacy of the processes entailed in the exporting of fruit is mind-blowing not to say the least. The amount of effort, stress and coordination it takes to get the job done is a complex, yet simple Mozart composition, with many participants and layers. Every participant must play their part with absolute precision as mistakes rapidly accumulate to costs and time.

What aspect of your work do you find most satisfying and why?

The hustle and bustle of each day is addictive and no day is quite the same. Curved balls and constant changes are the order of the day, which forces you to adapt or fold.

What has been the most valuable aspect of the opportunities presented to you at Suiderland?

Even though what we do requires one to make as few mistakes as possible, the seasoned and talented team I work with have the ability and temperament conducive for a young upcoming professional to learn. Their assurance and encouragement, allowing me to make the inevitable mistakes, made me better for it and I will be forever indebted to them.

Where would you like to see yourself 5 years from now?

Traveling the world, shaking the hands of industry giants and paving the way for other women. Perhaps as a Logistics Manager and mentor to budding professionals, or as Founder of my very own freight firm? Who knows, the world is practically my oyster!

We also had a chance to briefly catch up with Pieter Rabe, HR manager at Suiderland.

Pieter, what motivated Suiderland to take on an intern?

Our investment in interns is closely tied to our commitment to South Africa and specifically to agriculture. We passionately believe that this industry has the potential to eradicate poverty through the creation of sustainable jobs that contribute directly to the country's food supply and thereby its food security.

One of the greatest benefits an intern brings is that they are invariably extraordinarily keen and highly motivated. Most want to make a good impression at this first step and opportunity in the formal employment ladder. They are very much aware that a good showing and a solid performance can one-day lead to a permanent position. They represent a clean-slate upon which our managers and mentors can begin to 'write' the first of many lessons in what is likely to become a long and a successful career. So, interns offer an ideal win-win solution. They are good for us - and we are good for them.

What lessons have you learnt in the process?

We've learnt that we must always ensure, firstly, that their academic performance has been reliably sound and solid. Secondly, we look to assess their degree of passion and commitment for their chosen field of study. These qualities can frequently be identified during our interview process. A good academic track record, when mixed with a passion for the field, is usually a recipe for success. It indicates that we have found a person likely to respond positively to the knowledge, skills and experience we offer.

Initially, when we started recruiting interns way back in 2009, we often faced the challenge that some of our farm managers were resistant. They were clearly a little reluctant to fully buy-in to the idea. But today all that has changed. These managers are now amongst the most enthusiastic of all. They've seen the benefits for themselves, and are at the forefront of our training and mentoring drive.

How has taking on an intern benefitted Suiderland and do you plan to appoint more interns in future?

Our intern programme enjoys the same status and importance as does our bursary programme. This is because the benefits which it brings are just as great. The very fact of having interns as part of our training and development vision, contributes to the culture of learning that we seek to instil.

We continue to take on new interns every year. Some are sourced from our group of bursary students, while others apply from elsewhere. A percentage of these interns will get permanent employment as positions become available. We now have a significant number of both junior and middle managers who started out as interns. As our company continues to grow, we are increasingly able to offer full and permanent employment to young people who started in our internship programme.

The beauty of the internship programme, and one of the main reasons why it works so well for us, is because it provides us with the necessary timeframe in which to comprehensively train and develop the individuals capable of contributing to the kind of culture and standards of performance that have made, and will continue to make, Suiderland Plase a successful employer.

Top of the Class (TOC) Fruit Value Chain Training Programme

In March 2019, the third edition of the FPEF Basic 'Harvest to Home' Trade Chain Manual (the curriculum used for the TOC programme) was published. The manual was extensively revised, particularly regarding logistics – a field in which procedures and practices have changed significantly since the previous version of the manual. The TOC programme covers the fruit export value chain from field to fork.

The primary goal of the TOC programme is to provide training to black employees and emerging farmers in the value chain.

Seventy industry employees in three provinces (KwaZulu-Natal, Limpopo and the Western Cape) completed the TOC programme in 2019.

Andries van Wyngaardt, CEO of African Realty Trust (ART), provided the following feedback after their team undertook the TOC programme during February and March 2019 on Letaba Estates:



“Attendees were a mixed group from various levels within the company and the exposure across the entire team, from top management to grassroots level, assisted in breaking the stereotypical approach of training certain levels in isolation to others, and opened communication and trust barriers that are naturally in place in a hierarchy.”

“The training itself exposed ART to a broader spectrum of the fruit industry and this proved of exceptional value. Alongside this industry approach, the experiential knowledge of the facilitator and the depth of information in the training material was a ‘killer combination’ that clearly illustrated the links of the supply chain and how they contribute to the greater good of the company and industry.”

Market Access Support for Emerging Farmers and Exporters

In February 2019, the FPEF facilitated a half-day training session on market access for a group of emerging farmers – sponsored by the Western Cape Department of Agriculture to attend Fruit Logistica Berlin 2019. Kobus Louw of SAPEX, a FPEF member company, kindly offered to arrange the pre-Logistica industry visits to importers, cold stores and the ports of Barendrecht, Amsterdam and Rotterdam in the Netherlands. He also accompanied the group on the visits.

During 2019, the FPEF Transformation Manager delivered training on the export value chain and how to manage relationships with exporters at various primary producer organisation study groups and meetings, including the DFDC Annual General Meeting (AGM) in the Western Cape and the CGA-GDC study groups in Eshowe (KwaZulu-Natal) and Addo (Eastern Cape).



Emerging farmers with their host at Hillfresh in Barendrecht



FPEF presentation on market access to emerging farmers in Eshowe



The FPEF, in collaboration with HORTGRO and the South African Table Grape Industry (SATI), co-sponsored and accompanied two emerging farmers and one emerging exporter to attend the Fruit Attraction fresh produce trade fair hosted in Madrid, Spain, in October 2019. Meetings were scheduled with importers from Europe and the UK to provide a better understanding of the respective market requirements, opportunities and challenges from a first-hand perspective.

Ikarabele Motshwane who attended Fruit Attraction in Madrid had this to say – “This is the least I could say about the trip. For the first time, it was interesting to see South Africa’s global position and understand the scale at which it operates.

The program is excellent in its intent and it really changed my orientation - it allowed me to feel like I have a place in the industry or at least a fighting chance to create a place. The exposure is an invaluable tool in creating a valuable business and competing with other great businesses.

“I’m eternally grateful for everything and everyone I met during our stay. Anyone else that will go on a similar trip would feel the same.”

In addition to market access training and ensuring exposure through trade fairs, the FPEF provides a ‘help desk’ to guide new and aspiring emerging exporters. It is focused on risk management and the provision of free FPEF membership (with full benefits) for a minimum period of two years.



Brian du Preez, Ikarabele Motshwane, Junette Davids and Warren Bam at Fruit Attraction



FPEF Annual Transformation Seminar

In September 2019, the FPEF hosted its third annual Transformation Seminar at the Agricultural Research Council (ARC) Infruitec-Nietvoorbij in Stellenbosch. This event is mainly aimed at senior executives in FPEF member companies, with the goal to inspire and equip members towards effective and proactive transformation. This year, the FPEF also invited members of HORTGRO, SATI, the CGA and the South African Subtropical Growers' Association (Subtrop).

The speakers at this year's seminar were Prof. Mohammad Karaan and Prof. Mzukisi Qobo. In his address, Prof. Karaan discussed the state of the nation and land redistribution. He stated that we, as South Africans, are very good at fighting against things, but not good at fighting for things. In this context, it was challenging to be reminded that we need to fight proactively for effective, sustainable transformation in our industry – the alternative may find us fighting against punitive transformation measures forced upon us.

Prof. Qobo spoke about the role of business in social change. The following statement provides the essence of his address: "When a critical part of the body suffers debilitating ailment, the other parts cannot function optimally. The political, social and economic systems are intricately linked. Business cannot stand aloof. Political and social instability that could be induced by inequalities and favour are forms of economic exclusions that undermine the basis for sustainable business."



Prof. Mohammad Karaan



Prof. Mzukisi Qobo

3.4 SOUTH AFRICAN TABLE GRAPE INDUSTRY (SATI)

The strategic objective of SATI is to create a progressive, sustainable and equitable table grape industry. Transformation is an imperative and key driver towards this objective.

SATI facilitates and supports transformation within the table grape industry by focusing on economic development, land reform, training and capacity building, this is in line with the guidelines as per the NAMC.

SATI views transformation as the creation of equal opportunities for black agriculturists and entrepreneurs to participate as owners, co-owners, managers and professionals in the table grape industry; to share in the economic benefits the industry potentially offers to all.

SATI renders the following services to black growers and young black people in the industry:

- Preferred Cultivar Programme
- Extension and Advisory Services – business and production advice
- Bursaries
- Training – business and modular courses
- Transformation helpdesk – business, production, compliance (planning and feasibility studies)
- Study tours – local and international

SATI Leadership

Mr Hendrik Davids a black farmer in the Hex River production area became the second black director on the SATI board after Mr Warren Bam. Hendrik adds tremendous value to discussions and decisions at board level, in the interest of the industry in general and to the emerging sector in particular. Hendrik also represents SATI as a trustee at SAPO Trust.



Hendrik Davids

Minister of Agriculture, Land Reform and Rural Development, Thoko Didiza, appointed one of the SATI Board members, Mr Warren Bam, on the Perishable Products Export Control Board to represent the table grape industry.



Warren Bam

TABLE 3: BBBEE INITIATIVES

Project Category	Number BBEE initiatives	BBBEE Area (ha)
100% Black	10	288.72
≥ 50% Black	10	475.01
≤ 50% Black	14	1401.84
Total	34	2165.57

Enterprise Development

Preferred Cultivar programme

Cultivar choice is one of the most important decisions in the production of table grapes. Most of the emerging farmers have older varieties on their farms, therefore SATI has this programme to finance planting material of the latest varieties on a cost-share basis. SATI contributed over R2.6 million towards vines for the 2019 planting season to nine BBBEE initiatives and a further R2.68 million is budgeted for the 2020 planting season.



Vineyards planted in 2018 season at PG Kriel



Vineyards planted in 2018 at Vergelegen (PTY) Ltd

The vineyards showed above were planted in 2018 and were harvested in the 2019/2020 harvest season for the first time. The block on Vergelegen was part of an expansion on the farm planted in September 2018 and yielded an additional 13 500 cartons 4,5kg equivalent in the 2019/2020 harvest season.

Transformation Helpdesk

This initiative is meant to support potential and/or existing BBBEE initiatives with the planning, performance and compliance of their businesses. The bulk of the budget was spent on resource utilisation studies, expert advice and mentorship. Through the helpdesk, support with business plan development, feasibility studies, resource utilisation, compliance management, mentorship, extension services and management tools are all utilised to increase performance and monitor progress. Approximately R405 000 was spent in 2019 on specialist services to support the BBBEE initiatives

Hortfin

Hortfin is a ring-fenced loan facility directed at the deciduous fruit industry value chain. This fund is supported by the Jobs Fund and Land Bank. Funding will be provided by Land Bank, Jobs Fund and the commodity organisations. SATI took up a 15% stake in this fund which means a contribution of R15 000 000 over a period of 3 years in the form of an interest free loan. This enables table grape transformation initiatives that qualify to apply for a R90 million portion of the R600 million fund. The Table Grape Industry had to create a facility at a commercial bank to partake in this initiative. The contributions will be paid in twelve tranches over a period of 3 years. One 100% black owned table grape farm is currently being assessed by the credit committee, and should this application be successful it will give this farm access to approximately R30 million.

Skills Development

SATI believes that part of transformation is the improvement of the skills of qualified black professionals within the industry. The SATI bursary fund is a tool also used for the improvement of skills and targets individuals who aspire a career in the table grape industry. The study fields supported are at primary production level and within the value chain.

Modular course in table grape production

The course is presented by industry experts from the ARC Infruitec-Nietvoorbij, SATI and Elsenburg. The course, which is usually presented over 18 days, includes several modules and covers topics such as the viticultural aspects of table grape production, harvesting and the postharvest handling of table grapes, and it provides an overview of the table grape industry. During the period 2012 to 2019, the course was presented four times in the Orange River region and the Western Cape and for the first time in the Olifants River region in 2017/2018. Over the 2012 to 2019 period the full course was attended by 195 persons (108 PDI's), while 112 persons (73 PDI's) attended single modules.

The target audience for this course includes:

- new entrants to the industry
- farm workers
- junior, middle and senior production managers
- extension officers
- people with no tertiary education working or interested in the industry

Financial planning for Agricultural Producers (Course)

This course was presented to 10 BBBEE shareholders and focuses on the integration of financial aspects within farming. The main focus area is to understand how finances fit into farm planning, to determine which type of records are appropriate, understanding the concept of a whole farm budget, to apply the budget model to gain control over finances on the farm and to integrate the record-keeping system with the budgeting system of the farm and make future planning easier to name a few focus areas. The sessions were hosted on-farm and participants could discuss their own business systems and processes.

Study tours

The transformation portfolio organises local, national and international study tours for black farmers on occasion. Exposure and networking are vital to create a network of support to our farmers. Mr Logan Von Willingh attended the Fruit Logistica Berlin trade show in February 2019 and Mr Warren Bam attended the Fruit Attraction trade show in Madrid, Spain in October 2019, with the support of SATI and FPEF.

Bursaries

In the 2019 academic year SATI supported eight black students (see table 1) with their tuition fees, study material, accommodation and living expenses to the value of approximately R500 000.



TABLE 4: STUDENTS SUPPORTED BY THE SATI BURSARY FUND IN THE 2019 ACADEMIC YEAR

Student	Race	Gender	Study Programme
K. Toolo	B	F	MSc Agric Viticulture
M. Sadikge	B	M	MSc Soil Science
M.Mahlo	B	F	MSc Wine Biotechnology
A. Sigadla	B	M	M-Tech
S. Govindasamy	I	F	Diploma Horticulture
A. Engelbrecht	C	F	Cert in Social Auxiliary Worker
J. Daniels	C	M	Diploma in Agric
L.Cloete	C	F	BSc Agric Food Science

SATI is proud to report that Thembisele Mokheseng graduated with her BSc in Viticulture and Oenology in 2019. She has since been employed by SATI.

SATI is proud to introduce the following individual bursary holders by means of their own personal stories.

Thembisele Mokheseng

My name is Thembisele Mokheseng. I grew up in a small town of Ntha Lindley where I was raised by my mother with my younger sister. I matriculated at Unicom Agricultural School and I went to the University of Stellenbosch to pursue my studies in Viticulture and Oenology. I was introduced to agricultural practices from a very young age and that's where I developed an interest. My grandfather was a livestock and crop farmer and I would always help him during school holidays. When I was in high school, someone came and gave a talk about agricultural branches and I was intrigued by viticulture. Later, I researched more about it and I was sold. I graduated in BSc in Viticulture and Oenology in April 2019.

In my third year, I found out about the SATI bursary scheme and I decided to apply for it. The bursary wasn't just for financial support but also provided mentorship to create a support system. Receiving the bursary meant that I could continue in pursuit of actualising my dream of being an integral participant in the agricultural sector. It also allowed me to narrow it down to viticulture which was what I had in my heart.



Thembisele Mokheseng

The bursary gave me the opportunity to study and complete my degree in my choice career. Because of the bursary opportunity, I was able to meet and interact with my fellow bursary holders and see the variety of career paths each of us were taking on and all from the same bursary. The industry visits were amazing, I could see what I was taught was like a foot in the door. There's a whole lot more that I must still learn and familiarise myself with. The visits helped me to be more attentive to new developments in the industry, identified potential research opportunities and it's been both eye-opening and inspiring to me. The commitment and attention to detail required in growing grapes is so understated when you are behind a school desk and the work that happens behind the scenes to produce quality grapes is so intriguing.

After graduating, I was determined to get a job to build up my experience portfolio and when I applied for this job, I wasn't aware that I was applying to SATI, until after my first interview. I was very excited and felt slightly pressured because this was the same company that had paid for my studies. When I got the news that I was appointed, I kept my cool in the boardroom and immediately when I got outside, I was screaming and jumping, thanking God. Not only did I just get a permanent job, but I also get to learn from the best about the industry.

During my first season, I have met people who were not expecting someone like me (so young and a black female). I have also met people that are welcoming and it's always a pleasure to get a few words of advice from the people who have been in the industry for a long time. I have seen that time is of the essence, there is no time for mistakes during the season and our grapes are of great quality even though we experienced a drought.

I am appointed as a Project Manager: Technical and Market Access. My job entails:

- Practical technical investigation with regard to optimal post-harvest requirements and maintenance of temperature in the cold chain;
- Practical execution of specific technical projects in conjunction with industry role-players and stakeholders;
- Monitoring of specific aspects of phytosanitary quality standards in conjunction with producers in the various table grape regions, and
- Liaison with service providers, among other things.

My aim with this position is to learn everything. I plan to not limit myself to my position but to get as much knowledge from everyone around me and also the tools that are made available to me to set myself up to be able to help the industry improve and be amongst the very best in the entire world in production, quality and exports.

My long-term goal is to get more involved in the industry and acquire specialised knowledge. It is amazing to serve people, but I want to own a couple of businesses.

And to those who would like to apply for the bursary I would like to say, anything is possible if you set your mind to it. The agriculture industry is enormous and there are many different opportunities. Never give up on your dreams, never let your current environment determine what you can and cannot achieve. Think big and most importantly, work hard.

I would like to thank God, my family for love and support, SATI and the table grape producers for giving me an opportunity to achieve my dream.





Silicia Govindasamy

Silicia Govindasamy

I was born in Kwa-Zulu Natal, Durban, in an area called Springfield, my parents are Michael and Leeanne Govindasamy. I completed my primary schooling at Springfield Hindu Primary and matriculated in 2015 at Dr A.D. Lazarus Secondary School. Thanks to the support of my parents, my lecturers, the SATI team and the table grape producers, I completed my Diploma in Horticulture in 2019 at Durban University of Technology. I was always interested in laboratory work therefore plant pathology was my first choice. However, God had other plans for me, and I was accepted for Horticulture at the University. I got to know of tissue culture through my studies and became interested immediately. The one experience I will cherish for the rest of my life is my practical five months in the industry. The SATI team organised my practical in my last year at one of the best tissue culture laboratories on a farm in Wellington.

“I went to Wellington in the Western Cape with no family, but I certainly left with one.” Being alone and away from home for the very first time was terrifying for me. I had mixed emotions about the prospect of living on a farm. But all this changed on 25 January 2019 – seamlessly settling me into independence. The great hospitality I experienced and the welcoming face of Mr Jannie Bosman Jnr to Bosman Adama followed by the rest of the family was immense. They were all caring, kind and generous, ready to make my five-month stay comfortable and safe.

A few days after my arrival, I started with my first day of work. Though the prospect of meeting my co-workers for the first time was rather daunting, experiencing the plant improvement department soon changed all of that. I received much love and acceptance from everyone there. Even my fears about a possible language barrier soon vanished beneath the accommodating atmosphere. I’ll always appreciate their help in making sure I understood everything. Everyone shared whatever knowledge and skills they could with me. I was never left out not knowing what was happening in our daily tasks. I celebrate the considerable knowledge and skills that I have gained. Not to mention the role of the people at Bosman Adama in ensuring overall success at this critical part of my career journey. They gave this once terrified girl the best first experience away from home, and now Bosman Adama has become home away from home. If I was ever offered an opportunity to join their team again, I’d jump at the chance.

I must acknowledge SATI as my funder and Bosman Adama for offering me a once-in-a-lifetime opportunity, with consistent support throughout my studies. The team believed in my potential and motivated me to keep pursuing my goals. I started an Advanced Diploma in Horticulture in 2020 with the support of SATI. I must succeed to give back to the table grape industry and educate my community.





Jacques Elton Daniels

Jacques Elton Daniels

I was born and grew up on a farm in Paarl. My main goals are to be a good husband, father, increase my skills and knowledge and become a farmer myself. Currently I'm employed by JD Kirsten (PTY) Ltd, a South African based company that specialises in the production and packing of premium quality table grapes since 1916. I am a member of a table grape study group for farm workers in the Paarl area.

SATI was introduced to me through an information session hosted in Paarl three years ago. At that stage I was still a general farm worker and was challenged by a SATI team member to use the bursary programme in my career advancement plan. Since then I completed my Higher Certificate in Agriculture at Elsenburg Agricultural Training Institute in 2018. An opportunity to advance in my working career was presented by my employer. Currently I'm in the final stages of completing my Diploma in Agriculture at the same institution. I would like to challenge my colleagues and their children on farms to make use of the opportunities our parents were not able to give to us in the past due to circumstances.

I would like to thank my wife, SATI for the bursary programme and for believing in me as well as my employer for allowing me the opportunity to study fulltime and the career advancement opportunity.



Vergelegen

3.5 SOUTH AFRICAN SUBTROPICAL GROWERS' ASSOCIATION (SUBTROP)

The South African Subtropical Growers' Association (Subtrop) manages the affairs of the South African Avocado, Litchi and Mango Growers' Associations.

Enabling Black Smallholder Farmers

The Subtrop industries are situated mainly in Limpopo Province, Mpumalanga and KwaZulu-Natal where there are extensive areas of communal land on which smallholders cultivate avocados, litchis and mangoes, the majority of which are registered with Subtrop (Table 1). The greatest concentration of these farmers is in the Vhembe district of Limpopo Province. Subtrop's fulltime transformation coordinator was previously involved on the ground with these farmers. However, over the years, these farmers have become increasingly organised and now work very closely with government extension officers who have been trained by Subtrop. Schedules and topics for regular study groups are set up by a committee and Subtrop assists with speakers for the study groups. The smallholder farmers and government extension officers in the Vhembe district are a model for other districts, where Subtrop still has to be the major driver to ensure that study groups take place.

Technical information on crop production is transferred to smallholders at study group meetings which take place in each region at least three times a year. Researchers, commercial farmers and members of Subtrop's technical staff present talks and provide practical orchard management advice at these meetings. Visits are also arranged to commercial farms where smallholders get first-hand experience of world class production systems

TABLE 5: SMALLHOLDER AVOCADO, MANGO AND LITCHI FARMERS REGISTERED WITH SUBTROP

Commodity	Number of black smallholders	Hectares Planted
Avocado	66	444
Mango	75	486
Litchi	32	133
Total	173	1063

Black Farmers Joining Member Associations as Fully Fledged Members

During 2019, there was a strong move amongst emerging growers to join the avocado, mango and litchi growers' associations as full members rather than being listed as "Emerging Growers". At the time of writing this report, 9.8% of grower members were black.

Bursaries

In 2019, four black students were granted bursaries for their BSc (Agric) studies at Stellenbosch University, Venda University, North West University and University of Pretoria. Subtrop assists these students in gaining exposure to the subtropical industries and finding employment in the subtropical industries once their studies are completed.

Transformation Initiatives of Commercial Growers

Although Subtrop is involved in the transformation activities mentioned above, the transformation initiatives of commercial growers have a highly significant impact in transforming the industry. Commercial growers are involved in mentoring, and a number for corporates have agreements with communities to manage large commercial avocado, mango and litchi orchards owned by communities as a result of the restitution process. Increasingly, commercial farmers are partnering with communities that own previously viable commercial farms and these farms are returning to commercial production.

Subtrop has on record 3,613 ha of commercial avocado, litchi and mango orchards that have been handed to communities as a result of the land restitution process. Initially, the majority of these farms experienced a decline in yield and lost commercial viability. However, in recent years, commercial growers have entered into agreements and partnerships in various forms with these communities and the farms are once again commercially productive. Of the 3,613 ha, 70% have strategic partners working to ensure that the orchards are viable, thus providing employment and income for communities. There are initiatives to expand production on these farms going forward. Commercial farming entities are also negotiating with communities to develop subtropical tree crops to replace unviable tea plantations and other areas not previously used for fruit and nut production.



Emerging litchi farmers learning from a commercial farmer, Vhembe District, Limpopo Province

The Subtrop Transformation Summit

Subtrop also brings people together to promote transformation. The annual Subtrop Transformation Summit promotes transformation by:

- Informing people of initiatives and resources to facilitate transformation
- Connecting people interested in transformation initiatives
- Activating transformation initiatives
- Addressing challenges relating to transformation
- Inspiring people to play their part in transformation

The summit is attended by commercial farmers, emerging farmers, government departments, banks, marketers, processors, packers and other service providers and has been an annual event since 2016. The 2019 event attracted 200 delegates and with the growing interest in transformation it is expected that attendance will continue to grow.



Smallholder avocado farmers study group in Vhembe District, Limpopo Province

SUCCESS STORIES

Going the extra mile for a new generation

Springfield Farm, in the lush Levubu valley of Limpopo, was one of the first in the area to have macadamia nuts planted to its orchards. Coupled with decades of knowledge of avocado and pecan nut production, the farm is an ideal training ground for new farmers wanting to capitalise on crops whose demand appears to be insatiable.

Recognising the opportunity to share in their knowledge, the farming operation started taking in agricultural students to do their practical training some 20 years ago. Each year they host three or four students that are rotated between the different sections on the farm. "This gives them a full understanding of how the whole operation comes together," says Dave Pope, Springfield's general manager.

"When the students arrive, they are very theoretical so having the opportunity to experience a working farm is crucial. They spend time in the packhouses, the nursery, orchards and macadamia cracking facility at Green Farms Nut Company, and they really learn a lot while they are here. This is where the employability comes in later because they get a broad understanding of farming with avocados, macadamias and pecans", says Pope

Students who show potential are offered a full-time position after they have completed their studies. If there are no positions on the farm, Pope sends their CVs out to the surrounding farms, with an introduction letter. "We really try to keep them in the area because young people in agriculture are hard to come by. It is important to build up a new community of young farmers."

Daphney Mufamadi was one of the first students to do her practical at Springfield while completing her diploma in agriculture 20 years ago. She was employed full-time and has since progressed to farm manager. She has also completed a degree in agricultural management over the last few years.



Dorris Makhubele (left) is the daymother at Takalani creche. She is assisted by Goodness Mabasa (right)



Dave Pope, Daphney Mufamadi and Quintin Motebeli

Her interest in farming was piqued when she realised at a young age that without farmers, there would be no food. “Farming is an important job, and working here has provided me with a good working environment; we are appreciated here.

“My family is proud of the position I hold and my qualifications. I have also shown my community that one can obtain a degree at any age.”

Assistant farm manager Mildred Manganye also progressed through the ranks after completing one of the learnerships offered to Springfield workers.

They are assisted by Quintin Motebele, an orchard manager who was offered a full-time position in 2016 after completing his practical training on the farm as part of his agricultural degree.



Alan Whyte, the owner of Springfield Farms, says it’s important to not only give students an opportunity to experience a working farm, but also to offer the same opportunities to emerging farmers. He started hosting annual information days for farmers, where the staff at Springfield share knowledge and experience. “We make our resources available, and our farm managers, including Daphney and Mildred, do presentations on farming practices. It is also vital to get the farmers into operating orchards so they can see first-hand what should be done.”



Alan Whyte

Green Farms Nut Company, also owned by the Whyte family, donated macadamia trees and irrigation pipes to Venda farmers to kick start their macadamia farms. Manganye, along with Whyte’s son Graeme, visits the farms every two months to offer advice and ensure everything is on track.

“New farmers need support to get them on their feet. Since macadamia and avocado farming is a long-term game, it is crucial to have the basic knowledge of tree selection, cultivars and soil preparation. If you don’t get these right from day one, it’s a non-starter. This is something everyone needs assistance with. If we are going to get more black farmers to the commercial stage, we have to give them the information they need to succeed, and the mentorship to assist them through the process.”

Learnerships

Springfield employs 165 workers on a full-time basis, adding an additional 45 seasonal labourers during peak harvesting periods. To help manage a workforce of this size productively, Whyte says the training they receive helps ensure they perform their tasks well.

The farm therefore offers learnerships to its workers, spending on average R750 000 a year. In the past six years, about 120 workers have been on the courses.

Springfield has set up a permanent classroom on the farm, and has a full-time lecturer from AgriSeta accredited training company Siyafundisa. Each year, about 20 students are selected for courses ranging from life skills to basic agricultural skills, and growing crops. "The courses go a long way in giving the workers an understanding of what they are doing on the farm and why. Understanding these principles ensures that they are more effective in their jobs," says Whyte.

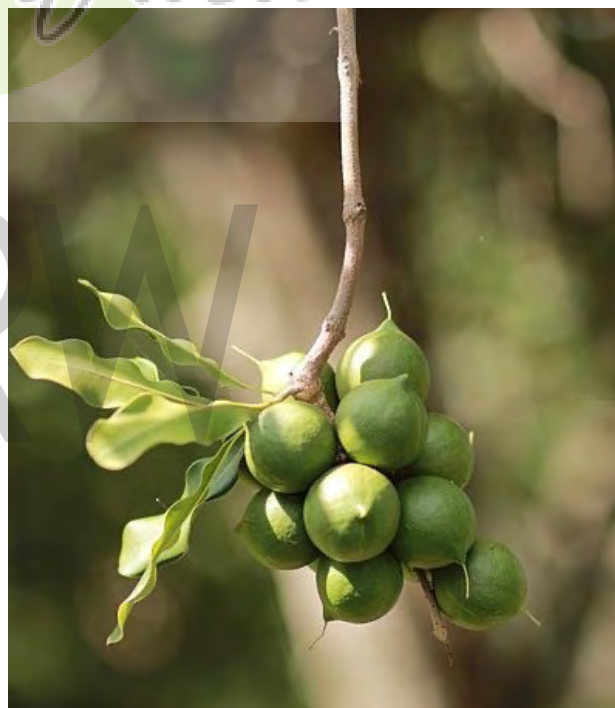
He notes that while the benefits of offering such programmes are not always measurable, there is a general improvement in the labour relations and attitude of the workers. "From the workers' point of view, they then at least have a piece of paper that can show they have completed training and have farming experience, which adds to their employability."

Pope says as a result of the training they provide, their labour force is very approachable, which makes communication easier. "There have been vast improvements in literacy and their ability to speak English. Having an approachable labour force means the people they select to represent them are people you can sit down and have a good conversation with, without there being immediate conflict. We are able to sit around the table together and draw up a decent committee for equity and safety representatives," says Pope. "When we have meetings, everyone is approachable and amicable in making decisions."

Whyte says the learnerships take much commitment and resources, and often means that the best workers on the farm are tied up in training rather than carrying out duties, but that creating a new generation of educated workers is important. "We are so pleased that there are people who have stayed behind in the rural areas to work on farms rather than migrating to the cities, so it is important to look after them."

Pope notes that anyone who is hard-working, shows potential and has a good service record, is a good candidate to receive further training. "We were short on tractor drivers at one stage, so we put a notice up asking for those interested in tractor training to come forward. We had three ladies and three men show initiative, and all of them have been trained and are now tractor drivers on the farm."

"Our female tractor drivers don't seem to have that cowboy approach like the men do; they drive so carefully," laughs Pope. "They don't have years and years of experience, but you can trust them with the tractors."



Investing in communities

One of the first employee benefits programmes launched on the farm was the introduction of a crèche for the workers' children. Pope explains that many women were bringing their children with them to work and leaving them in the adjacent lands, as they could not afford crèches. "It is not an option having children in an orchard or a packhouse, where machinery and chemicals may be in use. If there is a safe crèche for babies, mothers can return to work sooner after having a baby and start earning again.

"So we decided to erect a crèche on the farm where the children can be dropped off in the morning and collected at the end of the shift. The children, aged from new born to grade RR, also get three balanced meals a day. There is a teacher for the older children and a nurse that does inspections every week."

The crèche is also open to the surrounding farms' children, and parents pay only R120/month.

Springfield, initially Fairtrade-accredited before moving over to SIZA accreditation, had an opportunity to receive funding through Fairtrade to subsidise community projects. Committees were established to identify the needs of the farmworkers and community. Workshops were then set up accordingly.

Through this initiative, sewing and cooking classes were offered so that women could learn to make their own clothes, cook nutritious meals for their families, and even earn an extra income after hours with their skills. Since the workshops were mostly aimed at women, the men on the farm requested funds for the Valdezia community soccer team.

Springfield makes funds available for shirts, boots, goal posts and the registration fees required by the South African Football Association, as well as transport for away fixtures and end-of-year socials. They also send a tractor to mow their field when required.

Asked why the farm invests so much effort into worker and community training, Whyte says: "It's just the right thing to do. And we are delighted if we can make any difference in our community and improve people's livelihoods."



Springfield's decades old macadamia orchards are the ideal training ground for new farmers

Email Alan Whyte at alan@springfieldfarm.co.za.

This story was originally published on the Farmers Weekly's edition of 26 July 2019.

Growing tomorrow's farmers

Tomahawk Farm in Mpumalanga is one of the largest subtropical fruit producers in South Africa.

When the Matsamo community instituted a land claim against the farm in 2010, there was concern that local and export markets would lose a major supplier, and the region would lose the economic activity generated by the farm. Instead, through integrated planning and relationship-building, the old and new owners joined hands to transfer skills, uplift the community and grow a thriving business.

The Matsamo community's land claim included 10 000ha of land in the Kaalrug area near Malelane, one of the largest areas of subtropical crop production in the country. About 1 500 households formed part of the land claim, putting the amount of people benefiting to about 6 000. Of the various farms that are now owned by the Matsamos, some have been leased back to the previous owners while others have entered into joint ventures (JVs).

In 2011 the Matsamos took ownership of the 2 000ha Tomahawk farm as well as the neighbouring Neos Estate, which is now run as a JV between Tomahawk and the Matsamos. Tomahawk, which is leased from the Matsamos, is in the process of finalising a JV that will be in place for nine years. A new business will be created to run the farm, with the Matsamos and Tomahawk each having an equal share.

Tomahawk comprises 700ha sugar, 120ha mangoes, 150ha litchis, 400ha citrus and 240ha bananas. Neos Estate has 300ha sugar, 55ha citrus, 45ha mangoes and 15ha litchis.

Stuart Butcher, sales and marketing director at Tomahawk, says that the farm's success took precedence over everything else.

"The owners and directors put so much into Tomahawk; our entire working lives are here. We didn't want to risk watching this farm go to ruins. We also have a social responsibility because we employ between 750 to 1 500 people, depending on the season. These people needed to be assured of a job."

Moses Thumbathi, chairperson of the Matsamo Community Property Association, says that when the land was transferred they did not have the resources to run a farm of this scale. "During the lease period we developed a relationship with Tomahawk that has shown us what they are worth. We wouldn't want any other partners because of the skills they have to take this farm forward and the relationship they've built with us."

Butcher adds that because Neos is a smaller farm, it was easier to begin there. "We wanted to get the ball rolling and show the Matsamos that a JV could work. We've now been operating for three years and the farm is a great success."

According to Thumbathi, community members have learned much from Tomahawk. "It's hard to borrow money if you don't have a track record, but the partnership has helped us because we can prove we have people with the know-how to farm."

He says that at the beginning of the lease the community did not have much say in the running of the farm. "It has been a learning curve from our side; we had to rely on [Tomahawk management]. But their willingness to work with us and communicate openly has made the process easier. We can express ourselves about the challenges and we appreciate everyone's attitude."

Giving Feedback

At the start of the process, the Matsamo community set up various committees to deal with the businesses and provide feedback to the many community members who were beneficiaries.

Detailed integration plans that formed the basis of the JVs were drawn up; these stipulated how the partnerships would be managed the businesses run, as well as how the skills transfer would take place. Strategic planning meetings are held annually with all parties.

Upliftment for generations to come

Part of the lease and joint venture agreements between the Matsamo community and Tomahawk is a focus on skills transfer. Tomahawk provides training and mentorship opportunities for members of the community who recently graduated through the Matsamo bursary programme. Community members also have first preference for any jobs available on the farm. Both parties stress, however, that this principle applies only to vacant positions, and no one will lose his or her job as a result of the transfer of ownership or the integration of community members in the farming operation.

Moses Thumbathi says that they are training their children to run the farms through a trust that funds university students who show potential to study the requisite skills. “This doesn’t just include agriculture, but finance, law, technical skills and other skills required by the farm.”

“The community graduates who have completed law degrees haven’t been required to work full-time for the farm, but when the community needs legal advice, they are often called upon to assist,” he explains. In this way we have a new generation of people in our community who are being uplifted through education and are then able to plough their knowledge back into making the farm a success.”



Tomahawk’s sales and marketing director: Stuart Bucher (left), and Moses Thumbathi, the chairperson of the Matsamo Community Property Association



A large variety of citrus is planted on the farm, providing an income during the winter months and making the farm’s diversification model sustainable



The Matsamo land claim included 10 000ha of sugar cane and subtropical fruit farms

Butcher admits that not owning the land has been a challenge. “There was a long period from the time the land claim was started until it was finalised. Then we had a lease agreement, then a JV, where you go through a period of uncertainty. You can’t invest in the farm because you don’t know if you’ll get a return on that investment.

Our packhouses are quite old and in need of an upgrade but because we’re about to go over to a JV, we have to wait until the agreement is finalised and both parties have raised the capital.”

He adds that most of the produce is exported and must therefore meet international requirements. “We have all our audits in place and our customers have been very understanding of the whole land reform process. Clients that take a massive portion of our produce were concerned that they could lose their biggest supplier if the farm went belly up. So they’ve worked with us to ensure that we can keep supplying products that meet their standard until we’re in a position to upgrade our infrastructure.”

The open communication between the Matsamos and Tomahawk has meant that reinvestment in the orchards can continue. “During the negotiations, we had to take the time to explain why things are done in a certain way. We had to get the community to think like farmers. This is done through continued interaction and showing them around the place. They’re welcome here at any time and this has also cemented the trust between us.”

Butcher adds that the diversity of the operation has made the transition more complicated. “We have specialist managers on all of our crops and now we need someone from the Matsamo community to train in each of those positions.”

One major advantage of the transition is that the Matsamo community is benefitting from an operation where the five directors running the farm have more than 100 years’ experience between them. “This knowledge that is being transferred adds huge value. As a result, the operation is financially sound, sustainable and diverse enough to see everyone through the good times and the bad”, says Butcher.

Thumbathi concurs. “Our community can learn and grow, and the farm itself can expand because everyone is being equipped with skills through this process. The success that has come from this partnership has meant that all our beneficiaries get an income from the farm. The entire area benefits. The community also gets to know Tomahawk and sees it in a positive light.”



Tomahawk is South Africa's largest producer of litchis and one of the largest mango producers

Taking Things Forward

Butcher believes that there are opportunities within the land reform process to add value to farms. "One needs to take a long-term view. Many land claim farms have failed because the previous owner has milked the farm and walked away, leaving the community with a run-down farm," he says.

Since entering into the lease agreement, the team has added an extra 70ha of mangoes and 100ha of citrus, and continued replanting bananas. Some sugar cane has also been removed to make way for other, more suitable crops. "We've continued to run this farm with its future success in mind," says Butcher. "We feel strongly that Tomahawk must be a financial, farming and community integration success story and would love to see the Matsamo community expanding the farm even further and making it a flagship farm."



During the lease period, Tomahawk continued to replant bananas to ensure that production was not interrupted

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This story was originally published on the Farmers Weekly's edition of 03 August 2018.





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