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Foreword



The citrus industry is South Africa's biggest fruit industry, exporting approximately 100 million cartons (15kg) and earning a gross revenue of more than six billion Rands annually. The industry also makes a considerable contribution to job creation throughout its production regions and its logistics chain to the ports of exit.

Thus in terms of both the broader South African agricultural sector as well as the Land and Agrarian Reform Programme, the citrus industry is of vital importance. The challenge facing government and industry is how to implement successful transformation within this important agricultural sector without negatively impacting on the income and jobs created within the sector.

In global terms the South African citrus industry is the second biggest exporter of citrus despite its relative distance from lucrative markets. This achievement speaks volumes about the commitment of individuals within the industry who make things happen.

Industry does not empower people as it is the individuals with necessary will and drive that empower themselves by making use of the opportunities available to them. Through the current co-operation between Government initiatives at various levels and dedicated citrus industry inputs an environment conducive to assisting this process has been created.

It is clear from their track record that the citrus industry is a leader in the field of transformation within the South African agricultural sector and the industry can be congratulated on showcasing their efforts and successes in this publication.

Mr Langa Zita
Director-General of the South African Department of Agriculture, Forestry and Fisheries

Introduction

In 2005 the citrus industry published “Our Citrus Transforms”, a publication illustrating the various transformation and empowerment projects within the South African citrus industry at the time.

During the past six years there has been rapid development and growth in this field. The citrus industry has also prioritised transformation and has mobilised considerable resources to foster this process.

Thus the time was ripe for us to take a fresh look at the current status of transformation within the citrus industry. In the process of compiling Fruits of Success, we travelled across the country, revisited some of the lasting success stories as well as investigating younger projects and projects that have made positive strides despite previous challenges.

The Citrus Growers’ Development Chamber has been established to provide the emerging growers with a forum and representation in the industry. Mentorship and extension services offered by CRI and CGA are providing valuable support to emerging growers across the country. The CGA Transformation Desk is proactively engaging with government, industry bodies and other stakeholders on behalf of the emerging sector while the Citrus Academy is achieving remarkable successes in building human capacity.

This publication has allowed us to present a snapshot of the status of transformation within the citrus industry by the testimony of people directly involved at ground level. The energy and enthusiasm of people within the citrus industry is truly inspirational and the insights and ambition of these individuals certainly bodes well for the future of the industry – enjoy reading what they have to say.



I believe that the best model for the success of land reform projects in the South African agricultural sector is a coordinated approach when providing support, access to information, and involvement of all stakeholders involved in each an every commodity to avoid duplication and waste of funds. This will ensure service delivery is received on time in this sector and all in the name of food security.

Thank You!

Lukhanyo Nkombisa
Transformation Manager,
Citrus Growers’ Association of
Southern Africa

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Citrus Growers' Development Chamber

During 2011 the transformation initiatives in the citrus industry have been taken to a higher level with the establishment of the Citrus Growers' Development Chamber (CGDC).



Citrus Growers' Development Chamber members at the meeting of the Chamber at Willow Park, Johannesburg in June 2011. Members present were: Back Row: Philemon Sambo, Jonathan Young, Tompson Mankhili, Richman Mavimbela, Hannes Hobbs, Joseph Nkosi, Celestina Tlolane, Mzo Makhanya. Front Row: Lawrence Mgadle, MP Madidimalo, Eric Nohamba, Samson Qomondi, MJ Matlou, Cedric Kgwedi.

The first meeting of the Citrus Growers' Development Chamber (CGDC) was held on the 23rd of March 2011, in Johannesburg. The CGDC was established to provide emerging growers within the sector with a forum to tackle industry issues specifically relevant to emerging growers. This was the realisation of a request at a workshop in 2008 during which emerging growers asked to have a more structured voice within the CGA.

The CGDC consists of fifteen representatives from magisterial districts where emerging citrus growers are active. A chairperson and

vice chairperson were elected from these representatives. The CGDC members also have representation on each of the citrus five Variety Focus Groups, the CGA Logistics Committee and the Citrus Marketing Forum.

The chamber has held three meetings to date. Members have mapped out the activities that the chamber will be involved in and these coincide with the activities undertaken by the CGA Transformation Portfolio.

The establishment of the chamber is fostering even closer links between the CGA and emerging citrus growers and is a clear indication that emerging growers are ready to take up the challenge and engage with stakeholders involved in transformation.

Citrus Growers Development Chamber Members



Hannes Hobbs
Wagenaar and Hobbs Farm
Kirkwood, Eastern Cape
Manager and co-owner
Other Industry Representation:
CGA Director



Israel Nemaorani
Easy Farm
Thohoyandou, Limpopo
Individual Farmer
Other Industry Representation:
CGA Director and committee member of the CGA Logistics Committee

Mzo Makhanya (Chairman)
Thulwane Investments
Nkwalini, KZN
Individual Farmer
Other Industry Representation:
Former Vice Chairperson of PPECB

Comment: "The Development Chamber members are fully fledged members of CGA and we pay our CGA levies. Members are also represented in other CGA structures such as the various citrus focus groups and marketing forums. The members use information from these entities to disseminate information to our growers through the provincial committees."



Khaya Katoo
Threepence Farm
Patensie, Eastern Cape
General Manager and son of a beneficiary of the Katoo Family Trust
Other Industry Representation:
Secretary of the Kouga Study Group

Comment: "Our newly formed Citrus Growers' Development Chamber could certainly be an effective way for us to get our voices heard."



Comment: "We are receiving vital support from our industry bodies such as CRI and CGA. The Citrus Growers' Development Chamber is a positive step for the development sector of the citrus industry as this will provide a forum for the various urgent issues that are specific to development."



MP Madidimalo

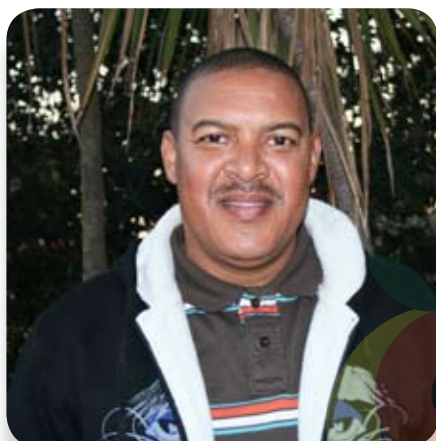
Madidimalo Multi Production
Lephalale (Ellisras), Limpopo
Farm Manager and Chairperson
of Madidimalo Multi Production
Trust (12 beneficiaries)

Other Industry Representation:

Chairperson of the Waterberg
Study Group

Comment: "This forum is very important for the development of emerging farmers. It will help us to understand our production and the rest of the industry. This will also give us a stronger opportunity to address our issues to government."

Madidimalo Multi Production is a 780ha farm with 6ha citrus. The farm was bought in 2006 through the Government's PLAS funding scheme. Prior to this Mr. Madidimalo had been hiring farms from the government and farming with livestock. As water is limited on the farm, he continues to farm with livestock here as well.



Jonathan Young

Eendrag Farm
Sundays River, Eastern Cape
Partner in Farming Operation
Other Industry Representation:
Chairperson of the Kirkwood
Study Group

Comment: "The Development Chamber is fulfilling an important function in the transformation process. Through the Chamber and the Study Groups we have learned a great deal from each other."

Jonathan is a full-time teacher and in a business partnership with Bhiza Finnis who leases Eendrag Farm from the Department of Land Affairs. The partnership has been leasing the farm since 2008 and the farm is managed on their behalf by SRCC. The farm has 5,7ha Citrus orchards, late Navels and Valencias.



Tompson Mankhili

Makonde Citrus and Mango
Co-operative
Thohoyandou, Limpopo
Other Industry Representation:
Chairperson of the Vhembe Study
Group

Comment: "I was one of the people who motivated the establishment of this council. We are members of CGA and we now have a voice. We have a memorandum of understanding with the Limpopo DOA for assistance with development."

"We receive useful information from CGA, CRI and the Citrus Academy through this structure. The chamber brings support structures to us as well as interaction with the NAMC and PPECB. We also have a national database on all empowerment farms from information collected by CRI."

Celestina Tlolane
Zebediela Citrus,
Zebediela, Limpopo
Assistant Manager of the
Packhouse

Comment: “The establishment of the CGDC and my inclusion as a chamber member has been a very valuable experience for me. It has given me a better understanding of

the broader citrus industry in South Africa as well as access to important current information which affects us at Zebediela. I am able to share this knowledge with others back on the estate. The chamber also has the potential to give us a more direct voice to both the citrus industry and to government so this is exciting for us.”

Celestina is currently the only female member of the CGDC.



Samson Qomondi
Mariveni Co-operative
Letsitele, Limpopo
Co-op Manager

Other Industry Representation:
Chairperson of the Mopani Study Group

Comment: “The chamber is still quite new and I am excited about the opportunities this chamber will provide for the development part of the Citrus industry. It will be a good means of communication with other development projects in the industry as well as providing a voice from the development part of the industry to government.”



Richman Mavimbela
Champagne Citrus Estate
Bushbuckridge, Mpumalanga
Interim Farm Manager

Comment: “The CGDC will provide us with an opportunity to address government and to communicate the needs of emerging citrus growers to through a meaningful forum.”



Eric Nohamba
Konzi Farm
Kat River Valley, Eastern Cape
Individual Farmer
Other Industry Representation:
Chairperson of the Alice Kat Farmers' Trust
CGA Navel Focus Group

Comment: “This is a new body and I hope that it will be of assistance to us as a mouthpiece in the industry to facilitate interaction with the government at an industry level.”

Lawrence Mgadle

Ripplemead Farm

Keiskamma River Valley, Eastern
Cape

Individual Farmer

Comment: "I was elected onto the committee of the Citrus Growers' Development Chamber by our local farmers to represent them on the

Chamber. This is a very useful forum to growers throughout the South African citrus industry."



Philemon Sambo

Champagne Citrus Estate

Bushbuckridge, Mpumalanga

Champagne Community Trustee

Comment: "This new chamber is exciting as it has great potential for supporting emerging growers. It can sketch a clearer picture for us of the entire South African citrus industry and also provide information that is relevant to us at Champagne. In the

past others have created problems for us and as we are now running the estate ourselves, the chamber will be a good way to network with the correct government and industry players to assist us."



Cedric Kgwedi

Rietfontein Homeless Peoples' Trust

Ohrigstad, Mpumalanga

Facilitator of the Trust's
Committee

Comment: "Although this is still quite a new organisation, I have already learned a great deal from being part of this and I am confident that this will help our project in the future."



MJ Matlou

Winterveld Citrus Project

Winterveld, Limpopo

Winterveld Citrus Project
Committee member

Comment: "The CGDC has the potential to help emerging growers at many levels within the production, logistics and marketing process. It will

help to bring knowledge to emerging growers who lack the background in these fields."



sinking our teeth into
transformation

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**Citrus
Growers'
Association**
OF SOUTHERN AFRICA


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Transformation at the Fresh Produce Exporters' Forum



Lionel Martin from Uitvlugt, Somerset West moving his first container of 'small Grannies' to ASDA via International Produce.

Traditional business models of fruit exporting companies have morphed substantially over the last few years. Many producers have started exporting a percentage of their own crops to take charge of their own destinies. As a result of this, marketing agents have purchased farms to secure their businesses, while overseas importers and supermarkets are setting up procurement offices in South Africa to deal directly with producers.

The dust finally seems to have settled between marketing agents and commercial farmers. The role-players who have the necessary integrity, skills, scale, competitiveness and niche opportunities have survived, and in many cases thrived. However, there still remains one persistent question after nearly fifteen years of deregulation: where are our black marketing agents or our black commercial producer-exporters in our industry?

The FPEF Board recently decided that it was time to address the strategic imperative of sustainably integrating emerging farmers - and aspiring black marketing agents - into the mainstream of fruit exports. Not only will this secure a politically stable future for our industry; it will also create the necessary political capital to catapult our industry back into world-class status.

The FPEF has now opened its doors to emerging farmers who are having their fruit exported for them, but are eager to do a percentage of their own exports themselves. It was agreed by the FPEF Board that such members would be granted free Probationary Membership status with the Forum for two years. This would assist such companies in further establishing themselves financially before becoming fee-paying members.

In order for emerging fruit producers to become legitimate exporters in the FPEF, they need to be registered with SARS. This

is the first step in aligning them to become legitimate exporters. The second step is to assist the emerging farmer in finding an uncontroversial marketing channel in which his fruit can be successfully placed for export. The FPEF secretariat has to be sensitive about helping emerging farmers contend with existing packaging, marketing and logistics arrangements. One cannot intervene effectively without being accommodated and assisted by others. Neither can one intervene and make the farmer worse off than before. Yet any intervention that improves the emerging farmers' outcomes may unintentionally reveal deficiencies in previous packaging, marketing and logistics arrangements.

The FPEF has had its first success story. It's a modest, but significant step. Lionel Martin from Uitvlugt (part of Laurensford Farm in Somerset West) moved his first container of 'small grannies' to ASDA via International Produce, its local procurement company.

Another important FPEF transformation initiative is the training of emerging farmers, farm workers, pack house workers and junior export staff via the Top of the Class (TOC) programme. Over the years, the winners of all TOC courses have been sent to Fruit Logistica Berlin – all expenses paid. This has been a powerful motivator!

CRI Extension Services



Melton Mulaudzi with Lawrence Mgadle at Ripplemead Farm, Keiskamma Valley

The CGA funds two Citrus Research International (CRI) extension officers dedicated to working with emerging farmers. This is split into the northern and southern regions of South Africa. The CGA Transformation Manager works with the national and provincial departments of agriculture to improve the quality of their extension services.

“In the Eastern Cape Melton Mulaudzi’s position provides a valuable resource for the emerging farmers,” says Hannes Bester, CRI Regional Extension Manager for the South. “Through his involvement we can determine what the research and extension needs are amongst emerging growers in the region. His activities include an important liaison function between the growers and the Department of Agriculture. He is well supported in the region by mentors and strategic partners such as Susan Herman and Colin Painter of Riverside Advisory Services. In addition to CRI initiatives, Melton also provides an important communication link between the emerging growers and industry structures such as CGA, CRI and the Citrus Academy. His inputs are certainly well valued within our regions’ emerging citrus growers.”

“Melton Mulaudzi’s inputs are certainly well valued within our regions’ emerging citrus growers.” - Hannes Bester, CRI



Andrew Mbedzi with Israel Nemaorani at Easy Farm, Limpopo



“Andrew Mbedzi is one of the best “human resource” assets that the citrus industry has appointed in the past five years,” says Hennie le Roux, CRI Regional Extension Manager for the Northern Region of South Africa. “His enthusiasm to make transformation in the citrus industry successful is quite infectious! He has been instrumental in successful implementation of the Memorandum of Understanding that exists between Citrus Research International, CGA and the Limpopo Department of Agriculture as he networks with all the relevant parties and makes this work.

It is also largely due to his inputs and skills transfers during the past few years that the Limpopo Department of Agriculture’s citrus extension officers have become more efficient. He is responsible for the establishment of citrus study groups for emerging farmers in each of the municipalities in Limpopo Province.

“Andrew works in close co-operation with mentors such as Bruce Andrews in both Limpopo and Mpumalanga provinces. It is part of his responsibility to ensure that the research priorities of the emerging farmer group are identified and communicated to CRI researchers so that they are able to supply solutions to these problems in return. Andrew arranges annual grower days for emerging citrus farmers in the Limpopo Province which have proved highly successful. He also ensures that Government extension officers are kept up to date with the latest research results by involving them in the bi-annual Citrus Research symposiums.”

“Andrew Mbedzi is one of the best “human resource” assets that the citrus industry has appointed in the past five years.” - Hennie le Roux, CRI



Melton Mulaudzi

CRI Extension Officer, Southern Region

Melton is based in Fort Beaufort in the Kat River Valley, half way across the country from his hometown in Thohoyandou, Limpopo. He is the CRI officer dedicated to working with emerging farmers in the Southern citrus production regions, mostly in the Eastern Cape.

"I went to school at the Shondoni Senior Secondary School at Limpopo and matriculated in 1983. My favourite subject from form 1 up to Std 10 was Agriculture hence my wish to go into agriculture as a career. One of my teachers suggested agriculture as a career for me and this did turn

out to be the direction that I chose. I applied for a bursary from Venda Agricultural Corporation (Agriven) which was later called Agricultural and Rural Development Corporation (ARDC). Once I had been interviewed and accepted to receive a bursary, I was enrolled at Madzivhandila College to do a Diploma in Agriculture and Extension services for 3 years.

"One of the conditions of receiving the bursary was that it was compulsory to work for ARDC for three years. So after completing the studies, I joined Agriven (ARDC) in Limpopo as an Extension Officer for Subtropical Crops including Citrus and worked in the former homelands in the region. From 1995 to 1996 I worked as a Development Officer and then from 1997 I worked as project manager for ARDC development projects in the Limpopo Province.

"When the ARDC closed its doors in 2001 I was retrenched along with the Corporations' other employees. In 2002 I landed a job at Kutuma Sithumule Maximum Security Prison in Louis Trichardt as a Vocational Instructor in Horticulture. My job involved sharing my horticultural knowledge with the prisoners and I really enjoyed this a great deal. In 2003 I was offered a job by Du Roi Nursery in Letsitele and wanted to resign.

"The prison director who was a great friend of mine asked me to cancel my resignation so I remained there for a while longer. Later I did resign and joined Skills for Africa, a service provided that implemented Agricultural training courses on behalf of the AgriSETA. My first training was at Lwamondo Fruit and Vegetable Project and I worked for Skills for Africa until 2005.

"I was employed by Du Roi Precision Farming in May 2005 as a Facilitator for Training Leadership and Skills Development. Du Roi sent me to do an Assessor Course in Pretoria where I received

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Ricardo Staphana, Alan Fitzpatrick and Melton Mulaudzi at Kangela Farm, Sundays River Valley



Andrew Mbedzi

CRI Extension Officer, Northern Region

Andrew grew up at Lufule Village near Thoyohandou in Limpopo province and matriculated from Mbilwi High School. "My parents suggested that I go in the direction of social work so after school I spent a year working for the Department of Social Welfare and soon realised that Social work was definitely not for me.

"The following year I enrolled at the University of Venda to do a BSc Agriculture majoring in Horticulture. My studies were sponsored by a bursary from Agriven (Venda Agricultural Corporation). In 1995 Agriven was renamed the Agricultural and Rural Development Corporation after it was

merged with Gazankulu and Lebowa Agricultural Corporations. After I graduated in 1990 I was employed by Agriven as an extension officer.

In the course of my duties I realised that the issue of labour Relations was very important. This prompted me to complete a certificate course in labour relations at RAU (Randse Afrikaanse Universiteit) in 1994. By the time the ARDC dissolved in 2001 I was a manager for Agricultural Advisory Services with the ARDC. Up to that point I had been working with fruit, vegetable and livestock farmers.

"The dissolving of the ARDC also meant the financing of many of these emerging farmers was summarily cut off with no alternatives. The old structures were destroyed without putting anything in their place. I was retrenched with immediate effect along with hundreds of other employees.

"It was a difficult time but I found a way to make ends meet by growing petunias at my home in Louis Trichardt and selling them. I did this for two years until 2003 when I received a call from Abraham Van Rooyen of Du Roi nurseries. He knew me from the time when the ARDC had bought trees from him for the farms in Venda and he was looking for someone to help start a capacity building section for Du Roi Precision Farming. I was overjoyed and grabbed this opportunity with both hands.

"This meant a move to Letsitele and here I worked with a team doing capacity building and ABET (Adult Basic Education and Training). This proved to be quite successful and in 2005 we were able to form a separate company called AgriLearn. We provided training to Du Roi and also to other farming institutions that required training and I was involved in writing some of the learning material we used for AgriLearn. I was invited by the AgriSETA (Sector Education and Training Authority) to assist them with the

Andrew Mbedzi in the orchards at Hoedspruit



**Melton Mulaudzi
(left) and Andrew
Mbedzi (centre) work
closely with the
CGA Transformation
Manager Lukhanyo
Nkombisa (right)**



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certification as a Qualified Assessor. In the course of our duties we provided learnership courses at farms in the area such as Mariveni, Mabunda, Tours and Julieberg. We also attended a Master Mentor short course. CGA conducted a pilot project on Mentorship in different provinces and I facilitated the mentorship programme for CGA from 2006 until March 2009 in the Vhembe and Mopani Districts.

"In March 2009, I resigned from Du Roi and joined the CRI. As I indicated I like development and new challenges. During the interview with CRI I was asked what I understood from the term Transformation and I replied that Transformation is a very broad concept which means change to me. My position at CRI is very interesting, working farmers and their different strategic partners with their individual business models. I am involved with farmers throughout the Eastern Cape Citrus production regions which include the Kat River Valley, Fort Beaufort, Sundays River Valley and Patensie etc.

"My position in the Eastern Cape is far from my family who live in Thohoyandou in Limpopo. This is tough at times but I cope with the situation as I am able to visit them every month. According to my culture and tradition, a man can work far away from his family as long as he can maintain discipline in the family. I like working in the citrus industry as it is dynamic and interesting. Citrus is the biggest fruit crop produced in South Africa and the South African Citrus Industry is the second largest exporter of citrus in the world."

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standardisation of unit standards. In 2003 I became a qualified assessor and in 2004 I also qualified as a moderator from NQF level 1 to 5.

"During 2005 I obtained a certificate on the responsible use and storage of pesticides. The course was facilitated by the Crop Life Middle East and South Africa and was sponsored by South African Pesticide Initiative Program (SAPIP). This was a course to train farmers and trainers about pesticides and the correct use and storage of pesticides on farms. During the same year (2005) I also obtained two certificates (Mentoring and Coaching of Learners Certificates) from the Assessment College. In 2006 I qualified as a Master Mentor from Mind the Gap and I also qualified as a Master Trainer (Trainer of the Trainer) in 2007.

"I was appointed to the CRI in 2008. I saw the post on the CRI website and applied for it. I was one of the selected candidates and went for the interviews at the University of Pretoria and emerged the right candidate for the job. My job description is an extension officer for the Northern region (Northern KZN, Gauteng, North West, Mpumalanga and Limpopo). I focus on the Emerging farmer sector but also work in the commercial sector from time to time.

"I like to be involved in teaching people about citrus because as a commodity citrus is both challenging and dynamic. As the climate varies from province to province in South Africa, so do the varieties and production methods suitable for each of these. This makes the mentoring on production practices dynamic and interesting. Citrus is a global commodity and as such our quality has to be world class to compete in the global market. Achieving and maintaining this standard is the big challenge that faces all producers in South Africa."

Mentorship

In 2006 CGA entered into an agreement with the Department of Agriculture, Forestry and Fisheries (DAFF) Directorate Education and Extension Services (ETES) to undertake a mentorship programme for selected emerging citrus growers that were under-supported by strategic partners or managerial companies. The project was launched in the same year and mentorship has been undertaken in Mpumalanga, Limpopo, Eastern Cape and KwaZulu-Natal provinces.

The mentoring programme was expected to ensure real transformation by assisting growers in the development of technical, financial and business management skills. The goal is to empower emerging growers to the point where they are successful commercial growers able to compete in the international marketplace. During the past year 13 enterprises received support through the mentorship programme, one in Limpopo Province, two in Mpumalanga, three in Kwa Zulu Natal and seven in the Eastern Cape.

Initially the Department of Agriculture, Forestry and Fisheries (DAFF) Directorate Education and Extension Services (ETES) undertook to fund and manage the mentorship programme until 2010 when the responsibility for funding and management was set to be moved to the provincial Departments of Agriculture and Rural Development. This did not proceed as planned and funding was not available for the project for some time. Fortunately alternative funding was secured for 2010 from the AgriSETA, channelled through the Citrus Academy.

In early September 2011 the CGA managed to secure some funding for mentorship in the Eastern Cape for this financial year which will ensure that the developing growers in the province receive the necessary support through mentorship. The CGA transformation portfolio continues to lobby for support from the government and other stake holders, as well as to access funding for the maintenance of the mentorship programme in other provinces.





Vernon and Janet Tocknell

Nkwalini, KZN

**Citrus
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Association**
OF SOUTHERN AFRICA

Vernon was a commercial farmer in the Nkwalini Valley and farmed with citrus and sugarcane until the mid 1990's. His farm was part of a land claim by the Umhlabawethu Community and in 1996 his farm was bought by the government on their behalf. Since then he and his wife Janet have been leasing a farm in Nkwalini and despite the upheaval the claim caused for them, Vernon has a positive approach to land reform.

Government's land redistribution efforts have changed the pattern of land ownership in the Nkwalini valley and since 2006 Vernon has been involved in mentoring several emerging farmers. "These are exciting times," says Vernon. "I want to see government's land restitution programme a success in our area. It is imperative not only for our fellow farmers in the community, but for the economy of the country as a whole, that we share our knowledge and experience with these emerging farmers. Successful citrus production requires a good skills base and without the assistance of mentors and good relations with the neighbouring farmers these farmers will not succeed. Many initiatives are community based, such as the canal water scheme and farm watch. If half the growers can't afford to pay for these services, it puts huge pressure on the others," he adds.

In 2007, Vernon became the self-appointed mentor to Thulwane Investments, advising and assisting Mzo Makhanya (*see Thulwane Investments*) with all the farming and financial aspects of his farm. The mentorship is part of the CGA mentorship programme and this is Vernon's flagship success story. "I took it upon myself to build a relationship with Mzo," recalls Vernon. "He was skeptical of me for the first few months or so and wasn't readily available to talk to me. I went to the farm anyway, and continued to help his foreman and supervisors. After a while he realised I didn't have a hidden agenda and we cemented our relationship."

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Mzo has done a lot of replanting of cane and citrus and is now reaping the rewards. "We've increased sugarcane yields from 8000t in 2007 to 12 000t in 2009; and citrus yields off 85ha have increased from 72 000 export cartons to 105 000 cartons. We've also redesigned and renovated the packhouse to keep up with the international market quality standards. Mzo has continued to invest in the land even though he is just leasing it. He is a very determined farmer and I like to think of him as a success story."

Janet is also involved with the mentoring process as she has taken on the enormous responsibility of performing the administrative management for three of the farms. "It is a huge task but it is just the right thing to

do," says Janet. "Vernon cannot assist the farmers without the administrative backup and as this is my area of expertise, I take care of this. It is absolutely essential that mentoring and administration go hand in hand."

Vernon has an impressive track record in assisting emerging growers to be successful but emphasises that it is pointless having a mentor if farmers don't have access to production finance. To this end, he facilitates and manages loans on behalf of several emerging farmers in Nkwalini.

"We have facilitated a lot of loans through the citrus exporters and Tongaat Hulett. The exporters rely on me to ensure the citrus crop is properly managed and packed so loan repayments can be made. It requires a lot of legwork but I enjoy it. It is imperative that the mentorship programme works. Government and agricultural commodity groups need to put more value in mentoring as it is essential in order to assist emerging growers to succeed."

Bruce Andrews

Master Mentor for CGA

**Mentorship programme in
Mpumalanga and Limpopo**

Bruce Andrews is a former citrus farmer and current mentor in the Mpumalanga and Limpopo area. He started mentoring in 2004 in Mpumalanga. In 2005 he participated in a mentorship training programme conducted under the auspices of the Department of Agriculture and achieved accreditation as a Master Mentor.

"In 2006 I was approached by Maxwell Hawes, the Transformation Manager for the Citrus Growers Association at that time, to serve the CGA as a Mentor in the Mpumalanga and Limpopo Provinces. I was in the process of selling my shares in Ryton Estates to my partner at the time and my wife and I were preparing to retire in White River when Maxwell asked me if I would be prepared to serve the CGA as a mentor on Citrus Transformation farms in Mpumalanga. It presented an interesting challenge and something to keep me busy and stimulated so I have been mentoring emerging farmers in Mpumalanga and Limpopo since then," says Bruce.

Citrus Growers' Association

Ryton Estates is in the Elands Valley near Waterval Boven in Mpumalanga. It is a very large farming operation with a total size in excess of 7000ha. Bruce bought his shareholding in the farm in 1987 and spent 18 years living on and developing the farm.

"When we started to farm Ryton we had a workforce of 8 labourers permanently employed. As time progressed we embarked on a programme of planting citrus each year. The labour force increased to over 140 and a total of 250 hectares were planted to Citrus by 2004. At this time some 26 hectares of Avocados and an additional 120 hectares of arable land was cultivated to seasonal crops such as maize, sweet corn and other vegetable crops for canning and the processing industry. The farms were well supplied with perennial water from the Elands River and tributaries. Adequate Water Rights were held to ensure sustainability through seasons of low rainfall."

Thus Maxwell Hawes certainly chose well. The experience and knowledge that Bruce gained during the time he was on Ryton is invaluable in his current position, as are his integrity and perseverance.

Bruce started his farming career in the Darwendale and Sinoia/Chinhoyi district in Zimbabwe where he farmed with tobacco. In late 1978, Bruce and his family left Rhodesia and spent three years in Malawi before settling in South Africa. During his time



Bruce Andrews in the orchards, Limpopo Province

farming in Rhodesia he established an earth moving business undertaking bush clearing and dam building which stood him in good stead when seeking employment in South Africa. Over the years the yen to return to agriculture was the impetus to make Bruce follow his dream and purchase the shareholding in Ryton Estates.

Bruce is currently mentoring Sibonelo at Schagen (see *Sibonelo*), Champagne Citrus Farm at Bushbuck Ridge (see *Champagne Farm*) and Easy Farm near Thohoyandou (see *Easy Farm*). Despite the large distances between these farms, Bruce follows a regular route and it is abundantly clear that his inputs are valued.

“Mentoring citrus farmers has presented me with the opportunity to impart knowledge and skills and I have always enjoyed assisting people. Much of this is information that commercial farmers take for granted but these are the skills that are of fundamental importance for the success of emerging farmer enterprises,” says Bruce.

Susan Herman

Fort Beaufort, Eastern Cape

Transformation Officer for Riverside Advisory Services as well as the Industrial Development Corporation (IDC) Project Leader for Riverside Enterprises.

Susan is an extension officer and mentor to emerging farmers on behalf of the Riverside Advisory Services. “I am responsible for the day-to-day operations on farms for Riverside Advisory Services as well as in-service training. My main task is to ensure that the growers are GlobalGap accredited and the various other production accreditations required by the supermarkets who buy our fruit. The emerging farmers are all accredited and 8 of them have received gold certification.”

Susan is responsible for the compilation of all legal documents for emerging farmers together with the Legal Department of the IDC. She is also the master mentor for a number of the emerging

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Susan Herman and Melton Mulaudzi surveying flood damage along the Kat River during Winter 2011

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farms at present and gives technical support, with the help of Llewellyn Roberts, to emerging farmers on eight of the IDC farms as well as daily on-going training using Xhosa as medium of instruction.

Susan completed a Senior Education Diploma at the University of Port Elizabeth (passed 8 subjects Cum Laude) and also did Xhosa as a First Language subject at university. "I started my career as a teacher at Phandulwazi Agricultural High School near Alice in the Hogsback Mountains. I taught there from 1980 to 1995 and taught Agricultural Science, Biology, Practical Agriculture and Farm Mechanics. I then worked for a commercial farmer in Fort Beaufort supervising citrus production from 1996 until 2006. I was approached by Riverside in 2007 and have been with them since.

"I am able to assist the farmers on a range of issues including mechanical problems that they have on their farms. As the farms are often in remote rural areas, it is not easy to get mechanics out to the farms to fix this sort of problem. I am often able to help them in situ and this is a huge benefit for them." Susan speaks fluent Xhosa and so this is another important benefit in her job.

"While I was teaching I developed a love for agriculture and also realised that I had a knack for teaching the subject. It certainly is a big help that I grew up on a farm in Balfour in the district and have a good knowledge of the people, the language and the place. Melton Mulaudzi from CRI is a great help to me and

we communicate and work together on an ongoing basis. We also attend farmer's days and irrigation meetings together. Once every three months we have BEE study groups in the area and these are attended by government extension officers as well.

"Mentorship also involves the financial planning and budgeting part of farming, where there is often a lack of skills. Other aspects involved are the human resource policy, health and safety, plant protection as well as the responsible use and storage of chemicals.

"I am motivated to do this job because I would like to see the people that I work with become successful and self sustaining farmers. They appreciate what I do and I have a good relationship with the management at Riverside and with the farmers that I work with. I have a full working programme for each farm. This is a comprehensive plan and also takes into consideration the weather forecast. Since this has been in place and I have been working closely with the farmers there has been noticeable progress on the farms."

Shaun Brown

Fort Beaufort, Eastern Cape

Owner of Eden Packhouse at Blinkwater near Fort Beaufort and Citrus Emerging Farmer Mentor

On the morning of our visit to Eden packhouse, the packhouse workers were busy with mopping up operations as a canal uphill from the packhouse had burst its banks and flooded the building the night before. Fortunately it did not do too much damage and despite the drama Shaun was amenable to chat.

"I am originally from Fort Beaufort so I certainly know the area very well," he explained. "I was with Capespan for 18 years and initially started working for them as an extension officer in KZN. After deregulation I worked in the commercial side of the company as the procurement manager for the Eastern Cape. I held this position from 2003 to 2009 and concentrated on the Eastern Cape Region.

"When Ulimocor and the Ciskei Agricultural Bank were liquidated the funding mechanism for the local emerging farmers ended abruptly without offering them any alternatives. Most of the growers were having their fruit packed by Katco in Fort Beaufort and as a result of this situation Katco and Capespan provided the growers with production loans. Through this process I developed a relationship with these growers and they expressed a desire to become independent.

"Individual growers were keen to get involved with their own co-operative setup. They compiled and presented government with a business plan to do this but it was never realised. I saw this as a business opportunity in order to serve the emerging growers in this respect. To this end I sourced some second hand packing equipment and together with a partner Warren Booth established Eden Packhouse in 2009. There was a need for additional packing facilities as production in the area is increasing and we are able to pack both soft and hard citrus.

"I would welcome the emerging farmers currently packing at Eden as partners in my business and even though it was part of the original business plan this has not eventuated. We are providing a vital service to growers affiliated to SAFE Farm Ventures and Capespan here in the area. About 60% of the fruit packed at Eden Agri Services comes from emerging growers in our area. I am not linked to a specific agent and provide an independent packing service. In 2010 we had two Citrus Academy Bursary students working here and it seems likely that we might have a bursary student working here during next year as well.



"I believe in empowerment and I want to help to make this successful in our area. I am still informally mentoring Lawrence Mgadle and Siseka Maqoma as we have known each other for many years from my time with Capespan. To do what these farmers have done without financing and without title deeds and still to be around 15 years later is a quite remarkable success. Funding these farmers is a risk that they have taken due to the lack of confidence in these farmers from the commercial banks as many of them did not have the title deeds to their land. This is where the trust and input of private export companies has been incredible.

"Replanting remains a problem as the farmers need development capital in order to do this. Government has been very slow in providing this and commercial banks do not get involved. Small private enterprises are sticking their necks out to show commitment and government could do a great deal more to assist us.

"Proactive involvement with the empowerment process from the side of commercial entities is vital as for the success of agriculture in our area we need empowerment to succeed," Shaun concluded.

CGA Engagement with Government

National Department of Agriculture, Forestry and Fisheries:

CGA, CRI and the Citrus Academy have approached the National Department of Agriculture, Forestry and Fisheries Directorate Education Training and Extension Services to present to them their Citrus Extension Learning Programme Model in order to assist provincial extension officers to become citrus specialists. The objectives of the Citrus Extension Learning Programme are to:

- Provide a tool through which extension officers are able to develop their skills in and knowledge of citrus production, in order to equip and enable them to provide technical support and advice to citrus growers.
- Address the particular challenges that hamper the implementation of existing classroom-based learning programmes, including time constraints, geographical dispersal, differences in provincial extension structures, and varying levels of existing skills, knowledge and experience.
- Encourage extension officers to make use of learning opportunities and knowledge resources within their working environments.

The group that are targeted by this programme are particularly extension officers that are involved in or are required to be involved in providing technical support and advice to citrus growers and packhouses, in all citrus-growing regions in Southern Africa.

Eastern Cape

Engagement with the Eastern Cape Department of Rural Development and Agrarian Reform centred on the drafting of a memorandum of understanding to govern mentorship funding in the provinces and structure extension services to allow for the development of extension officers that specialise in citrus production. At the end of the period under review, the CGA was awaiting a response from the Department.

KwaZulu-Natal

Apart from co-operating with the Agri Business Development Agency (ADA), a KZN Government Development Agency in the Social Facilitation and Grower Development Fund Projects, the CGA engaged with the Provincial Department for Agriculture, Environmental Affairs and Rural Development regarding mentorship funding and extension services.

Limpopo

The CGA and CRI first signed a MoU with the Limpopo Department of Agriculture (LDA) in 2007. As a result of this agreement, the LDA has extension officers dedicated to providing technical support on citrus production. The agreement was renewed in the year under review. Negotiations around mentorship funding are on-going.

Mpumalanga

At the end of the period under review, the CGA has not successfully engaged with the provincial Department of Agriculture, Rural Development and Land Administration, despite numerous efforts.



Department of Rural Development and Land Affairs

Recapitalization and Development Programme

Experience indicates that it is fruitless to embark on land redistribution without concurrently taking measures to improve access to farmer support services. The Recapitalization and Development Programme (RADP) will apply to past and future land transactions and includes all categories of property acquired and still to be acquired for land reform purposes including state and public land such as commonages. In addition it will apply to farms in distress acquired by black farmers outside of the land reform programme. This is in fulfillment of the Department of Rural Development and Land Affairs' new mandate.

- Graduate small-scale (black) farmers into fully-fledge commercial farmers
- And food security

The main objectives of the programme are as follow :

- To increase production
- To guarantee food security
- To graduate small farmers
- To create employment opportunities within the agricultural sector and
- To establish rural development rangers

The Citrus Growers' Development Chamber has engaged with the office of the Minister of the Department of Rural Development and Land Reform on this programme to ensure that all the land reform citrus projects benefits from this programme. The outcome of this was that the CGA Transformation Desk was mandated to compile a comprehensive database for all the regions and submit this to the Department. in this database projects/farms were also categorised according to the urgency of their need to benefit from this programme. The database has been submitted and the CGA/CGDC is awaiting responses from the the Department within the various citrus producing provinces.

Department of Rural Development and Land Affairs Eastern Cape

The CGA Transformation Manager also recently visited the Eastern Cape Department of Rural Development and Land Affairs in Port Elizabeth. The aim of the visit was to share with the Department the available support from CGA with regard to land reform projects as the Department is in the process of buying citrus farms in the area.

The Department welcomed the visit from CGA and promised to work closely with CGA in seeking advice when embarking on land purchase with the view to producing citrus. They also welcomed the transformation initiatives by CGA and promised to keep up the positive relationship with CGA, CRI and CA.



Parliamentary Committee Representation

During 2010 CGA was invited to Parliament by the Portfolio Committee on Agriculture to a public hearing on Transformation within the Agricultural Sector. The purpose of this public hearing was that the portfolio committee wanted to know the initiatives of the commodity organisation, agricultural state owned businesses and also how to improve service delivery to support all emerging farmers.

The outcome of that was that the portfolio committee will compile a report with all the recommendations that were made to improve the situation and ensure that all stakeholders involved are working together to ensure proper support to all emerging farmers in the country.



**Citrus Growers' Development Chamber Chairperson
Mzo Makhanya and CGA Transformation Manager
Lukhanyo Nkombisa attend the public hearing on
Transformation in Agriculture in Parliament**

**Citrus
Growers'
Association
OF SOUTHERN AFRICA**

The advertisement features a background of various citrus fruit slices, including lemons, grapefruit, and oranges. The Lona logo, which consists of a stylized orange leaf and the word 'lona' in white lowercase letters inside a dark blue oval, is prominently displayed in the center. Below the logo, the text 'Growing In Harmony with Nature' is written in a serif font. At the bottom left, there is a circular logo for 'THE CARBON STANDARD' and 'CARBON NEUTRAL APPROVED'. At the bottom center, it says 'A carbon neutral company'. At the bottom right, the email address 'Email : info@lona.co.za' is provided.

lona

Growing
In
Harmony with Nature

THE CARBON STANDARD • CARBON NEUTRAL APPROVED

A carbon neutral company

Email : info@lona.co.za

Emerging Grower Database

In 2008 CGA and the Citrus Academy collected information to develop a database of emerging citrus farmers in South Africa.

The purpose of the initiative was to enable the CGA to identify areas in which BEE enterprises experience specific challenges. It is also to provide general statistics on transformation in the industry to interested parties and to provide specific information to organisations that are in a position to assist BEE enterprises.

The information in the database was recently updated and expanded and this is proving very helpful in assisting emerging growers and monitoring their their performance.

Industry Engagement

The CGA Transformation team recently had a meeting with the Fresh Produce Exporters' Forum (FPEF). The purpose of the meeting is part of the new initiative by FPEF that proposes that developing growers form part of FPEF and Emerging Producers-Export. The objectives of this initiative are to assist the emerging growers in finding an uncontroversial market channel in which their fruit can be successfully placed for export.

The Transformation Manager will carry forward this initiative and communicate this to the Citrus Growers' Development Chamber and growers who are interested can become involved in this initiative.



sundays river citrus company

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Champagne Farm Manager Richman Mavimbela and Champagne Community Trust Members Nancy Mohlabane, Philemon Sambo and Oscar Shabango

Champagne Citrus Estate

Bushbuck Ridge
Citrus Orchards: 400ha

Mpumalanga

Farm Receiving Mentorship
Mentor: Bruce Andrews

Travelling down an unmarked gravel road off the main road in the middle of the Bushbuckridge settlement, the road slowly reveals a beautiful landscape of well established orange orchards set on either side of an old avenue of Jacaranda trees. This is the entrance to Champagne Citrus Estate a considerable property with a total size of 3341ha in total with 400ha of citrus and 20ha of mangoes.

The farm is owned by the 302 beneficiaries of the Champagne Community Trust. Oscar Shabango, Philemon Sambo, Nancy Mohlabane (the original claimant), Sipho Nyathi, Wonder Silowe, Garson Numalo from the Champagne Community Trust and Richman Mavimbela, the Interim Farm Manager met us at the administration buildings and told us about the history of Champagne. "The farm previously belonged to a commercial farmer Mr Trevor," explained Philemon. "Champagne was established in 1914 and Mr Trevor left here in 1952. In 1965 our community was forcibly removed from Champagne and moved to other farms in the area including Dingledale, Rooiboklaagte and Kasteel."

In more recent years the farm was under the control of the Lebowa Government. In 1998 a claim was lodged against the farm by Nancy Mohlabane who is now the Chairperson of the Champagne Community Property Association Committee. The response from the government was that the claim could not be received by an individual but needed to be lodged with as many signatories from the original community as possible. "We collected the claimants and put in the claim accordingly," says Nancy. "In 2003 we heard that our claim had been successful. At that stage South African Farm Management (SAFM) was already running the farm so the government appointed SA Farm Management as our management partner."

"As time went by SAFM paid us nothing but kept promising that they would pay us our annual rental," explains Philemon. "In 2008 we went to the Tzaneen offices to enquire about the rental that we were supposed to receive for the property. We were told that they would sign a contract

in 2008. SAFM worked with the government on this farm but not with us and we never received any funds for their use of the property.

“The Department of Agriculture representatives came to Champagne and told us that SAFM were leaving because they owed ABSA Bank R70 million. They left Champagne without even notifying us the landowners that they were leaving. No beneficiaries were employed here at Champagne and there was no contact between the managers and the community who were supposed to be their partners and landlords. We did not get involved because we thought that the government was taking care of things on our behalf. When we heard that SAFM was removing all the movable assets from the farm the CPA got involved at Champagne and to ensure that the farm was not vandalised while there was no management in place. The Department of Agriculture came to assist us and donated a pickup and new farm equipment. They also provided us with the services of an Interim Manager Richman Mavimela and a grant of R130 000 to pay staff wages which were outstanding at that time (January to March 2009).”

Richman Mavimbela is the Interim Farm Manager. “The government wants us to revitalise the farm and has discussed the possibility of us receiving a grant from the current Recapitalisation scheme,” explained Richman. “This has been ongoing since 2008 and in December 2010 government appointed MBB consulting engineers to revitalise the farm’s infrastructure, the irrigation system and to establish a 40ha citrus orchard and a 20ha mango orchard.”

“Until now no ownership certificate has been issued to us and we are still waiting for this even though it has been 8 years since we were told that our claim was successful,” says Philemon. “We were also promised a government grant of R3.8 million that should accompany transfer of the property and have also been waiting for that for 8 years. Since 2009 we have had a shortage of funding to run the farm and as a result we have not been able to apply crop fertilizers or crop protection chemicals. Our productions are thus declining and for the last three years we have only been harvesting the fruit for juice production. If we receive the grant we can turn the farm around and increase

our productions. We need this soon as the trees require maintenance before the 2012 production season and preparations for this start in August 2011.

“The claimants fall into two groups. One group wants to farm and the other wants to sell their shares and receive dividends. The Department of Land Affairs is currently working on a method for us to pay out those who want their equity and we believe that they will get paid out. We are currently receiving a great deal of support from the Department of Agriculture. They have helped us with a fence for the farm and also with irrigation systems and new pumps. MBB are currently dragging their feet and not getting on with the job and this is delaying our ability to irrigate and fertilise the farm.”

Bruce Andrews, mentor to the Champagne CPA, and Richman are working on setting up a business plan for the next two years. “The farm needs funding of R3 million to make it through the 2011 and 2012 seasons. They also require around R1.8 million for movable machinery such as tractors. Thus, in total the farm needs a total of R4.8 to R5 million to get the project back on its feet but they need it NOW in order for this to be possible.” Richman added that Ms Thandekile, Agricultural Economist from the Department of Rural Development and Land Reform has promised to work at sourcing the R3 million grant of Champagne’s next production season.

Champagne Citrus Estate view



Sibonelo Seedless Lemon Project

Elandshoek

Citrus Orchards: 15ha

Mpumalanga

Farm Receiving Mentorship

Mentor: Bruce Andrews



Joyce Phonela, Deputy Secretary of the Sibonelo CPA Committee, Michael Lizwane, Chairman of the Sibonelo CPA Committee and Sarah Mabuza, a CPA Beneficiary and Permanent Farm Worker.

At Elandshoek west of Nelspruit, the Sibonelo Community Property Association has a 15ha orchard of Eureka and Limonera seedless lemons. Seedless lemons are sought after in the international and local retail sector and despite some challenges over the past few years, the trees at Sibonelo are yielding a good crop of healthy lemons annually.

The Sibonelo Community Property Association bought the Elandshoek property in late 1998 and has 116 beneficiaries. They each qualified for the R15 000 SLAG (Settlement Land Acquisition Grant) grant that was available at the time and they bought the property and a few implements by combining these grants to make up the total purchase price. Elandshoek is a 300ha property but has limited arable land. Once they had bought the property they did not have access to development capital. In 2002 the Mbombela Local Municipality arranged for a grant from Department of Finance and Economic Affairs and this made it possible for the beneficiaries of Sibonelo to participate in the development of the lemon project. The trees were planted in 2002 and 2003.

Sibonelo has been through some challenging times in subsequent years. The project was initially developed and managed by an agricultural consultant. When he left in 2005/2006 the beneficiaries were not happy with the manner in which things were handled. The project was always in dire straits financially despite the grant they had received from the Mbombela Municipality. Very little effort was made to keep the community informed of developments and the progress achieved.

Bruce Andrews has been mentoring the project since 2006. "When I became involved the project had some serious production challenges and a sizable debt that needed to be managed. Since then in co-operation with Ms. Susan Moloto, a beneficiary and Chairperson of the CPA Committee at the time, a Business Plan was developed and rigidly adhered to. Over time we were able

to take care of the production costs and also cover debts. During this time Sibonelo also appointed a manager but regrettably he was unable to perform his duties satisfactorily and resigned his position in early 2011.”

This left the farm with the staff complement of 5 beneficiaries and two general workers. There was no administration or management competence on the farm. Recently the Community Property Association Committee at Sibonelo has also changed. Although the committee was quite competent, dissenting groups within the beneficiary group were dissatisfied with the makeup of the committee and a new committee has been elected this year with the approval of the Provincial Department of Rural Development and Land Reform. It has been through the dedication of Susan Moloto and inputs from the mentor that Sibonelo had remained viable and solvent. However, when she was confronted with the opposition from the beneficiaries Susan agreed to step down and allowed the incoming committee to install their officers.

The success of the project over the past five years has been due largely to the commitment offered by Susan and her team who readily accepted the advice and guidance given to the project by the mentor, and gave of her time generously in addressing the often contentious community issues.

“Due to the manner of the establishment of the project by the Developer and the Mbombela Municipality, much of the early documentation of the CPA was not available,” explained Bruce Andrews. “The new committee took over the reins in May 2011. Bank signatories had to be up-dated with the installation of the new committee and appropriate responsibilities allocated to ensure the timely business of the project could be undertaken. In order to arrange for the bank and other legal requirements we had to locate the original of the “Constitution” and other legal documents.

“The farm also did not have its own postal address and this needed to be arranged. I was asked by the incoming committee to become a signatory to the financial transactions in order that the movement of funds could be

monitored and authenticated. Arranging for signatories for the bank account has been problematic but we now finally have this in place. During this period little harvesting could be undertaken as authority for labour payments were withheld due to Sibonelo’s inability to comply with the stringent FICA Banking requirements now imposed. There have been no fertilizer applications over the past months and Eskom cut off their electricity supply as they had not been paid. Much of the fruit should have been harvested and packed for export during June and July 2011. This loss in export revenue will affect the eventual returns to the farm and the pack-out percentages achieved. A large portion of the harvest will have to be sent for processing and juicing. This situation will result in substantially lower returns than achieved in the previous year.”

At Sibonelo we met with Michael Lizwane, the new Chairman of the Sibonelo CPA committee, Joyce Phonela, a beneficiary and committee member of the CPA and Sarah Mabuza, a beneficiary and permanent worker on the farm. Michael is a school teacher and teaches in Hazyview (100km to the north Sibonelo) but visits the project over weekends. “Farming requires commitment, says Michael. “We have a successful project which has proved itself over the years. We have good yields and our lemons are healthy and productive. Of the 116 beneficiaries of the CPA, only about half of the original beneficiaries are from around here. We are positive about the future of our project. Sibonelo is developing a new Business Plan for the expansion of their lemon orchards and is hopeful of receiving a grant through the funding of the government’s new “Recapitalisation Fund”. We will apply this funding to include the provision of new facilities to meet our “GlobalGap” criteria as well as provision of funding for the development of the new gardens and orchards. We have managed up to this stage with the infrastructure and personnel currently employed but we are now looking to appoint a new manager.”

“The beneficiaries are reluctant to work for the daily rate we can afford to pay them which is the current minimum wage,” says Joyce Phonela, who is a beneficiary and does not work on the farm. “It would be good if we could diversify and plant some more of our land under vegetables to help with short term cash flow. We could sell these on the local and other municipal markets.”

“Sibonelo is not large enough to yield sufficient quantities of lemons for us to export on our own. This is where the vital support service received from Twycross (see Twycross) adds value to the project,” explains Bruce Andrews. “If Sibonelo does expand, it would make more sense to expand with further lemon plantings.”

Currently the farm has two old tractors and a good spraying unit and although these are adequate for their current needs, the farm urgently needs a new tractor, trailer and picking bins.



Julian Marshall, Packhouse Manager, Iris Mashaba, Junior Packhouse Manager and Edward Mhlongo, Driver and Supervisor at Twycross with seedless lemons at the packhouse.

Twycross Farm and Packhouse

Schagen, Mpumalanga

Packing Service Provider to Sibonelo

Twycross is a commercial avocado farm and Twycross Packhouse is situated on the farm. The packhouse packs both avocados and lemons. The packhouse packs lemons for growers in the Schagen area and has been involved with Sibonelo from its early days around six years ago. "We have been packing Sibonelo's lemons since then and we established a good working relationship," says Julian Marshall, Packhouse Manager at Twycross. "Our location is quite close to them so this has made it quite easy for us to assist them."

"Twycross has been an important part of the success of Sibonelo during this time as the assistance they provide is beyond the call of duty for a packing service provider," explained Bruce Andrews, CGA Mentor to Sibonelo. "Iris Mashaba is the Junior Packhouse Manager at Twycross and at Sibonelo the farmers value Iris's inputs as she visits the project and provides some practical training on crop readiness and harvesting. She also liaises directly with the management on the picking process according to what is required by Twycross. The packhouse also sends their truck to fetch the fruit from Sibonelo as transporting the fruit is always a challenge."

"Sibonelo also retains the services of an Entomologist Consultant, Mr Chris Kellerman to advise on the chemical spray programme required at times during the season. A joint evaluation of the soil sample results is undertaken with the mentor and recommendations are interpreted with the management and staff when the programmes are established and followed. It is often difficult to implement the advice timeously as financial resources are not always available when needed. The Owners and Committee at Sibonelo do not have sufficient production

experience and expertise and depend on the guidance given them for these programmes. For future growth to be successful it will be necessary that the project has these resources in place to implement the advice."

"Sibonelo is a small unit of 15ha of lemons, but I believe it has been successful as they are a specialised farming unit that produces only seedless lemons," explained Julian.

Most of the pickers at Sibonelo are not permanent employees so the DVD from the Citrus Academy on Production has been most helpful in training the pickers. The seedless lemons are much more sensitive to pick than oranges as the lemon oil cells are very sensitive. Dew, hail and rough handling can cause damage to the oil cells in the skin and this leads to the occurrence of *oleo*. As this is often only visible three days after harvest, following the correct picking practices is very important.

"Our facilities include door -to -door containerisation so that the cold chain is not broken. We fill the containers here at the packhouse and they remain refrigerated from here all the way to the customer so the cold chain is maintained all the way," explained Julian.

"The fruit industry needs to be made aware of projects like Sibonelo as they should receive support so that they do not merely survive but forge ahead and thrive. The point of these projects is that people who own them should be employed by them and that the projects should provide empowerment for them as well as a better life for them and their children. We are committed to assisting them with their packing and are proud of their successes."

Neos Estate

Hectorspruit, Mpumalanga

Citrus orchards: 60ha

Neos Estates is south of the N4 near Hectorspruit on the road to the Jeppe's Reef Border Post with Swaziland. This considerable property is in a fertile valley where the subtropical climate provides the ideal conditions for the large-scale production of citrus, mangoes, bananas and avocados. The farm has 312ha sugar cane and 60ha citrus and 55ha mangoes. At the Neos administrative buildings we met Ian Johnson who has been the Manager at Neos for 19 years.

"In 2005 a land claim was registered on the property by three different family groups who have claimed the land and at that stage the farm belonged to Tim and Brian Chennels," explained Ian. "The farm has now been sold to the government and the sellers have been paid. The title deeds have been signed and the claim has been processed but which of the claimants will ultimately own the land has not yet been finalised. While this is still in the process of being researched towards a resolution the management company, owned by Tim and Brian Chennels, has signed a five year lease with Government to run the farm.

"The farming entity was previously known as Chennels Brothers T/A Neos Estates and the new name is Eight Mile T/A Neos Estates. The company will pay the government a fixed lease for five years based on a percentage of the purchase price and once this has passed the company will negotiate possible further leasing with the successful claimants.

"None of the workers on the farm are part of the claimant groups. The people who work here have mostly been here for a long time and have planted and developed this farm so the fixed lease with the government has



Neos Estate Management Personnel Stanley Mtshali, Production Manager, Ian Johnson, General Manager and Marelize Venter, Administrative Officer

brought stability to the farm after a long period of uncertainty. The process has been handled quite well and the farming operation has been able to continue as usual.

"Management has a good working relationship with the farm workers. Our workers do not live on the farm and come to work every day from town which is about 20km. We have a security guard who lives on the farm and we do not have problems with theft here.

"We now have our own packhouse on the farm and were able to buy a packline from Neofresh Packhouse in the area. We now pack our fruit on the farm and have thus created an additional 70 to 80 jobs for packers during the harvest. We export our fruit through Core Fruit and having a packhouse on the farm has allowed us to save costs by packing ourselves. We are able to take care of our own scouting. The packhouse equipment is a movable asset and when the lease ends this will need to be settled as well.

"We have our own hydro electrical scheme in the area as 4 farms in the neighbourhood Laughing Waters, Marula, Neos and Inala have a combined hydro electric turbine. This feeds electricity back into the national grid and we receive compensation for this so in effect we generate 15% of our electrical requirements."

"In conclusion I must say that, all things considered, things are going well on Neos. We are moving forward, continuing to develop the farm for optimal production."

Citrus
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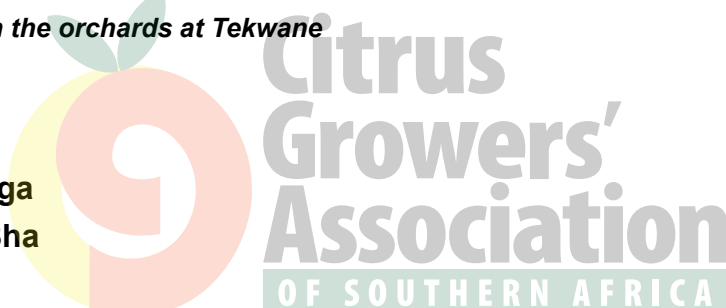


Doctor Shiba, Packhouse Officer, Green Mbhalati, Agricultural Business Manager and Lorraine Nthali Administrative Officer, in the orchards at Tekwane

Tekwane

Tekwane, Mpumalanga

Citrus Orchards: 118ha



Some distance east of Nelspruit on the northern bank of the Crocodile River is the settlement of Tekwane and alongside it the considerable Tekwane Citrus Estate. Tekwane Citrus Estate is now administered by Mpumalanga Economic Growth Agency (MEGA). Here we were met by Green Mbhalati, Agricultural Business Manager of the Estate. Green has worked at Tekwane for many years through various changes in the ownership and management and is clearly passionate about the estate and its workers.

The farm belonged to a Danish company called United Plantations that also had farms in Swaziland. United Plantations established the farm in 1972 and produced citrus and tobacco. "I used to work for the Danish company for 16 years as a field manager and when they sold the farm I remained at Tekwane. I live here and have bought a plot on the farm," explains Green.

The farm was bought by the Government of the former Kangwane Homeland in 1992. It was initially bought to establish a housing development but then the Government saw the potential income possible from citrus production. The housing development was developed on part of the property but Central Tekwane was reserved to continue with agriculture. At the time of sale there were 173ha citrus and the total size was several thousand hectares. There was also large scale tobacco production on the farm. When the Government bought the farm the trees were 20 to 30 years old. Some of the orchards were planted in waterlogged area and they were dying due to *Phytophthora* problems. The Government decided to end production as there was no production capital available.

"We spoke to government even to the premier to see if we could keep the farm going," says Green. "We received funds and government decided to continue farming. In 2002 we started to re-establish the farm and we now have 118ha of citrus - 42 000 trees high density plantings. We

have only lemons and these are Eureka and Limonela. The good thing is that all the trees are all less than 10 years old.

“We hope to start planting next year and we have a plan for development up to 2020. From the first development the trees aged without replanting and by 2002 they were 30 years old. We don't want time to catch up with us like this again. We have already done soil preparation and hope to plant next year. We receive our trees from an accredited local nursery, Esselen Nursery at Malelane. The farm belongs to government under MEGA and is funded by government. Until recently the Mpumalanga Agricultural Development Corporation (MADC) was administering the farm and now Mpumalanga Housing Finance, Mpumalanga Growth Agency and MADC are contained within MEGA.

“There is approximately 200ha of arable land still fallow as well as 300ha of grazing land on the farm. We have more than adequate water and our irrigation system is very effective. We get water from the Crocodile River and irrigate our trees with microjets.

“We have 45 permanent workers and in 2011 we have 300 seasonal workers. The permanent workforce is very happy here and we have virtually no staff turnover. This only happens when someone passes away. The workers do not live on the farm but in the housing development close by. We have our own packhouse which has a good capacity beyond our current production. Cassie Maritz

is the Packhouse Manager. He does an incredible job and has a very good relationship with the workers. In 2011 we estimate that we will produce 150 000 15kg cartons for export and for the local market 180 000 7.5kg cartons. Our productions have been above average for the 2011 harvest in our area. If we achieve our productions then we know that things are successful. We supply Capespan, Emex and we are trying San Miguel for the first time. We are also likely to deliver 1465 tons to the juice factory. The standard factory juice price is R1 100 per ton. We are now delivering to Onderberg Fruit Processors in Malelane and they are paying us the standard price. We are responsible for the production part of the operation while the finance and management is run by MEGA.”

Green was instrumental in securing housing for many of Tekwane's farm workers in the adjoining Tekwane settlement although he himself is from the Letsitele area near Tzaneen.

Outside in the orchards we met Doctor Shiba and Lorraine Nthali. Doctor Shiba has been at Tekwane for 12 years. He is a packhouse officer and previously he did pest control scouting in the orchards. Lorraine Nthali is the Receptionist and Administrative Officer at Tekwane. She is responsible for invoicing, timesheets and wages. She has worked on the farm for 11 years. “Although AIDS is still a big problem in our area, the patients who work on the farm are on anti-retrovirals and are strong enough to come to work. We give our people lighter jobs but keep them employed. We are humane and help people. At the moment the local clinic is here on the farm so people are helped if they come here. The Government is currently building a big new public clinic for people close by. The new facility will be good for the community and for the farm as the vehicles to the farm clinic create dust on the fruit.”



Rietfontein Homeless People's Trust

Ohrigstad, Mpumalanga

Citrus Orchards: 17ha



Joseph Lengwati, Treasurer, and Cedric Kgwele, Facilitator of Rietfontein Homeless People's Trust in the Trust's navel orchards

The sun was already casting long shadows when we visited the orchards of the Rietfontein Homeless People's Trust at Ohrigstad. The orchards are in the fertile soils of the Ohrigstad River Valley, where massive irrigation pivots were sprinkling large expanses of bright green winter wheat. We were met at the orchards by Cedric Kgwele, a Facilitator of the Trust's Committee and Citrus Growers' Development Chamber Member, and Joseph Lengwati, Treasurer of the Trust.

The property is 4001ha in total and has 17ha of navels as well as several ha of vegetable production. The property was originally two farms known as Strydfontein and Ohrigstad. They previously belonged to two commercial farmers Lawrence Vosloo and Hansie Havenga. Today it belongs to the Rietfontein Homeless People's Trust which has 560 beneficiaries. The board of trustees has 5 members.

"Each beneficiary received R15 000 from the Department of Local Government and Housing. The total was R8.4 million," explained Cedric. "Of this amount half (R4.2 million) was used to purchase the farms and R2.65 million was used for a water project for Rietfontein Village. The balance of the funds (R1.7 million) is still held in trust by attorneys in Nelspruit. The village where the beneficiaries live needed a water supply and so these funds were used to establish this. The water is pumped 17km from our boreholes to the village and the system also has boosting pumps and staging. Mvula Trust was running the water project but ran out of funds as we put the funding towards completing the water supply project. The electricity for the water supply is now paid by the municipality and after the project was completed, the municipality absorbed our project into their operations but did not reimburse us for this. MMB Consulting Engineers were appointed by the Department of Land Affairs to draw up a business plan for the farm and water project.



Rietfontein Homeless People's Trust Navel orchards in the fertile Ohrigstad Valley with winter wheat in the background.

"The board of trustees tried to manage the farm but were not successful. There are two sections farming the property – those producing citrus and those producing vegetables. Things did not go well and our productions of citrus dropped. In 2007 we approached a commercial farmer who has farms in the area to assist us as a strategic partner with production as well as packing. After three years however we decided to end the partnership. We plan to run the farm ourselves from now on and fortunately we have the necessary equipment to do so.

"While the partnership was operational our fruit was packed for Capespan in a packhouse in Ohrigstad. We want to appoint a mentor and we no longer want to be involved with a strategic partner. We have to use the funds that we have in trust to set up our production infrastructure. Some of the beneficiaries work full time on the farm. Once the farm receives the income after the

next harvest, the community will receive 10% of the profits. The community also does slate mining and receives an income from this.

"I am a member of the Citrus Growers' Development Chamber and although this is still quite a new organisation, I have already learned a great deal from being part of this and I am confident that this will help our project in the future. I no longer work full time on the farm but do facilitation on behalf of the farming project. This is as I need to do something more lucrative for myself and for my children. I am doing brick manufacturing on the farm as the income from that is more immediate and less risky."



Israel Nemaorani proudly shows his Valencias in the orchard at Easy Farm

Easy Farm

Thohoyandou, Limpopo
Citrus Orchards: 115ha

Limpopo

Farm Receiving Mentorship
Mentor: Bruce Andrews

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During the past two decades agricultural pioneer Israel Nemaorani has established a considerable citrus and banana farm on the southern slopes of the Soutpansberge near Thohoyandou in an area where there are few other commercial farms. He started farming here in 1990 and today he has a farm with 115ha of citrus (mostly Valencias) and 60ha of bananas. Israel is also on the CGA Board, a member of the Citrus Growers' Development Chamber and the CGA Logistics Committee.

"In the last six years we have planted 14 000 trees which is approximately 32ha of trees. Most of our trees are now in production. The citrus is packed in the Easy Farm Packhouse and exported to various international markets. I export my own fruit as I am now a registered exporter," says Israel. "Easy Farm is successful because it is important to have a vision for the future and plan towards this. Obviously having the finance available to do this is also very important."

Israel has built his farm slowly, using short-term crops to provide the finance for long-term crops. He has also established three chicken houses, and three piggeries and most of his customers for these products live within walking distance. The chicken manure is also put to excellent use as fertilizer on his crops.

"My dry cleaning business in Thohoyandou has helped to subsidise the development of the farm. As I have not had sufficient support from financial institutions having the other business to help the farm has been one of the key reasons for our success. In general my productions have increased well over the years but at times this has been a bit shaky. In 2006 we produced 40 000 cartons and this increased to 90 000 cartons in 2010. As the moment we are harvesting and so far we have brought in 40% of the crop so there is still quite some harvesting to do this year.

“The total size of Easy Farm is 202ha and besides the citrus the farm also has 60ha of bananas and some mango trees but we are removing these at the moment. There is also 40ha of fallow ground and we have enough water to develop this. We receive our water from the Mwedi River. The bananas are doing well and we are also harvesting them now. During the winter banana production is slower but it does still continue and assists with the cash flow. I still have my piggeries but I am slowing down with this. Farming with the pigs is not as profitable as it used to be as the input costs have increased very rapidly recently.”

A considerable percentage of the local population is unemployed so the farm provides both food and labour in an area where both are in short supply. “I employ 60 permanent workers and 40 seasonal workers to help us bring in the citrus crop. Most of our workers have been with us for a long time and some have even been able to put their children through university as a result of their jobs here,” explains Israel.

“I have a bond with ABSA and I am covering my debt. My young trees are coming into production and the extra income from this should be able to take care of my debts in the future. Once I have managed to pay my debts I would like to expand my production and also be a mentor to people in the area. I have two sons who would be interested in carrying on with the farming business.

“Establishing a citrus farming enterprise is expensive and it takes a long time before the farm becomes profitable. Accessing finance for the development and the running costs for this period is very difficult and this is a hurdle for development. Another huge challenge is land ownership as without the title deed as surety, commercial banks will not provide long term loans. My wife and I own the title deed of the property and getting this process completed required a huge effort. I am thrilled that we were able to do this as ownership is a great incentive to commitment.

“CGA, CRI and the Citrus Academy need to expand their inputs to be able to assist with skills development in support of empowerment. Government assistance needs to be more focussed and consistent for it to be effective to the industry in the long term. Our newly formed Citrus Growers’ Development chamber could certainly be an effective way for us to get our voices heard.

“We are nearly 1000km from the port of Durban and our road transport tariffs to Durban are very high (R17 800 per truckload). It would make a considerable difference to our profits if we could use rail transport to Durban or Maputo. We are also quite isolated when it comes to getting our supplies. We have to collect our packing material in Letsitele which is 200km south of here, our pallets from Khalavha 50km from here and our other supplies from Machado 100km west of here.

“If the proposed Polokwane Transport HUB could be developed it would be a great help for all the fruit farms from the Tshipise, Thoyohandou, Machadho, Levubu and Tzaneen areas. This is currently still in the planning phase.

“I would like to thank Ms. Jane Thupana from the Department of Agriculture for her assistance, as through her efforts I received an irrigation system in 2009. She was pleasantly surprised to find a farm like this here and it motivated her to arrange one for Easy Farm.”

“Israel has always intended to make this work and his persistence is now paying off,” explained Bruce Andrews, mentor to Israel on behalf of CGA. “He is about to start building a new packhouse next to the current one at Easy farm and the farm has the potential to double the productions in the next five years.”

Workers empty picking bags into trailers





Packhouse Personnel and General Manager at Richmond Estate: Johannes Mashile, Billy Thobeyane, Eveline Mayokamela, Grace Seerane, William Ntimane, Moses Bopape (Packhouse Manager), Kobus De Bruin (General Manager), Enock Sithole, Joel Seotko and Physon Seerane

Richmond Estate

Hoedspruit, Limpopo

Citrus Orchards: 512ha

Strategic Partnership

Bosveld Sitrus and Molotele CPA

Richmond Estate is a huge farm in the Hoedspruit area, with beautiful orchards and striking views of the Drakensberg. The farm's total size is 2400ha and it has 512ha of citrus orchards and 75ha mangoes. The farm has registered water rights for 1050ha.

Richmond is owned by the Moletele Communal Property Association. Golden Frontier Citrus (GFC) is leasing the property from the Moletele Communal Property Association (CPA). GFC has recently been bought by Bosveld Citrus but this has not affected operations at Richmond.

The due diligences were done with the assumption of no government grant. GFC leases the farm and is therefore currently the operating company. We are busy establishing a new operating company which will be 100% owned by Bosveld Sitrus. The Moletele CPA has the option to take up a maximum of 49% in this new company and the operating capital is all supplied by GFC. GFC will be leasing Richmond for a further 14 years. The Moletele CPA receives an annual rental as well as a percentage of the profits. Ongoing skills development training was stipulated in the first lease and this has been ongoing since the start of the lease.

Initially Richmond was owned by African Realty Trust and the company developed the property from 1996. The property was claimed by the Moletele Community Claimants and after that

African Realty Trust formed a Joint Venture to run the property. Funding remained a problem as no government grants were available and over time the farm became run down. In October 2009 GFC took over the property as caretakers at their risk. They spent R800 000 to repair the damage to the orchards at risk, not knowing if they would be granted the lease for the property. This was finalised when they signed a long term lease with the Moletele CPA in July 2010 and together these two entities established a Community Private Sector Partnership.

This 16 year lease was backdated to October 2009 when GFC became involved. The biggest shareholder in Golden Frontier Citrus was TSB Holdings. In 2011 TSB Holdings decided to withdraw from citrus production and then sold their shares in Golden Frontier Citrus to the Bosveld Sitrus Group. Through their shareholding the Bosveld Sitrus Group now owns the Lease.

Kobus De Bruin is the General Manager at Richmond and has been for the two years since GFC took over. "When we arrived

here the farm was very run down” says Kobus. “We have been able to rehabilitate the orchards and make some improvements in the packhouse. The 2010 season was a good fruit bearing season in general and the farm produced 600 000 cartons. This year the grapefruit production has been great but the oranges less so and it looks likely that we will produce 700 000 cartons. During the next three years it looks likely that we will increase productions to a million cartons. Richmond has 134 permanent workers and during the harvest we employ 130 packhouse workers as well as 80 other seasonal workers who assist in the orchard, with pruning and sanitation. We are currently also phasing in members of the Moletele Community as temporary workers. The change of ownership of GFC from TSB Holdings to Bosveld Sitrus has had very little effect on Richmond and the management has continued as before.”

The lease between Richmond and the Moletele CPA is a first in the area, where the lease is a 100% leased from the CPA. At the moment, the Moletele CPA receives a rental and from next year they will also share in the profits of the farm. The Moletele CPA will also have the opportunity to buy shares in the company and after the 16 year lease has expired, management of the farm will revert back to the owners. The lease agreement contains specifications on how the farm needs to be developed by then and also contains specifications for a proactive training programme.

William Ntimane was a Citrus Academy Bursary Recipient and was previously at GFC head offices in Hectorspruit. He is now the Packhouse Administrative Clerk at Richmond Packhouse. “I am no longer a student as I have been working at Richmond for two years now, so I have successfully entered the job market,” says William. “I enjoy the job and although we learned the theory, I am now finding out first-hand about the supply chain and service providers. I am meeting people along the line and developing an understanding of how all the parts of the chain fit together to make up



Richmond Estate Packhouse

the industry. I have also grown to like Hoedspruit. The people here speak Pedi and as I am a Shangaan, I am learning Pedi every day. It is beautiful here and when I have the opportunity, I visit the places around here. Hoedspruit is also relatively safe.”

Moses Bopape is the Packhouse Manager at Richmond with many years of experience. “I have been in this position for 17 years though at that time, Richmond was run by various entities. The GFC management has made a huge difference as they have restored the orchards and packhouse. Things are going well here and looking much better than some years back. William is a great help around here because his computer literacy has made a huge difference.”

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Richmond Estate

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Peter Mamgena was an admin clerk but his passion for agricultural production and determination to complete his studies in this direction led to him becoming a production section leader at Richmond. "I am from a village near Tzaneen and my parents worked for Letabakop Estate. During the school holidays I visited them on the farm and started to show an interest in working on the farm. I matriculated in 1995 but could not afford to study further as I am one of seven siblings.

"After school I got a temporary job at Letabakop Estate and worked there until 1999 when I was employed as a permanent worker. In 2001 I enrolled at Alexei Computer Academy at Nkowankowa near Tzaneen to do computer literacy part time. In 2002 Letabakop Estate was looking for a computer-literate clerk and my new computer skills landed me the job. Richmond and Letabakop were then being run together and in 2004 I was moved to Richmond.

"The Manager here at Richmond, Michael Podges, encouraged me to excel at my job and suggested that I try to get some further qualification. In 2007 I enrolled for a Unisa Degree in Agricultural Management and completed three modules per year. In 2009 I was supposed to return to Letabakop. The manager here at Richmond knew that I was studying and recommended me to Kobus as a potential section leader here. Kobus gave me the choice to stay and go into the production side of the farm or to return to Letabakop. As I was always interested in production of farming, I decided to stay here.

"The HR Officer finalised the issue with me and I started work as a production section leader in training in October 2009 and initially many were sceptical about my abilities as I had been a clerk previously. My studies taught me a great deal and I persevered and my section is doing well. I am responsible for a section of 120ha. The responsibilities include irrigation, spray programmes, fertilizer, weed killing and harvesting. I have 12 people who report to me and I report to the farm manager. I have been here since 2004."



Peter Mamgena, Production Section leader at Richmond

Citrus Growers' Association
OF SOUTHERN AFRICA



Doing what we can best
Trusting our partners for the rest



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New Dawn Nursery Team: Front: Catherine Nyambi, Ransie Dllebo, Livian Mashile, Traifinah Maile

Back: Eidah Komane, Chiccos Chiloane, Betty Mohlolo, Juliet Mosoma, Eitah Sekatane, Mike Scott, Deicy Molobela and Cathrine Mosoma

New Dawn

Hoedspruit, Limpopo
Citrus Orchards: 136ha

New Dawn is a Joint Venture farm management structure between the Moletele Communal Property Association (CPA) and Strategic Farm Management, a management company that manages a cluster of farms at Hoedspruit that belong to the Moletele Community. The operation currently manages 220ha of mangoes and 136ha of citrus trees and as the total size of the land within the cluster is 1017 hectares, there is still room for considerable expansion.

At New Dawn Farm Mike Scott, the General Manager met us and told us about the project, its development and future prospects. George Fraser, Property Portfolio Manager for the Moletele CPA joined us and provided inputs on behalf of the Moletele CPA.

"In 2004 the whole of Hoedspruit (485 properties) were gazetted for land claims and one of the first consequences was a huge impact on credit as commercial banks were unsure of the future of the land they held as security," explained Mike. "The farmers formed a committee to engage with the Land Claims Commissioner. At the same time Julius Katzke another farmer from the district

Strategic Partnership

Strategic Farm Management and Moletele CPA

(who is my current partner in the Strategic Farm Management) and I were in discussion with the claimants the Moletele CPA, trying to get the involvement of employees in ownership of the farms. We could not achieve this through LRAD funding or other facilities at the time because of the land claims gazetted in the region.

"When Julius Katzke and I started engaging with the claimants, we discovered that there were three separate claims incorporated into the claim. In the process it became clear that we formed part of a group of the farmers in the area who were willing to sell their farms to the claimants. As willing sellers we formed the Moletele Hoedspruit Land Initiative. This was the first time in the history of the claims process in South Africa where farmers have been proactive in this way and started an initiative to engage with the claimants.

The objective was to see what the intentions of the claimants were. Farmers wanted to sell as soon as possible and wanted to arrange for rapid and effective transfer, without the delays having an adverse effect on the condition of the farms. Due to this level of co-operation it took only 18 months from the time the claim was validated and gazetted until the claim was paid out. This is the only time that there were negotiations directly between the claimants and the sellers and the record transfer time attests to the success of this process. The willing sellers sold their farms successfully and the other group are currently contesting the claims in court.

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New Dawn

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"New Dawn has been the result of proactive engagement with the Moletele Group. There were 27 title deeds transferred to the Moletele Claimants and they were clustered into various farming entities. Some of the clusters brought together a good collection of assets and resources while some of the others did not have as many assets."

"The Moletele CPA represents 6000 families and 16 000 individuals. As this was a very large group of people the model was designed around this. The CPA was also formed in 2007, explained George Fraser.

"The Willing Sellers Group then became partners to the Moletele Group," continued Mike. "The Moletele Group said that they did not have the skills to farm and that they needed us to assist them with this. As part of the post-settlement configuration the Department of Agriculture became involved in the process and set up the clusters of farms which then went out on tender for commercial agricultural groups to tender for management agreements. A number of groups applied for this.

"Julius Katzke and I joined forces and formed Strategic Farm Management. At the time the Department of Agriculture clustered farms into management entities and we and a number of other prospective management groups applied for these tenders. The cluster we were interested in is known as the Chestnut Cluster. Batau and Dinaledi Farming Enterprises were awarded management contracts on other clusters in the area.

"As the deal was taking some time to conclude, Strategic Farm Management took over the farms at risk without knowing for sure that we would be approved as the strategic partners. We were caretaking the farms on behalf of the sellers and the new owners and in the mean time we were risking the operational capital. The process took five months to conclude and we formed a Joint Venture with the Moletele CPA called New Dawn which was established in 2007.

"At a certain point during this claim process the grants were just stopped. The process was underway and needed to be completed and then audited. The Land Commission officials did not have a good grounding in agriculture and the ongoing needs attached to the farming enterprises. Their lack of experience and ability delayed the process.

"New Dawn was formed in March 2007 and we received a grant to buy farm implements. When we applied to this committee we were promised three grants that the enterprise would receive to establish the farm. These were discretionary grants and as they had been promised to us as part of the political drive to grant land to the people, we made our plans accordingly. None of these grants were received, so it placed the farms under tremendous financial strain. The first income from the farms was only available in December and we had to keep afloat until then."

"The government buys out land, not a going concern and this is also a way to get around the labour issues of buying a going concern. By appointing labour, the new owners can appoint as many of the land beneficiaries as is practical," said George. "The only model that the Government would accept for the management of these farms was a strategic partnership with the Moletele Community. Unfortunately commercial banks are not willing to fund strategic partners under this model and so the enterprises are dependent on government grants."

Mike explained that the joint venture was experiencing a shortage of capital. "We have made an application to the Development Bank of South Africa in March 2008. We are applying for a loan of R24 million. We proposed that the Government pay them and that they in turn pay us. There will be a grant incorporated into the loan which is part of the Government's current Recapitalisation Fund. This is equivalent to 25% of the purchase prices and amounts to R11 million. Thus the application is for a loan of R24 million and it should be granted along with a grant of R11 million.

"The cost of this application and the interest caused by the delay has been absorbed by New Dawn. The good news is that according to reliable sources we are currently on the verge of receiving this funding as it was approved last August (2010). This process has been running for three years now."

Despite the shortage of funds, which had been promised by government, New Dawn has nonetheless managed to turn the finances around. In 2008 the company made a loss of R900 000, in 2009 the loss increased to R2.4 million. By 2011 the tide had turned and the loss had been reduced to R200 000 and for 2012 we are budgeting on a profit of R 500 000. "Of course there are huge loan accounts against the company as I have had to put a good deal of my own funds into the company to keep it going," explained Mike.

"New Dawn is successful because we have good management and are proactive in seeking financing. Also we are committed to making this work and I have been willing to lend the enterprise some of my personal funds to ensure its success. Strategic Farm Management had a better capital base to start with and the due diligences were done before we started farming. The way that the clusters were assembled initially set some up for success and some for failure. Our cluster is well chosen and has the resources we need. It has bigger orchards and a better packhouse than what is included in some of the other clusters.

"We currently farm with 220ha mangoes, 136ha citrus trees, including lemons, grapefruit and Valencias. We plan to develop 320ha of new citrus planting. On the infrastructure side, we plan to upgrade irrigation as the current system is inadequate and we also need new implements. We also need to upgrade the packhouse for the extra volumes we will have in year 4 providing we plant the proposed citrus. We will also upgrade the mango plantations. Most of the mango orchards that we currently have are old and of unpopular varieties.

"We want to start our own citrus nursery, both to make our own trees and to sell to other prospective clients. At present there are no sizable nurseries in the Hoedspruit area so people have to drive far afield to buy plant material. This will be the first BEE nursery and it is likely that the Government will be a big customer. Citrus is the biggest employer in Hoedspruit and provides 35 000 jobs and the nursery will add to job creation and skills development in the area.

"After 15 years from when we receive the bank loans that we are currently awaiting, the Joint Venture will end and the Management of the farms will revert to the Moletele CPA. Currently the Moletele CPA receives a share of the profits of the Joint Venture as well as a rental income on the fixed assets. The Joint Venture also runs training programmes for skills development which will increase skills levels. The employment on the farms also creates job opportunities for individual members of the Moletele group."

"The New Dawn Joint Venture is successful because the model works, because the capital shortage is being addressed and the choices of working partners have been good," said George.

The relationship that we have with the Moletele community is remarkable. In the past few years we have had a very tough time as the promises made to us by government were not realised and this has made things very difficult. Despite this we work very closely with the Moletele CPA and we work well together," concluded Mike.

The workshop at New Dawn is able to assemble orchard sprayers and also builds up and reconditions tractors and other implements





BONO Holdings, Hoedspruit

Hoedspruit, Limpopo
Citrus Orchards: 61ha

Strategic partnership

BONO Holdings and Molotele CPA

The Drakensberg Mountains are a majestic backdrop to the citrus orchards at Hoedspruit on the morning of our visit to the BONO Holdings admin offices for the farms Dagbreek, Chester, Antioch and Geluk. At the offices we were warmly greeted by Hilary Weyers, Production Manager at BONO Holdings (Hoedspruit).

BONO Holdings is a BEE company (See *BONO Holdings*). SAFE is a shareholder in BONO Holdings and is currently one of the top five export companies out of South Africa. Hilary has been farming in the Hoedspruit area since 1987 and has been with BONO Holdings since 2009. He explained that the company was managing a cluster of farms with a total size of 166ha including 61ha of citrus and 58ha of mangoes. The cluster of farms that they are managing is made up of four farms and these are Dagbreek, Chester, Antioch and Geluk. The previous farm management company was Batau Farming but that company is now in liquidation. "BONO Holdings have taken over the management of these farms and we have been here since October 2009," explains Hilary. "When we arrived here the farms were very run down. The orchards were in a bad condition and soon after we arrived we needed to spend R300 000 just on equipment to continue with effective production. In the short time we have been here we have been able to turn the productions around. From 2010 to 2011 we increased our lemon harvest from 9 850 to 23 900 cartons and our Star Ruby harvest has grown from 6210 cartons in 2010 to 23 795 cartons this year.

"The trees are still quite young so this has also helped. One of the production changes we are implementing is that we are removing the mangoes and Marsh grapefruit that we have and replacing them with Star Ruby. BONO Holdings management has 4 junior managers on these properties. They have total responsibility for the production on the properties they manage and we meet regularly on management issues. The farms produce mangoes, citrus and vegetables.

"We are currently finalising our contract with the Molotele CPA which will be a 15 year contract. We have water rights for a total of 266ha so we have rights to develop a further 100ha. We have a fantastic relationship with the Molotele CPA and are currently setting up a Joint Venture with the Molotele CPA. Many of our employees are Beneficiaries of the Molotele Trust.

“BONO Holdings has appointed a training-and-development consultant and she will get involved here on the farm as soon as the lease contract is signed. We plan to develop the farms substantially and we will employ more of the Molotele Beneficiaries to be Junior Managers. We pack our fruit at Blyde Valley Packhouse and we are proud to say that our packout percentage is higher than that of many of the other farms in the area. The farm produces 20% lemons and the rest of the citrus is Star Ruby and Navel Lates. One of the challenges we have on the farm is that we receive a great deal of wind on some parts of the farm.”

On one of the BONO Holdings farms there are shade houses that are not currently used by the farming operation but in 2013 there are plans to plant Kumquats in the shade houses. The Management of BONO Holdings have assisted with the establishment of an interim 6ha vegetable production project in the shade nets for the unemployed people from the Molotele Community for the next two years. Hilary assists the vegetable producers with production knowledge and with co-ordinating their marketing. The vegetables are sold to market agents in the municipal markets of Johannesburg and Pretoria. The project is currently producing peppers and plan to plant butternuts as well.

Therecia Chiloane is responsible for the full administrative and finance portfolio for our farming operation. “I started working here for the Batau Farming unit in 2008 and from then things just deteriorated. When BONO Holdings took over the farming operations in October 2009 things improved rapidly. This was good for us as with Batau we were starting to worry about our jobs as we were only employed for three days per week.

“It has been very heartening to see things improving as they have. I matriculated at Acornhoek at the Molotele Community School and then attended the North West Technicon (Today called TUT) in Tzaneen. I completed a National Diploma in Office Management and Technology in 2002. My first job was for the SA Equity Workers’ Association in Johannesburg. In 2007 I heard that Batau was advertising a post for an admin clerk and

so I applied for the position. I got the job and came here to Batau and have been here ever since. Things have certainly improved since BONO Holdings took over the running of the farm and we will all feel more assured once the lease contract is signed.

“I want to thank the Molotele CPA, the Department of Land Affairs and the Management of BONO Holdings for the way things have developed here. I also want to thank the managers of Batau for the opportunities they gave me when I started here. They taught me how to use Pastel and other software programmes and it is thanks to them that I have the skills I have today. Chris Huddle was my Manager and he always motivated me.”



Hilary Weyers and Therecia Chiloane of BONO Holdings, Hoedspruit

Valencia orchards and harvesting at BONO Holdings, Hoedspruit





Zebediela Team: Lesetja Frans Tlolane, Chairperson of the Bjatladi Community Property Association, Ntate Charles Moyane, Orchard Manager, Celestina Tlolane, Assistant Packhouse Manager, Johannes Malatji, Assistant Manager, Ben Takalo, Assistant Manager, Johannes Aphane, Section Manager, Johannes Malatji, Orchard Manager and Workers Trust Trustee and Vanesa Gololo, Assistant Manager

Zebediela Citrus Pty Ltd.

Zebediela

Strategic Partnership

Henley Farm and Bjatladi CPA

The Zebediela Citrus Estate in Limpopo Province covers about 2000 hectares. It was once the largest citrus producer in the Southern Hemisphere and in the 1970's produced two million cartons of oranges a year. The estate was returned to the Bjatladi CPA (Community Property Association) in 2003.

Zebediela was purchased by the Government in the 1980's but due to mismanagement and a severe drought during the 1990's the area under orchard shrank from 1900ha to 850ha and by 2000 productions had dropped dramatically. Government then decided to assign the management of Zebediela and other state owned commercial farms to investors from the private sector that would bring with them the vital commercial and management skills. In the case of Zebediela, the Government approached Henley Farms to take over the management of the farm in 2000. An operating company, Zebediela Citrus Pty. Ltd. was established, consisting of a co-operation between three parties: the Landowners (the Bjatladi Community Property Association - 30%), the Workers (The Zebediela Workers' Trust - 15%) and the Management (Henley Farm Pty. Ltd. -51%).

The estate is managed by Zebediela Citrus Pty. Ltd. and the members of the CPA were supposed to participate in all the departments, particularly within the management positions. This has not really transpired although it was one of the CPA's key requirements when they accepted Henley Farm as their strategic partner in 2003.

At Zebediela I met with Lesetja Frans Tlolane, Ntate Charles Moyane, Celestina Tlolane, Johannes Malatji, Ben Takalo, Johannes Aphane and Vanesa Gololo who are all Members of the Zebediela Study Group.

"In 2009 we produced 622 126 cartons of export fruit and 23 926 local market cartons," explains Lesetja Frans, Chairman of the Bjatladi CPA. "In 2010 we had a good crop but the harvest was lower at 367 765 cartons for export and 65 157 cartons and 2 247 170 bags of fruit for the local market. This drop in our export production was as a result of a huge hailstorm which had an adverse effect on our crop.

"Several youngsters from the CPA who have the relevant qualifications are employed here. Unfortunately the opportunities for promotion have been slow and some of them have chosen to leave the company. Internal communication could also be better as we do not always receive industry information. Thus we were very pleased when CRI invited us to their recent study group meeting held here and hope that this service will be continued.

"We are currently half way with our contract which is a 15 year lease. Since last year 42 402 new citrus trees have been planted. We have planted 152 ha of Macadamias and when this planting phase is complete we will have 208ha of new nut trees. We have a frost problem with our macadamia seedlings and have had to replace many of the seedlings killed by frost.

"The Management Company Zebediela Pty. Ltd. is paying the rental in advance as set out in the lease agreement. The operating company is supposed to invest in the farm's development and infrastructure every year



Harvested fruit in trailers at the Zebediela packhouse

but this is not happening according to plan. The movable assets on the farm belong to the shareholders and these are very old. We are struggling to keep them going."

"Our packhouse equipment is very, very old and the numerous breakdowns have a considerable effect on our productions," explained Celestina Tlolane, Assistant Manager in the Packhouse and one of the younger family members of the Bjatladi Community, the owners at Zebediela Estate. "Our sorting is all manual and our packout percentages are very low in comparison to packhouses with electronic sorters."

Celestina is a Member of the Citrus Growers' Development Chamber and currently the only female member. "The establishment of the CGDC and my inclusion as a chamber member has been a very valuable experience for me. It has given me a better understanding of the broader citrus industry in South Africa as well as access to important current information which affects us at Zebediela. I am able to share this knowledge with others back on the estate. The chamber also has the potential to give us a more direct voice to both the citrus industry and to government so this is exciting for us," she explained.





Bethuel Ravele, Secretary of the Ravele Company and Deputy Secretary of the Ravele Community Property Association, Elize le Roux, Logistics Manager, Samuel Ranenyeni, Agricultural Technician, Michael Mudau (front), Makhado Region Citrus Co-ordinator for the Limpopo Department of Agriculture.

Ravele Farm

Levubu, Limpopo
Citrus orchards: 55ha

Commercial Partnership

Mauluma Farming Enterprise and
Ravele CPA

The beautiful Levubu Valley runs along the southern slopes of the Soutpansberg Mountain Range. The mountains are covered with dense forests and have an annual rainfall of nearly 2 000 mm in places, some of the best rainfall in the country. The result of this combination of high rainfall, warm climate and rich soils is that this region is one of South Africa's most productive areas. This is also the location of Ravele Farm which has a total size of 350ha with 165ha macadamia nuts, 58ha avocados, 55ha citrus, 30ha bananas and 7ha litchis. The property was claimed and in 2004 the 650 registered beneficiaries of the Ravele Community Property Association received the title deeds for their farms.

Tall, deep green Macadamia orchards line the winding road to the administration buildings at Ravele where we met Bethuel Ravele. Passionate and articulate about Ravele, Bethuel is a CPA Office Administrator and Secretary of the Ravele Company as well as the Deputy Secretary of the Ravele Community Property Association. He gave us the background about Ravele Community and the interview was also attended by Elize le Roux, the Operating Company's Logistics Manager as well as Samuel Ranenyeni and Michael Mudau from the Department of Agriculture.

"Mauluma Farming Enterprise is currently running the farms," explained Bethuel. "In 2004 Government advised the community to establish a relationship with a commercial farming company and we appointed South African Farm Management (SAFM) as the Management Company for Ravele. They were in a partnership agreement to manage the transfer of the farm from the previous owners to the Claimants and to continue farming the farm as a commercial entity.

"The land was transferred from the previous owners to the Ravele CPA in 2004 and soon after that SAFM started managing the farms.

"They requested that the CPA Executive Committee delegate two members to attend weekly management meetings with the SAFM management to see how management of the farms was proceeding and through this interaction we realised that the finances were being managed in ways that we had not agreed to.

"SAFM was also managing three other projects in the area and they pooled Ravele's income with that from the other three projects. In 2007 we realised that things were really not going well. The shareholder agreement was concluded in 2007 and, despite our misgivings, we had to go ahead and sign as to delay this any further would cost us more.

In September 2008 we were informed that SAFM was withdrawing from their involvement with us and the other projects in Levubu and they were no longer servicing their overdraft facilities with ABSA Bank and this account was frozen.

After a great deal of financial and legal trouble which cost us dearly, an interim farming company took over the running of the property. When the government transferred R2 million to the Ravele CPA in 2009, the CPA paid requisitions to this management company in order to keep the farms operational.

This year we were able to realise a profit of R6 million from the farming operation and the judicial management has been lifted off

the farms. The Department of Agriculture played a crucial role in this process. We reached a compromise with ABSA and it was agreed that we would pay the debt that the farms have to them over 4 financial years without any interest accruing to the debt. We are managing to reduce this well over time.

"We have around 150 workers. When we were faced with these problems in 2008 we decided to explore other options rather than liquidate. We were concerned for the workers and so that is why we negotiated a settlement and part of this was that we had to appoint a general manager in November 2008. From then things have started to turn around positively.

"We started using a new export company and asked them for a production loan. Tabanelli Exports came to check our avocado production potential and on the strength of that they gave us an advance on the fruit. Green Farms exports our macadamia nuts. By the end of 2010 we had made a profit of R4 million. Although we inherited a lot of debts from the SAFM era we can see that we are now turning things around. Our focus is to ensure that the farms are in full production.

"Our business is now successful and we have been assisted by the Audit, Tax and Advisory Service Company KPMG. With their assistance we have acquired basic skills to run our business and in turn this has led to our profitability. The NAMC arranged a visit to Holland by our General Manager Danie Basson who delegated me (Bethuel Ravele) to attend marketing meetings in Rotterdam, Holland.

"We can now count our successes but still face the challenge of getting our farms into full production. We would like to establish our own macadamia processing plant. We achieve better returns from macadamias and avocados. We pick our avocados before they are ripe to eat as we supply the cosmetics industry.

"We received the land without any movable assets so we have now bought movable assets that we needed. The Department of Agriculture has provided us with more than 400 bags of fertilizer to date. Limpopo Department of Agriculture and the Department of Rural Development and Land Reform are currently developing a business plan for us. We are currently expanding banana orchards in order to better our cash flow.

"In 1936 the Ravele People were relocated to Nzhelele, an arid region north of the Soutpansberge some 40km from Levubu. When the new Government came into power we had the opportunity to put in our land claims. The claim was gazetted in 1995 and authenticated and validated in 1998. Our claim was the first to be gazetted in Levubu. "The then Regional Land Claims

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Ravele Farm

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Commissioner for Gauteng, North West, Mpumalanga and Limpopo (then Northern Province), Emma Mashinini was surprised when we made this application. I recall her saying, "You are claiming the economic heartland of our country's agriculture."

"Our claim was economically motivated and emphasised continuity of economic activity and job creation. We received our title deeds in October 2004. It was sad that our chief F.N. Ravele had recently passed away as I can imagine how happy it would have made him to hold those title deeds. Job creation and economic empowerment were very important to him.

"I was born and attended school in Nzhelele. I became the personal secretary of the Late Chief F.N. Ravele and have been involved with the land claims process from the beginning. We have 148 permanent workers and about 75% of them are also beneficiaries of the Ravele Community.

After SAFM's departure we decided to keep the same directors from the CPA on the Company Board. We needed the continuity and as they knew what the problems were, it was best to keep them on to prevent the same things happening again. The CPA now owns 16 farms (650ha in total) and is directly trading farming business on 9 farms while 5 of these are rented to a private entity. In addition to this, there has been recent approval in principle for the transfer to the CPA of 1500ha of forestry land."



Macadamia trees at Ravele



Masakona Farm

Levubu, Limpopo

Citrus orchards: 40ha

Engelinah Ramulondo is the Packhouse Manager at Masakona Farm, a CPA member and Community Leader of the Masakona Community. There are 1000 Beneficiaries registered to the Masakona Community. The farm has a total size of 317ha and produces citrus, bananas, avocados, macadamias and guavas. The Masakona Community received this farm in 2005 as part of a successful land claim and also own several other farms which were also managed by SAFM. Currently the farm's operating company is called Sharp Move Trading 150 Pty Ltd.

"We were very happy to receive our land back, Says Engelinah.

"Our farm was administered by SAFM from the time we received it until SAFM left Levubu in 2008. When they left we had to start from scratch with a lot of debt. We were shocked to discover that SAFM had borrowed R 5 million against the farm from ABSA Bank. At the time we were under judicial management as a result of the debt against the farm with ABSA which was run up during the SAFM administration.

"The government assisted us in helping us to appoint our general manager Danie Basson. We are now starting to stand on our own. In 2009 the Masakona CPA received a grant of R3.1 million from the government and with this we were able to buy the packline we have in our packhouse, tractors, pickups and quad bikes. We have not received any further funding from government since then.

"The profits we have made in the last two years have been reinvested directly into the farm to improve the financial position

Masakona Packhouse Team: Mukwevho Tshifhiwa and Sara Tshipapa, Packhouse workers, Charles Mbedzi, Forklift Driver and Engelinah Ramulondo, Packhouse Manager

of the farming operation. We are now taking care of our own business issues and it is better that we are more closely involved in the management of our property. The farm has 207 permanent employees and most of them are also beneficiaries of the Masakona Community Trust. Many of these people have worked on the farm for many years throughout the changes over the past ten years. I have been the packhouse supervisor for several years and in 2009 I was appointed Packhouse Manager.

"Due to financial constraints the citrus at Masakona has not been fertilized for two years and the spray programme has not been consistent. Consequently the fruit is small and the quality is not good enough to sell it for fresh consumption so the management is currently delivering this to the juice factory. We do not seem to make as good returns from citrus as we do from our other crops so management is considering removing the citrus on the farm."

In conclusion Engelinah explained that she had grown up very close to the farm. "On the CPA directorship there are 10 committee members including the Chief. During the land claim process I was elected as a Member of the CPA and this is why I have been involved throughout the process and am still here today."



Tompson Mankhili Production Manager at Makonde in the orchards

Makonde Citrus and Mango Co-operative

Thohoyandou

Citrus orchards: 56ha

Makonde Citrus and Mango Co-operative is north-west of Thohoyandou. The total size is approximately 100ha and there are 56ha of citrus orchards and 14ha of mangoes on the co-operative.

“Our farm was initially developed by the Agricultural and Rural Development Corporation in 1996 and the land belongs to the Territorial Council, explained Tompson Mankhili, Production Manager for the Co-operative as well as the Chairperson of the Vhembe Study Group. “We have a “Permission to Occupy” Agreement from the chief.

When the ARDC returned the land to the chief the selection process started to identify the appropriate individuals who would take over responsibility for farming plots of land. The interested people had to make application for

the property and those who were successful were provided with loans from the ARDC to start farming. The ARDC were prepared to help us with the development and planting and each farmer has approximately 10ha of land planted with 8ha citrus and 2ha mangoes. The people were selected from the community and seven of us were selected, three women and four men. This process happened in 1996 to 1997.” (The Makonde Model was the first one of these privatisation processes in Limpopo and the model was later followed at Mariveni and Mabunda.)

“In 2000 our trees were just about to start bearing when the ARDC was dismantled and at the same time our area was hit by massive floods. Our farm suffered severe damage as our pumps and irrigation systems washed away making it impossible for us to irrigate our orchards properly. The end of the ARDC saw an end to our funding and so we just managed to survive in the interim. We approached government and in 2005 they came to our assistance. The Department of Agriculture paid an engineering company R1.2 million on our behalf to install a new irrigation system.

"We were thrilled as we were really in dire need of a good irrigation system. Prior to installing the new system, the entire existing system was ripped out of the ground and removed. When the engineer stopped work on the job and left the farm, the installation of the new system was incomplete and had never been tested. The engineer had been paid and we were in fact far worse off than we had been before as the system is less effective than the previous one.

"We approached a number of potential strategic partners and other than the disastrously applied irrigation funding we have received no other funding. We received 10 bags of fertilizer from the Department of Agriculture recently but could not apply it as it arrived at the wrong time of year. We are currently applying for recapitalisation funding.

"The seven of us work together as a co-operative. I am both the production manager and mechanical manager. We combine our resources and each take responsibility for a particular function of the co-operative. Despite all the challenges our trees are still looking good and around 80% of them can be saved. We are committed to the farm. We do not make much from our current harvest but sell the citrus that we are able to produce locally to keep the cash flow going. We deliver the mangoes that we produce to the local atchar factory for processing. The lack of resources has a considerable effect on the quality of our fruit and thus we have not been able to acquire a steady market for our fruit.

"The main challenge to the success of our project and ones similar to it is that the government does not stay the distance that is required to establish a financially viable project. They provide projects with support, but not enough to get them on their feet properly. Government also does not understand the value of the commodity organisations and tries to deal with all the commodities within agriculture with the same approach. Clearly different types of farming have different priorities. Government does not know what the activities or the commodity organisations are or to what extent these organisations could provide support to government. There is huge potential for positive development if government could streamline their activities to engage directly with the various commodity organisations."

Tompson is also a member of the CGDC. "I was one of the people who motivated the establishment of this Chamber. We are members of CGA and we now have a voice to talk. We have a memorandum of understanding with the Limpopo Department of Agriculture for assistance with development. We receive a great deal of useful information from CGA, CRI and the Citrus Academy through this structure.



"The chamber brings various support structures to us as well as interaction with the National Agricultural Marketing Council and Perishable Products Export Control Board. We also have data on all empowerment farms throughout the country from information collected by CRI.

"We are also liaising with the manager and General Manager of Plant Production of the Limpopo Department of Agriculture. CRI and CGA are liaising with them and we are currently refining the details of a memorandum of undertaking with them. We really do appreciate the assistance we receive from them."



Mariveni Co-operative Management Team: Samson Qomondi, Co-op Manager, Joseph Mhlongo, Section Manager for Citrus, Jeffery Mhlarihi, Banana Section Manager and Jonas Mogale, Security and Logistics Manager

Mariveni Co-operative

Letsitele, Limpopo

Citrus orchards: 145ha

Citrus Growers' Association
OF SOUTHERN AFRICA

Mariveni is a co-operative farm on the outskirts of Letsitele near Tzaneen. Outside the farm packhouse is a small graveyard containing the graves of the forebears of some of the Mariveni co-operative members and the neatly tended graveyard reflects the respect for traditions as well as the farm's sense of permanence. The co-operative is self-managing and the increasing annual productions are exported through Lona Citrus.

Samson Qomondi is the Co-operative Manager at Mariveni as well as the Chairperson of the Mopani Study Group. He introduced us to Joseph Mhlongo, Section Manager for Citrus, Jeffery Mhlarihi, Banana Section Manager and Jonas Mogale, Security and Logistics Manager.

"The Mariveni Project has 145ha of citrus and 52ha of bananas and was initiated in October 1974 by the Bantu Investment Corporation," explained Samson. "In the early 1980's, during the time of the Homeland Policy the name changed to Gazankulu Development Corporation (GDC). This was a government project but Chief Mohalava still owned the land and it was leased from the chief. Initially the project consisted of 320ha of cash crops including soya beans, ground nuts, tobacco and cotton and the purpose was to create jobs. In the late 1980's the policy changed as the GDC wanted to identify members from the community and give them PTO (Permission to Occupy) 10ha each. In 1989 the government issued applications for the 10ha plots and initially 5 people from the community were recruited and later this grew to 12 people.

"Some of the plots that the community members received had previously been planted by the GDC and so some received plots with citrus and bananas on them and this differed from plot to plot. In 1994 there were further changes in the government's agricultural structures and the GDC and

other homeland development corporations were incorporated into the central Agricultural and Rural Development Corporation (ARDC). In 1997 the ARDC made arrangements for a further 14 farmers to receive plots and become part of Mariveni. Each of these people also received 10ha plots with 8ha of citrus and 2ha of bananas.

"Later in 1999 government started the process of disbanding the ARDC and when this happened, we no longer had a funding mechanism and no structures were put in place to follow up on this. This was a sudden turn of events and the last funding we received from the ARDC was that they covered our electricity cost for 3 months. We were forced to look elsewhere for finance and this was difficult as we did not have title deeds as required for security from commercial banks," said Samson.

Samson explained that the government advised them to look for strategic partners within the commercial sector. "Mariveni elected an executive, established a constitution and formulated a business plan in order to engage with a strategic partner. Mariveni had a long relationship with Du Roi Nurseries supplying the plant material for the project during its establishment. As a result of this Mariveni approached Abraham Van Rooyen of Du Roi Nursery with this proposal.

"In the process of trying to access funding, Du Roi Precision Farming (DRPF) was established. DRPF provided management support in a strategic business relationship with Mariveni (as well as with Mabunda Farmers Co-operative, Seloani Farmers and Masalal Co-operative). Du Roi was involved with Mariveni as management agent through DRPF from 2001.

"We formed a co-operative and this was registered in 2002. We approached the Land Bank with a business plan and applied for a bond for the co-operative. This was not successful but Land Bank was prepared to give production loans to certain of the farmers as individuals. Of our members 18 people received loans varying according to the size of their orchards and these were up to R25 000 each. We pooled the funds in the co-operative. This allowed us to pay for running costs and fertilizers while preparing the harvests and after the season we were able to start paying back the capital as the interest was running up.

"Mariveni needed long-term funding and as none of the commercial banks would assist us we approached the DBSA. This was the bank that had been funding the ARDC so we approached them directly. The government department that was dealing with ARDC issues after its dissolution provided Mariveni with bridging finance of R1.5 million for the period during which

we were waiting for funding from the DBSA. We had running costs and labour to pay. Du Roi also helped us to keep going with funding and during that time the co-operative ran up a substantial loan account with Du Roi.

"Initially as no financial institutions were prepared to fund the project, Du Roi funded the projects with micro finance to keep all the stakeholders and the trees alive and after two years, we persuaded the Development Bank of Southern Africa (DBSA) to support the project" explained Abraham Van Rooyen, owner of Du Roi Nursery and founder of Masema and Precision Farming. "Masema Pty Ltd. was founded as the Special Purpose Vehicle Company for the joint financing of this initiative between the Du Roi Group and DBSA, both DBSA and Du Roi had 2 directors on this Special Purpose Vehicle. Masema was established in 2003 and the name came from combining letters from the names of the three co-operatives that Precision Farming was managing, namely MAriveni, SEloane and MAbunda. (see Mabunda).

"Precision Farming provided an extensive support service to these farming communities, including the management of financial, legal and administrative functions of these farmers' businesses. They also provided technical and mechanical support services and training and provided support for raising finance for the projects. These services were dramatically reduced and eventually phased out."

"We received a loan of R10.9 million from DBSA in March 2004 and we rejoiced," said Samson. "The first thing we wanted to do was to pay back the loan that was outstanding to Du Roi but the DBSA wanted us to retain Du Roi as a strategic partner and their loan as part of the security. We paid the ARDC back the bridging finance that they had provided.

"We were then able to start paying for our input costs. In 2005 we planted 52ha of bananas. The banana plantations that we

Mariveni Co-operative

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had before had died as we could not afford to maintain them while we were waiting for funding. In 2005 we also planted 19ha of Turkey Valencias. These trees are now producing very well. In 2004 we started exporting our fruit through Capespan. In 2004 we exported 6 000 cartons from 130ha and by 2008 we had grown this to 112 000 cartons. From 2009 we were producing off 145ha and in 2010 our export volumes had grown to 251 000 cartons. Letsitele Koöperasie packed our fruit but in 2010 we moved to Alto Packhouse and there has been a big increase in our productions. We are currently exporting through Lona Citrus. We are happy with our exports through Lona as they take all our fruit and market our entire crop. We received EurepGap certification as well as Nature's Choice."

From 2006 the Department of Agriculture became involved with Mariveni and they wanted a turnaround plan from co-operatives. They said that co-operative owners need to be shareholders of the business and that the business needs to be run for a profit motive. The farming model was changed from individual farmers doing their own thing into a serious business model where we all managed the co-operative like a commercial company. To this end, Co-operative Members needed to be employed by the DBSA's Management Agent and paid by the funds generated by the Co-operative. The Co-operative was then to be run as a single farming unit and each Co-operative Member was given a specific function. The motivation for this was to ensure that the produce from the plots was managed uniformly to provide a consistent product from the Co-operative for marketing purposes.

Decision making was easier within this structure and scouting for insects and diseases was done centrally. This change made it possible to be much more independent and Du Roi handed over full management in September 2009. The Mariveni Co-operative is now operated as a commercial farm and Mariveni is in direct contact with DBSA and no longer work through Masema.

"The relationship with DRPF was an interim plan which was put in place until we could find a strategic partner. We were not successful in finding one and, as a strategic partner was expected to provide the partnership with a capital investment, the three co-operative projects found themselves in serious debt. Mariveni has a large debt burden. Our crop estimates this year were conservative and we have already produced more than we had predicted. We are currently working on a plan to repay our debts over the next few years.

We have also produced cash crops," says Samson. "We have 20ha of peppadews and in 2008/9 we also planted butternut which we supplied to Du Roi's Integrated Pest Management division for

use in the breeding of insects. Now we are no longer growing cash crops as we realised that they do not make enough profit. We want to use this land to plant bananas as they are helpful with the cash flow through the year."

Samson is a member of the Citrus Growers' Development Chamber. "The chamber is still quite new and I am excited about the opportunities it will provide for the development part of the Citrus industry. It will be a good means of communication with other development projects in the industry as well as providing a voice from the development sector of the industry to Government."





The Mabunda Team: Jakkie van der Schyff, General Manager, Catherine Chuake, Administrative Officer, Section Managers Ramoshaba Marks, Malatje Verjoen, Samuel Mabunda and Samuel Mbombi and MT Mabunda, Workshop Manager

Mabunda Co-operative

Letsitele, Limpopo

Citrus orchards: 210ha

Citrus Growers' Association
OF SOUTHERN AFRICA



Mabunda is a large co-operative farm on the banks of the Groot Letaba River. The project is fairly remote and is situated some kilometres beyond the Die Eiland Resort east of Tzaneen. Malungane Bennet the Farm Manager was away so we were welcomed at the Mabunda Farm offices by Samuel Mbombi the Section Manager for Mabunda East.

Sam introduced us to the rest of the Management Team and told us about Mabunda. "The local settlements are Xitlakati and Khaxani and our area in Mabunda falls under Dzumeri, Greater Giyani Municipality in Limpopo Province. There are 30 members of the Mabunda Co-operative. The project was previously owned by the Gazankulu Development Corporation and they developed the farm in the mid 1980's. The Gazankulu Development Corporation was leasing land from the local chief Chief Dzumeri. In the mid 1990's the Corporation advertised applications for permission to occupy plots of land by individual farmers. There were originally 60 applicants and after we went through a selection process 30 were successful and we have been farming on these plots since then.

"The total size of the area is 300ha and we each received a plot of 10ha. The plots had no orchards on them when we received them. In 1998 the soil preparation was done and we planted our own orchards. Each of us planted 6ha of citrus and 4ha of mangoes. We received our plant materials from Du Roi Nursery and government paid for the seedlings through the Agricultural

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Mabunda Co-operative

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Rural Development Corporation (ARDC). The ARDC also helped with establishment capital and we each received a loan of R500 000. In 2000 the ARDC operations ended and we had no other institution to fund us. Initially the loan was granted for a grace period and was payable after four years.

"The Municipality was not paid so our electricity was disconnected and things were going badly for us. We contacted the Provincial MEC Dr. Aaron Motsoaledi. He visited Mabunda and was able to arrange that our electrical costs were paid for 3 months. This was a grant and was part of the flood disaster fund as our region also experienced severe flooding at that time. We received R1.5 million from the Government Disaster Relief Fund in 2002 and this was a huge help after the damage we had sustained.

"We started looking for a Strategic Partner and in this process we became involved with Abraham van Rooyen of Du Roi in 2002. A business plan was compiled to present to the Land Bank to apply for a bond for the co-operative. Initially this was not approved and after some changes we went back to the Land Bank and the Development Bank of South Africa (DBSA). After some negotiations this was approved and we received funding from DBSA. As part of this process Masema was established as a funding entity and in 2003 Mabunda received a loan of R4.4 million from the DBSA.

"We used these funds to invest in the farm in order to increase our productions. The shortage of funds had meant that we had a big problem with weeds and pest control so the funding enabled us to take care of this properly. Before this we had managed by getting our families to work on the farms clearing weeds to keep the trees alive. We had a problem with hippos in the Turkey Valencias as they destroyed about 50% of 90ha here on the farm. The hippos live in the Groot Letaba River that runs next to the farm and they still occasionally get into the farm at times. They have no problems with simply climbing through the electric fences to get to the sweet fruit!

"In 2004 we started to export our fruit and in that first year we exported less than 30 000 cartons. In 2005 our productions increased to 108 200 cartons and in 2007 we produced 309 000 cartons. Our fruit was exported by Capespan and Masalal. Masalal Fruit Packing Co-operative was a fruit packing facility in the area and Mabunda was a member of this co-operative.

"The Department of Agriculture changed its policy towards co-operatives and wanted co-operatives to be run along more strictly commercial lines. The motivation for this was for co-operatives to produce a larger volume for fruit with a uniformity of quality as

this could potentially provide more lucrative returns. To this end instead of each farmer taking care of all the functions on his or her own plot, the farmers were all to be employed by a management agent, assigned specific responsibilities for the entire co-operative and the farm was to be run like one farming unit. So in 2006 Du Roi Precision Farming employed 25 of the plot farmers who were part of Mabunda co-operative. There were five of the farmers who did not join this system and they are no longer part of the project. The production unit has 168ha citrus currently in production and we have 42ha Star Ruby grapefruit trees that we planted in January this year. We covered the costs of this new orchard ourselves."

The dirt road to Mabunda is problematic for transporting the fruit to the packhouse as the fruit gets damaged. The distance to Alto Packhouse is 46 km away in Letsitele and the transport is proving to be fairly expensive. During dry periods the water supply from the river dwindles and in the long term it would reduce the risk if Mabunda could build a storage dam for such occasions.

"I worked for Du Roi Precision Farming and in September 2009 when DRPF withdrew from Mabunda and Mariveni, I made the decision to stay on," explains Jakkie van der Schyff, General Manager at Mariveni and Mabunda. "We met with the DBSA, Lona Citrus and UAP Crop Care, a Division of Plaaskem and all three entities are involved with the two farms. Lona Citrus is exporting our fruit and we have managed to increase our productions from 207 000 cartons in 2008 to 450 000 cartons in 2010.

"We grow yellow peppadews to supplement our income and deliver this to Peppadew International. This has proved to be very successful as last year our crop yielded double the South African average productions. We made a net profit of R1.3 million from this. We sell our mangoes on the local market and last year they made a profit of R1 million as well.



The Community Centre built with Fair Trade premiums nearing completion at Mabunda

The good yields from our citrus, mango and peppadew crops during last year pulled us through at a time when our finances were looking dire indeed. This was a blessing from above and without the help we received from Lona Citrus and UAP we would not have made it financially.

"After these successes we have prioritised and planted the 42ha of Star Ruby grapefruit and have also bought a new tractor and spray carts. We were also able to pay our members a dividend of R14 000. We are currently negotiating with the DBSA on the structuring of our debt repayments and we hope this will be resolved soon. In the mean time, Mabunda has planted the young trees for the future.

"The land we farm on is still communal land and the farming arrangement is still on a lease basis. We are currently in the process of changing our farming entity from a co-operative to a company as this will make it possible for us to apply for an overdraft facility from a commercial bank.

"If you give people responsibility and training and have faith in them they will surprise you with the results of this process. I believe that this is the reason for our success. The biggest impediment to the success of projects like ours is financial management. People who have been used to receiving a minimum wage are placed in a position where they are responsible for budgeting with considerable sums. This lack of skills sets people in this situation up to fail."

Catherine Chauke is a member of the Mabunda co-op and has been working at Mabunda for many years. "I am a farmer and three years ago I had no idea of how to operate a computer. Thanks to Jakkie's patient teaching, I now do all the administration for

the whole farm, including wages." Catherine showed me numerous Excel time sheets, production sheets, graphs, etc on the office pc and it is quite clear that she has the administration in hand.

"Two of the people who are on the board of Fair Trade South Africa are from Mabunda," explained Jakkie. "The Fair Trade accreditation helps us to access lucrative supermarket programmes in Europe for our fruit. The premiums that the Fair Trade label returns to Mabunda have been approximately R600 000. With these funds we have been able to donate computers to five schools in the area and we have also bought school uniforms for the children in these schools. More recently the farm has built a community training centre on the farm which will include a clinic.

"In 2010 the wages paid by Mabunda amounted to around R3 million and most of the income generated by Mabunda is spent in the immediate area. There are 68 permanent people working on Mabunda and the farm has bought bicycles for all the permanent farm workers. During the season the farm hires 300 pickers from the local community. Community members are generally positive about Mabunda and its future prospects and we receive neighbourly support from our commercial farmer neighbours."

Matumi Farm

Hoedspruit, Limpopo

Citrus orchards: 40ha



Left: Kau Msimango who is based in Pretoria

Above: Rossouw Kruger on the farm in Hoedspruit

Citrus
Growers'
Association
OF SOUTHERN AFRICA

Rossouw Kruger met us with a broad smile under the shade of the enormous indigenous tree at his home. He and his wife Elmarie welcomed us into their home with sweeping views of the Drakensberg. Rossouw is originally from Hoedspruit and spent several years working at Iscor's Steel Plant in Newcastle. He and Elmarie later returned to the family farm in Hoedspruit. In November 2004 he and two former colleagues from Iscor, Kau Msimango and Marius Kritzinger, bought a farm near his original family farm as joint equal owners. At the time that they bought Matumi, the 63ha farm had 10ha lemons and some vegetable production.

"Since then we have acquired another two properties and we now have a total of 130ha with 40ha of citrus and 20ha of mangos within our partnership," explained Rossouw. "Kau and Marius are both still involved in the farm and we now have a fourth partner in the business, Ross van Reenen, who focuses on production practices in the orchards. Kau is still based in Pretoria and is still involved on the economics side of industrial mineral mining. Marius is also in Pretoria and he is an industrial engineer with Khumba mine.

"We are still in a growing phase and are planning to develop the farm further with Tambor soft citrus. As we are a relatively small operation, this will allow us to diversify our production and to extend our harvest period. Soleil Citrus packs and markets our fruit and their inputs are very important to our success. They also arrange for production advances on conservative estimates for us from their receivers. Our involvement with Soleil Citrus has made a big difference to our business as this takes some of the financial pressure off us before and during the production period. Our mangos we sell mostly on the local informal market and this allows us some continuity in our cash flow. We receive our water from the Blyde Dam and we are listed for enough water to provide for our expansion plans.

“The reason for the success of our partnership is that we base our activities on trust and participation by all the partners. All the partners must be of one mind and for my wife and I, farming is largely about the lifestyle it offers while for our distant partners, the farm is about the long term profits that the farm can generate. We all believe that good governance must be in place for things to work.

“Our business is now getting better established than before and Marius’s wife Anne is a Chartered Accountant so she has helped us keep our bookkeeping in order. The partners all have an active responsibility to the farm. We choose to outsource services required on the farm to service providers rather than do them ourselves, thus keeping our fixed costs lower.

“We have 21 permanent workers and although this is actually more than we need Kau and Marius made the decision to keep the people on. We are encouraging our workers to take on individual responsibility and accountability for tasks on the farm. People seem to be content to work here as we have no worker turnover. During the harvest we employ family members of our permanent staff as temporary workers and in this way we increase the household income of our permanent workers. We do some skills development and in-house training. We are positive about the future of agriculture,” says Rossouw.

“Agriculture is becoming quite attractive from a financial perspective as the forward indicators of population development,” says Kau Msimango, Managing Director of Mamiki Capital Investments when we visited him at his office in Pretoria. “In future the shortage of agricultural land will increase the cost of agricultural products and thus agriculture will become an increasingly lucrative sector of the economy. The current growth of

agribusinesses is a good indication of this trend. Unfortunately jobs in primary agriculture are not likely to grow as rapidly as these businesses as this growth also involves mechanisation. There are certain skills such as pruning where the human eye and skill cannot be replaced. The growth in labour requirements is more likely to be in secondary agriculture.

“The strategic side of the land transformation process needs to be refined. Due to my interests in Matumi in Hoedspruit I was involved with the Land Claims Commission and the Willing Buyer/Seller situation that existed there. What is clear is that one of the biggest challenges to the process is that the treasury does not have enough money.

“My 25% share in Matumi is also a form of empowerment. We have a skills shortage in the agricultural sector as trade skills that are vital in supporting agriculture are moving to other sectors as the salaries are better. At Matumi we are now in a stronger financial position than before so we are now able to offer training to our staff.

“For most South African Blacks agricultural traditions were broken during the past. Newcomers to the sector are from the academic agricultural sector and did not learn agricultural practices from their parents. As agricultural land is becoming increasingly scarce, the price for land is increasing and more of the commercial banks are looking at agriculture than before. We believe there is a good future for Agriculture,” concluded Kau.





Members of the Winterveld Citrus Co-operative Management Moses Mohlamme, General Manager, Dr Sam Motsuenyane, Founder, and Rodney Morifi, Production Manager

Winterveld Citrus Project

Winterveld, Pretoria Outskirts, Limpopo

Citrus orchards: 32ha

Citrus Growers' Association
OF SOUTHERN AFRICA

On a bitterly cold Highveld morning we visited the aptly named Winterveld, an area about 40 km north-east of Pretoria. It is here that the well-known businessman Dr Sam Motsuenyane has started an initiative to produce citrus on a commercial scale. Dr Motsuenyane is qualified in agriculture and this project is clearly close to his heart. When our host M.J. Matlou was unable to receive us due to an urgent errand, Dr Motsuenyane took the trouble to stand in for him and tell us about the Winterveld Citrus Project despite having a previous engagement.

"I returned to South Africa in 2000 from Saudi Arabia where I had been the South African Ambassador. While I was there I saw how determined the people were to succeed at farming under very difficult circumstances as they even use desalinated water to farm with in some cases. It requires hard work and dedication to make the land produce and yet they are successful in producing fruit, vegetable and poultry in considerable volumes. Despite the challenges Saudi Arabia is the home to the world's largest dairy.

"Here at Winterveld we have 1685 plots which have been owned on a freehold basis by local people since the 1940's, used mostly for subsistence farms. Around a third of these are 10 morgen (8.5ha) in size while the other third are 5 morgen (4.25ha) in size. I was president of NAFCO for 24 years prior to my period as ambassador in the Middle East but before that I had been involved in agriculture here in Winterveld. In 1967 we had started the Winterveld Farmers' Association but the farmers did not have the leadership to sustain it due to the challenges of the era.

"When I returned here in 2000 people were abandoning their plots and it seemed that people did not know what to do with the ground. In 2002 I organised a meeting of plot owners from the area and seven people (Including Matlou) came to the meeting at my home. I have a citrus orchard

with 100 trees on my property that were planted in 1983 and they were doing very well so it was proposed that we should start a citrus production initiative as citrus seemed to thrive here. Initially there was some resistance to planting citrus because there was a myth that people who plant such trees would die when they started to produce. After discussions however they were convinced that there was nothing to fear and we formed the Winterveld United Farmers' Association as we needed an organised body to launch the initiative.

"We needed to find trees to plant. I had some close friends, including Ahmed Docrat, in the Laudium Indian Community South of Pretoria and I discussed the need with them. I explained the need to bring positive change to the area and they were willing to sponsor the purchase of the trees. With their funding we sourced 1000 Valencia trees at R12 each from Casmur Nursery and invited our sponsors to a tree distribution ceremony.

"This initiative gave new hope to the community and this encouraged other plot owners in the area to join the project. We received more requests for trees and soon there was a list of plot owners who wanted trees.

"We realised that we needed the skills required to farm with citrus and in response to a request from us, the National Department of Agriculture presented a two day seminar to the people involved in our project on how to cultivate citrus trees. When we were ready to take delivery of our second order of 1000 trees from Neville Wenhold of Casmur Nursery we invited the then Mayor of Tswane Rev. Mkhathshwa to attend the tree distribution ceremony. He was very impressed by our initiative and undertook to involve the Tswane Town Council in buying more trees and the target was set at 10 000. We needed a further 7 500 trees and over a three year period they provided these trees and distributed them to the Winterveld United Farmer's Association.

"We visited citrus growers in the Brits area and they told us that commercial farms are normally much larger than our project and that we should consider expanding our orchards considerably. We decided that each member should increase their orchards and changed our target from 10 000 trees to 100 000 trees. We continued to canvass to buy more trees and by 2009 we had reached 55 000 trees and in 2010 the total reached 70 000. "One of our biggest challenges is water. The project currently depends on boreholes and some members do not have enough water. Fertilizers have become expensive so we encourage farmers to use manure but we still require phosphates and nitrogen to add the balance and this is proving prohibitive for some.

"The Winterveld United Farmers Association is a registered co-operative and bought this farm jointly. It consists of 4 adjoining 10 morgen plots and the farm currently has 32ha citrus orchards. I was the chairman for six years but have now retired. I am delighted to have worked with the team managing the co-operative and they are continuing to do a great job. Our members bring all their products here. We have been harvesting fruit for seven years already. We sell them to the Magalies Citrus Company for processing but are not satisfied with the returns we receive.

"Currently we are selling our navels and naartjies to Pick 'n Pay as well as to hawkers for the informal sector. We are keen to sustain the project. There is a problem with frost on some of the plots and this has killed many of our young trees. We would like CRI to help us with this. It is very discouraging when the young trees are killed by the frost and we have to start from scratch.

"On the water issue we have been talking to the Department of Water Affairs about our need for water rights. We have applied and paid for water rights but have not received them and currently there seems to be enough water following past our area in the Toloane River for our potential use. Currently we are using the water from the two strong boreholes we have but the additional water source would make this project more sustainable.

"We will need help with marketing once our production increases in the next few years. We need to look at another way of adding value to our product and hope to start a small processing plant. We have land available to build a plant and have applied to the Gauteng Department of Agriculture to set up a processing plant. This will also process other fresh products and will also create jobs

Winterveld Citrus Project

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in the area. We received funding from the Tshwane Municipality for the establishment of the packhouse and the citrus wash and sorting line.

“We need to get young people involved. We are now able to say that as a result of our citrus project, there is currently an agricultural college being built in the area. I feel inspired to see that many young people are getting involved in agriculture and it is good to see organisations like the Citrus Academy encouraging the youth of today. I remember saying to one of my colleagues that to me it is interesting that, when we send our youngsters to college or university, they leave here with hands and heads but when they return they only seem to have heads and do not want to use their hands. We must change this mindset as young people must see how important agriculture is as we have to feed the people in our own country.”

Rodney Ramolefe Morifi

Production Manager at Winterveld Citrus

Co-operative and Recipient of a Citrus Academy bursary

“I am originally from Mpumalanga near Hammanskraal and matriculated in 2000. I attended a training college in the North West Province and completed a National Diploma in Agricultural Management. Part of the course required an extensive practical training period at the Tumelong Vegetable farm here in Winterveld. I did this during my practical and then worked for Tumelong for a year after I had graduated. The farm ran into financial difficulties and I was retrenched in 2005. After that I looked for work for a year.

“In 2006 the Winterveld Citrus Project called me and I was appointed as a project manager here. At the time the project had 8ha citrus. In 2007 the owners bought a new plot and I helped them to develop this from debushing to planting. In 2006 there were nine of us working on the project and in 2007 six additional workers were employed. In 2008 the project bought another 2 plots and we planted another 16ha of citrus, bringing the total area under orchards to 32ha.

“In 2007 we realised that there was a shortage of water and we wanted to get water from the river that passes here. This turned out to be very expensive so we investigated sinking another borehole. It was at this point that we realised that we do not have enough water for the long-term but we have continued with our farming as best we can under the circumstances.

“It became obvious that I needed to further my studies particularly in the citrus field. As I am the 2nd oldest of 7 siblings the cost of



my university fees was a big sacrifice for my parents and I would not afford further studies. In 2009 I applied for a bursary with the Citrus Academy. I was successful and received a 50% bursary. I was very fortunate to be able to further my studies and am also very grateful to Winterveld Citrus Co-Operative as they contributed 50% towards my bursary. In 2010 I completed a B. Tech Degree in Agricultural management at the George campus of the NMMU.

“The studies have been a great help to me in my understanding of the production process and I would like to follow this up with a Masters Degree if I have the opportunity. The role of the Citrus Academy in the citrus industry cannot be understated as it helps youngsters like me to become qualified and in turn take the skills learned to the Citrus industry.

“There is a great deal of support available to producers in the citrus industry and this is a comfort to people in the field and in the broader industry to know that there are people and structures available to support us.”

Sunningdale Farmers' Trust

Zebediela, Limpopo

Citrus orchards: 75ha



Management Team Members at Sunningdale: Hannes Korff, Technical Manager and Trustees Helen Makamedi, Duma Mwale (Orchard Foreman) and Helen Mohahlele

Sunningdale Farm is near the Town of Zebediela and a close neighbour to Zebediela Citrus Estate. The farm's total size is 485ha with 75ha citrus and 28ha table grapes. There we met with Hannes Korff, Technical Manager and Trustees of the Sunningdale Farmers' Trust Helen Makamedi, Duma Mwale (Orchard Foreman) and Helen Mohahlele (Packhouse Supervisor for Citrus and Grapes). Further insights into the farm's history were supplied after our visit by Veronica Mahlcola, Administrative Supervisor and Trustee of the Sunningdale Farmer's Trust.

"Previously the farm belonged to John Frazer and the farm workers for Sunningdale approached the Dept. of Rural Development and Land Reform to purchase the farm. This process took four years to reach completion and on the 10th March 2010 the farm was transferred to the farm workers as a Trust through the LRAD funding scheme," explained Veronica. "When the Trust was established there were 55 beneficiaries but today the number reduced to 49 beneficiaries."

The business is now registered as a Trust and the name changed from Sunningdale Citrus to Sunningdale Farmers Trust. Five trustee and five section supervisors are led by farm manager Hannes Korff. They form part of management according to the section they supervise and duties on the farm. These include administration, irrigation, packhouse management, workshop, pest control, orchard management and vegetable production.

Hannes Korff is the Manager at Sunningdale Farmers' Trust and is employed by the trust. "I have been here since 2001 and prior to that I worked at Zebediela for many years until Mr Frazer approached me to work here," says Hannes. "The transformation process was initiated in 2004

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Sunningdale Farmers' Trust

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and as the financial transaction was only concluded last year, the owner and workers had to wait six years for the process to be concluded. We thought it would be concluded a lot more rapidly than it finally was and this long period of waiting was detrimental for the morale of all involved."

Currently the farm employs all 49 beneficiaries and 30 casual workers. "We packed 11 365 cartons which is approximately 40% of our production of Navels for the international market in the EU and sent 32 000 bags to the local Johannesburg and Pretoria Markets," explains Veronica. "The pruning of the grapes is done at the same time as the citrus harvest so this is a busy time for Sunningdale at the moment. We finish our grape harvest before December. Capespan in Groblersdal market our total export production (about 70% of the citrus crop and 80% of the table grapes) and as our fruit is sold in the EU, we are also GlobalGap accredited."

Although Sunningdale Farmers' Trust Beneficiaries were thrilled to receive their farm in early 2010, the farm has been hit by hail two seasons in a row and times are tough. "We had no exports in 2010 and we have been hit by hail again this year and have lost a considerable percentage of the current crop," says Hannes. "As a result we only packed 11 000 cartons of grapes during the past harvest. We hope to export 25 000 cartons of grapes and 30 000 cartons of citrus for the forthcoming harvests. The people are willing to work to try to make the farm profitable but without operating capital there will be no success."

"I have worked with Hannes for 20 years, first at Zebediela and now here, explains Duma Mwale, Orchard Foreman and Trustee of the Sunningdale Farmers' Trust. "The Trust was able to buy the farming equipment, packing material and office furniture from the previous owner with the grant funding and when the Trust took over ownership of the farm it was in good shape. The current financial situation

has meant that we have not been able to buy the fertilizer we need for the farm. We are currently running the farm from hand to mouth as we do not have access to funding at the moment. If we receive funding, we have a good chance of being successful," he added.

Veronica outlined some of the biggest challenges facing Sunningdale. "The hail storm we had this year was so intense that the netting and poles over the vineyards were so badly damaged that we needed to replace it. We urgently need to upgrade packing infrastructure in the packhouse including cold storage facilities and a forklift to load the fruit. We need fertilizer and crop protection chemicals in order to successfully prepare our crop for harvest. We also need to improve our production skills for both citrus and grape production. There are 13 ha of Minneolas which are older than 30 years. We want to replace these with 13 ha of Cara-Cara Navels for an established market for this variety in Italy. We would like to develop a further 10 ha of Valley Gold citrus.

"Limpopo Agribusiness Development Alliance (LADA) Programme Manager Gerrit Booyens and his team members are currently working closely with us by assisting us with training, skills and information to make our business work efficiency and effectively. They plan to start skills development and training soon. The first training module that they will present to us is Governance and Management. This will assist with how to understand our business as a legal entity and how to operate a trust. We would also like to request CGA/CA to assist us with skills development and possible guidance towards accessing the funds we need to make the farm a success."

According to Hannes, now that the farm belongs to the beneficiaries of the trust, many of them do not seem to realise that the farm is in fact theirs. "The potential and challenges offered by ownership are not grasped. Many of the beneficiaries are older people and they do not realise that I work for them and not the other way around, says Hannes. "Despite the fact that we are shareholders in the farm, some of the people even belong to a labour union! Some of the people are jealous and do not want us to be leaders," Duma added.

"We never thought that we would own a farm so we are prepared to work hard to make a success of this," says Helen Makamedi, a Trustee of the Sunningdale Farmer's Trust.



Mzo Makhanya with his ripening Star Ruby grapefruit on Thulwane, Nkwalini

Thulwane

Nkwalini, KZN

Citrus Orchards: 90ha

KwaZulu-Natal

Farm Receiving Mentorship

Mentor: Vernon Tocknell

Mziwoxolo (Mzo) Makhanya is a qualified mechanical engineer who has been farming on Thulwane in the beautiful and fertile Nkwalini Valley since 2006. He is the Chairman of the Citrus Growers' Development Chamber and Former Vice Chairman of the PPECB Board and his appointment to these positions speaks volumes about his proactive approach to citrus production and his active engagement with organised agriculture.

"In 2008 PPECB met with the Joint Marketing Forum and the Citrus Growers' Development Chamber was proposed. With CGA we put together a structure and database of emerging citrus farmers with other Members of the Chamber. Members of the Development Chamber are also represented in other CGA structures such as the various citrus cultivar focus groups and the Citrus Marketing Forum. We use information from these entities to disseminate information to our growers through the provincial committees. These are the structures we use when meeting with Provincial Government.

"I have been the Chairman of the CGDC since its establishment in 2010. In March this year we set up an activity agenda for the forum and we will be holding quarterly meetings from now on. We are currently gathering information on what is available by way of resources and funding for these activities.

"The Development Chamber members are fully fledged members of CGA and we pay our CGA levies. I was approached by CGA CEO Justin Chadwick to be seconded to the PPECB (Perishable Products Export and Control Board) Board of Directors.

"I am a mechanical engineer and before I started farming I worked for BHB Billiton. I was a Production Supervisor for several years and worked at Hillside and at Mozal in Mozambique. In 2000 I had a serious accident which left me with two broken vertebrae and after I recovered

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Thulwane

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it was clear that I could no longer do this kind of work. I resigned and tried to start a business which was a franchise that required marketing. Marketing is not really a strong skill of mine so I started looking at other options. At that stage there were suddenly opportunities in farming which did not exist before and this was something that appealed to me. Although I was born in the Transkei, I grew up near Mtubatuba where my family farmed with cattle, so I had an affinity with farming and started looking around for a suitable farm.

"I found this property myself and started farming in 2006. I lease the farm from the Department of Land Affairs through the Pro-Active Land Acquisition Strategy (Plas). I have a three-year lease on the farm with the option to buy. My farming business is called Thulwane Investments and the total size of the property is 352ha which includes 90ha of citrus orchards and 175ha of sugar cane. When I took over the farm it was sorely in need of improvement and replanting.

"Farming always looks easier from the outside. When you jump in like I did, initially the process was overwhelming. Before my first crop Capespan paid me a production advance for the harvest and I marketed 90% of my crop through Capespan. This was a great help indeed in allowing me to establish the farm and I still export some of my fruit through Capespan.

Over the past few years Vernon Tocknell has been mentoring Mzo as part of the CGA mentorship programme. "Mentorship is very important and I cannot overstate this," says Mzo. "The skills transfer is of vital importance and Vernon goes beyond the call of duty in this regard and helps me continuously. In the five years I have been here he has been on my farm approximately twice weekly. Janet is Vernon's wife and she helps me a great deal with the admin. Her input makes it possible for me to manage without a secretary or administration person.

"Since 2007 I have been able to replant 25ha of citrus as well as cane and have also improved on the farm's productions. Between 2007 and 2009 the citrus yield has increased from 72 000 to 105 000 cartons of fruit for export and in the same period the sugar cane production has improved from 8 000t to 12 000t. On the infrastructure side I have invested in modernising my packhouse and this has assisted me to secure GlobalGAP and Nature's Choice accreditations for the packhouse. We have 65 permanent labourers and in season we have around 60 seasonal workers to help with the harvest.

"Things are already much better and the farm is now reaching a point where it is breaking even. The farm has a turnover of around R7.5 million per year." Mzo's successful improvements of the farm have not gone unnoticed in his local district as he has been awarded the Nkweleni Farmers Association's award for Most Improved Farmer award for two consecutive years.

"My wife did not want to move here initially but now she loves it. I have three sons and as I have seen how tough farming is, I would not encourage them to do this when they grow up!"



Thulwane Farm entrance sign on the road to Nkweleni

CGA Social Facilitation Project

KwaZulu - Natal

In February 2010 the CGA considered a proposal for social, legal and institutional support to emerging citrus growers in KwaZulu-Natal, who acquired land through various land reform programmes.

The project had two distinct phases, with Phase 1 being project investigation and assessment and Phase 2 being about support and mentorship through participatory processes and detailed business planning. The Agri Business Development Agency (ADA), a KZN government development agency, agreed to fund the second phase of the project, while the CGA funded the first phase which was undertaken by Lima Rural Development Foundation.

Lima Rural Development Foundation is a non-profit NGO that implements projects in KwaZulu-Natal, Eastern Cape, Limpopo and Mpumalanga provinces and consults throughout Southern Africa. Lima provides development services to urban and rural communities through the establishment of appropriate institutions. They also foster local economic development and training to empower rural people, particularly women, in order to overcome poverty. Transformation, farm worker equity programmes as well as land reformation of the agricultural sector are major area of focus.

Phase 1 of the project was completed in May 2010 and a detailed report submitted to the CGA and the ADA. The investigation found that all projects had existing legal entities and that in most instances the land had been transferred to the project beneficiaries several years previously. Detailed project plans are available for most of the projects, however these are not being utilised by project beneficiaries, primarily due to their complexity, the lack institutional capacity and funds to implement. On all projects institutional and financial management support and training is required to ensure project beneficiaries fully understand the implications of land ownership and the management of the farm and its crops. In many instances institutional and financial management training needs to be further supported by project mentorship.

In early September this year CGA, ADA and Lima Rural Development Foundation implemented Phase 2 of this social facilitation through workshops that were held at the beginning

of this month. Commitment to transformation was clearly shown by the beneficiaries of Tala Valley, Intathakusa and Kwahlaza. It was interesting to note that during these workshops most of the participation was from women and youth involved in these agricultural projects. The evaluation feedback received with regard to these workshops shows the eagerness to learn and know more about the Citrus Industry and business management.

The CGA views this as a workable model for social facilitation and intends to expand this programme to other provinces, provided that local agencies are willing to co-operate on the same basis.

Grower Development Fund

As a result of the cooperation between the CGA and the ADA in the social facilitation project, the ADA approached the CGA about channelling funding to support two emerging citrus enterprises in the Nkwalini Valley in KwaZulu-Natal. The CGA received funding from the ADA for this purpose. A steering committee, consisting of representatives of the growers, ADA, CGA, Citrus Academy and mentors was formed, and all expenditure was approved by the committee. The CGA reported to committee members on the status of the funds to ensure transparency and accountability. The CGA would like to expand this funding model to other provinces in future.



Riverside Advisory Services (RAS)

Mentorship Programme

Fort Beaufort, Eastern Cape

“Supporting and partnering emerging farmers in the Eastern Cape towards a more equitable and sustainable agricultural business.”

The Riverside Packhouse is situated on the outskirts of Fort Beaufort. It is owned by the Roberts and Painter families, citrus producers in the area and Lona Citrus fruit exporters own 26% of the shares. Riverside Holdings (Pty) Ltd has 3 main business units, namely Advisory Services, Packing and the Farming. It also has a commercial nursery with access to new varieties. Riverside has access to the top UK retailers, and these relationships will serve well in ensuring a sustainable agri-business. The business model for land reform projects is unique and this model implemented by the IDC and Riverside in the Alice Kat River Region in 2007 can be replicated in other regions of the Eastern Cape. Riverside Advisory Services (Pty) Ltd, “RAS” a subsidiary company of Riverside Holdings (Pty) Ltd, is a special entity established to deliver a range of services to BEE farmers and to its 17 existing IDC clients. RAS has operated now for 2 years as a separate business unit.

The IDC concluded a service level agreement in 2007 with Riverside to assist in the re-development of the citrus farms in the Alice Kat Region. Nine loans totalling R7.049 million were approved as part of phase 1, of which eight business entities are now operational. The department also contributed with grant funding of approximately R7.5 million. The IDC loans were recapitalized in March 2010, for expansion purposes, totalling R 38.8 million of loan and risk capital finance. On 1st September 2008 a further nine projects were approved as part of phase 2, totalling R36, 959 million. Two of these businesses are now operational with the balance to start operating by the end of 2011. The services offered include financial & administration, technical, marketing, packing, joint buying and skills transfer. The scope

Strategic Partner

Riverside Holdings

Fort Beaufort, Eastern Cape

of the IDC / Department initiative means an increase of fruit production from 85 ha in 2007 to 550 ha in 2013 with a total project cost of approximately R 80 million.

RAS is managing a mentoring pilot programme with seven of its IDC clients, under the programme initiated by the Citrus Growers Association/Citrus Research International and the National Department of Agriculture. RAS has also offered consulting services to ASGISA EC to lead the Mngazi River Basin Fruit Study, near Port St John's. RAS has brought together a team to provide a detailed feasibility study for the proposed Mzimvubu Stone Fruit Production initiative. RAS and its network of business partners and associated companies, which include farm production, packing, cooling and exporting operations has the necessary track record, experience and expertise to partner with Government, Parastatals and other investors in the Agricultural sector and thereby deliver on its mission of “Supporting and partnering emerging farmers in the Eastern Cape towards a more equitable and sustainable agricultural business”.

Business models and entities have been developed and created to suit the needs of the beneficiaries ranging from Sole Traders, CC's, Private Companies and in some cases Community Property Associations (CPA's). Riverside Citrus Services (Packing and



Export Operation) is embarking on another major expansion to cater for its IDC clients and growth in citrus and pomegranate production.

Since 2000, Riverside has embarked on a number of social and economic development projects in the region. The primary beneficiaries of these initiatives are the employees of Riverside, emerging black farmers in the region as well as Commercial Farmer Worker equity schemes. In the first phase of development there are currently nine farms (see *Reillyvale and Naudeshoek*), six in the second phase and two in the third phase of development.

“Prosperous companies require prosperous communities” says Colin Painter, MD of Riverside Advisory Services and fourth generation Fort Beaufort citrus farmer. “The assistance that Riverside provides to Black farmers in the region who are running mostly family-owned businesses is creating wealth and jobs. We became involved in empowerment some 10 years back when emerging farmers in the area approached us. Although we have been willing to assist them from the start, one needs deep pockets in order to fund this sort of development. Our cash resources have been under enormous pressure to keep these farms operational. Government funding and land issues did not go as I had originally planned. We managed last year to bridge the growers with the help from Uvimba Finance, the Department’s funding leg. It has been frustrating, but the hard yards together with the IDC are behind us now! We are now able to access this approved funding.

“I think that it is vital for commercial operations like ours to become involved in rural development. Our biggest challenge was service delivery from government. Lack of political will, accountability, skills gaps, trust and passing the buck within departments, caused unnecessary delays. Currently

we are very excited and there seems to be more urgency to get things done and there is definitely a much more positive attitude. We recently hosted a field day here with many of the local and provincial government officials in order to show the work we have done and still need to implement.

“A key success factor is to get farms funded properly (avoiding an excessive debt burden) and establishing proper support programmes so that our out-growers can reach their production targets and budgets we set with the IDC. All our out-growers conform to Globalgap and other protocols. They all have to be compliant for minimum entry to the markets. Another key area for long term business sustainability is to build a comprehensive skills transfer programme. Many of the emerging farmers are excellent growers, but require assistance with the other facets of the business so that they can stand on their own. We assist the farmers with access to good retail sales programmes. Another success factor is to be transparent and have as short a value chain as possible for us to be sustainable.”

Riverside’s involvement in empowerment initiatives led to Fair Trade certification in 2004, one of the earliest certifications in South Africa. This has benefitted Riverside employees as well as two emerging farmers who have been included under their certificate. “Fruit sold under this label has led to the establishment of a training centre and a crèche, providing the kit required for 40 community police volunteers, an annual soccer and netball competition as well as a computer literacy programme using cutting edge technology” says Colin.

Education is clearly important to Colin who operates a private primary school and tries to leverage funding to assist parents who can’t afford the fees. The Kat River Montessori School mentors the crèche and computer centre which came out of the Fairtrade initiative. Riverside developed 30 ha of citrus in partnership with the Winterberg Agricultural High School in Fort Beaufort some years back. This project can now start benefitting the High School.

RAS now has a partnership in place with Fort Cox College of Agriculture & Forestry near Middeldrift. RAS must develop a farm plan and provide experiential training for students “Citrus needs to link with the other commodity players in the Amathole District like the forestry and dairy sector as well as berry and vegetable producers. As a group we can build better capacity together with the department for more meaningful skills transfer and produce better trained and prepared students for the province” says Colin.



Hambile Nyamezele is the owner of Reillyvale Farm and also the Packhouse Manager at Ripplemead

Reillyvale Farm

Keiskamma Valley, Eastern Cape

Citrus Orchards: 22ha

Eastern Cape

Farm Receiving Mentorship

Mentor: Susan Herman, RAS

Visiting Ripplemead Packhouse took us far off the beaten track down many kilometres of rough dirt roads into the Keiskamma River Valley. Here the citrus farms at Ripplemead are situated along the banks of the Keiskamma River as it meanders through the hills and towering cliffs covered in tall Euphobias and dense bush. At the Ripplemead Packhouse we met Hambile Nyamezele who owns Reillyvale Farm. Reillyvale Farm is 203ha in total and has 22ha citrus. There is ground to plant a further 10ha of citrus and Hambile uses the rest for grazing.

During the harvest season Hambile is also the Packhouse Manager at Ripplemead. He is one of three citrus producers in the area and was asked to manage the facility. Lawrence Mgadle and Sydney Mphahla (see *Naudeshoek and Ripplemead*) are Hambile's neighbours and the three of them run and finance the packhouse between them. Hambile was pretty busy directing operations at the packhouse but made the time to chat.

"I was born on a citrus farm in the Fort Beaufort/ Alice District where my parents were farm workers. Later we moved to another citrus farm in the area and during my high school holidays I worked on the farm with my parents. I matriculated in 1982 and then went to Fort Cox College at Middledrift where I completed a course on Introduction to Citrus. I started working at Reillyvale Farm in 1983 for Ulimocor, the Agricultural Parastatal Entity within the Ciskei Government and Reillyvale belonged to Ulimocor. I was the Assistant Manager of Reillyvale Farm as well as the Packhouse Manager. As part of the Ciskei Agricultural Corporation's privatisation programme the

farms owned by Ulimocor were advertised and prospective owners needed to apply for ownership. I applied and as I had been working here and knew the farm well, I was the most likely candidate to receive the farm. It was granted to me for five years during which time I paid a rental. After that my management and ownership would be re-evaluated and if I was approved, I would be able to buy the farm and get the title deed.

“Ulimocor was liquidated in 1996 - 1997 which was quite soon after I took over Reillyvale and I managed the farm from then until 2004 without any assistance. This was incredibly difficult without running capital. At that stage the farm had 7.2ha of citrus orchards. As I had no capital for employees or chemicals I had to weed all the orchards by hand on my own and snakes were quite a problem with all the long grass. Digging open furrows for flood irrigation in those days has left me with back problems today. There was no electricity or permanent irrigation on the farm and I had to use diesel pumps and generators to run the farm. The diesel was very expensive and I was forced to abandon 3ha of citrus orchards without irrigation.

“In 2004 I went to see the management at Riverside in Fort Beaufort for assistance. When I met with them the citrus trees in the 3ha that I had not been able to irrigate had nearly died but with the assistance I received from Riverside I was able to save these orchards. Initially Riverside assisted me with a production loan so that I was able to pay wages and afford to apply the relevant production inputs for the harvest. They packed my fruit and deducted the production loan costs from that. This assisted me to establish my farm better and I was able to hire four staff members to assist me.

“In 2007 through the efforts of Riverside I was able to secure a loan from the IDC (Industrial Development Corporation) as well as to acquire the farm's title deed after all these years. I could install electricity and electric pumps on the farm and this also made it

possible for me to plant a further 14ha of citrus, bringing my total planted to 22ha. Initially I had only Clementines and Satsumas and these new plantings were all hard citrus types - Navels, Lane Lates, Midnights and Deltas.

“My young trees are doing well and by next harvest I should be able to export fruit from them. My export agents are Lona and I am happy with the service they provide for us. The Government grants that I have received have been a great help in getting my farm established and the technical advice that I receive from Riverside and CRI have also been vital to optimise production practices.

“Ripplemead Packhouse is only 3km away from my farm and is ideal for packing our hard citrus. What is indeed a challenge for us here is that it only has a packing line for hard citrus and all my soft citrus has to be transported to Riverside for packing. This is an 80km trip on dirt roads which is detrimental for the quality and costs R57 per bin. A soft citrus packline here at Ripplemead packhouse would solve this problem.

“When it comes to success I believe that there is no substitute for hard work. In order to succeed at this kind of farming one needs to be passionate and committed. The mentorship that I have received from Riverside and their facilitation of my loan from the IDC have proved to be the turning point in my business. Previously I ran the farm on my own and it was an uphill battle. Now I am able to call somebody who can advise me and this has made all the difference. Once my young trees come into production I hope to be on the road to financial independence as it should enable me to pay off my loan to the IDC.

“Our family lives on Reillyvale Farm. My wife and I have four children and they are interested in farming. Two of our sons are already working on the farm and as two of my brothers also work here this is truly a family business. I now have eight permanent staff and during the season I employ around 50 seasonal workers as well.

“Over the years I have attended various training courses. I also did a course in Tzaneen in 1989 and in 2009 I went to on a market tour to Germany organised by the DTI with two other citrus farmers.

“I would really like to thank Riverside and particularly Colin Painter for their assistance over the years. All the other assistance that I have received has resulted from motivation by Riverside. I must also thank God for his strength that has carried me through the tough times.”

Naudeshoek Farm

Keiskamma Valley, Eastern Cape

Citrus Orchards: 40ha



**Sydney Mphahla with his fruit at
Ripplemead Packhouse**

Naudeshoek Farm is on the Eastern bank of the Keiskamma River south of Alice. This beautiful farm is surrounded by natural bush and, judging by the towering old trees, it was first settled decades ago. Sydney Mphahla is the owner of the farm and has been farming on the property for 20 years. The total size of the farm is 146 ha and currently only 40ha is under citrus production.

"I was born 23 km from here and after I completed school I worked for the Ciskei Department of Agriculture as a field officer on this farm. During the time that the Ciskei Government administered this region I farmed as a manager for Ulimocor, the Ciskei Government's Agricultural organisation. This land was owned by the Ciskei Department of Agriculture and was privatised from September 1992 onwards. The application process required applicants to compile and present a comprehensive business plan. I presented mine and after the interview the farm was awarded to me. I was truly thrilled to receive this property that I knew so well by this stage.

Eastern Cape

Farm Receiving Mentorship

Mentor: Susan Herman, RAS

"The change of Government from the Ciskei to the South African Government meant the bank that had been funding us changed and became the Eastern Cape Rural Development Finance Institution. They were no longer funding us and this created a great deal of uncertainty and difficult times for us.

"We were looking for strategic partners and in the 2004 to 2005 period we developed a relationship with Riverside and they became our strategic partners. We started packing our fruit at Riverside and they provided us with production loans. Later they assisted us to secure financing through the IDC and in 2008 also facilitated government assistance for us from the Department of Agriculture.

"The loan I received from the IDC has made it possible for me to plant 20ha of Late Navels and Valencias. The trees are three years old and I am currently packing some of this fruit. Soon we will need a bigger packhouse to deal with our increasing productions. Besides the citrus orchards I also have livestock and grow vegetables.

"I farm because I am passionate about it. My father was a village farmer and produced vegetables. When I was a youngster, my grandfather always told me to go to the fields and plough. My wife and children live close by and work on the farm every day. My workers live on the farm and over time I have had quite a considerable turnover of labour as some of them have passed away and I have had to replace them. Currently I have 13 permanent labourers and in harvest season we sometimes employ up to 130 seasonal workers. My oldest daughter is at NMMU and she is studying a diploma in Agriculture. She is planning to come and take over the farm in years to come.

"I started farming on my own in 1992 and really should have progressed beyond being classified as an emerging farmer. As we had no assistance initially it has taken a long time to become established. Now we are getting some systems in place and we are hoping to receive further government support as we need to improve our infrastructure. We have a problem with creasing as the citric acid we currently use is not working for this and one of the things we require urgently are degreening rooms.

"Riverside has helped us and our circumstances have improved since they became involved. We deliver our fruit to Lona Citrus and it is exported through Port Elizabeth. I am successful because of fate and grace and the commitment of my farm workers and my passion for farming keeps me going," concluded Sydney.

Ripplemead Citrus

Keiskamma Valley, Eastern Cape

Citrus Orchards: 34ha



Lawrence Mgadle with the Ripplemead Citrus board

Ripplemead is 86ha in total of which approximately 34ha is under citrus. The orchards grow well on the deep alluvial soils on the Keiskamma River's banks and adjacent to the orchards is dense natural bushveld. Lawrence Mgadle has been farming at Ripplemead for 26 years, since 1985. Despite the considerable challenges he has had to face over the years, he has made it work and the farm is flourishing. Lawrence is also a member of the Citrus Growers' Development Chamber and a Member of the Soft Citrus Variety Focus Group.

"I was born in King William's Town. My father was a teacher but farmed with vegetables on a smallholding of 3ha. When I was in Std 7 he asked me to take a load of pumpkins to town on an ox wagon and, although I was embarrassed to do this at the time, this and similar lessons taught me the value of hard work.

"After I matriculated I joined Ulimocor, the Ciskei Department of Agriculture Parastatal Company. Initially I worked at the Tyahumie Citrus Project, a big citrus estate near Alice. I was trained there and after that I attended Fort Cox Agricultural College in Middelburg and completed an Introduction to Citrus Course. Here we received training from an Israeli citrus specialist and as I had already worked on a citrus farm, this instruction was invaluable to me. The following year I was transferred to Craighead Farm and managed the farm from 1984 to 1985. This is really where I proved my ability to manage a farm on my own. Craighead is

about 50ha and situated approximately 30km from King William's Town on the Peddie Road. It was privatised by Mr Titimani in 1993.

"In 1985 I was promoted and worked as a manager for Ulimocor, managing the three farms here in the Ripplemead area namely Ripplemead, Reillyvale and Naudeshoek. During that time I went to Israel on a study tour for 8 weeks and visited citrus farms there. This was immensely interesting and I certainly learned a great deal.

"In 1992 the Ciskei Government initiated the privatisation policy to transfer land to black farmers. In 1992 Naudeshoek Farm was transferred to my neighbour Sydney Mphahla and in 1993 it was my turn. The process that the government followed was to advertise the farm's availability and then to interview the applicants for ownership, appointing the most promising candidate. I was interviewed by Ulimocor and the farm was awarded to me on a five-year probation period and I paid rental for the property. Before the five years had passed Ulimocor was liquidated and we were left without any support of funding structures. The commercial banks were not prepared to help us as they considered us to be too high risk to finance without title deeds.

"Capespan was one of my marketing agents and they helped me with a production loan in those tough early days. The government provided me with fertilizer for one season. More recently Government has assisted me with irrigation lines.

"I have been farming on my own for 18 years and I now have my title deed. I would put my success down to the dedication of my motivated workforce. Most of the people on the farm have been here since I started here. As I was the manager on Ripplemead before I was the owner, I was able to select the workforce personally. During the season when the seasonal workers are picking the harvest, I watch them closely for potential and have been able to recruit some youngsters from amongst them.

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Ripplemead Citrus

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"Training is very important and we are continuously conducting skills development training. The Capespan Foundation has recently been implementing training with all the staff members on Ripplemead and some of the people have completed learnerships in specific skills training. Capespan has been our marketing manager and strategic partner through many years of change and I am truly grateful for all their assistance over the years. Before deregulation they also provided us with invaluable extension services. Since then, the practical advice that I have received from the CRI extension officers has been very helpful as well as the support we have received from CGA.

"The packhouse here at Ripplemead belongs to the Government but this is currently under negotiation. This is quite urgent as the packhouse needs to be upgraded and expanded to cope with our expected production increases over the next few years.

"My family lives in King Williams' Town which is an hour's drive from here. My wife teaches there and my three children (two sons and a daughter) are at school. I stay on the farm but see them once a week and over weekends. One of my sons seems keen to study logistics and this will be a great help if he could join the business and take care of the logistical side. I have adopted a youth from the local village and he lives with me. He is currently in matric and on completion I would like to send him to study at Fort Cox College. This is my social input into the local community.

"We have an organisation called the Alice/Kat Development Trust which is a Forum for black citrus farmers. I am one of 18 members. This is a good platform for us to stand together when lobbying government and also provides a helpful forum for a wide range of industry issues.

I was elected onto the committee of the Citrus Growers' Development Chamber by our local farmers to represent them on the chamber. The third meeting is approaching in June and I believe that this is a very useful forum for growers throughout the South African citrus industry."



Let's take hands.

The blue hand symbolises our commitment to social development in areas in which we operate

SUPPORTING
Social Development



Healthcare



Education



Sundays River Farming Trust Assistant Manager Team Thando Mto, Buyiswa Ndyenga, Jafta April and Edward Nokedshe with Operations Manager for Primary Production at SRCC Marius Bester (back).

Strategic partner

Sundays River Citrus Company (SRCC)

Sundays River, Eastern Cape

SRCC is involved with various empowerment projects, the three biggest projects being the Sundays River Farming Trust, Luthando Farm and Mbuyiselo Farm.

As SRCC's Empowerment mission the company has initiated a process to oversee the establishment of successful black citrus farmers who will be able to take up shareholding in SRCC. SRCC has been accredited as a Strategic Partner by the Department of Rural Development and Land Reform.

SRCC and the beneficiaries of the various farms have concluded a management agreement for each of the farms. In terms of this agreement SRCC is responsible for all farming operations as well as administration and providing the training and skills that will enable the beneficiaries to take over the management of the farm in future. The management maintains and improves the farms so that in the future the beneficiaries will be in possession of an improved asset. SRCC charges a service fee as part of the management agreement.

"The process is going well because we are in a privileged position in that the farms are all in a good situation and are successful, both financially and socially," says Marius Bester, Operations Manager for Primary Production at SRCC. Marius has been with SRCC for many years and previously he held the post of Production Manager. "The reason for our success is that we are involved in empowerment for empowerment sake and are not in the business for financial benefit. We focus a lot on training and skills development because that is what changes people's lives.

I have a passion for agriculture and also enjoy being involved where I am making a difference to people's lives. I am also growing through this process. Seeing the results of what we do is a personal inspiration. For empowerment to succeed the new landowners need a strong strategic partner. Mentorship plays a big role in the whole process as long as the mentors are involved full-time on each of the farms," he added.

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Sundays River Farming Trust

The Sundays River Farming Trust is the entity which holds the farms Willowtree, Glengrove, Eendracht and Siyathema Farms and as each of these farms has an Assistant Manager, there are four Assistant Managers. They are members of the Sundays River Farming Trust and were chosen from the beneficiaries on the farms otherwise from the broader community and work closely with the SRCC Operations Management Team. The Sundays River Farming Trust incorporates the workers' trusts of the four farms.

Buyiswa Ndyenga is the Assistant Farm Manager at Willowtree. Willowtree has 120ha in total with 99ha of citrus. There are 13 beneficiaries of the Trust on Willowtree and Buyiswa she has been in this post for four years. "I was born in Somerset East and moved to Addo with my parents when I was young and grew up on Willowtree," says Buyiswa. "I started ABET training in 1994. I worked on Willowtree as a Scout for pests and diseases and was then moved onto Administration and later to Supervisor. When the job of Assistant Farm Manager became available in 2007 I applied and was appointed."

"We are successful because we have a definite goal that we share with the SRCC Management Services. We work hard and we trust each other and there are no hidden agendas. It is not just the people in management who have opportunity for training as this is available to everyone on the farm. The workers know what needs to be done on the farm and why. They realise it is up to them and they do this without us having to keep checking all the time. We are also successful because we have made it a priority to pay our debts and we pay these promptly when required."

"We do performance evaluations for all staff and annual remuneration increases are based on the results. Our incentives also work in this way. Johan Troskie is the Production Manager for Sundays River Farming Trust and has been a great help to us."

Edward Noketshe is the Assistant Manager at Eendracht Farm. Eendracht is 120ha in total with 100ha of citrus. There are 17 permanent employees on Eendracht and they are all Beneficiaries of the Trust. "I worked for a few commercial farmers before I started at Eendracht and simply did what I was asked to without wondering or asking why. We never asked questions before and now we understand the significance of why we need to do various things on the farm. This represents a mind shift and immense personal growth and this has led to real motivation on my part. We are very fortunate that we were able to farm in partnership with SRCC."

Jafta April is the Assistant Farm Manager at Glengrove Farm and he has been in this post for four years. Glengrove has 48ha in total and 40ha of citrus. There are seven beneficiaries of the Trust at Glengrove. "I started working with citrus in 2001. I am originally from Oudtshoorn and used to work on ostrich farms before I came here. You have to care for citrus trees from the time they are seedlings and nurture and raise them with the same care that one requires to raise children. We are fortunate that we do not work alone but in conjunction with SRCC. On the farm there is a defined structure within which each person knows what is expected of them and we work together as a team so effective communication is vital. Production is not easy and neither is the finance and administration side of the business. This is why training and skills development is very important for our future."

Thando Mto is the Assistant manager at Siyathemba Farm and has been in this post for four years. The farm's total size is 45ha with 35ha of citrus. The workers trust has three beneficiaries on the Trust. "I grew up on a farm in the area and when I started working I really started at the bottom. I have done many jobs on the farm and my life experiences have been a great help in my position. Having a first-hand knowledge of what the various tasks on the farm entail makes it easier for me to have the confidence to tell people what has to be done and how to do it."

"Initially we did not understand about budgets, expenses and taxes. We have also learned that a trust pays a lot of tax. Although we have learned this later in life we are able to pass on this understanding to our children and thus also able to give them the education that we did not have. We also have ABET (Adult Basic Education Training) courses for adult literacy and this has helped some of our old people grasp the basics of literacy later in life."

Luthando

Sundays River, Eastern Cape

Citrus Orchards: 109ha

The Luthando Workers' Trust Beneficiaries are 75% shareholders in the farm Brandwag adjacent to the town of Kirkwood in the Sundays River Valley. The farm produces 240 000 cartons of export fruit and is thriving. The Luthando Workers' Trust was established in 2003 when 35 of the farm's permanent workers with their spouses bought a 75% share in the established farm with a total size of 137ha and 109ha of citrus. They were able to purchase this share in the property through a R5.8 million grant from the (LRAD) funding scheme of the Department of Land Affairs. They also had to contribute 100% of the government funding and in addition to this they also had to borrow the outstanding amount from the Land Bank.

Nokwanele Mzamo is the chairperson of the Luthando Trust and has been an Assistant Manager at Luthando since 2004 on the personnel and administration side of the business. She was also a finalist in the Female Farmer of the year 2009. This dynamo is also very involved in the community. She is the Secretary of the Sunday's River Valley Emerging Farmers Association, the Treasurer of the Association for Fairness in Trade (AFIT) and a Committee Member in the Commission of Stakeholders in Land Reform and a Committee Member of the Lower Sundays River Water Users Association. Nokwanele is also an ABET Facilitator as well as a Peer Educator in HIV/AIDS, Gender Mainstreaming and Home Based Care. "This broad involvement means you deal with different people in different levels and understanding, and you must know how to communicate with all of them to have good results," stressed Nokwanele.

"It is important to put money aside when having good years to cover shortfalls in the bad years. That is what we learnt from our mentors and managing directors who play a



Patricia Jacobs and Jeffery Rossouw looking out over the Luthando Orchards

very big role in ensuring transformation on our farm. Luthando is a very productive farm with excellent quality and quantity of fruit which is why we're on the Top five producers list for SRCC. This all shows that the management of Luthando is in very good hands. Luthando was nominated as Emerging Farmer of the year 2009 nationally. This is as a result of hard work and good team work which extends from the managing director to the last person on the ground to ensure that everything is been done the right way. Because we are exporters we have to make sure that we are accredited with Nature's Choice and GlobalGap.

"On a personal level I think that Luthando has been a strong ladder enabling me to reach the higher fruit on the trees of life because everything I know I have learnt here. Attending Management Development Programme courses has helped us to understand farming a lot better. I know how to make day-to-day decisions and how to manage a farm and now I want to run a farm on my own as a woman. If I can learn how to do it that is my dream."

Luthando also played a good role in social development as the farm provides crèche and preschool facilities for the workers children. For school children it has helped the farm workers with paying their children's school fees, stationary and uniforms as well as buying a computer for a Primary School. They also bought a wheel chair for a disabled person, uniforms for the church choir as well as providing HIV/AIDS awareness training to the community.

Jeffery Rossouw is an assistant Farm manager at Luthando. He is also a Beneficiary of the Trust and has been a Director of the Trust since its establishment. "I started working at Luthando in 1997 as a Nursery Manager. I was in that post until 2003 when I was promoted to Supervisor. When the previous owner,

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Mr Potgieter, was preparing to leave we realised that we were not ready to farm on our own. We gave him the mandate to look for a Strategic Partner to buy out his 25% shareholding. He suggested that we should approach SRCC for them to be our Strategic Partner and buy out his shares and this is what transpired.

"We now have a management contract in place with SRCC. Initially we were wary of what our relationship with our new strategic partner would be like but as time went by we realised that it had been a good choice to have SRCC as our Strategic Partner. The open door policy and transparency in the financial and management procedures have proved to be beneficial and we have always been consulted in the decision making process. People's attitudes changed and became more positive and we have a close working relationship with SRCC.

"I think things are going better on the farm now. We are exposed to decision making and responsibility. Our manager Clive Duckworth broke a rib and was out of action for a month last year and I had to step into his place (Clive Duckworth is the Production Manager at Luthando. He has been in this position for 6 years and he has worked in the Sundays River Valley for 29 years). This was during the spraying season and I am pleased to say that the harvest has yielded good results. I was forced to take responsibility and learned a great deal. This has helped prepare me for the future when the beneficiaries will need to run the farm on their own. In the long run managing the farm ourselves will be more profitable to the beneficiaries.

"One of the biggest challenges we have is that of the 59 beneficiaries only 12 live and work on the farm. The others live and work elsewhere and the only interest they have in the farm is to find out what dividends they will be getting annually. It feels to us as if the non-resident and non-working beneficiaries are sitting in the wheelbarrow while we are pushing it! Initially there were 71 beneficiaries including Hermanus Potgieter. Some beneficiaries sold their equity and some have since passed away and now we have 59 in total. It is our dream to reduce the number of beneficiaries to the 12 who live here and contribute to the success of the farm.

"Besides the 12 beneficiaries on the farm, the farm also employs 19 permanent workers who are not beneficiaries of the trust and 125 casual workers. Management by SRCC has been good and productions have increased significantly. We have four directors representing Luthando Workers' Trust Beneficiaries on the Luthando Management Board. Every year since 2004 the Beneficiaries have received dividends. This has varied according to the farm's profits and Beneficiaries have received from R1 500 to R15 000 annually."

Patricia Jacobs is the Health and Safety Officer at Luthando and a Beneficiary of the Luthando Workers' Trust. "In 2009 we finished paying our loan to the Land Bank and we now have no further debt. I never thought that I would be where I am today. I am ambitious and have big plans for the future. There has been a great deal of change over the past eight years at Luthando. Beneficiaries have also received funds from marketing fruit under the Fair Trade Label and we decided to use this to help the children of the beneficiaries by buying school uniforms and paying their school fees.

"I am 49 years old and my family and I have been able to build a new house in Kirkwood's Moses Mabhida village. This was possible due to receiving a better salary and the annual dividends. I have learned a lot and as a co-owner of the farm I have learned what this means and what is expected from a person in this position including the responsibility that comes with it. I am very thankful and I realise that I have received a great deal and I am proud of Luthando!"



Mbuyiselo Trust

Sundays River, Eastern Cape

Citrus Orchards: 49ha

The 23 Beneficiaries of the Mbuyiselo Workers' Trust own a 63ha farm with 49ha of citrus orchards five kilometres west of Kirkwood in the Sundays River Valley. Mbuyiselo Farm produces on average 100 000 cartons of citrus. The Workers' Trust owns 100% of the shares in the property and in 2010 they concluded a farm management agreement with SRCC.

At Mbuyiselo I met with Samuel Gqozo and Xolani Jonas who are the Manager and Assistant Manager respectively of Mbuyiselo and Beneficiaries of the Mbuyiselo Workers' Trust.

"I have worked here since 1968 and started farming here in 2005. Previously the farm belonged to JN Venter and I worked on the farm as his Foreman. In 2004 Mr Venter wanted to sell the farm. We got the administrative process going for the 23 Beneficiaries of the Mbuyiselo Workers' Trust to buy it. When this was completed we bought a 75% shareholding in the farm and as there was a shortfall we had to borrow R1.7 million from Standard Bank. Mr Venter retained a 25% share in the farm and the arrangement was that he would stay on as the Manager for 5 years. When this time had passed in 2010 he wanted to sell his shares and he suggested that we approach SRCC as a Strategic Partner. We spoke to Philip du Plessis, SRCC's Primary Production Manager at the time and they agreed to a partnership. SRCC has a Management and Mentorship Contract with Mbuyiselo for 5 years.

"I became the Manager in 2005 and have been in this position since then. In 2007 we replaced 7ha of trees. These trees are starting to produce well and the yield from these young trees will increase our crop. The SRCC administration office and main packhouse is about 5km from here and they



Xolani Jonas and Samuel Gqozo in their orchards at Mbuyiselo

pack our fruit for us. Our farm is doing well. We are grateful for the mentorship and management that they (SRCC) provide and we realise that this is necessary as we need to learn how to do this for ourselves in the future. The Mbuyiselo Workers Trust has 23 Beneficiaries of which 5 are permanent employees on the farm. In the season we hire up to 50 seasonal workers.

"I am turning 60 soon and would like to continue working until I am 66 before I retire. I am married and have 11 children. Most of them have grown up and left home already. My equity in the farm represents something for posterity for my family."

Xolani has been the Assistant Manager at Mbuyiselo for 8 months. "I am also a Beneficiary of the Mbuyiselo Workers' Trust and in the past I had worked on the farm for 8 years before working at UAP in Kirkwood and then as a Manager on Sun Orange Farm for three years. I was then offered the job of Assistant Manager here and so I was pleased for the opportunity to return to Mbuyiselo. The mentorship we received from Mr Venter between 2005 and 2010 certainly helped us to be successful as he truly taught us how to farm. Now Eldon Whittle from SRCC is our mentor.

"Of the 23 Beneficiaries only five live and work on the farm and this is a problem for us who do work here and put our efforts into the farm. These Beneficiaries who do not work for the farm were unhappy when we bought out Mr Venter's shares as they would rather have had us spend these funds on dividends. These people do not really care about the farm's long term prosperity and do not understand the value of property. I dream that our farm could have the opportunity for growth and diversification into other fields so that we are not just dependent on the farm in the future," he concluded.

Wagenaar and Hobbs

Sundays River Valley, Eastern Cape

Citrus Orchards: 12.7ha



Hannes Hobbs of Wagenaar and Hobbs

Wagenaar and Hobbs is a 12.7ha farm near Kirkwood in the Sundays River Valley. In 2002 Hannes Hobbs, together with 16 family members, bought the property and formed the company, Wagenaar & Hobbs Boerdery. They have developed the farm with lemons, navels and valencias. The farm is managed by family members, and in addition to the three permanent staffers they make use of 20 seasonal employees. More recently they have also rented a further 10 hectares on which they produce vegetables.

Hannes Hobbs manages the farm and his obvious enthusiasm for agriculture has earned him a place on the CGA (Citrus Growers' Association) Board, representing emerging growers from the Southern Region of South Africa. "I see myself as the voice for emerging farmers from our region and this requires some commitment from me," says Hannes.

Hannes is also an Associate and Trainer for the South African Agri Academy (SAAA) in the Sundays River Valley. "I have been a Board Member of the South African Agri Academy for a number of years and have received tremendous support from them. Standard Bank Corporate Social Investment (CSI) Unit funds Agri Academy Training and Development and I am very grateful to them and to Standard Bank for their sponsorship of the SAAA training initiatives."

"I was born in Kirkwood and grew up on the citrus farm of Ken Peter Meiring in Wesbank. My mother used to work as a domestic worker in Port Elizabeth and my brother, sister and I lived with our grandmother on the farm. Our uncles worked for the Meirings

on the farm and used to take us along to work with them, especially during the picking season and after school.

"I attended Primary school locally in Kirkwood and did my Secondary Schooling in Uitenhage. I started working directly after school as I had to help support my brother who was studying at a teachers college at the time. My first job was with a furniture retail company and I later managed one of their stores. During this time I completed a Management Diploma as well as several other courses through distance learning.

"My wife and I have two children and my involvement with agriculture was originally initiated by my father-in-law. He had always wished to own a farm so we got together as a family and took the decision that we would club together and buy him a farm. We succeeded at this but after a year we realised that he needed help on the farm. In the process it also became clear that there is money to be made from farming if you take it seriously and run it like a business.

"We bought the farm in 2002 with a grant from government and a loan from the Land Bank and registered a CPA as the Landholding Entity. Initially we started with a total production of 162 tons and this has now grown to 307 tons. The business exports 90% of its citrus production and is EurepGap accredited. My goal is to expand the farm but this poses a considerable challenge as there are not many farms available and when they are the purchase prices are very high," says Hannes. "For me the ultimate objective is to be successful in what we are doing.

"Sundays River Citrus Company (SRCC) packs and markets our fruit but we manage the farm ourselves and do not have a Strategic Partner. In the same breath I would like to thank SRCC for their assistance as they are a huge support to our farm. We are successful because we have realised that if you manage your farm on your own and manage your finances in such a way that you do not need a loan from the bank, your chances of success are infinitely better."

BONO Holdings

National Strategic Partner



Evans Nevondo of BONO Holdings

BONO Holdings is a BEE Company and the shareholding is owned 34% by Evans Nevondo and 66% by SAFE. Freely translated BONO means vision and the vision is to manage empowered agricultural entities on behalf of their owners for profitability and long term sustainability. BONO Holdings provides running capital, farming implements, transfer of skills, health care, and operates the farms together with the Trusts and the Beneficiaries.

The BONO offices are in Cape Town's southern suburbs and this is where I met Evans Nevondo, MD of BONO Holdings who told me about the company. "The concept of a business like this developed in the course of my involvement with Kangela (see *Kangela*). The farm required funding and SAFE was prepared to give us a production loan. It made sense to me that if the export companies wanted access to the fruit they would need to become involved in the management of the farm. I proposed that export companies could form a management company and manage the property thus providing management inputs to assure the quality of the fruit rather than provide an unsecured production loan. Besides the operational capital and implements, this company

Strategic partner

could then also provide the necessary skills transfer. During this time I met Anton de Vries of SAFE and realised that there was a willingness to assist with an initiative like this and this in turn led to the registration of BONO Holdings in 2007.

"BONO Farm Management (Pty) Ltd. t/a BONO Holdings has become a prominent Strategic Partner for transformed farming units and we are assisting the Department of Rural Development and Land Reform in a number of provinces. We are receiving positive recognition from the Department of Rural Development and Land Reform and in various places we are restarting from scratch projects that are no longer functioning.

"Earning and keeping the trust of the people for whom we manage the properties is very important so we have to be with the people on the ground. We work hard at this and circumstances are currently quite good. There will always be a measure of politics between the partners in a relationship like this and the correct balance is to do justice to both the community and the management company.

"My intention is to have a BONO Export Brand to complete the chain. This would identify that we export directly from a BEE farm. We also plan to register for Fair Trade certification so that the farms can reap the financial benefits of this. The people must benefit from this. We believe that openness and transparency are the only way forward and will deliver long term rewards. We do not want to own land as our aim is the share the profits of the land with the owners. At Sunland Farm (see Sunland Farm) we have built a medical centre where there is a doctor and nursing staff available for the free use of all beneficiaries at Sunland Farm. The farm workers also have a retirement annuity, funeral cover and education benefits.

"We interact with the Department of Rural Development on all their priorities and they attend most of our meetings. This close working relationship with them is an advantage as we are prepared to be judged and take criticism.

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The Department of Rural Development has appointed the Audit and Advisory Service Company KPMG to oversee the distribution of the current Recapitalisation Fund. In this process they asked us how we benefit from accessing these funds for our clients. Our answer was that while other partners take a fee from the fund, we are implementing the Recapitalisation Process without charging a fee and will gain our profits when the farm is productive.

"In the Eastern Cape we are involved with the management of Sunland Farm, Nebraska, Green Gables and Commando Kraal as well as Threepence Farm (see *Threepence Farm*) at Patensie. Kangela is an independent farm and not part of Bono Holdings. SAFE Farm Ventures has a management contract with Kangela. At Ongelegen Farm in the Langkloof we are involved with topfruit production.

"In Limpopo we are managing a cluster of farms at Hoedspruit (see *Bono Holdings, Hoedspruit*), formerly known as Batau. The project was struggling as financial constraints were killing it. We took over the management of the farms in October 2009 and the Molotele CPA members who own the land are happy with the way we have turned things around. In Mpumalanga we are also about to sign an agreement to manage the large banana, mango, citrus and sugar cane farm Laughing Waters in Malelane. In the Western Cape we have recently started managing Rietkloof 1 and 2 at Piketberg which are citrus and table grape farms as well as five sheep farming units in the Beaufort West area.

"In the Northern Cape we are involved with the Vaaldrift Farm, Riemvasmaak Community. This is a pilot project under the direct control of the President's office. It has 80ha table grapes and 25ha wine grapes. Our business plan to develop 400ha table grapes, 200ha citrus and 80ha of lucerne has been approved by the Community Trust and the Department of Agriculture and we will be working closely with the Industrial Development Corporation

and the Provincial Department of Agriculture in the development of this project.

Evans is from Nzhelele which is near Thohoyandou in the Limpopo Province. He completed a degree in Education at the University of Venda and attended the University of Fort Hare where he completed an honours degree and a Masters Degree in History and did his second Masters in Policy Studies. From 2000 to 2002 he studied his second Masters at the Southern Africa Regional Institute for Policy Studies (SARIPS) in Zimbabwe, which is the Research and Teaching arm of the International Institute the Southern Africa Political and Economic Series (SAPES) Trust.

"There were 40 students in the class and they were from all over Africa. They were mostly politicians and influential people from their various countries. In our group there were three of us from South Africa. I received a government bursary to attend this course which was extremely interesting and intensive," explained Evans.

"In 2002 I became a Research Manager at Fort Hare and I was involved in the conversion of various educational institutions into FET colleges, particularly in KZN. After that I became the general Manager at Kangela. When things went badly financially I went to work at Parliament as a Researcher and also wrote speeches for the Speaker from time to time. It was during this time that I grasped how the Standing Committees functioned within the parliamentary process. It was while I was working there that we established BONO Holdings. I resigned from Parliament in 2008 and became a Managing Director of BONO Holdings and have not looked back since.

"At times one needs to reflect on the people who have assisted one and imparted knowledge along the way in life. I must thank my parents for their support and guidance. From Fort Hare I would like to thank Professor Philip Iya, the former Dean of Research and Professor Rembe from the OR Tambo Human Rights Centre. From my time in Parliament I am grateful to the Honourable Baleka Mbete the Former Speaker of National Assembly, Parliament for his guidance. In my current position I would like to thank Anton De Vries for being a good business partner."



Sunland Farm

Sundays River, Eastern Cape
Citrus Orchards: 285ha

The Team at Sunland: Wilson Roboshi and Elvis Javuka, Trainee Managers and Beneficiaries, Alan Fitzpatrick, Production Manager, Sizakele Kleinbooie and Alfred Peta, Trainee Managers and Beneficiaries

Sunland Farm was established in 1931 by Herbert Inggs. The total size is 400ha with 371ha scheduled for water rights. Currently there are 285ha under citrus orchards. Approximately three quarters of the fruit produced is exported and this is around 400 000 cartons annually.

Sunland Farm was a private company and in 2004 the shareholders sold Sunland Farm to SAFE (South African Fruit Exports). SAFE built the packhouse in 2007 and although the farm was sold the packhouse at Sunland still belongs to SAFE. The BEE process started in 2008 when the Department of Rural Development and Land Reform bought the farm from SAFE. Today Sunland Farm is owned by the 27 beneficiaries of the Sunland Worker's Trust. As part of the sale government insisted that there needs to be good management in place and thus BONO Holdings has a management contract to manage the farm as well as packing and marketing rights to all the fruit.

"BONO Holdings provides meaningful and immediate benefits to Sunland Farm Beneficiaries" says Evans Nevondo, MD of BONO Holdings. "These benefits include annual health care, retirement annuity, funeral cover and educational benefits. All Sunland Beneficiaries have medical aid cover. Bono Holdings built a medical centre, with a doctor and nurse employed specifically for the health care needs of the Beneficiaries of the farms managed by Bono Holdings in the area."

Alan Fitzpatrick is the Production Manager on Sunland on behalf of BONO Holdings. He has been involved with Sunland Farm since 1976, initially as production manager and then managing Director prior to the sale of Sunland to SAFE. "My role is to produce the best crop possible at the lowest cost, using best farm practice methods, technical assistance and experience available. On the mentoring side my job is to mentor and train the Trainee or Assistant Managers to eventually be

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able to do the same. Also to ensure that all staff and beneficiaries are informed and trained to their individual potential, through both formal and 'in-house' training," explains Alan.

At Sunland administrative offices Alan introduced me to Sunland Trust Beneficiaries Wilson Roboshi, Assistant Manager on a section of Sunland, Sizakele Kleinbooi, Elvis Javuka and Alfred Peta, Trainee Managers on Sunland. Alfred Peta is also a Senior Supervisor who has completed a number of supervisor courses along with Samuel Vaaltyn, a Trainee Manager and Senior Supervisor who was not able to attend the interview.

Wilson Roboshi has been with Sunland for 22 years. He was an Assistant Manager to a Manager who left recently. "We are now looking after the farm for ourselves. We are learning about production management so that we can take responsibility for the farm in time," says Wilson. The newly appointed Manager of Sunland is Gerald Johnson.

Elvis Javuka has worked for Sunland for 19 years and agreed with Wilson. "We are really happy about what ownership of this farm has meant to us. Now we are starting to look after things ourselves and although we are still workers we are now getting ahead," explains Elvis. "In 2009 we received bonus and dividend payments of R500 per person as well as funds to provide uniforms and school kits for the children of the beneficiaries. In 2010 we received a bonus, and a R4000 dividend each."

"Our children are interested in the farm as they see it as something for their future," explained Alfred Peta who has also been with Sunland for 19 years. "In time we hope that they will consider becoming farmers and taking over when we are at retirement age." Sizakele Kleinbooi has worked for Sunland for 18 months. He echoed Elvis's comment about how pleased the beneficiaries

were to have equity in the farm. "We will work hard to make Sunland successful so that we and our children have something for years to come," he explained.

Management has an inclusive decision-making policy with the Trustees and Beneficiary Representatives of the Sunland Workers' Trust and this is working well. Management is currently focussing on making established and existing orchards optimally productive. Although there was Government funding available for development, sourcing working capital and bridging finance was very difficult.

Sunland Farms has 27 beneficiaries of which 22 live on the farm. All beneficiaries work on the farm. Besides the beneficiaries who work on the farm there are five permanent workers and during the harvest season Sunland employs approximately 190 seasonal workers.

Alan Fitzpatrick also provides mentorship and training to Managers on the farms in the area that are under Bono Holdings Management and supply citrus to the SAFE Packhouse. He assists with management issues, irrigation and chemical spray programmes and the farms that he services in the Sundays River Valley are Kangel, Sunland Farms, Green Gables, Nebraska as well as four farms in Fort Beaufort area.

BONO is a management company responsible for the operational performance and financial health of the empowered farms.

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BONO centrally provides:

- production capital
- farming implements
- transfer skills
- health care to workers
- and most importantly operate the farms together with the trusts and the beneficiaries while grooming/training them to be managers of tomorrow.



○ Threepence

Patensie, Eastern Cape

Citrus Orchards: 87ha



Khaya Katoo in the orchards at Threepence Farm

Threepence Farm is on the road between Hankey and Patensie and is a 363ha farm with 87ha citrus orchards and 107ha under vegetables. It was raining buckets on the day we met Khaya Katoo at the farm but Khaya was smiling broadly as the farm had been experiencing a water shortage.

Khaya's mother is a beneficiary of the Katoo Family Trust and Khaya is the Manager of Threepence Farm. Locally he is the secretary of the Kouga Study Group and he is also a Member of the Citrus Marketing Forum and the Citrus Growers' Development Chamber.

The Katoo family is from here although Khaya was born in Port Elizabeth. After matric he was awarded a bursary from Telkom to study Electrical Engineering at the Port Elizabeth Technicon and had worked for Telkom since 1999. "We received the farm as a settlement of a land claim," explained Khaya. "An aunt of ours was the claimant of the land and I was involved in the claim process from 2000. When we received the property in 2003 I came to the farm. Our ancestor (My great grandfather) was known as Threepence Katoo. He had acquired land near Hankey between 1912 and 1930 and he was dispossessed of his property and removed from his land. Although he was told to move to Elliot he did not leave the Hankey area. The land he originally owned is close by and is 360ha of fallow land. We did not receive the original property but were granted this farm from the government instead. There were 42 households who were from the six sons of Threepence Katoo and their descendents.

"Before we received this farm from the Government in 2003, it had belonged to Land Bank and had been repossessed from a commercial farmer. Government bought the farm from Land Bank to present it to us and it was in a very run down condition when we took ownership.

"We kept the manager who had been managing the farm on but after some time we realised that he was mismanaging the farm so we fired him. My family suggested that I come and run the farm. At that time I was working for Telkom as a technician and although did not know anything

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Threepence

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about farming, I made the decision to come to the farm in 2004. I suggested to the family that we get a strategic partner to assist us. We approached Patensie Sitrus. Hennie Venter was the MD of the company at that stage and we formed a Joint Venture with them. Things went well for three years and our productions increased from 3000 cartons to 60 000 from 2004 to 2006. After that there was a management change at Patensie Sitrus and as they were not happy with the financial arrangements we had with the previous management, they changed this arrangement which we found was detrimental to our circumstances. Theo Ferreira, who was my co-manager and mentor, was moved to Patensie Sitrus due to the financial difficulties we had on the farm. Financial conditions were tough for me and in 2007 I also left the farm to return to Port Elizabeth to work at Russell Road College as a Lecturer. After some negotiations we parted ways with Patensie Sitrus in 2009.

“As things became dire on the farm I decided to return in April 2010. We formed a Joint Venture with BONO Holdings in March 2010 and it is going reasonably well under the circumstances. We are still waiting for funding from government which we were supposed to receive at the handover of the farm in 2003. The amount was to be 25% of the purchase price of 6.3 million so amounts to 1.2 million. Eight years later we are still waiting for this and this funding has now been re-categorized into the Recapitalisation Fund which Government is currently processing and we still have not received anything yet.

“Our Strategic Partner pays our salaries and wages. The Katoo Trust pays for farming costs from the rental we receive from the section of the farm we let for vegetable production. It is quite ironic that the vegetable farmer who now rents the ground from us was the previous owner of the farm, Pieter Ferreira. Due to all the financial problems, we have only been able to resuscitate less than 20 hectare of trees. Our trees are getting older and this is a problem. Despite this, our fruit is looking great and we have a great fruit size this year.

“We also have a major problem with water restrictions. Recently our water was cut by 60% but at least this good rain we are now receiving should be able to alleviate this. Due to the water and financial constraints we have decided to choose the best 18ha of orchards from the 87ha and optimise productions on these. We have had to leave the balance without irrigation, fertilizer or pruning.

“This is certainly not ideal but we are doing our best. The community around us are supportive and have a good attitude to the restitution of our farm. I have a wife and two children and although we lived here before our home is now back in Port Elizabeth. We are planning to move back to the farm and after living back in the city my wife concedes that the life here is better.

“Some of the owners do not have an interest and just wait for the money. Others are interested and would like to work here but we cannot afford to employ them. In the eight years that we have had the farm we have acquired a lot of experience in production, management and marketing. I attended the Agricultural Leadership Development Programme at University of Pretoria and the course was a real eye opener and really created a paradigm shift for me.

“The family disagreements and farm management issues have been sorted out. We are now just waiting for Government to finally pay the grant we have been waiting for as this will set us up for success. We are receiving vital support from SAFE Farm Ventures as well as from our industry bodies such as CRI and CGA. The CGDC is a positive step for the development sector of the citrus industry as it will provide a forum for the various urgent issues that are specific to development.

“There is a great deal of opportunity in the agricultural sector and this could also include Threepence Farm. I am here and I am determined to make it work.”



○ Kangela Farm

Sundays River, Eastern Cape

Citrus Orchards: 159ha



Ricardo Stephana and Allan Fitzpatrick at Kangela

Ricardo Stephana is the Production Manager at Kangela and despite the current operational challenges he was quite upbeat about Kangela's future.

"I am a Beneficiary of Kangela Worker's Trust and I have worked here since 2000. In 2010 I was appointed as the Manager of Kangela and before that I was the Assistant Manager. The BEE process started in 2003 and the 37 beneficiaries of Kangela Worker's Trust bought the farm. The farm has a total size of 454ha. At the time of transfer there was 159ha of citrus and the farm has approximately a further 250ha that can be planted. Some of the orchards have old trees that need to be replaced."

Evans Nevondo is the Founder and Chairperson of the Kangela Workers' Trust and has been involved with Kangela since the process started in 2003. "At the time I was a Research Manager at the University of Fort Hare and I was recruited by the Eastern Cape Department of Agriculture to be the General Manager at Kangela. I moved to Kangela and initiated the process involved in setting up a trust and identifying the beneficiaries. As this was one of the first empowerment projects in the area this was pioneering work to some degree as we had no existing model to learn from."

The farm was transferred and the previous owner, Mr Benjamin was paid in 2004. Part of the deal was that he should remain involved in the project as a mentor to train the new owners. This was to be for an interim period but there was a dispute between Mr. Benjamin and the government about the length of this period. This led to a troubled history of a protracted court case and as a

result the farm took a considerable downward turn. After positive expectations had been created the beneficiaries were naturally disillusioned with the turn of events.

"Mr. Benjamin left in 2005 and for the next two years we had a tough time at Kangela as we could not find funding for the project. The electricity was cut off and we could not apply fertilizer so the farm suffered, particularly as we had just planted 70ha of young trees in 2004. During this time I met Anton De Vries from SAFE who was introduced to me by the Department of Agriculture, Port Elizabeth Region and after some negotiations SAFE agreed that they were prepared to provide Kangela with a production loan. Government policy at the time required that we advertise to engage with strategic partners and after we completed this process, SAFE Farm Ventures was successful and they were appointed by Kangela Board as our strategic partners."

"Kangela is an independent farm and not part of SAFE but SAFE Farm Ventures has a Management Contract with Kangela. For SAFE Farm Ventures picking up the pieces on the production side and getting the buy-in of the beneficiaries has not been easy," says Allan Fitzpatrick, who is employed by SAFE Farm Ventures as a Technical Advisor in the Sundays River Valley and assists all the farms in the area that supply the SAFE packhouse with management issues, irrigation and chemical spray programmes.

Today things are looking different here after three years and the change is obvious in the considerable increase in production and health of the trees. Productions are increasing as in 2009 the farm packed 110 000 cartons and 2010 this figure increased to 160 000. The farm also has a vegetable production unit which is still producing but the increasing citrus production is assisting the farm to move back to its core business of citrus.

The beneficiaries live and work on the farm and have been through some tough times. "We have some challenges ahead of us such as a shortage of tractors. Nonetheless things are starting to look up," concluded Ricardo.



Eric Nohamba

Konzi Farm

Kat River Valley, Eastern Cape
Citrus Orchards: 25ha



Eric Nohamba is a citrus farmer in the Kat River Valley and has been farming since 1993. He is the Chairman of the Alice Kat Farmers' Trust and a member of the CGA Navel Focus Group. Eric is also a member of the Citrus Growers' Development Chamber. His 36ha farm is called Konzi Farm and has 25ha of citrus. Konzi Farm is 25km north of Fort Beaufort but the day I met Eric in Fort Beaufort the Kat River area was experiencing floods so we could not visit his farm.

"I am from Alice and after matric I completed a Diploma in Farm Business Management at Fort Cox Agricultural College in Middledrift. When I had completed my studies I worked for the Ciskei Agricultural Corporation on various farms in the Alice District including livestock farms. In 1989 I was transferred to the Kat River area and started working around here on citrus farms. At about that time the Ciskei Agricultural Corporation initiated a privatisation programme which was funded by the Development Bank of Southern Africa. Notices were posted for prospective owners to apply for the farms. I presented a business plan as required and went through the process of application. You can imagine how thrilled I was to be selected as the applicant to receive Konzi Farm! The terms for receiving the farm were that the successful applicant would receive the farm for a probation period of 5 years during which time they would pay a rental on the property. The undertaking was that after five years had elapsed, the Ciskei Agricultural Corporation would evaluate the success of the farming enterprise. If this was approved, the farmer would have the opportunity to purchase the farm and the rental already received would be deducted from the purchase price. The farmer would then receive the title deed for the land.

"In order to finance the farming operations myself and other farmers who were part of this initiative received production capital loans from the Ciskei Agricultural Bank. This was the only institution that would give us credit as we did not have title deeds to offer as security. The Ciskei Agricultural Bank was prepared to accept the value of our next crop as security.

"When I started to farm there were some major challenges. Although we could get production loans from the Ciskei Agricultural Bank, lack of land security created extreme caution on behalf of the commercial banks made it very difficult to access long-term loans to fund the establishment of citrus orchards. It was also difficult to access enough funding to be able to implement all the necessary production practices required for optimal citrus farming. I could thus not establish new trees and as some of my trees were old the productions were decreasing annually. When I received my farm it had 25ha of citrus in production. Since then I have only managed to renew 6ha.

"In 1997 the Ciskei Agricultural Corporation and other parastatal organisations were shut down without any structures in place to continue the financial arrangements that were in place. This was after four years of starting to farm and this left us without title deeds for our properties and without a funding mechanism. From that point we had to take up the situation with the South African Government's Eastern Cape Department of Agriculture. This process took a long time due to a moratorium on purchasing land from the state and we had to sort out our own funding in the interim, still without title deeds for security.

Capespan exported our fruit and they were able to assist us with production loans against the crops we were preparing to market through them but they were also not able to provide us with funding for development. Without this assistance at that time, we would not have been able to continue farming.

"After continuous attempts to engage with Government in 2007 government suggested that we approach commercial entities to enter into strategic partnerships with us, thus enabling us to develop our farms. The proposed model was a 50% partnership with a strategic partner which has been successful for a number of farmers in our area. By now some but not all of the farmers in our area have been able to buy their farms and receive their title deeds but there are still a number who have not been able to complete this process.

"The Strategic Partners that have established relationships with various farmers from this group are SAFE Farm Ventures, Capespan and Riverside. Riverside has also facilitated the involvement of the Industrial Development Corporation that has provided funding for some of the farmers.

"My Strategic Partner is SAFE. I have been involved with them for four years and I really appreciate the assistance I receive from them. They market my fruit and it is packed at Eden Packhouse, a new packhouse near Fort Beaufort. I have managed to keep going through all these challenges and once I finally receive my own title deed it will give me better options for development in the future. It is my dream to be independent and perhaps establish my own packhouse and export my own fruit. One of our biggest challenges currently is that production costs have increased sharply while returns have not and thus our profits are rapidly decreasing. If you take into consideration that locally a pocket of oranges cost R5.00 in 1993 and today costs R7.00, it is obvious that this is a problem for producers.

"I am a member of the Citrus Growers' Development Chamber. This is a new body formed under the Transformation Portfolio of the Citrus Growers Association and I hope that it will be of assistance to us as a mouthpiece in the industry to facilitate interaction with the government at an industry level.

"The Alice Kat Trust was established in 2000 to have an organisation with collective bargaining as well as a forum for collective negotiation with government. The trust has 22 citrus farmers as members and represents farmers with 800ha of citrus production. I am currently the chairman of the Trust and have an office in Fort Beaufort.

"I have six permanent and ten casual workers and during the season I also employ 45 seasonal workers. My family lives with my wife in Alice where she is a teacher. I have 18-year-old twins and a 12-year old son. My first born has received a Citrus Academy bursary and is studying at Fort Hare. My family love to be involved with the farm and I must thank them for their help and understanding.

"One must be passionate and dedicated in order to be successful at farming as it is not easy. I will carry on farming despite all the challenges that face me and I hope the government's current recapitalisation programme is successful. I also have a big debt of gratitude towards SAFE and for the Eastern Cape Department of Agriculture for their inputs towards the farm's success. I also need to thank CGA for their support and assistance with the Alice Kat Trust."

Greenwood

Kat River Valley, Eastern Cape

Citrus Orchards: 14ha



Noluthando Mbilase

Noluthando Mbilase farms with citrus and livestock on her farm Greenwood near Blinkwater several kilometres north of Fort Beaufort. The total size of her farm is 62ha consisting of 14ha of citrus orchards, 32ha of grazing and 25ha fallow ground.

Noluthando was awarded the Female Farmer of the Year Award in both 2003 and 2010 by the Eastern Cape Department of Agriculture. "I worked as a field officer in this area for the Ciskei Agricultural Development Parastatal organisation Ulimocor from 1989 to 1996. In 1996 I was transferred to this farm to restore the production and infrastructure as it had been sorely neglected by the previous owners. The production had dropped from 25 000 cartons to 3 000 cartons and this was why I was asked to come here. The results I achieved here were the reason that I won the Female Farmer of the year award. This was recognised as the empowerment of women in agriculture and thus rewarded.

"In 1997 the privatisation opportunity for this farm was advertised. I put together a business plan to acquire the farm for the selection

process and was thrilled to hear that I had been successful and was granted permission to occupy the farm.

"That year the production increased from 3 000 cartons to 12 000 cartons and in the following year in 1998 this increased further to 17 000 cartons. The farm was previously called Cranford Farm and I renamed the farm Greenwood because when I got here the trees were dry but then they started to flourish and the yield increased. In 1999 I had a hailstorm that destroyed 90% of my crop which created a serious cash flow problem for me. This was not the first time I had been hit by hail as I also lost around 25% of my crop to hail in 1997.

"At that time the farm was funded by Capespan through production loans with the crop as security. Six years ago in 2005 I initiated a partnership with SAFE and this is still ongoing. The hail was a big problem as it has increased my debt so it will take me a lot longer to get to a debt free situation than before.

"There is currently the possibility of receiving a government grant. Government has earmarked funds to provide a 50% grant to emerging farmers if their strategic partners can match that with an investment of the balance of 50%. My trees are now old and my productions are declining and without funding this will get progressively worse.

"I am a female farmer and two of my sisters help me on the farm. I chose to farm because I love it. My mother farms with chickens and livestock and I suppose that I developed my love of agriculture from her. I grew up in King William's Town and after matric I completed a short course in Citrus Production at Fort Cox Agricultural College in Middledrift.

"Previously I used to send my fruit to the SAFE Packhouse in Sundays River (a distance of close to 200km) to be packed but fortunately from this year we are packing at the new Eden Packhouse at Blinkwater. I want to thank SAFE from the bottom of my heart. They helped me after my hail losses and helped me to keep going. Andre Botha has been a great help and has motivated me to keep going and I have a great debt of gratitude to them for their support. Our productions have been excellent this year and this should help me to pay my debts.

"Farming is not a quick money maker but I remain passionate about farming. This is a long-term business and requires a great deal of input before there is profit at the end. I invite women to join the citrus industry as we need more women in our industry. I have vowed never to give up on this no matter what life throws at me.

Peter Family Trust

Patensie, Eastern Cape

Citrus Orchards: 12.6ha



Jack and Hazel Peter with their granddaughter proudly displaying their fruit

On a wet and muddy day Jack and Hazel Peter welcome us warmly into their home in Hankey's township. This hospitable couple speak of their farm with passion and have clearly had to cope with some tough challenges over the years.

The members of the Peter Family Trust all worked for Mr Tertius Meyer at Mandarin Farm before they heard about the farm in 2004. The trust was formed in 2004 in accordance with the procedure to purchase the farm and although there were initially twelve members of the family trust, two have passed away since the trust was formed.

"The farm is six to seven km from town at Rooidraai," explains Hazel Peter. "It is 36ha in total and we have 12.6ha of citrus. We all received R20 000 from the Department of Land Affairs LRAD grant scheme and together we bought the property. As there was a shortfall of R600 000 we borrowed this from the Land Bank to make up the difference. We received the farm in 2004 and then seven of the men from the family trust started working on the farm. When we took over the farm the trees were five years old.

"Unfortunately we only received the land but we had no implements which made it virtually impossible for successful production. After some time when people realised that they could not survive like this financially several of the other beneficiaries left the project. As things went backwards Land Bank wanted to take the farm back. The women from the family trust went to work on the farm and begged Land Bank not to repossess the farm.

"Government has been promising us implements since then and we have still not received them," explained Jack Peter.

As we still have no equipment we have to hire implements from other farmers in the community. Since the beginning we have really been struggling along with a chronic shortage of funds and equipment."

"We have won the Female Farm Worker of the Year Competition hosted by the Eastern Cape Department of Agriculture twice, in 2004 and 2007," says Hazel. "In 2007 the prize money we received for this was R50 000. We were able to use these funds towards preparing our fruit for the following harvest and at that time Andile Hawes from CGA was also assisting us. We had beautiful fruit that year but after it had been exported we received a call to say that our fruit did not arrive in a good condition and we were not paid for it. We had incurred debts at the packhouse and co-operative for that fruit and as we received absolutely no returns, we are unable to cover that debt which is now three years old.

"Without capital we could also not maintain the farm. We saw that our trees were going to ruin and so the only option that we had was to rent the farm to a commercial farmer. This way at least we receive something from our farm and the trees are well looked after. We let our farm to James Wait, a local farmer for R10 000 per year and he also covers the salaries for six people. This has helped us.

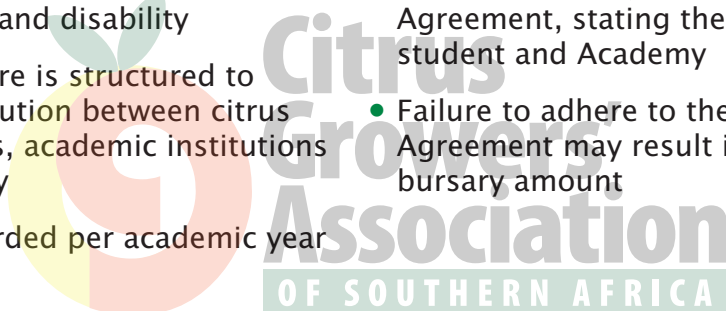
"We also farm with vegetables and have 10ha under pivot irrigation and 4ha under drag line irrigation. This provides us with some income. We hire trucks to transport our vegetables and sell them on the market in PE or in Uitenhage.

"If we owned our own farming implements we could farm on our own as we have the experience to do so. It would make all the difference. We are still paying off our debt to Land Bank and this is the first thing we pay when we receive our rental. Before the financial disaster with our exported fruit in 2008 we were well able to pay our debts. This put us back and made it necessary for us to rent out our farm."

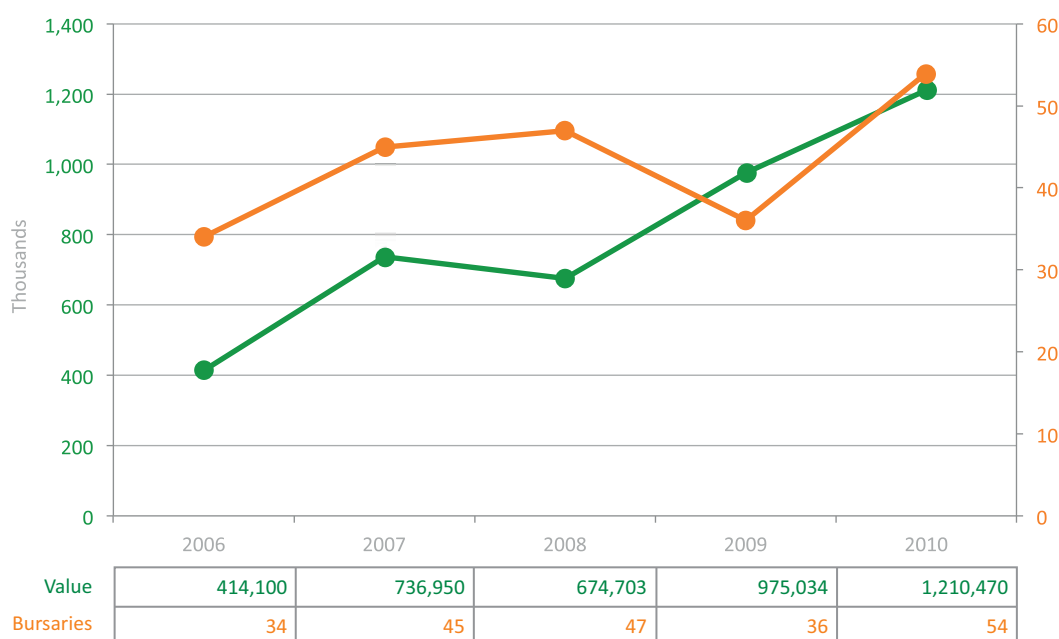
Citrus Academy Bursary Fund Report 2006 - 2010

background

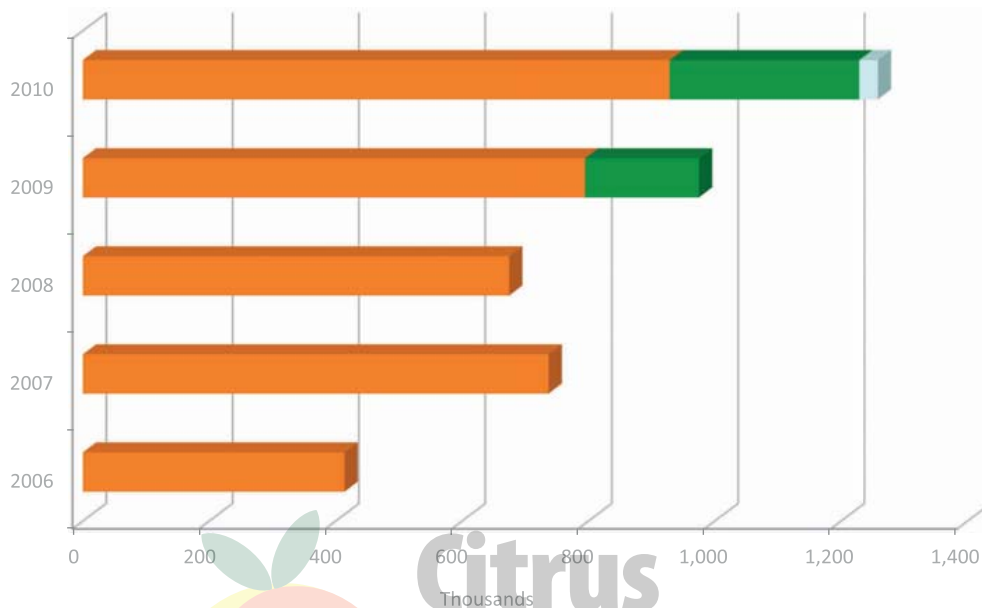
- Established in its current form at the beginning of 2006
- Bursaries are awarded directly to students
- Students in citrus-related study fields apply for bursaries
- Applications are submitted through Citrus Academy website
- Applications are rated on relevance of field of study (scarcity and criticality), PDI status, academic performance, financial need, family links with citrus industry, gender, and disability
- Selection procedure is structured to ensure fair distribution between citrus producing regions, academic institutions and fields of study
- Bursaries are awarded per academic year
- Bursaries can cover tuition, accommodation, research cost (postgraduate) and other study costs
- Funding is paid in two tranches, in February and August
- Students are given opportunities to gain experience and exposure during their studies
- Students are obligated to work time back in the citrus industry on completion of their studies
- Every student signs the Bursary Fund Agreement, stating the obligations of the student and Academy
- Failure to adhere to the Bursary Fund Agreement may result in repayment of bursary amount



scope



bursary funding



	2006	2007	2008	2009	2010	
CIT	414,100	736,950	674,703	975,034	928,889	3,549,676
AgriSETA				180,000	300,000	480,000
BEEBS					29,231	29,231
	414,100	736,950	674,703	975,034	1,258,120	

BEEBS

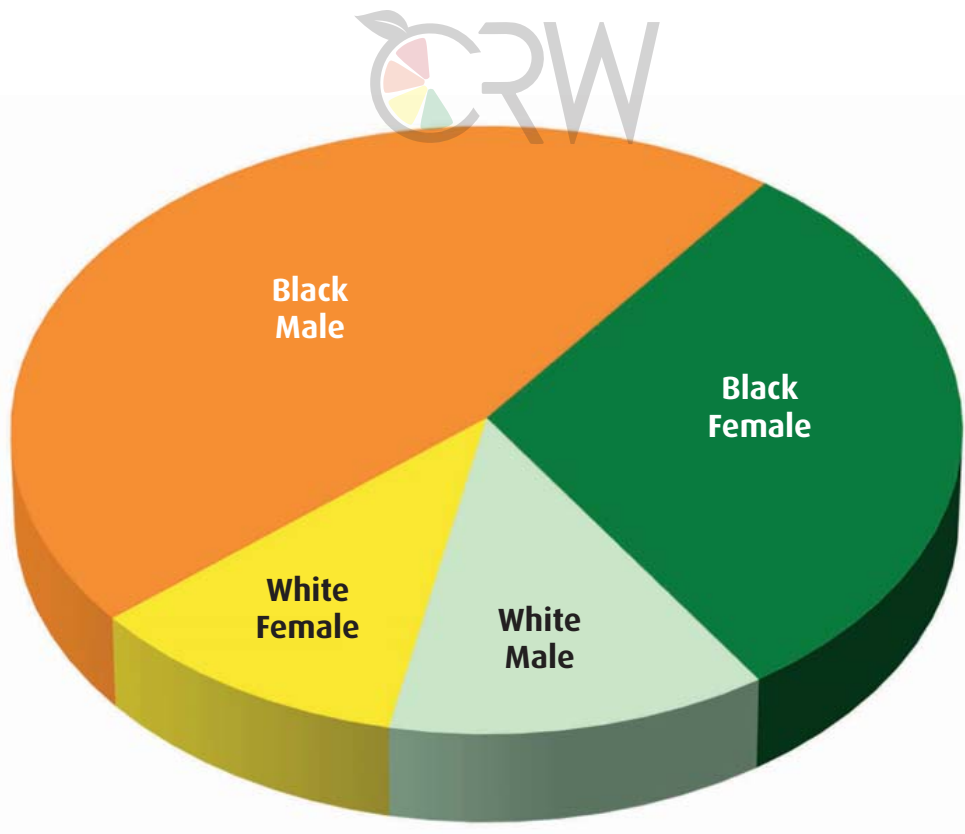
- Established in 2010 as a separate category of the Bursary Fund
- Aimed at building internal capacity of citrus farming enterprises that are BEE compliant
- Focuses on owners and part-owners of enterprises and beneficiaries and members of trusts that are owners or part-owners of BEE citrus enterprises, their family members and employees, and on members of communities that benefited from land restitution
- Candidates must be employed or interested in being employed by the citrus production unit
- Candidates are selected by the owner or community, and submitted to the Citrus Academy for approval
- The Citrus Academy enters into an agreement with the trust / community / production unit owner
- In turn, the learner signs a contract with the trust / community / production unit owner
- The Citrus Academy funds up to 50% of the learner's tuition and accommodation fees and the BEE enterprise is responsible for covering the rest
- The BEE enterprise undertakes to provide the learner(s) with opportunities to work on the farm during holidays, and with employment after they complete their studies
- Support is not restricted to tertiary education

demographics

- A weighted scoring system is used to assess applications that are received
- Scores are allocated for relevance of field of study, PDI status, academic performance, financial need, family links with citrus industry, gender, and disability
- Bursaries are allocated in two categories, being Tertiary Education Support and Scarce Skills Support, for which different scoring systems are used
- Scoring for the Tertiary Education Support category is weighted towards previously disadvantaged and under-resourced students
- Scoring for the Scarce Skills Support category is weighted towards the field of study, in order to address scarce and critical skills

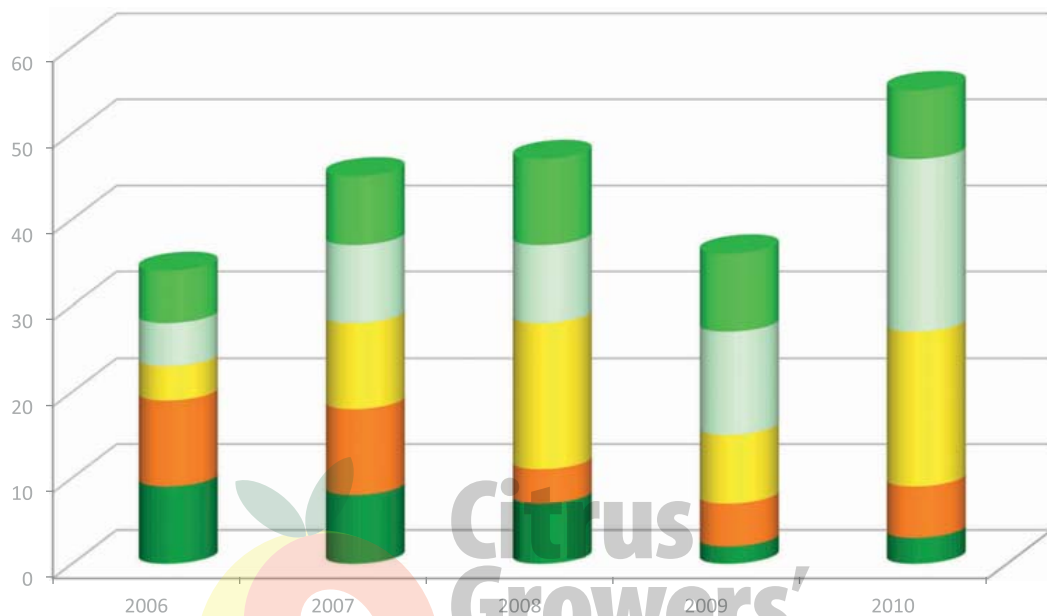
From 2006 to 2010, a total of 216 bursaries were allocated to 112 students

Group	Number	Share
Black Male	52	46%
Black Female	34	30%
White Male	14	13%
White Female	12	11%





bursaries



	2006	2007	2008	2009	2010	
Secondary education	9	8	7	2	3	29
Certificate	10	10	4	5	7	36
Diploma	4	10	17	8	17	56
Undergraduate	5	9	9	12	19	54
Postgraduate	6	8	10	9	8	41
	34	45	47	36	54	217

BEEBS students

~ indicates incomplete year

→ indicates continued studies in 2011

CIMA	Chartered Institute of Management Accountants	UCT	University of Cape Town
CPUT	Cape Peninsula University of Technology	UFH	University of Fort Hare
CUT	Central University of Technology	UFS	University of the Free State
DUT	Durban University of Technology	UKZN	University of KwaZulu-Natal
FCC	Fort Cox College of Agriculture & Forestry	UNISA	University of South Africa
Get Ahead	Get Ahead Project	UP	University of Pretoria
Intec	Intec College	US	University of Stellenbosch
LCA	Lowveld College of Agriculture	UZULU	University of Zululand
MM	Master Maths	VGHS	Victoria Girls High School
NMMU	Nelson Mandela Metropolitan University	WAHS	Winterberg Agricultural High School
NWU	North-West University	WHS	Westering High School
Rhodes	Rhodes University		

Dalen Alberts 06-08 WAHS Gr 10-12	Athuli Apleni 06, 08 WAHS Gr 10 & 12	Nelisa Apleni 09→ UFH BSc Ag Econ	Stefan Bester 06-08 , 10~ WAHS, CPUT Gr 10-12, N Dip	DC Botha 10~ UNISA N Dip	Johan Botha 08 LCA N Dip	Gerda Britz 06 UP MSc	Danie de Klerk 06-07 WAH Gr 11-12	Willie de Klerk 06-07 WAH Gr 11-12	
Sedrick Dlomu 10→ LCA N Dip	Martin Douw 06-08 WAHS Gr 10-12	Andiswa Dyonase 10→ Get Ahead Gr 10	Arno Erasmus 08-09 US MSc	Xolisa Faltein 10→ UFH BSc Agric	Noma-Afrika Frans 10→ NMMU N Dip	Kierryn Gendall 06-07 Rhodes MSc	Tarryn Goble 08-09 Rhodes MSc	Patrick Hlanganyana 09-10~ NMMU B Tech	
Brondi Hlongo 08~ Intec Gr 12	Kate Hlongo 06-08 LCA N Dip	Gugu Jali 08-10~ FCC, NMMU N Dip, B Tech	Lutho Jobo 06-10~ WAHS, LCA Gr 9-12, N Dip	Huibrecht Joubert 07→ UNISA N Dip	Nondumiso Jwatya 07 UFH B Agric(Hons)	Vuyo Keke 06-07 FCC N Dip	Sabelo Khumalo 07-09 UZULU BSc Ag Man	Andisiwe Kolwane 10 NMMU B Tech	
Ester Kriek 06 NWU BSc (Hons)	Smit le Roux 06 US MSc	Vusi Lubisi 08-10 LCA N Dip	Mosadiwa Magadani 10→ LCA N Dip	Greg Maggs 06-08~ US BSc Agric, MSc	Treasure Magopane 07-08, → LCA, UNISA N Dip, B Tech	Daniel Maki 06-08, 10 UFH B Ag Econ	Bennet Malungane 08~ UNISA N Dip	Lindokuhle Mamba 10→ LCA N Dip	
Hombisa Manakaza 06-09 NMMU N Dip, B Tech	Ndumiso Manana 10→ LCA N Dip	Vuyo Maqutu 10→ DUT B Tech	Lehlohonolo Masilo 09~ LCA N Dip	Lindiwe Masina 06-07 LCA N Dip	Nhlanhla Mathaba 07→ UKZN MSc, PhD	Clement Mavele 06-08 LCA N Dip	Sbongiseni Mazibuko 07-09 UZULU BSc, BSc (Hons)	Asanda Mditshwa 08→ UFH, UKZN BSc Agric, MSc	
Nontembeko Metula 10→ MM, UFH Bridging, B Agric	Jacolene Meyer 07~ UP PhD	Malibongwa Mfaka 07 UFH B Ag Econ (Hons)	Chwayita Mfecane 10→ VGHS Gr 8→	Sibongiseni Mgozeli 09-10 UFH BSc Agric	Muzi Mhlanga 09→ LCA, UNISA N Dip, B Tech	Portia Mhlongo 06-07 LCA N Dip	Lindo Mkhwanazi 08 UZULU BSc Agric	Ntombi Mkila 06-07 LCA N Dip	
Sinazo Mkupa 08-10~ UFH, US BSc Agric (Hons)	Nomsa Mlimi 09-10 LCA N Dip							Sandiso Mngadi 06-07 DUT N Dip Mech Eng	Nozipho Mnisi 07-08 LCA N Dip
Tsakani Mogale 06-08 LCA N Dip	Rodney Morifi 10 NMMU B Tech	Tshiliso Motsilili 06-07 FCC N Dip	Johan Mouton 10→ US BSc Agric	Nomfundo Mpahla 10→ NMMU N Dip	Vuyolwethu Mpahla 10→ WHS Gr 10 →	Lesson Mphambane 10 Damelin N Dip	Johannes Mthabela 07-09 UZULU BSc Agric	Cynthia Muhlari 08~ UNISA N Dip	
Giverson Mupambi 08-09 US MSc	Chipo Mupure 08 UCT MSc	Siyabonga Mxhalelwa 06-07 UZULU BSc Hydroscience	Mpendulo Mzinyane 07-08 LCA N Dip	Sonwabo Ncera 10→ UFH BSc Ag Econ	Sinegugu Ndamase 09→ NMMU N Dip, B Tech	Siphamandla Ndawonde 06-08 UKZN BSc Ag Econ, Hons	Lavhengwa Nemaorani 07 LCA N Dip	Caswell Ngobeni 08~ CIMA N Dip	
Velly Ngobeni 06-08 LCA N Dip	Vuyolwethu Ngxwashula 10→ FCC N Dip	Ncumisa Njombolwana 10→ US MSc	Jan Nkhwashu 06-08 LCA N Dip	Nhlanhla Nkuna 06-07 LCA N Dip	William Ntimane 08-10~ LCA, Damelin N Dip, Prod Man	Lyndall Pereira da Conceicoa 08 Rhodes BSc (Hons)	Bathathu Peter 07 UFH BCom (Hons)	Luntulwandile Peter 07 UFH BSc Ag Econ (Hons)	
Takgoa Phalakatshele 08, 10~ LCA, UNISA N Dip, BSc Agric	Zanele Phiri 07-09 US MSc	Shadrack Phophi 06 UP PhD	Babalwa Poswa 09-10~ Damelin N Dip, Prod Man	Tanya Pretorius 10 Rhodes BSc (Hons)	Ncediwe Pute 09→ UFH BSc Agric	Maxwell Qomonde 06-08 LCA N Dip	Maggie Ratau 10→ LCA N Dip	Cornelis Rossouw 10→ US BSc Agric	
Thami Sambo 09-10~ LCA N Dip	Johannah Seanego 09-10 LCA N Dip	Moloko Semenya 08-10~ LCA, UP N Dip, BSc Agric	Athandile Shoba 07, 09→ WAHS, LCA Gr 10, 12, N Dip	Xolani Siboza 07→ UZULU, UKZN BSc, MSc, PhD	Lunga Siletile 08-10 UFH BSc Agric	Marthinus Smuts 09→ US BSc Agric	Johannes Spies 07 CPUT B Tech	Kim Stoltz 06 UNISA B Tech	
Gerhard Strydom 06, 10→ WAHS, NMMU Gr 10, N Dip	Rachel van der Walt 09→ NMMU BSc, BSc (Hons)	Sonnica van Niekerk 10→ US MSc	Gideon van Zyl 06→ WAHS, UFS, CUT Gr 10-12, BSc Agric	Kirsty Venter 09 Rhodes BSc (Hons)	Johannes Vuma 07-08 LCA N Dip	Hildegard Witbooi 09→ CPUT N Dip, B Tech	Steven Zulu 06 UP BSc (Hons)	Eunice Zwane 08 UCT MSc	

student nationality

The Bursary Fund supports students from South Africa, Swaziland and Zimbabwe studying at South African academic institutions.



106

were born in South Africa

95%



3

are Zimbabwean

2.5%



3

come from Swaziland

2.5%



outcomes

At the end of the reporting period, the status of the 112 Bursary Fund beneficiaries were as follows:

78

beneficiaries completed their studies and achieved a qualification, of which

69%

10

continued studies towards a further qualification together with

9%

24

more students who applied for further support to continue their studies in 2011

21%

10

10 bursaries were cancelled before the beneficiaries achieved any qualifications, for various reasons.

9%

Two students chose not to apply for further support, four distance-learning students did not receive further support from a local service provider, with only the remaining four students failing outright in their studies.



experiential learning

vacation work

- All undergraduate and diploma bursary fund students are obligated to do holiday work at businesses related to their field of study
- Aim is to provide students with opportunities to enhance and apply learnt theory and to see how citrus enterprises operate in reality
- Citrus growers engage in transformation by nurturing a qualified, competent emerging workforce, while having the opportunity to scout candidates for employment
- Students are supervised and coached by mentors, such as technical, packhouse and production managers

61

students participated in the vacation work programme at 30 businesses countrywide

55%

22

were involved in postgraduate studies and were exempt from the programme

20%

11

did not take part in the programme

10%

8

BEEBS students took part in vacation work at the enterprise they are related to

7%

5

secondary school students were exempt from the programme

4%

5

were permanently employed in the industry and were exempt from the programme

4%

participating enterprises

Eastern Cape: Patensie Citrus, Eden Agri Services, SRCC, Riverside Packhouse, Kat River Co op, Proveg, AA Market Agency

Free State: Glen Laboratory

Gauteng: University of Pretoria, CalSA

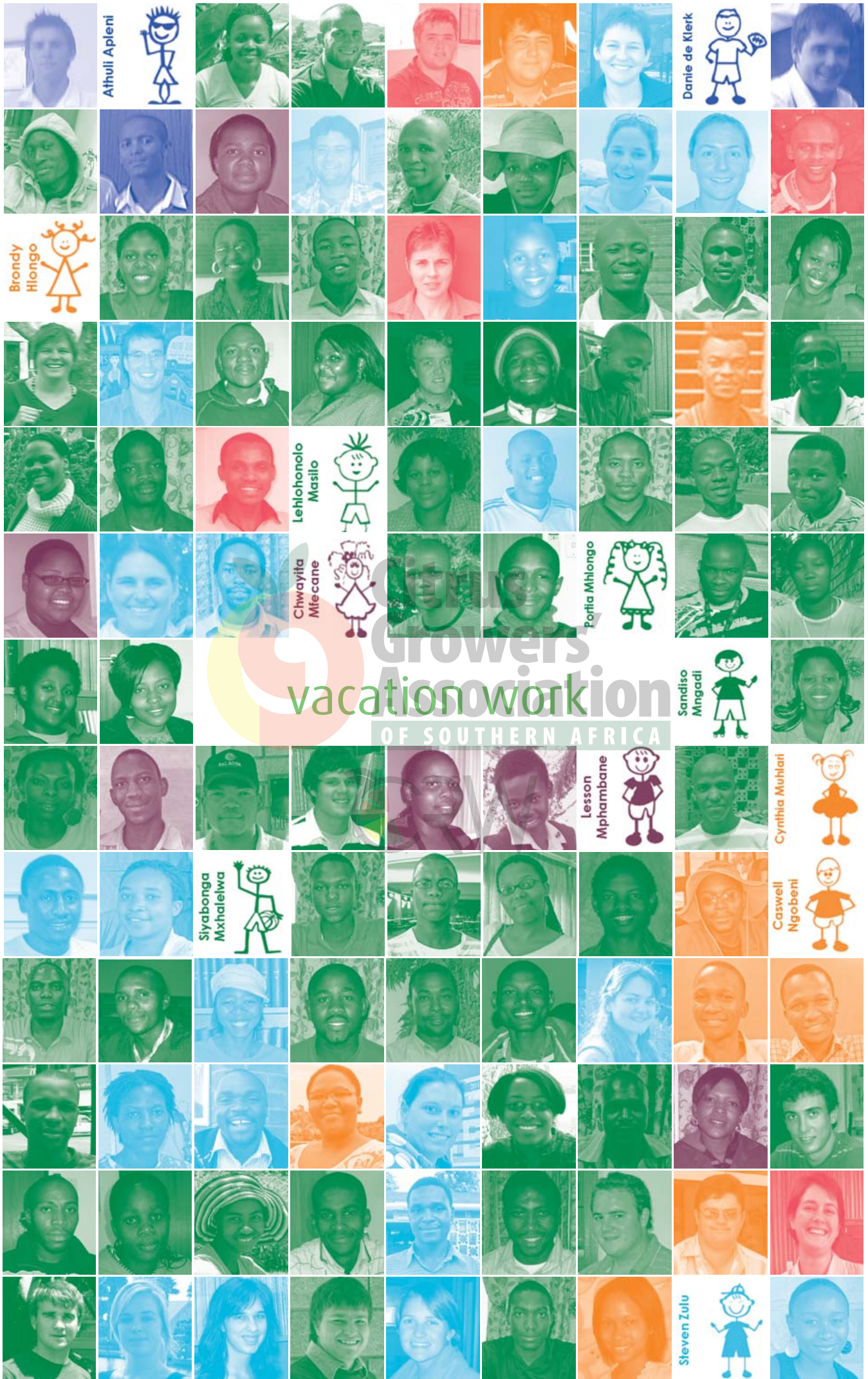
KwaZulu-Natal: Woodburn Estates, CSIR-UKZN, Nkwalini

Limpopo: Du Roi Nursery, Bosveld Citrus, Golden Frontiers Citrus, Letsitele Co op, Alicedale Citrus, Blyde Citrus

Mpumalanga: CRI, Croc Valley, Chennels Estates, Neos Estates, Schoeman Boerdery, Larten Lemons

Western Cape: Ashton Extracts, Citrusdal, FPT Cape Town, Mouton Boerdery

Zimbabwe: Mazoe Citrus



experiential learning

industry exposure

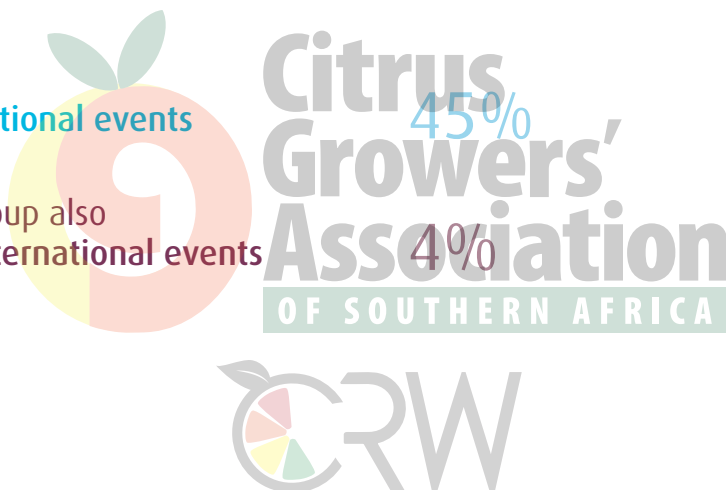
- Students are sponsored to attend local and international conferences, symposia and other industry events related to their fields of study
- Aim is to expose students to citrus and wider agricultural sector during their studies, giving useful context to formal studies
- Also assists with integration into industry and provides opportunities for students to develop networks
- Occasionally postgraduate students may present their research findings at events
- Funding is provided to cover travel, accommodation and registration costs
- Programme is sponsored by IDC

51

attended national events

5

from this group also
attended international events



events

allFresh! - 2006, 2007, 2008

CRI Symposium - 2008, 2010

International Congress of Entomology - 2008

International Citrus Congress - 2008

Irrigation Workshop - 2008

PMA Fresh Summit - 2008

African Crop and Soil Science Conference - 2009

Annual Meeting of the Society of Invertebrate Pathology - 2009

Conference of Agricultural Economics of SA - 2009

6th International Postharvest Symposium - 2009

1st Africa Horticultural Congress - 2009

SANCIAHS Symposium - 2009

Conference of the Agricultural Economics Association of SA - 2009

National Entomological Congress - 2009

SA Society of Microbiologists Congress - 2009

Global Citrus Conference - 2010

Fruit Logistica - 2010

International Horticultural Congress - 2010



experiential learning internships

- Form part of course requirements for all diploma qualifications
- Can last six or twelve months depending on qualification
- Students are assisted to find internship placements at companies in the citrus industry
- Companies provide students with accommodation, transport and practical training as per requirements of academic institution
- Progress and performance of interns are monitored
- Funding of R2,500 per month per intern is secured from the AgriSETA and channelled through employer to intern as remuneration
- After completion of internship students have option of further study or permanent employment

23

completed internships at 11 enterprises

21%

workplace experience

- Aimed at graduates who require work experience to become more employable
- Graduates are placed with citrus enterprises and given relevant practical experience and exposure
- AgriSETA provides funding of R2,500 per month per graduate for one year
- Funding is channelled to employer to subsidise graduate's remuneration
- On completion employer has the option to employ graduate

8

completed a workplace experience year at 6 enterprises

7%

participating enterprises

Eastern Cape: SRCC, Kat River Co-op, Rhodes University, SAFE

KwaZulu-Natal: South African Sugar Association

Limpopo: Du Roi Nursery, Golden Frontiers Citrus, Soleil Citrus, Alicedale Citrus

Mpumalanga: Croc Valley, Golden Frontiers Citrus, Neos Estates, Larten Lemons, Schoeman Boerdery



experiential learning

agri-industry development programme

- DAFF funds AIDP programme as part of their Experiential Training, Internship and Professional Development Programme
- DAFF also pays for candidates to participate in the Advanced Management Development course at the University of Stellenbosch Business School
- Programme targets qualified, unemployed graduates wishing to start their own business and graduates already involved in businesses wanting to enhance business and marketing skills
- Progress of the students is monitored and assistance is provided where required
- Candidates are placed at citrus enterprises for twelve months
- DAFF pays a monthly stipend to candidates

5

completed the AIDP programme 5%



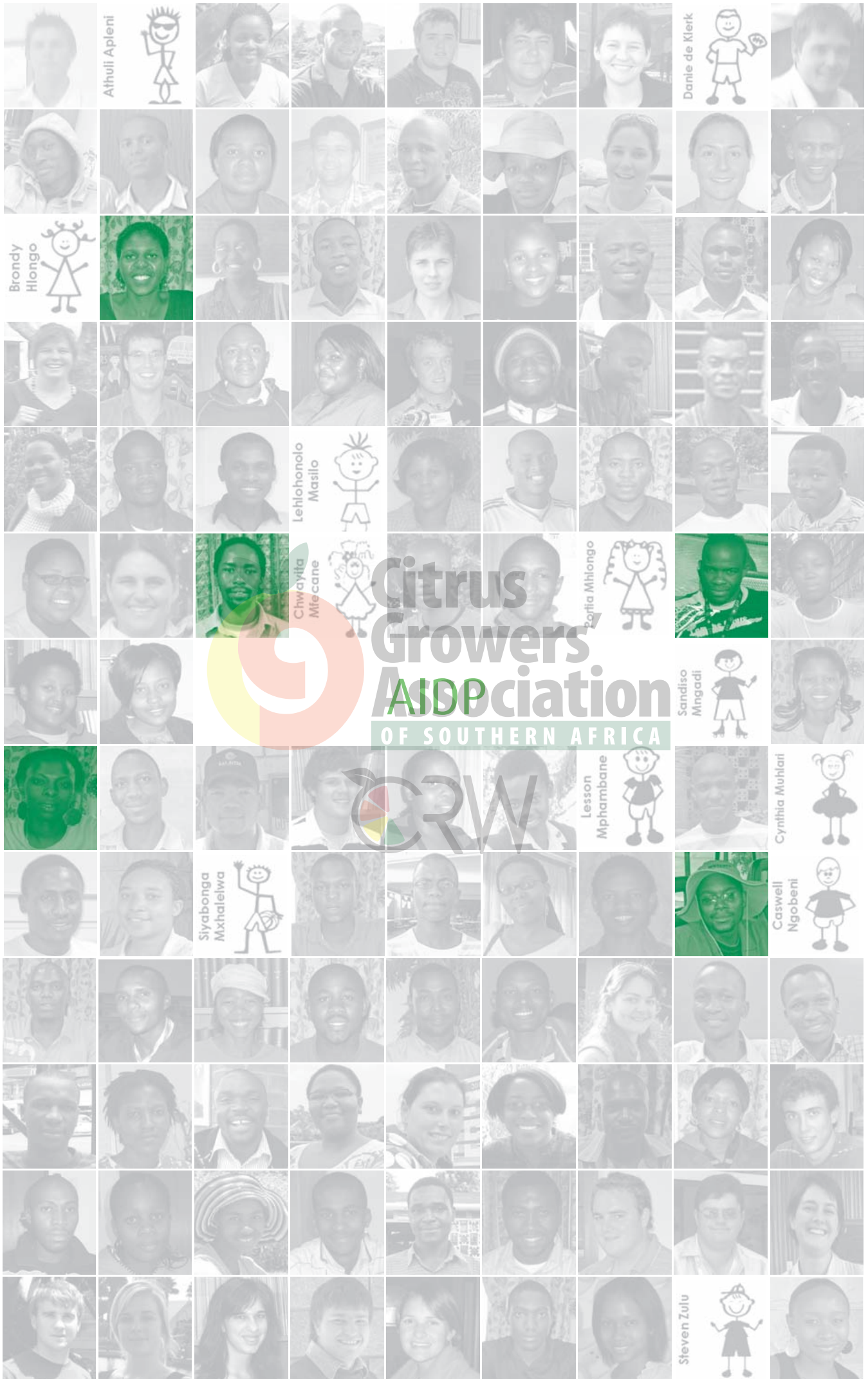
participating enterprises

Eastern Cape: **SRCC**

KwaZulu-Natal: **Crookes Brothers**

Limpopo: **Du Roi Nursery**

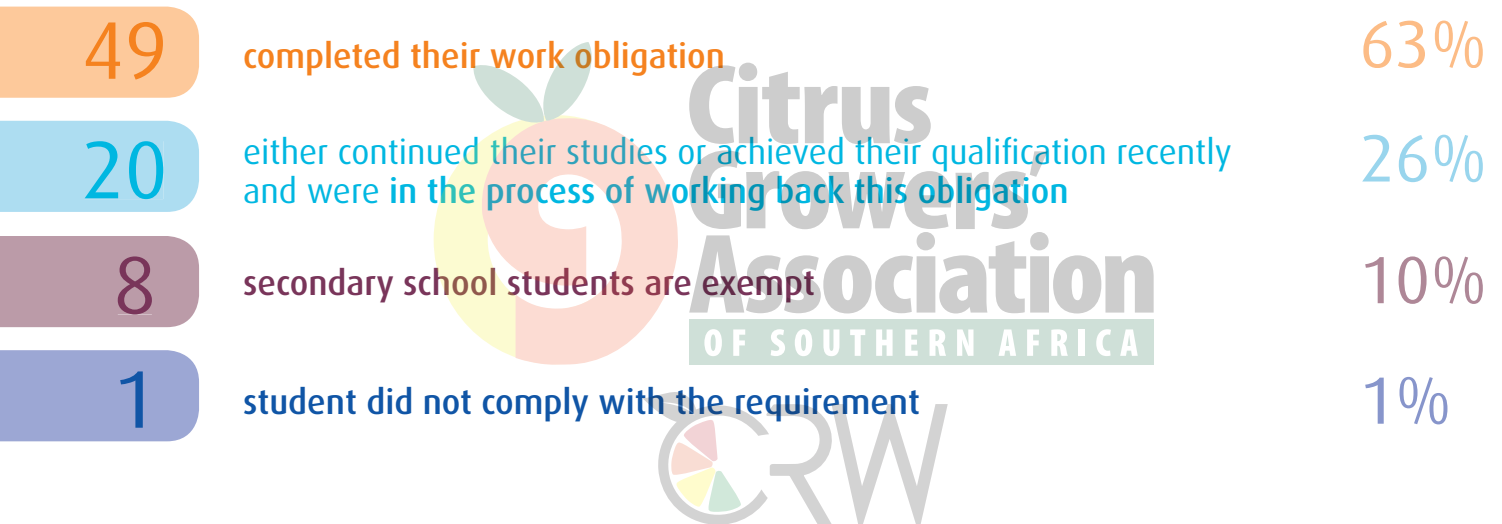
Mpumalanga: **Croc Valley**

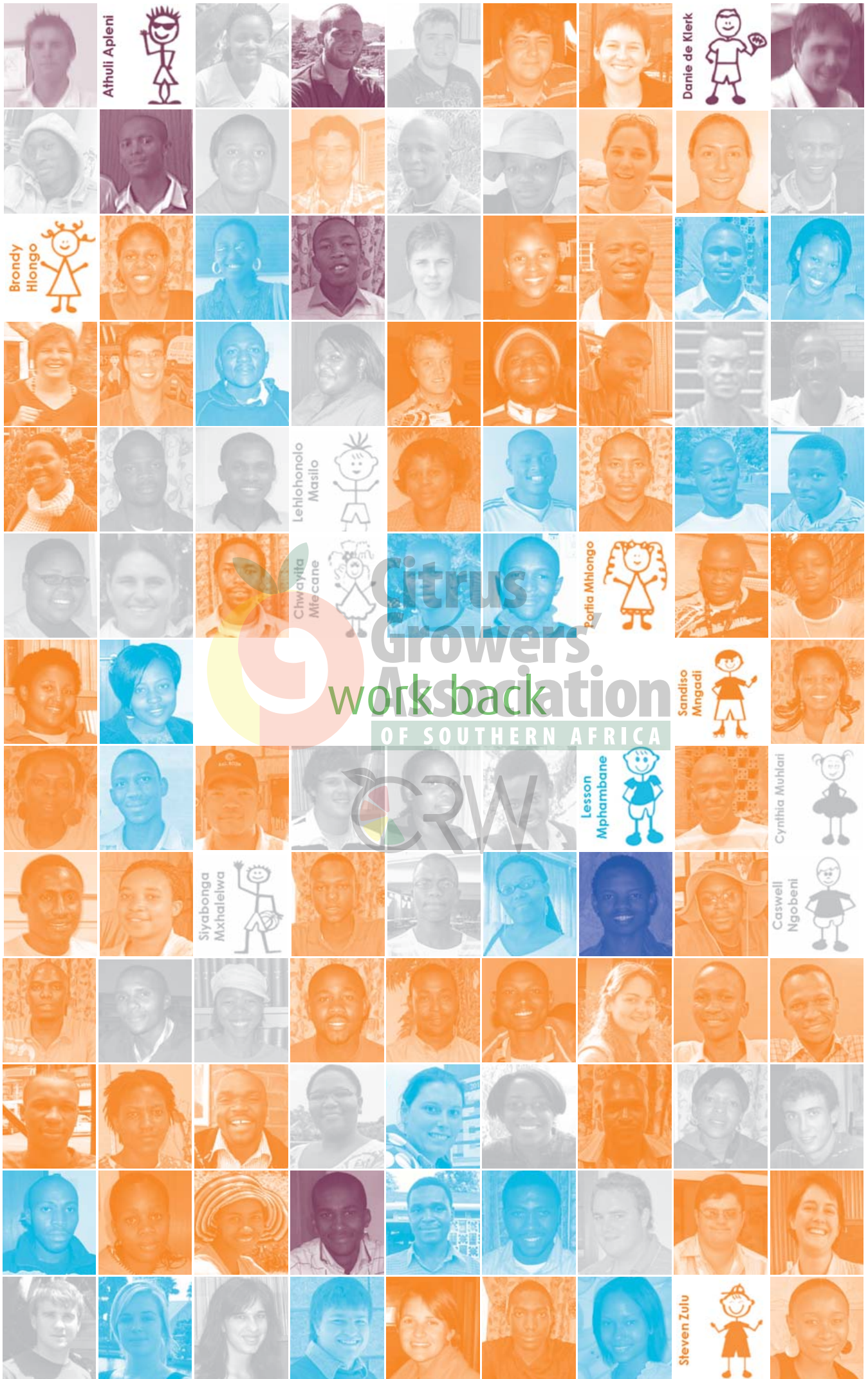


work obligation

All students that benefit from the Bursary Fund are under the obligation to work in the citrus industry after the completion of their studies, for at least the same number of years for which they received support.

Of the 78 students that had achieved qualifications by the end of the reporting period:





student pursuits

At the end of the reporting period, students who had graduated during the period under review were doing the following:





acknowledgements

The work of the Citrus Academy Bursary Fund is made possible by our generous sponsors and supporters.



Citrus Industry Trust



Your partner in development finance

Our sincere thanks also goes to every enterprise in the citrus industry that have hosted students for experiential learning, to each academic institution that offered a conducive learning environment for students, and, most of all, to each and every Bursary Fund student for putting in the hard yards.



Roadside Tea, Limpopo Province

Andrew Mbedzi, Bruce Andrews and Louise Brodie

Author's Note

Experiencing very real and successful transformation first hand in the citrus industry has been both an inspiration and a privilege. I would like to thank the Transformation Desk at CGA for entrusting me with this assignment.

This publication would not have been possible without the CRI Empowerment Extension officers Melton Mulaudzi and Andrew Mbedzi and Master Mentor Bruce Andrews.

In the Eastern Cape Melton Mulaudzi provided a good background to the area and we travelled to places so far off the beaten track to visit orchards that I had to find them on Google Earth! Despite unseasonal torrential rains and flooding he managed to

get us where we needed to go. We had some laughs as well. While I was opening a farm gate I had offered to open, I noticed a bull close by eyeballing me and from behind the wheel Melton philosophically reminded me that life is indeed full of risks!

In Limpopo and Mpumalanga Andrew Mbedzi and Bruce Andrews' combined knowledge of empowerment within the region's citrus industry proved invaluable. They also saved me from countless "geographically embarrassed" situations by getting us to unsigned destinations that I would never have found on my own. The experience and inputs of all my guides during and after the trips have been hugely helpful in compiling this publication and I would sincerely like to thank them for their time, inputs and many kilometres travelled safely.

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Louise Brodie is a freelance journalist and photographer who reports on the South African Fresh Produce Sector for South African and international publications. This is her fourth publication commissioned by CGA.

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