

# 'SRCC's Transformation Times'

"EMPOWERMENT NEWS FROM THE PEOPLE FOR THE PEOPLE"

30 September 2015

**Another significant step:  
New Greenfields Project**

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**Current Successful BEE  
Projects:**

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*SRCC consolidates its Transformation Blueprint*

Continued support to  
the existing successful  
BEE farming  
enterprises

Support to individual  
farmer members who  
set up their own private  
BEE farming initiatives  
and enterprises

Establishment of a large  
Grower/Farm  
Employee  
Participation Scheme

Establishment of a large  
citrus farming  
educational  
“academy”

The SRCC Foundation  
—a vehicle through  
which funds are applied  
for the benefit of the  
Sundays River Valley  
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## **SRCC's Transformation Blueprint**

SRCC is the largest citrus services organisation in South Africa and has been extremely successful to date in terms of its transformation and BEE land reform initiatives. In order to provide further momentum to its empowerment drive it has consolidated its transformation achievements to date and its future goals and objectives into a Transformation Blueprint which will be the foundation on which it builds its ongoing transformation and empowerment within the organisation, its citrus grower members, their farm employees and the Sundays River Valley communities. The SRCC Transformation Blueprint has 5 key components which are as follows:

1. <i>Continued support to the existing successful BEE farming enterprises (9% of SRCC's citrus production is black-owned) and further extension thereof with additional new projects</i>	<i>SRCC's goal is to extend its black farmer ownership to at least 30% of its membership/production by establishing more black citrus farmers on their own farms who will be full members of the organisation and will receive the full range of support services from the organisation</i>
2. <i>Support from SRCC to individual farmer members who set up their own private BEE farming initiatives and enterprises for their farm workers.</i>	<i>SRCC has a dedicated department, the Primary Production Dept., which has been established to provide support, training, development and mentorship for its emerging farmers and it will assist individual farmer members who establish their own BEE initiatives for their farm workers in all aspects as required.</i>
3. <i>Establishment of a large Grower/Farm Employee Participation Scheme which will comprise of a large citrus farming enterprise in which SRCC's grower members will be able to invest on behalf of and for the benefit of their own farm employees</i>	<i>SRCC is in the process of purchasing a large farming property on which it will establish this participation scheme for its growers and their farm workers, on a "share block" basis. SRCC will develop and manage the farm on behalf of the grower/employee participants which will ultimately provide a profitable and sustainable citrus farming enterprise that will be of significant benefit to the grower participants and especially to their farm workers. The investments in the scheme will be made by the growers on behalf of their farm workers who will benefit directly in future from the profits generated by the enterprise. It is envisaged that around 30 growers will participate and that at least 200 farm workers will be beneficiaries in the scheme. The permanent workers on the farm and the SRCC packhouse permanent workers will also be beneficiaries.</i>
4. <i>Establishment of a large citrus farming educational "academy" which will provide much needed opportunity to develop and nurture future emerging citrus farmers</i>	<i>An exciting opportunity has been identified to establish an educational citrus farming enterprise on which aspirant young black citrus farmers can be trained, developed and mentored into the successful farm owners or farm managers of the future. The project will be operated and managed by SRCC's Primary Production Dept. and it will provide all the required educational support for the future farmers as well as ensuring that the farming enterprise remains profitable and sustainable over the long term.</i>
5. <i>The SRCC Foundation – established a number of years ago as a vehicle through which funds can be raised and applied for the benefit of the Sundays River Valley communities to alleviate poverty, provide educational, health and environmental support in the area and improve the quality of life in general</i>	<i>The SRCC Foundation will continue its work in support of the communities of the SRV. It has some worthy projects such as schools, a crèche, feeding schemes, HIV and Wellness , Recycling projects, etc. that it supports and it will continue to seek more funding assistance in order to carry out this vital component of its transformation efforts.</i>

## **- NEW GREENFIELDS** **PROJECT -**

### **SRCC takes another significant transformation step**

Sundays River Citrus Company (SRCC), one of the leading citrus services organisations in the country, has taken another major step in its transformation journey with the recent acquisition of a large farm in the Sunland area, on which it plans to establish a significant black empowerment citrus farming enterprise. Below is an image of the farm which is 1191 hectares in extent and which is expected to provide around 650 hectares of productive citrus land.



The property transfer process is underway and once completed, the Environmental Impact Assessment, which is required to be done before a water licence can be granted to the property, will be continued. It is believed that the unique empowerment model which is being formulated will ensure that the water licences are allocated. Because the project is "greenfields" it is a long term venture – citrus trees, once planted, will take 6-7 years to produce meaningful volumes – and will be developed over at least 4 one-year phases, with the orchards anticipated to comprise around 650 hectares. The remaining area could be used for alternative farming types if appropriate.

The plan being formulated includes the establishment of a Workers' Trust in which around 150 farm and packhouse workers are expected to eventually be the beneficiaries as the development matures and which will be a significant shareholder in the farming enterprise. Furthermore, the unique aspect of the venture is

that the SRCC citrus producers and members will also be invited to participate individually as investors in the project and will have the opportunity to take up "share blocks" in the enterprise on behalf of their own farm workers. SRCC itself will also hold a share in the enterprise and will be responsible for the development and management thereof. The size of the project makes it feasible to be of benefit to the large number of anticipated beneficiaries. The long term profitability and sustainability of the venture is thus of paramount importance so the commercial interest in the project is critical, along with the extensive developmental, training, skills transfer and mentorship benefits that will accrue to the beneficiaries.

The finer detail of these plans is still to be completed but it obviously represents an extensive job creation opportunity – it is anticipated that, although it is a long term venture, at least 1000 jobs will be created while the growth in the volume will give rise to numerous other opportunities and spin offs in the citrus value chain.

This project forms a vital part of SRCC's overall transformation and development plan and will undoubtedly ensure that the organisation and its grower members are front-runners in both the citrus industry's and the country's transformation and land reform efforts.

- **CURRENT SUCCESSFUL**  
**BEE PROJECTS –**

**Sundays River Farming Trust  
(SRFT) and Siyaphambile**

SRFT	
Hectares	420 ha
Production	9,505 ton
Export Cartons	406,247
Beneficiaries	29



The Sundays River Farming Trust, which was established in 2007, is one of SRCC's most successful BEE farming enterprises. The operating company of the Trust is Sikhula Sonke Enterprises (Pty) Ltd. With profits generated from this business the beneficiaries agreed to purchase a tract of land of their own of 117 hectares, with water licences, to add to the land which is currently under long lease from the Government.

Its vision is the creation of well-established citrus farms which are profitable and sustainable over the long term, in order to provide both significant employment opportunities and revenue on an on-going basis. This can then contribute meaningfully to the support, upliftment and improvement in the quality of life of the beneficiaries. Sikhula Sonke Enterprises has enhanced the opportunity to create this long term profitable and sustainable business for the benefit of its beneficiaries with the acquisition

of this farm known as Siyaphambile (117.1993ha), which is situated next to the Nomathamsanqa Township, Addo. SRCC provides support to the management team, which includes but is not limited to human resource management, production management and technical assistance. This also includes ensuring that assets are maintained and improved and the transferring of farming and business skills to the beneficiaries.

Training and skills development is therefore an important priority to ensure that the previously disadvantaged individuals are taught the skills needed to become successful farm managers.

The development is divided into 3 phases: Phase 1 has already been completed and Phase 2 has just begun. The erection of farm buildings is now in process, security fences are being set up and the plan is to start planting young trees during November/December. The third and final phase will commence towards the end of 2016.

The initial farming enterprise was funded through the PLAS scheme made available by the Department of Rural Development and Land Reform, which means that the land purchased is owned by the Government. It is strongly believed by the beneficiaries of SRFT that, due to their success to date, ownership of this land, which is currently under a long lease, should be transferred to the beneficiaries. This step would result in one of the most successful transformation and land reform stories in the country.

## **Luthando Farm (Pty) Ltd**

LUTHANDO	
Hectares	130 ha
Production	3,351 ton
Export Cartons	139,110
Beneficiaries	49



In 2003, 59 beneficiaries on Luthando farm, received access to Luthando farm through the LRAD scheme (Land Redistribution for Agricultural Development). 75% of the farm was owned by the Workers Trust, and the remaining 25% was retained by the previous owner of Luthando.

In 2008, SRCC bought 25% shares in Luthando from the previous owner. The Workers' Trust which owns the remaining 75% of the shares, then entered into a five-year management agreement between SRCC and Luthando.

The initial aim of the project was to ensure that at the end of the 5-year period, the Workers' Trust will have 100% ownership of Luthando. SRCC fully supports the daily management, which includes but is not limited to human resource management, production management and technical assistance in the orchards.

This also includes ensuring that assets are maintained and improved and that the transfer of farming and business skills to the beneficiaries takes place. The management agreement has been extended for a further 5

years and the gradual buy-back of shares is being planned by the Luthando management.

During 2013, Luthando Farm celebrated their 10th Year Anniversary as a successful BEE Project.

## **Mbuyiselo Plase (Pty) Ltd**

MBUYISELO	
Hectares	62 ha
Production	1, 835 ton
Export Cartons	60,078
Beneficiaries	23



Mbuyiselo was owned by the Mbuyiselo Workers' Trust (75%) and Mr. Boeram Venter. During 2010, Mr. Venter sold his 25% share to the Mbuyiselo Workers' Trust. The beneficiaries of Mbuyiselo acquired the 25% share through a bank loan. SRCC concluded a management agreement with Mbuyiselo and is responsible for the day to day management of the farms, together with the identification, mentorship and training of successful black farm managers. As with other BEE projects, SRCC is fully involved with supporting the management, with regard to human resources, production, financial management and technical assistance, asset maintenance and the transfer of farming and business skills to the beneficiaries. Financial support has also

been provided by the Department of Rural Development and Agrarian Reform (DRDAR) in the form of recapitalization funds, with which various items of equipment were acquired which has assisted Mbuyiselo Plase significantly.

On the 9<sup>th</sup> October, Mbuyiselo Plase will celebrate their 10 year anniversary, putting a positive mark on their growth and on how far they have come over the past 10 years.

## **AWARDS AND ACHIEVEMENTS -**

### **Winner : Female Farmer/ Entrepreneur of the Year**



Buyiswa Marrie Ndyenga is the General Manager of Sikhula Sonke Enterprises (Pty) Ltd.

In 2012, Mrs Buyiswa Ndyenga was awarded the prize of Female Entrepreneur for 2011 in the Eastern Cape (Western Region) by the Department of Rural Development & Land Reform. She was also awarded the Provincial Female Top Export Entrepreneur Award for Willowtree Farm for the year 2011/2012.

Having come a long way from where she started at the young age of 24 as a casual worker, she entered into the competition for the Female Entrepreneur Awards, which is a competition for female farmers who were previously disadvantaged. The 7 categories entered into

were Best Worker; Small Holder; Subsistence Producer; Processing; Commercial; Rural Development and Export Markets. Ms. Ndyenga won the 1<sup>st</sup> prize for the Export Markets and also was the overall winner for the Western District. At the Provincial competition, Ms Ndyenga won the 1<sup>st</sup> prize for the Export Markets as well as the award for the overall winner. She was also the only winner from the Western District. At the recent National competition held in KZN on the 27<sup>th</sup> of August 2015, hosted by DAFF (Department of Agriculture, Forestry and Fisheries), M.s Ndyenga again won the top export market category award! These awards are due acknowledgement of her dedication to her farming business and to her beneficiaries. As General Manager and Trustee she has indeed come a long way and can be extremely proud of her achievements to date!

### **Winner: Luthando Farm : General Manager**



During 2014, the General Manager of Luthando Farm (Pty) Ltd, Ms Nokwanele Ivy Mzamo, was presented with the Female Farmer of the Year Award – First place, Western District by the Department of Rural Development & Land Reform. She also won the Female Entrepreneur Award : Export, Overall Winner for the category.

Ms Mzamo was invited to the 2015 Opening of Parliament and was asked to stand and was then acknowledged by Mr Jacob Zuma.

## AgriSETA : National Awards

Nomhle Selani-Jack came second at the AgriSETA National Excellence Awards Ceremony for ABET Best Performing Learner in September 2013. Nomhle was nominated by the management of Sundays River Farming Trust

because she always maintained a very high attendance rate throughout the training program. Nomhle was also trained during 2013 to become an ABET facilitator and is now currently facilitating along with Hilda Mkotswana, SRFT's other ABET facilitator. Due to the success and benefits of the ABET programme, we have more workers who are enrolling for the next course.



## - INNOVATIVE HEALTH CARE -

### Farm Clinics

Together with the Automotive Industry Development Centre Eastern Cape (Pty) Ltd (AIDC EC), the initiative was taken to set up clinics on all the Sikhula Sonke Enterprises farms as well as on

Luthando Farm and Mbuyiselo Plase. The idea behind this initiative is to provide health care and support on site to workers so that they don't have to leave work for half a day to visit the clinic in town. The hope is that this initiative will roll over to the rest of the agricultural sector in the area as well, providing health support to their workers. The clinics on Sikhula Sonke Enterprises' farms are well under way and began their valuable work at the end of August.

## Wellness Days

In December 2013 Luthando Farm and Sundays River Farming Trust with the support of Sundays River Citrus Company entered into an MOU with the Automotive Industry Development Centre Eastern Cape (Pty) Ltd (AIDC EC) to run a Farm Worker Wellness Programme on the four SRFT

farms and Luthando Farm. The aim of this programme is to educate farm workers about HIV/AIDS, TB and other health related topics.

The programme consists of:

- Awareness sessions on various topics presented by Peer Educators on each farm.
- Educational theatre plays on health topics by the Sibanye Theatre Group.
- Wellness days on each farm where workers will be able to have testing done voluntarily and confidentially.
- Surveys on farms to gather information to ensure that research can be done for the sector to improve health services.
- Access to condoms, pamphlets and counselling where necessary.

A Wellness week program was run from 17 to 25 August 2015 and under the coordination and planning of Ms Lorraine Marais from SRCC, 600 farm workers participated with great success.

## **- TRAINING AND DEVELOPMENT –**

### **Masifunde Sonke Education & Training Centre**



We celebrated the opening of the Masifunde Sonke ETC on the 6<sup>th</sup> of August 2013. We were fortunate enough to have Mr Henri Zondag from the Albert Heijn Foundation present at the function, as well as Dr. Swartz, a representative from the Minister of Rural Development and Land Reforms' office. The opening was covered by representatives from all the major press and media institutions. The Centre was used for the first time during 2014.

Before photo:



After photo:



Before photo:



After photo:



The training centre can accommodate **60 learners** in the lecture room and **12 students** in an AET class.

This training centre plays an enormous role in taking the training and skills development function of the SRCC BEE Projects to a higher level for the benefit of all the beneficiaries and employees

The training centre, which is an outstanding facility, is used daily and hosts the following training programs/activities, to name but a few:

- ✓ AET Training (Adult Education Training previously called Abet)
- ✓ CRI Meetings
- ✓ CRI Study groups
- ✓ Learnership Programs
- ✓ Mentorship Programs
- ✓ MDP Training
- ✓ Workers/farm feedback meetings
- ✓ Farm Management Meetings
- ✓ Audit & Accreditations

## **Dept of Rural Development and Agrarian Reform (DRDAR)**

SRCC Primary Production was in the fortunate position to receive a total of 12 training courses sponsored by the Department of Rural Development and Agrarian Reform (DRDAR) free of charge, for the farms under their management (period September 2013 to February 2014).

The DRDAR arranged for service providers as well as meals for the learners. All the training courses took place in the Masifunde Sonke ETC and a total of 63 learners were trained. Some of the learners completed more than one course in this period. These learners received certificates on the 14<sup>th</sup> of February 2014 which was attended by representatives of DRDAR, management representatives of SRCC as well as members of media. As the current season comes to an end, a similar package of courses will again be presented for 2015.



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