Thudana Citrus Trust launch ushers upliftment

CATHERINE MILWARD-BRIDGES

Transformation and social investment initiatives are potential economic stimuli. However, these are often misunderstood and even viewed with a jaundiced eye. But it's when they bear the makings of solid partnerships geared towards helping to build a workable social compact, that credibility is gradually restored.

The Thudana Citrus Trust of San Miguel Fruits SA, which launched in the Sundays River Valley on 28 January, is one such initiative. San Miguel Fruits SA made an investment of R 200 m in the Thudana Citrus Company. This has catapulted qualifying workers to board-member status, granting them collective ownership of 30% in this broad-based black ownership scheme. Standard Bank has also contributed substantially to this investment.

The launch event, which was hosted by senior management from San Miguel Fruits SA, drew key roleplayers in the industry, including Deputy Agriculture Minister, Nonhlanhla Buthelezi and Standard Bank's head of agri-business, Nico Groenewald.

San Miguel Fruits SA is a subsidiary of The San Miguel group of companies – a global Argentine agri-business, – and a key player in the SA citrus industry. This business is set to change the lives of the 120-strong group of beneficiaries for the better, through a long-haul partnership. They comprise 53 members from San Miguel Fruits (33 men and 20 women), 40 from San Miguel Sunnybank (29 men and 11 women), and 27 men from San Miguel Farming Services.

San Miguel has also appointed three independent trustees to assist the Thudana Trust members in making their participation in meetings meaningful, as well as to impart critical decision making skills (among other things).

This agri investment powerhouse intends going beyond merely handing over farms without ongoing mentorship and support. Country Manager, Andries du Preez affirms Thudana Citrus's commitment to empowering the community over the long term through education and training. Says du Preez, "Through Thudana Citrus, members play an active part within this fully operational citrus company." These well-deserving beneficiaries are now able to participate in the larger value chain.

Whilst speaking to some of the trustees at the event, it was heartening to note their objective view of this newly formed partnership with Thudana Citrus. They're under no illusion about the challenges linked to this great opportunity, like the required paradigm shift on their part, from employee to part-owner; realities around the protracted waiting period for dividends to be paid out; and having to learn how to tackle future disagreements with leadership, as trustees.

Above: We caught up with these trustees, Sharief Jordaan, Lucinda Speelman, Bukelwa Colani, and Sivo Ceke.

Left: Nonhlanhla Buthelezi, Deputy Agriculture Minister.

Below: Keynote speakers at the launch were Andries du Preez (Country Manager: San Miguel Fruits SA), Nonhlanhla Buthelezi (Deputy Agriculture Minister), and Nico Groenewald (Head: Agri-business, Standard Bank).

But they're excited about becoming shareholders; the hope that this venture brings for the betterment of them and their families; and the availability of ongoing training, to help them grasp the dynamics of their partnership, and all relevant technicalities.

An increase in local citrus production and its growing popularity globally bodes well for the future of Citrus, which is a key roleplayer and contributor to SA's R44 bn fruit industry. Currently, the industry supplies 200 000 jobs through direct employment, 109 000 through downstream services and 8 000 through direct services rendered. These could increase steadily with the launch of more initiatives that result in true job creation and empowerment.

In the agricultural sector access to funding remains a significant barrier to entry, particularly for aspiring developing farmers. Initiatives like the Thudana Citrus Trust ensure sustained financial support over the long term, allowing workers to grow and take on even more responsibility within the industry. A trust of this caliber is also a source of vital resources and training for workers.

Partnership initiatives that demonstrate a real commitment to empowering workers in our industry contribute positively towards driving two critical aspects of our industry agenda: strengthened partnerships with government, and *real* transformation. Plus, the empowerment that these initiatives bring helps to raise the profile of our agricultural sector.

Last year, San Miguel Fruits SA also invested in other citrus operations in SA, amongst them:

- 40% in Sun Orange Farms, a citrus-producing farm in the Kirkwood area, with 242 ha of cultivated area
- 100% in Thudana Fruit, through which fruit for the SA market is sold
- Sun Citrus Packers, which includes a packhouse with two lines and a maximum capacity to pack 140 000 bins (56 000 tons).