

Succession stories in the citrus industry

Simunye Workers' Trust, Sitrusrand Boerdery

Pieter Nortjé is the owner of Sitrusrand Boerdery near Kirkwood. When asked about succession in the farming business, he stressed its importance within the business for the employees of Sitrusrand. By Gloria Weare (adapted from Louise Brodie)



Pieter explained that although he had long realised the importance of starting an initiative for the empowerment of the Sitrusrand employees, deciding how to tackle this successfully presented a challenge. "In 2005 I started looking for the ideal effective empowerment project. I spent years investigating many different types of projects, including government-funded empowerment projects and in the end, decided to design an empowerment project suitable for our circumstances."

Working with Price Waterhouse Coopers, Sitrusrand Boerdery established the Simunye Workers' Trust in 2012, specifically for Sitrusrand Boerdery workers with at least 10 years' service (seasonal packhouse workers and the permanent workforce).

Simunye Citrus (Pty) Ltd came about when Sitrusrand identified a suitable farming unit at Addo for purchase – the Simunye Workers' Trust acquired 30% and Sitrusrand Boerdery retained the balance of 70%. Simunye means "we are one".

At the time of writing the original version of this article in 2019, the final staff composition was 94 people – 52 black women and 42 black

men. To enable them to purchase their share, Sitrusrand Boerdery lent the Simunye Workers' Trust the capital to buy their 30% portion of the property. Sitrusrand Boerdery operates and manages the Simunye Citrus farm and the trust's loan is being repaid by the trust over 10 years from their income from the farm.

The beneficiaries of the Simunye Workers' Trust are still employed by Sitrusrand Boerdery and are able to continue with their jobs while they also receive annual dividends, based on the profits of the farm. The size of this farming unit is 115 ha and at the time of purchase it had 60 ha planted with citrus, which has been expanded to 92 ha of citrus to date.

"We took time to set up the conditions details of the Trust," explained Pieter. Each of the beneficiaries were able to nominate a personal specified next-of-kin beneficiary. Thus, when the trust's beneficiary resigns or retires from Sitrusrand Boerdery or passes away, they or their nominated next-of-kin beneficiary will be paid out the value of their share. This was designed specifically to provide the benefit to the individual employees who had worked for Sitrusrand

Boerdery for many years. To date, four people have passed away and their shares have been successfully paid out to their designated next-of-kin beneficiaries, thus entrenching trust amongst the beneficiaries.

Pieter explained that when beneficiaries leave, new people who meet the criteria are introduced into the trust, preventing the number of beneficiaries from dwindling. A number of additional employees have now reached 10 years of service, and in response, Sitrusrand has established Simunye 2.

"These people will be incorporated into Simunye 2 and I plan to sell 20% of the current 70% Sitrusrand Boerdery shareholding in this farm to Simunye 2."

A larger part of the success of the project lies in the fact that Simunye Citrus (Pty) Ltd is an integrated part of Sitrusrand Boerdery and is farmed as part of the Sitrusrand Boerdery farming operation. Simunye Citrus (Pty) Ltd thus has the full benefit of the Sitrusrand infrastructure, management services and expertise. Their fruit is packed in the state-of-the-art Sitrusrand Boerdery packhouse and through the packing and marketing process, they have access to the same choice export markets as Sitrusrand Boerdery. These benefits are advantageous for the returns for Simunye Citrus (Pty) Ltd.

Cynthia Yawa and Linda Swaartland are beneficiaries and trustees of the Simunye Workers' Trust and are junior packhouse managers in the Sitrusrand pack house. "We really appreciate the opportunity that Simunye Workers' Trust provides for us as the additional income has made a huge difference to our lives," says Linda.

They explained that as trustees, they are the link between Simunye Workers' Trust and Sitrusrand Boerdery and that it is their job to ensure good communication and understanding between these two entities.

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Simunye Citrus farm manager Nathan Koeberg, Sitrusrand owner Pieter Nortjé, and Cynthia Yawa and Linda Swaartland, who are both beneficiaries as well as trustees of the Simunye Workers' Trust in front of one of Sitrusrand Boerdery's branded trucks

"We are extremely proud of Simunye Citrus (Pty) Ltd and enjoy visiting the farm from time to time when we have the opportunity to do so," says Linda. "Since we took over the farm, it has been extended with soft citrus and lemons. The trees have matured already and are now all in production, and bearing well. Our farm produces oranges, lemons and soft citrus and we are proud and excited when the fruit from our farm comes into the packhouse for packing. We are extremely grateful for this opportunity. Every year we receive our dividends. We are proud of our employer, Pieter Nortjé and we really hope that God will spare his life for many years to come."

Nathan Koeberg is the manager at Simunye Boerdery, and is also a beneficiary and trustee of the Simunye Workers' Trust. He acquired a diploma in agriculture and for his in-service training he was placed at Simunye Citrus farm in 2011, after which he was permanently employed by them. "It is a big responsibility to be a production manager and this job was a huge step for me. Initially, it was a big adjustment, but as I have been very well supported, I have had the opportunity to prove myself and am coping well with the responsibilities. I am very happy in my job. I want to thank Pieter Nortjé for his faith in me and for giving me the chance."

As at 2019, Simunye Citrus (Pty) Ltd had three permanent employees, 23 casual employees and 70 seasonal employees. "We do not have any problems with our people or with the structure of the trust or the farm's ownership," says Nathan. "As a beneficiary of the trust my share is also growing and this will provide a nest egg for my family in the future," he concluded.