



THE SRCC TRANSFORMATION STRATEGY IS BASED ON THE FOLLOWING KEY COMPONENTS:

- *Ownership*
- *Participation*
- *Education*
- *Community Upliftment*

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SRCC / IKAMVA LETHU EMPOWERMENT PROJECT



As described in the previous issue, we are in the middle of a hare and tortoise race relative to the progress on the unique Ikamva Lethu project....and as expected the tortoise is making steady albeit slow progress!

Our Environmental Impact Assessment application has been submitted to the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) as we enter the final phase of this lengthy process. In anticipation of the balance of the process running smoothly we hope to have obtained final approval towards the end of 2018 or early 2019. Our project planning is therefore based on the expected commencement of work during the first quarter of 2019.

The initial phase of work will involve the laying of a 7km main water pipeline, to provide the water supply to the farm from the main canal on the northern side of the valley, to the first two dams planned for construction. This is a vital part of the development and much attention will be allocated to the careful installation of the pipeline to ensure safe and reliable water supply to this large farming enterprise. Two dams holding 49,000 cu meters of water each will be constructed which will then receive water via the new pipeline from the main canal system. These two dams will provide the water supply for phase 1 and 2 of the orchard developments of approximately 150 hectares each. After completion of the first two phases, a further two dams of similar size will be constructed on the southern side of the farm which will provide water for Phases 3, 4 and 5 of the orchard development, each of these again being in the region of 150 hectares.

Each phase of orchard development will entail the preparation of orchards for the planting of approximately 75,000 citrus trees which will result in the planting of around 350,000 trees in total. The plantings for Phase 1 are being provisionally planned for the end of 2019 and early 2020. So, one will appreciate therefore that this is a massive and long-term citrus development and hence the excitement, enthusiasm and eager anticipation to commence work!

Our group of 20 farmer investors are fully committed and we are simultaneously in the process of finalizing the formation of our various Trusts for their farm workers, which make up our shareholding structure, which also includes the SRCC permanent workers as well as the workers who will one day be permanently employed on the Ikamva Lethu farm. The empowerment shareholding in this venture will be 60% and the farm management, training and development of the farm workers as the project unfolds will be undertaken by SRCC.

This ground-breaking project will be a unique example of inclusive growth, empowerment and transformation and it, together with the spin-offs therefrom, will provide employment and benefits to thousands of previously disadvantaged people in our community.



Summary of the 2017 Citrus Season

Once again it has been proven that each harvest year in the citrus industry is different! The 2017 harvest brought with it a range of challenges that had not been experienced for a long time, especially the condition of the navel crop. The fruit drop experienced on the navels was significant and resulted in the lowest navel volumes harvested for many years.

Most farms in the valley were down on prior year volumes and along with lower market prices compared to the very successful 2016 season and a less favourable exchange rate than the previous year, the income levels were severely impacted. Cost management became even more important as a result, but the majority of citrus enterprises will have ended the 2017 financial year with results that were well below 2016 levels.

This highlights the risks and unpredictability of agriculture and emphasizes the need for very careful financial management in the operation of a citrus farming enterprise. Significant costs are incurred in the preparation of a crop, ahead of the realization of the income from that crop and if the results are not up to expectations the business will be placed under financial pressure. The navel experience last year was a prime example of the kind of surprises that can be sprung upon a citrus farmer and it has provided our empowerment farmers with very good learnings of the risks to be managed in the agricultural environment.

The 2018 crop on all of our empowerment farms looks good—preparations have gone well and volumes are expected to be much better than those of 2017, with a good recovery anticipated on the navel volumes. The markets will be challenging and the exchange rate will be volatile and both these factors will certainly play a significant role in the final results of the season ahead!

We trust that all goes well with the coming harvest and that we improve on the 2017 performance.

Sundays River Farming Trust (SRFT) / Sikhula Sonke Enterprises: Siyathemba

Pre-season maintenance and improvement has been taking place on all the farms. A new suction pipe for the dam was installed at Siyathemba, for irrigation and, as seen on the right hand side, a new orchard development was also attended to.

Security is an ongoing challenge—a break-in took place at Siyathemba and waterpipes were broken, a geyzer stolen as well as electricity wirings and fittings. Burglar bars have been fitted to the windows as seen below.



Leadership is not about titles, positions or flow charts. It is about one life influencing another.

~ John C. Maxwell ~

Windbreaks have been removed to improve the roads for the forthcoming picking season, as seen below right..



Sundays River Farming Trust (SRFT) / Sikhula Sonke Enterprises : Willowtree Farm

At Willowtree farm, new security gates have been installed at the new shed in an attempt to reduce the theft of lemons which has increased significantly over the last few seasons.



Sundays River Farming Trust (SRFT) / Sikhula Sonke Enterprises: Sophumelela

Wherever further opportunity for growth can be found it is taken. As seen on the right, a new orchard development is being prepared on Sophumelela farm.

An important responsibility of the farm management is the control and maintenance of the equipment. On all the SSE farms, stock taking of all the equipment has been taking place with assistance from the Department of Rural Development, who have funded much of the equipment purchased.



Sundays River Farming Trust (SRFT) / Sikhula Sonke Enterprises: Siyaphambile Farm

At Siyaphambile, the assistant farm manager's house in Phase 3 of the development has now been completed.

Five new water filling points for the spraying machines were installed at the new developments, phases 2 and 3, as seen below.



Mbuyiselo Plase (Pty) Ltd



There are some new management and control requirements which have been introduced for the coming season. The FMS-Phytclean (citrus false codling moth risk management system alert) has been implemented on all the farms, including Mbuyiselo and orchard monitoring, sanitation and fruit infestation data is captured on a weekly basis. Control programmes have been followed as recommended and planned by the SRCC Agronomy Department, which contributed to successful annual DAFF audits in preparation for the harvest and export programmes.

No replanting is going to take place at Mbuyiselo Plase this year. The crop for the season ahead looks promising in terms of volumes which should be higher than the prior year.

Luthando Farms (Pty) Ltd

On Luthando Farm, orchard no. 48 is going to be replanted with Valencias—Midnights between November 2018 and February 2019. The previous trees have delivered their last crop after a life of approx. 25 years and were removed at the end of 2017.

Preparations are taking place for the 2018 harvest. Picking labour is being recruited and finalized and the farms are abuzz with activity. As with all of the farms the crop is looking good and higher volumes than the prior year are expected.

Accreditation & Training

The DAFF verification Audits took place on all the farms during January 2018 for 8 days. These are required to be done in order to ensure that protocols have been applied for the export of fruit to the EU markets.

Unannounced Globalgap audits are also expected to take place from March to April 2018. These too are done to ensure compliance with requirements for export markets.

Permanent workers will again be registered with SIZA when they attend the SIZA Induction training. SIZA is a social ethical audit which ensures that growers are treating their employees fairly and correctly.

Occupational Health & Safety Inspections are also expected to take place at the discretion of the Department of Labour to assess the level of compliance with safety and health standards.

Clinics & Wellness Program



The Sibanye Theatre Group have started their planning for the Wellness Plays that will be held on the farms during the course of the year, to inform farm workers on health issues like alcohol and drug abuse.

The assessment of some

workers during 2017 indicated that they are candidates for the Out-Patient Treatment programme and they will then receive treatment and medication on a weekly basis to help them with managing their conditions.

The farm clinic schedule is

running well and farm workers are really benefiting from this service.

The aim for 2018 is to establish a farm clinic on the Sikhula Sonke Enterprises farm, Siyaphambile.

Sundays River Valley Citrus Producer Forum

As mentioned in the previous publication, this forum was formed to include all the producers in the valley and is taking the lead role in establishing a partnership with local and provincial government to ensure and assist with service delivery to the valley community.

The great work done by this forum has received interest from SABC news, RSG radio station as well as Landbou Weekblad and the South African Fruit Journal, encouraging other areas to follow suit in their efforts to make a difference.

The Forum enthusiastically attended to the following:

- ◆ A new electrical break was supplied to the Bergsig Mini Sub Station ;
- ◆ New Pipes and Flanges supplied for a bore-hole in Kleinpoort;
- ◆ A major water leak in Addo was repaired ;
- ◆ Razor blade wire was put onto the roof (as seen below left) of the mid -pump station in Addo after almost all the roof tiles were stolen;
- ◆ Assisting in cleaning illegal dumpsites;
- ◆ Replacing old asbestos water mains and laying new concrete pavers in some of the roads of Kirkwood, Aqua Park and Bergsig;
- ◆ Cleaning up of the Kirkwood graveyard as seen below and right.

The Premier of the Eastern Cape visited the Forum during March 2018 to witness the progress of the Small Town Revitalisation Program .

Certain critical issues were raised and discussed with the Premier and his response is eagerly awaited.



Saying Goodbye

With deep regret, we are bidding our SRCC Director : Transformation and Development, Mr. Ken Nieuwenhuizen, farewell as he is retiring on the 30th of April 2018 to take a well deserved rest.

Starting his career at SRCC in 2009 as the Managing Director, he has grown to be an integral part of the community and citrus industry and has taken transformation within SRCC to new heights in the position of Director: Transformation and Development from June 2014. He was also the founder of *The SRCC Transformation Times*, which contributed even more to the relationship with stakeholders.

We wish him and his wife, Margie, well and all of the best for the next phase of their journey. Although he is leaving SRCC, his legacy will remain here forever.



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