FRUIT South Africa

FRUIT INDUSTRY VALUE CHAIN ROUND TABLE TRANSFORMATION WORKING GROUP

ANNUAL REVIEW
JANUARY TO DECEMBER
2024

agriculture, land reform & rural development

Department:
Agriculture, Land Reform and Rural Development
REPUBLIC OF SOUTH AFRICA

FRUIT South Africa

FRUIT INDUSTRY VALUE CHAIN ROUND TABLE
TRANSFORMATION WORKING GROUP

ANNUAL REVIEW

JANUARY TO DECEMBER 2024

TABLE OF CONTENTS

FRUIT INDUSTRY VALUE CHAIN ROUND TABLE TRANSFORMATION WORKING GROUP

Convener foreword

The Fruit Industry Value Chain Round Table (FIVCRT) Transformation Working Group (TWG) Annual Review 2024 gives a bird's-eye view of key transformation activities and outcomes for the year. In some instances, reference is made to the financial year of Fruit South Africa (Fruit SA) members.

For a strategy to come to fruition, it's important to stay the course. Hence, during the review period, Fruit SA members continued to align with the transformation agenda by maintaining their commitment to actively building an inclusive fruit industry through economic development activities and initiatives throughout the value chain. Guided by the Fruit Industry Transformation Strategy that aims to have a fully transformed industry by 2038, these members continued to build on long-term sustainability for fruit growers through the implementation of transformation programmes and initiatives.

The FIVCRT TWG has played a vital role as an information-sharing and coordinating platform for the South African fruit industry and relevant stakeholders. Importantly, the TWG tracks transformation progress and serves as an essential forum for knowledge sharing, strategy alignment, and collective problem solving among industry stakeholders. The work that emanates from the TWG ensures that industry transformation initiatives remain focused, accountable, impactful, and integrated across the value chain.

In 2024, as before, significant challenges in the agricultural landscape appeared to provide impetus for emerging growers' and key stakeholders' momentum, rather than being a deterrent. They continued to demonstrate their commitment to championing sustainable partnerships in transformation. And advancement of emerging growers' industry participation was driven through levers like enterprise development that help foster overall economic development in the sector, skills development support for farm workers and students who are studying towards qualifications in agriculture, internships in export businesses for students who are interested in the second part of the value chain, and socio-economic development of previously disadvantaged individuals (PDIs) in the sector.

Emerging growers are also fully integrated in industry decision-making structures and make meaningful inputs to guide prioritisation of their needs within the fruit value chain.

As we reflect on the year under review, it is important to recognise both the achievements and challenges that shape our transformation journey. This introspection, coupled with a growing culture of shared responsibility, continues to boost inclusivity and sustainable transformation in the fruit industry.

LIST OF ABBREVIATIONS AND ACRONYMS

Agbiz	Agricultural Business Chamber
AgriSETA	Agricultural Sector Education Training Authority
ARC	Agricultural Research Council
BAWUSA	BAWSI (Black Association of the Wine and Spirits Industry) Agricultural Workers Union of South Africa
B-BBEE	Broad-Based Black Economic Empowerment
BEE	Black Economic Empowerment
BFAP	Bureau for Food and Agricultural Policy
CADP	Comprehensive Agricultural Development Programme
CASP	Comprehensive Agricultural Support Programme
CGA	Citrus Growers' Association of Southern Africa
CGA-GDC	Citrus Growers' Association Grower Development Company
CIS	Citrus Improvement Scheme
CPD	Continuing Professional Development
CSI	Corporate Social Investment
DDSG	Due Diligence Study Group
DALRRD	Department of Agriculture, Land Reform and Rural Development
DoA	Department of Agriculture
dtic	Department of Trade, Industry and Competition
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortisation
ECDC	Eastern Cape Development Corporation
EDF	Enterprise Development Funding
ETBCG	Economic Transformation of Black Citrus Growers
FBE	Full-bearing equivalent
FCM	False codling moth
FF	Fruit fly
FIVCRT	Fruit Industry Value Chain Round Table
FPEF	Fresh Produce Exporters' Forum
IPM	Integrated Pest Management
LDARD	Limpopo Department of Agriculture and Rural Development
LMS	Learning Management System
MoU	Memorandum of Understanding
MRL	Maximum residue level
NAMC	National Agricultural Marketing Council
NQF	National Qualifications Framework
PALS	Partners in Agri Land Solutions
PDIs	Previously disadvantaged individuals
PPECB	Perishable Products Export Control Board
PPP	Public-private Partnership
RBX	River Bioscience XSIT
RRIN	Regionally representative industry norm
SAAGA	South African Avocado Growers' Association
SALGA	South African Litchi Growers' Association
SAMGA	South African Mango Growers' Association
SATI	South African Table Grape Industry
SIZA	Sustainability Initiative of South Africa
SOP	Standard Operating Procedure
SUBTROP	South African Subtropical Growers' Association
TOC	Top of the Class
TWG	Transformation Working Group
WCDoA	Western Cape Department of Agriculture


CHESAPEAKE
CHESAPEAKE
EVERGREEN
EVERGREEN
EVERGREEN
EVERGREEN
EVERGREEN
EVERGREEN

INTRODUCTION

FIVCRT

When the Department of Agriculture (DoA) and Fruit SA established the FIVCRT in 2014, effective dialogue and focused cooperation were going to be imperative. Hence, this initiative fosters stakeholder cooperation with the viability of the fruit sector in mind. Participants include the DoA, the Departments of Trade, Industry and Competition (dtic), and Employment and Labour (DEL); parastatals like the Perishable Products Export Control Board (PPECB) and the National Agricultural Marketing Council (NAMC); Fruit SA and its associate members; labour unions like BAWSI (Black Association of the Wine and Spirits Industry) Agricultural Workers Union of South Africa (BAWUSA); entities in organised agriculture, such as the Agricultural Business Chamber of South Africa (Agbiz); and civil society.

The six working groups of the FIVCRT

Transformation
(Leader: Mr Anton Rabe)

Employment and Worker Welfare
(Leader: Rev. Nosey Pieterse)

Research and Development
(Leader: Tarryn Wettergreen)

Trade
(Leader: Mr Derek Donkin)

Resources
(Leader: Mr Anton Kruger)

Local Market
(Leader: Mr Bonani Nyhodo)

The outcomes reported in this review are rooted in the 2018 Fruit Industry Transformation Strategy that aims to achieve a fully transformed fruit industry by 2038, with Black Economic Empowerment (BEE) growers playing a significant role, contributing 30% of fruit production and exports respectively, and holding 15% ownership across the value chain.

The TWG

Purpose

Central to the TWG objective of driving change in the fruit industry of South Africa is the promotion of black South Africans' – including the youth – participation in the primary and second parts of the chain. This is achieved by activating transformation plans, as well as clear reporting on the status quo in relation to set targets.

Focus

The TWG keeps its focus on the economic and enterprise development and growth dimensions of transformation, which are required for building sustainable and profitable businesses.

Key areas

Ownership

- Increasing the number of black commercial fruit growers.
- Increasing black ownership and participation in the fruit value chain in local, national and international markets.
- Ensuring that PDIs and previously disadvantaged groups receive property title deeds.

Enterprise and supplier development

Efforts seek to demonstrate a focus on developing business skills, providing training and mentorship, executing technical information transfer, imparting extension skills, and facilitating access to funding and markets.

Leadership

- Equipping and advancing black people to board membership status, and to fulfil other executive roles.
- Increasing skilled black capacity in the fruit industry.

Drivers

- An environment conducive to the advancement of development initiatives that prioritise sustainable transformation in the fruit industry.
- Periodic review of the fruit industry, and subsector strategies and action plans.
- Ensuring alignment of economic business models, with parameters in the evolving landscape.
- Providing a forum that boldly and holistically confronts transformation challenges in the fruit industry.
- Meticulous record-keeping and reporting – through reports and media exposure – of transformation initiatives and programmes in the industry.

Membership composition

TWG stakeholders

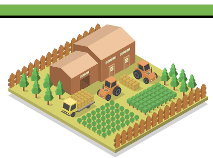
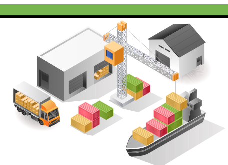
- Fruit SA CEO
- Transformation managers of the various Fruit SA member associations
- DoA officials
- dtic officials
- relevant experts/officials (co-opted when necessary)
- labour and worker welfare representatives.

Meetings and reporting

The TWG meets twice annually and reports quarterly to the FIVCRT and annually to stakeholders.

Activities and progress

The TWG has played a vital facilitative role since its establishment. The illustrated timeline highlights gradual progress under key transformation indicators.

				
	Hectares under black ownership	**Hectares under fruit production by black growers**	**Volume of fruit produced (tonnes) by black growers**	**Volume of exports from black growers (tonnes)**
2018	28 995	14 411	329 768	127 179
2019	34 650	14 865	354 037	152 754
2020	11 720	17 469	424 702	144 845
2021	24 435	16 077	362 893	183 526
2022	32 521	16 346	313 384	187 512
2023	31 409	16 950	255 419	151 306
2024	31 394	18 980	265 660	184 523

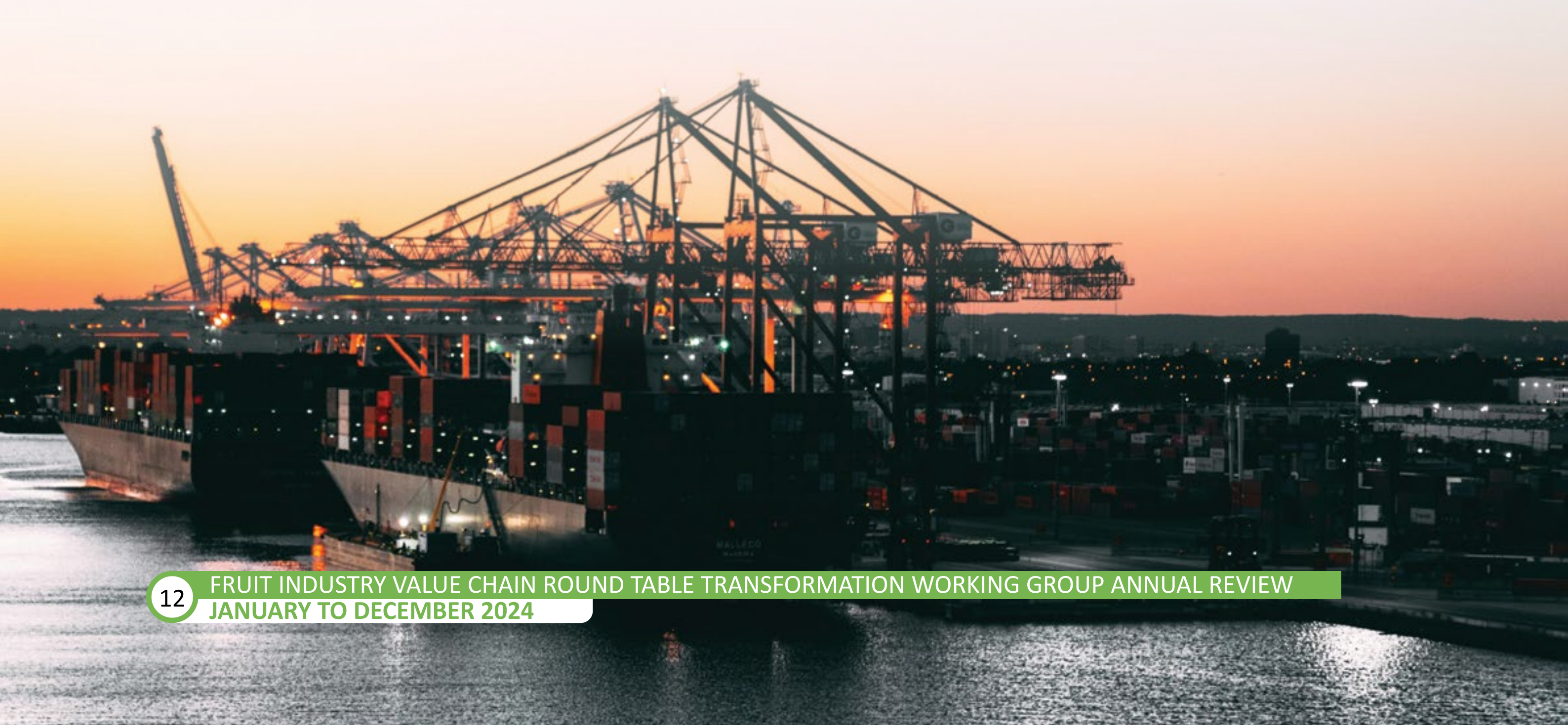
SUB-SECTOR REVIEWS

1. FRESH PRODUCE EXPORTERS’ FORUM

The Fresh Produce Exporters’ Forum (FPEF) is a voluntary member organisation under Fruit SA that represents fresh produce exporters and associate members in the fruit export value chain, beyond the farm gate. The vision-aligned transformation efforts of the FPEF continue to add impetus to the rate of inclusion and sustainable participation of black South Africans within secondary agriculture in the fresh produce export value chain.

1.1. FPEF annual transformation webinar

Hosted on 19 September 2024, the annual transformation webinar had a dual aim: to enlighten business leaders and to evoke in them a certain proactiveness to drive effective transformation within their entities. The speakers were Chiliboy Ralepelle, a former professional rugby player and current fresh produce businessman, and renowned Agricultural Economist and author Wandile Sihlobo.



Chiliboy Ralepelle

Ralepelle emphasised the importance of transformation within the South African agriculture sector, particularly in fresh produce exports. He also highlighted exporters' two-pronged pivotal role in advancing economic growth and fostering meaningful inclusion through integration of historically disadvantaged communities – particularly rural growers – in the value chain. He asserted that by providing access to resources, training and market access exporters can drive sustainability, inclusivity and innovation across the industry.

From humble beginnings in a rural South African village, Ralepelle built a successful career in professional rugby and is thriving in entrepreneurship. He urged leaders to prioritise empowerment and collaboration for long-term success. Drawing on lessons from sport and leadership, Ralepelle advocates for inclusive growth that ultimately helps to build a more prosperous and equitable future for South Africa.

Wandile Sihlobo

Wandile Sihlobo highlighted significant growth in the South African agriculture sector since 1994, with domestic agricultural output doubling during 2022/3. This expansion has been driven by technological advancements, improved farming practices, and progressive trade policies that positioned South Africa as a key player in global agriculture. In 2023, the country ranked 32nd in the world in agricultural exports.

Despite these gains, said Sihlobo, challenges remain, particularly in ensuring that growth is inclusive and transformative. He also drew attention to the dual nature of South African agriculture: A thriving commercial sector dominated by white farmers, versus a subsistence, non-commercial sector that comprises primarily black farmers.

Less than 10% of commercial agricultural production is attributed to black farmers. While the pace of transformation has been slow, there are rising examples of successful black farmers in the South African agriculture sector.

And employment in agriculture has remained steady despite technological advancements, with statistics at the end of 2023 showing 920 000 employed workers in the sector.

Sihlobo concluded by urging the government and the private sector to collaborate on crafting policies that promote inclusive growth, building on existing frameworks such as the National Development Plan and the Agriculture and Agro-processing Master Plan (AAMP).

1.2. Top of the Class Fruit Export Value Chain Training Programme

The Top of the Class (TOC) Programme offers a comprehensive overview of the fruit export value chain. The programme is primarily designed for junior to middle management staff within fruit export companies, packhouses and logistics firms. However, emerging growers and aspiring exporters have also benefited greatly from its contents.

Participants in the TOC Programme gain a holistic understanding of the export value chain, along with in-depth knowledge relevant to their specific roles. The curriculum includes key topics like quality and compliance management; cold chain logistics; primary production; packing and packaging; road, sea and air freight; required documentation; consumer trends and market dynamics; as well as the strategic role of exporters.

In 2024, 79 participants successfully completed the programme, bringing to 1 376 the cumulative number of trained individuals since its launch in 2004. The course was delivered in an interactive online format in May, with a second session scheduled for October, targeting altogether 39 employees from across the industry. Additionally, in-house training was conducted at two FPEF member companies (**Image 1**), reaching a further 40 employees.

Image 1: Fruitways employees during TOC training in August 2024

1.3. Market access for emerging growers and exporters

In the year under review, the FPEF Transformation Manager led a preparatory training session for emerging fruit growers from the Western Cape (**Image 2**), ahead of their participation in Fruit Logistica Berlin 2024. This initiative was supported by the Western Cape Department of Agriculture (WCDoA) and included a special address by Western Cape Minister of Agriculture, Economic Development and Tourism Dr Ivan Meyer.

Image 2: Growers who attended Fruit Logistica Berlin, along with Dr Ivan Meyer, WCDoA officials, and the FPEF transformation manager

Further strengthening its commitment to market access and skills development, the FPEF partnered with Partners in Agri Land Solutions (PALS) and the Koue Bokkeveld Opleidingsentrum to deliver export market training in Ceres in October 2024. A similar session was hosted in De Doorns in November 2024 for emerging table-grape growers (Image 3), once again in collaboration with the WCDoA. These training interventions are designed to equip growers with a solid understanding of the export value chain beyond the farm gate. They include export logistics, market requirements, the economics of export, and the critical role of export agents. Ultimately, the aim is to foster meaningful relationships between growers and agents and to support broader access to international markets.

Image 3: Table-grape growers, WCDoA officials, and the FPEF transformation manager and representative in De Doorns

In addition to its training efforts, the FPEF operates an established "help desk" with a strong focus on risk awareness and mitigation to support emerging and aspiring exporters on their journey to export readiness. To further encourage participation in global trade, the FPEF offers emerging exporters full complimentary membership for at least two years, ensuring that they benefit from the full suite of FPEF services and support.

1.4. The FPEF Graduate Placement Programme

This flagship transformation programme is the mainstay of sustainable industry transformation, targeting graduates who are ready to launch their careers.

In 2024, the programme continued to build on its previous success, with 14 black graduates successfully placed in employment within the fresh produce export industry.

Since its inception in 2016, the FPEF Graduate Placement Programme has successfully placed 82 graduates in industry roles. Impressively, 69% of these graduates have secured either permanent employment or contract extensions beyond their initial fixed-term placements. This attests to the programme's impact and strong retention rate.

Recruitment within the FPEF Graduate Placement Programme is managed by Agrijob, a trusted service provider to the FPEF that delivers a personalised and professional service. Agrijob consultations with FPEF member companies give insight into the companies' staffing needs for seamless placement of suited graduates. To support the transition into the workplace, the FPEF covers all recruitment costs and contributes R6 000 monthly towards each graduate's salary during their first year of employment.

Recognising the value of connection and continued support, the programme places a strong emphasis on peer engagement. A dedicated WhatsApp group fosters day-to-day interaction and knowledge exchange among graduates. This is supplemented by an annual networking event hosted by the FPEF, to facilitate in-person connections among the graduates. The 2024 event (**Image 4**), held in October at Glen Carlou Wine Estate, featured an inspiring entrepreneurship panel with three dynamic speakers. The event strengthened ties among graduates and served as a platform to showcase the impact of the Graduate Placement Programme to FPEF member companies, industry stakeholders, and government representatives.

Image 4: FPEF graduate networking event in October 2024

2. CITRUS GROWERS' ASSOCIATION OF SOUTHERN AFRICA

The Citrus Growers' Association Grower Development Company (CGA-GDC) and the Citrus Academy are non-profit entities mandated and funded by the CGA to drive transformation within the citrus industry. Together, they implement a variety of support initiatives to equip emerging growers.

2.1. Citrus Growers' Association Grower Development Company

2.1.1. Extension services

The CGA-GDC extension services give black citrus growers access to information on new technologies. This is vital for their enhanced productivity, increased income and improved socio-economic standing.

2.1.2. Citrus study groups

The study groups fulfil an important industry goal: effective knowledge transfer (including best practices). Equipped with the right knowledge, black growers can better maximise the resources of the CGA-GDC. During farm visits organised along with the study groups, growers can learn essential techniques from each other.

Of the 11 citrus study group meetings that took place during this reporting period, three were in the Eastern Cape, four in Limpopo, two in KwaZulu-Natal, and one each in North West and Mpumalanga. Each region held four citrus study group sessions per year (one per quarter).

Table 1: Citrus study group attendance

Quarter	Citrus study groups									
	Vhembe	Mopani	Waterberg	SRV	Kat River	Patensie	Nkwaleni	Weenen	Mbombela	Brits
1	27	21	0	23	21	7	0	0	42	4
2	0	32	0	0	0	0	0	0	24	7
3	26	42	10	23	0	5	15	6	36	7
4	26	17	6	21	24	5	15	0	24	7
Total	**79**	**112**	**16**	**67**	**45**	**17**	**30**	**6**	**126**	**25**

2.1.3. Information Days

Information days provide an important platform where growers, extension officers, suppliers, and different stakeholders connect and share information. It's also an opportunity to better understand the ecosystem and related challenges in black citrus growers' businesses. During the period under review, altogether five citrus information days were hosted in the Eastern Cape, Limpopo, KwaZulu-Natal, Mpumalanga, and North-West. The MEC for Agriculture attended the North West event and addressed the growers.

2.1.4. One-on-one grower support

The personal nature of one-on-one support fosters two-way dialogue, as well as a deeper understanding of citrus growers' context. Through this support, growers receive mentorship, guidance, and tailored training that addresses their challenges and helps their overall effectiveness.

Key aspects of one-on-one grower support

Mentorship:
Extension officers provide guidance and support to growers, sharing knowledge and best practices.

Monitoring and support:
Regularly reviewing growers' progress, providing additional support as needed, and adapting the action plan to their needs.

Challenges:
Identifying and evaluating specific challenges faced by the grower, such as access to finance, markets, and/or technology.

Access to resources:
Providing growers with access to information, training and other resources that can help them succeed.

Action plans:
Working with the grower to create a plan of action to address their concerns and improve their farming operations.

Relationship building:
Fostering a strong relationship between the extension officer and the grower, based on trust and open communication.

2.1.5. Capacity building workshops

Capacity building workshops aim to improve the production skills of growers and their on-farm employees, with improved, low-cost farm technology.

Three capacity-building workshops were held in the citrus-growing regions in 2024.

2.1.5.1. Citrus Improvement Scheme (CIS) Workshops

The DALRRD and CGA invited all nursery representatives, relevant growers of citrus propagating material for sale, and citrus growers to participate in workshops. They were able to submit objections or representations concerning the establishment of the compulsory CIS. Black citrus growers' attendance at the workshops in their regions sparked awareness among those who are interested in starting their own nurseries.

The CIS public consultation workshops were held throughout the citrus-growing regions. The last workshop was a national online event on 24 April 2024.

2.1.5.2. Citrus Research International Postharvest Workshops

These workshops are held during the first six months of the year, taking a retrospective look at growers' performance in the previous season, and formulating tailored strategies for the next season.

Key discussions at the 2024 workshops

- Postharvest handling of fruit
- Packhouse compliance
- Logistics
- Fruit rejections per region
- Export (phytosanitary pests and diseases)
- Biosecurity awareness
- The road to integrated pest management (IPM) implementation
- Crop manipulation strategies
- Maximum residue levels (MRLs) and consumer assurance
- Soil and foliar nutrition strategies

2.1.5.3. IPM

Eastern Cape grower-centric approach to IPM Standard Operating Procedures

The Standard Operating Procedures (SOPs) aims to establish a standardised framework for collaboration between Riverbioscience (RBX), the CGA-GDC and Louveld Agrochem (LAC) that ensures the effective delivery of a comprehensive IPM strategy for control of false codling moth (FCM) and fruit fly (FF).

At 64%, Valencias represent the highest number of IPM-treated citrus types (**Figure 2**).
The IPM programme was applied to 510 ha of citrus.

IPM Application per citrus type

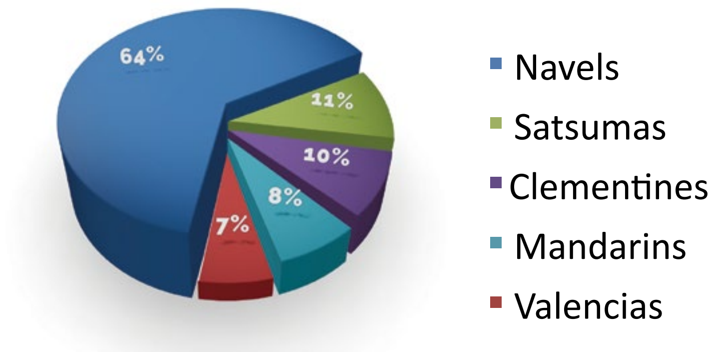


Figure 2: The application of IPM per citrus type

2.1.6. Economic Transformation for Black Citrus Growers – a Jobs Fund Project

Launched in 2020, the Economic Transformation for Black Citrus Growers (ETBCG) reached nearly R27.5 million in approved funding in 2024. The fund comprises blended loan funding of R176 254 660 and grant funding of R98 225 196. During the review period, this Jobs Fund project recorded a loan-to-grant ratio of 64%:36%.

A dedicated bank account was opened, and funds were disbursed against the business plan presented during the application phase, with regular monitoring against the disbursement plan. The 2024/5 financial year marked the final implementation year of the project, with altogether 14 approved projects (the last being Champagne Citrus (Pty) Ltd). The project provided 148 permanent and 1 583 seasonal jobs (up from 96 and 1 035 in 2023). And it ended with a sizeable R273 636 319 in approved funds. **Table 3** depicts plantings during the project period.

Table 3: Plantings done in 2024

Entity	Contract	Reported	Support year	Green Field	2021	2022	2023	2024
Mystic Blue Trading (Pty)Ltd	**68.20**	46.700	2021	-	17.40	12.90	16.40	-
Sikhula Sonke Enterprises (Pty) Ltd (extension)	**25.50**	22.58	2021	-	0.91	13.82	7.85	-
Luthando Farms (Pty)Ltd	**17.39**	14.38	2022	-		8.32	6.06	-
Ikamva Lethu Farms (Pty)Ltd (extension)	**200**	311.23	2022	Yes (2022)	107.30	98.03	-	105.90
Kopano Citrus (Pty)Ltd	**27.50**	29,50	2022	Yes (2022)	20.00	9.00	-	-
Cedar citrus (Pty)Ltd (extension)	**15**	13.23	2023	-	-		13.23	-
Sun Orange	**131.50**	145.87	2023	-	-	31.14	15.84	98.89
Manini holdings (Pty)Ltd	**62.00**	93.47	2022	Yes (2022)	17.5	17	10	48.97
Patrysvlei Fruitful (Pty)Ltd	**15.00**	8	2024	Yes (2024)	-	-	-	8
Champagne Citrus (Pty) Ltd	**126**	-	-	-	-	11,69	-	-

2.1.7. Enterprise Development Fund

Offered by the CGA-GDC, the Enterprise Development Fund (EDF) is an internal full-grant funding instrument that targets majority-black-owned enterprises. The fund aligns with the CGA-GDC mission to facilitate and support the establishment, growth and empowerment of profitable and sustainable black citrus growers. And the aim is to assist growers with immediate catalytic needs, to be able to produce a certain quality and quantity of fruit. The fund model makes for a robust lever for farm-gate wealth creation. The focus areas of support during this period were production inputs, establishment costs, trees, equipment and vehicles, electricity, fuel, infrastructure, IPM, transportation, water, irrigation materials and packing costs.

Keeping track of EDF provincial expenditure is key to the viability of the Fund (**Figure 3**).

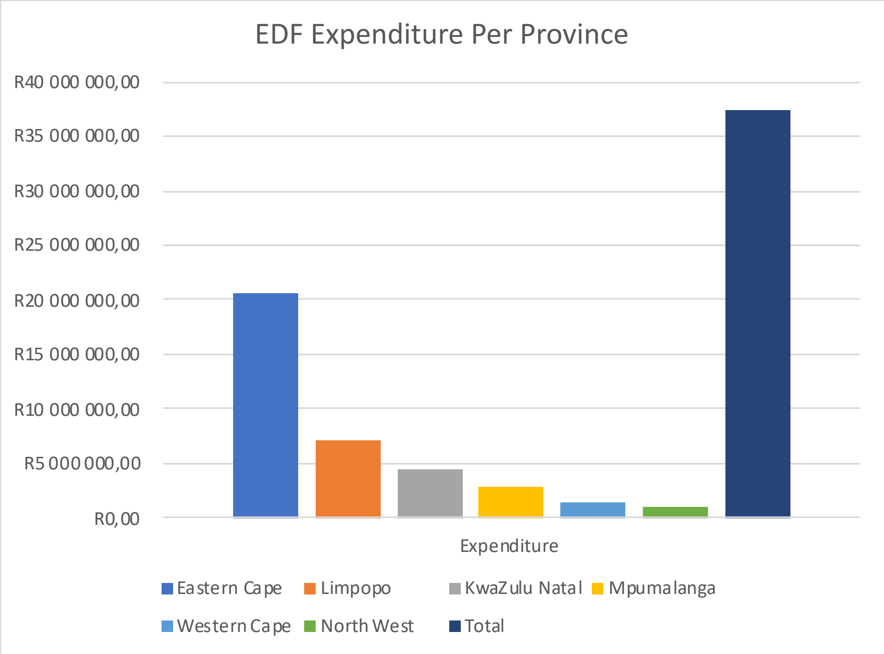


Figure 3: EDF expenditure per province

2.1.8. Partnership with the Eastern Cape Development Corporation

The CGA-GDC partnered with the Eastern Cape Development Corporation (ECDC) to improve growers' market access readiness. This came in the form of focused support, as well as a feasibility study on the viability of establishing processing facilities in the Eastern Cape.

2.1.8.1. Market access readiness

Twenty-four farms were supported with accreditation costs as follows:

- Global Good Agricultural Practices (GLOBALG.A.P.) – 11 entities
- SIZA Ethical Standard – three entities
- SIZA Environmental Standard – nine entities
- TESCO – one entity

The three farms that were assessed for audit preparedness remained uncompliant. The audit outcome was due to insufficient resources to meet the audit requirements.

2.1.8.2. Feasibility studies

Two reports were produced on the feasibility of a juicing plant in the Amathole region and a new packing facility in the Gamtoos region.

Reports revealed critically insufficient packing capacity in the Gamtoos Valley, while the Kat River in the Amathole region had adequate packing capacity. Growers in the area prefer a majority-black-owned packhouse.

Additional reports on the Sundays River Valley (SRV) were found to have sufficient packing capacity, while the Keiskamma Valley had surplus packing capacity, pending completion of identified repairs.

2.1.8.3. Production performance

Table 4 presents regional citrus export volumes by majority-black-owned enterprises during the 2023 and 2024 seasons

Table 4: Cartons exported

CGA regions	2023	2024
SRV	1 389 415	1 907 484
Orange River	1 172 798	1 056 123
Eastern Cape Midlands	1 078 224	991 158
Hoedspruit	950 636	671 745
Western Cape	630 086	568 999
Patensie	182 782	358 985
Vaalharts Valley	156 234	208 340
Letsitele	133 300	100 246
Mbombela	130 568	98 513
Limpopo River	99 277	68 483
Boland	68 686	46 274
Nkwalini	31 148	40 047
Senwes	20 479	19 067
Total	**6 043 633**	**6 135 464**

Varietal citrus export performance can be seen in **Table 5**, with export cartons for 2024 totalling 92 031 tonnes.

Table 5: Cartons exported per citrus variety

Commodities	2023	2024
Grapefruit	1 074 497	961 957
Lemons	1 683 191	2 048 403
Navels	771 936	810 661
Soft citrus	1 243 426	1 341 992
Valencia	1 270 583	972 451
Total	**6 043 633**	**6 135 464**

2.1.9. AgrigateOne

In 2024 the CGA-GDC partnered with AgrigateOne (AG1) to start a journey of equipping their growers with traceability and supply chain insights. AG1 digitises and automates operations through a digital platform, from the packhouse to the market, in global perishable supply chains.

The initial phase of the project will focus on testing and preparation for expansion in subsequent phases. In its current onboarding process, AG1 is primarily focusing on the dissemination of letters and the integration of packhouses and cold stores. Once the first phase has been completed and growers' CGA-GDC profiles are created, access will be granted to the first grower cohort.

2.1.10. Bureau for Food and Agricultural Policy

The CGA-GDC also partnered with the Bureau for Food and Agricultural Policy (BFAP) to conduct a viability assessment of a select group of majority-black-owned citrus enterprises. For the first phase, a sample of 38 entities, referred to as the Due Diligence Study Group (DDSG), was selected for assessment.

Key high-level findings:

- The DDSG showed a lower proportion of full-bearing equivalent hectares (FBE ha) than the regionally representative industry norm (RRIN). This was due to a higher number of new plantings. In the BFAP model, yields are also assumed to reduce slightly for trees older than 30 years (applicable to both the RRIN and DDSG).
- In a comparison of FBE yields, the DDSG proved significantly lower than the RRIN, except for lemons, where DDSG yields (tonnes per hectare) were higher. This was found to be the biggest driver of low profitability in the financial analysis.
- Low operational profitability (Earnings Before Interest, Taxes, Depreciation, and Amortisation – EBITDA) was driven by low revenue (volume x price) rather than high costs. Over 75% of DDSG received grants or other forms of income (12% of revenue) to support operational profitability. Where interest data was shared, a very high cost of finance was detected. This challenges sustainability even further.
- Total operating costs (per FBE ha) of the DDSG compared favourably to the RRIN. And in many cases, direct input costs (R/FBE ha) were lower than RRIN. Limited cash flow was found to prevent optimal input application, and applied inputs failed to yield sufficient productivity to generate the requisite revenue competitiveness and sustainability. On average, labour costs (R/FBE ha) were higher for the DDSG than the RRN. The resultant less efficient use of labour (limited on-farm pre-sorting for processing) compromised yield and revenue generation.
- The DDSG reflected a lower export volume, proportionate to the RRN, which reduced the total revenue received for harvest. This was partially due to production practices, quality and – in some cases – certification requirements for exports. However, partnership contractual terms and practices were the main drivers. Insight into processed volumes exceeded that of the local market. But based on available data, the DDSG percentage for fruit sold in the local market exceeded that of fruit used for processing. This outcome is only favourable when it increases the farm-gate returns (the price after subtracting marketing costs).

2.2. Citrus Academy

Building on 20 years of learning and development, the Citrus Academy remained committed throughout 2024 to driving transformation and skills development. They continue to reinforce their position as drivers of sustainable growth and meaningful transformation.

2.2.1. Talent development

2.2.1.1. Citrus Academy Bursary Fund

Having extended its reach and impact in 2024, the Citrus Academy Bursary Fund certainly counts among the more comprehensive Funds in primary agriculture. By 2024, 1 093 bursaries had been awarded to 388 beneficiaries, totalling R34 million. Through the Fund, the Citrus Academy has also continued to prioritise PDIs and women, honouring its commitment to demographic transformation within the citrus industry.

Image 1: Citrus Academy Bursary Fund beneficiaries, and Academy staff

2.2.1.2. Citrus Secondary Programme

In 2023, the Citrus Secondary Programme was successfully piloted in three Eastern Cape schools and in 2024, the Citrus Academy maintained the momentum through intentional expansion. Enrolments into the Programme totalled 317 learners at 13 schools – a substantial increase from the first pilot phase.

Image 2: Citrus Secondary Programme students in the field

Image 3: Citrus Secondary Programme students on a packhouse visit

Creating accessible pathways into the citrus industry is top-of-mind for role-players in the Citrus Academy. Hence, the Citrus Secondary Programme is rolled out across all major citrus-growing regions. By enabling learners to achieve recognised plant production qualifications while completing their secondary education, the programme addresses both skills shortages and youth development imperatives.

The overall growth of the Citrus Secondary Programme attests to the Academy's focus on addressing youth unemployment in citrus-producing regions while building a skilled workforce from the ground up.

2.2.2. Flagship programmes

2.2.2.1. Citrus Academy Citrus SuperPower Programme

Launched in the review year, this dynamic programme aims to develop the knowledge and skills of supervisors who are open to new growth opportunities, e.g., workers advancing to supervisory roles.

2.2.2.1.1. Citrus SuperPower Trainer Development Programme

It was launched with a pilot Train-the-Trainer event in Centurion, Gauteng, followed by a workshop held in Addo, Eastern Cape. The programme embodies a transformative approach to skills transfer that uses a train-the-trainer model to ensure sustainable development. This unique training programme is geared to adequately develop the knowledge and skills of training staff, facilitators, and skills development providers.

2.2.2.1.2. Citrus SuperPower Workplace Programme

This accompanying programme focuses on developing practical workplace learning at an operational level, creating clear progression pathways for workers to advance into supervisory roles. It's an initiative that directly addresses the need for skilled junior management in the industry, while presenting tangible career advancement opportunities to historically disadvantaged workers.

2.2.2.1.3. Citrus Extension Continuing Professional Development (CPD) Programme

The programme has emerged as a cornerstone of the Citrus Academy's commitment to maintaining citrus industry expertise at the highest levels. It ensures that government extension officers, consultants and industry professionals stay in step with evolving best practices, technologies and regulatory requirements.

The programme's modular approach allows participants to accumulate professional development credits while creating a platform for extension officials to share and address their specific industry challenges. Its inherent structured approach to professional development presents the programme as a vehicle to strengthen the industry's advisory capacity and to ensure that knowledge transfer remains effective across all operational levels.

2.2.3. Citrus Academy resources

During the review period, the Academy continued to show its commitment to accessible learning resources through its comprehensive learning platform. There was a concerted effort made to move all Citrus Academy short courses onto the Canvas Learning Management System (LMS) platform. These resources, distributed without charge to black-owned enterprises and the student community, demonstrate the Citrus Academy's dedication to eliminating barriers to essential industry knowledge.

Audio-visual modules covering integrated pest management, citrus planting management, pruning, propagation and harvesting remained freely available on the Citrus Academy YouTube channel.

The Monitoring and Inspection for Phytosanitary Markets e-learning programme continued to serve as a critical tool for certification of monitors and inspectors, ensuring that the South African citrus industry maintains its competitive edge in international markets.

2.2.4. Economic Transformation of Black Citrus Growers Programme – skills development

In 2024, the Economic Transformation of Black Citrus Growers (ETBCG) skills development initiative recorded 67 learners who completed their learnerships, and 21 who participated in skills development programmes. This culminated in the completion of all the planned 350 learnerships and 630 skills programmes over the four-year period – a significant investment in human capital development in the citrus industry.

With funding from the Agriculture Sectoral Education and Training Authority (AgriSETA), the Citrus Academy can equip employees of the ETBCG initiative beneficiaries with the requisite skills and capacity.

Image 4: ETBCG Programme beneficiaries

2.2.5. Emergent grower skills development

The Academy's collaboration with the Citrus Grower Development Chamber continued to yield impressive results in 2024. The programme expanded its reach to 393 learners from 38 enterprises in 2024, addressing specific skills gaps identified within emergent grower operations.

Training programmes spanning pruning, safe handling of agrochemicals, scouting, occupational health and safety, and various compliance activities ensured that emergent growers received comprehensive support. This targeted approach addresses both immediate operational needs and long-term capacity building requirements.

2.2.6. Looking ahead

The Citrus Academy's achievements in 2024 reflect a maturing organisation that has successfully balanced transformation imperatives with industry excellence. Sustainable transformation remains a vital part of the ambitious growth targets in the South African citrus industry. And the Citrus Academy's approach to skills development, from secondary school through to professional development, provides precisely that. The adoption and integration of innovative programmes create a comprehensive ecosystem for continued development in the citrus industry.

Free learning programmes for emergent growers and the expanding reach of its digital resources and workplace learning programmes position the Citrus Academy as a transformative force.

3. HORTGRO

Hortgro is the national commodity body for the South African pome- (apples and pears) and stone-fruit (plums, prunes, peaches, nectarines, apricots and cherries) industries.

In 2024, Hortgro continued its mandate to lead the development and sustainability of the South African pome and stone fruit industries. A keen focus on inclusive growth remained a key driver of role-players' pursuit of the transformation goals of the industry, as guided by the Fruit SA Transformation Strategic Plan. Through its partnerships with various industry stakeholders, Hortgro prioritised efforts that support black growers and value chain participants to promote equitable market participation and sustainability across the value chain.

This review outlines progress made against the industry's strategic objectives.

Several core transformation programmes were implemented in 2024, including the Skills Accelerator Initiative, Hortfin, business and technical support, as well as bursaries and internship initiatives.

Highlights of the various initiatives implemented and outcomes in 2024:

- Twenty-seven black-owned agri-businesses were onboarded and are receiving tailored capacity-building support (technical, financial, and business coaching) as part of the Hortgro Skills Accelerator initiative in partnership with the Jobs Fund.
- Of the overall industry hectares under production, 4161 ha (8%) of pome- and stone-fruit orchards were confirmed to be black-owned.
- Funding for 25 ha of new orchard plantings for seven enterprises across Ceres, the Elgin-Grabouw-Vyeboom-Viliersdorp region (EGVV), Mpumalanga, and the Free State came from Hortgro (R3.3 million) and leveraged funds through private and government partnerships (R15 million).
- Six agri-businesses reported improvements in yield, quality, and management effectiveness, thanks to ongoing technical mentorship.
- R38 million was approved through Hortfin for four enterprises, with matched funding of R5.7 million from Hortgro.
- Fifty-three bursaries amounting to R4.1 million were awarded to undergraduate and postgraduate agriculture students.
- Twenty-three NQF Level 4 learnerships and 36 internships supported worker and graduate upskilling.
- Ten social development and life skills training sessions were presented to agri workers.

3.1. Transformation initiatives

In 2024, targeted interventions were geared towards building capacity, improving competitiveness, and driving inclusive participation in the deciduous-fruit industry. These initiatives provided support to a diverse range of enterprises and individuals and were executed in collaboration with strategic industry stakeholders and partners. They were rolled out across both traditional and non-traditional growing regions.

3.2. Capacity building and enterprise development

Altogether 27 black-owned pome and stone-fruit businesses were onboarded and continue to receive tailored capacity-building support that includes technical and financial management training, and strategic business coaching. This support was carried out as part of the Hortgro Skills Accelerator – a capacity building programme. It focuses on performance management and informed decision-making among first-generation agripreneurs. The programme is designed to meet beneficiaries in their current context, address unique enterprise needs, and offer long-term, output-driven support through mentorship and expert guidance.

The latent benefits of this model have manifested in increasing evidence of improved decision-making, farm and business management, and sustainability practices. Over the past year, at least six enterprises, supported by strategic coaching and targeted remedial initiatives, reported improvements in yields, fruit quality, and operational efficiency.

Additionally, seven enterprises were supported through the Business Development Support Programme aimed at replanting old orchards and/or new orchard developments (expansion), with newer, more competitive varieties. The enterprises were able to collectively plant 25 ha of new orchards and were supported with collective funding of R15 million, directly from Hortgro's resource mobilisation/facilitation with public and private stakeholders. This went towards supporting infrastructure development and trees for new orchard development.

3.3. Expanding the footprint

Primary production under black ownership currently accounts for 8% of the overall industry output. This unchanged statistic from 2023 is due to simultaneous replanting and orchard removals, as well as some farms being put up for sale. Despite these dynamics, new developments and support initiatives continue to make a notable impact.

Table 1 illustrates the expansion of hectares under production due to replants.

Total black-owned land: 4 161 ha

- Pome fruit: 79%
- Stone fruit: 21%

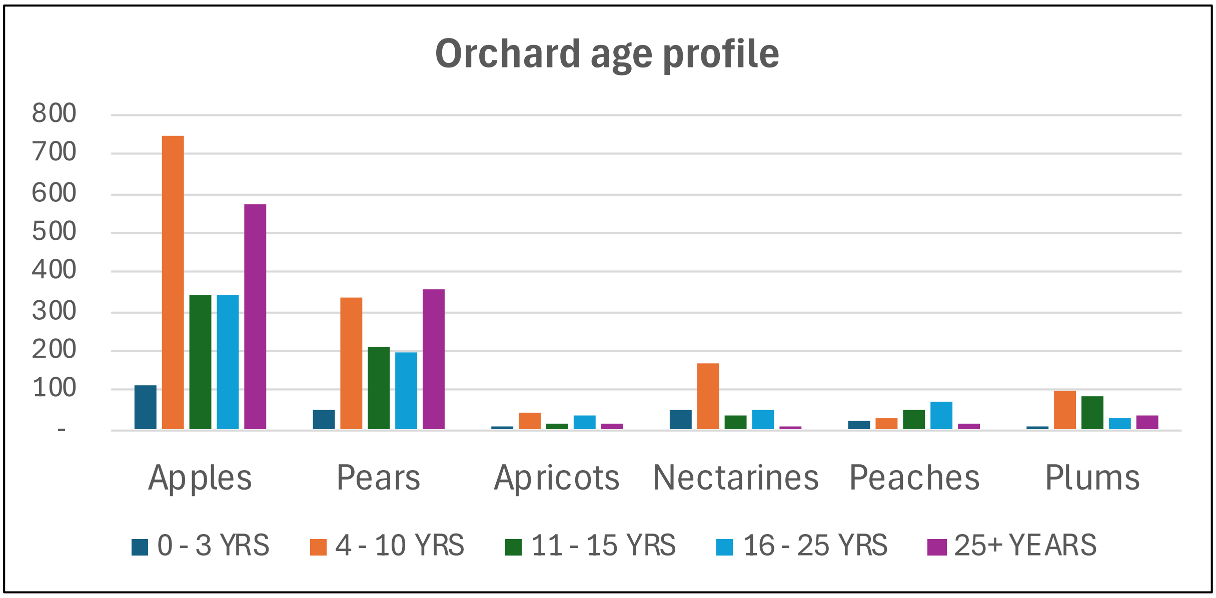


Figure 1: Age profile of existing orchards

Table 1: Orchard age

Orchard age range	0–3 Yrs	4–10 Yrs	11–15 Yrs	16–25 Yrs	25+ Yrs	Total hectares
Total hectares	257	1 427	749	728	999	4 161
% Of total hectares	6%	34%	18%	18%	24%	100%

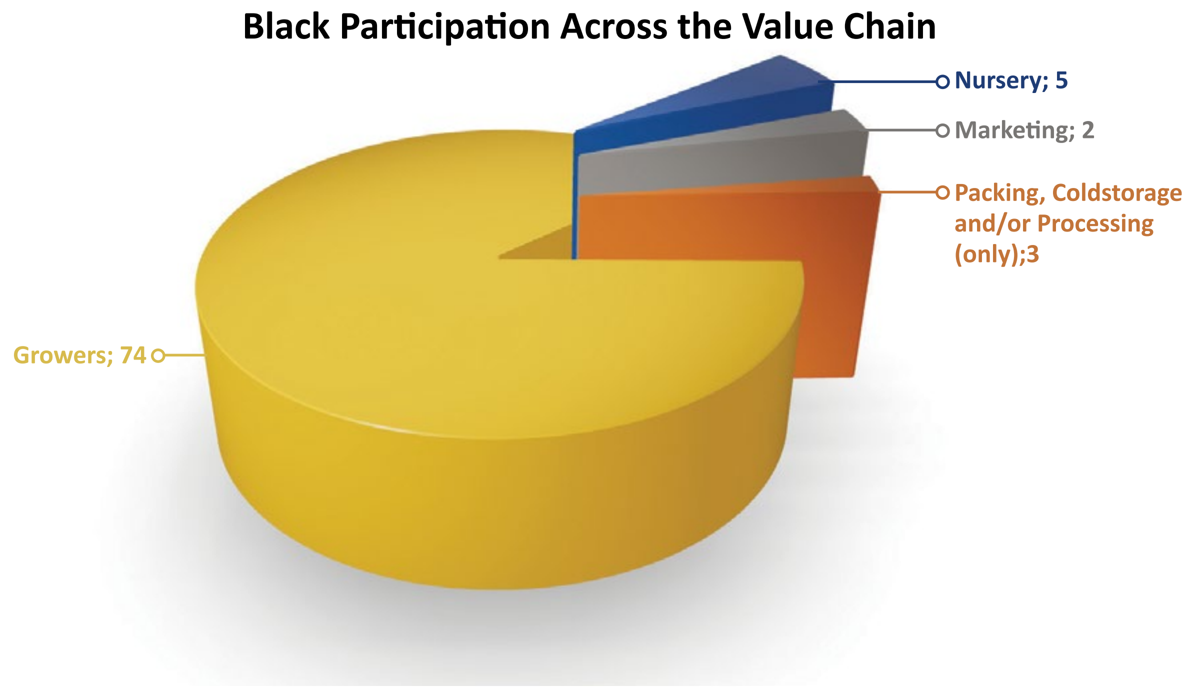


Figure 2: Black-owned enterprises and value chain participation

3.4. Resource mobilisation

Developed as a multi-stakeholder blended finance facility, the Hortfin initiative played a critical role in enabling capital access for growers. In 2024, Hortfin disbursed over R38 million to four emerging growers, supporting land acquisition, orchard establishment, and equipment procurement. Facilitated through the initiative was a total of R69 million in matched funding, leveraged to augment limited resources. This included a direct contribution of R5.7 million from Hortgro, used to address financial gaps in key enterprise development projects.

3.5. Government partnership projects

Hortgro worked closely with the WCDoA through the Comprehensive Agricultural Support Programme (CASP). Through this partnership, 12 enterprises received much-needed support in 2024, with Hortgro co-funding shortfalls where needed to ensure project continuity. CASP support included grant funding for orchard establishment, fencing, irrigation infrastructure, and operational inputs.

3.6. Enabling market participation

Compliance is a very important part of market readiness. The WCDoA joined forces with the Sustainability Initiative of South Africa (SIZA) to help nine black growers achieve their SIZA compliance. Two of them were supported in maintaining their GLOBALG.A.P. certification. Hortgro also collaborated with the WCDoA to give black growers exposure to international trade platforms. Hence, four growers attended Fruit Logistica in Berlin. This made for a crucial learning and networking experience that has reportedly contributed to future export readiness and commercial partnerships for these growers.

3.7. Technical mentorship

In 2024, the Hortgro Technical Support Programme provided continued support to emerging growers, with hands-on guidance from various industry experts. This included regular on-farm visits and digital follow-ups to address issues such as disease control, pruning, and orchard hygiene. A total of 11 enterprises were supported, with many reported improvements in quality, yield, and compliance outcomes. Productivity gains were further enabled through the availability of production finance at critical stages of the season. This highlights the importance of aligning funding with the technical production cycle. The outcomes proved that considerable investment – time and money – had gone into boosting emerging growers' know-how.

3.8. Skills development, internships, and learning and development

Fifty-three bursaries, to the value of R4.1 million, were awarded to under- and postgraduate students pursuing agricultural qualifications (**Image 1**).

Image 1: Hortgro bursary function with bursary holders

And 23 employed farm workers enrolled in NQF Level 4 Plant Production learnerships comprising a structured 18-month programme aimed at building technical skills and improving productivity on farms **(Image 2)**.

Image 2: Farm workers who completed the 18-month NQF 4 Plant Production Programme

Forty-one of the interns and graduate placements were equipped with tools that enhance employability and improve the skills of youth entering the workforce. These candidates were placed in internships and mentorships with commercial farms and agribusinesses (**Image 3**), either to complete practical requirements or gain post-study experience.

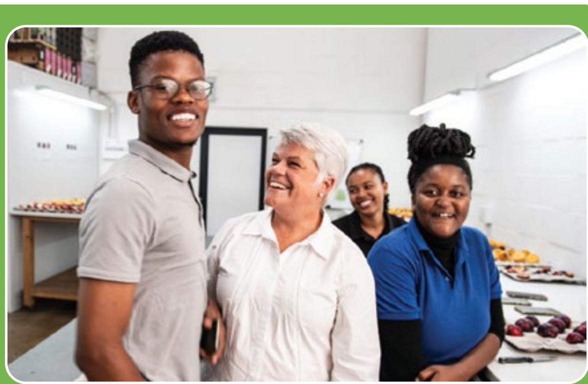


Image 3: Some of the graduate and internship programme participants

Hortgro also facilitates school tours for school learners to expose them to the various career opportunities within the industry and the agricultural and food value chain.

As for career tours (**Image 4**), Hortgro provides students with an opportunity to connect with future employers and learn about available bursary programmes and career opportunities.

Image 4: Learners at one of the career tours

3.9. Agri-worker development through Agri's Got Talent

Agri's Got Talent is a singing contest for farm workers in the fruit and wine industries that prioritises personal development.

The initiative is sponsored by the Citrus Growers' Association of Southern Africa (CGA), Hortgro, the South African Table Grape Industry (SATI), South Africa Wine, and the WCDoA.

Through Agri's Got Talent, Hortgro facilitated 10 life skills and social development training workshops in 2024.

So, apart from showcasing their singing talent, the contestants were afforded these sessions for their personal development, to improve workplace communication, and to build resilience. They could then go and apply these skills in their workplace and communities, for widespread impact.

3.10. Strategic impact of Hortgro's partnerships

The robust partnerships that Hortgro has established have been instrumental in driving transformation. These outcomes were achieved through effective collaboration with national and provincial government departments, financial institutions, technical experts and the private sector:

- improved participation of emerging growers in production and market activities
- enhanced access to resources such as land, infrastructure, finance, and market networks
- improved skills and technical capabilities through formal and informal training, mentoring, and on-site support
- more efficient and aligned programme implementation that reduced duplication and increased impact.

3.11. Challenges and growth areas

Throughout 2024, Hortgro faced micro- and macroeconomic challenges relating to broader industry dynamics. They included:

Resource limitations and fragmented support:

There is a lack of aligned, coordinated efforts among various stakeholders in agriculture and related sectors and departments. This fragmentation hinders the efficiency and effectiveness of development initiatives and often leads to duplicated or misaligned efforts.

Volatility in operating environments:

Emerging growers face various risks, such as market instability, climate change, and financial uncertainty. These factors directly impact the viability of their enterprises, as well as the broader industry.

Access to affordable finance and infrastructure:

Many emerging growers struggle to access affordable finance and the necessary infrastructure to grow and sustain their operations. These limitations contribute to delayed progress and hinder transformation objectives.

Skills gaps and capacity limitations:

At the grower and workforce level, there is a need for more skills development and technical capacity-building to equip participants in the value chain. This has a bigger impact in non-traditional areas where expertise is limited.

Sustainability of existing businesses:

Only once the growth and stability of emerging growers' existing businesses have been established can new opportunities be considered. Stability is key to achieving long-term transformation goals.

4. SOUTH AFRICAN TABLE GRAPE INDUSTRY

The South African Table Grape Industry (SATI) is an industry association that represents table-grape growers, focusing on areas such as market access, information services, research, technology, training and transformation. The overall goal of the association is to establish South Africa – with its proud table-grape export history of over 125 years – as the preferred country of origin for the world's best-tasting table grapes.

The 2024/5 southern hemisphere table-grape export season was one of the most "pleasant seasons" in recent years. The season started with favourable prices for table grapes exported to Europe due to early product shortages. And the improved performance of first-generation black growers echoed through the industry, with the growers reaching their targets and getting some of the best price points.

But despite improvement on several table-grape farms through new plantings, better planning, increased production, better quality of product, and skills development, the greatest industry challenges are centred around limited access to finance for new entrants. And some farms still have older vineyards that record declining volumes, with related challenges around the marketing of these older cultivars.

On the transformation front, for SATI, this is a process whereby equal opportunities are created for black agriculturists and entrepreneurs to participate as owners, co-owners, managers, and professionals in the table-grape industry. They must also share in the economic benefits that the industry can potentially offer to all.

In 2024, role-players at SATI continued to pursue their long-term transformation strategy. Through it, they've been able to facilitate comprehensive support through collaborative platforms such as FIVCRT and public-private partnerships with Hortfin, for example. In this year of review, SATI allocated 22% of its levy income to transformation initiatives and supported nine B-BBEE initiative farms. They also funded the attendance of young black students at academic institutions.

The transformation portfolio facilitates these support services for black first-generation growers and young black professionals:

Enterprise development
vines programme and helpdesk

Skills development
Bursaries and training

Socio-economic development
farm worker initiatives and Agri's Got Talent.

4.1. Skills development

SATI's training support programmes are structured to support young professionals through bursaries and training interventions for growers and farm workers.

4.1.1. Bursaries

The SATI Bursary Fund is geared towards creating a skilled workforce and promoting inclusivity within the industry. In the 2024 academic year, a total of eight black students were subsidised with tuition fees, accommodation, and living expenses to enable them to pursue higher education in agricultural fields. These students studied at Elsenburg Agricultural Training Institute, the University of Free State, University of Limpopo, and Stellenbosch University. Support for these students is valued at approximately R 692 000.

4.1.2. Vine Academy Model Farm

A lack of human resources and skills has been identified as a major impediment in the table-grape and raisin industries in the Northern Cape. This includes new black table- and raisin-grape growers with limited financial resources, farm workers, and young black professionals entering the sector. An amount of R600 000 was allocated towards the Vine Academy Model Farm situated in Kakamas, to enable upskilling and empowerment of the identified persons, to equip young professionals and emerging growers with the requisite skills and knowledge to advance to commercial status. Access to institutions like the Vine Academy Model Farm is limited in the Northern Cape Province; therefore, SATI will make this contribution for the next two years before re-assessing progress.

4.1.3. Modular course

The modular course in table- and raisin-grape production is presented by industry experts from SATI and Stellenbosch University. The course runs over 18 days and includes several modules and covers topics like the viticultural aspects of table-grape production, harvesting, and the post-harvest handling of table grapes. It also provides an overview of the table-grape industry. Land reform beneficiaries in the table-grape industry are fully subsidised (subject to resources) to attend the course. The targeted candidates for this course include new entrants to the industry; land reform beneficiaries; farm workers; junior, middle, and senior production managers; and extension officers.

4.2. Socio-economic development

SATI is invested in advancing socio-economic development within the industry by funding and supporting Agri's Got Talent, the flagship corporate social investment (CSI) initiative of the industry. This programme is more than just a singing competition; it is a life skills platform for agri workers in the deciduous-fruit and wine industries. The initiative is funded and organised as a joint venture between the WCDoA, Hortgro, Citrus Growers' Association of Southern Africa, South Africa Wine, and SATI.

Furthermore, during the year under review, SATI supported a learning expedition by the Paarl Farm Worker Study Group to visit a cooling facility at the Cape Town Port, as part of their study tours (Image 1). This group of farm workers did the organising themselves and went on learning expeditions, demonstrating a strong passion for learning. By supporting efforts like these, SATI reinforces its dedication to inclusive growth and the advancement of knowledge among farm workers.

Image 1: Paarl farm worker study group visiting Cape Town Port

4.3. Enterprise development

4.3.1. Vineyard Development Programme

Vineyard expansion and renewal, and cultivar choice are pivotal levers for improving productivity and profitability and negotiating market access for new entrants. Cultivar choice constitutes crucial decision-making in table-grape production. And since many first-generation growers had older varieties on their farms, SATI introduced the Vineyard Development Programme (**Image 2**) to finance the planting of varieties that match market demand on a cost-share basis. SATI supported a government initiative by contributing towards the newly planted 10 ha vineyards on Peace Table Grapes.

Strategic investment in these areas is not just a technical upgrade; it's a powerful tool for inclusive growth and long-term industry and farm sustainability. Many new-entrant table-grape growers are allocated farms with outdated cultivars and unproductive vineyards. Therefore, SATI allocated and implemented support projects on 18 farms over the last eight years. Cultivars with good market prospects were planted on all these farms. Yields and quality increased in tandem with growing production in these blocks. Due to limited funds, SATI subsidised development costs on a per-hectare basis. Additionally, role-players in SATI continue to identify suitable partners to support new-entrant growers. Over the last four years, SATI has invested R16.4 million into this programme, and a total of R4.9 million was invested in B-BBEE initiatives in the Northern Cape, Limpopo and Western Cape Provinces during the review period, with approximately 37 ha (subsidised).

Image 2: SATI's Wilton September (middle) discussing progress at Peace Table Grapes in Marble Hall Vineyard Development Programme, with Joyce Mahloele and Ngwanamapitsi Seoka

In 2022, SATI confirmed financing and support for Elize Boer and her business partner, Robin Johnson. Elize is the first black female grower in the Western Cape. Benefitting from the Vineyard Development Programme, she has the opportunity to farm her owned farming unit. With determination and the support of her business partner and a broader network, they have successfully established their first 6 ha.

In 2024 their progress attested to the power of inclusive action. Elize and Robin proudly showcase grapes packed from Robin's farm – a direct outcome of the Vineyard Development Programme.

Image 3: Elize and Robin

4.3.2. Help Desk

SATI's helpdesk provides a vital resource for individuals connected to potential and existing B-BBEE initiatives. Here, they find answers for potentially complex issues around planning, performance management, and compliance of their businesses. The bulk of the Help Desk budget was spent on resource utilisation studies, recommendations, and advisory services. During the reporting period, much emphasis was placed on accounting services, soil surveying, and irrigation design (a new project), on-farm advisory services at four farms, and compliance management at two farms that found the cost of compliance prohibitive. This level of support equips the grower to make informed production, financial and marketing decisions.

SATI role-players track some of the project performance by supporting farms to partake in Frudata study groups. This is a valuable tool to measure business performance in terms of cost, production, quality, and marketing strategy. During the review period, SATI allocated approximately R662 000 from different entities to be able to provide this support.

Image 4: Elize Boer and workers using technology in the vineyards, to help with labour compliance

4.4. Public-private partnerships

4.4.1. Land Bank

By working together with the Landbank, SATI role-players were able to facilitate with the bank, applications and information meetings for new entrants to apply for and obtain blended finance support. Growers could obtain new land, production facilities, and development funds to renew old unproductive vineyards and expand their production. During the review period, SATI provided new-entrant growers with post-settlement support and advisory services. Two growers acquired support with blended finance during the reporting period.

4.4.2. Hortfin

The entity is a cornerstone ringfence loan financing mechanism for qualifying B-BBEE initiatives in the deciduous-fruit industry value chain. Table-grape growers received friendly payment terms and a competitive interest rate to finance – with partner banks – expensive loan facilities, infrastructure development, as well as vineyard development and production facilities. To date, R184 million in funds have been paid out to table-grape farms, with SATI having contributed an interest-free loan of R15 million towards this fund.

Image 5: Siyazama Klipland (a Hortfin-funded farm), reached a milestone of 150 000 export cartons packed during the last season

4.4.3. Partnership with government

SATI's working relationship with the South African government remains a priority.

During the review period, SATI role-players leveraged partnerships with government and unlocked support for several table-grape farms through the Comprehensive Agricultural Development Programme (CADP) in the Western Cape and one farm in Limpopo. In most of these cases SATI contributed some financial and other post-settlement support. And SATI continues to work closely with the DoA's extension staff where required, specifically in the Western Cape and Limpopo.

Image 6: SATI management with role-players in Limpopo

Lastly, SATI extends special thanks to the WCDoA and Cultipowered NPC for supporting a renewable energy project on a farm in the Berg River region. All parties combined resources to address energy challenges on this farm.

5. SOUTH AFRICAN SUBTROPICAL GROWERS' ASSOCIATION

The South African Subtropical Growers' Association (Subtrop) remains firmly committed to supporting black growers in achieving inclusive growth. Its mission continues to focus on ensuring equal access to production inputs and financing, and fair participation across the entire value chain – particularly through improved market access.

In 2024 the sector faced several challenges, including changing weather patterns, high input costs and a significant decline in litchi production. Some growers packed less than a third of their usual yields.

But despite these setbacks, 2024 showed signs of recovery, particularly from the lingering effects of the COVID-19 pandemic. And many black growers expanded their planting areas and started exploring new market opportunities. Several growers are now on the cusp of entering the export market, indicating strong progress toward long-term sustainability and growth.

These developments reflect the strategic priorities that Subtrop set in 2022, which include enabling technical knowledge and on-farm production skills; establishing and supporting operational study groups; protecting and sustaining current farm establishments; enabling black growers to access local and international markets and fully transforming the subtropical subsector of the fruit industry for inclusive participation.

5.1. Transformation and support Initiatives

These are some of the key initiatives that drive Subtrop's transformation agenda:

- securing funding to accelerate farm development projects
- establishing One-hectare pilot projects in the Limpopo and Mpumalanga Provinces
- facilitating study groups and providing targeted training for growers.

Subtrop role-players are especially encouraged to see their long-term goal of developing a minimum of 5 ha per grower, approaching fruition. In 2024, more growers began planting new hectares while developing and improving existing planted portions.

Subtrop also remains dedicated to nurturing future talent in the industry. Student support through bursaries for graduates, via the RecruitAgri programme, continues to be a vital part of Subtrop's long-term transformation and sustainability strategy.

5.1.1. One-hectare Development Project

In 2020, the South African Avocado Growers' Association (SAAGA) launched the One-hectare Development Project (**Image 1**). This is a transformation initiative focused on the development and support of emerging avocado growers through the establishment of demonstration orchards.

The primary goal of the project is to provide a hands-on teaching and learning opportunity in orchard management, enabling growers to build sustainable, competitive avocado enterprises.

Strategic objectives of the programme:

- Promote employment opportunities, especially among the youth, men and women across the value chain.
- Enable emerging growers to produce high-quality avocados that can compete with those of established commercial growers.
- Build long-term, sustainable relationships between emerging growers, SAAGA, and stakeholders to ensure continued growth and success.
- Strengthen existing operations and support the rollout of new projects across avocado-producing regions.

Progress to date:

In its initial phase, the programme established 7.5 ha of avocado in Venda, Limpopo. This formed the foundation for practical grower education and skills transfer.

In 2024, the 1.5 ha of orchard development support provided to three growers in the Mpumalanga region gave rise to incremental growth. They were equipped through focused mentorship, technical support, and stakeholder engagement. To date, a total of 10 ha has been established under the programme.

Important considerations during implementation of the programme:

- Nursery trees must be sourced from accredited suppliers to ensure good quality and disease resistance.
- Orchards must be professionally mapped and irrigated, using appropriate, efficient systems.
- Land preparation must follow best agricultural practices to ensure optimal tree performance.

The One-hectare Development Project has become a strong conduit for collaboration between avocado growers, input suppliers, packhouses, government departments, and other industry stakeholders.

Image 1: Trees planted under One-hectare Project in 2023

5.1.2. On-farm Support Initiative

During this review period, Subtrop established a well-structured on-farm support system that involves executing at least four farm visits with scheduled follow-ups. This has enabled the effective profiling of farms as commercial or emerging. The support provided through this system has enhanced productivity and helps to identify challenges that hinder growers from achieving their targeted optimal growth.

As reiterated later in this section, markets are an important terrain for growers' profit generation. But for fruit commodities to thrive in them, excellent on-farm tactics are required. Hence, the On-farm Support Initiative is a primary focus area, through which role-players help to increase emerging growers' access to markets. Subtrop offers them technical support and mentorship, where necessary, and black commercial growers receive support with the establishment of critical links to relevant resources and opportunities.

There's an open invitation for commercial growers, packhouse representatives, and research institutes to join farm visits that form part of this initiative. These visits provide a valuable forum for vital information sharing that directly impacts the viability of emerging growers' enterprises. Support also extends to key areas such as access to information, market guidance, financial services, and resource management. Growers who had received support through the programme recorded improvements in productivity and the consistency of market supply. They also displayed improved stewardship of their agricultural inputs and resources through this initiative. For example, there was better management of inputs and resources that included strategic reinvestment by growers in their farms.

Furthermore, the Agricultural Research Council (ARC) applied for funding from the Department of Agriculture, under the On-farm Support Initiative, to support growers with pest and disease identification and management. Consequently, growers were able to access free services, including leaf and soil analysis, which significantly contributed to better crop health and management.

Image 2: Subtrop representative during on-farm visits

5.1.3. Study groups

In 2024, study groups (**Image 3**) continued to serve as a vital platform for knowledge sharing among growers, Subtrop, and specialists across various disciplines.

These seasonal seminars were held in places such Vhembe, Mpumalanga, and KwaZulu-Natal, and topics included:

- pruning and foliar nutrition
- pest management
- harvesting

These engagements allowed growers to address region-specific difficulties such as immature fruit entering the market, pest and disease pressures, and irrigation and post-harvest handling optimisation.

Image 3: Growers attending study groups in different commercial contexts

5.1.4. ARC Mango Cultivar Day

On 28 February 2024, an ARC Mango Cultivar Day was held in Ha-Masia, Limpopo, which drew growers and processors (**Image 4**). The objective was to highlight progress made in the ARC-Tropical and Subtropical Crops (TSC) mango breeding programme and to introduce new, improved mango varieties to growers.

Highlights from the event:

- exhibition and sensory evaluation of newly released ARC mango cultivars
- showcasing of agro-processed mango products
- empowering smallholder growers through access to improved cultivars
- a collaborative training initiative in rural Limpopo communities.

Image 4: Growers attending the ARC Mango Cultivar Day

5.1.5. Market development initiatives for emerging growers

Markets are top-of-mind when it comes to role-players' transformation efforts to help drive economic development for emerging growers.

The market development initiative began in 2020 with a single avocado grower marketing their produce with Amondale Packers, situated in Levubu. By 2024 this initiative had expanded with 10 growers participating in the programme and marketing their produce with Amondale.

Letaba and Westfalia have also joined as partners and are assisting growers in marketing their produce through their well-established marketing channels. Four of these growers have reached commercial status through this initiative.

Subtrop continues to support black growers by facilitating access to markets through integration into the main agricultural value chain, where growers have access to packhouses and can trade through direct sales. Accessible and sustainable markets remain an important lever for industry-wide inclusivity and long-term growth.

With the assistance of SALGA and Letaba packhouse, several mango and litchi growers have also been integrated successfully into export markets in Europe and the US. As part of this initiative, SAMGA has also partnered with mango drying facilities in Levubu and Musina, to give growers access to packing and drying services in the Levubu and Letaba production areas. This is a great leg-up for growers in terms of export readiness.

Image 5: Avocado marketing

5.1.6. Graduate Development Project

In 2021, SAAGA partnered with the graduate recruitment agency, RecruitAgri, which trained only 14 graduates annually at the time. This partnership has led to significant transformation, with RecruitAgri now training 67 graduates across 48 facilities in four provinces. The initiative spans Limpopo, KwaZulu-Natal, Gauteng and the Western Cape, and provides practical, career-focused agricultural education tailored to industry needs. It also highlights the impactful role of collaboration in reshaping the agriculture sector in South Africa.

Image 6: Derek Donkin (Subtrop CEO) with RecruitAgri graduates during on-farm training

5.1.7. Bursary initiative

As part of Subtrop's ongoing commitment to transformation and skills development in the agriculture sector, SAAGA continues to provide bursary support to individuals from historically disadvantaged backgrounds. The bursary programme supports studies towards a BSc (Agric) or equivalent qualifications, with a focus on Horticultural Science, Agricultural Economics or Agribusiness. Postgraduate students at honours and master's level in related fields are also considered.

Bursary recipients for the year under review:

Slindile Mkhwanazi – University of Pretoria

Slindile is studying towards a Bachelor of Science degree in agriculture, majoring in Agricultural Economics and Agribusiness. Her academic focus aligns directly with SAAGA's commitment to strengthening agribusiness and economic expertise within the sector.

Yaone Moseki – North-West University

Enrolled in a Master of Science degree in agriculture, specialising in Crop Science, Yaone's research is expected to contribute to improved crop production practices, supporting innovation in sustainable agriculture.

Zanokuhle Ngwenya – University of KwaZulu-Natal

In her studies towards a Bachelor of Science in agriculture, Zanokuhle is majoring in Plant Pathology. While not a listed core major, her focus on plant health is a vital component of horticultural systems, and her inclusion reflects SAAGA's broader support for critical agricultural disciplines.

5.1.8. Extension training

According to the current Memorandum of Understanding (MoU) between Subtrop and the Limpopo Department of Agriculture and Rural Development (LDARD), Subtrop continues to honour its commitment to provide technical training to government extension officers in the production of subtropical crops.

Relatedly, Subtrop conducted a two-day training session on 13 and 14 May 2024 at Serala Estate. The focus during these sessions was on pruning techniques, a critical aspect of orchard management that influences tree health, and fruit yield and quality.

The training is aimed at equipping agricultural extension officers and relevant professionals with practical knowledge and skills to better support growers in implementing best agricultural practices. Through this initiative, Subtrop and LDARD continue to strengthen the capacity of frontline agricultural support staff, ultimately contributing to the sustainable development of the subtropical fruit industry in the Limpopo region.

5.2. Transformation Summit

On 23 May 2024, Subtrop hosted the 2024 Transformation Summit at Letaba Junction. This year's event placed a strong emphasis on grower participation, featuring more growers' testimonies to inspire and encourage their peers on their transformation journeys.

Several key industry partners, including Messina Verpakkings, Standard Bank, and other relevant companies, were invited to present and network with growers, fostering meaningful relationships and collaboration opportunities.

The summit also provided an overview of progress across all commodities under Subtrop. Notably, there has been significant growth in litchi transformation initiatives, reflecting positive momentum within the sector.

A highlight of the event was the keynote address by Dr. Matamela Madua of Liduna Farming, who shared valuable lessons from his farming journey since starting in 2015. He reflected on challenges, such as the initial shortage of avocado trees and the need to establish orchards gradually, as tree availability and cash flow allowed.

Other speakers who shared insights from their farming and agribusiness experiences included:

- Thupane Makgoba, Chairperson of Makgoba Assets Management Trust
- Rudolf Nel, Messina Verpakkings (M-Pak)
- Lutendo Nevondo, Mulondzhi Farm
- Gilbert Nefale, Pfumo La Muhlali Farm

Subtrop extends sincere appreciation to its sponsors – Standard Bank, AgriColleges International, Westfalia, and CHEP – for their invaluable support that ensured the success of the 2024 Transformation Summit a success.

5.3. A transformation success story

5.3.1. How One Three Hill is transforming farming in Malelane

Nestled in the fertile Onderberg region of Malelane, Mpumalanga, lies a farm rich in history and bursting with promise. Once known as Ivaura Estate under the ownership of John Spear, the property has since written a new chapter under the stewardship of first-generation growers, Themba Dladla and Thandeka Dube. Renamed One Three Hill, this 1 426-ha gem is producing premium-quality fruit for international markets, as well as sowing the seeds of economic upliftment in the local community.

A leap of faith:

In 2019, Themba and Thandeka took a bold step. With no farming background, they purchased the farm with the ambitions of combining agriculture with property development. This duo understood the value of continuity, so they retained the current farm workers. Later, it paid off in terms of laying a solid foundation for the sustainable growth of One Three Hill.

Today, they cultivate 52 ha of litchis and 32 ha of mangoes, with a consistent track record of exporting more than 90% of their harvest to the EU since 2020. The remaining fruit finds use in diverse local markets, with 5% being sold through the Johannesburg Fresh Produce Market and local bakkie traders, while 2% is processed into juice by Cape Fruit Processors in Malelane. The mangoes produced on the farm go to achar factories, further embedding One Three Hill into the local agro-processing value chain. “We knew very little about farming, but we were committed to maintaining the standards we inherited, and building something even greater,” reflects co-owner Thandeka.

Weathering the seasons:

Their export journey has seen triumphs and challenges. In 2021, impressively, the farm exported seven containers of litchis to the EU. However, they were plagued by unforeseen difficulties in the following year, with only two containers shipped to the international market. But they bounced back in 2023, when they shipped five containers abroad.

Smart management meets passion:

Recognising the need for expertise, the owners appointed Mr Joseph Ngwane as operational manager.

Besides being a co-owner, Thandeka also wears the hat of marketing manager. From January to August, she is hands-on at the farm, three days a week. This increases to seven days a week during the critical harvest season.

With support from private consultants for fertilisation and chemical application, the farm remains focused on the fundamentals of pruning, orchard sanitation, post-harvest clean-up, and panicle removal. “It’s about doing the basics right, every single season,” notes Thandeka.

A heart for the community:

The impact of One Three Hill reaches well beyond its borders. The farm provides employment to eight permanent staff, engages over 250 seasonal pickers during harvest, and offers work to more than 40 packhouse workers annually. In a thoughtful gesture towards the informal economy, local bakkie traders are welcome to purchase directly from the farm during harvest time.

"Our greatest joy is seeing how many families benefit from the work we do here," says Themba. "It makes the effort worthwhile."

Power in partnerships:

Membership in industry associations has played a pivotal role in the growth of the farm. As members of both SALGA and SAMGA, One Three Hill receives timely market insights and technical updates through the Subtrop Journal and quarterly reports.

Thandeka recalls a crisis in 2023 when a shipment was stuck at OR Tambo International Airport. "The CEO of Subtrop intervened, personally, to ensure our fruit was cleared at the port. That level of support is priceless," she says.

Looking ahead:

One Three Hill is a testament to the vision, resilience and dedication of its leaders. Self-funded through a combination of private investment and bank loans, the farm has continued a steady growth trajectory. Now, the owners are exploring government funding opportunities to scale even further.

Challenges such as climate, crime, and rising input costs remain ever-present. Yet, their optimism prevails. "You have to love what you do," advises Thandeka. "Be passionate. Be dedicated. That's the only way to succeed."

One Three Hill is more than a farm. It's a beacon of what's possible when new entrants to agriculture combine hard work with smart partnerships. In just a few years, Themba and Thandeka have transformed a dream into a sustainable business that meets market needs, creates jobs, and inspires others.

Their journey is proof of South Africa's evolving agricultural landscape. The future is indeed fertile for those brave enough to cultivate it.

fruitsa.co.za/transformation