

“The strong survive, but the courageous triumph.” Michael Scott

CANDLEWOOD CITRUS FARM IN KNYSNA PROVIDES EQUITY SHARE SCHEME TO EMPLOYEES

This week, I am delighted to share another industry transformation story that was submitted via the CGA’s “Transformation Survey” sent to growers in July. Citrus grower John Stanwix, who owns and runs Candlewood farm, based just outside Knysna, has shared information on the successful equity share scheme for employees launched 13 years ago. Candlewood Farm is a small mixed fruit farm, which grows citrus for the local and export market. In 2009, the farm seized the opportunity to set up an equity share scheme for workers, through grant funding provided by the Department of Agriculture, Land Reform and Rural Development (DALRRD) for employees in the agricultural sector to purchase equity on the farms they were employed at. The process to secure the funding and finalise the equity share scheme took several years to finalise – but Candlewood Farm persevered, and by 2011, a trust was set up for 9 employees who are now permanent beneficiaries of the scheme.

With the allocated grant funding, Candlewood Farm employees were able to purchase 26% of the operating company that runs the farm, and 7% of the company that owns the land that the farm has been built on. The scheme provides a regular dividend declaration for the trust, which is divided among beneficiaries. Payments have been made in 9 of the 10 years since the trust’s establishment, ranging between R18 000 – R75 000.

The establishment of the equity share scheme has had many other positive knock-on effects, including the promotion of the Chairman of Trustees, Benjamin Motshabi, to Director of the company that runs the farm. John Stanwix shares that “our farming operations are still small, and our dividend declarations reflect this – that being said, we hope to continue increasing the size of our dividends, as our farm and production figures grow”.

The employees and beneficiaries of the trust have also shared that this has been a great motivating factor in terms of their commitment to the farm. Benjamin Motshabi adds that “this has been an incredible journey for us. It is important for employees working in rural communities to be provided with opportunities that will not only benefit us, but our children as well”.

The CGA commends the Candlewood Farm in Knysna for their commitment to the inclusive transformation of our sector. This equity scheme is a great example of how an inclusive approach to citrus growing and land ownership can be driven across farming operations of all sizes.

Citrus growers who would like to share their own transformation initiatives with us are encouraged to complete the short online survey that can be accessed [at this link](#).

CITRUS MARKETING FORUM (CMF) TO BE HELD ON FRIDAY, 28 OCTOBER

The final CMF of 2022 will be held (virtually) on 28 October at 10h00. CMF members will be sent the link to the event. Alternatively, they can contact Portia Magwaza portia@cga.co.za for the agenda and link. CMF members will be addressed by André Snyders who works as an industry specialist at Standard Bank in the research team. He analyses the full range of industries that contribute to, and shape, the economies of Africa. The team’s goal is to use economic tools and market data to help colleagues and clients understand the way that industries operate and how they are likely to develop. André has also worked in equity research support at an international bank. Prior to that, André worked as an editor in the publishing industry and also as a news journalist.

CITRUS COORDINATING MEETING TO BE HELD ON WEDNESDAY, 2 NOVEMBER

The 2022 Citrus Coordinating meeting will be held on 2 November at the Tzaneen Country Lodge. It will be a hybrid meeting and the link will be available nearer to the date. Please confirm in-person attendance to tanya@cga.co.za by no later than 25 October.

PACKED AND SHIPPED

End of Week 40 Million 15 Kg Cartons	Packed	Packed	Packed	Shipped	Shipped	Original Estimate	Latest Prediction	Final Packed
SOURCE: PPECB/AGRIHUB	2020	2021	2022	2021	2022	2022	2022	2021
Grapefruit PP (17kg)		2.7 m	2.6 m	2.3 m	2.0 m			
Grapefruit Class1&2 (17kg)		12.8 m	12.2 m	12.8 m	11.1 m			
Grapefruit	16.0 m	17.5 m	16.7 m	17.2 m	14.9 m	16.8 m	16.8 m	17.5 m
Mandarins	23.7 m	30.8 m	31.7 m	29.1 m	31.7 m	34.5 m	32.8 m	30.9 m
Lemons	28.4 m	30.9 m	34.6 m	29.2 m	33.6 m	32.3 m	34.7 m	31.0 m
Navels	26.0 m	27.2 m	27.8 m	27.2 m	27.0 m	28.7 m	27.9 m	27.2 m
Valencia	48.1 m	54.4 m	53.2 m	48.4 m	48.8 m	58.2 m	53.5 m	55.0 m
Total	142.2 m	160.8 m	164.0 m	151.1 m	156.0 m	170.5 m	165.7 m	161.6 m