

**ITHUBA AGRICULTURE**  
**“Strength in Partnership”**

Launched in 1994, land restitution has been a complex process that has frustrated land owners and claimants alike and in many instances has failed to meet expectations. A recent visit to Ithuba Agriculture, a combined sugar cane and timber land restitution farming operation in the lush rolling green hills of Kranskop in the Natal Midlands, shows that with the right attitude and will, land restitution can succeed. This venture successfully promotes active individual and community participation in all aspects of the social and economic activities of the farming operation.

The amaNgcolosi Community Trust, sole owner of the farms and which consists of 376 claimants, together with Crystal Holdings (some of the family members owned some of the farms), set up Ithuba Agriculture, a management company that manages the farms on behalf of the Trust.

In 2007, Crystal Holdings withdrew from the joint venture which had, by then, found its footing.

Aside from the community themselves, champion to this project, is Rob West who has been with Ithuba since September 2005 and who has extensive corporate and agricultural experience in the South African and Swaziland sugar industries. Taking a leap of faith when he left an influential position to be part of Ithuba, Rob said “it is important for me to be part of something that could be meaningful. If you are not part of the solution then don’t say anything about the problem”.

Once the ten-year land claim process was settled in September 2005, the company immediately started operations. “We had no furniture and sat on the office floor. Our first task was to plan the company operation and structure”. “I am of the firm view that without the correct planning in the beginning and a firm structure in place, no business will succeed. It was important for us to take the time to ensure that these structures were sound”.

On the logistical front, the farm had no tractors, implement or inputs. Crystal Holding initially contributed financing which was followed by negotiations with financial institutions to bank-roll the operation. Unfortunately these negotiations were unsuccessful as none of the financial institutions were interested in being part of a land claim farm due to reported failures. This created a problem as cash was required to pay for, amongst others, labour and diesel. However, an approach to Mascor in Greytown for surplus second hand stock was successful and Ithuba was provided with an HP type purchase on those second hand vehicles. With the second-hand tractors, farming operations got underway and Rob grins widely as he reminisces over that period and relates the current size of the fleet which comprises 26 tractors, 5 bell loaders, 3 labour trucks, 2 Mercedes fire tenders and 12 vans. “In addition to the existing fleet, we have just purchased 3 Hino 700 trucks and three trailers – and this time they are brand new” says Rob. He also notes that today, Ithuba is recognized by financial

Ithuba Agriculture

Extent of Farming operation	8 000 hectares
Area under cane	1 838 hectares
Area under Timber	1 780 hectares
Daily cane deliveries	510 tons
Harvest to crush	(max) 40 hours
Employees	470

The largest single cane grower delivering to the Gledhow sugar mill.

	Ithuba	Gledhow average
Tons cane	+/-70 000	1 084 645
RV %	12.55	11.92

institutions as a viable and safe company in which to invest. Ushukela Sugar Milling, at that time the sugar industry's first black-owned sugar mill also came to the assistance of this fledgling BEE operation by providing a transport subsidy.

In setting up the organisational structure, Rob says he has confidence in the management team who have the necessary experience required. Cane Manager, Zakhele Nxasane has been with Ithuba for 30 months and was previously a farm manager for a large sugar milling company and has completed the Senior Certificate Course in Sugarcane. Timber Manager, Jabulani Shange has been with Ithuba for 24 months and previously worked for a large timber milling operation. "These chaps know what, when and how to do their jobs and require minimal supervision which suits me as I am a hands-on person and prefer not to sit in the office" says Rob.

(Hi Jen I was trying to draw an organisational chart as thought it might make it a bit more interesting and the structure was pivotal to the success of the business but cant set it up properly???)

amaNgcolosi Community trust as owners, Board of directors( Sibusiso Dlamini (Executive), Alfred Xulu (also chairman of trust), Barnabas Ndlela, Simon Goge.

Rob West (General Manager)

Cane Manager - Zakhele Nxasane

reporting to Zakhele - M.J. Msimang (Assistant Cane harvest Manager) and Doni Hlatswayo (Assistant cane Cultivation Manager)

Timber - Jabulani Shange (Timber Manager) Reporting to Jabulani - Andre Mulder (Timber Harvesting Manager) and Alfred Magwaza (Silviculture Supervisor)

Workshop Manager - Neville Reddy with David Strydom and Mluleki Xhapha as Mechanics.

Sibusiso Sibiya - HR manager

Sharon Dell - Admin Manager

Nelly Dlamini (admin assistant) reports to Sharon.

Chairperson of the Trust, Alfred Xulu, says there is no doubt that the quality of life for the community has improved. Most of the community receives a direct benefit as they are employed on the farm undertaking from the least to the most skilled jobs. Alfred is passionate about developing the community and says that the Trust has recently started an Inguni cattle enterprise as well as a 25hectare potato and maize training farm as a learning experience. Through these initiatives members of the Trust are being taught to understand how commercial operations are run.

The huge amount of trust and respect, for the management, each other, and the community is evident. With this size of community this should not be under-estimated. Alfred says "right from the start this community has stood together. Whilst there were initial problems as a result of a failure to understand the concept, through regular meetings and Annual General Meetings, there is now a clear understanding of what we want to achieve. Any surplus cash has been ploughed back into the business. We expect to make a profit this year which will be utilized by the community".

However, Alfred believes more work still needs to be done and in looking to the future, says the Trust would like to buy more farms and will consider any opportunities that come about. "It is critical that we don't rest on our laurels - we want to achieve more."

Training, succession planning and the participation of youth within the community and the Trust is at the top of Rob's mind. Whilst not yet in a financial position to start a Corporate Social Investment programme, five bursary recipients are enrolled at various universities. "At this stage the disciplines

being studied are critical in terms of community social responsibility. I believe that there is a challenge within education to promote agriculture as a career and that this promotion should start at the primary school level". Possible future projects include the building of a community school and a sporting facility. A football league has already been established and there are 19 teams within the area. The Trust funds and subsidizes these teams.

Rob believes that training of staff is vitally important. Employees have been sent on the Junior Certificate Course in Sugarcane, health and safety, first aid and chain saw operator. "It is important that we don't only bark like a dog but look like a dog. Ithuba wants to be recognized as a major player in the sugar industry and this can only be achieved through training of staff which results in higher motivation and production. Most importantly, those Trust beneficiaries who want to farm will be given training in farming".

Key to the success of this operation "is the trust in the farm managers and that no-one person has lost interest and has chosen to make this something huge. The workers themselves are amazing. They come out very day and really put their heart and soul into the jobs. Since day one we have had no labour problems and no industrial action. Matters are dealt with as they arise and communication is vital" says Alfred.

In discussing the land claim process, Alfred says that whilst this was a lengthy process, it was relatively painless in that the communication was good between all parties. He said that neighbouring farmers cautiously stood back to see what would happen. He was pleased that there is now keen interest shown by the neighbours who are grateful that this land restitution has been a success, which had resulted in the retention of property values and a stable farming community for the area.

It is evident that Ithuba Agriculture is not a just a land restitution project. This is a major operation worthy of emulation.

Pics.

Workers.

Blue hat Phumelele Mathonsi (JCC course and cane induna). Pink hat Mthombikayise Nzama and chap Alson Chamane. Phumelele been working there since 2008. JCC course helped her a lot in her role as cane induna. Would now like to go on the Senior Certificate Course. Rob says she has been identified as somebody who can progress through to management.

No waste people walking behind bell loader to pick up loose cane.

Ithuba Management