

# Investing in people to ensure a better future for South African agriculture

Agricultural economist Prof Mohammed Karaan was the guest speaker at the recent ALG Estates gala event in the upper Olifants River Valley near Citrusdal. The estate celebrated its more than 250 years of business in farming with the inauguration of brand new state-of-the-art pack house facilities. He commended the farming operation not only for their investment in their new equipment but also in their people.



From left: Sean Walsh (CEO Cape Agri), Prof Mohammed Karaan (Agricultural Economist), Tiekie September (Director Cedar Citrus), David Cuff (Head Buyer Fresh Produce: Woolworths South Africa) and Gerrit van der Merwe (CEO ALG Estates).

The crux of the message delivered by Karaan was that Africa is a continent with abundant natural resources and huge market potential but the agriculture sector is in dire need of better management should we want to leave South Africa a better place for our children.

In the same vein, Karaan pointed out that the South African government's effort to redistribute agricultural land has not achieved the desired results and their strategy should be revised.

## Being part of the solution for the country's future

ALG Estates manages one of the country's most successful Black Economic Empowerment (BEE) agriculture programmes which is making a profit and expanding. For the past seven years, the estate also passed stringent the annual auditing by Fairtrade, an organisation which promotes fair labor practices worldwide.

"We decided to stay in the country and re-invest in our business despite the turmoil and uncertainties we experience in South African agriculture today," says Gerrit van der Merwe, CEO of ALG Estates a family-run business whose ancestors already settled in 1750 in the valley. "By investing in our people through various social upliftment programmes we try to be part of the solution for the country's future. We have a very good relationship with our workers. Many of them have been with us for generations," says Van der Merwe.

## Investing in people

The estates founded their BEE project Cedar Citrus (PTY) Ltd in 1999 as a joint venture with 32 farm workers. It started making a profit in 2010. During 2015 this BEE company exported 1,500 tonnes of citrus from their production unit of 36

hectares realising a total turnover of R12 million for the year. It has now paid off its startup loan to the Industrial Development Council and expanding its operations with the purchase of additional land using their own funds.



ALG Estates school group. From back left: Teachers Elsie Skippers and Tersia Januarie with company directors Gerrit van der Merwe Jr, Tiekie September and Dirk Dirks.

The estate also operates three crèches and a pre-primary school for its farm workers where some 90 children receive proper tuition as well as three meals a day. It also built several sports facilities and assists workers in their sports programmes throughout the year with travelling and equipment costs partly paid by Fairtrade subsidies. The estate also supports 42 children of farm employees with school bursaries to attend schools in the district.

ALG Estates is one of South Africa's top citrus producers which commands a leading edge on many fronts. It has 41 different citrus cultivars under production which enables the estate to produce citrus 12 months of the year. The Estate won the title National Farmer of the Year in 2010, South Africa's most coveted agricultural award.

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