

Agri SA, Motsepe Foundation boost commercial partnerships in agricultural sector

Agri SA has launched two projects in Limpopo and Mpumalanga to boost the sector's transformation efforts. The projects are the culmination of a joint initiative with the Motsepe Foundation to reimagine development funding and foster greater collaboration to accelerate the inclusivity of the agricultural sector.



Image source: [Gallo/Getty](#)

The Motsepe Foundation and Agri SA, through its subsidiary Agri Enterprises, have identified access to capital as a key constraint facing projects with real potential to support and advance emerging farmers, and have partnered together to find concrete solutions. Due in large measure to a lack of secure land tenure, a number of promising projects around the country have been unable to secure adequate funding for their operations.

Agri Enterprises and the Motsepe Foundation have stepped into this gap, demonstrating the ability and the will of the agricultural sector to help realise the objectives of democratic South Africa.

Funding to farmers

Due to legal and tax requirements and because of the commercial nature of these projects, the Motsepe Foundation facilitated approximately R70m of funding for the first two projects through a company established by the Motsepe Family.

The first of the projects supported in the current phase of the initiative will be the joint ventures established following the successful Greater Tenbosch land claim in Mpumalanga. Three ventures have been established to cultivate cane on this land which have to date suffered from a lack of funding. A crucial partner for this project has been consumer goods giant RCL Foods, which is currently the sole funder of the joint ventures.

The second project, Majeje Citrus, will be in partnership with the Majeje Traditional Authority which occupies land still owned by the state, despite the recognition of the community and its chieftaincy. In partnership with Komati Fruit and ABSA, the community has set up Majeje Citrus. With the support of Agri Enterprises and the Motsepe Foundation, the community will now be able to develop its land and participate in the cultivation of South Africa's most thriving agricultural commodity.

The first two projects of this initiative will create and maintain 1,541 jobs (seasonal and permanent) – and will impact 5,705 livelihoods.

Also critical for the success of the initiative has been securing the buy-in of communities, and of their leaders.

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