

CASE STUDIES

LAND REFORM AT WORK

R6 million distributed to beneficiaries through Tongaat Hulett and Ubizo Communal Property Association (CPA) agreement

Tongaat Hulett believes that land reform is one of the major drivers in advancing the empowerment of historically disadvantaged communities in South Africa. Well-managed land reform projects create value for the poor, balance relationships between private sector organisations and communities, and promote sustainable rural development. They also provide enterprising individuals within the community with various business opportunities that emanate from the land reform process.

The Ubizo CPA acquired more than 2 500 hectares of land through a land claim approved in 2015, of which about 1 700 hectares is under sugarcane. In 2018, the CPA signed a lease agreement with Tongaat Hulett aimed at social upliftment and improving livelihoods, by accelerating sugarcane development, building skills and providing contracting opportunities for qualifying service providers.

The farm has a maximum production capacity of 100 000 tons of sugarcane. A total of 318 community members are employed in various roles in the farm. The second phase of the Ubizo claim was finalised in 2020, which resulted in additional hectares being transferred. A total of 194 households in Ubizo have benefitted to the tune of R6 million in dividends. The partnership with Tongaat Hulett will also soon result in the establishment of a satellite area for a mobile clinic, which would likely be ready for service delivery next year. The exemplary way this community has looked after the land that was restored to them has provided an asset that, with Tongaat Hulett's assistance, will ensure continued benefits to generations to come.