



**the dwaf**

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DEPARTMENT OF WATER AFFAIRS AND FORESTRY

# **Forestry Change Programme:**

*Business Process Analysis Report  
Forestry Transfers Process  
Version 5.0*

*DATE: 15 February 2005*

## OVERVIEW

This report updates the previous version of the Forestry Transfers Business Process (version 4.0) with the following changes:

<b>Relevant Section</b>	<b>Changes</b>
Section 4	<ul style="list-style-type: none"><li>• Clarification of Roles and Responsibilities in the To-Be business processes</li><li>• Inclusion of Lessons Learnt from the Eastern Cape</li></ul>
Annexure 2: <u>To-Be Processes</u>	<ul style="list-style-type: none"><li>• Updated Programme Management business process</li><li>• Updated Project Management business process</li></ul>

## 1. INTRODUCTION

This report analyses the processes utilised by DWAF to transfer management responsibility and/or ownership of designated Forestry assets, infrastructure and staff to private operators, communities and provincial management structures. It provides an overview of the existing business processes and preliminary recommendations for improving the efficiency and effectiveness of these processes.

The following Forestry transfer-related challenges are included in DWAF's strategic plan for 2003/4 - 2005/6

- Lease the State's commercial forests to private operators in a manner that promotes investment, employment, competition and black empowerment.
- Develop appropriate management systems for community plantations and devolve these to community control *wherever possible*
- Manage indigenous forests effectively and oversee provincial management of indigenous forests.

These challenges define the business processes being analysed, which have been categorised as follows:

- Transfer of Category B plantations to private operators
- Transfer of Category C plantations (woodlots) to communities
- Transfer of Indigenous Forests to provincial management agencies

The analysis does not include the transfer of Category A plantations, which is a process managed by the Department of Public Enterprises (DPE) in conjunction with DWAF.

## 2. FORESTRY TRANSFERS OVERVIEW

Transferring State Forests essentially involves the management of five different strands of activities:

- Transfer of DWAF's Commercial plantations
- Transfer of SAFCOL
- Transfer of DWAF's woodlots
- Transfer of DWAF's indigenous forests
- Transfer of "non-forest" State Forest land (mountain catchments etc.)

A complete programme will be developed for forestry transfers within which the five elements can be resourced and managed. Progress on each element and the key linkages and overlaps are described below.

### 2.1 DWAF's Commercial plantations

Between 1994 and 1997 DWAF inherited approximately 150,000ha of plantations which were established to supply raw material to industrial processors. Approximately 75% was pine grown for saw milling, with the balance being gum grown either for poles or pulp.

DWAF's White Paper (1996) makes it clear that DWAF should transfer the management of these plantations to the private sector. An investigation into transfer options was developed in 1998 and DWAF set up a dedicated "Restructuring Office" to manage the commercial forestry transfer (then known as "restructuring").

In early 1999 a decision was taken to link the transfer of DWAF's forests with the privatisation of SAFCOL (see below) – which was being managed by Department of Public Enterprises (DPE). A firm of forestry consultants (Jaakko Poyry) were appointed by the then Transaction Advisors to DPE to identify which DWAF forests should be combined with SAFCOL. This was done and a list was produced. Those DWAF commercial plantations to be included in SAFCOL became known as Category A, and the balance of commercial plantations became known as Category B.

The Category B plantations tended to be either smaller, in a poorer condition, remote from SAFCOL or had some particular contract supply issues which made them "difficult" in some way. The category As were said to be suitable for integrating into large packages which would attract large scale (possibly international) investment. The Category Bs were "held back" for smaller local (preferably emerging and or previously disadvantaged) investors.

It should be noted that originally the Mpumalanga low veld forests were included in Category A but were subsequently withdrawn when it was decided to convert

them to conservation land. These plantations comprising 10,000 ha are not considered as Category B now, but rather as conservation land.

The majority of DWAF's Restructuring Office's work between 1999 and 2001 involved transferring the Category A plantations out of DWAF into SAFCOL. This was achieved in two tranches. The Eastern cape North plantations (some 53,000 ha) transferred in August 2001, whilst the balance (a further 35,000ha) transferred to SAFCOL in November 2001.

Since 2001, DWAF has attempted to implement a transfer process for the category B plantations. No further forests have been transferred but key progress has been achieved in the following regards:

- A reasonably accurate database of plantation information has been created and is being maintained.
- The plantations have been evaluated from a viability perspective and there is a good sense of which are more viable and which are less so.
- There have been extensive efforts to fast-track the Mbazwana and Manzengwenya complex (23,000 ha or approximately one third of the entire category B area). This has resulted in a recent transfer proposal from the local Traditional Authorities.
- An HR transfer proposal was approved by MANCO in August 2002
- A tender process was attempted in late 2002 but this has been put on hold pending negotiations with DLA regarding community consultation and participation.

The current position on the Category B plantations is that they will be packaged as small to medium sized enterprises with the intention of transferring them to emerging, previously disadvantaged investors, or community-based entities. The intention is that the communities will have a direct role in the decision as to how the plantation will be transferred. In this regard the process for transfer begins to resemble that envisaged for woodlot devolution rather than that which was followed for Category A and SAFCOL.

## **2.2 SAFCOL**

As indicated above, DWAF's category A plantations were incorporated into SAFCOL in 2001. It was decided in 1999 to offer SAFCOL as seven separate packages of forests although bidders could bid for the whole or any combination of the seven. These packages were:

- Northern Province
- Mpumalanga
- KwaZulu Natal
- Eastern cape North
- Eastern Cape South

- Southern Cape
- Western Cape

Preferred bidders were secured in 1999 for the Eastern Cape North (Singisi Forest Products), KZN (Siyaqubeka) and Eastern Cape South (Amathola Timber Holdings). The Singisi and Siyaqubeka transactions were concluded in 2001 but the Amathola transaction has still to be concluded. No preferred bidders for the other packages were secured so they were re-packaged as follows:

- Northern Province and Mpumalanga were combined as Komatiland package and re-tendered in 2000. This transaction collapsed in 2001 following allegations of misconduct by DPE officials. The package was re-tendered for a third time in 2003. A preferred bidder has been identified but remains subject to Cabinet approval.
- Southern and Western Cape were repackaged as Mountains to Ocean (MTO) but on the understanding that approximately 45,000 ha would be withdrawn from forestry over a 20 year exit period. This package was re-tendered in 2002 and negotiations continue with the preferred bidder.

Once DWAF had transferred its Category A plantations into SAFCOL, DWAF's role in the transfer of SAFCOL became reduced to include the following:

- Participate in bid evaluation
- Participate in lease negotiations (DWAF do not participate in the negotiation of other agreements)
- Participate in policy discussions (for example on community shareholding and ESOPs)
- Participate as a member of the Western Cape Conversion Committee on land use conversion.

These residual roles have not been clearly defined and understood in DWAF and as a result DWAF has not been able to consistently and effectively engage in them. They do however take a great amount of time. Much of this work has been led by the Directorate: Regulation due to the lease issues which are their responsibility.

### **2.3 Community woodlots**

The homeland plantations inherited by DWAF between 1984 and 1987 included approximately 72 community woodlots of an average size of 150 ha. These are gum plantations established for community use for building materials and fuelwood. 63 woodlots are in the Eastern Cape, with only seven in Limpopo and one in Mpumalanga and one in North West. The current DWAF policy for woodlots is to devolve them to communities or community/private sector joint ventures. The restructuring office (now Forestry Transfers) has had very little to

do with the process other than to support the human resources negotiations. The process has been handled by Community Forestry in the past and more recently the Eastern Cape Forest Enterprise Development Office (FEDO). To date no woodlots have been devolved.

There are a number of policy and process issues which need to be reviewed. There may be some useful lessons for the Category B process to learn from woodlot devolution in terms of community consultation and institutional arrangements at community level for owning land and forests. There is a view that the Category B process and woodlot devolution processes should be aligned much closer to one another.

Approximately 22 woodlots which had large indigenous forests associated with them were transferred from community forestry to the management of indigenous forestry. It is assumed these will be transferred to the Provinces along with the bulk of indigenous forests.

## **2.4 Indigenous forests**

DWAF is responsible for approximately 500,000 ha of indigenous forests. Most forest patches are small and scattered with only a few consolidated large areas such as Knysna or the Amathola. DWAF only recently completed a national audit of forests and up until that time did not know the full extent of them and who was managing them.

DWAF did not until recently have explicit transfer policies for indigenous forests. A number of transfer initiatives did start however in response to ad hoc situations. These are:

- Knysna
- Pondoland
- Mpumalanga Lowveld
- Dwesa Cwebe
- Woody Cape

Despite the investment of much time in these exercises no indigenous forests have been transferred by the Transfer Office and only Knysna is close to completion. Woody Cape and Dwesa Cwebe were transferred but by the Regional office (Eastern Cape), not by the Transfers unit. Key obstacles to transfer have been:

- Political disagreements between National and Provincial Departments of Environment
- Complications over legal frameworks for transfer
- HR negotiations with Unions
- A lack of policy to guide decision making

It should be noted that there is a link between the Knysna transfer to SANPARKS and the MTO exit strategy (see “SAFCOL”) and the Western Cape Mountain Catchment process (see “non-forest State Forest land”). In all cases portions of land are being transferred to SANPARKS and these processes need to be well co-ordinated.

It should also be noted that many commercial plantations also have quite large areas of indigenous forest associated with them. Generally the policy is that where practical for management purposes, these indigenous forests will be included in the commercial estates, but where their management constitutes an additional and onerous management obligation they would be excised.

## 2.5 Non-forest State Forest Land

In addition to the indigenous forests there are large tracts of land, usually mountain catchments which are proclaimed as State Forest land but which do not have forests on them. These areas include large areas in the Western Cape, Drakensberg mountains in KwaZulu Natal, and catchment areas in Mpumalanga including the Wolkberg. The full extent of these areas and who manages them at present is not known to Forestry Transfers but investigations are underway to quantify the extent and location.

The policy on these areas is that they are not required for forestry purposes and should be deproclaimed and vested with the appropriate conservation agency. Most of these areas are already being managed by Conservation agencies, in which case “the transfer” is a paper exercise involving a change in the legal status of the land. The risk of not implementing this deproclamation is that DWAF is the Department to whom these areas could revert in the event the current manager is not able to continue managing them or chooses not to.

In addition to the above, the restructuring of SAFCOL has thrown up a number of areas which have fallen out of the commercial leases which need to be vested with conservation agencies otherwise they “revert” back to DWAF. Most notable in this regard is the 35,000ha of SAFCOL exit areas in the Western Cape, the 10,000 ha of conversion land at St Lucia and grassland areas in Mpumalanga.

## 2.6 DWAF’s Forestry Transfer Objectives

The Forestry Transfers programme gets its mandate from the Strategic Objectives and targets defined in DWAF’s Strategic Plan. The following Forestry transfer targets are contained in DWAF’s Strategic Plan for 2003/04 to 2005/06:

ASSET TYPE	FY 03/04	FY 04/05	FY 05/06
Category B	33% transferred	33%	33%

Category C	10% transferred	10%	10%
Indigenous Forests	40% transferred	30%	30%

To date none of these targets have been met.

## **2.7 DWAF Forestry Transfers: Organisational Review**

Within DWAF the following units are involved in the Forestry Transfers process:

- The National Transfer Manager
- The Forestry Transfers unit
- Forestry Cluster Managers

The roles, functions and relationships between these units need to be clarified in order to optimise the process whereby Forestry assets are being transferred.

### 3. Business Process Analysis

Business Process Mapping is a systematic approach to improving or optimizing business performance by eliminating unnecessary complexity in the current business processes of an organization. This technique is used to evaluate and optimize the current performance of existing processes (as opposed to reinventing processes using a "blank-sheet-of-paper" approach). This approach should be used when there are barriers to completely re-inventing the process; there are regulations preventing complete change; or if used as a starting point to orient and stimulate the design team for other process redesign activities.

The starting point for the mapping of the Forestry Transfers process has been the AS-IS process map based on information received from DWAF staff (refer to *Annexure I*).

Upon analysing the AS-IS business process, the following overarching process inefficiencies were identified:

- The roles and responsibilities associated with the activities being undertaken are unclear and are not yet being consistently applied. This is particularly evident in the relationship between the Clusters and the Head Office Transfers unit.
- There is an inconsistent approach with limited management control in the following areas:
  - Decision-making
  - Budgeting
  - Resource allocation
- The activities which make up a Forestry Transfer project are unclear amongst DWAF role-players
- The minimum requirements prior to implementing a Forestry Transfers project have not been explicitly stated e.g. legal entity
- The financial implications of a Forestry Transfers project on DWAF's operations and budget are not assessed in sufficient detail
- There is limited overall coordination of activities utilising a consistent programme management methodology
- The targets, deadlines and estimated times for completion of Forestry Transfer activities are consistently not being met

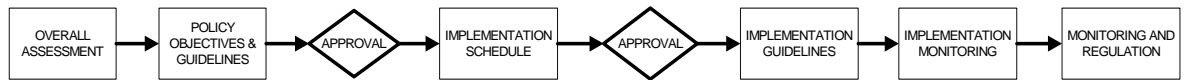
#### 4. TO-BE Process

Based on the preceding analysis, the major shortcoming of the AS-IS business process is the lack of a coordinated programme and project management approach. Therefore, all the activities contained in the Forestry Transfer programme have been grouped together at a programme and project level.

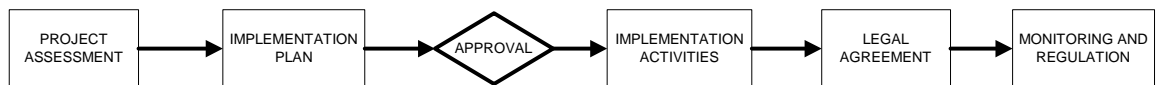
##### *Proposed Business Processes*

It is proposed that a programme and project management methodology be utilised to improve the implementation of the Forestry Transfers process utilising the following 2 high-level business processes.

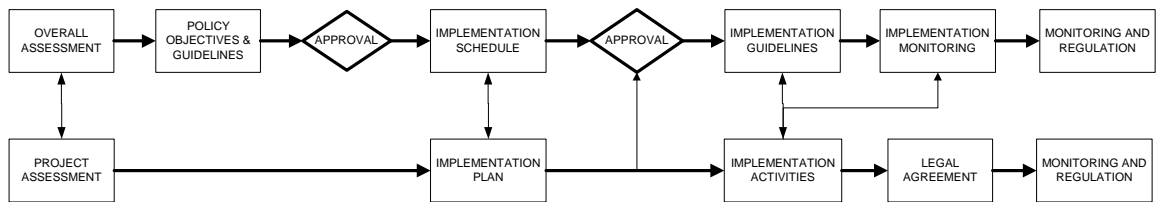
##### *Programme Management process*



##### *Project Management process*



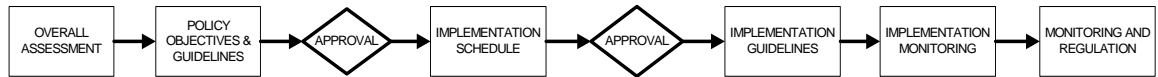
These 2 sets of activities occur at different organisational locations within DWAF (viz. programme management at Head Office and project management at Regional Office) and are highly interdependent. The interaction between these business processes occurs as follows:



This diagram indicates that the 2 processes are interdependent and interact frequently during the Assessment, Planning and Implementation stages of the Transfer process.

It should be noted that the relationship between the Forestry Transfers programme and individual Forest Transfer projects need not be sequential. Therefore, projects where sufficient information and policy direction is available should be implemented without all the programme-level issues being resolved.

## 4.1 Programme Management process



Each of the activities contained in the Programme Management process contains the following major sub-activities:

### 4.1.1 Overall Assessment

The objective of the overall assessment is to establish a clear framework and national plan to provide strategic direction to the Transfer process. It requires an evaluation of the following key Transfer elements:

- High-level functional assessment of the Forestry Assets being transferred
- High-level assessment of the staff that will need to be transferred
- Financial analysis of the implications of various Transfer scenarios
- High-level assessment of the capacity of the receiving party to manage the asset
- High-level assessment of the Transfer options available and guidelines as to how to implement them and when they are applicable

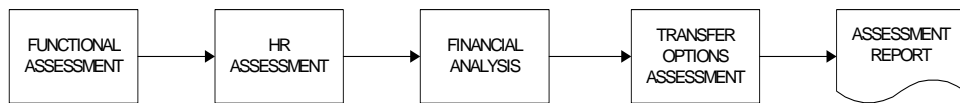
This requires that the following discrete activities be undertaken in order to complete the Programme Assessment Report:

- Functional Assessment  
This activity should be undertaken by each Cluster utilising a standard information-gathering template designed by the Forestry Transfers directorate.
- HR Assessment  
This activity should be undertaken by DWAF's **HR Chief Directorate**. In addition, the HR Chief Directorate needs to advise the Cluster on the appropriate change management and stakeholder buy-in techniques to be utilised during the transition phase of each project.

The experience of the Southern Cluster indicates that an inordinate amount of time and effort had to be expended in clearing up the disparities between the personnel data on Persal and the actual staff on the ground. This required the utilisation of task teams to clean up the data. This problem is likely to recur unless dedicated resources are utilised to authenticate and maintain the data on the

Persal system. In addition, the exercise demonstrated that the Department does not have an accurate assessment of its personnel costs since the data upon which it is based is flawed.

- Financial Analysis  
This activity should be undertaken by the Forestry Transfers directorate utilising information received from the Clusters and the Forestry Support directorate.
  
- Transfer options project  
This activity should be undertaken by the Forestry Transfers directorate utilising information received from the Clusters and the Forestry Support directorate.



The overall assessment process needs to be managed nationally, therefore, responsibility for the compilation and maintenance of the Programme Assessment document rests with the Forestry Transfers directorate reporting to the National Transfer Manager.

#### 4.1.2 Policy Objectives

The overall assessment provides one of the inputs to the compilation of DWAF’s policy objectives document. The policy objectives document provides the framework within which the Transfer process can occur and requires approval from DWAF’s senior managers via Manco.

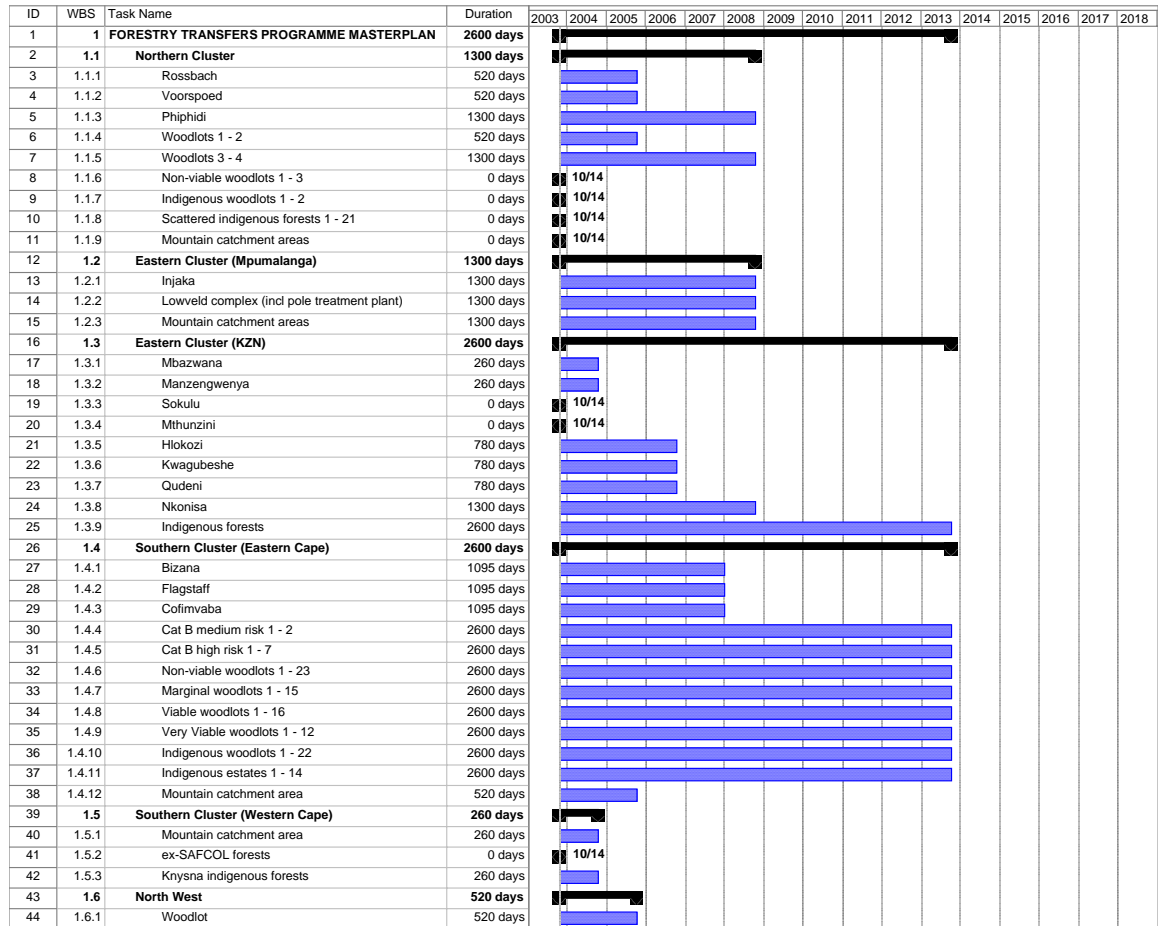
The Policy Objectives document needs to be compiled nationally and falls within the ambit of the **Forestry Policy and Strategy directorate**. Responsibility for the utilisation by Regions of the Policy Objectives document rests with the Forestry Transfers directorate reporting to the National Transfer Manager.

#### 4.1.3 National Forestry Transfers Implementation Plan

Based on the Programme Assessment Report and the approved Policy Objectives document, a more detailed National Forestry Transfers Implementation Plan can be compiled utilising the individual **Project Assessment Reports and Project Implementation Plans compiled by the Clusters**. The implementation plan includes the budgetary implications of the proposed Transfers timetable and also requires approval from DWAF’s senior managers via Manco. Responsibility for the compilation and maintenance of the National Forestry Transfers

Implementation Plan rests with the Forestry Transfer unit reporting to the National Transfer Manager.

An example of a Forestry Transfers Implementation schedule is depicted below:



#### 4.1.4 Implementation Guidelines and Support

Once the National Forestry Transfers Implementation Plan has been approved, the Cluster Managers will require guidelines and ongoing support in order to implement their individual projects. The key elements of this activity are expected to be the following:

- Agreements with Organised Labour

To date, the inability to finalise a framework agreement with organised labour has been one of the biggest stumbling blocks in the Transfers process. This supporting activity is critically important for the

successful implementation of the Forestry Transfers process and requires guidance and leadership from DWAF's HR Chief Directorate.

- Implementation "Toolkit"

This includes standard documentation and templates such as:

- terms of reference for community facilitation services
- standard EOI, RFQ and RFP documents
- standard Forestry Transfers Legal Agreements (lease, PPP, management agreement etc.)
- standard communications formats for communicating with communities and affected staff

- Discrete interventions

Where common bottlenecks are hindering the Implementation of Forestry Transfers, the Directorate: Forestry Transfers should initiate interventions at a national level to support the process

Responsibility for the provision of implementation guidelines and support rests with the Forestry Transfers directorate reporting to the National Transfer Manager.

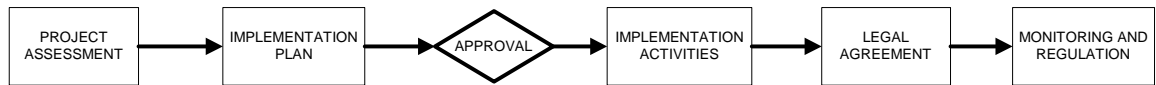
#### *4.1.5 Implementation Monitoring*

Throughout the Implementation process, the Transfers Manager needs to monitor and track the implementation process against the approved National Forestry Transfers Implementation Plan. This requires that a reporting mechanism be designed to collect the required information at discrete intervals from individual Forestry transfer project managers.

#### *4.1.6 Monitoring and Regulation*

Once the Transfer project has been completed, DWAF's Forestry Regulations unit will fulfill its role as a Regulator of the Forestry sector through monitoring compliance with its policies and legislation. In some cases, ongoing support may be provided post-Transfer through financial assistance or technical support. DWAF's role in providing this support is unclear since the policy of Aftercare was still being awaited as at end November 2004.

## **4.2 Project Management process**



Each of the activities contained in the Programme Management process contains the following major sub-activities:

#### *4.2.1 Project Assessment*

The individual project assessment provides a more detailed analysis of each discrete Forestry Asset to be transferred. It requires the completion of the following discrete sub-activities:

- Asset Assessment

This activity includes the compilation of an inventory of the assets being transferred, the asset's future rehabilitation needs, its future capital investment requirements, its ongoing operation and maintenance costs and the sustainability of the operation. It also includes identifying any HR issues that need to be resolved and which may hamper the Transfer process.

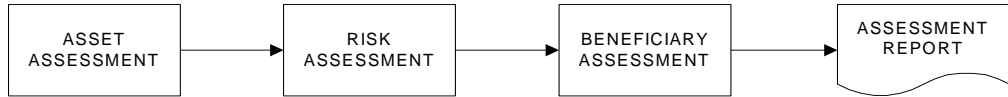
- Risk Assessment

This activity involves assessing the risks associated with the Transfer process and includes both financial and non-financial risks. The financial risks need to be assessed by undertaking a cost-benefit analysis for the proposed post-Transfer scenario. Some of the major non-financial risks that need to be assessed include any contingent liabilities associated with the Forestry asset being transferred as well as DWAF's ongoing commitments (if any) post Transfer.

- Beneficiary Assessment

This activity involves assessing the ability of the project's intended beneficiaries to manage the operation sustainably, which requires an evaluation of their management, technical, financial and operational skills and capacity.

The Project Assessment Report should contain recommendations concerning the transfer option to be pursued as well as the proposed methodology for implementing the project (especially with regard to the Community Facilitation process to be followed).



Responsibility for the compilation and maintenance of the Project Assessment Report rests with the **Cluster managers**, supported by the Forestry Transfers directorate.

#### 4.2.2 Project Implementation Plan

Based on the Project Assessment, an implementation plan can be compiled. An example of a Forestry Transfers Project Implementation schedule is depicted below:

ID	Task Name	Duration	Start	Finish	4th Quarter		3rd Quarter		2nd Quarter		1st Quarter		4th Quarter		3rd
					Sep	Jan	May	Sep	Jan	May	Sep	Jan	May	Sep	Jan
1	<b>GENERIC CATEGORY B</b>	1 day	Mon 02/11/18	Mon 02/11/18											
2															
3	<b>Preparation of asset information</b>	<b>75 days</b>	<b>Mon 03/11/03</b>	<b>Fri 04/02/13</b>											
4	Define property boundaries (complete)	1 day	Mon 03/11/03	Mon 03/11/03											
5	Update maps (complete)	1 day	Mon 03/11/03	Mon 03/11/03											
6	Update asset inventory database	65 days	Mon 03/11/03	Fri 04/01/30											
7	Update staff lists	65 days	Mon 03/11/03	Fri 04/01/30											
8	Financial cash flow analysis	10 days	Mon 04/02/02	Fri 04/02/13											
9															
10	<b>Preparation for community consultation</b>	<b>6 days</b>	<b>Mon 03/11/03</b>	<b>Mon 03/11/10</b>											
11	Identify land claims and progress made by LC	1 day	Mon 03/11/03	Mon 03/11/03											
12	Identify Traditional jurisdiction (done)	1 day	Mon 03/11/03	Mon 03/11/03											
13	Identify municipal jurisdiction (done)	1 day	Mon 03/11/03	Mon 03/11/03											
14	Communicate with Prov. DLA and LCC	4 days	Tue 03/11/04	Fri 03/11/07											
15	Plan a joint consultation roll-out	1 day	Mon 03/11/10	Mon 03/11/10											
16															
17	<b>Community consultation</b>	<b>176 days</b>	<b>Mon 03/11/03</b>	<b>Mon 04/07/05</b>											
18	Develop communication materials	5 days	Mon 03/11/03	Fri 03/11/07											
19	Develop terms of reference	5 days	Mon 03/11/03	Fri 03/11/07											
20	Appoint service providers	20 days	Mon 03/11/10	Fri 03/12/05											
21	Support service providers	150 days	Mon 03/12/08	Fri 04/07/02											
22	Community resolution	1 day	Mon 04/07/05	Mon 04/07/05											
23															
24	<b>Tender process</b>	<b>64 days</b>	<b>Tue 04/07/06</b>	<b>Fri 04/10/01</b>											
25	Develop EOI document	9 days	Tue 04/07/06	Fri 04/07/16											
26	Placement of the ad	5 days	Mon 04/07/19	Fri 04/07/23											
27	Closing of Ad	30 days	Mon 04/07/26	Fri 04/09/03											
28	Shortlist and selection	20 days	Mon 04/09/06	Fri 04/10/01											
29															
30	<b>RFQ</b>	<b>135 days</b>	<b>Tue 04/07/06</b>	<b>Mon 05/01/10</b>											
31	Draft the RFQ	9 days	Tue 04/07/06	Fri 04/07/16											
32	Prepare information memorandum	9 days	Tue 04/07/06	Fri 04/07/16											
33	Release RFQ	40 days	Mon 04/10/04	Fri 04/11/26											
34	closing, evaluation and shortlisting	10 days	Mon 04/11/29	Fri 04/12/10											
35	Inform DCC	18 days	Mon 04/12/13	Wed 05/01/05											
36	Inform shortlisted bidders	3 days	Thu 05/01/06	Mon 05/01/10											
37															
38	<b>RFP</b>	<b>310 days</b>	<b>Mon 05/01/24</b>	<b>Fri 06/03/31</b>											
39	Release RFP	3 days	Mon 05/01/24	Wed 05/01/26											
40	Due diligence	87 days	Thu 05/01/27	Fri 05/05/27											
41	Bid Evaluation	25 days	Mon 05/05/30	Fri 05/07/01											
42	Recommend to DCC	20 days	Mon 05/07/04	Fri 05/07/29											
43	DCC recommend to DG	10 days	Mon 05/08/01	Fri 05/08/12											
44	Negotiations with preferred bidders and corn	165 days	Mon 05/08/15	Fri 06/03/31											

Some of the key activities contained in the Implementation Plan are depicted above. In particular, the Community Consultation process is a vital element in the Forestry Transfers process and requires careful planning and implementation. It should however be noted that a different set of activities will be required based on the Transfer methodology being followed viz. lease, PPP, management agreement, sale etc. This

information should be obtained from the Programme Assessment Report and the Implementation Guidelines provided by the Forestry Transfers Directorate.

The Implementation Plan must also provide an indication of the budget required to implement the project. Currently, the benchmark budget estimate for implementing a Forestry Transfer project is R1.5 million per project (including Community Facilitation, but excluding staff transfer costs and severance packages).

Prior to proceeding with the project, the Implementation Plan needs to be approved by DWAF senior management in order to ensure financial accountability and alignment with the overall National Forestry Transfers Implementation Programme. This includes the appointment of the project manager to oversee the project.

Responsibility for the compilation and maintenance of the Project Implementation Plan rests with the Cluster managers, supported by the Forestry Transfers directorate.

#### *4.2.3 Implementation Activities*

This phase of the Forestry Transfers project consists of the implementation of the activities contained in the Implementation Plan. The project manager's first task is to break the project down into manageable work packages with clear deliverables and **allocate responsibility for these work packages to the appropriate DWAF units or external service providers**. These work packages are then further broken down into workplans for individual staff members. Thereafter, the project manager tracks the completion of tasks, manages the project budget, checks on quality, provides support and assistance to remove bottlenecks and reports on progress to the Cluster manager and the National Transfers Manager.

Whereas responsibility for implementation of the project rests with the project manager, accountability to DWAF still rests with the **Cluster manager**.

#### *4.2.4 Legal Agreement*

A Forestry Transfers project is only complete once a legally binding agreement has been signed that transfers ownership or management responsibility for a Forestry asset from DWAF to the designated Receiving Party. The process of compiling the necessary legal agreements must be led by the Legal Services section within DWAF's Corporate Services division; however, it requires extensive input from the project

manager and other DWAF roleplayers. Responsibility for finalisation of the legal agreement also rests with the Cluster manager.

#### *4.2.5 Monitoring and Regulation*

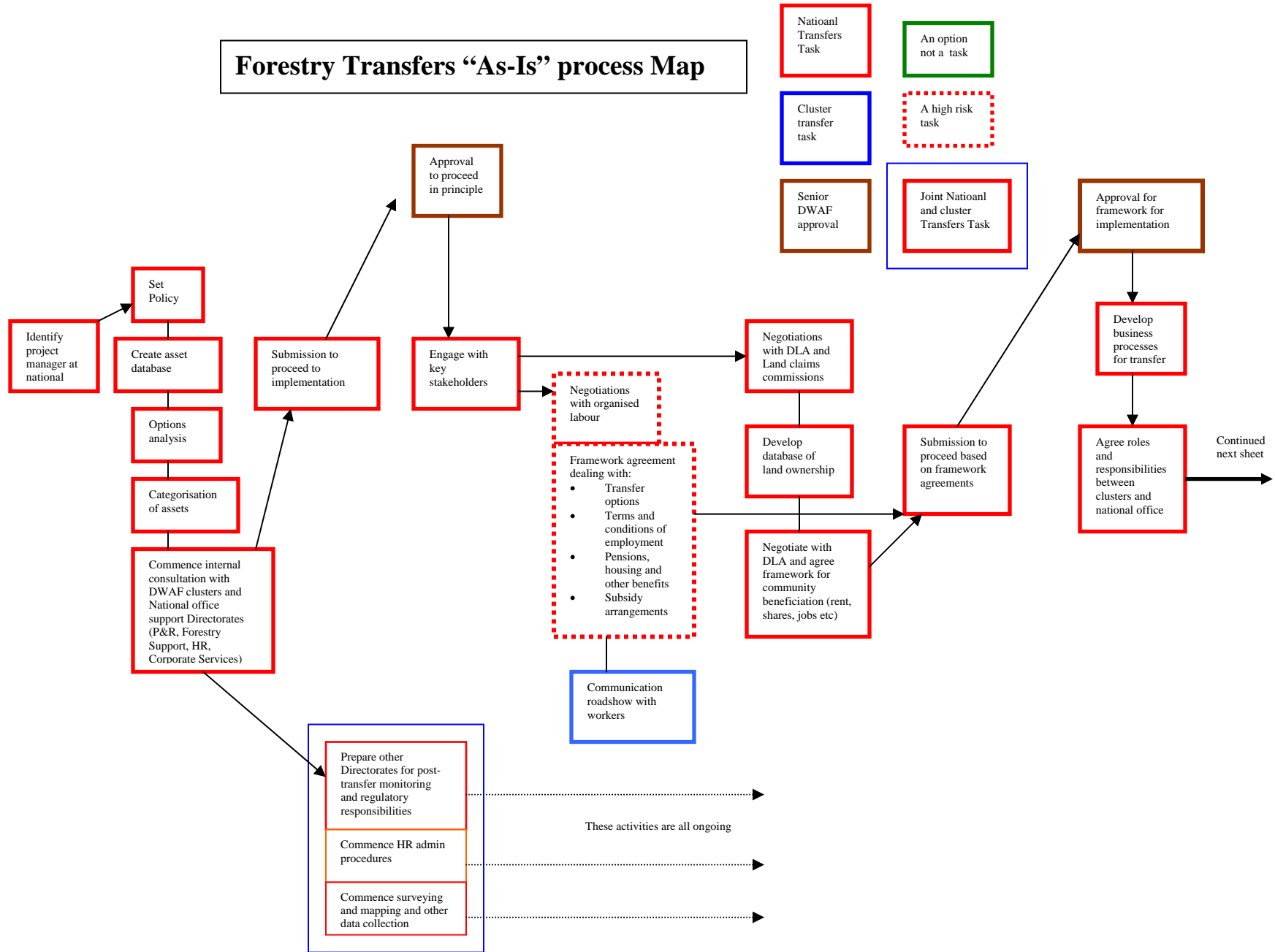
Once the Transfer project has been completed, the DWAF Cluster will continue to fulfill its role as a Regulator of the Forestry sector through monitoring compliance with its policies and legislation. In some cases, ongoing support may be provided post-Transfer through financial assistance or technical support.

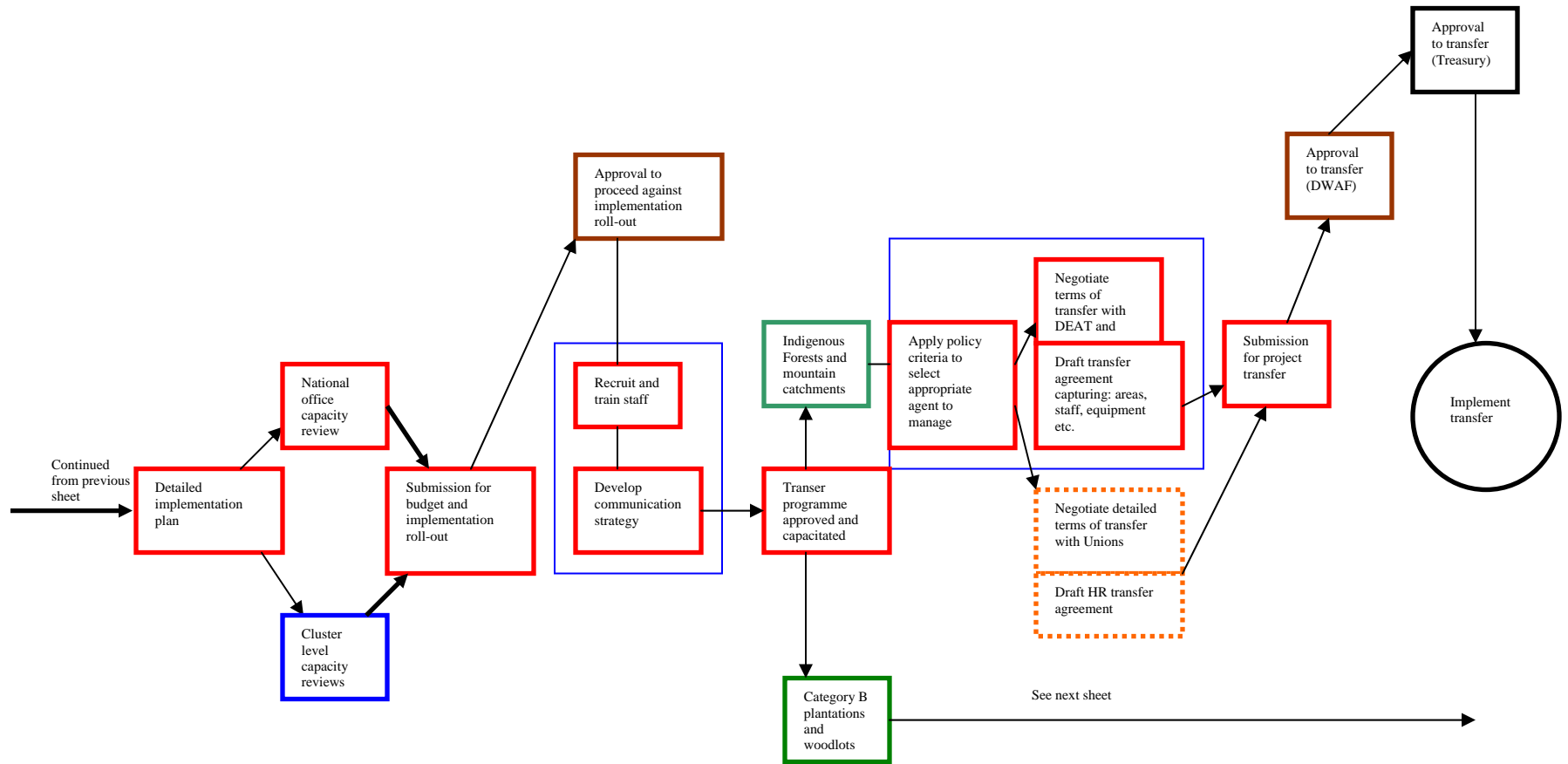
Based on the Southern Cluster experience, many of the recipients of DWAF's forests, require extensive support to ensure that they are complying with Forestry best practices and legislation. Some potential interventions were identified, however, DWAF's role in providing this support is unclear since the policy of Aftercare was still being awaited as at end November 2004.

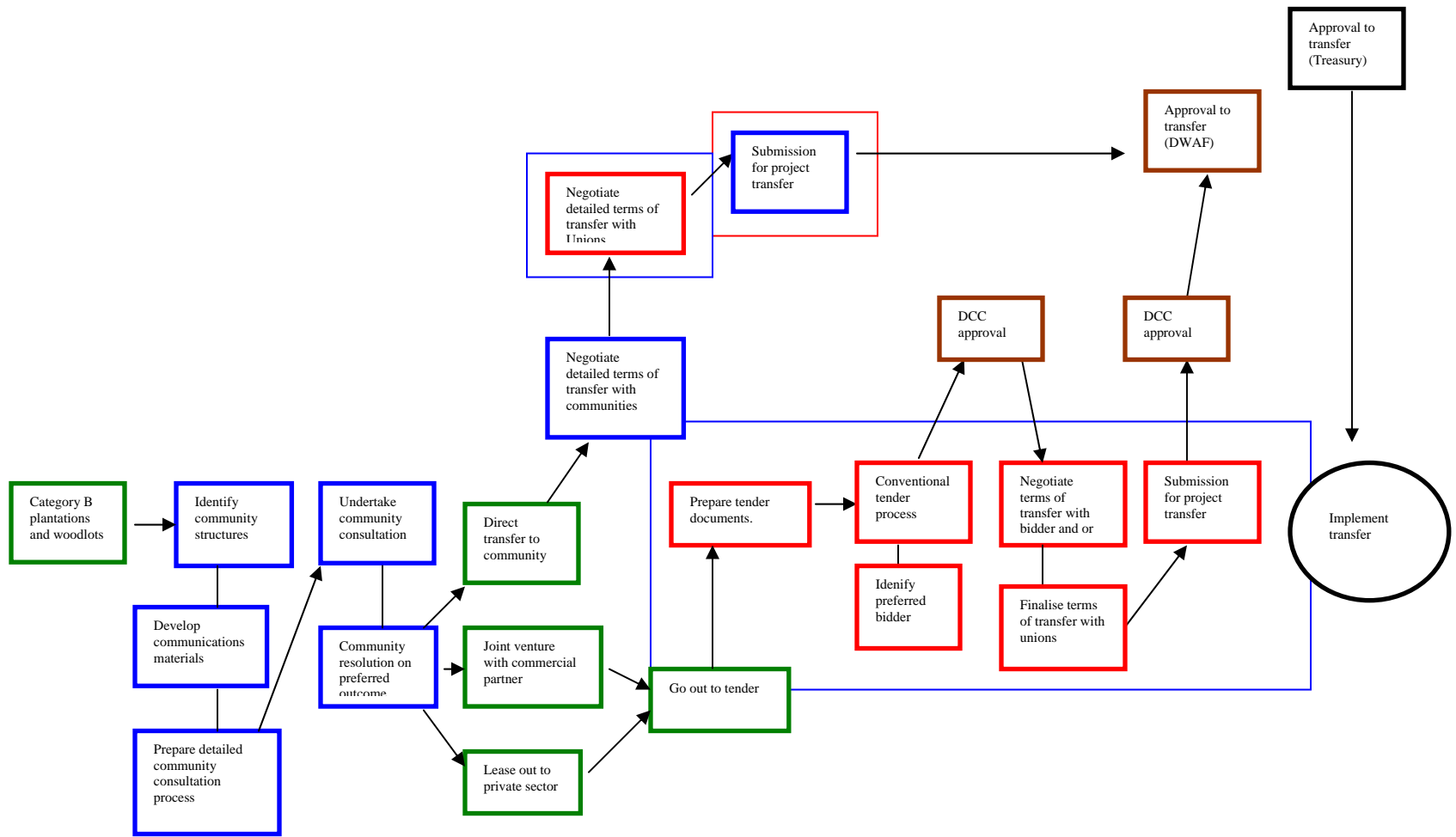
**ANNEXURE 1:**

**AS-IS PROCESS**

# Forestry Transfers “As-Is” process Map



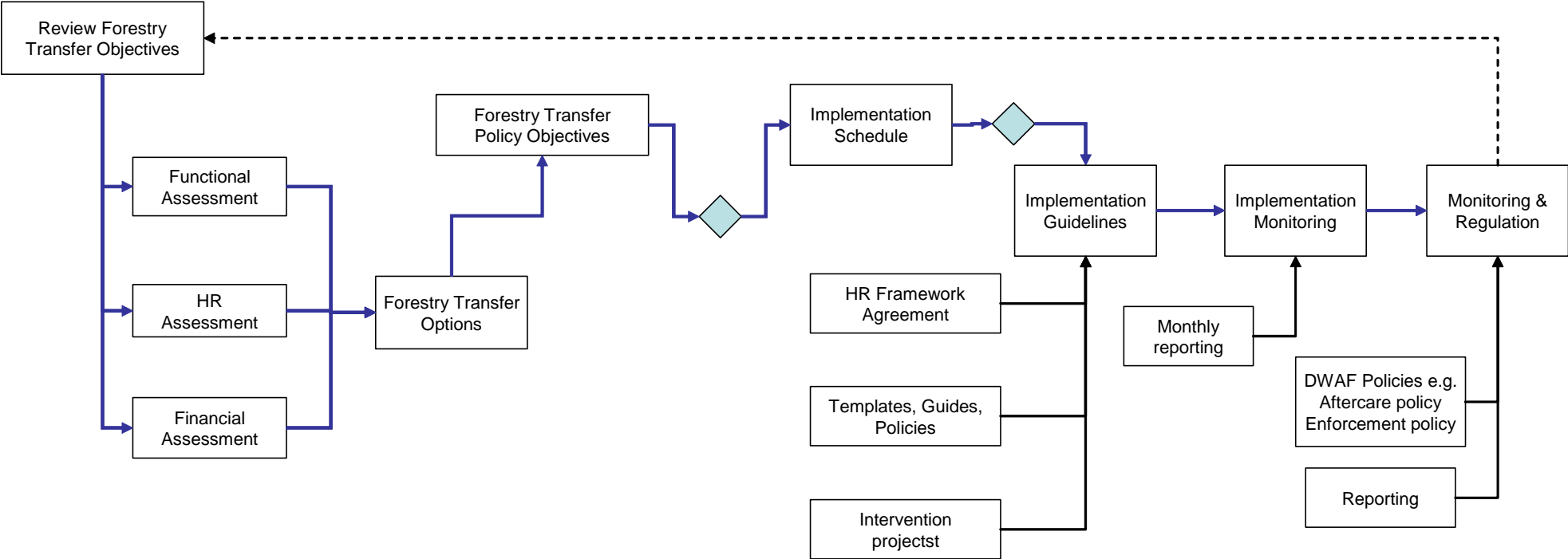




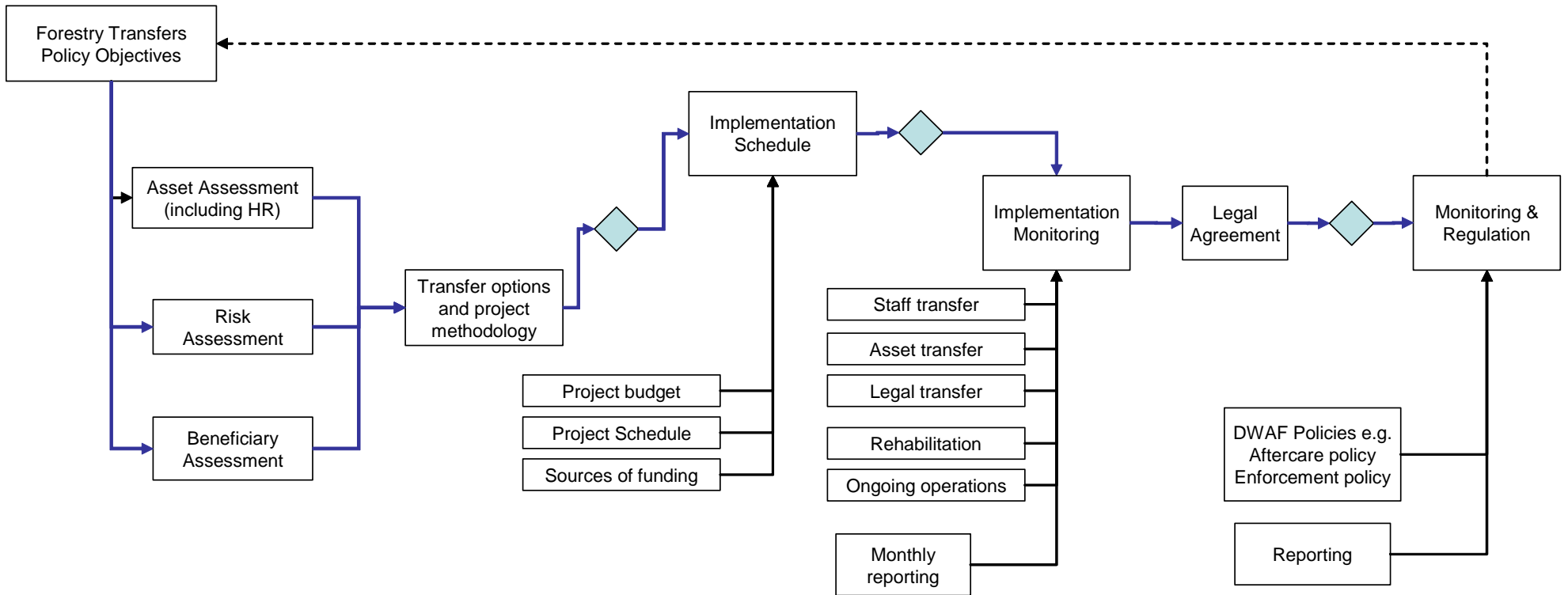
**ANNEXURE 2:**

**TO-BE PROCESSES**

# PROGRAMME MANAGEMENT PROCESS



## PROJECT MANAGEMENT PROCESS



## DETAILED STAFF TRANSFERS SUB-PROCESS

