



## How does the Charter addresses challenges

### 1. Greater equity in the entire value chain

- Increased black ownership through the scorecard

NB!!! Potential income from small scale tree growing is estimated at R3900/annum for a 2.4 ha plot.

Greatest value in downstream processing imperative that emerging growers also share in the downstream processing

- Restructuring of State Forest assets must support BBBEE
- Greater emphasis on empowerment of women, youth and rural poor through the scorecard
- Growth in value adding enterprises through procurement



## How does the Charter addresses challenges

### 2. Increase in roundwood supply

- New afforestation – 100 000 ha over 10 years
- Improved yield from existing plantations
- Secure land holding rights and structure on communal land to support emerging growers
- Community facilitation, extension support and training for new entrants
- Access to funds and financial services



## How does the Charter addresses challenges

### 3. Sustainable supply and better utilisation of sawlogs

- Agreement on a sawlog strategy
- Review of State Forest Exit Strategy in the Southern and Western Cape
- Improved utilisation rates by small sawmillers
- Greater investment by large sawmillers in raw material supply
- Skills development and training



## How does the Charter addresses challenges

### 4. Local beneficiation in and through the fibre production

- Allocation of water licensing through BBBEE
- Encourage local production of chemicals and machinery used by processing industry
- Encourage enterprise development through the use of fibre waste
- Access to finance for emerging entrepreneurs
- Skills development and training



## How does the Charter addresses challenges

### 5. Empowerment and sustainability of small operators

- Strengthen representative industry structures where they exist
- Establish representative structures where they do not exist
- Regulate contracting and employment relationships through the industry Codes of Good Practice
- Improved access to financial services
- Skills development and training
- Mechanism to ensure adequate supply of raw material (State assets)