

# Trade and Industry speeds up afforestation



ROB DAVIES

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TRADE and Industry Minister Rob Davies wants funding from the Land Bank and Industrial Development Corporation (IDC) in place by the end of the next financial year to fund a massive afforestation programme in the Eastern Cape and KwaZulu-Natal.

Conservative estimates in a 2005 study identified 100 000ha for new forestry in the Eastern Cape and 39 000ha in KZN with smaller parcels in Limpopo and Mpumalanga con-

■ Minister wants funding for Eastern Cape, KwaZulu-Natal in place

cluding that the industry had the potential to create 15 600 jobs.

The forestry products industry ranks among the top exporting industries in the country and its exports in 2008 totalled R14,8-billion which, after deducting forest product of R11,3-billion – meant a net foreign exchange earning of R3,5-billion, a contribution of some 15% to the country's trade balance.

The Industrial Policy Action Plan (IPAP), released by Davies last week, notes that most of the forests are on communal land where "a

number of value-added opportunities can be explored for smaller growers" currently supplying their timber to big companies for pulp and paper mills.

IPAP says that opportunities exist to expand the small-scale milling industry and to use jungle wattle that would otherwise go to waste for charcoal production.

The action plan says the issuing of water licences has become "a serious obstacle for forestry development" and communities are unable sometimes to afford the required

environmental impact assessment.

It wants a national task team in place by the end of June to oversee the afforestation process and for the Department of Water and Environmental Affairs (DWEA) to have conducted reserve determination and hydrological surveys for targeted catchments within the same time frame.

By the end of September, Trade and Industry will have appointed facilitators to mobilise communities and "provide capacity for them to apply for water use licences is-

sued by DWEA and access capital".

Funding for the EIAs will be provided by Asgisa EC and Trade and Industry.

Davies is also looking at charcoal manufacturing enterprises in the Eastern Cape and KZN using jungle wattle – an alien species.

He points out the market requires low levels of capital inputs, limited technical knowledge, uses unskilled workers and is labour-intensive.

"The project has the potential of increasing participation in the rural areas, employment creation and skills transfer."

IPAP wants Asgisa EC to under-

take the required EIAs in identified areas by the end of June and for the Small Enterprise Development Agency (SEDA) to train and register 12 cooperatives in communities with an interest in charcoal production within the same timeframes.

The National Empowerment Fund and IDC must also provide funding for the enterprises by the end of September.

IPAP is also looking at the biomass sub-sector for SMMEs and a feasibility study will be undertaken before the end of this year as well as a business plan developed before the end of March next year.