



Overview

on the sites for
field visits

Workshop on Forest Governance and Decentralisation in Africa

Durban, South Africa

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Field trips 10 April 2008



water & forestry

Department:
Water Affairs and Forestry
REPUBLIC OF SOUTH AFRICA



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Workshop Website

<http://www.turnersconferences.com/conferences/forestgovernance/index.asp>

the workshop on
forest governance
and decentralisation in africa

Synopsis

During the last fourteen years South Africa has gone through a period of transformation, not only in the political and business arenas but also in land tenure. In 1994, the first democratic government of South Africa inherited a state deeply divided by the effects of 300 years of colonialism and apartheid. The black majority, forming 80% of the population, was effectively excluded from land ownership. This history had important consequences on access to and control over forest resources (Clarke, 2007). Two primary mechanisms have been put into place for land transfer to local communities: (i) restitution of land lost through inequitable laws and practices in the colonial era; and (ii) redistribution of privately owned and public land. The government has set a target for the transfer of 30% of white-owned land to black owners by 2015 (Clarke, 2007).

The transfer of plantations brings with it important responsibilities not only from government but also from the private sector. The responsibility is twofold: (i) to ensure sustained economic viability on land that is handed back to communities, and (ii) to provide much needed jobs. The importance of this becomes evident with the following statistics for South Africa:

- 15.8% of the population has no schooling.
- 42.5% of the population lives in rural areas.
- 42.3% of the population is not economically active.
- 41.6% of the population is unemployed.
- 23.6% of households have no income.
- 17.7% of households earn US\$ 50 - US\$ 100 per month.
- 6.0% of households earn more than US\$ 1590.00 per month.

Forestry is a labour- and capital- intensive industry and it is also a primary industry, meaning it is a catalyst for other supporting industries. Industries and other stakeholders relying on the sector feel that it is therefore important that forestry land returned to communities be managed sustainably. Although in some instances members of the community have worked for some of the forestry companies or farmers, none of them has had formal forestry training. In most instances the forests either need rehabilitation or are not yet mature, and therefore require continued capital inputs before they become productive. SAPPI-KZN was approached by the Ndelu Trust, a Trust which was formed by the Ndelu Traditional Authority on behalf of the community to manage the plantation, to assist them with the management of the land that they had acquired from the Department of Land Affairs through the land reform process. Fortunately, through the Project Grow initiative, SAPPI already had a history of supporting market-oriented forestry with small-scale growers.

Through the land tenure reforms, some farms in Ixopo and Umzumbe Districts were purchased from private farmers by the Department of Land Affairs and returned to communities. Beneficiary communities formed Community Property Associations (CPA's) and Trusts as a means to collectively govern newly acquired property. All the farms had Black Wattle on them, but the areas had since been neglected and were unproductive upon transfer. Communities did not have any prior experience in tree farming. The Department of Land Affairs therefore approached Sappi during the process of land transfer to assist the community with management post-transfer.

Sappi, who has other commercial plantations in the district, had an existing program to support smallholder growers in tree farming – Project Grow. It was decided to apply the model to the newly acquired communal property as well. Unlike Project Grow, where money earned from trees is paid to an individual farmer, the money earned is paid to the community (via the CPA) since the land is held collectively. The other benefits have remained the same. These include technical assistance, provision of free seedlings, interest-free payment for silviculture work completed prior to harvest and a guaranteed market. In return, the community signs an agreement committing the harvest to Sappi who pays market related prices for the timber.

Successes and challenges faced by smallholders in securing land rights and turning their newly acquired tenure rights into economic advantage will be distilled by participants through discussions with diverse stakeholders. Difficulties associated with government provision of funds for purchasing land (US\$ 1800) without accompanying provisions for operating capital or equipment (e.g. for fire control) will be discussed. Internal governance within CPAs will also be discussed, including how decisions are made and benefits distributed among members.

Questions for the Group

1. What have been the key historical events that have shaped land and forest tenure in South Africa in general?
2. What have been the governance responses, and how effective have these been in supporting fair and effective resolution to the conflict?
3. Did the local government play any role in the restitution / redistribution process? And if yes, what role did it play?
4. What challenges have smallholder timber growers faced when their tenure is secured? What support services are required to enable them to utilize their tenure for socio- economic benefit, and what is actual and potential role of the private sector and government actors in service provision?
5. What comparative lessons may be drawn from other African countries on the relationship between forest tenure, and forest management?
6. What has been the impact on local livelihoods, if any, since tenure has been secured?

Programme

08:30	Departure by bus from International Convention Centre
10:30–12:30	Visit the Trust and CPAs in Ndelu Traditional Authority who received land from Department of Land Affairs as a favourable resolution to their land. Discuss: <ul style="list-style-type: none"> • The history of land loss and the resolution. • Technical, financial and organizational challenges faced by the farmer in timber growing and marketing since restoring property rights • Service provision since restoring property rights (what services were provided, and by whom), and their opinion of the support provided by SAPPI • Implications for service provision by the private sector and government
12:30–13:00	Transfer from communities to Nyangwini Training Centre
13:00– 14:00	Lunch at Nyangwini Centre. Meet with the Ministry of Land Affairs and Inkezo representative over lunch to have an informal presentation and discussion about: <ul style="list-style-type: none"> • Key historical events that have shaped conflict over land and forest tenure in this site, and in South Africa in general • The opinions of different actors about the tenure reforms shaping the forestry sector and their effects on rural livelihoods
14:00–14:30	Transfer from lunch spot to SAPPI office.
14:30–16:00	Meet with Carl van Loggerenberg and other SAPPI representatives to discuss: <ul style="list-style-type: none"> • The history and scale of land acquisition by SAPPI • SAPPI views on the land claim, the resolution of the case and the challenges faced by small-scale growers since then • Services provided by SAPPI and Project GROW • Formal (e.g. policies) and informal incentives for assisting smallholders
16:00–17:00	Return to International Convention Centre

Coordinators: Jeannette Clarke and Inkezo representative

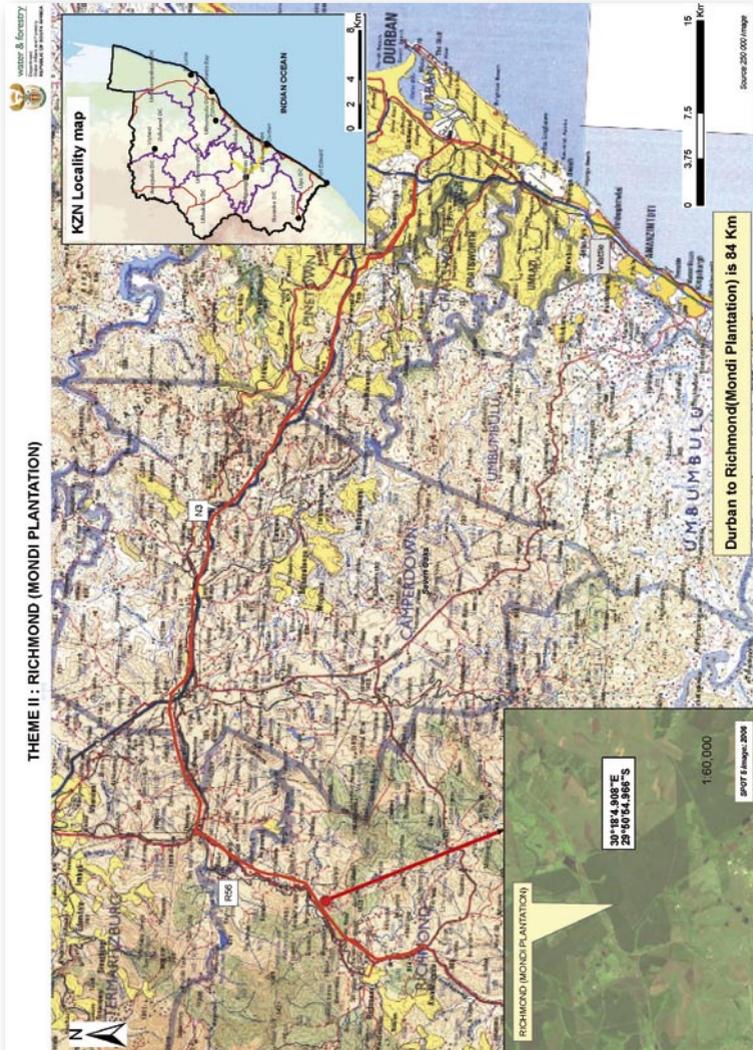
Rapporteur: Jean-Marie Samyn and Carol Colfer

¹ This is of concern to neighbouring timber growers, as most of the properties about other plantations which may be affected by uncontrolled forest fire.

GROUP II: "SEVEN OAKS" (Primary focus: Theme II)

Site Description

The main focus of Group II will be on the governance of water for use by forestry and other sectors. The group will explore the relationship between water and trees; the role of research in setting policy targets for water regulation and allocation; instruments for cross-sectoral governance of a limiting environmental service; a government program for payments for environmental services; and the appropriate degree of decentralization of forest and catchment management and governance.



Synopsis

South Africa has never had abundant resources of indigenous timber-producing forests. In terms of naturally occurring trees, the country is more often characterised by open woodland than closed canopy forest. Remnant patches of indigenous evergreen forest do remain; however they are carefully conserved and sustainably managed through selective harvesting. Their protection was necessitated by heavy and uncontrolled exploitation between the 17th and early 20th centuries. The promulgation of the 1913 Forest Act eventually stemmed the destruction of the country's natural forests. However, a subsequent series of historical events (World Wars, the "Great Depression", industrial development etc.) resulted in the demand for timber exceeding supply, and forced South Africa to accelerate the expansion of its own exotic plantation forest industry.

As the area under exotic plantations grew, so did concerns about their impacts on water resources. Commercial forests are characterised by tall, dense, evergreen canopies, and deep-rooted systems. Their structure therefore contrasts strongly with the typically short, seasonally dormant vegetation with shallow root systems (e.g. grassland) that they usually replace during afforestation activities in South Africa. Numerous local and international studies have indicated conclusively that forest plantations consume more water than natural forests, grasslands or shrub lands, and hence reduce water yield (streamflow) from afforested catchments. These water use concerns led to the initiation of South African forest hydrological research in 1935, and resulted in the establishment of long-term research on the effects of pines and eucalypts on streamflow.

The findings and recommendations emanating from this research led to the introduction, in 1972, of legislation that required timber growers to apply for permits to establish commercial plantations so as to regulate water use by the sector and minimize negative impacts (largely to secure urban water supply). Applications to establish forestry plantations became mandatory, and are rejected if it is deemed that the afforestation will use an unacceptably high proportion of water. The legislation has undergone a series of refinements since then, as research techniques and simulation models have improved. The current licensing and regulation system is based on results from a modelling exercise, which simulated afforestation-related stream flow reductions (by eucalypts, pines and wattle) at a national scale. The results were implemented by the Dept of Water Affairs and Forestry (DWAF) in water resource management decision processes (afforestation licence applications).

The relevance of this field trip to forest governance lies in South Africa's efforts to systematically understand the impacts of different land use practices on water (a resource in short supply), and to use this information to develop policies and cross-sectoral water allocation procedures. In many other African countries, no such recognition is given to plantations as a streamwater reduction activity, nor to regulating water allocation equitably to diverse sectors and stakeholders. Key elements of water governance of relevance to forestry include:

1. A high level of investment in research on the effects of land use on water consumption, to ground policy in a clear understanding of cause-and-effect;
2. Procedures for evaluating water use and water needs by different sectors and water users, and regulating access according to principles of equity – particularly the Stream Flow Reduction Activity Licence Assessment Advisory Committees (SFRA LAACs) who are responsible for review and approval of streamflow reduction licence applications; and
3. A "payments for ecosystem services" program ("Working for Water") aimed at eliminating invasive alien tree species (most notably Black Wattle emanating from plantations) from catchment areas to minimize their negative effect on stream flow.

Working for Water Programme

The Working for Water programme, funded by the government of South Africa, was initiated in 1995 in response to the threats of invasive alien species to water supplies. Invasive alien species are known to use 7% of all water resources, reduce the ability to farm, intensify flooding and fires, cause erosion and siltation, and threaten biological diversity. In the Western Cape, losses attributed to invasive alien species amount to 700 million Rand annually. The overall cost to the South African economy is estimated to be greater than US\$10 billion. Since its inception, 10 000 km² of invasive alien species have been cleared, providing jobs and training to about 20 000 people from marginalised sectors of the economy (Cunningham et al, 2008).

The “Two Streams” Catchment

The Two Streams catchment at Seven Oaks is one of the few remaining small catchment research areas in South Africa. Participants will visit a mature stand of Black wattle (*Acacia mearnsii*) planted in a riparian zone, where stream flow gauging was initiated in 1999s. This ongoing research seeks to quantify the long-term effects of commercial forestry species and riparian vegetation on deep soil water profiles, stream flow and evaporation. The CSIR’s Ecophysiology Research Group in Pietermaritzburg is leading the research, with funding from the Water Research Commission (WRC) and the Dept of Water Affairs and Forestry (DWAf).

Questions for the Group

1. What are the environmental properties of trees, as viewed from the water sector?
2. What was main impetus behind governance reforms in the water sector?
3. What are the main governance instruments used to allocate water among key sectors and stakeholders, and what are their implications for equity? Sustainability?
4. What has been the role of research in setting clear policy targets for water management and allocation (in supporting “evidence-based policy making”) in South Africa?
5. How should the principle of subsidiarity be interpreted in the context of water management? What functions should be decentralized and what functions need to be coordinated at higher levels for the sustainable management of forest ecosystem services?

Programme

08:30	Departure by bus from International Conference Centre and travel to Sappi Mvoti Estate (Seven Oaks) (Delegates to wear outdoor clothing and bring hats)
10:30–12:00	Visit an area where the Working for Water program is being implemented to observe: <ul style="list-style-type: none"> • The source and environmental impacts of alien invasive species (with a focus on Black Wattle) • How the Working for Water program is addressing these challenges and who is financing it • Differences and similarities between this and other “payment for environmental services” programmes
12:00	Depart for “Two Streams” Research Site (Mondi Mistley-Canema Estate)
12:30– 14:00	Meet with Mark Gush / CSIR and Chris Davel (DWAf) over lunch at Mondi Estate Offices. <ol style="list-style-type: none"> 1. Meet with James Perkins (DWAf) and plantation owners to observe: <ul style="list-style-type: none"> • How water allocation decisions are made, and implications for equity and sustainability • The timber grower’s views on water policies and their effect on the timber business • How compliance with water laws is monitored by government 2. Learn from researchers (Mark Gush): <ul style="list-style-type: none"> • The role of research in informing policy about tree-water interactions in South Africa • How the collaborative arrangement between research and policy is structured and financed • Past research topics (water use by area and species, water “exchange rate” of shifting land uses) and findings
14:00	Depart from Mondi offices to Two Stream catchment area.
14:15–15:30	View catchment layout, instrumentation and discuss implementations of research
15:30–17:30	Return to International Convention Centre

Coordinators: Chris Davel and Mark Gush
 Rapporteurs: Enos Shumba and Laura German

¹ To include timber species and biofuels.

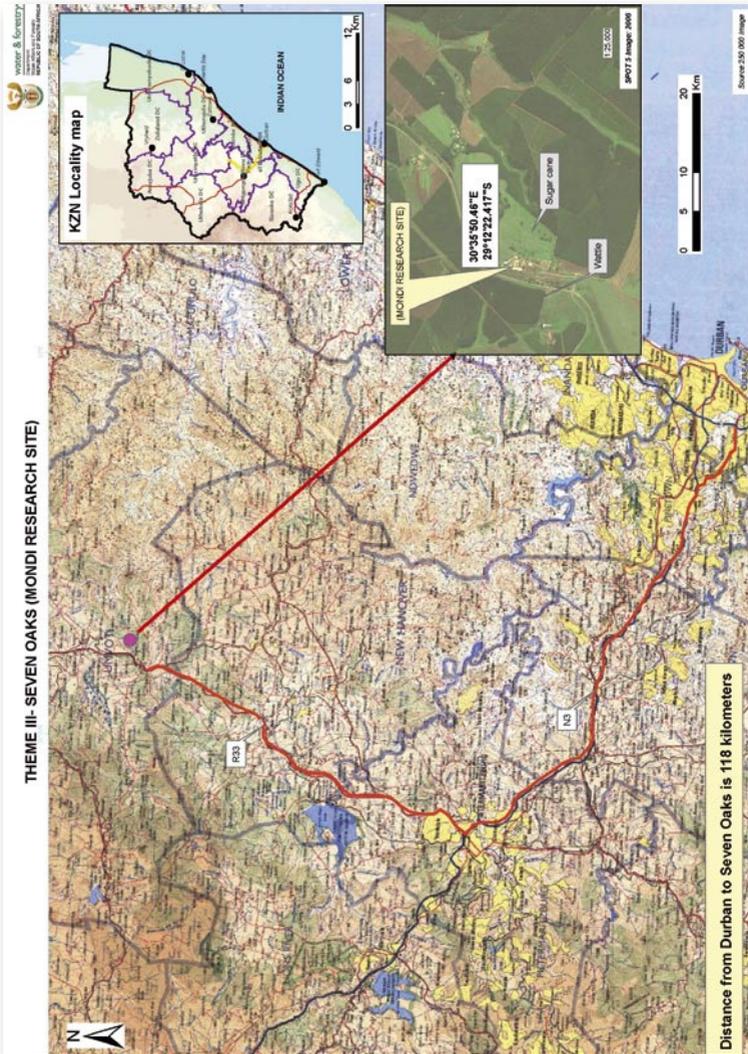
² For example, sugar cane to plantations.



GROUP III: "GREENHILL ESTATE" (Primarily focus: Theme III)

Site Description

The focus of Group III will be on international trade, impacts of international governance instruments (certification) on land use practice, and the social and ecological effects of these practices. The group will visit a port where pulp is processed and exported to identify the main patterns in international trade, and visit producers to see how these patterns influence land use and related impacts. Participants will visit communities living adjacent to the Mondi plantation in Richmond to observe how certification of private sector plantations has influenced community livelihoods.



Synopsis

International trade continues to shape forests across Africa and globally. Foreign and regional market demand can have a strong influence on whether a forest is managed sustainably or leads to irreversible deforestation, and whether forest-dependent communities benefit from trade – particularly in situations where national governance arrangements do not alone ensure sustainable and equitable trade. Trade in extra-sectoral commodities also have an important impact on forests. The expansion of the agricultural frontier is usually the dominant contributor to deforestation (Kanninen et al, 2007). Expansion of trade in agricultural commodities, energy crops, mining and grazing have all been linked to unsustainable use of forests in different world regions. Infrastructure expansion, often required to facilitate trade, has also been shown to have a detrimental effect on forests.

The 1990s saw a rapid rise in the popularity and application of certification and eco-labelling to timber and wood products as a market-based mechanism to support good forest governance. Certification was seen as a constructive way to reassure the consumer that timber was coming from sustainably managed sources (Bass et al. 2001). The start of forest certification was followed by a proliferation of certification and eco-labels, some of which made unsubstantiated claims of sustainability. In an effort to provide independent, third-party certification, the Forest Stewardship Council (FSC) was set up in 1993.

Under the FSC system, certification agencies are accredited and regularly audited by FSC. The FSC certification agencies assess the environmental, social and economic sustainability of forest management against 10 international principles and criteria (FSC, 1996). To ensure the traceability of certified logs from forest to retailer, a certifier also assesses the chain of custody. The other major timber certification system is the Pan European Forest Certification (PEFC) system.

The EU-sponsored Forest Law Enforcement, Governance and Trade (FLEGT) initiative also seeks to strengthen timber legality standards in producer countries, improve the effectiveness of forest law enforcement and ensure greater adherence to EU timber import legislature. The vehicle for achieving this is the Voluntary Partnership Agreements (VPAs), which producer countries negotiate with the EU. Once negotiated, VPAs provide access to premium timber markets in Europe and extensive capacity building opportunities for producer countries. Cameroon is the only country with such an agreement in effect; Central African Republic, Congo-Brazzaville, Gabon and Ghana have also expressed interest in initiating the process towards VPAs (Cunningham et al, 2008).

For certification to work in improving forest governance and sustainability, a “caring market” prepared to pay premium price for certified timber is required. Environmentally aware European consumers have historically been one of the most caring markets; markets for certified wood products in the U.S. and Japan are also becoming significant. One possible threat to sustainable forest management is the presence of “uncaring” markets that may undermine international standards.

This field trip will explore the effects of a “caring market” – in the form of demand for certified timber – on forest management practices in South Africa, and how this in turn affects neighboring communities. In addition to exploring FSC principles and criteria in the field, participants will explore the strengths and limitations of certification as an instrument for ensuring sustainable and equitable forest management.



MONDI Estate: FCS Principles Guiding Mondi's Community Engagement Programs

Mondi has forest operations in KwaZulu Natal, Mpumalanga and Limpopo. There are sub-divisions within the operations. Mondi Midlands operation is one of the sub-divisions in the province of KwaZulu Natal situated in the midlands of the province. Mondi Midlands is divided into two areas: Greytown area situated north of Pietermaritzburg, and Richmond area situated south-east of Pietermaritzburg. Several FSC principles guide Mondi's approach to community engagement:

1. Community Relations and Worker's Rights

Communities within or adjacent to forest operation areas are given opportunities for employment, trainings and contracting. A large percentage of labour on Mondi plantations comes from local communities and a small percentage is outsourced, the latter primarily to access specialised skills and knowledge. Mondi has a traineeship program which aims to transfer skills to local communities. Richmond has recently had two students, Thabane Ngcobo, who is studying at Saasveld and Humphrey Xolo, who is now studying at Stellenbosch University. Mondi also ensures that people working under contractors are paid legal wages, and does not hire people under the age of 18.

Mondi maintains consultations and dialogue with communities or people who are affected by forest operations through liaison committees, which are representatives of neighbouring communities. It is through such committees that communities are informed if there might be operations that might have impact on them, and actions are taken to mitigate the effects of activities that might have adverse impacts.

Support for local projects is a further element of community engagement. Mondi has identified focus areas with the potential to enhance the Mondi brand and deliver real benefits to communities. The focus areas, namely Education Program; Health Care and HIV/AIDS Awareness Program; and Sustainable Livelihoods and Natural Resources, form part of the Mondi CSI strategy (Table 1).

Table 1. Mondi's community programs

Focus areas	Ongoing projects / programs	Proposed Projects
Education	<ul style="list-style-type: none"> • Traineeship program • Paper donation • Infrastructure for schools on Mondi land 	- Skills development program
Health care and HIV/AIDS program	<ul style="list-style-type: none"> • HIV/AIDS Awareness Programs • Mobile clinic services 	
Sustainable Livelihoods	<ul style="list-style-type: none"> • MRU • Fire-wise community program • Community gardens 	- Livestock Program
Natural resources	<ul style="list-style-type: none"> • MRU 	- School's Environmental education Program

2. Indigenous People's Rights

In some areas within Mondi operation areas, there are sites which have cultural or religious significance to people. Such sites are protected, clearly demarcated and identified in working plans and maps. Communities are given rights to access those sites. Communities are also given access to use non-forest products and to use resources for recreation. There is a permit system in place, which is a way of monitoring use of such resources – namely, use of grasslands for grazing, collection of firewood, collection of medicinal plants and fishing.

3. Tenure and Rights Responsibilities

One of the communities in Richmond area, Harcourt (Mzonolovu), became lawful owners of 67 Ha of land which was formerly Mondi property through land claim processes. Currently, Mzonolovu community occupies land and has not delegated control or use rights of that land to any agent or forest company. Mondi has maintained relations with this community and is currently in negotiations to purchase timber from them.

Questions for the Group

1. What are the key trends in regional and global trade over the past two decades, and what are the main drivers behind these trends?
2. To what extent can “caring markets” serve as governance instruments for improved corporate social and environmental practice?
3. What are the main challenges in certification? How do these challenges differ (in type, scale) between small-scale and community forests on the one hand, and large private-sector plantations on the other?
4. How effective has certification been in ensuring sustainable management of forests and forest ecosystem services? In fostering improved relations between plantation owners and neighboring communities?
5. Who has benefited most from sector governance reforms, and why? Who has benefited least? What types of challenges (technical, legal, procedural, financial) are faced by small-scale growers and the poor in benefiting from governance reforms? What could be done to enhance the gains to black economic empowerment from these reforms?

Programme

08:30	Departure by bus from International Convention Centre
10:00–11:15	Visit male and female representatives of diverse communities living adjacent to MONDI to discuss: Nomusa Zwane <ul style="list-style-type: none"> • The history of community-corporate relations • Community views on recent changes in corporate practice (as a result of certification or government policies), and how this has influenced their livelihoods and relationship with MONDI
11:15–11:45	Transfer to Mondi offices.
11:45–13:00	Visit MONDI estate to discuss: Jacqui Shuttleworth <ul style="list-style-type: none"> • FSC principles and criteria for gaining accreditation, and the accreditation process • MONDI’s views on the effects of certification on the environment and adjacent communities
13:00–14:00	Lunch in situ with Dr. Keith Cooper and Mr. Vusi Dladla to discuss the challenges of leveraging benefits from certification (for smallholder growers, adjacent communities, the environment).
14:00–15:15	Transfer to NCT offices in Durban
15:15–17:30	Visit Durban port and NCT processing facility to discuss: <ul style="list-style-type: none"> • The key trends in global trade and the main drivers • The main NCT buyers and their requirements • How these requirements influence timber production and processing practices
17:30–18:00	Return to the International Convention Centre

Coordinators: Vusi Dladla and Steven Ngubane
 Rapporteurs: James Gasana and Alain Karsenty

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