



Presentation to NCOP Select Committee on Communications and Public Enterprises on Land Claims

18 April 2018



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# 1. SAFCOL'S MANDATE

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SAFCOL is a state-owned company that derives its mandate from the Management of State Forests Act of 1992. It conducts its business as the state forests management company and exercise control over some State forests assets.

SAFCOL further derives its mandate from the shareholder compact. This is concluded with the Shareholder Representative annually in the creation of shareholder value and which affects economic and social mandates.



## 2. BACKGROUND

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1. Since 1998, an approximate of 61% of State Forest land under SAFCOL was affected land claims.
2. In July 2017, the percentage of the land base that is under claim reduced to approximately 57% as some the claims were cleared off the list.
3. SAFCOL is participating in the land claims process directly and indirectly despite the fact that the company does not own land.
4. SAFCOL has 13 signed social compacts with communities and land claimants adjacent to its operations. This is part of the shareholder's value mandate with regards to beneficiation of communities whilst awaiting the resolution of the land restitution process by Department of Rural Development and Land Reform (DRDLR). This will be elaborated further in the presentation.

### 3. SUMMARY OF SAFCOL AFFECTED CLAIMS

Land Claims Status	Number of Claims	Sum of Affected Area (ha)
<b>Mpumalanga</b>	<b>20</b>	<b>67 507</b>
Investigation	16	50 112
Negotiation	4	17 395
<b>Limpopo</b>	<b>23</b>	<b>32 459</b>
Investigation	2	823
Negotiation	18	24 237
Settlement	3*	7 398
<b>KZN</b>	<b>1</b>	<b>6 013</b>
Negotiation	1	6 013
<b>Grand Total</b>	<b>44</b>	<b>105 978</b>

\* 3 Approved claims but not transferred to communities

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## 4. SAFCOL LAND CLAIMS SETTLEMENT MODEL

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SAFCOL is revising the existing model (Lease-Back model) according to the following principles:

1. Inclusion of communities and land claimants in the business operations' value chain.
2. The process of assisting the community to participate and contribute to the SAFCOL value chain through procurement. This includes deliberate or intentional initiatives to exceed the PPPFA targets as set out in the regulations by conducting business with communities.
3. Integration of Enterprise Development initiatives for communities within the forestry value chain.
4. Prioritization of land claimants for beneficiation.

## 5. SOCIO ECONOMIC DEVELOPMENT HIGHLIGHTS

SAFCOL has 13 current social compacts with communities and land claimants adjacent to operations:

1. **Redhill Cluster**- Chief Albert Luthuli Local Municipality, Gert Sibande District.
2. **Mphephu Entabeni Cluster** – Chief Albert Luthuli Local Municipality, Gert Sibande District.
3. **Blairmore Cluster** – Chief Albert Luthuli Local Municipality, Gert Sibande District.
4. **Roburnia Cluster** – Mkhondo Local Municipality, Gert Sibande District
5. **Mphephu Cluster** - Makhado and Thulamela Local Municipalities, Vhembe District
6. **Tshivhase Cluster** – Thulamela Local Municipality, Vhembe District.
7. **Mantjolo Cluster** – Chief Albert Luthuli Local Municipality, Gert Sibande District.
8. **Ngome Cluster** – AbaQulusi and Nongoma Local Municipalities, Zululand District
9. **Palm Ridge Cluster** – Mtubatuba Local Municipality, uMkhanyakude District .
10. **Berlin Cluster** – Mbombela Local Municipality, Ehlanzeni District.
11. **Hebron Cluster** – Thaba Chweu and Bushbuckridge Local Municipalities, Ehlanzeni District
12. **Mapulana Cluster** – Thaba Chweu Local Municipality, Ehlanzeni District.
13. **Greater Tzaneen Cluster** – Greater Tzaneen Local Municipality, Mopani District
14. **Emakhazeni Cluster** – Emakhazeni Local Municipality, Nkangala District

## 5 (CONTD). SOCIO ECONOMIC DEVELOPMENT HIGHLIGHTS

As a result of the social compacts with communities, the following are some of the projects have been implemented:

1. Five timber framed structures constructed and completed for various communities;
2. Renovated an administration block for Murangoni Primary School in Venda;
3. Refurbished Harmony Hill Clinic for the Sabie Community;
4. As part of the dignity drive campaign, young girls from seven schools were supplied with sanitary towels and toiletries;
5. More than 5 000 learners and community members were trained to fire awareness programmes in all 3 provinces where SAFCOL operates;
6. Conducted various training interventions for community members which include amongst others leadership, project management, financial management;
7. Supplied school furniture and play structures for seven schools and Early Childhood Development Centres;
8. Communities adjacent to plantations were given permits to collect fire wood, more than 1000 community members benefitted;
9. Free Internet access through its established (WAN) across its Mpumalanga operations (more than 20 schools benefitted);
10. A co-operative was established and supported to conduct a Bee-keeping project that is benefitting community members; and
11. Drilled and equipped a borehole for a local community in Tzaneen.



## 6. CHALLENGES

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1. The overall challenge is that DRDLR is the only government department that has the ultimate responsibility of restitution of land to the successful land claimants. DRDLR manages these functions through its agent, the Land Claims Commission (LCC).
2. The time delays that have taken place in dealing with SAFCOL and DAFF land despite the fact that it is State owned land.
3. The multiple stakeholder nature of the process requires more appropriate planning with timelines to be adhered to by all parties.

## 7. WAY FORWARD

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In view of the highlighted challenges, SAFCOL suggest the following as a way forward:

1. There must be projectisation of the land restitution process that affects SAFCOL and DAFF state forest land. This should entail the conclusion of a project plan framework between DRDLR, DAFF, DPE and SAFCOL with timelines on the finalization of the land claims and the restitution process. This project could be led by DRDLR as a mandated organ of state.
2. There must be a cooperative framework between the organs of state (DRDLR, DAFF, DPE and SAFCOL) on one hand and all the relevant communities that will assign each stakeholder with specific responsibilities with regard to the land restitution process on land claims on state forest land.

SAFCOL is requesting for support from NCOP to achieve progress on the resolution of land restitution process as a way forward.

Thank you

