



# **Sustainability and responsible management**

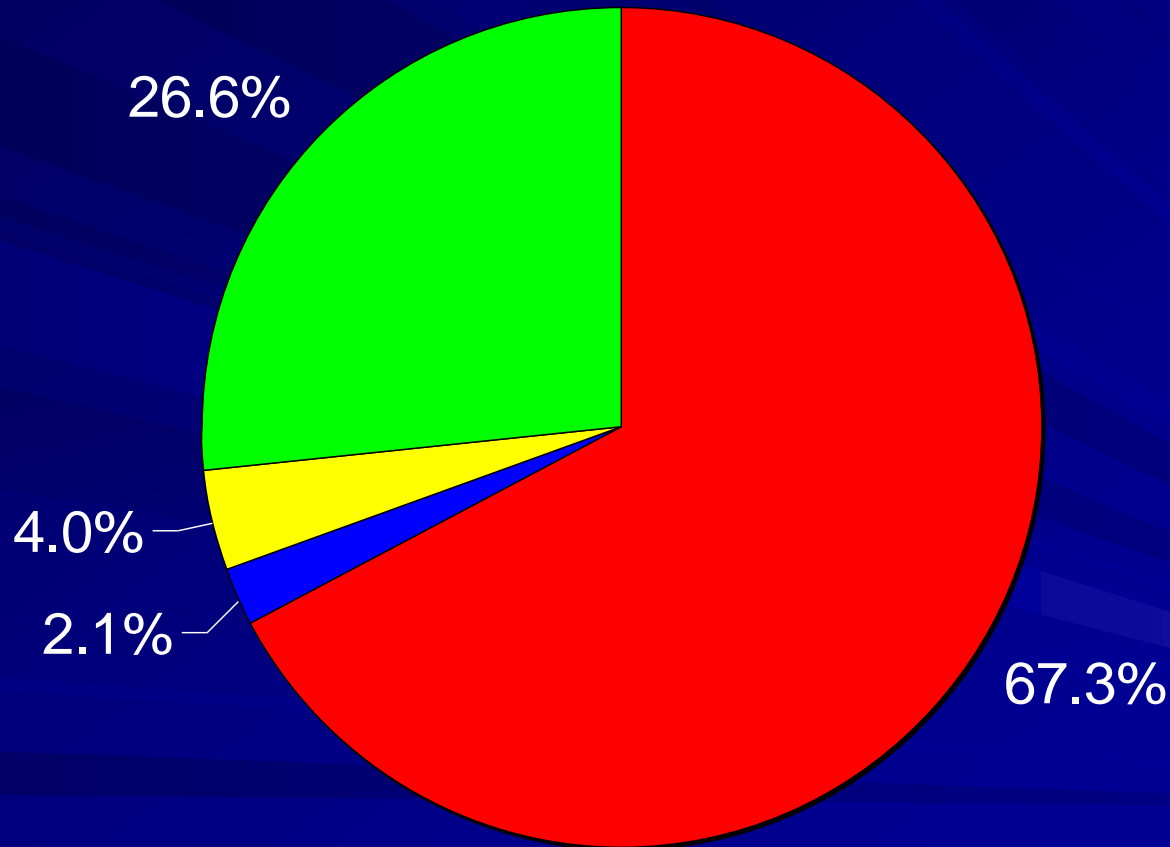
## **The South African plantation experience**

**Michael Peter**

**Plantation Side-Event COFO October 2012**

# ***Value of Roundwood Production***

■ Pulpwood ■ Mining Timber ■ Other ■ Sawlogs

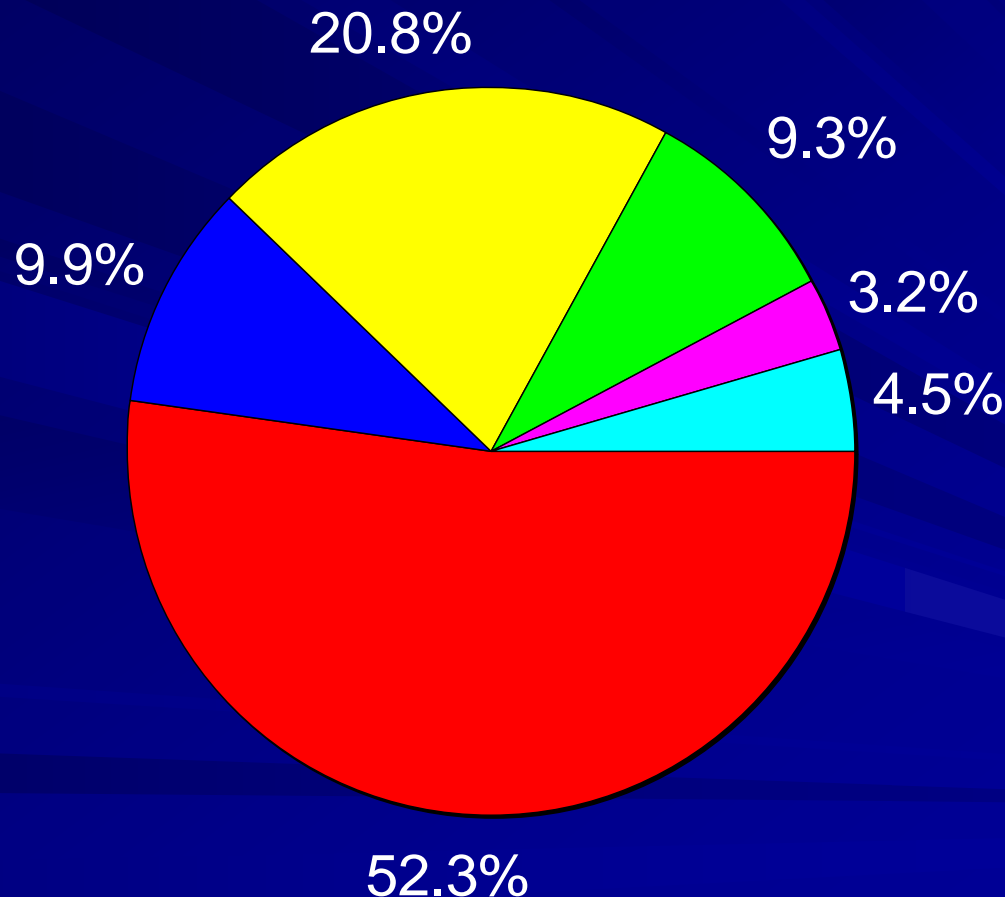


**Total – \$ 837 million**



# *Value of Sales from Primary Processing Plants*

■ Pulp ■ Chips ■ Lumber ■ Panels ■ Mng. Timber ■ Other



**Total – \$2.5 billion**



# *Value of Sales from Paper and Paper Packaging*

■ \$1.04 billion

(STATSSA 2012 PAMSA 2012)



# *Total Contribution to GDP*

**\$4.4 billion**

- **27.4% of agricultural GDP from 1% of the land area and 5% of the water used by agriculture**
- **Employment 146 300 or 22.5% of agric jobs**

***(DAFF 2009, FSA 2011, STATSSA, 2012)***

# Sustainability track record

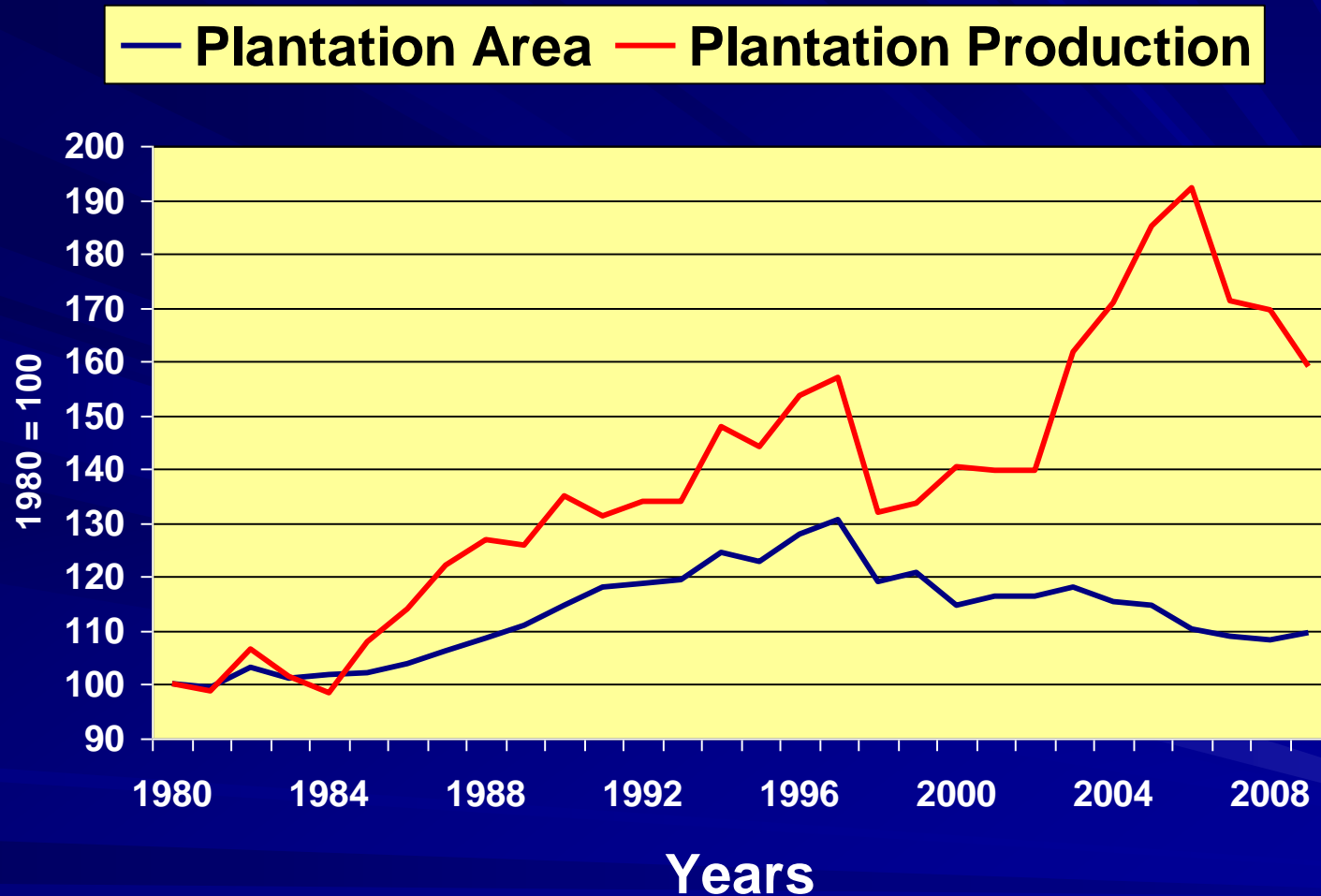
- White Paper on Sustainable forest management - environmental, social and economic
- NFP with support from FAO
- Led to NFA
  - principles firmly entrenched
  - CI+S
  - Dev or support Certification systems
  - Considered one of most progressive Acts



# National Initiative

- Highest rate of certification in the world under FSC (84%)
- NI therefore to follow closely FSC principles and criteria
- Awaiting decision on National Standard
- GEF funded Grasslands programme – IUFRO Landscape Ecology Conference, to be held in Concepcion, Chile in November 2012

# Roundwood Production vs. Plantation Area Area 1980 to 2009



**Total increase in production over period : 59.0%**  
**Total increase in afforested area over period : 9.8%**





# Challenges

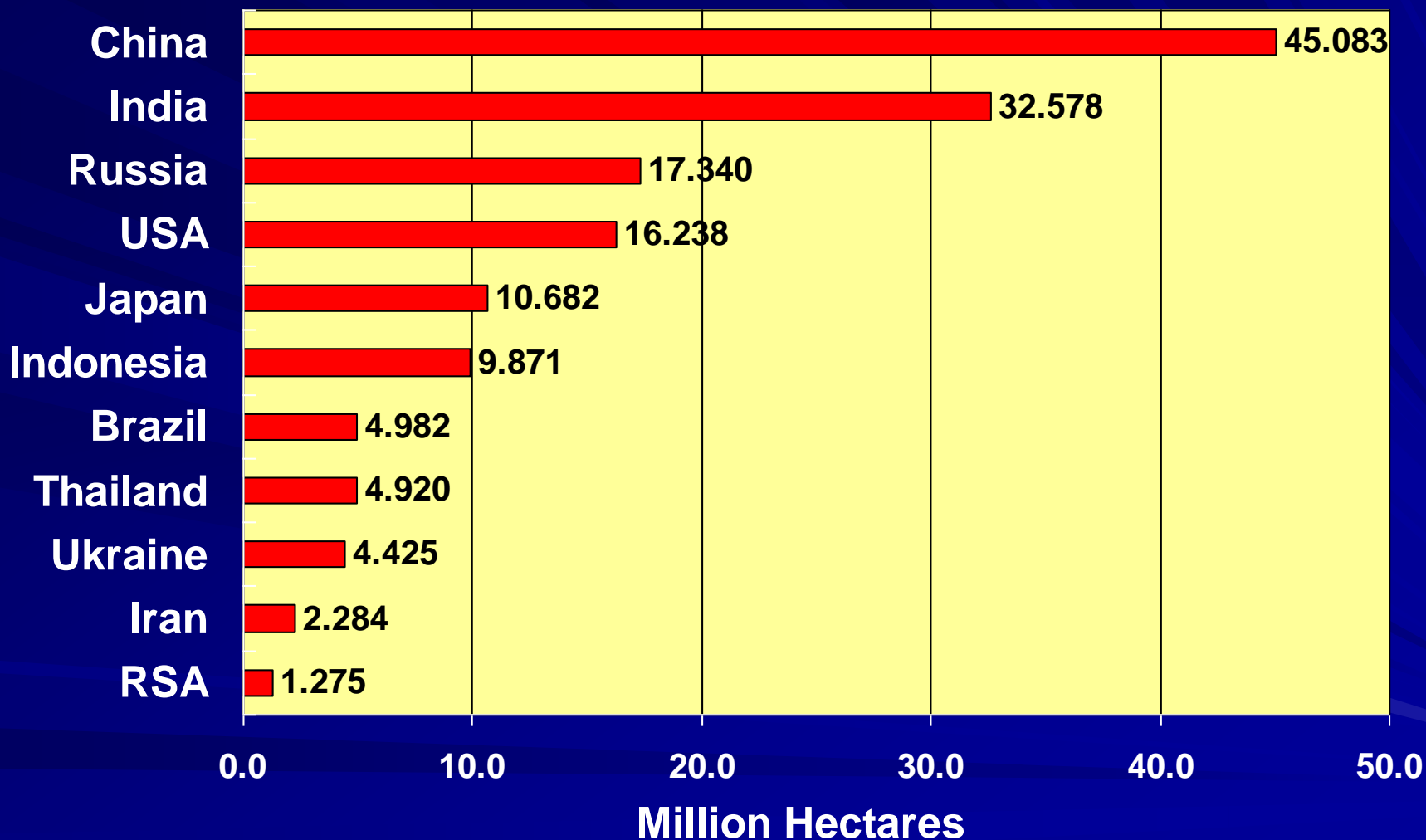
## ■ Economic sustainability

- Increasingly unfeasible for smaller growers
- Limitations to expansion, impact of climate variability, increase in pests, diseases and fire all require cutting edge R+D which in other sectors leads to development of GMOs

## ■ Fair trade

- Zero protections nor subsidies

# ***Planted Forest Area Comparisons 2009***



# Challenges contd.

- Herbicides and pesticides
  - Another means of ensuring economic sustainability through forest protection
  - Again often extremely problematic
  - Leading some to seek alternative mechanisms of demonstrating sustainability
- Environmental
  - Invasion biology – again herbicides and GMOs

# Social

## ■ Milton Friedman

- CSI no longer enough especially in SA
- Sustainability reporting
- Integrated reporting
- SRI vs Fixed capital formation

THANK YOU