

**SPEECH BY THE MINISTER OF WATER AFFAIRS AND
FORESTRY
MR RONNIE KASRILS
TO THE WOOD FOR AFRICA CONFERENCE AND EXHIBITION
PIETERMARITZBERG
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Colleagues and friends

It is a pleasure to address such a distinguished gathering. We are joined here this morning by ministers of forestry from several African countries, leaders of the forest, wood and paper industries from South Africa and several other countries, academics, government officials, trade unionists and representatives of forest communities. I am very proud to welcome all our visitors to South Africa and to join all my fellow South Africans at this important occasion.

The Wood for Africa exhibition has truly become the leading gathering of the forestry community on the African continent. It is a chance for us to share ideas and experiences, to make business connections and to get to know one another. I warmly congratulate the organisers of this event for their hard work and creativity.

Today we look to the future. In doing so I would like to share some thoughts on the contribution that the forest sector can make, and the part that we can play in making this happen.

Forestry is an important industry in South Africa and in many other parts of Africa and the world. But it is also an industry, which may become more important in the future. For a number of reasons, forestry has crucial benefits for the process of economic development. Forests are generally located in rural areas and are often the main source of jobs, infrastructure, skills development and business opportunity for particular areas. Further opportunities are created through the processing of forest products in sawmills, pulp and paper mills and furniture plants. These forms of manufacturing often represent the largest investments in rural economies. It is therefore quite clear that any government wishing to promote rural development would support the growth of this particular sector, whether in the form of plantation forestry or the sustainable harvesting of natural forests.

But if forestry is to fulfill its considerable potential then there are certain steps we must take. We must operate in an environmentally sustainable manner; we must create proper opportunities for rural communities and workers; and we must ensure an ongoing programme of investment. Let me say a few words about each of these challenges.

Environmental sustainability has been central to the programme of the forest sector for more than a decade, and particularly in the years since the Rio Summit in 1990. Natural forests play a crucial role in the overall ecological balance of the globe by acting as reservoirs of biodiversity, mitigating climate change and protecting water and soil resources. Plantation forests also have an important role to play in environmental management. The past decade has seen a number of important initiatives which have been taken to try to improve the sustainable management of forests. Of these, the certification programme has probably had the greatest impact. Here in South Africa, some 75% of our plantation forests have received environmental certification from either the Forest Stewardship Council or the International Standards Organisation. For the first time, one of our natural forest areas will also be receiving certification. This process has undoubtedly improved environmental management in our forests and I encourage all those in the global industry to follow this important example. Government regulation also plays an important role and our Government implements this role by regulating the water use aspects of forestry as well as bio-diversity management.

It is probably true to say however, that not enough has been achieved to ensure the long term sustainability of the world's forests, or those of our continent. Figures released by the UN Food and Agricultural Organisation have shown that deforestation and forest degradation continue at an alarming rate and that our natural forests continue to be under serious threat. In Africa, the most important

natural forest area is that of the Congo Basin and our Government has been working with the six Congo Basin countries as well as several developed country partners to see what assistance we can offer. The Congo Basin forest resource is second only to the Amazon and yet receives far less attention and resources. We must ensure that the Congo Basin forests are protected, and that they are utilised in a sustainable manner. We will pursue this agenda further at the World Summit on Sustainable Development in Johannesburg in August.

When we speak about environmental sustainability however, we should never forget that forests do not exist outside of the context of human needs and human communities. Human beings have always interacted with forests, and our understanding of sustainability must recognise this. The notion of sustainability has increasingly come to extend beyond the natural environment and into the human environment. It is therefore critical that the forest sector creates opportunities for human development. It is especially important to create opportunities for those who have been denied these in the past. In this context, the forest sector not only needs to create fair and equitable employment opportunities and skills development, but must also ensure that the ownership of forest investments includes black people, women and community structures.

In the South African context in particular, black empowerment is critical. In recent years we have had some important successes in ensuring that black companies and rural communities gain access to ownership of forests. This has taken place

primarily through the sale and leasing of state owned plantations forests, while the land itself continues to be owned by the state. We are especially proud of the cases where rural communities have become shareholders in the forest companies such as the Singisi forests in the Eastern Cape. This has been an important breakthrough and I have also urged our private forest companies to explore similar arrangements. This kind of empowerment must also apply to the workforce, especially through the payment of a living wage to all workers including contractors, as well as decent housing, proper health and safety management and fair working conditions including fair conditions for women workers.

This brings me to the importance of an ongoing programme of investment. Like any industry, the forest sector can only succeed if capital is invested in new areas, new manufacturing facilities and the upgrading of production facilities. Investment in skills is equally important. I urge the forest, sawmilling and paper companies to make the appropriate investments and in so doing to seize the important opportunities that present themselves. For our part in Government, we will do our best to work with you by creating appropriate conditions and by resolving issues such as transport bottlenecks. I take this opportunity to commend the Industrial Development Corporation under the leadership of the Minister of Trade and Industry, for the major role that they have played in the development of the industry in South Africa. The New Partnership for Africa's Development, NEPAD, is a partnership between governments and the private

sector and we encourage private companies to enhance future growth through investment.

Much more will be said about these topics over the next few days. I hope it is a productive and interesting time for all participants. We live in a time of great endeavour in South Africa, in Africa and the world. We are trying to build a more equal, prosperous and compassionate society. I hope that this gathering inspires us all to play our part and to ensure that forestry is an industry of the future.

Thank You.