



**AMATHOLE FORESTRY COMPANY PTY LTD**



**MANAGEMENT PLAN**

**PUBLIC SUMMARY**

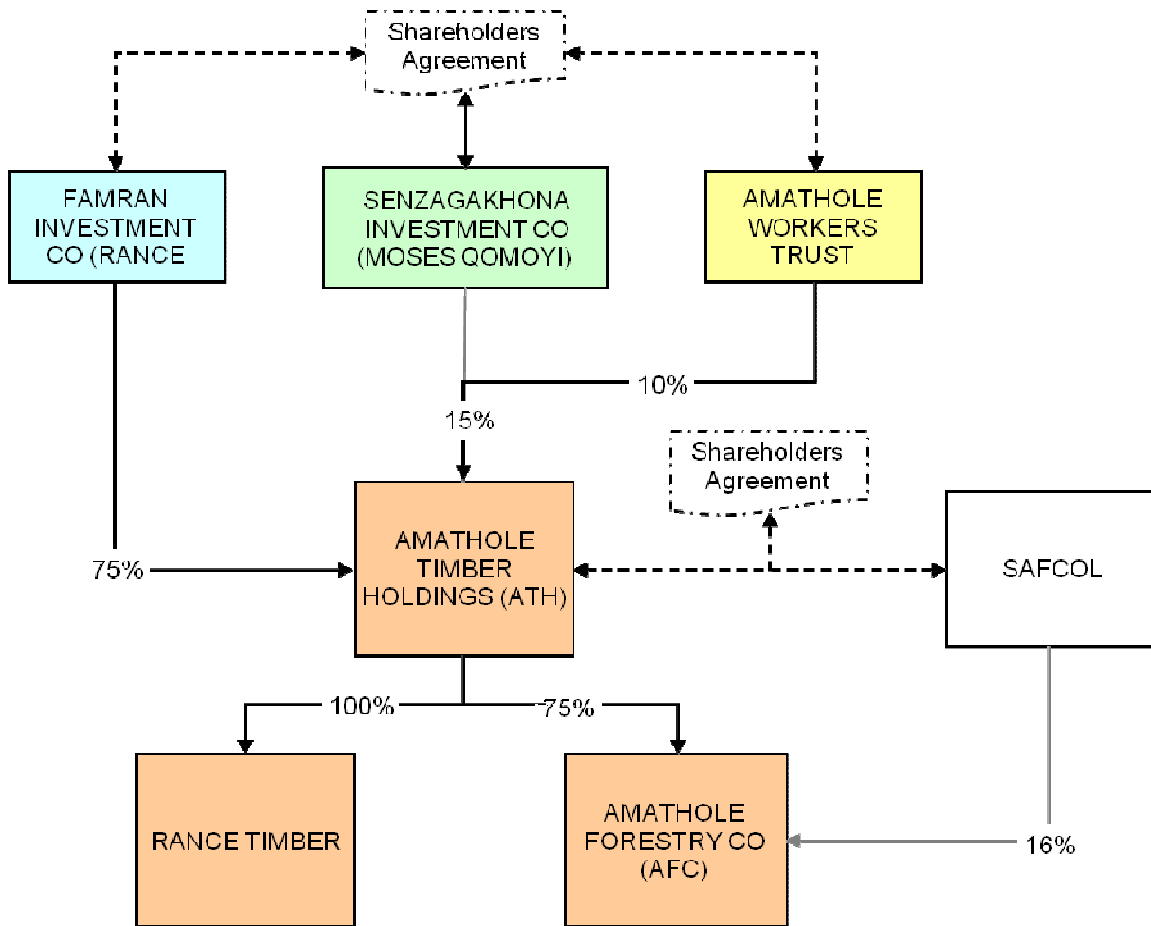
**2011**

# The Company

## The Amathole Forestry Company

In 2005 the Minister of Water Affairs and Forestry, Ms Buyelwa Sonjica, signed a lease agreement between the Government and Amathole Forestry Company, as part of the ongoing restructuring of State owned forests, which transferred the old SAFCOL Amatola plantations to Amathole Forestry Company.

This lease of the forestry area is for the management and use of approximately 25 000 hectares of plantation forestry area, comprising to land management units at Hogsback and Kubusi, near Stutterheim.



In terms of this lease, 84 % of the shares of AFC have been sold to Amathole Timber Holdings (ATH), while the Government holds the remaining 16% shares, 10% for future BEE opportunities and 6% remains the State's share for at least 5 years.

The land on which forests are situated was not sold as part of the package, but is leased for 70 years, with an option to renew for 35 years. In terms of the lease, the new owners pay substantial lease rentals to DAFF, with the funds eventually being made available to land claimants or beneficiary communities. Where there are no land claimants or communities rentals revert to the State.

## Amathole Timber Holdings

Amathole Forest Company (ATH) consists of Amathole Workers' Trust (AWT) (10%) comprising the employees of Rance Timber (mostly BEE), Senzagakhona Investment Trust (15%), a group of BEE investors headed by Moses Qomoyi and Famran Investment Company (75%), the Rance Family investment company which previously owned Rance Timber. In terms of the new arrangement, ATH will own both Amathole Timber Company (AFC) and Rance Timber sawmills, thereby combining the commercial forests and sawmills which they supply into a more efficient operation, better focused on the markets which it supplies.

CJ Rance (Pty) Ltd, better known as Rance Timber, has been operating as a company in the Amathole region for over 60 years. It was formally registered by the late CJ (Jack) Rance in 1944, but his father, the late Henry Carter Rance, had operated a timber business in the region for many years before that. CJ Rance (Pty) Ltd was originally based in Alice, with small sawmills at Katberg, Hogsback and throughout former Transkei at places like Nomadamba, Baziya, Insizwe, Insikeni right up to Fort Donald/Bulembu near Mt Ailyff. Timber was sawn at these mills and sent to Alice for re-processing into manufactured products. The Transkei sawmills were expropriated by the Verwoed government in the late 1950's which destroyed the company's pioneering infrastructure. The base of operations then moved to Stutterheim in 1960 when the company purchased the defunct State sawmill at Kubusi.

The executive directors of AFC are John Rance (as CEO) and Chris Rance, with Safcol appointed non-executive directors Charles Ntuli and Kobus Breedt for 5 years, or until the 25% reserved shareholding of AFC is disposed of, whichever is the sooner. AFC Forest management has remained unchanged with the current management continuing the good work they have done in the past. AFC administration, where applicable, is combined with that of Rance Timber and ATH. No retrenchments or major staff shuffling has taken place.

The sale of the forests has had a significant beneficial spin-off for the local economy in that, now, all the major shareholders, directors, senior management and administration reside in and are from the local communities in which the businesses operate. Thus profits, salaries, dividends and purchases are retained and spent locally in the Border/Kei/Amathole economy instead of being repatriated elsewhere. Likewise entrepreneurial skills are based in the local economy and the past policy of Rance Timber of sourcing and training its employees from the local communities has continued into AFC.

<b>AMATHOLE FORESTRY COMPANY</b>		
<b>Former ownership</b>	<b>Plantations</b>	<b>Area</b>
SAFCOL	Hogsback	2 812.6 ha
SAFCOL	Kubusi	7 151.9 ha
DWAF	Zingcuka	1097.5 ha
DWAF	Sandile	3784.9 ha
<b>Total Area</b>		14846.9 ha
<b>Annual harvested timber 2007/2008</b>		119 205m <sup>3</sup>
<b>Annual harvested timber 2008/2009</b>		108 031m <sup>3</sup>
<b>Annual harvested timber 2009/2010</b>		110 187m <sup>3</sup>

## Products from Amathole Forestry plantations

Saw logs used to produce various types of timber and other products -

- ❖ Graded structural timber
- ❖ Graded industrial timber
- ❖ Poles used in agriculture and the building industry

- ❖ Eucalyptus timber for flooring for the export market
- ❖ Small-wood timber for the pallet / fruit bin as well as local furniture markets

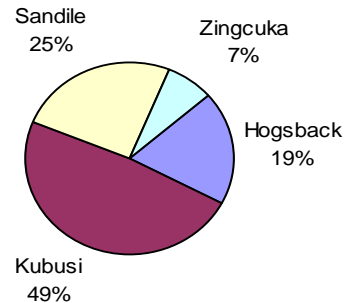
**Other products**, such as grass for thatching, small poles for hut building and fencing, are collected by adjoining communities from the plantation, for use in providing shelter.

## Management Planning

### Plantations

Amathole Forestry Company is divided into two plantations, Hogsback, which includes Zinguka (a former DWAF plantation) and Kubusi, which includes Sandile (a former DWAF plantation). Currently Hogsback (excluding Zinguka) and Kubusi (including Sandile) plantations are Forest Stewardship Council™ (FSC™) certified (FSC-C017207). Only Zinguka (a former DWAF plantation) is still not certified, as it is still in dispute due to a land claim.

**AREA DISTRIBUTION**



### Management System

A procedurised Management system has been developed for the company, and is used to guide and regulate all processes on the plantation. All activities that may have an impact on the environment are managed through formal procedures and internal monitoring systems. The management system provides a mechanism to ensure that the company maintains the performance levels required by FSC and achieves the goals set out in the company Environmental policy. The procedures also ensure that all activities take legal requirements and national forestry standards into account as a minimum requirement. These procedures cover the following disciplines: Land Use, Diverse Forest Products, Ecotourism, Forest Engineering: Harvesting, Infrastructure, Conservation Management, Protection, Silviculture and Forest Engineering: Roads. The management system formalizes procedures, and acts as a tool ensuring that environmental issues are integrated into all operations within the company. The management system is a living system that will continue to evolve as changes occur within the company, and all documents are regularly updated.

### Forest Stewardship Council Certification (FSC)

The FSC Trademark indicates that wood comes from a forest, which is well managed according to strict environmental, social and economic standards. The forest of origin has been independently inspected and evaluated according to the principles and criteria for forest management agreed and endorsed by FSC. The adoption of the FSC certification process, its principles and criteria constitutes the best assurance to upholding the highest environmental standards. Hogsback and Kubusi Plantations (excluding the ex DWAF plantations), have been FSC certified since 1998, while Sandile (ex DWAF plantation) was included for the first time in 1998.

## Management Objectives

*The management objective of Amathole Forestry is to produce high quality saw-log timber for use in local sawmills. The objective is to produce the best saw timber at the lowest cost, over the longest time, whilst taking into considerations the realities of the threat of fires. The log supply strategy plan includes increasing the volumes of saw timber by planting primarily pine species and improving soil preparations techniques. Where needed, fire resistant species will be planted and maintained to minimize the impact of fire.*

The Environmental Objectives of the company are included in the Environmental Policy:

**Amathole Forestry Company will strive to continually improve its environmental performance in accordance with the following goals:**

### **Performance standards**

We will implement an environmental management system for our forestry operations and, in doing this meet the requirements of the principles and criteria of the internationally recognised Forestry Stewardship Council.

### **Management of environmental impacts**

We will take a proactive approach to minimise or, if possible, prevent negative impacts which our operations may have on the natural environment, with particular emphasis on soil, water and biodiversity.

### **Social environment**

We will promote long-term well-being of our employees and those communities connected with our operations through supporting social and economic development, where feasible.

### **Conservation**

We will wisely manage biodiversity in natural ecosystems and protect rare and endangered species, communities, habitats and archaeological or cultural artefacts which occur on our land.

### **Land use**

Before starting new afforestation or any significant change of land use, we will assess the likely effect on the environment and, where appropriate, consult with interested and affected parties.

### **Research and development**

We will support research and development to minimise environmental impacts and to optimise the multiple use of resources on a sustainable basis.

### **Training and education**

We will ensure that our employees achieve the values and goals implicit in this policy, and that they have the necessary knowledge and skills to do so.

### **Service providers, suppliers and customers**

We will require that services provided by Service providers comply with Amathole Forestry Company's environmental standards.

We will include environmental considerations in our procurement decisions.

We will encourage and influence service providers, suppliers and customers to apply adequate environmental management measures within their own operations.

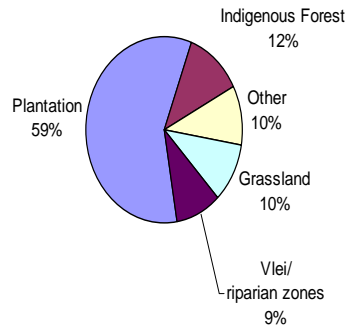
Amathole Forestry Company is a forestry company which practices plantation forestry only.  
Amathole Forestry Company does not harvest trees from indigenous forests.

## Land Use

Current land use is determined by the primary activity, the production of timber. Fifty percent of the current area is currently managed as plantations, while the remainder is primarily conservation areas, consisting of grasslands, indigenous forest and wetlands. The remaining area consists of a road network, building, housing and other associated infrastructure.

**Indigenous forests** under Amathole Forestry control are not exploited for timber but are conserved according to ecological principles. This also applies to the other conservation riparian zones and grassland.

LANDUSE DISTRIBUTION



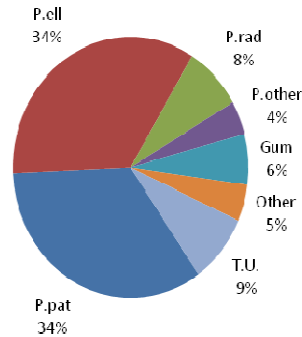
Additional land uses include **eco-tourism** activities, such as **hiking, camping, fishing and mountain biking, and organised events, such as motor rallies also occur.**

Wild flower and reed collection is practiced by the local communities.

## Plantation Species

Plantation species are primarily pine (Pinus) species, and include primarily Pinus patula (Patula pine), Pinus elliottii (Slash pine) and Pinus radiata (Radiata pine). A small percentage of other species are also currently planted, while some commercial area is temporarily unplanted (TU). The figure opposite shows the percentage of each species as at 2011.

Specie Distribution



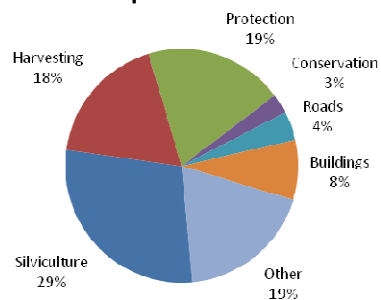
## Annual Plan of Operations

An **Annual Budget** is prepared taking into consideration:

- o Long term objectives.
- o An **Annual Plan of Operations** dictated by COMPAS and the Timber Growing Policy.
- o Targets and budget guidelines.
- o Costs and production targets specifically prepared for AFC by **Forestry Economic Services**.

See the pie chart showing expenditure by activity for Amathole Forestry for the 2011 financial year.

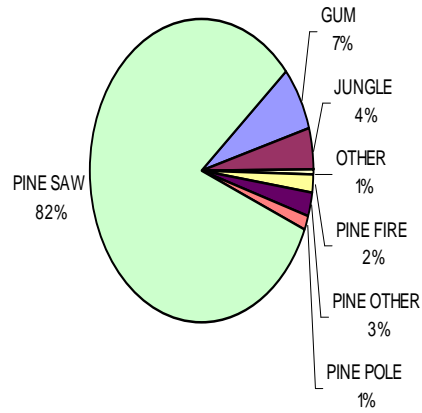
Expenditure



### Plantation Working Circle

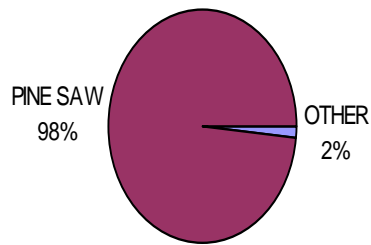
Present Working Circle

#### WORKING CIRCLE DISTRIBUTION



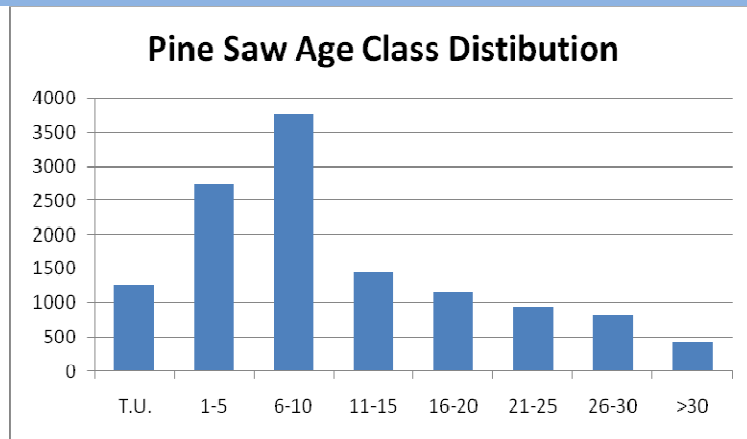
Future Working Circle

#### FUTURE WORKING CIRCLE DISTRIBUTION



## The Growing Stock

The GIS database includes maps, which are linked to spatial data. Data linked to these maps include geographical information (soils, topography, drainage and vegetation type), silvicultural information (age, species, growth rate of plantation) and management schedules (weed eradication schedule, burning schedules and long term management history). The GIS database is the basis of all management on the plantations, and is used during Silviculture and harvesting operations.



- ❑ Timber plantations are managed for a **sustainable** supply of quality products on a rotation varying from 10 years for poles, to 30 years for pine sawtimber. In the later case, stands are **thinned** and **pruned** according to a scientifically developed programme for **optimum yield** and best quality timber. See the attached current species and age class distribution pie charts.
- ❑ Species selection is done on the basis of information gathered through **soil surveys**.
- ❑ Growing standards and methods are guided by a **Timber Growing Policy**. Management decisions regarding treatment of each individual compartment are supported by a sophisticated management and yield regulation system (**COMPAS together with GIS**).
- ❑ The system is maintained through regular **stock enumeration** – each compartment being enumerated two or three times in its lifetime on a scheduled basis. The system also provides annual schedules for silvicultural treatments, based on the Timber Growing Policy. See the attached pie charts showing age class distribution (%).
- ❑ COMPAS yield regulation is refined by means of a **Harvesting Scheduling System (HSS)** into an annual cut program. The annual harvest is determined for the full rotation and based on two principles:
  - Annual harvest = annual increment, subject to:
  - Weight average plantation age =  $\frac{1}{2}$  x weighted average rotation age.
- ❑ Harvesting of timber takes on a compartment basis according to standards and procedures laid down in the industry standards, known as the **FESA Harvesting and Road Building Code of Practice** and internal harvesting procedures. Harvesting machines in use are determined by the product itself, quantity, and physical conditions, and would include standard forestry machines and cable systems for steeper ground, and the company prescribes to the national harvesting standards of South Africa.
- ❑ Harvesting operations are dictated by a **compartment harvesting plan** and are monitored through a **pre- and post-harvesting audit** system.

## The Environment

### Integrated Environmental Management

- ❑ Unplanted conservation areas are managed using **conservation management plans**, based on a vegetation mapping standard developed for the South African forestry industry. These plans include information on fauna and flora, record rare and endangered species, areas of cultural and historical interest and provide plans for the eradication of alien vegetation and conservation burning.
- ❑ Conservation plans also schedule monitoring of water quality, high conservation value forests and rare and endangered plants and animals.
- ❑ All conservation plans are linked to a detailed Geographic Information System (GIS) database for the plantation. Where necessary protected species are actively monitored and managed, in order to ensure their survival. Results of these studies are incorporated into the conservation management plans.
- ❑ Two **Natural Heritage sites**, namely Tor Doone and Hogsback have been formally proclaimed.
- ❑ Sites of **historical and cultural** significance are recorded and management of these sites is regulated through the annual plans of operation.
- ❑ All new developments and changes in land use are subjected to **Environmental Impact Assessments** according to the standard set by the Department of Environmental Affairs.
- ❑ All plantation activities are subjected to **annual audits** as part of the FSC Certification process. Audits are carried out by specialist independent auditors.

### High Conservation Value Forests

In terms of Amathole Forestry Company's commitment to FSC, the company is expected to identify High Conservation Value Forests (HCVF) in terms of FSC's Principle 9. The presence of one or more of the following may suggest that a forest is a HCVF for biological or ecological reasons (Anon. 2001):

- a) The area is a center of species richness or endemism for one or more taxa at a global or regional scale.
- b) The area contains populations of species considered by conservation authorities to be rare or imperiled.
- c) The area is documented as, or suspected to be, a significant biological corridor or linkage at a regional or sub-regional scale or is otherwise important to the viability of populations or ecological processes at broad spatial scales.
- d) The area, if restored, could serve critical linkage functions at broad spatial scales.
- e) The area contains primary or old growth forest.
- f) The area contains plant communities or physical habitats considered rare or imperiled by conservation authorities.
- g) The area is essentially intact, i.e., undamaged by intensive industrial activities, relatively unfragmented, road less or with low road density, and with forest structure, function, and composition determined by natural ecological processes.
- h) The area is, or contains, key site(s) for ecological processes, for example aquifer recharge or discharge, maintenance of water quality or quantity, natural disturbance initiation or export, nutrient cycling or retention.

The reasons for the identification of a HCVF for social reasons are also explained in Anon (2001). Currently HCVF have however only been selected for Kubusi plantation, as no large indigenous forest at Hogsback are under the control of the Hogsback plantation. In addition to the above attributes the following local criteria were considered for each selected HCVF on Kubusi:

- a) Habitat of Cape parrot, Tree hyrax and Samango monkey (red data species).
- b) Forests heavily infested by alien vegetation.
- c) Forests badly damaged by the fire of September 2003.
- d) Forests situated at the ecological extremity of the distribution range.
- e) Forests threatened by cattle or uncontrolled harvesting practices.
- f) Forests previously heavily exploited for timber.

During field visits on 2003 ten HCVF's were selected, which fulfilled at least three attributes of principle 9 after ecological data and other relevant information were collected.

Amathole Forestry Company HCVF were selected in order to detect trends over a long observation period, to assess management operations through monitoring and to keep records of smaller forests (many of the larger forests, managed by DWAF, are also monitored by them). The indigenous forest patches at Kubusi are valuable remnants of what were more extensive forests, and as such can be considered to be at the ecological extremity of their natural range. Monitoring is therefore of importance. Further information on the monitoring of these forests for 2003 can be found in Von dem Bussche (2004). A photo-monitoring program has been implemented, which will create a comparative, visual documentation of vegetation change, may it be due to natural causes or management induced action. Photo-monitoring has been scheduled annually, and includes information on management requirements and success.

## Water Quality Monitoring

- A water quality programme was initiated in 1998/1999. This monitoring system made use of the SASS5 (South African Scoring System, Version 5) method and is essentially a biomonitoring system of the benthic invertebrates coupled with a habitat assessment and the measurement of certain physical parameters such as temperature, pH, turbidity, dissolved oxygen and conductivity.
- SASS5 surveys were completed for Hogsback for a three-year period from 1999 until 2001 and again resurveyed in 2005 and 2008. Sites on Kubusi were monitored from 2003 to 2005 and again in 2008. Sites will again be resurveyed in 2011.

### Completed monitoring and future monitoring intervals recommended for Hogsback and Kubusi Plantations up to 2011.

PLANTATION	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Hogsback	Oct	Oct	Oct				Oct			Oct			Oct
Kubusie					Oct	Nov	Oct			Oct			Oct

- On Hogsback two sites were selected in the quaternary catchment S32D (Keiskamma System) and three sites in quaternary catchment R10F (Kei River Catchment). Sites were numbered Q94-A01, R10F-01, R10F-02, R10F-04, S32D-02. A summary of results is shown below:

Site No.	Name	Scores	1999	2000	2001	2003	2004	2005	2008
Q94A-01	Schoongezicht	SASS5						161	137
		FAm						26	25
		ASPT						6.2	5.5
		Class						Fair	Very Poor
		IHAS						68	64
R10F-01	Tor Doone	SASS5	120	161	157			198	189
		FAm	20	25	23			29	26
		ASPT	6.0	6.4	6.8			6.8	7.3
		Class	Poor	Fair	Fair			Good	Good
		IHAS	NA	76	74			87	77
R10F-02	Below Office	SASS5						180	222
		FAm						29	31
		ASPT						6.2	7.2
		Class						Fair	Natural
		IHAS						78	80
R10F-04	Lower Plaaitjies	SASS5	186	178	157			198	199
		FAm	29	28	23			29	27
		ASPT	6.4	6.4	6.8			6.8	7.4
		Class	Fair	Fair	Fair			Good	Natural
		IHAS	NA	61	79			75	72
S32D-02	Bloemhof	SASS5	156	168	132			232	150
		FAm	25	28	19			34	22
		ASPT	6.2	6.0	6.9			6.8	6.8
		Class	Poor	Fair	Fair			Natural	Fair
		IHAS	NA	58	72			70	69

- Eight sites were selected on Kubusi Plantation, one site in the Keiskamma Catchment (R2) and seven sites in the Groot Kei Catchment (S6). Sites have therefore been numbered R20A-01, S60A-01 and S60C-01 from the upper to the lower reaches of the river. A summary of results is shown below:

Site no.	Name	Score	2003	2004	2005	2008
		FAm	25	25	31	24
		ASPT	6.2	6.8	6.7	6.8
		Class	Poor	Fair	Good	Fair
		IHAS	73	75	75	76
S60A-01	Kantoor Quarrie	SASS5	123	146	146	149
		FAm	19	23	23	23
		ASPT	6.5	6.3	6.3	6.5
		Class	Poor	Poor	Poor	Poor
		IHAS	65	74	71	71
S60A-02	Kubusie Sawmill	SASS5		109	129	141
		FAm		17	19	21
		ASPT		6.4	6.8	6.7
		Class		Poor	Poor	Poor
		IHAS		58	62	60
S60A-03	F100	SASS5	149	142	123	113
		FAm	23	22	19	19
		ASPT	6.5	6.5	6.5	5.9
		Class	Poor	Poor	Poor	Very Poor
		IHAS	58	60	70	71
S60A-04	Isidengi	SASS5	184	179	172	175
		FAm	26	28	24	26
		ASPT	7.1	6.4	7.2	6.7
		Class	Good	Fair	Good	Fair
		IHAS	70	82	76	73
S60A-05	Kologha	SASS5	147	160	138	158
		FAm	19	22	19	20
		ASPT	7.7	7.3	7.3	7.9
		Class	Natural	Natural	Natural	Natural
		IHAS	72	75	70	77
S60C-01	Hurst	SASS5	138	177	170	209
		FAm	21	28	26	34
		ASPT	6.6	6.3	6.5	6.1
		Class	Fair	Fair	Fair	Good
		IHAS	55	58	70	72
S60C-02	Fort Cunynghame	SASS5	159	183	171	167
		FAm	25	29	29	27
		ASPT	6.4	6.3	5.9	6.2
		Class	Fair	Fair	Poor	Fair
		IHAS	61	75	59	61

## Fauna

The wide variety of habitats provided with indigenous high forest and grasslands on both south and north slopes of the Amatola mountain range, result in a rich bird and mammal life. The following are some of the species found in the area: bushbuck (*Tragelaphus scriptus*), grey duiker (*Sylvicapra grimmia*), grysbok (*Raphicerus melanotis*), bushpig (*Potamochoerus porcus*), Porcupine (*Hystrix africae australis*), chacma baboon (*Papio ursinus*), rock hyrax (*Procavia capensis*), spring hare (*Pedetes capensis*), vlei rat (*Otomys irroratus*), caracal (*Felis caracal*), black backed jackal (*Canis mesomelas*), Cape grey mongoose (*Galerella purverulenta*), Cape clawless otter (*Aonyx capensis*) and African wild cat (*Felis lybica*). No special conservation actions to promote elements of the fauna are currently proposed.

The following Red Data Book species could also possibly occur or do occur (\*) on the plantation:

Mammals:

- Giant golden mole (*Chrysosopalax trevelyani*) – vulnerable \*<sup>1</sup> (positively identified)
- White-tailed mouse (*Myodomys albicaudatus*) – vulnerable<sup>1</sup>
- Honey badger (*Mellivora capensis capensis*) – vulnerable\*<sup>1</sup> (positively identified)
- African wild cat (*Felis lybica cafra*) – vulnerable\*<sup>1</sup> (positively identified)
- Antbear (*Orycteropus afer afer*) – vulnerable\*<sup>1</sup> (positively identified)
- South African hedgehog (*Atherlix frontalis*) – rare<sup>1</sup>
- Spectacled dormouse (*Graphiurus ocellaris*) – rare<sup>1</sup>
- Somango monkey (*Cercopithecus mitis*) – rare \*<sup>1,2</sup> (positively identified)
- Tree Dassie (*Dendrohyrax arboreus*) – rare \*<sup>1,2</sup> (positively identified)

- African striped weasel (Poecilogale albinucha albinucha) – rare<sup>1</sup>
- Aardwolf (Proteles cristatus cristatus) – rare\*<sup>1</sup>(positively identified)
- Serval (Felis serval serval) – rare\*<sup>1</sup>(positively identified)
- Swinny's horseshoe bat (Rhinolophus swinnyi) – indeterminate<sup>1</sup>

#### Butterflies:

- Aslauga australis – rare<sup>3</sup>
- Iolaus (Epamera) aphnaeoides - rare<sup>3</sup>
- Bowkeria phosphor phosphor – rare<sup>3</sup>
- Pennington's butterfly (Poecilmitis penningtoni) – rare (SSI monitoring)
- Iolaus (Epamera) aphnaeoides – rare<sup>3</sup>
- Aloeides pringlei – indeterminate<sup>3</sup>
- Chrysoritis penningtoni – rare (SSI monitoring)
- Bowkeria phosphor phosphor – rare<sup>3</sup>
- Metisella syrinx – rare (SSI monitoring)

#### Birds:

- Black stork (Ciconia nigra) – indeterminate<sup>1</sup>
- Cape Vulture (Gyps coprotheres) – vulnerable\*<sup>1</sup>(positively identified)
- Cuckoo Hawk (Aviceda cuculoides) – vulnerable<sup>1</sup>
- Martial eagle (Polemaetus bellicosus) – vulnerable\*<sup>1</sup>(positively identified)
- Bateleur (Terathopius ecaudatus) – rare<sup>1</sup>
- Ground Hornbill (Bucorvus leadbeateri) – vulnerable<sup>1</sup> (positively identified)
- Peregrin falcon (Falco peregrinus) – rare<sup>1</sup>
- Stanley's bustard (Neotis denhami) – vulnerable<sup>1</sup>(positively identified)
- Ludwig's bustard (Neotis ludwigii) – vulnerable<sup>1</sup>
- Cape Parrot (Poicephalus robustus) – vulnerable\*<sup>1,2</sup>(positively identified)
- Grass Owl (Tyto capensis) – indeterminate\*<sup>1</sup>(positively identified)

#### Reptiles and Amphibians:

- Cape Mountain toad (Capensibufo rosei) – restricted<sup>1,3</sup>
- Amatola Toad (Bufo amatolica) – vulnerable<sup>1,3</sup>
- Hogsback Frog (Anhydrophrya rattrayi) – restricted<sup>2</sup>

These species are however difficult to monitor and detect, and therefore only presence and sightings are recorded on plantations. Pennington's butterfly, Chrysoritis penningtoni, and Metisella syrinx were however chosen as a species of special interest, due to the fact that they were positively identified, and it was felt that monitoring of these species would provide positive results, which could be used to improve their conservation. All the other red data book species are either transient or secretive in nature<sup>1</sup>, occur mostly within the DAFF managed forests<sup>2</sup> or are too difficult to monitor due to short live-histories<sup>3</sup>. No monitoring will therefore be done for them at this stage.

## Flora

Indigenous forest and grassland are the two most common vegetation types. Indigenous forest varies from very large high forest to small dry type forest and small pockets in isolated kloofs. At present the management of most of the indigenous forests falls under the Department of Agriculture, Forestry and Fisheries while the smaller forests, within the plantation are managed by Amathole Forestry Company.

The flora and vegetation is predominantly Afro-montane, the Amatola mountains forming the southern extremity of this flora. The Amatola is situated at the convergence of other major African phytochoria – the Indian Ocean Coastal Belt, African-Namib Region and the Cape Fynbos. Consequently the flora is also influenced by elements of each region, giving rise to a very high biodiversity with a number of endemic species. It falls within the Dohne sourveld type (Acocks 1988). However within the grassland of the plateau and mountain slopes, occur a number of sub-systems each supporting its own community of species (M<sup>c</sup>Master 2002).

"Sourveld" grasslands are dominated by Festuca, Themeda, Tristachya and Eragrostis species. Grasslands

also contain shrub species e.g. Helichrysum, Protea simplex and Erica brownleeae in the upper summit slopes. A number of scarce geophytes also occur in association with the grassveld on the upper slopes. While not true fynbos, there are numerous large patches of sclerophyllous shrublands on the upper slopes usually adjoining indigenous forest. Typical species are Buddleja salvifolia, Erica brownleeae, Protea simplex, Protea subvestita, Halleria lucida and Leucosidea sercea. While many of the riparian zones are seasonally wet there are a few permanent wetlands. Typical vegetation of these areas is the sedges, Carex and Pycreus.

Due to the importance of the grassland vegetation, on especially the mountain slopes above Kubusi, a specialist study was initiated in 2000, to draw up a detailed flora list for the mountains, and to recommend management actions for the mountain area. The study identified a number of species of special interest. These are listed below.

- Cyrtanthus suaveolens – endangered
- Brachystelma meyerianum – endangered
- Brachystelma caffrum - critically endangered
- Thamnocalamus tessellatus (present)– vulnerable in Swaziland and Lesotho not in South Africa (SSI monitoring with Metisella syrinx)
- Cyrtanthus helictus – rare (not known if it occurs)
- Cyrtanthus rectiflorus – insufficiently known (not known if it occurs)
- Cyrtanthus saeveolus – insufficiently known (not known if it occurs)
- Disa tysonii – rare (not known if it occurs)

Species that were previously Red Data book, but have not been listed in the latest edition (Golding 2002):

- Dierama pulcherrimum – previously vulnerable, now not listed
- Kniphofia bruceae – previously rare, now not listed
- Eucomis autumnalis – previously insufficiently known, now not listed.

A CREW (Custodians of Rare and Endangered Wildflowers) is active at Hogsback, and with their assistance, additional species might be identified, which will require monitoring or active management in future. When localities are positively identified, these species will be regarded as Species of Special Interest for Hogsback, and will, where possible be monitored. Monitoring of Thamnocalamus tessellatus, the mountain bamboo is also done periodically as part of the monitoring of the butterfly Metisella syrinx, as this bamboo species is the only known food source of this butterfly, and its survival will directly affect the butterfly. Additional grassland monitoring is also scheduled for 2011 in cooperation with the grasslands programme of SANBI to identify grasslands of high conservation importance on AFC property.

## SOCIAL ENVIRONMENT

### Socio-economic conditions and a profile of adjacent lands

The town of Hogsback, private commercial farms and community areas primarily surround Hogsback and Zingcuka plantations. The town of Hogsback is comprised mainly of smallholdings. Private farms consist notably of sheep and cattle farms. The communities practice communal agriculture, notably sheep, cattle and goat farming, and are made up of the Emnyameni community and Amathole community. The Department of Land Affairs also manages surrounding areas, which are either hired to private commercial farmers or utilized by the adjoining communities. The indigenous forests which surround Hogsback and Zingcuka are all managed by the Department of Agriculture, Forestry and Fisheries.

Due to the size and location of the plantation, Kubusi is surrounded by a number of land uses and landowners. Primarily the adjoining landuse is agriculture, either private commercial or trust land, with municipal areas of Stutterheim also bordering onto the plantation.

The specific land-use and landowners adjoining the plantation areas for Kubusi are however as follows:

Quacu	Surrounded by community areas, which are managed by the Wartberg Trust. The Trust area is used for communal agriculture, notably cattle and goats. A Rance plantation also borders onto Quacu, as well as privately owned commercial sheep and cattle farms.
Quanti	Private commercial farmers, notably farming sheep and cattle, border Quanti.
Fort Cunynghame	Fort Cunynghame is bordered by community areas, which are managed by the Wartberg Trust. The Trust area is used for communal agriculture, notably cattle and goats. Indigenous Forest areas, managed by DWAF also border the area. Private commercial farmers, notably farming sheep and cattle also border the area. The Amathlati municipality manages the remainder, which is in places used for community agriculture.
Hurst	Private commercial farmers, farming notably sheep and cattle, surround Hurst.
Kubusie main	Kubusie main includes a number of indigenous forests, managed by DWAF. Rance timber plantations and private commercial agriculture also border the area. The remainder is managed by the Amathlati municipality, and includes housing, smallholdings and communal areas.
Isidenge	Areas managed by the Department of Land Affairs, private commercial farms and indigenous forests managed by DWAF, border Isidenge.

Amathole Forestry Company believes in investing in its people and the communities surrounding plantations. Typical areas of involvement are: Literacy training, Environmental Awareness Training, Educare, Bursaries, Recreation, Alcohol rehabilitation, Aids awareness and the Eye care project 20/20. A local environmental education project, managed by Forest Way is also supported.

### Staff Structures

Amathole forestry employs 421 people directly and at least 100 people indirectly, through forestry contracting positions. Rance timber also employs an additional 684 people as part of the processing operations. All staff receives employment contracts, while contracts are signed with all service providers employed to assist with harvesting and silvicultural operations. Staff are notably employed from the local area, and the company strives to provide jobs in the local economy.

### Human Resources

- ❑ Manpower requirements are based on an analysis of medium term needs from which a fixed complement for every plantation is established. **Manpower planning** furthermore includes provision for **career path, succession and equal opportunity**.
- ❑ **Personnel management** is addressed via the systematic analysis of all critical aspects to provide the necessary procedures and control systems.
- ❑ Orderly and well managed **personnel administration systems** provide a basis for sound relations. It is also the aim to provide **critical Labour Relations procedures** and to maintain good relations with unions as representatives of our employees. Relationships are formalised via negotiated collective agreements on regional basis.
- ❑ Training is based on long term planning and annual needs surveys and strives for a well-balanced approach towards **work skills, life skills, management skills and transformation**.



### For Further Information

**Amathole Forestry also want your opinion, inputs and comments** on any matters concerning the company that might affect you. Please find below, the contact details of personnel in your area:

**Chief Executive Officer** – John Rance (043 683 5200)

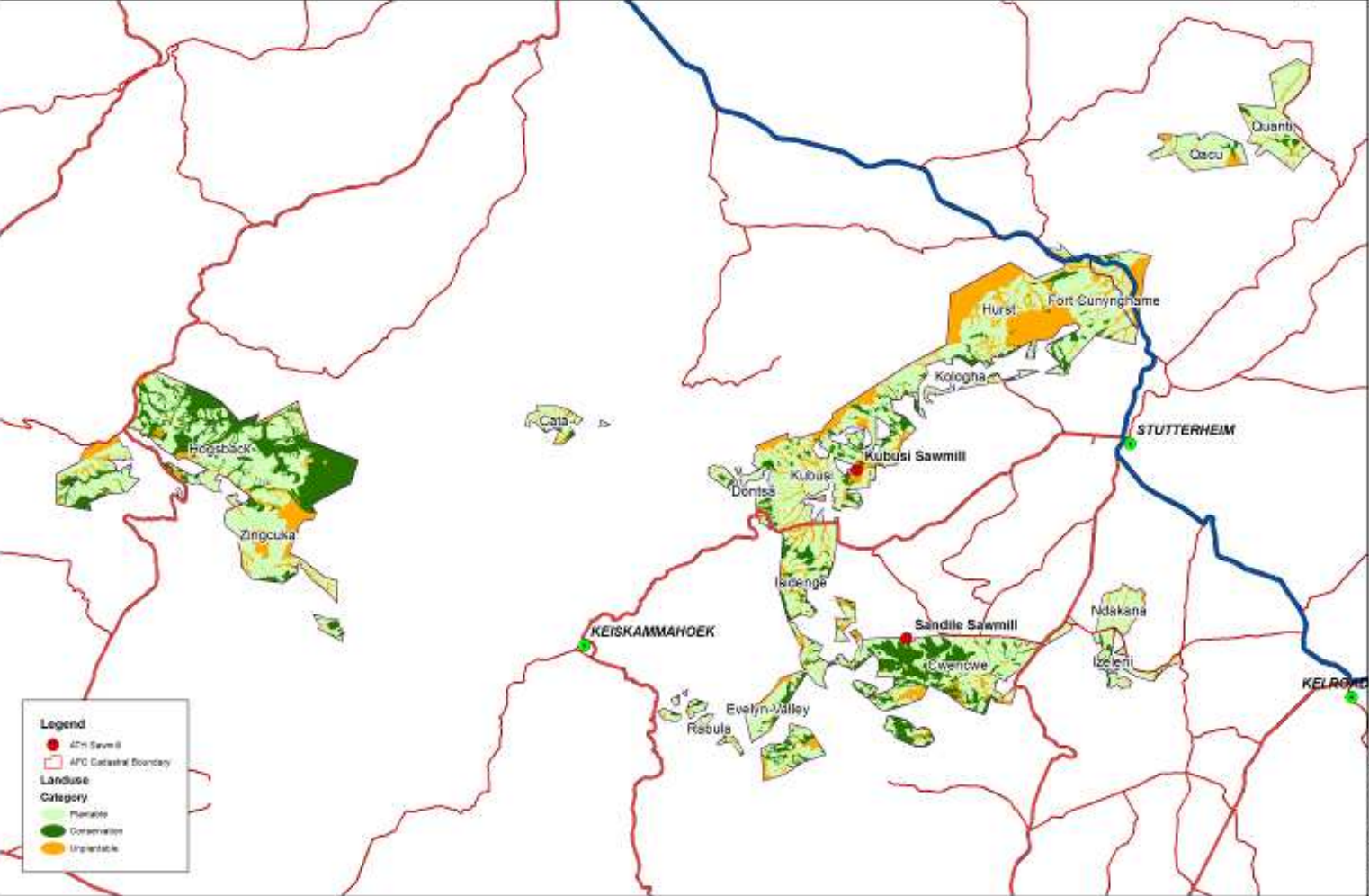
**AFC Plantation Manager** - Francois Sparks (franscois@rancetimber.co.za)

Website: [www.rancetimber.co.za](http://www.rancetimber.co.za)

Or write to: Private Bag X31, Stutterheim, 4930

# Amathole Forestry Co.

0 5 10 Kilometers



**Legend**

- AFC Sawmill
- AFC Catchment Boundary
- Landuse Category**
- Planted
- Conservation
- Unplanted

Map Data: © 2011 Google Earth, © 2011 Amathole Forestry Co.