



public enterprises

Department:  
Public Enterprises  
REPUBLIC OF SOUTH AFRICA

## PRESS RELEASE

### DEPUTY MINISTER BAPELA VISITED SAFCOL OPERATIONS IN LIMPOPO AS PART OF OUTREACH PROGRAMME

**Pretoria – 17 November 2023.** The Deputy Minister of Public Enterprises, Mr Obed Bapela, together with SAFCOL CEO, Mr Tsepo Monaheng visited the company's JDM Keet Plantation in Tzaneen to handover much needed ground nut and jugo bean seeds to the Mamahlola community members and tour some of the successful community-based business initiatives in the area.

The Mamahlola Community in the Tzaneen area was successfully handed over their land in February 2001, as part of the Land Restitution Act by the Minister of Agriculture, Land Reform and Rural Development, in one of the most significant restorations of dignity and land rights bestowed by government to a community. However, some of the land that was successfully claimed by the Mamahlola community were part of the SAFCOL's operating land, which is a plantation forestry business that produces timber-based products for the country, was transferred to the CPA on 19 June 2019.

In order to ensure a mutually beneficial relationship between the community, which were restored as the rightful landowners of the SAFCOL land, the forestry company entered into the long-term lease agreement with the Mamahlola Community Property Association (CPA), where SAFCOL pays monthly land rental to the community.

"The lease agreement (from 2021) between SAFCOL and the Mamahlola community is a symbol of the country's successful land restitution process. As a good corporate citizen, SAFCOL is now leasing land from the real landowners, the Mamahlola community. This process ensures that the land does not lie fallow and now they are able to plant ground nuts and jugo beans and also provide timber for furniture manufacturing businesses for the benefit of the community," says Mr Bapela.

It's against this background, that the Deputy Minister Bapela went on an outreach programme to see whether SAFCOL was fulfilling their end of the bargain in implementing its Enterprises and Supplier Development programme as part of their social compact obligations and overall good corporate citizenship.

The Deputy Minister handed over ground nuts and jugo bean seeds and assisted with the planting of the legumes, where SAFCOL has allocated about 26 hectares of land to 300 community beneficiaries to plant their agriculture crops in recently regenerated or unplanted land spaces.

After harvesting the ground nuts and juko beans, the beneficiaries can sell their produce in informal markets and to local communities. The project has proven successful with beneficiaries been able to provide sustainable income for their families.

The Agro-forestry initiative is an inter-cropping practice, where agricultural crops are planted in-rows with commercial plantations. The programme is mutually beneficial for both SAFCOL and community as crops generate nitrogen, which is the most important fertilizer in farming. The presence of crops in between trees, means the SAFCOL tree plantations grow healthier.

The project started 15 years ago after realization by SAFCOL that it can't have a successful forestry business unless it includes communities.

“Because these are the people that live next to the plantations. And if we do not include them, they will see the plantations as SAFCOL's business, not our business. And remember that SAFCOL is a state-owned company, and it is owned by the people. So the decision to work with communities was two pronged for us to succeed as a business and also to make sure that the communities can benefit from SAFCOL operating on their land,” says Mr Monaheng.

The SAFCOL CEO says the forestry company took a decision to provide learnerships and training support to ensure small and medium, micro enterprises where SAFCOL operations are located, contributes to job creation and sustainable businesses.

“From the allocation of a piece of land, to support in terms of what they need to plant, if it's agro-forestry, if it's honey business, we support them with the bee-hives. But if we can't provide these resources, we have to make sure that the people are fully trained, so that they can have the skills and expertise to create sustainable businesses,” says Mr Monaheng.

The Deputy Minister handed over wood manufacturing equipment and machines to Motswane Kenny Letsoalo (24), who is the owner of the Enastrom Furniture making business in Metz village in Tzaneen, also a beneficiary of SAFCOL learnership programme.

“I established my company in 2022. I was participating in a learnership for furniture making offered by SAFCOL and learned a lot and developed a passion for furniture making. I provided benches for lodges in my area and now I'm able to employ three people,” says Mr Letsoalo.

Previously, schools around Limpopo, Mpumalanga, and Northern KwaZulu Natal areas where SAFCOL operations are located, would benefit from timber framed school classrooms, desks and other furniture manufactured by community-based furniture manufacturing cooperatives.

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**Issued by the Department of Public Enterprises and SAFCOL SOC Ltd.  
17 November 2023**