



What is Sappi Khulisa?

Started in 1983, Sappi Khulisa is a tree-farming scheme. The project (initially known as Project Grow) focused on supporting subsistence farmers who had access to 1-20 hectares of land on which to grow trees. In the years leading up to celebrating its 30th anniversary in 2013, Sappi Khulisa expanded to include community forestry projects and forestry projects handed to land-reform beneficiaries. Whereas Project Grow focused solely on the growers, Sappi Khulisa focuses on small, individual growers whole value chain, including individual growers, community projects and contractors.

How does it work?

The programme is structured as follows: Growers make their land available for planting eucalyptus trees. We provide growers with:

- Sponsored seedlings
- Technical advice and training
- Guaranteed access to market
- Loans.

In terms of the latter, loans are sufficient to cover all farming input costs, including annual maintenance of the plantations until they are harvested. Advances are paid to growers for work carried out throughout the generally 8-10 year growing cycle. At harvesting time, we buy the timber from the growers and pay them a market-related price, less the advance payments they have received in preceding years.

Where do the seedlings come from?

All seedlings supplied are grown by our own nurseries to ensure that the growers plant only the best available quality genetic material.

Where are the growers situated?

Sappi Khulisa was started in KwaZulu-Natal, South Africa, covering the area from Manguzi near Kosi Bay in the north, to Port Edward in the south, and inland as far as Ixopo and Nongoma. It subsequently expanded into the Eastern Cape near the towns of Bizana and Lusikisiki.



Fast facts

- The total area managed under this scheme is currently 37,028 hectares.
- Since 1995, under this programme, a total volume of 4,908,850 tons to the value of ZAR3.03 billion has been purchased from Khulisa growers.
- In 2022, 217,339 tons of timber worth some ZAR184 million was delivered to our operations by Khulisa growers.
- A mobile app assists growers in accessing their plantation information, financial statements and training material. Growers can also send Sappi requests or submit documents through the app.
- When Sappi Khulisa participants plant tree seedlings, they're not just growing trees; they're growing skills, enterprises, communities and a brighter future.

How does it benefit growers?

Tree-farming has high barriers to entry because of the initial costs (fertiliser, seedlings, harvesting, transport) and long growing cycles (generally 8-10 years) involved. Sappi Khulisa opens up the avenues of participation to rural subsistence farmers and communities, in line with the South African vision for expanding the rural economy as set out in the National Development Plan 2030.

Growers benefit in terms of skills and income, as do the people they employ to assist in managing their plantations, as well as the many contractors employed to harvest and transport timber.

How does it benefit Sappi?

The programme is about creating shared value. Small growers can build sustainable businesses and a decent income, and we can secure a quality fibre supply going forward. Sappi Khulisa hopes to secure and increase this supply, but equally importantly, to help turn these small-scale growers and their contractors into self-reliant, sustainable timber businesses in the process.

“Sappi Khulisa is no longer a CSI project, it’s part of our core business.”

- Dutliff Smith, Business Manager:
Forestry Operations

How is land suitable for afforestation identified?

A site selection check-sheet focusing on the growth potential of the land, climatic conditions and distance from the mill, needs to be completed for each site before planting can take place.

How else does Sappi assist growers?

We employ qualified extension officers, training facilitators and managers who assist the growers in selecting the most appropriate areas for planting trees. The extension officers also offer advice and assist in preparing, fertilising and planting. They visit the growers frequently, after the trees have been established, to provide assistance with weed control and the preparation of fire breaks. Our extension officers work with growers to ensure that their plantings do not impact negatively on environmentally sensitive areas and that planted areas are economically sustainable.

The foresters also co-ordinate the effective flow of timber deliveries to the Sappi mills.

Is training offered to growers?

Recognising that Sappi Khulisa labour is characterised by poor efficiencies and a large turnover, we have established Khulisa Ulwazi (meaning “Growing Knowledge”) training centres and developed training material in conjunction with the Institute of Natural Resources, to address this need. The objective of training is to develop growers’ and contractors’ skills so that they can conduct silviculture operations economically and to a good standard.

Training is offered to all value chain participants and covers all aspects of forestry including core operational skills such as silviculture operations and harvesting operations, as well as safety, fire management, human resource management, entrepreneurship, leadership and business management.

Summing up

Sappi Khulisa delivers the following benefits:

- Participation in an industry from which growers would otherwise be excluded because of high cost-of-entry barriers.
- Guaranteed market at prevailing market prices.
- Multiplier employment opportunities as growers employ people within their communities to assist in managing their plantation.
- Empowerment of rural women and youth.
- Skills transfer and developing entrepreneurial thinking.
- Provides an integrated development service to rural communities, with emphasis on appropriate systems and training; empowering individuals and community-based institutions to manage their own development initiatives and maximise their potential.
- Sustainable supply of high-quality timber to Sappi.