

FOREST SECTOR TRANSFORMATION AT A GLANCE 2025/2026

THE FOREST SUB-SECTORS

PROPORTION OF RESPONSES

Growers		Sawmilling		Pole
15%		17%		11%
Fibre		Charcoal		Contractors
5%		2%		50%

REPORTING IS ON THE REBOUND

206

Valid submissions rose from 158 to 206 in 2025/26, a **30% increase**, reversing the prior year's decline. The recover was led by EMEs (67 to 103) a three-year high. There was also continued MLEs growth (38 to 47), while QSEs participation remained stable at 56.

Sub-sector coverage broadened, with EMEs reporting from all six sub-sectors for the first time. Charcoal and Pole Producers remained absent from the QSEs submissions, with Contracting carrying sector performance in this class.

MEDIUM & LARGE ENTERPRISES (MLEs)

Representing 6 of the 6
sub-sectors

AVERAGE: LEVEL TWO

Highlights

- Submissions rose to **47**, a three year high
- Ownership held steady at 76% compliance, average black ownership was recorded at **41%** and above the 30% threshold
- Skills Development fully recovered to **70%** compliance, matching the 2023/24 high, with the Charcoal subsector leading the Skills Development Spend on Black People
- Socio-Economic Development remains a sector strength, scoring 136% and exceeding the 1% NPAT target

Focus Areas

- Management Control extended to a third straight year of decline (52% → 50% → 47%)
- Black women representation lags at every leadership level, especially senior and junior management
- Charcoal Producers to focus on improving performance across Ownership and Management Control
- Enterprise and Supplier Development compliance has soften for three straight years (91% → 84% → 81%), representing a 4 point decline in score

QUALIFYING SMALL ENTERPRISES (QSEs)

Representing 4 of the 6
sub-sectors

UNENHANCED

ENHANCED

<51%
Black-ownership

51-100%
Black-ownership

AVERAGE: LEVEL TWO

Highlights

- 56 entities reported, of which **86%** achieved **Level One or Level Two** status
- Unenhanced (verified) submissions rose from 9 to 13
- Skills Development recovered to 50% of its target, in most part due to the contribution of the Contracting sub-sector

Focus Areas

- Performance of this class is carried almost entirely by the Contracting sub-sector
- Ownership is sharply polarised, 6 of the 13 Unenhanced QSEs are fully compliance, while seven scored zero
- No submissions at all from Charcoal and Pole Producer sub-sectors

EXEMPTED MICRO ENTERPRISES (EMEs)

Representing 6 of the 6
sub-sectors

AVERAGE: LEVEL ONE

Highlights

- Submissions rebounded to **103**, the highest of the three-year period
- **83%** achieved **Level One**, average black ownership **85%**
- Black women ownership **37%** is the strongest of any enterprise category
- FSCC's collaboration with sub-sector associations and DFFE to address the lack of EMEs representation across certain sub-sectors in 2024/25 has seen 1st time reporting of Sawmilling and Pole Producer sub-sectors

Focus Areas

- Fibre and Charcoal Producers remain the least represented sub-sectors
- Sustaining momentum among newly onboarded entities, the volatility over the past three years insinuates instability and a broader compliance gap
- Encourage continued uptake of the new Online Reporting System

TAKE HOME MESSAGE

- The sector's overall B-BBEE contributor status advanced from Level Three to **Level Two**
- Reporting participation grew by 30%, led by a strong rebound among EMEs
- Management Control remains the sectors weakest element, now in its third consecutive year of decline
- The FSCC Online Reporting System went live this cycle and is expected to strengthen future consistency
- The representation of Black Women continues to lag across Ownership and Management Control, regardless of enterprise size