

For further information or photos/b-roll footage of timber tracking systems, contact:

Jeff Haskins at +1-301-652-1558, ext 209; M: +1-443-223-4698;

E: jhaskins@burnesscommunications.com

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Effort to Fight Illegal Logging Intensifies as China's New Interest In Africa Adds Pressure to World's Tropical Forests

Tropical Forest Trust Expands Global Supply of Sustainable and Legally Verifiable Tropical Timber Products to US\$200 million By Tracking Wood "Stump to Store"

LONDON (23 March 2007)—With concern about tropical forest destruction heightened by resource-hungry China's high-profile push into Africa, the independent nonprofit charity, Tropical Forest Trust (TFT), announced this week they have rapidly expanded the China and Africa focus of their effort, which constitutes arguably the world's strongest system for excluding illegal tropical woods from commercial supply chains.

TFT has developed a sophisticated procurement system that allows its member companies, like leading home improvement retailers B&Q in the UK, France's Castorama and Leroy Merlin, and the US's Crate and Barrel, to verify that the tropical wood products they purchase come from sustainable or legal sources. The system also helps ensure that trees are extracted from forestry operations that work with TFT to improve conservation, respect local community rights and protect biodiversity.

"Tropical forest devastation by illegal logging is a complex, global problem but China's future resource needs—it's already purchasing 50 percent of the world's tropical hardwood production—figure heavily into any international effort to fight it," said Scott Poynton, Executive Director of the Geneva-based Tropical Forest Trust (www.tropicalforesttrust.com). "The good news is we're seeing growing interest in bringing to China our 'good wood, good business' approach to buying tropical timber."

TFT has opened an office in Beijing and will soon expand to Shanghai in an effort to ensure that China's growing role in Africa and other tropical regions supports rather than undermines the move to fight illegal logging. TFT is developing a variety of timber purchasing projects in China in partnership with wood product companies, its members, the United Kingdom's Department for Environment, Food and Rural Affairs (DEFRA) and Timber Trade Federation, and the European Union's Timber Trade Action Plan (TTAP).

TFT offers its members and clients a wood control system that tracks logs from the stump in the forest where they originate, through to the mill where they're made, into products such as a piece of plywood, a package of flooring or an ensemble of garden furniture. The tracking continues as they move into stores across the world where they're sold to consumers who want to use their purchasing power to preserve tropical forests. The system is unique because it places TFT staff in factories throughout the production process, where they check wood flows and flag any problems to prevent ill-gotten timber from being shipped to unsuspecting customers.

"The international wood business is so full of traders and middlemen operating in a world of bribes, corruption and illegal practices that, unfortunately, we encourage buyers to assume everyone is guilty until proven otherwise," said Poynton. "All other checking systems rely on routinely unreliable annual audits that usually occur long after products have been made and sold. If ever auditors manage to find a problem, it's way too late. The product is already adorning someone's house or garden. We thus have to stop the illegal wood entering the supply chain at the source and that's what our Wood Control Systems do."

Africa's natural resources are seen as a major attraction for Chinese investors. These resources include the largest intact tropical forest—the massive 700,000 square-mile Congo Basin—outside of the Amazon.

TFT is involved in an effort that late last year helped a timber operation get certified by the Forest Stewardship Council (FSC), an operation that now supplies world markets with the only FSC labeled wood from the Republic of Congo. TFT worked with the timber company Congolaise Industrielle des Bois or CIB, specialists on forest peoples, the World Bank's Development Marketplace program and Greenpeace International to help secure FSC certification for 296,000 hectares in Congo-Brazzavile (Republic of Congo), the second and by far the largest FSC certified operation in the Congo Basin. CIB aims to obtain FSC certification for its entire 1.3 million hectares over the next two years.

To achieve certification, CIB deployed a team of more than 100 field staff who spent several years mapping the location, species and maturity of over 1 million trees and documenting habitat important to wildlife, such as lowland gorillas and forest elephants. Working with variety of partners, numerous studies were conducted to better understand the environmental and social characteristics of the CIB concession. The information is now driving sustainable logging operations that avoid sensitive areas and allow timber cutters to selectively extract individual trees of high value while leaving most of the forest intact. However, these actions were still not sufficient to gain FSC certification.

The key to achieving FSC standards was to bring indigenous people into the forest planning process. Through the TFT collaboration, non-literate indigenous Pygmy communities living in the area have been supplied with specially designed, GPS-enabled hand-held computers programmed with the aid of an anthropologist from the London School of Economics. These computers have simple touch screens that have allowed them to create detailed maps of their resources and use areas within the forests. The maps show CIB how to conduct timber operations so as to avoid everything from sacred sites to water sources to individual ancient Sapelli trees prized for their caterpillars—an important food during a difficult period in the early rainy season.

"Recognizing and respecting the rights of indigenous people in a forestry operation such as this has never been done to this extent anywhere in the world—not by any international nongovernmental organization managing protected areas, not by a national government and certainly not by a logging company," said Dr. Jerome Lewis, an anthropologist from the London School of Economics and expert on Pygmy communities who has helped CIB and TFT on this project. "This project has revolutionized the whole long-standing tropical forestry paradigm because it recognizes and respects the rights of indigenous groups to co-manage with a forestry company."

"We would not have been able to achieve this without the Tropical Forest Trust," said Lucas van der Walt, CIB environmental manager. "We hope consumers are ready to make a distinction between legal, responsible timber operations and illegal and destructive operations. Our goal is a sustainable forest operation that will ensure the forest will still be there in 100 years and, most importantly, that local communities will want our company to be there for the next 100 years as well."

Purging supply chains of ill-gotten wood

TFT works intensively on both the supply and demand side of the forestry industry, showing wood products manufacturers and retailers in Europe, Asia, and the US how to verify the legitimacy of their wood products and showing forest operators in Asia, Africa, and Latin America how to adopt sustainable practices and find markets for their timber.

Launched in 1999 by a consortium of European retailers who wanted to clean up their wood supply chains, TFT has expanded its global network of suppliers of sustainable and legal wood products to over 40 member companies who annually sell about US \$200 million worth of TFT-monitored wood products. The group has partnerships in Asia, Africa and Latin America, with 31 forest projects encompassing 2.7 million hectares in order to expand the global share of forest under sustainable management. The group pioneered the first FSC-certified timber operations in the Republic of Congo, Peninsula Malaysia, Indochina and the first community certified teak operations in Indonesia.

TFT is succeeding in purging ill-gotten wood from commercial supply chains despite the history of failure that has plagued similar endeavors. Today, illegal logging in tropical forests is linked to corruption, criminal cartels, arms trafficking, and human rights abuses. The destruction caused by illegal loggers is a major force behind the shockingly rapid depletion of tropical forests worldwide. Some scientists predict that without intervention, the earth's tropical forests are fated to be wiped out in 20-30 years.

"The land that the forests are grown on is, for the most part, more valuable than the forests right now," said Poynton. "If we change the financial incentives around by adding value to the forest, this will transform the entire economic dynamic that is leading to the mass felling of our earth's forests. What we're trying to do is help ensure that tropical forests stay in the landscape, are managed for their long-term future as forests—not as a soybean or oil palm plantations or as cattle ranches—and to maximize their value to people, wildlife, and the environment. Businesses are catching on to our message that using 'good wood' is 'good business.'"

The Tropical Forest Trust pioneered the use of FSC-certified Eucalyptus in garden furniture, transforming this market from one reliant on illegally logged wood to one based almost solely on FSC-certified wood.

It has pioneered the development of collaborative decision-making in forest management in Asia and in Africa, leading to unique partnerships between logging operations and formerly disenfranchised indigenous peoples.

TFT is also piloting in Indonesia the development of a system known as TracElite that uses GPS, Internet and bar code technology to monitor purchases. Logs are tagged where they are felled and then repeatedly scanned as they journey to the factory and then are made into wood products.

"We all have a stake in the survival of tropical forests," said Poynton. "They store billions of tonnes of carbon that would otherwise fuel global warming, contribute to the livelihood of 800 million people, and they support unparalled biodiversity—over 50% of all terrestrial plant and animal species. Deforestation contributes to 20 percent of global greenhouse gas emissions that fuel climate change. We know how to stop that; we have the solution. We just need to get out into more forests, into the world's board rooms and into government policy making processes. Everyone can win – not just the few benefiting today from illegal tropical forest destruction."

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About the Tropical Forest Trust

Established in 1999, the TFT is a nonprofit international charity seeking to transform the international trade in tropical timber and timber products into a force for forest conservation. TFT provides comprehensive information about the origin of all tropical wood in member wood products. TFT's Wood Control Systems track wood from the felling operation from the forest, to the factory and through every key stage of manufacture. Technologies like TracElite assure real-time monitoring and trace-back of the full supply chain of wood from the stump to the showroom. TFT also helps the forests improve their management and achieve FSC (Forest Stewardship Council) certification.

TFT members are based in Europe, North America, South East Asia, and New Zealand. They include more than 40 multi-national retail giants and small 'high street' retailers committed to purchasing only legally harvested timber. TFT is supported by membership fees and grants from foundations and individual donations. It has forged partnerships with governments, timber companies, and international organizations to expand the world's holdings of FSC-certified forests. For further information, visit: www.tropicalforesttrust.com.

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