



## NEWS RELEASE

### **OLAM AND REPUBLIC OF CONGO WORKING TOGETHER TO REALISE VALUE FROM STANDING FORESTS THROUGH REDD+ EMISSION REDUCTIONS PROGRAMME**

- Olam Wood Products subsidiary, Congolaise Industrielle des Bois (CIB), is a partner of the Government of the Republic of Congo in a pioneering programme in Northern Congo to receive payments under the Forest Carbon Partnership Facility's Carbon Fund
- Forest Carbon Partnership Facility's Carbon Fund has signed a Letter of Intent with the Republic of Congo to guarantee purchase of Emission Reductions (carbon credits) generated through the programme at a fixed price until 2022, if implemented
- Emission Reductions Programme to cover 12.35 million hectares
- Expected emission reductions of 11.7 million tCO<sub>2</sub>e between 2017 and 2022
- CIB & Government of the Republic of Congo to present at COP21 events in Paris

**London, December 4, 2015** - Olam International Limited ("Olam") is pleased to announce that its Wood Products subsidiary, Congolaise Industrielle des Bois (CIB) and the Government of the Republic of Congo (RoC) is presenting the country's Emission Reductions Programme for Northern Congo at COP21 in Paris on December 4, 2015 along with carbon partner and expert Terra Global Capital.

CIB is supporting the Congolese Government in developing its Emission Reductions Programme to be submitted to the Forest Carbon Partnership Facility's (FCPF) Carbon Fund, of which the World Bank is a trustee. The Programme will realise value from the country's standing forests and help prevent deforestation. CIB has been chosen by the Republic of Congo to be its strategic partner and key implementer thanks to Olam's commitment to sustainable forest management.

As one of only two countries leading with a Public Private Partnership, the programme was selected into the FCPF's Carbon Fund Pipeline in June 2014 and received US\$650,000 funding to support the full development of an Emission Reductions Programme. This will tackle the root causes of forest degradation in the Republic of Congo, conserving standing forest as carbon sinks and ensuring that impacts on the forest cover are reduced. Once the emission reductions have been verified, the Carbon Fund would purchase up to 11.7MtCO<sub>2</sub>e in carbon credits if an Emission Reduction Purchase Agreement (ERPA) is signed. This equates to taking some 500,000 cars off the road between 2017 and 2022.

Forest Economy and Sustainable Development Minister of the Republic of Congo, Henri Djombo, commented, "With the support of the Forest Carbon Partnership Facility through the World Bank, and in collaboration with CIB, the Republic of Congo can realise our ambitions of balancing the twin goals of protecting the environment and supporting our economy. The Republic of Congo invited CIB to be both our strategic partner and a key implementer based on its expertise in the sector and, specifically its work on our pioneering [REDD+ joint initiative in the Pikounda Nord](#) timber concession which is also a Public Private Partnership. Working



with CIB on the ground, we have been able to redefine industrial logging in the context of climate change, and drive innovation in sustainable agroforestry.”

The Emission Reductions Programme in the northern area of the Republic of Congo will encompass an area of 12.35 million hectares (in the two northernmost provinces of the country) with 97% forest cover and 12 timber concessions. Taking a landscape approach, and in consultation with forest-dependent communities and indigenous peoples and the private sector, actions will include:

- Advancing sustainable forest management in all industrial concessions through reduced impact logging techniques, (ii) new protected areas, and (iii) an increase in the number of certified concessions.
- Encouraging sedentary agriculture over slash and burn techniques, through reviving cocoa cultivation on already degraded land and supporting smallholders with profitable and productive crops
- Increasing forest conservation areas and better land use planning; limiting the impacts of palm oil plantations in secondary/degraded forests and developing village palm to also encourage sedentary agriculture.
- Promoting ‘green mining’ by working with extractive industries to reduce their net impact on forests.

Darshan Raiyani, Senior Vice President & Global Head, Wood Products at Olam International said, “We are proud to continue our history of pioneering responsible and sustainable forestry with the Republic of Congo and long-standing commitment to our customers for wood that is sourced with minimal environmental impact. As well as marking the next chapter in our wood operations, the programme’s selection into the Carbon Fund Pipeline will consolidate Olam’s participation in the carbon market and ensure that we realise value from reducing emissions.”

Georges Claver Boundzanga, National REDD+ Coordinator commented, “The Public Private partnership approach will be a key factor in reducing deforestation and the degradation of forests, yet concrete examples are rare in African countries with tropical forests: the Republic of Congo’s programme with Olam’s CIB is an early mover in this regard and we hope it will provide a blueprint for future successful collaborations between governments and businesses with a shared commitment to responsible forest management and protection.”

The forest area currently managed by CIB in Republic of Congo is the world’s largest contiguous natural tropical forest concession, measuring about 1.3 million hectares, all of which is FSC® certified<sup>ii</sup>. The 92,000 hectare Pikounda Nord concession has just been independently endorsed by the [Verified Carbon Standard](#) (VCS). As part of the COP21 events in Paris, CIB will also be sharing its experience in two panels on sustainable forest management and the benefits of co-generation electricity using wood waste and water – currently CIB supplies renewable electricity to six sawmills and 13,000 homes.

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**Notes for editors**

<sup>i</sup> REDD+ stands for Reducing Emissions from Deforestation and Forest Degradation, with “+” to include the role of conservation, sustainable management of forests and enhancement of forest carbon stock

<sup>ii</sup> License Numbers for Pokola FM and Loundoungou FM, plus Chain of Custody: FSC-C005457; FSC-C014998; FSC-C104637; FSC-C110834. The license number for Kabo FM will be issued once the latest report has been reviewed and certification approved

**About Olam International**

*Olam International is a leading agri-business operating across the value chain in 65 countries, supplying various products across 16 platforms to over 13,800 customers worldwide. From a direct sourcing and processing presence in most major producing countries, Olam has built a global leadership position in many of its businesses. Headquartered in Singapore and listed on the SGX-ST on February 11, 2005, Olam currently ranks among the top 50 largest listed companies in Singapore in terms of market capitalisation and is a component stock in the S&P Agribusiness Index and the DAXglobal Agribusiness Index. Olam is the only Singapore firm to be named in the 2009, 2010 and 2012 Forbes Asia Fabulous 50, an annual list of 50 big-cap and most profitable firms in the region. It is also the first and only Singapore company to be named in the 2009 lists for the Global Top Companies for Leaders and the Top Companies for Leaders in the Asia Pacific region by Hewitt Associates, the RBL Group and Fortune. More information on Olam can be found at [www.olamgroup.com](http://www.olamgroup.com).*

**About the Forest Carbon Partnership Facility (FCPF)**

*The Forest Carbon Partnership Facility is a global partnership of governments, businesses, civil society, and Indigenous Peoples focused on reducing emissions from deforestation and forest degradation, forest carbon stock conservation, the sustainable management of forests, and the enhancement of forest carbon stocks in developing countries (activities commonly referred to as REDD+).*

*The four strategic objectives of the FCPF are:*

- To assist countries in their REDD+ efforts by providing them with financial and technical assistance in building their capacity to benefit from possible future systems of positive incentives for REDD+.*
- To pilot a performance-based payment system for REDD+ activities, with a view to ensuring equitable benefit sharing and promoting future large-scale positive incentives for REDD+.*
- Within the approach to REDD+, to test ways to sustain or enhance livelihoods of local communities and to conserve biodiversity.*
- To disseminate broadly the knowledge gained in the development of the Facility and the implementation of Readiness Preparation Proposals (RPPs) and Emission Reductions Programs (ERPs).*

*More information can be found online here: <https://www.forestcarbonpartnership.org/>*

**About REDD+**

*Reducing Emissions from Deforestation and Forest Degradation (REDD) is an effort to create a financial value for the carbon stored in forests, offering incentives for developing countries to reduce emissions from forested lands and invest in low-carbon paths to sustainable development. “REDD+” goes beyond deforestation and forest degradation, and includes the role of conservation, sustainable management of forests and enhancement of forest carbon stocks.*

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