

# Progress report ForestFinance 2011/2012

Regarding the leadership  
declaration of the  
initiative 'Biodiversity in  
Good Company'



## Table of Contents

<b>1. Introduction</b>	<b>3</b>
<b>2. The impact of corporate activities on biodiversity</b>	<b>4</b>
<b>3. Inclusion in the environmental management system</b>	<b>6</b>
3.1 Sustainability in the office	6
3.2 Certified projects with sustainability guarantee	7
<b>4. Appointment of a responsible individual</b>	<b>9</b>
<b>5. Defining measurable objectives</b>	<b>9</b>
5.1 Findings of the biodiversity monitoring in 2012	9
<b>6. Publication in the corporate social responsibility report</b>	<b>11</b>
<b>7. Integration of suppliers</b>	<b>12</b>
7.1 Cooperation with forestry service providers	13
7.2 Further education programme for sustainable forest management in Vietnam	14
<b>8. Cooperations</b>	<b>15</b>
8.1 Cooperation with B.A.U.M. e.V.: forest reserve "Wild Beech"	17
8.2 CO <sub>2</sub> OL and Viebrockhaus protect forest areas in Panama	18
<b>Contact</b>	<b>20</b>

**Cover picture:**

The picture of this butterfly was taken by ForestFinance forest engineer Sebastian Gräfe in a ForestFinance forest in the province of Chiriquí, Panama.

## ForestFinance is building forests – since 1995.

Having started as a green idea in Bonn, Germany, ForestFinance has become an international group of companies, offering direct investments in ecological afforestation and sustainable forest products to private and institutional investors worldwide.

All forest investment products are based on ecologically-sustainable forestry and the idea that all parties involved, nature and man, can benefit from ecological forest investments. For this reason, species protection and the promotion of biodiversity are part and parcel of the business philosophy of ForestFinance and an essential part of all its investment products.

Nevertheless, ForestFinance strives to further improve its species protection measures, particularly by monitoring the group's impact on biodiversity.

In order to find solutions and practical approaches for species protection in business life, hand in hand with other companies from different industries, ForestFinance has hence joined the initiative 'Biodiversity in Good Company' in 2010.

In the following we report on the progress that we have made during the past years with regards to species protection using the seven points of the leadership declaration, which we have committed ourselves to, as a guideline.

# 1. Introduction



## Leadership declaration:

All signatory companies acknowledge and support the three objectives of the international „Convention on Biological Diversity“:

- Conservation of biological diversity
- Sustainable use of its components
- Fair and equitable sharing of the benefits that arise out of the utilization of genetic resources

and commit themselves to:

1. Analyzing corporate activities with regard to their impacts on biological diversity;
2. Including the protection of biological diversity within their environmental management system;
3. Appointing a responsible individual within the company to steer all activities in the biodiversity sector and report to the Management Board;
4. Defining realistic, measurable objectives that are monitored and adjusted every two to three years;
5. Publishing activities and achievements in the biodiversity sector in the company's annual, environmental, and/or corporate social responsibility report;
6. Informing suppliers about the company's biodiversity objectives and integrating suppliers accordingly and step by step;
7. Exploring the potential for cooperation with scientific institutions, non-governmental organizations (NGOs) and/or governmental institutions with the aim of deepening dialogue and continuously improving the corporate management system vis-à-vis the biodiversity domain.

To demonstrate ongoing commitment, member companies will provide the Initiative with a progress report every two years.

## 2. The impact of corporate activities on biodiversity

The protection and promotion of biodiversity are integral parts of the ForestFinance Group business concept. This means that the company's products and projects shall have positive impacts both on the environment and biodiversity in particular.

ForestFinance adheres to the principles of sustainability, including all of its three pillars, i.e. social, economic and ecological objectives. As a socially responsible company, ForestFinance contributes to the improvement of living and working conditions in the project regions by introducing social programmes and involving the local population. At the same time, ForestFinance offers its customers the possibility of a green investment which brings not only economic but also social and ecological benefits. The corporate slogan "Building forests" emphasises the fact that ForestFinance creates ecologically valuable mixed forests instead of species-poor monocultures as they are known from conventional tropical forestry which often aims solely at maximum returns.

ForestFinance is "building forests" in order to be able to harvest sustainably and ecologically certified tropical fine timber for its investors. Only selected trees are harvested, there are no clear-cuts. Furthermore, ForestFinance plants climate protection forests where no thinnings take place, generating high-quality carbon credits to be used by companies and organisations.

The reforestation of fallow, former pasture land with mixed forests mainly consisting of native tree species suited to the location, directly contributes to species protection in the project regions. ForestFinance has applied this reforestation concept in Panama for more than 17 years.

Situated on the isthmus connecting two continents, Panama is one of the earth's rare biodiversity hotspots. The tropical rainforests of Central America are among the world's regions richest in species. Every tenth of our planet's species lives here; most of them are endemic. Towards the end of the 19th century, settlers began to clear-cut vast areas of primary forest in order to acquire farmland. This process accelerated in the course of the following centuries and has not been stopped yet. It is only in poorly accessible regions, such as mountains or swamps, that primary forest remained, allowing a variety of species to survive.



A cloud forest in Panama. The tropical rainforests of Central America are among the world's regions that are richest in species. Every tenth species on the planet lives here; most of them are endemic.

The reforestation projects promote biodiversity in the project regions by creating new, permanent near-natural secondary forests. The ecological benefits of the mixed forests, mainly consisting of native, non-invasive tree species suited to the location, are much bigger than those of monocultures. Only degraded areas such as fallow former pasture land, which could not regenerate autonomously, are being reforested. To generate carbon credits, the areas are partly reforested as “carbon forests” (natural carbon sinks) and turned into nature reserves by CO<sub>2</sub>OL, a ForestFinance branch.

The project areas in Panama, consisting of approx. 60 small to middle-sized fincas, provide new habitats for many different native animal species. In the course of the past 17 years, ForestFinance has reforested almost 3,000 hectares in Panama with mixed forest. Approximately 700 hectares of our project areas in Panama, almost a quarter of the total area (as of 21 January 2013), are nature reserves where no forest management takes place. In particular, remnants of primary forest, wetland and river areas are rigorously protected as they provide habitats for numerous amphibians and other species.

The connection of forest remnants through reforestation results in an additional regeneration of the areas. New forests hence serve as an important stepping stone to build new biotopes: The newly created forest is soon inhabited by reptiles and birds feeding on insects. These animals are at the same time a natural remedy against pests, offering protection to the young trees.

In addition, the project promotes the natural process of forest succession and regeneration. The great number and variety of native tree species in the mixed forest offers perfect living conditions for insects, birds and mammals. Numerous bird species and traces of bigger mammals such as the endangered ocelot have been seen on the ForestFinance project areas.

In Vietnam and Colombia, ForestFinance has acquired already existing Acacia plantations in order to convert them into a similar near-natural forest ecosystem with mainly native tree species. Thus, the mutual objective of all ForestFinance projects worldwide, namely to create a permanent forest suited to the location, is put into practice in these countries, too.

Acacia trees improve the soil, preparing it for more demanding native tree species, which would otherwise not find enough nutrients in the deforested and degraded soils. The reason for this is that Acacia trees filter harmful substances from the soil and enrich it with nitrogen, reconvert the degraded areas into a place for planting mixed forests that consist of tree species suited to the location and are rich in species. The goal is to create a permanent forest, with all its ecosystem services, one that is as close to a natural forest as possible.



Finca „Meteti I“ in Panama – forest remnants (in the front) are supplemented through the reforestation of fallow and degraded areas (in the middle), forming a new, bigger forest habitat for animals and plants.



Aerial photograph showing the before and after effect: bleak pasture land borders a reforested area in Panama.



Hummingbirds (on the left: broad-tailed hummingbird *Selasphorus platycercus*, photo: wikipedia/Bill Ratcliff) mainly feed on nectar and insects that they find in blossoms.

The dart frog *Dendrobates spec.* (on the right) lives in the ForestFinance cacao forest at Quebrada Limon, Almirante.

## 3. Inclusion in the environmental management system

As set out above in chapter 2, the positive environmental impact of all business activities is already an essential part of the whole corporate concept itself. Besides high monitoring standards and strict controls through official third organizations “afield”, the ecological and social sustainability of the business is also being ensured in the office by our Quality Manager Iris Gerritsen (see chapter 3.1), who closely cooperates with the project managers in the project countries and auditors from independent third parties (see chapter 3.2). A sustainability report on all activities of the ForestFinance Group is published every two years. The report does not only include project activities, but also the activities in the headquarters in Bonn (see chapter 6).

### 3.1. Sustainability in the office

ForestFinance attaches importance to the fact that it adheres to high ecological principles both in the forest and in the office. Consequently, ForestFinance was awarded bronze for its “Exemplary Activities with Regards to Office and Environment” in the category “Companies with up to 500 Employees” in the competition “Office and Environment” of the Bundesdeutscher Arbeitskreis für Umweltmanagement e.V. (German Environmental Management Association).

Environmental protection is of great importance to ForestFinance when purchasing office material and equipment. For this reason, the company has acquired two expensive printers that produce approximately 95 per cent less plastic waste than conventional ones and prevent both the production of toner powder and ozone emissions. Although these special printers are pricy to purchase, their maintenance is less expensive, making them a sustainable investment for an environmentally friendly office.

In addition, ForestFinance has been using green power from the Naturstrom AG (a renowned German green electricity provider) for years and actively recommends it to its customers. Waste separation, recycling and the use of recycled or particularly environmentally friendly products are also part of the business principle, contributing to environmental protection in the office. Apart from that, most employees in Germany do not have to drive to work daily due to the possibility of working at home, using tools such as Skype. Moreover, ForestFinance promotes the use of bikes and public transport for commuting. As a result, only approximately 15 per cent of the 30 employees in Bonn use a car for their daily way to work.



ForestFinance Quality Manager Iris Gerritsen receives the award for “Exemplary Activities Regarding Office and Environment” from B.A.U.M. e.V.

### 3.2 Certified projects with sustainability guarantee

The ForestFinance project areas are certified and validated by independent third-party organisations on a regular basis to secure the quality of the forest and reforestation projects and their positive impact on biodiversity in particular. The following internationally renowned quality standards for forest projects are applied:

#### Forest Stewardship Council (FSC) Standard

The mission of the Forest Stewardship Council (FSC) is to promote environmentally appropriate, socially beneficial and economically viable management of the world's forests. The independent non-profit NGO was founded in 1993 as a result of the United Nations (UN) Conference on Environment and Development in Rio de Janeiro. The FSC Standard ensures a responsible management of the global forest resources by defining and monitoring the adherence to environmental and social standards of forest management. Therefore, timber and timber products that carry the FSC logo stand for a forest management that is environmentally appropriate, socially beneficial and economically viable. The FSC standards are based on ten principles and 56 criteria of forest management. Forests that are managed according to these standards can be FSC certified. Only companies adhering to the strict criteria of the FSC are allowed to use the FSC logo on their products. Independent third party certification bodies verify the use of FSC standards every year. The FSC is supported by numerous environmental organisations and unions.

ForestFinance adheres to the FSC principles and is a full voting member of the German FSC working group. All ForestFinance areas in Panama have been FSC certified continuously since 1997. All forests of the Forest Finance Panama S.A. that are reforested and maintained in Panama are reforested and maintained according to the guidelines of the Forest Stewardship Council. In the provinces of Chiriquí, Veraguas, Darien and Panama, Forest Finance Panama S.A. maintains 2.277 hectares under the FSC certification number RA-FM/COC-005337. FSC audits in Panama are carried out by the Rainforest Alliance on a regular basis.

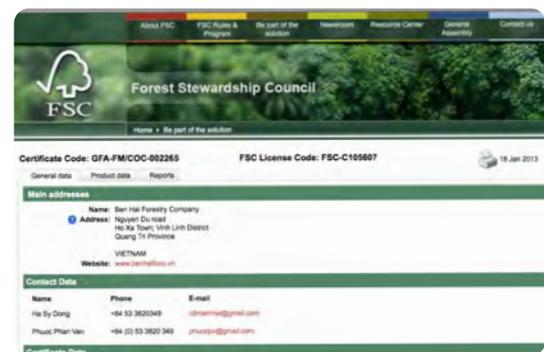
In Vietnam, the forest areas of our forestry service provider are FSC certified: [www.forestfinance.de/go/benhai-fsc](http://www.forestfinance.de/go/benhai-fsc)

The FSC certification for our new project in Colombia, which started in 2012, is in preparation for 2013/2014.

More information at [www.fsc.org](http://www.fsc.org)



This logo represents the Forest Stewardship Council (FSC), an independent, non-profit NGO with national working groups in more than 80 countries.



In Vietnam, the forest areas of our forestry service provider are FSC certified: [www.forestfinance.de/go/benhai-fsc](http://www.forestfinance.de/go/benhai-fsc)



“Gold Standard Transition Projects” are labelled with this logo. They are managed by the Gold Standard Foundation since 2012.

### **CarbonFix Standard (CFS) / Gold Standard**

The CarbonFix Standard sets a quality benchmark for worldwide climate afforestation projects. Founded in 1999, the organisation CarbonFix has been following the UN climate process as an accredited member.

Afforestation projects that are CarbonFix validated also aim at examining the ecological impact of the projects and at providing verifiable social benefits in the afforestation countries. To this end, several generally acknowledged criteria such as additionality, eligibility, leakage etc. are verified. In order to guarantee the sustainability of the afforestation project and the amount of fixed CO<sub>2</sub>, the certification of the projects is carried out by an independent, accredited third party organisation (i.e. Rainforest Alliance).

As the Gold Standard Foundation announced on 19 September 2012 in Geneva, it will acquire the CarbonFix Standard’s methodology in order to establish the foundation of its expansion into the climate forests sector.

In Panama, all forest areas of ForestFinance are CarbonFix validated. The audits are carried out by the Rainforest Alliance. As the CarbonFix Standard is merging with the Gold Standard, the ForestFinance afforestation projects in Panama are now “Gold Standard Transition Projects”.

The CarbonFix certification of the new afforestation areas in Colombia is in preparation for 2013 / 2014.

More informationen at [www.cdmgoldstandard.org](http://www.cdmgoldstandard.org)



Only climate protection projects that benefit both local communities and biodiversity are granted this logo.

### **Climate, Community and Biodiversity Standards (CCBS)**

The Climate, Community and Biodiversity Alliance (CCBA) evaluates carbon forest projects from the early stages of development. The CCB Standards foster the integration of best-practice and multiple-benefit approaches into project design and implementation.

The CCB Standards identify projects that are designed and implemented using best practices to deliver robust and credible greenhouse gas reductions while also delivering net positive benefits to local communities and biodiversity. Other criteria are excellence and innovation in project design and implementation.

Projects are accredited by the CCBA when meeting all criteria of the CCB Standards. A major part of the ForestFinance afforestation areas in Panama are CCBS validated. The audits are carried out by the Rainforest Alliance on a regular basis.

The adherence to the standards mentioned above guarantees quantifiable social and ecological additional benefits such as the involvement of the local population and species protection within afforestation projects. Apart from the WWF, the rainforest organisation OroVerde also recommends the multiple certification.

More informationen at [www.climate-standards.org](http://www.climate-standards.org)

Since 2010, Mira Nürnberg, who also manages the international project activities of the ForestFinance Group, has been responsible for all topics related to biodiversity. She closely cooperates with the local project managers, coordinating the implementation of the corporate strategy, and she supervises the project implementation and certification processes together with the forest experts in the project countries. In order to integrate these activities into the corporate strategy, Mira Nürnberg closely cooperates with Iris Gerritsen, who coordinates the quality management of the ForestFinance Group from the headquarters in Bonn, Germany.

## 4. Appointment of a responsible individual

It is difficult to define measurable objectives, as species protection is always part and parcel of the ForestFinance business model; each of our projects aims at creating a sustainable mixed forest which at the same time promotes biodiversity or provides the basis for a return of species through the re-naturation of degraded areas. All of the forests are certified according to various standards such as FSC, CCBS and CarbonFix/ Gold Standard to ensure both ecological benefits and transparency for the investors. This includes the documentation of the positive impact of the projects on biodiversity which has to be examined and verified by independent third parties on a regular basis.

In order to give our investors further information on the ecological and social benefits of the projects, we publish additional forest and project reports from the respective countries every year, presenting our activities, forestry methods and recent developments.

In addition, we have conducted a biodiversity monitoring on our fincas in Panama in 2012 (see findings in chapter 4.1). The biodiversity monitoring will be expanded and repeated on a regular basis in the years to come.

### 5.1 Findings of the biodiversity monitoring in 2012

In February 2012, Forest Engineer Luís Alvarez examined our oldest fincas in Chiriquí, Panama, in regard to their biodiversity. The applied methodology has been developed by ProForest in cooperation with the FSC and takes, among others, the following aspects into consideration:

- Year of planting
- Existing studies, information material, etc.
- Diametre of trees
- Comparison of the found species with the lists of endangered animals

## 5. Defining measurable objectives



Young sloth in the ForestFinance cacao forest Quebrada Limon.



The blossom of an amarillo tree (*Terminalia amazonia*).

According to the study, the finca “Los Monos”, for instance, can be categorised as a “Forest with High Conservation Value” (FHCV)”. Thus, Luís Alvarez found 33 different tree species in this forest, of which five are critically endangered:

- Alexandrian Laurel (*Calophyllum longifolium*)
- Spanish Cedar (*Cedrela odorata*)
- Amarillo (*Terminalia Amazonica*)
- Savannah Oak (*Tabebuia rosea*)
- Zapatero (*Hieronima alchoneoides*)

Several rare animal species were found, too:

**Amphibians:**

- *Dendropsophus microcephalus* (Hylidae)
- *Engystomops pustulosus* (Leiuperidae)
- *Leptodactylus labialis*,
- *Leptodactylus fragilis*
- *Leptodactylus bolivianus* (Leptodactylidae)
- *Craugastor fitzingeri* (Craugastoridae)

**Reptiles:**

- Caiman cocodrylus (Alligatoridae)
- Black Iguana *Ctenosaura similis* (Iguanidae)
- Terciopelo *Bothrops asper* (Viperidae)
- Banded Cat-eyed Snake *Leptodeira annulata* (Colubridae)

**Bird species:**

- Rainbow-billed Toucan *Ramphastos sulfuratus* (Ramphastidae)
- White-tipped Dove *Leptotila verreauxi* (Columbidae)
- Tropical Gnat-catcher *Poliottila plumbea* (Poliottilidae)
- Panamanian Yellow-crowned Amazon *Amazona ochrocephala panamensis* (Psittacidae) (nationally endangered)

**Monkeys:**

- White-faced Capuchin *Cebus capucinus* (nationally endangered, listed in Appendix II of CITES\*)

**Others:**

- Nine-banded Armadillo *Dasybus novemcinctus* (Dasypodidae)
- Ocelot *Leopardus pardalis* (Felidae) (nationally endangered, listed in Appendix I of CITES\*)



The yellow-crowned amazon, a species of parrot.

Photo: wikipedia/snowmanradio

\* *The Convention on International Trade in Endangered Species of Wild Fauna and Flora.*

Since 2011, ForestFinance regularly publishes sustainability reports, which also address species protection. A small excerpt from the sustainability report 2010/2011: "ForestFinance strives to meet its responsibilities for biodiversity in each forest, creating apart from economic benefits also ecological ones. Our goal is the creation of permanent mixed forest rich of species, regardless of where and how we begin. This is what we keep in mind when we start with a reforestation. Apart from teak trees, a highly coveted valuable tree species from Southeast Asia, which amounts to about one third of the forest stand, only native tree species are being planted. Each tree is soon followed by a great variety of different species. The various flowers and fruits and their living cycle provide food for the animals living in the forest during every season. Monocultures acquired by ForestFinance are converted in such forests. Our product is forest, not timber."

The new sustainability report for 2011/2012 will be published in the second quarter of 2013. The last corporate social responsibility report (in German) is available at

[www.forestfinance.de/go/nachhaltigkeitsbericht2010](http://www.forestfinance.de/go/nachhaltigkeitsbericht2010)

In addition, ForestFinance publishes a magazine addressing topics related to worldwide forestry, ecology and green finance for customers, business partners and other stakeholders twice a year.

The focus of the "ForestFinest" issue published in spring 2012 was on biodiversity, with numerous informative and entertaining articles regarding biodiversity in general and biodiversity in the ForestFinance forests in particular.

You can find all past issues of ForestFinest (in German) at: [www.forestfinest.de](http://www.forestfinest.de)

## 6. Publication in the corporate social responsibility report



The sustainability report of ForestFinance is published every two years. Its next issue will be published in summer 2013.



In 2012, the ForestFinest magazine focused on the topics species protection and forest values.

## 7. Integration of suppliers



An acacia tree growing in the forests of our forestry service provider in Vietnam.

ForestFinance administers the forest management at the project locations mainly with own forest units (Peru, Panama). At other locations, ForestFinance works together with service providers who implement the forest management plan according to the specifications of ForestFinance and under strict supervising.

All ForestFinance experts at the project locations are trained in our sustainable forest management system.

At our new project location Vietnam we were confronted with the fact that forestry experts were hardly sufficiently trained in sustainable forest management techniques. The commonly known forestry practice is still the out-of-date slash-and-burn technique, which does not only deplete the soil, but also does not offer any basis for new species to establish populations. For this reason, we have taken the initiative to develop a further education programme in sustainable forest management in Vietnam. In 2012, we made great progress in this regard (see chapter 7.2).

Apart from that, we consider it to be of huge importance to raise awareness for species protection among our investors. For this reason, we use various media such as our newsletter or our customer magazine **ForestFinest** to inform our customers on a regular basis about the topics biodiversity and ecosystem forestry. Our website includes a whole area dedicated to ecology which also addresses the topic biodiversity in order to explain our strategies and goals to our customers and business partners.

## 7.1 Cooperation with forestry service providers

Just like ForestFinance, our forest service providers pay attention not only to the (ecological) quality of the planted forests but also to the social conditions under which our forest employees work. This is guaranteed by our own supervising forest managers, who have long-term experience and by independent third-party organisations such as the Forest Stewardship Council (FSC), who examine and certify our forest projects on a regular basis. When required, ForestFinance organises trainings with its own forest experts for its external workers, regarding all relevant topics and techniques from safety at work to sustainable thinning methods.

### Quality, experience and synergy effects

The decision to let parts of our forests be managed by forest service providers was made in order to benefit from synergy effects and to make growth possible. When choosing providers, criteria such as their experience with native species, social and ecological sustainability, the production of high-quality timber and the realisation of maximum yields for the forest owners play a major role. Of course, it is also of importance that the company meets the other ecological and social standards of the ForestFinance Group.

Part of the profit is directly re-invested in the improvement of infrastructure, schools and leisure facilities at the project location. Environmental education and social programmes are supported as well as the on-going further education and professional development of the employees. The close cooperation with leading scientists in tropical forestry and the knowledge transfer among ForestFinance forest managers and engineers guarantee a constant technical development - which benefits our customers.



ForestFinance forest engineer Sebastian Gräfe and the employees of the forestry service provider take a break from surveying work on the finca Boca del Monte in Panama.



On the „Coastal Clean up Day“, ForestFinance employees clean the beach of Las Lajas together with ANAM and pupils from a school in Chiriquí.



In the course of this workshop, the Vietnamese forest workers do not only learn how to safely use a chainsaw, but also how to apply sustainable forest management techniques.

## 7.2 Further education programme for sustainable forest management in Vietnam

Together with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) in Vietnam, the provincial authority for rural development Quang Tri, the Vietnamese forestry enterprise Ben Hai and the NGO Consultative and Research Center on Natural Resource Management (CORENARM), ForestFinance has introduced a further education programme for forest managers in Vietnam. The project aims are to establish a training institution for sustainable forest management in the province of Quang Tri and to develop a curriculum that can be also used in other Vietnamese provinces. The larger goal is to increase skilled labour, in order to enable the establishment of a high-quality and retraceable timber industry and carbon forestry according to international forest management standards in Vietnam. These sustainably managed and certified forests will provide new habitats for animal and plant species.

The project is a so-called "PPP programme." PPP stands for "public-private partnerships" – partnerships that are jointly planned, financed and realised by companies and development aid organisations. The programme is funded by the German Federal Ministry for Economic Cooperation and Development (BMZ).

The training institution in the province of Quang Tri will continue to exist beyond the project end and, by means of the newly acquired national curriculum, possibly be expanded to other provinces.

### First successes in 2012

The project started in 2012 and has already been a success: A training centre, including guest rooms for teachers, has been established in the province of Quang Tri and professional equipment for training has been acquired. We have managed to find several German and Vietnamese experts specialised in various subjects for teaching. In addition, we have recruited a local project manager and a project assistant.

First test classes took place in the framework of a train-the-trainers seminar during six days in April 2012. On five days, the participants listened to theory-based lectures on topics varying from sustainable forest management, the use of geographical information systems (GIS), FSC and CarbonFix Standard, the ecosystem forest, safety at work to the selection of native seeds. The lectures were followed by practical safety training.

The next step is a training for 40 skilled workers.

## 8. Cooperations

Science and research in the forest are of great importance to ForestFinance and an integral part of the company's structure. Therefore, ForestFinance does not only cooperate scientifically with numerous renowned institutions, but has also developed new products and technologies on its own, which make for instance harvest and monitoring more easy. The annual investment in research amounts to approximately 25,000 to 30,000 US dollars. Amongst other institutions, ForestFinance co-operates scientifically with the following ones:

**Smithsonian Tropical Research Institute, Panama:**

permanent co-operation in research concerning the growth of native tree species.

**Project Prorena/Smithsonian, Panama:**

long-term monitoring of the development of native tree species

**University of Panama, Panama:**

student research projects, field tests

**CATIE (Centro Agronómico Tropical de Investigación y Enseñanza), Costa Rica:** development of cacao plantations with a higher resistance to pests

**Technical University of Munich, Germany:**

master theses, optimisation of agricultural forest systems in economics and agriculture

**Institute for World Forestry, Hamburg, Germany:**

risk assessment for forest investments

**Autonomous University of Chiriquí, Panama:**

field trials

As we are a member of numerous organisations, here are only some examples of our co-operations:

Together with the Rainforest Alliance, Aliarse, CATIE, Chiquita Brands, RUTA, REWE, GIZ, Corporacion Bananera Nacional, Universidad para la Cooperación International and other organisations, ForestFinance has founded the initiative **Biodiversity Partnership Mesoamerica**. Yael Camacho, manager of the ForestFinance forestry department in Panama, is currently the vice president of the organisation. The initiative's goal is to promote biodiversity projects in Central America. Its members are going to initiate, develop and fund projects in the region. In addition, the partnership will serve as a networking platform for all private, non-profit and scientific institutions that are committed to species protection. These institutions and other members of the initiative will start at least three projects every year, focusing in particular on agro forestry, climate protection and the conservation of forest reserves for species protection.



Yael Camacho, manager of the ForestFinance forestry department in Panama, during the inauguration of the nature trail in Panama. She is vice president of the Biodiversity Partnership Mesoamerica.



ForestFinance is member of the **Ciudad del Saber**, a non-profit foundation domiciled in Panama. The name of the foundation can be translated as “City of Knowledge”. Since 1995, the Ciudad del Saber offers a platform for a variety of projects, companies and their ideas, in order to support collaboration and progress and in particular concepts that represent sustainability, innovation and ecology. The foundation focuses on topics related to information technologies, biosciences, environmental management, and human development and cooperates with companies on the basis of sustainable management strategies.



**B.A.U.M. e.V. (German Environmental Management Association)** was founded in 1984 as a non-party environmental initiative. All members lead their company according to the B.A.U.M. code of honour which contains ten guidelines of behaviour.

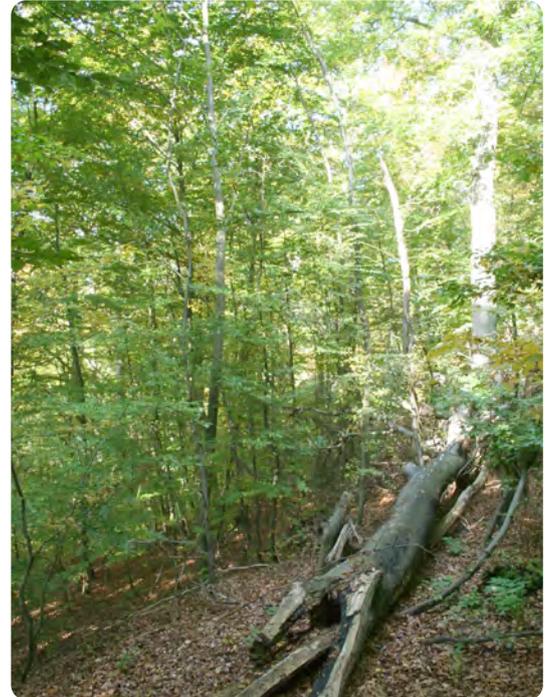
B.A.U.M. e.V. is convinced that the public goods water, air and earth, as well as flora and fauna should be treated with care and that this has to be ensured using the instruments of a market economy. The first article of the code of honour says: “Environmental protection is one of our prior business objectives. We include it into our principles of management.”

ForestFinance is a member of B.A.U.M. e.V. since October 2008. We would like to particularly highlight our cooperation with B.A.U.M. e.V. in the scope of the project “Wild Beech” (see chapter 8.1).

### 8.1 Cooperation with B.A.U.M. e.V.: forest reserve “Wild Beech”

German beech forests play a major role in biodiversity, forest and climate protection. For this reason, ForestFinance and B.A.U.M. e.V initiated the project “Wild Beech” in 2011. The forest reserve “Wild Beech” near Hümmel in Rhineland-Palatinate is an exemplary project in Germany. Companies and organisations now have the opportunity to contribute to their corporate social responsibility (CSR) by putting an end to the commercial use of this forest area and by conserving its original tree stand consisting of up to 190-year-old beeches and a great variety of animal and plant species. The near-natural beech forest already provides living space for the black woodpecker, the European wildcat and up to 30,000 insect and mushroom species. In addition, this ancient forest stores twice to triple as much carbon as managed forests. By refraining from any commercial use, the biodiversity of this forest reserve is conserved and enriched for the future.

The project achieved support from Greenpeace, the League for the Environment and Nature Conservation, Germany (BUND), the Nature and Biodiversity Conservation Union, Germany (NABU) and the German Forum for Environment and Development (Forum Umwelt und Entwicklung): in 2012, these four environmental organisations demanded the long-term protection of German beech forest stands as a basis for the implementation of the “National Strategy on Biodiversity”, adopted by the German cabinet resolution in 2007. Five German beech forest areas had already been designated natural World Heritage sites by the UNESCO back in 2011.



The forest reserve “Wild Beech” consists of forest stands with more than 190-year-old beech trees.



In 2012, the project “Wild Beech” was awarded one of 365 selected landmarks in the „Land of Ideas“, a nationwide competition. The award was presented in Hümmel on 13th June 2012.



The forest reserve on the finca Quebrada Pitti in the province of Bocas del Toro, Panama.

## 8.2 CO<sub>2</sub>OL and Viebrockhaus protect forest areas in Panama

Due to a cooperation between CO<sub>2</sub>OL, a brand of the ForestFinance Group, and Viebrockhaus, a solid house manufacturer, Viebrockhaus customers now have the opportunity to make a contribution to climate and species protection: since 2012, each new customer or builder of an „Aktiv-Energie-plus“ house helps to protect 500 square metres of tropical forest in Panama. The project goal is to permanently conserve the forest areas and their high biodiversity.

When signing a building contract, the customers automatically become sponsors of a specific area in Bocas del Toro in the Northwest of Panama and receive a certificate of the property ownership with the geographic coordinates of the respective protected forest area. The customers contribute not only to forest and species protection, but also help to neutralise part of the CO<sub>2</sub> emissions caused by the construction of their new homes. The Viebrockhaus forest reserve is located in a region of Panama that is subject to extensive deforestation. The area consisting of primary and secondary forest is no longer commercially used. The project allows the conservation of the forest areas for a period of at least 50 years. The forest reserve provides habitats that are important to numerous animal and plant species.

Find an interactive map with pictures of the Viebrockhaus forest reserve at [www.forestfinance.de/viebrockhaus](http://www.forestfinance.de/viebrockhaus)

One of the species that are particularly worthy of protection on the finca Quebrada Pitti is “*Zamia skinneri*”. The plant with its shining, apple green leaves is a rarity in many ways. *Zamia* is a genus of cycad, an order that has existed since the Early Permian Epoch, but that is now almost extinct. For this reason, the last of its still existing species are called “living fossils”. *Zamia* plants can grow as big as impressive 2.4 metres. The plant is endemic to the province of Bocas del Toro; it grows only in this particular region. Thus, even small habitat losses can threaten it. Tragically, this primeval plant is endangered due to its beauty. Its bright green, ribbed leaves are shining as if coated with varnish. The up to 50 centimetres long pinnate leaves are unusually big and have an exceptional colour for cycads. If the head of the plant is injured, it can produce up to six new heads, which is very rare among plants of this size. Collectors are particularly fond of the seeds, sprouts or whole parts of the rare plant. Consequently, *Zamia* is included in the Convention on International Trade in Endangered Species list, which prohibits the trade and export of the plant. Due to the forest reserve project that was initiated in 2012 by ForestFinance and Viebrockhaus, *Zamia skinneri* and other species are permanently protected on Quebrada Pitti.



ForestFinance protects *Zamia skinneri*, a rare cycad species, on the finca Quebrada Pitti on the Caribbean coast of Panama.

# ForestFinance

Building Forests. 

---

**Contact (Germany):**

Forest Finance Service GmbH  
Eifelstr. 20 · 53119 Bonn  
Your contact: Mira Nürnberg

**Editorial responsibility:**

Forest Finance Service GmbH  
Eifelstr. 20 · 53119 Bonn  
CEOs: Harry Assenmacher, Christiane Pindur,  
Olaf van Meegen, Dirk Walterspacher ·  
Telefon: +49(0)228 94 37 78-0  
Telefax: +49(0)228 94 37 78-20 · E-mail: [info@forestfinance.de](mailto:info@forestfinance.de)  
Register court: HRB 13610, court of first instance: Bonn  
Photos: ForestFinance



*The ForestFinance Group  
is one of the first companies to  
be awarded with the  
**FSC Global Partner Award**,  
category "Financial Services".*