

# **ASK INTERHOLCO**

## **Frequently Asked Questions**

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## 1/ CLIMATE

## How does INTERHOLCO protect the climate?

INTERHOLCO adopts sustainable forestry. 'Sustainable' means that wood is harvested selectively and the forest is allowed sufficient time to regenerate. Valuable forest areas will thus be protected for generations to come. This way, we protect the tropical forest which is important for the global climate and contribute to environmental protection. Used in building construction or furniture design, wood itself stocks carbon. Unlike wood, plastic, aluminum and concrete production requires large quantities of fossil fuel.

A study published together with the Natural Capital Coalition shows how sustainable forest management not only reduces CO<sub>2</sub> emissions but also safeguards the natural ability of tropical ecosystems to regenerate and retain their natural integrity.

Permanent sample plots in INTERHOLCO's forest concession and other studies show that carbon returns to its natural level between just 10 and 20 years after timber is harvested. As a consequence, there are no negative, long-term impacts. In addition, INTERHOLCO set aside 27% of the concession, almost one third of the total surface, for conservation (see our publicly accessible forest management plan). The conservation and protection areas, untouched by harvesting, also include peatlands, which act as efficient carbon sinks. In addition, in the Annual Harvesting Areas, the company further sets aside for conservation purposes (saline) bays, ponds, swamps and rivers. In the 2019 and 2020 Harvesting Areas, an additional surface of about 5'000 hectares, bordering the Odzala-Kokoua National Park, has been put under conservation.

The Ngombé Forest Management Unit (FMU) that the company manages in the Republic of Congo is part of the Greenhouse Gas Emissions Reduction Programme (ERP), which targets the Sangha and Likouala departments, in collaboration with the 'Forest Carbon Partnership Facility (FCPF)'. Carbon (CO<sub>2</sub>) and greenhouse gas (GHG) emissions are Greenhouse Effect (GHG), are minimal thanks to a set of techniques known as, Reduced Impact Forest Harvesting (EFIR, an FSC-compliant measure). Thanks to the growth of young stems and natural regeneration, EFIR allows for an almost complete reconstitution of the forest and carbon stock, 10 to 20 years after harvesting. Greenhouse gas (GHG) emissions are estimated, on average, at 5% of the carbon/GES stored in the biomass of the Annual Harvesting Area, which means that annual emissions are only 0.1% of the carbon/GES stored in the biomass of the Ngombé FMU concession.

Aside from biogenic emissions, linked to the forest biomass, INTERHOLCO has calculated the direct and indirect emissions resulting from the activities of its subsidiary IFO (<a href="https://interholco.com/images/pdfs/EN-INTERHOLCO-Facts-and-Figures-2019-2014.pdf">https://interholco.com/images/pdfs/EN-INTERHOLCO-Facts-and-Figures-2019-2014.pdf</a> - Environmental Landscape), including indirect transport emissions up to the clients' countries. These emissions are always below the CO<sub>2</sub> stored in the wood product, hence the advantage of using wood over other products.

Even if the EFIR's GHG emissions are minimal in the forest, INTERHOLCO is committed to reducing GHG emissions (Greenhouse Gases/GHG) in the forest per m<sup>3</sup> of wood produced by 10% by 2025, compared to the Reference Emission Level that the ERP will calculate. A reduction in road width has already been implemented starting from 2019, other measures are in progress.

For non-biogenic emissions (hydrocarbons, electric power...) during forest production, wood processing and national and international transport, INTERHOLCO is committed to reducing emissions per m<sup>3</sup> of wood produced by 5% by 2025.

A monitoring/evaluation/validation (MEV) is done by INTERHOLCO and in 2019, a reduction of emissions from land transport in Congo of more than 10% has been achieved compared to 2018, thanks to an increase in transport by the river.

#### Sources:

Natural Capital Coalition – Forest Products Sector Guide: INTERHOLCO's Case Study

https://naturalcapitalcoalition.org/forest-products-sector-guide-case-study-for-interholco/

https://naturalcapitalcoalition.org/who/coalition-organizations/

Lera Miles, Corinna Ravilious, Shaenandhoa García-Rangel, Xavier de Lamo, Greta Dargie and Simon Lewis, Carbon, biodiversity and land-use in the Central Congo Basin Peatlands

https://wedocs.unep.org/bitstream/handle/20.500.11822/22918/Congo\_Peatland\_EN\_pdf?isAllowed=y&sequence=1

Tackling climate change, using wood, p. 56; Greenhouse gas emissions, p. 57 und African wood products and LCA, p. 65 in IHC Sustainability Report:

https://interholco.com/images/pdfs/Enabling-Landscapes-INTERHOLCO-Sustainability-Report-2017-.pdf

## NATURE CONSERVANCY Cutting carbon with greener chainsaws

https://www.nature.org/en-us/what-we-do/our-insights/perspectives/cutting-carbon-with-greener-chainsaws/

## How does INTERHOLCO tackle forest fire risks in Central Africa?

Forest fires can take place in tropical regions, primarily in the savannahs and/or in open forests - not in dense humid tropical forests. The growing frequency of extreme droughts, for instance in the wake of El Niño, increases forest fire risks. Therefore, INTERHOLCO holds regular meetings with the local population and Indigenous Peoples during the dry season, in order to let them know how to avoid or fight against forest fires.

INTERHOLCO works with local government agencies and internationally recognised experts, scientists and ecologists to investigate forest fire causes and to take measures aimed at forest fire prevention and mitigation. Independent environmental organisations are also involved. According to scientists, forest fires in tropical regions are clearly linked to severe droughts around the world, which are caused by extreme weather events such as El Niño. Satellite images taken by NASA/MODIS show that these events do not only affect Latin America and Asia, but also stretch over West and Central Africa. Paleological and archaeological studies have shown that Marantaceae forests, like those found in the INTERHOLCO concession and the neighbouring Odzala Kokoua National Park, originated over 1'500 years ago. Vast forest fires always played a role in their development. This is indicated by carbondated charcoal samples and by archaeological finds discovered in the soil. In those days, population density in Central Africa was much higher than today, and human presence had a much heavier impact on forests and the environment. The open Marantaceae forests have survived for centuries and are exposed to forest fires. Their dry and sandy soil provides favourable conditions for this natural hazard. In the south of INTERHOLCO's concession, in the Central Cuvette Plateau of the Republic of Congo, the soil is sandy and deep, so fire is occurring regularly, maintaining the Savannah vegetation, although the area has the same tropical, humid climate.

INTERHOLCO communicates transparently on fires and, as part of its prevention and warning policy, relies on satellite images from the Global Forest Watch (GFW/WRI) public tool.

This tool makes it possible for INTERHOLCO to monitor supplier compliance with the company's forest protection commitments, as provided for in its Responsible Forestry and Procurement.

Based on supplier interviews, field audit reports or data disclosed by GFW/GRI, during 2019 no fires were recorded in forests managed by INTERHOLCO suppliers (other than slash-and-burn agriculture in areas designated for this purpose).

#### Sources:

## Forest fires and their origin owing to El Niño

https://interholco.com/en/rss-feed-en/18-archive-2017/72-expert-group-leads-to-better-understanding-of-open-%20marantaceae-forests-in-the-north-of-congo

# Monitoring of the open Marantaceae forests in Northern Congo to understand their origins and dynamics

https://interholco.com/en/rss-feed-en/19-archive-2018/91-monitoring-of-the-open%20marantaceae-forests-in-northern-%20congo-to-understand-their-origins-and-dynamics

Verhegghen A., Eva H., Ceccherini G., Achard F., Gond V., Gourlet-Fleury S. and Cerutti P., 2016. **The Potential of Sentinel Satellites for Burnt Area Mapping and Monitoring in the Congo Basin Forests**. MDPI AG

https://www.mdpi.com/2072-4292/8/12/986/htm

Gillet, J.-F., 2013, Les forêts à Marantaceae au sein de la mosaïque forestière du Nord du République du Congo: Origines et Modalités de gestion, Université de Liège

Morin-Rivat, J., 2015, **Nineteenth century human history explains the dominance of light-demanding tree species in Central African moist forests**, Université de Liège

Morin-Rivat, J., 2017, **Of trees and men: new insights into man-environment relationships in the moist forests of central Africa during the late Holocene**, Université de Liège:

https://www.gembloux-alumni.org/articles/18324-defense-de-these-julie-morin-rivat

L'origine des forêts africaines, Université de Liège

https://www.youtube.com/watch?v=SAaeUQ-WZsU&feature=youtu.be

## 2/ FOREST

How large is INTERHOLCO's forest concession in the Republic of the Congo?

The entire forest area managed by INTERHOLCO in the Republic of the Congo comprises approximately 1.16 million hectares (11'600 km²). Forest protection and management is carried out according to a detailed inventory. Our forest inventory includes biodiversity and livelihood and lifestyles of the local population and indigenous peoples inhabiting the forest. The full inventory sets the basis for our management plan. The plan is developed at the beginning of the concession period and the details are integrated with many subsequent adjustments. Employees belonging to the indigenous peoples are also involved in this process.

The entire forest area was mapped at the beginning of the concession period. The forest survey recorded not only the various forest ecosystems, habitats in particular need of protection, number of different tree species, timber volume and composition of the forest, but also what the local population and Indigenous Peoples living in and from the forest require for their livelihood. Combined with satellite and aerial photographs, the result was a mapped inventory of the entire forest area for which INTERHOLCO has a concession.

This mapped inventory sets the basis for the identification of ecologically and socially important and sensitive areas which were identified and set aside from harvesting. 27% of the forest area (310'000 hectares) was thus selected for conservation and protection (sensitive forest types and areas of particular significance to the local population and Indigenous Peopleas and their way of life). In addition, 4% of the forest area (roughly 50'000 hectares) was set aside for community development. Subsequently, it was planned to harvest the remaining forest area. For us, it was crucial to employ a precautionary approach to managing the forest, with no exceptions. Which means that, wood is harvested – but only selectively and only where the ecological and social impacts can be controlled.

#### Sources:

## **IFO Management Plan Summary**

https://interholco.com/images/pdfs/IFO\_Plan\_Amenagement\_UFA\_Ngombe\_Resum\_e\_public\_v2\_06\_Oct\_15.pdf

How is forest management and natural regeneration planned in a certified African forest concession?

The laws of the Republic of the Congo demand that forest harvesting be carried out in an ecologically, socially and economically sustainable manner. INTERHOLCO's forest management goes one step further. In the forest concession, trees are harvested selectively without exception (no clear cutting); 1 tree every 2 hectares is harvested on average (i.e. 1 tree every 2 to 3 football fields), and even then, only once every 30 years. In the meantime, all activities come to a halt in that part of the forest, to allow it to regenerate naturally.

INTERHOLCO takes a precautionary approach. Wood is harvested, but only selectively and only where the ecological and social impacts can be foreseen.

At the beginning of the concession period, long before the first tree was harvested, experts mapped the various forest types and ecosystems, habitats in special need of protection, tree species and their presence in the forest, animal species and their habitats as well as the ways of life of the local population and indigenous peoples living in and from the forest. Around 350'000 hectares of forest (roughly 30% of the total concession area) were then permanently set aside from the harvesting area (highly ecologically sensitive forest types and areas of particular significance for the traditional ways of life of the local population).

INTERHOLCO will only harvest the remaining 800'000 forest hectares, over 30 years. Our top priority is to ensure that timber harvesting and transport only produce a minimal disruption and certainly no permanent or irreversible changes. Forest roads are closed off once harvesting is completed, so that nature may win the roads back, enclosed by the forest.

INTERHOLCO is always selective in how trees are harvested in the forest concession. On average, 1 tree is harvested every 2 hectares. That means, 1 tree in the equivalent of two football fields – and this, only once every 30 years. In the meantime, that part of the forest is closed off to allow it to regenerate naturally.

At the beginning of the concession period, a complete inventory of the tree stock helps plan how the forest should be managed. Based on the data that were collected on site, INTERHOLCO decided to harvest the trees in a 30-year rotation cycle. The decision was based on the actual number of trees in the inventory, as well as on the scientifically calculated growth rate of each tree type.

Doing so ensures the various species can regenerate, whilst safeguarding biodiversity and biomass. Reforestation is not needed, because the forest is able to regenerate naturally each and every year; as a result, more wood regrows than is actually harvested. We close off the forest tracks and skid trails and this lack of disturbance bolsters the regeneration process. Internal monitoring and external studies show that doing so protects the forest and its biodiversity, which are in no way harmed by INTERHOLCO's forest management.

Around 0.25 m³ of wood per hectare is selectively harvested each year out of a total production forest area of 800'000 hectares. Calculated across the entire forest area of 1.16 million hectares, that means harvesting less than 0.17 m³ of wood per hectare per year. The amount of wood harvested in Congo is 15 to 20 times less than what is harvested in Switzerland. According to information provided by the Federal Statistical Office, 4.7 million m³ of wood were harvested in Switzerland in 2017, tantamount to 3.7 m³ per hectare of forest area per year.

All the wood that is processed in the sawmills of its subsidiary IFO (Industrie forestière de Ouesso) in the Republic of Congo, comes from the forest managed by IFO. In order to meet customer demand, INTERHOLCO is able to source wood from suppliers, which is not, however, processed either by IFO or at IFO. Suppliers commit to respecting the same commitments and principles observed by INTERHOLCO (included in the contract between INTERHOLCO and suppliers), as well as INTERHOLCO's Code of Conduct, including with respect to deforestation. To this end, INTERHOLCO conducts 2<sup>nd</sup> or 3<sup>rd</sup> party supplier audits. In 2019, no suppliers were involved in deforestation activities. The wood that INTERHOLCO sources comes from natural forests only (not from plantations that may have potentially induced deforestation).

Depending on the country of harvest, INTERHOLCO's wood suppliers are based in the following countries: Cameroon, Côte d'Ivoire, Gabon, Ghana, Central African Republic (south-western zone), Democratic Republic of Congo (north-western and central zone), Republic of Congo, Canada and the United States. Timber from Europe represents a minority (<2% of the total volume); the traders from whom INTERHOLCO obtains its wood supplies are based in Austria, Belgium, France and Germany.

#### Sources:

Meindert Brouwer, Central African Forests Forever, Rotation in the forest, p. 48:

http://www.centralafricanforests.org/wp-content/uploads/CAFF-5-FSC-Part-2-Rotation-in-the-forest.pdf

Holzeinschlag in der Schweiz, Bundesamt für Statistik der Schweiz

https://www.bfs.admin.ch/bfs/de/home/statistiken/land-forstwirtschaft/forstwirtschaft.html

Wald Schweiz - Zahlen & Fakten

https://www.waldschweiz.ch/schweizer-wald/wissen/schweizer-wald/zahlen-fakten.html

Racing through the tropical rainforest, Fritz Kleinschroth, 2019

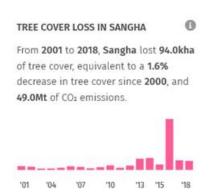
https://ethz.ch/en/news-and-events/eth-news/news/2019/06/blog-roads-rainforest-congo-kleinschroth.html

## How is INTERHOLCO's work independently monitored?

Independent auditors inspect INTERHOLCO every year to ensure it adheres to international standards (FSC®, PEFC<sup>TM</sup>, EU Timber Regulation, legality¹). The FSC Principles and Criteria were drawn up in consensus by leading environmental organisations, social actors and private sector companies. The audit results are publicly accessible. The FSC standards and certification system for forests and wood products are widespread in Europe and around the world.

INTERHOLCO is a transparent organisation working together with the government of the Republic of the Congo as well as with other important stakeholder groups. This includes local, regional and international scientists and universities, environmental groups, human rights organisations, social institutions, other companies, journalists and the media and a large number of interested experts. INTERHOLCO has been learning from the ideas, expertise and solutions put forward by its partners for many years. Their input has turned INTERHOLCO into a responsible company and role model, as an ecologically, socially and economically responsible forest management company in the tropics.

Transparency, close partners and even critical stakeholders help INTERHOLCO to



2000 tree cover extent | >30% tree canopy | these estimates do not take tree cover gain into account

keep improving. The objectivity of the data that INTERHOLCO publishes and which form the basis for monitoring impacts at the environmental, social, economic and regulatory level, is also monitored by using independent sources, such as Global Forest Watch. Thanks to satellite analysis conducted in nearly real time by Global Forest Watch, INTERHOLCO can state that, during 2018, sustainable forest management, as implemented by its subsidiary IFO in the Unité Forestière d'Aménagement Ngombé, located in the Sangha department (Google maps:

https://goo.gl/maps/ya2DbXPG7y7oovh8A), had a deforestation rate of 6.41 kha, equal to 0% forest loss (external verification), as shown in the screenshot above.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup>Licenses: FSC-C022952; PEFC/15-31-0084

<sup>&</sup>lt;sup>2</sup> Data drawn from Global Forest Watch on 19 December 2019, link:

https://www.globalforestwatch.org/dashboards/country/COG/12?dashboardPrompts=eyJvcGVuljp0cnVILCJzdGVwSW5kZXgiOjAsInN0ZXBzS2V5lj oid2lkZ2V0U2V0dGluZ3MifQ%3D%3D&firesAlerts=eyJpbnRlcmFjdGlvbil6e319&gladAlerts=eyJsYXRlc3REYXRlljoiMjAxOS0xMi0wOSIsImludGVy YWN0aW9uljp7fX0%3D&map=eyJkYXRhc2V0cyl6W3siZGF0YXNldCl6ljBiMDlwOGl2LWl0MjQtNGl1Ny05ODRmLWNhZGRmYTl1YmEyMisImxh eWVycyl6WyJjYzM1NDMyZC0zOGQ3LTRhMDMtODcyZS0zYTcxYTJmNTU1ZmMiLCJiNDUzNTBIMy01YTc2LTQ0Y2QtYjBhOS01MDM4YTBkOG JmYWUiXSwiYm91bmRhcnkiOnRydWUsIm9wYWNpdHkiOjEsInZpc2liaWxpdHkiOnRydWV9LHsiZGF0YXNldCl6lmVhYjk2NTVmLWRkMzctNGJiM y1iMjlzLTRjNWRmMTY2NTY0YyIsImxheWVycyl6WyJkY2U4MDA0Zi00ZDBmLTRjMmQtYWU0Yi1kY2Y1NWUxNDAzNWYiXSwib3BhY2l0eSl6MS widmlzaWJpbGl0eSl6dHJ1ZSwidGltZWxpbmVQYXJhbXMiOnsic3RhcnREYXRlljoiMjAwMS0wMS0wMSlsImVuZERhdGUiOilyMDE4LTEyLTMxliwi dHJpbUVuZERhdGUiOilyMDE4LTEyLTMxlnosInBhcmFtcyl6eyJ0aHJlc2giOjMwLCJ2aXNpYmlsaXR5ljp0cnVlfX1dLCJjzW50ZXilOnsibGF0ljotMC4 2NjU3MjMZNjUZMjl3MzU0LCJsbmciOjE0LjkyMT15OTQ2fSwiYmVhcmiuZyl6MCwicGl0Y2giOjAsInpvb20iOjYuNDg2NjQzNjAxMTQwNTM1NSwiY2 FuQm91bmQiOmZhbHNlLCJiYm94ljpbXX0%3D&treeLoss=eyJpbnRlcmFjdGlvbil6e319&treeLossTsc=eyJpbnRlcmFjdGlvbil6e319

In this context, the SPOTT analysis carried out by the Zoological Society of London (ZSL) should be mentioned. ZSL analysed 97 international timber companies active in tropical basins as part of the SPOTT assessment. INTERHOLCO took part in the SPOTT assessment and ranked first with a higher transparency score of 94,7%. The data are publicly accessible.

## Sources:

FSC International and Greenpeace International move on to a new phase of stakeholder relationship

https://ic.fsc.org/en/news-updates/id/2072

Timber and pulp: ESG policy transparency assessments

https://www.spott.org/timber-pulp/

https://interholco.com/en/rss-feed-en/19-archive-2018/94-from-know-how-to-show-%20how-interholco-leads-spott-s-assessment-of-timber-companies-with-highertransparency

Zoological Society of London - ZSL, London, United Kingdom

https://www.zsl.org/

## How are highly sensitive forest ecosystems protected?

Around 27% (310'000 hectares) of the total forest surface of 1.16 million hectares (11'600 km²) have been identified for protection and set aside. This avoids disturbances of any kind in sensitive habitats and areas that are of particular significance for the traditional ways of life of the local population. Moreover, 4% of the forest area, equal to roughly 50'000 hectares, were made available to the local communities for farming and rural development. Approximately 800'000 hectares are harvested in a 30-year rotation cycle.

In doing so, we employ a precautionary approach without exception. Accordingly, wood is only harvested selectively and only where the ecological and social impacts can be foreseen. Each year, harvesting takes place in one production block, which is then left to regenerate for 30 years. This protects the forest for generations. Scientific data about the overall forest area, its ecology, biodiversity and the traditional uses of the forest by the local population were recorded and evaluated at the beginning of the concession period. 276 tree species and the locations where they grow were recorded, along with data on growth and regeneration rates.

Based on which, highly sensitive areas in need of protection were set aside (approximately 27%, or 310'000 ha). A forest management plan was developed for the remaining production area of 800'000 hectares, on which the current sustainable forest management is based. Before it is harvested, each production block is once more analysed in detail. The first step is to identify, record and mark the most ecologically sensitive habitats and those forest areas that are of high importance to the local and indigenous population, and which should therefore not be disturbed or changed by harvesting.

This detailed inventory also records a large number of tree species, most of which hold little commercial interest, but which are ecologically important. The aim is to protect the forest's biodiversity, variety of tree species and biomass for generations to come. In the forest concession that INTERHOLCO manages in Africa, much more forest is protected than in European forests. Regeneration is a completely natural process not requiring artificial afforestation when no exotic, non-native, tree species are introduced. Biodiversity is preserved by natural regeneration.

#### Sources:

## **IFO Management Plan Summary**

https://interholco.com/images/pdfs/IFO\_Plan\_Amenagement\_UFA\_Ngombe\_Resum\_e\_public\_v2\_06\_Oct\_15.pdf

## Identification et gestion des Forêts à Haute Valeur de Conservation

https://interholco.com/images/pdfs/Rapport\_final\_FHVC-Juil\_2013\_Resumee.pdf

## 3/ PEOPLE

## How are the interests of the local population protected?

In addition to ecological principles, INTERHOLCO also considers social values to be very important. This includes ensuring the self-sufficiency of the indigenous and local peoples, by making sure they can hunt, gather and fish in the forest concession. This is important for the indigenous peoples for more than just the purpose of finding food. It is also a central component of their traditional way of life and is thus of vital importance for their cultural integrity and a self-determined life. These interests are also protected by law (Wildlife Act, Indigenous Peoples Act). Indeed, in the African countries from which INTERHOLCO procures timber, conducting ecological and social impact studies is not just a commitment, but a legal obligation. These obligations extend, of course, to INTERHOLCO's suppliers, who are required to observe the same Code of Conduct and commitments as INTERHOLCO by signing a contract with INTERHOLCO, including compliance with the legal framework, both nationally and internationally.<sup>1</sup>

In the Ngombé Forest Management Unit (Ngombé FMU) that INTERHOLCO manages thorugh its subsidiary IFO, in the North of Congo, all of the local population's and Indigenous Peoples' rights are guaranteed both legally, by the State and contractually, by INTERHOLCO for the entire duration of the concession agreement.

The activities that the Indigenous Peoples (Baka) are allowed to carry out are the same as those of the local Bantu population. This applies to hunting rights, fishing, gathering fruits or plants and harvesting wood (for housebuilding, boat building and firewood for cooking). Indigenous Peoples and the local population can hunt for their own consumption all-year-round and without any time restrictions within the FSC-certified forest concession.

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<sup>&</sup>lt;sup>1</sup> INTERHOLCO started auditing suppliers even before the EU Timber Regulation came into force in March 2013. In addition to checks of documentary proof, all suppliers are audited in the field, INTERHOLCO's due diligence system covers all socio-environmental safeguards, commitments and principles, as upheld by INTERHOLCO and included in its Responsible Forestry and Procurement Policy. This means that, suppliers who do not already comply with the Policy, cannot sign a contract with INTERHOLCO. Further audits are carried out on a yearly basis, to verify that suppliers continue to comply even after signing a contract. Where major non compliances are found, INTERHOLCO interrupts the business relationship. Minor non compliances have to be solved until the next audit. In 2012 and 2013, INTERHOLCO did not start business or stopped working with, an average of 1 in 4 suppliers. Procuring wood in Africa since many years, with good contacts with NGOs and colleagues, INTERHOLCO knows already which suppliers should not even be considered for evaluation. With the implementation of EUTR and FLEGT processes in African Countries, many suppliers are themselves going for certification. One of our largest suppliers reached certification in 2019, another one early in 2020, with about 3 suppliers now preparing for the PPECF programme which will enable them to acquire certification in the next years. The number of suppliers we need to audit is thus diminishing. For confidentiality reasons, reports of suppliers cannot be disclosed, but our Due Diligence System is certified by Control Union (Timber Legality https://interholco.com/images/pdfs/IHC\_Timber\_Legality\_Verification\_Certificate\_CU-TLV-Verification):

The local population and Indigenous Peoples received several forest areas for their rural development (community development areas / CDM-SDC), where wood may be harvested and farming practised on a larger scale. The areas provided are larger than what the local population currently requires. In addition, the extension of community development areas is legally possible and provided for. The agreement of the public authorities is required. That is important, in order to avoid that indiscriminate logging or conversion into agricultural land lead to uncontrolled deforestation. In principle, all land that is required by the local population and Indigenous Peoples for local food production and supply is put at their disposal without restrictions. A wide-ranging selection of food is available in local markets all year round.

Since it is not easy to transport animal-based products through tropical rainforests and it is important not to deplete local hunting resources, INTERHOLCO supports the local production of fish and meat.

Sufficient land and facilities are made available to the Indigenous Peoples and local population for food production. The medical centre that is financed and equipped by INTERHOLCO monitors the nutritional status of the local population in order to recognise signs of malnutrition at an early stage.

#### Sources:

Adding value: indigenous employees and forest prospection in IHC Sustainability Report, p. 41:

https://interholco.com/images/pdfs/Enabling-Landscapes-INTERHOLCO-Sustainability-Report-2017-.pdf

## **IFO Management Plan Summary**

https://interholco.com/images/pdfs/IFO\_Plan\_Amenagement\_UFA\_Ngombe\_Resum\_e\_public\_v2\_06\_Oct\_15.pdf

## FSC 2018 Monitoring Report - Ngombé Forest Management Unit

https://www.interholco.com/images/pdfs/FSC-Monitoring-Report UFA Ngombe-2018 10 Juin 2019.pdf

**IFO Fiches Didactiques** (please see in particular Seite 6):

https://www.interholco.com/images/pdfs/IFO-Fiches-didactiquessensibilisation-Amenagement.pdf

## Responsible forestry and procurement policy

https://interholco.com/images/pdfs/Responsible-Forestry-and-Procurement-20180620-Politique-INTERHOLCO.pdf

#### **IUCN - Environmental and Social Impacts Assessments (ESIAs)**

https://www.iucn.org/sites/dev/files/iucn\_esms\_esia\_guidance\_note.pdf

## In which roles are Indigenous Peoples employed?

INTERHOLCO employs members of staff from the Indigenous Peoples in the following roles, depending on their competencies: social team, translators, nurses, timber harvesting and processing, forest prospecting and inventory (of trees, plants, animals), eco-guards, gardeners, building maintenance, mechanics and forest guides.

A large portion of the Indigenous Peoples (Baka, i.e. Mbendzélé, Bangombé, Mikaya etc.) continue to perform their traditional ancestral activities. This includes gathering, fishing and hunting, and currently also farming, for their livelihood. All of these uses and traditional activities are recorded in collaboration with the Indigenous Peoples and local population according to FPIC (Free Prior Informed Consent) procedures, mapped, confirmed by them and then duly taken into account when the company plans any activities. This process treats all ethnic groups, whether Bantu or Indigenous, equally. Nevertheless, in the process, special attention is given to Indigenous Peoples who may hold certain additional rights under the Congolese law for Indigenous Peoples and based on certification standards.

INTERHOLCO regularly speaks to the local population, with particular priority given to new job openings in the company. Local candidates are given priority for job opportunities. Indigenous and non-indigenous employees often work together in teams, which means they can share their specialist and traditional knowledge. This exchange of expertise can include the use of modern tools (GPS, cartography, machinery) as well as how to recognise plants and trees and how to read animal tracks.

The Indigenous Peoples and local population can very well hunt, fish and gather food in the concession's forests for their livelihood. That is important for the Indigenous Peoples for more than just the purpose of finding food. It is also a central component of their traditional way of life and is thus of vital importance for their cultural identity, as well as allowing them to live independently in and from the forests of the Congo.

## Sources:

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FAO Indigenous peoples – Our Pillars: Free Prior Informed Consent

http://www.fao.org/indigenous-peoples/our-pillars/fpic/en/

How are meetings with the indigenous population organised? How are the local people informed of their rights?

In the interest of establishing respectful and as amicable as possible relations with the indigenous and local population, INTERHOLCO has set up a so-called Social Team. The Social Team also includes employees from the Indigenous Peoples, who can communicate fluently in the local and indigenous dialects and languages. This is crucial in order to avoid misunderstandings. In order to ensure all of the local people have the same right to participate in consultations, meetings are initially held together and, later in separate gender-specific groups. The indigenous and Bantu populations are moreover consulted separately. All of the villages in the forest area are visited on a regular basis in order to exchange information and/or work together on projects.

INTERHOLCO is assisted by independent Congolese human rights organisations. The Social Team holds more than 150 consultations each year with members of the indigenous ethnic groups and local communities living in the forest concession. More than 3'000 indigenous people and 5'000 members of the local population are involved in such consultations. Together with the Social Team, the local communities and Indigenous Peoples visit the forest in order to take a closer, on-site look at particularly important social aspects that had been mapped, such as trees, fruit trees, gathering, storage areas, healing plants, religious sites, fishing waters and hunting grounds; then to collect their GPS coordinates and finally, to transfer the data to digital format. The Social Team has a direct connection to the management. This ensures that the outcomes of the consultations feed directly into management decisions. The Social Team and this close interaction are of key importance to INTERHOLCO to maintain good relations and social peace with the indigenous and local population in the medium- and long-term.

As an equal opportunity employer, INTERHOLCO's Senior Management is committed to ensuring the necessary flexibility to enable employees to access jobs, retain them and develop within the company, regardless of their social or ethnic origin, gender, place of birth, religious belief, disability, etc.

For example, the design, supervision and implementation of training, monitoring and control activities within the company is also assigned to women (employees and/or consultants), both in Africa and in Europe, in a manner consistent with the company's equal opportunity policy.

Through this vision, INTERHOLCO's Senior Management also intends to protect women's rights and support them, so that any barriers are overcome, wherever they may be within the company, not only by creating the conditions for them to reconcile motherhood with their professional life, both in Africa and in Europe (flexible working hours, part-time employment), but also by offering them the means to report harassment, discrimination and/or any other breach concerning them, within the framework of the Code of Conduct. An arbitration committee exists in the company.

Of particular note in this respect is the grievance mechanism that allows any employee, at any time, to bring to the attention of management any problem, actual or potential, requiring a resolution with regard to compliance with state laws or the Code of Conduct. INTERHOLCO staff attended various training sessions (including at the 'Centre of Social Excellence', supported by TFT and John Lewis) to help them identify any problems arising during the consultations. The international community has developed a concept known as FPIC (Free Prior Informed Consent) in order to protect the cultural integrity and self-determination of indigenous and local population. Together with stakeholders from the environmental, social and industrial sectors and companies from all over the world, the FSC took the FPIC concept and formulated clear guidelines for interacting responsibly and respectfully with Indigenous Peoples and local communities.

INTERHOLCO attaches great importance to improving participatory dynamics through the implementation of FPIC, which requires dialogue with the local communities. Hundreds of village meetings are held every year. In the last quarter of 2019, a woman trained as a lawyer joined the Social Team as co-facilitator of the exchanges. The Social Team now comprises four members, two women and two men, including an indigenous person who speaks the local languages.

Implementing FPIC, the Social Team makes sure that, women receive the same information as men. In addition, women are consulted with and they make their decisions in the same way as men. Women (Bantu and Indigenous) are as involved as men.

In order to overcome any possible obstacles, women first express themselves in a women's group, where other women listen to them, i.e. those from the Social Team. Taking note of the needs and expectations of the women of the village, the Social Team ensures that no woman is left out. FPIC also grants women, Indigenous and Bantu, equal access to funding for individual projects, with the agreement of the community.

INTERHOLCO does not only implement these guidelines, but actually develops them further. In doing so, we work closely with independent international institutions and human rights organisations. In collaboration with swisspeace, a recognised independent human rights organisation based in Switzerland, we have established a due diligence process (Conflict Sensitivity Due Diligence Manual (CSDD)). This is taken as the basis for our activities and is successfully put into practice by our Social Team and our partners on the ground. It also includes, among other things, a grievance mechanism (see the IHC website for details).

Sources:

FAO Indigenous peoples – Our Pillars: Free Prior Informed Consent

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FAO Video: Indigenous Peoples and the Free, Prior and Informed Consent

## (FPIC)

https://www.youtube.com/watch?v=yvsf0wfMcwo

FSC guidelines for the implementation of the right to free, prior and informed consent (FPIC)

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## 2018 FSC Monitoring Report

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#### **IHC Governance / Grievance mechanism**

https://interholco.com/en/about-us/governance

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#### Der Wert der Wälder

https://www.arte.tv/de/videos/059538-003-A/der-wert-der-waelder/

To which extent do Indigenous Peoples have access to education and healthcare?

INTERHOLCO maintains or supports schools as well as facilities for medical care, water treatment, power supply and transport infrastructure across its concession area on behalf of the local government. More details about these facilities can be found in INTERHOLCO's sustainability report. In 2018, more than 10'000 medical consultations were recorded and 600 patients hospitalised. Approximately 2'000 vaccinations were administered. The Indigenous Peoples have free access to the existing education and healthcare system.

INTERHOLCO runs the LANGOANI school for the Indigenous Peoples. The school caters for the traditional way of life and respects the rights of the Indigenous Peoples. 97 indigenous pupils were enrolled at the beginning of the new school year in October 2018. INTERHOLCO finances the school with two teachers and a school principal, a canteen, school materials, clothes and shoes for the children and the school's own well which provides a source of clean drinking water. In June 2018, the United Nations Development Programme (PNUD) took responsibility for supplying the school with sufficient food.

With regard to waste (domestic, rainwater and industrial) water treatment, INTERHOLCO's subsidiary which manages the Ngombé Forest Management Unit in the Republic of Congo, IFO, checks that there is no pollution before the water is discharged into the natural environment, in order to prevent the risk of damaging the environment. The company carries out daily water analyses, including acidity/basicity (6.5 pH > x < 9 pH). IFO also carries out regular analyses of its waste water, in particular BOD / COD (Biological Demand / Chemical Oxygen Demand, maximum 25 mg/liter), an indicator to check the presence of organic contaminants in water. The standards IFO uses are those set by the European Union, in the absence of a specific reference framework in the Republic of Congo. Regular analyses of the various parameters of drinking water and waste water showed that in 2019, the values remained below the thresholds set by European standards. Toilets in the employees' camp are linked to septic tanks and cesspools to avoid pollution.

#### Sources:

On International Forest Day, INTERHOLCO welcomes 2019, International ear of Indigenous Languages

https://interholco.com/en/media-news/news/164-on-international-forest-day-interholco-welcomes-2019-international-year-of-indigenous-languages

Meindert Brouwer, Central African Forests Forever, p. 62

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## Indigenous school in IHC Sustainability Report, p. 49:

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## **2018 FSC Monitoring Report**

https://interholco.com/images/pdfs/FSC-Monitoring-Report\_UFA\_Ngombe-2018\_10\_Juin\_2019.pdf

## 4/ WILDLIFE

How are animals such as gorillas and elephants protected?

With a team of over 40 members of the eco-guards' unit working together with external experts and international organisations as well as the neighbouring Odzala Kokua National Park, poaching is prevented as much as possible, and, endangered animals are protected.

Studies carried out by WCS in 2007 and 2014 confirmed that gorillas and forest elephants in particular are well protected in the forests managed by INTERHOLCO. The studies also showed that the number and distribution of the animals remained stable beyond the observation period. This is an important indication that animal protection is working effectively. Forest elephants are by nature on the move, wandering between our forest concession, the forest at large and the neighbouring Odzala Kokua National Park, easily covering up to 80 and 100 kilometres.

#### Sources:

**WCS Wildlife and Human Impacts Survey** 

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DAS ERSTE Wie Holzfirmen im Kongo Gorillas schützen

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https://www.planet-schule.de/sf/php/sendungen.php?sendung=11123

SCIENCE ADVANCES Density and distribution of gorillas in Western and Equatorial Africa

https://advances.sciencemag.org/content/4/4/eaar2964

IUCN Gorilla gorilla ssp. Gorilla

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## How are eco-guards trained and how is their work monitored?

INTERHOLCO trains eco-guards and/or company personnel on a regular basis. Training courses are organised and carried out together with expert NGOs. An integral part of training is respect for human rights.

Security personnel and eco-guards are endowed with authority, in order to carry out their tasks effectively. In order to prevent abuse of authority, especially in light of the traditional tension between the Bantu and indigenous peoples, security personnel and eco-guards receive regular training. This training includes educating them about human rights. During training, it is made clear that abuse of authority, discrimination or corruption will not be tolerated, and that any breaches may have disciplinary or even legal consequences. The work of the security personnel and eco-guards is monitored and inspected. Complaints against or offences committed by security personnel and/or eco-guards can be reported directly to INTERHOLCO, to the Social Team or through an established grievance mechanism.

When delivering our training courses, we also work closely with the neighbouring Odzala Kokua National Park. Security and human rights respect trainings are provided not just to eco-guards, but to the entire security personnel. INTERHOLCO has been supported in this endeavour by local, Congolese and international NGOs.

With regard to anti-corruption measures, a strict 'zero tolerance' policy is applied. IHC, IFO and LCC employees in risky positions, such as procurement and production purchasing staff, sales staff, staff in logistics/transport and staff in the areas of finance and human resources, receive training approximately every 2 years. INTERHOLCO also ensures that new staff members who have joined the teams are immediately instructed on the procedures to be followed.

These training sessions, delivered by expert consultants (internal and external), are based on concrete cases from the industry and take into account the legislation and specificities of the countries where the employees are based. Clear instructions are provided, for example, specifying the maximum value of business gifts that may be accepted or granted to any of the company's partners or customers, in order to avoid any deviation from the Code of Conduct. During the courses, the trainer encourages employees to share experiences and engage in a participatory 'role-playing' approach. This approach makes it possible to update the procedure and enrich the training with new cases from the field. Its objective is to answer questions and remove doubts about situations that lend themselves to multiple interpretations.

All company staff (IHC, IFO and LCC) are required by internal policy to immediately inform their managers of any failure, actual or potential, in the handling of a case. At the same time, all employees are required by the Code of Conduct to report actual or potential breaches, including corruption. To this end, INTERHOLCO's Senior Management has validated a complaint resolution mechanism.

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Code of conduct and grievance mechanism (INTERHOLCO web site)

https://www.interholco.com/en/about-us/governance

How are outsiders prevented from poaching in the forest concession?

There are public roads throughout the forest concession, which were built by the State decades ago and which are still maintained. Checkpoints on every road or forest track check vehicles, day and night. Poaching is closely monitored in cooperation with the local authorities. More than 40 members of the eco-guard unit monitor the forest area in order to prevent poaching.

All of the roads are patrolled by eco-guards who are financed by INTERHOLCO and assigned by the local authorities. Unauthorised access to the forest, illegal settlement, poaching and illegal logging can thus be monitored and prevented. INTERHOLCO finances the work of the eco-guards with the proceeds from timber harvesting. The eco-guards are meant to protect the animals in the forest. Because they are armed, they are subject to the local administration's authority. The eco-guards are instructed to prevent poaching and bushmeat trade, that is, hunting wildlife not for one's own supply. These rules are consistently and successfully implemented, even though some may not meet the full approval of the local people. Protected species may not be hunted. Checks are regularly performed along the roads and forest tracks and access to the forest concession is closely monitored.

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