



**GLOBAL
FOREST
& TRADE
NETWORK**

Quarterly

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Highlights



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...AND MORE ON GFTN'S GLOBAL PROGRESS

The Global Forest & Trade Network is WWF's initiative to eliminate illegal logging and improve the management of valuable and threatened forests. By facilitating trade links between companies committed to achieving and supporting responsible forestry, the GFTN creates market conditions that help conserve the world's forests while providing economic and social benefits for the businesses and people that depend on them. Visit www.gftn.panda.org.

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Pygmy of the BaAka tribe. Women gatherers with collecting baskets move through the forest.

WWF-Canon/Martin Harvey

Industrie Forestière Ouessou Joins the Central Africa Forest & Trade Network

In 2007, Industrie Forestière Ouessou (IFO) became the fifth member to join the Central African Forest & Trade Network (CAFTN), joining responsible forestry ranks with TRC, PALLISCO, DECOLVENAERE, and SEFAC.

Based in the northern part of the Republic of Congo, IFO is the first CAFTN member to operate in the Republic of Congo, where they own one sawmill and the Forest Management Unit (FMU) of Ngombé, which covers 1.16 million hectares. This brings the total area covered by CAFTN members to more than 2.7 million hectares.

IFO is a subsidiary of the Danzer Group, a German-based manufacturer of hardwood veneers. A leading wood processing company that conducts business around the world, the Danzer Group has six veneer plants, five sawmills and sales offices throughout Europe, North America, South America, Africa and Asia. They are also among the top five producers of lumber and logs in Africa, and manage other logging concessions in the Democratic Republic of Congo.



(continued next page)

The IFO logging concession is very important for WWF and the CAFTN because of its geographical location in providing an important link between two large forest landscapes with protected areas that have an outstanding value for forest conservation in Central Africa. These are the TRIDOM landscape comprised of the Dja Fauna Reserve (Cameroon), Odzala National Park (Congo-Brazzaville), and Minkebe National Parks (Gabon), and corridors connecting these protected areas; and the Trinational de la Sangha (TNS) landscape comprised of the Dzanga-Sangha Forest Reserve in the Central African Republic and the Lobeke National Park in Cameroon.



Pygmy of the BaAka tribe performing a dance celebration.

WWF-Canon/Martin Harvey



Standing tree in the IFO concession, Republic of Congo.

WWF-Elie Hakizumwami

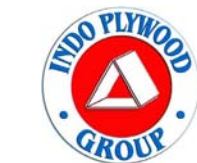
“We believe the commitment of IFO to responsible forestry should contribute to the conservation of biodiversity in this area while improving the livelihood of local communities, including the Pygmies, and ensuring the security and good working conditions of employees,” says Regional Forest Officer for the WWF-Central African Regional Program, Elie Hakizumwami.

“We also believe that if IFO develops according to the GFTN rules, there will be a positive impact on other Danzer concessions in the Democratic Republic of Congo as well as other companies in the Congo Basin who supply wood to Danzer. They will also be required to reach FSC-Controlled Wood standards in the future,” he adds.

Contact Elie Hakizumwami, ehakizumwami@wwfcarpo.org, for more information.

Indonesia Forest & Trade Network Signs Participation Agreement with Kalamur

In November 2007, the Indonesia Forest & Trade Network (Indonesia FTN) welcomed their 31st member since the end of 2003. PT Kalamur signed



a participation agreement to officially acknowledge their commitment to responsible forestry. To date, the Indonesia FTN has successfully recruited 9 forest participants and 22 manufacturers.

“We strongly believe that sustainable forestry is the answer to the growing concern over the degradation and deforestation in Indonesia. Hopefully, our participation with the Indonesia Forest & Trade Network will be beneficial to the Indonesia forest and business environments. We want to show that environmental sustainability and best management practices complement each other,” said Soenardi Winarto, Kalamur’s Managing Director.



Bornean clouded leopard, Kalimantan, Indonesia.

WWF-Canon/Alain Compost

Established in 1980, PT Kalamur manufactures plywood, blockboard and fancy floor products that are exported mainly to the USA, Europe, and Korea. Plywood and fancy floor represent 54% and 42% respectively of Kalamur’s business turnover, with combined annual sales of roughly 32 million USD.

PT Kalamur has incorporated environmental issues into their corporate vision as they begin to expand into Australia. Kalamur is committed to progressively improving the status of their raw materials to meet the requirements of the GFTN.

“Becoming a member of the GFTN is a key milestone for Kalamur in driving sustainable forest management. We are looking forward to assisting the company in implementing their commitment towards achieving FSC certification and gradually increasing the supply of environmentally friendly wood,” remarked Indonesia FTN Coordinator, Irwan Gunawan.

Contact Irwan Gunawan, igunawan@wwf.or.id, for more information.

Samartex Awarded Compliance Certificate by Smartwood

Global Forest & Trade Network (GFTN) participant Samartex Timber & Plywood Company Ltd. (Samartex) was recently awarded a compliance certificate by Smartwood for meeting Forest Stewardship Council (FSC) Controlled Wood standards in their forest concession areas. This is an important milestone on the road to full FSC certification for Samartex, and the result of three years support by GFTN.

With the encouragement of the GFTN, Samartex joined the Rainforest Alliance's Smartstep program which will provide additional certification audit expertise and monitoring oversight as Samartex prepares for their primary FSC assessment, which is scheduled to occur in a year.



Samartex logging concession, Samreboi, Ghana.

Samartex recently reported increased efficiencies and market pick-up after implementing reduced impact logging techniques. "Samartex has shown that our efforts toward sustainable forest management make good business. We have managed to bring innovation into forestry, and raise the benchmark of forest management in Ghana," stated Mr. Gilmour Dickson, General Manager of Samartex.

"Certainly such commitment to drive improvement in forest management practices, eliminate illegal logging and improve company-community relations whilst driving local development is what is required by all logging companies and Forest Managers in our efforts to achieve sustainability in the forestry sector," says Abraham Baffoe, Forest Program Leader for the WWF-West Africa Regional Forest Program Office.



Samartex Timber & Plywood Company Ltd. (SAX), created in 1995, is a privately-owned company belonging to Northern Hardwoods Ltd. (UK) with a five member international Board of Directors comprised of British, German and Ghanaian citizens. Situated in the town of Samreboi, Samartex holds long-term concessions for 14 forest reserve leases totaling 160,000 hectares; it also has timber felling leases for four off-forest reserves totaling 32,000 hectares. Currently they operate sawmill, veneer mill, ply mill and wood carving production facilities, with future plans of establishing a garden furniture production facility. A free-zone company, Samartex is one of the leading producers in Ghana, with average annual sales of 17 million Euros. They intend to include their Mamiri Forest Reserve—which is being converted from a timber production facility to a wildlife management reserve—in the FSC certification process.

This is wonderful news for the Ghana Forest & Trade Network, that is working with 5 industry leaders in the country, which together manage over half of the total forest reserve concession areas and are working toward full legal compliance and certification for their forests and mill facilities.

Contact Abraham Baffoe, akbaffoe67@yahoo.com, for more information.



Samartex logs, Ghana.

FSC Certified Wood for New Coca-Cola China Headquarters

The Coca-Cola Company



The world's largest beverage maker is currently building a ground breaking, environmentally friendly Global Innovation & Technology Center and Coca-Cola China Headquarters in Shanghai. Following discussions between WWF China's forest team and The Coca-Cola Company (TCCC), Coca-Cola China senior management pledged to use Forest Stewardship Council (FSC) certified wood in the construction of the center.

In addition to using wood products sourced from FSC-certified timber, the new headquarters will feature water stewardship and energy efficiency as part of the company's commitment to social and environmental responsibility.

“It’s been a great experience partnering with WWF China on the Yangtze conservation project. Through our collaborative efforts, we are putting the company’s vision for environmental stewardship into action—demonstrating water stewardship by building sustainable communities in the Yangtze River basin area. We are all very excited about the new headquarters—whilst it will incorporate conservation friendly green designs for water and energy conservation, the use of FSC certified wood is another example of how WWF China has helped us to be champions of the environment,” says C.B. Chiu, VP and Director of Technical for Coca-Cola China.

The commitment to build the Shanghai headquarters using responsibly managed timber is an outgrowth of the TCCC-WWF partnership. TCCC and WWF have been working together for several years on a number of projects, and this past June TCCC pledged \$20 million USD and launched a multi-year partnership with WWF to conserve and protect freshwater resources. TCCC’s commitment to environmental responsibility, coupled with its partnership with WWF, has led to this effort to support responsible forestry.

This commitment highlights how companies can model sustainable building strategies in Shanghai and encourage other companies to do the same. This is also a significant example of how we can build links between the China Forest & Trade Network, flagship corporate partnerships and priority drivers.

“WWF is happy to see the use of FSC certified timber in the construction of the TCCC national headquarter building, which is also an energy sustainable building measured by LEED Gold Standard,” said WWF-China Country Representative Dermot O’Gorman. “It is a concrete example of how companies are working with WWF-China in Shanghai to promote a sustainable city.”

Contact Amanda Carufel, amanda.carufel@wwfus.org, for more information.

First Certified Wood from Southeast Cameroon

The Société d’Exploration Forestière et Agricole du Cameroun (SEFAC), a logging group carrying out timber operations in nearly 315,000 hectares of forest in the east province of Cameroon recently received Forest Stewardship Council (FSC) Certification. SEFAC is the first logging company in Southeast Cameroon to be awarded FSC certification. This certification is indicative of the company’s determination to embrace responsible forest management rules as specified in FSC criteria.



Logging concession, south-east Cameroon.

WWF-Canon/Olivier Van Bogaert

SEFAC operates two sawmills in Libongo and Bela, near the Sangha River on Cameroon’s border with the Central African Republic. Their success is in part due to technical assistance offered by WWF-Jengi, the WWF-Central Africa Regional Program (CARPO), and other partners that accompanied and guided SEFAC in its bid.

According to SEFAC Group Commercial Director, Giorgio Coates, “this is a hallmark in the entire Southeast that should be taken seriously by the government of Cameroon and international organizations. We are very happy about this success,” he enthused.

To qualify for FSC certification, SEFAC implemented projects that contributed to improving living conditions for its workers and local communities. WWF Jengi Senior Forest Officer, Alphonse Ngniado, sees SEFAC’s certification as a prelude to a hard road yet traveled. “This is just the beginning of hard work. The company has to permanently ensure the respect of FSC standards, and there will be annual assessments of SEFAC’s efforts to live up to expectations,” Ngniado stresses.

“This is the fruit of a three-year collaboration which should serve as a challenge to other logging companies that have embraced sustainable logging in southeast Cameroon,” adds Ngniado.

Contact Alphonse Ngniado, angniado@wwfcarpo.org, for more information.

China Wood Flooring Import & Export Conference 2007



The China Forest & Trade Network (China FTN) recently supported the China Wood Flooring Import & Export Conference, held October 28th to 31st in Hangzhou, China. This conference,



WWF-International/George White

Participants of the China Wood Flooring Import & Export Conference in Hangzhou, China.

Data from the China Wood Flooring Conference

Market share of major US outlets in 2006

1. Armstrong (31%)
2. Shaw (12.6%)
3. Mannington (7%)

Major sources of flooring imported to US market in 2006

1. China (\$128 million)
2. Brazil (\$73 million)
3. Indonesia (\$9.3 million)

Major markets for Chinese solid wood flooring

1. USA (31%)
2. Japan (18%)
3. United Kingdom (16%)

China's largest flooring producers

LAMINATE

1. Krono (China FTN Participant)
2. Power Dekor Group
3. Jiangsu Qianfeng

SOLID WOOD

1. Jilin Fukang
2. Zhejiang Shaozin Fudeli Timber
3. Dalian Jiayang Wood Products

for the China flooring industry, is China's largest trade fair of its kind, providing a great platform for both Chinese and foreign companies to share market information and discuss business face-to-face, as well as focusing on flooring export & import, and policy and investment opportunities.

Attracting the top wood flooring producers from across China, as well as their suppliers and customers overseas, this conference served as a platform for the China FTN to reach out to new producers and provide a wider forum to communicate with the industry. The conference proved worthwhile in a number of ways and allowed the China FTN to begin engaging with a number of new potential participants.



WWF-International/George White

China Wood Flooring Import & Export Conference, Hangzhou, China.

Apart from networking and outreach opportunities made available through the China Wood Flooring conference, it also provided an excellent opportunity to validate the strategy behind the choice of companies for the China FTN to work with. It allowed supply chains to be identified and provided numerous statistics highlighting key players, market positions, volumes and sourcing pattern changes.

Contact George White, georgecwhite@btinternet.com, for more information.

China Forest & Trade Network Annual Members Meeting 2007



The China Forest & Trade Network (China FTN) recently held its Annual Members Meeting on October 30th in Hangzhou. The all-day meeting was attended by 65 people, mainly from the current membership as well as applicant and interested



WWF-International/George White

A speaker addressing participants of the China FTN Annual Members Meeting in Hangzhou, China.

companies. Attendees also included a broad range of external stakeholders and service providers focusing on certification and legality issues.

External participants included WWF-Russia, ProForest, B & Q China, Greenpeace China, the State Forestry Administration, the Chinese Academy of Forestry and Smartwood. A variety of topics including illegal logging, traceability, chain-of-custody, high conservation value forests, and understanding certifications systems were discussed.

The meeting was also used to welcome seven new participants to the China FTN:

- Key Technology International
- Linyi Huada Wood
- Xujhou Fuxiand Wood
- Kunshan Huaquing Furniture
- Zhejiang Yong Yu Bamboo

- All Blinds
- Supreme Plastic Product

Together, these seven new members have a combined total sales of over 42 million (USD) and more than 552,000 in RWE volume. All seven members have strong links to Russia and Southeast Asia, including access to Hong Kong governments, which the China FTN hopes to engage.

Moving forward, the China FTN will begin working on a new business plan that will be heavily aligned with the Global Forest & Trade Network business plan. This will focus on expanding the number of participants, increasing the area of FSC natural forests in China, aligning and supporting Network Initiatives, and creating more market links to the key countries supplying Chinese processors.

Contact George White, georgecwhite@btinternet.com, for more information.

GFTN at a Glance

GFTN participants...



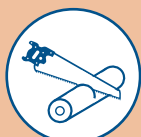
...have annual forest products sales exceeding \$44.6 billion per year



...are engaged in 162 trading deals with other GFTN participants



...manage over 27.2 million ha. of forests in progress to certification



...buy or sell in excess of 194 million cubic meters of forest products per year



...employ over 1.3 million people globally



...support 670 families in community operations



...trade almost 11% of the global harvest of industrial roundwood



...trade over 12% of the value of internationally traded forest products



...trade over 30 million cubic meters RWE of credibly certified forest products

figures current as of January 2008

GFTN Faces

George White

Responsible Purchasing
Coordinator, Global Forest
& Trade Network

George White is an independent consultant who has worked with WWF International's Global Forest & Trade Network since 2004. Prior to this he started his career within the United Kingdom timber trade, learning about the softwood and panel products industry.



For most of the 1990's through 2004, George worked for companies across J. Sainsbury Plc.—a UK supermarket giant—developing policies and processes to allow two of the UK's major retailers—Homebase and Sainsbury's Supermarkets—to meet their commitments to the UK Forest & Trade Network. Whilst at Sainsbury's George worked on diverse sourcing issues from timber and paper to peat, fish and fuels.

George has a first class BS (Hons) in Forest Products Technology from Brunel University, and has been an associate of the Institute of Wood Science since 1989. In his spare time George enjoys polishing his 1978 MG B-GT.

Veronica Hunter

Marketing Communications
Coordinator, Global Forest
& Trade Network

New to the GFTN family is Veronica Hunter, who recently joined WWF as the Communications Manager for the Global Forest & Trade Network. Liaising closely with various offices around the Network, Veronica will be leading the efforts to bolster the level and effectiveness of GFTN communication profiles and instruments.



Originally from Arizona, Veronica lived in the Netherlands and worked as a Senior Conference Producer for the European Networking Group, which specializes in multi-national conference production for senior executives from Fortune 500 companies throughout Europe and the US, before joining WWF. Previous to this, Veronica worked as a Marketing Communications Specialist for GE Advance Materials.

Her broad expertise includes PR, marketing, outreach, media relations and communication in both the non-profit and corporate sectors. An avid photographer and independent filmmaker in her "spare time", Veronica has wanted to work with WWF since the age of 10. Veronica holds a BA in Communications from Evergreen State College in Olympia, Washington.

Bruce Cabarle

Acting Head, Global
Forest & Trade Network
Managing Director,
Global Forest Program



Bruce J. Cabarle is the Director of WWF-US Global Forest Program

where he's responsible for leading international efforts to protect, manage and restore the world's forests. Bruce is also a principal architect of WWF's Global Forest & Trade Network – a private sector partnership with companies like The Home Depot, Andersen Doors & Windows, and the Collins Company as well as the US Agency for International Development—a network designed to combat illegal logging by increasing the amount of certified forest products on the retail market and to establish networks of responsible producers in Brazil, Cameroon, Indonesia, Russia and other priority WWF places.

Prior to joining WWF in 1998, Bruce co-founded and served as chairman of the Forest Stewardship Council (FSC), the world's first international organization to promote well-managed forests through the independent certification of environmentally responsible, socially beneficial and economically viable practices in the forest products industry.

Bruce has an MS from the Yale School of Forestry and Environmental Studies, and a BS in Natural Resource Management from Rutgers University. When he's not authoring pieces like his critically acclaimed *Surviving the Cut: Natural Forest Management in the Humid Tropics* (1993) or acting as a spokesperson to promote responsible forestry.

Hisayo Fujikawa

Operations Manager, Global
Forest & Trade Network

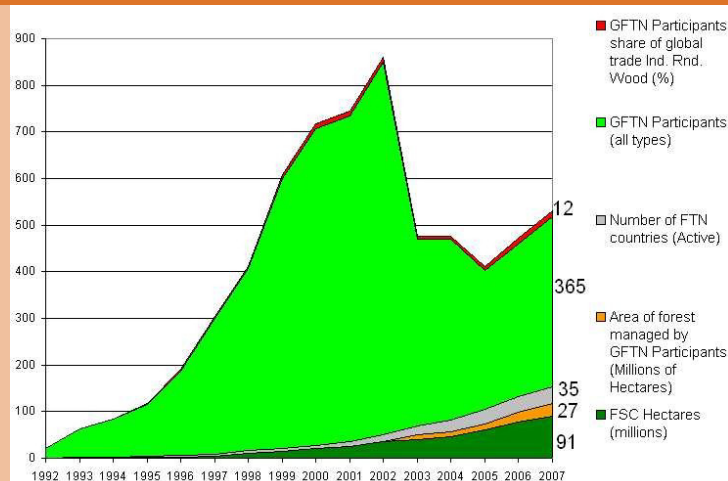


In her current role, as Operations Manager, Hisayo manages all operational aspects of the WWF Network-wide GFTN, which is comprised of 27 networks operating in 34 countries worldwide. Working closely with the GFTN Head, Hisayo coordinates the development of program strategy, marketing and fundraising, budget management, planning and implementing special events, writing reports, preparing terms of reference, managing consultants, and conducting program evaluations.

"I enjoy working here because I can work with such a diverse group of people from all over the world yet share in a common vision. I hope to help the GFTN step up to a truly global program that functions flexibly yet solidly in the global market place while delivering concrete conservation results."

Hisayo has a MA in Public Communications from American University and a BA in English Literature and Communications from Doshisha Women's College in Japan.

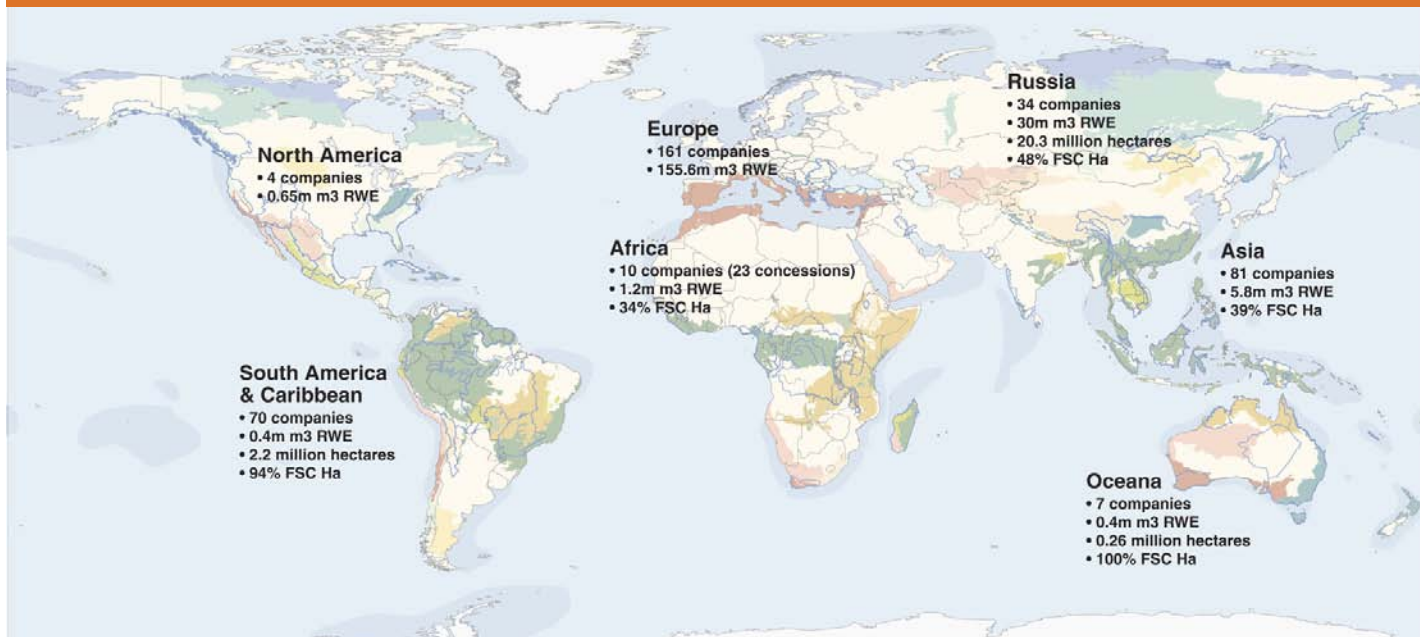
Growth of the GFTN from 1992 to 2007



GFTN Global Totals as of January 2008

GFTN Hectares/Percentage of GFTN Hectares that are FSC certified

360 Participants (Legal Entities) in 34 countries



FSC Certified Area by Continent

North America
30.1 million Hectares

Europe
48.2 million Hectares

Total FSC Certified Area 91.6 million Hectares

South America & Caribbean
8.8 million Hectares

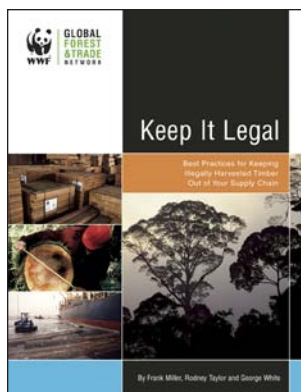
Asia
1.7 million Hectares

Africa
8.8 million Hectares

Oceania
1.3 million Hectares

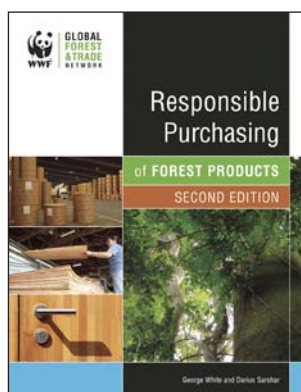
For more information, visit www.fsc.org

GFTN Resources



Keep It Legal—Best Practices for Keeping Illegally Harvested Timber Out of Your Supply Chain

<http://gftn.panda.org/resources/tools/index.cfm?4NewsID=82060>



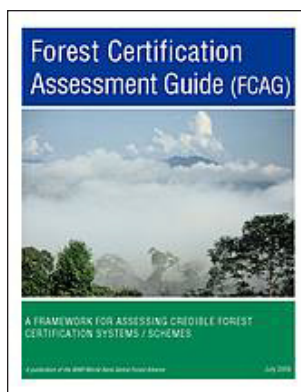
Responsible Purchasing of Forest Products—Second Edition

<http://gftn.panda.org/resources/tools/index.cfm?4NewsID=80500>



The Global Forest & Trade Network—Solutions for Committed Companies

<http://gftn.panda.org/resources/videos/index.cfm>



WWF/World Bank's Forest Certification Guide

<http://gftn.panda.org/resources/tools/index.cfm?4NewsID=81080>



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WWF's Global Forest & Trade Network welcomes your comments. Contact us at gftn@wwf.panda.org.