





# SUMMARY



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#### The value of the ALLIANCE: a forest of solutions......p. 38

.... p. 52 Solution 9 ....... .... p. 41 Solution 5 ... Solution 1 .... "SUSTAINABLE HARDWOOD. A high-quality basic MADE IN AFRICA" helps to create infrastructure ensures a united Green Deal not only unimpeded access to health with forests and the climate, but care. People from all social also with 16,000 inhabitants backgrounds are welcome at of a remote region and urban the company's medical centre. residents all over the world who Company protocol allows want certified, bio-sourced and vulnerable groups to use medical healthy materials. services free of charge. Solution 2 .... Solution 6 ...... "SUSTAINABLE HARDWOOD, Culturally sensitive education MADE IN AFRICA" gives value to for more than 100 indigenous the forest while creating wealth children and high-quality vocational training empowers at the local and sub-regional local people to choose their life level and contributing to the public treasury - all in accordance with the INTERHOLCO Code of Conduct, the laws of the Republic Solution 7 ...... of the Congo and international Drinking water is available to all standards. free of charge in the village of Ngombé: the water and soil can Solution 3. be used safely by local residents "SUSTAINABLE HARDWOOD, thanks to carefully monitored MADE IN AFRICA" is a forest wastewater treatment. of solutions stemming from an ALLIANCE culture, where Solution 8 ...... commitment is transformed An integrated HSE management into industry excellence. system is in place to ensure that more than 1,000 workers are kept Solution 4 ..... safe in line with international standards. Subcontractors More than 1,000 fair trade job working on the site are also opportunities provide 10,000 people with the means to build instructed through training courses provided in local their future with dignity in one languages as to what measures of the most remote regions of the Republic of the Congo. must be taken.

Indigenous communities have the means to preserve their culture. natural resources and lifestules thanks to the creation of a mechanism to achieve FPIC (Free, Prior and Informed Consent), which aims to incorporate all the inhabitants of local villages in

Solution 10 .... Natural ecosustems measuring

decision-making.

three times the surface area of Belgium are protected. The natural capital of the forest remains intact.

Solution 11 ..... p. 80

The forest is protected not only in protection zones or areas with high conservation value, but also in harvesting areas where 0.5 to 1 tree per hectare is harvested on the equivalent of 2 football fields once every 30 years.

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#### LIST OF ABBREVIATIONS

APN African Parks Network

**ATIBT** International Technical Tropical Timber Association

**CFA franc** Official currency of the member states of the Central African Economic and Monetary Community (CEMAC), including Cameroon, the Central African Republic, Chad, Equatorial Guinea, Gabon and the Republic of the Congo.

**CIRAD** Agricultural Research Centre for International Development

CLIP Free, prior and informed consent

**CLPA** Local communities and indigenous peoples

**DRC** Democratic Republic of the Congo

**EFI** European Forest Institute

**EITI** Extractive Industries Transparency Initiative

**ESG** Environmental, social and governance (ESG) criteria are the 3 main factors for measuring the sustainability and ethical impact of an investment in a company or economic area.

ETTF European Tropical Timber Federation

**EU** European Union

**EUR or €** Currency used in the European Union

**EUTR**European Union Timber Regulation

**FAO** Food and Agriculture Organisation of the United Nations

**FLEGT** Forest Law Enforcement, Governance and Trade

FMU Forest Management Unit

FSC® Forest Stewardship Council®1

**GRI** Global Reporting Initiative

Ha Hectare

**HCV** High conservation values

HSE Environment, health and safety<sup>2</sup>

IFO Forestry Industry of Ouesso

**ILO** International Labour Organisation

ITTO International Tropical Timber Organization

LCC Logistique Congo Cameroun

M Million

**NGO** Non-governmental organisation

OKNP Odzala-Kokoua National Park

PAFC Pan-African Forest Certification

**PEFC™** Programme for the Endorsement of Forest Certification<sup>3</sup>

RoC Republic of the Congo

**SDG** Sustainable development goals (of the United Nations)

SFM Sustainable forest management

SPOTT Sustainability Policy Transparency Toolkit

STTC Sustainable Tropical Timber Coalition

**UNDP** United Nations Development Programme

**UNECA** United Nations

Economic Commission for Africa

**UNEP** United Nations Environment Programme

**UNFF** United Nations Forum on Forests

UNICEF United Nations Children's Fund

**USD** American dollar (currency of the United States of America)

WHO World Health Organisation

WRI World Resources Institute

<sup>1</sup>FSC® License C022952

#### **NOTES ON THIS REPORT**

This report covers INTERHOLCO's operations for the period 2017-2019 (financial year ending 31 December 2019). Data for 2014-2016 are incorporated into the 2017-2019 data in the Appendices in order to identify existing trends. This report contains data for whollyowned enterprises and subsidiaries, but excludes suppliers of goods and services, unless otherwise specified. The next INTERHOLCO sustainability report is planned for 2022.

INTERHOLCO's modus operandi is structured around an environmental landscape, a social landscape, an economic landscape and a regulatory landscape. In the absence of a single frame of reference capable of incorporating all these landscapes, the 2020 Sustainability Report presents the aspects that INTERHOLCO has measured in each landscape according to the 10 Principles of the UN Global Compact focusing on human rights, labour, the environment and anti-corruption; the Sustainable Development Goals of the United Nations (SDG); Pope Francis' encyclical Laudato Si', which focuses on safeguarding the Earth, our common home; the handbook "Vocation of the Business Leader: A Reflection", targeting business leaders seeking to integrate their faith into their work; the FAO's analysis on "The State of the World's Forests 2018, Forest Pathways to Sustainable Development"; the voluntary guidelines drawn up by the EFI and the FAO "Making forest concessions in the tropics work to achieve the 2030 Agenda"; the FAO's Global Forest Resources Assessment; the reflections and proposals for the formulation and implementation of strategies for the development of the forestry industry in the Congo Basin, contained in the FAO white paper; the principles and standards of FSC® environmental certification; PEFC™ certification standards including the PAFC initiative being developed in the Congo Basin; the laws in force in Cameroon, the Republic

of the Congo and Switzerland - in particular, compliance with the forestry laws of the Republic of Congo, based on the indicators developed by the EITI; the Conclusions of the Council and of the Governments of the Member States sitting in the Council on the Communication on Stepping Up EU Action to Protect and Restore the World's Forests; the European Union Timber Regulation (EUTR) as part of the FLEGT initiative; the statistics published by the Independent Market Monitoring Unit of the FLEGT scheme as well as those published by the ITTO; the socialenvironmental reporting standards established by the Global Reporting Initiative (GRI) (see GRI Content Index on p. 108: this report is not externally audited), an initiative supported by the United Nations Environment Programme (UNEP); ATIBT's General Tropical Timber Nomenclature; data from Global Forest Watch, the monitoring platform developed by the World Resources Institute (WRI) with state-of-the-art technology; the comparative benchmark developed by the NGO Greenpeace with the Naturwald Akademie as part of its vision for the climate, people and nature "Wenn Wälder Wieder Wachsen" ('When Forests Grow Again'); and, of course, the environmental, social and governance transparency indicators at the heart of SPOTT, an initiative spearheaded by the British NGO Zoological Society of London, designed to gain a better understanding of the performance of 100 timber and cellulose companies operating in the tropics.

In order to make reading this report easier, we have adopted the same colour code as in the 2017 Report, i.e.:

pink --> social landscape

green --> environmental landscape

blue --> economic landscape

brown --> regulatory landscape

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<sup>&</sup>lt;sup>2</sup> HSE is an area of technical expertise controlling aspects related to occupational risks within a company in order to lead to an integrated management system.

<sup>&</sup>lt;sup>3</sup> PEFC License/15-31-0084



# **EDITORIAL**

2017 we launched our first sustainability ground and driving change in the sustainable report: our plan to make 'SUSTAINABLE HARDWOOD, MADE IN AFRICA' the standard.

#### Our criteria for action?

Quantifiable goals that are measured by independent third parties.

#### Our means?

Innovative projects and partnerships.

#### Our goals?

To guarantee our customers a supply of 100% sustainable timber. To create a supply chain that has minimal impacts on the forest, a positive carbon footprint and reduces poverty.

This report highlights some of our activities and achievements during the 2017-2019 period, and includes data from 2014-2016 for comparative purposes.

It shows that, with the support of our customers and partners, we are making an impact on the and certified African timber industry and value chain. 88% of our overall timber supply already comes from third party verified sustainable

Various sources, including Pope Francis in his encyclical "Laudato si'", remind us of the urgency to take action against global warming. It is high time to base our economic systems on a system of social, ecological and economic ALLIANCES.

We need a true ALLIANCE CULTURE that links all the relevant actors: our employees and their families, customers and suppliers, civil society and the local population, companies/ private actors, States and politicians, the financial sector, scientists, NGOs and finally the private consumer who makes the decision to purchase sustainable and certified TIMBER materials.



INTERHOLCO has entered into this ALLIANCE with the forests of the Congo Basin by complying with the 10 Principles of the United Nations Global Compact focusing on human rights, labour, environment and anti-corruption. The economic success that puts the human being at the heart of the action is then transformed into a positive force for change.

We owe it to ourselves to respond to the needs of the world. Our wish is to contribute to promoting the common good through the creation and development of our goods and services, and in particular by showing solidarity with the poor and people in difficulty.

As a company, we have a big role to play in this expected change. The **vision of the ALLIANCE** as conceived by INTERHOLCO is to make "SUSTAINABLE HARDWOOD, MADE IN AFRICA" no longer a simple product derived from forests, but a forest of solutions.

This is why we have a mission: no longer to accept the current situation; to slow down the rate of climate change and reduce the use of energy-intensive materials such as concrete and aluminium, and to mark a radical turning point; to give value to natural forests, promote social equity and build the future with a renewable, recyclable, sustainable, traceable material with a favourable carbon footprint, "SUSTAINABLE HARDWOOD, MADE IN AFRICA", a material capable of improving living conditions and keeping the functions of natural ecosystems

What are we most proud of? INTERHOLCO's performance in 2020, ranked number 1 in the world by SPOTT in the field of tropical forestry.

However, we remain humble given the magnitude of the task at hand. Not all of our objectives have been achieved, but we are learning, which allows us to progress and evolve. Our progress is undeniable.

Sustainability is at the heart of INTERHOLCO's work and that of the more than 1.000 employees who are our core strength. I am extremely grateful to them for making sustainability a reality as part of their daily activities.

This second sustainability report is a testament to their passion, expertise and dedication essential elements in making "SUSTAINABLE HARDWOOD, MADE IN AFRICA" the standard.

Our commitment and impact are driven by a fierce desire to succeed given the vital issue of the task at hand. We gladly welcome all comments and offers of support.



Ulrich GRAUERT **CEO INTERHOLCO** 



# INTERHOLCO COMPANY OVERVIEW

# Why is INTERHOLCO's timber « SUSTAINABLE HARDWOOD, MADE IN AFRICA »?

This report demonstrates INTERHOLCO's ability to respond.

The title of this report, An ALLIANCE Culture to Safeguard Africa's Forests, refers to a model of timber harvesting and processing that seeks to conserve the forests of the Congo Basin while keeping their services intact. This model is called sustainable forest management (SFM); by using it, INTERHOLCO can seal an ALLIANCE between the forests and the local population, the climate, the country of origin and a clientele that is aware of socio-climatic issues.



#### 5,579€

Taxes paid in 2019 in the Republic of the Congo: the forestry sector is the 2nd largest contributor to GDP



#### 1.16 million ha

of natural forest (protected from the risk of conversion to agricultural land) certified to the highest standards

### Economic impact Direct economic value - 2019

Direct economic value - . in 1000 €



12,622€

Salaries and benefits for employees



65,022€

Net income (revenues)



1,253 employees

**16,000 inhabitants** in the Republic of the Congo



2,279€

Community development (including health and safety), environmental protection, sustainable forest management

This report also highlights the importance of an economic alternative that can bridge the disparities that afflict young Africans, as well as of raising awareness among young people around the world of the benefits of an organic approach to forest management. In its first sustainability report published in 2017, "Enabling Landscapes"<sup>4</sup>, INTERHOLCO underlined how the management of a forest goes beyond the simple management of its trees and animals, also entailing consideration of the **environmental**, **economic**, **regulatory** and **social** landscapes<sup>5</sup>.



View of the UN City, the headquarters of 11 UN agencies in Copenhagen (Denmark). Here, Tali (*Erythrophleum spp.*), a heavy species of African timber (approx. 900 kg/m³) and known for its resistance to the elements and insects, shines on the beautiful terraces surrounding the building. Designed by Danish architects 3xn, this large building is one of the most energy efficient in Denmark. It has won the European Commission's Green Building Award as well as LEED Platinum certification.

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 $<sup>{\</sup>it ^4https://www.interholco.com/images/pdfs/Enabling-Landscapes-INTERHOLCO-Sustainability-Report-2017-.pdf}$ 

<sup>&</sup>lt;sup>5</sup> The values and the modus operandi based on a landscape approach, well beyond the limits of the concession, are available at the website: https://interholco.com/en/about-us/values



# **INTERHOLCO'S**

#### **TREE**

 Legal form
 Public limited company

 IDE
 CHE-113.764.521

 Founded
 1962

 Headquarters
 Baar, Switzerland

 Director
 Ulrich Grauert, CEO

 Number of employees
 1,253 (2019)

 Turnover
 65M€ (2019)

 Sector
 Forestry industry, primary and secondary processing, wholesale, distribution

 Website
 www.interholco.com

# INTERHOLCO is one of the world's leading suppliers of « SUSTAINABLE HARDWOOD, MADE IN AFRICA » products.

Based on ecologically, socially and economically responsible forest management, INTERHOLCO timber products are subject to the Control Union standard « Timber Legality Verification » (TLV) and/or certified in accordance with the principles and standards of FSC<sup>®6</sup>, which is a guarantee of reliability. INTERHOLCO is internationally recognised in the harvesting, processing and trade of high quality timber products in a variety of species, predominantly from Africa.

6 FSC® C022952



### WHOLESALE \_\_\_

#### **AND DISTRIBUTION**



#### INTERHOLCO AG (IHC) - Baar, Switzerland

Since 1962

Holding company: head office, wholesale and distribution

- Handles sales, global distribution and marketing and ensures compliance with the highest international standards of "Made in Africa" timber products as well as related administrative and financial services.
- Sales offices located in Europe (Switzerland and Belgium), the Middle East (Bahrain) and Asia (China).

#### INTERHOLCO Belgium B.V. - Brussels, Belgium

- Supplier company in the wholesale, storage and distribution of sawn timber, glued laminates and logs.
- Manages a stock of various timber products and organises the distribution of those products, primarily in Benelux and France.
- Offers other services, such as advice, sales, procurement and timber processing.
- Most of the timber comes from Africa, Europe and the United States.

#### INTERHOLCO Middle East - Bahrain

IHC Representative Office: distribution/sales

• Strategic gateway to customers in the Middle East, Gulf countries and Central Asia.

# LOGISTICS \_\_\_



#### Logistique Congo Cameroun (LCC) - Douala, Cameroon

**IHC subsidiary:** logistics operations

- Manages all of IFO's logistical import and export operations and those of other INTERHOLCO suppliers in Central Africa.
- Handles the transport and export of goods (logs, sawn timber, glued laminates via conventional transport and/or containers) along several exit routes from the production
- site to embarkation ports (Douala and Kribi in Cameroon, Pointe-Noire in RoC) including loading the goods onto ships.
- Close relationships with international logistics companies enable us to deliver our products to more than 50 countries.





# HARVESTING\_

#### **AND PROCESSING**



#### Forestry Industry of Ouesso (IFO) - Ngombé, Republic of the Congo

IHC subsidiary: harvesting and processing

- Currently one of the largest forestry companies in Central Africa.
- IFO sustainably manages approximately 1.16 million hectares (11,600 km²) of natural forest situated in the north of the Republic of Congo.
- Its value chain and forest management practices are certified according to FSC® principles and standards.
- The company is involved in the following activities: forest management and timber harvesting, primary and secondary industrial processing on site and directly at the source, operating a hospital for employees and the local population, maintaining a library that is open to all, running schools (including the construction of the official school and a school specifically for indigenous children), provision of drinking water, ensuring electricity supply, the protection of animals against poaching and logistics operations.
- More than 85% of the harvested wood is processed on site into timber or other value-added products.

# AN ALLIANCE CULTURE







### If you want to go quickly, go alone. If you want to go far, go together.

• African proverb •











private company is a driver of possi-Abilities. **Economic success** is its fuel. However, net income alone says little about forest protection, safety in the workplace, the well-being of employees and the local population, or their quality of life.

Are employees' rights respected? Can they and their families rely on medical assistance?

Can their children, both girls and boys, go to school?

Does the village where the industry is located have access to drinking water, electricity and an internet connection?

And then: are there still gorillas, elephants and other animals in the forest where the timber is harvested? How are they protected? And does the forest still have rivers and pools of water where local people can go fishing? Medicinal trees that indigenous peoples can use as their traditions dictate? Finally, is there still a forest?



In complex and rapidly changing conditions, conducting a survey once a year is not enough. In addition to a "materiality assessment" process, the pace and frequency of which are time-limited, INTERHOLCO has added a process of continuous analysis and risk assessment, opportunities and views of stakeholders (both internal and external). INTERHOLCO communicates with all the parties affected by the way in which it works, including those who criticise it the most. This approach makes it possible to pinpoint key factors, measures that need to be improved and aspects that do not go into sufficient depth.



By being aware of the expectations and concerns of other stakeholders ("stakeholder values"), INTERHOLCO goes through a genuine process of reflection and checks the effectiveness of its internal procedures, determining priorities at a strategy level in order to respond to the most urgent issues.

All of this work is carried out as part of an ALLIANCE, in which internal and external communication is the instrument of choice. By taking action as part of this ALLIANCE, INTERHOLCO is also involved in multi-stakeholder partnerships to mobilise and share knowledge, expertise, technology and financial resources.

This sharing of know-how thus enriches INTERHOLCO's method of operation, turning challenges into opportunities and paving the way for new solutions at local, regional and international levels.

Finally, none of us can act alone in our field whether as private individuals or companies - without bearing in mind the consequences of our actions on others. We need to work together, hand in hand, in order to see the emergence of a true ALLIANCE culture that brings together all the relevant stakeholders: our employees and their families, customers and suppliers, civil society and the local population, companies/private actors, States and politicians, the financial sector, scientists, NGOs and finally, the private consumer who makes the decision to purchase sustainable and certified TIMBER materials.





# SHAREHOLDER VALUE TO STAKEHOLDER

**VALUE** 



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A landscape is never inert: people engage with it, appropriate and contest it. It is part of the way in which identities are created and disputed, whether as individual, group or nation-state.<sup>7</sup>

• Barbara Bender •

NTERHOLCO has adopted an organic approach. Everything is connected. This interdependence "obliges us to think of one world with a common plan" (Laudato Si', 164). The aim of industrial know-how and economic income (economic landscape) is to invest on a continuous basis in industrial and innovative projects. Other objectives include:

- Financing protection of the forest, giving it value, as well as protecting animal habitats (environmental landscape)
- Creating fair trade job opportunities by providing skills training for staff living in remote areas:
- Giving employees the means to build their own

#### futures;

- Strengthening the involvement of local communities in the decision-making process;
- Investing in the construction and maintenance of a range of basic services (social landscape);
- Certifying all this through credible schemes, while respecting the law at national, regional and international levels (regulatory landscape);
- Meeting the needs of national and international customers with healthy and natural "SUSTAINABLE HARDWOOD, MADE IN AFRICA", certified sustainable, traceable, recyclable, renewable and with a positive carbon footprint (economic landscape).



Introduction: Landscape—meaning and action, in Landscape: Politics and perspectives. Edited by B. Bender, pp. 1–17. Oxford: Berg, 1993

INTERHOLCO listens to the expectations and concerns of the parties acting in each landscape, marking the transition from a vision of "shareholder value" to that of "stakeholder value", the requirements of all the stakeholders concerned including, but not limited to, the shareholders.



#### **Employees**



Employees overseeing the transportation of timber products through the ports of Douala and Kribi regularly exchange information with their counterparts in the Republic of the Congo who supervise the transportation of timber from the port of Pointe-Noire. The **effects of climate change** are having repercussions on **transport efficiency and travel times.** The issue is of particular concern to employees working in logistics, who have to find suitable solutions (priority transportation via the Sangha River), while tracking overland and sea transport in compliance with laws, security and anti-corruption procedures.





In the Republic of the Congo, there are regular exchanges between department heads and teams, as well as between staff representatives, trade unions, the social team and

management. Questions that arise during staff training courses focussing on **new skills**, **safety at work** and **anti-corruption** allow the effectiveness of the procedures to be verified "on the ground". In this way, any solutions and adjustments that must be made can be adapted to the reality on the ground.





As far as workplace safety is concerned, a new HSE manager with a background in the oil

industry was recruited in 2017. After carrying out a risk analysis, he worked closely with the management to develop detailed procedures in accordance with the ILO guidelines for health and safety in the forest sector, and incorporating ISO 45001:2018. Refresher courses on theoretical and practical fire prevention skills are held at the production site on four days each year by a firm of experts based in Brazzaville.



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Dynamic, well-prepared teams who understand their roles: the essentials are learned, understood and reproduced. I think you have fire safety teams that are ready to do their jobs.

Hervé KERFRIEDEN
Director of the Fire Prevention
and Support Department
SERVTEC, Republic of the Congo

As an **equal opportunity employer,** INTERHOLCO recruits talented employees and develops their skills regardless of their social or ethnic origin, gender, place of birth, religious conviction, possible disability, etc.<sup>8</sup> INTERHOLCO also aims to protect women's rights through this vision by creating the conditions in which they can reconcile motherhood and working life, in Africa as well as in Europe (flexible working hours, parttime employment).



Special mention should be made of the **grievance mechanism**, which enables all employees to bring to the attention of the management, in a secure and/or anonymous manner and at any time, any actual or potential problem that must be resolved in terms of compliance with state laws or the Code of Conduct.



In Europe, as a result of meetings involving all of the company's staff in Switzerland and Belgium, INTERHOLCO has grasped that the ALLIANCE concept

is of the utmost importance for employees who are interested in projects carried out in synergy with other players and partners. Other concerns cited include: forest recovery and the economic value generated in the Republic of the Congo and the distribution of that value. These were closely followed by: the development of lesser-known species, wages and social benefits offered to employees, training, compliance with legal requirements and sustainability criteria that reject deforestation and incorporate High Conservation Values (HCV) and biodiversity.



Employees from Baar headquarters at the "Because we care" workshop.





#### **Customers**

INTERHOLCO serves an international B2B clientele in more than 50 countries across very different markets. Among the main target groups

are importers, public procurers and end consumers

Statistics published by the FLEGT "Independent Market Monitoring Unit", FAO, ITTO as well as STTC studies (Life Cycle Analysis: a study focusing on the share of certified tropical timber in the markets), identify trends in Europe and Asia.

Asia, and in particular China, remains the main market for timber from Africa.

China, the largest importer and consumer of African timber, is making a shift towards environmentally friendly practices and responsible forest management through the new Forestry Code that came into force in June 2020. The United States and countries in the European Union ask for guarantees about the origin and legality of the timber they purchase. The European Union wants to move towards sustainable justice, which entails prohibiting direct or indirect deforestation and preventing forest degradation or harm to the lives of forest dwellers. In order to implement its Green Pact, the EU plans to adopt an action plan focusing on the circular economy and to pass a climate law.



SNCF Réseau has issued its first call for tenders for Azobé, a hardwood from Africa, for its railway sleepers.<sup>9</sup>

L' Usine nouvelle magazine

European consumers, including public procurers in the UK, Germany, Denmark, France and the Netherlands, increasingly prefer timber that is managed responsibly, in other words in a climate-friendly way, respects the rights of resident populations and excludes any possible degradation or deforestation.

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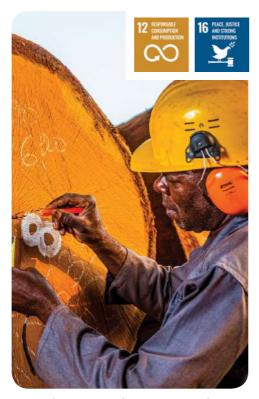
<sup>&</sup>lt;sup>9</sup> SNCF Réseau discovers certified tropical timber, article by Myrtille Delamarche, published in "L'Usine nouvelle" on 16.11.2017: https://www.usinenouvelle.com/article/sncf-reseau-decouvre-les-bois-tropicaux-certifies.N613288





In France, some public procurers apply a policy of "the best timber for the best use". This is the case with the French National Railway Company (SNCF) which, in the context of producing wooden sleepers, decided to replace oak - a wood requiring treatment with creosote<sup>10</sup> to combat rot - with FSC® certified Azobé (Lophira alata and other species from Africa), a species with a very high durability class and one that is therefore ideal for outdoor projects.

INTERHOLCO engages in field audits to verify traceability and legality as well as sustainable forest management in order to respond to the concerns of all parties. INTERHOLCO chooses organisations that can provide maximum assurance to customers and end consumers, using Control Union (Netherlands) for traceability and legality aspects (due diligence) and NEPCon [Denmark] for sustainable management according to FSC® principles and standards, which are considered to be the highest in the world. Audits are an opportunity for INTERHOLCO's senior management to measure performance and become aware of areas that are in need of improvement. Measuring is therefore the first step towards better management, which is why it is in INTERHOLCO's interest to keep the certifications it has acquired.



Internationally recognised schemes verify compliance with legal frameworks.

In order to improve procedures and practices in the field, INTERHOLCO is contributing to the development of a new certification standard that would apply across the entire Congo Basin. This new standard, supported by PEFC, is intended to be a regional mechanism that takes into account the reality of certain Central African countries, including Cameroon, Gabon and the Republic of the Congo. PEFC aims to involve all the parties concerned through this new mechanism, including social partners, in a participative management model, in order to translate ideas into joint initiatives on the ground, where everyone contributes according to their expertise.



### Investors and shareholders

For INTERHOLCO's shareholders, the search for economic profitability also incorporates human dimensions and social awareness. Certifying ESG factors is a matter of priority: this includes good

environmental practices, codes of ethics and sound governance through compliance with legal frameworks. Investments target industrial development and the company's growth, but also aim to develop employees' skills through targeted training, particularly in RoC, with equal attention paid to industrial infrastructure (repairing or purchasing more efficient machinery) and social infrastructure (medical and social centres, schools, libraries, water purification, construction of buildings and housing, etc.).



# Local communities and indigenous peoples

Although it has a fairly modest population density in relation to

its surface area, the Ngombé forest is nevertheless home to more than 80 villages and an estimated population of 16,000. Consequently, good forest management requires that respect be afforded to the rights of different communities.

INTERHOLCO attaches great importance to improving participatory dynamics through Free and Prior Informed Consent (FPIC). Implementing FPIC requires dialogue with local communities. Hundreds of meetings take place every year in the villages. In the last quarter of 2019, the social team was strengthened by a legal expert appointed as co-facilitator of the discussions. The social team now comprises four members, two men and two women, including an indigenous person who speaks the local languages.



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<sup>10</sup> Creosote is a highly toxic biocidal chemical substance that is classified as carcinogenic: an evaluation of the impacts of a ban on the use of creosote in France. Report no. 010963-01; coordinated by Catherine MIR and Éric REBEYROTTE (coordinator); May 2017 (53 pp)







Tam fluent in the local languages and facilitate communication between the IFO social team and the indigenous Mikaya, Bangombé, Mbendjelé and Mbaluma peoples. They trust me because I understand the difficulties that they face. I grew up 5 km from Ouesso, in Mbaluma; my parents are Bangombé. I work with the communities and, as a result, I can see the reality on the ground. I even created an initiative in Ngombé Carrefour specifically for the local people. It is called "Musungui", which means "mutual aid" in the Mikaya language.

Timothée EPOUTANGONGO Social Investigator, with IFO since 2006 INTERHOLCO also listens to the concerns of the local population through the **grievance mechanism**, who are encouraged by the social team to make use of it whenever necessary.

For example, following a lawsuit filed in 2018 by the village of Ngombé Carrefour relating to wastewater that was alleged to pose a risk to community fields, a sewer inspection took place on the banks of the Sangha River, which was attended by a representative of the communities concerned. The inspection established that the discharges from these sewers contained rainwater waste, which could contain mud from gutters but no water from septic tanks under any circumstances.



#### Young people

INTERHOLCO was able to introduce itself to young forest enthusiasts and answer their questions at international conferences and webinars organised by the United Nations. What is reduced impact selective harvesting? Why is it not necessary to replant

trees? Can local communities and indigenous peoples still hunt in the forest? INTERHOLCO provides audiences from technical and scientific disciplines with comprehensive answers to these questions, with the aim of motivating younger generations to take an interest in the life of the forest.



Ulrich Grauert, CEO of INTERHOLCO, and Tullia Baldassarri Höger von Högersthal, Communication and Marketing manager at INTERHOLCO, at the "Global challenges, global solutions: International forest policy at the UN and elsewhere" webinar organised by the UNFF. Trainees are welcomed on a regular basis both in the Republic of the Congo and in Europe. This gives new generations the chance to learn in the field and from the inside, while still being able to share their concerns.



Given that forest ecosystems and markets are constantly changing, management needs to be adaptive and holistic in order to create the highest possible societal value for timber products.

Felix MÜLLER, trainee at Baar headquarters

At the end of his internship at INTERHOLCO in 2019, German student Felix Müller wrote his thesis on the **socio-economic performance** of INTERHOLCO in the context of corporate responsibility at a global level.







# Representatives of civil society

In 2019, INTERHOLCO proacted the organisers of a citizens' initiative in Switzerland focusing on corporate responsibility. Working sessions answered a

range of questions, including, for example, the quota of taxes paid in the country of origin of timber products, the number of gorillas and elephants roaming in the forest, how IFO facilitates natural regeneration along roads and the number of open roads in the forest.

It also helped in understanding the concerns of this citizens' initiative with regard to sustainable forest management. The website has been expanded with a new page, <u>Ask INTERHOLCO</u>, where INTERHOLCO publishes answers to <u>frequently asked questions</u>, accompanied by scientific references explaining the practices that have been adopted. Anyone wishing to ask further questions can do so through the contact details provided for this purpose on the page.





We have been able to demonstrate in various countries of the Congo Basin that forest roads which have been blocked after having been used are quickly renaturalised. Five years later, satellite images no longer show any human intervention. 11

Fritz KLEINSCHROTH ETH Zurich



As a member of the FSC®, INTERHOLCO participates in working groups focusing on the implementation of the intact forest landscape concept. IHC is also assisting in the strengthening of FSC® procedures for Free and Prior Informed Consent (FPIC).





PEFC is in the process of developing a new certification scheme: the <u>PAFC initiative</u> focusing on the countries of the Congo Basin.



INTERHOLCO works with local and international NGOs, local communities and indigenous peoples and the government to prevent and manage conflicts arising from anti-poaching activities. The human rights and wildlife protection training courses that INTERHOLCO organises in the Republic of the Congo with conservation and human rights NGOs present opportunities to remind people of the importance of the respect due to local populations.

The training reminds ecoguards and security personnel that INTERHOLCO has a procedure for intervening in local villages that observes a zero-tolerance policy for any lack of respect for human rights and that any possible abuse can result in criminal charges.

The Congolese human rights NGO CDHD conducts village surveys through its support and monitoring activities. This makes it possible to grasp the state of play with regard to respect for human rights and the rights of indigenous peoples.

Through this, INTERHOLCO can take heed of the expected improvements in terms of implementing **Free and Prior Informed Consent (FPIC)**. INTERHOLCO also learns from the experience of other stakeholders. In recent years, the social NGO Survival International has denounced the abuses committed against indigenous peoples by ecoguards acting within the framework of a WWF project. The WWF's experience has led INTERHOLCO to think about new training courses.



PROGEPP (a wildlife protection project run by the Congolese state), to which the conservation NGO WCS and INTERHOLCO belong, has undergone a change because WCS had to leave the project due to a lack of funding from its partners. In the meantime, INTERHOLCO has signed a goodwill agreement with the African Parks Network (APN). This agreement primarily aims to improve the fight against poaching and bolster law enforcement on the outskirts of the Odzala Kokoua National Park (PNOK), with a particular focus on respect for human rights. It may be extended to community development activities in a broad sense in order to bring out and maximise any possible synergy between the APN and IFO in this field. It will result in good practices being shared, exchanges of information and harmonised strategies between the two operators. Joint training courses for IFO and PNOK ecoquards are held on an annual basis.

**■** 30 **■** 





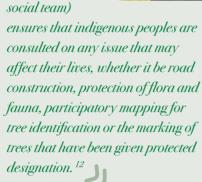


#### Scientific experts, research centres and universities

INTERHOLCO's objective is the harvesting and processing of timber. **The impacts** 

of climate change and forest alterations caused by extreme events on a global scale necessitate closer links with the scientific community. As a consequence, INTERHOLCO ensures the environmental landscape is managed sustainably by listening to the informed recommendations of researchers, scientific experts and university professors. In order to produce a better forest inventory, INTERHOLCO is taking part in a joint pilot project with CIRAD in France and the University of Leuven in Belgium, which involves the use of drones. Artificial intelligence will not only be able to give the teams more visibility in relation to the density of tree species, but will also be able to reveal any illegal encampments and detect the presence of animals, which could strengthen the protection given to a forest.





#### Holz ZENTRALBLATT

In accordance with its development plan, drawn up on the basis of expert scientific advice, INTERHOLCO complies with the scale of diameters to be harvested and preserves the monumental trees. Several studies have shown that, just as in the fight against climate change, timber is the only building material that is at the same time sustainable, renewable, traceable and recyclable. The "SUSTAINABLE HARDWOOD, MADE IN AFRICA" produced by INTERHOLCO has a favourable carbon footprint and, in order to reduce CO<sub>2</sub> emissions, INTERHOLCO carries out a harvest that scientists have defined as having



Several scientific partners have joined this project which focuses on the use of drones.

a reduced impact (EFIR). In terms of timber processing, INTERHOLCO is the only company in the Republic of the Congo that produces glued laminated timber, a second transformation product that makes more efficient use of the tree. This also adds more value to timber products while increasing professional skills, employment and the promotion of new species.



# Government authorities and international organisations

INTERHOLCO regularly communicates with the authorities of

the Republic of the Congo about matters of compliance with the laws on governance and tax payments, permits for the construction of infrastructure and for transportation along various routes, and, of course, about forest protection. Between 2017 and 2019 INTERHOLCO also worked with the Ministry of Forest Economy and the Ministry of Mining to bring about the cancellation of permits for mining sites on the surface of the forest that INTERHOLCO manages in the Republic of the Congo.

INTERHOLCO protects the forest that it manages on behalf of the Congolese state; its role as manager of a resource that is of crucial importance for the Congo and the entire planet is therefore of paramount importance. This is why independent auditors are required to verify on the ground that the results of the procedures put in place are in line with safeguarding criteria.

Other bodies, including the FAO, EFI, CIRAD, etc., advocate the **adoption of sustainable forest management as a policy instrument,** given the contribution it can make to the UN's SDGs and the Paris Climate Agreement.

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<sup>12</sup> A cartographer in a certified forest in the north of the Republic of the Congo, Holz Zentralblatt, Number 23, p. 493, 7 June 2019









# International benchmarking





15 UPE ON LUNG

Companies committed to sustainable forest management in the Congo are doing their part to advance the life of Indigenous Peoples, like the Baaka, with dignity. In return, the Baaka are committed to working with companies to meet the region's timber needs while protecting their ancestral forest home.

FSC® International

INTERHOLCO uses the most widely internationally recognised certification schemes. Field audits are carried out by independent firms of experts.

These experts are consulted regularly in order to verify compliance with legal frameworks and the implementation of sustainable management, in accordance with the principles and standards of FSC® (forest management and traceability) and PEFC (traceability). The in-depth surveys that these independent auditors come to carry out in the field (once a year) make it possible to assess the effectiveness of the practices put in place and to identify any sensitive issues requiring improvement. INTERHOLCO is working with WRI to improve governance and transparency with regard to legality as part of the "Open Timber Portal"initiative. This is a free consultation website which publishes the documentation necessary to understand legality in the world of timber. The documentation is updated on an ongoing basis by sending the updated files published by the WRI.





#### Private sector

As a member of the ATIBT, the Belgian Federation of Timber Industries (FEDUSTRIA), working closely with the Timber Trade Federation

in the United Kingdom, the STTC, as well as the union of industries working in the Republic of Congo (UNICongo), INTERHOLCO regularly engages with other private sector operators on numerous occasions: forums, conferences, technical commissions, be it on transparency and ESG performance (SPOTT/Republic of the Congo), collaboration among federations and NGOs from different countries (ATIBT-ITTO/China forum) or marketing, by promoting the technical, social and ecological benefits of sustainable timber to timber federations (Germany, United Kingdom, Belgium, Denmark, Spain, France).

Among the recurring themes are respecting national legislation, procedures and international standards, promoting the benefits of "SUSTAINABLE HARDWOOD, MADE IN AFRICA" in the international press and on social networks and a narrative capable of showing the technical and human side of sustainable timber in the context of respect for the forest, animals and the climate.





#### Local and international media

INTERHOLCO is committed to a policy of total transparency and makes itself available for every interview request. Between 2017 and 2019, INTERHOLCO engaged in dialogue with journalists based in the United Kingdom, Germany, Spain, France, Gabon, the Netherlands, the Republic of Congo and Switzerland.

Several filmmakers also wanted to shoot documentaries in the Ngombé forest between 2017 and 2019.

INTERHOLCO facilitated discussions with local communities by providing interpreters with a command of local languages and dialects for reports.

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<sup>&</sup>lt;sup>13</sup> How the Indigenous Baaka of the Congo are saving forests, published by FSC® International on the website: https://fsc.org/en/news/how-the-indigenous-baaka-of-the-congo-are-saving-forests and on Medium: https://medium.com/@c.brown\_49572/how-the-indigenous-baaka-of-the-congo-are-saving-forests-224065ee9a08







The film "Paradise Preserved:

Congo – Protecting the Gorilla

Forests", filmed in the Ngombé

Forest, won the most prestigious

German nature film award in 2019.

The film won over the jury with its

"positive vision of how to protect

nature in the rainforest while at

the same time offering the local

perspective."14

population a long-term economic

The questions that the press addressed to INTERHOLCO concerned both quantitative and qualitative issues, focussing on:

 Sustainable forest management effectiveness in INTERHOLCO's forest concession;





 The protection of areas of high conservation value;

 The protection of wildlife, especially endangered species;





 Preserving the identity of indigenous peoples through the traditional use of certain trees;

 How FSC® principles and standards respect the rights of indigenous peoples;





The company's contribution to the UN's SDGs;

Norddeutscher RUNDFUNK (North German Radio)

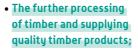
<sup>14</sup> Paradise with a Future: "A Positive Vision for Rainforests"
https://www.ndr.de/kultur/film/Deutscher-Naturfilmpreis-in-Wieck-verliehen,naturfilmfestival126.html

 The number of customers served by INTERHOLCO and their distribution;





 Equal opportunities, including nontraditional employment, for women in the Republic of the Congo;







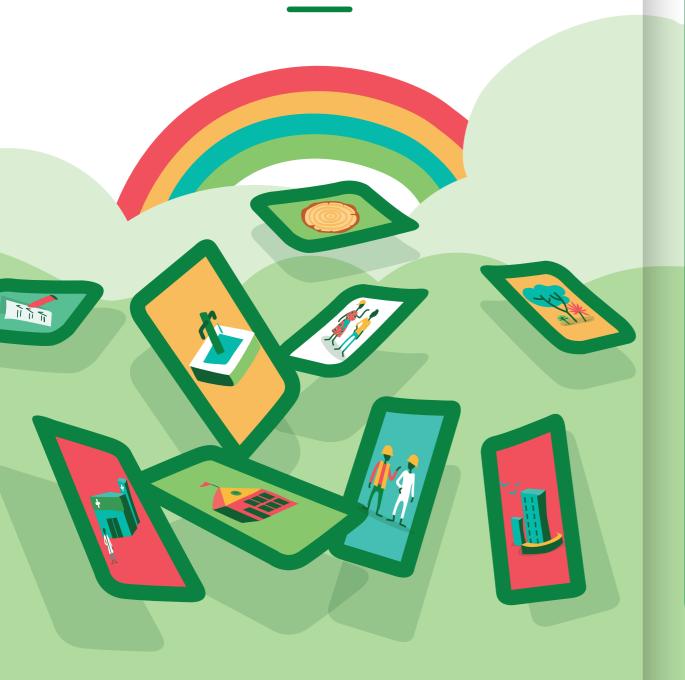
 The extent to which the monitoring of compliance with legal frameworks and/ or the certification of sustainable management can be trusted.

INTERHOLCO provided detailed responses to all, journalists and filmmakers alike, accompanied by appropriate documentation, including figures and financial data, links to key documents and studies, as well as photos and site maps of its activities in the Republic of the Congo.



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# THE VALUE OF THE ALLIANCE: A FOREST OF SOLUTIONS



#### Solution 1 ..... p. 41

"SUSTAINABLE HARDWOOD,
MADE IN AFRICA" helps to create
a united Green Deal not only
with forests and the climate, but
also with 16,000 inhabitants
of a remote region and urban
residents all over the world who
want certified, bio-sourced and
healthy materials.

#### Solution 2 ..... p. 45

"SUSTAINABLE HARDWOOD,
MADE IN AFRICA" gives value to
the forest while creating wealth
at the local and sub-regional
level and contributing to the
public treasury, in accordance
with the INTERHOLCO Code
of Conduct, the laws of the
Republic of the Congo and
international standards.

#### Solution 3 .... p. 46

"SUSTAINABLE HARDWOOD, MADE IN AFRICA" is a forest of solutions stemming from an ALLIANCE culture, where commitment is transformed into industry excellence.

#### Solution 4 ..... p. 48

More than 1,000 fair trade job opportunities provide 10,000 people with the means to build their future with dignity in one of the most remote regions of the Republic of the Congo.



#### Solution 5 ..... p. 52

A high-quality basic infrastructure ensures unimpeded access to health care. People from all social backgrounds are welcome at the company's medical centre. Company protocol allows vulnerable groups to use medical services free of charge.

#### Solution 6 ..... p. 55

Culturally sensitive education for more than 100 indigenous children and high-quality vocational training empowers local people to choose their life paths.

#### Solution 7 .... p. 58

Drinking water is available to all free of charge in the village of Ngombé; the water and soil can be used safely by local residents thanks to carefully monitored wastewater treatment.

#### Solution 8 ..... p. 61

An integrated HSE management system is in place to ensure that more than 1,000 workers are kept safe in line with international standards.
Subcontractors working on the site are also instructed through training courses provided in local languages as to what measures must be taken.

#### Solution 9 ..... p. 65

Indigenous communities have the means to preserve their culture, natural resources and lifestyles thanks to the creation of a mechanism to achieve FPIC (Free, Prior and Informed Consent), which aims to incorporate all the inhabitants of local villages in decisionmaking.

#### **Solution 10 ... p. 72**

Natural ecosystems measuring three times the surface area of Belgium are protected. The natural capital of the forest remains intact.

#### **Solution 11** .. p. 80

The forest is protected not only in protection zones or those with high conservation value, but also in harvesting areas where 0.5 to 1 tree per hectare is harvested on the equivalent of 2 football fields, once every 30 years.



Given the widespread adoption of forest concessions in tropical regions, reviewing and framing them as appropriate forest policy instruments to deliver SFM offers opportunities for turning concessions into effective vehicles to address the SDGs, as well as Nationally Determined Contributions under the Paris Agreement. 15

• FAO and EFI•

This chapter focuses on how the ALLIANCE culture and the measurement of value created over time have enabled INTERHOLCO to identify solutions to improve its operations and efficiency. These solutions were identified on the basis of the questions, needs, challenges and aspirations that INTERHOLCO collected from stakeholders between 2017 and 2019, landscape by landscape.

INTERHOLCO has in fact transformed the experience of stakeholders into a genuine management tool, capable of delivering solutions. The criteria used to identify solutions were relevance, availability of quantifiable data across social, environmental and economic landscapes and applicability to SFM and/or to the development of policies, norms, standards, international agreements and anything else that converges in a regulatory landscape.

In order to identify the wider context in which INTERHOLCO operates, this chapter also presents data from reports, studies and statistics, most of which are available online. This overview is supplemented by an outline of the UN's Sustainable Development Goals (SDGs), to which the solutions chosen by INTERHOLCO make a tangible contribution.



# Solution

"SUSTAINABLE HARDWOOD, MADE IN AFRICA" helps to create a united Green Deal not only with forests and the climate, but also with 16,000 inhabitants of a remote region and urban residents all over the world who want certified. bio-sourced and healthy materials.



ccording to the STTC (Sustainable Tropical Timber Coalition), an EU commitment to sustainable tropical timber could contribute to deforestationfree supply chains and help meet

climate change mitigation goals: "In order to achieve the above impacts, NGOs, governments and the private sector in EU timber importing countries not only need to commit to 100% sourcing of verified sustainable tropical timber, but also promote the use of sustainable tropical timber as a material, and encourage market growth.16"

The Congolese have adopted European standards to deliver their concept of elegance through SAPE. As Elvis Guérité Makouezi explains: "SAPE is an abbreviation of the Société des Ambianceurs et des Personnes Élégantes (the Society of Ambianceurs and Elegant People). It is an initiatory society which has its customs and habits, but which is also an art [...]. a way of being, of dressing, of behaving, while embracing non-violence."



In 2019, INTERHOLCO took part in a public consultation launched by the European Union on the issue of deforestation and forest degradation. 17 while reiterating, on the one hand, the holistic nature of sustainable management of natural forests in Africa in light of the coexistence of several landscapes (economic, social, environmental and regulatory), and on the other hand, the urgent need to adopt regulatory and financial measures adapted to the parties responsible for the tropical timber sector<sup>18</sup>. Between 2017 and 2019, INTERHOLCO also raised international awareness of SFM's contribution to SDGs and the Paris Climate Agreement at high-level international conferences (Highlevel conference on deforestation / FAO, Italy; Innovation forum / United Kingdom; Swiss green economy symposium / Switzerland).



<sup>&</sup>lt;sup>15</sup> FAO and EFI. 2019. Making forest concessions in the tropics an instrument to achieve the 2030 Agenda: Voluntary guidelines, by Y.T. Tegegne, J. Van Brusselen, M. Cramm, T.Linhares-Juvenal, P. Pacheco, C. Sabogal and D. Tuomasjukka. FAO Forestry Paper No. 180,

<sup>16</sup> https://www.idhsustainabletrade.com/uploaded/2020/10/IDH-Unlocking-sust-tropical-timber-market-growth-through-data\_MM.pdf <sup>17</sup> https://ec.europa.eu/environment/forests/eu\_comm\_2019.htm <sup>18</sup> https://interholco.com/en/rss-feed-en/20-company-2019/159-political-financial-and-economic-strategies-critical-to-fight-deforestation







INTERHOLCO invested heavily in the launch of the "Fair&Precious" campaign in 2017, together with other timber producers who respect the highest standards of sustainability<sup>19</sup>. The initiative, led by the ATIBT with the support of Germany and France, targets the main countries within the European Union that import African timber, including Belgium, France, Germany, Italy, the Netherlands, Spain and the United Kingdom, which account for around 90 % of imports<sup>20</sup>. The "Fair&Precious" campaign aims on the one hand to make the general public aware of the benefits of sustainable timber: protection of biodiversity, climate and species habitats, professional training, showcasing of a natural, healthy material with excellent properties, construction of infrastructure and respect for human rights. On the other hand, it also endeavours to encourage people to choose certified timber as an environmentally-friendly gesture through traders who adhere to the approach by making certified sustainable timber available to customers.

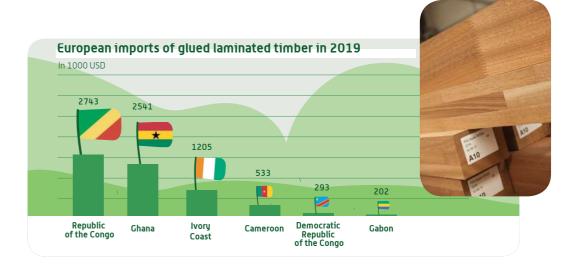


Let yourself be inspired by "SUSTAINABLE HARDWOOD. MADE IN AFRICA", its remarkable properties make it the best choice for a creative, eco-friendly and healthy project that you can be proud of.

> Pierre-Yves BELLEC Head of Carpentry, IFO



INTERHOLCO seeks to offer customers a token of confidence in its practices. The SPOTT ranking (an initiative led by the United Kingdom and Norway among others<sup>21</sup>) assesses the transparency of around one hundred timber-producing companies in the tropics in relation to ESG criteria, including respect for the environment, human rights and governance. For the third consecutive year, in 2019 INTERHOLCO took first place in the SPOTT<sup>22</sup> ranking, with over 94 % transparency, assessed across more than one hundred indicators.



In order to comply with the European Union Timber Regulation (EUTR) and to minimise risk in relation to third party procurement, INTERHOL-CO ensures that all its suppliers undergo on-site legality checks. Between 2017 and 2019, INTER-HOLCO also supported third party suppliers based in Central Africa, specifically in Gabon and the

DRC, in bringing themselves up-to-date in order to acquire certification for their forest management model. To date, one further supplier has been certified for legality/due diligence and four suppliers are in the process of obtaining legality certification.

A rapid shift towards sustainable timber could have wide-ranging consequences for the world's tropical forests - if the EU28 sourced 100% verified sustainable, it could positively impact an additional 11.7 to 13.4 million hectares of tropical forest. Based on the assumption that certification will prevent premature re-entry logging in the areas it covers, the EU trade in certified tropical timber has the potential to mitigate 55 to 88 million metric tons CO<sub>2</sub> a year.<sup>23</sup>

> Marc VAN BENTHEM **Director. Probos**

<sup>19</sup> https://www.fair-and-precious.org/en

<sup>&</sup>lt;sup>20</sup> hups://www.idhsustainabletrade.com/uploaded/2020/10/IDH-Unlocking-sust-tropical-timber-market-growth-through-data\_MM.pdf

<sup>21</sup> https://www.spott.org/about/

<sup>&</sup>lt;sup>22</sup> https://www.spott.org/timber-pulp/interholco-ag/

<sup>&</sup>lt;sup>23</sup> Mapping Europe's sustainable tropical timber footprint and growing its global impact: https://www.gtf-info.com/uncategorized/mapping-europes-sustainable-tropical-timber-footprint-and-growing-its-global-impact/

According to market analyses by the STTC, ITTO and the EU's FLEGT-IMM unit, the most popular "SUSTAINABLE HARDWOOD, MADE IN AFRICA" products in Europe are high-quality processed products, which have the advantage of using more of the tree while ensuring better stability and performance.

INTERHOLCO invests in increasing the yield of timber out of respect for the forest and in the interest of optimising production. In 2019, 85% of the timber harvested in the Ngombé Forest was processed on site. A hundred or so employees in the recovery workshop have the task of sorting the timber that comes out of the first stage of processing. Following meticulous controls, most of the timber sections are prepared for processing into longer and stronger

In order to design, renovate, build and live differently, the solutions are not only technical but also, and almost above all, social and cultural. Architectural and urban projects are at precisely this crossroads. Architects have a responsibility to use all their skills to meet these challenges. The design is the first challenge of a green building and a sustainable city.<sup>24</sup>

Catherine JACQUOT
President of the French Order of
Architects 2013-2017

engineered wood products in the glue-laminated timber workshop. Glued laminated timber is a popular product on the European market, where it is used for its stability, durability and mechanical strength. **Between 2004 and 2018, the demand for glued laminates increased** in the Netherlands, Belgium, Germany, France and United Kingdom<sup>25</sup>.



Mr. Damien, Head of the Glued Laminated Timber Workshop, an engineered product with superior strength.



Mr. Blanchard, Head of the Timber Recovery Workshop, makes sure to optimise the use of the timber by selecting the pieces that are most suitable for further processing.

# Solution &

"SUSTAINABLE HARDWOOD, MADE IN AFRICA" gives value to the forest while creating wealth at the local and sub-regional level and contributing to the public treasury, in accordance with the INTERHOLCO Code of Conduct, the laws of the Republic of the Congo and international standards.



NTERHOLCO follows a strict "zero tolerance" policy with regard to anti-corruption measures. Employees in high-risk positions, such as staffin charge

of procurement and purchasing for production, sales staff and finance and human resources personnel, are required by internal policy immediately to communicate to their superiors any actual or potential failure in the handling of a file. At the same time, all employees are required by the Code of Conduct to report breaches, actual or potential, including corruption. To this end, INTERHOLCO has approved a complaint resolution mechanism<sup>26</sup>.

As a general rule, INTERHOLCO also ensures that the suppliers with which the Company collaborates act in accordance with its commitments and values. When signing a contract, the supplier must confirm that they comply with INTERHOLCO's forest management and responsible procurement policy.

Before a contract is signed with INTERHOLCO, the **supplier's premises are inspected** in order to ensure that it has already implemented the same commitments as INTERHOLCO. With more than 50 years of experience in Africa, INTERHOLCO knows



which suppliers must be excluded as a matter of principle. Suppliers are assessed by means of interviews and checks at the nearest FMU.

INTERHOLCO's assessment tool is a compliance audit model certified by Control Union that meets the Due Diligence requirements of the EUTR. It aims to verify the compliance of suppliers with the same commitments and principles of INTERHOLCO on the ground. The criteria are derived from the Control Union TLV standard. During the period covered by this report, any major discrepancies with subcontractors or suppliers were remedied or the cooperation was discontinued.

As mentioned above, since 2016 INTERHOLCO has been participating in the reports compiled by the Extractive Industries Transparency Initiative (EITI) in the Republic of the Congo. Within the scope of the report, an external and independent firm records and analyses all substantial payments made to the government by companies in the oil, forestry and mining sectors. The report also publishes the revenues from these companies declared by the state and identifies any discrepancies.

According to the EITI, in 2017 direct contributions from the extractive sector generated 40.83% of the revenues of the public treasury (354,160 million CFA) in RoC.

<sup>&</sup>lt;sup>24</sup> Architecture and climate change: the climate of the future. Catherine Jacquot's introduction to the colloquium organised in Marrakech to mark the opening of COP 22: https://www.architectes.org/sites/default/files/atoms/files/colloque\_marrakech\_cop\_22\_-\_introduction\_de\_catherine\_jacquot.pdf

<sup>&</sup>lt;sup>25</sup> http://www.stats.flegtimm.eu/

<sup>&</sup>lt;sup>26</sup> https://interholco.com/en/about-us/governance



The oil sector remains in first place with a total contribution of 327,334 million CFA, equating to 92.43% of revenues from the extractive sector, followed by the forestry sector with a total contribution of 25,149 million CFA (7.10%) and the mining sector with a total contribution of 1,678 million CFA (0.47%).

At Transparency International, we support and are partners of the Extractive Industries Transparency Initiative. This initiative, which was launched in 2003, was specifically designed to promote good governance.<sup>27</sup>

Huguette LABELLE Chair of the Board of Directors, Transparency International



In 2019/2020, INTERHOLCO's RoC subsidiary IFO took over the chairmanship of the timber industry association UNICongo. The vision of a future through timber is to offer local employment and training, to add value to the product and to protect the forest.

# Solution

"SUSTAINABLE HARDWOOD, MADE IN AFRICA" is a forest of solutions stemming from an ALLIANCE culture, where commitment is transformed into industry excellence.



n early February 2020, an EU Conference on Forests for Biodiversity and Climate was held in Brussels.<sup>28</sup> At the opening session on 5 February, six panelists from Germany.

Brazil, Ivory Coast, the United States, Gabon and Vietnam drawn from governments, the United Nations, civil society and the private sector set out the principles for a successful partnership:

- Stakeholders need to come together around a common vision;
- The commitment must be real and shared;
- Everyone must shoulder their responsibilities;
- The partnership must be long-term;
- Forests are ecosystems, and the social landscape of an ecosystem must not be forgotten;
- Forest management yields highly profitable products;
- Changes in forest use are often driven by livelihood issues;
- Identify each other's interests through dialoque;
- Dialogue is essential in order to understand what each party has to lose or gain;
- A win-win model is needed;
- Planning operations to ensure that they lead to the desired results;

- Incentives (due diligence among others) can accelerate change;
- Partnerships are about increasing value.

At INTERHOLCO, partnerships are developed through genuine ALLIANCES. First of all, in taking into account the concerns and wishes of stakeholders. Then, through the development of appropriate strategies, because INTERHOLCO also draws on other expertise. This new ALLIANCE model is based on communication with stakeholders, in a genuine dynamic of listening and sharing.

The vision of the ALLIANCE as conceived by INTERHOLCO is to make "SUSTAINABLE HARDWOOD, MADE IN AFRICA" no longer a simple product derived from forests, but a forest of solutions.

To no longer accept the current situation: to slow down the rate of climate change and reduce the use of energy-intensive materials such as concrete and aluminium, and to mark a radical turning point: to give value to natural forests, promote social equity and build the future with a renewable, recyclable, sustainable, traceable and carbon positive material, "SUSTAINABLE HARDWOOD, MADE IN AFRICA".



The faces of the future of the Congo.

**Economic success** is then regenerated as a **positive force for change** with the aim of **protecting** the environment, the climate and **social justice**; a driving force capable of writing another story.

A story in which forests are at the heart of people's lives, providing direct and indirect employment, social benefits and access to quality basic services. A history in which Africa is no longer simply a stakeholder to be listened to or taken into account, but a key player, indeed the protagonist, of its future and its history.



I write because I am African, a man with millions of years of history. I write to introduce into the world's imagination beings, landscapes, seasons, colours, smells, tastes and rhythms that are absent from it. To tell the world about the four seasons, the dry seasons and the rainy seasons; to tell the sky of the Big Dipper about that of the Southern Cross.

Henri LOPES, Prime Minister of the Congo 1973-1975 Ambassador of the Republic of the Congo in France 1998-2016 Writer

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<sup>&</sup>lt;sup>27</sup> Huguette Labelle "The importance of good governance in the management of public affairs and particularly for state enterprises": https://www.transparency.org/en/

<sup>&</sup>lt;sup>28</sup> https://ec.europa.eu/info/events/international-conference-forests-biodiversity-and-climate\_en





# Solution

with dignity in one of the most remote

regions of the Republic of the Congo.

More than 1,000 fair trade job opportunities provide 10,000 people with the means to build their future



he employment situation in RoC has developed very erratically and in sharp contrast to the country's wealth potential. According to UNECA, the proportion of

the population in RoC living below the poverty line (1.25 USD a day) fell from 50.1% in 2005 to 46.5% in 2011. The incidence of poverty, which affects women more than men, is 74.8% in rural areas compared to 32.3% in urban areas<sup>29</sup>.

According to a UNDP study, the overall unemployment rate has dropped from 19.4% in 2005 to 6.9% in 2011, suggesting the existence of positive dunamics in job creation; however, this hides a significant level of underemployment, which affects almost one in three employees<sup>30</sup>. According to the International Labour Office [ILO]<sup>31</sup>, the unemployment rate is 11.3% across all six communes of the Congo. It affects women to a greater extent than men [12.6% compared to 10.3%]. Brazzaville and Pointe-Noire have the highest unemployment rates [11.3% and 9% respectively). The unemployment rate in three other municipalities (Dolisie, Nkayi and Ouesso) is lower than 5%. The UNDP also warns of a hidden phenomenon: almost one in three employees is believed to be underemployed. However, the

cost of living in RoC is high: food expenditure in a big city like the capital Brazzaville is around 50 € per person per month. One kilo of oranges at the height of the season amounts to 2,000 CFA, or 3 €. A kilo of bananas costs 1.5 €. Dessert, for example a mango at 0.45 € each, is considered a luxury. The average price of a three-bedroom flat is 75 €/month<sup>32</sup>. This does not include the cost of medical insurance, children's schooling and transport.

#### INTERHOLCO offers the following to employees living in the village of Ngombé in RoC:

 An entry-level wage of 173 €/month. 210% higher than the starting wage in RoC [82€/month]33





- Safety equipment adapted to the tasks/duties of the employee
- Medical insurance covered by the company for the benefit of the employee's family, including the husband/wife, children and close relatives living in Ngombé





contributions and a pension plan

Social security



• Free access to drinking water and electricitu 34



 Production bonuses for employees and performance bonuses for managers



vast library with thousands of volumes, where children as well as IFO employees and the local community can take free computer and language courses



 A three-room property in the village of Ngombé, or bu default a housing allowance



 Vocational training to develop an employee's skills, enabling him or her to gain access to a position with better pay.

- Free access to a
- Access to school education for children in the village of Ngombé, in the local school run by the company.
  - Access to safe and quality health care at the medical and social centre set up by the company in the village of Ngombé



It is not only public positions that can give value to a person. You can find your life in timber. This profession, once learned, can also help you to travel: in Gabon and Cameroon, timber is always at the forefront. My children attend school. As long as I work, I am able to support them. I have a daughter who is studying law at university. It was her preferred option. She's going to be a lawyer and well, that's her choice!

> Bienvenu GBA LONDO Heavy timber mill, IFO

34 These data refer to the year 2019.

**48** 

<sup>&</sup>lt;sup>29</sup> https://www.uneca.org/sites/default/files/images/ORIA/CP/congo.pdf

<sup>30</sup> https://www.cg.undp.org/content/congo/fi/home/library/poverty/etude-sur-la-vulnerabilite-de-l-economie-congolaise-et-ses-persp1.html

<sup>31</sup> With regard to employment, the information on unemployment comes from the second survey on employment and the informal sector, conducted in 2014 in the six communes of the Congo among people aged 15 and over: https://www.uneca.org/sites/default/files/images/ ORIA/CP/congo.pdf.

<sup>&</sup>lt;sup>32</sup> hups://lesechos-congobrazza.com/economie/2399-brazzaville-cout-de-la-vie-le-panier-de-la- menagere-de-plus-en-plus-difficile-a-garnir

<sup>33</sup> These data refer to the year 2019.



#### Ngombé

Over time, the company's presence has attracted an estimated 10,000 people to the village of Ngombé. Job creation, vocational training and access to quality basic services have enabled INTERHOLCO to open up the village of Ngombé, located more than 900 km from the capital, Brazzaville:

9

**of the population** is under 35 years of age

98 %

are of local origin; 2% come from other countries

1253

people work

for the company in 2019 (including subcontractors)

7500

people with rights linked to the company (estimate 2019) INTERHOLCO's presence also creates **jobs indirectly**. INTERHOLCO invests in developing infrastructure and guarantees access to basic services, including schools, a medical and social centre, a library, housing, access to drinking water and electricity. In this way, INTERHOLCO supports the sale of materials and the provision of the corresponding services. By way of an example, in 2019 INTERHOLCO invested more than 90% of its expenditure at local and subregional levels, specifically in services (e.g. local suppliers, transport, etc.) and supplies (e.g. fuel, spare parts, food, etc.). All this helps to develop a local and sub-regional market.





In the village of Ngombé, you can buy FSC® paper from Madame Mariane.

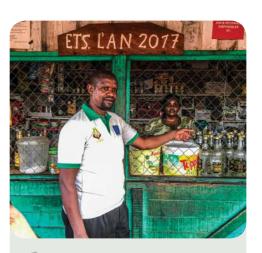
Due to its geographical proximity to **fragile and war-afflicted countries**, by the end of 2016<sup>35</sup>, RoC was hosting 54,000 refugees and asylum seekers, mostly from the DRC, Central African Republic and Rwanda. The shops in the village of Ngombé are run by Rwandan, Cameroonian and Congolese (DRC) traders who have found their vocation in the **services they provide to the local community**: hairdressing salons, where clients choose their hair with the help of a tablet, cafés and restaurants, nightclubs, a market, sewing workshops, grocery shops, small shops, several churches and mosques, hardware shops, card or telephone credit card dealers and more.



INTERHOLCO is also responsible for the construction and maintenance of permanent roads.

According to the World Bank, "roads are the arteries through which the economy pulses. By linking producers to markets, workers to jobs, students to school, and the sick to hospitals, roads are vital to any development agenda.<sup>36</sup>"

In October 2019, the Managing Director of IFO (a subsidiary of INTERHOLCO) signed an agreement with the Congolese state. The objective is to participate in the construction of a road to link the north of the country directly with the port of Pointe-Noire. This 1,460 kilometre-long road was the main route out of Brazzaville towards the north of the country at a time when the N2 highway had not yet been asphalted. Once completed, the road will make it possible to cross the Alima River by ferry. For more than 20 years, it has only been possible to cross the Alima River by dugout canoe.



We left Rwanda in 1994, stayed in Zaire until 1997 and then we came to the Congo. In Rwanda I ran a business and here I am trying to do the same. We are fighting for our children, who are at school in Brazzaville. We have three children, born in 1999, 2004 and 2011. It takes a lot of time and money to support them. We sell bread, drinks and rice here - basic products tailored to our customers' requirements. A whole bag of rice, weighing 25 kilos, can be bought for 25,000 CFA - it is the most expensive product.

Jean-Marie Vianey ZABILINDA A Rwandan refugee, who has been running a food shop in the village of Ngombé since 2014

● 50 ●

 $<sup>^{35}</sup>$  Data provided by the Office of the United Nations High Commissioner for Refugees.

<sup>36</sup> Claudia Berg, Üwe Deichmann, Harris Selod How Roads Support Development', World Bank blogs: https://blogs.worldbank.org/ developmentalk/how-roads-support-development



# Solution

A high-quality basic infrastructure ensures unimpeded access to health care. People from all social backgrounds are welcome at the company's medical centre. Company protocol allows vulnerable groups to use medical services free of charge.



The healthcare situation is at the heart of a country's social and economic development issues. The WHO Global Health Workforce Alliance reports that the

Republic of the Congo has a low density of health workers: 0.28 doctors and 1.91 nurses and midwives per 10,000 inhabitants. Rural areas in the north of the country have the fewest health workers, especially doctors (between 1.1% and 2.6%). The geographical distribution of these healthcare professionals is uneven: 66% of doctors, 42% of paramedical staff and 28% of hospital beds are located in Brazzaville, which is home to 37% of the population <sup>37</sup>.

Malaria remains the leading reason for consultation and hospitalisation of children in the Congo, where the disease kills around 21,000 children under the age of five every year<sup>38</sup>. Although the statistics are incomplete, an analysis<sup>39</sup> by the London School of Hygiene and Tropical Medicine<sup>40</sup> on behalf of the WHO estimates that substandard and counterfeit antimalarial drugs could cause an additional 116,000 deaths each year. Scientists suggest that poor quality medicines contribute significantly to mortality rates in children under five. The Congo is dependent on foreign countries for medicines. While the proliferation of substandard or falsified<sup>41</sup> medical products is a very lucrative market worldwide, 42% of reports come from sub-Saharan Africa, 21% from the Americas and 21% from the European region.

In order to tackle this phenomenon, INTERHOLCO is diversifying its procurement of medicines through a process of due diligence. INTERHOLCO gives preference to suppliers both within the Republic of the Congo and internationally, and also to those used by reputable NGOs, international donors and even the WHO.

The Medical and Social Centre (CMS) managed by INTERHOLCO, located in the village of Ngombé, aims to ensure access to essential health services for the entire local population, particularly the 10,000 inhabitants of the village and the 6,000 inhabitants of the forest, including indigenous people. The CMS is led by a medical surgeon trained at the Faculty of Health Sciences in Brazzaville.

There are more than twenty qualified members of staff at the CMS. The CMS provides healthcare services directly to the residents of Ngombé as well as the inhabitants of the Ngombé forest, including indigenous peoples, who enjoy free access to care. By way of comparison, in Ngombé there is also a state-built Integrated Health Centre (CSI), which lacks access to water and electricity. In 2019, the CSI was headed by a nurse assisted by three people.



The volunteers of the Ewawa Association, which was set up by IFO employees, intervene with **financial assistance to support people in distress**.



The Medical and Social Centre (CMS),
managed by INTERHOLCO
and situated in the village of Ngombé,
aims to ensure access for the local
population as a whole, in particular for the

10000

residents of the village and the

6000

inhabitants of the forest, including indigenous peoples, to essential health services.



In 2019, the CMS admitted more than 12,500 patients.

● 52 ● ■ 53 **●** 

<sup>37</sup> https://www.who.int/workforcealliance/countries/cog/en/

<sup>38</sup> J.É., Moboula, Impact des dépenses de santé sur le paludisme de l'enfant de moins de cinq ans et la mortalité infanto-juvénile, in Population, santé et développement au Congo, L'Harmattan, 2014

<sup>39</sup> Study on the Socio-Économic and Public Health Impact of Substandard and Falsified Medical Products', World Health Organization 2018: https://www.who.int/medicines/regulation/ssffc/publications/SE-Study\_FR.pdf

<sup>40</sup> https://www.lshtm.ac.uk/research

Al Since 2017, the World Health Organisation (WHO) has abandoned the term "counterfeit", which is largely linked to the concept of intellectual property rights, in favour of the term "inferior or falsified medical product", which is better suited to public health issues.



The charity bears the name "Ewawa", which means "Tired, tired" in Lingala. We are all old friends, football players who decided to create a support, friendship and solidarity group. We meet every Sunday and first we play, then we talk and try to find solutions. There are both men and women at Ewawa. We have monthly membership fees of up to 1,000 CFA per member. If a friend is ill and hospitalised and has to stay in hospital for more than three days, we each contribute 1,000 CFA. When there is a happy event, such as a member's customary marriage, we contribute 5,000 CFA each. If it is an official wedding, we contribute 10,000 CFA each. When a member is affected by an event, be it painful or happy, friends come to help. Afterwards, we can play to maintain our health and well-being.

> Sami MBOTE Cartographer in the Planning and **Environment Department, IFO**



In March 2019, INTERHOLCO participated in the national measles vaccination campaign, making CMS staff and cars available to several indigenous families and their children living outside the village of Ngombé<sup>42</sup>.



Madame Ayoko, a midwife working for INTERHOLCO's CMS, with an indigenous mother and her child during the national measles campaign.

The materials and vaccines used were provided by GAVI the Vaccine Alliance, UNICEF and the WHO, enabling the campaign to reach remote communities with medicines and vaccines to protect children aged between nine months and 14 years. According to the WHO, measles is a very easily preventable but potentially fatal disease. Measles is extremely contagious - more so than Ebola, tuberculosis or influenza. Once contracted, there is no specific treatment. The vaccine is therefore vital for children.

With this vaccination campaign, Congo's young people will be protected against one of the world's most serious health threats to children.43

> Dr Matshidiso MOETI **WHO Regional Director** for Africa



Culturally sensitive education for more than 100 indigenous children and quality vocational training empowers people to choose their life paths.



mong all the developing Aregions, sub-Saharan Africa has made the greatest progress in primary school enrolment, increasing from 52% in 1990 to 78% in 201244

In terms of educational attainment, the Republic of the Congo is considered to be one of the countries with the best education levels in the Central African sub-region. The gross enrolment rate is 89% in primary school, 64.9% in middle school and 32% in high school. However, there is a problem with the quality of the education and the suitability of training for employment, as well as issues of inequality that are to the detriment of rural communities and indigenous populations<sup>45</sup>. Data on the adult literacy rate show a gap between men (with a literacy rate of 86.1%) and women (with a literacy rate of 74.6%)<sup>46</sup>.

<sup>42</sup> https://interholco.com/en/media-news/news/182-the-wood-that-keeps-forest-children-safe

<sup>&</sup>lt;sup>43</sup> hups://www.afro.who.int/news/republic-congo-starts-vaccinating-22-million-children-against-measles-and-rubella <sup>44</sup> hups://www.africa.undp.org/content/rba/fr/home/sustainable-development-goals/goal-4-quality-education.html

<sup>&</sup>lt;sup>65</sup> https://www.cg.undp.org/content/congo/fr/home/library/poverty/etude-sur-la-vulnerabilite-de-l-economie-congolaise-et-ses-persp1.html

<sup>46</sup> https://www.cia.gov/library/publications/the-world-factbook/geos/cf.html



I come from Pointe-Noire. My
father worked for the oil company
Total. We used to say to ourselves
that people can live well thanks
to oil. But when I came to join my
husband here, I found that the forest
is a great wealth for this country and
for our home. The forest has enabled
us to help our children to travel: they
have gone to study in Ivory Coast
and Senegal. I even have a daughter
who went to live in France. The forest
means everything to us.

Diane TCHIKAYA
Administrative Assistant to the
Directorate General. IFO



Pupils at the school for indigenous children in Ngombé Carrefour

INTERHOLCO contributes to the upkeep of the official school in the village of Ngombé. The company has enlisted the support of UNICEF for the nursery school. The indigenous school built by the company in the village of Ngombé Carrefour can count on the support of UNICEF (provision of school supplies and teachers' salaries) and the WFP (food for the school canteen). In the 2018-2019 school year, 140 students aged 6 and older attended school, of which 88 were boys and 52 were girls.

As regards the indigenous school, the company has taken charge of the construction of the buildings and classrooms, maintenance, the provision of benches and desks, the supply of a school canteen and a drinking water well, as well as bonuses for the two teachers (one male and one female) and for the school director.



There is a significant deficit in the Republic of the Congo in the field of vocational and skills training. Companies cannot find enough trained personnel in different aspects of the forestry, timber and wildlife sectors. Continuous on-the-job training has been the best strategic asset for years. In addition to mentoring procedures (briefing, coaching and training of a new employee by one or several more experienced employees, who are responsible for developing and assessing the abilities of the new employee), INTERHOLCO is also committed to developing staff by assigning them to other tasks in order to optimise everyone's abilities (including changing or adapting tasks in the event of illness).



INTERHOLCO not only provides training courses focusing on compliance with regulations at work (anti-corruption, Code of Conduct, HSE, human rights, certification), but also professional training to gain confidence in people capable of evolving within the company. Two new training cycles started in September 2019. These courses are designed to develop skills that allow apprentices to be hired and employees to move up to a higher category. The course lasts for two years and consists of one hundred hours of theory and three months of practical lessons per year. The theoretical part of the courses is delivered by staff with the required level of skills - if necessary, Mr Joss LAHADY from Madagascar, who has come to reinforce the teams in the maintenance workshop, takes care of this.



I had studied to become an accountant at the local technical college. The war of 1997 made me flee Brazzaville; my family scattered. I was not able to finish the apprenticeship cycle. I was just a simple unemployed person, a scavenger.

At IFO, I transformed myself into a forester. I was trained by former foresters. Monitoring teams had to be trained and I was selected among the best. After three months, I was appointed team leader because of my ability to learn things. At IFO I am a trade unionist, employee representative and member of the occupational safety team. I am married and a father to six children.

Calixte ITOUA ONDZE Head of Monitoring Teams, with IFO since 2004

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# **Solution**

Drinking water is available to all free of charge in the village of Ngombé; the water and soil can be used safely by local residents thanks to carefully monitored wastewater treatment.



The Republic of the Congo has one of the densest river systems in the world and has abundant rainfall, with a potential of 88,196 m³ per year per inhabitant. However,

the **lack of basic infrastructure** leads to serious shortages. While just 60% of sub-Saharan Africa had access to drinking water in 2008, the Republic of the Congo is below this average,

with an estimated 47% of the population having access to drinking water in urban areas in 2005 and 16% in rural areas in 2010. The Congolese state set itself the challenge of providing access to drinking water to 90% of the rural Congolese population through the "Water for All" initiative, launched in 2013. Over time, the project set up by a Brazilian company found itself confronted with poor maintenance of the facilities once the state funds had run out: faulty taps, theft of the solar panels, technical malfunctions.

According to a report by the Global Water Partnership, the RoC lacks "infrastructure for production (factories, pumping stations, etc.), treatment (chemicals in particular), storage (water towers), distribution (pipelines, standpipes) and marketing (taps)". Today, access to water is mainly through informal networks, notably by means of private boreholes.<sup>47</sup>

INTERHOLCO wanted to supply the 10,000 inhabitants of Ngombé with free drinking water



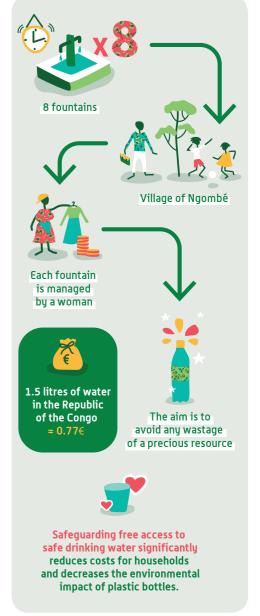
**58** 

47 https://observers.france24.com/fr/20140228-congo-eau-est-partout-sauf-robinets-brazzaville-djiri-II



every day via 8 fountains, facilitating access to **safe water** for everyone, including the most deprived. Each fountain is managed by a female resident of Ngombé, who receives a uniform and a salary from the company. Residents are encouraged to use the wells between certain hours, which are indicated on a sign on each well. The aim is to **avoid any wastage of a precious resource**.

The average price for a 1.5-litre bottle of water in the Republic of the Congo is 0.77 €. Ensuring free access to safe drinking water significantly reduces costs for households and decreases the environmental impact of plastic bottles.







hen it comes to the purification of waste water (domestic, rainwater and industrial), the personnel at the industrial site in RoC for which INTERHOLCO is

responsible check that there is no pollution in the water before it is discharged into the natural environment. This minimises the risk of damaging the environment. The company carries out daily water analyses, specifically testing acidity/basicity (for a pH between 6.5 and 9). IFO also carries out regular analyses of its waste water, in particular BOD/COD (Biological/Chemical Oxygen Demand, maximum 25 mg/l, an indicator for checking whether water has been contaminated by organic products). In the absence of a specific RoC framework, the standards used by IFO are the same as those used in Europe that were established by the European

Even though I am single, working at IFO allows me to be totally independent and to continue to help my family.

Jeanne Victoria NOUZOLO

Manager of the public fountains
in the village of Ngombé since 2014

Union. 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. The toilets in the employees' camp are connected to septic tanks and cesspools to avoid pollution.



An integrated HSE management system is in place to ensure that more than 1,000 workers are safe, in line with international standards. Subcontractors working on the site are also instructed through training courses provided in local languages as to what measures must be taken.





The forest vocation is passion and professionalism above all else: "There is a difference between the person (who I am, my identity, my name) and the personality (the positions one

holds within the company, the title). I work the way I want my work to develop, and not as my title dictates", was a constant reminder to Jean-Paul BELINGA ZE, Operations Manager with IFO until 2019. A forestry engineer of Cameroonian origin, he was known for his exemplary devotion to a job he loved. INTERHOLCO deeply mourns his death in a car accident in 2019.

According to the ILO, forestry continues to be one of the most hazardous industrial sectors in most countries, with a high risk of occupational accidents, both in frequency and severity.

Between 2017 and 2019, the INTERHOLCO

production site saw an increase in the frequency of accidents at work. Older employees had fewer accidents than younger employees, but those that did occur were more serious.

INTERHOLCO has implemented strict measures with regard to **safety at work.** A new HSE

manager with a background in the oil industry has been recruited for his skills and command of French and Lingala.

After drawing up a risk analysis, the HSE manager worked in close consultation with INTERHOLCO to develop detailed procedures, taking into account the ILO guidelines on health and safety in forestry work. INTERHOLCO has consequently introduced an integrated HSE management system based on internationally recognised standards: ISO 9001 for quality, OHSAS 18001 (equivalent to ISO 45001) for health and safety and ISO 14001 for environmental management.

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HSE procedures target the entire production site, both in the forest and in the processing workshops. Reminder sessions are aimed at employees and subcontractors to ensure that they are properly informed of the risks associated with their activity and trained in the necessary precautions to be taken to avoid accidents and harm to health. Safety is achieved through prevention, from differentiating between different types of waste collection to the separation of pedestrian roads from those used by heavy machinery, without neglecting to make the roads safe with appropriate signposting.





Consistent investments have made it possible to purchase protective clothing adapted to the risks entailed by various activities, such as equipment that can protect against fire, accidents and injuries. The stocks are reviewed on a regular basis to check their status and that they are functioning properly; a monitoring system is in place.



About thirty rescuers, organised in two teams, are ready to respond at any time of the day or night. Mobile or satellite phones are available to issue alerts anywhere in the operation sites, especially in case of fire. The continuous training of rescue workers also includes theoretical



sessions, in addition to practical exercises that simulate emergencies.



Training with the team of forest prospectors (left); each first-aid kit (right) contains a list of medicines with dates and instructions; used or expired medicines are replaced on an ongoing basis.



In the forest, the training sessions are held before the start of regular daily activities. The head of Environment, Social Affairs and Certification, the head of HSE and the head of Operations regularly reiterate all safety criteria by giving explanations in Lingala. Lingala was chosen from among the official languages spoken in RoC because of its status as a "lingua franca" and because all local staff learn it from birth. Its use ensures that processes are better understood, as not all employees have the same grasp of the French language. Questions put to the teams on specific examples allow the employees to obtain clear answers and to correct any misunderstandings as part of a learning process. At the end of the training, the teams receive laminated summary sheets, which can be used as reference materials.



A first aid kit is present in each vehicle and in each work unit - its contents are adapted to avoid the risks associated with particular activities. Each item is recorded in a list, basic instructions are given on how to use the medicines provided, and regular checks by the HSE manager ensure that products are replaced.



The staff in the mechanical workshop and garage at the production site ensure on a daily basis that the entire fleet, including heavy machinery and vehicles, is kept in good working order with the necessary safety conditions.

**■** 62 **■** 

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You know someone has become an expert when they manage to assemble something that they did not know how to five years ago. It's a pleasure to see. It's a success to see them advance in the work they do. It's not easy: it comes from many hours of application and some difficult moments. But in the end, when they achieve a positive result, it's pretty great.

> Rui PIMENTA Garage Manager, IFO



As regards **risk prevention**, inspections are being extended to the village of Ngombé, where INTERHOLCO is building **housing for employees**. Teams of first-aid workers visit the site once a week, without prior notice, to check on the state of cleanliness of the houses. **Awareness-raising about the risk of fires** is also carried out in villages before the start of the dry season in order to significantly reduce the **threat of forest fires**.







I examine the causes of accidents in the workplace every month. We hold awareness-raising events everywhere, even where there have been no accidents. Moreover, the sessions are also conducted in Lingala. Whether they work in the forest or in the factory, everyone will then understand the interest and relevance of safety. We explain to people that safety is everybody's concern: pay attention to the safety instructions, because nobody will look after your safety if you don't look after yourself.

Erice KIMBEMBE Head of HSE, with IFO since 2017



Indigenous communities have the means to preserve their culture, natural resources and lifestyles thanks to the creation of a mechanism to achieve FPIC (Free, Prior and Informed Consent), which aims to incorporate all the inhabitants of local villages in decision-making.

FPIC is not a symbolic and one-off procedure, but a repeated bilateral commitment and a learning process for both parties. Each community is unique, each people has a different culture and holds different norms.

As a result, each procedure aiming for FPIC is individual.<sup>48</sup>

Greenpeace



48 'Free, Prior and Informed Consent of Indigenous Peoples', published on the Greenpeace France website: https://www.greenpeace.fr/consentement-libre-prealable-eclaire-clip/







ccording to one estimate, there are about 50 million indigenous people in Africa. Estimates suggest that 8% of the total Congolese population is made up of indigenous

peoples, representing about 400,000 people<sup>49</sup>. Most indigenous communities (often known as Baka) live in northern Congo (in the Likouala and Sangha departments) and represent a

very vulnerable segment of the population that is particularly exposed to food insecurity, malnutrition and poverty. Indigenous people depend on the natural environment for income and food, including hunting, gathering and rainfed agriculture. Their livelihoods and food security are therefore very sensitive to climatic changes.



It is called "nina" in Lingala.
Although it is quite ugly, this fish is popular and tasty enough. It can be sold at 1,000 CFA per kilo at the market in Ngombé. It is served with tomato sauce and peanut paste.

A fisherman encountered on the banks of the Kandeco River, the second most important river in the Ngombé forest.



I am a catechist in the Catholic mission, which has almost ninety followers. Attention is a cosmopolitan village made up of several tribes. I live off meat from the forest, fishing and by working the fields - everything that is at my level.

Thierry MOUANAGNO Resident of Attention

Cameroon, when there is a dispute between an indigenous person and a Bantu, the law that is applied is in keeping with Bantu custom, and this is not without its difficulties. 50 In 2011, Roc became the first country in Africa to adopt a law that specifically promotes and protects the rights of indigenous peoples. However, the relationship between local communities (often referred to as 'Bantu') and indigenous peoples is based on unequal economic alliances centred on specific activities such as farming or hunting. These relationships often favour the economic interests of local communities over those of indigenous peoples<sup>51</sup>. Indigenous women have even fewer economic opportunities and are therefore even more vulnerable than indigenous men.

According to a survey of Baka residing in

With a resident population of 16,000, including indigenous peoples living in the Ngombé forest, INTERHOLCO supports and uses FPIC (free, prior and informed consent 52) as defined by the UN Permanent Forum on Indigenous Issues 53, as adopted by the ILO54 and as implemented by the FSC 055. FPIC was developed by the international community with the aim of protecting the cultural integrity, livelihoods and rights, (including customary and traditional rights) of indigenous peoples and local communities and, above all, the right of indigenous peoples to self-determination.



<sup>50</sup> https://www.voaafrique.com/a/la-d%C3%A9tresse-des-peuples-autochtones-du-cameroun/5034265.html

**■** 66 **■** 

<sup>&</sup>lt;sup>51</sup> https://www.un.org/esa/socdev/unpfii/documents/2013/Media/Fact%20Sheet\_Africa\_%20UNPFII-FR-12.pdf

<sup>&</sup>lt;sup>52</sup> Free Prior Informed Consent (FPIC); https://en.wikipedia.org/wiki/Free,\_prior\_and\_informed\_consent

<sup>53</sup> United Nations Permanent Forum on Indigenous Issues, UNPFII; https://www.un.org/development/desa/indigenouspeoples/

<sup>&</sup>lt;sup>54</sup> C169 - Indigenous and Tribal Peoples Convention, 1989 (No. 169); https://www.ilo.org/dyn/normlex/en/f?p=NORMLEX-PUB:12100:0::NO::P12100 ILO CODE:C169

<sup>55</sup> FSC® guidelines for the implementation of the right to free, prior and informed consent (FPIC); https://fsc.org/en/document-center/documents/23275b28-3697-420e-9316-4092eeab1498

<sup>49</sup> World Food Programme, Bétou.



The CDHD, a Congolese NGO focussing on human rights, has been supporting INTERHOLCO with implementing FPIC since 2014. Other NGOs have been assisting IFO since 2008 with monitoring and evaluating its relations with local communities and indigenous peoples.

The CDHD reported that in the context of the Congo (where land belongs to the state), according to the Law on Indigenous Peoples (Law No. 5-2011<sup>56</sup>) and on the basis of development standards, the laws in place would allow local communities or indigenous peoples (CLPA) to be consulted about, examine and analyse the execution of an activity proposed by a company and thus have an influence on its potential impacts, but it is difficult to oppose the activity. IFO therefore applies FPIC in order to comply with FSC® requirements.

In order to address this difficulty, INTERHOLCO decided to collect the FPIC several months before the start of the annual harvest, and to include the communities of each village involved.





The social team facilitates dialogue between the company and the villages, using a participatory approach that strongly engages the CLPA in the process. To begin with, the social team holds sessions separated by sex. Then, the entire village meets and the social team makes sure that each person is well informed and has a chance to speak.

Since some members of the village go into the forest to hunt or gather food, or cultivate the surrounding fields, the social team visits the same village several times. The process is so lengthy that, in order to meet the deadlines, the social team begins consultations in a new area at least one year before the harvest begins.



When it is time to harvest some trees near a village, IFO visits the village to hire people. We identify local guides or cartographers who can accompany the IFO team to show them the areas that are important to us and where IFO will harvest the trees. Thanks to the teams that go out into the forest, we are able to protect creepers, fruit trees and any medicinal plants that are important for healing people. These plants are painted in order to identify them. This is done in the interest of sharing the benefits of the forest. In fact, harvesting trees should benefit both the village and IFO.

> Gabriel BITANDA Resident of the village of Lengoué

INTERHOLCO uses FPIC to elicit informed opinions from CLPA. To do this, the social team makes all the information relating to the forestry activity to be performed on their village's land available to the CLPA. This phase involves raising awareness, consultation (with the help of procedures, instructional information sheets etc.), including the impacts of the activity on the residents' social, cultural, environmental and economic life. Providing information before starting the forestry activity is essential in enabling the CLPA to reflect, examine, analyse, accept or oppose the execution of the proposed activity. The social team must give the CLPA enough time to reflect and give their consent freely. Under no circumstances is any form of pressure, influence, intimidation or manipulation permissible.



<sup>&</sup>lt;sup>56</sup> Law No. 5-2011 of 25 February 2011 on the advancement and protection of indigenous peoples.





- Consent to continue the activity with or without conditions;
- 2 A rejection with conditions that entail negotiation;
- **3** A flat refusal on the activity to be carried out.

One of the necessary steps in obtaining FPIC is participatory mapping. Participatory mapping is a process of drawing up maps to highlight the relationship between the land, the resources that the forest provides and the local population, including the CLPA. This requires knowledge of the cultural uses of certain resources (trees, plants, rivers, animals), identity and history.





The CDHD reported that between 2017 and 2019, the social team managed to produce 13 maps in a participatory manner through dialogue and exchange. As the CDHD observed, one of the aims of FPIC is to share the profits at the end of any negotiations. INTERHOLCO does not pay each individual inhabitant out of the profits to be shared with the villages directly affected by the annual timber harvest. The profits owed to the villages are translated into project specifications, in addition to financial contributions to the Local Development Fund. The communities manage this fund independently through their representatives. In other words, the communities choose which projects they wish to support. Not everything is simple and jealousies can emerge.

The social team had given us the means to carry out a sacred ritual in the old village - where there is a waterfall - for our ancestors. After we returned home, I developed a high fever; the spirits were not happy because I didn't have much money and they struck me down. I was really very sick!

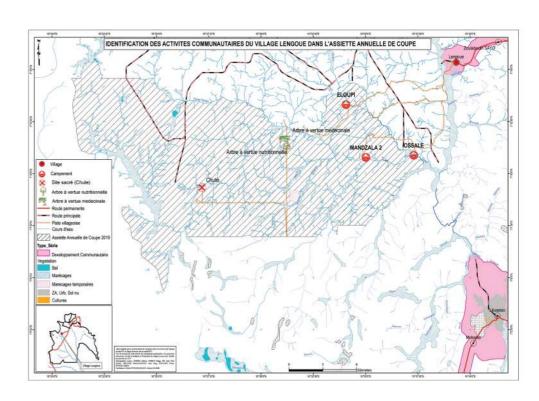
An indigenous person

We cultivated the fields and brought in the first cassava harvest.
We are now waiting for the rain to arrive before we can move forward.
We are happy with the support we have received. The project helps us to sell our produce and to have some money. The fields help us to buy medicines when we are sick, to buy clothes, a cooking pot and so on.
The fields are very productive

and yield good tubers. We will apply for more funding so that we can expand our activities.



An indigenous woman





Natural ecosystems measuring three times the surface area of Belgium are protected. The natural capital of the forest remains intact.



roughts, fires, floods, violent storms: global warming is responsible for significant changes in the environment, particularly in Africa.

The first pan-African study on global warming reports that African "millennials" feel that they are directly affected: 86% of the young people surveyed noticed more frequent and unpredictable rainfall; 79% reported an increase in crop and livestock diseases; 77% pointed to the progress of desertification; 73% noted the increase in forest fires and considered access to water to be one of the most important initiatives in the fight against global warming. Lastly, more than half of them (53%) blame their governments for not doing enough to tackle its impacts<sup>57</sup>.

The risks posed by climate change, which include extreme weather events, rising sea levels, rising global average temperatures and unpredictable rainfall, pose a threat to Congolese society, its economy and its natural environment.

Congo's vision is to diversify its economy with a historically low rate of deforestation<sup>59</sup>, while making commitments in key growth sectors such as agriculture, mining and hydrocarbons, yet minimising their impact on climate change. Indeed, the country plays an important role in the fight against climate change owing to its geographical location, its river network and its forest cover.

In the Republic of the Congo, the state has designated more than 140,000 km<sup>2</sup> of ecosystems for protection, equating to 42% of the total surface area. Out of a total of 223,340 km<sup>2</sup> of forest, the Congolese state protects a vast forest landscape covering roughly 100,000 km<sup>260</sup>, which amounts to 45% of the total forest

60 https://www.protectedplanet.net/country/CG

area - more than 3 times the surface area of

Belgium. There are approximately 100,000 km<sup>2</sup> of Intact Forest Landscapes (IFLs), of which 70% are in state protected areas. In addition to the 308,000 ha of protected forest area (excluded from harvesting) in the Ngombé FMU, 124,000 ha of IFLs are also under protection (23% of the IFLs within the Ngombé FMU), which amounts to 532.000 ha.





The ND-GAIN index, which measures a country's state of readiness, places the Congo in the upper left quadrant. This indicates a high level of vulnerability and a low level of preparedness. The Republic of the Congo is the 45th most vulnerable country and the 19th least prepared. There is both a pressing need for investment and innovation to improve preparedness and considerable urgency for action<sup>58</sup>.

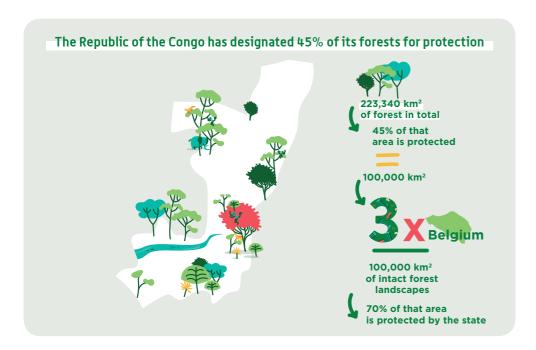
<sup>&</sup>lt;sup>57</sup> Climate Change, Time for Action. Survey carried out between 7 and 16 November 2016 in 19 African countries by CG Consultings on behalf of the COP22 Steering Committee: Algeria, Angola, Cameroon, Democratic Republic of Congo, Egypt, Ethiopia, Ghana, Ivory Coast, Kenya, Malawi, Morocco, Mozambique, Nigeria, Republic of the Congo, Rwanda, South Africa, Tanzania, Zambia and Zimbabwe. Based in Cape Town (South Africa), CG Consulting is a leader in the B2B prospects market and corporate database listings in Africa: http:// news.africahotnews.com/?idnews=809466

<sup>&</sup>lt;sup>58</sup> https://gain-new.crc.nd.edu/country/congo

<sup>&</sup>lt;sup>59</sup> https://www.jeuneafrique.com/mag/821812/economie/congo-brazzaville-henri-djombo-nos-terres-sont-la-disponibles/







In 2017, scientists and NGOs revealed that the peatlands of Congo's Central Basin form the largest carbon reserve in the tropics<sup>61</sup>, and are capable of sequestering 30 gigatonnes of carbon, equivalent to 15 to 20 years of the United States' CO<sub>2</sub> emissions<sup>62</sup>. This peatlands, the largest in the world, is considered by the United Nations to be an essential ecological priority. **Protecting forests and peatlands is so crucial for the world's climate** that the Central African Forest Initiative (CAFI) has signed a 65 USD million agreement with RoC<sup>63</sup>.



Pycnoporus sanguineus is one of the fungi that are widely spread across the forest floor of the Ngombé FMU. A total of 126 medicinal properties are attributed to fungi from the Congo Basin, including anti-diabetic, anti-cancer, anti-tu-mour, immunomodulating, antiviral, antibacterial, hepatoprotective, antioxidant and anti-angiogenic effects<sup>64</sup>.



INTERHOLCO is taking part in these efforts, aware of the Congolese State's desire to manage forests sustainably and protect peatlands. Although the Ngombé forest is a productive forest, 27% of its total surface area is under permanent protection. The low rate of harvesting, known as "reduced impact" harvesting, and the prior planning of activities - which includes identifying areas of high conservation value that are also placed under protection - make SFM a key tool in sustaining the forest and the socio-environmental services it provides.

The Ngombé FMU (11,600 km²) is separated from the neighbouring Odzala Kokoua National Park (13,500 km²) by the N2 highway, and links the north of the country to the capital, Brazzaville. The Ntokou-Pikounda National Park (4,572 km²) is located to the south-east of the Ngombé concession. Combined, the two parks and the Ngombé concession cover an area of more than 2.96 million hectares (29,672 km²) - roughly equivalent to the size of Belgium (30,700 km²).

<sup>61</sup> https://wedocs.unep.org/bistream/handle/20.500.11822/22918/Congo\_Peatland\_EN.pdf?isAllowed=y&amp%3Bamp%3Bsequence=1

<sup>62</sup> https://www.sciencedaily.com/releases/2017/01/170111132812.htm

 $<sup>^{63} \</sup> https://www.cafi.org/content/cafi/en/home/all-news/republic-of-congo-and-cafi-sign-65-million-dollars-letter-of-int.html$ 

<sup>64</sup> http://tpcj.org/download/vol-6-iss-2-2019/TPCJ2019-06-02-71-80.pdf

It is clear that the **validation and monetisation of ten mining permits**, all of which have been granted by the Ministry of Mining in RoC over the past few years, **is incompatible with sustainable forest management**. This does not even take into account the CO<sub>2</sub> emissions that prospecting or exploiting the deposits could generate.

Aware of this challenge, INTERHOLCO conducted a study of this phenomenon in 2012. Although neglected for a long time, mining research operations have multiplied over the last few years. Allocating permits would allow foreign investors to prospect for new industries: gold, diamonds, poly-metals, etc.

Between 2017 and 2019, INTERHOLCO fought to find a solution to the superposition of these deposits.

INTERHOLCO then set to work as a facilitator, bringing the issue of mining permits to the attention of the ministries concerned, in particular the Ministry of Mining and the Ministry of Forest Economy. Several meetings were held in the presence of the relevant stakeholders, including at the sites affected. As a result, in 2018 the Minister of Mining cancelled eight of the permits.

Today, following INTERHOLCO's intervention, there are no longer any mining permits that give authorisation for activities in the Ngombé FMU.

Meetings are ongoing with a view to bringing about the cancellation of the two remaining permits, namely an artisanal exploration permit (gold) and a prospecting permit (diamonds).

I am the father of six kids, two of whom are at the Marien Ngouabi University in Brazzaville - one of them wants to become

a doctor and the other a pilot. I am the head of the road planning team. We plan roads so that we can work efficiently. The most important thing is to preserve the forest, to respect nature. We carve out a track and group people together. Detours are made around areas where no trees can be harvested and around forest clearings. We don't harvest just any tree. We mark "PP" on the trees to be protected - small Sapelli and Tali trees - as well as large trees that need to be protected for the future. We minimise damage to watercourses by building bridges or dykes. There are outfits, helmets, shoes. Protective earplugs to shield against machine noise. Safety must be observed first and foremost. No one can protect the forest if they are not fit and healthy.

> Armand EPIKAR Head of the road planning team, IFO



First of all, timber is the only renewable building material present in abundant quantities on the planet. Provided, of course, that it is harvested in a responsible manner that en-

sures the sustainability of forest areas. Timber is part of the dry sector and requires only solar energy in order to be produced. It is also the only material that emits no CO<sub>2</sub> as it is produced, unlike concrete, aluminium and materials made from hydrocarbons. Timber is therefore one of the materials that we will have to rely on in the future.

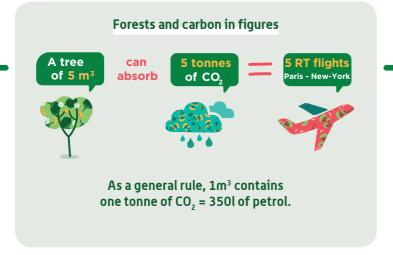
Global population growth and urbanisation are driving a growing need for housing in cities: one billion homes will have to be built by 2025 according to Michael Green, a pioneering architect in timber construction. It is a challenge that is inseparable from the fight against global warming. This is because construction and the built environment today account for 20% of greenhouse gas (GHG) emissions according to the Intergovernmental Panel on Climate Change (IPCC65).



<sup>65</sup> The Intergovernmental Panel on Climate Change (IPCC) was set up in 1988 to provide detailed assessments of the state of scientific, technical and socio-economic knowledge on climate change, its causes, potential impacts and coping strategies. https://www.ipcc.ch/about/









# share of overall CO<sub>2</sub> emissions generated by concrete<sup>66</sup>.

If concrete were a country, it would be the third largest emitter in the world after China and the United States.



reduction of the weight of a building 68 if a concrete structure is replaced by a timber one. This would result in smaller foundations and lower embodied energy.

# 大学 からまかい

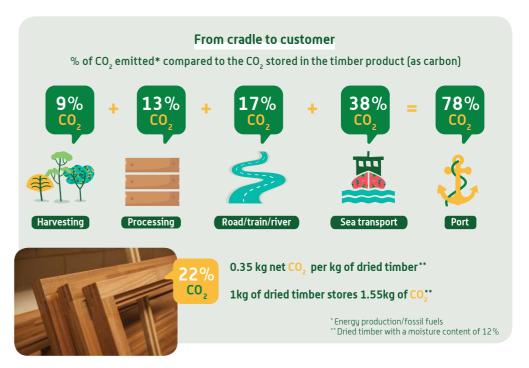
# MILLION

quantity of CO<sub>2</sub> in tonnes, captured through timber frame construction in the UK<sup>67</sup>, with 15-28% of new houses using this material each year.



# of global energy-related greenhouse gas (GHG)<sup>69</sup>

emissions come from cities. This is despite the fact that cities occupy only 3% of the planet's land mass.



GHG emissions from hydrocarbons (fossil, non-renewable fuels) during the production and transport of timber are lower than the levels of greenhouse gases (CO<sub>2</sub> in particular) stored in the timber product. Timber is therefore the only material that can be produced with no net GHG emissions.

The carbon stored in INTERHOLCO's flagship "SUSTAINABLE HARDWOOD, MADE IN AFRICA" product amounts to 1.545 kg CO<sub>2</sub>/kg of timber dried to 12% moisture content (KD).

Emissions of GHGs, in particular CO<sub>2</sub>, for the production and transport of sawn timber amount to:

- Forest production: 0.15 kg CO<sub>2</sub>/kg timber (or 9 % of the CO<sub>2</sub> stored in the wood);
- Processing at the factory: 0.20 kg CO<sub>2</sub>/kg timber (or 13 % of the CO<sub>2</sub> stored in the wood);

- Overland transport: 0.26 kg CO<sub>2</sub>/kg timber (or 17 % of the CO<sub>2</sub> stored in the wood);
- Sea transport: 0.59 kg CO<sub>2</sub>/kg timber (or 38 % of the CO<sub>2</sub> stored in the wood). The total emissions (production, processing, transport to the port of destination) for the harvested timber amount to 1.2 kg CO<sub>2</sub>/kg timber or 78 % of the CO<sub>2</sub> stored in the wood.

Therefore, when the product arrives at the port of destination it has net emissions of **-0.35 kg CO<sub>2</sub>/kg of timber** (22 % of the CO<sub>2</sub> stored in the wood has not been emitted).

Biogenetic emissions (in the forest) have not been included because monitoring in the permanent plots has shown that the carbon stock is being replenished by tree growth and natural regeneration.

● 78 ● ● 79 **●** 

<sup>66</sup> https://www.bbc.com/news/science-environment-46455844?utm\_medium=website&utm\_source=archdaily.com

<sup>67</sup> https://www.bbc.com/future/article/20190717-climate-change-wooden-architecture-concrete-global-warming?utm\_medium=website&utm\_source=archdaily.com

<sup>68</sup> hups://www.bbc.com/future/article/20190717-climate-change-wooden-architecture-concrete-global-warming?utm\_medium= website&utm\_source=archdaily.com

<sup>&</sup>lt;sup>69</sup> https://news.un.org/en/story/2019/09/1046662?utm\_medium=website&utm\_source=archdaily.com



The forest is protected not only in protection zones or those with high conservation value, but also in harvesting areas where 0.5 to 1 tree per hectare is harvested on the equivalent of 2 football

fields, once every 30 years.

Regulated forestry in tropical forests is not the same as deforestation. On the contrary, in high-forest-cover countries the use of tropical timber can be an important, alternative source of income to other land uses that compete directly with the forest, such as large-scale cultivation of soy or palm oil. <sup>70</sup>

Fritz KLEINSCHROTH ETH, Zurich

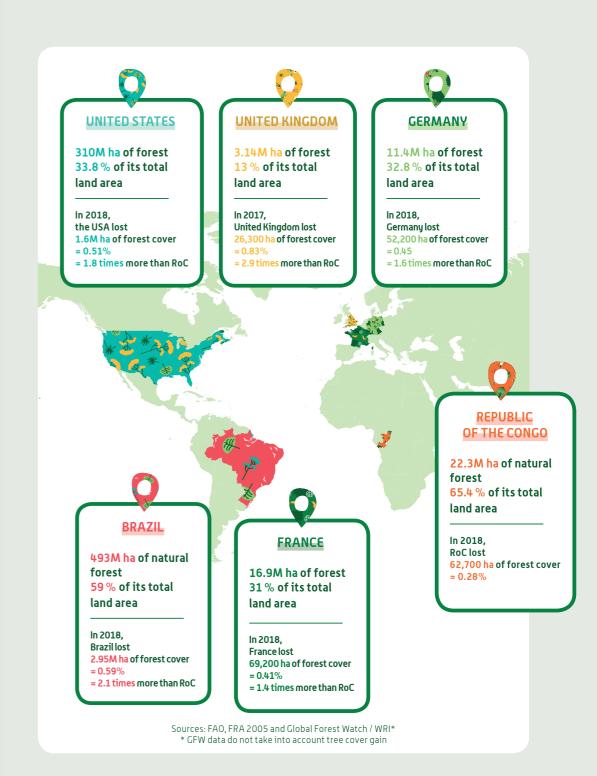




The Republic of the Congo has a larger expanse of natural forest than that of France and the United Kingdom combined. According to the WRI's interactive software,

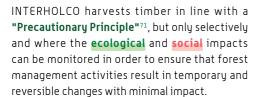
Global Forest Watch, in 2018 France lost 1.4 times more forest than RoC, while the United Kingdom lost 2.9 times more. In 2015, the United States lost 798,000 ha of forest due to fires, which was 10 times more than RoC.

In 2018, Global Forest Watch observed that **the Sangha region** - where FSC® certified production forests including the Ngombé FMU are located - **had nearly 100% tree cover compared with the national average of 64%**.



■ 80 ■

<sup>&</sup>lt;sup>70</sup> https://ethz.ch/en/news-and-events/eth-news/news/2019/06/blog-roads-rainforest-congo-kleinschroth.html#comment



Azobé is a very hard wood, you have to know how to saw it and be selective about the quality of the timber that comes out of the forest. We cut large sections with long lengths, we need to have properly formed timber with centred cores and hardwood. African timber must be treated with respect. Responsible management, traceability, natural reforestation and low impact harvesting in accordance with a management plan are essential approaches to adopt. The minimum diameters of between 60 and 100 cm depending on the species must also be respected!

> Maxim D'AUTHIER Head of Heavy Timber, IFO



The concepts of "Critical Habitats"72 approved by the International Finance Corporation (IFC<sup>73</sup>) as well as the concept of High Conservation Values (HCV) promoted and applied by the FSC®74 and the HCV Resource Network<sup>75</sup> are applied - in other words, High Conservation Value Forests are treated and managed as "critical habitats" with "high conservation value". None of these concepts preclude forest management. They make it clear that forest management measures must not endanger, compromise or irreversibly alter forest biodiversity, including their fauna and flora.

71 Precautionary principle; https://en.wikipedia.org/wiki/Precautionary\_principle

To better illustrate where INTERHOLCO's low-impact harvesting fits in, its impact should be presented side by side with the forest vision benefitting the climate, people and nature that Greenpeace has developed in conjunction with the Naturwald Akademie and particular focus on Germany:

	GREE	NPEACE "Waldvi	sion"	INTERHOLCO
	« Intensive harvest » base scenario	« Status quo » timber scenario	Forest Vision, or « ecological harvest »	Reduced impact harvesting
WHAT ARE THE HARVESTABLE DIAMETERS BY SPECIES?	54cm for conifers. 59cm for broadleaf trees.	56 cm for conifers. 63 cm for broadleaf trees	76 cm for conifers. 64 cm for broadleaf trees	The minimum diameters vary between 60 and 100cm depending on the species.
FREQUENCY OF HARVESTING				Limited: once every 30 years.  Selective: the annual harvest area = 0.15% of the total area of the concession (1.16M ha).
TREE HARVESTING	76 % for conifers. 79 % for broadleaf trees.	100% of the trees, but avoiding parts of the protected harvesting area.	One tree our little groups of trees.	Reduced: 0.5 to 1 tree per ha, once every 30 years.  Selective: 27% of the forest is protected.
FOREST RESTRUCTUR- ING	It is not expected that the forest will need to be restructured.	There are deliberate efforts to increase the number of fast-growing tree species.	Specific regeneration efforts are aimed at displacing non-native species, while natural regeneration ensures that forests are renewed. No tree planting takes place.	Natural regeneration follows the natural rhythm of a forest and ensures its renewal.  Openings in the canopy created by harvesting enable native species to grow more easily.  No tree planting takes place.

<sup>&</sup>lt;sup>76</sup> See in particular p.6: https://www.greenpeace.de/sites/www.greenpeace.de/files/publications/20180228-greenpeace-oekoinstitut-forest -vision-methods-results.pdf

<sup>&</sup>lt;sup>72</sup> Critical Habitats'-International Finance Corporation's Guidance Note 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources; https://www.ifc.org/wps/wcm/connect/5e0f3c0c-0aa4-4290-a0f8-4490b61de245/GN6\_English\_June-27 2019.pdf?MOD=AJPERES&CVID=mKqG85z

<sup>&</sup>lt;sup>73</sup> International Finance Corporation (IFC), Washington DC, USA; https://www.ifc.org/

<sup>&</sup>lt;sup>74</sup> https://fsc.org/en/details-page/high-conservation-values <sup>75</sup> HCV Resource Network https://hcvnetwork.org/

### How does INTERHOLCO protect the forest?



Based on the Management Plan, 27% of the forest area (308,000 ha) is designated for permanent conservation and protection (fragile areas and areas of special importance for the inhabitants and their way of life).



**4**% **of the forest area (about 50,000 ha)** is reserved for community development.



INTERHOLCO has excluded **308,000** ha of **forest** from the harvest, meaning this area will not be harvested = **106.75%** of public **forests** and **75.67%** of public and private **forests** are under full conservation\* in **Germany**<sup>77</sup>.

\* where there is no harvesting activity



INTERHOLCO only harvests timber from the remaining 800,000 ha of forest and follows a 30-year rotation system.



Annual harvesting area: = 0.15% of the total area of the concession (1.16M ha of forest) = approx. 0.2% of Germany's forests (11.4M ha of forest in total). Out of this total area, INTERHOLCO harvests just 0.5 to 1 tree per hectare, only once every 30 years.



Approximately 0.25m³ of timber per hectare is selectively harvested from a total area of 800,000 ha. Calculated over the whole forest area of 1.16M ha, this represents less than 0.17m³ of timber per hectare per year. On average, sustainable harvesting in Europe produces about 4 to 7 m³ per hectare per year. In Germany, the harvest between 2002 and 2012 averaged 76 million m³, or 6.7 m³ per hectare per year – almost 40 times more than the harvest per hectare per year in the Ngombé FMU.

In other parts of Northern Congo, such as the departments of Sangha and Likouala, almost 50% of the forests are under state protection, without even including the protected areas in forest concessions.







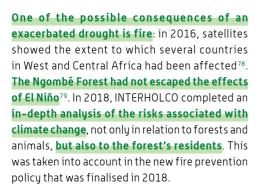






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<sup>&</sup>lt;sup>77</sup> See p. 28: https://www.greenpeace.de/sites/www.greenpeace.de/files/publications/20180228- greenpeace-oekoinstitut-forest-vision-methods-results.pdf





INTERHOLCO's highest priority is to ensure that the harvesting and transportation of timber has a minimal impact, with no permanent or irreversible changes to the services that the forest provides. The Ngombé forest is served by two types of roads: public roads opened by the state decades ago and which are regularly maintained, and forest tracks opened by the company in a limited area of forest in order to collect timber. These tracks are closed once the harvest is finished at the end of the year. This allows nature to reclaim the space that the tracks occupy. Human activity ceases almost completely once the forest tracks and skidding trails are closed, which allows for a good regeneration process.

Selective logging is clearly the main reason behind the construction of new roads. Surprisingly, our analysis also shows that 44 percent of the roads within logging concessions were abandoned by 2018 and are no longer visible in satellite images. Such roads, once no longer in use, are soon overgrown by the forest again.<sup>80</sup>

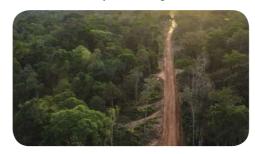
Fritz KLEINSCHROTH ETH Zurich



### <sup>78</sup> hups://robertscribbler.com/2016/02/11/major-wildfire-outbreak-in-central-and-western-africa-as-drought-hunger-grow-more-widespread/

### **During harvesting:**

INTERHOLCO opens up temporary tracks; the timber is transported along skid trails.



### At the end of the year:

Access to the track is blocked off; the forest begins to grow back over the following six months.



Main road built in November 2018, abandoned a year and 10 months ago.



Secondary road built in January 2019, abandoned 8 months ago.

### Ten years later:

The forest has visibly regenerated and refilled the space occupied by the road. Nature has successfully reclaimed its space.





<sup>&</sup>lt;sup>59</sup> https://blog.globalforestwatch.org/people/map-of-the-week-congo-basin-forest-fires-of-unprecedented-extent-detected-by-umd-glad-alerts
<sup>80</sup> https://ethz.ch/en/news-and-events/eth-news/news/2019/06/blog-roads-rainforest-congo-kleinschroth.html#comment





In 2019, thanks to funding from Germany (KFW) and the Occitanie region of France (with European ERDF support), INTERHOLCO asked scientists from a consortium of partners (the University of Liège/Gembloux in Belgium and CIRAD, CEA and Sunbirds in France) to test the use of drones with a view to enhancing forest inventories through improved species recognition.



Using drones could also facilitate more effective **forest protection**, making it possible to anticipate and limit any temporary impacts ranging from the risk of fires to detecting unauthorised access/campsites to monitoring the state of roads and animal movements between the Ngombé forest and the surrounding parks.

In less than

an 🕉

week

56
drone flights

More than

38

**flight hours**covering a forested area of
more than **7,000 ha** 



Responsibly managed and wellprotected forests are an asset for
human well-being and our best
defence against human-induced
climate change and biodiversity
loss. They create livelihoods for
indigenous peoples and local
communities and they are necessary
in sustainably meeting the challenges
of population growth and demand
for forest products and services.

FSC® Global Strategic Plan 2021–2026



# **APPENDICES**

# ALLIANCES ACROSS LANDSCAPES SYNOPSIS 2014-2019







Landscapes are created out of people's understanding and engagement with the world around them. They are always in process of being shaped and reshaped. Landscapes provoke memory, facilitate (or impede) action.<sup>81</sup>

• Barbara Bender •

Between 2014 and 2019, INTERHOLCO's ALLIANCE culture has enabled the company to face up to major challenges that were chosen through listening and dialogue. Over the years, several stakeholders have communicated their needs, concerns, questions and expectations. INTERHOLCO has therefore been able to set itself strategic targets that take into account the local, regional and international contexts in which it operates.

The tables below quantify the value that

The tables below quantify the value that INTERHOLCO has created across social, environmental and economic landscapes while respecting the legal framework and international references at the heart of the regulatory landscape.



ALLIANCES across landscapes, Synopsis 2014–2019......p. 89

Social landscape p. 92

Environmental landscape ......p. 98

Giving value to the Congo Basin, the second largest tropical forest in

Economic landscape......p. 104

Giving value to "Made in Africa" timber products

Giving value to the source

the world

GRI Content Index.....p. 108

<sup>81</sup> Barbara Bender, Time and Landscape, Current Anthropology, Supplement, August-October 2020



# **SOCIAL LANDSCAPE**

## Giving value to the source



GRI	SDGs of the United Nations	Employees	Unit of measure	2019	2018	2017	2016	2015	2014	Scope
		WORKFORCE BY GENDER								
		Total workforce (includes contractors)		1,253	1,267	1,248	1,218	1,275	1,268	
10	)2-7	Total employees IFO / IHC / LCC (includes continuing and temporary contracts)		961	967	963	983	1,111	1,069	
5 time. (a)	8 ECHIVAGE CORPUS	Of whom men		900	918	911	940	1,072	1,040	
¥	111	Of whom women*	no.	46	49	52	43	39	29	IFO, IHC, LCC
		Top management		1	1	1	1	1	1	
		Management		35	35	35	39	3	37	
		Employees		164	158	155	189	187	174	
10	2-41	Blue-collar workers		761	748	768	755	891	858	
5 mm. ©	10 mean	COLLECTIVE BARGAINING AGREEMENTS								IFO
		Total employees	%	100%	100%	100%	100%	100%	100%	
		MARKET PRESENCE								
202-1	5 core	Country minimum wage (Republic of the Congo)	€	82	82	82	82	82	76	
A. Print	<u>"</u>	Entry level wage (IFO)								IFO
8 ECONOMIC DOGSTO		Men	€	173	173	173	173	173	173	
M	10 weekens	Women		173	173	173	173	173	173	
	77	compared with national minimum wage	%	210%	210%	210%	210%	210%	226%	
		Proportion of senior management** hired from the local community	% (no.)	<b>58</b> % (18)	56.2% (18)	54.5% (18)	-	-	-	IFO & LCC
		Total number of senior managers	no.	31	32	33	-	-	-	IFO & LCC

<sup>\*</sup>Number of women by post in 2019: Top management: 0, Management: 4, Employees: 42
\*\*Full-time employees born in RoC (IFO) in Cameroon (LCC) or in another African country with the legal right to reside there indefinitely whose status meets the following criteria: (1) independence and flexibility in organising work schedules (2) relatively autonomous decision-making (3) total remuneration among the highest ranking employees of IFO or LCC (4) effective membership of a management body: supervisory board, management committee, etc.





GRI	SDGs of the United Nations	Employees	Unit of measure	2019	2018	2017	2016	2015	2014	Scope
		HEALTH AND SAFETY								
4.0	3-9	Total injuries at work (excluding first-aid injuries and accidents without temporary leave)		262	150	87	155	132	43	
	nication (	Work related fatalities		1	1	1	0	0	0	
	W÷	Injuries with temporary leave of > 4 days	no.	69	51	28	30	29	34	IFO
_		Injuries with temporary leave of < 4 days		192	98	58	125	103	9	
		Incidence rate per 100 workers¹ (injuries with temporary leave of > 4 days)	%	7.1	5.5	3.1	3.1	2.7	3.3	
		TRAINING								
		Total trainings		1,909	1,729	2,076	874	1,103	961	
	4-1	Average number of training sessions per employee/year	no.	2.0	1.8	2.2	0.9	1.0	0.9	
8 100	NY VERTE AND HANCE COLUMN	BY LEVEL			_					IFO, IHC, LCC
-		Management		0.7	2.2	2.9	2.2	1.5	1.1	
		Blue-collar workers	no.	2.4	2	1.7	1.8	1.5	1.6	
		Administration		0.6	1.2	4.2	1.4	2	2	
	15-2 RX, PUTER 10 STRONG	ANTI-CORRUPTION POLICIES AND PROCEDURES TRAINING								IFO, IHC, LCC
3	ME, DETER DETERMINE TEXTREM	Total employees trained		961	967	963	983	1,111	-	0,e, 200
		Affected employees trained <sup>2</sup>	no.	13	107	15	108	5	-	
		COMMUNITY ENGAGEMENT AND PARTICIPATORY APPROACH								
		Projects based on local communities' needs	no.	16	18	17	19	6	6	
4	13	% of local operations <sup>3</sup>	%	100%	100%	100%	100%	100%	100%	
5 tower (**)	10 months	Meetings with communities and indigenous peoples  Total villages		85	85	85	85	85	85	
	70	Villages where meetings were held		48	56	58	82	64	79	IFO
	M Pa	Meetings		155	172	140	324	197	212	
		Participants	no.	5,185	5,410	3,838	8,982	5,003	5,433	
		Indigenous Local communities (Bantou)		1,594 3,591	1,855 3,555	1,444 2,394	3,865 5,117	2,047 2,956	2,274 3,159	
		Women		2,115	2,350	1,635	4,186	2,185	2,377	
		Men		3,070	3,060	2,203	4,796	2,818	3,056	

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GRI	SDGs of the United Nations	Employees	Unit of measure	2019	2018	2017	2016	2015	2014	Scope
		IMPACT EXTENT								
11 MANAGEMENT A BELLEVILLE	15 thus	Geographic location of the impact (annual harvesting area) <sup>4</sup>	ha	32,503 ha	20,376 ha	26,884 ha	27,511 ha	20,146 ha	27,496 ha	IFO
20	03-1	IMPACTS ON COMMUNITIES								
10 wowens	11 SETTIMONE CORE.	Total grievances filed through a formal mechanism		3	7	4	9	6	26	
12 demonstration and representations of the contraction and representations of the contraction of the contra	15 5	Of which filed and resolved	no.	3	7	4	9	6	26	IFO
	12-2	HUMAN RIGHTS TRAINING - EMPLOYEES								
10 monns	16 PARK MITTER ADDITION MITTERTON	Total number of employees trained		961	967	963	983	1,111	-	IFO, IHC, LCC
°¥	-	People trained on human rights (all affected staff)	no.	25	107	27	111 <sup>5</sup>	-	-	
		Percentage (all affected staff)	%	100%	100%	100%	100%	-	-	
10 ====	16 PORT OFFICE	HUMAN RIGHTS TRAINING FOR SECURITY PERSONNEL <sup>6</sup>								
<b>√</b> ⊕►	16 MOSTRON STEELER	Ecoguards	no	45**	45**	45**	40 <sup>7</sup>	-	-	IFO
		Trained on human rights (all affected positions) <sup>8</sup>	no.	21	33	13	25 <sup>9</sup>	-	-	
	Pe	Percentage (all affected staff)	%	100%	100%	100%	100%	-	-	

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<sup>\*\*</sup>Staff and management, excluding IFO's security personnel (guards that do not carry any weapons)



Giving value to the Congo Basin, the world's second largest rainforest



GRI	SDGs of the United Nations	Biodiversity	Unit of measure	2019	2018	2017	2016	2015	2014	Scope		
		PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE <sup>10</sup>										
		Total forest concession area		1,159,643	1,159,643	1,159,643	1,159,643	1,159,643	1,159,643			
30	4-1	Production area as per management plan		801,716	801,716	801,716	801,716	801,716	801,716			
6 cras securios	13 3434	Protected area	ha	220,000	220,000	220,000	220,000	220,000	220,000			
		Conservation area		88,000	88,000	88,000	88,000	88,000	88,000	IFO		
14 SELEVINIES	15 www	Community development area		48,500	48,500	48,500	48,500	48,500	48,500			
		Production area as a proportion of total forest surface		69%	69%	69%	69%	69%	69%			
		Protection and conservation area as a proportion of total forest surface	%	27%	27%	27%	27%	27%	27%			
30	)4-3	Community development area as a proportion of total forest surface		4%	4%	4%	4%	4%	4%			
13 MANUT		PROTECTED OR RESTORED HABITATS										
•		Size of area affected	ha	308,000	308,000	308,000	308,000	308,000	308,000	IFO		
30	)4-2	IMPACTS  Construction or use of manufacturing plants, mines and transport infrastructure <sup>11</sup>										
6 CLEAR WELLS	13 RAMI	Extent of areas harvested	ha	32,503	20,376	26,884	27,511	20,146	27,496			
å		% of total surface	%	2.8%	1.8%	2.3%	2.4%	1.7%	2.4%			
14 SERVICES	F (	Annual harvest volume	m³	200,058	197,289	188,484	223,485	214,657	199,947	IFO		
		Harvest intensity – number of trees harvested per ha (on average)		0.7	1	0.7	0.9	0.8	0.6			
		% of total surface impacted by harvest activity (tracks, log-yards, paths and skid trails)		0.19%	0.15%	0.16%	0.22%	0.15%	0.16%			
		Net volume harvested per ha (remaining volume)	m³/ha	6.9	9.7	7.2	9.1	10.7	6.9			

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GRI	SDGs of the United Nations		Biodiversity		Unit of measure	2019	2018	2017	2016	2015	2014	Scope
		Pollution <sup>12</sup>	Duration of impacts			1 year						
		Pollution	Impact reversibility			Reversible	Reversible	Reversible	Reversible	Reversible	Reversible	
13 STANAS	15 www	<b>Invasive spec</b> Extent of area			ha	0	0	0	0	0	0	IFO
•	Redu		Reduction of species <sup>14</sup> Extent of areas affected		ha	0	0	0	0	0	0	0
	Habitat conversion <sup>15</sup> Extent of areas harvested				ha	0	0	0	0	0	0	
GRI	SDGs of the United Nations		Water and soil		Unit of measure	2019	2018	2017	2016	2015	2014	Scope
20	03-3	TOTAL DRINK	ING AND INDUSTRY WATER WITHDRAWAL									
6 mas were series	13 annu 13 annu 15 in 15 in 15 in 15 in 15 in 15 in 15 in 16 in 17 in 18	Water from th	e Sangha River		m³ (1000 l)	89,950	94,250	92,713	95,754	106,477	121,800	IFO
GRI	SDGs of the United Nations		Energy: fuel		Unit of measure	2019	2018	2017	2016	2015	2014	Scope
30	05-1	FUEL CONSUM FROM NON-R	APTION ENEWABLE SOURCES									
AAD THEORIGING	15 William	Petrol/forest				62	62	58	58	53	42	
$\infty$		Diesel/forestry production and transportation			36400013	2,194	2,194	1,691	1,749	1,384	1,374	IFO
		Diesel/proces	sing sawmill		m³ (1000 l)	2,772	2,772	2,527	2,873	2,732	2,581	
		Total non-ren	ewable fuel			5,028	5,028	4,276	4,679	3,996	3,996	





GRI	SDGs of the United Nations	Greenhouse gas emissions	Unit of measure	2019	2018	2017	2016	2015	2014	Scope	
		CO <sub>2</sub> EMISSIONS FROM FUEL CONSUMPTION OF NON-RENEWABLE SOURCES									
		Petrol/forest <sup>17</sup>		141	142	132	131	120	94		
		Diesel/forestry production and transportation18		6,576	5,872	4,527	4,680	3,704	3,677		
305-	-1,2	Diesel/processing sawmill <sup>19</sup>	tCO <sub>2</sub>	7,819	7,462	6,804	7,735	7,356	6,949		
13 diamet	15 ** •~~	Total non-renewable fuel - tCO <sub>2</sub> eq. emissions	2	14,535	13,475	11,462	12,546	12,546	10,720	IFO	
		TCO <sub>2</sub> emissions/m³ sawmills (forestry and sawmill processing)		0.24	0.25	0.25	0.23	0.23	0.32		
		% eq. of CO <sub>2</sub> stored in the wood <sup>16</sup>	%	22%	23%	23%	21%	21%	20%		
		TCO <sub>2</sub> emissions/m³ logs (forestry production)	tCO <sub>2</sub>	0.037	0.034	0.027	0.024	0.024	0.021		
		% eq. of CO <sub>2</sub> stored in the wood <sup>16</sup>	%	3%	3%	3%	2%	2%	2%		
		INDIRECT ENERGY GREENHOUSE GAS EMISSIONS (SCOPE 3)									
		Overland transport <sup>22</sup>		15,743	16,295	17,114	16,496	-	-		
		Sea transport <sup>23</sup>		35,588	34,436	27,938	34,332	-			
305, 305-	-1, 305-3	Total tCO <sub>2</sub> emissions (all products)		65,866	65,556	57,059	63,411	-	-		
13 AT 18 AT	15 🐃	Total tCO <sub>2</sub> emissions/m <sup>3</sup> Total lumber <sup>24</sup> (direct and indirect)	tCO <sub>2</sub>	0.84	0.89	0.8	0.85	-	-	IFO	
	To	% eq. of CO <sub>2</sub> stored in the wood <sup>16</sup>		78%	82%	74%	79%	-	-		
		Total tCO <sub>2</sub> emissions/m <sup>3</sup> Total logs <sup>25</sup>		0.63	0.67	0.58	0.65	-	-		
		% eq. of CO <sub>2</sub> stored in the wood <sup>16</sup>		59%	62%	54%	60%	-	-		



# ECONOMIC LANDSCAPE

## Giving value to "Made in Africa" timber products





GRI	SDGs of the United Nations		Unit of measure	2019	2018	2017	2016	2015	2014	Scope
		VALUE CREATED								
20		Net revenue		65,022	60,672	46,902	64,254	65,780	69,065	
12	8 motal venture and topologic country	Operating costs		41,463	40,737	34,399	42,593	44,518	49,704	
#+###	<b>M</b>	Wages and employee benefits (including pension plan)		12,622	11,417	12,346	12,814	11,473	10,822	
3 movement	9 PRESENTATION OF THE PROPERTY	Payments to providers of capital		1,959	2,052	2,053	4,260	3,235	1,290	
<i>-</i> ₩\$		Expenses to government (taxes etc.)	1,000€	5,579	4,965	5,430	4,399	4,007	3,354	IHC
13 HANN	15 to	Community investment, health and safety, forest management and environmental protection	1,000 €	2,279	2,299	2,602	2,502	1,984	1,718	
		Social, security, health, housing, community development		1,846	1,905	2,179	1,993	1,425	1,202	
		Forest management (capitalised)		433	394	423	509	559	516	
		Economic value retained		1,120	- 798	- 4,476	- 18	3,328	2,718	
1 700	8 ECEST VEIN AND 1004001 - 100401 - 100	LOCAL SUPPLIERS Cameroon and Republic of the Congo								
#+####		Procurement budget spent on local suppliers <sup>26</sup>	1,000€	27,670	26,005	24,525	23,439	24,914	24,120	IFO, LCC
		% of total	%	93%	89%	89%	86%	91%	93%	





GRI	SDGs of the United Nations		Unit of measure	2019	2018	2017	2016	2015	2014	Scope
		SUPPLIERS SCREENED IN HIGH RISK REGIONS								
	, 414-1,	Total number of suppliers (including new suppliers)	no.	21	20	22	20	20	22	
G4 FS1	12 dermont	of which verified to be compliant with the company's responsible procurement policy [field audit once per year according to a certified due diligence process]	%	100%	100%	100%	-	-	-	
<b>M</b>	$\infty$	of which certified or 3rd party verified		11	13	14	15	14	19	IHC
13 334	15 mus	of which verified internally/audited for legality through a certified due diligence process		10	7	8	6	6	5	
		Total number of processing sites	no.	22	21	-	-	-	-	
		Total number of forests		61	63	-	-	-	-	
		New suppliers screened		2	2	4	3	1	1	
	, G4 FS1, FS2	PROCUREMENT								
12 PERTUGAL CONCAPTION AND PRESIDENCE	13 ALTERIA	Total volume of wood procured*	m³ RWE**	279,600	251,400	187,300	241,800	258,200	266,600	
$\infty$		FSC® certified <sup>27</sup>		88%	88%	86%	91%	80%	1%	
14 services	15 🐃	Third party legal verification <sup>28</sup> of which, PEFC controlled and certified timber		3%	4%	5%	4%	11%	86%	IHC
<b>***</b>	t F	Controlled internally / audited for legality through a certified due diligence process	%	7%	7%	7%	4%	8%	11%	
		From low risk regions		0.3%	0%	0.2%	0.2%	1.4%	1%	
		Purchased in the EU (verified by other operators)		1.4%	1%	1.2%	0.7%	0.2%	1%	

<sup>\*</sup>For the period 2016 to 2018, a new calculation method has been used that better reflects total RWE volume \*\*RWE = round-wood equivalent



# GRI CONTENT INDEX

INTERHOLCO has been following guidelines of the GRI in its sustainability reports since 2017. This 2020 Report has been drafted in accordance with the GRI Standards from 2016 (Core option) and relevant elements of the G4 Financial Services Sector Supplement. Our report also includes some information from the Comprehensive option in addition to other elements, in particular the 17 UN SDGs, the 10 Principles of the UN Global Compact and the 10 SPOTT assessment categories, which record the ESG performance of 100 companies in the timber sector, including INTERHOLCO. The complete list of elements taken into consideration while drafting this 2020 Report is available in the "Notes on this Report" section.





LIST OF CONTENT ISSUED BY THE GL	OBAL REPORT	ING INITIATIVE (GRI)					
GENERAL DISCLOSURES							
INTERHOLCO LANDSCAPE GRI STANDARD	GRI CODE	INDICATOR NAME	PAGE, LINK OR COMMENT				
	GRI 102-1	Name of the organisation	INTERHOLCO's tree pp. 12-16				
	GRI 102-2	Activities, brands, products, and services	INTERNOLCO'S (Tee pp. 12-10				
	GRI 102-3	Location of headquarters	INTERHOLCO's tree p. 13; headquarters address: Inside back cover				
	GRI 102-4	Location of operations	INTERHOLCO's tree pp. 12-16				
	GRI 102-5	Ownership and legal form	INTERHOLCO's tree p. 13				
	GRI 102-6	Markets served	INTERHOLCO's tree pp. 12-16				
	GRI 102-7	Scale of the organization	INTERHOLCO's tree p. 13; Appendices - Social landscape pp. 92-93				
Dogulatory	GRI 102-8	Information on employees and other workers	Appendices - Social landscape pp. 92-93				
Regulatory Organisational profile	GRI 102-9	Supply chain	https://interholco.com/images/pdfs/20200928-IHC-forestryandprocurement.pdf; https://www.interholco.com/en/about-us/facts-and-figures; https://interholco.com/images/pdfs/20200520-INTERHOLCO-FAQ-Frequently-Asked-Questions.pdf				
	GRI 102-10	Significant changes to the organization and its supply chain	https://interholco.com/en/rss-feed-en/18-archive-2017/68-interholco-will-sharpen-its-focus				
	GRI 102-11	Precautionary Principle or approach	The value of the ALLIANCE: a forest of solutions p. 82; https://interholco.com/images/pdfs/20200520-INTERHOLCO-FAQ-Frequently-Asked-Questions.pdf				
	GRI 102-12	External initiatives	From shareholder value to stakeholder value pp. 26-37;				
	GRI 102-13	Membership of associations	https://interholco.com/en/about-us/initiatives				

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INTERHOLCO LANDSCAPE GRI STANDARD	GRI CODE	INDICATOR NAME	PAGE, LINK OR COMMENT
Regulatory	GRI 102-14	Statement from senior decision-maker	Editorial pp. 8-9
Strategy	GRI 102-15	Key impacts, risks, and opportunities*	The value of the ALLIANCE: a forest of solutions pp. 38-88; Appendices pp. 89-107
Regulatory	GRI 102-16	Values, principles, standards, and norms of behaviour	https://interholco.com/en/about-us/values
Ethics and integrity	GRI 102-17	Mechanisms for advice and concerns about ethics*	https://interholco.com/en/about-us/governance
Regulatory Governance	GRI 102-18	Governance structure	From shareholder value to stakeholder value pp. 24–28, 33–34; The value of the ALLIANCE: a forest of solutions p. 42, 45, 46; https://interholco.com/en/about-us/governance
	GRI 102-40	List of stakeholder groups	From shareholder value to stakeholder value pp. 19–37; https://interholco.com/en/about-us/initiatives
	GRI 102-41	Collective bargaining agreements	Appendices - Social landscape pp. 92-93
Regulatory Stakeholder engagement	GRI 102-42	Identifying and selecting stakeholders	An ALLIANCE culture pp. 17-19; From shareholder value to stakeholder value pp. 20-37; The value of the ALLIANCE: a forest of solutions pp. 46-47; https://interholco.com/en/about-us/initiatives
	GRI 102-43	Approach to stakeholder engagement	From shareholder value to stakeholder value pp. 19-37; An ALLIANCE culture pp. 46-47
	GRI 102-44	Key topics and concerns raised	From shareholder value to stakeholder value pp. 19-37
	GRI 102-45	Entities included in the consolidated financial statements	Notes on this report p. 7; Appendices - Economic landscape pp. 104-105
	GRI 102-46	Defining report content and topic Boundaries	Editorial p. 8-9, An ALLIANCE culture pp. 17-19; INTERHOLCO, company overview p. 10; An ALLIANCE culture pp. 17-19
	GRI 102-47	List of material topics	From shareholder value to stakeholder value pp. 20-37; the relevant issues, both in this section and throughout the report, are highlighted using the colour code specified in the Notes on this Report on p. 7.
	GRI 102-48	Restatements of information	Where information has been revised, this is indicated in the notes to the Appendices.
Regulatory	GRI 102-49	Changes in reporting	There have been no substantial changes to the list of relevant issues or their scope.
Reporting practice	GRI 102-50	Reporting period	Notes on this report p. 7
	GRI 102-51	Date of most recent report	Editorial p. 8; INTERHOLCO, company overview p. 13
	GRI 102-52	Reporting cycle	Notes on this report p. 7
	GRI 102-53	Contact point for questions regarding the report	Inside back cover
	GRI 102-54	Claims of reporting in accordance with the GRI Standards	Notes on this report p. 7; GRI Content Index p. 108
	GRI 102-55	GRI content index	GRI Content Index p. 108
	GRI 102-56	External assurance	Notes on this report p. 7

<sup>\*</sup>Comprehensive option

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INTERHOLCO LANDSCAPE	GRI	INDICATOR	PAGE, LINK
GRISTANDARD	CODE	NAME	OR COMMENT
Dogulatory	GRI 103-1	Explanation of the material topic and its Boundary	Each issue, as well as the applicable scope and the selected managerial approach, is presented in detail here: The value of the ALLIANCE: a forest of solutions pp. 38-88; Appendices pp. 89-119.
Regulatory Management approach	GRI 103-2	The management approach and its components	Our policies, procedures, guidelines and key performance indicators are reviewed each year to
.,	GRI 103-3	Evaluation of the management approach	ensure relevance and in order to identify necessary improvements.
Economic, Social	GRI 201-1	Direct economic value generated and distributed	Appendices - Economic landscape pp. 104-105;
Economic performance	G4FS-EC1	Direct economic value generated and distributed – investment in local communities	FSC® monitoring report 2019 pp. 7-11
Economic, Social Indirect economic impacts	GRI 203-2	Significant indirect economic impacts	The value of the ALLIANCE: a forest of solutions pp. 45-46; 48-51; Appendices - Economic landscape pp. 104-107; See EITI Report 2017: https://eiti.org/files/documents/rapport_final_itie_congo_2017.pdf
Economic, Social	GRI 413-1	Operations with local community engagement, impact assessments, and development programs	From shareholder value to stakeholder value pp. 27-28, 30-31;
Local communities	GRI 413-2	Operations with significant actual and potential negative impacts on local communities	The value of the ALLIANCE: a forest of solutions pp. 65-71; Appendices - Social landscape pp. 92-97; FSC® monitoring report 2019 pp. 6-11
Economic, Social, Environmental, Regulatory - Supplier environmental assessment	GRI 308-1	New suppliers that were screened using environmental criteria	
Economic, Social, Regulatory Supplier social assessment	GRI 414-1	New suppliers that were screened using social criteria	The value of the ALLIANCE: a forest of solutions pp.43, 45-46; Appendices; Economic landscape pp. 104-107;
Economic, Social, Environmental Procurement practices	GRI 204-1	Proportion of spending on local suppliers	https://www.interholco.com/en/about-us/facts-and-figures; See also our Responsible Sourcing Policy https://interholco.com/images/pdfs/20200928-IHC-forestryandprocurement.pdf and the Annex for compliance audits https://interholco.com/images/pdfs/Annexe-IHC_32-03_
Economic, Social - GRI G4	FP1	Percentage of timber purchased from suppliers in compliance with the company's procurement policy	Approvisionnement_responsable_modele_evaluation.pdf - our due diligence process is certified by Control Union.
G4 sectoral supplement for financial services	FP 2	Percentage of purchased volume verified as in accordance with credible, internationally recognized responsible production standards	
Environmental - Water and effluents	GRI 303-3	Water withdrawal	Appendices - Environmental landscape pp. 100-101; FSC® monitoring report 2019 p. 8
Environmental	GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The value of the ALLIANCE: a forest of solutions pp. 71, 74-74, 82, 85; Appendices - Environmental landscape pp. 98-99; see also the FSC® monitoring report 2019
Biodiversity	GRI 304-2	Significant impacts of activities, products, and services on biodiversity	Appendices - Environmental landscape pp. 98-101
	GRI 304-3	Habitats protected or restored	The value of the ALLIANCE: a forest of solutions pp. 71, 75-76, 79, 82-88; Appendices - Environmental landscape pp. 98-99

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INTERHOLCO LANDSCAPE GRI STANDARD	GRI CODE	INDICATOR NAME	PAGE, LINK OR COMMENT	
Environmental Emissions	GRI 305-1	Direct (Scope 1) GHG emissions		
	GRI 305-2	Energy indirect (Scope 2) GHG emissions	The value of the ALLIANCE: a forest of solutions pp. 78-79; Appendices - Environmental landscape pp. 102-103; see also https://www.interholco.com/images/pdfs/20200520-INTERHOLCO-FAQ-Frequently-Asked-Questions.pdf pp. 2-3	
	GRI 305-3	Other indirect (Scope 3) GHG emissions		
	GRI 305-4	GHG emissions intensity		
	GRI 305-5	Reduction of GHG emissions		
Environmental, Regulatory Environmental compliance	GRI 307-1	Non-compliance with environmental laws and regulations	NepCon Legal Source certification, FSC® FM certification available on the website https://interholco.com/en/sustainability/environmental-landscape under "Our environmental protection certificates"	
Social, Economic Market presence	GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Appendices - Social landscape pp. 92-93	
	GRI 202-2	Proportion of senior management hired from the local community		
Social, Economic Indirect economic impacts	GRI 203-1	Infrastructure investments and services supported	The value of the ALLIANCE: a forest of solutions pp. 48-57, 59-65, 75-76, 79, 82-88; FSC® monitoring report 2019 pp. 7-11	
Social, Economic Anti-corruption	GRI 205-2	Communication and training about anti-corruption policies and procedures	The value of the ALLIANCE: a forest of solutions pp. 45-46; see also https://www.interholco.com/images/pdfs/20200520-INTERHOLCO-FAQ-Frequently-Asked-Questions.pdf pp. 24-25	
Social Occupational health and safety	GRI 403-9	Work-related injuries	The value of the ALLIANCE: a forest of solutions p. 61; Appendices - Social landscape pp. 94-95; From shareholder value to stakeholder value p. 23; see also the FSC® monitoring report 2019 pp. 4, 7, 9	
Social Training and education	GRI 404-1	Average hours of training per year per employee	Appendices - Social landscape pp. 94-95	
Social Security practices	GRI 410-1	Security personnel trained in human rights policies or procedures	Appendices - Social landscape pp. 96-97; see also https://www.interholco.com/images/pdfs/20200520-INTERHOLCO-FAQ-Frequently-Asked-Questions.pdf pp. 16, 18-19, 24-25	
Social, Regulatory Rights of indigenous peoples	GRI 411-1	Incidents of violations involving rights of indigenous peoples	From shareholder value to stakeholder value p. 28; FSC® monitoring report 2019 p.10	
Social, Regulatory Human rights assessment	GRI 412-1	Operations that have been subject to human rights reviews or impact assessments	NepCon Legal Source certification, FSC® FM certification available on the website: https://interholco.com/en/sustainability/environmental-landscape under "Our environmental protection certificates"	
	GRI 412-2	Employee training on human rights policies or procedures	The value of the ALLIANCE: a forest of solutions pp. 65-71 (activities involving the local community); pp. 31, 52, 57, 68 (human rights training); Appendices - Social landscape pp. 96-97; From shareholder value to stakeholder value p. 28;	
Social Local communities	GRI 413-1	Operations with local community engagement, impact assessments, and development programs	see also the FSC® monitoring report 2019 pp. 7-11 as well as https://www.interholco.com/images/pdfs/20200520-INTERHOLCO-FAQ-Frequently-Asked-Questions.pdf pp. 10, 14, 16-18, 21, 24-25 (human rights); pp. 4, 6-7, 12, 14-18, 21, 24, 26 (local community and population)	
Social, Regulatory Socioeconomic compliance	GRI 419-1	Non-compliance with laws and regulations in the social and economic area	NepCon Legal Source certification, FSC® FM, Control Union TLV due diligence compliance available on the website	

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GOALS	NAME OF THE GOAL	PAGE, LINK OR COMMENT
frest	No poverty	Editorial, pp.8-9; the value of the ALLIANCE: a forest of solutions pp. 48-51
2=	Zero hunger	The value of the ALLIANCE: a forest of solution pp. 38-88
3	Good health and well-being	The value of the ALLIANCE: a forest of solution pp. 52-55
4==	Quality education	The value of the ALLIANCE: a forest of solution pp. 55-57
5 :::: ©*	Gender equality	p. 24; The value of the ALLIANCE: a forest of solutions pp. 54, 56-57, 59-60, 67-68; p. 71; Appendices - Social landscape: pp.92-95
6	Clean water and sanitation	The value of the ALLIANCE: a forest of solution pp. 84-85
) — ·	Affordable and clean energy	pp. 18, 23-24; The value of the ALLIANCE: a forest of solutions pp. 84-85
* ===== ***	Decent work and economic growth	The value of the ALLIANCE: a forest of solution pp. 61-65
9===	Industry, innovation and infrastructure	pp. 13-16; The value of the ALLIANCE: a forest of solutions pp. 44, 48-49, 51, 53-55, 56-57, 59-64, 75-76, 80-88
10 ====	Reduced inequality	The value of the ALLIANCE: a forest of solution pp. 38-88
n=	Sustainable cities and communities	The value of the ALLIANCE: a forest of solution pp. 48-55, 60
© IS ===	Responsible consumption and production	pp. 18, 23-26, 30, 32-33, 35-37; The value of th ALLIANCE: a forest of solutions pp. 84-85
13 1111	Climate action	The value of the ALLIANCE: a forest of solution pp. 72-88
14 2	Life below water	The value of the ALLIANCE: a forest of solution pp. 60, 66
15 %	Life on land	pp. 18, 30-37; The value of the ALLIANCE: a forest of solutions pp. 80-88
16 minus <b>Y</b>	Peace and justice strong institutions	pp. 25-28; The value of the ALLIANCE: a forest solutions pp. 42-43, 45-46
n=== &&	Partnerships to achieve the Goal	Editorial, pp. 8-9; An ALLIANCE culture p. 18; From shareholder value to stakeholder value pp 20-37; The value of the ALLIANCE: a forest of

Find out more about the Sustainable Development Goals at https://www.un.org/sustainabledevelopment/sustainable-development-goals/

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT					
PRINCIPLES	NAME OF PRINCIPLE IN ENGLISH	PAGE, LINK OR COMMENT			
P1	Businesses should support and respect the protection of internationally proclaimed human rights	https://interholco.com/en/ about-us/governance; https://interholco.com/ images/pdfs/20200928-IHC- forestryandprocurement.pdf			
P2	Make sure that they are not complicit in human rights abuses				
P3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	From shareholder value to stakeholder value p. 23; The value of the ALLIANCE: a forest of solutions p. 57; Appendices - Social landscape pp. 92-93			
Р4	The elimination of all forms of forced and compulsory labour	https://interholco.com/			
P5	The effective abolition of child labour	images/pdfs/20200928-IHC- forestryandprocurement.pdf			
P6	The elimination of discrimination in respect of employment and occupation				
P7	Businesses should support a precautionary approach to environmental challenges	The value of the ALLIANCE: a forest of solutions pp. 75, 80, 82-88			
P8	Undertake initiatives to promote greater environmental responsibility	The value of the ALLIANCE: a forest of solutions pp. 41-42, 44, 46-47, 76, 83-88			
P9	Encourage the development and diffusion of environmentally friendly technologies	The value of the ALLIANCE: a forest of solutions pp. 44, 77-79, 82-88			
P10	Businesses should work against corruption in all its forms, including extortion and bribery	The value of the ALLIANCE: a forest of solutions pp. 9, 23, 43, 45-46, 57; Appendices - Social landscape pp. 94-95			

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#### THE TEN CATEGORIES OF SPOTT ASSESSMENT WITH REGARD TO ESG PERFORMANCE AMONG COMPANIES IN THE TIMBER INDUSTRY **INDICATORS** NAME OF THE CATEGORY IN ENGLISH PAGE, LINK OR COMMENT from 1 to 12 Sustainability policy and leadership from 13 to 41 Landbank, maps and tracebility from 42 to 50 Certification standards from 51 to 70 Deforestation and biodiversity from 71 to 81 HCV, HCS and impact assessments https://www.spott.org/timber-pulp/ interholco/ Soils, fire and GHGs from 82 to 101 from 102 to 122 Water, chemical and waste management from 123 to 158 Community, land and labour rights from 159 to 166 Smallholders and suppliers from 167 to 175 Governance and grievances





#### Footnotes - Landscape appendices

- 1. Incidence rates represent the number of accidents and illnesses per 100 full-time workers and have been calculated as follows: (N/EH) x 200,000, N = total number of accidents and illnesses; EH = total number of hours worked by all employees in a calendar year (2,000 x no. of full-time workers this year). 200,000 = on the basis of 100 equivalent full-time workers (40 hours per week, 50 weeks per year or 2,000 hours per worker).
- 2. "Affected personnel" refers to members of staff who may be exposed to problems such as corruption, illegal logging and forced labour. Key positions include any staff member in procurement (including procurement for production), and any staff member in sales, finance and human resources.
- 3. Impact assessments are carried out for all operations:
   85 villages in the forest concession and a maximum of 10 villages
- affected by annual harvesting;

   A socio-economic study (2004) and a social impact assessment (2008) were carried out for the entire FMU;
- "Participatory mapping" is carried out prior to the annual harvest and all sites of particular importance to the communities are identified; All the villages are informed of the social 8 environmental impacts and mitigation measures put in place;
- A consultation platform with 25 village representatives and all the relevant stakeholders (including local government and NGO representatives) takes place once or twice a year.
- 4. Most impacts are temporary and can be positive and negative at the same time:
- Negative: disturbances caused on village paths in the forest (for hunting/gathering).
- Positive: after harvesting, the paths are re-established if requested by the villages/communities. 5 data 2016-2015.
- 5. Data 2016-2015
- **6.** Ecoguards and security personnel were given human rights training in 2015.
- 7. IFO security personnel do not carry weapons.
- The following positions were affected: local administration (police, gendarmerie), IFO Forest and Environment Director, security guards and ecoquards as well as ADHUC and CDHD.
- **9.** This figure does not take IFO employees into account. 20 local authorities, 25 ecoguards and IFO employees took part in the training sessions in 2015 (total number of participants: 45).
- 10. We protected the areas according to the official classification of the Ngombě Forest Management Unit Management Plan, which was approved by ministerial decree. We have also decided to protect a buffer zone on the edge of the Odzala-Kokoua National Park in order to prevent any possible negative impacts on the national park. Active HCV management has been taking place for several years in order to preserve high conservation values (active wildlife management, protection of the buffer zone, monitoring of conservation areas etc.)
- 11. The impacts of harvesting affect just 1/30 th of the production area (800,000ha) based on the harvestable area derived from our forest management plan.
- 12. Minor oil spillages. All waste and oil is collected at the base camp and sent back to the industrial site in Ngombé, where it is processed, reused or sent to approved waste disposal plants (in Pointe-Noire).
- 13. Not applicable, no specific invasive species. Marantaceae and Zingiberaceae are naturally invasive species, but timber harvesting can have a positive impact on forest regeneration.
- 14. No significant reduction in species. All tree species are managed in the interest of conservation, or only decline in the event of natural replacement in certain areas (forest succession).

- 15. Felling in the forest has only a minor impact (roads, skid trails, felling holes), but there is no large-scale conversion to non-forest land use.
- **16.** Calculation of % eq.  $CO_2$  stored in the timber according to: 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Chapter 12. Felled timber products, Table 12.4, C Content per m³/timber 0.295 t/m³ x 44/12 = eq. CO, content/m³ of timber = 1.08.
- 17. Conversion: 2.27 t eq.CO<sub>2</sub> / m² diesel. Source: World Resources Institute (2015). Greenhouse gas protocol instrument for mobile combustion sources. Version 2.6, with emission factors from UK DEFRA and US EPA as well as the IPCC 2006 Guidelines for National Greenhouse Gas Inventories. (Scope 1), "other countries".
- 18. Conversion: 2.68 t eq. CO<sub>2</sub>/m³ diesel: World Resources Institute (2015). Greenhouse gas protocol instrument for mobile combustion. Version 2.6, with emission factors from UK DEFRA and US EPA as well as the IPCC 2006 Guidelines for National Greenhouse Gas Inventories. (Scope 1), "other countries".
- 19. Conversion: 2.69 t eq. CO<sub>2</sub>/m³ diesel: Source: World Resources Institute [2015]. Greenhouse gas protocol instrument for stationary combustion. Version 4.1 Emission factors cf. 2006 IPCC Guidelines for National Greenhouse Gas Inventories. [Scope 1]. "other countries".
- 20. Calculated as: (level of CO<sub>2</sub> emissions from non-renewable fuel sources in forest production, for logs processed in sawmill + level of CO<sub>2</sub> emissions from non-renewable fuel in sawmill production)/annual harvest of timber.
- 21. CO<sub>2</sub> levels from non-renewable fuel sources in forest production ner m<sup>3</sup>
- **22.** Calculated according to the volume (weight) transported overland (road, train) to its destination (Douala, Pointe-Noire) using the World Resources institute's tool (2015). Greenhouse gas protocol instrument for mobile combustion. Version 2.6, with emission factors from UK DEFRA and US EPA as well as IPCC's 2006 Guidelines for National Greenhouse Gas Inventories (Scope 2, "other countries").
- 23. Calculated based on the volume (weight) transported per shipment/ large container ship from Douala, Pointe-Noire to the client's destination using the World Resources Institute tool (2015). Greenhouse gap protocol instrument for mobile combustion. Version 2.6, with emission factors from UK DEFRA and US EPA as well as IPCC's 2006 Guidelines for National Greenhouse Gas Inventories (Scope 2, "other countries").
- **24.** Conversion of tonnes to m³ by density of tropical timber; cf. IPCC, 2006, Ch. 12, Table 12.4 (in tonnes/m³) = 0.59. Total equivalent in tonnes of CO<sub>2</sub>/transported volume.
- **25.** Conversion of tonnes to m³ by density of tropical timber; cf. IPCC, 2006, Ch. 12, Table 12.4 (intonnes/m³) = 0.59. Total equivalent intonnes of CO./transported volume.
- **26.** Includes transportation from Ngombé to Douala and Pointe-Noire.
- 27. Due to the lack of a partnership with the FSC®, IFO was unable to produce FSC® timber until November 2014. This is why a large proportion of the timber was "third party legally verified" timber. Nevertheless, production proceeded according to the same standards.
- 28. Due to the lack of a partnership with the , IFO was unable to produce FSC\* timber until November 2014. This is why a large proportion of the timber was "third party legally verified" timber. Nevertheless, production proceeded according to the same standards.

### Editorial design and content:

Tullia Baldassarri Höger von Högersthal

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A forest is so much more than just its trees. She is the nurturing mother and source of healing for the local communities and indigenous peoples who have interacted with her over the course of thousands of years. She is the land where their identities, relationships, traditions and cultures come to life; the sacred being animated by their hopes for the future. She is home to thousands of species, from fungi to insects, from birds to gorillas. She regulates the water cycle and the formation of the rainfall that is so critical to the balance of the climate and the survival of the Earth. She offers the world's population a revolutionary material: wood. Known and used since antiquity, it is the only building material that is healthy, natural, sustainable, traceable, recyclable, renewable and carbon positive.

INTERHOLCO invites you to discover "SUSTAINABLE HARDWOOD, MADE IN AFRICA" and the solutions it offers for meeting the major challenges facing the planet.

If you have any questions, suggestions and/or comments relating to this report, please contact:

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