

PRESS RELEASE

Investors to play larger role in reforestation of Africa

Kofi Annan supports initiative for reforestation and social impact

The initiative 'Forests for the Future, New Forests for Africa' is supported by Kofi Annan, former secretary-general of the United Nations. The Ghanaian is the principal guest during the official launch of the movement, on 16 and 17 March in the Ghanaian capital Accra. The replanting of forests can play a major role in achieving the climate objectives that were agreed in Paris. It is now time for investors to make a move.

"While the priority must remain on preserving our natural forests, the revival of denuded areas through reforestation helps not only Ghana but also the global fight against climate change," says Kofi Annan, who with his Kofi Annan Foundation stands for a fairer and safer world. At the climate conference in Paris, he was a strong supporter of the agreement.

Also Paul Hol, director of the forestry company Form international, was in Paris. "Each year, the Southern Hemisphere loses 15 million hectares of forest. Replanting is of vital importance. That must be done in a sustainable manner. And if you want to get support for it, it must also be economically attractive, for example by the sale of timber. In Ghana, we manage an area of 20,000 hectares with a solid return on investment. A good business model is crucial in order to be truly successful."

From promise to action

In Paris, 10 African countries agreed to restore at least 100 million hectares of degraded land, under the AFR100-plan. This will include reforestation but also farmer-managed natural regeneration of trees, agroforestry and management of rangeland and non-forest ecosystems. "But these agreements were not very binding," according to Hol. "We want to take the next step and that is why we are bringing the 10 largest foresters of Africa, government officials and international investors together in Accra. The companies have the knowledge, the government can designate an area and the investors are required to cover the start-up costs," says Hol. In this company, over the past ten years, more than 30 million dollars have been spent by experienced international investors, and in order to expand the number of replanted hectares even further, there is a commitment to have a total of 150 million dollars invested by 2030. "Reforestation is much more than just planting new trees," says Hol. "Especially the impact on the ecosystem is very important, such as improvement of the soil, micro climate, biodiversity and water management. In addition, employment is a very important aspect of this long-term investment."

Importance of reforestation

Prof. dr. Tineke Lambooy LL.M. (Professor Corporate Law and Corporate Social Responsibility at Nyenrode Business University) supports, from Nyenrode University, the initiative by conducting research and by taking part in the organisation of the conference in Accra. She explains: "With a view to preserving biodiversity in Africa, increasing the area of forest plantations is of great importance, since this creates corridors for wild life. In addition, planting of forests is of crucial importance to fight erosion, desertification and climate change." That the importance of the reforestation goes far

beyond planting trees, is also endorsed by Hendry Djombo, Minister of Economic Affairs in Congo: "If the Congo Basin is not well managed, the land will become degraded and turn into grassland, and then the desert will take over the whole of Africa," he said in Paris.

Long-term

Senior Investment Officer Gerhard Engel (Entrepreneurial Development Bank) says the following about investing in reforestation: "Investing in reforestation is a long-term matter. If we want to reforest and finance in a sustainable manner, we must start the work with passion and commitment. The impact of forestry is huge for the reduction of CO₂-emissions and for realising local, especially rural, employment. Forestry will thus give people a future and more opportunities to plan and act." Hol: "After 20 years of growth, part of the trees, the part with the largest value, is ready for felling. The freed space is replanted again immediately. The timber is brought into the market. The return on investment of approx. 10-15% a year will only then be released. We are, therefore, looking for long-term investors. The presence of the Dutch FMO and its Finnish counterpart FinnFund on 16 and 17 March in Accra is, therefore, encouraging."

End of press release.



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About 'Forests for the future, New forests for Africa!'

The name of the new movement, started by Form international, Form Ghana, the Ghana Forestry Commission, Nyenrode University and the American World Resources Institute. The launch will take place on 16 and 17 March in Accra. The aim is, building on the AFR100 agreements, to develop forestry in Africa into a great sector with a view to increasing the quantity of forest again.

See also: <http://newforestsforafrica.org>

About Nyenrode Business University

Nyenrode Business University is the only private university in the Netherlands. The institute was set up in 1946 for and by the business community. Nyenrode prepares people with talent and ambition for a career in management, entrepreneurial or auditor positions within an international environment and attaches great value to social awareness and sustainable leadership, and builds on the motto: Leadership, Entrepreneurship, Stewardship.

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