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Partnership to conserve tropical forests launched ITTO, 7&i Holdings to work with Indonesia for enhanced forest carbon stocks, biodiversity conservation

Tokyo, 9 October 2009. A new partnership to strengthen the conservation of Indonesia's tropical forests was launched at the Indonesian Embassy in Tokyo today with the attendance of Indonesia's Ambassador to Japan, Dr. Jusuf Anwar; Dr Hadi Pasaribu, Senior Advisor to Indonesia's Minister of Forestry; International Tropical Timber Council Chairperson Ambassador Michael Maue; and Mr. Emmanuel Ze Meka, Executive Director of the International Tropical Timber Organization (ITTO).

The Ministry of Forestry of Indonesia and ITTO aim to contribute to conservation of the Meru Betiri National Park (MBNP) with financing from 7&i Holdings Ltd. under a pilot public-private partnership towards efforts to reduce emissions from deforestation and degradation (REDD) in Indonesia.

The project launched yesterday is designed to reduce emissions from deforestation and forest degradation and to enhance forest carbon stocks through enhanced community participation in conservation and management of the MBNP as an integral part of the larger landscape in which they live.

The MBNP is located in the southern part of East Java province, surrounded by the two heavily populated districts of Jember and Banyuwangi. The Park area consists of about 58,000 hectares of tropical forests with a high diversity of flora and fauna. However, the MBNP is under increasing threat of deforestation and forest degradation due to illegal logging and encroachment.

Ambassador Anwaryo said at the launching that the ceremony marked the beginning of the latest cooperative effort with ITTO, which would not only benefit the Indonesian people, but would also serve as an example to the world. "Through the foresight of 7&i Holdings, ITTO and the Indonesian government, we now have a new partnership on tropical forest conservation and a new way forward in our struggle against climate change" Anwaryo stated.

Minister of Forestry advisor Pasaribu noted that "Today, we are witnessing how the notion of the broader context of sustainable development has been put into practice in solving climate change problems. I wish to seize this opportunity to express my sincere appreciation to 7&i Holdings Ltd. in supporting the conservation of our Meru Betiri National Park, through ITTO's related climate change programme on reducing deforestation and forest degradation. 7&i has demonstrated to us that climate change is our common problem and responsibility."

ITTO's Ze Meka concurred. "I am certain that this new partnership with 7&i Holdings Ltd. will provide an excellent opportunity for us to work together for the conservation of Meru Betiri National Park and to improve the well-being of the

indigenous people and local communities. Certainly this partnership will make a difference to the conservation of MBNP for future generations. It is an important example for upcoming negotiations in Copenhagen on the role of the private sector which can play a greater role on the ground to implement activities for reducing emissions from deforestation and forest degradation, including sustainably managing and conserving forests (REDD+)."

The project is specifically designed to improve the livelihoods of local communities living inside the MBNP and in surrounding areas through their active involvement in activities to avoid deforestation, degradation and biodiversity loss. The project will also develop a credible measurable, reportable and verifiable system for monitoring emission reductions from avoiding deforestation and forest degradation and enhancement of forest carbon stocks in the MBNP.

For more information on the MBNP project please contact Hwan Ok Ma [ma@itto.or.jp]. For more information on ITTO's projects and programs, go to www.itto.int. For information on 7&i Holdings Ltd, go to www.7andi.com/en/.