

Localizing ecological forest investment

The Forest Finance Experience

15 years of tropical afforestation

Overview

- Who is Forest Finance
- Our approach towards sustainable forestry
- Lessons learned
- Conclusions

Who is Forest Finance

- Working in Germany/Panama since 1995
- Currently managing almost 2000 ha
- Up to 150 employees
- Cooperation with other forest service companies



Who is Forest Finance

- First company to gain FSC-Certification in Panama in 1998
- Introducing a mixed native/non-native species reforestation concept
- Reconstructing ecosystems and social perspectives

Our Approach

- Spatial mix of native species patches or stripes with teak
- Conservation and enrichment of existing forest and succession residues
- Bringing the plantation as close as possible to the forest



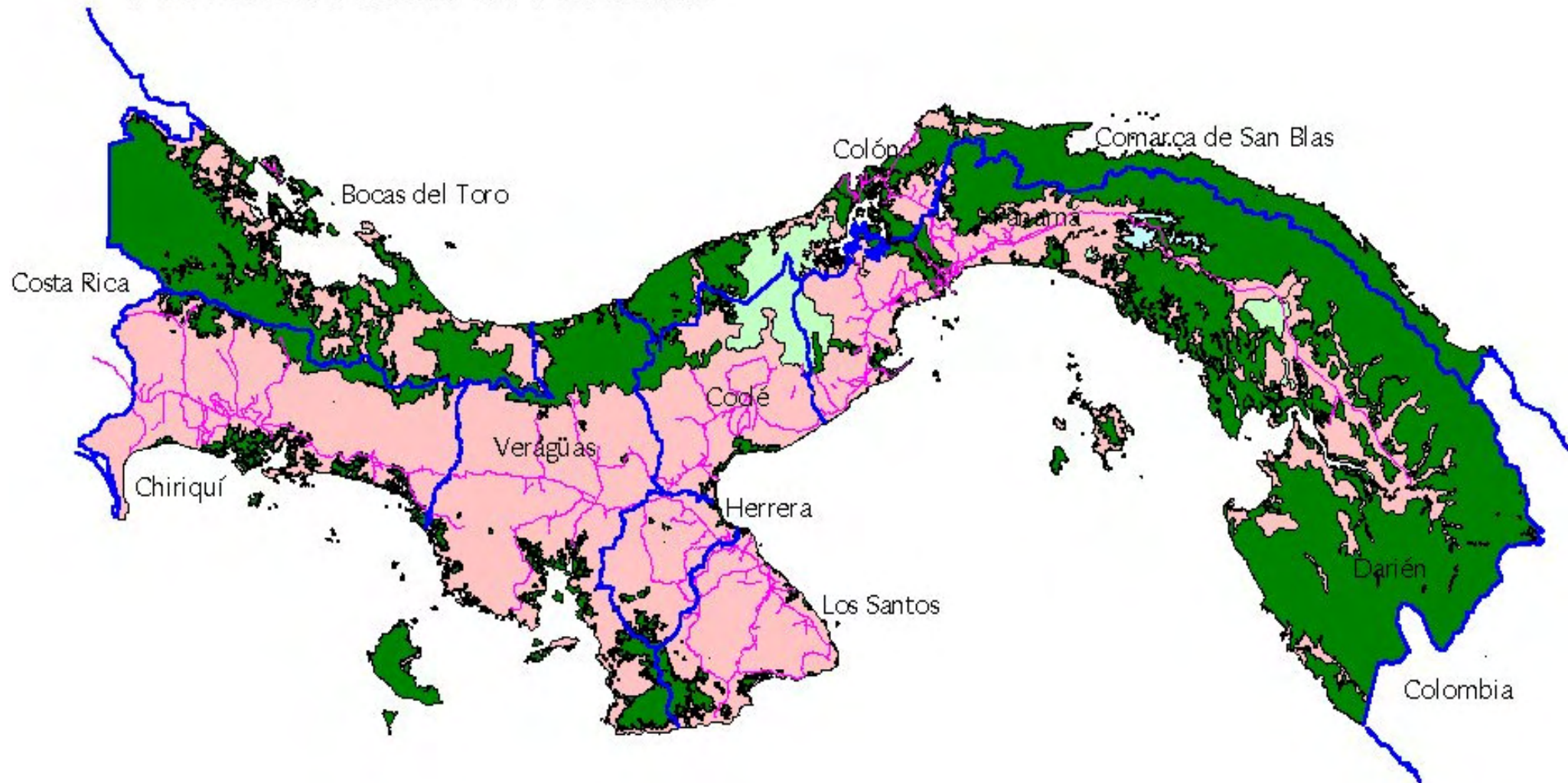
Our Approach

ForestFinance
Rendite - Natur - Zukunft



Our Approach

Forested Areas of Panama



Our Approach

The Challenge

The challenge

1. Massive loss of biodiversity through expansion of cattle ranching from the 1960 on
2. Disruption of the social structure especially for the Ngobe-Indians
3. Drought problems in dry seasons due to forest cover loss

Education

1. Professional technical training of workers
2. Education offerings for consciousness of the whole community



Our Approach

Education

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Wood-Processing

1. Missing timber industries
2. No governmental policies



Our Approach

Wood Processing

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History of Funding

1. Marketing as a long term investment to small private investors
2. Slow grow from start-up through existing networks
3. Substantial growth with professional marketing towards special target groups
4. Multiple marketing channels towards small investors and institutional investors

New Elements and Products

Integrating agroforestry elements

1. Cacao

2. Field crops



Our Approach

New Elements

New Challenges in Cooperation

Expanding to Vietnam for Carbon Sequestration Project

Cooperation with Chagres National Park Foundation in Locally controlled Forestry

Lessons Learned

Problems:

Lack of professional experience

Lack in basic training of rural workforce

Communications: Connecting first world investors to third world producers

Lessons Learned

Measures:

Collaborate with scientific institutions

Constant training of workforce

Offer insight, transparency and trust for the investors

Conclusion

Build powerful institutions connecting forester and investor

Build up capacity on the local scale

Develop clear and binding concepts

Tie and teach the investor

Thank you

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