

Press Release

The collaboration between DANZER and swisspeace has started successfully.

Baar (Switzerland) 23.07.2013 – The process of fulfilling the conditions for DANZER’s possible re-association, which was agreed upon with the Forest Stewardship Council® (FSC®) is moving swiftly forward. In June 2013 a contract for further collaboration with the peace research institute swisspeace was signed. The first steps have already been implemented. DANZER’s existing conflict resolution mechanisms will be evaluated and potential areas of improvement will be implemented by December 2013. The results of this process shall then be additionally evaluated by an independent auditor. By taking these steps, DANZER is underlining its commitment to its continuing policy of sustainability and social responsibility.

The contract with swisspeace, signed in Baar (Switzerland) on the 13th of June 2013 contains an agreed schedule up to the end of the year.

The first step involves the evaluation by the peace research institute of the implementation of social obligations which were agreed with the community of Yalisika in the *Cahier des charges*. By the end of August 2013 a progress report will be submitted. At the same time, the assessment of the existing conflict resolution mechanisms will start. As a result of that process, swisspeace will issue a report with specific requirements for the improvement of the current processes by the end of October 2013. These will be implemented by DANZER and will then be re-evaluated by swisspeace. In addition to this, the results will be audited by a third party. “We have decided upon this ambitious approach because by doing so we are convinced that we will substantially strengthen the reputation of FSC”, says Hans-Joachim Danzer, CEO of DANZER AG. “We are absolutely on target with the process and want to implement the agreements by the end of 2013 in order to satisfy the requirements for re-association with FSC.”

Cahier des charges will be implemented on time

Back in May 2013 the former DANZER subsidiary, SIFORCO, has already refined and signed the contract with the residents of Yalisika, in which the social obligations of the former DANZER subsidiary were once again stated in detail. There is an agreement on the delivery of building materials as well as the wages for the local labour to undertake the construction of the agreed facilities. The materials have already been bought by SIFORCO and shipped to the Congolese regional capital Bumba. At the end of July a total of 150 tons of material should arrive at the site and will be subsequently handed over to the residents of Yalisika. In the open dialogue with the communities, the principles of free, prior and informed consent were used.

Evaluation of the conflict resolution mechanisms has been initiated

In July 2013, at a joint meeting between DANZER and swisspeace, foundations were laid for the development of the process to evaluate the conflict resolution mechanisms.

In a first step, the peace research institute will hold discussions from the 19th to the 29th of August 2013 in the Republic of Congo. As well as interviews with representatives from politics and the civil society, there will also be talks with IFO (Industrie Forestrière d’Ouesso). The interviews followed by further analysis of the results will be concluded by the end of October 2013 and will be a part of the report together with concrete recommendations. DANZER will subsequently implement these. “We are expecting well-grounded recommendations from swisspeace’s analysis on how we can further

improve our processes” says Hans-Joachim Danzer. “Currently we are already the forerunners of sustainability and social responsibility in the industry. We want to ensure we maintain DANZER’s customer’s confidence with this process which we’ve started.”

The background to the agreed process with FSC.

The FSC decided on the 21st May 2013 to suspend the certification of DANZER and its subsidiaries. The detailed drafting of conditions for a possible re-association of DANZER was mutually agreed. Likewise the current process with swisspeace has been mutually agreed and is being implemented accordingly.

DANZER has also decided, during the period of suspension of their FSC status, to continue to carry out audits according to the FSC standards, to ensure that the compliance with the FSC-Standards after the re-association from Danzer, can be promptly attained in the framework of a robust certification.

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