

Schweighofer Group actively protects old growth forests and natural treasures

- **Expert team identified more than 430 ha of quasi virgin forests on forest land owned by Schweighofer Group**
- **The area will be progressively reported to the forest guard for the inclusion into the national catalogue of quasi-virgin forest.**

In spring this year Holzindustrie Schweighofer commissioned a study to evaluate its own forest land on the prevalence of old growth forests – so called quasi-virgin forests. The Schweighofer Group currently owns 14,666 hectares of forest in Romania. “The study was an important outcome of our structured dialogue with Agent Green and other NGOs in recent times and is fully in line with the new company policy which explicitly highlights the role of protecting biodiversity for our company” explains Michael Proschek-Hauptmann, Head of Compliance and Sustainability. The identification of quasi virgin forests and other high conservation value forests was happened under the guidance of the local NGO Agent Green.

Romania protects virgin and quasi virgin forests. In practice, this means that these forests are no longer managed and hence preserved in their uniqueness for future generations. Basis for this protection status is the national catalogue of virgin and quasi-virgin forests. The study revealed more than 430 ha of quasi virgin forest on land that belongs to the Schweighofer Group. Additionally 250 ha of high conservation value forests, with significant concentrations of biodiversity values were identified.

As a next step, authorities will be notified of this study. The forest guard will then decide about a potential inclusion of these areas into the official catalogue of quasi virgin forests in Romania. The first 84 ha will be submitted to the authorities within the next days. This surface concerns two areas located in Musa-Buzău and Nucșoara-Argeș. These natural treasures have remained untouched by any harvesting activities for more than 40 years. The study results for the remaining areas will be reported to the authorities after necessary further clarifications. In the meantime, the Schweighofer Group will not carry out any interventions in this area, in order to retain their high natural value.

“There were no economic management activities for decades. These forests are still almost untouched. The Schweighofer Group takes the responsibility to preserve the status of these areas for the future,” states Michael Proschek-Hauptmann.

“I think it is a wonderful example of how forest owners in Romania can contribute to the final identification and the long-term protection of old growth forests in the Carpathians. We hereby also want to support Romania in its efforts to protect its natural heritage. For us as a Group we are clearly committed to preserve biodiversity. And old growth forests are of course the epitome of wilderness and nature, which we need to respect” Proschek-Hauptmann concludes.

Further information

Romania's forests are growing

During the past 15 years, Romania's forests grew by 4,950 km², an area larger than that of all national parks put together (3,200 km²). Between the years 2000 and 2015 the country's forested areas grew from 27.7% to 29.8%¹.

Holzindustrie Schweighofer's measures for a sustainable forestry industry in Romania

- **Holzindustrie Schweighofer supports the introduction of the FSC standard in Romania by paying a bonus of 10 RON/m³ (2 €) for FSC-certified saw logs**

To ensure a sustainable supply chain in Romania that meets the high FSC standards, Holzindustrie Schweighofer pays its suppliers a bonus for FSC-certified logs. Since 2012, HS has paid a total of 5.65m RON (€1.25m) for this FSC-bonus.
- **GPS-tracking – transparency for the supply chain**

Holzindustrie Schweighofer has implemented a GPS tracking system in Romania (Timflow). This system surpasses all legal requirements by far. Every truck delivering Romanian saw logs to the company's saw mills is equipped with a GPS device, which proves the logs' exact loading place. The results are publicly accessible at www.timflow.com.
- **Improved stakeholder consultation**

During the past two years, Holzindustrie Schweighofer improved and intensified its dialogue with all stakeholders. Holzindustrie Schweighofer is committed to an open and transparent dialogue with NGOs and civil society. We share the aim of securing sustainability in timber processing.
- **Comprehensive audit by the renowned Indufor group**

In January 2016, Holzindustrie Schweighofer subjected its purchasing processes to an in-depth analysis. The independent Finish consulting firm Indufor examined all processes as well as the supply chain and the mills in Romania. Their conclusion: Holzindustrie Schweighofer's due diligence system surpasses the regulatory requirements by far and complies with the standards laid down by the European Timber Regulation (EUTR) for placing legal wood on the European Single Market.
- **Strict controls for sensitive forest areas**

Holzindustrie Schweighofer has developed a system for risk minimization based on geographical maps issued by the Romanian Association for Forest Certification which identify regions that are susceptible to unlawful logging. If Holzindustrie Schweighofer buys timber from these regions or from sites that are located in close vicinity to national parks or virgin forests, our employees act with the highest degree of sensitivity by inspecting the most important documents necessary for legal timber harvesting (the authorized document proving the harvested amount "APV", the waybill (Aviz) and the forest management plan) with maximum attention.
- **Strengthened compliance team**

A rigorous due diligence process requires an adequate number of trained experts. Holzindustrie Schweighofer doubled its team for compliance and certification during the past months to 16 employees.
- **Exclusion of suppliers who do not comply with Holzindustrie Schweighofer's purchasing policy**

If suppliers don't follow the company's purchasing policy, they are excluded from the supply chain.
- **Holzindustrie Schweighofer does not accept timber shipments from national parks**

Holzindustrie Schweighofer implemented a "Zero Timber from National Parks"-Policy in Romania, although the legislation would allow for logging in so called national park buffer zones and in case of sanitary cuttings.
- **Compliance and anti-corruption training**

For its Romanian employees, especially those working in the area of purchasing, Holzindustrie Schweighofer organizes anti-corruption and compliance trainings on a regular basis.
- **Schweighofer-initiative.org**

Holzindustrie Schweighofer is committed to a transparent and open public discourse. The website www.schweighofer-initiative.org is part of the company's contribution towards this discourse and showcases its efforts to improve sustainability.

¹World Bank http://data.worldbank.org/indicator/AG.LND.FRST.K2?locations=RO&order=wbapi_data_value_2015+wbapi_data_value+wbapi_data_value-last&sort=desc (based on F.A.O. data)



About the Schweighofer Group

The Schweighofer Group has its roots in a traditional Austrian family company with over 400 years of experience in wood processing. Today, the Group is primarily active in the wood processing industry, forest management, bioenergy production and real estate. The industry division of the Schweighofer Group operates three sawmills and two wooden panel productions in Romania and one saw mill in Germany. It takes a leading role in the European timber-processing industry, currently employing around 3,500 employees. Holzindustrie Schweighofer exports products to over 70 countries worldwide.

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