

Press Release

First forestry project in South America to be registered with the VCS

South Pole Carbon Asset Management, a premium carbon asset management company based in Zurich, moves to the forefront of new carbon mitigation measures by registering the first polyculture native species reforestation project with the VCS.

March 15, 2011 - Zurich, Switzerland – for immediate release. The Verified Carbon Standard (VCS) registered its first reforestation project in South America. The project, developed jointly by South Pole Carbon Asset Management (South Pole) and Asorpar Ltd., is currently under validation with the Climate, Community & Biodiversity Standard (CCBS), arguably the most renowned quality label in the forestry world.

The reforestation project is located in northern Colombia in the provinces of Antioquia and Arauca. Prior to the project the forest area in Antioquia had been devastated by illegal gold prospecting and coca plantations. Today, the area stands as a positive example of what carbon financing can do within a short time span. The 11,000 hectare project's unique character and exemplary attributes raises the bar for any followers in the seminal field of climate change mitigation through forestry. The polyculture project by South Pole and Asorpar distances itself from monoculture reforestation projects by planting polycultures of 25 different native species adapted to local soil conditions and selected according to local biodiversity and conservation needs. Today, considerably more native tree species than the 25 originally-planted species exist within the plantations. This is because the micro-climate conditions created by the reforestation project allow for the natural regeneration of other native tree species. This sets the project apart from the majority of reforestation projects that achieve emission reductions via monoculture plantations of species of Pine or Eucalyptus that have a market share that exceeds 95% (according to the FAO State of the World's Forests Report 2010).

The reforestation project includes assisted natural regeneration and reforestation in heterogeneous stands (separated by species and age), and soil restoration. These elements of the project make the management process more challenging than that of simple monoculture projects. According to Yougha von Laer, South Pole's project implementation manager, management issues are a challenge with any polyculture project. Nevertheless, "The proposed project activity offers a unique opportunity to obtain valuable knowledge about silvicultural management practices for mixed native species plantation forestry and suitability of native tree species for commercial plantation forestry."

70% of the actual CO₂ reductions will be available for sale. 30% will be kept in a buffer pool for unforeseen events. Still, the project is expected to issue about 150,000 CCBS-VCUs in the first half of 2011. "We believed in this challenging project from the beginning, and now an area 1.5 times the size of Manhattan is changing from degraded land to native forest with an impressive biodiversity," said Christian Dannecker, South Pole's director of forestry.

According to Christoph Sutter, South Pole's CEO in charge of new growth areas, South Pole has always been committed to shaping market-based mechanisms to facilitate sustainable development. "The growing importance of forestry projects in the international carbon markets coupled with the growing interest of buyers in purchasing charismatic carbon credits ensures that elaborate projects like our Colombian reforestation project will reach profitability."



The project activity not only saves more than one million tons of CO₂ from heating up our climate, it also has a positive impact on socio-economic conditions in the region. Employment for locals and long-term investment bring with them a multitude of new opportunities to a rural region that has suffered from illegal mining, drug trafficking and civil unrest. South Pole and Asorpar—via their collective effort to introduce sustainable forestry practices in Columbia—have provided individuals, businesses, organizations and governments with a real-world example of how market-based mechanisms can have a positive impact on mitigating climate change.

About the project

VCS project database:

<https://vcsprojectdatabase1.apx.com/mymodule/ProjectDoc/EditProjectDoc.asp?id1=576>

South Pole project presentation:

https://www.southpolecarbon.com/_marketing/658Forestry_Colombia.pdf

About South Pole Carbon Asset Management Ltd.

Zurich-based South Pole Carbon Asset Management is one of the world's leading high-quality carbon offsetting companies. With more than 75 carbon professionals located in nine offices around the globe, South Pole is as close to its projects as its clients. In over 20 countries, the company enables the implementation and operation of high-quality projects that reduce greenhouse gases. South Pole's unparalleled portfolio comprises projects in the fields of renewable energy, forestry, energy efficiency, waste management, methane avoidance, and many other sectors. The company was founded in Zurich, Switzerland, in 2006. Since then, it has shaped the premium carbon markets. In 2011, South Pole was named Best Project Developer in *Environmental Finance's* Annual Voluntary Carbon Market Survey.

About Asorpar Ltda.

Asorpar Ltd. seeks to promote urban and rural reforestation and recovery of degraded ecosystems using native species through open-field germination. The company is involved in many areas: reforestation projects, sustainable forest management, landscaping, revegetation, transporting and planting mature trees, production of plant material, seed management, environmental impact assessments, and recovery of degraded soils, among others.

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