

Helveta launches Bolivia's first online timber tracking system

Oxford, United Kingdom, September 24th, 2009: Helveta Ltd, the provider of the CI World™ timber tracking application, has announced today the launch of Bolivia's first online traceability system to track timber and forest products through the entire supply chain. The project utilises Helveta technology to track wood flows in Bolivia from the standing tree in the forest, through processing plants, to the point of export or into the domestic market.

The pilot project is being sponsored by the United States Agency for International Development (USAID) and the United States Forest Service (USFS) and will manage timber flows from both community managed forests and forests managed commercially. A principal objective of the project is to support the integration of the indigenous communities' timber products into the supply chains of commercial timber processing companies certified by the Forest Stewardship Council (FSC). The project will empower local communities to supply forest products from their land whilst building capacity to position them for longer term commercial relationships with participating operators.

Using CI World, both the indigenous forest communities and the commercial forest operators will be able to establish auditable pre-harvest mapped inventories of their forest resources. These inventories form the basis of the chain of custody, which will demonstrate that the timber comes from those forests where the legal right to harvest is in place and where wood is only harvested in accordance to the legality framework in existence. The project tracks timber from standing trees to their final transformation into flooring destined for the export market and veneer to be sold domestically.

The project is being supported in Bolivia by CADEFOR (Centro Amazonico de Desarrollo Forestal or Amazonic Centre for Sustainable Forest Enterprise) and sees deployment in a number of Bolivian timber concessions including CIMAL/IMR who, as part of a conglomerate of companies based in Santa Cruz, was the first Bolivian timber company to achieve FSC certification.

Bolivian timber products enjoy markets in the US and Europe, as well as domestically in Bolivia. With recent amendments to the US Lacey Act, the EU FLEGT process underway, and the EU framework legislation on trade in illegal timber products, Bolivia's investment in demonstrable legal and sustainable timber is highly relevant and timely. Bolivian timber will enjoy improved access to these premium markets.

Ricardo Roca, USAID's coordinator for the project in Bolivia, commented: "Bolivia has the largest area of FSC-certified forests in Latin America. This project aims to demonstrate how technology can strengthen control of the timber supply chains and bring benefits to all stakeholders involved – from local communities, to commercial timber companies, and



eventually the government. USAID is pleased to be able to support this project, which is an important advance in the proliferation of legal and sustainable timber in the Bolivian forestry sector.

Gerd Resnikowski of CADEFOR (Centro Amazonico de Desarrollo Forestal or Amazonic Centre for Sustainable Forest Enterprise) said: “Helveta technology is uniquely suited to this application in the Bolivian forest sector. Adoption of the technology by indigenous communities developing their timber resources as part of this project has been impressive. The participative, multi-user nature of the Helveta platform ensures that all players in the supply chain can benefit. Greater integration of the timber supply chains strengthens the effective management of Bolivia’s forest resources.”

Larry Hansler of CIMAL said “We are looking forward to the results of this pilot project, as we are confident it can be a great step in accurately tracking our lumber from our forest operations right through to our production line and the final delivery of finished products to our customers”.

Helveta CEO Patrick Newton commented: “Helveta is pleased to support Bolivia’s leadership position in effective forest sector management. This project is particularly timely and further supports efforts to ensure that Bolivian timber adheres to US and European legislation. Helveta is proud to be involved in a project that will make a significant contribution to Bolivia’s economic recovery while developing the infrastructure and capacity to ensure the long term viability of the sector”

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About USAID

The American people, through the U.S. Agency for International Development, have provided economic and humanitarian assistance worldwide for nearly 50 years. With headquarters in Washington, D.C., USAID's strength is its field offices around the world. We work in close partnership with private voluntary organizations, indigenous organizations, universities, American businesses, international agencies, other governments, and other U.S. government agencies. USAID has working relationships with more than 3,500 American companies and over 300 U.S.-based private voluntary organizations.

About CADEFOR

CADEFOR (Centro Amazonico de Desarrollo Forestal) or (Amazonic Center for Sustainable Forest Enterprise) is a service-based non-profit organisation located in Santa Cruz, Bolivia. The Center was incorporated to provide business management support, technical assistance and marketing communications support to the certified forest sector of the Amazonian Basin

About CIMAL

CIMAL/IMR, is a division of Bolivian Grupo Roda, which is a conglomerate of companies based in Santa Cruz, They became the first timber processing company in the country to achieve FSC certification. By becoming certified, CIMAL/IMR spearheaded the greening of the country’s entire forestry industry.

About Helveta

Helveta was incorporated in 2004 and is the developer of the CI World™ software platform. CI World is a unique technology providing fully auditable traceability and chain of custody control for extended supply chains in the Timber and Food production sectors. CI World and its components – TracElite™ and CI Earth™ - have won a number of awards as innovative technologies for the timber sector. Helveta is privately held.

www.helveta.com

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