



MEDIA RELEASE

New Forests' Tropical Asia Forest Fund 2 to invest in Kuan Kreng Landscape Peatland Conservation and Restoration Project in Thailand

Investors from Asia Pacific and Europe contribute to restoring and conserving nature

SINGAPORE: 22 February 2024 - New Forests is today announcing the first investment for its Tropical Asia Forest Fund 2 (TAFF2), investing in conserving and restoring the Kuan Kreng Landscape (KKL) in Thailand, which holds the country's second largest peat swamp forest area.

The KKL has an area of 70,715 hectares and spans three provinces in southern Thailand, Nakhon Si Thammarat, Phatthalung, and Songkhla. More than 60,000 local people depend on fishing and other non-timber forest products from the peat swamp forests for sustenance and livelihoods.

Two thirds of the KKL peat swamp forest is degraded due to drainage canal networks associated with agricultural land use, which lowers water tables and causes GHG emissions from peat oxidation. Fires can also contribute to transboundary haze that reduces air quality in local communities and urban areas such as Bangkok.

New Forests has established a local entity, Restore Nature (Thailand), which works closely with the Thai government and local community groups to design and implement a project that aims to raise the ground water table in select areas through the construction of semi-permanent canal blocks to restore degraded peatland. In addition, the project will undertake revegetation and enrichment planting to create biodiversity corridors to support the distribution of fauna and flora. Development of an integrated fire management program will also be a key component of the project.

Restore Nature (Thailand) will seek to design and develop a carbon project to protect and restore degraded peatland and peat swamp forest in the landscape, improve biodiversity, and enhance local community livelihoods. Approximately 40% of the KKL landscape is suitable for a carbon project and according to projections, has the potential to generate on average over 500,000 carbon credits per year.

Geoffrey Seeto, Managing Director, New Forests Asia said, "KKL is one of Thailand's largest peatland forest areas with rich flora and fauna and is home to species who are important on a global scale. Implementing impact activities related to climate change, support for communities and rural livelihoods, and protection and enhancement of biodiversity are in alignment with TAFF2's impact objectives and our investors' desire to invest in activities that have a positive impact on the environment and communities."

Chalita Forgotson, Country Manager, Restore Nature (Thailand) said, "Nature underpins our communities and our culture with this iconic peatland providing food, shelter and livelihoods for the many people that live in and around it. We're excited to partner with like-minded organisations to protect and restore this important part of Thailand's natural environment."

The groups involved in this project include the Department of National Parks, Wildlife and Plant Conservation and other relevant organisations. Restore Nature is supported by RECOFTC, an international nonprofit working for resilient communities and sustainable and equitable forest landscapes, and a team of international and local consultants.

Restore Nature, RECOFTC and its consultants, will collaborate with the relevant government authorities and communities to ensure the project's success. The Restoration Seed Capital Facility (RSCF) is also providing support to TAFF2 for the development of the project.

Investors in TAFF2 include Mitsui, Nomura, Asian Development Bank (ADB), the Australian government, David and Lucile Packard Foundation, the Hempel Foundation, Sumitomo Mitsui Trust Bank (SuMi TRUST), TotalEnergies, and GenZero, a Temasek-owned investment platform company focused on accelerating decarbonisation globally.

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About New Forests

New Forests is a global investment manager of nature-based real assets and natural capital strategies, with A\$11 billion in assets under management across more than 1.3 million hectares of investments. We manage a diversified portfolio of sustainable timber plantations and conservation areas, carbon and conservation finance projects, agriculture, timber processing and infrastructure. We aim to generate shared prosperity for our clients and the communities in which we operate and accelerate the transition to a sustainable future.

Headquartered in Sydney, New Forests is a Certified B Corp and operates in Australia, New Zealand, Southeast Asia, Africa and the United States. www.newforests.com

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