



Improved peatland water management

COMPANY IN BRIEF

Based in Japan, Sumitomo Forestry produces and markets wooden building materials, wooden construction and wood-based bioenergy. It has operations in 14 countries and employs 22,000 people. Sumitomo Forestry owns and manages 280,000 hectares of forests globally.

BACKGROUND

Peatlands are critical ecosystems for the preservation of unique biodiversity, carbon, water storage and evapotranspiration. Conventional tropical peatland management often consists of drying the land by digging drainage canals, leading to high risks of large-scale fires that release greenhouse gases and impact aquatic fauna and the health of local communities.

INITIATIVE

Sumitomo Forestry has developed an innovative “stock-based” peatland water management system in its concession in Indonesia. The system resembles the irrigation system for rice paddies, which is designed to achieve a high level of water retention. The company does not use fertilizers and has banned the use of herbicides to mitigate the pollution of adjacent rivers. Research on aquatic fauna has identified 27 different species of fish and also a group of critically endangered Irrawaddy Dolphins (*Orcalla brevirostris*) in the area.

PARTNERSHIPS

In addition to improving water management, Sumitomo Forestry has brought together neighboring concession owners to build a conservation network consisting of core zones and green corridors. The green corridors are set in a mesh pattern connecting the core zones in each concession zone.

IMPERATIVES

Research has shown that the new approach to peatland management has led to higher biodiversity levels compared to other concessions in the region. This is likely due to the steady water level of the river enabled by the new water management system and the ban on chemical fertilizers and herbicides. Improvements in water management also lead to improved fire resilience, avoiding the release of greenhouse gases and protecting local communities from harmful air and water pollutants.

BUSINESS CASE

Sumitomo Forestry's business model depends on healthy forest ecosystems to ensure the long-term supply of fiber. Thus, the initiative contributes to decreasing the risk of supply disruptions while strengthening its social license to operate in the region. The accumulated knowledge also brings opportunities for consultation services to replicate and scale up the model.

ADVOCACY

Sumitomo Forestry has presented the initiative at the United Nations Climate Change Conference for five consecutive years since 2017. In 2021, the company also had an exhibition to introduce its water-level monitoring technology, engaging with representatives from countries looking to improve the management of their own peatlands, such as the Democratic Republic of the Congo, Republic of Congo and Peru.

NEXT STEPS

The water management methods developed through this initiative can be applied to other contexts as well, such as agriculture, thereby supporting the livelihoods of local communities. Sumitomo Forestry plans to collaborate with organizations outside the forest sector to improve peatland management in other regions and contexts.

MORE INFORMATION

- [Sumitomo Forestry Forest Overseas](#)
- [Sumitomo Forestry 2021 Sustainability Report](#)
- [COP26 Side-Event "Technology and Data Collection for Peatlands Management"](#)

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