

Apology for errors in contributions to the Cosmo Oil Eco Card Fund

Cosmo Oil wishes to express its sincerest gratitude for the generous support of our Eco cardholders. As disclosed in a Cosmo press release dated April 30, 2009, Cosmo Oil has discovered errors in the amount of its contributions to the Cosmo Oil Eco Card Fund. The company deeply apologizes for these errors to all Eco cardholders, and herein clarifies the situation by providing detailed information below on the nature of the errors.

I. Description of the errors

A. Cosmo Oil has long made contributions to the Cosmo Oil Eco Card Fund based on a percentage of purchases paid for using Cosmo The Card House and Cosmo The Card House Eco. In June 2006 we additionally began making contributions to the Fund based on a percentage of purchases paid for with Cosmo The Card Opus and Cosmo The Card Opus Eco. For a period of time, however, we did not contribute the correct amount.

1. Duration of error: September 2006 – March 2009
2. Contribution shortfall: 10,119,666 yen
3. Cause: Sales figures for our Opus cards are totaled up twice per month, but the system had been designed to calculate only one of them each month.

B. In the Fund's annual accounting report for fiscal 2006, contributions from Eco cardholders in November 2006 were mistakenly reported as a contribution from Cosmo Oil.

1. Amount: 2,743,020 yen
2. Cause: The data was input under the wrong account.

II. Corrective action

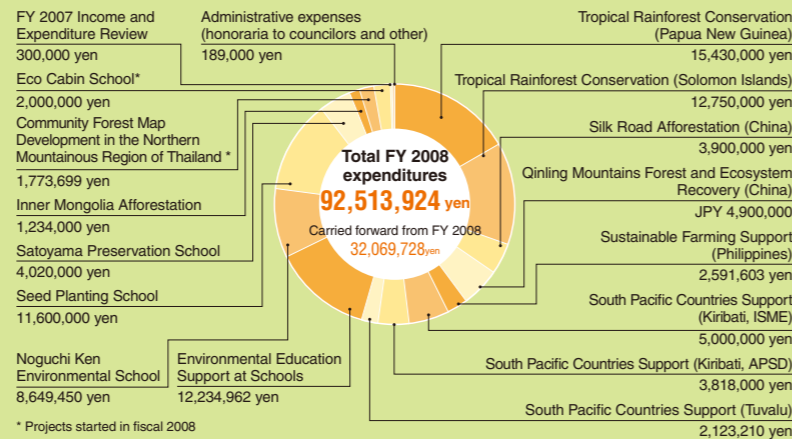
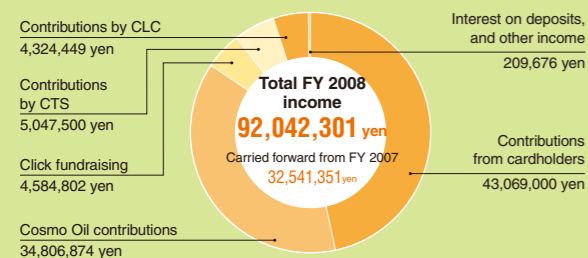
The shortfall in contributions from Cosmo Oil (10,119,666 yen) was made up with a supplementary contribution to the Fund on June 30, 2009. The mistaken account entry (2,743,020 yen) was corrected as shown below.

	(Error)	⇒	(Correction)
Contributions from cardholders	39,661,468 yen		42,404,488 yen
Cosmo Oil contributions	38,457,970 yen		35,714,950 yen

III. Measures to prevent a recurrence

To prevent recurrence of any incident like this, Cosmo Oil has decided to take the following actions. The flaw in the system has been corrected, and Cosmo Oil plans to carry out a thorough review of how it manages its system development and administration. At the same time, all figures reported in the Cosmo Oil Eco Card Fund's Income and Expenditure Report shall be checked by the Fund Secretariat, as before, and double-checked additionally by the company's sales units.

Income and Expenditure Report



* The contribution shortfall mentioned above (10,119,666 yen) has been made up through a supplementary contribution in FY 2009, and is therefore not included in the Income and Expenditure Report for FY 2008.

* Projects started in fiscal 2008

Results of review of income and expenditure

July 2, 2009

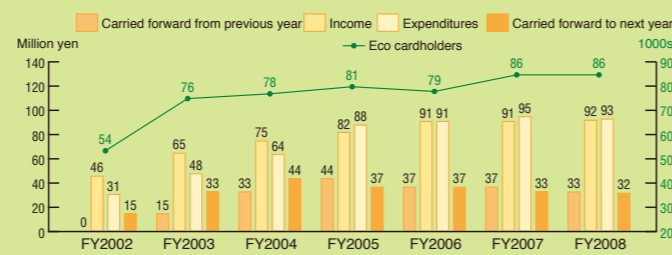
Toshiya Kato
Certified Public Accountant

I, Toshiya Kato, have reviewed the fiscal 2008 (April 1, 2008 to March 31, 2009) Income and Expenditure Report of the Cosmo Oil Eco Card Fund (hereinafter, "the Fund"), having been retained by the Fund to do so. Responsibility for preparation of the Income and Expenditure Report rests with the Fund's representative, while my responsibility is to express an opinion on the Income and Expenditure Report on the basis of an independent review.

As a result of the review, I find that the aforementioned Income and Expenditure Report was prepared in compliance with generally accepted standards in Japan for the calculation of income and expenditures, and the information presented regarding the Fund's income and expenditures is correct and free of material misstatements.

No identity of interest exists between the Fund and myself for which disclosure would be required pursuant to the provisions of the Certified Public Accountants Act.

Funds and cardholders since FY 2002

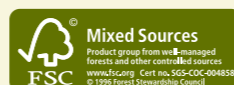


For further information on Cosmo Oil cards

Cosmo The Card House Eco	0120-987-622 (from inside Japan Only) If calling from a mobile phone +81-3-4330-1660	Mon-Sat & holidays: 9:15 – 17:30 Sundays: 10:00 – 17:30
Cosmo The Card Opus Eco	Northern Japan +81-22-771-1500 Chubu +81-59-353-2100 Tokyo +81-43-296-6200 Osaka +81-6-4863-0100	Open all year round 9:00-21:00

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Cosmo Oil Eco Card Fund "Living With Our Planet" Projects

2009 Cosmo Oil Eco Card Fund Activity Report 2009 Seventh year: April 1, 2008 to March 31, 2009



Children work on an environmentally themed jigsaw puzzle

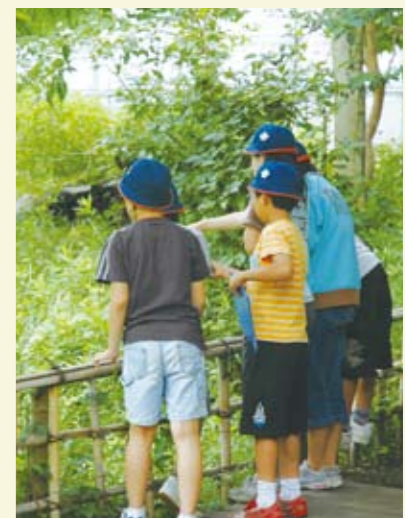
Environmental Education Support Project at Schools

Working with schools to call children's attention to environmental issues

The Eco Card Fund helps schools realize environmental education with NPOs

The public at large is widely aware of the need for environmental education for children, and schools especially so, yet teachers, while feeling a need to provide such education, are nevertheless unsure about what issues to focus on and what teaching methods to use. The Environmental Education Support Project is designed to help elementary and junior high schools get environmental education programs up and running, and to ensure that they keep running after its support has come to an end. By carrying out environmental education programs under the guidance of NPOs from around Japan with expertise in nature experience programs, we are helping to raise the environmental consciousness of grade-schoolers, junior high students, and

educators, and these people are in turn passing on their heightened awareness to their peers. In addition, we also support the EE kids website, which serves as a platform for environmental education. These efforts are designed to call children's attention to environmental issues, to help them notice these issues in their daily surroundings, and to help environmental education take root in schools. The Environmental Education Support Project began providing support to schools in Japan in fiscal 2003, and as of fiscal 2008 had worked with 42 schools, presenting programs to about 100 educators that teach some 2,000 grade-schoolers and junior high students.



Students visit a biotope.

"Living With Our Planet" projects

The Cosmo Oil Eco Card Fund was established in April 2002 in response to our customers' desire to do something for the earth. The Cosmo Oil Eco Card Fund has carried out "Living With Our Planet" projects with the help of holders of Cosmo The Card House Eco (launched in April 2002) and Cosmo The Card Opus Eco (launched in June 2006), who contribute 500 yen per year. Now in its 8th year, the project is supported by the contributions from these "Eco cardholders" as well as by donations from the Cosmo Oil Group.

Message

As readers are no doubt aware, the effects of climate change are growing worse, so I think we all bear a big responsibility to help with the fight against global warming. The Cosmo Oil Eco Card Fund wants to make sure we leave a beautiful earth to our descendants, which is why we've adopted "Living With Our Planet" as the motto for our efforts to work in partnership with NPOs, NGOs, and university research bodies on environmental projects and activities.

Prevention of global warming is the main theme of our environmental undertakings, which are focused on two key sub-themes—support for sustainable development, and education of the next generation. With these issues in mind, we are undertaking afforestation activities, helping local communities to build sustainable livelihoods, and supporting environmental education activities in and outside Japan.

Moves are afoot to formulate global responses to global warming, including the COP15 conference in December 2009, where participants are scheduled to adopt a post-Kyoto framework. Despite our efforts, however, global warming just keeps getting worse, and

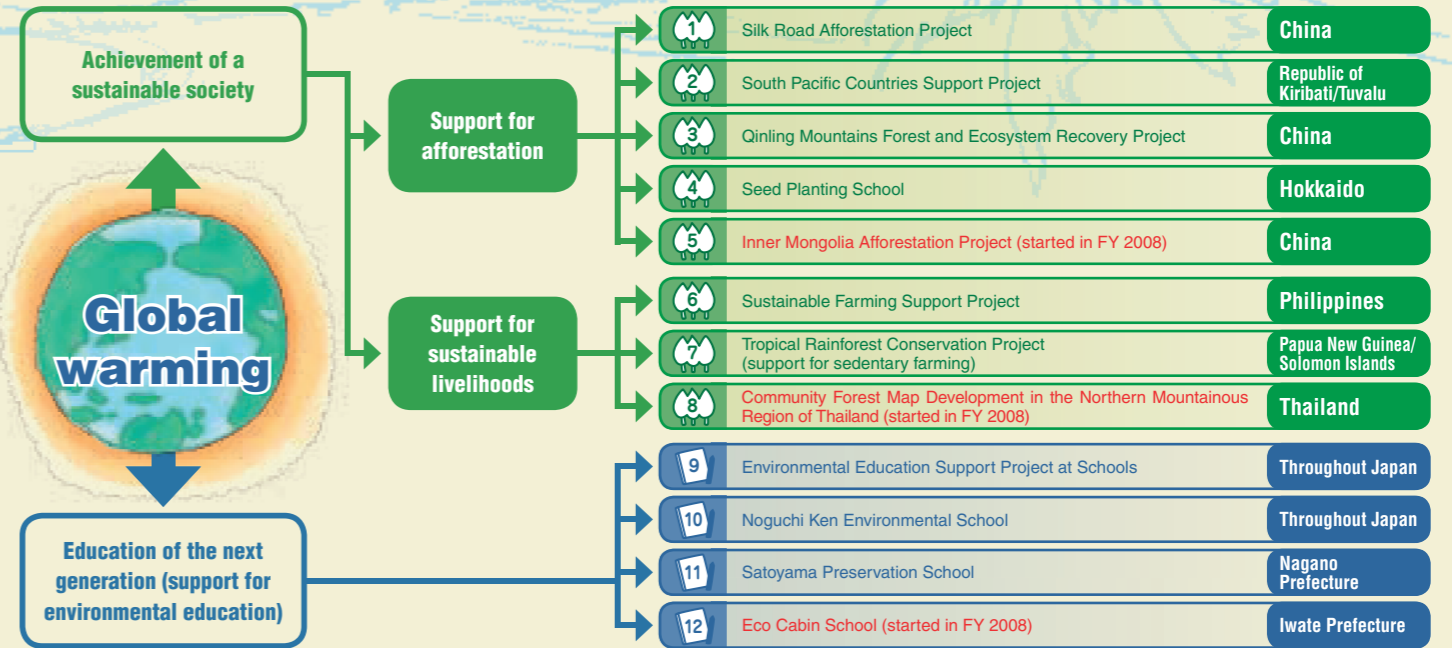
has been particularly hard on people in developing nations, who in addition to poverty are now faced with food and water shortages brought on by environmental degradation. The Cosmo Oil Eco Card Fund solicited new project applications in fiscal 2008 and launched three new environmental projects. We provided vigorous support overseas to Papua New Guinea, the Solomon Islands, and other island nations of the South Pacific, as well as many countries throughout Asia, and here in Japan we continued to support environmental conservation projects and efforts to provide environmental education to the next generation.

Upon my appointment as the Chairperson of the fund, I would like to express my most sincere thanks to all Eco cardholders for your backing of the "Living With Our Planet" projects. With your help, we intend to do everything we can to help preserve the global environment. I do hope you will continue to lend your enthusiastic support.



Hideto Matsumura
Chairperson, Cosmo Oil Eco Card Fund

Project 2009



Achievement of a sustainable society

Project concept

As a fossil fuel, petroleum is closely linked to climate change, and the fight against global warming is the main theme of the "Living With Our Planet" projects, which we are pursuing with the cooperation of Eco cardholders, NGOs, NPOs, overseas governments, and other partners. Toward this end, we are carrying out activities designed to bring about a sustainable society. To achieve the ideal of "Living With Our Planet," we are working at home and abroad on two sub-themes: support for sustainable development, and education of the next generation.

Cosmo The Card Opus Eco and Cosmo The Card House Eco are card plans that anyone can join if they want to do something good for the earth.

Cosmo The Card Opus Eco and Cosmo The Card House Eco receive 500 yen contributions each year from their customers as well as a donation from Cosmo Oil, and this money is then used to provide donations to support the activities of NPOs and public service organizations dedicated to environmental conservation.

Donations from holders of Cosmo The Card Opus Eco and Cosmo The Card House Eco Cardholders make 500 yen donations when they join, and then again in every year in the month that they joined.

Plus Donations by the Cosmo Oil Group

Funds are used to run "Living With Our Planet" projects for the sake of global environmental preservation.

Participation by group companies in the Cosmo Oil Eco Card Fund

A percentage of revenues from sales of the Eco Dyna battery (a product of group affiliate Cosmo Trade and Service) and the Cosmo Eco series of lubricants (sold by group affiliate Cosmo Oil Lubricants) is donated to the Cosmo Oil Eco Card Fund.

Eco Dyna ▶ <http://www.cosmo-trade.com/goods/ct0027/rf0027.html> (in Japanese only)

Cosmo Oil's Eco series of products ▶ <http://www.cosmo-lube.co.jp/car/eco.html> (in Japanese only)

2008 activity report

Environmental activities in China's Qinling Mountains



Professor **Li Baoguo**
College of Life Sciences,
Northwest University

Commercial logging in the Qinling Mountains has desolated the land and begun to threaten the survival of golden snub-nosed monkeys and giant pandas. Since fiscal 2005, with the help of the Cosmo Oil Eco Card Fund, we have been planting trees on unused commercial logging roads to facilitate the movement of animals and regenerate their habitat. In fiscal 2008, students from the Northwest University College of Life Sciences, as well as the Middle School of Northwest University, pitched in as volunteers in afforestation work in the Qinling Mountains. In addition, local residents were hired not only to plant trees, but also to manage

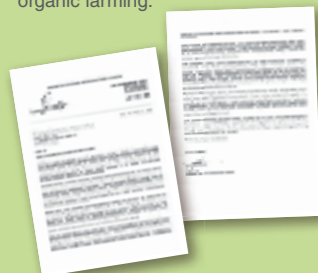
and protect seedlings to make sure that they would take root and survive. These activities were reported on by local newspapers and television stations.

The university and middle school also put on a poster and photograph exhibit entitled "The Cosmo Oil Eco Card Fund Environmental Project and Protection of Golden Snub-nosed Monkeys." In the meantime, Northwest University continued with its scientific study of the behavioral ecology and sociobiology of golden snub-nosed monkeys, and published seven articles on its findings in various international journals.



Thank-you letter from the Solomon Islands to our cardholders

The Malaita Food and Agriculture Council in the Solomon Islands recently sent a letter addressed to the Eco cardholders to thank them for their support of a technical guidance project providing local farmers with instruction on how to engage in sustainable, sedentary organic farming.



Thank You for Funding the Mangrove Planting Program

Malaita is the most populated province of Solomon Islands and has very little agricultural land. Add to this the effects of logging, deforestation caused by slash-and-burn agriculture, and climate change. Due to these circumstances, the food security of rural communities is under threat.

Recently, we have had frequent natural disasters, such as earthquakes, tsunamis, and flooding, none of which we had ever before experienced in the Solomon Islands. All this has had a negative effect upon the lives and livelihoods of local residents. To prevent widespread poverty, we are working to train young people in sustainable methods of farming. The main source of funding for these training programs has been donations from the Cosmo Oil Eco Card Fund. We thank the Cosmo Oil Eco Card Fund for its long-term assistance.

Moving forward, we intend to improve the quality of our current training programs while continuing forward with the projects, and then to extend activities to other provinces, so as to promote a switch from slash-and-burn agriculture to sedentary farming that is both organic and sustainable.

The Malaita Food and Agriculture Council presented the Cosmo Oil Eco Card Fund with the gift of a shell money necklace.

The use of shells as money is a tradition that still survives in Malaita Province, where people often give shells as a gift in connection with weddings, funerals, and other ceremonial occasions. Local craftsmen made a special necklace incorporating the Cosmo Oil name as a gesture of gratitude for the enthusiastic support that the Eco Card Fund has given over the years.



12 Projects

2008 Eco projects

Legend

- Community development
- Environmental education

1 Silk Road Afforestation Project

China

Local residents fight desertification along the ancient Silk Road

Desertification is happening fast on the dry loess plateau along China's ancient Silk Road, due mainly to the felling of trees by local residents (to use as fuel, or to sell for cash) and the clearing of wooded areas for farmland. To combat the trend, people have begun planting sea buckthorn, which are effective in arresting desertification and also useful from an economic standpoint. Sea buckthorn are highly resistant to arid conditions and extreme variations in temperature, and it is hoped that they will help to stabilize living conditions in the region.



Children planting seedlings



Children helping with afforestation



Sea buckthorn berries

»» FY 2008 progress

A total of 105,000 trees were planted on 35 hectares in Tongwei County, Gansu Province, China. In addition, we set up a location for meeting with local authorities to provide them with guidance on afforestation techniques and management methods.

»» Activities for FY 2009

Building on work done in FY 2008, we intend to plant 120,000 sea buckthorn seedlings in Tongwei County, Gansu Province. After the planting is finished, we will turn over management responsibility to local residents so they will be in a better position to overcome poverty. We will also monitor to ensure a high rate of survival among the transplanted seedlings.



Students working on afforestation

»» FY 2008 progress

Of a total 194 km of unused roads, we planted 5,000 seedlings on a 14 km section, and the activity was covered by the local news media in April 2008. In addition, students from the Northwest University College of Life Sciences have studied whether afforestation efforts have benefited golden snub-nosed monkeys, giant pandas, and other wild animals, and have published seven articles on their findings in various international journals.

»» Activities for FY 2009

In the coming year, we plan to plant another 11,000 seedlings on 14 km of roads. In addition, we will continue to observe and study the habits of golden snub-nosed monkey, giant pandas, and other wild animals.



Area planted

4 Seed Planting School

Japan

Forest restoration, environmental education—two birds with one "seed"

Seeds represent the beginning of everything, and symbolize the idea of an ever-lasting cycle. The school focuses on seeds as it works to strengthen the forest ecosystem and carry out environmental education. It takes seeds and seedlings from the mountains, raises them in a nursery, and provides the seedlings to local residents for use in afforestation projects. It also uses the raising of seedlings and afforestation work as tools for environmental education.

»» FY 2008 progress

We supplied 7,168 seedlings of Sakhalin spruce (*Picea glehnii*), Mongolian oak (*Quercus mongolica* var. *grosseserrata*), and other trees suited to local conditions to the Hokkaido Mountain Village Forestation Association, the Furano Citizens' Afforestation Group, and other people involved in afforestation work in the area. These efforts attracted 579 participants, thus contributing to environmental education.

»» Activities for FY 2009

To help build up forests in Furano City, Hokkaido, we will work to raise seedlings that are well suited to the land in that area. We plan to offer eco tours for holders of the Cosmo Oil Eco Card, who will collect seeds and seedlings from the mountains, help raise them, and take part in afforestation work.



Gathering of seedlings



Cultivation of seedlings



Planting of seedlings

12 Eco-Cabin School
Opens in October 2008

Japan

An eco-experience school for children from all over Japan

Eco cabins (homes capable of running on natural energy) at this school give students a chance to experience a lifestyle that makes use of natural energy. The aim of the school is to spur heightened awareness of the need to fight global warming and build a sustainable society.



Students set up solar panels

»» FY 2008 progress

To help students learn about natural energy, the school installed solar power generators and energy monitors in its eco cabins. A total of 16 students participated in "Children's Eco School" activities in FY 2008, spending time in the eco cabins.

»» Activities for FY 2009

We will hold more Eco-Cabin School activities in FY 2009 to enable elementary and junior high school students to learn about natural energy by, among other things, installing solar-powered LED lighting in their eco cabins.



Students connect an energy monitor

10 Noguchi Ken Environmental School

Japan

Helping to foster "environmental messengers"

"I want to foster 'environmental messengers' who can take environmental action and communicate their message to the rest of the world." With that thought in mind, Noguchi Ken and the NPO he leads opened up the Environmental School. Students there experience the beauty and fun of nature, and learn about social issues relating to environmental preservation.



Picking up trash on Mt. Fuji

»» FY 2008 progress

The Environmental School met for four sessions in FY 2008 (three sessions at Mt. Fuji and one on Sado Island), and the 64 students in attendance ranged in age from elementary school to university. Each session focused on a different theme, and the students took part in environmental cleanup activities, forest thinning, and efforts to preserve tended woodlands.

»» Activities for FY 2009

The Environmental School in the coming year will hold sessions in the Shirakami Mountains and at Mt. Fuji. Those attending the school in the Shirakami Mountains will learn about nature while trekking, and those participating at Mt. Fuji will climb the mountain as a means of experiencing nature and giving their bodies a workout.

9 Environmental Education Support Project at Schools

Japan



Improving environmental awareness in the schools

The goal of this project is to help schools provide environmental education. We match up NPOs around Japan, which know how to run nature experience programs, with schools that are looking for this type of expertise and opportunity. By combining the best of these two types of organizations, we are able to arrange excellent environmental education programs. In addition, we also use the EE kids environmental education website as a platform for our activities.

Observing fish in a river

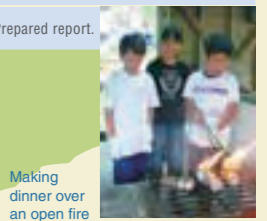
»» FY 2008 progress

In an effort to promote self-directed environmental education, we provided support for environmental education programs at 13 schools around Japan.

Prefecture	School	Description
Hokkaido	Sapporo Elementary	Used winter sports meet and school field trips to teach children about snow and ice.
Iwate	Hirayama Elementary	Taught students about standby power drain, global warming, and solar power generation.
Miyagi	Shishiori Junior High	Observed oyster farming operation, invited oyster farmer to give environmental lecture.
	Hippo Elementary	Visited local forest, hands-on experience with charcoal making.
	Uguisuzawa Elementary	3rd graders: Taught students about formation of river channels through erosion, and hydroelectric power generation. 4th graders: Simulated the greenhouse effect and taught about natural energy.
		5th graders: Made field trips to observe local environment and learned about coal mining technology and recycling. 6th graders: Climbed Mt. Odogamori, performed shows to introduce Mt. Odogamori using pictures they made.
Saitama	Obukuro Higashi Elementary	Observed plant and animal life on school grounds. Provided environmental education for teachers.
Tokyo	Nakashimane Elementary	Visited biotopes, prepared design drawings, made biotopes.
	Tomihisa Elementary	Taught students about green curtains and the heat island effect.
	Higashi Toyama Elementary	Observed local plant and animal life, played educational games.
Mie	Higashi Kurobe Elementary	Held beach cleanup, taught about forest preservation at a camping ground.
	Daigo Elementary	Observed nature on the upper Miyagawa River, taught about ecosystems.
Kagoshima	Urushi Elementary	Taught about the food chain through observation of local wild birds.
Okinawa	Tomino Elementary and Junior High	Observed coral reefs, surveyed coral bleaching. Prepared report.

»» Activities for FY 2009

We invited applications from throughout the country for participation in FY 2009 environmental education activities, and selected a total of 13 schools (2 in Iwate, 1 in Miyagi, 1 in Tokyo, 1 in Mie, 2 in Nara, 1 in Osaka, 1 in Nagano, 1 in Kagawa, 1 in Kagoshima, and 2 in Okinawa).



Making dinner over an open fire



Noguchi Ken leads a group on a nature hike up Mt. Fuji



Inner Mongolia Afforestation Project Starts in October 2008



China



Planting seedlings at a seedling nursery

Planting of sea buckthorn in the Mongolian desert

In China's Inner Mongolia, where rapid desertification is taking place, an afforestation base has been set up at Baxiandong Junior High School for the planting of sea buckthorn, an economically valuable crop. The activities are designed to prevent desertification, provide environmental education, and help the local residents raise their standard of living.

»»» FY 2008 progress

We prepared a pamphlet entitled "Desertification in Inner Mongolia," which describes the causes and impact of desertification in Inner Mongolia, and reports on activities to prevent it. In addition, we also prepared teaching materials focusing on the role of seedling nurseries and methods of afforestation, and the materials were used for environmental education in local junior high schools.

»»» Activities for FY 2009

Building on previous experience in environmental education, we plan to further strengthen the educational materials for future environmental education. We will also hold environmental education seminars for local educators with the aim of incorporating environmental education into local school curricula.



China



Okinawa (9)



Satoyama Preservation School

Japan



Teaching students about farming

Preserving the beauty of terraced paddy fields for the future

As Japan's population declines and ages, its rural satoyama woodlands are beginning to go untended. This trend has had a big impact in Iizuna, Nagano Prefecture, but residents there have decided to rebuild and preserve their terraced paddy fields and satoyama, and to use them for the education of children.

»»» FY 2008 progress

The Preservation School held seminars on plans to convert abandoned farm land into grain fields, and 20 local residents then proceeded to raise assorted grains there. In addition, the school also invited instructors from Iizuna, Nagano Prefecture to give guest lectures to familiarize roughly 900 students with agriculture by teaching them about rice production. The school has also begun to take advantage of computer technology; last year, for example, it used software to prepare programs tailored to the needs of individual schools.

»»» Activities for FY 2009

Following up on work done last year, we will continue working to regenerate and preserve abandoned farm land and terraced fields. Also, in order to educate the next generation, we will teach some 250 students at three different schools about food grains and agriculture.



Children inspect rice plants



Community Forest Map Development in the Northern Mountainous Region of Thailand Starts in October 2008

Thailand



Local residents use GPS to locate a position

Working to restore forest-based lifestyles

In the mountains of northern Thailand, the local residents have lived fulfilling sustainable lifestyles amid their forests for many generations, but in order to halt environmental destruction caused by large-scale logging, the government has designated all forests as "state-owned forests," making it impossible for local residents to continue their livelihoods there. To recover their former way of living, local residents have to ask the national government to reclassify state-owned forests as communal forests. We are working with residents to draw up maps, which are needed to document their applications for communal forest designations.

»»» FY 2008 progress

We collected information in FY 2008 on possible areas to be mapped, communicated with village leaders, and chose eight villages for mapping. In addition, we organized staff training sessions and held a seminar on plans for mapping the Fang River drainage basin.

»»» Activities for FY 2009

Building on the work done last year, we will prepare maps for use as documentation in applications to the government, and will share with others the map making skills we have developed, with plans to extend mapping to about 10 more villages.



Making a 3D model to define communal forest boundaries



Thailand



Sustainable Farming Support Project

Philippines

Cassava farming, forest preservation, and economic independence for women

Palawan is a verdant island in the southwest Philippines, but is also considered the most underdeveloped part of the nation. More and more people there eke out a subsistence by chopping down forests and engaging in slash-and-burn agriculture. To push for environmental conservation, we are working together with the TagBalay Foundation to teach women in Palawan's capital city to raise cassava and Eri silkworms.



Silk thread made on a silk spinning machine

»»» FY 2008 progress

We have been providing guidance since 2002 to show people how to raise Eri silkworms, spin silk thread, and loom and weave silk fabrics. We visited the local area three times in FY 2008 and gave guidance on the finishing of loomed and woven silk fabrics to ensure that the products are ready for export. As a result, the percentage of rejections was reduced.

»»» Activities for FY 2009

The focus for FY 2009 activities will be principally on quality control and market development, and the project will switch to equipment that employs simpler methods to spin silk thread to achieve better productivity.



Making scarves and other products



South Pacific Countries Support Project

Supporting South Pacific island nations threatened by rising sea levels due to global warming

The South Pacific island nations of Kiribati and Tuvalu are bearing the brunt of climate change. With an average elevation of just a few meters, higher tides in Kiribati and Tuvalu can send water into homes, cause wells to go saline, and trigger shortages of potable water. In addition, rising seas make it impossible to grow crops and are forcing formerly self-sufficient societies to become dependent on imports. This, in turn, has generated huge volumes of trash, creating a new social problem. As part of the South Pacific Countries Support Project, we are planting mangrove seedlings to protect island dwellers from the rising seas and encouraging local residents to sort their trash.



Environmental education in Kiribati



Planted mangrove seedlings

»»» FY 2008 progress

Some 6,500 mangrove seedlings were planted in FY 2008. Further, responding to a request for environmental education programs from the president of Kiribati, we worked together on afforestation with 63 students from a local elementary school as well as educators and officials from Kiribati's government agencies in charge of matters relating to the environment, land, and agricultural development.

»»» Activities for FY 2009

In FY 2009, we will join hands with about 50 local residents to plant 6,000 mangrove seedlings. We also plan to provide guidance to officials from the Kiribati government in an effort to transfer technology relating to the planting, preservation, and regeneration of mangrove habitats.



Tuvalu

»»» FY 2008 progress

In March 2008, we confirmed that previously planted mangrove seedlings were growing well, then planted an additional 2,949 new seedlings and tended the previously planted mangroves. We also hired experts to educate local residents about separating trash and turning it into resources.

»»» Activities for FY 2009

The target for FY 2009 is to plant 2,000 mangrove seedlings in the Funafala district. In addition, the plan is to hold workshops to familiarize residents with the fact that separating trash can generate resources. We also plan to bring in a device for converting plastics to oil, and to run experiments using the machine.



2nd mangrove planting in Tuvalu



Tropical Rainforest Conservation Project

Encouraging a change from slash-and-burn agriculture

The South Pacific island nations of Papua New Guinea and the Solomon Islands are blessed with abundant tropical rainforests. Due to rapid population growth and modernization, however, the forests are no longer capable of regenerating quickly enough to keep up with traditional slash-and-burn agriculture, which has become a cause of tropical rainforest destruction. In order to preserve tropical rainforests while ensuring stable livelihoods for local residents, the Tropical Rainforest Conservation Project is working to provide technical support that will enable farmers to switch to sedentary organic farming.



Local participants creating manual rice huskers

»»» FY 2008 progress

As part of our model training farm project, we added to the reference work collection of the library at our farm, and approved a research program proposal. In our sedentary organic farming project, we taught participants how to make manual rice huskers, and how to husk rice using old methods. In addition, we also helped prison inmates prepare for return to society by organizing their participation in demonstrations of farming techniques.

»»» Activities for FY 2009

In the coming year we plan to transmit the skills needed for sedentary organic farming to village leaders, build zoos for the protection and observation of wild animals, begin surveying old-growth tropical forests, and build a Survey Oversight Center.

»»» FY 2008 progress

A total of 35 students attended the Perma Culture Center (PCC) in FY 2008, and 28 had graduated as of December. In addition, the Solomon Organic Center (SOC), an incubator for small business, has begun pilot production and marketing of cassava chips and honey pancakes.

»»» Activities for FY 2009

At PCC, we will continue holding training activities to spread skills needed for sustainable organic farming, and will provide guidance in such areas as the growing of rice and vegetables, raising of livestock, and caring for forests. At SOC, we will work to establish a fruit and vegetable distribution network and move ahead with product development.



Training participants



Training in sustainable farming



PCC graduation ceremony



Papua New Guinea

Republic of Kiribati



Tuvalu



Solomon Islands