

# STAKEHOLDER ADVISORY COMMITTEE (SAC) SECOND MEETING REPORT

**JAKARTA, 27 AUGUST, 2014-** Members of the Stakeholder Advisory Committee (SAC) met for the second time in August and recommend improvements on the implementation of APRIL's Sustainable Forest Management Policy. Here is the complete SAC meeting report:

## Stakeholder Advisory Committee (SAC) on

### APRIL's Sustainable Forest Management Policy (SFMP)

– Summary Report for SAC Meeting in Pangkalan Kerinci, 12-14 August 2014 –

SAC MEMBERS	<ol style="list-style-type: none"><li>1. Joe Lawson (<i>Chair</i>)</li><li>2. Al Azhar</li><li>3. Budi Wardhana</li><li>4. Jeffrey Sayer</li><li>5. Peter White</li></ol>
TOPICS OF DISCUSSION:	
<ol style="list-style-type: none"><li>1. <b>Conserving forest landscape in Sumatra:</b>  APRIL has relied largely on the High Conservation Value (HCV) process in establishing conservation priorities. SAC considers that the HCV process is important and necessary, but not sufficient to achieve the potential biodiversity gain across the Riau landscape. APRIL has a big opportunity to protect large landscape areas of conservation in Sumatra and to become a world-class example by addressing global conservation priorities.  SAC has identified three (3) areas for improvement:<ol style="list-style-type: none"><li>a. Clarifying and strengthening APRIL's use of the HCV process:  It needs to be clear that before any plantation development occurs, the HCV assessment and the peer-review process are completed. It is also suggested that APRIL involves the HCV Resource Network (HCVRN) for the peer-review process;</li><li>b. Improving the current HCV process in Indonesia. APRIL should work to help:<ol style="list-style-type: none"><li>1. Strengthen the links between HCV Network Indonesia (HCVNI) and the global HCVRN;</li><li>2. Increase the number of qualified HCV assessors and peer-reviewers;</li><li>3. Synchronize the interpretation of HCV assessment results between assessors and</li></ol></li></ol></li></ol>	

<p>external stakeholders;</p> <ol style="list-style-type: none"><li>4. Encourage HCVNI to provide more guidance and training for HCV assessors in Indonesia;</li><li>5. Build consensus on a standard peer-review process.</li></ol> <p>c. APRIL should consider developing a long term plan for a broader landscape perspective to identify and protect conservation zones. HCV assessments by themselves do not provide the bigger picture, since size, shape, connectivity, and representativeness are all important influences on biodiversity outcomes. This landscape approach should be used to achieve APRIL's 1-to-1 conservation areas target.</p>
<p><b>2. Forest fire management:</b></p> <p>SAC acknowledges that APRIL has a world-class fire management system, encompassing prevention, incentives for community support, early detection, and aggressive suppression. APRIL can take a national leadership role on fire mitigation by strengthening the following:</p> <ol style="list-style-type: none"><li>a. Improving collaboration within the industry;</li><li>b. Scaling-up engagement with communities and government;</li><li>c. Continuing to collaborate with the World Resources Institute (WRI) to improve its Global Forest Watch-Fires (GFW-Fires) system by providing the ground truth to verify the actual forest fires compared to hot-spot alerts.</li></ol>
<p><b>3. Forest Protection and Conservation:</b></p> <p>APRIL presented its spatial GIS system for monitoring and management of its total concessions, in particular the 250,000 hectares of conservation zones.</p> <p>APRIL's buffer strategy ("ring concept"), combined with proper water management, seems to be working and is essential to protect the conservation zones. APRIL needs to be applauded for this effort.</p> <p>SAC appreciates APRIL's ecosystem restoration projects and believes that APRIL has the opportunity to take a leadership role in the landscape approach to conservation.</p>
<p><b>4. North Kalimantan supplier:</b></p> <p>SAC discussed reports that land has been cleared by a North Kalimantan supplier prior to completion of the HCV assessment and peer-review process. SAC regrets the breakdown in communications between APRIL and its supplier. APRIL needs to improve capacity building in communication and monitoring implementation of the HCV Policy.</p>

#### **5. Pulau Padang:**

SAC discussed reports that land has been cleared in Pulau Padang prior to completion of the HCV assessment and peer-review process by HCVRN, and also without a satisfactory FPIC process.

SAC also noted concerns expressed by WWF Indonesia and other local NGOs over the compliance of SFMP implementation, in particular the encroachment of HCV areas in Sumatra. SAC discussed the issues and urged APRIL Management to apply more rigorous spatial monitoring and ground-truthing, including in Sumatra's Kampar Peninsula and Pulau Padang.

APRIL clarified to SAC that the HCV assessment report for Pulau Padang was peer-reviewed by technical consultants registered with the HCVRN. APRIL also clarified that an FPIC process was conducted, but 2 villages chose not to engage with APRIL and subsequently APRIL gave up 17% of the original concession area in line with a revised decree issued by the Minister of Forestry. Most of the area is now being encroached, burned, and degraded.

#### **6. Sustainable development on peat land:**

SAC noted that development on peat domes is a significant environmental issue, particularly for landscape management and greenhouse gas (GHG) emissions. SAC noted the dilemma faced by APRIL, and suggests that APRIL works at the landscape scale to prevent damage on peat land by other land users. SAC reinforces the importance of respecting laws by all land users and as committed by APRIL in its SFMP.

#### **7. Grievance mechanism:**

SAC agreed in principle to a draft grievance handling mechanism, which will be refined for final approval.

#### **8. Audit of SFMP implementation:**

SAC has selected KPMG to conduct the first audit of SFMP implementation. The scope and audit criteria are being finalized with KPMG, which will take into account the issues raised in this Summary Report.

The target date for the first draft of the audit report is October 31<sup>st</sup> 2014.

#### **RECOMMENDATIONS:**

**It is recommended that APRIL :**

1. Clarify and strengthen its use of HCV process, including use of the HCVRN for peer-review for new suppliers;
2. Ensure that programs are effective to prevent development of HCV areas undergoing peer-review until peer-review is completed and the HCV report is issued;
3. Engage with stakeholders to improve the current HCV process in Indonesia;

4. Develop a long term plan for a broader landscape perspective to identify and protect conservation zones;
5. Enhance its monitoring and management of conservation zones for biodiversity;
6. Continue its successful buffer strategy (“ring-concept”) and proceed with its ecosystem restoration activities, particularly in Kampar Peninsula;
7. Take a leadership role in fire management by:
  - Improving collaboration within the industry around fire prevention and control;
  - Scaling-up engagement with communities and government for fire prevention and control;
  - Continuing to collaborate with WRI to improve its Global Forest Watch-Fires (GFW-Fires) alert system;
8. Improve capacity building in communication with suppliers in regards to policy compliance, including monitoring implementation of its HCVF program;
9. Work at the landscape scale to prevent damage on peat land by other land users.

**NEXT SAC MEETING:**

Place : Pangkalan Kerinci, Riau province, Indonesia

Time : 8 – 10 December 2014