

- This report proves that APRIL has not been able to eliminate deforestation and peatland destruction from its supply chain.
- The wood produced by the clearance of deep forested peatland is supplied to an RGE-linked plywood industry company.
- APRIL and RGE have actually undermined their own commitments.

Photo by: Eyes on the Forest (EoF)

www.eyesontheforest.or.id 1 November 2015 0°43'46.83"N 102°41'10.35"



# **BACKGROUND**

It is certainly very surprising to find that two APRIL joint venture companies – PT UNISERAYA and PT TRIOMAS – are continuing to clear deep forested peatlands for oil-palm plantation development in the Kampar Peninsula Landscape, Riau Province, Sumatra, Indonesia.

The two APRIL joint venture companies also own pulpwood plantation concessions (granted in their own names) in the Kampar Peninsula Landscape that supply pulpwood to APRIL's mills.

This clearly runs contrary to the statements by APRIL and RGE at the beginning of June 2015, when both APRIL and RGE committed themselves to eliminating deforestation from their supply chains.

APRIL and RGE are undoubtedly aware of the definition of a "supply chain," as well as its scope. Although the two APRIL joint venture companies are not clearing the aforesaid forested deep peatlands for the development of pulpwood plantations, both companies are legally registered as suppliers of APRIL's mills.

This shows that APRIL's supply chain continues to be tainted by deforestation, given that the two companies are APRIL joint ventures.

Given that the wood produced by the clearance of the forested deep peatlands is supplied to a plywood industry company that has links to RGE, RGE's supply chain therefore also continues to be tainted by deforestation and peatland destruction.

In other words, neither APRIL nor RGE have been able to clean up their supply chains from deforestation and peatland destruction.

This report aims to demonstrate that the supply chains of APRIL and RGE continue to be associated with deforestation and peatland destruction. It draws a number of conclusions and recommendations that APRIL and RGE take prompt action to clean up their supply chains, as they promised to do so at the beginning of June 2015.

## **METHODOLOGY**

This report uses USGS Landsat 8 images and photographs taken by **Eyes on the Forest (EoF)** field observation team between the start of October and early November 2015. Data on peatland distribution and depth is based on data from Wetlands International.



Given that these field operations have continued after they announced their commitments, it is clear that APRIL and RGE are not serious about the implementation of their commitments on the ground.

Photo by: **Eyes on the Forest (EoF)** www.eyesontheforest.or.id 1 November 2015 0°44'48.79"N 102°43'35.17"E

# CLEARANCE OF FORESTED DEEP PEATLANDS BY APRIL'S TWO JOINT VENTURE COMPANIES OCCURRED FOLLOWING THE ANNOUNCEMENT OF SFMP 2.0

The COP Paris event has been preceded by APRIL's joint venture companies clearing forested deep peatlands for oil palm plantation development.

Surprisingly, these operations were carried out after APRIL announced SFMP 2.0, that is, the company's commitment to cleaning up its supply chain from deforestation.

APRIL's commitment to protecting peatland areas is in serious doubt as peatland areas located in the Kampar Peninsula Landscape are being cleared apace by the two APRIL joint venture companies.

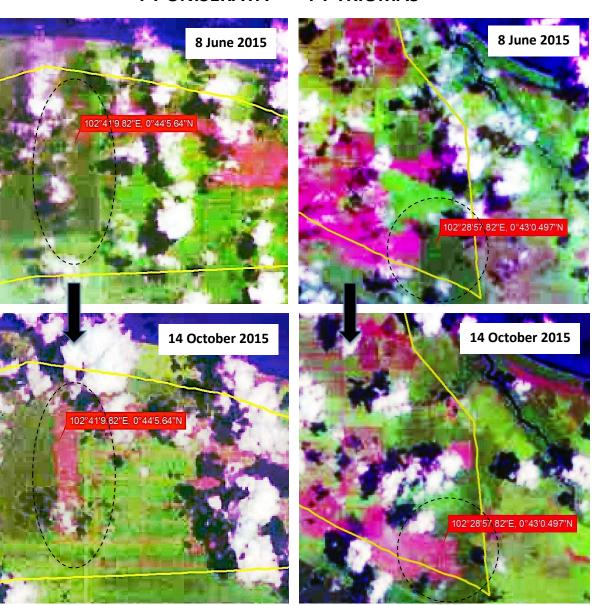
The operations of both companies, which continue to supply pulpwood to APRIL's mills, are most assuredly not in line with APRIL's commitment to cleaning up its supply chain from deforestation.

RGE's commitment to cleaning up its supply chain is also now in doubt as wood from the destruction of forested deep peatlands is being supplied to its plywood industry company.



The USGS Landsat 8 image taken on 8 June 2015 reveals no evidence of clearance operations at the locations indicated by the coordinate points in the maps below. However, the USGS Landsat 8 image dated 14 October 2015 shows that the locations in question had by this stage been cleared by APRIL's two joint venture companies.

#### PT UNISERAYA PT TRIOMAS



It is clear that the clearance of the forested deep peatlands occurred between 8 June and 14 October 2015, during the same timeframe when APRIL and RGE were supposed to be implementing their commitments to clean up their supply chains from deforestation (the SFMP 2.0 sustainability policy announced on 3 June).

Based on the spatial analysis described above it will obviously not be difficult for the public to arrive at the conclusion that APRIL and RGE's commitments to cleaning up their supply chains from deforestation are not being implemented on the ground.

Photo by: Eyes on the Forest (EoF) www.eyesontheforest.or.id 1 November 2015 0°44'48.79"N 102°43'35.17"E APRIL's two joint venture companies welcomed the COP Paris event by destroying forested deep peatlands located in the Kampar Peninsula Landscape.





The Eyes on the Forest photographs clearly demonstrate the importance of independent monitoring as to the extent of APRIL and RGE's commitments to cleaning up their supply chains from deforestation and peatland destruction at the implementation level, not just on paper.

If there was no independent monitoring, APRIL and RGE's stakeholders and the public at large would not have access to the photographs in this report, which reveal how APRIL and RGE's operations are tainted by deforestation and peatland destruction.



# APRIL and RGE, which committed to cleaning up their supply chains through their announcements in early June 2015, have been shown to be still associated with deforestation and peatland destruction.

# **CONCLUSION**

 The actions of the two APRIL joint venture companies in clearing forested deep peatlands and the fact that an RGE-linked plywood industry company receives supplies of wood from the clearance operations reveals a low level of commitment by APRIL and RGE to cleaning up their supply chains from deforestation and peatland destruction.



### **RECOMMENDATIONS**

- APRIL and RGE must cut their supply chain links with the two APRIL joint venture companies if they remain committed to cleaning up their supply chains from deforestation and peatland destruction.
- APRIL and RGE must step in to halt the clearance of forested deep peatlands by the two APRIL joint venture companies in the field.

Photo by: **Eyes on the Forest (EoF)**www.eyesontheforest.or.id
1 November 2015
0°46'43.39"N 102°27'50.70"E



APRIL and RGE are most certainly fully aware of the meaning of "cleaning up the supply chain from deforestation and peatland destruction."

It is clearly unacceptable that APRIL and RGE have committed themselves publicly to cleaning up their supply chains from deforestation, but on the ground their supply chains continue to be associated with the destruction of deep forested peatlands.

For further discussion please contact:

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