

16 January 2012

Greenomics Indonesia's Feedback to the APRIL Response of 13 January 2012

Firstly, Greenomics Indonesia would like to express its thanks to APRIL for having responded to our report titled "**APRIL must refrain from pulping peatland forest on a small Indonesian island**". We most assuredly appreciate this response on the part of APRIL.

After studying the APRIL response, we feel that we need to immediately provide some feedback and clarifications. The following matters in particular should be studied and taken into consideration by APRIL:

1. The Greenomics Indonesia report was based primarily on PT RAPP's own micro-delineation report (July 2009). This report constitutes the legal document that provides the basis for PT RAPP's operations, particularly in this case the concession on Pulau Padang. An Integrity Pact in connection with the implementation of this micro-delineation report was signed by the President Director of PT RAPP on 15 July 2009.
2. This Integrity Pact was referred to by the 2011 PT RAPP annual work plan (March 2011-March 2012) **involving the planned clearance of 30,087 hectares of Pulau Padang, an area that amounts to more than 73 percent of the PT RAPP concession on Pulau Padang**, which concession extends to a total of 41,205 hectares. The on-hold land-clearing operation will employ 1,025 units of heavy equipment. It obviously envisages the clearing of peatland forest, bearing in mind that **the said plan stated that the 3.16 million cubic meters of wood would be produced, an average of 105 cubic meters per hectare**. We did not actually quote these figures in the Greenomics Indonesia report given that it was primarily focused on the micro-delineation report. The figures quoted by Greenomics Indonesia from the micro-delineation report revealed that the potential based on trunks of 10 centimeters or more in diameter was estimated at between 60 and 90 cubic meters per hectare.

3. As regards the distribution of peatland natural forest within the PT RAPP concession on Pulau Padang, as presented in the Greenomics Indonesia report, this was based on the map contained in the PT RAPP micro-delineation report, which showed a quite intact distribution of natural forest. The PT RAPP report stated that one of the sources of the data contained in the map was the Landsat images 7ETM+542 Path 126, Row 59, dated 22 January 2009, and Path 126 Row 60, dated 22 January 2009, band natural color combination. **The Greenomics Indonesia neither added nor took away from the peatland natural forest distribution in that map.**
4. Greenomics Indonesia takes offense at the allegation that it based its report on outdated data, bearing in mind that the data employed is the most recent legal data produced by PT RAPP, namely, the data contained in Micro-delineation Report of July 2009, and the Integrity Pact of 15 July 2009. In PT RAPP's 2011 Annual Work Plan, the Micro-delineation Report and Integrity Pact continued to be employed as legal considerations. **In other words, the Micro-delineation Report and Integrity Pact continue to be valid.**
5. Continuing on from Point 4 above, Greenomics Indonesia is at a loss to understand what APRIL means by "important updates," as referred to in its response. If what it means by an important update is *"to increase the buffer zones around conservation areas adjacent to our Pulau Padang concession from the recommended 500m to an expanded 800m, in order to protect the sensitive peatdome area from encroachment and opportunistic logging activity,"* then we are afraid that we have to take issue with this based on the following considerations:
 - a) **The said plan has not been approved** by the authorities, as acknowledged by APRIL itself in its response. This means that this plan does not constitute a revision of the Micro-delineation Report. Consequently, the Greenomics Indonesia report, which employed PT RAPP's Micro-delineation Report of July 2009 as its primary reference, is **still valid in law.**
 - b) The statement that PT RAPP will *"increase the buffer zones around conservation areas adjacent to our Pulau Padang concession from the recommended 500m to an expanded 800m"* **is clearly not an "important update" as the PT RAPP Micro-delineation Report itself clearly states that the genetic resources conservation and wildlife protection areas (Criteria 7 and 8) are included as one group within the river-basin/tributary and buffer zone around conservation areas (Criteria 5 and 6).** In reality, the criteria for determining genetic resources conservation and wildlife protection areas are very different from the criteria for designating river-basin/tributary and buffer zone around conservation areas. Thus, the decision to group them all together is a perplexing one, and the motive for it is difficult to fathom. If the genetic resources conservation and wildlife protection areas had not been lumped together with the river-basin/tributary and buffer zone around conservation areas, then the area that needs to be protected and preserved would be even larger.
 - c) With regard to the grouping together of the genetic resources conservation and wildlife protection areas within the river-basin/tributary and buffer zone around conservation areas, **it is clear that PT RAPP is not just employing this approach in Pulau Padang,** but also in its concessions in Sungai Kampar, Tasik Belat and Logas. In fact, its concessions are located in five different regencies in Riau Province. This approach is very strange, to say the least, and is not something that APRIL should be touting to the public as part of its PR endeavors.

6. In the APRIL Response, the following statement appears: *“As you are aware, across Indonesia, RAPP and its supply partners conserve 19 per cent of total concessions as natural forest conservation areas (compared to legal requirements of 10 per cent minimum). The areas protected by RAPP and its supply partners amount to almost 200,000 hectares in Riau alone.”* We would like to state categorically that **we are NOT AWARE of this claim**, which we believe has the potential to mislead the public. Greenomics Indonesia’s arguments are based on the following points:
- a) It needs to be explained that based on Minister of Forestry Decree No. 70/Kpts-II/95 and No. 246/Kpts-II/1996 on spatial planning in the forestry plantation sector, the minimum set-aside for protected areas in a forestry plantation concession is approximately 10 percent. These Minister of Forestry Decrees were issued in 1995/1996. Following an audit by the State Audit Board (BPK) (23 February 2009), the BPK stated that it did not agree with the reasoning behind the spatial planning rules set out in Minister of Forestry Decrees No. 70/Kpts-II/95 and No. 246/Kpts-II/1996, which were introduced as part of the policy of accelerating the development of forestry plantations to supply raw materials to pulp and paper plants, as later enshrined in Minister of Forestry Decree No. 101/Kpts-II/2004, as the BPK said that they violated the rules set out in Government Regulation No. 34 of 2002. It should also be noted that Minister of Forestry Decree No. 70/Kpts-II/95 and No. 246/Kpts-II/1996 were also employed as references in Minister of Forestry Decree No. 101/Kpts-II/2004. The said BPK audit found that the 19 pulpwood concessions operating in Riau Province whose licenses had been granted in violation of the regulations had illegally cleared 257,497 hectares of natural forest in Riau during the period from 8 June 2002 to 4 February 2008. **APRIL needs to use this BPK audit report as one of its references.**
 - b) Subsequently, Government Regulation No. 34 of 2002 was revoked by Government Regulation No. 6 of 2007, which was then amended by Government Regulation No. 3 of 2008, which, among other things, provided that pulpwood plantation licenses issued prior to or after Government Regulation No. 6 of 2007 would be valid and that the concessionaires could continue with their operations provided that the prepared macro- and micro-delineation reports on their concessions. Subsequently, Minister of Forestry Regulation P.3/Menhut-II/2008 on the delineation of forestry plantation concessions was issued (which also covered pulpwood plantations). This ministerial regulation revoked previous Minister of Forestry decrees and regulations that governed the delineation of pulpwood plantation concessions, including Minister of Forestry Decree No. 101/Kpts-II/2004. In Minister of Forestry Regulation P.3/Menhut-II/2008, 11 criteria were set out for natural forest areas that must be retained as protected areas. It should be noted that this regulation no longer referred to Minister of Forestry Decrees No. 70/Kpts-II/95 and No. 246/Kpts-II/1996 as references. **This was in line with the recommendations of the BPK audit referred to above.**

- c) The PT RAPP micro-delineation report of July 2009, which was used as a primary reference by Greenomics Indonesia, was based on Minister of Forestry Regulation No. P.3/Menhut-II/2008. **Thus, it needs to be stressed that the minimum protected area set-aside requirement in a pulpwood plantation is clearly not 10 percent** (see the BPK audit on the Riau case, 23 February 2009) **but rather depends on the results of micro-delineation based on the 11 protected area criteria within one pulpwood plantation.** If a pulpwood plantation concession contains natural forest that satisfies one of the 11 criteria, then that area must be protected and retained and may not be developed as a forestry plantation.
- d) If APRIL purports to claim that PT RAPP and its supply partners have conserved 19 percent of the PT RAPP concession, **thus exceeding by 9 percent the minimum quota of 10 percent, then that claim is misleading as the 19-percent area already fulfills one or more of the 11 criteria for retention as a protected area based on the micro-delineation results.** That is based on the assumption, of course, that the data included in the micro-delineation report has not been manipulated. This is an important caveat that we always need to bear in mind.
- e) Based on points a to d above, **APRIL has no grounds for touting its claim that PT RAPP and its supply partners have conserved 19 percent of the natural forest in its concession as a conservation zone.** Greenomics Indonesia has in its possession the micro-delineation reports of PT RAPP and its supply partners, and we can easily prove the accuracy and veracity of our arguments as set out above. Greenomics Indonesia is now waiting for an invitation from APRIL – with the involvement of the Ministry of Forestry and other relevant NGOs – to prove its arguments in an objective and rational manner.

In conclusion, **Greenomics Indonesia would once again reiterate its position** that APRIL must refrain from pulping peatland forest on Pulau Padang.

Thank you.

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