

Male Sumatran Tiger
@WWF-Indonesia



What has prompted the rush by Staples to re-engage with APP?

- ✓ *In 2012, more than 70% of the natural forest fiber that was pulped by APP was derived from critically endangered Sumatran tiger habitat.*
- ✓ *In 2013, more than 50% of the natural forest fiber that was pulped by APP was derived from critically endangered Sumatran tiger habitat.*
- ✓ *To date in 2014, APP has pulped more than half a million cubic meters of natural forest fiber, including natural forest fiber that was derived from critically endangered Sumatran tiger habitat.*

25 March 2014

Background

The decision by Staples to re-engage with Asia Pulp & Paper (APP) prior to the publication of the independent verification report by Rainforest Alliance clearly gives rise to substantive questions bearing in mind that the Staples Sustainable Paper Procurement Policy is strongly against the buying of paper from controversial sources.

The decision to re-engage with APP precedes the independent verification process on APP's Forest Conservation Policy by the Rainforest Alliance. NGOs that monitor APP's Forest Conservation Policy have also not been provided with the terms of reference of the independent verification process.

The decision by Staples is clearly too hasty and gives rise to a number of major questions. For example, could it be that Staples has been given a big discount by APP in return for quickly making a decision to buy APP paper products without waiting for the independent verification report by the Rainforest Alliance? Is it enough for Staples to make the decision to start doing business again with APP based solely on the existing commitments contained in APP's Forest Conservation Policy? Has Staples been informed that APP continues to pulp natural forest fiber this year, including natural forest fiber sourced from critically endangered Sumatran tiger habitat?

This report has been prepared by Greenomics Indonesia solely for the purpose of ascertaining the extent to which the data and information used by Staples in the decision to start purchasing paper products again from APP was accurate and reliable given that the said decision was made prior to the publication of the independent verification report on the implementation of APP's Forest Conservation Policy by the Rainforest Alliance.

A particularly fundamental question that arises is what precise data was relied on by Staples when it took the decision to re-engage with APP?

At the time when APP's Sustainability Roadmap was being implemented, the company was extensively clearing critically endangered Sumatran tiger habitat

At the time when APP's Sustainability Roadmap 2020 was being implemented and ahead of the announcement of the company's Forest Conservation Policy, APP was clearing critically endangered Sumatran tiger habitat on a massive scale. Up to the end of August 2013 – the final time limit for wood resulting from such clearance to enter the APP mills (in accordance with the commitment given by APP on the back of NGO pressure) – a total of almost 1 million cubic meters had been recorded as being supplied to the APP mills.

The bulk of the mixed tropical hardwood (MTH) that made it into the APP mills before the deadline consisted of natural forest fiber that to a large extent was sourced from critically endangered Sumatran tiger habitat, part of which was used for operations in 2013 and part of which was retained as "leftover stock" to be pulped in 2014. This leftover stock amounted to more than half a million cubic meters at the start of the year.

If Staples consciously has no objection to the use of natural forest fiber by APP (more than half a million cubic meters this year), some of which was sourced from the clearing of critically endangered Sumatran tiger habitat, Staples needs to make this clear to the public.



This photo shows critically endangered Sumatran tiger habitat (PT RIA concession) that was cleared by APP after the announcement of APP's Forest Conservation Policy in early 2013.

To date in 2014, APP has pulped more than half a million cubic meters of natural forest fiber, including natural forest fiber that was derived from critically endangered Sumatran tiger habitat.

Given the use of natural forest fiber from critically endangered Sumatran tiger habitat by APP during the implementation of its Sustainability Roadmap 2020 and the company's Forest Conservation Policy, Staples needs to make clear to the public its reasons for re-engaging with APP.

Does Staples permit the purchase of paper products from suppliers that, at the time the paper was purchased, were still pulping natural forest fiber from critically endangered Sumatran tiger habitat? We really do need to receive a response from Staples to this question.

Before Staples took the decision to re-engage with APP, was Staples informed by APP that it is continuing to pulp natural forest fiber this year, including natural forest fiber derived from critically endangered Sumatran tiger habitat?

Staples needs to be transparent with the public as to whether it was informed by APP about the use of natural forest fiber in 2014 – including natural forest fiber from critically endangered Sumatran tiger habitat.

Staples has no other option but to answer these questions and to reveal the data on which it made its decision to re-engage with APP starting this year.

Should it turn out that the decision by Staples to re-engage with APP was based solely on business considerations, for example, lower prices for APP products than those of its competitors with the result that Staples was availing of APP's Forest Conservation Policy for the purpose of profit alone, then Staples would also need to explain these considerations to the public.

In this way, the public would be able to gain some insight into the true nature of the decision by Staples to re-engage with APP.

By answering these questions in a transparent and accountable manner, this would provide an opportunity for NGOs to study the data used by Staples when it took the decision to re-engage with APP.

Is APP's commitment to Forest Conservation Policy on the verge of collapsing?

Another important question that arises from the apparent haste with which Staples decided to re-engage with APP is whether Staples wants to become a “hero” as the first buyer to provide market recognition to APP's Forest Conservation Policy so as to ensure that APP remains committed to the policy.

The question that always arises when discussing APP's Forest Conservation Policy is why supporters of the policy should work in such a way to convince buyers to instantly re-engage with APP? Is it so as to encourage APP to stick with the policy?

Is APP's commitment to the policy so fragile that it requires such market recognition and encouragement? Could they not wait until the Rainforest Alliance publishes the report of its independent audit on the implementation of APP's Forest Conservation Policy?

In fact, there are suggestions that if market rewards for APP's Forest Conservation Policy are not forthcoming soon, then APP will be unable to ensure the long-term delivery of its commitments under the policy.

These suggestions raise a fundamental question, namely, is APP's commitment to the Forest Conservation Policy so fragile that market rewards will be needed as soon as possible to ensure that it remains committed to the long-term delivery of its commitments under the policy?

If the suggestions as to why the market needs to quickly provide rewards or recognition to APP for its Forest Conservation Policy are true, then Staples' actions only serve to cover up APP's lack of commitment to the policy.

If the suggestions as to why the market needs to quickly provide rewards or recognition to APP for its Forest Conservation Policy are true, then Staples' actions only serve to cover up APP's lack of commitment to the policy.

This photo shows critically endangered Sumatran tiger habitat that was cleared by APP at the time when APP was implementing its Sustainability Roadmap 2020 and ahead of the announcement of APP's Forest Conservation Policy in early 2013.

This year, APP is still pulping natural forest fiber that includes natural forest fiber obtained by the clearing of critically endangered Sumatran tiger habitat.



APP has cleared almost 100% of the forested Sumatran tiger habitat within PT TPJ concession.

Recommendations

In reality, Staples has no other choice than to wait for the publication of the report of the Rainforest Alliance, which has been approved by APP to audit the implementation of the Forest Conservation Policy, which, as per February 5, 2014, had been in operation for one year.

After the report of the independent auditor Rainforest Alliance is published, Staples must then hire an independent assessor to study the independent audit report from the Rainforest Alliance for the purpose of providing recommendations to Staples. These are the first things that Staples needs to do, instead of jumping directly to re-engagement with APP.

We can only hope that Staples' decision to jump directly to re-engagement is based on the data and information necessary to support such a decision. As a large corporation with a Sustainable Paper Procurement Policy, Staples should make public the data and information that it relied on in support of its decision to jump to re-engagement.

For further information please contact:

Elfian Effendi

Executive Director – Greenomics Indonesia
elfian@greenomics.org