



cutting through complexity

APRIL SAC

**Progress Report on Actions Taken
by APRIL to address SAC
Recommendations on SFM Policy
Implementation**

June 1, 2015

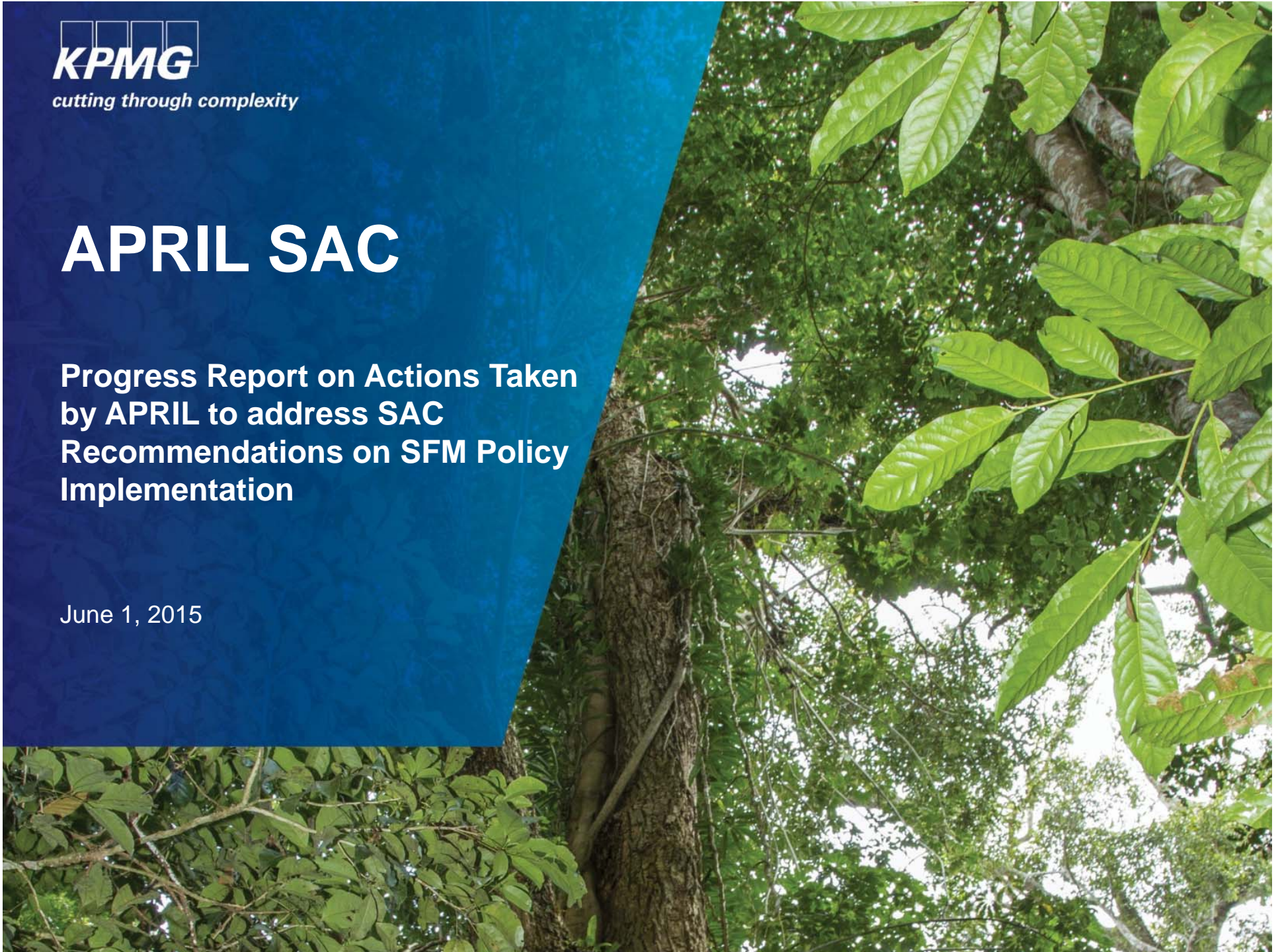


Table of Contents

1. Background, Objective, Scope and Approach	2
2. Summary of Action Plan Status	5
3. Detailed Results	15

1. Engagement Background, Scope and Approach

Background

APRIL has committed to annual verification of progress in implementing its SFM policy.

In accordance with the SFM policy, KPMG PRI was engaged to conduct specified auditing procedures over APRIL's initial policy implementation in 2014 and reported findings to the Stakeholder Advisory Committee (SAC) in December, 2014. The SAC subsequently issued recommendations on policy implementation to APRIL on December 10, 2014.

As part of the agreed verification process, APRIL subsequently developed action plans to address the SAC recommendations. KPMG PRI reviewed the action plans to determine whether the analyses were consistent with our understanding of the findings and related circumstances and that the action plans were designed to address key elements of the findings. KPMG PRI completed the review of APRIL's action plans on March 12, 2015.

This report addresses the next step of the agreed verification process, which is to conduct a follow-up assessment on the status of APRIL's response to the SAC recommendations in May 2015 and to provide a progress report on action plan progress to the SAC.

1. Engagement Background, Scope and Approach

Scope

The scope of the work was limited to an assessment of the implementation status of the action plans committed to in the **Action Plan 2015** report published in March, 2015.

Approach

Our progress report is based on the completion of specified procedures in relation to each of the action plans to determine their overall state of implementation. The procedures included:

- Examination of key documents changed as a result of the action plans (e.g. revised Standard Operating Procedures).
- Interviews with APRIL staff and concession managers to understand the nature of changes made and the extent to which changes had been circulated to staff and suppliers.
- Review of records demonstrating implementation of revised processes (e.g. training records, training materials, completed analyses).
- Testing of mixed hardwood (MHW) delivery documentation to gain an understanding of the sources of mixed hardwood in 2015 and the date when this MHW was cut.
- Limited field inspections to determine whether current activities in areas with continuing MHW deliveries are consistent with the SFM policy.

1. Engagement Background Objective, Scope and Approach

Approach

Action Plan status was categorized as follows:

- In Development = Implementation not yet started. The specific actions to be undertaken are still being developed or the action plan requires the completion of other actions prior to its initiation.
- In Progress = Implementation has started. The action plan is in the process of being addressed.
- Implemented = Implementation complete, procedures have been updated to clarify existing processes. Long-term effectiveness to be assessed through future field assessments.

3. Summary of Action Plan Status

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

APRIL Action Plan	Status of Action Plan
For APRIL and APRIL long term supplier concessions, harvesting of MHW has been completed as of December 31, 2014.	Implemented
No new suppliers are allowed to deliver MHW unless they have undertaken HCV assessments that have been peer-reviewed through the HCVRN.	Implemented
For the one existing short-term supplier actively harvesting MHW at the time of the HCV assessment in 2014, per SAC recommendation, APRIL has sent a letter asking the supplier to submit the current HCV report to the HCVRN to assess whether it is consistent with their review process requirements.	Implemented
Once the results of this assessment are available, APRIL will determine what, if any, additional actions are required to bring the management of HCVs on the concession in line with HCVRN review process requirements.	In Development
For established concessions where extraction of residual MHW from scattered left-over operational areas is required for operational efficiency, APRIL will establish risk based de minimis rules that limit any small amounts of extraction of MHW to areas harvested that are less than 2% of the annual volume of each concession area and for which a risk based assessment has confirmed that the stand is isolated or degraded and that there are no HCV values present.	Implemented
In cases where red listed species are observed through our monitoring in a proposed area of harvesting activity, APRIL's technical services department will withhold releasing harvesting plan maps of estates until a plan has been approved for the relocation of these species. This requirement will be embedded in APRIL's Standard Operating Procedures.	Implemented
No new suppliers are allowed to initiate infrastructure development unless they have undertaken HCV assessment that has been peer-reviewed through the HCVRN.	Implemented



1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.


APRIL Action Plan	Status of Action Plan
APRIL has communicated its 2014 deadline to all estate managers across various communications channels and platforms.	Implemented
APRIL has uploaded the SFMP into the Integrated Management System (IMS) to ensure that all employees have easy access to this Policy. APRIL has also conducted training on this Policy for all managers of wood supply partners.	Implemented
APRIL has developed a glossary of terms to address interpretation issues in relation to key terms used in the SFM policy.	Implemented

2. APRIL's Commitment to Transition to Full Reliance on Plantation Fiber.





APRIL Action Plan	Status of Action Plan
The progress of these plantation fiber self-sufficiency initiatives is being continuously monitored at unit management level on a monthly basis, and the long range plan is being reviewed on a quarterly basis by Company Management.	Implemented
APRIL has established a wood supply team to find ways to further decrease the use of MHW.	Implemented
APRIL will develop a dashboard to analyze progress on the initiatives and report to the SAC during the next SAC meeting.	Implemented

3. APRIL's Forest Protection and Conservation Commitment.

APRIL Action Plan	Status of Action Plan
APRIL will report the status of its progress toward achieving 1-to-1 conservation commitment to the SAC at each SAC meeting, including reporting on current land-use status within these areas.	Implemented
APRIL will continue the process of developing restoration plans for the ER licenses received and will develop a landscape-base biodiversity conservation plan, green economy and social goals as part of these plans. APRIL will initiate an independent study to analyze landscape level conservation options.	In Progress 
APRIL will establish a data base and long term plan for managing conservation attributes at the landscape level, including actions to establish landscape level connectivity through the consolidation of existing HCV areas, conservation areas and restoration activities. The initial focus will be to build on the large scale opportunity created by the Riau Ecosystem Restoration program on the Kampar peninsula. The proposed plan will be reviewed with the SAC at the next SAC meeting.	In Development 
To support this plan, APRIL will strengthen its existing spatial monitoring and reporting on the protection of conservation and restoration areas.	Implemented
APRIL has completed action to close and restore the canal noted within an HCV area.	Implemented

 Continued progress on action plan will be assessed as an integral part of APRIL's commitments under SFMP 2.0


4. APRIL's Peatland Management Commitment.


APRIL Action Plan	Status of Action Plan
APRIL has engaged external experts in identifying best practices regarding protection of peatland and water-table function at the landscape level. This process will clearly define which peatland area may be developed and what level of protection is necessary for different types of peatland to maintain its functions in the long-term.	In Development 
APRIL will require its suppliers to document and report the baseline standards information, as well as to adopt a number of best practices in water management already employed by APRIL in its SOP.	Implemented
APRIL has engaged external peatland experts to visit our operation to conduct an external review of APRIL's peatland best management practices with particular reference to soil sustainability, the review report will be presented to the SAC in the next SAC meeting.	Implemented
APRIL has worked with external carbon experts to identify an approach to measure the historical land use emissions as well as future land use emissions associated with our fiber, pulp, and paper manufacturing operations in Kerinci. The methodology developed will be presented to the SAC in the next SAC meeting.	In Progress 
In response to concerns related to operations on peatland, the Government of Indonesia has established the MRV (Measurement, Reporting, and Verification) team for Meranti Estate and Pulau Padang operations. The MRV team has undertaken research on these concessions and their independent results will be presented to the SAC when they are finalized.	In Progress 
Any new or additional monitoring initiatives will be subject to the completion of these studies and assessment of their recommendation.	In Progress 




Continued progress on action plan will be assessed as an integral part of APRIL's commitments under SFMP 2.0


5. APRIL's Regulatory Compliance and Certification Commitments.

APRIL Action Plan	Status of Action Plan
APRIL will provide additional resources to increase the intensity and frequency of field inspection on the SFMP compliance of Short Term Suppliers.	Implemented
APRIL will discuss with scientific authority (LIPI- Indonesian Institute of Sciences) on the best way to protect these retained trees; and APRIL will also bring this matter to HCV Network Indonesia (HCVNI) to find a solution, as these trees are defined as HCV.	In Progress 
APRIL will establish a database to monitor findings from inspections and to ensure best practices are shared and implemented across all concessions.	Implemented


 Continued progress on action plan will be assessed as an integral part of APRIL's commitments under SFMP 2.0


6. APRIL's Social Commitments.

APRIL Action Plan	Status of Action Plan
<p>APRIL will update its Social Governance Relationship Standard Operating Procedure and Wood Legality Verification Procedure:</p> <p>(a) to specify the conditions under which operations and the incoming fiber from areas subject to disputes are to be suspended; and</p> <p>(b) to identify conditions under which factors beyond APRIL's control exist and for which government involvement is needed in resolving conflicts.</p>	Implemented
<p>APRIL will continue to follow government regulation and is committed to FPIC principles imposed by the Government of Indonesia, such as involving local community in the boundary Marking process and other initiatives on partnership with local community.</p>	Implemented
<p>APRIL will intensify engagement with local government and other relevant agencies to implement conflict resolution processes and reflect its approach to older concessions in an updated Social Governance Relationship Standard Operating Procedure</p>	Implemented
<p>APRIL will intensify engagement with BIDARA (a local non-profit organization) and Flora and Fauna International in implementing the CCB concept in its ER concessions to ensure social benefits accrue to local communities.</p>	Implemented
<p>APRIL will initiate a discussion process on the appropriate FPIC implementation as part of the CCB concept for its ER concessions and report the result to the SAC accordingly.</p>	In Progress 

 Continued progress on action plan will be assessed as an integral part of APRIL's commitments under SFMP 2.0

7. APRIL's Transparency Commitments.

APRIL Action Plan	Status of Action Plan
APRIL will support the SAC to host or facilitate a stakeholder forum to help gain a better understanding of stakeholder expectations in relation to APRIL's policy and its implementation.	Implemented
APRIL and the SAC have discussed opportunities for broadening the SAC's membership. The SAC will look into representation needs and initiate the process of identifying potential new members.	In Progress 
APRIL has developed a Supplementary Note and a Glossary of Terms to the SFMP, which will be shared publicly with external stakeholders.	Implemented
APRIL management is using the GRI G4 Guidelines for its 2013-2014 sustainability report currently being completed for publication in 2015.	Implemented
APRIL will gather stakeholder feedback on the 2015 sustainability report to determine the appropriate periodicity of the next report and issues considered material to stakeholders.	In Development

 Continued progress on action plan will be assessed as an integral part of APRIL's commitments under SFMP 2.0

8. The Broader Picture - APRIL's Commitment in Relation to RGE Group.

APRIL Action Plan	Status of Action Plan
APRIL has forwarded this SAC's recommendation to RGE management.	Implemented

3. Detailed Results

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
APRIL should clarify how its HCV (High Conservation Value) commitment affects its existing concessions.	For APRIL and APRIL long term supplier concessions, harvesting of MHW has been completed as of December 31, 2014.	Already Completed	Implemented	Review of MHW deliveries and comparison of logging date to commitment. Field visit to active sites currently delivering previously felled MHW.	Implemented. [Note: initial non-conformity with the commitment on Pulau Padang was identified by an NGO and acknowledged by APRIL on the APRILdialog website. Since then, an independent monitoring program has been developed to check compliance on a monthly basis.]

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Per prior SAC recommendations, the HCV Resource Network (HCVRN) peer review process should be used for all future peer reviews, rather than using individuals listed by the HCVRN.	No new suppliers are allowed to deliver MHW unless they have undertaken HCV assessments that have been peer-reviewed through the HCVRN.	Immediate	Implemented	Testing of MHW deliveries to determine whether there are any new suppliers of MHW	Implemented – no new suppliers of MHW identified.

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
The HCV assessment of PT Adindo Hutani Lestari (AHL) concession should be subject to an additional review by the HCVRN.	For the one existing short-term supplier actively harvesting MHW at the time of the HCV assessment in 2014, per SAC recommendation, APRIL has sent a letter asking the supplier to submit the current HCV report to the HCVRN to assess whether it is consistent with their review process requirements.	Already Completed	Implemented	Review of letter to Adindo and subsequent correspondence with HCVRN	Implemented - The HCVRN has been asked to complete a review and has indicated it is preparing a proposal to address the request.
	Once the results of this assessment are available, APRIL will determine what, if any, additional actions are required to bring the management of HCVs on the concession in line with HCVRN review process requirements.	Immediate	In Development	Review of correspondence with HCVRN	In Development – The HCVRN review has not yet been completed.

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Mixed hardwood (MHW) from older concessions that have not been subject to an HCV assessment should not be logged. De minimis rules should be established for those cases where isolated very small patches of MHW may be cleared, where they are impacting operational efficiency, but only once a risk based assessment of the potential for HCV values has identified that these are not present in the stand.	For established concessions where extraction of residual MHW from scattered left-over operational areas is required for operational efficiency, APRIL will establish risk based de minimis rules that limit any small amounts of extraction of MHW to areas harvested that are less than 2% of the annual volume of each concession area and for which a risk based assessment has confirmed that the stand is isolated or degraded and that there are no HCV values present.	Immediate	Implemented	Review of de minimis rules, identification of MHW logged under de minimis rules, review of a reports prepared to assess de minimis requirements and review of site conformity to the rules.	Implemented

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
<p>APRIL should review its planning processes to determine how MHW stands were scheduled for logging when internal monitoring data identified the presence of an IUCN red-listed species in the area.</p> <p>APRIL has a number of management systems designed to monitor both performance and forest condition. However, additional emphasis needs to be placed on using the information to maximize the effectiveness of the systems, e.g. using collated monitoring data to assess whether proposed logging activities have the potential to create impacts on locally present listed species.</p>	<p>In cases where red listed species are observed through our monitoring in a proposed area of harvesting activity, APRIL's technical services department will withhold releasing harvesting plan maps of estates until a plan has been approved for the relocation of these species. This requirement will be embedded in APRIL's Standard Operating Procedures.</p>	<p>Immediate</p>	<p>Implemented</p>	<p>Review of updated SOP and review of a sample of monitoring data for current harvest sites and identify whether any red listed species were present and if so how they were addressed.</p>	<p>Implemented-procedures have been adapted to include multiple new control points.</p>

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
APRIL should update its standard operating procedures to ensure that forestry activities, including canal development, are not initiated on any new concessions prior to the formal release of a peer reviewed final HCV report.	No new suppliers are allowed to initiate infrastructure development unless they have undertaken HCV assessment that has been peer-reviewed through the HCVRN.	Immediate	Implemented	Testing of MHW deliveries to determine whether any new suppliers of MHW have received a peer reviewed final HCV report before infrastructure development.	Implemented – No new suppliers at this time.

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
It is important to communicate the HCV and MHW commitments to all RAPP concession managers as well as long term supply partners, particularly in relation to any potential hold-over MHW harvest areas from the 2014 operating plans (which should not be logged based on the SFM policy but which may be scheduled for logging in 2015 in the absence of broader communication of the commitment across all long term supply partners).	APRIL has communicated its 2014 deadline to all estate managers across various communications channels and platforms.	Already Completed	Implemented	Review of communications with estate managers and interviews with a sample of estate managers	Implemented
	APRIL has uploaded the SFMP into the Integrated Management System (IMS) to ensure that all employees have easy access to this Policy. APRIL has also conducted training on this Policy for all managers of wood supply partners.	Immediate	Implemented	Review of SFMP on-line, review of training package and review of training records.	Implemented

1. APRIL's Mixed Hardwood (MHW) and non HCV Sourcing Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
APRIL needs to define clearly how it differentiates between long term supply partners (who are unable to cut MHW after 2014) and short-term suppliers (who are able to cut MHW after 2014). This is particularly important as PT Adindo Hutani Lestari, which has a multi-year contract, is treated as a short-term supplier	APRIL has developed a glossary of terms to address interpretation issues in relation to key terms used in the SFM policy.	Already Completed	Implemented	Review of glossary of terms posted on the APRILdialog public website.	Implemented

2. APRIL's Commitment to Transition to Full Reliance on Plantation Fiber.

SAC Recommendation	Action Plan	Implement- ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Continue to focus on initiatives to shorten the timeframe to self-sufficiency, including consideration of initiatives outside of the existing plantation footprint.	The progress of these plantation fiber self-sufficiency initiatives is being continuously monitored at unit management level on a monthly basis, and the long range plan is being reviewed on a quarterly basis by Company Management.	Already Completed	Implemented	Review of monthly reports and long range plan updates for management.	Implemented
	APRIL has established a wood supply team to find ways to further decrease the use of MHW.	Already Completed	Implemented	Review of formal appointments and review of progress in finding alternate sources of fiber in long range plan.	Implemented

2. APRIL's Commitment to Transition to Full Reliance on Plantation Fiber.

SAC Recommendation	Action Plan	Implement- ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Develop a comprehensive dashboard to monitor progress on self-sufficiency initiatives.	APRIL will develop a dashboard to analyze progress on the initiatives and report to the SAC during the next SAC meeting.	May 2015	Implemented	Review of dashboard for MAI updates as well as long term fiber plan updates.	Implemented

3. APRIL's Forest Protection and Conservation Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
APRIL should consider transparent disclosure and tracking of land use status within conservation zones as a key indicator of progress towards achieving the one-to-one conservation commitment.	APRIL will report the status of its progress toward achieving 1-to-1 conservation commitment to the SAC at each SAC meeting, including reporting on current land-use status within these areas.	May 2015 (plan) Calendar 2015 (implementation)	Implemented	Review of land use tracking reports and supporting data.	Implemented - Detailed land use change tracking is occurring on a monthly basis at 1ha resolution.

3. APRIL's Forest Protection and Conservation Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Restoration areas represent an opportunity to showcase conservation gains more broadly. Such opportunities should be explored to provide social and economic benefits to both APRIL and local communities.	<p>APRIL will continue the process of developing restoration plans for the ER licenses received and will develop a landscape-base biodiversity conservation plan, green economy and social goals as part of these plans.</p> <p>APRIL will initiate an independent study to analyze landscape level conservation options</p>	<p>May 2015 (plan)</p> <p>Calendar 2015 (implementation)</p>	In Progress	Review of RER progress report, review of agreement with Flora and Fauna International and draft letter of intent with The Nature Conservancy as well as interviews	In Progress - Review of progress reports for Kampar and Pulau Padang restoration licences indicates progress is continuing to be made in the development of these programs. Both areas are following the CCB methodology (which specifically addresses biodiversity, green economy and social performance) and an agreement has been signed with FFI to implement the program. The landscape level conservation strategy has reached a draft letter of intent stage with the proposed developer.

3. APRIL's Forest Protection and Conservation Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
In working toward its one-to-one commitments, APRIL should develop an overall spatial plan for retention or restoration of natural forest in the entire area of operations. The objective should be to retain conservation areas that are sufficiently large, effectively managed, representative and connected. This will enable greater progress to be made in ensuring the conservation of native biodiversity than the piecemeal HCV approach at present being used.	APRIL will establish a data base and long term plan for managing conservation attributes at the landscape level, including actions to establish landscape level connectivity through the consolidation of existing HCV areas, conservation areas and restoration activities. The initial focus will be to build on the large scale opportunity created by the Riau Ecosystem Restoration program on the Kampar peninsula. The proposed plan will be reviewed with the SAC at the next SAC meeting.	May 2015	In Development	Review of draft letter of intent with The Nature Conservancy (TNC) and interview.	In Development – a draft letter of intent has been developed with TNC for implementation of the landscape level conservation strategy which, once signed, is expected to have a 12 month timeframe for the initial conservation master plan development and a 36 month timeframe for implementation. The strategy is currently limited to Kampar and Pulau Padang.
	To support this plan, APRIL will strengthen its existing spatial monitoring and reporting on the protection of conservation and restoration areas.	May 2015	Implemented	Review of land use tracking reports and supporting data.	Implemented – updated spatial monitoring provides regular field-truehd updates on land use status at a 1ha resolution.

3. APRIL's Forest Protection and Conservation Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
APRIL should undertake restoration actions to minimize the impact of the canal developed in error into an HCV area on Pulau Padang.	APRIL has completed action to close and restore the canal noted within an HCV area.	Already completed	Implemented	Review of photographic evidence of canal closure and subsequent planting with indigenous species.	Implemented

4. APRIL's Peatland Management Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
The policy commitment should be clarified to explicitly address under which conditions forested peatland identified as HCV 4.1 may be developed and what constraints apply to these operations	APRIL has engaged external experts in identifying best practices regarding protection of peatland and water-table function at the landscape level. This process will clearly define which peatland area may be developed and what level of protection is necessary for different types of peatland to maintain its functions in the long-term.	May -2015	In Development	Review of draft terms of reference.	In Development – initial focus of peatland work has been at the operational level rather than the landscape level, although the two are related. A peatland expert working group concept has been developed and is in the process of being set-up and will act as a filter to assess proposed approaches.

4. APRIL's Peatland Management Commitment.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Formal baseline expectations should be developed as part of site-level information on water table conditions, particularly for hydro buffers and conservation areas.	APRIL will require its suppliers to document and report the baseline standards information, as well as to adopt a number of best practices in water management already employed by APRIL in its SOP.	March 2015	Implemented	Review of changes to organizational structure to address water management consistency across concessions, review of updated SOP for Infrastructure and maintenance.	<p>Implemented – SOP has been revised and water table targets clarified. Management structure has been adjusted to improve regional consistency.</p> <p>The revised SOP specifically addresses data collection in conservation areas to the extent necessary in the absence of the development of new peatland areas under the current moratorium on further peatland development.</p>
Application of APRIL Standard Operating Procedures (SOP) across all suppliers would improve performance on peat management and lead to consistent standards for water table management.					

4. APRIL's Peatland Management Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Completion of the ongoing study on the greenhouse gas implications of existing peat management practices is critical to a full understanding of the impacts of these practices and on opportunities for improvement in practices. APRIL should seek broad input on the final methodology and results of the study given its importance to understanding what types of practice are appropriate on peatland.	APRIL has engaged external peatland experts to visit our operation to conduct an external review of APRIL's peatland best management practices with particular reference to soil sustainability, the review report will be presented to the SAC in the next SAC meeting;	May 2015	Implemented	Review of experts used, initial recommendations and associated development of initial field trials based on recommendations.	Implemented
	APRIL has worked with external carbon experts to identify an approach to measure the historical land use emissions as well as future land use emissions associated with our fiber, pulp, and paper manufacturing operations in Kerinci. The methodology developed will be presented to the SAC in the next SAC meeting	May 2015	In Progress	Review of draft methodology and status update.	In Progress - Methodology has been developed in draft form and work is ongoing to finalize it.

4. APRIL's Peatland Management Commitment.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Completion of the ongoing study on the greenhouse gas implications of existing peat management practices is critical to a full understanding of the impacts of these practices and on opportunities for improvement in practices. APRIL should seek broad input on the final methodology and results of the study given its importance to understanding what types of practice are appropriate on peatland.	In response to concerns related to operations on peatland, the Government of Indonesia has established the MRV (Measurement, Reporting, and Verification) team for Meranti Estate and Pulau Padang operations. The MRV team has undertaken research on these concessions and their independent results will be presented to the SAC when they are finalized.	December 2015	In Progress	N/A - This action plan is not expected to be implementable until the end of 2015.	In Progress – Completion of activities under the action plan is awaiting completion of the research.
	Any new or additional monitoring initiatives will be subject to the completion of these studies and assessment of their recommendation.	N/A	In Progress	Review of initial responses to peatland expert recommendations and status update on set-up of Peatland Expert Working Group (PEWG).	In Progress – Evidence of some immediate field trials. However, the PEWG is intended to act as both a developer and filter for recommendations on a go-forward basis and is currently in the process of being set up.

5. APRIL's Regulatory Compliance and Certification Commitments.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
APRIL should increase the intensity of supplier inspections and focus this time on supplier performance, particularly for MHW suppliers.	APRIL will provide additional resources to increase the intensity and frequency of field inspection on the SFMP compliance of Short Term Suppliers.	March 2015	Implemented	Review of inspection frequency requirements, inspection records and training / competencies of new inspectors.	Implemented—availability of resources has been increased. MHW supplier inspection frequency is increasing. Supplier inspection frequency has a number of new triggers for increasing frequency based on risk.

5. APRIL's Regulatory Compliance and Certification Commitments.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Protection of honey trees and Ramin was noted in the field. However, individually retained trees have a low chance of survival. There are opportunities to improve the survival of retained trees through alternative strategies to single stem retention.	APRIL will discuss with scientific authority (LIPI- Indonesian Institute of Sciences) on the best way to protect these retained trees; and APRIL will also bring this matter to HCV Network Indonesia (HCVNI) to find a solution, as these trees are defined as HCV.	April 2015	In progress	Review of correspondence with scientific authorities and activities to develop solutions.	In progress – workshop organized by APRIL is planned for later in 2015.

5. APRIL's Regulatory Compliance and Certification Commitments.

SAC Recommendation	Action Plan	Implement- ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Create a database to report all findings from inspections and their status of resolution to management. Ensure that the learning from any individual supply partner/concession are applied to all supply partners/concessions.	APRIL will establish a database to monitor findings from inspections and to ensure best practices are shared and implemented across all concessions.	May 2015	Implemented	Interviews to establish process for sharing findings from inspections and best practices and review of communication records.	Implemented – findings from inspections are shared across regions and processes have been changed to share this information between regions.

6. APRIL's Social Commitments.

SAC Recommendation	Action Plan	Implement-ation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
<p>While APRIL has developed an SOP to address the requirements of FPIC (Free, Prior and Informed Consent) , it is not equipped to resolve land use conflicts that involve overlapping land claims between communities and should seek a greater level of government involvement in the resolution process.</p> <p>APRIL's SOP should reflect current practice of suspending operations in areas subject to significant disputes.</p>	<p>APRIL will update its Social Governance Relationship Standard Operating Procedure and Wood Legality Verification Procedure:</p> <p>to specify the conditions under which operations and the incoming fiber from areas subject to disputes are to be suspended; and</p> <p>to identify conditions under which factors beyond APRIL's control exist and for which government involvement is needed in resolving conflicts.</p>	May 2015	Implemented	Review of revised standard operating procedures for wood legality (addressing processes for suspension of operations) and social government relations (addressing role of Government)	Implemented – SOPs have been updated – a risk assessment process has been added to the wood legality SOP that addresses land use disputes. The Social Governance Relationship SOP has been revised to address the potential role of government in conflict resolution.

6. APRIL's Social Commitments.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
There is a need to establish and communicate clear expectations regarding the resolution of disputes related to older concession areas, particularly those that relate to the legacy of historic plantation establishment practices prior to the commitment to FPIC principles.	APRIL will continue to follow government regulation and is committed to FPIC principles imposed by the Government of Indonesia, such as involving local community in the boundary marking process and other initiatives on partnership with local community.	Immediate	Implemented	Review of Changes to Social Governance Relationship SOP and interviews	Implemented – existing approach to engagement remains essentially the same.
	APRIL will intensify engagement with local government and other relevant agencies to implement conflict resolution processes and reflect its approach to older concessions in an updated Social Governance Relationship Standard Operating Procedure.	May 2015	Implemented	Review of updated SOP for Social Governance Relationship and interview with social governance team.	Implemented – clarifications have been made in the SOP related to role of government and implementation process for older concessions.

6. APRIL's Social Commitments.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
FPIC is an important element to address for new Ecosystem Restoration (ER) licenses in order to achieve community support and create appropriate conditions for Climate, Community & Biodiversity (CCB)/ Reducing Emission from Deforestation and Forest Degradation (REDD) recognition. The earlier this process starts the more effective it will be.	APRIL will intensify engagement with BIDARA (a local non-profit organization) and Flora and Fauna International in implementing the CCB concept in its ER concessions to ensure social benefits accrue to local communities.	March 2015	Implemented	Review of agreements with BIDARA and FFI and status update on implementation of RER initiative.	Implemented – programs have been initiated with both BIDARA and FFI in relation to community engagement for the CCB project.
	APRIL will initiate a discussion process on the appropriate FPIC implementation as part of the CCB concept for its ER concessions and report the result to the SAC accordingly.	March 2015	In Progress	Review of agreements with BIDARA and FFI and status update on implementation of RER initiative.	In Progress – high level approach to FPIC has been developed. Overview of roadmap has been shared with SAC. Approach to FPIC is currently evolving.

7. APRIL's Transparency Commitments.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
The planning process for future SFMP verifications should incorporate a formal opportunity for stakeholder input.	APRIL will support the SAC to host or facilitate a stakeholder forum to help gain a better understanding of stakeholder expectations in relation to APRIL's policy and its implementation.	May 2015	Implemented	Review of communication with SAC and progress in facilitating a stakeholder forum.	Implemented – Initial stakeholder meetings on May 26, 2015
APRIL and SAC should continue to look for opportunities to broaden stakeholder representation on the SAC.	APRIL and the SAC have discussed opportunities for broadening the SAC's membership. The SAC will look into representation needs and initiate the process of identifying potential new members.	Immediate	In Progress	Review of communication with SAC and progress in broadening stakeholder representation.	In Progress

7. APRIL's Transparency Commitments.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
Given the range of SFM commitments, the overlap between some commitments, and the high potential for some commitments to be misunderstood, there is an immediate need for APRIL to develop, and make available to stakeholders, a "what we mean by this" supplement to the SFM policy.	APRIL has developed a Supplementary Note and a Glossary of Terms to the SFMP, which will be shared publicly with external stakeholders.	Already Completed	Implemented	Review of supplementary note and glossary posted on the APRILdialog public website.	Implemented

7. APRIL's Transparency Commitments.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
An annual sustainability report should be considered post-2015 to avoid the information being too dated to be of significant relevance to stakeholders. GRI G4 Guidelines should be adopted for these reports.	APRIL management is using the GRI G4 Guidelines for its 2013-2014 sustainability report currently being completed for publication in 2015.	June 2015	Implemented	Review draft of Sustainability Report or report development plan for 2013/14 Sustainability Report for publication in 2015.	Implemented
	APRIL will gather stakeholder feedback on the 2015 sustainability report to determine the appropriate periodicity of the next report and issues considered material to stakeholders.	November 2015	In Development	N/A	In Development—sustainability report has not yet been released so review by stakeholders has yet to take place

8. The Broader Picture - APRIL's Commitment in Relation to RGE Group.

SAC Recommendation	Action Plan	Implementation Date	APRIL Assessment of Implementation Status	Procedures undertaken by KPMG PRI	Findings
RGE should adopt an overarching set of principles that all member companies apply rather than have one member company commit to influence the others.	APRIL has forwarded this SAC's recommendation to RGE management.	Already completed	Implemented	Interview with RGE management, review of RGE website.	Implemented - RGE is in the process of developing its own sustainability principles that will apply to all forest products company investments.



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