



**Stakeholder Advisory Committee (SAC) on  
APRIL's Sustainable Forest Management Policy (SFMP)**

– Summary Report for SAC Meeting in Pangkalan Kerinci, 26-29 May 2015 –

<b>SAC MEMBERS</b>	<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>
<b>TOPICS OF DISCUSSION:</b>	
<p><b>1. APRIL's Sustainable Forest Management Policy (SFMP) 2.0:</b>          APRIL and SAC discussed the draft SFMP 2.0 in detail and ensured that all NGOs inputs were taken into consideration. SAC has given its recommendations to the final draft of SFMP 2.0.</p> <p>The SFMP 2.0 announcement event will take place on Wednesday 3 June 2015 at Hotel Mulia, Jakarta.</p>	
<p><b>2. Stakeholder Forum:</b>          On 26 May 2015, the SAC conducted two Stakeholder Forums in Hotel Labersa, Pekanbaru-RIAU: one with local communities and one with local NGOs.</p> <p>The meeting notes of the Stakeholders Forums are available for download: <a href="#">Communities</a> and <a href="#">NGOs</a>.</p> <p>In summary, three key areas of improvement raised by local stakeholders:</p> <ol style="list-style-type: none"> <li>1. <b>Communication:</b> APRIL needs to be more proactive to communicate/update local stakeholders on SAC and SFMP implementation progress, and improve its follow-up to local stakeholders;</li> <li>2. <b>Clarity:</b> Most stakeholders said that they did not know how to contact APRIL to lodge complaints or ask questions. APRIL should establish a clear and transparent process, and strengthen its internal mechanism to follow up on stakeholder complaints;</li> <li>3. <b>Compensation:</b> Stakeholders raised concerns over receiving proper compensation, e.g.: for crops failure in the livelihood plantations.</li> </ol> <p>The SAC noted that feedback from local stakeholders confirmed the considerable contributions that APRIL has made to the improved livelihoods of many people living in the areas of its operations through creation of employment and improvement of social and physical infrastructure.</p> <p>Overall everybody agreed that the Stakeholder Forum was an excellent initiative and should be repeated on a regular basis. APRIL should strengthen its internal mechanism to solve community complaints and conflicts. APRIL should involve local NGOs in monitoring implementation of the SFMP. APRIL will provide an Indonesian language version of the SFMP progress updates in APRILDialog.com.</p>	



In addition, the issue of completing commitments on livelihood plantations was raised. It was further discussed in the SAC meeting, and the SAC agreed that APRIL should prioritize meeting its existing commitments on livelihood plantations to local communities.

### **3. APRIL's Peatland Management:**

The SAC members went to visit Pelalawan Estate to see APRIL's water management and the supporting technology. APRIL's Peat Science Department team gave follow-up presentations and shared its past engagement with various peat experts in providing recommendation on peatland best practice management.

Analysis from various peat experts said that APRIL has implemented good quality of plantation inventory, water management, and application of technology and R&D activities – which was also acknowledged by all SAC members.

APRIL will establish a Peat Expert Working Group (PEWG) to review and advise on best practice management on peatland and to improve the productivity and sustainability of its plantations on peatland.

The SAC recommends that PEWG members should include experts with close connection to the issues. While high-level experts are needed to provide international credibility, technical specialists with practical experience in managing tropical peatland are very important. PEWG should also consider social and economic impacts. The SAC also recommends that PEWG should be positioned to provide recommendations on peatland management to APRIL via SAC.

### **4. KPMG Performance Registrar Ltd. (KPMG) Progress Report on APRIL's Action Plan 2015 and Audit Plan on SFMP 2.0:**

KPMG presented its "Progress Report on APRIL's Action Plan 2015". APRIL's Action Plan document was finalized in mid March 2015, and in two months the progress made has been very substantive. SAC members commended this progress.

KPMG then presented its suggested assessment approach for SFMP 2.0, using key indicators and a "standard approach to assurance over Policy changes". There is a need to socialize key indicators and collect inputs from internal and external stakeholders before finalizing the indicators for SFMP 2.0 audit.

KPMG will provide a proposal and cost for auditing SFMP 2.0 with key indicators to the SAC. The timeline for finalizing the key indicators is end of November 2015, and the audit report will be produced in June 2016.

### **RECOMMENDATIONS:**

SAC strongly supports APRIL's updated commitments on the SFMP 2.0 and noted that this improved version incorporates many SAC recommendations and key stakeholder inputs following the implementation and assessment of SFMP 1.0.

SAC recommends APRIL to be more proactive to communicate and update local stakeholders about the SAC and the SFMP implementation progress, and to improve its follow-up with local stakeholders. In addition,



APRIL should establish a clear and transparent process and an internal mechanism to follow up on stakeholder complaints and claims for compensation.

SAC recommends that APRIL develops a program to meet its commitments on livelihood plantations.

SAC recognises the value of Stakeholder Forum and will conduct Stakeholder Forum on a regular basis.

SAC supports the creation of PEWG and recommends APRIL to include international experts as well as technical specialists with practical experience in managing tropical peatland.

SAC commends APRIL for the significant progress made against the Action Plan 2015 and recommends that APRIL shares the KPMG “Progress Report on APRIL’s Action Plan” widely with stakeholders.

The complete KPMG “Progress Report on APRIL’s Action Plan” is available for download [here](#).

SAC recommends that future progress against SFMP 2.0 is monitored using key indicators, which are selected with inputs from key internal and external stakeholders. SAC also recommends involving local stakeholders in monitoring implementation of the SFMP 2.0.

**NEXT SAC MEETING:**

Place: Riau province, Indonesia

Time: 9 - 13 November 2015