



Stakeholder Advisory Committee (SAC) on APRIL's Sustainable Forest Management Policy (SFMP 2.0)

– Summary Report for SAC Meeting in Riau-Indonesia, 12-15 January 2016 –

SAC MEMBERS	<ol style="list-style-type: none">1. Joe Lawson (<i>Chair</i>)2. Al Azhar3. Budi Wardhana4. Jeffrey Sayer5. Rusmadya Maharuddin6. Dr. Neil Byron (prospective member)
TOPICS OF DISCUSSION:	
1. Update on SAC Membership: SAC welcomes Dr. Neil Byron as potential member. Apologies from Andy Tait who was unable to attend this SAC Meeting.	
2. SAC Stakeholder Engagement: a. Field visit to Pulau Padang: SAC met with the local communities from 8 villages, including 6 Village Heads and a Sub-district Head (Camat). SAC members were introduced and the role of the SAC was explained. The dialogue was conducted with local communities and SAC was informed of communities' views and concerns, particularly on topics of livelihood, infrastructure, clean water, and local economic development. SAC members also visited the site of the proposed livelihood rubber plantation of Desa Putri Puyu. b. Meeting with Local NGOs: SAC met with representatives from 3 local NGOs: Perkumpulan Elang, FKKM, and ISEC. SAC members were introduced and the role of SAC was explained. The dialogue was conducted and SAC was informed of NGOs' views and concerns, alternative livelihoods for local communities, status of the grievance resolution mechanism, and the need for a clear roadmap to explain the sequencing of implementation of SFMP 2.0. A specific concern was raised by local NGOs regarding the potential impact of a canal near the Pelalawan River. APRIL will investigate this matter and will revert back to the local NGOs.	
3. Update on Previous SAC Recommendations: SAC reviewed the list of previous SAC recommendations. It was noted that APRIL has made progress on most, in particular:	

- a. APRIL Sustainability dashboard is up with information on concession maps for APRIL and a number of its suppliers. Its URL is <http://sustainability.aprilasia.com> . These maps have also been provided to the World Resources Institute (WRI). Not all supplier maps have yet been delivered and APRIL is in process of securing agreement with suppliers to release the remaining maps;
- b. APRIL has assessed the extent of encroachment across all suppliers and detailed maps are available. SAC has recommended that a summary be prepared and presented in the next SAC meeting;
- c. APRIL is developing a formal mechanism to work with other stakeholders in the Kampar landscape and will collaborate with international conservation NGOs to implement this;
- d. One SAC member visited the Kampar landscape and made a recommendation for initiating the landscape program; actions are being initiated in response to this proposal;
- e. However, there was not much progress made on identification of other landscapes beyond Kampar. SAC has recommended that a progress report be prepared and presented in the next SAC meeting;
- f. APRIL shared the lessons learned from its integrated approach to fire management through its Fire-Free Village Programs (FFVP) with various stakeholders, including palm-oil industry;
- g. While the Grievance Resolution Mechanism process is still being finalized with key stakeholders, it will be transparent and easily accessible to all stakeholders;
- h. APRIL has encouraged Hatfield to clarify and align the definition of “scrub” with HCS definitions.

4. Update on Livelihoods in Pulau Padang:

Livelihoods were the main topic repeatedly raised by the villagers during SAC’s visit to Pulau Padang. Many villagers were asking when APRIL will start developing the promised livelihood plantations.

APRIL presented the latest status of livelihood plantations in Pulau Padang, with about 792 ha remaining in 10 villages to be planted. There is high pressure from local communities, and government has issued a letter requesting APRIL to expedite the development of these livelihood plantations. SAC also wrote a letter in 2015 recommending that APRIL should proceed with the livelihood plan. The work plan, which indicates that APRIL will start development of livelihood plantations in February 2016, was noted.

5. Update on KPMG Indicators, Interim Report, and 2016 SFMP 2.0 Audit Report:

The draft KPMG indicators have been shared with various key stakeholders for their inputs. KPMG incorporated these inputs to the draft indicators and presented the final indicators to SAC and APRIL Management in this SAC Meeting.

Using the final indicators, KPMG will publish an interim report on SFMP2.0 implementation in February 2016 and a full Assurance Audit report in June 2016.

In addition, KPMG was tasked to verify findings in a November 2015 Greenomics Report and to report back to SAC. This report raises the issue of “Association” of APRIL with companies who may be acting in ways that are inconsistent with the SFMP 2.0. This issue will be clarified and discussed at the next SAC meeting.

6. Status of SOPs for Grievance and Conflict Resolution:

APRIL has met with social NGOs for the third time to finalize the draft SOPs (Grievance and Conflict Resolution). There is still a delay in finalizing these SOPs, pending provision of feedback from the social NGOs.



APRIL will continue to work closely with the social NGOs to finalise the latest draft SOPs.

7. Update on APRIL's Actions to Manage Fire and Haze:

APRIL presented an update on 'Zero Fire 2016' & Fire Free Village Program (FFVP) 2016. 'Zero Fire 2016' target will be a significant challenge for APRIL's estate teams, as it requires a fire management paradigm shift from 'Reactive' to 'Preventative', or from operational fire suppression to effective fire prevention.

SAC commends APRIL's FFVP initiative which responds to the challenges, and has confidence in the capacity of fire management team to respond to severe challenges expected in 2016, particularly in supplier estates that are heavily encroached.

It was recognized during the 2015 Pilot Program that not all village communities are prepared for the responsibilities associated with a fully funded FFVP. "Fire-Aware Community" (FAC) is a package of social and community engagement strategies that introduce villages to fire management, prevention strategies and sustainable alternatives. This package will be introduced to 55 communities selected based on a Fire Risk analysis and with input from the Community Development Team.

In 2016, APRIL will continue to expand its FFVP program to 20 villages, including some villages in Pulau Padang. APRIL intends that after 3 years of developing community capability, the villages will become "Fire Resilient Communities" and will eventually lead to establishing a "Fire Resilient Landscape".

8. Update on Water Infrastructure Requirements for Pulau Padang, Adindo, Kubu:

APRIL presented the latest update on the remaining water infrastructure requirements and proposals for Pulau Padang, Adindo, and Kubu – which will be tabled for presentation to Independent Peat Expert Working Group (IPEWG) on 21-23 January 2016.

For Pulau Padang and Adindo: the increased threat of encroachment and forest fire continues as extensive plantation areas have been cleared but not yet planted. Nearby communities are viewing these lands as abandoned and are beginning to encroach onto them. Thus APRIL thinks it is a priority to establish the remaining water infrastructure immediately in order to secure the land and plantations from the threat of encroachment and to complete establishment of plantations on remaining unplanted compartments.

For Kubu: this is managed by APRIL's supply partner, which was not able to operate due to local government issues. As a result, all forests have been cleared illegally through encroachment. The issues have now been resolved and the supplier is ready to start operations. The supplier has completed HCVF and FPIC assessments (waiting for peer review); RKU and RKT have been approved and land claim issues are in the process of being settled.

9. Update on New Regulation on Peatland Management:

APRIL presented the hierarchy of Indonesian regulations and continued with its understanding of the "Ministry of Environment and Forestry Instruction Letter" No. S.661/Menlhk-Setjen/Rokum/2015 (referring to the Instruction for Peatland Management) that this is not a formal regulation. However, APRIL will try to accommodate the requirements of the instruction as long it does not contradict prevailing regulations.



APRIL's position is to support the enforcement of relevant government laws that promote sustainable forestry development in Indonesia. APRIL believes that peatland which has been drained must be managed, as unmanaged peatland will be subject to encroachment and fires. APRIL has convened an Independent Peat Expert Working Group (IPEWG) to advance its best practices in peatland management.

APRIL also noted the receipt of Deltares Report and presented its initial analysis to SAC Members. The Report is being passed on to IPEWG for further discussion.

RECOMMENDATIONS:

1. SAC recognises the value of Stakeholder Forums and field visits and intends to make this a standard part of the agenda of future SAC meetings.
2. SAC recommends APRIL to have a standardized format for monitoring the status of APRIL's existing commitments to communities and NGOs, specifically:
 - a. SAC recommends that APRIL should immediately work on meeting its existing commitments on livelihood plantations in Pulau Padang. SAC will inform IPEWG of this commitment;
 - b. In addition, APRIL needs to communicate the timeline of completing livelihood plantation to the local communities.
3. SAC reminds APRIL of its commitment to provide a map showing all areas of natural forest in operational areas of APRIL and its suppliers, including the natural forest affected by moratorium policy, with an overlay that shows where encroachments are occurring. SAC also reminds APRIL to ask Hatfield to clarify and align the definition of "scrub" with the HCS definitions.
4. To diversify and strengthen community development efforts, SAC recommends that APRIL should engage specialized experts, including NGOs, in community development. SAC also recommends that during livelihood development, relevant expertise in managing and marketing should be obtained.
5. Progress has not been made on identification of other landscapes beyond Kampar. SAC has recommended that a work plan and timeline be prepared for identifying other landscapes and presented in the next SAC meeting.
6. SAC commends APRIL's FFVP initiative for responding to fire challenges and expresses its confidence in the capacity of APRIL's fire management team in responding to the severe challenges expected in 2016, particularly in supplier estates that are heavily encroached. SAC recognises that this will be a demanding task and achieving APRIL's 'Zero Fire 2016' target on all estates including those of suppliers will be difficult. SAC fully supports APRIL's plan to expand its FFVP program and to develop community capability to achieve "Fire Resilient Communities" and "Fire Resilient Landscapes".
7. SAC recommends that APRIL be more proactive in ensuring that workers are hired from local communities where the work takes place. This might require providing special training for the local workforce.

NEXT SAC MEETING AND STAKEHOLDER FORUM:



STAKEHOLDER
ADVISORY
COMMITTEE

Riau province, Indonesia (May or June, date tbd)