Independent Peat Expert Working Group (IPEWG) on

APRIL's Sustainable Forest Management Policy (SFMP 2.0)

Summary Report for IPEWG Meeting in Kerinci-Indonesia, 29 April - 2 May 2016

IPEWG Member Attendance	1. Supiandi Sabiham 2. Chris Evans 3. Vincent Gauci 4. Susan Page 5. Ari Lauren 6. Ruth Nussbaum
IPEWG Support	7. Joe Lawson (SAC Chair) 8. Jonathan Wootliff (Facilitator) 9. Tim Fenton (Secretariat)

Welcome Back: Jonathan W. welcomes IPEWG members back to Kerinci, Sumatra, Indonesia for their second IPEWG meeting, including Ruth Nussbaum of Proforest who was unavailable to attend Meeting 1.

Meeting Objectives:

1. Agree on the 2016 Work Streams with responsibilities and timelines;
2. Review and clarify the role of IPEWG internally and externally;
3. Agree on specific communication protocols and mechanisms;
4. Identify information gaps (based on detailed Work Streams);
5. Agree on the meeting focus for August, 2016; and
6. Agree the way forward for PT. RAPP Pelalawan (BOB), PT SRL Bayas, and PT SRL Kubu

1. APRIL Operational Completion Project Updates from Meeting 1:

a) PT AHL (Adindo)

- Progress to-date: 8.1 km boundary and mid-field collectors established; 120 ha land prepared and 118 ha planted.
- Perimeter canal in Sesayap Blk A plan is reduced in length
- Discussion on Sesayap Blk A – IPEWG requests the following:
  i. APRIL to explore and present back on canal options at August meeting
  ii. APRIL to establish and start monitoring water table and subsidence points by August meeting
  iii. APRIL to update on township plans at the August meeting

b) Pulau Padang

- Plantation and Livelihood preparation is underway in north and central; no work yet in the south
- Discussion on experimental water table depths and Livelihood species:
  i. Water table levels in Livelihood areas for Rubber plantations are 80-100cm
  ii. There is a need to develop other high value crops (i.e. Durian fruit?) in Livelihood areas with a particular focus on those that may be tolerant of higher water table levels
  iii. APRIL commits to undertaking experimental trial with water tables in this area, once the canals are established

- High Carbon Stock (HCS) Assessments
  - Forest Patch Analysis was undertaken for Livelihood areas of PPD
  - Summary of Results: 496 ha 'Safe for Development'; 182 ha requires further field assessment; and 354 ha to be conserved as forest cover
  - Discussion on HCS:
    a. HCS is not really used outside of Indonesia
    b. It is an above ground Carbon Stock assessment and not designed to be used on peat
    c. APRIL uses a modified process – defines categories based on remote sensing images in the office; field checked using a Phantom UAV drone for low elevation photos
    d. It is a good practice to follow the modified HCS process to double-check patches
    e. IPEWG to talk to the HCS Group to involve APRIL and its working procedures and results into the ongoing discussions.

c) PT BRP
- Planning for PT BRP development has started, but there is no action in the field at this time

2. APRIL Information Briefings:

a) GHG Towers
- Construction is still in progress for the 3 GHG eddy flux towers
- Security will be established at the road entrance to Tower #1. The road is designed for light vehicle traffic and peat dams are being established to control water levels. The impact to the carbon footprint flux is calculated to be <1%
- The objective of Tower Site #3 – Mixed Land – is to measure total GHG emissions from a landscape representative of Riau – conservation forest, plantation and partially developed community land
- APRIL will share its Flux Tower data with the Asia Flux association
- APRIL and IPEWG will propose a plan in detail on flow gauging and aquatic carbon flux measurements
- APRIL and IPEWG will work together on effectively extrapolating measurements to the landscape

b) Winrock International – Recommended Approaches for Monitoring GHG Emissions
- Winrock International has prepared a report to support APRIL's commitment for tracking carbon emissions from land use activities by providing an objective, scientifically credible methodology that APRIL can apply to generate a comprehensive estimate of the biogenic emissions and removals resulting from its complex land use operations.
- IPEWG will form a peer review group to review the Winrock methodology – in coordination with APRIL – and present back in the August meeting.

c) APRIL Peat Soil Research Work Streams
- APRIL shared their peat soil research focus areas for 2016 with IPEWG for input, feedback and opportunities for participation where appropriate
- IPEWG will verify and validate subsidence monitoring

d) Wetlands International – discussion on the way forward
- APRIL requests IPEWG input on the Wetlands International report – *Assessment of impacts of plantation drainage on the Kampar Peninsula peatland, Riau.* APRIL will share data with IPEWG for an

internal review of the model and conclusions
- IPEWG to invite Wetlands International to the IPEWG meeting #3 in Singapore in August, to listen to Wetland International's viewpoint on the report, in addition to other perspectives
- IPEWG to request Wetlands International to also discuss their latest brochure - *Roadmap to Sustainable Peat Management*, at the same meeting

e) APRIL Sustainability Structure; BRG Update and 2015 Fire Suspensions
- The internal APRIL organization chart was shared for its Environmental Sustainability departments
- APRIL has complied with BRG requests to share all maps of its concessions on peat
- IPEWG requests a standing agenda item for legal updates on peat legislation be provided
- Two supplier operations were suspended due to 2015 fires, to allow the MOEF to investigate fully:
    - The first suspension has since been rescinded, after 4 months of investigation
    - The second suspension remains under investigation

f) APRIL's Riau Ecosystem Restoration (RER) Overview and Fauna & Flora International (FFI) program
- Brief overview of 5 RER licenses, locations, sizes, operational plans, field inventories and collaborations with The Nature Conservancy, Fauna & Flora International and Bidara
- Presentation on FFI's work over the past 2 years – survey methods; biodiversity report; ethnographic surveys; and Next Steps
- IPEWG requests the opportunity to review all RER carbon measurements
- IPEWG will help find research collaborations on planting restoration

3. IPEWG Presentations to APRIL

In the spirit of collaboration and learning, the IPEWG members provided informative, relevant peat soil management presentations to APRIL on:

a) Peat Soil Variable Decision Making Model
b) The (tropical) peatland science knowledge base: why do opinions and narratives sometimes differ?
c) Malaysian Oil Palm Board Tropical research programme: Tropical Peat Science to Support Sustainable Management of Practices in Oil Palm Plantations on Peat
d) LiDAR acquisition for Kampar Peninsula
    - IPEWG will formally seek out the public-domain LiDAR data for Kampar Peninsula to fill any gaps that APRIL might have

4. Operational Completion Projects for IPEWG Input and Feedback

PT. RAPP Pelalawan (BOB) **(**observations from presentation and over flight)

The area already has a long-standing oil concession and a central access road with many individual wells. It is apparent that the road has been extensively used to gain access to the block for forest clearing and planting.

Almost all forest has been cleared and drainage established throughout the block, except in the north-eastern corner. There is extensive use of the area, mainly for oil palm of widely varying quality – some very poor, some reasonably good. Most looked relatively young. There are some scattered houses, several of which seem to be inhabited, but many of the planted areas do not have anyone living in or near them.

In the north-eastern area there is an area recently added to the block which has some relatively good quality

forest and some scrubland which looks like it has a good chance of recovering. This is adjacent to a conservation area which appears to be in reasonable condition although there is also an access road for the oil concession.

Recommendations

a. Two areas have been identified for first priority planting in 2016, which is currently proceeding without any new canals:
   - An area in the south of the block which is entirely cleared and degraded;
   - Cleared and abandoned areas adjacent to the remaining forest which are considered a priority by APRIL in order to stop further encroachment of the forest area.

   IPEWG agrees that this can go ahead in parallel with further planning for the rest of the block as set out below provided that no new drainage is put in prior to review of the drainage plan with IPEWG. The company should use best environmental and social management practices for this work.

b. Further planning needs to be done for the rest of the area including:
   - **Canals**: clarify where the canals are going to be located and how they fit with (a) existing canals in the remaining area and (b) existing APRIL canals in the area adjacent to the east.
   - **Remaining forest**: the area of remaining forest and the adjacent scrub in the block on the east of the concession should be protected, and integrated with the adjacent conservation area
   - **Indirect land use change/leakage**: the plan should address the risk that people displaced from the area through the compensation mechanism might move to adjacent areas and clear forest or develop drainage to establish new areas thereby creating further degradation. This should include:
     - **Protection of the conservation area**: the plan must include clear measures to protect the remaining forest in the concession and the adjacent conservation area from encroachment
     - **Community development**: the plan should include a community development programme, building on any existing activities
   - **Monitoring:** the monitoring programme should be extended to the area to collect information on the impacts of planting, the hydrological buffer being developed and of displacement of existing users.

   The revised plans should be discussed with the IPEWG before any further activity beyond point a above goes ahead.

PT. SRL Kubu (observations from presentation and over flight)

The area is a considerable distance from the mill and APRIL has not yet begun any work on the ground although some protection and community liaison work has begun.

Almost all forest has already been cleared and some drainage installed by encroachers throughout the areas seen in an *ad hoc* manner. A large part of the area has been planted with oil palm of various quality – most of it young and much of it appearing to be poor quality.

The area is flanked on both sides by commercial oil palm plantation which appear to be doing well, providing an indication of the potential productivity of the area and highlighting the poor quality of most of the oil palm planted within the Kubu block.

Canal Planning for the site is likely to be complex as there is no immediate access to a river.

Recommendations

a. The Kubu site provides an opportunity to develop and trial a new model for development on peat which is landscape level and builds on all of APRIL's existing expertise while also bringing in emerging ideas and other partnerships with stakeholders
b. Some of the potential approaches which could be explored are:
    - **Collaborative planning** which includes communities, existing users, local government and NGOs.
    - **Mosaic approach** which incorporates some of the existing oil palm, conservation areas and acacia. It may also be good to trial other fibre species in this area
    - **Conservation areas:** there appears to be very little remaining forest, so it will be very important to look for opportunities to conserve and also to restore. Good to link this to climate and sequestration potential.
    - **Professional water management** provided by APRIL across the whole area which includes building the understanding, capacity and collaboration of the local communities and the others in the area
    - **Support for smallholder** oil palm producers through partnerships with other stakeholders in the area to improve management and yields
    - Explore potential for different models for **acacia planting** (eg leasing land from current users, encouraging division of smallholder areas between improved oil palm and acacia etc)
c. There will need to be careful planning of water management, including in particular the access of water supply from the river to the site, due to the complexity of the site.

PT. SRL Bayas (observations from presentation)

Based on the presentation and the maps and analysis from APRIL, it appears that a large proportion of the site has been cleared, drained (probably in an *ad hoc* way) and planted with oil palm.

However, in the northwest part of the block there appears to be a fairly significant area of remaining forest in several patches. Currently the plan is to plant within and around these patches, but there seems to be considerable scope for restoring these areas to link and in-fill patches to develop a significant and contiguous area of conservation forest, while at the same time piloting some restoration and carbon sequestration activities.

Recommendations

a. Rapidly establish the actual status of the remaining forest patches including actual extent and level of threat.
b. If there is any significant threat of further clearance or drainage, then take immediate action to mediate this risk.
c. Review the potential to restore and protect the area to develop a larger/less fragmented forest conservation area as outlined above
d. In the area of potential conservation/restoration forest, evaluate whether existing canals draining this area could be blocked, and new water management configured in order to minimise drainage impacts on this area.
e. Revise the plan for the site to include the revised planning for the conservation forest area and associated water management and planting, and report back to IPEWG

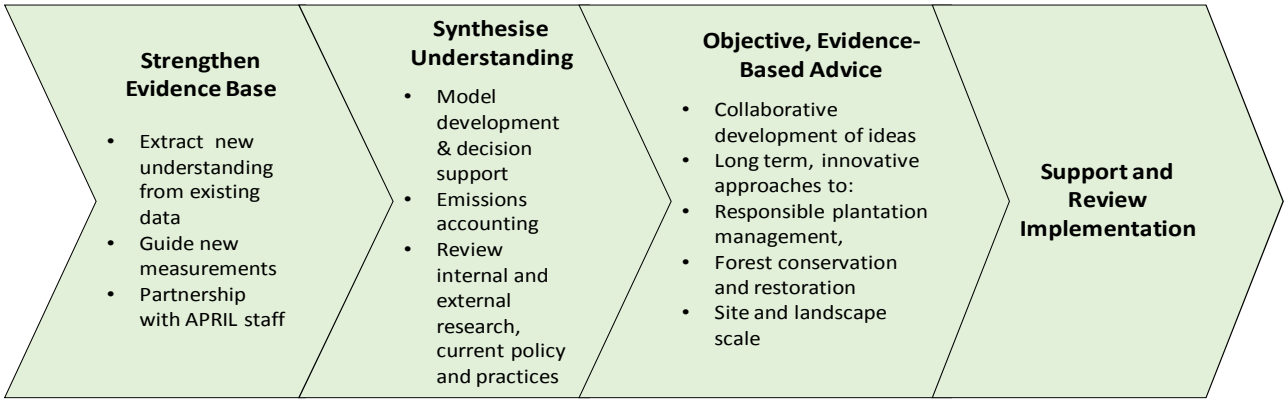
Planting on cleared abandoned areas can then begin. The company should use best environmental and social management practices for this work.

5. IPEWG Discussion with APRIL Management

Further to all 3 Operational Completion Projects – it was agreed with APRIL's senior management that the SAC be advised of these 3 projects in writing and presentations provided at their scheduled June meeting, to ensure close integration of all advisory members. The expectation is that it is fine to plant after the SAC's review.

6. IPEWG Overall Approach

At the conclusion of IPEWG's 4 days of meetings, the following was discussed with senior APRIL management:



IPEWG Recommended Peat Soil Work Streams

Work Stream	Tasks
Peat Land Research	Peer Review of Winrock Methodology report (iLUC leakage to be included) and comparison to IPCC Emission Factors
	Review of the Wetlands International report
	Collation of GHG Field Data - Part I
	Review of GHG Measurement Methodology
	Gap Analysis of Data Modeling
	R&D of the Crop - Acacia/other species - with regards to water table levels
Existing Development	Document the approach to Peat management, including a list of all Policy/SOPs/Standards/ QC for Fiber to be reviewed by IPEWG
	What information is available on the actual SOP implementation (audit QC results)
	Review current approach to Plantation and Water Mgmt implementation - SOP/WI/QC/Standards; identify links to Carbon
	Plantation Simulator - decision support tool
New Development	PT RAPP Pelalawan (BOB) - improved security of Conservation Forest and revised planning
	BAYAS - Conservation Forest Rehabilitation revised plan
	PT SRL KUBU - new collaborative mosaic approach to planning
	Review and update of Operational Completion areas
Restoration	Inputs to the RER Board, FFI and TNC for operational management policy and vision

Further to the Work Streams, the following points were discussed and agreed:

a. IPEWG needs to understand APRIL's plan and processes in Community Development and NGO engagement;
b. Integrating scientific knowledge into plantation management is an overarching umbrella program for plantation development and cannot be a stand alone work stream; and
c. APRIL and IPEWG are to work collaboratively to complete the matrix detail by the August meeting

7. NEXT IPEWG MEETING: August 20 – 23, 2016 in Singapore