APRIL Independent Peat Expert Working Group (IPEWG)

- **Summary Report** -

Subject: IPEWG Meeting #4

Time/Location: Nov 1-4, 2016 – Pangkalan Kerinci, Sumatra, Indonesia

Participants

IPEWG: Prof. Dr. Supiandi Sabiham, Dr. Ari Lauren, Prof. Susan Page, Prof. Chris Evans, Dr. Vincent Gauci, and Dr. Ruth Nussbaum

SAC: Joe Lawson

APRIL: Praveen Singhavi, Lucita Jasmin, Mark Werren, Dr. Anthony Greer, Dr. John Bathgate, Taufan Mega Chrisna, Addriyanus Tantra

Facilitator: Jonathan Wootliff

Secretariat: Tim Fenton (APRIL)

Focus of IPEWG Meeting #4:

1. Discussion between IPEWG and APRIL senior management of recent Pulau Padang community and peat land legal issues
2. To engage directly with a range of APRIL staff in one-to-one discussions at their work stations to review and understand in greater depth APRIL systems and data and to get updates from APRIL staff on key operational and strategic areas.
3. To visit operational sites
4. To set out a roadmap for the development of a long-term peatland landscape vision which is based on best available scientific evidence and experience of best practice, supports the goals of the Indonesian government for peatland management, and delivers APRIL's commitments to economic, social and environmental sustainability

1. Discussion between the IPEWG and APRIL Management on recent issues

1.1 BRG Visit to Pulau Padang (PPD): The unannounced inspection on Sept 5, 2016 by the Head of BRG resulted in denial of access to APRIL's PPD concession by an APRIL security supplier who did not follow Standard Operating Procedure (SOP). The incident received widespread publicity and APRIL briefed IPEWG in full on both the incident itself and on the follow-up both internally and externally. In particular, APRIL confirmed that they had apologized to the Head of BRG and the SOP was reviewed with the security service provider.

1.2 Peatland Legal Update: A key piece of legislation for peatland management in Indonesia is Minister Regulation on Land and Forest Fire Control (PerMenLHK No. 32/2016). Article 52(4) refers to 'canal blocking' but two translations provided to IPEWG and other stakeholders omitted the word 'blocking'. As a result, IPEWG members were given an incorrect understanding of the intent of the article. This was discussed in depth between IPEWG and APRIL management, with IPEWG

members stressing the seriousness and APRIL management fully accepting this and apologizing for the error. As a result of the discussion IPEWG members accepted that it was unintentional but emphasized the need for translations of legal requirements to be very accurate in future.

1.3 Canals: One of the responsibilities of the IPEWG set out in its ToRs is to review operational areas where APRIL wants to build new canals, as agreed in SFMP 2.0. In the rapidly changing legal and policy environment related to peat management in Indonesia there are differing views on whether such canals should be built. The following summary was provided by APRIL:

- **Legal situation:** On 5 November 2015, the Secretary General of MOEF issued a letter No. S.661 / Menlhk-Setjen / Rokum / 2015 regarding the Instruction for Peat Land Management, effectively requesting no further canals in peat land. In April 2016, a Minister Regulation on Land and Forest Fire Control (PerMenLHK No. 32/2016) was issued requiring facilities and infrastructure to prevent fires, including man-made fire breaks which in the case of peatlands was interpreted by APRIL to include canals. The former document was not currently a legally enforceable document but was in the process to become a legal Regulation (PP71 revision). APRIL reported to IPEWG that it sought 3rd party legal interpretation and the advice received was that APRIL should follow its RKU (government-approved 10 Year Management Plan) until PP71 revision was released. The advice also confirmed that Fire Regulation P32 is currently enforceable and APRIL needs to comply given the ongoing high risk of fires and strict monitoring and enforcement by the government. (Note: It would be subsequently noted by the Stakeholder Advisory Committee in its meeting on 7-9 December that "APRIL also mistakenly concluded that this canal was mandated by government regulations. The SAC does not believe these mistakes were intentional and/or intended to mislead.")

- **RKU Revision:** On October 1, 2016 there was a meeting with the MoEF to discuss APRIL's RKU (10 year management plan) and RKT (annual operating plan) revisions from February, 2016. APRIL's revised RKU has since been annulled due to a mis-match of information between the map and the document. APRIL was directed to utilize its previous version of the RKU with the conditions that the operations are not in areas of conflict and do not involve opening up of new areas.

Therefore, at the time of the IPEWG meeting, APRIL had stopped all canal construction operations and confirmed that IPEWG would continue to be consulted prior to any new canal construction taking place.

1.4 APRIL – IPEWG next steps

- **Resolving current issues:** Concluding the discussions about the issues above (Pulau Padang, the mistranslation of the peat regulation and canal construction), APRIL strongly reiterated to the IPEWG members its commitment to fulfill its SFMP2.0 commitment and both sides agreed implementation is a process and mistakes can be made. IPEWG members again reiterated that trust is a crucial issue and that this needs to be built and maintained on both sides, emphasizing the importance of acknowledging mistakes when they happen, and of open and ongoing discussions between APRIL and IPEWG.

  APRIL acknowledged to IPEWG that it had made mistakes, apologized and confirmed that it will do whatever is needed in terms of corrective actions in order to move forward. It was also made clear that if there are issues, questions or doubts, then APRIL would welcome these being raised, discussed and resolved.

- **Developing a long-term vision:** This then led to initial discussions about the importance of a long-term vision for APRIL that can provide a unifying framework to guide all of its activities on peat, as well as providing a way of engaging with stakeholders to explain what APRIL is doing and to get their suggestions and input where there are issues or concerns. APRIL confirmed that it is fully committed to being part of the restoration efforts now underway in Indonesia and protecting remaining forested areas and plantations, stressing that the company's objective is to ensure their land-holdings are managed responsibly for the long term.

  It was thus agreed that there is a need for an 'APRIL Vision for Responsible Peatland Management' for the short, medium and long term, recognizing the complexities of peat including the wider social landscape, and that IPEWG should have a role in supporting development of this vision (see section 4 below). It was also clarified that the role of NGOs is important to ensure inclusion of the breadth of viewpoints and they will be important partners for a successful outcome.

2. APRIL Management Systems and Data

2.1 Review of APRIL systems and data: IPEWG members spent a significant part of the four days working directly with APRIL staff to discuss, understand and review key systems and data. Key actions identified as a result of these discussions are summarized below:

- **Operational Planning:** IPEWG suggests analyzing existing data base, which is very extensive, to determine how this data can contribute toward improved responsible peatland management
- **Forest Management Information System:** IPEWG requests a summary review of the available natural forest data to underpin discussions on how these areas are managed
- **Water Management:** IPEWG requests a summary of information on canals, by type, for existing and 'completion' areas to underpin discussions on water management in peat
- **Peat Oxidation Mitigation Trial Plan:** A draft trial plan design was reviewed and revised. The hypothesis is that plantation yield can be maintained with a raised Water Table, provided additional fertilizer is applied when required. Site selection is based on the existing location of the automated water gates. The current crop of Acacia requires removal prior to trial establishment, in mid-2017
- **Remote Surveillance for Land Cover Change:** IPEWG suggests this data be summarized as a spatial map output over time, illustrating both the extent and types (logging, fire etc) of land use change.
- **Subsidence Mapping:** (i) IPEWG requests subsidence data with related attributes and date of establishment and rotation, from all sources to be jointly analyzed and reviewed with APRIL to build a shared understanding of what the data is saying; (ii) Summary data should be published at the earliest opportunity, to remove external doubts about the veracity and completeness of subsidence estimates reported by APRIL; (iii) In the longer term, APRIL's data should be made available to the public domain for scientific research and external scrutiny.
- **CO2 Flux Chambers:** The IPEWG identified a number of potential improvements to the current methods for analyzing data, and will provide advice and support for a revision of these methods.
- **R&D Alternate Species Discussion: (i)** IPEWG requested APRIL's buffer zone tree growth data be analyzed against high water table data to provide information on current performance

on wetter peat; (ii) IPEWG emphasized the necessity to develop more water tolerant species and suggested that partnerships with Indonesian universities can improve work on water tolerant selection and horticulture techniques for grafting; (iii) part of the long-term vision will be the use of water tolerant species to be planted on fragile or highly degraded areas on peat, perhaps jointly with communities – work needs to begin urgently on finding and/or breeding these species.

2.2 APRIL Updates: APRIL staff also provided IPEWG with updates on various key topics including:

- **High Carbon Stock Update:** The HCS Patch-Analysis flow chart for decision-making as utilized by APRIL for reviewing forest patches at BYS, PPD and Pelalawan (BOB) Operational Completion areas was reviewed. The location map of the additional Rapid Biodiveristy Assessment plots established in BYS, as requested by the IPEWG was presented.
- **GHG Methodology:** Winrock International appreciated the IPEWG review and feedback on its GHG Measurement Methodology. A webinar will be arranged to keep the IPEWG informed of the changes to the methodology as it progresses over time.
- **Water Table Trial Request:** Following IPEWG Meeting #3 discussion - regarding conducting a larger area plantation trial with a higher WT table - APRIL is now planning for North Pelalawan (BOB):
    - 500ha of plantation compartments with no field drains; and
    - 10,000ha of plantation with ditches spaced at 250m apart rather than 75 -150m
- **Fauna & Flora International (FFI) Carbon Calculations Review:** FFI carbon calculations for 3 Ecosystem Restoration licences were made available for review and comment by IPEWG. The IPEWG review has been completed and provided back to FFI for consideration. The RER Biodiversity Summary Report is available on APRIL DIALOG.
- **Code of Best Practice:** IPEWG has reconsidered its earlier request for a 'current practices' document in favour of seeking data analysis for determining the impact of plantations on peat and forests in the landscape. The IPEWG will liaise with APRIL on the types and formats of data required for the analysis. Full data transparency will help repair 'trust' issues – the IPEWG is prepared to undertake independent review of the data.
- **LiDAR Update:** Review of APRIL's Landscape Level Data Acquisition Strategy was circulated to IPEWG in advance of Meeting #4. Data acquisition systems vary significantly in cost and precision. APRIL's strategy for system selection is based on the proportion of a Concession's occupancy of the government watershed it falls within. LiDAR will be used for those concessions forming more than 20% of the watershed; other systems will be utilized for smaller areas.

  The IPEWG is supportive of the LiDAR strategy and suggests the data analysis be reviewed by an expert with experience in peat, combined with a workshop on how APRIL is approaching the analysis.

3. Site Visits

3.1 Pelalawan GHG Tower Field Visit & Data Review Observations: Impressive structures built to last; with robust systems in place for operating. The data goes to the 'cloud' every 30 minutes,

providing access in the office collection via the web. The ground chamber data already demonstrates a difference between the 2 plantation sites, consistent with differences in soil moisture.

3.2 Kerinci Central Nursery: APRIL's Central Nurseries do not use natural swamp peat as a growing media; it utilizes cocopeat and carbonized rice husk – both created as waste bi-products in neighbouring industries.

4. Peatland Roadmap and Work Plan

Having spent one year reviewing data, systems, practices, processes and standards, the IPEWG along with APRIL and external stakeholders propose the development of a roadmap for the development of an APRIL vision for responsible peat land management which reflects the implementation of its 4 "C's" commitment – Community, Country, Climate and Company. The IPEWG believes it is vital for APRIL to document its long-term vision for peat land management, working alongside the IPEWG with input from local and international stakeholders while considering the best science and management practices known on peat at this time.

The proposed IPEWG - APRIL Peatland Roadmap and Work Plan (see Annex I) was developed by IPEWG and discussed with APRIL senior management while on-site; and since reviewed in detail and endorsed by APRIL.

5. IPEWG Recommendations and Actions

A summary of the recommendations and outcomes of the meeting and the roadmap and workplan are set out below:

1. Senior APRIL management should work with IPEWG to begin implementation of the Roadmap including development of an APRIL approach to responsible peatland management and development of the long-term vision for peatland landscapes (*see also note 1 below*);
2. APRIL should share the Roadmap and emerging Work Plan with the SAC for further consultation and feedback and make the roadmap summary public
3. To inform work on the Roadmap IPEWG, supported by APRIL staff, should systematically analyse and review all APRIL data and information on the following topics:
    a. Peat subsidence and carbon balance (*see also note 2 below*)
    b. Water table management
    c. Species and yields in different peat management regimes (*see also note 3 below*)
    d. Condition and management of all remaining natural forest in and around APRIL plantations
    e. Fire occurrence and management (*see also note 4 below*)
4. APRIL should move forward with the plans for resource mapping including LiDAR as discussed with IPEWG, with a strong focus on engaging Indonesian academics and stakeholders in reviewing the outcomes to build local capacity and understanding

5. APRIL should discuss best management practices for peat with other stakeholders with expertise on peat management including civil society organizations (e.g. Wetlands), academics and oil palm companies, and share outcomes with IPEWG
6. IPEWG should continue to develop and test a model for (a) peat plantations and (b) peatland landscapes to inform discussions on the potential impacts of different visions of long-term peat management
7. IPEWG should work with APRIL to build a better understanding of the current role and potential future inclusion of small producers and community forestry in a sustainable peatland landscape
8. To inform work on the Roadmap and provide a better understanding of the wider context in which APRIL operates, IPEWG should solicit the views and inputs of provincial and national government and other stakeholders
    a. IPEWG should proactively solicit inputs from key stakeholders in the development of the long term strategy and roadmap
    b. IPEWG should request a high level, introductory discussion with the BRG to assure the mission and mandate of the IPEWG are in support of the Indonesian Government's restoration and other initiatives related to responsible peatland management

6. Notes for meeting #5

1. IPEWG would like to have a half-day session with the most senior management of APRIL at the next meeting to discuss development and implementation of the Roadmap, and particularly the core aspects of the future vision for peatland landscapes.
2. IPEWG would like to review the GHG Tower data in March, 2017 as all 3 towers should be functioning and there should be 5 months of data from 2 of the sites.
3. IPEWG would like to discuss APRIL's breeding R&D focus which needs to encompass both adaptability of Acacia for higher water table tolerance; and alternative water tolerant species (e.g. native peat swamp forest species).
4. IPEWG would like to have a more in-depth discussion with the APRIL Fire Management team to understand relevant social issues

Independent Peatland Expert Working Group

IPEWG

Annex I

Implementing APRIL's 4Cs in Peatland

APRIL-IPEWG Peatland Roadmap and Work Plan

Version 1, November 2016

This document was developed by IPEWG and discussed and agreed with APRIL to provide a framework for IPEWG to work with APRIL on the practical implementation of its obligations, policy commitments and 4Cs (Good for Community, Country, Climate and Company) in peatland. The workplan is a living document which will be regularly reviewed, revised and updated by IPEWG.

IPEWG will work collaboratively with APRIL to develop a three-phase strategy for peatland management which provides a road map to full implementation of the APRIL commitments to community, country, climate and company in peatland management:

Phase 1: **Managing impacts**: the immediate and short-term focus will be on actions that further minimise negative impacts of production on peat, including preventing fire, while also developing the APRIL approach to responsible peatland management.

Phase 2: **Responsible peatland management**: the medium term (2-3 years) focus will be on the implementation of the evolving APRIL approach to responsible peatland management, designed to optimise yields, improve community livelihoods and minimise subsidence, oxidation and APRIL's carbon footprint for existing production on peat, while also working in partnership with other stakeholders to develop a long-term vision for peatland landscape management.

Phase 3: **A new vision for peatland landscapes**: the long-term goal is the full implementation of a new vision for peatland landscapes based on a combination of responsibly-managed production, increasing use of water-tolerant species, protection of fragile areas, restoration and protection of remaining forest in collaboration with other stakeholders, to deliver a balance between production, protection and social development without further loss or degradation of peat.

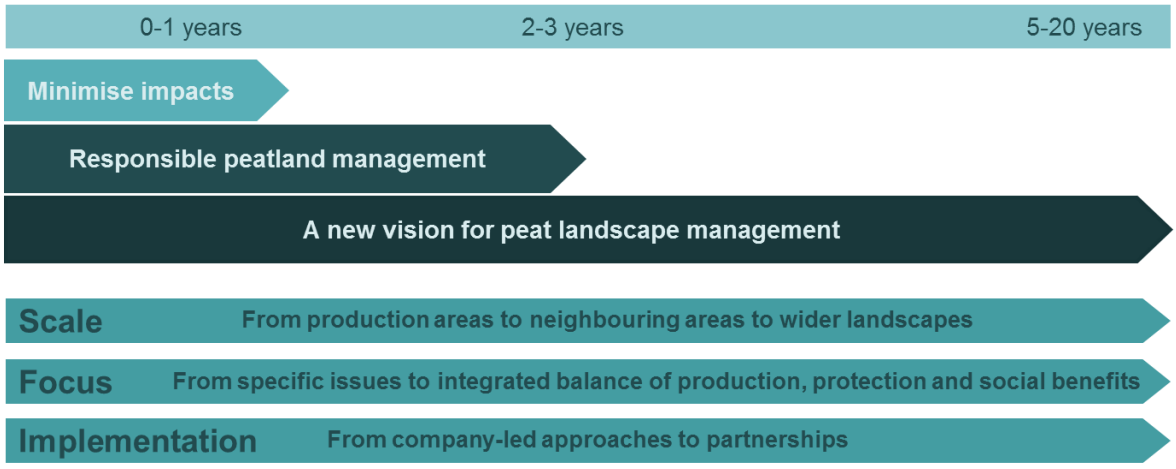

Figure: A schematic representation of the three-phase approach to the implementation of APRIL's 4Cs (community, country, climate, company) on peatland