

Stakeholder Advisory Committee (SAC) on APRIL2030

21st SAC Virtual Meeting Thursday, 25 March 2021

| SAC MEMBERS | 1. Prof. Jeffrey Sayer (Interim Co-Chair) |
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| | 2. Dr. IB Putera Parthama (Interim Co-Chair) |
| | 3. Mr. Joseph Lawson |
| | 4. Bapak Al Azhar |
| | 5. Dr. Neil Byron |
| | 6. Ibu Erna Witoelar |
| | 7. Mr. Rod Taylor |

TOPICS OF DISCUSSION

Opening

SAC interim chair and co-chair opened the meeting and introduced the agenda which covered the SFMP 2.0 assurance plan for 2021 and a discussion on APRIL2030 Inclusive Progress commitment.

SFMP 2.0 2021 Assurance

KPMG representative presented the plan for 2021, including the proposed 11 priority indicators based on operational risks, year-to-year performance, and stakeholders' interests on APRIL.

The SAC agreed to review the proposed indicators and discuss them in more detail at a future meeting. It was also noted that compliance with the 2030 Vision will need to be addressed more directly in the Assurance reporting process from now on and SAC will discuss how to achieve this also at a future meeting.

To ensure stakeholder input, SAC asked KPMG to organize stakeholder consultation in Pekanbaru around the 3rd week of April and to consider either a webinar or online consultation for Jakarta-based stakeholders. Indonesia-based SAC members will attempt to participate in some of these consultations. The audit will be a combination of remote desktop review and field visits as can be managed within Covid-19 restrictions. Targeted completion is by end July.

APRIL 2030 – Inclusive Progress

APRIL presented an overview of the targets that make up the Inclusive Progress commitment, and the framework for the implementation, including the planned activities, enablers and proposed partnerships, and indicators for measuring progress was also discussed.

In regards to the target of eradicating extreme poverty, APRIL works with a national research institute to acquire data on poverty rate across villages within the radius of 50 km from APRIL Mill in Pangkalan Kerinci, Riau Province. On average, 3 in 100 people in 204 villages (or

approximately 35,000 people) within the said radius are extreme poor. Only few villages (48) have almost no residents that qualify as extreme poor. 41% of the total 204 villages have poverty rates above 2.6%, which is the overall average poverty rate. Those who are fall in the category of extreme poor rely on agribusiness for the income so this will be one of key programs for achieving the poverty eradication target. Another program in relation to poverty eradication is the SME incubator, which builds on APRIL's existing Community Development program and currently works with more than 300 SMEs in various business sectors. Lastly, APRIL will provide IT-based skills training to open new job opportunities particularly for young people in Riau. APRIL is exploring partnerships to support the implementation of these interventions under poverty eradication which is critical in reaching the 240 villages covered by this target.

APRIL also presented its program responding to promoting quality education which will be measured through Early Grade Reading and Mathematics Assessment (EGRA-EGMA) for elementary school or Programme for International Student Assessment (PISA) for middle school. This means APRIL will expand its school programs from targeting elementary school to also cover middle schools. Similar to previous programs for eradicating poverty, the strategies are to work with partners, achieve synergy with government and roll out interventions in stages.

APRIL also explained its interventions in health and stunting, focusing on behavior change communication, targeted beneficiaries at sub-national and community levels. In addition to collaborating with the district government, APRIL will be working with implementing partners that will provide technical assistance in the behavioral change communication campaign targeted at the communities.

Moreover, APRIL gave an overview of its interventions in relation to advancing more women for leadership roles in APRIL, noting the the nature of work in the forestry industry is not traditionally preferred by women. Thus, APRIL will put in place several interventions within its internal business process, including recruitment, training, promotion to increase the number of women in APRIL management

Lastly, APRIL outlined the different partnership opportunities it will explore across the range of programs under Inclusive Progress, including those that will support innovation, monitoring and evaluation, among others. Of particular importance is the partnership with relevant government entities and development agencies such as the United Nations Development Programme (UNDP) for the achievement of the SDG Village concept.

SAC noted that they were impressed with APRIL's strategies and planned interventions under the Inclusive Progress pillar of APRIL2030. SAC is encouraged to see how APRIL keeps pushing its ambition levels to increase access to quality education, eradicate extreme poverty, improve health and prevent stunting, and promote women for leadership roles despite the challenges. SAC suggests APRIL consider a partnership with Ministry of Village (KemenDes), noting that villages have access to funding for achieving SDGs through this agency. SAC also encourages APRIL to be a signatory to the UN Women Empowerment Principles through the UN Global



Compact Network as it is a prominent platform where APRIL can learn from others on their women empowerment initiatives.

The SAC also reminded APRIL of the complexity of 'new poor' people migrating into villages in the APRIL operational area to take advantage of jobs and of APRIL's pro-poor activities. This flow of people could affect the poverty incidence. APRIL acknowledged this factor and will note this in the monitoring of poverty eradication. It was however noted that this problem cannot be avoided as people will always migrate to areas that they perceive as being more prosperous.

Lastly, SAC suggested looking into additional social indicators within SFMP2.0 assurance as a way to independently measure and report progress. APRIL will schedule a session on Monitoring, Reporting and Verification with the SAC to discuss its proposed framework and methodology.

Closing Remarks

SAC Co-chairs thanked KPMG and APRIL representatives for the discussion along with a reminder on the upcoming stakeholder forum that should be organized related to the 2021 SFMP 2.0 assurance plan

Next Meeting Date

Date (tbd) : End May 2021 Location : Virtual (Zoom)