



PEKANBARU STAKEHOLDER FORUM  
MINUTES OF MEETING

Location : Bertuah Hall, Pangeran Hotel Pekanbaru

Date, Time : Thursday, 03 August 2023

Participants:	
1. Abok Agustinus (Kampung Penyengat)	32. Janes Sinaga (Perkumpulan Elang)
2. Ali Jona (Akiong) (Kampung Penyengat)	33. Jay (Saudagho Siak)
3. Dr. Ando Fahda Aulia (Universitas Riau)	34. Dr. Leni (Universitas Lancang Kuning)
4. Andri, S.Hut (Ka. UPT/KPHP Tasik Besar Serkap)	35. Linda Feronika (Tapak Riau)
5. Amalia C (LPEM FEUI)	36. M. Mardhiansyah (Universitas Riau)
6. Anjas (EcoNusantara)	37. )Dr. M. Safi'l (Institut Teknologi Perkebunan Pelalawan Indonesia)
7. Apidian Suadiana, SP (Ka. UPT/KPHP Tebing Tinggi)	38. Dr. Ir. Mamun Murod, MM, MH (Ka. Dinas Lingkungan Hidup dan Kehutanan Prov. Riau)
8. Asep (EcoNusantara)	39. Mukhti (Pulau Padang)
9. Prof. Azharudin (Universitas Islam Riau)	40. Muller Tampubolon (APHI)
10. Dr. Azmansyah (UIR)	41. Nasya Nugrik (Kampung Daun)
11. Buchori (APINDO)	42. Nazarudin (Kampung Daun)
12. Bujang Marais (Ka. TU KPHP Kuantan Singingi)	43. Rahmaidi Azani (Kelompok Advokasi Riau)
13. Cici Rifmayanti (AKSI)	44. Redo (WRI)
14. Dr. Dahlan Tampubolon (Universitas Riau)	45. Riduan (Pulau Padang)
15. Dewi Handayani, SH, MH (Ka. UPT/KPHP Kampar Kiri)	46. Safri (JMGR)
16. Prof. Detri Karya (Universitas Islam Riau)	47. T. Muhammad Syukron (Kabid Infrastruktur Lingkungan Hidup Bappeda Pelalawan)
17. Dr. Eka Armas (Universitas Riau)	48. Teddy Hariansyah (KABUT Riau)
18. Eko Novitra, ST, M.Si (Ka. Dinas Lingkungan Hidup Kab. Pelalawan)	49. Toko (Kampung Penyengat)
19. Dr. Emi Sadjati (Universitas Lancang Kuning)	50. Tomi Tamzil (Teras Siak)
20. Emi Andriyati (Riau Women Working Group) Miswadi (FKKM)	51. Uka Wikarya (LPEM FEUI)
21. Ir. Emri Juli Harnis, M.T., Ph.D (Ka. Bappeda Litbang Prov. Riau)	52. Umi Indriyani (Kampung Daun)
22. Dr. Eno Suwarno (Universitas Lancang Kuning)	53. Wahyudi (Yayasan SIKLUS)
23. Fatra Budianto (Rumah Pohon)	54. Wan Fazri Auli (Ka. Dinas Lingkungan Hidup Kab. Siak)
24. H. Zainalani, SP., MM (Ka. UPT/KPHP Mandau)	55. Wan M Yunus (Ka. Bappeda Siak)
25. Hari Oktavian (Bahtera Alam)	56. Dr. Wawan (Himpunan Gambut Indonesia)
26. Hasan Suprianto (FKKM)	57. Widya Astuti (Yayasan Hutan Riau)
27. Herbet (Yayasan Mitra Insani)	58. Widyono S (LPEM FEUI)
28. Immanuel Siholoho, S. Hut (Balai PSKL Wil. Sumatera, KLHK)	59. Wiwik Suryani (Ka. UPT/KPHP Sorek)
29. Dr. Irwan Tasla Pratama, M.Sc (UIN)	60. Woro Supartinah (LPESM)
30. Ismulyadi (Pulau Padang)	61. Yedia (Kampung Daun)
31. Isnaidi Esman (Pulau Padang)	62. Zulfahmi (EcoNusantara)
SAC and KPMG PRI	
1. Putera Parthama (Co-chair)	4. Rodney Taylor (SAC)
2. Erna Witoelar (SAC)	5. Shawn Ellsworth (KPMG PRI)
3. Neil Byron (SAC)	6. Vivian (KPMG Indonesia)
APRIL Representatives	
1. Craig R Tribolet	4. Muhammad Wan Jakh

2. Dian Novarina	5. Mulia Nauli
3. Lucita Jasmin	

**Opening Remarks – Putera Parthama (SAC Co-Chair)**

- Welcomed the attendees and expressed appreciation for their attendance to SAC Stakeholder Forum 2023 in Pekanbaru.
- Introduced SAC members present in the forum.
- Invited KPMG to present on SFMP 2.0 2023 Assurance Process results.

**2023 SFMP Assurance Process Session – Shawn Ellsworth (KPMG PRI)**

- Explained background of SFMP 2.0 assurance process and overview of APRIL’s operations.
- Noted SFMP 2.0 indicators review and revision process initiated by SAC in 2022 which resulted in 19 indicators, therefore this year is the first year that APRIL is reporting under the updated set of indicators. The intent of the indicator review is to ensure the relevance and effectiveness of indicators used in assessing APRIL’s performance against the Sustainable Forest Management Policy
- Described the assurance process which involved site visits from 9 February to 2 March 2023, to the Kerinci Mill site and eight field forestry operations – two PT. RAPP Sectors, four Supply Partner concessions, one Community Forest Supplier and one Open Market Supplier. The site visit distribution is 50:50 between peat and mineral soil. An independent observer joined the site visits as well.
- Presented the summary of findings: no new non-conformance, two new good practices, and seven new opportunities for improvement (OFI). KPMG also mentioned that seven out of nine existing OFIs have been closed.
- Highlighted key observations including consistent no harvesting of mixed tropical hardwood. Land recovery continues to be restricted to areas that are not forested and were not forested at the time APRIL’s mixed hardwood moratorium was announced in 2015.
- Acknowledged good practices from APRIL on its long term commitment in community development program and achievement of low levels of loss to fire.
- New OFI’s raised on 1) the strengthening of APRIL’s safety culture especially on the plantations; 2) improvement of its Contractor Safety Management System (CSMS) database to provide clear documentation on audit of contractors as well as improvement of SFMP 2.0 compliance due diligence SOP to address complexities and risks associated with overseas chip suppliers.
- Seven of the nine open action plans from previous years have now been closed. The two action plans that remain in progress relate to findings initially issued in 2020 and 2022: 1) visibility over management of supply partner’s grievances and; 2) land recovery SOP update to guide retention of residual forest values during land recovery of ex-dispute areas.
- Showed a summary of APRIL audit performance from 2015 – 2023.

**2023 SFMP Assurance Process Session – Miswadi (Independent Observer)**

- Pointed out the efficacy of the site visits to confirm information related to the data in real time.
- Mentioned that there were no arbitrary processes; findings indeed aligns with what the observer has conveyed to KPMG.
- Clarified that during the site visit to the village and interviews, as well as the operational site visit, no one felt pressured or intimidated by this audit process.

**Questions and Answers – Session I**

Questions	Answers
<p><b>Mardiansyah (UNRI)</b></p> <ul style="list-style-type: none"> <li>• Enquired KPMG’s objective view on APRIL’s overall performance in implementing its SFMP 2.0.</li> </ul>	<p><b>Shawn Ellsworth (KPMG)</b></p> <ul style="list-style-type: none"> <li>• Conveyed that no major concern from KPMG on APRIL’s commitment in SMFP 2.0 implementation. KPMG sees continuous improvement over the years.</li> </ul>

<ul style="list-style-type: none"> <li>• Asked KPMG for further perspectives on APRIL’s commitment towards protection of Indigenous People and Local Communities (IPLC) rights and remedy actions.</li> <li>• Suggested for APRIL to increase support for social forestry and align the program with APRIL’s own supply chain.</li> <li>• Enquired about the process of determining indicators and locations to be assured in the next assurance period.</li> </ul>	<ul style="list-style-type: none"> <li>• Responded that protection of IPLC rights was not within the scope of SFMP 2.0 Assurance in 2022, however the progress on APRIL’s human rights initiative is reported in the Sustainability Report.</li> </ul> <p><b>Lucita Jasmin (APRIL Management)</b></p> <ul style="list-style-type: none"> <li>• Pointed out that in early 2022, APRIL adopted a <a href="#">Human Rights Policy</a>. It was then followed by the development of a Human Rights Due Diligence (HRDD) framework, and a Human Rights Impact Assessment in November 2022. Key findings include the presence of children within estates as workers bring their families. APRIL is now looking into actions for child protection and other efforts to mitigate human rights risks.</li> </ul>
<p><b>Woro Supartinah (LPESM)</b></p> <ul style="list-style-type: none"> <li>• Enquired about the methods and factors considered for determining the sites / sampling areas.</li> <li>• Asked for clarity about APRIL’s total production capacity of 2.8 million tonnes shown in KPMG presentation as to her understanding APRIL’s total production capacity, combined with APR, is 5.8 million tonnes as of today.</li> </ul>	<p><b>Shawn Ellsworth (KPMG)</b></p> <ul style="list-style-type: none"> <li>• Mentioned some of the factors to determine sampling of locations such as: <ul style="list-style-type: none"> <li>- Fibre volume supplied to APRIL</li> <li>- Media research</li> <li>- Previous findings</li> <li>- Distribution of sample to provide balance representation of mineral vs peatland</li> </ul> </li> </ul> <p><b>Lucita Jasmin (APRIL Management)</b></p> <ul style="list-style-type: none"> <li>• Emphasized that the scope of the assurance reflects the pulp and paper production capacity as of December 2022. In February 2023, APRIL announced expansion into paperboard production as part of its downstream diversification strategy. The paperboard mill will have an additional 1.2 million tonnes of production capacity. To meet the supply needs, APRIL has improved its plantation productivity by 13% since 2016 while maintaining the same plantation footprint. Additionally, by de-bottlenecking its mill fiber line operations APRIL recovered an additional 800,000 tonnes of capacity.</li> </ul>
<p><b>Isnadi Esman (Village Head of Bagan Melibur)</b></p> <ul style="list-style-type: none"> <li>• Expressed his concern that no specific information on community welfare is shown in the KPMG Assurance process. This is important as APRIL’s operations impacts community welfare and livelihood. He pointed to impacts on the availability of wood used by the community for housing and the health of rivers as the community’s</li> </ul>	<p><b>Shawn Ellsworth (KPMG)</b></p> <ul style="list-style-type: none"> <li>• Iterated on the process of engagement with communities during the field visits including interviews about the impacts of APRIL’s operation on livelihood and welfare issues. Overall, the response that came from the communities were positive.</li> </ul>

<p>source of water. He also asked about the methodology and indicators to measure welfare of communities living inside APRIL's concessions.</p> <ul style="list-style-type: none"> <li>Suggested to SAC that there should be an indicator which specifically looks at community welfare. Suggested APRIL to align its program with "SDG Desa" Program.</li> </ul>	
<p><b>Azharudin M. Amin (Universitas Islam Riau)</b></p> <ul style="list-style-type: none"> <li>Conveyed that land management and plantation activities such as harvesting will emit carbon and suggested APRIL to report on carbon emission from its land use and fibre operations.</li> <li>Provided insight that Meranti is one of the villages with the highest poverty rate in Riau. Therefore, suggested APRIL to do a baseline analysis to determine how the company contributes to community welfare through its interventions.</li> </ul>	<p><b>Shawn Ellsworth (KPMG)</b></p> <ul style="list-style-type: none"> <li>Mentioned that there is no indicator on GHG emission reduction included in this round of assurance and can be considered as an additional indicator in the future.</li> </ul> <p><b>Putera Parthama (SAC)</b></p> <ul style="list-style-type: none"> <li>Clarified that the topics highlighted on carbon emissions and community welfare are actually already covered in APRIL2030 commitments and targets under Climate Positive and Inclusive Progress pillars respectively.</li> </ul>
<p><b>Immanuel Siholoho (KLHK, Balai PSKL Seksi Wilayah II Pekanbaru)</b></p> <ul style="list-style-type: none"> <li>Pointed out that no information is given in the presentation about APRIL's commitment on partnerships with communities. Emphasized that according to Regulation No. 8/2021 on social forestry program, forestry companies are required to partner with communities. Suggested that APRIL should allocate area to be managed jointly with communities for social forestry.</li> </ul>	<p><b>Dian Novarina (APRIL Management)</b></p> <ul style="list-style-type: none"> <li>Mentioned that APRIL has a community partnership program through supporting livelihood plantations and community forestry. At the moment APRIL is trying to improve the scheme to align with Regulation No. 8/2021 on social forestry.</li> </ul> <p><b>Mulia Naulia (APRIL Management)</b></p> <ul style="list-style-type: none"> <li>Pointed out that APRIL has formed partnership program with communities even before the Regulation No. 8/2021 is in place. Moving forward APRIL will redesign the partnership following the P8/2021.</li> </ul>
<p><b>Safri (JMGR)</b></p> <ul style="list-style-type: none"> <li>Suggested for APRIL to pay more attention to the economy of communities in impacted villages within radius 10 km especially those living on peatland</li> <li>Raised concerns regarding canal blocking in the concession in Meranti which resulted in drought during the dry season. During the rainy season when the canal is opened it creates flooding in the community's rubber plantation</li> <li>Suggested a mangrove conservation and restoration program, around Pulau Padang.</li> </ul>	<p><b>Shawn Ellsworth (KPMG)</b></p> <ul style="list-style-type: none"> <li>Iterated that part of KPMG assessment is to look at APRIL's grievance system and the resolution of grievances. KPMG took samples from grievance records and interviewed complainants. The grievance system is in place and working.</li> </ul> <p><b>Mulia Nauli (APRIL Management)</b></p> <ul style="list-style-type: none"> <li>Clarified that the objective of canal blocking is to maintain water level. APRIL took note the specific issues raised and the impact to community plantation and will do a field check.</li> </ul>

<ul style="list-style-type: none"> <li>Suggested APRIL to advocate and provide solutions to manage fire as a result of canal blocking in dry season.</li> </ul>	
<p><b>Linda (Perkumpulan TAPAK)</b></p> <ul style="list-style-type: none"> <li>Suggested to consider trends in incidents as a factor to select the sites for sampling. For example, fire incident in Logas area or to look at an estate with increased conflict with communities.</li> <li>Shared questions from communities regarding the channel to raise grievance.</li> </ul>	<p><b>Mulia Nauli (APRIL Management)</b></p> <ul style="list-style-type: none"> <li>Mentioned that there are offline and online channel in APRIL grievance system to raise grievances. These have been shared and communicated at the community level.</li> </ul>
<p><b>Buchari (APINDO)</b></p> <ul style="list-style-type: none"> <li>Asked KPMG views on how APRIL’s sustainability performance rates against industry peers globally.</li> </ul>	<p><b>Shawn Ellsworth (KPMG)</b></p> <ul style="list-style-type: none"> <li>Mentioned that the context of doing business in Indonesia is very unique therefore KPMG cannot give a formal perspective without looking into comparable criteria. However, through the assurance over the years APRIL shows continuous improvement on many fronts.</li> </ul>

**Presentation: Macroeconomic Impact Study – Uka Wikarya (LPEM FEUI)**

- The analysis covered 24 legal entities in APRIL Group Riau Complex, national and regional levels during the period of 2016 – 2022.
- The variables used to measure APRIL’s impact to the economy include contribution to GDP, contribution to job opportunity creation and impact of APRIL CSR on household income creation.
- The macroeconomic impact analysis uses the economic multiplier model derived from the 2016 Inter-Regional Input-Output Table (IRIO) and the 2016 Pelalawan Input-Output Table.
- The study shows that APRIL has consistently contributed to the increase of GDP at the national level and Riau Province. It also shown that every additional 1 million Rupiah sales of APRIL’s pulp and paper product creates an economic output impact of IDR 3.48 million nationally and 2.27 million in Riau Province
- On job creation, the multiplier effect of APRIL Group's operations creates job opportunities for more than 250,000 people nationally and 140,000 people in Riau Province in 2022.
- On the impact of APRIL Group’s CSR on household income creation, APRIL Group's CSR expenditure over the 2016-2022 period contributed to an increase in household income of IDR 210 billion around its operational areas in Pelalawan, Siak, Kuantan Singingi, Kampar, and Kepulauan Meranti regencies.
- In conclusion, the presence of APRIL Group in Riau has contributed to increasing investment, significantly increasing added value to the supply chain of forestry-based industries, increasing exports, strengthening economic growth amid low oil and gas growth in Riau, encouraging economic activity in the downstream sector, creating jobs opportunities and additional income for people in Riau and nationally, and increasing central and local government revenues

**Presentation: APRIL Grievance Mechanism – Mulia Nauli (APRIL Management)**

- Objective of the grievance mechanism is to facilitate stakeholders to raise their grievances on APRIL operations. The mechanism was launched in 2016 to complement SFMP 2.0.
- There is a dedicated team under Social Capital Department to manage grievances.
- Initially there were only online (email, website) channels available with 13 incoming grievances (all resolved) in the period of 2016 – 2021. In 2022 the mechanism was improved by adding offline (face to face and hotline) channel. There were 25 reported grievances (14 valid grievances and 11 requests) in 2022. Meanwhile for Jan to June 2023, 12 reported grievances (5 valid and solved)

- The grievance mechanism has been communicated with estate teams and communities. APRIL also put up posters on grievance channels at the Village Offices.
- Explained the process flow from the point when grievances are received, initial screening, investigation process, and preparation of action plan, resolution and appeal. The grievance process is overseen by a grievance committee that also includes one independent party.
- APRIL continues to encourage suppliers to adopt a grievance mechanism.
- Received grievance category in 2022: dust, realization of MOU on livelihood plantation and boundary concession

**Questions and Answers – Session II**

Questions	Answers
<p><b>Herbet (YMI)</b></p> <ul style="list-style-type: none"> <li>• Pointed out that current practice considers communities as a source of fibre supply to the company therefore the relationship lacks a process of empowerment and creates economic dependence.</li> <li>• Raised concern that there is a case in Indra Giri Hilir where communities have lost opportunity for livelihoods due to land acquisition for conservation and restoration.</li> </ul>	<p><b>Mulia Nauli (APRIL Management)</b></p> <ul style="list-style-type: none"> <li>• Conveyed that APRIL has community conservation program with similar criteria as social forestry of 30,000 ha for conservation and agroforestry. Moving forward social forestry will be APRIL reference to develop partnership with communities.</li> <li>• Took note of the concern, APRIL will do a field check.</li> </ul>
<p><b>Teuku Muhammad Syukron (Kabid infrstruktur dan lingkungan hidup, BAPPEDA Pelalawan)</b></p> <ul style="list-style-type: none"> <li>• Expressed appreciation to APRIL for the invitation and partnerships initiated by APRIL which covers education and health sector. Emphasised that CSR programs should be categorized as capital spending.</li> <li>• Emphasized that Pelalawan is the heart of APRIL operation. This year the economy improved, investment increased, employment decreased but there is an anomaly where poverty also increased. This can be interpreted that investments do not address the root causes or sources of poverty.</li> <li>• Suggested interventions based on economic profiles and characteristic to really address unique locus of poverty such as coastal communities. Bappededa has the data to support this identification effort if needed.</li> </ul>	<p><b>Prof. Uka Wikarya (LPEM FEUI)</b></p> <ul style="list-style-type: none"> <li>• Mentioned that he cannot comment on why poverty increased in Pelalawan as the sample might not be representative. Growth might exist but the distribution might be centralized in the urban area, and did not reach coastal areas.</li> </ul>
<p><b>Eka Armas (UNRI)</b></p> <ul style="list-style-type: none"> <li>• Pointed out that there is no tax data included in the macroeconomic study to understand APRIL's tax contributions.</li> </ul>	<p><b>Prof. Uka Wikarya (LPEM FEUI)</b></p> <ul style="list-style-type: none"> <li>• Clarified that the study included tax contributions where APRIL contributed the equivalent of 0.08% to National Budget.</li> </ul>
<p><b>Muller (APHI Riau)</b></p> <ul style="list-style-type: none"> <li>• Appreciated KPMG, SAC and APRIL for the transparency.</li> </ul>	

- Expressed appreciation for APRIL to have a dedicated team to process and monitor grievance.

**Closing Remarks – Erna Witoelar (SAC)**

- Applauded the participants for the active discussion and their constructive feedback for SAC and APRIL. Observed that the diversity of the stakeholders has improved and commended the audience on the quality of feedback and questions.
- Emphasized that APRIL has matured in its sustainability and transparency journey and that stakeholders should take up the opportunity to interact and engage with APRIL when possible such as through these Stakeholder Forums.
- Asked APRIL to document the feedback properly and take action where needed based on the input given by stakeholders.