

APRIL clears high conservation value forest in Sumatra's Kampar Peninsula, as it breaks its own commitment



Investigative Report Eyes on the Forest April 2014

Eyes on the Forest (EoF) is a coalition of environmental NGOs in Riau, Sumatra:
Friends of the Earth "Walhi" Riau Office, Jikalahari "Riau Forest Rescue Network" and WWF-Indonesia, Riau Program.EoF monitors the status of the remaining natural forests in Sumatra's Province of Riau and disseminates the information worldwide.

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APRIL clears high conservation value forest in Sumatera's Kampar Peninsula, as it breaks its own commitment

Asia Pacific Resources International Limited (APRIL)/ Royal Golden Eagle (RGE) pulps natural forest through its supplier, PT Triomas Forestry Development Indonesia, in Kampar Peninsula. Even the company clears high conservation forest that it committed to protect in 2005. This confirms that APRIL is still running its operation just like business as usual despite its sustainable forest management policy commitment announced in the beginning of year which may turn out to be highly questionable and dubious.

PT Triomas Forestry Development Indonesia (FDI) - Kampar Peninsula

Eyes on the Forest coalition monitors the performance of APRIL, the company under Royal Golden Eagle (RGE)'s umbrella, that just announced its sustainable forest management policy (SFMP) in January 2014. This announcement was greeted by scepticism and vigilance by a number of environmental organizations due to APRIL's bad reputation on its operation since 1995, as well as violations to its own commitment to protect high conservation value forest (HCVF).

Series of investigation conducted by Eyes on the Forest (EoF) coalition since the third quarter of 2013 to early 2014 find that APRIL had been clearing natural forest in Kampar Peninsula forest block through its supplier, PT Triomas Forestry Development Indonesia (FDI).

In this report, Eyes on the Forest conducted investigation in January 2014 and found no natural forest clearance at that time, but confirmed that there has been a forest clearance in an area that once once was committed as high conservation value forest (HCVF) by APRIL back in 2005. EoF estimates that the concession had been cleared before during May-December 2013 period. Approximately, there was 2,500 hectares of natural forest cleared when the investigation carried out.

Earlier report on PT Triomas

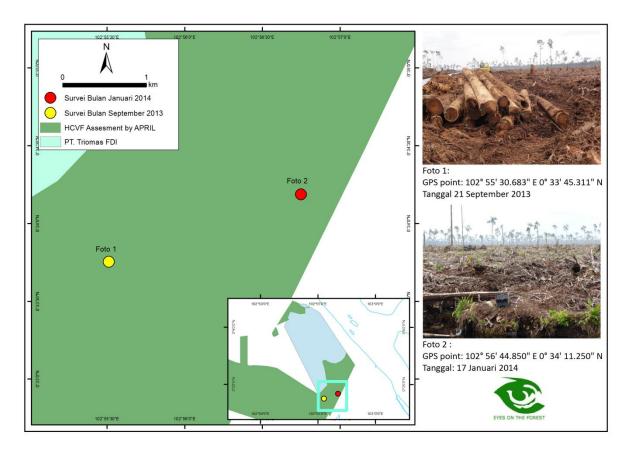
In Jikalahari's December 2013 investigative reportⁱ, it is mentioned that PT Triomas FDI cleared Kampar Peninsula's natural forest in last October, including cutting down the internationally protected Ramins, an endangered species according to CITES IUCN's appendix II of Red List.

Legality of PT Triomas' operation is questioned and allegedly illegal due to corruption cases' involvement, while the company's name was not listed in Ministry of Forestry's Buku Basis Data Spasial Kehutanan (Forest Spatial Database Book year 2009, 2010, 2011 and 2012. EoF learns that PT Triomas FDI is listed on 2013 book, hence its operation in previous years is highly questionable. PT Triomas' permit is also not verified during the former Minister of Forestry when some licenses issued by local governments should be legalized. The company only obtained renewal Decree Letter by authority, the Minister of Forestry. Meanwhile, Decree Letter applied for SVLK timber legality assurance system is only a notice from Director General of Forestry Enterprise (Dirjen BUK).

Jikalahari also revealed that PT Triomas FDI linked to forestry corruption case involving former Pelalawan Regent Tengku Azmun Jaafar who issued Annual Workplan (RKT) so that the company could clearcutting natural forest and deep peat area in Kampar Peninsula. PT Triomas Forestry Development Indonesia (PT Triomas FDI) involved in committing *collective corruption* with convicted Tengku Azmun Jaafar (Ex-Pelalawan Pelalawan), Asral Rachman (Riau Forestry Service Head 2004-2005 period), and Burhanuddin Husin (Riau Forestry Service Head 2005-2006 period). PT Triomas FDI's IUPHHKHT licensing allegedly still referred to the permit issued by the convict Azmun Jaafar, even the Minister of Forestry had not verified the permit.

Findings on the ground

Eyes on the Forest's findings on the ground confirmed that there has been a forest clearance in an area that once was committed as high conservation value forest (HCVF) by APRIL back in 2005. EoF estimates the concession has been cleared in period of May – December 2013. At least 2,500 hectares of natural forest had just been felled as the investigation finds. (see Map 1)

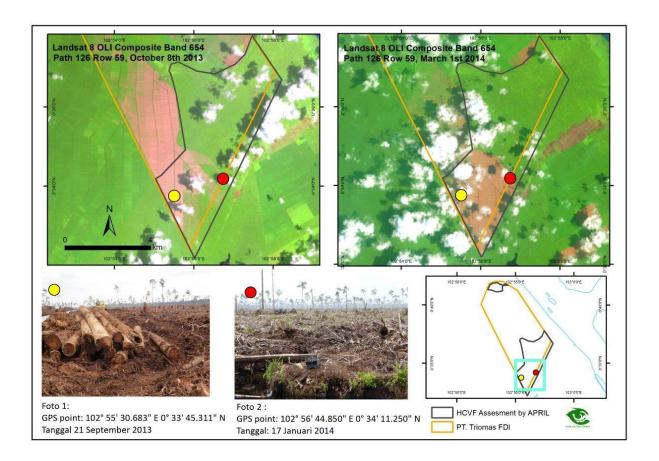


Map 1: PT Triomas, APRIL's supplier, cleared deep peat forest and high conservation value forest (HCVF) as shown in yellow dot (photo 1) and red dot locations (photo 2). The survey was carried out in September 2013 and January 2014. Map and photos by EoF.

In *APRIL Fact Sheet* that the company published in November 2007, it cited that the company is required to "to conduct third party auditable High Conservation Value (HCV) assessments before development in all new concessions, in order to manage High Conservation Value Forests (HCVF)." iv

Since 2005, APRIL claimed that it has been committed to HCVF protection commitment, but the Eyes on the Forest's proofs from analysis and findings of satellite images reveal the flaws of the company's repeated claim. Landsat satellite image analysis in September 2013 and March 2014 shows a sizeable forest clearance by PT Triomas FDI in the area that once APRIL committed as High Conservation Value Forest (HCVF).

PT Triomas FDI's concession is located in deep peat forest in rich carbon Kampar Peninsula. In the clearing area, EoF found a number of remaining trees which mostly were young Ramin trees or were not ready for harvesting. In an earlier investigation published by Jikalahari, PT Triomas cleared natural forest, including Ramin trees, an internationally protected species. In this early year's investigation, EoF discovered that each tree was numbered with red paint. The surprising thing is that when the team found some Ramins burried in the ground inside PT Triomas' concession. (See photo 2).



Map 2: PT Triomas FDI, APRIL's supplier, cleared high conservation value natural forest (HCVF) which it declared itself, as seen in the two Landsat images in September 2013 and March 2014. This violation to its own HCVF protection attenuates company's claim and makes the fact sheet is merely a green wash.

EoF suspects that the purpose of company's Ramin logs burrial is still related to the report that Jikalahari published in the end of the last year. Field report also indicates other logs that PT Triomas cut down were hidden in its canals in order to keep off from monitoring by certain authority. Information collected by team in the field was that the natural forest clearance was done by the contractor of PT. CIS and PT. RHM using excavators and chain saw.

PT Triomas is a timber plantation (HTI) company that obtained Timber Legality (LK) certificate, and a coorporate's entity to comply with provisions of existing law in Indonesia including employment and labor issues that bans child laboring. But the company is allegedly employing minors as found in this EoF's investigative report. A number of child labors were found working (**See Photo 5**). EoF's partner will discuss the issue in details in another specific report.



Photo 1: Ramin trees left and marked with numbers, allegedly responding Jikalahari's last year report. However, it will not help Ramin from dying since its colonies are already gone due to ruthless natural forest clearing.

Location: N 0 33' 45.060", E 102 56' 44.530" -- Photo: EoF, 16 January 2014



Photo 2: Two Ramin trees, IUCN protected species, burried in PT Triomas FDI's concession, allegedly cut down a while ago. This shows how disobedient APRIL is to international conservation rules and just like always, cleared endangered species in its natural forest clearing activity. Location: N 0 33' 22.340", E 102 56' 32.300". Photo EoF, 16 January 2014



Photo 3. Natural forest logs from cleared natural forest and expanse of deep peat land that is no longer forested. Photo taken at: N 0°33'45.35" E 102°55'30.71" – EoF, 21 September 2013)



Photo 4. Impact of natural forest logging by APRIL's PT Triomas' HTI expansion. The photo shows the canal dug in the peat surface and one unit of heavy equipment digging a canal which can affect global warming caused by the release of carbon emissions. Photo taken at N0°34'51.25" E102°55'30.87". E0F,21 September 2013



Photo 5: A child working in PT Triomas FDI's concession. N 0.33' 57.720" E 102.56' 51.510", EoF, 17 Jan 2014

Linked to corruption

Jikalahari's investigation also mentioned that in 2002, PT Triomas FDI applied for HTI permit in the area of the former plantation concession of PT Triomas FDI in Sungai Akar Village, Kuala Lakar Sub-district, Pelalawan District, covering an area of 9,950 hectares to Pelalawan District. The 9,950 ha in details include: 9,625 ha forested area (96.73%), 325 ha (3.27%) non-forest area of shrubs and excultivated community land. Potential log diameter was 10 cm, 24.09 m/ha and up in average for all timber types, meaning that the company realized that 9,625 of total 9,950 was natural forest when applying for the permit. After obtaining IUPHHKHT license on natural forest area, PT Triomas FDI gave some money to the District Head. Budi Surlani (District Head's aide) said that on 1 September 2004, he deposited Rp 250 million from PT Triomas FDI to Azmun Jaafar's account, as revealed in Anti-Corruption trial documents.

Because of the issuance of IUPHHKHT license and RKT for PT Triomas FDI, the State suffered a loss while PT Triomas gained a profit of Rp 26.2 billion in Azmun Jaafar's case, Rp 4.1 billion in Asral Rachman's case and Rp 22.2 billion in Burhanuddin Husin's case. The profit that PT Triomas FDI gained from clearing natural forest was estimated to Rp 5.2 billion in 2005, Rp 7.9 billion in 2006, so the total amounted to Rp 13.3 billion. $^{\circ}$

Eyes on the Forest's recomendations:

EoF urges APRIL/Royal Golden Eagle to:

- 1. Stop natural forest clearing in Kampar Peninsula, Padang Island, Giam Siak Kecil Block and other forest blocks.
- 2. Conduct HCVF and high carbon stock assessments in all concessions of APRIL/RGE by HCV Resource Network and obtain independent verification as well as a transparent public consultation.
- 3. Halt logging in HCVF identified areas so that land disputes can be resolved
- 4. Resolve social conflicts with the community through FPIC mechanism with involving the role of independent CSOs
- 5. Support actions of anti-corruption conducted by law enforcers, particularly those involving the company's suppliers and those linked to the company.

END

For more information, please contact: Editor(at)eyesontheforest.or.id

Reference

ⁱ Jikalahari.or.id, PT Triomas Masih Menebang Hutan Alam, Menjual Kayu Ilegal ke PT RAPP, 26 Des 2013, <a href="http://www.jikalahari.or.id/index.php?option=com_content&view=article&id=210%3Apt-triomas-masih-menebang-hutan-alam-menjual-kayu-illegal-ke-pt-rapp&catid=37%3Aforest-news&Itemid=132&lang=id

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iii Buku Basis Data Spasial Kehutanan 2013, Kementerian Kehutanan http://appgis.dephut.go.id/

iv APRIL Fact Sheet, November 2007, Protecting High Conservation Value Forest (HCVF)

^v Jikalahari.or.id, PT Triomas Masih Menebang Hutan Alam, Menjual Kayu Ilegal ke PT RAPP, 26 Des 2013, <a href="http://www.jikalahari.or.id/index.php?option=com_content&view=article&id=210%3Apt-triomas-masih-menebang-hutan-alam-menjual-kayu-illegal-ke-pt-rapp&catid=37%3Aforest-news&Itemid=132&lang=id