

Jakarta, April 28 2014

Australian suppliers welcome Asia Pulp & Paper's plan to restore and protect one million hectares of forest in Indonesia

Australian tissue and paper suppliers Solaris Paper and Paper Force welcome the announcement by <u>Asia Pulp and Paper Group (APP)</u> to restore and support the conservation of one million hectares of rainforest across Indonesia – an area roughly three times the size of the ACT.

Larry Jackson, CEO of Paper Force, said: "It's remarkable to see APP working together with so many NGO groups to conserve an area roughly the same size as a third of Tasmania's natural forest."

This ground-breaking initiative has been developed with input from many stakeholders, including WWF, Greenpeace and NGO members of APP's Solutions Working Group. It will have a significant impact on the landscapes both in and around the plantation concessions in APP's supply chain.

The commitment, which takes the company well beyond its legal conservation requirements, is approximately equivalent to the total area of plantation from which the company sourced pulp fibre in 2013.

Steve Nicholson, CEO of Solaris Paper, said the announcement was evidence of APP's dedication to becoming a leader in sustainability.

"Australians are very environmentally conscious and I hope the announcement will encourage local suppliers and consumers that our products are truly sustainable. I applaud our affiliate's latest announcement, which will set a new standard in protection of the world's valuable rainforests and ensure the future protection of endangered species."

This announcement comes just over a year after APP launched its sector-leading <u>Forest</u> <u>Conservation Policy (FCP)</u>, which saw an immediate and permanent cessation of natural forest



clearance across its supply chain. Since then, the company has been working closely with stakeholders to implement the policy, with support from The Forest Trust. The company has also been carrying out consultation on how it should prioritise restoration of important areas, following the wide ranging biodiversity assessments in its concessions.

Aida Greenbury, APP's managing director of sustainability, said: "After over a year of implementing our FCP, it has become clear that the key to success of any efforts to halt deforestation in Indonesia is a landscape level approach to forest restoration and conservation. "Land cannot be conserved or restored in isolation, the sustainability of the entire landscape must be taken into account and many stakeholders must be involved. We hope that by working with Indonesian and international stakeholders, as well as organisations such as WWF, The Forest Trust and Ekologika, our efforts will be much more effective.

"We believe that by assessing entire landscapes and creating clear tailor made objectives and strategies, the maximum possible level of conservation will be achieved, not just for natural forest in our concessions, but for areas around them as well."

As a first step, APP will work with an NGO coalition to preserve the natural forest in the 30 Hills landscape (Bukit Tigapuluh) in Jambi, Sumatra – a vital habitat for tiger, elephant andorangutan populations. This will include increased protection of the corridor road from illegal activities, work on protecting the threatened elephant herd in the Tebo Multi Agro concession, and asessment of the viability of creating an animal corridor in the WKS concession which would connect important forest habitat blocks.

APP is currently in consultation with WWF and other stakeholders, to develop plans foridentified priority landscapes in which APP and its suppliers have commercial forestry-based operations, which will then be implemented by the company in close collaboration with otherrelevant players in the landscape, while observing the principles of Free, Prior and Informed Consent (FPIC).

The focus for each landscape is:



- Bukit Tigapuluh, Jambi provide wildlife corridors and additional buffer areas and restrict access to enhance the function of Bukit Tigapuluh National Park, while involving the local community.
- Senepis, Riau support conservation of the Sumatran tiger and peat swamp forest.
- Giam Siak Kecil, Riau secure, protect and restore the core natural forest within the Giam Siak Kecil Biosphere Reserve to provide habitat for many endangered species including Sumatran tiger and Sumatran elephants. Also, ensure sustainable conservation of peat swamp forest, while supporting the livelihood of the local communities.
- **Kampar Peninsula, Riau** support large landscape protection of peat swamp forest using a multi-stakeholder approach that involves other concession holders.
- Kerumutan, Riau support expansion and connectivity of protected forest areas.
- Muba Berbak Sembilang, Jambi and South Sumatra protect the existing natural forest and assess the possibility of expanding the current protected forest, i.e. by restoring key areas to natural ecosystems and focussing on the protection of Sumatran Tiger and other key species. Additional support will be provided to the national parks.
- **OKI, South Sumatra** create a wildlife corridor to expand the habitat of Sumatran elephants.
- Kubu Raya, West Kalimantan maintain the integrity of orang-utan habitat and also assess the possibility of expanding the existing mangrove forest to support the conservation of swamp crocodiles.
- Kutai, East Kalimantan support the existing national park, providing buffer and corridor for orang-utan habitat.

Over the coming months, this commitment will be developed into a more detail time-bound plan that will form part of the company's Integrated Sustainable Forest Management Plans (ISFMPs), which are currently being developed by APP, High Conservation Value (HCV), High Carbon Stock (HCS) and social experts as well as a peatland management team.

APP will also develop with other stakeholders, an independently administered trust fund to manage and finance these conservation measures in order to ensure their sustainability and viability into the future. The trust fund will receive start up funding from APP. Additional funding will be raised on an ongoing basis to successfully manage these conservation landscapes.



In order to manage this new conservation strategy, APP will be creating a multi-stakeholder platform, to be unveiled in due course, that will include a wide range of national and international NGOs and other institutions to guide the implementation of these conservation and restoration commitments.

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ABOUT APP

<u>Asia Pulp & Paper Group (APP)</u> is a trade name for a group of pulp and paper manufacturing companies in Indonesia and China. The APP Group of companies is one of the world's largest vertically integrated pulp and paper companies, with an annual combined pulp, paper, and converting products capacity of over 18 million tons. APP-Indonesia and APP-China currently market their products in more than 120 countries across six continents. The majority of APP's production facilities are Chain-of-Custody certified by SVLK, LEI and PEFC.

APP launched its <u>Sustainability Roadmap Vision 2020</u> in June 2012 and its <u>Forest Conservation</u> <u>Policy</u> in February 2013, to further improve its environmental performance, biodiversity conservation, and protection of community rights. More information can be found at <u>www.asiapulppaper.com</u>.