



## **EoF coalition urges APP and APRIL not to clear 800,000 hectares of natural forests in their concessions**

### **EoF supports full moratorium and strict law enforcement**

Press Release -- for immediate release -- 16 March 2011

**PEKANBARU, SUMATRA** -- Non-governmental organizations working in Riau Province, Sumatra, urge the Government to include 1.2 million hectares of remaining natural forest in Riau in the two-year moratorium on natural forest and peat conversion that is part of the US\$ 1 billion Indonesia-Norway REDD Letter of Intent. This suggestion, if included by the Government into Presidential Instruction draft that soon will be published, would help prevent accelerating natural forest clearance and peat drainage in Sumatra.

Maps predicting the moratorium's impact on Riau -- submitted by Eyes on the Forest to the REDD+ Task Force yesterday -- show that up to 1.2 million hectares, almost half of Riau's remaining natural forest, is actually inside existing concessions where natural forest and peat conversion can continue, even with the moratorium in place. EoF coalition fears that the worst impact would be in the deep peat areas of Riau, where it would cause huge greenhouse gas emissions, largely undermining the president's global commitment to reduce them.

Eyes on the Forest found that two-thirds of these forests belong to two multinational corporations: the Sinar Mas Group's Asia Pulp & Paper (SMG/APP), headquartered in Shanghai, China, and the Royal Golden Eagle Group's Asia Pacific Resources International Limited (RGE/APRIL), headquartered in Singapore.

"SMG/APP's and RGE/APRIL's pulping of Riau's critically important natural forests and draining of Riau's deep peat have made these companies the two most significant reasons for the province's position as the number one carbon emitter in Indonesia," said Suhandri of WWF Indonesia's Riau Program. "We fear that both groups will accelerate their wood sourcing in Riau concessions as the moratorium prevents the companies to clear elsewhere."

Eyes on the Forest estimates that two groups have already pulped around 2 million hectares of natural forests in Riau, contributing to almost half of the province's total forest loss. Both continue to acquire licenses with large natural forest blocks and today have up to 800,000 hectares (31%) of Riau's last remaining natural forests standing in their concessions, mostly on deep peat.

If these forests are cleared and their carbon-rich peat soils are drained to develop pulpwood plantations, the climate impacts would be much worse than even those of the infamous Mega Rice project in Central Kalimantan. Eyes on the Forest estimates that, by doing so, the two groups could increase Riau's annual emissions by 15% compared to historical levels, to reach almost 0.5 gigatons.

"Eyes on the Forest calls on both companies to voluntarily and immediately stop all natural forest clearance and peat drainage to support our President's commitment to reduce Indonesia's emissions by 26%. We urge them to become part of the solution rather than continue to be an embarrassment," says Susanto Kurniawan of Jikalahari.



The concession licenses issued to SMG/APP and RGE/APRIL are engulfed in ever deepening questions of legality and corruption. "Most of these areas cover peat of more than three meters' depth, which various laws say are off limits for conversion" says Hariansyah Usman of Walhi Riau. "Government officials who issued the licenses for some of these concessions are under investigation for corruption and two have already been jailed."

The Presidential Judicial Mafia Eradication Task Force just urged the police to reopen the well-known Riau illegal logging case -- involving many licenses granted to SMG/APP and RGE/APRIL affiliates -- that was abruptly closed in December 2008.

"Eyes on the Forest strongly supports this call by the Task Force and recommends that as in previous years the investigation is accompanied by a complete moratorium on all natural forest and peat conversion operations in Riau to avoid the destruction of forests that may eventually be found to be illegal," says Hariansyah. "We are also concerned about rampant natural forest clearcutting by RGE/APRIL that takes place in critical outer islands along the east coast of Riau, which is driving social conflict and the loss of natural resources in these areas."

Today, as the President is getting ready to announce a moratorium on natural forest and peat conversion, RGE/APRIL is engaged in massive clearing of natural forest and draining of deep peat in Semenanjung Kampar, the largest and most intact peat swamp ecosystem on the island, with possibly the largest concentration of peat carbon in Southeast Asia.

"All natural forests in Kampar were identified as High Conservation Value Forests by RGE/APRIL itself," says Susanto. "RGE/APRIL should be rehabilitating the natural forest and stopping the peat drainage instead of continuing to destroy these areas for private gain and to the detriment of society. Civil society calls on RGE/APRIL to immediately and irrevocably stop all natural forest clearance and peat drainage in Kampar and all other areas."

Today, SMG/APP is clearing natural forests standing on peat soils even inside the UNESCO Giam Siak Kecil-Bukit Batu Biosphere Reserve and other peat areas in Riau. SMG/APP is also threatening the globally famous Bukit Tigapuluh forests straddling Riau and Jambi provinces. This landscape holds the last remaining block of one of Sumatra's critically endangered forest types, is home to two of Sumatra's indigenous tribes and is critical habitat for the endangered Sumatran elephant, critically endangered Sumatran tiger and orangutan.

"Eyes on the Forest has been investigating and publishing reports on deforestation and wood sourcing operations in Riau and Jambi to provide greater transparency to an industry that appears to have been relying on legally questionable licenses and permits for a long time," says Nursamsu, coordinator of the Eyes on the Forest project. "We will continue to support our President to enforce the country's laws governing natural forest clearance and peat clearance to help reduce the country's emissions."

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## Notes to editors:

- "Impact of the LoI moratorium on Sumatra's natural forest and peat" submitted by Eyes on the Forest to the REDD+ Task Force yesterday can be found at: [http://www.eyesontheforest.or.id/index.php?option=com\\_docman&task=doc\\_download&gid=193&Itemid=6&lang=english](http://www.eyesontheforest.or.id/index.php?option=com_docman&task=doc_download&gid=193&Itemid=6&lang=english). The submission also includes historical satellite images to show RGE/APRIL clearance of natural forest in Semenanjung Kampar.
- Latest reports on the legality and corruption are:
  - EoF News (18 February 2011) Task Force urges police to probe again 14 companies' cases. [http://www.eyesontheforest.or.id/index.php?option=com\\_content&view=article&id=337:task-force-urges-police-to-probe-again-14-companies-cases&catid=27:national&Itemid=1&lang=english](http://www.eyesontheforest.or.id/index.php?option=com_content&view=article&id=337:task-force-urges-police-to-probe-again-14-companies-cases&catid=27:national&Itemid=1&lang=english)
  - EoF News (10 November 2010) More Riau official sentenced for forestry graft case. [http://www.eyesontheforest.or.id/index.php?option=com\\_content&view=article&id=320:more-riau-official-sentenced-for-forestry-graft-case&catid=3:lates&Itemid=3&lang=english](http://www.eyesontheforest.or.id/index.php?option=com_content&view=article&id=320:more-riau-official-sentenced-for-forestry-graft-case&catid=3:lates&Itemid=3&lang=english)
- Latest reports on continued natural forest clearance by SMG/APP in the UNESCO Biosphere Reserve and Bukit Tigapuluh are:
  - Eyes on the Forest November 2010 Investigative Report. [http://www.eyesontheforest.or.id/index.php?option=com\\_docman&task=doc\\_download&gid=188&Itemid=20](http://www.eyesontheforest.or.id/index.php?option=com_docman&task=doc_download&gid=188&Itemid=20)
  - KKI Warsi, FZS, EoF and WWF Indonesia (13 December 2010) Sumatran Once-Untouched Haven for Tigers, Orangutans, Elephants Being Systematically Targeted by APP/SMG. <http://www.wwf.or.id/en/?21160/Once-Untouched-Haven-for-Tigers-Orangutans-Elephants-Being-Systematically-Targeted-by-APPSMG>

**Eyes on the Forest (EoF)** is a coalition of environmental NGOs in Riau, Sumatra: Jikalahari "Riau Forest Rescue Network," Walhi (Friends of the Earth) Riau Office and WWF-Indonesia, Riau Program. EoF has been monitoring the status of the remaining natural forests in Sumatra's Province of Riau and disseminating the information worldwide since 2004. More news on Eyes on the Forest, go to: <http://www.eyesontheforest.or.id>.