

Asia Pulp & Paper (APP) Threatens Bukit Tigapuluh Landscape

- Report of investigation findings -

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Executive Summary

The Bukit Tigapuluh Forest Landscape in central Sumatra contains some of the richest biodiversity on Earth. It is one of the last refuges for three of the four flagship species found only on the island of Sumatra, along with more than 250 other mammal and bird species.

The landscape is a locally, regionally and globally important area for conservation of endangered Sumatran Elephants and critically endangered Sumatran Tigers and Sumatran Orangutans (which have recently been re-introduced here). The forest is also home to two tribes of indigenous people, one of which lives nowhere else on Sumatra.

Until 2006, this forest block, which includes a national park and other important protected areas along with logging concessions, was relatively free from large-scale commercial forest conversion because of its hilly terrain. However, an investigation indicates that the situation is drastically changing.

On two separate occasions, from 20-25 September 2007 and from 6-11 November 2007, a series of field and remote sensing investigations were conducted by WWF-Indonesia and Jambi NGO network Komunitas Konservasi Indonesia-Warung Konservasi (KKI-WARSI) in a large contiguous forest block of the Bukit Tigapuluh Forest Landscape in Riau and Jambi provinces.

The investigation reveals that the landscape will soon be split into two by a massive logging highway that connects forest concessions associated with Asia Pulp & Paper (APP) to APP's pulp mills in Riau and Jambi provinces. The team observed that two companies associated with APP are clearing natural forest in two areas in the south of this forest block (inside Jambi Province) and are reconstructing and widening former logging roads to transport wood. In addition, they seem to have almost completed a logging highway that connects APP's Riau and Jambi pulp mills through this Landscape. Indonesian law has a set of criteria and requirements to be fulfilled prior to conversion of natural forest. Yet evidence found during the investigation indicates APP-affiliated companies converted hundreds of hectares before fulfilling these requirements, thus violating Indonesian law.

Several existing and proposed protected areas are being cleared and new logging roads are being constructed to provide access to additional existing and proposed conservation areas, another violation of Indonesian law.

The investigative teams discovered activities by and the presence of loggers' camp as well as heavy machinery belonging to APP subsidiary Sinar Mas Group's contractors, both Jambi-based or Riau-based companies.

Including the investigated areas, APP is associated with 10 licensed or proposed concessions that overlap with the Bukit Tigapuluh Forest Landscape in Riau and Jambi

and together contain 358,046,98 hectares; 187,928,23 hectares of that is the Landscape's natural forest, which is the most critical habitat for endangered species.

Some of these APP-associated companies have been converting the Landscape's natural forests without proper professional assessments or stakeholder consultation and sometimes even without proper licenses. They are threatening the survival of Sumatran tigers, Sumatran orangutans and elephants living in this forest landscape – both directly, by eliminating their habitat, and indirectly, by giving poachers easier access via the new road. APP is also stealing natural forests away from the indigenous tribes who depend on this forest area for their existence. All natural forest that is habitat for endangered species is considered “high conservation value forest” and is the most important forest to leave unlogged. Part of the area being cleared -- in violation of Indonesian law -- is part of a proposed Specific Protected Area that serves as habitat for Sumatran orangutans recently introduced into the area for the first time in more than 150 years.

This report includes the calls by WWF-Indonesia, KKI WARSI, Zoological Society of London, Frankfurt Zoological Society -Indonesia and Program Konservasi Harimau Sumatera (PKHS) urging APP-associated companies in the Landscape to their halt conversion here.

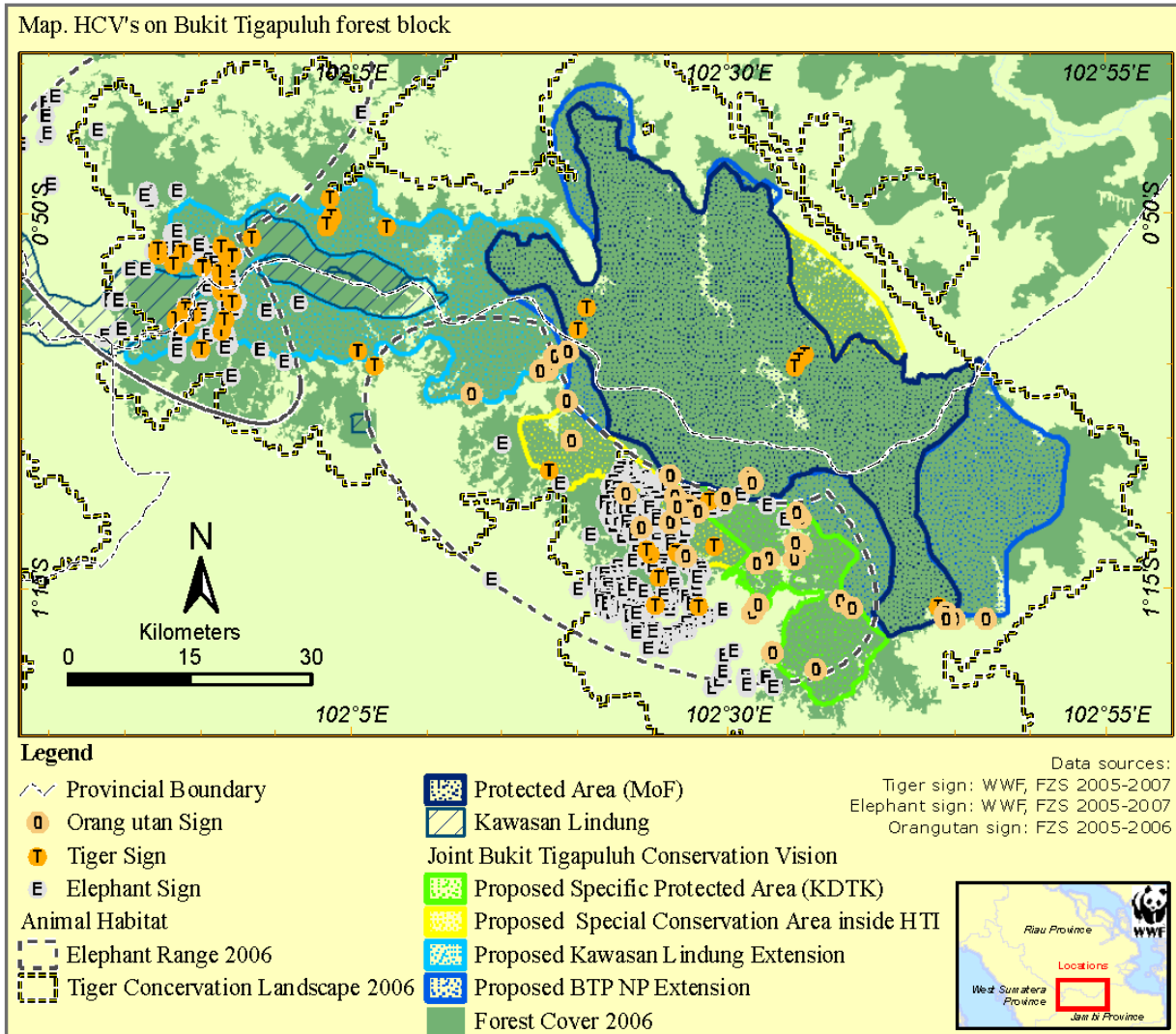
1. Bukit Tigapuluh - Key Conservation Area

Bukit Tigapuluh Forest Landscape in Riau, Sumatra, Indonesia is a contiguous natural forest block of 507,814,78 ha in 2007, consisting of dry lowland and mountain forests. This and Tesso Nilo Forest Landscapes contain the last remaining areas of relatively large contiguous dry lowland forest in Sumatra, which is almost “extinct” on the Island. Bukit Tigapuluh has been relatively safe from large scale conversion until very recently, due to its largely hilly topography. The core area (about 144,000 ha) is protected as Bukit Tigapuluh National Park.

This Landscape is important for the survival of (Map 1):

- **Indigenous Tribes of the Talang Mamak and Suku Anak Dalam** (also called Orang Rimba or Kubu), both of which live inside this natural forest block. The Talang Mamak are a sedentary tribe who live only in the Bukit Tigapuluh Landscape. The Orang Rimba people are migratory. They live inside natural forests and depend on natural resources from the forest and river everywhere in this forest block for their existence.
- **High biodiversity:** 198 bird species and 59 mammal species have been recorded so farⁱ.
- **Critically Endangered Sumatran Tigers:** In 2006, the Landscape was named a Global Priority Tiger Conservation Landscape, meaning it was deemed by a collaboration of world tiger experts as having the “highest probability of persistence of tiger populations over the long term” and has habitat to support at least 100 tigers and evidence of breeding.ⁱⁱ Just 20 tiger habitats worldwide earned the designation as being of the highest priority globally for conserving tigers.
- **Endangered Sumatran Elephants:** In 2003, it was estimated that the Landscape was home to 20 to 30 individuals in the west and 20 to 30 in the south. It is unknown how many elephant survive today in these areas, but the lowland forest in Bukit Tigapuluh is of critical importance as suitable natural habitat for Sumatran Elephants becomes increasingly rare.
- **Critically Endangered Sumatran Orangutans:** This is the only existing wild habitat for this ape outside the provinces of Aceh and North Sumatra. There are reliable reports of wild orangutans in this area as recently as the 1830’s before they were wiped out. The presence of large contiguous lowland rainforest, which is also an ideal orangutan habitat, led the Frankfurt Zoological Society to choose Bukit Tigapuluh for re-introduction of Sumatran orangutans beginning in 2003ⁱⁱⁱ. Today, 90 individuals have successfully repopulated the area. They are found to live in quite a large area outside the National Park.

Map 1. High Conservation Values of Bukit Tigapuluh Landscape. Data on presence of Sumatran Tiger, Sumatran Elephant, Sumatran Orangutan and proposed protected areas by five conservation NGOs.



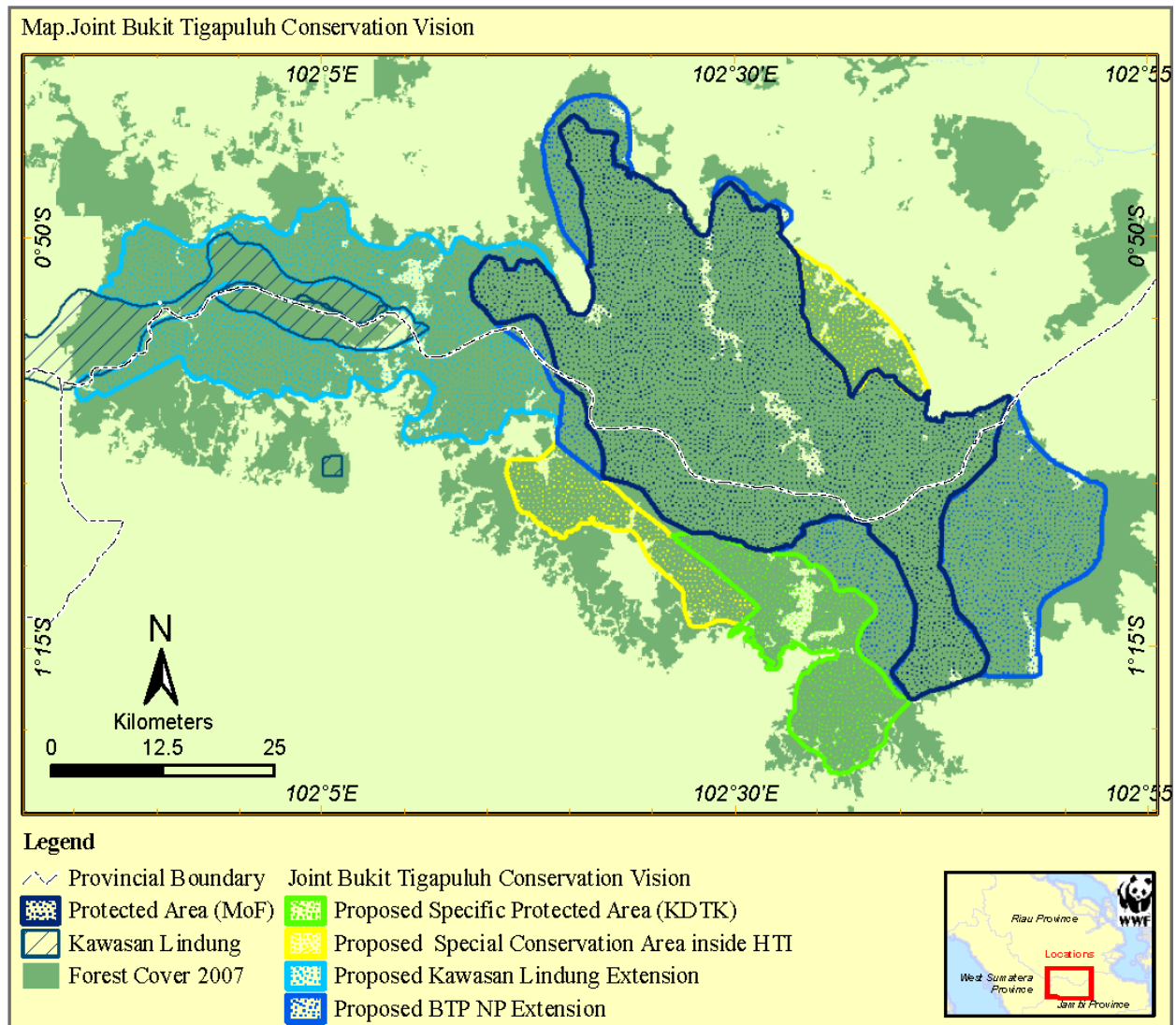
2. Conservation Vision for Bukit Tigapuluh Landscape

In February 2007, the “Bukit Tigapuluh Landscape Conservation Workshop” – attended by WWF, Warsi, Frankfurt Zoological Society, Zoological Society of London, Sumatra Tiger Conservation Program (PKHS), and others – recommended that all natural forest of the Bukit Tigapuluh Landscape needs to be protected. Following the workshop, WWF, KKI-WARSI, FZS, ZSL and PKHS submitted a joint proposal^{iv} (Map 1) to the Indonesian Minister of Forestry on 3 September 2007 to protect some of the natural forest in the Landscape:

- A) **Extension of the National Park**, as repeatedly requested by several parties during the last 10 years.
- B) **Kawasan Lindung Extension**, which fills the gap and widens the wildlife corridor connecting the Bukit Betabuh Protected Area with Bukit Tigapuluh National Park.
- C) **Specific Protected Area**^v for the re-introduced population of Sumatra orangutans.
- D) **Specific conservation area within Industrial Timber Plantation concessions (pulpwood plantation concessions, HTI)**, to be protected by companies.

For the rest of the natural forests in the Landscape, the five organizations recommend the companies holding pulpwood plantation concessions overlapping with these remaining natural forests conduct professional assessments to identify and protect High Conservation Value Forests, which are important for the survival of these endangered species as well as for the indigenous tribes. The companies should also conduct Environmental Impact Assessments to ensure that their natural forest conversion activities do not cause negative impacts.

Map 2: Proposal from WWF, WARSI, Frankfurt Zoological Society, Zoological Society of London and Sumatra Tiger Conservation Program



3. Investigation Findings

Felled timber, machinery cutting trees and clearcuts in the natural forest for road reconstruction are common sights in the Bukit Tigapuluh Forest Landscape today. New camps for laborers, Riau-based company offices and heavy equipment extend now to Jambi. The sounds of logging are missing from Riau's natural forests now, as a police investigation into illegal logging has suppressed forest activity, but it has shifted to Jambi's forests now as companies clearcut natural forest to supply pulp mill demand that can't be met by legal wood supplies. It's at a level where all inhabitants of the forest – people, tigers, orangutans, elephants -- are under threat by Asia Pulp & Paper.

The investigative team conducted a series of field and remote sensing investigations in the area in two separate field visits, 20-25 September 2007 and 6-11 November 2007. The team found that APP-associated companies are clearing natural forests in two areas in the southern Jambi portion of the Bukit Tigapuluh Landscape.

Sinar Mas Group, or APP, seem to have almost completed what appears to be a logging highway connecting APP's Riau and Jambi pulp mills through this Landscape. (All the locations of Photos in this report in relation to key information are shown in Map 3, 4, 5, 6, and 7).

There are four groups of coordinate points and pictures taken where the investigation was conducted by the team, starting from forest in a concession of **PT Artelindo Wiratama** (in Riau) and protected areas in the provincial borderline (points/photos 1-8), forest in a concession of **PT Tebo Multi Agro** (points/photos 9-16), an ex-selective logging concession of **PT Industries et Forest Asiatiques/IFA** (points/photos 17-20) and forest inside and outside of a concession of **PT Wira Karya Sakti (WKS)**, as well as proposed protected areas that were jointly submitted by conservation groups (points/photos 21-30). Maps illustrating this grouping can be seen on Maps 1, 2, 3, and 4 respectively.

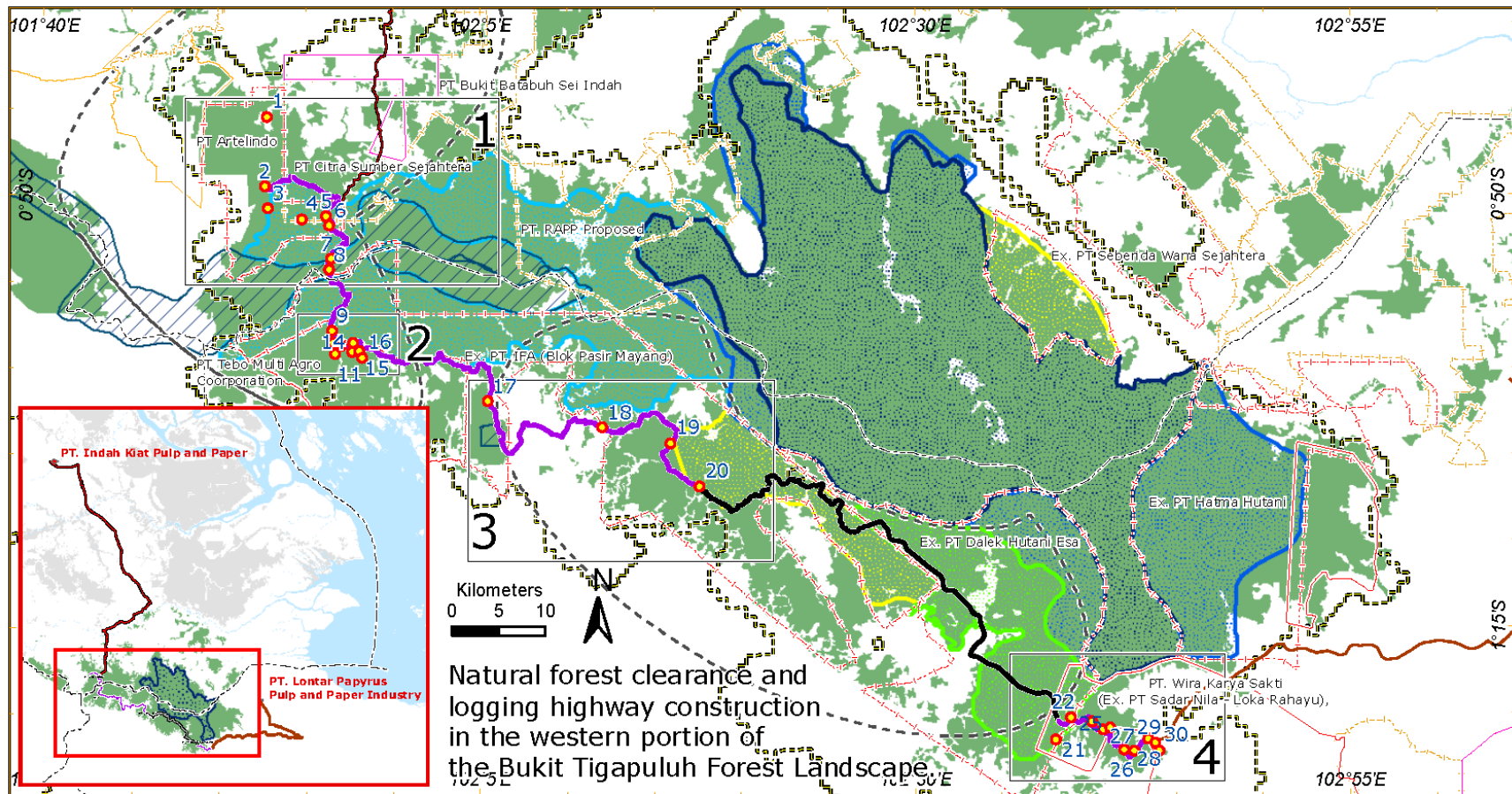
***Map 3:** Locations where photos in the report were taken, natural forest cover 2006, existing and proposed protected areas as well as natural forest clearcutting and logging highway construction in western portion of Bukit Tigapuluh Forest Landscape. The road construction is shown by purple lines and the would-be reconstructed logging road by APP shown by black lines. Inset map shows logging highway between APP pulp mills in Riau and Jambi*

ⁱ Danielsen, F., Heegaard, M. 1995. The birds of of Bukit Tigapuluh, southern Riau, Sumatra. *Kukila* 7: 99-120.

ⁱⁱ Sanderson, E., J. Forrest, C. Loucks, J. Ginsberg, E. Dinerstein, J. Seidensticker, P. Leimgruber, M. Songer, A. Heydlauff, T. O'Brien, G. Bryja, S. Klenzendorf and E. Wikramanayake. 2006. *Setting Priorities for the Conservation and Recovery of Wild Tigers: 2005-2015. The Technical Assessment*. WCS, WWF, Smithsonian, and NFWF-STF, New York – Washington, D.C.

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- iii Sumatran Orangutan Conservation Programme website http://www.sumatranorangutan.org/site_mawas/UK/PROJECT/pag/project_intro.htm
- iv WARSI, Frankfurt Zoological Society Indonesia Project, Zoology Society of London Indonesia Project, Sumatran Tiger Conservation Program and WWF Indonesia Riau Conservation Program (3 September 2007) Rationalization of TNBT and Tigers, elephants and Orang Utan habitat protection around BTNP and Bukit Sosah – Bukit Limau protection forest extension in Province of Riau and Jambi. Nomor : 01/Mitra.Gab/08/2007.
- v Forest Area for Special Designation (Kawasan Hutan dengan Tujuan Khusus)

Map 3:



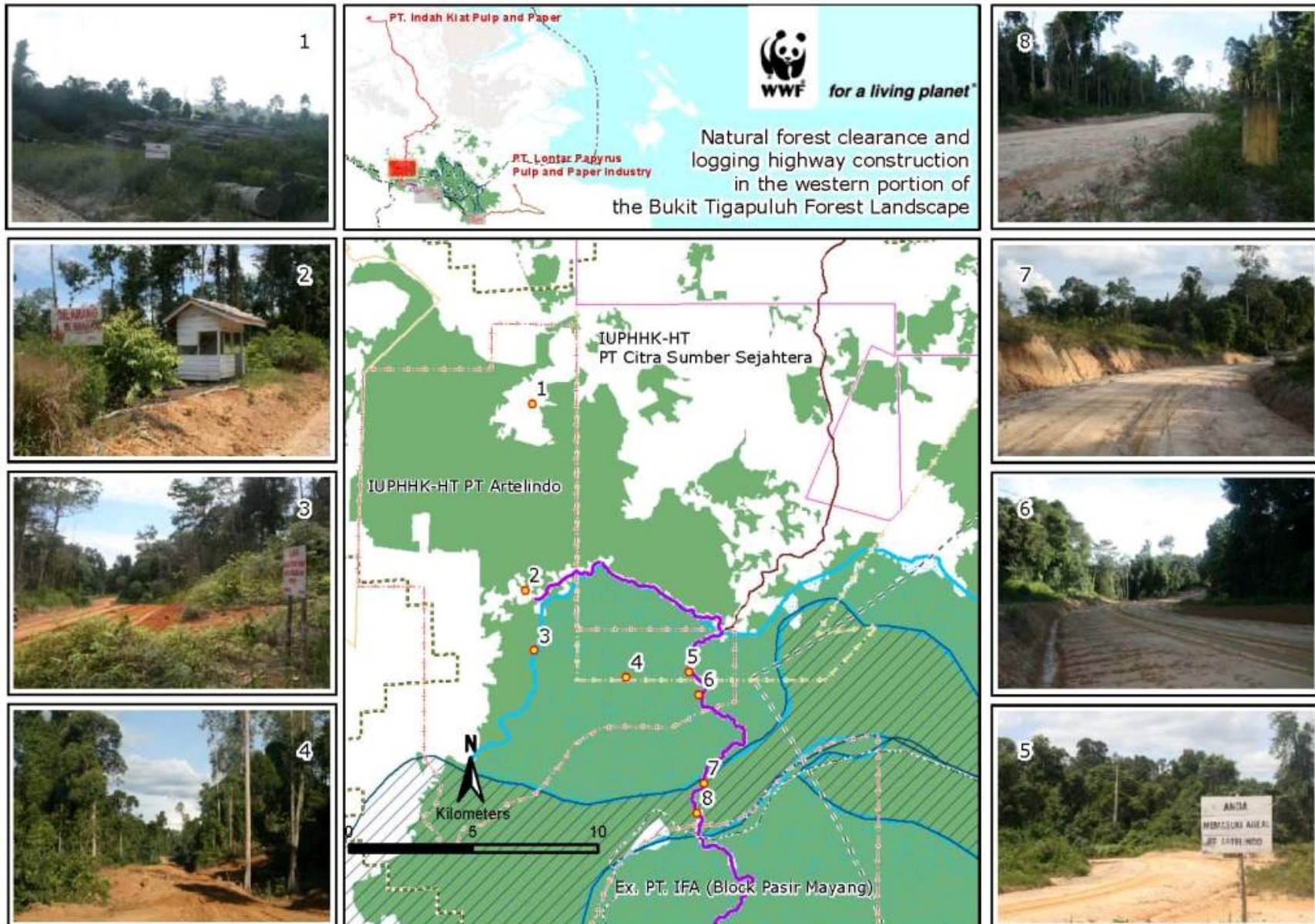
Legend

- Gps point survey
- Provincial Boundary
- Roads
- Former logging road
- Rebuilt by APP associated companies
- Animal Habitat
- Elephant Range 2006
- Tiger Conservation Landscape 2006

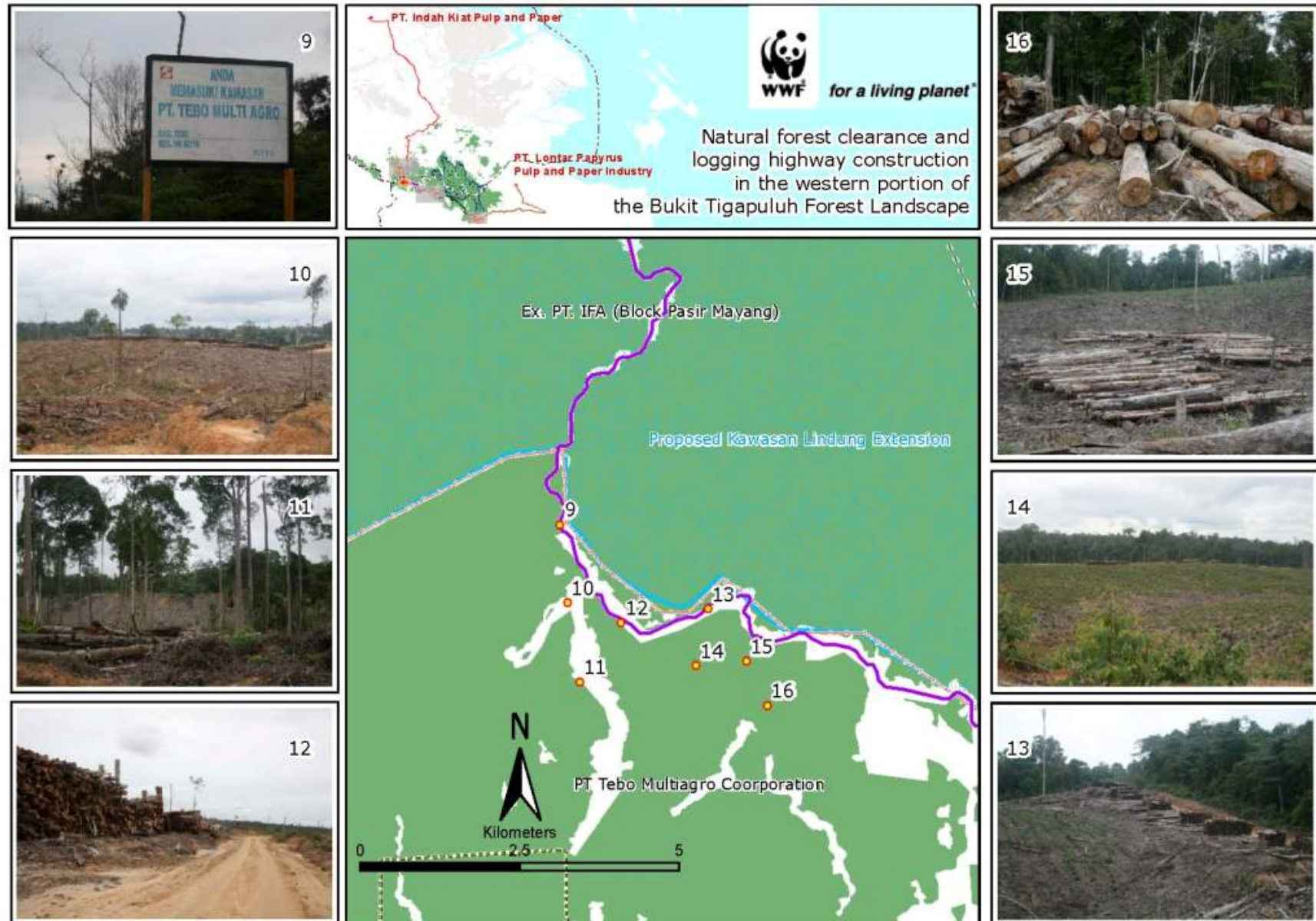
- Protected Area (MoF)
- Kawasan Lindung
- Forest cover 2007
- Joint Bukit Tigapuluh Conservation Vision
- Proposed Specific Protected Area (KDTK)
- Proposed Special Conservation Area inside HTI
- Proposed Kawasan Lindung Extension
- Proposed BTP NP Extension

- Pulpwood Plantation (HTI)
- APP Licensed
- APP Proposed
- APRIL Licensed
- APRIL Proposed
- Not Known

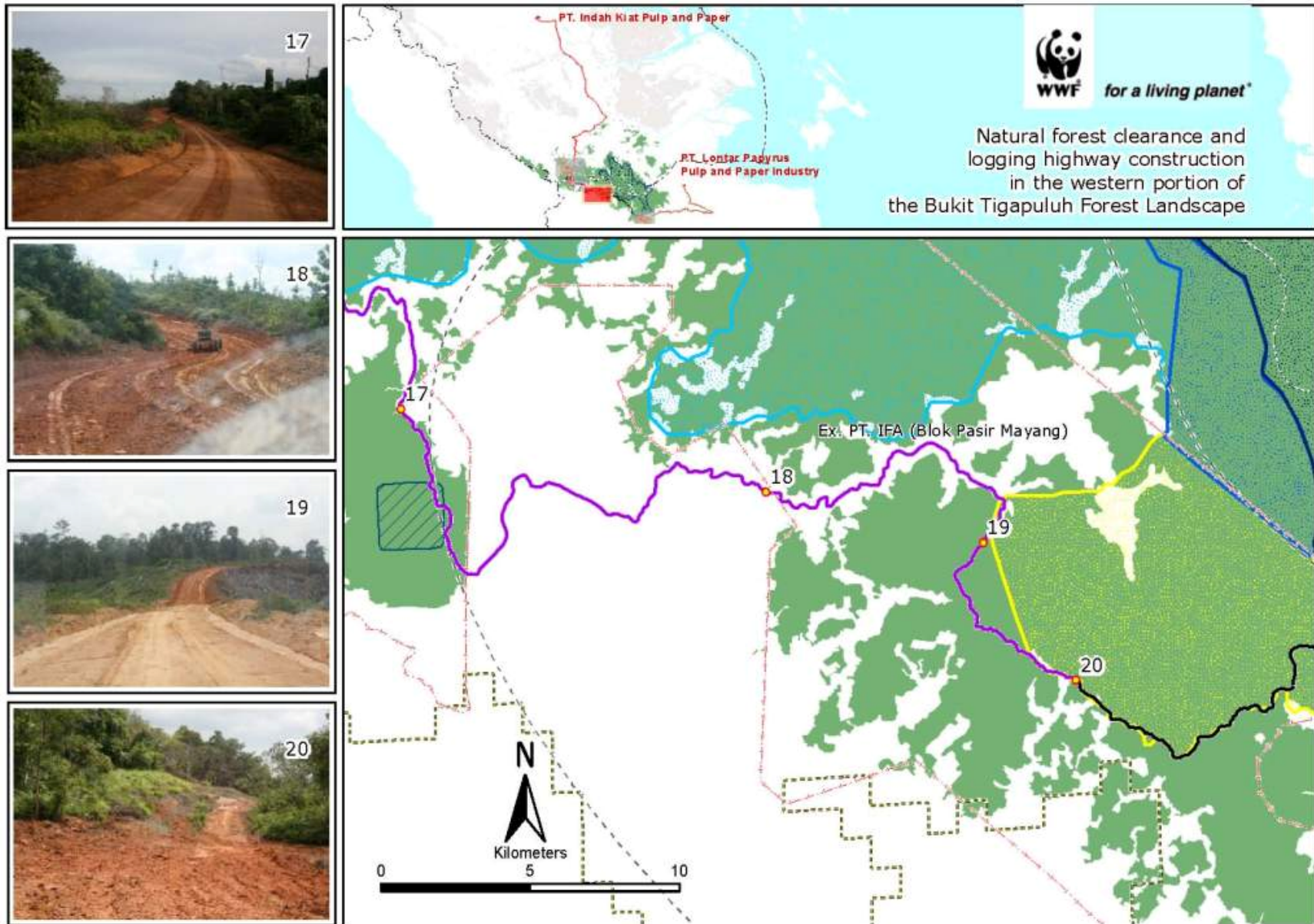
Map 4: Concession of PT Artelindo Wiratama, APP's company in Riau that constructs logging highway to its sister company in Jambi Province. This construction is done through Kawasan Lindung and clearcuts natural forest. This inset shows the logging highway between the APP pulp mills in Riau and Jambi.



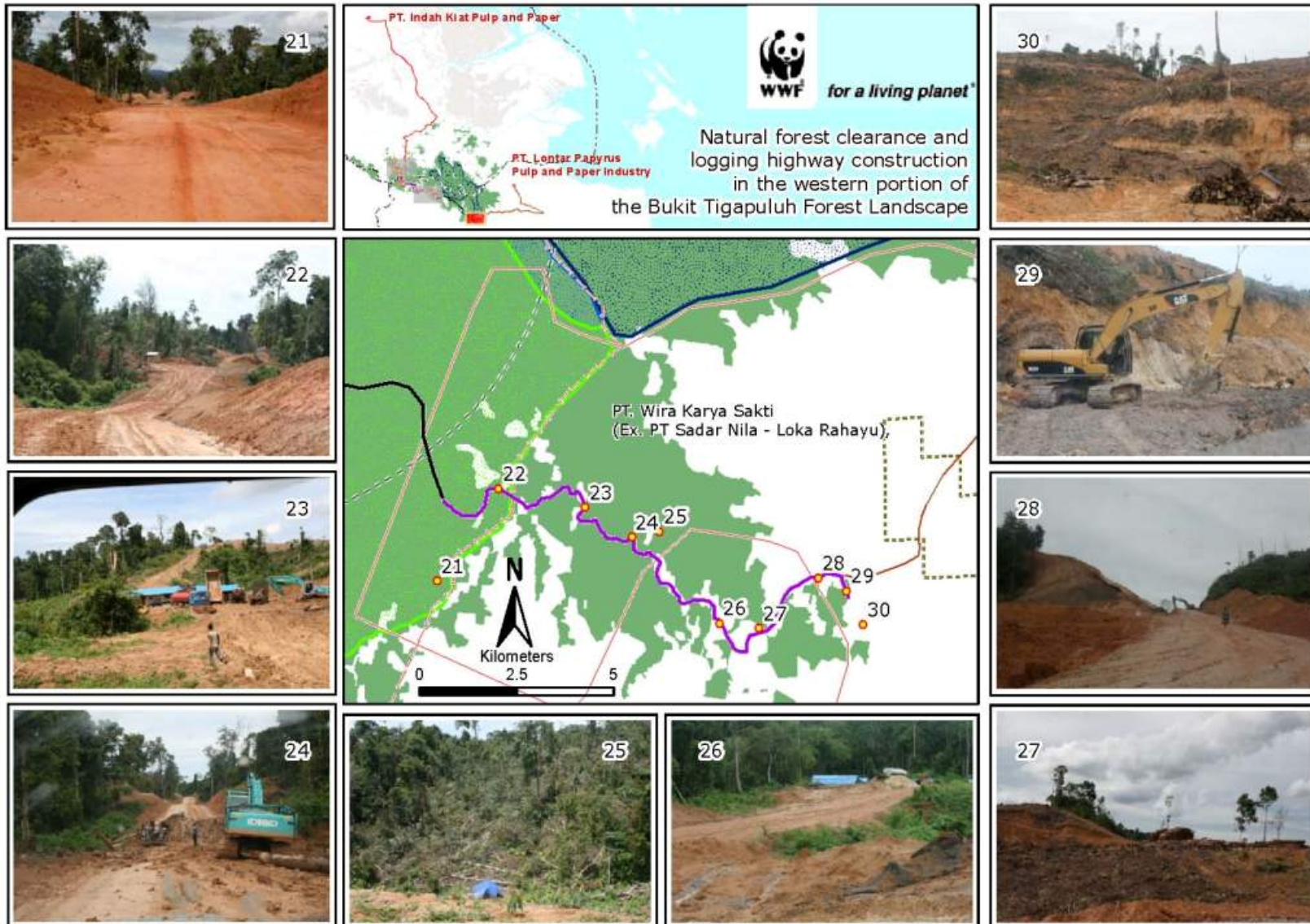
Map 5: Natural forest clearance in concession of PT Tebo Multi Agro, APP' associated company in Jambi Province and construction of logging highway in western portion of Bukit Tigapuluh Forest Landscape. This inset map shows that the logging highway between the APP pulp mills in Riau and Jambi.



Map 6: Construction of a logging highway (corridor) by APP in HPH concession of ex-PT IFA. Forest management for this HPH concession of ex-PT IFA has not been determined yet by the Ministry of Forestry, but meanwhile, APP has constructed the corridor as shown by purple lines and a would-be constructed road shown by black lines. Inset map shows logging highway between the APP pulp mills in Riau and Jambi.



Map 7: Natural forest clearance in a concession of PT Wira Karya Sakti, APP's associated company in Jambi and logging highway construction in the southern portion of the Bukit Tigapuluh Forest Landscape. The natural forest clearcutting by PT Wira Karya Sakti is on a concession that holds a license, but the company is also clearcutting and constructing a logging road beyond the license granted by the government. Inset map shows a logging highway between the APP pulp mills in Riau and Jambi.



3.1. Investigation Finding 1

When natural forest cleared inside a concession of PT Tebo Multi Agro

(Map 5 and Photos 9-16)

In this concession in the southwest of Bukit Tigapuluh National Park, the team found that PT Berjaya Indah Raya (BIR), a contractor of PT Arara Abadi and TMA (both APP affiliated companies in Riau and Jambi), has conducted natural forest clear cutting of 800 hectares. Approximately 70,000 cubic meters of chips to supply pulp production were found piled up there (*Photo 10*). Investigators found one bulldozer and three excavators belonging to PT BIR clearing natural forest.

Natural forest had been already clearcut by Sinar Mas Group/APP-associated companies in the TMA concession (*Photo 9*). According to regulation on pulpwood development concessions (HTI) in Indonesia, pulpwood operations are to be built only on barren land, such as shrubs and grassland, not on natural forest area (*Photo 11*).

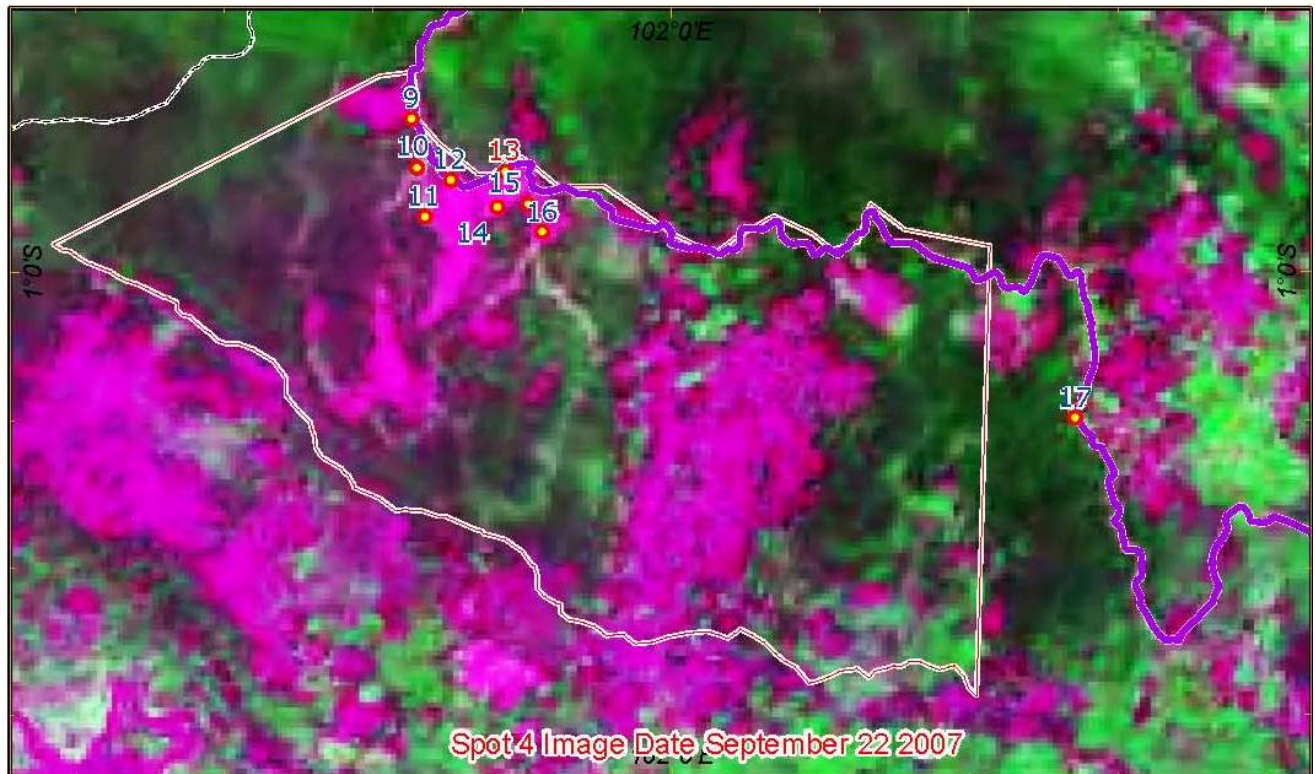
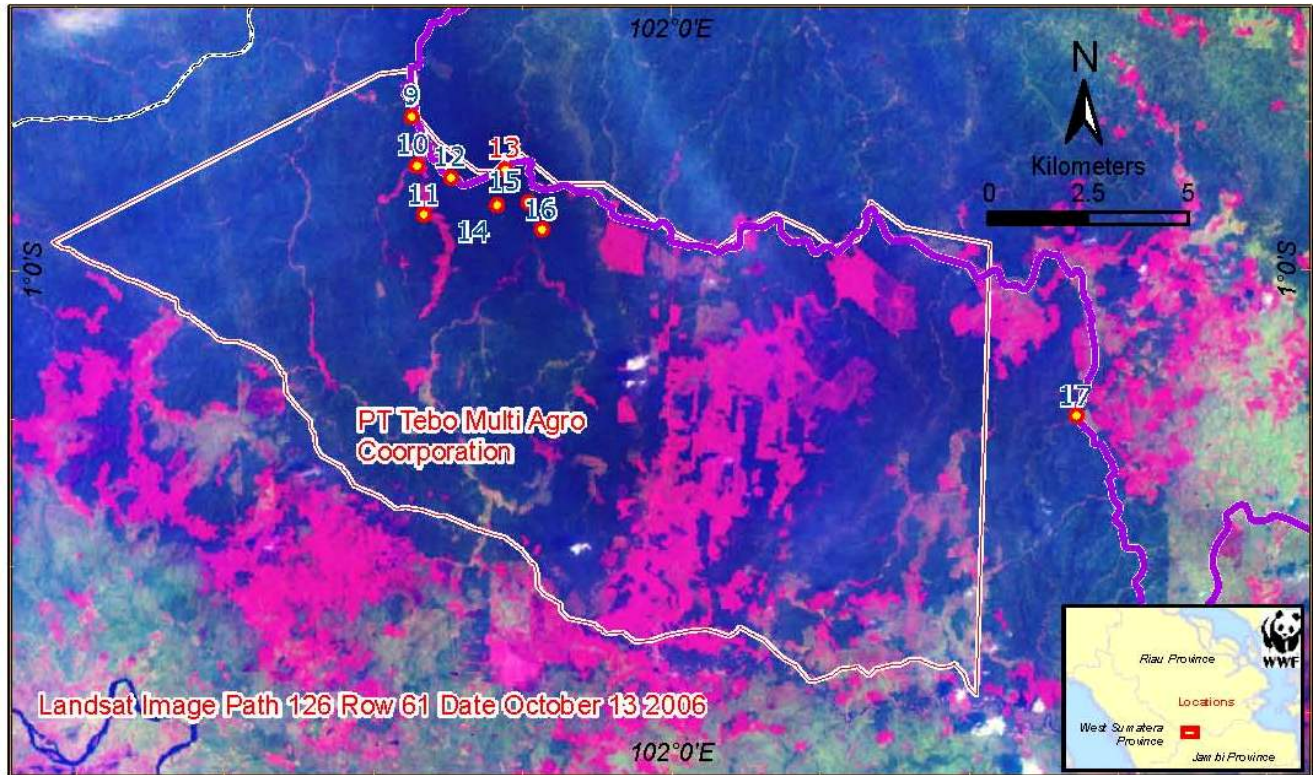
The team observed a line of commercial wood, plywood and sawn mill materials, as well as chips from natural forest used for pulp and paper material, taken from natural forest on TMA's pulpwood concession along the logging road built by the APP-associated company. The quantity of commercial wood with 30-cm and higher diameter in the log pound is estimated at 6,000 cubic meters (*Photo 12 and 13*).

Young acacia trees, approximately 4 month old, were planted by the APP group adjacent to piles of commercial logs and chip wood made from natural forest clearance by TMA (*Photo 14*)

Points 12, 13, 14, 15 and 16 are part of an 800-hectare natural forest that was already clearcut by TMA and there are piles of large-diameter logs suitable for plywood and sawn mill process. This again is in violation of HTI regulations, as there are still trees in the area from natural forest that should be managed in a sustainable way or be preserved as natural forest.

Based on Landsat and SPOT 4 satellite images of October 2006, the forest conversion in this location had already started before that month. According to SPOT4 satellite image of 22 September 2007, there are also two additional areas of fresh natural forest conversion in this concession (*See Map 8*).

Map 8. Natural forest condition on 13 October 2006 (Landsat satellite image) and 22 September 2007 (SPOT4 satellite image) in the TMA concession. Locations of Photos 9-16 are shown.



The detailed investigation concludes that TMA and APP should not have started and continued to clear natural forest in this concession on legal and conservation grounds because of:

1. Lack of proper license

Despite the ongoing forest conversion operation, the investigators could not identify any “Definitive License” issued by the Ministry of Forestry for this concession. This concession is part of an expired Selective Logging Concession (HPH) of PT Industries et Forest Asiatiques (IFA) that was defunct. Therefore the license for utilization this area should be issued by the Ministry of Forestry. The Tebo District Head only issued recommendation letter to PT TMA on the company’s plan to develop HTI and did not grant a permit to do logging activity for the company. But PT TMA and PT Arara Abadi (an APP subsidiary in Riau) have conducted logging in this area. If PT TMA and PT Arara Abadi do not have a “Definitive License” from the Ministry of Forestry, forest conversion by this company has to be considered illegal.

2. Violation of technical requirements by law

In addition, the investigation revealed that the natural forest should not be converted according to Indonesian laws because:

- It is still in good condition, with many large-diameter trees. Comparison of the Landsat satellite image of 13 October 2006 with SPOT4 satellite image of 22 September 2007 shows that the natural forest converted in the three areas inside TMA concession were still in good condition (*Map 8*). The forest conversion by TMA does not only target the small-diameter wood suitable for pulp production, but trees of more than 40-cm diameter (*Photo 12, 15, 16*).
➔ This forest should therefore not be converted into plantation based on Government Regulation Number 34/2002, article 30 point 3, which stipulates that HTI or forest product utilization business on timber plantation should be conducted on barren land, grass and or shrubs in production forest. The presence of very many large-diameter trees indicates that this concession should be maintained as a selective logging concession and not switched into pulpwood plantation concession to allow forest conversion.
- It is within the watershed of Pemberihan river. Indigenous Orang Rimba rely on this river for their livelihood.
➔ This forest should therefore not be converted based on Law Number 41 Year 1999 on Forestry Concerning Watersheds, which stipulates that natural forest within 100 meters from a river bank cannot be converted. The forest should be protected to ensure that the environmental services and natural resources provided by the river are well-maintained for indigenous people.

3. Destruction of High Conservation Value Forests

For the following reasons, the natural forest being converted should tentatively be considered High Conservation Value Forest according to the HCVF Toolkit for Indonesia and based on the precautionary principle, should be left untouched until a definite

landscape and FMU-level HCVF assessments have been undertaken and all HCVF are identified and protected:

- **The forest is located just outside the new extension of Kawasan Lindung jointly proposed by the five conservation organizations.**
- **The forest is inside the estimated range of a herd of Sumatran elephants with ca. 20 to 30 individuals.** This area of relatively flat, dry lowland forest of the Bukit Tigapuluh forest block is some of the last crucial remaining suitable natural elephant habitat in central Sumatra.
- **The forest is considered by tiger conservation scientists and experts as one of 20 Global Priority Tiger Conservation Landscapes**, those with the “highest probability of persistence of tiger populations over the long term” and that are of “Class I: landscapes that have habitat to support at least 100 tigers, evidence of breeding, minimal-moderate levels of threat, and conservation measures at place.”

3.2. Investigation Finding 2

Clearance splits protected areas inside and outside the concession of PT Wira Karya Sakti

(Map 7 and Photos 21-30)

The investigation team also conducted observation in the southeast of Bukit Tigapuluh National Park and found that some natural forest had been clearcut. In addition in this portion, conversion operations by WKS, an exclusive wood supplier to the APP pulp mill in Jambi, overlaps directly with the specific protected areas submitted by Bukit Tigapuluh conservation groups.

The final part of the logging road construction was found in the southern tip of the concession of PT Satria Baja Perkasa, a WKS contractor. The construction of the logging highway and clearcutting natural forest in Specific Protected Areas proposed by conservationists should be halted because it threatens the rich biodiversity in this Landscape (*Photo 21*)

PT Wira Karya Sakti, APP's subsidiary in Jambi, through its contractor PT Bali Muda Perkasa (BMP), had felled trees in a 50-hectare natural forest, where the investigation team found two heavy machines working on the concession (*Photo 22*). Sinar Mas Group (APP) is constructing a new logging road here by clearcutting natural forest, even splitting it into two sections: toward Bukit Tigapuluh National Park and former HPH concession of PT Dalek Hutani Esa, which was chosen by conservation groups as a proposed Specific Protected Area for reestablishing a Sumatran orangutan population.

A separate investigation conducted by WWF confirmed that the felled logs from natural forest are transported to PT Lontar Papyrus Pulp & Paper, APP's pulp mill in Jambi (*see Report: Lontar Papyrus Pulp and Paper (APP's subsidiary) receives illegal timber from Bukit Tigapuluh conversion*). APP should halt this deforestation immediately as the operation jeopardizes key biodiversity in one of the most valuable contiguous forests left in Sumatra.

The presence of a camp of Riau-based APP contractor, PT Satria Baja Perkasa (SBP), with trucks, bulldozers, and excavators on site, suggests that an acceleration of the deforestation, as shown by cleared natural forest surrounding it (*Photo 23*). An SBP excavator maintained the logging highway of WKS. The road widening, through natural forest, was from 5 meters to 20 meters wide and is legally questionable and prone to ecological damage. (*Photo 24, below*).



Caption: *Construction of new logging corridor through dense dry lowland forest in Bukit Tigapuluh, Riau © WWF Indonesia.*

Still, inside the WKS concession, natural forest clearance for HTI occurs in a 10-hectare area on a hill that had been flattened by machinery, which does not comply with existing forestry regulation (*Photo 25*).

Outside the WKS concession, forest clearance still goes on. The camp of the SBP contractor constructing the logging highway for WKS contributes to accelerated deforestation in a natural forest with high biodiversity. (*Photo 26*). Logging road construction and natural forest clearance should be halted immediately.

Questionable legality of forest clearance as well as ignorance of forest sustainability practices is taking place outside the concession. The team found two excavators and one bulldozer in a cleared forest outside PT WKS's HTI concession estimated to be about 150 hectares. Piles of logs suitable for plywood and sawn mill and chip wood for pulp and paper material were still lying on the ground. (*Photo 27*). The destruction of natural forest

by the APP group is obviously damaging the ecology and its legality is questionable as well.

In two separate points, three excavators belonging to SBP, WKS contractor, were seen flattening natural forest and widening the logging highway. The road engineering inside the forest is questionable in terms of legality and ecological aspects as it could be a gateway to natural forest destruction and other imminent threats to populations of endangered Sumatran tigers, elephants and orangutans as well as indigenous people in the Landscape. (*Photo 28 and 29*)

Log piles of APP-associated company from natural forest conversion, road widening and pulpwood land clearance are also activities that incite climate change. (*Photo 30*)

The recent conversion of the remaining natural forest in this area began in July 2007 to first obtain natural forest wood, develop a pulpwood plantation and to reconstruct a logging road that seems to connect this concession and the TMA concession to the east and ultimately connect both concessions to APP's Riau and Jambi pulp mills. Deforestation in Bukit Tigapuluh and other protected areas thus appears to be an extremely costly sacrifice for the sake of a driving shortcut that benefits APP solely.

Detailed investigation concludes that WKS and APP should not have started and continued to clear natural forest inside or outside this concession on legal and conservation grounds because of:

1. Lack of proper license

WKS did not have a license for clearing forest outside its concession (*Photo 26 dan 27*). In addition, the investigation revealed that some of the natural forest inside the WKS concession should not be converted under Indonesian laws because:

- The forest is still in good condition with numerous large-diameter trees. Forest conversion by WKS is not only targeting small-diameter trees suitable for pulp production, but also the trees with 40-cm and higher diameter (*Photo 25 and 30*)

2. Violation of technical requirements by law

In addition, the investigation revealed that some of the natural forest inside this WKS concession should not be converted according to Indonesian laws because:

- They are still in good condition. A Landsat satellite image of 13 October 2006 shows that some of the natural forest in the area around where *Photos 21-30* were taken inside and outside the WKS concession were still in good condition. *Photos 21 and 22* show that the forest on both sides of the rebuilt logging highway inside the newly proposed Specific Protected Area for the survival of a re-introduced population of Sumatra orangutan were still dense forest in November 2007.
➔ This forest should therefore not be converted into a plantation, based on Government Regulation Number 34/2002, article 30 point 3, stipulating that HTI or

acacia plantations planted to supply pulp production should be on barren land, grassland, or shrubland. . The presence of numerous large-diameter trees shows that this concession should be preserved for selective logging and not be converted into an acacia plantation concession, which would allow forest conversion.

- WKS clearcuts forest outside the HTI license granted it by the Ministry of Forestry.

→ Based upon President of Republic of Indonesia's Directives Number 4 Year 2005 On Eradicating Illegal Logging in Forest Area and Its Distribution throughout Indonesia, the clearance outside the concession is regarded as illegal logging activity because cutting trees or harvesting or obtaining wood forest product originating from a forest area without attaining rights or permits from an authorized official. According to Government Regulation Number 45 year 2004, Article 14 point (2): "That included in utilizing forest without permit is: concession holder conducting forest management outside the area of granted license."

3. Destruction of High Conservation Value Forests

For the following reasons, the natural forest being converted inside and outside the WKS concession should tentatively be considered High Conservation Value Forest according to the *HCVF Toolkit for Indonesia* and based on the *precautionary principle* be left untouched until definite landscape and FMU-level HCVF assessments have been undertaken and all HCVF are identified and protected:

- **The forest is considered by tiger conservation scientists and experts as one of the Global Priority Tiger Conservation Landscapes** with the "highest probability of persistence of tiger populations over the long term" and a "Class I landscape," with habitat to support at least 100 tigers and evidence of breeding.
- **The forest is connected to both Bukit Tigapuluh National Park and the newly proposed Specific Protected Area for the survival of a re-introduced population of Sumatra orangutans, jointly proposed by the five conservation organizations.** WKS is already rebuilding a logging highway into this proposed Specific Protected Area with good forest (*Photo 21, 22*).

- **The forest is being used by Orang Rimba.** The investigators met with Orang Rimba children on the rebuilt logging highway. Forest areas fundamental to meeting basic needs of local communities (HCV5) and critical to local communities' traditional cultural identity (HCV6) should not be converted. Forest conversion for a logging road can pose threats to the social and economical rights of indigenous tribes.



Photo: Children of indigenous Orang Rimba around Bukit Tigapuluh national park – where should they go from here? © WWF-Indonesia.

3.3. Investigation Finding 3

An excuse to revitalize a logging highway by destroying natural forest in ex HPH of PT IFA

(Map 6, Photos 17, 18, 19 and 20)

In the western portion of Bukit Tigapuluh, within the former concession of PT Industries et Forest Asatiques (IFA), which is not active, head to PT. Tebo Multi Agro not sure what this means??. reconstruction or widening of a logging highway is looming.

Inevitably, a logging road carving deeper into “no man’s land” has resulted in natural forest that being cleared and providing easier access into existing and proposed protected forests.

A small, former logging road in the ex HPH concession of PT IFA has been reactivated by TMA through its contractor, PT Berjaya Indah Raya (BIR) even though the HTI concession proposal that not yet been determined by the Ministry of Forestry. The corridor road presence will escalate the pace of deforestation (*Photo 17.*)

The investigation team found BIR heavy machinery working on road maintenance inside the defunct PT IFA's HPH concession. The legality of this natural forest conversion operation is questionable as the management of the concession is under review by the Ministry of Forestry. It remains questionable whether APP group has met the requirements of the environmental impact assessment and other requirements (*Photo 18*).

A logging highway cutting through natural forest allows easy access for deforestation by illegal loggers. That happened in the ex PT IFA concession, where a road led to natural forest being encroached, depleted and burned. APP and its associates, who opened the road, have contributed to the deforestation (*Photo 19*).

A very wide road reconstruction project by BIR provides easy access for forest damage, such as illegal logging, forest encroachment, and arson. The team found one bulldozer is working to broaden the road from 5 meters to 20 meters. The forest management plan for the former PT IFA concession is underway at the Ministry of Forestry and the natural forest conversion already begun by APP group is legally questionable (*Photo 20*).

Detailed investigation concludes that WKS or APP should not have started and continued to clear natural forest inside or outside this concession on legal and conservation grounds due to:

Lack of proper license

WKS should not have started and continued to clear natural forest in ex PT IFA's concession due to lack of license (*Photo 18, 19, and 20*).

3.4. Investigation Finding 4

A logging highway is constructed to connect APP's Riau and Jambi pulp mills through Bukit Tigapuluh Forest Landscape

(Map 3, 4, 5, 6, and 7, Photos 1-30)

Based on the findings, the investigation team is concerned that soon the Bukit Tigapuluh Forest Landscape will be split into two by a large logging highway that connects APP-associated concessions overlapping with the Bukit Tigapuluh Forest Block with APP's pulp mills in Riau and Jambi.

PT Artelindo Wiratama is one of the subsidiaries of Sinar Mas Group and APP that is based in Riau. The team found a logpond of commercial wood (timber for sawn mill/plywood) in a concession of PT Artelindo Wiratama. Commercial logs in this logpond are estimated amount to 12,300 cubic meters. This indicates that PT Artelindo

Wiratama conducts natural forest conversion and that these logs are not transported (*Photo 1*).

An Artelindo security checkpoint and signboard from Sinar Mas Group decreeing “No Burning” and a warning message against encroachment and arson is ironic, as this group is still widening and constructing a new logging road. (*Photo 2,3*)

The logging road in Artelindo’s concession (in Riau) toward a concession of PT TMA (Jambi) is engineered from natural forest clearcutting. This easy access to the forest is believed to be triggering massive deforestation. The forest scenery is likely to disappear as the existing road is widened, as happens with other logging roads in the Bukit Tigapuluh Forest Landscape (*Photo 4*).

APP ambitiously wants to connect its two pulp mills in these two provinces, -- PT Indah Kiat Pulp & Paper and PT Lontar Papyrus Pulp & Paper -- by sacrificing natural forest and wildlife. A signboard declares “You are Entering PT Artelindo,” on logging road connecting Artelindo (Riau) and TMA (Jambi). The logging highway is constructed by felling trees of natural forest and the legality of this conversion practice is questionable. (*Photo 5, 6*)

A remote sensing survey depicts that logging road in the Artelindo concession toward TMA’s is situated inside the Bukit Betabuh protected area, meaning that the road construction is built by splitting the protected forest. Therefore, this widening road is evidence of natural forest destruction inside a protected area by APP-affiliated companies. (*Photo 7*)

The Artelindo logging road toward TMA is also the boundary of the Bukit Betabuh protected area (Riau) and Bukit Limau (Jambi), which should not be converted. This point is also the border of Riau Province and Jambi Province. The logging road inside protected forest is an imminent threat against deforestation and disturbance to wildlife surrounding the area. (*Photo 8*)

The western portion of logging highway goes from the APP pulp mill in Riau ((PT Indah Kiat Pulp & Paper) in northwest of Bukit Tigapuluh Forest Landscape to PT Artelindo (Riau) and continues to the TMA concession through the Bukit Betabuh–Bukit Limau protected forest in Jambi, then on to the newly constructed and widened road in PT IFA’s former HPH concession:

1. Concession of PT Artelindo, APP associated company in Riau. *Photo 5* displays signboard read “You are Entering PT Artelindo Area.”
2. Bukit Betabuh (Riau) – Bukit Limau protected forest (Jambi) (*Photo 7 and 8*)
3. TMA concession (*Photos 11 and 13*)
4. Ex PT IFA’s HPH concession (*Photos 19 and 20*)

The eastern portion of the logging highway starts from APP’s Jambi pulp mill (PT. Lontar Papyrus Pulp & Paper Industry) in the east of the Bukit Tigapuluh Forest Landscape, then continues to the already reconstructed and widened road through PT

WKS to the Specific Protected Forests^{vi} (Forest Area for Specific Designation) for reintroduction of Sumatra orangutan population (*Map 7*):

1. Inside WKS concession
2. Outside WKS concession (*Photos 26, and 27*)
3. Inside WKS concession again
4. Inside WKS concession, inside the jointly proposed Specific Protected Area for the survival of a re-introduced population of Sumatra orangutan (*Photos 21 and 22*)

A detailed investigation concludes that logging highway construction involving natural forest clearance in some areas is allegedly illegal due to a lack of valid licenses:

→ Based on Decree of Minister of Forestry Number SK.352/Menhut-II/2004 on Construction Permit and Use of Logging Road for Activity of Forest Product Management on Natural Forest or On Timber Plantation, article 3 point (1) stipulates that a permit for logging road construction is only allocated on:

- a. Production forest
- b. Other Utilization Area (APL) or Non-forestry Cultivation Area (KBNK), making the construction and use of logging road in a protected area illegal.
 - PT Berjaya Indah Raya, contractor of PT TMA (APP) should not start and continue to clearcut natural forest and construct logging road as it occurs in ex-PT IFA's expired HPH concession and there is currently no Minister of Forestry Decree on this area's management. (*Photo 18, 19, and 20*)
 - WKS clearcuts natural forest, constructs and uses logging highway without license provided by the government.

4. Recommendations by the Local Conservation Organizations

Regarding **natural forest clearance**, the conservation organizations call on all of **APP's** associated companies clearing natural forests in the above mentioned areas or other areas in the Landscape to:

1. Declare a moratorium on clearing of any natural forest where ecological, environmental and cultural conservation values have not been determined and protected and on sourcing of any wood from such clearances.
2. Commission independent assessments of the conservation values of these forests using the Indonesian HCVF Toolkit in a publicly transparent manner and commit to the protection of all high conservation values identified through such assessments.
3. Cease all forms of forest clearance that are in breach of national Indonesian laws and regulations.
4. Cease all purchases of pulpwood that cannot be verified as having been harvested legally.
5. Support global programs to avoid deforestation, at least in this Landscape.

The conservation organizations also ask **the Government** to:

- a. Evaluate HTI concession licenses as well as clearcutting operations conducted by APP-affiliated companies in Bukit Tigapuluh Forest Landscape.
- b. Supervise and issue a license policy for HTI and other permits in compliance with the existing laws.
- c. Encourage HTI concession holders and others, where there are natural forests in their concession, to protect and maintain it as Kawasan Pengelolaan Khusus (specific management area) inside their concession.

Regarding the road construction, the conservation organizations call on APP's associated companies reconstructing these roads through the Landscape to:

1. Not reconstruct any more former logging roads or open new roads that cut through natural forests to avoid encroachment, illegal logging and wildlife poaching.
2. Not construct or reconstruct any roads that split natural forest, in an effort to avoid encroachment, illegal logging and wildlife poaching.
3. Submit their permits for the opening of these roads.
4. Should this highway between the Riau and Jambi mills be proved legal, close it or protect it with efficient security to protect the natural forests and wildlife from any encroachment, logging and poaching that happens along its road.
5. Should this road be illegal, immediately close it.

The conservation organizations also call on **the Government** to:

- a. Review all permits for construction and use of the logging highway by APP from Riau to Jambi, particularly through Protected Area, ex PT IFA's concession, and outside PT WKS, because based on the existing regulations, construction and use of logging road is not allowed inside Protected Area.
- b. Take a stern measure against the companies that construct and use logging roads without proper license and ensure the responsibility of the companies.

*** END ***