



GREENPEACE



Efransjah, CEO
WWF Indonesia
Graha Simatupang Tower 2 Unit C, 10th Floor
Jalan Letjen TB Simatupang
Jakarta - 12540

Kumi Naidoo, Executive Director
Greenpeace International
Ottho Heldringstraat 5
1066 AZ Amsterdam, Netherlands

Lindsey Allen, Acting Executive Director
Rainforest Action Network
425 Bush Street, Suite 300
San Francisco, CA 94108

Kim Carstensen,
Director FSC
International Charles
de Gaullestr. 5
53113 Bonn, Germany

cc:
Stefan Salvador, Director of the FSC Quality Assurance
Unit. Thomas Colonna, Dispute Resolution Manager

13 May 2013

Dear Kim

WWF Indonesia, Greenpeace International and the Rainforest Action Network are writing to initiate a formal complaint over FSC's association with APRIL group companies. We seek application of the FSC Policy of Association to APRIL group companies in China, Macau and Singapore:

We look forward to your timely consideration of this complaint by the FSC, and successful resolution consistent with the FSC's requirements under its Policy of Association.

Yours truly,

Efransjah
WWF Indonesia

Kumi Naidoo
Greenpeace International

Lindsey Allan
Rainforest Action Network

Complaint objectives:

The objectives of this complaint is for the FSC to:

- 1) dissociate itself from all APRIL group companies in China, Macau and Singapore and remove the FSC COC/CW certificates and logo licenses
- 2) avoid future association with any company within either the APRIL group or the parent RGE group

APRIL group companies concerned and associated certificate and license numbers

APRIL group company	Country	Certificate numbers	License numbers
APRIL Fine Paper Trading Pte Ltd	Singapore	BV-COC-004370	FSC-C102681
APRIL Fine Paper Trading Ltd	Macau	BV-COC-004370	FSC-C102681
Alkira Trading (Macao Commercial Offshore) Limited	Macau	BV-COC-004370	FSC-C102681
AP Enterprises (Macao) Commercial Offshore Limited	Macau	BV-COC-004370	FSC-C102681
Primeyield Enterprise Pte Ltd	Singapore	BV-COC-004370	FSC-C102681
APRIL Fine Paper Macao Commercial Offshore Limited	Macau	BV-COC-004370	FSC-C102681
April Fine Paper (Guangdong) Co. Ltd	China	SGSHK-COC-010653	FSC-C113312
Shandong Asia Pacific SSYMB Pulp & Paper Co Ltd	China	SGSHK-COC-007939	FSC-C100387
Suzhou Industrial Park Asia Pacific Paper Converting Co. Ltd	China	QMI-COC-001378	FSC-C108007
Suzhou Ascend Pulp & Paper Co., Ltd.	China	QMI-COC-001448	FSC-C110790

Short description of the complaint

WWF Indonesia, Greenpeace International and the Rainforest Action Network are alarmed about the on-going large-scale deforestation activities of the APRIL group in Indonesia, as well as other companies within the parent Royal Golden Eagle (RGE) group.

In 2010, APRIL Indonesia's interim FSC Controlled Wood certificate was suspended based on non-conformities of APRIL operations with FSC Controlled Wood requirements and non-compliance with agreed preconditions. However, a number of companies within the APRIL group currently remain associated with the FSC through the CoC certificates listed above. We believe that these companies' association is causing damage to the FSC brand.

Therefore, the objectives of this complaint are for the **FSC to:**

- 1) dissociate itself from all APRIL group companies and remove the FSC COC/CW certificates and logo licenses
- 2) avoid future association with any company within either the APRIL group or the parent RGE group.

WWF-Indonesia, Greenpeace International and Rainforest Action Network, respectfully submit this formal complaint concerning issuance of FSC certificates and license agreements to use FSC trademarks to APRIL group companies in violation of the FSC Policy of Association, FSC-POL-01-004 V2-0 EN. We are submitting this formal complaint in order to seek resolution of this matter as per the requirements of FSC dispute resolution procedures, FSC-PRO-01-009 (V2-1) EN, and as additionally elaborated in «FSC Dispute Resolution System» guidance.¹

In initiating this formal complaint process, we agree to adhere to the terms and provisions of the dispute resolution process as described in FSC-PRO-01-009 (V2-1) EN. To assist with this process, we provide consent to the FSC to share this complaint letter with APRIL staff.

Background to APRIL's associations with the FSC

Asia Pacific Resources International Limited (APRIL) is a limited liability company incorporated in Bermuda and ultimately controlled by the Tanoto Family.² Through its subsidiaries, it has operations in various jurisdictions, including Indonesia, Macau, China and Singapore. In the following, unless otherwise indicated, 'APRIL' refers to the APRIL group of companies collectively.

In 2008, Rainforest Alliance's SmartWood Program granted FSC Chain Of Custody and Controlled Wood certificates to APRIL group companies in Indonesia, PT Riau Andalan Pulp & Paper Forestry Division (Riau fibre), PT Riau Andalan Pulp & Paper and PT Riau Andalan Kertas: SW-CW/FM-003712, SW-COC-003714PT, SW-CW-003714, SW-COC-003713 SW-CW-003713. These certificates were issued as valid from 30 December 2008 to 29 December 2013.³

In April 2010, Rainforest Alliance's SmartWood Program suspended APRIL Indonesia's interim FSC Controlled Wood certificate⁴. The decision was based on audits carried out by the Rainforest Alliance in December 2009 that found major non-conformities of APRIL operations with FSC Controlled Wood requirements, as well as non-compliance with a set of pre-conditions outlined in a Rainforest Alliance letter of August 2008 to APRIL: In particular, this letter requested that:

'APRIL immediately declare a moratorium on harvesting of any potential HCWF that is in dispute with any stakeholder until RA/SW has full information on the dispute and can provide technical input as to the validity of the HCWF.'

Rainforest Alliance's corrective action request that 'APRIL must, within 10 days [...] stop all conversion of natural forest, including secondary or degraded forest in peat forest areas'¹ was not met, and it terminated the controlled wood certificate.⁵ Since then, no attempt has been made by APRIL to regain its FSC CW certificates in Indonesia.

Despite Rainforest Alliance's attempt to get APRIL to change its practices, the company has continued to conduct large-scale forest conversion to pulpwood plantations and to destroy areas containing both social and environmental HCVs (see evidence section).

Although APRIL group companies in Indonesia lost their FSC CW certificates, a number of the group's companies in China, Macau and Singapore with clear links to APRIL (as demonstrated below) still have active certificates. These are:

- APRIL Fine Paper Trading Pte Ltd [Singapore]
<http://info.fsc.org/Detail?id=a0240000006swBhAAI>
- APRIL Fine Paper Trading Ltd. [Macau]

- Alkira Trading (Macao Commercial Offshore) Limited [Macao]
 - AP Enterprises (Macao) Commercial Offshore Limited [Macao]
 - Primeyield Enterprise Pte Ltd [Singapore]
- <http://info.fsc.org/Detail?id=a024000006swBhAAI>
- APRIL Fine Paper Macao Commercial Offshore Limited [Macao]
<http://info.fsc.org/Detail?id=a024000006swBhAAI>
 - APRIL Fine Paper (Guangdong) Co. Ltd. [China]
<http://info.fsc.org/Detail?id=a024000000BRGMaAAP>
 - Shandong Asia Pacific SSYMB Pulp and Paper [China]
<http://info.fsc.org/Detail?id=a024000005subKFAAY>
 - Suzhou Industrial Park Asia Pacific Paper Converting [China]
<http://info.fsc.org/Detail?id=a024000007nZkhAAE>
 - Suzhou Ascend Pulp & Paper Co., Ltd. [China]
<http://info.fsc.org/Detail?id=a02400000095SQHAA2>

Complainants concerns communicated to APRIL about its deforestation activities and APRIL's responses

APRIL has a history of responding to NGO concerns through issuing statements on its website, which fail to respond to the key issues raised. One of its most recent one was dated 21 February 2013, which states APRIL is '*not about deforestation*'⁶, even though APRIL states elsewhere on the same website that continued deforestation ('conversion') is part of its business model.

WWF has directly conveyed its concerns to APRIL through publishing various Eyes on the Forest reports on the company's deforestation activities in Riau, the latest being published in December 2012.⁷ APRIL has publicly responded that its position has not changed and that it plans to continue to target natural forest as fibre for their mill. (See APRIL statement dated 24 December 2012.⁸)

Greenpeace has also conveyed its concerns on APRIL through publishing material on its website⁹ and by writing to Mr Sukanto Tanoto, the owner of APRIL and its parent group holding company RGE: This letter,¹⁰ dated 5 February 2013, was sent through Mr Sunil Sood and Mr AJ Devanesan, who are part of APRIL's management. To date, no written response to these concerns and question has been provided by the company. It has issued a statement on its website dated 22 March 2013.¹¹

RAN has conveyed its concerns through its website since 2010 and has recently requested its supporters to write to Mr Sukanto Tanoto.¹²

These, like earlier direct communications with APRIL by our organizations, have unfortunately proven non-productive in regards to APRIL's on-going deforestation and social conflict issues, as outlined in this document.

Specific non-compliance with FSC requirements

The FSC should dissociate itself from all APRIL companies because of the groups large-scale and on-going conversion of natural forests to plantations, including the destruction of areas containing both social and environmental HCVs, continuing significant conversion of natural forests as well as a persistent pattern of failure to respect traditional and human rights. These issues fall under the FSC Policy of Association, FSC-POL-01-004 V2-0 EN. Relevant requirements include [emphasis added on most relevant parts]:

*'FSC will only allow its association with organizations that are not **directly or indirectly involved** in the following unacceptable activities:*

- a) Illegal logging or the trade in illegal wood or forest products*
- b) Violation of traditional and human rights in forestry operations***
- c) Destruction of high conservation values in forestry operations***
- d) Significant conversion of forests to plantations or non-forest use***
- e) Introduction of genetically modified organisms in forestry operations*
- f) Violation of any of the ILO Core Conventions'*

AND

*'Indirect involvement: Situations in which the associated organization or individual, with a minimum ownership or voting power of 51%, **is involved as a parent or sister company, subsidiary**, shareholder or Board of Directors to an organization directly involved in unacceptable activities. Indirect involvement also includes activities performed by subcontractors when acting on behalf of the associated organization or individual.'*

AND

'Forest Conversion

Rapid or gradual removal of natural forest, semi-natural forest or other wooded ecosystems such as woodlands and savannahs to meet other land needs, such as plantations (e.g. pulpwood, oil palm or coffee), agriculture, pasture, urban settlements, industry or mining. This process is usually irreversible.'

'Significant conversion

Conversion is considered significant in any case of:

- **Conversion of High Conservation Value Forests**
- *Conversion of more than 10% of the forest areas under the organization's responsibility in the past 5 years*
- **Conversion of more than 10,000 ha of forests under the organization's responsibility in the past 5 years'**

Provision of supportive evidence

1) Evidence of APRIL's destruction of social and environmental high conservation values during forest conversion to plantations

Eyes on the Forest – a coalition of environmental NGOs in Riau, Sumatra – monitors the status of the remaining natural forests in Sumatra's Province of Riau. The coalition – which consists of WWF-Indonesia, Walhi (part of Friends of the Earth) and Jikalahari (the Riau Forest Rescue Network) – has undertaken regular monitoring of the Indonesian pulp and paper sector via field investigations and analysis of satellite imagery: the findings are

reported on the Eyes on the Forest website www.eyesontheforest.or.id/. Further, the Google Earth interactive maps (<http://maps.eyesontheforest.or.id>) include an Eyes on the Forest mapping database where APRIL supplier concessions in Riau can be viewed in relation to deforestation data, as well as wildlife distribution, peatland distribution, etc.

The Eyes on the Forest report, 'Asia Pacific Resources International Limited (APRIL): Riau, Sumatra's biggest forest pulper 2009 to 2012 - questionable legality, social conflicts and global warming', launched in Dec. 2012, shows that APRIL is still engaged in large-scale clearance of natural forests, including areas of critical tiger habitat and areas of social value in violation of local rights. A key finding of the report includes: 'At least 140,000 hectares of natural forest were lost in all APRIL supplier concessions between 2008/2009 and 2011 in Riau; equivalent to the loss of 5% of the natural forest remaining [in Riau] in 2008/2009 and 27% of the total forest lost between 2008/9 and 2011.' The full report is available at: [http://www.eyesontheforest.or.id/attach/EoF%20\(20Dec12\)%20APRIL%20Riau%20Sumatras%20biggest%20forest%20pulper%202009%20to%202012.pdf](http://www.eyesontheforest.or.id/attach/EoF%20(20Dec12)%20APRIL%20Riau%20Sumatras%20biggest%20forest%20pulper%202009%20to%202012.pdf)

APRIL's response to the Eyes on the Forest report **did not deny** the large-scale clearance of rainforests and peatlands. On the contrary, it confirmed that its plantation development is reliant on clearance activities:

'We are transparent about the fact that establishing those plantations as a renewable and sustainable source of fibre involves lawful clearance of land areas within our concessions and that fibre generated from that clearance is used in certain of our products.'¹³

APRIL also publically recognizes that it **does not qualify** to be associated to FSC:

'In mid-2011 the FSC adopted a revised 'Policy for Association' which precludes from certification any company that has converted more than 10% of its land concessions, or alternatively more than 10,000 hectares, over the preceding 5 years. This precludes APRIL and many other companies who are in the process of establishing plantations from qualifying for certification and creates real issues for the relevance and applicability of the FSC system to the Indonesian context.'¹⁴

Although APRIL has previously claimed that 'by 2008/9 APRIL's tree plantations will be supporting all of the pulp mill's requirement for 2 million tons of pulp production',¹⁵ recent government data – which reports delivery of pulpwood fibre to APRIL's Riau Andalan Pulp & Paper (RAPP) mill¹⁶ – reveals that up to 60% of fibre supplying mill is rainforest wood, or Mixed Tropical Hardwood (MTH).¹⁷ Confidential evidence seen by Greenpeace International, shows that in 2012, APRIL planned to feed it's RAPP mill by clearing another 60,000 hectares of rainforest – an area nearly the size of Singapore.¹⁸

Further, a recent statement from APRIL confirms that it has 'not set a new deadline ... towards a goal of establishing sufficient plantation sources to meet future fibre supply needs'.¹⁹

The above clearly demonstrates that since APRIL's FSC certificates in Indonesia were suspended in 2010, the group has continued, and continues to plan, to rely on rainforest clearance to feed its RAPP pulp mill in Sumatra.

2) Evidence of APRIL impacts on social and environmental HCVs during forest conversion to plantations

In April 2010, Rainforest Alliance's SmartWood Program suspended APRIL's interim FSC Controlled Wood certificate for its PT. Riau Andalan Pulp and Paper Forestry Division

(Riaufiber) operations, which cover approximately 350,000 hectares out of more than 1.8 million hectares APRIL has under its management.

The decision was based on RA/SW audits in 2009 that found non-conformity of APRIL operations with FSC Controlled Wood requirements, as well as non-compliance with Rainforest Alliance's conditions – agreed by APRIL in August 2008 – not to clear any natural forests for which no professional HCVF assessments had been done or for which APRIL's own HCVF delineation was disputed by stakeholders.²⁰

In its response to the most recent Eyes on the Forest report, APRIL recognizes that it does not apply FSC's definition of HCVs:

*'Regarding references to FSC in the Eyes on the Forest Report, it is correct that APRIL and FSC's agencies could not reach agreement on definitions of HCVF. Definitions of HCVF in an Indonesia context vary widely and are unclear.'*²¹ [Emphasis added]

FSC defines High Conservation Value (HCV) areas as those containing any of the following six values:²²

- *HCV1 – Species Diversity. Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.*
- *HCV 2 - Landscape-level ecosystems and mosaics. Large landscape-level ecosystems* and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.*
- *HCV 3 – Ecosystems and habitats. Rare, threatened, or endangered ecosystems, habitats or refugia.*
- *HCV 4 - Critical ecosystem services. Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.*
- *HCV 5 - Community needs. Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (for example for livelihoods, health, nutrition, water), identified through engagement with these communities or indigenous peoples.*
- *HCV 6 - Cultural values. Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, identified through engagement with these local communities or indigenous peoples.*

The High Conservation Value definitions have additionally been further elaborated into a toolkit specifically for Indonesia by the High Conservation Value Network through a multi-stakeholder process in which APRIL was one of the participants.²³

Conversion of HCVFs – environmental criteria

Many NGOs have documented that APRIL and its group companies have a long history of converting natural forests and HCVF.

Since the FSC certificates of APRIL Indonesia were suspended in April 2010, the Eyes on the Forest coalition have published a number of reports on APRIL and its suppliers documenting the clearance of natural forests and areas of HCVFs. Its online interactive map for the province of Riau, Sumatra (<http://maps.eyesontheforest.or.id>) is able to display all known APRIL suppliers' concessions (the 'HTI' layer) combined with deforestation layers for

the period up until 2012. Additional mapping layers can be displayed for peat soil area/depth and the habitats of the Sumatran tiger and the Sumatran elephant.

APRIL IS CLEARING SUMATRA'S PEAT FORESTS

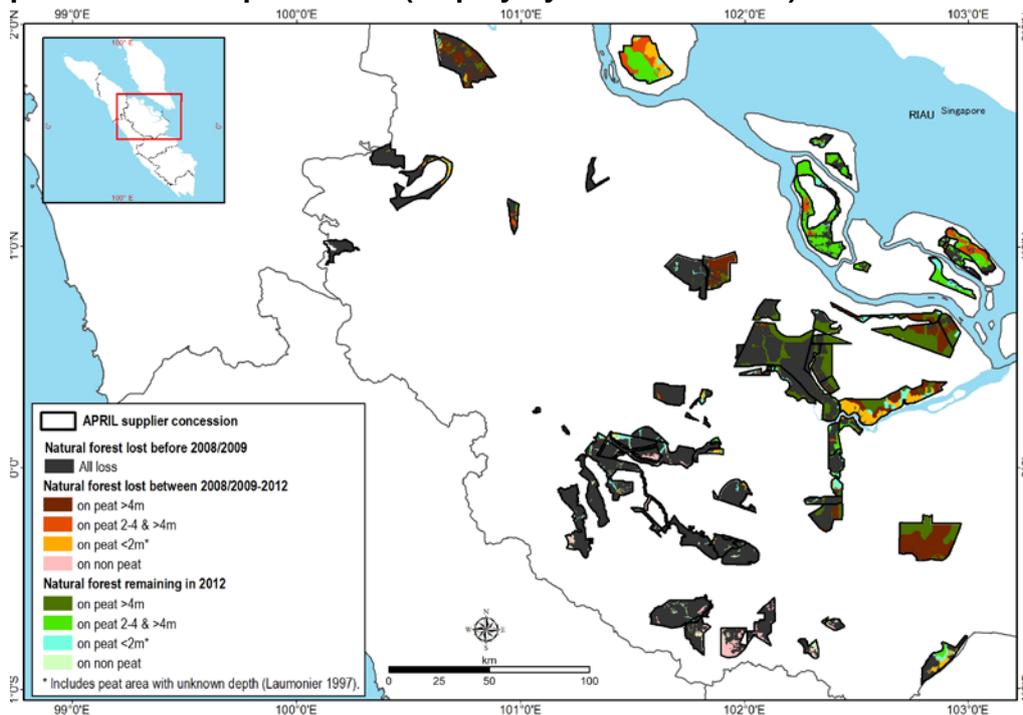
Sumatra's peat forests are critical for carbon storage and the survival of many species. A peer-reviewed scientific paper published in *Biodiversity and Conservation* identifies Sumatra's peat forest as an 'endangered ecosystem',²⁴ thus, applying the criteria of the multi-stakeholder endorsed Indonesia HCV Toolkit, Sumatra's peat forests should be classified as HCV 3.

Further, the Indonesia HCV Toolkit states that 'Areas of peat swamp with a depth >3 m are [...] considered protected areas as ruled in Presidential Decision No. 32 (1990) and Law 80 (1999)' and therefore meet that HCV1.1 category.²⁵ The most comprehensive and reliable island-wide maps of peatland areas were published in 2003 by Wetlands International.²⁶ These maps do not have a peat depth class of 'more than 3 meters' and instead use t '2-4 meters' and "more than 4 meters'. Applying the 'precautionary approach', key to the application of the Toolkit, we can consider both of these classes as potentially HCV 1.1, pending FMU level HCV assessments.

The Toolkit also considers 'Taxa in CITES Appendix 1 and 2' as meeting HCV 1.3 criteria:²⁷ All species of Ramin (*Gonystylus spp.*) are listed on Appendix 2. One of those species *Gonystylus bancanus* is a predominant species in peat forests. Under Indonesia's laws and its national CITES regulations, ramin trees are legally protected.²⁸

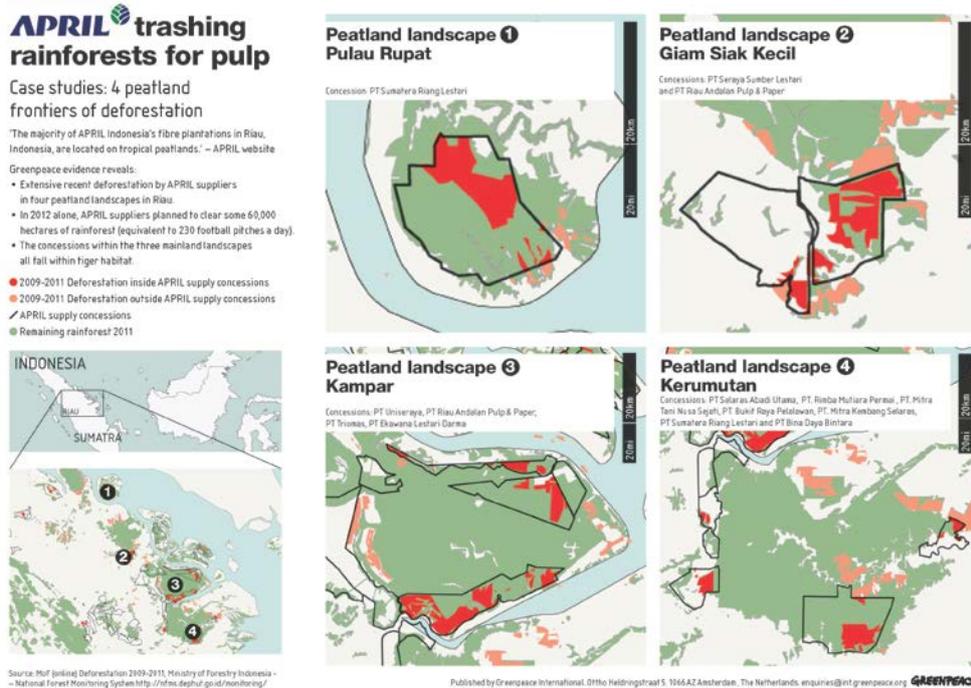
APRIL's recent dependency (2008/2009-2012) on rainforest fibre from the conversion of natural peat forests in such HCV areas is shown in Map 1 (Eyes on the Forest published more details online in the 'Concession deforestation: peat soils' layer at <http://maps.eyesontheforest.or.id>).

Map 1: Deforestation 2008/2009-2012 in APRIL suppliers' concessions in relation to peatland area/depth in Riau (map by Eyes on the Forest).



The same conclusion can be drawn from analysis of the Ministry of Forestry's own published deforestation GIS data: The Greenpeace map (Map 2) below shows extensive deforestation between 2009 and 2011 by APRIL suppliers in four peatland landscapes in Riau Province, Sumatra.²⁹

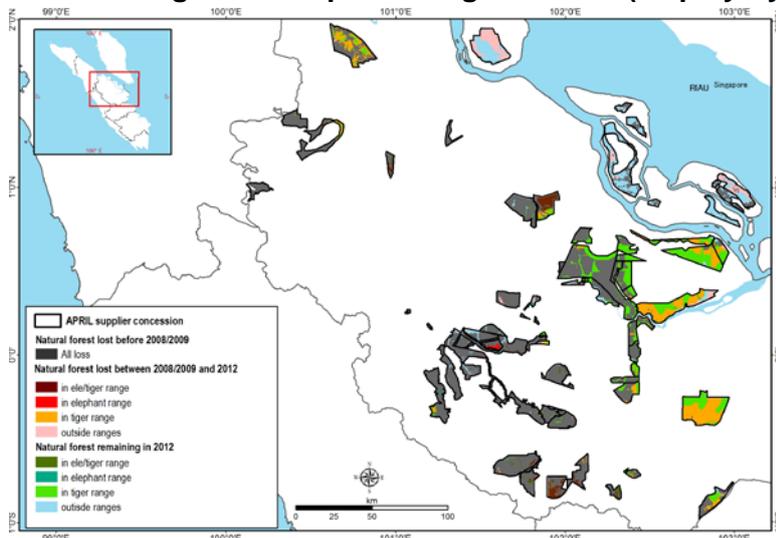
Map 2: APRIL suppliers' concessions on large-scale Peatland Landscapes in Riau, Sumatra (map by Greenpeace International)



APRIL IS CLEARING HABITAT OF SUMATRA'S CRITICALLY ENDANGERED SPECIES

The Sumatran tiger (*Panthera tigris sumatrae*) and the Sumatran elephant (*Elephas maximus sumatranus*) are both classified by the IUCN Redlist as 'Critically Endangered' species.³⁰ They are both classified as HCV 1.2 according to the criteria of the multi-stakeholder endorsed Indonesia HCV Toolkit.³¹ Most of the recent deforestation in APRIL suppliers' concessions occurred within the mapped habitat of these two species (Map 3 below).

Map 3: Deforestation 2008/2009-2012 in APRIL suppliers' concessions in relation to Sumatran tiger and elephant ranges in Riau (map by Eyes on the Forest).



In March 2013, APRIL claimed that since 2005, 36 HCVF assessments have been done 'resulting in more than 490,000 acres (200,000 hectares) of conservation forest and indigenous tree species being set aside and protected by APRIL and supply partners'.³²

However, APRIL fails to explain two crucial facts that prompted Rainforest Alliance/SmartWood to suspend and later terminate the FSC interim CW certificate for APRIL group companies:

- The definition of HCVF adopted by APRIL has been disputed by the various stakeholders and Rainforest Alliance/SmartWood. APRIL itself admits '*The suspension primarily related to both organisations [Rainforest Alliance/SmartWood and APRIL] being unable to agree to a common understanding of definitions of High Conservation Value Forest.*'³³
- None of the 36 HCV assessments were conducted transparently or endorsed by stakeholders, fundamentally because of the unacceptable definition of HCVF used by APRIL. Instead of engaging in a multi-stakeholder dialogue process to resolve these disputes, as requested by Rainforest Alliance/SmartWood in 2008, APRIL suppliers continued to clear natural forest in all the concession within areas of potential HCV, even clearing some of the company's self-identified 'HCVF' blocks.³⁴ The rainforest clearance in these concessions has been the main source of MTH pulpwood to feed APRIL's pulp mill. Examples of disputed HCV assessments include:
 - In 2006, when APRIL staff were conducting its own HCVF assessment in 13 of these concessions,³⁵ WWF disputed the company's delineations of HCVF and objected to the clearance of natural forests that were considered to be HCVFs by WWF.
 - In 2010, APRIL commissioned Tropenbos for an HCV assessment of its suppliers' concessions in the Kampar Peninsula. Again, the results were contested by NGOs.³⁶

APRIL IS CLEARING ITS SELF-DECLARED PROTECTED HCVFS

The following example – for PT Uniseraya and PT Triomas, on the Kampar Peninsular – is one of the numerous examples where APRIL even cleared HCVF identified in those 36 HCVF assessments.

The map below (Map 4) shows HCVF areas that were delineated by RAPP/APRIL as the 'Protected Core/Conservation Zone' in a December 2006 report by RAPP entitled '*High Conservation Value Forest Assessment (HCVF), APRIL Riau Fiber Fibre Plantation FMI Uniseraya / Triomas*'. A copy of the full report should be obtained directly from APRIL.³⁷ The report describes PT Uniseraya as part of a Forest Management Unit (FMU) 'managed and developed by RAPP as Joint Venture/Joint Operation.'³⁸

The APRIL/RAPP report states [Emphasis added]:

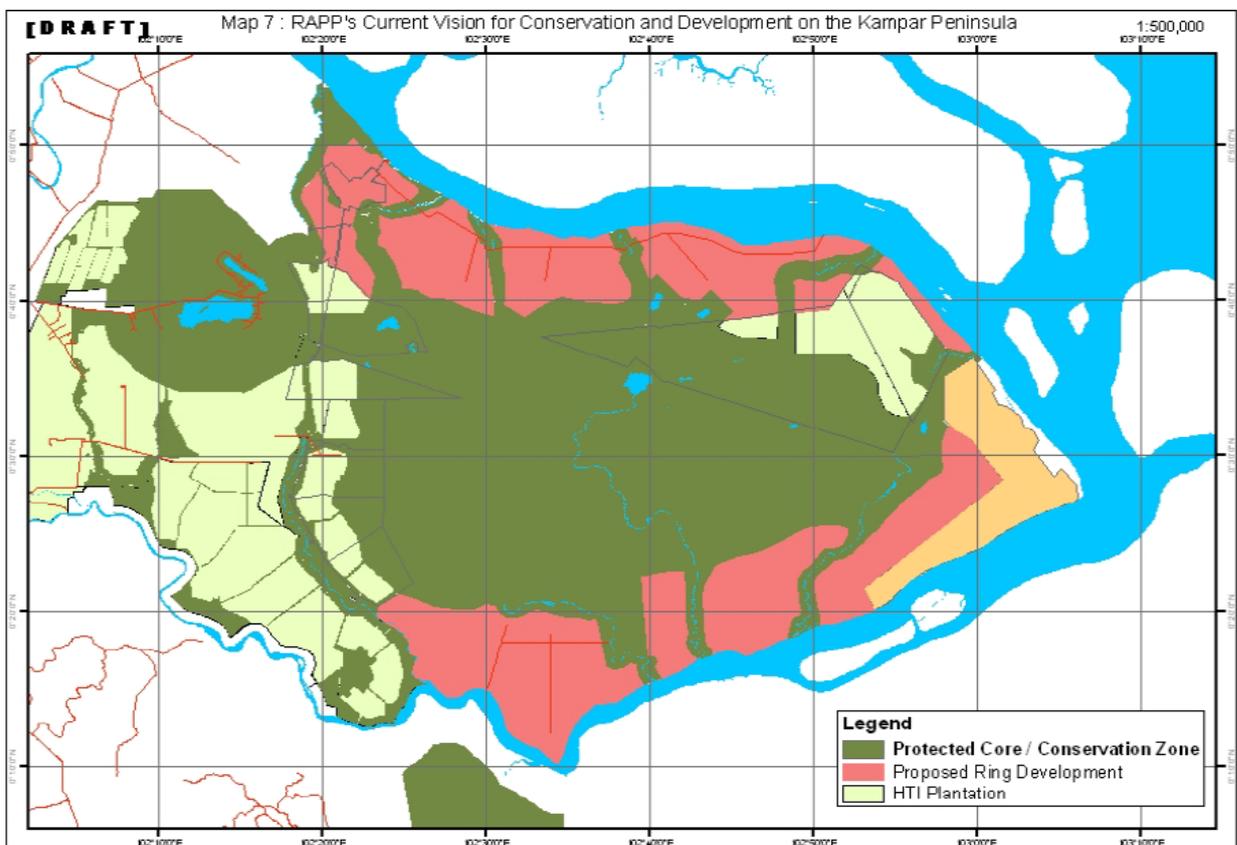
'HCVFs were delineated on this FMU to contribute to the achievement of this broader conservation goal of the peninsula. Several principles were followed:

- *HCVFs should be contiguous with the core of the peninsula;*
- *HCVFs should capture the range of coarse habitat types on the FMU, including riverine forests, mangrove forests (where present), mixed forests, tall forests, pole forests and transition zones between these types; and,*

- *HCVFs should be located as much as possible to have hydrological integrity and to protect the hydrological integrity of the core.*
- **Place roughly 60% of the FMU in conservation zones (HCVF), in keeping with the overall objective of protecting 60% of the peninsula** [ie full protection in HCVF A in Map 4 and 5 below]
- *Do not develop areas more than 40% up the slope towards the plateau, in keeping with the overall objective of protecting 60% of the peninsula*
- *Protect rivers with conservation zones (HCVF)*
- *Mitigate the impact of drainage on conservation zones through the use of high water management areas*

Delineated HCVFs and their zoning into either conservation zone or high water management zone are shown [on map 4 below].

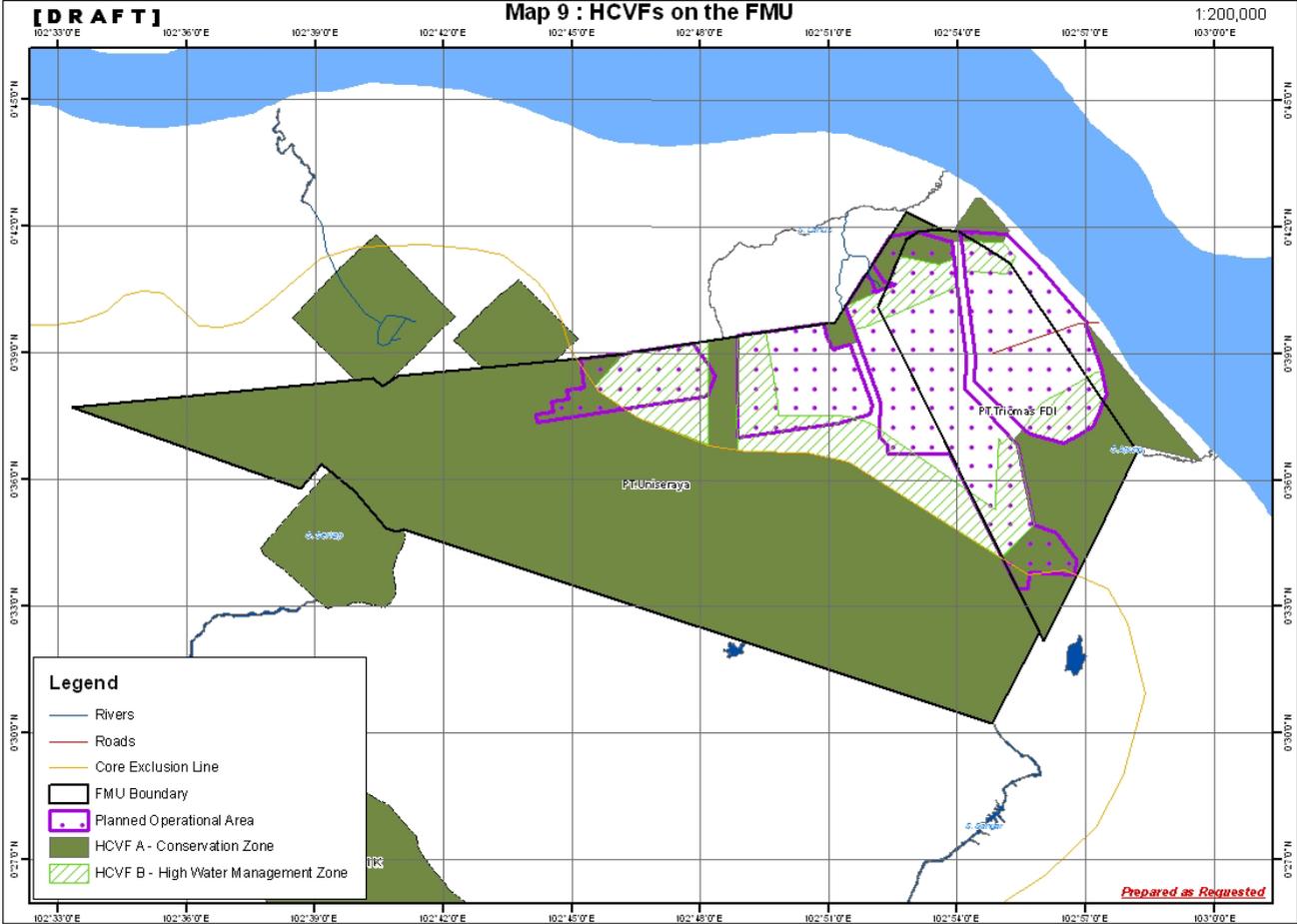
Map 4: 2006 APRIL/RAPP 'Current Vision for Conservation and Development on the Kampar Peninsula'.³⁹



The same RAPP report describes the difference between areas categorised as 'HCVF A – Conservation Zone' and 'HCVF B – High Water Management Zone' (shown on Map 5 below):

- *HCVF A is designed to mitigate hydrological impacts on the core of the Kampar peat dome by protecting rivers and lakes, proceeding no further than 40% up the slope towards the sub-dome plateau and protecting roughly 60% of the entire FMU.*
- *HCVF B is a high water management zone which will mitigate the impacts of drainage on HCVF A*

Map 5: Two categories of HCVFs within FMU PT Uniseraya and PT Triomas, within APRIL/RAPP 'Current Vision for Conservation and Development on the Kampar Peninsula' (Map 4 above).⁴⁰



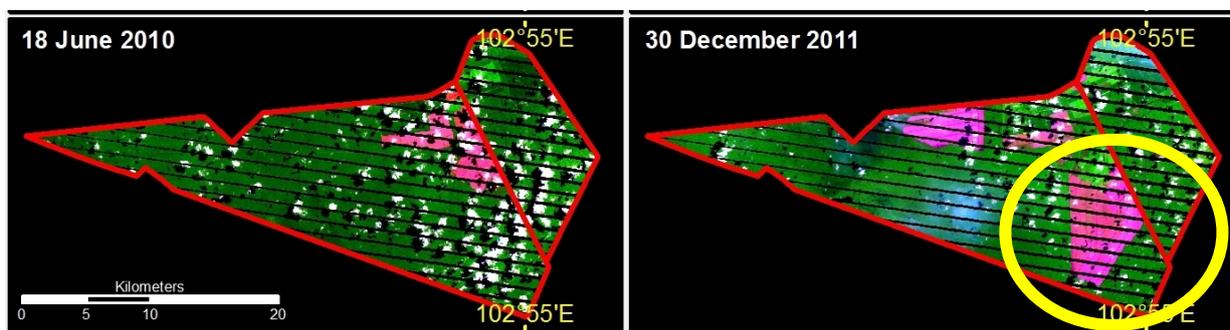
Map 6 below, produced by Eyes on the Forest, shows satellite images of deforestation areas (seen as pink areas) inside PT Uniseraya, dated 18 June 2010 and 30 December 2011.⁴¹

A visual comparison of the APRIL/RAPP map from the report above (Map 5 above) with the Eyes on the Forest map (Map 6 below), clearly and unequivocally demonstrates that a significant area (>4,000 ha) of 'HCVF A - Conservation Zone' – that was to form part of the 'Protected Core / Conservation Zone' and set aside by APRIL – has been cleared since the December 2006 HCVF report. See yellow circle in Map 6.

The satellite image dated 30 December 2011 shows an area of deforestation (exposed soil after forest clearance shows in pink in Landsat images areas) within PT Uniseraya that is inside the 'Protected Core/ Conservation Zone' that was set aside by APRIL. This deforestation would have taken place in the intervening period between 18 June 2010 and 30 December 2011.

The same area of deforestation of HCVF within PT Uniseraya is also identified on Map 1 – based on Eyes on the Forest's own delineation of Landsat images up to 2012 – and Map 2 above (Peatland Landscape 3 Kampar), which uses the Ministry of Forestry's deforestation data up to 2011.

Map 6: Satellite images showing deforestation areas (seen as pink areas) inside PT Uniseraya, dated 18 June 2010 and 30 December 2011 (from Eyes on the Forest report). Viewed in comparison with Map 5 you can see that a significant area of the identified HCVF has been cleared (yellow circle).⁴²



Given the problems associated with the quality and implementation of APRIL's HCVF assessments, we strongly urge the FSC to request full copies of all APRIL's 36 HCVF assessment from the company and review them against:

1. Recent deforestation data to ascertain what other areas of identified HCVF have been cleared since its own reports were made.
2. The views and assessments of stakeholders and independent experts as to whether they agree with APRIL's HCVF mapped and delineated areas.

The authors are confident that the above cases are not isolated incidences of where important HCVFs are being cleared within APRIL suppliers' concessions, using rainforest pulpwood in order to meet the high volume demand of its pulp mill.

Impact on HCVs – social criteria & violation of internationally recognized human rights

FSC HCV 5 provides '**Community needs**. Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples* (for example for livelihoods, health, nutrition, water), **identified through engagement with these communities or indigenous peoples**. [Emphasis added]

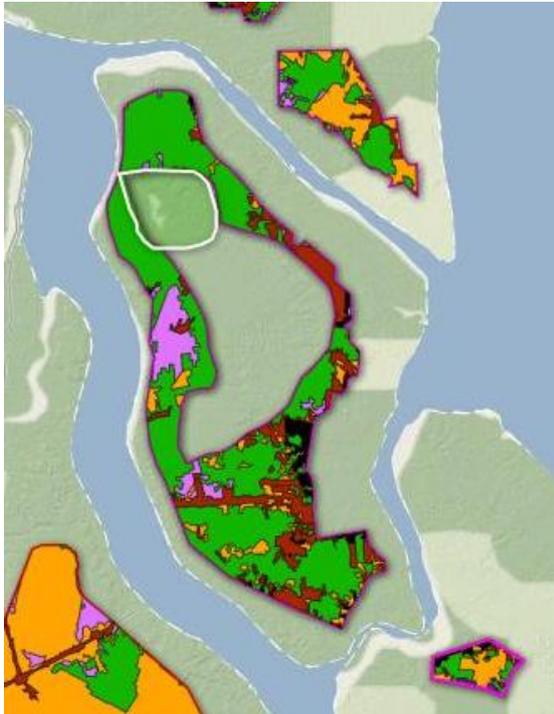
FSC HCV 6 provides: 'Cultural values. Sites, resources, habitats and landscapes* of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, **identified through engagement with these local communities or indigenous peoples**.' [Emphasis added]

The following two examples demonstrate how APRIL and other RGE group companies have failed to respect the internationally recognised right to 'free, prior and informed consent' or to comprehensively identify community needs and cultural values before, or even directly after, they were granted pulpwood concession permits. Doing so would have significantly reduced and prevented tension and conflicts with indigenous and rural communities. In practice, APRIL/RGE has neglected to apply the fundamental aspects of the Free and Prior and Informed Consent (FPIC) principle, that gives a community the '*right to give or withhold its consent to proposed projects that may affect the lands they customarily own, occupy or otherwise use*'.⁴³ Attempts to address these conflicts have also employed alleged violence. The two cases below are illustrative of what appears to be a broader pattern of enhanced social conflicts associated with APRIL/RGE practices.

Case 1: PT RAPP / APRIL group - Pulau Padang

A Ministerial Decree in 2009 awarded PT RAPP/APRIL a concession permit for an area of 41,205ha on Pulau Padang, a small island off Riau on Sumatra (permit number 327/Menhut-II/2009). The concession extends to almost 40% of the island's total area (see map 7).⁴⁴

Map 7: Map showing deforestation 2008/9-2011 (purple areas) in PT RAPP/APRIL concession on Pulau Padang (from Eyes on the Forest website)



A November 2011 article by the Indonesian branch of Transparency International (TI) – a global civil society organisation leading the fight against corruption – reported a summary of the case:⁴⁵

'Controversy has raged since 2009 when this concession was first awarded with communities expressing grave concern that a significant portion of land that they traditionally owned was included in the 41,205 hectare concession. PT RAPP has been criticized before for its failure to engage with and consult communities.'

'The majority of residents are farmers who cultivate crops, rubber and sago and their existence is now threatened by the issuance of this concession permit ... They fear company operations could cause extensive destruction of the peat area causing major loss to the people who live around the peat forest, as well as threats of floods in the rainy season and fire during the dry season.'

'[] actions taken by the community to express their dissatisfaction included a rally held on May 30, 2011, which attracted over 800 people from villages such as Lukit, Meranti Bunting, Pelantai, Mekarsari, Teluk Belitung, Bagan melibur, Mengkirau, and Tj.Padang, predominantly farming communities. Tensions continue to run high in the area, and tragically, in July 2011 heavy equipment working to clear land within the concession area was set alight, and the vehicle operator was killed.'

On 2 November 2011, representatives of the impacted communities went to the Commission of Riau House of Representatives, to demand that the Forestry Minister stops the PT RAPP operation on Pulau Padang.⁴⁶

More recently, from December 2011 to January, 2012, new reports show that the communities travelled to Jakarta, protesting in front of the Indonesian Parliament, some sewing their mouths shut, threatening to blow themselves up if forcibly removed, and conducting a hunger-strike.⁴⁷

In January 2012, the Indonesian Ministry of Forestry issued an order to RAPP to suspend its operations on Padang Island until further notice.⁴⁸ The authors have been informed that there are still ongoing conflicts with at least one of the affected villages in Pulau Padang, the village of Lokit.

Other NGOs have issued reports about APRIL conflicts with other local communities. For example, Rainforest Action Network has highlighted protests such as from the Tebing Tinggi community over operations of APRIL and its affiliates on what they claimed were customary lands.⁴⁹

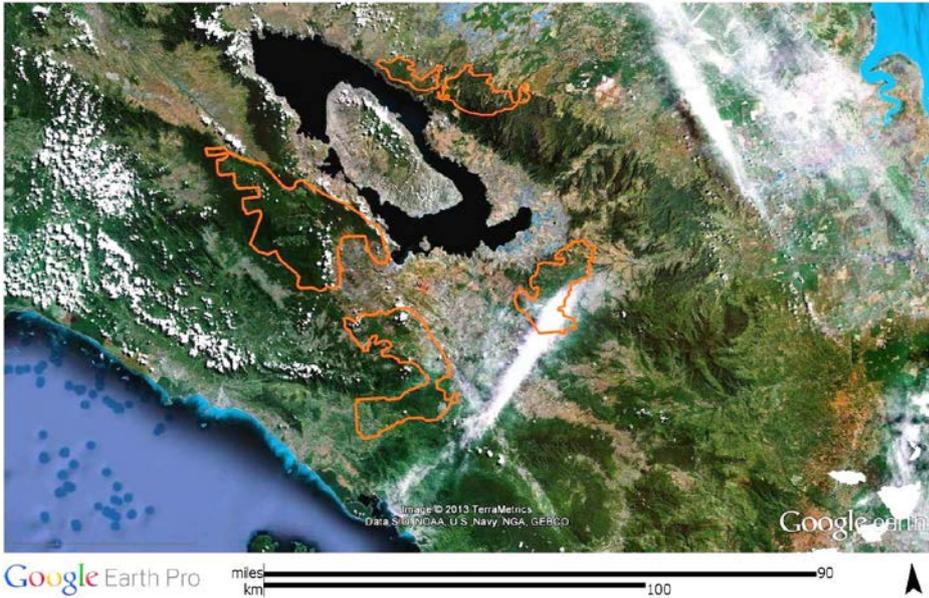
Case 2: PT Toba / RGE group – Lake Toba, North Sumatra

The RGE website (history) lists Toba Pulp Lestari (TPL) in the history of the group.⁵⁰ TPL is listed on the Indonesia Stock Exchange and controlled by Mr. Sukanto Tanoto,⁵¹ and is therefore affiliated to APRIL through common ownership.

Like with the RAPP/APRIL case in Pulau Padang (above), TPL has been in similar social conflicts in the process of clearing community forests to develop plantations. TPL has 269,000-hectares of concessions near Lake Toba in the province of North Sumatra.⁵²

In 2009, TPL announced its plan to almost double its pulp production from 165,000 to 300,000 tonnes per year,⁵³ requiring it to expand areas of eucalyptus plantations in order to feed the increase production at the mill.

Map 8: Map showing PT Toba Pulp Lestari (TPL) concessions surrounding Lake Toba, North Sumatra (Google Earth map, with Ministry of Forestry 2010 HTI concession data)



According to a letter dated 26 February 2013 by AMAN (Indigenous Peoples Alliance of Archipelago) to the Minister of Forestry and Head of Indonesian Police Force, the *'indigenous peoples of Pandumaan and Sipituhuta have been strongly opposing the existence of PT. TPL since 2009, fighting against the land grabbing activities of any actors on their territories.'*⁵⁴

The letter reports of the arrest of 31 members of Pandumaan and Sipituhuta Indigenous Community and calls upon the:⁵⁵

- *'Minister of Forestry to revoke the concession of PT. Toba Pulp Lestari in Pandumaan and Sipituhuta Territories. Government of Indonesia shall take concrete action in addressing the land conflict in the region by effectively promoting and protecting the rights of indigenous peoples.'*
- *'security authorities of Humbang Hasundutan to immediately release 31 members of Pandumaan and Sipituhuta indigenous community who are unlawfully arrested. The security authorities must be clearly reminded of their task of preventing violence, and always prioritize peaceful ways in resolving this conflict.'*

A report on the escalating conflict was published on the website of Mongabay – one of the world's most popular environmental science and conservation news sites – on 7 March 2013 with photos that included the following account:⁵⁶

'The recent clash was sparked when area farmers caught Toba Pulp Lestari (TPL) employees entering a frankincense forest in Dolok Ginjang, an area the farmers consider to be part of their customary land, on Feb. 23. The TPL employees were seen cutting down the frankincense trees, which have significant economic and cultural value for the local community, and replanting the area with eucalyptus. The farmers said they protested the actions of the employees but their objections were ignored.'

'When TPL employees returned to the forest on Sunday and Monday, clashes broke out between the employees and local farmers. The police mobile brigade, known as Brimob, arrested 31 farmers from Pandumaan and Sipituhuta on Monday as a result of the clashes. Police later released 15 of the farmers, though the remaining 16 were named as suspects and remain in detention.'

The communities of Pandumaan-Sipituhata with KSPPM and support from Life Mosaic⁵⁷ – an organisation that supports indigenous peoples in the humid tropics to get their voices heard – have made a short documentary film about the communities' protests and the recent arrests: [Don't Pulp Pandumaan-Sipituhuta: A David and Goliath Tale](#).⁵⁸

Despite representations being made by the communities to TPL and to the national government, as well as recommendations from the National Forest Council, the conflicts have continued unresolved and their demands ignored. Further documentation – including a backgrounder, a letter from the Bupati (head of the district) and the decision from the DPRD (district assembly) as well as recommendations from the National Forest Council – can be viewed at www.dropbox.com/sh/novdqq81rbp6k8w/RaU5exFwtg

While the authors of this complaint believe the above cases clearly demonstrates the non-conformance with the FSC HCV criteria, we are also concerned about possible violations of the provisions of Indigenous and Human Rights instruments – including the UN Declaration on the Rights of Indigenous Peoples and ILO Convention 169 – which the FSC has committed to respect and uphold in its Principles and Criteria.

3) Evidence of the link between APRIL Indonesia and other APRIL group companies with FSC certificates

The APRIL group companies having FSC certificates and for which evidence is provided on the link with APRIL activities in Indonesia are:

- APRIL Fine Paper Trading Pte Ltd [Singapore]
- APRIL Fine Paper Trading Ltd. [Macau]
- APRIL Fine Paper Macao Commercial Offshore Limited [Macau]
- April Fine Paper (Guangdong) Co. Ltd. [China]
- Shandong Asia Pacific SSYMB Pulp and Paper [China]
- Suzhou Industrial Park Asia Pacific Paper Converting [China]
- Suzhou Ascend Pulp & Paper Co., Ltd. [China]

APRIL Fine Paper Trading Pte Ltd. Singapore

FSC Certificate Code BV-COC-004370

Direct evidence:

- The company website on the FSC website is given as www.aprilasia.com, the APRIL group website. Also, the contact person is named as Yen Yen at APRIL China (yenyen@aprilchina.com). <http://info.fsc.org/Detail?id=a0240000006swBhAAI>

Further the FSC website gives additional sub codes for other APRIL group companies (as listed below) <http://info.fsc.org/Detail?id=a0240000006swBhAAI> :

a) BV-COC-004370A - Alkira Trading (Macao Commercial Offshore) Limited

Direct evidence:

Alkira Trading is named as an APRIL group company ('Our Sales and Marketing Offices for Pulp) on the group website:

http://www.aprilasia.com/index.php?option=com_content&task=view&id=78

b) BV-COC-004370B - AP Enterprises (Macao) Commercial Offshore Limited

Direct evidence:

AP Enterprises is named as a APRIL group company ('Our Sales and Marketing Offices for Pulp) on the group website:

http://www.aprilasia.com/index.php?option=com_content&task=view&id=78

c) BV-COC-004370C - APRIL Fine Paper Macao Commercial Offshore Limited

See details below on this company

d) BV-COC-004370D - APRIL Fine Paper Trading Pte Ltd

See details above for this company

e) BV-COC-004370E - Primeyield Enterprise Pte Ltd

Direct evidence:

Primeyield Enterprise Pte Ltd is a wholly owned subsidiary of British Virgin Islands-based Primeyield Enterprise Limited.⁵⁹

Primeyield Enterprise Pte Ltd is registered with the Accounting and Corporate Regulatory Authority (ACRA) in Asia Pacific Resources International (APRIL) offices in Singapore: 80 Raffles Place, #50-0, UOB Plaza, Singapore 048624). One of its Directors is listed by ACRA as Mr Alagaratnam Joseph Devanesan,⁶⁰ the President of APRIL.⁶¹

- APRIL website, Media Contact Us page, www.aprilasia.com/index.php?option=com_content&view=article&id=53&Itemid=138 , viewed 03/2013.

Indirect evidence:

- RGE (APRIL’s parent company) established Hong Kong-registered Asia Symbol China Holdings Limited on March 25, 2013.⁶² The trademark for this company’s logo was registered on March 6, 2013 by Primeyield Enterprise Pte Ltd’s parent company, British Virgin Islands-registered Primeyield Enterprise Limited.⁶³

APRIL Fine Paper Trading Pte Ltd is a wholly owned subsidiary of Singapore-based APRIL Fine Paper Holdings Pte Ltd, which itself is a wholly owned subsidiary of Bermuda-based APRIL Fine Paper Holdings Limited.⁶⁴

Evidence based on comparison of addresses: ⁶⁵

APRIL website	80 Raffles Place, #50-01 UOB Plaza 1, Singapore 048624
APRIL’s Paperone website	80 Raffles Place, #50-01 UOB Plaza 1, Singapore 048624
FSC website	80 Raffles Place, #50-01 UOB Plaza 1, Singapore 048624

APRIL Fine Paper Macao Commercial Offshore Limited (亞太紙業澳門離岸商業服務有限公司)

Macau

FSC Certificate Code BV-COC-004370

Direct evidence:

- The company website on the FSC website is given as www.aprilasia.com, the APRIL group website. Also, the contact person is named as Yen Yen at APRIL China (yenyen@aprilchina.com) <http://info.fsc.org/Detailprint?id=a0240000006swBhAAI>

Evidence based on comparison of addresses: ⁶⁶

APRIL website	Avenida Doutor Mario Soares, s/n, Edificio Finance and IT Center of Macau, 10 andar K2, em Macau
APRIL's Paperone website	Avenida Doutor Mario Soares, s/n, Edificio Finance and IT Center of Macau, 10 andar A2, em Macau
FSC website	Avenida Doutor Mario Soares S/N. Edificio Finance and IT, Center of Macao, 10 andar A2, Macau

Circumstantial evidence:

- Autoridade Monetária de Macau, "Avisos e anúncios oficiais", No. 009/2007-AMCM, July 27, 2007.
- Ownership information of Bermuda-based APRIL Fine Paper Holdings Limited available for purchase.

APRIL Fine Paper Trading Ltd.

Macau

FSC Certificate Code BV-COC-004370

Direct evidence:

- The company website on the FSC website is given as www.aprilasia.com, the APRIL group website. Also, the contact person is named as Yen Yen at APRIL China (yenyen@aprilchina.com) <http://info.fsc.org/Detail?id=a0240000006swBhAAI>

Evidence based on comparison of addresses: ⁶⁷

APRIL website	Avenida Doutor Mario Soares, s/n, Edificio Finance and IT Center of Macau, 10 andar K2, em Macau
APRIL's	Avenida Doutor Mario Soares, s/n, Edificio Finance and IT Center

Paperone website	of Macau, 10 andar A2, em Macau
FSC website	Avenida Doutor Mario Soares S/N. Edificio Finance and IT, Center of Macao, 10 andar A2, Macau

Circumstantial evidence:

- Reuters, "路透基点: April Fine Paper 循环贷款完成签约--RLPC", 2012-12-13, <http://cn.reuters.com/article/bondsNews/idCNL4S09N3EV20121213> , viewed 03/2013.

April Fine Paper (Guangdong) Co. Ltd.

China

FSC Certificate Code SGSHK-COC-010653

Direct evidence:

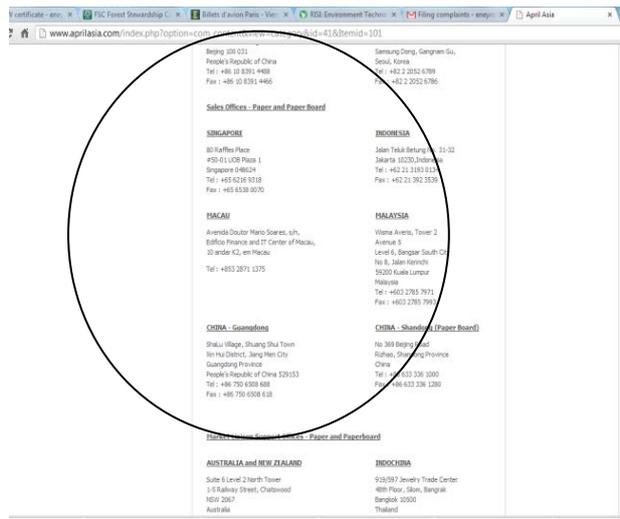
- The contact person on the FSC website for this certificate is Mark Fang at APRIL China (hua_fang@aprilchina.com) <http://info.fsc.org/Detail?id=a024000000BRGMAAAP>
- Metso, which supplied a production line to the startup mill, issued a press release in 2010 stating that their client, APRIL Fine Paper (Guangdong) Co. Ltd. in Xin Hui, is part of the APRIL group. [Metso, "Metso to supply fine paper line to APRIL Fine Paper (Guangdong) in China", July 15, 2010]⁶⁸;
- Another Finish company, Raumaster Paper Oy, also supplied machinery to the mill and also issued a press release that similarly stated that APRIL Fine Paper (Guangdong) Co. Ltd. in Xin Hui is part of the APRIL group. [Raumaster Paper Oy, "Raumaster Paper to deliver finishing machinery to APRIL Fine Paper in China", 2011-01-14]⁶⁹.

Evidence based on comparison of addresses: ⁷⁰

APRIL website	ShaLu Village, Shuang Shui Town, Xin Hui District, Jiang Men City, Guangdong Province, People's Republic of China, 529153
APRIL's Paperone website	ShaLu Village, Shuang Shui Town, Xin Hui District, Jiang Men City, Guangdong Province, China, 529153
FSC website	No. 1, Rui Feng Industrial Zone, Shalu Village, Shuangshui Town, Xinhui District, Jiangmen City, Guangdong, 529153, China

APRIL's website screenshot on

http://www.aprilasia.com/index.php?option=com_content&view=category&id=41&Itemid=101 :



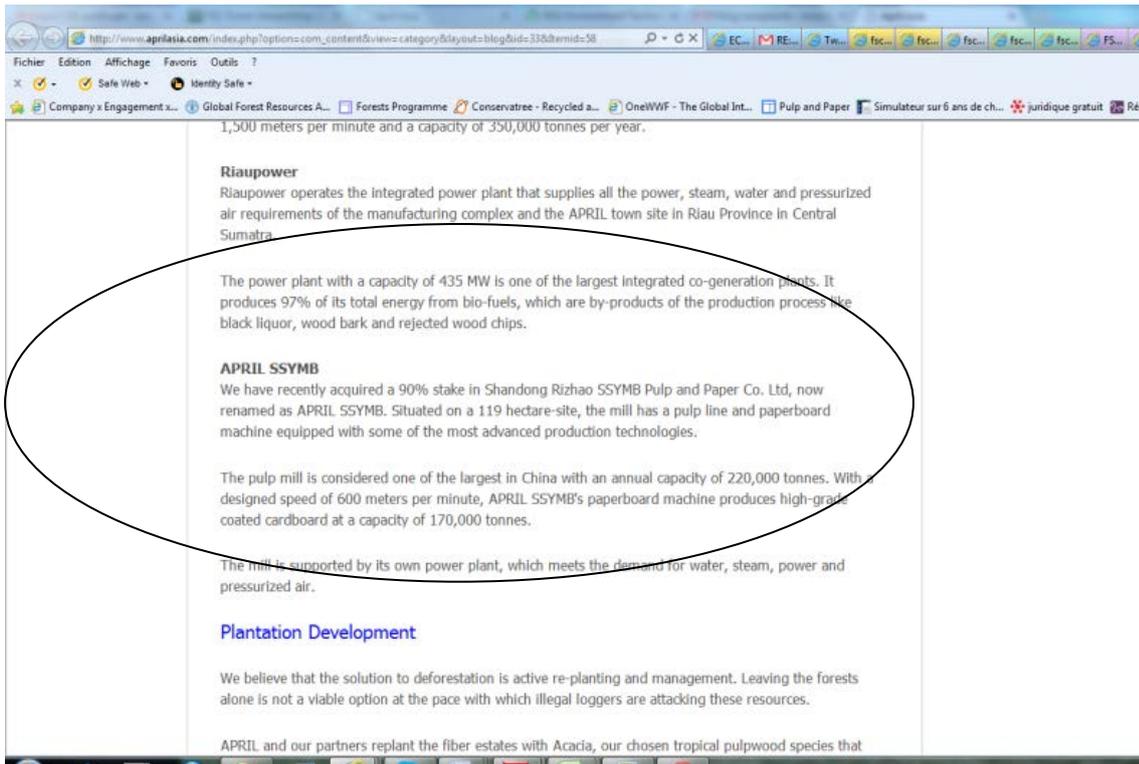
Shandong Asia Pacific SSYMB Pulp and Paper

China

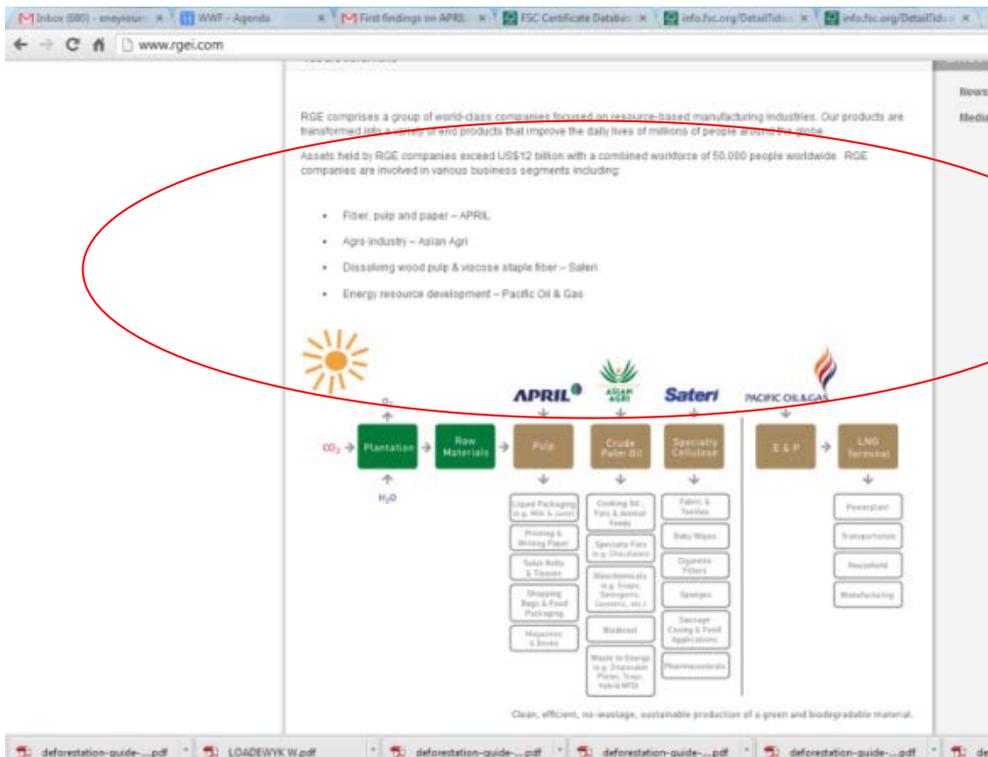
FSC Certificate Code SGSHK-COC-007939

Direct evidence:

- The company website on the FSC website is given as www.aprilasia.com, the APRIL group website. Also, the contact person is named as Chunyu HAN at APRIL China (chunyu_han@aprilchina.com)
- Asia Pacific Resources International Holdings Ltd (APRIL), press release, "APRIL to Acquire 90% of Shandong Rizhao SSYMB Pulp and Paper Co. Ltd.", 13 May 2004, as viewed on PR Newswire, www.prnewswire.com/news-releases/april-to-acquire-90-of-shandong-rizhao-ssymb-pulp-and-paper-co-ltd-74021272.html ("[The company will be] renamed as Asia Pacific SSYMB (Shandong) Pulp and Paper Co. Ltd.");
- APRIL's website: www.aprilasia.com/index.php?option=com_content&view=category&layout=blog&id=33&Itemid=58 : "We have recently acquired a 90% stake in Shandong Rizhao SSYMB Pulp and Paper Co. Ltd, now renamed as APRIL SSYMB" :



- RGEI website
[/www.rgei.com/index.php?option=com_content&view=article&id=48](http://www.rgei.com/index.php?option=com_content&view=article&id=48) : "APRIL's (Asia Pacific Resources International Limited) Shandong arm – APRIL SSYMB Pulp & Paper, sealed a 10 year project finance loan agreement worth RMB7.5 billion in November last year, to construct one of the world's largest single pulp lines."
- RGEI is the parent company of APRIL, as seen on www.rgei.com (viewed 04/2013):



- Domain registration information for aprilchina.com⁷¹ (Registrant is 'Shandong Asia Pacific SSYMB Pulp & Paper CO.,Ltd' and email contact is @rgmi.com.cn, which is the former web domain for RGE).⁷²

Suzhou Industrial Park Asia Pacific Paper Converting

China

FSC Certificate Code QMI-COC-001378

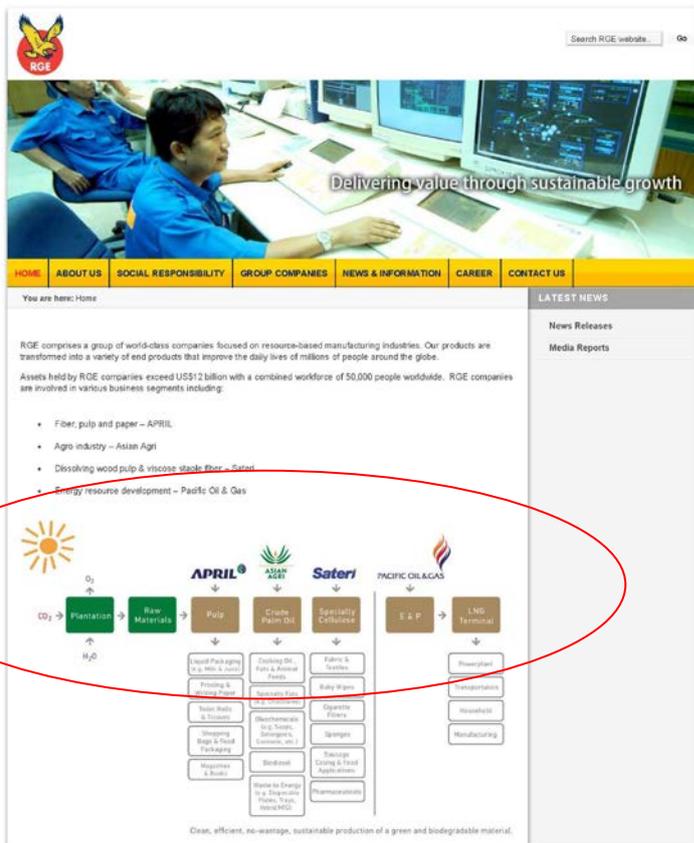
Direct evidence

- The contact person on the FSC website is given as Wenjuan QIN at RGEI, APRIL's parent company (wenjuan_qin@rgei.com.cn)
<http://info.fsc.org/Detail?id=a0240000007nZkhAAE>
- Domain registration information for aprilchina.com⁷³ (Administrative Contact and Billing Contact are 'Suzhou Industrial Park Asia Pacific Paper Converting Co.Ltd' and email contact is @rgmi.com.cn – RGIM is the domain registration of APRIL Indonesia:
[http://sap.rgmi.com/sap\(bD1lbiZjPTgwMA==\)/bc/bsp/sap/zerecbp/register.bsp?group=00000003](http://sap.rgmi.com/sap(bD1lbiZjPTgwMA==)/bc/bsp/sap/zerecbp/register.bsp?group=00000003), which is the former web domain for RGE⁷⁴)
- Ascend Stationery website, www.ascend-stationery.com, "Company Introduction", viewed 04/2013, Ascend Stationery describes itself as "Suzhou Industrial Park Asia Pacific Paper Converting Co. Ltd.",

Screenshot of www.ascend-stationery.com/aboute.asp?id=company%20introduction :



AND email contact on www.ascend-stationery.com website is @rgei.com.cn , same name as the parent company of APRIL, ie RGEI (viewed 04/2013) is indeed the parent company of APRIL, as seen on www.rgei.com (viewed 04/2013):

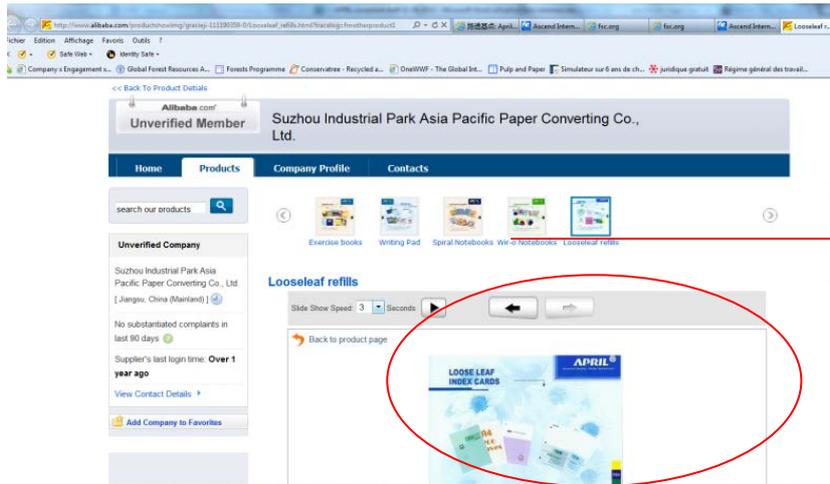


<http://www.rgei.com> [29/04/2013 11:22:04]

Circumstantial evidence:

- Ascend Stationery website, www.ascend-stationery.com (APRIL's stylized "A" is used in Ascend's logo);
- ECPlaza Network, "Ascend Pulp & Paper Co., Ltd.", aprilpaper.en.ecplaza.net, accessed April 12, 2013. See also www.ecplaza.net/trade-leads-seller/ascend-international-limited--5140745.html
- APRIL logo displayed on Alibaba.com page for Suzhou Industrial Park Asia Pacific Paper Converting, www.alibaba.com/productshowimg/gracieji-111190359-0/Looseleaf_refills.html?tracelog=fmotherproduct1 , viewed 04/2013.

Screenshot below:



Suzhou Ascend Pulp & Paper Co., Ltd.

China

FSC Certificate Code QMI-COC-001448

Direct evidence:

Domain registration information for ascend-china.com.cn⁷⁵ (registrant email is @rgei.com.cn, and registrant name is 赛得利 (上海) 企业管理有限公司 [Sateri]. RGEI is the parent company of APRIL and SATERI as seen on www.rgei.com website and discussed in the above paragraph on Shandong Asia Pacific SSYMB Pulp and Paper

Circumstantial evidence:

- ECPlaza Network web page, aprilpaper.en.ecplaza.net and www.ecplaza.net/trade-leads-seller/ascend-international-limited--5140745.html , viewed 03/2013 , with Ascend, APRIL and SATERI logos together (screenshot below).

Exporter in Tissue, Copy paper , Trusted & chosen by global buyers

SELL Ascend International Limited
Posting Date : Jun 04, 2008 GMT



Company: Neixiang Xianhe Pulp&Paper Co., Ltd
Membership: Free Member since May 16, 2008
Country/Region: China
Address: 3F Tianxin Building, No.1 Lingshan Road, Pudong, Shanghai, China 200135, Shanghai, Shanghai, China 200135
Contact: Ms. Baozhen Wang
Phone: 86-21-5081-7128
Fax: 86-21-5058-7523

[woven manu](#)
www.ar
Wo
ec
reinfo
n
Fin

Click to enlarge image

Expected outcomes

In view of the above and the requirements of the FSC's Policy of Association, WWF Indonesia, Greenpeace International and the Rainforest Action Network (RAN) request that the FSC take immediate steps to dissociate the FSC brand from APRIL, due to its unacceptable deforestation activities in Indonesia, and by terminating the COC certificates granted to its following group companies in China, Macau and Singapore :

- APRIL Fine Paper Trading Pte Ltd [Singapore];
- APRIL Fine Paper Trading Ltd. [Macau]
- Alkira Trading (Macao Commercial Offshore) Limited [Macau]
- AP Enterprises (Macao) Commercial Offshore Limited [Macau]
- Primeyield Enterprise Pte Ltd [Singapore]
- APRIL Fine Paper Macao Commercial Offshore Limited [Macau]
- April Fine Paper (Guangdong) Co. Ltd. [China]
- Shandong Asia Pacific SSYMB Pulp and Paper [China]
- Suzhou Industrial Park Asia Pacific Paper Converting [China]
- Suzhou Ascend Pulp & Paper Co., Ltd. [China]

Unless these companies are able to establish, in a convincing manner, that they do not have a direct or indirect link to APRIL group companies in Indonesia and their activities regarding the conversion of natural forests into plantations, impacts on environmental and social HCVs and other controversial activities, **the FSC should:**

1) dissociate itself from all APRIL group companies and remove the FSC COC/CW certificates and logo licenses

2) avoid future association with any company within either the APRIL group or the parent RGE group.

In addition, a list of other identified APRIL group companies is provided in Annex 1, which should not receive FSC certification while the Policy of Association is in force.

Moreover, all pulp and paper related companies that belong to the RGE and APRIL group that could be found at a later stage should also be prevented from association with the FSC.

Once again, we look forward to your timely consideration of this complaint by the FSC, and successful resolution consistent with the FSC's requirements under its Policy of Association.

ENDS.

ANNEX 1

Other identified APRIL group and /RGE group companies that should not receive FSC certificates in the future

Due to the opaque corporate structure of APRIL and RGE, many additional APRIL group companies are not publicly disclosed as such Group companies.

The IPO (Initial Public Offering) of a RGEI Group company, Sateri, provides further background information on the ownership structure of a number of companies:⁷⁶

- *'Asia Pacific Resources International Limited, a limited liability company incorporated in Bermuda and ultimately controlled by the Tanoto Family';*
- *'RGE Pte Ltd, a limited liability company incorporated in Singapore and a company controlled by our Ultimate Controlling Shareholder.'*

In the 2010 Sustainability Report of APRIL Indonesia, the following list of companies as part of APRIL Indonesia are given:⁷⁷

2010 Sustainability Report

APRIL Indonesia companies

- PT Riau Andalan Kertas
- PT Riau Andalan Pulp and Paper
- PT APRIL Management Indonesia
- PT Intiguna Primatama
- PT Anugrah Kertas Utama
- PT Riau Prima Energi
- PT Asia Prima Kimiaraya

On April's website, further affiliated companies are listed on:

http://www.aprilasia.com/index.php?option=com_content&view=category&id=41&Itemid=101

These are:

Sales Offices - Pulp: **SINGAPORE**

80 Raffles Place
#50-01 UOB Plaza 1
Singapore 048624
Tel : +65 6216 9318
Fax : +656538 0070

MACAU

INDONESIA

Jalan Teluk Betung No 31-32
Jakarta 10230
Indonesia
Tel : +62 21 3193 0134
Fax : +62 21 392 3539

CHINA

Avenida Doutor Mario Soares, s/n, Edificio Finance
and IT
Center of Macau, 10 andar K2, em Macau
Tel : +853 287 11380 / 70
Fax : +813 287 15018

No 369 Beijing Road
Rizhao, Shandong Province
China
Tel : +86 633 336 1000
Fax : +86 633 336 1280

Market Liaison Support Offices – Pulp :

INDIA

3rd Floor, Megana Towers
Ayyappa Society Road
Madhapur, Hyderabad - 500 081
Andhra Pradesh
India
Tel : +91 40 6666 3451
Fax : +91 40 6666 3934

JAPAN

Arco Tower 16F
1-8-1, Shimo-Meguro-ku, Meguro-Ku,
153-0064, Tokyo, Japan.
Tel : +81 3 3493 6722
Fax : +81 3 5434 5788

EUROPE

Rue Juste-Oliver 18,
CH-1 260 Nyon,
Switzerland
Tel : +41 22 363 78 92
Fax : +41 22 363 78 91

Sales Offices - Paper and Paper Board:

SINGAPORE

80 Raffles Place
#50-01 UOB Plaza 1
Singapore 048624
Tel : +65 6216 9318
Fax : +65 6538 0070

INDONESIA

Jalan Teluk Betung No. 31-32
Jakarta 10230, Indonesia
Tel : +62 21 3193 0134
Fax : +62 21 392 3539

MACAU

Avenida Doutor Mario Soares, s/n,
Edificio Finance and IT Center of Macau,
10 andar K2, em Macau

Tel : +853 2871 1375

MALAYSIA

Wisma Averis, Tower 2
Avenue 5
Level 6, Bangsar South City
No 8, Jalan Kerinchi
59200 Kuala Lumpur
Malaysia
Tel : +603 2785 7971
Fax : +603 2785 7993

CHINA - Guangdong

ShaLu Village, Shuang Shui Town
Xin Hui District, Jiang Men City
Guangdong Province
People's Republic of China 529153
Tel : +86 750 6508 688
Fax : +86 750 6508 618

CHINA - Shandong (Paper Board)

No 369 Beijing Road
Rizhao, Shandong Province
China
Tel : +86 633 336 1000
Fax : +86 633 336 1280

Market Liaison Support Offices - Paper and Paperboard :

AUSTRALIA and NEW ZEALAND

Suite 6 Level 2 North Tower
1-5 Railway Street, Chatswood
NSW 2067
Australia
Tel : +61 2 9087 6038
Fax : +61 2 9087 6035

INDOCHINA

919/597 Jewelry Trade Center
48th Floor, Silom, Bangrak
Bangkok 10500
Thailand
Tel : +662 6303 391/2
Fax : +662 6303 393

HONG KONG

Room 2701, Gloucester Tower
The Landmark
15 Queen's Road Central
Hong Kong
Tel : +852 2529 4788
Fax : +852 2865 5499

INDIA

3rd Floor, Megana Towers
Ayyappa Society Road
Madhapur, Hyderabad - 500 081
Andhra Pradesh
India
Tel : +91 40 6666 3451
Fax : +91 40 6666 3934

MIDDLE EAST

#820, 6 EA, Dubai Airport Free Zone
PO Box 293775
Dubai, UAE
Tel : +971 4 701 7752
Fax : +971 4 701 7752

JAPAN

Arco Tower 16F,
1-8-1, Shimo-Meguro-Ku, Meguro-Ku,
153-0064, Tokyo, Japan.
Tel : +81 3 3493 6722
Fax : +81 3 5434 5788

EUROPE

Rue Juste-Olivier 18
CH-I 260 Nyon
Switzerland
Tel : +41 22 363 78 92
Fax : +41 22 363 78 91

ENDNOTES

¹ 'FSC Dispute Resolution' document, dated November 2012 and posted at www.fsc.org/disputeresolution. Accessed April 12, 2013.

² Sateri (2010) Initial Public Offering . 26 November 2010

<http://www.hkexnews.hk/listedco/listconews/sehk/2010/1126/LTN20101126025.pdf>

³ Smartwood (2008) PT Riau Andalan Pulp & Paper and PT Riau Andalan Kertas: SW-COC-003714PT, SW-CW-003714, SW-COC-003713 SW-CW-003713. Available at: https://www.dropbox.com/s/xekw2uxvx6y02z8/Riaufiber_CW_FM_cert_08.pdf; www.dropbox.com/s/hgydd0jikke2otp0/PT_Riau_Andalan_Pulp_and_Paper_CoC_cert_08.pdf and www.dropbox.com/s/wOpf57j8z1rwqbk/PT_Riau_Andalan_Kertas_CoC_cert_08.pdf

⁴ Donovan, Richard Z. (2010). Statement from 'Status of APRIL's FSC Controlled Wood Certificate & Monitoring of High Conservation Value Forests. 15 April 2010. Available at www.dropbox.com/s/wmkgp1t4cxv27bx/150410-Rainforest%20Alliance%20and%20APRIL%20Status%20Summary%20April%202010.pdf

⁵ Donovan, Richard Z. (2010). Statement from 'Status of APRIL's FSC Controlled Wood Certificate & Monitoring of High Conservation Value Forests. 15 April 2010. Available at <https://www.dropbox.com/s/wmkgp1t4cxv27bx/150410-Rainforest%20Alliance%20and%20APRIL%20Status%20Summary%20April%202010.pdf>

⁶ <http://aprilasia.com/images/pdfs/Update%20on%20APRIL%27s%20sustainability%20practises%20-%2021%20Feb%202013.pdf>

⁷ [www.eyesontheforest.or.id/attach/EoF%20\(20Dec12\)%20APRIL%20Riau%20Sumatras%20biggest%20forest%20pulper%202009%20to%202012.pdf](http://www.eyesontheforest.or.id/attach/EoF%20(20Dec12)%20APRIL%20Riau%20Sumatras%20biggest%20forest%20pulper%202009%20to%202012.pdf)

⁸ www.aprilasia.com/images/pdfs/APRIL%20response%20to%20EoF%20report%20of%2020%20Dec%202012%20-%20issued%2024%20Dec%202012.pdf

⁹ Greenpeace deforestation analysis (2009-2011) of APRIL supplier concessions in Riau Province

www.greenpeace.org/international/en/news/Blogs/makingwaves/april-leading-deforestation/blog/44213/

¹⁰ www.greenpeace.org/international/Global/international/briefings/forests/2013/Greenpeace%20letter%20to%20APRIL.pdf

¹¹ www.aprilasia.com/images/pdfs/Response_to_GP_US_Campaign_22_Mar_2013.pdf

¹² <http://ran.org/act/april-stolen-land/>

¹³ APRIL's response to the Eyes on the Forest Dec 2012 report on

www.aprilasia.com/images/pdfs/APRIL%20response%20to%20EoF%20report%20of%2020%20Dec%202012%20-%20issued%2024%20Dec%202012.pdf

¹⁴ APRIL's response to the Eyes on the Forest Dec 2012 report on

www.aprilasia.com/images/pdfs/APRIL%20response%20to%20EoF%20report%20of%2020%20Dec%202012%20-%20issued%2024%20Dec%202012.pdf

¹⁵ http://webcache.googleusercontent.com/search?q=cache:s0OVqzKlDaUJ:www.aprilasia.com/environment_sustainable.html+&cd=1&hl=en&ct=clnk&gl=uk

¹⁶ Evidence of the direct link between APRIL and RAPP can be found in the 2010 Sustainability Report of APRIL Indonesia, page 24, on www.aprilasia.com/images/pdfs/APRIL%20SR.pdf.

¹⁷ Ministry of Forestry (2011). Daftar Nama-Nama IPHHK Dan Rekapitulasi Realisasi Pemenuhan Bahan Baku Tahun 2011 Di Wilayah BP2HP Pekanbaru Kapasitas Lebih Dari 6,000m³/Tahun. [This documents discloses the volumes of pulpwood, by sources, that was deliveries to PT RAPP in 2011].

<http://bpphp3.dephut.go.id/main/wp-content/uploads/2011/11/RPBI-LEBIH-6.pdf>. Source data analysis published in Greenpeace International (2013). APRIL is now the leading driver of deforestation for pulp in Indonesia. www.greenpeace.org/international/en/news/Blogs/makingwaves/april-leading-deforestation/blog/44213/

¹⁸ Greenpeace International (2013). APRIL is now the leading driver of deforestation for pulp in Indonesia. www.greenpeace.org/international/en/news/Blogs/makingwaves/april-leading-deforestation/blog/44213/

¹⁹ www.aprilasia.com/images/pdfs/Response_to_GP_US_Campaign_22_Mar_2013.pdf

²⁰ Rainforest Alliance SmartWood Program (26 May 2010) Forest Management Controlled Wood Surveillance Audit 2009 Report for: PT. Riau Andalan Pulp and Paper Forestry Division (Riaufiber) in Pangkalan Kerinci, Riau Province, Indonesia.

²¹ APRIL's response to the Eyes on the Forest Dec 2012 report on

<http://www.aprilasia.com/images/pdfs/APRIL%20response%20to%20EoF%20report%20of%2020%20Dec%202012%20-%20issued%2024%20Dec%202012.pdf>

²² <https://ic.fsc.org/download.revised-principles-and-criteria.a-1156.pdf>

²³ http://www.hcvnetwork.org/resources/national-hcv-interpretations/Toolkit%20HCVF%20English%20version_final-26Jan10.pdf

²⁴ Laumonier, Y., Uryu, Y., Stüwe, M., Budiman, A., Setiabudi, B. & O. Hadian (2010) Eco-floristic sectors and deforestation threats in Sumatra: identifying new conservation area network priorities for ecosystem-based land use planning. *Biodiversity and Conservation* 19 (4): 1153-1174.

<http://www.springerlink.com/content/c77376k574051178/fulltext.pdf> See also WWF-Indonesia (2010) Sumatra's Forests, their Wildlife and the Climate. Windows in Time: 1985, 1990, 2000 and 2009.

http://awsassets.wwf.or.id/downloads/wwf_indonesia_2010_sumatran_forests_wildlife_climate_report_for_dkn_bappenas.pdf

²⁵ P. 13 of Consortium to Revise the HCV Toolkit for Indonesia (June 2008) Toolkit for Identification of High Conservation Values in Indonesia. www.hcvnetwork.org/resources/national-hcv-interpretations/HCV%20Toolkit%20for%20Indonesia-Engversion-final.pdf

²⁶ Wahyunto, S. Ritung dan H. Subagio (2003). Peta Luas Sebaran Lahan Gambut dan Kandungan Karbon di Pulau Sumatera / Maps of Area of Peatland Distribution and Carbon Content in Sumatera, 1990 – 2002. Wetlands International - Indonesia Programme & Wildlife Habitat Canada (WHC). <http://www.wetlands.or.id/PDF/buku/Atlas%20Sebaran%20Gambut%20Sumatera.pdf>

²⁷ P. 51 of Consortium to Revise the HCV Toolkit for Indonesia (June 2008) Toolkit for Identification of High Conservation Values in Indonesia. www.hcvnetwork.org/resources/national-hcv-interpretations/HCV%20Toolkit%20for%20Indonesia-Engversion-final.pdf

²⁸ Eg see www.greenpeace.org/international/en/campaigns/forests/asia-pacific/app/ramin/app/

²⁹ Greenpeace deforestation analysis (2009-2011) of APRIL supplier concessions in Riau Province

<http://www.greenpeace.org/international/en/news/Blogs/makingwaves/april-leading-deforestation/blog/44213/>

³⁰ <http://www.iucnredlist.org/>

³¹ Consortium to Revise the HCV Toolkit for Indonesia (June 2008)

³² www.aprilasia.com/images/pdfs/Response_to_GP_US_Campaign_22_Mar_2013.pdf

³³ APRIL (2011) 2010 Sustainability Report. Building a Sustainable Future.

<http://www.aprilasia.com/images/pdfs/APRIL%20SR.pdf>

³⁴ See various Eyes on the Forest reports published online, including Eyes on the Forest (July 2010) Business as Usual in Riau, Sumatra: Pulp Industry Continues Clearance of Natural Forest.

http://www.eyesontheforest.or.id/attach/EoF_Report_July2010_pulp_industry_continues_clearance%20B.pdf Eyes on the Forest (November 2010) Eyes on the Forest calls on SMG/APP and APRIL to keep their promises.

<http://www.eyesontheforest.or.id/attach/EoF%20%2830Nov10%29%20Riau%20RKT%202010%20natural%20forest%20and%20peat%20conversion%20EN%20FINAL.pdf> Eyes on the Forest (December 2012)

³⁵ PT. Bina Daya Bintara, PT. Rimba Mutiara Permai, PT. Mitra Taninusa Sejati, PT. Bukit Raya Pelalawan, PT.

Merbau Pelalawan Lestari, PT. Mitra Kembang Selaras, PT. Madukoro, PT. Harapan Jaya, PT. Bukit Batabu

Sei Indah, PT. Citra Sumber Sejahtera, PT. Uniseraya and PT. Triomas FDI.

³⁶ Open letter from Forest Peoples Programme and Scale Up to APRIL, 20th May 2010.

<http://www.forestpeoples.org/sites/fpp/files/publication/2010/05/indonesiaaprilfpplettermay10eng.pdf> Jikalahari and Greenpeace (6 May 2010) Open Letter to APRIL.

<http://www.eyesontheforest.or.id/?page=news&action=view&id=279>

³⁷ A confidential copy of this report has been seen by Greenpeace International

³⁸ A confidential copy of this report has been seen by Greenpeace International

³⁹ Map from December 2006 report by RAPP entitled 'High Conservation Value Forest Assessment (HCVF), APRIL Riaufiber Fibre Plantation FMI Uniseraya / Triomas'. A copy of the full report should be obtained directly from APRIL.

⁴⁰ Map from December 2006 report by RAPP entitled 'High Conservation Value Forest Assessment (HCVF), APRIL Riaufiber Fibre Plantation FMI Uniseraya / Triomas'. A copy of the full report should be obtained directly from APRIL.

⁴¹ Eyes on the Forest (December 2012) APRIL: Riau, Sumatra's biggest forest pulper 2009 to 2012.

<http://www.eyesontheforest.or.id/attach/EoF%20%2820Dec12%29%20APRIL%20Riau%20Sumatras%20biggest%20forest%20pulper%202009%20to%202012.pdf>

⁴² Eyes on the Forest (December 2012) APRIL: Riau, Sumatra's biggest forest pulper 2009 to 2012.

<http://www.eyesontheforest.or.id/attach/EoF%20%2820Dec12%29%20APRIL%20Riau%20Sumatras%20biggest%20forest%20pulper%202009%20to%202012.pdf>

⁴³ Eg <http://www.forestpeoples.org/guiding-principles/free-prior-and-informed-consent-fpic>

⁴⁴ <http://blog.transparency.org/2011/11/28/a-silent-protest-in-pulau-padang/>

⁴⁵ <http://blog.transparency.org/2011/11/28/a-silent-protest-in-pulau-padang/>

⁴⁶ <http://blog.transparency.org/2011/11/28/a-silent-protest-in-pulau-padang/>

⁴⁷ www.tribunnews.com/2012/01/09/menhut-harus-tanggungjawab-atasi-sengketa-lahan-pulau-padang

⁴⁸ www.eyesontheforest.or.id/?page=news&action=view&id=512

-
- ⁴⁹ Rainforest Action Network. May 21, 2010. APRIL and Indonesian Government Pose Major Threat to Sumatra's Forest Communities. Available at: <http://understory.ran.org/2010/05/21/april-and-indonesian-government-pose-major-threat-to-sumatras-forest-communities/>
- ⁵⁰ www.rgei.com/about-us/history.html
- ⁵¹ www.hkexnews.hk/listedco/listconews/sehk/2012/0905/LTN20120905791.pdf
- ⁵² www.dephut.go.id/files/resume_pttobapulplestari_0.pdf
- ⁵³ <http://media.bloomberg.com/bb/avfile/rulx14em2g3w>
- ⁵⁴ www.iphrdefenders.net/index.php?option=com_content&view=article&id=249:endorsement-needed-letter-of-concern-arrest-of-31-members-of-pandumaan-sipituhuta-indigenous-community&catid=68:urgent-alert&Itemid=116
- ⁵⁵ www.iphrdefenders.net/index.php?option=com_content&view=article&id=249:endorsement-needed-letter-of-concern-arrest-of-31-members-of-pandumaan-sipituhuta-indigenous-community&catid=68:urgent-alert&Itemid=116
- ⁵⁶ http://news.mongabay.com/2013/0307-dparker-tpl-conflict-sumatra.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+mongabay%2FLBMk+%28Mongabay.com+news%29
- ⁵⁷ www.lifemosaic.net
- ⁵⁸ Video can be viewed at <http://vimeo.com/60945115>
- ⁵⁹ ACRA (Singapore Government registrar of companies and businesses), Business Profile (Company) of PRIMEYIELD ENTERPRISE PTE. LTD., 23/04/2013.
- ⁶⁰ ACRA (Singapore Government registrar of companies and businesses), Business Profile (Company) of Business Profile (Company) of APRIL FINE PAPER TRADING PTE LTD, 30/03/2013; ACRA (Singapore Government registrar of companies and businesses), Business Profile (Company) of Business Profile (Company) of PRIMEYIELD ENTERPRISE PTE. LTD_Singapore, 17/04/2013.
- ⁶¹ eg http://www.aprilasia.com/index.php?option=com_content&view=article&id=23&Itemid=85
- ⁶² APRIL press conference, as reported (with pictures) in 南京中纸网资讯有限公司/Nanjing Paper Network Information Co., Ltd., 中国纸业网/Chinese Paper Network Information Center (Chinapaper.net), “金鹰集团整合中国区浆纸业务 打造浆纸业领军品牌”, March 25, 2013, www.chinapaper.net/news/show-3268.html, accessed April 18, 2013 (See also Google Translate, <http://translate.google.ca/translate?sl=auto&tl=en&u=http%3A%2F%2Fwww.chinapaper.net%2Fnews%2Fshow-3268.html>, accessed April 18, 2013).
- ⁶³ Trademarkia Inc., www.trademarkia.com/asia-symbol-85868034.html, accessed April 18, 2013 and EU Office for Harmonization in the Internal Market, Application Number 1162943, viewed on Czech Republic Industrial Property Office website, <http://isdv.upv.cz/portal/pls/portal/portlets.ozs.det>, accessed April 18, 2013.
- ⁶⁴ ACRA (Singapore Government registrar of companies and businesses), Business Profile (Company) of Business Profile (Company) of APRIL FINE PAPER TRADING PTE LTD, 30/03/2013; ACRA (Singapore Government registrar of companies and businesses), Business Profile (Company) of Business Profile (Company) of APRIL FINE PAPER HOLDINGS PTE LTD, 30/03/2013.
- ⁶⁵ APRIL, www.aprilasia.com/index.php?option=com_content&view=category&id=41:our-worldwide-offices, viewed 03/2013; APRIL, Paperone website, www.paperone.com/contact-us/our-sales-and-market-liaison-support-offices.html, viewed 03/2013; FSC, <http://info.fsc.org/Detail?id=a024000000BRGMaAAP>, viewed 03/2013.
- ⁶⁶ APRIL, www.aprilasia.com/index.php?option=com_content&view=category&id=41:our-worldwide-offices, viewed 03/2013; APRIL, Paperone website, www.paperone.com/contact-us/our-sales-and-market-liaison-support-offices.html, viewed 03/2013; FSC, <http://info.fsc.org/Detail?id=a024000000BRGMaAAP>, viewed 03/2013.
- ⁶⁷ APRIL, www.aprilasia.com/index.php?option=com_content&view=category&id=41:our-worldwide-offices, viewed 03/2013; APRIL, Paperone website, www.paperone.com/contact-us/our-sales-and-market-liaison-support-offices.html, viewed 03/2013; FSC, <http://info.fsc.org/Detail?id=a024000000BRGMaAAP>, viewed 03/2013.
- ⁶⁸ Metso, press release, 'Metso to supply fine paper line to APRIL Fine Paper (Guangdong) in China', July 15, 2010, on the Metso website, www.metso.com/News/newsdocuments.nsf/web3newsdoc/FD7700B18A040F4FC22577610027ABF6, accessed April 12, 2013.
- ⁶⁹ Raumaster Paper Oy, press release, 'Raumaster Paper to deliver finishing machinery to APRIL Fine Paper in China', January 14, 2011, on the Räumaster Paper website,

www.raumasterpaper.fi/en/news/raumaster-paper-to-deliver-finishing-machinery-to-april-fine-paper-in-china , accessed April 12, 2013.

⁷⁰ APRIL, www.aprilasia.com/index.php?option=com_content&view=category&id=41:our-worldwide-offices, viewed 03/2013; APRIL, Paperone website, www.paperone.com/contact-us/our-sales-and-market-liaison-support-offices.html, viewed 03/2013; FSC, <http://info.fsc.org/Detail?id=a024000000BRGMAAP>, viewed 03/2013.

⁷¹ DomainTools website, <http://whois.domaintools.com/aprilchina.com> , accessed April 12, 2013.

⁷² RGM International, company website, <http://web.archive.org/web/20070206020228/http://www.rgmi.com.cn/>, February 6, 2007, accessed April 12, 2013; RGE Pte Ltd, 'History', company website, <http://www.rgei.com/about-us/history.html>, accessed April 12, 2013 ['1973: Mr. Tanoto establishes RGM (now known as RGE)' and '2008... In China, RGM...'].

⁷³ DomainTools website, <http://whois.domaintools.com/aprilchina.com>, accessed April 12, 2013.

⁷⁴ RGM International, company website, <http://web.archive.org/web/20070206020228/http://www.rgmi.com.cn/>, February 6, 2007, accessed April 12, 2013; RGE Pte Ltd, 'History', company website, <http://www.rgei.com/about-us/history.html>, accessed April 12, 2013 ['1973: Mr. Tanoto establishes RGM (now known as RGE)' and '2008... In China, RGM...'].

⁷⁵ DomainTools website, <http://whois.domaintools.com/ascend-china.com.cn>, accessed April 12, 2013.

⁷⁶ Sateri (2010) Initial Public Offering . 26 November 2010

www.hkexnews.hk/listedco/listconews/sehk/2010/1126/LTN20101126025.pdf

⁷⁷ page 24, www.aprilasia.com/images/pdfs/APRIL%20SR.pdf ,