



APP

USE OUR PAPER, WE PLANT MORE TREES.

LANDSCAPE APPROACH MANAGEMENT

De-coupling Environmental Degradation from Sustainable Growth

APP SUSTAINABILITY ROADMAP

The Sustainability Roadmap Vision 2020, launched in 2012, is our strategy to place sustainability at the heart of operations

CLIMATE CHANGE

EMISSIONS

SOLID WASTE

REFORESTATION

WATER
MANGEMENT



CONSERVATION
&
BIODIVERSITY

FIBRE
SOURCING

EMPLOYEE
WELFARE

COMMUNITY
EMPOWERMENT

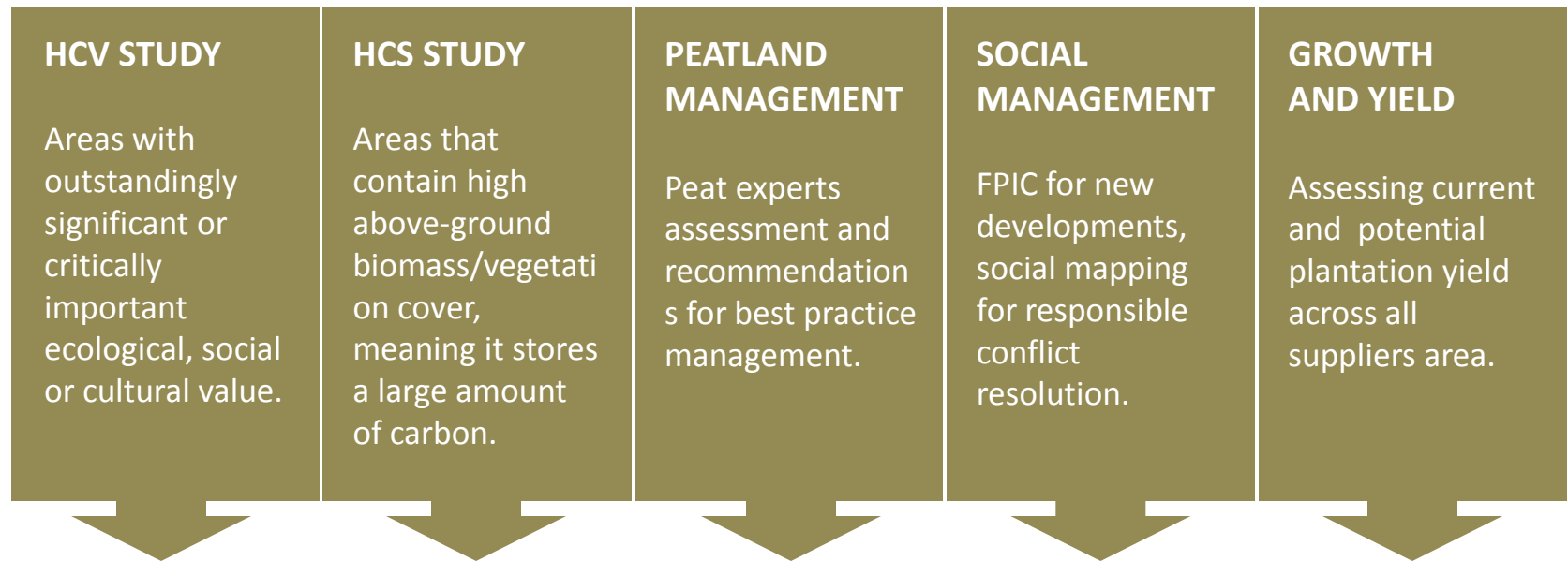
HUMAN RIGHTS
& INDIGENOUS
PEOPLE

APP Forest Conservation Policy



No Deforestation & Sustainable Forest Management

Natural forest moratorium was implemented to allow assessments which will determine natural forest areas to be protected, and provide recommendations for the sustainable forest management of APP suppliers concessions.



Integrated Sustainable Forest Management Plan (ISFMP)

BEFORE & AFTER ISFMP – ALL SUPPLIERS

MORATORIUM		ISFMP	
SPATIAL USE	HECTARES	HECTARES	LAND MANAGEMENT CATEGORY
Conservation Forest	383,387	506,126	Environmental Management
Production Area	1,642,517	1,499,762	Production
Infrastructure	85,471	-	
Local Species	230,763	-	Social Governance
Livelihood Plantations	140,774	420,524	
Non-Effective Area	158,518	215,019	Non-Effective
TOTAL	2,641,431	2,641,431	



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Forest Protection:
Involving the Communities

LOCAL COMMUNITIES & SOCIAL CONFLICT

Local communities continue to be key stakeholders in the Indonesian landscape.

They can potentially play the role in **either protecting or threatening the environment**, depending on their daily routines and livelihood activities.

Among the threats posed include **encroachment, illegal logging and the risk of fires**.

To mitigate the threats as well as to include local communities in APP's initiative to protect and rehabilitate natural forests, the **Integrated Forestry and Farming System (IFFS)** was developed with a **USD 10 million** from APP.

APP has named its IFFS as ***Desa Makmur Peduli Api*** (DMPA) in Indonesia and will be implemented in **500 villages** in **5 provinces** over the next **5 years**.



'Put people first' in forest management

| AZIZ IDRIS |

RAINFOREST restoration is not the sole responsibility of the government as everybody in the society has a stake in forest conservation and protection.

This was highlighted by Dato Seri Setia

Everybody has a stake in forest conservation and protection

said.

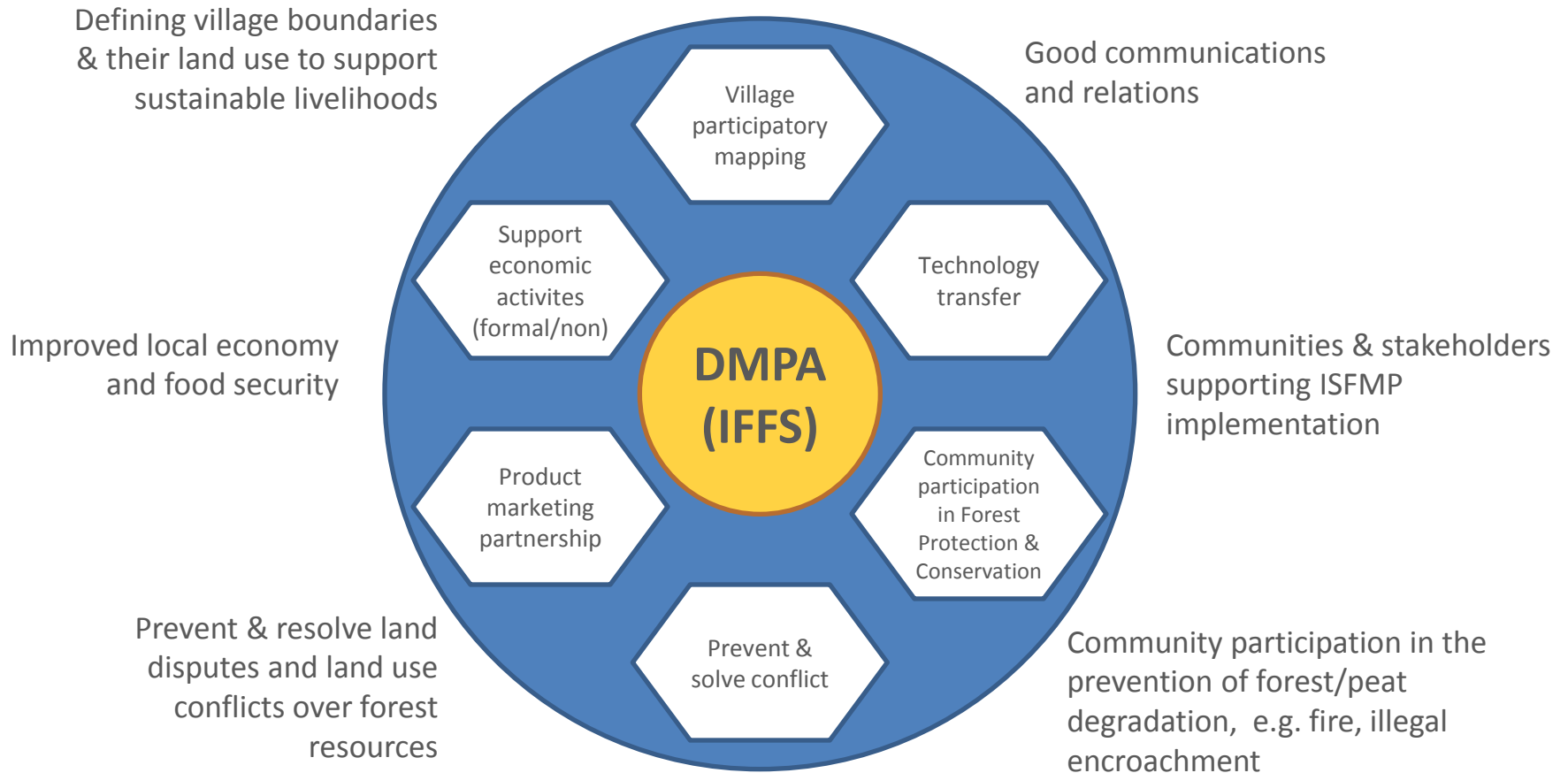
He hopes that the summit gave leaders the opportunity to widen their networks and meet new partners, not only from the government sector but also private sector counterparts.

The summit has become

- Put People First: the need to 'put people first' in the forest conservation initiatives as they are in the forefront of forest management and among the key drivers of change that will lead to forest sustainability.
- Good for Climate Change and NDC: "... trees on agricultural land sequestered close to 0.75 Gigatonnes of carbon dioxide globally per year over the past decade," said World Agroforestry Centre.
- One of the Big Challenges: "It's estimated we're losing 75 billion tons of soil every year. At this rate, the UN estimates that we have 60 years left of farmable topsoil."

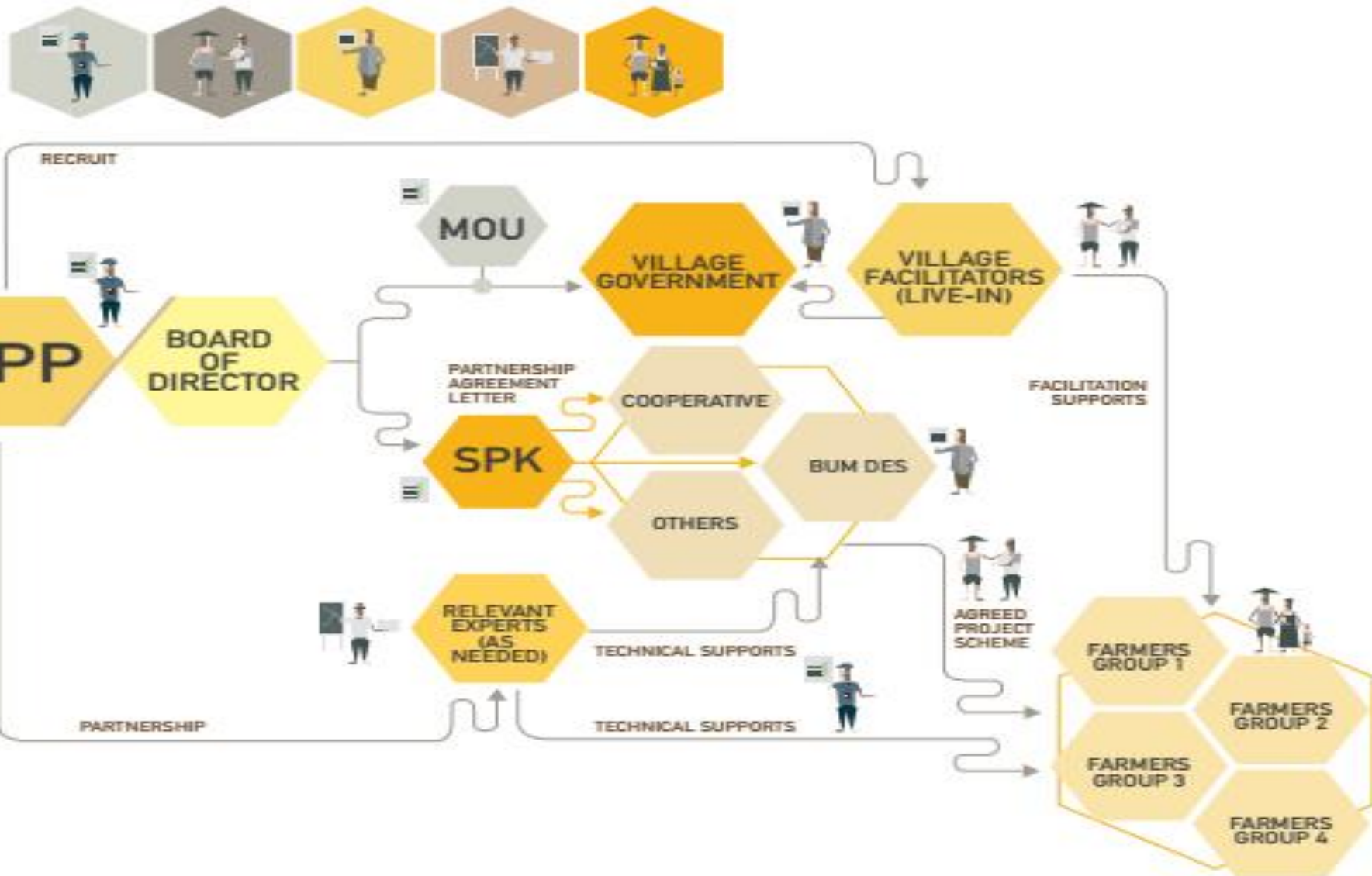
We need to bring our soil back to life - to optimize delivery of nutrients to plants, hold water in the ground and store carbon in our soils.
- Community-based IFFS business models need to be developed. And in order to be supported by climate financing, it's key to have scalable and tradeable models.

INTEGRATED FORESTRY AND FARMING SYSTEM



INTEGRATED FORESTRY AND FARMING SYSTEM

INSTITUTIONAL ARRANGEMENT AT THE VILLAGE LEVEL

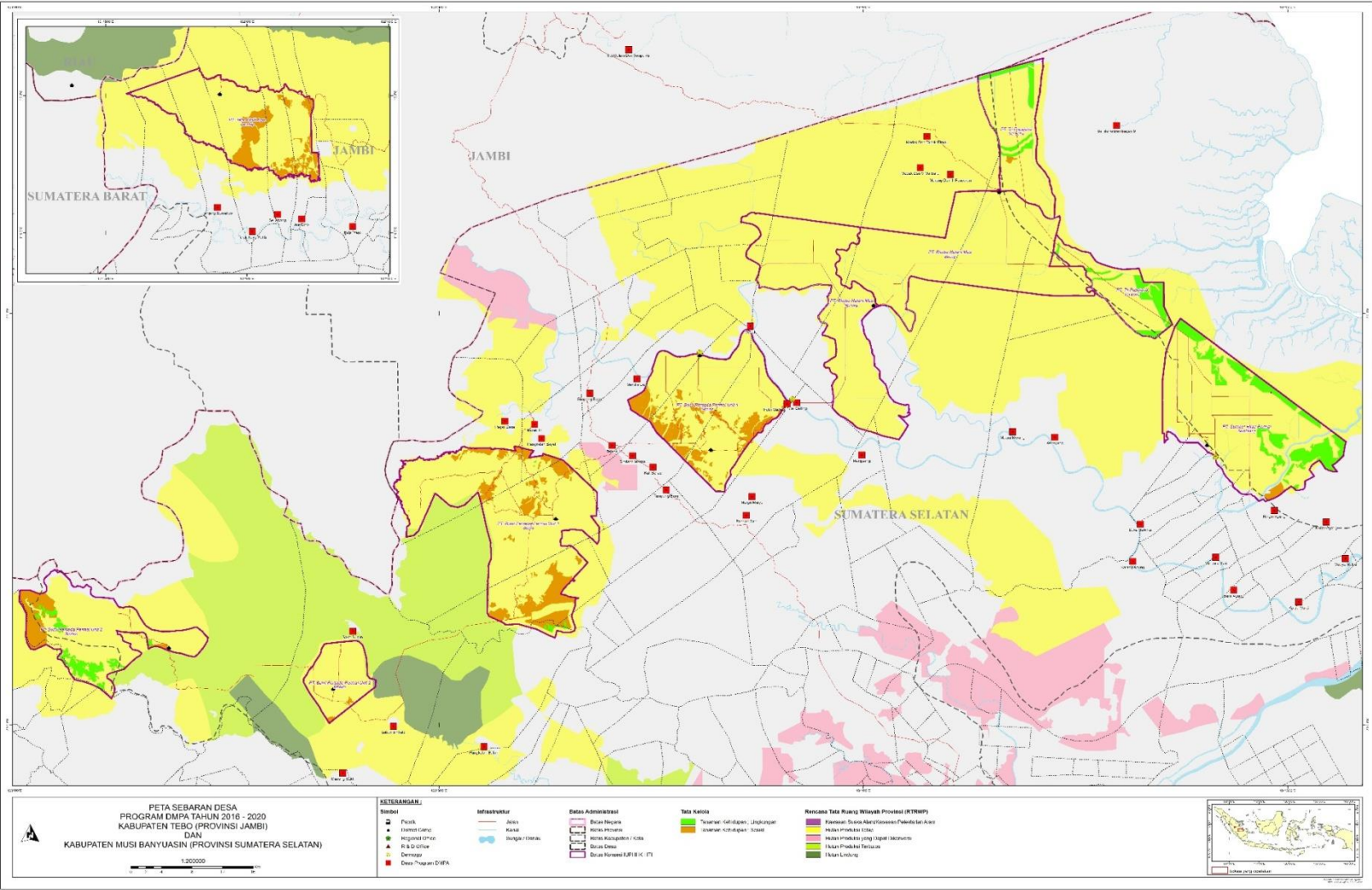


INTEGRATED FORESTRY AND FARMING SYSTEM

No	Region	2016	2017	2018	2019	2020
1	Jambi	15	17	17	17	17
2	West Kalimantan	5	8	8	8	8
3	East Kalimantan	5	7	6	6	6
4	South Sumatera	20	28	22	22	22
5	Riau	35	60	47	47	47
	Total	80	120	100	100	100

As of June 2016, APP and its suppliers have finished the planning and began rolling out of the IFFS program in **35 villages**.

VILLAGES SELECTION – MUSI BANYUASIN CASE



Pilot Project 1: Bukit Batu Village in Palembang

Location	Outside concession, directly bordering with concession.
Historical consideration	Medium risk of fire
# of households	759
# of farmers households	530
IFFS Program	Corn cultivation on 24 hectares of land
1st cycle beneficiaries	24 households (5% of total households)
Current community income	Approx. IDR 2,000,000 (~ USD 153,00)
Projected income increase	30% - 50%

Pilot Project 2: Muara Bengkal Village in Riau

Location	Next to concession, part of the village is inside concession
Historical consideration	Medium risk of conflict
# of households	185
# of farmers households	148
IFFS Program	Paddy cultivation, horticulture, farming and vocational skill (to support transportation)
1st cycle beneficiaries	54 households (36% of total households)
Current community income	Approx. IDR 900,000 (~ USD 70)
Projected income increase	In 3 years – 50% - 75%

Pilot Project 3: Sei Selodang Village in Riau

Location	Next to concession, part of the village is inside concession
Historical consideration	Medium risk of fire and encroachment High risk of conflict
# of households	344
# of farmers households	275
IFFS Program	Horticulture, farming and vocational skill (to support transportation)
1st cycle beneficiaries	61 households (22% of total households)
Current community income	Approx. IDR 1,000,000 (~ USD 77)
Projected income increase	In 3 years – 50% - 75%

IFFS Program – in Pictures



The Landscape Approach



CRITICAL LANDSCAPE *under consultation*



The 10 Priority landscapes for multi-stakeholders collaboration for forest conservation & sustainable development



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