

Importance of SVLK for pulp and paper industry

- Indonesia's pulp and paper industry is the 8th largest exporter outside oil & gas sector. Legality assurance is highly important for many export markets:
 - EUTR
 - AILPB
 - US Lacey Act
 - Japan Green Purchasing Policy
- The SVLK certification provides a common platform to demonstrate legality of timber products exported from Indonesia.
- The Indonesian Pulp and Paper Industry Association (APKI) and Indonesian Forest Concession Holder Association (APHI) declared support for SVLK.

Case study: Implementing SVLK in APP mills

2009:

-Pilot project in Jambi with MOF and representatives from EU FLEGT-VPA DFID

2010:

- Reporting of the SVLK Pilot Project to MOF
- MOF redefine principals & indicators of SVLK

2011:

- Join SVLK training, internal gap analysis and internal audit
- Participate in SVLK High Level Dialogue: Legality Assurance of Indonesian Timber Products

2012:

- SVLK external audit. Appointed Auditing body: TUV Rheinland Indonesia
- SVLK High Level Dialogue: Eight Practical Steps to Achieving 'World-Class' Production
- Participate in International Market dialogue in Paris - Dec 2012
- Participate in Shipment test to Europe on Oct – Dec 2012
- Witnessing VPA Signing on 30 Sept 2013
- All nine APP mills SVLK certified → The first in the world**
- **Ensure that we are complying with all relevant law & regulation**



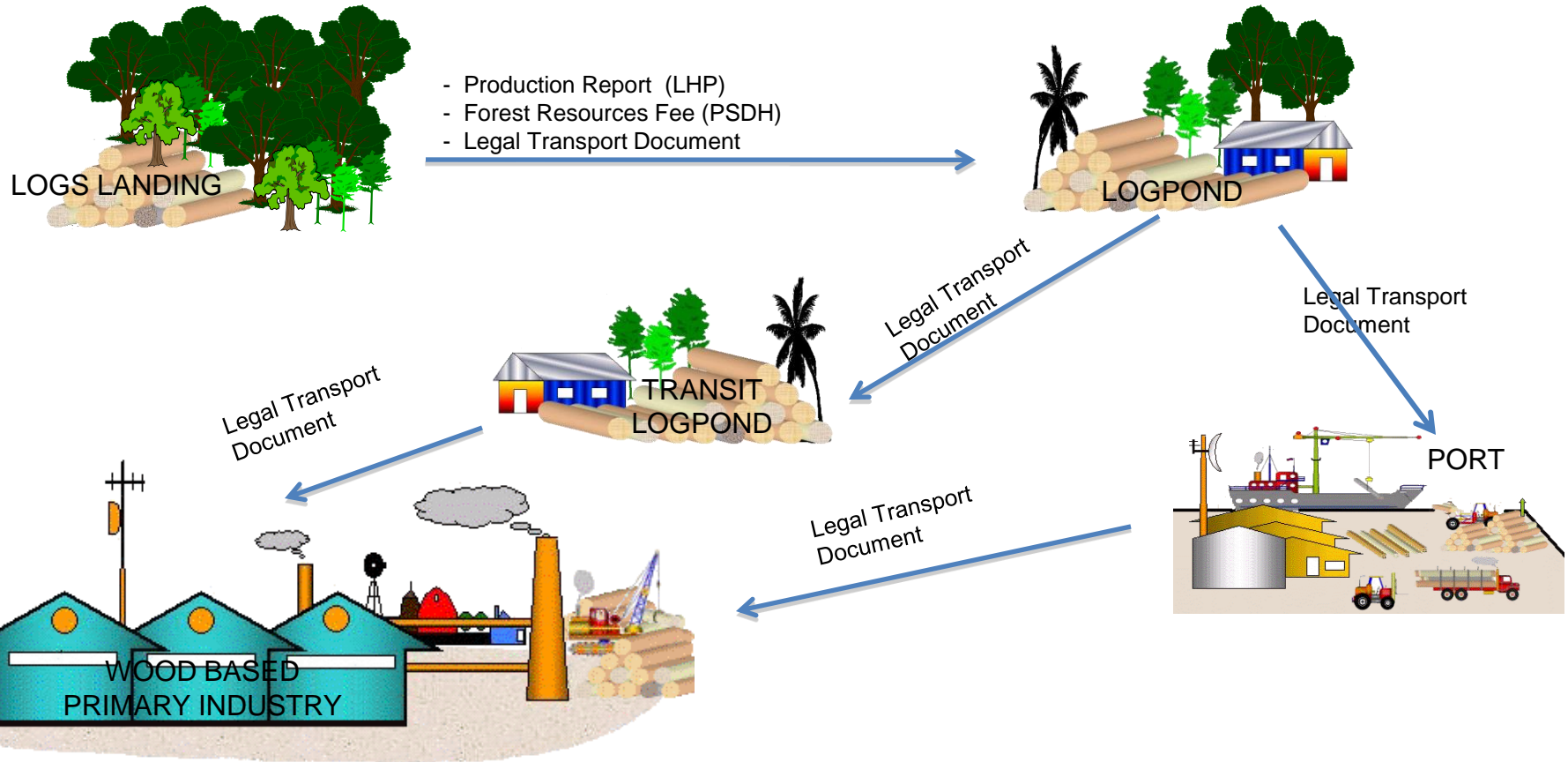
Case study: Implementing SVLK in APP mills



- It is designed to check the legality of timber from the forestry to the point of export using independent auditors.
- This is the Indonesian Government's actions to assure the legality of its timber products, which is in line with major timber markets globally.

Certificate of Timber Legality (SLK) for Plantations Forest.

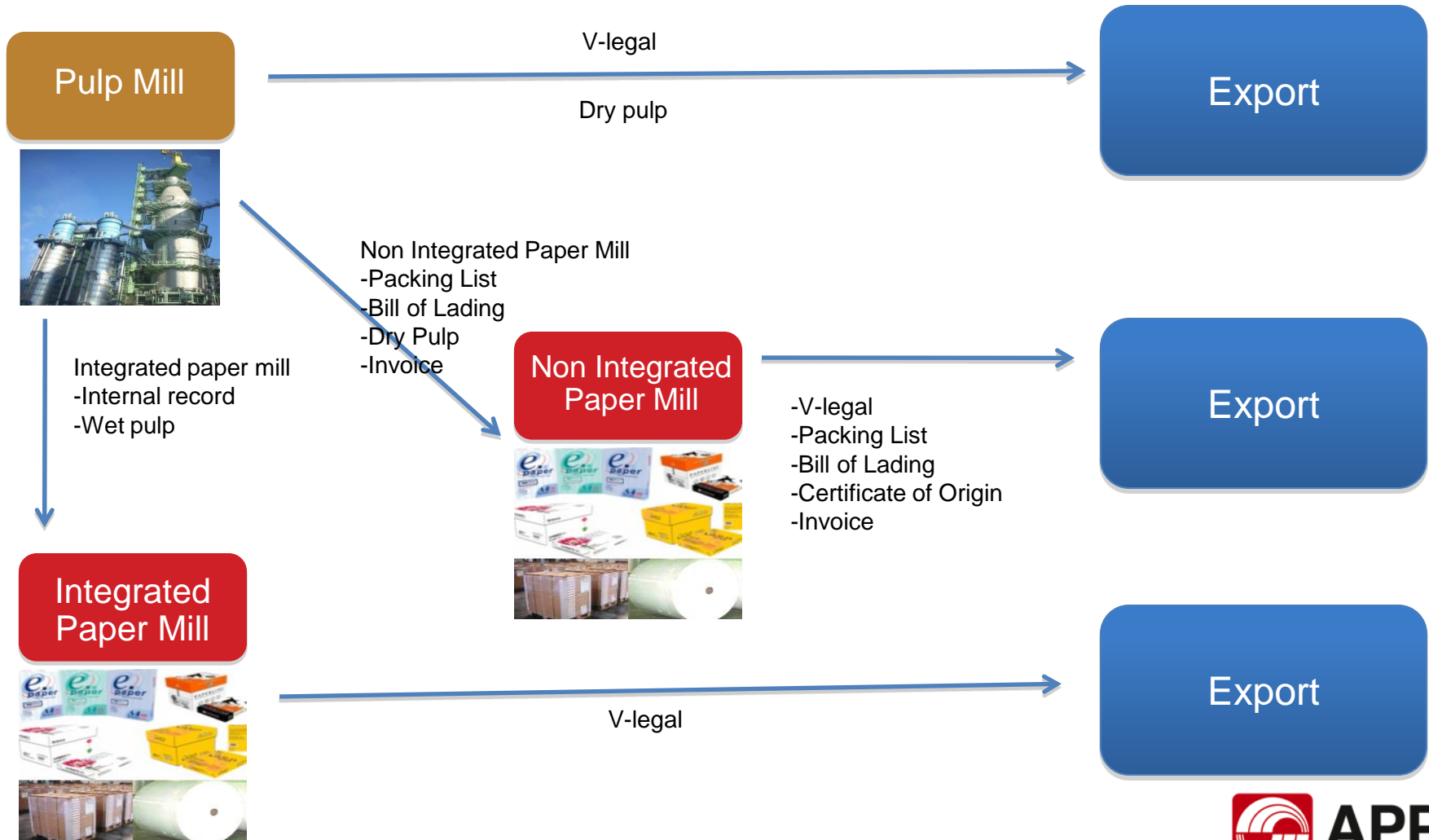
Points of Logs transport and documents



- Certificate of Timber Legality (SLK)
- Sustainable Production Forest Management (PHPL)

Timber Legality Verification System (SVLK)

Legality & Chain of Custody for Pulp & Paper Mill



Benefits and Challenges

Benefits:

- Buyers have assurance that products they buy from Indonesia come from legal sources when it is SVLK certified
- Combat illegal logging and support efforts to achieve no deforestation

Challenges:

- Recognition and acceptance of SVLK in buyer markets
- Avoid additional “Voluntary Scheme” certification to reduce cost.

THANK YOU



A ZERO DEFORESTATION COMMITMENT
We believe in creating a sustainable future through our products and we are doing our part to chart the path ahead through our new Forest Conservation Policy launched on 5 February 2013.
For more information please visit www.asiapulppaper.com

