

## PT Industrial Forest Plantation

### OWNER

Grup Nusantara Fiber

### LOCATION

Kapuas, Kalimantan Tengah

### SIZE

101.840 ha

### CONCESSION LANDSCAPE

PT Industrial Forest Plantation (PT IFP) lies in the Kahayan-Kapuas landscape in Murui Hulu River Unit, Central Kalimantan. The name Kahayan-Kapuas comes from the two rivers that shape the east and west border of the landscape, with almost 400,000 ha of orangutan habitat.

According to Population Habitat Viability Assessment (PHVA), this landscape is a habitat for almost 1,065 to 2,300 of orangutan, but only one out of seven habitat unit that had been surveyed. The landscape is dominated by peat forest. PT IFP is the most important concession in the Kahayan-Kapuas landscape because of its location that lies in the middle of Kahayan-Kapuas landscape. The

north part shares a border with PT Bumi Hijau Prima, while in the west part is PT Kalteng Green Resources. For more details, figure 1 below provides the condition of Kahayan-Kapuas landscape.

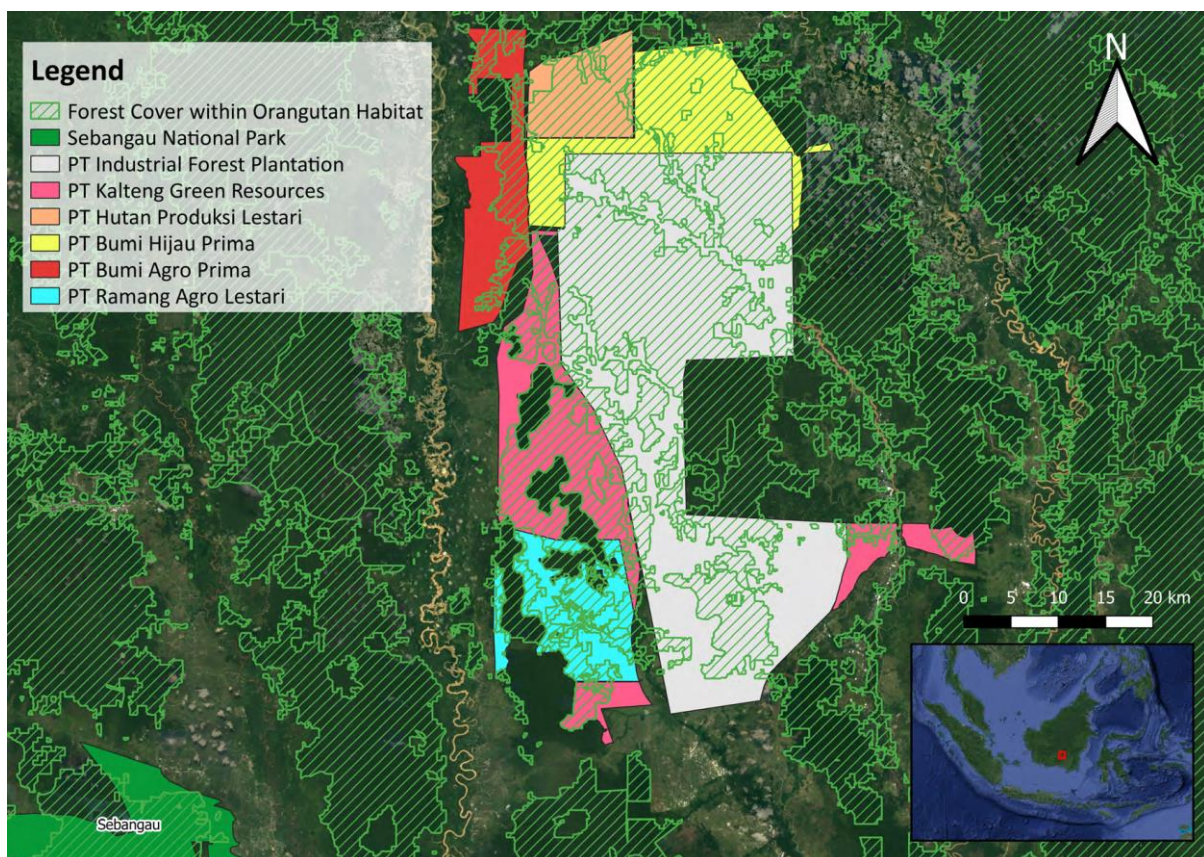


Figure 1. Kahayan-Kapuas Landscape

### CONCESSION HISTORY

PT Industrial Forest Plantation is registered in Indonesia's Ministry of Law and Human Rights in 2008. Its business license is industrial tree concessions (*Hutan Tanaman Industri* (HTI)). The concession area is registered under legal document SK.IUPHHK-HT No. 664/Menhut-II/2009 in 15<sup>th</sup> of October 2009, and the size is  $\pm$  101,840 hectare. It is located in Kapuas, Central Kalimantan.

Initially, PT IFP was owned by individual, but in 2013 there was a change of ownership where the majority of its shares acquired by PT Kreasi Lestari Pratama, PT Anugrah Hijau Lestari, and PT Melawi Agri Jaya. In 2017, almost all of the company's shares acquired by PT Borneo Hijau Lestari. PT Borneo Hijau Lestari is part of a Hongkong-based company Green Meadows Holdings Limited, which is registered in Polynesia.

In 2022, most of PT IFP's shares became part of a Malaysian company EGL Capital Sdn Bhd. The Malaysian company is entirely owned by Green Meadows Fiber Products Limited, which is a subsidiary of Green Meadows Holdings Limited.

## LAND-USE CHANGE

The concession area of PT Industrial Forest Plantation is  $\pm 10,1840$  hectare. The majority of the plantation is *Acacia crasicarpa*. Since 2018, around 9673 ha of forest has been cleared within the concession. Not all of them are for industrial tree purpose because the concession overlaps with zircon mining operated by PT Sumber Kencana Bumi Kaya. The mining company operates along the river in the north-east part of PT Industrial Forest Plantation.

According to a [report](#) by AidEnvironment in 2021, PT IFP is responsible for around 10,700 ha of forest loss between 2016 to the end of October 2020. Most of the clearing was detected in 2020 (5800 ha) and 2019 (3200 ha).

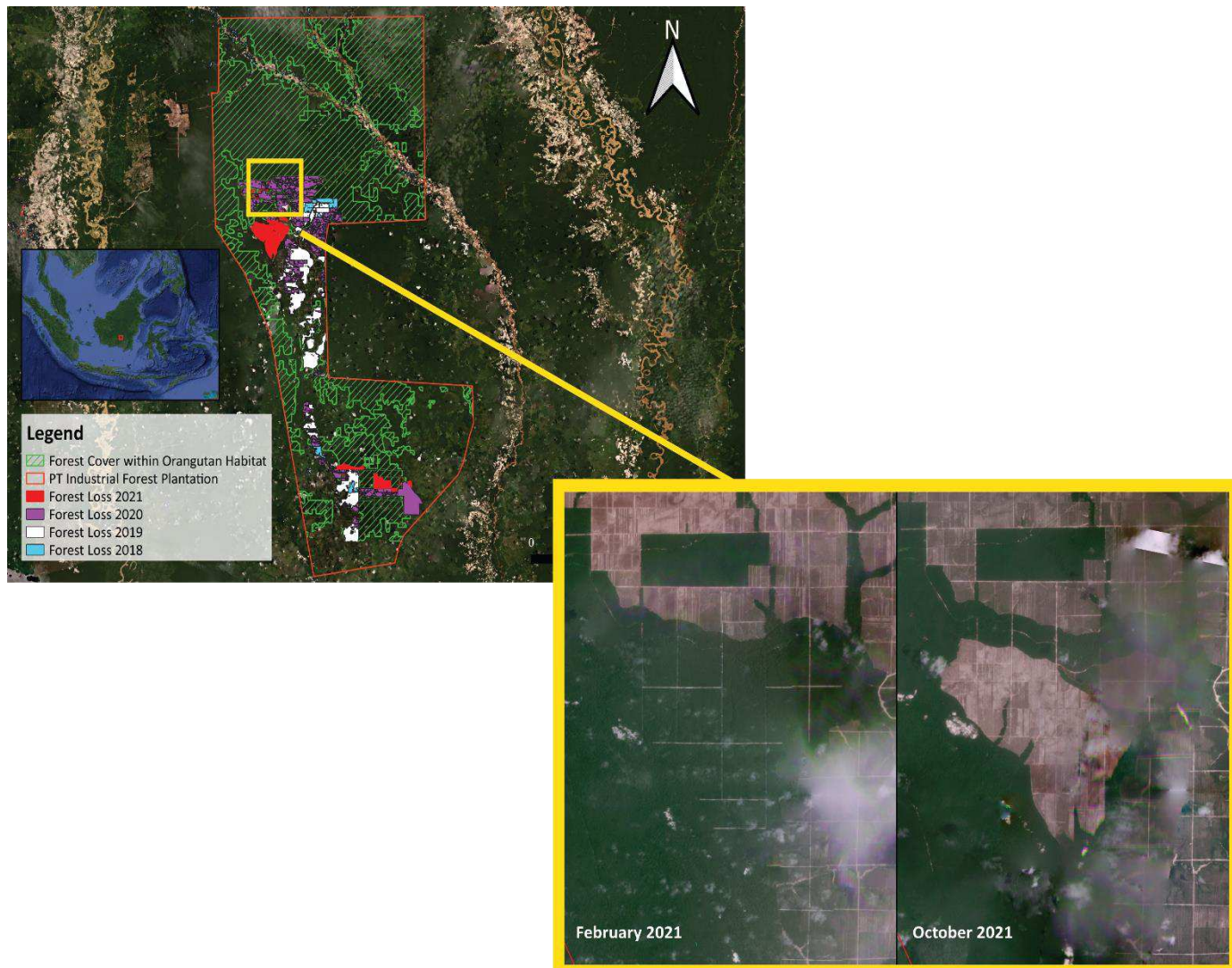


Figure 2. Deforestation within PT Industrial Forest Plantation from 2018 to 2021. Another company operates mining business near the river within the concession. The satellite image is from October 2021 (Source: Planet).

The latest research by [AidEnvironment](#) said that PT IFP is among top 10 deforesters in industrial tree plantations sector in the second quarter of 2022 due to 1800 ha of forest clearing during the said period.

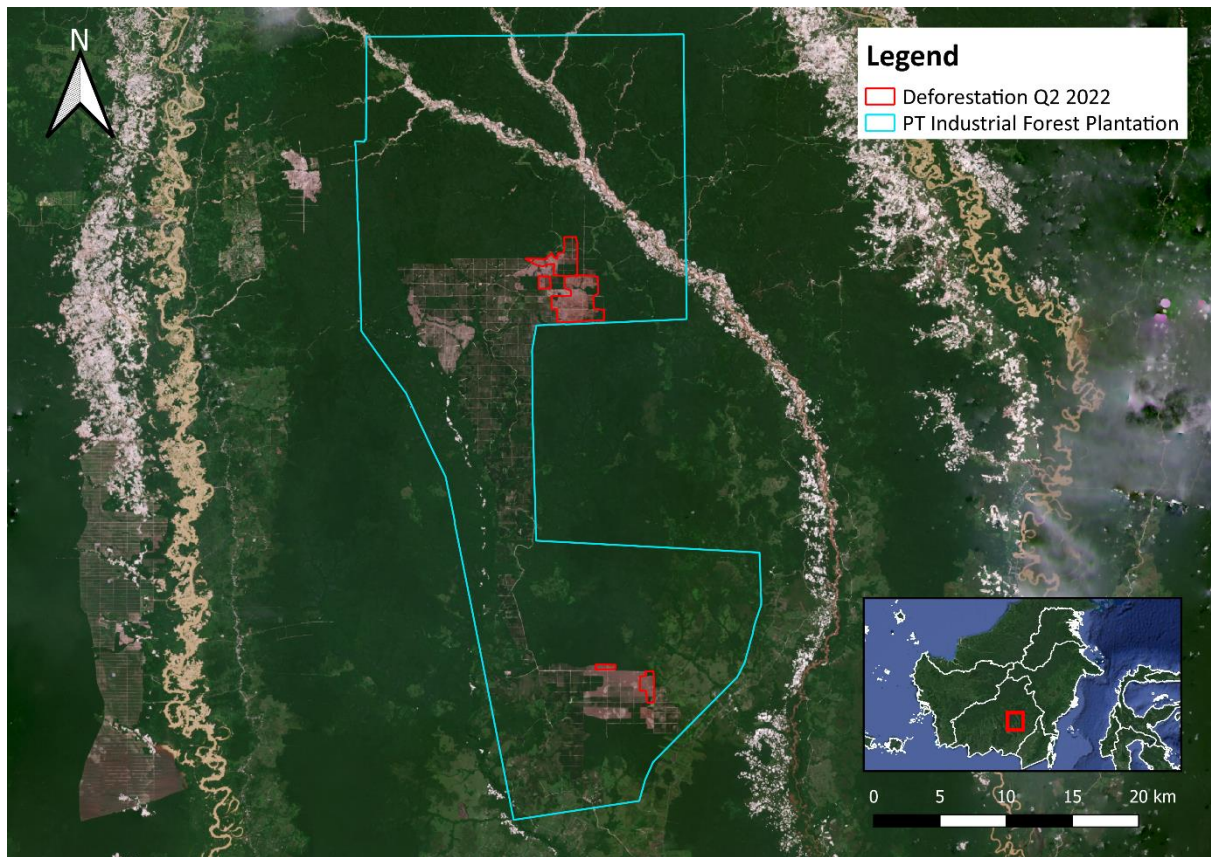


Figure 3. Deforestation within PT Industrial Forest Plantation's concession in April to June 2022



Figure 4. Deforestation in PT Industrial Forest Plantation (Source: AidEnvironment)



Figure 5. Forest clearing in PT Industrial Forest Plantation (Source: AidEnvironment)



Figure 6. Land use change in PT Industrial Forest Plantation's concession

Vegetated Area (ha) According to Indonesia's MoEF* 2009-2020									
2009	2011	2012	2013	2014	2015	2016	2017	2018	2020
76.323,6	67.517,3	67.465,8	67.465,8	66.701,3	66.115,9	67.234,5	66.592,1	66.541,0	54.102,6

\*Ministry of Environment and Forestry

## SUSTAINABILITY CHALLENGES

According to the audit document by PT Trustindo Prima Karya in June 2019, which was a part of PT IFP's submission for Sustainable Production Forest Management certification (*Pengelolaan Hutan Produksi Lestari/PHPL*), the total area allocated for protection area within the concession is 15,800 ha. 80% of them was still forested area. Included in the protection area is riverbank (around 3,600 ha), wildlife protection area (3,200 ha), germ plasm preservation area (3,300 ha), and peat ecosystem that covers around 5,700 ha.

A 2014 audit document for PT Industrial Forest Plantation identified some key species in the concession. Among the species mentioned are orangutan and protected flora and fauna (29 bird species, 22 mammals species, six reptiles species, and 15 species of trees and plantations). The same audit by PT Trustindo Prima Karya also identified land conflict within the concession in the form of land claimming by the local people and farmers for 22,100 ha of land within the concession.

PT Industrial Forest Plantation does not have an official website as well as publish public information regarding its sustainability policies.