



**pindo deli**  
paper products



## COMMUNICATION ON PROGRESS – WATER

2012

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<b>Sector</b>	Paper Industry	<b>Member Since</b>	22 March 2011



## STATEMENT OF CONTINUOUS SUPPORT

Asia Pulp & Paper (APP) has a vision to become the 21st Century's premier, world-class pulp and paper manufacturer – a company dedicated to providing superior value to customers, shareholders, employees and the community. To achieve this vision, APP has committed itself to being socially, environmentally and economically sustainable throughout its operations.

As an embodiment of its commitment, APP marked the World Water Day 2011 by pledging to the United Nations Global Compact CEO Water Mandate and becoming one of the first companies in Indonesia to do so. Furthermore, APP is honored to be elected as the Chairman of Indonesia Water Mandate Working Group, which was created to help members implement the CEO Water Mandate Principles, within and outside their operational boundaries.

During the first year of the commitment, APP has been intensifying its efforts in sustainable water management. In addition to the on-going water saving projects on site, APP is engaging an external partner to implement an organisation-wide Water Footprint Assessment with the aim of identifying further potentials for water consumption reduction and improvements in the quality of its water effluent. As a responsible producer, APP also contributes to addressing community water issues nearby its operations and beyond. In implementing its water projects, APP engages various partners to optimize the impact of the project on the community.

The six areas of commitment to the UN CEO Water Mandate are useful frameworks in implementing its commitment to sustainability and responsible business practices. APP is committed to continuing to adhere to these principles in its corporate strategy, roadmap and day-to-day operational activities.

Jakarta, December 2012

  
Aida Greenbury  
Managing Director Sustainability & Stakeholder Engagement  
Asia Pulp & Paper Group Indonesia

## **COMPANY AT A GLANCE**

PT. Pindo Deli Pulp and Paper Mills (Pindo Deli) is a company operating under the brand umbrella of Asia Pulp & Paper Group (APP) Indonesia. It was established in 1975 and operates three mills, located in West Kerawang and East Karawang in West Java, and Perawang in Riau Province. The company produces a wide range of tissue and paper products, including photocopy paper and specialty paper, such as carbonless, cast coated, art paper, and uncoated wood-free. Well-known company brands include Bola Dunia, Golden Coin, Golden Star, Lucky Boss, Mirage, Impression, Anchor and Paseo.

## **INTERNAL WATER MANAGEMENT**

Water is a very important part of the manufacturing process in Pindo Deli. Even before the company pledged to the UN CEO Water Mandate Principles, Pindo Deli already implemented on-site projects to reduce water consumption and to increase process efficiency.

In addition to self-initiated water saving programs, Pindo Deli mills also comply with the national regulation for water monitoring and reporting. As regulated by the national law, before starting an operation, any manufacturing facility in Indonesia is required to prepare the Environmental Impact Analysis (AMDAL), which later is complimented by an Environmental Management Plan (Rencana Kerja Lingkungan/RKL) and an Environmental Monitoring Plan (Rencana Pemantauan Lingkungan/RPL). These documents are legal requirements to ensure that the manufacturing process is safe for its surrounding environment including for the community nearby. The regulation also aims to ensure that all the critical environmental aspects are continuously controlled and regularly monitored. The RKL and RPL documents have to be developed and submitted every six months to the regional and national Environmental Agency.

In Pindo Deli, the RKL (Environmental Management Plan) and RPL (Environmental Monitoring Plan) include monitoring the quality of the wastewater, which is treated in the wastewater treatment facilities before being discharged to water bodies. The mill also monitors water quality at both the intake and discharge points to assess the impact of its operation on its water source. The parameters used in Pindo Deli mill monitoring system include biological oxygen demand (BOD), chemical oxygen demand (COD), suspended solids, dissolved oxygen (DO), temperature, AOX and pH values. In addition to the physical parameters, the mills also monitor the biodiversity in its water source to ensure that its operations do not affect the existing ecosystem. By doing so, Pindo Deli mills could continually review its operations system so they can set higher standards and strategies to reduce the impacts.

To ensure continuous improvement, Pindo Deli benchmarked its environmental performance including water consumption and waste water quality to other global paper companies as well as relevant international standards. For the past few years, Pindo Deli has been benchmarking its water performance against the Environmental, Health and Safety Guidelines for Pulp and Paper Mills, published in December 2007 by the World Bank / International Finance Corporation (WB / IFC).

## **WATER INITIATIVES**

In the watershed adjacent to its operation area, Pindo Deli mills have CSR programs which include planting trees on the river banks. These trees can improve rainwater absorption and retention in the ground and prevent erosion of the riverbanks. Thus, help to maintain the quality and quantity of water in the river.

Outside its operation area, Pindo Deli has several joint programs related to water issue with external stakeholders:

- **Clean Water Access instalation in Taman National Ujung Kulon**

Pindo Deli, as part of APP group, supports the Ujung Kulon National Park (UKNP) for Javan rhino conservation efforts. Javan rhino is one of the most endangered species in the world. In the wild they only exist in UKNP with an estimated number of around 40 to 50 remaining. A significant threat to the survival of Javan rhino is the community living nearby the National Park. To minimize the threat of poaching, the communities living nearby need to have a better living standard through improved livelihood and improved sanitation. Therefore, the project includes community development programs as well as provision of basic human needs such as access to clean water. Starting on August 2011, the company, in collaboration with the National Park Working Group, also supports the construction of a water piping line, using a sustainable and traditional method, aimed to provide continuous access to clean water for villagers who live nearby the rhino's habitat. Bamboo was used as the pipe to carry the water from the water source and gravitational force is used to distribute the water so that an electrified pumping system is not required. The program is planned to run for five years, targeting 15 villages that are directly adjacent to the UKNP area. In addition to the clean water provision, campaign programs are also implemented to raise the community's awareness of the importance of clean water and sanitation.

- **Indonesia Water Mandate Working Group**

Pindo Deli pledged to the UN Global Compact CEO Water Mandate Initiative during the World Water Day commemoration on March 22<sup>nd</sup>, 2011 along with other mills under the APP Group and five other Indonesian companies. Shortly after the pledge, the Indonesia Global Compact Network established the Indonesia Water Mandate Working Group whose objective is to provide capacity building for its members and to provide a platform for collaborative actions. APP was elected as the Chair of the Working Group. In 2011, the Working Group developed a multi-stakeholder 'Save Water Campaign' which aims to raise public awareness on the urgency of taking actions to save water and water sources, and the importance to take collaborative actions in tackling the water issue in Indonesia and globally. The Project includes seminars, discussion and report development around water policy, water disclosure, best practices and collaborative actions on the ground with relevant government agencies, UN bodies, NGOs, academics, community and other private sectors.

- **Water Footprint Assessment**

On March 2011, Pindo Deli together with other companies under APP signed a collaborative agreement with Nalco for Water Footprint Assessment as part of a joint program of sustainable water management. Nalco is one of the world's leading innovators in clean water technology and solutions which share the same commitment toward the UN CEO Water Mandate. The goal of the Water Footprint Assessment is to develop a roadmap toward water reduction, wastewater quality improvement and sustainable water management in Pindo Deli mills.

Nalco team of water, energy and pulp&paper experts did the assessment on Pindo Deli sites on November –December 2012. The mills are currently reviewing the result of the assessment for future improvements.

## **TRANSPARENCY**

In compliance to the Transparency principle of the UN CEO Water Mandate Area of commitment, Pindo Deli communicates its sustainability initiatives regularly through various media including APP corporate website ([www.asiapulppaper.com](http://www.asiapulppaper.com)), APP Sustainability Report, blog articles in the [www.rainforestrealities.com](http://www.rainforestrealities.com), Stakeholder Updates, and press releases. APP Sustainability Report is

developed based on the Global Reporting Initiative (GRI) and independently audited by third party verification body to ensure its accuracy and credibility. APP achieved the A+ disclosure level in the previous report, which is the highest level of transparency based on the GRI Standard.

Information disclosed in the report include the mills raw water consumption, total water withdrawal, water sources affected by water withdrawal, percent and volume of water recycled and reused, water discharge and waste water quality.

## **FUTURE PLAN**

In line with APP Sustainability Declaration, Pindo Deli has set long term and short term goals for its sustainability projects including those related to water consumption and water effluent quality improvement. As a responsible manufacturer, Pindo Deli will encourage its partners, supply chain and all its stakeholders to also use water in a responsible and sustainable way. Through its various internal, external and multistakeholder programs, the company strives to implement the CEO Water Mandate Principles in all aspects of its operations and is committed to continuous improvement by reducing its water consumption, increasing the quality of its water effluent, and contributing to the sustainable water management and water access for its surrounding community.

Detailed water performance and other sustainability initiatives of Pindo Deli will be covered in the upcoming APP Sustainability Report 2010-2011.