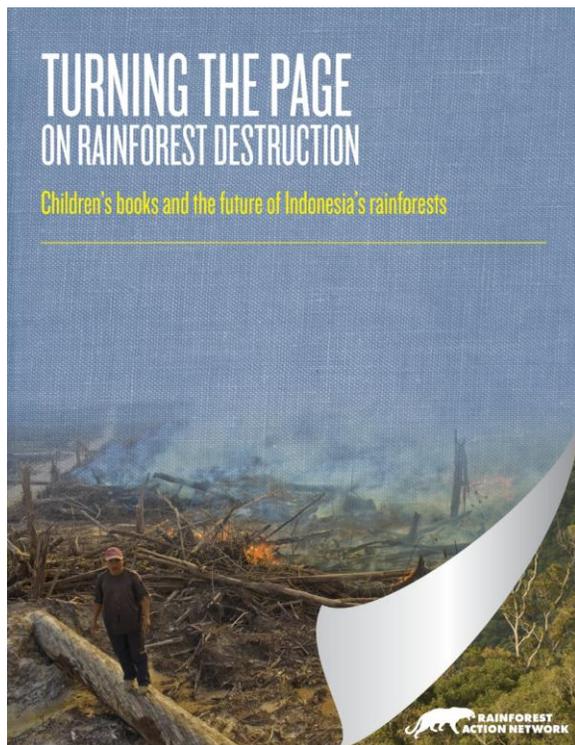


Why Disney Must Act to Save Indonesia's Rainforests

"Mickey represents widespread yearnings in American society for a utopia or Eden characterized by happiness or innocence. Yet Mickey also represents shaping forces in our culture that turn virtually everything into a commodity."ⁱ



Independent laboratory testing shows that paper linked to the destruction of Indonesian rainforests, species extinction, climate change and human rights abuses is finding its way into Disney books and products. Disney must move quickly to clean up its paper supply chains and clearly signal to Indonesian pulp and paper manufacturers that it will not tolerate or do any business that can be linked to paper companies whose practices destroy

rainforests and threaten the very survival of iconic species like Sumatran tigers, elephants and orangutans.

Disney is the world's largest publisher of children's books and magazines.

Walt Disney Company's much loved Mickey Mouse is considered one of the most well-known American icons in the world after the American flag. Feeding this recognition, Disney's book and magazine business has become a global colossus, the largest publisher of children's books and magazines on the planet. Disney Publishing has sold more than 300 million children's books and 221 million copies of magazines and reaches more than 100 million readers monthly.ⁱⁱ

Printing all these books and magazines, packaging all the toys and running all Disney's business units creates a supersized appetite for paper, making Disney a major paper consumer with a large forest footprint. With the rapid growth of book printing and manufacturing being outsourced to China, Disney has become increasingly vulnerable to controversial paper sources entering its supply chain, particularly from Indonesia. China is the top importer of Indonesian pulp and paper. Asia Pulp and Paper (APP), Indonesia's largest pulp and paper producer, has moved its corporate headquarters to China where it has grown to become China's largest pulp and paper conglomerate.

Indonesia’s production is centered on the island Sumatra, with approximately 80 percent of the industry linked to or controlled by just two highly controversial pulp and paper suppliers, Asia Pulp and Paper (APP) and Asia Pacific Resources International (APRIL).ⁱⁱⁱ

Disney books are linked to the destruction of Indonesian rainforests, species extinction, human rights abuse and climate change.

“The rate of depletion of our planet’s forests is staggering and it’s important that we focus significant resources on their protection.”– Beth Stevens, *senior vice president, Environmental Affairs, The Walt Disney Company*^{iv}

Ironically for a company strongly identified with the promotion of positive environmental values, many Disney books are made from paper linked to the destruction of Indonesia’s rainforests. Independent laboratory testing commissioned by Rainforest Action Network found wood fiber linked to the clearing and conversion of Indonesia’s rainforests in the paper of some of America’s favorite Disney story books.

Three Disney books were fiber tested, all of which revealed fiber coming from the clearing and conversion of Indonesia’s rainforests. Three of three books contained acacia fiber, coming from monoculture

acacia pulp plantations, which are displacing natural forests in Indonesia, particularly in Sumatra. One book from the well-known Little Einstein series, “Little Einstein’s Galactic Goodnight” also contained mixed tropical hardwoods, or fiber from natural tropical forests.

Book Title	Positive for Acacia	Positive for Mixed Tropical Hardwood	% Acacia	% Mixed Tropical Hardwood
Little Einstein's Galactic Goodnight	Yes	Yes	13%	13%
The Hidden Word of Fairies	Yes		21%	
High School Musical All Access	Yes		10%	

Results of laboratory testing of paper found in three Disney Publishing books.

You don’t have to be an Einstein to know that children’s books should be rainforest-safe.

Indonesia’s rainforests: What’s at stake.



Indonesia’s rainforests are biological and cultural treasure chests. Spread over nearly

18,000 islands, Indonesia houses the world's third largest area of rainforest after the Amazon and Africa's Congo Basin. With less than 1% of the Earth's land area, Indonesia's rainforests contain 10% of the world's known plant species, 12% of mammal species - including endangered orangutans and critically endangered Sumatran tigers and rhinos - and 17% percent of all known bird species. And there is still much to be discovered. The Indonesian Ministry of the Environment estimates that more than half of Indonesia's species are still unrecorded.^v

The world's fourth largest country in population, Indonesia is a center of cultural diversity, with over 500 different language groups among its 238 million population. There are approximately 50 million Indigenous peoples, many of them dependent on standing natural forests for their livelihoods. Unfortunately, with national government claiming and controlling over 70% of Indonesia's forested land area, forest dependent communities have no clear ownership rights over their traditional lands.^{vi} Human Rights Watch reports that APP, for example, established pulp plantations in Sumatra "largely on land unlawfully seized from indigenous Malay and Sakai communities, without due process and with little or no compensation. These land seizures took place under intimidation by armed police and military agents."^{vii}

Indonesia's rainforests also contain globally significant stores of carbon, which is

released into the atmosphere when they are cleared or burned. In addition to the rich quantities of carbon found in the vegetation of dense natural rainforests, Indonesia has the highest concentration of peatland forests in South East Asia, which store roughly 64 billion tons of carbon in the peat soils – about nine times the global emissions from fossil fuel combustion in 2006.^{viii}

Indonesian pulp and paper companies are leading drivers of deforestation.



Indonesia has one of the highest deforestation rates in the world. Although estimates vary widely, conservative studies suggest more than a million hectares (2.4 million acres) of Indonesian rainforest is cleared and lost each year, with about 70% occurring in dryland forests and 30% on peatland forests.^{ix} The pulp and paper sector's huge demand for wood fiber is widely recognized to be one of the two leading drivers, along with palm oil, of this deforestation and the main threat to remaining peatlands, particularly on the

Indonesian island of Sumatra where the industries' giant pulp mills are centered.^x

APP and APRIL, which control about 80 percent of Indonesia's pulp mill capacity, have developed two of the largest pulp mills in the world on Sumatra. Between 2004-2008, more than half of the wood chips for these two mills are estimated to have come from natural rainforests, with the remainder coming from Acacia tree monoculture plantations planted on formerly forested lands. Since 1990, appropriation of wood fiber to feed Indonesia's pulp mills is estimated to be responsible for the loss of rainforest area the size of Delaware and Connecticut combined. The volume of woodchips consumed by the pulp mills would easily fill the Empire State Building 210 times^{xi}

According to scientists from the Center for International Forest Research (CIFOR), "Expansion of pulp processing capacity has occurred much faster than plantation development." Further, the yields from plantations cannot meet the demand from the existing pulp mills and legal supplies of wood from native forests in Sumatra "are rapidly being exhausted."^{xii}

The Indonesian pulp and paper industry is destroying critical Sumatran tiger habitat.

The Sumatran tiger is only found in the remaining rainforest areas on the Indonesian island of Sumatra. There are less than 400 of the critically endangered



Sumatran Tiger

Sumatran tigers left in the wild. One of the biggest immediate threats to their survival comes from the destruction of critical habitat by the pulp and paper industry as it converts high conservation value rainforests into monoculture pulp plantations.



Distribution of tigers in Sumatra

Tiger scientists know that the existing protected rainforest areas in Sumatra are

not large enough to maintain viable tiger populations. Each breeding pair of tigers requires a large home range so it is essential that remaining areas of natural rainforest outside of protected areas be conserved.

Six high priority Tiger Conservation Landscape areas have been identified in Indonesia, yet the Indonesian paper industry relentlessly continues to convert rainforests in these areas to pulp plantations. For example, in the past six years Indonesian pulp and paper giants have cleared a half a million acres of natural rainforest in just one such global priority Tiger Conservation Landscape area alone. In May of 2011, international conservation organization WWF released videos showing rare footage of wild Sumatran tiger cubs playing with leaves, taped in a rainforest area under imminent threat of clearance and conversion to pulp plantations.^{xiii}

The Indonesian pulp and paper industry deforestation is fueling climate change.



Carbon rich peatland forests are also being targeted by the Indonesian pulp and paper industry, creating a situation described recently by scientists as “dire” both because of its negative climate and biodiversity impacts.^{xiv} Carbon emissions from rainforest clearance and from decomposition of drained peatlands to create plantations represent a one-two punch of carbon into the atmosphere and are the main reason that Indonesia has become the world’s third largest greenhouse gas emitter after China and the U.S.



Drained and cleared peatland forest

Much of the climate, human rights and biodiversity disaster is unfolding in the Riau province of Sumatra, the epi-center of APRIL and APP’s pulp and paper operations

and a primary fiber basket for China's growing paper industry.^{xv} In 2010, APP and APRIL's concessions are estimated to include 1.2 million hectares on deep peatlands.^{xvi} A study of the carbon footprint of APP's Indonesian pulp and paper production, including deforestation and peatland emissions, estimates APP causes 16-21 tons of CO2 emissions per ton of paper, which is about 50-70 times higher than best in class North American recycled paper.^{xvii}

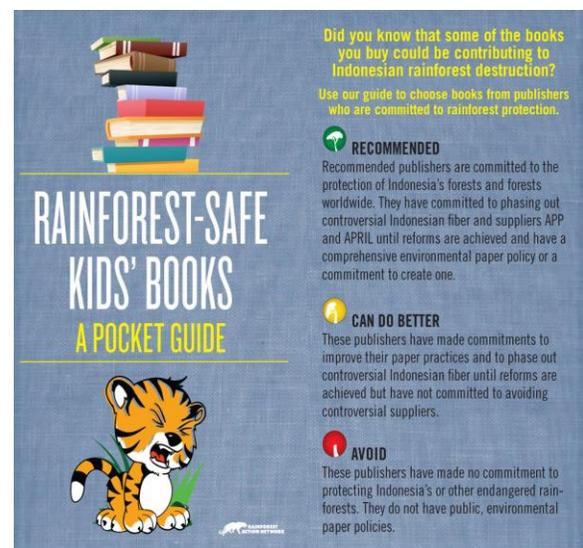
With almost 60 percent lost since 1985, APP and APRIL are estimated to hold concessions covering 31 percent of Riau's remaining natural forest and peatlands, which is also critical habitat for Sumatran tigers and other iconic and endangered wildlife.^{xviii} APP's annual CO2 emissions of more than 67 million tons from its Sumatra pulp and paper mills alone is estimated to be greater than the emissions of any of over 165 countries including Denmark.^{xix}

Disney is falling behind other corporate leaders.

"Animals and the natural world are as important to the legacy of The Walt Disney Company as Snow White and Mickey Mouse." - Roy E. Disney (1930 – 2009)^{xx}

Disney widely promotes what it calls its core principles that are supposed to guide all its business decision making. They include principles to act and create in an ethical manner, to consider the consequences of the company's decisions

and to aim to make a lasting, positive change in the world.^{xxi} But when it comes to the paper it uses, Disney, unlike other top children's book publishers including Scholastic, Simon and Schuster, and Hachette, has so far failed to articulate or implement effective paper procurement policies and practices that prevent the company from contributing to the loss of endangered forests in Indonesia and around the world. Disney, more than most companies, should understand that action to preserve some of the world's most biodiverse and carbon-rich forests is more necessary now than ever.



Disney books still not rainforest-safe

As a first step towards a meaningful policy and its implementation, Disney must eliminate controversial fiber in its papers and publicly sever all financial and supply chain ties with APP and APRIL as well as their affiliates until key reforms have been implemented and independently verified. Many other companies have looked at the

evidence and are already eliminating controversial Indonesian sources from their supply chains, including eight of the top ten publishers of children's books, Office Depot, Staples, Ricoh, Fuji Xerox, Woolworths, Wal-Mart, Kraft, Nestle, Unilever, Ikea, Kimberley Clark, H&M Group, Gucci and Tiffany's, among others.

In order to be a responsible corporate citizen Disney must also implement a comprehensive paper policy, which outlines time-bound, numeric goals to maximize post-consumer recycled content and papers from FSC-certified forestry operations, increase resource efficiency, and eliminate wood fiber from the world's endangered forests and other controversial sources. Rainforest Action Network has worked with many leading companies to develop and implement leadership paper policies that reflect company values, incorporate fundamental safeguards and adopt best practices to guide procurement and maintain brand integrity. As the world's largest publisher of children's books and magazines, Disney's lack of leadership is confounding and sorely missed.

Wake Up Disney!

The destruction of magical rainforests is no fairy tale. The clock is ticking for Indonesia's rainforests and the species and communities that depend on them. Under Indonesia's current model of forest conversion, the country's forests and peatlands are being lost at a rate of between 200,000 to 400,000 acres a month

to the detriment of local communities, endangered species and the global climate.

It is time for Disney to stop doing business with nefarious bad actors like APP and APRIL and to adopt a comprehensive policy that can guarantee parents that the bedtime story books they read to their kids will not make them unwitting participants in tiger and orangutan extinction.



Wake Up Disney!

For more information: www.ran.org/Disney

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