



Joint Statement - December 11, 2024

**Civil society organizations applaud Canada's natural resources committee's call to bring Jackson Wijaya (owner of Domtar, formerly Paper Excellence), as well as Canada's Industry minister and representatives from the Forest Stewardship Council, to testify after Domtar acknowledged Wijaya's anticipated ownership of controversial Asia Pulp & Paper**

*Signatory groups: David Suzuki Foundation, Environmental Paper Network, Greenpeace Canada, Nature Canada, Nature Nova Scotia, Natural Resources Defense Council, Ontario Nature, Rainforest Action Network, Sierra Club, Wilderness Committee, Wildlands League*

Jackson Wijaya, owner of [Domtar \(formerly Paper Excellence Group\)](#),<sup>1</sup> is acquiring "sole control" of Asia Pulp & Paper (APP). This [announcement](#) confirms what many have been stating for years: One of North America's largest pulp and paper companies shares a common owner with one of Asia's most notorious. Wijaya [snubbed Canadian parliamentarians](#) last year by twice refusing to show up at federal natural resources committee meetings to answer questions.

As 11 civil society organizations, we call on decision-makers within the U.S. and Canadian governments to fully investigate this development and its implications to the forest industry writ large; we urge the European Commission to reject the proposed concentration of the two companies; we urge the Forest Stewardship Council (FSC) to revoke Domtar's FSC certifications and we urge Domtar's current purchasers not to renew contracts with the company.

APP's history in Indonesia is [well-documented](#). APP and its wood suppliers [have converted](#) over [two million hectares](#) of tropical rainforests to establish pulpwood plantations, including in areas providing critical habitat for Sumatran elephants, orangutans and tigers. APP has engaged in [conflicts with over a hundred communities](#) in Sumatra, and [seven of its security contractors](#) surrendered to police after the [murder of 26-year old Indra Pelani](#), a land-rights activist and farmer, in 2015. APP and its subsidiaries have been [disassociated](#) from the FSC since 2007 because of "destructive forestry practices." APP's plantation operations in Indonesia, which involve draining hundreds of thousands

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<sup>1</sup> This document will refer to Paper Excellence as Domtar. In October 2024, Paper Excellence formally rebranded as Domtar.

of hectares of carbon-rich peatlands, have been linked to [catastrophic fires](#) and globally significant levels of [greenhouse gas emissions](#). APP's corporate group also had a [trail of debt](#) problems beginning in 2001 that left banks and investment funds around the world – including the U.S. government – with substantial losses after protracted legal battles.

In Canada, Domtar has also conducted itself in ways that are contrary to the public interest. Northern Pulp [declared bankruptcy and stopped repaying its debt](#) to Nova Scotia and halted certain pension payments to former employees. Domtar, which owns Northern Pulp, [sued the province of Nova Scotia](#) when it was required to shut down its mill due to a failure to meet the province's environmental standards. Northern Pulp and its new owner Domtar launched a [\\$450 million lawsuit](#), the revenue the company claimed it lost because of the forced closure of the mill in 2020. That lawsuit is [now settled](#).

Meanwhile, [Domtar](#) has captured [hundreds of millions of dollars](#) in public funds, while at the same time [shuttering a number of mills](#).

All entities involved in the financing and approval of the then-branded [Paper Excellence's prior acquisitions and mergers](#) (including Domtar, Resolute and Catalyst Paper) should conduct robust investigations into the company's prior behaviour and the implications of Wijaya's proposed acquisition of APP. **We urge these entities to ask and report to the public on the questions outlined below.**

#### **Canadian and U.S. governments:**

Domtar has shut [at least five pulp mills](#) that it has acquired, despite receiving hundreds of millions of dollars in assistance from governments and government-backed programs.

What transparency and accountability measures are in place to ensure that funds meant to create jobs and revitalize communities are used for these purposes?

Will the Canadian government launch a comprehensive investigation, including requiring that the Ministry of Innovation, Science, and Industry conduct a [net benefit review](#) for the Domtar, Resolute, and Catalyst Paper acquisitions now to fully understand the implications of Domtar's business practices to Canada?

Will they further investigate Domtar's denial of its relationship with APP?

Will they explain their apparent lack of concern that a company that has cut down more tropical rainforest in Indonesia than almost any other company and that is in [conflict](#) with hundreds of Indonesian communities over land issues be permitted to take control of any, let alone so much - 22 million hectares - of forests in Canada?

Additionally, it appears the U.S. government-sponsored Farm Credit System lent almost a [billion dollars meant for American farmers](#) to a wealthy and non-transparent billionaire, linked to a notorious Asian company, so that he could acquire Resolute Forest Products.

Will the U.S. government provide details on if and how it scrutinized Domtar's use of the Farm Credit System to purchase Resolute?

Together, APP and Domtar will represent an even greater power to lobby governments in Canada and the U.S. to potentially reduce or modify regulations and launch more [lawsuits against governments](#).

How has Domtar (Domtar, Paper Excellence and Resolute) already lobbied governments, either directly or through its association with forest industry lobby organizations? What are the outcomes of these lobby efforts?

How much financial support is Domtar providing to industry lobby groups in Canada and the U.S.?

How will communities and non-industry stakeholders in Canada and the U.S. be protected from lobbying, directly or indirectly, to advance the interests of APP and Domtar?

How can the best interests of local communities be protected with so much control in the hands of a multinational corporation, with mills in Canada, the United States, France and Brazil, and with significant economic interests in the forestry sector in Asia?

#### **Forest Stewardship Council:**

Despite substantial [evidence](#) that these corporate groups are associated under FSC's definition, the FSC has to date [accepted](#) Domtar's assertion that there is no relationship of control between the two companies. The undersigned signatories are calling on the FSC to take swift action to apply the [Policy for Association](#) and revoke the FSC [certificates](#) of Domtar, Paper Excellence and Resolute operations based on Wijaya's ownership of Asia Pulp & Paper.

Will the FSC uphold the rigour of its Policy of Association and revoke the FSC certificates of Domtar, Paper Excellence and Resolute (now collectively known as Domtar)?

#### **Pulp purchasers:**

Many major purchasers of pulp and paper have red-listed APP from their supply chains. Wijaya's ownership of both APP and Domtar confirms shared ownership of the two companies, and therefore any companies that source from Domtar should not renew their contracts.

#### **European Commission:**

Wijaya [notified the European Commission](#) of his proposed acquisition of APP on November 15th. The European Commission, which reviews mergers that exceed certain economic thresholds, is currently reviewing the proposed "[concentration](#)" of APP and Domtar under Wijaya's ownership. We urge the Commission to reject this proposal.