

ABSTRAK

Indonesia is currently facing quite many environmental issues. These issues appear due to awareness upon its importance, that it has increasingly threaten livelihood, especially the state. Deforestation can be caused by several factors, such as construction in sensitive areas as well as uncontrollable logging. According to WWF Indonesia, Asia Pulp and Paper (APP) is responsible for such misbehavior, since it has opened more than 1 million hectare worth of natural forest, in only Riau and Jambi provinces, making it the most responsible company throughout Sumatera island. In 2013, APP outed Zero Deforestation commitment to restore the forest function.

This research aims to provide understanding on the reason of APP decision to provide Zero Deforestation commitment. On this research, System Theory will be used and research would be conducted qualitatively. Research results suggested that behind this decision, there were pressure coming from Government, Non-governmental Organization (NGOs), as well as from the Capital Market.

Keywords: *APP, Deforestation, Conservation, NGOs, Government, Market*