

Prepared by Indonesia Watch and [www.biofuelwatch.org](http://www.biofuelwatch.org)

### **Response of environmentalists to Malaysian and Indonesian Palm Oil PR initiative**

The Malaysian and Indonesian governments, and Malaysian Palm Oil Council, are undertaking a PR tour promoting Palm Oil production. This week a series of talks and seminars with EU legislators are being given in London, Brussels and Holland.

[http://www.btimes.com.my/Current\\_News/BT/Monday/Nation/BT625654.txt/Article/](http://www.btimes.com.my/Current_News/BT/Monday/Nation/BT625654.txt/Article/)

<http://www.planetark.com/dailynewsstory.cfm?newsid=42181&newsdate=28-May-2007>

*European policy makers must be aware that there are many unanswered concerns remain for European NGOs about the sustainability and human rights of Palm Oil production. These are critical when the recent EU Biofuels directive of 10% target for biofuels will force massive imports of biofuel from tropical countries like Malaysia. Environmentalists are concerned that despite well documented environmental damage from the Palm Oil industry, this delegation is seeking to greenwash its lucrative industry and hijack calls for greater scrutiny of both Palm Oil and biofuels. This week, they highlight just three key areas as needing scrutiny by the EU:*

- *The potential for a new refugee problem - Biofuel refugees*
- *Peat destruction – a catastrophic climate change time-bomb*
- *Invisible deforestation – loss of rainforest that can be hidden from official figures*

Almuth Ernsting of biofuelwatch says "The Malaysian government would like EU policy makers to think that people's concerns are emotional because recent reports of the threats to Orang-Utans. Important as protecting such species is, the Palm Oil issue is also about the human rights of forest peoples who can loose their land and become refugees in city slums, and about the potential of deforestation and peat destruction to accelerate global warming and risk all our futures." *Detailed notes on these issues and myth busters on some recent claims of the Malaysian government are given below.*

In neighbouring Indonesia, Sumatra's rainforest is mainly gone, Kalimantan is losing rainforest very fast, and up 9-10m hectares of virgin forest in West Papua are now at risk.

Marianne Klute of Indonesia Watch says "Malaysian and Indonesian Government denials of deforestation lack credibility. For example, deforestation does not 'officially' occur when state or commercially owned forest reserves, that are not protected, are converted to palm oil plantations. A considerable volume of the palm oil sold by Malaysian companies is produced in Indonesia, where the land rights of indigenous and other local communities are routinely ignored, and where human rights violations are common. Our Indonesian partners and our own observations show that there is no sustainable palm oil production in Indonesia, once environmental and social concerns are taken into account. I believe that without land reform, administrative reforms and law enforcement in Indonesia, we cannot even begin to look at the sustainability of palm oil from that country."

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## **INFORMATION NOTES : Why Palm Oil production is not human or environmentally friendly**

### ***A new sort of refugee – the biofuel refugee - is being rapidly created***

People are familiar with the idea of climate change refugees, but biofuel refugees are growing at a much faster rate. *The clearing of forests to make room for these new crops is putting at particular risk the 60 million indigenous people who depend on forests almost entirely for their survival, according to the U.N. Permanent Forum on Indigenous Issues.*

The UN Permanent Forum on Indigenous Issues Sixth session, New York was recently held in New York (14-25 May 2007). Forum chair Victoria Tauli-Corpuz said that "Indigenous people are being pushed off their lands to make way for an expansion of biofuel crops around the world, threatening to destroy their cultures by forcing them into big cities". *She highlighted that some of the native people most at risk live in Indonesia and Malaysia, which together produce 80 percent of the world's palm oil - one of the crops used to make biofuels.* Although she said there are few statistics showing how many people are at risk of losing their lands, in one Indonesian province - West Kalimantan - the U.N. has identified 5 million indigenous people who will likely be displaced because of biofuel crop expansion.

'The speed with which this is happening we don't really realize in our part of the world,' Ida Nicolaisen, an expert in indigenous cultures and member of the U.N. forum, and who has studied violations of indigenous people in Sarawak, Malaysia said at a news conference. 'Because the technology we have today and the economic resources that are at stake are so big, it happens overnight.'

[http://www.checkbiotech.org/green\\_News\\_Biofuels.aspx?infol=14672](http://www.checkbiotech.org/green_News_Biofuels.aspx?infol=14672)

Full report to the UNPFII Forum on Oil Palm, that highlights Malaysian and Indonesian activities, is available at:

[http://www.un.org/esa/socdev/unpfii/documents/6session\\_crp6.doc](http://www.un.org/esa/socdev/unpfii/documents/6session_crp6.doc)

*Despite the presentation of the above report to the UN Permanent Forum on Indigenous Issues Sixth session several weeks ago, as far as we know, the Malaysian and Indonesian governments have yet to make any statement in response.*

### **Peat destruction is a time-bomb that, unless stopped, will cause catastrophic climate change**

Millions of hectares of South-east Asia's peatlands are being drained for oil palm plantations. Those peatlands are one of the world's most important carbon sinks – they store 40-50 billion tonnes of carbon, which is the equivalent of about six years of global fossil fuel emissions. A recent study by Wetlands International, Delft Hydraulics and Alterra suggests that the *destruction of those peatlands is responsible for at least 8% of all global carbon dioxide emissions* – and this figure does not include the large-scale emissions linked to deforestation for palm oil.

*Peat destruction is a time-bomb as carbon dioxide is released over time in massive quantities – tens of billions tonnes – enough to take the climate to a global tipping point past the critical 2°C rise that the EU to committed not to exceed.*

Malaysia as well as other countries is a major contributor to this. Deforestation data for Sarawak, Malaysia show that around 50% of forest lands cleared from 1999 to June 2006 are located on peat lands. Field observations and rapid assessment of satellite data suggest that many of these areas are cleared for large scale oil palm plantations. See figure 8, page 11 (15) from Delft-Hydraulics-Peat.pdf (attached).

*A leading environmental researcher at the University of Leicester, Dr Susan Page, just been awarded €458,000 to study how to tackle this global climate change time bomb. See [http://presszoom.com/print\\_story\\_125540.html](http://presszoom.com/print_story_125540.html)*

## **Despite official denials, oil palm plantations may be encroaching into Malaysian rainforest**

Oil palm plantations could encroach into rainforest in Malaysia in two ways: small scale opportunist encroachment and systematic commercial expansion. Such encroachment is not necessarily on protected forests (ie conservation areas and virgin jungle reserves). The examples below involve encroachment on State owned forested land or Commercial Forest Reserves.

### Possible systematic encroachments of Palm Oil plantations into Malaysian rainforest

- Imbak Canyon - a small (c. 4 sq. km) area of state owned forest land adjacent to the Imbak Canyon Conservation Area. Questions remain as to whether this was done without seeking government approval for change of land use, had an Environmental Impact Assessment and if it observes statutory riparian reserves. If not, this could be illegal under Malaysian law.

<http://www.biofuelwatch.org.uk/blog/2006/12/06/witness-report-from-malaysias-oil-palm-lands/>

Enclosed: Map and Photo

- Tanjung Tumonong Hallo Conservation Area (c. 10 sq km) – We understand there is evidence that prior to designation as a conservation area this area was logged repeatedly and then illegally cleared for palm oil. This clearing would have been illegal because no approval was sought for change of land use from Forest Reserve to plantation. There is no evidence of any further clear felling for oil palm since the conservation area designation, although it is reported that slash and burn rice cultivation continues.

Enclosed: Map only

- Kinabatangan Floodplain - Systematic conversion of private and state owned forested land to palm oil plantation. Recent newspaper reports show that instead of 58,000ha of the proposed wildlife sanctuary when first mooted, there is now only the 26,000ha. In the interim, the land has most likely been bought up and converted to oil palm. The residual wildlife sanctuary is reported to be hopelessly fragmented and dysfunctional.

Enclosed: map of proposed wildlife sanctuary illustrating fragmentation

- Benta Wawasan Oil Palm plantation - This is a well documented case of government sponsored large scale conversion of forest reserve to oil palm plantation. The reason for the furore at the time was that the land was originally part of the state owned Yayasan Sabah timber concession. The decision to convert from Class II commercial forest reserve to palm oil plantation meant that Yayasan Sabah reneged on their original mandate to sustainable forest management for the benefit of the people of Sabah.

Enclosed: Google Earth image of Benta Wawasan oil palm surrounded by forest reserves.

## **MYTH BUSTING THE MALAYSIAN GOVERNMENT COMMENTS ON EUROPEAN ENVIRONMENTAL CAMPAIGNS**

Answers to some of these myths are presented below.

### **MYTH 1 : Western Green activists are appealing to emotional concerns about Orang-Utans**

- an appeal to romanticism and nostalgia?

Whilst the Orang-Utan issue is very important and has been highlighted just last week by the veteran environmentalist Sir Richard Leakey<sup>[1]</sup>, there are a whole plethora of other human and environmental issues that concern us about large scale palm oil expansion, particularly for biofuels.

Extinction of any mammal species is of great concern. But the threat to Orang-Utans is echoed by the threat to indigenous forest peoples.

*The clearing of forests to make room for biofuels is putting at particular risk the 60 million indigenous people who depend on forests almost entirely for their survival, according to the U.N. Permanent Forum on Indigenous Issues. A recent report<sup>[2]</sup> highlighted that some of the native people most at risk live in Indonesia and Malaysia, which together produce 80 percent of the world's palm oil. The U.N. has identified 5 million indigenous people in one Indonesian province, West Kalimantan, who could be displaced because of biofuel crop expansion.*

*50,000 Orang-Utans are at risk, 5 million people are threatened. What will they have to be romantic and nostalgic about in city slums?*

*Despite the presentation of the above report to the UN Permanent Forum on Indigenous Issues Sixth session several weeks ago, as far as we know, the Malaysian and Indonesian governments have yet to make any statement in response.*

## **MYTH 2 : Oil palm plantations on peatland have a positive effect on global warming**

The Malaysian Palm Oil Council (MPOC) quotes one 2004 study by Melling in their "Trees for Life" brochure. They do not mention more recent studies that take into account the time-bomb of peat destruction that is the slow oxidation of carbon peat to CO<sub>2</sub>. Peatlands are one of the world's most important carbon sinks – they store 40-50 billion tonnes of carbon, which is the equivalent of about six years of global fossil fuel emissions. A recent study by Wetlands International, Delft Hydraulics and Alterra (attached<sup>[3]</sup>) suggests that the *destruction of those peatlands is responsible for at least 8% of all global carbon dioxide emissions* – and this figure does not include the large-scale emissions linked to deforestation for palm oil.

*Why has a leading environmental researcher at the University of Leicester, Dr Susan Page, just been awarded €458,000 to tackle this global climate change time bomb<sup>[4]</sup> if it doesn't exist? She said in a recent Press Release "These peatlands are carbon-dense ecosystems that are extremely vulnerable to destabilisation through human and climate induced changes. Located mainly in Southeast Asia, they store 50-70 billion tonnes of carbon (3% global soil carbon) but poor land management practices and fire, mainly associated with plantation development and logging, are releasing some of this carbon and contributing to greenhouse gas emissions."*

*Peat destruction is a time-bomb as carbon dioxide is released over time in massive quantities – tens of billions tonnes – enough to take the climate to a global tipping point past the critical 2°C rise that the EU to committed not to exceed.*

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<sup>[1]</sup> <http://news.bbc.co.uk/1/hi/sci/tech/6704549.stm>

<sup>[2]</sup> [http://www.un.org/esa/socdev/unpfii/documents/6session\\_crp6.doc](http://www.un.org/esa/socdev/unpfii/documents/6session_crp6.doc)

<sup>[3]</sup> [www.wetlands.org/getfilefromdb.aspx?ID=b16d46c5-ea7b-469a-a265-408b59aab5d1](http://www.wetlands.org/getfilefromdb.aspx?ID=b16d46c5-ea7b-469a-a265-408b59aab5d1) (PDF file)

<sup>[4]</sup> [http://presszoom.com/print\\_story\\_125540.html](http://presszoom.com/print_story_125540.html)

### **MYTH 3 : Green activists opposed to Oil palm development are working for the Soya industry**

Activists are opposed to Oil Palm expansion for many reasons. These are well documented, for example at [www.biofuelwatch.org.uk](http://www.biofuelwatch.org.uk). Some of these same activists have been involved in campaigns to highlight concerns about large-scale monoculture Soya crops in Latin America.

*In fact, many of the issues are the same issues – just different crop, different place.*

For example, large-scale soya monocultures threaten indigenous people, cause land disputes and refugees, threaten species extinction, affect biodiversity and food sovereignty, cause deforestation, and have negative affects on the global climate. All of these concerns have also been raised about Oil Palm developments.