

Sinar Mas continues rainforest destruction

Singapore, 27 April 2010

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



The facts:

A fifth of global GHG emissions are caused by deforestation.

Palm oil is driving deforestation in Indonesia

Deforestation and peat land destruction is contributing to 80% of Indonesia's emissions

Indonesia third largest GHG emitter on the planet

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



Why Sinar Mas is the problem

Indonesia's largest palm oil and pulp and paper producer

Massive expansion plans in forested areas

Long history of failed sustainability commitments and significant evidence of illegalities

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



Sinar Mas sustainability commitments

Sinar Mas' palm oil operations fall under Golden Agri Resources (GAR)

GAR claims to be committed to the principles and criteria of the Roundtable on Sustainable Palm Oil [RSPO].

GAR subsidiaries PT SMART and PT IVO Mas are both members of RSPO.

GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



A history of forest destruction

2008: Greenpeace report 'Burning up Borneo' shows forest destruction by Sinar Mas.

December 2009: Unilever commissions independent audit that finds violation of RSPO Principles & Criteria.

December 2009: Greenpeace publishes evidence of illegal forest and peat land clearance by Sinar Mas

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests





Clearing of Sago trees, Lereh, Papua 8th October 2008

GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



While Sinar Mas is trying to convince their shareholders today that it is committed to sustainability, it continues business as usual.

Evidence from Greenpeace from the last 3 months shows:

- Illegal clearing of forests
- Illegal clearing of peat lands
- Violation of RSPO P&C

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests





Peat land destruction, PT ALM, Kalimantan 14th March 2010

S1 37 00.1 / E110 24 18.0
March 14, 2010

GREENPEACE

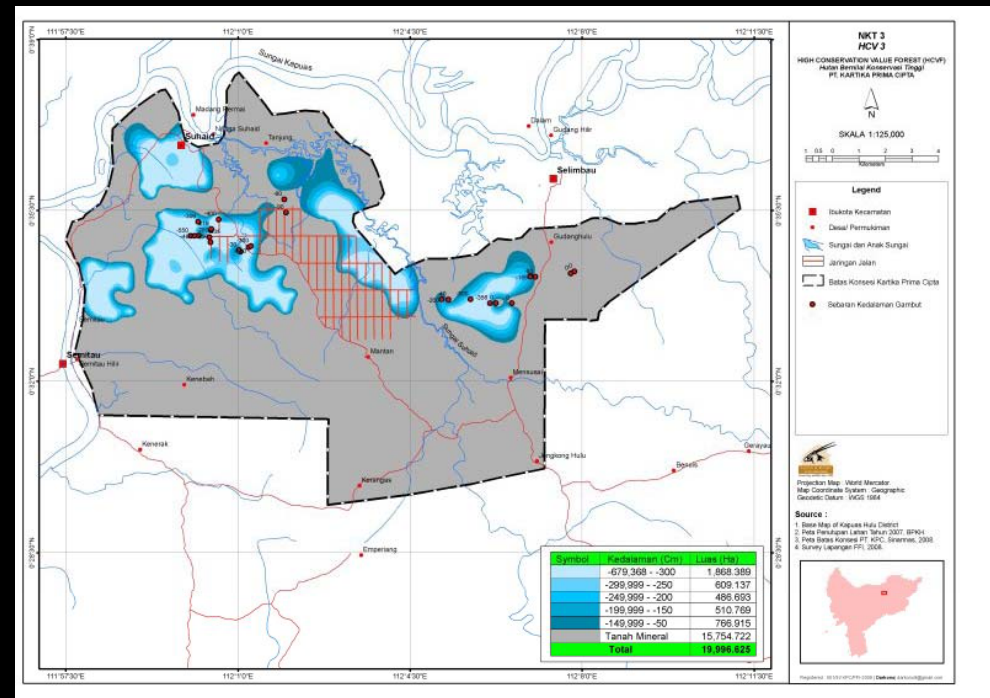
the climate solution:
energy [r]evolution and protecting ancient forests



Illegal peat land destruction

Evidence by Greenpeace from Dec 2009 shows that Sinar Mas is clearing deep peat, illegal under Indonesian law in Kapuas Hulu, Kalimantan.

The company is opening up an area of peat of up to 7 meters deep.



GREENPEACE

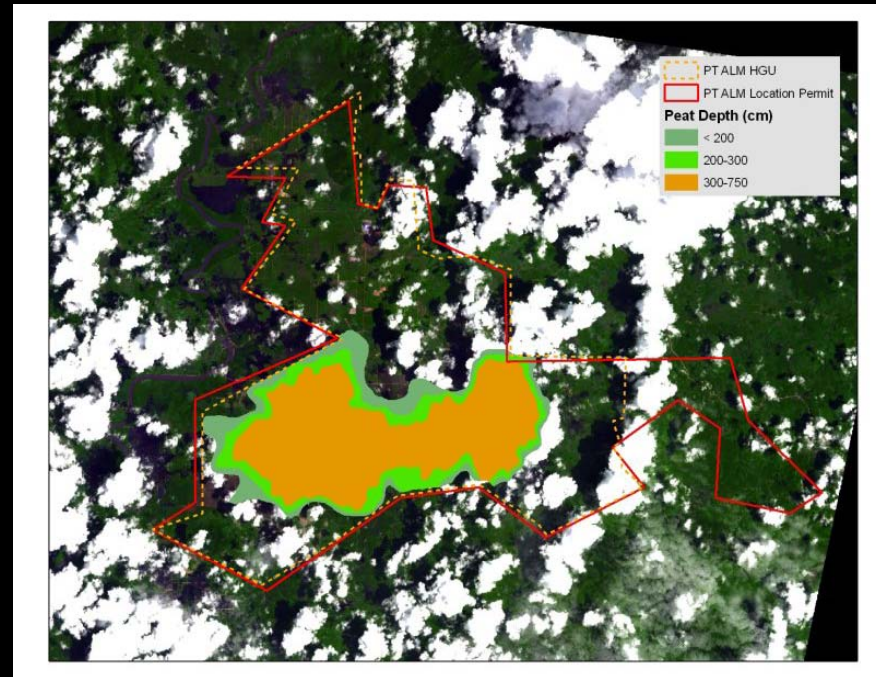
the climate solution:
energy [r]evolution and protecting ancient forests



Illegal peat land destruction

Recent evidence from February 2010 shows that Sinar Mas is illegally clearing peat in PT ALM, Ketapang.

The company is opening up an area of peat of more than 3 meters deep, that has been classified as HCV.



GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



Illegal land clearing

Greenpeace has evidence of Sinar Mas clearing forests without the required permits.

- Clearing without an IPK in Ketapang and Kapuas Hulu, Kalimantan
- Clearing without an AMDAL in Ketapang, Kalimantan

This is illegal according to Indonesian laws and regulations and in violation of the RSPO P&C.

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



International market response

Unilever suspended their 30 million Euro contract with Sinar Mas

Kraft, Nestle stopped their direct purchases from Sinar Mas

Cargill has given Sinar Mas till end of April

Financial institutions, like the German Development bank (DEG) are re-evaluating their loans.

GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



Sinar Mas response

In a letter to stakeholders on the 4th of February the company committed to stop clearing High Conservation Value areas, peat lands, primary forests and areas with high carbon value, and apply Free, Prior and Informed Consent.

From the 2009 annual report:

“In all locales where we operate, we comply strictly with relevant laws and regulations, and we are committed to the principles and criteria of the Roundtable on Sustainable Palm Oil (“RSPO”)

GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



Business as Usual continues

New evidence shows that Sinar Mas continues to violate the commitments made on the 4th of February.

PT BAT,
Central Kalimantan
March 2010



GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



The evidence:

PT BAT a subsidiary of
Golden Agri Resources
14,300 ha.
in Central Kalimantan

No HCV assessment has
been done, while the
concession is overlapping
with orang-utan habitat



GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests





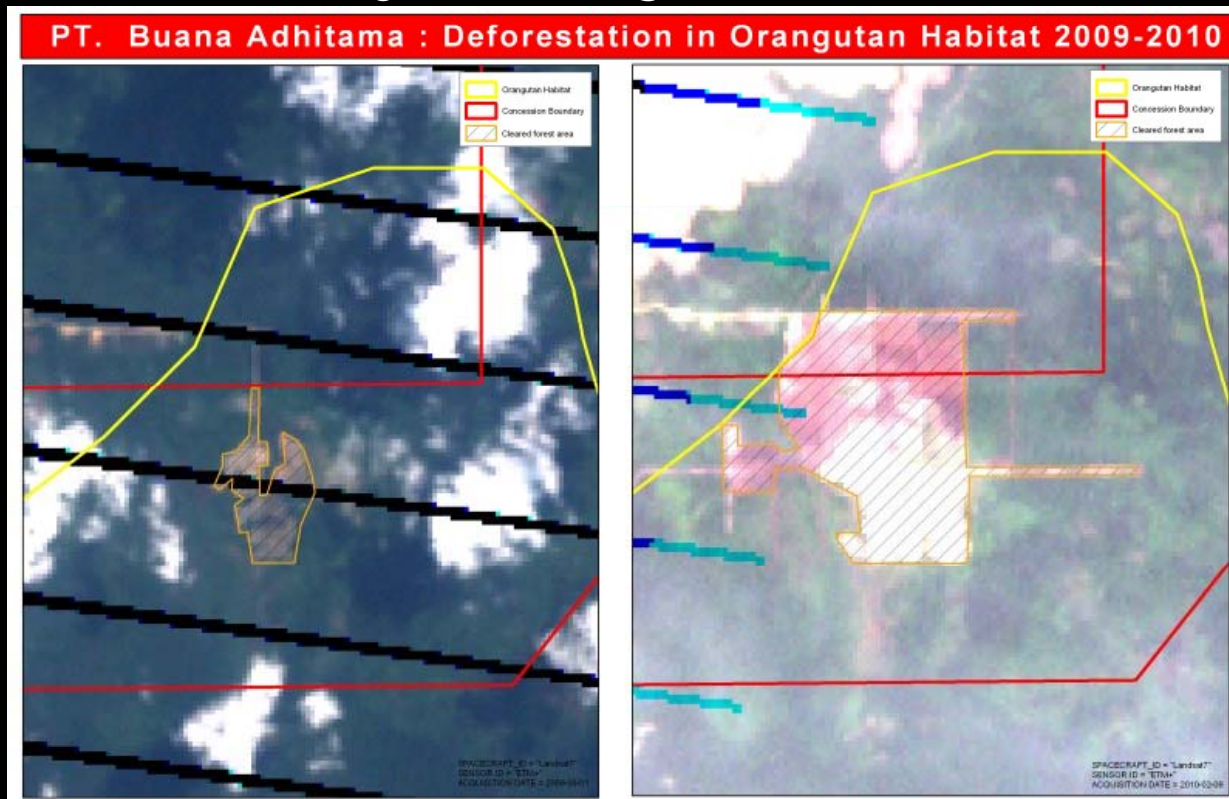
Forest clearance in PT BAT, Kalimantan, 23th March 2010

GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



Sinar Mas: destroyed orang utan habitat



A comparison between satellite images of August 2009 and February 2010 shows that Sinar Mas has cleared and started planting in orangutan habitat.

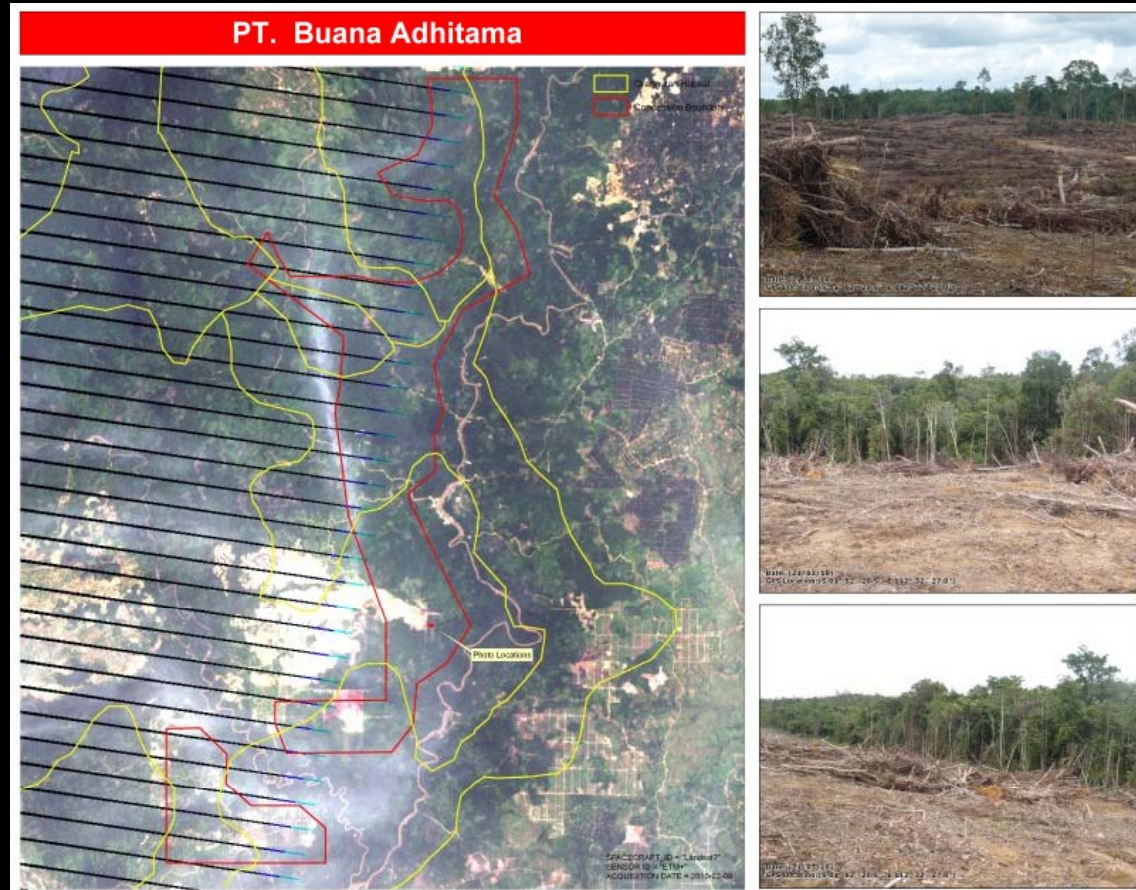
GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



Current forest clearing

Sinar Mas is currently clearing forested areas, surrounded by designated orang-utan habitat.



These endangered animals have been spotted in the concession recently.
Video footage of wild orang-utans in an area bordering PT ALM

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



Violating Indonesian Forestry Law:

Greenpeace investigation shows that Sinar Mas has been clearing forests without the required IPK at least until the end of 2008. There are strong suspicions that until today the company is clearing forested areas without the required permits.

Another violation of the RSPO P&C and the Sinar Mas commitments of the 4th of February

GREENPEACE

the climate solution:
energy [r]evolution and protecting ancient forests



Sinar Mas has been trying to grab land from local villagers. The company is developing the plantations without applying Free, Prior and Informed Consent.

Another violation of the RSPO P&C and the Sinar Mas commitments of the 4th of February.

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



What needs to be done?

Greenpeace is not anti-palm oil, but anti-deforestation

Companies like Sinar Mas are destroying forests, livelihoods and shattering the reputation of the entire palm oil industry.

Sinar Mas –the worst of the worse- must take action now.

Greenpeace call upon Sinar Mas customers to stop buying their products until Sinar Mas takes verifiable action on the ground.

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



Greenpeace calls on the Indonesian government to

Implement a moratorium on forest deforestation

Protect all peatlands

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests



Thank you

Golden Agri Resources AGM starts at 2pm in
Holiday Inn Atrium

www.greenpeace.org/kitkat

GREENPEACE

the climate solution:

energy [r]evolution and protecting ancient forests

