



# ENVIRONMENT WATCH

## E-ALERT

**The environment group Greenpeace has been accused of fabricating data in a report about logging in Indonesia by the forestry giant Sinar Mas and Asia Pulp & Paper**, a company which makes paper and tissue products sold in Australia. Asia Pulp & Paper, which was recently stung by a leak of sensitive documents to Greenpeace, retaliated by paying consultants to comb through the footnotes of a Greenpeace report, *How Sinar Mas is Pulping the Planet*. It found that some maps of logging zones in Sumatra appear to be wrong or out of date, and some documents were apparently cited inaccurately. In one case, a quote in the Greenpeace report about another non-government group, the Forestry Stewardship Council, asking Asia Pulp & Paper to stop using its logo did not appear in the same form in the original source document. Most of the criticisms refer to minor quibbles about the tone of the Greenpeace report and do not affect its substance, but the claims are potentially damaging to the organisation.

**SOURCE:** [Sydney Morning Herald](#) ; **SEE ALSO** [Asia Pulp & Paper fumbles response to deforestation allegations by Greenpeace](#) ; **AND** [Sinar Mas Says Audit Finds Greenpeace Report 'False'](#) ; **AND** [Greenpeace 'lying': academic](#) ; **AND** [Asian Pulp & Paper drafts in Cohn & Wolfe to fight Greenpeace accusations](#) ; **AND** [Indonesia's Sinar Mas – Environmental Outlaw?](#) ; **DOCUMENT** [Greenpeace – 'How Sinar Mas is Pulping the Planet'](#)

**Jakarta has given PTTEP until December to start negotiations over an Indonesian claim for damages caused by the spill from Montara field.** It also emerged that the claim could head to the Australian courts if the Thai producer and its Australian unit, PTTEP Australasia, continue to reject the multi-billion dollar claim. Masnellyarti Hilman, head of Indonesia's Montara advocacy team, told the Australian newspaper: "If they want to negotiate, we will negotiate, but if they're not fair we will be hard." In August, PTTEP rejected Indonesia's call for compensation - thought to be in the region of A\$2.5 billion (US\$2.4 billion) - saying that there was "no verifiable evidence" to support the claim. Masnellyarti said the company would be given evidence of serious and widespread damage to fisheries and other marine industries by the end of this week.

**SOURCE:** [Upstream Online](#) ; **SEE ALSO** [Deadline issued for Montara damages on oil spill](#) ; **AND** [Thai Drilling Firm Asks for Time to Verify \\$2.4b Oil Spill Damage Claim](#) ; **EARLIER STORY** [PTTEP: 'No verifiable proof' for RI oil spill claim](#) ; **AND** [Indonesia Demands \\$2.4 billion Payout over Montara Oil Spill](#)

**Indonesia's greenhouse gas emissions reached 2.1 billion tons of carbon dioxide in 2005, making it the world's third largest emitter of greenhouse gases, but offering opportunities to substantially reduce emissions through forest conservation, reduced use of fire, protection of peatlands, and better forest management,** reports a series of studies released earlier this month by the country's National Climate Change Council (DNPI). The research—which analyzed current greenhouse gas emissions and reduction potential in eight sectors: peat, forestry, agriculture, power, transportation, petroleum and gas, cement and buildings—found that 85 percent of the country's emissions result from land use: 41 percent come from degradation and destruction of peatlands, while 37 percent result from deforestation (currently 800,000 hectares per year), degradation through logging (1 million hectares), and forest fires. It estimated that Indonesia's emissions would reach 2.5 billion tons of CO<sub>2</sub> by 2020 and 3.3 billion tons by 2030 under current growth rates. The research indicates that cutting emissions will contribute to Indonesia's long-term economic growth relative to conventional approaches, chiefly because "many emissions sources are not economically productive.

**SOURCE:** [Mongabay.com](#) ; **SEE ALSO** [Indonesian Businesses Find Savings Through Emission Reduction Plans](#)



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**Environmentalists on Friday praised a decision by U.S. food-maker General Mills to stop buying palm oil from companies accused of rain forest destruction** — the latest in a string of multinationals to announce policy reversals. The Minnesota-based maker of popular brands like Cheerios, Betty Crocker and Hamburger Helper said this week it would try to procure all of its palm oil from "responsible and sustainable sources" by 2015. "We are concerned about the role of palm oil expansion in the deforestation of the world's rain forests," the company announced on its website. Indonesia and neighboring Malaysia are the two largest producers of palm oil, used for everything from frying food to making cosmetics, candy and — when mixed with diesel — cleaner burning fuel for cars. In recent years, advocacy groups in the United States and Europe have warned that the rapidly growing industry is destroying large tracts of forests and encroaching on the habitats of orangutans and other endangered species.

**SOURCE:** [Associated Press](#) ; **SEE ALSO** [General Mills makes palm oil pledge](#) ; **AND** [General Mills boycotts palm oil that destroys rain forests](#) ; **AND** [Palm-oil protest at General Mills](#) ; **AND** [Indonesian palm oil producers face international pressure](#)

**An environmental group is calling on two major manufacturing industries, Nestle and Unilever, to boycott crude palm oil (CPO) produced by the giant US agribusiness Cargill Group** which it said has "encroached" on forests outside its concession area in South Sumatra. Greenomics said on Wednesday that Nestle and Unilever should be consistent in not buying products from questionable sources, in the same way that was done with SMART, a unit of the Sinar Mas Holding Group whose CPO products were dropped for breaching Indonesian forestry and environmental laws. Greenomics executive director Elfian Effendi said he had strong evidence that PT Hindoli, a unit of the Cargill Group, has conducted land clearing in a large swathe of forest outside the company's concession area, a serious violation which carries hefty penalties, such as obligatory reforestation and fines. Government should impose sanctions to deter others from committing the same offense, he said.

**SOURCE:** [The Jakarta Post](#) ; **SEE ALSO** [Cargill sticks with rainforest-destroying palm oil supplier](#) ; **AND** [Cargill backtracks on sustainability push for palm oil, says activist group](#)

**The government's lack of comprehensive strategy in preventing erosion along the country's coastlines will pose a threat to the livelihoods of those living along the shore**, a Public Works Ministry official said on Thursday. Making the situation worse is the high population growth rate and unsustainable groundwater extraction by industry. "Twenty percent of Indonesia's shores were damaged with abrasion, worsened by global warming that will magnify the intensity and magnitude of abrasion and tidal waves," said Mochammad Amron, director general of water resources at the Ministry of Public Works. Abrasion occurs when waves and tides erode an unprotected shoreline, often leading to tidal flooding. The ministry is prioritizing artificial sea defenses, such as the sea wall built on the shores of the popular tourist site Marunda in North Jakarta. "The budget is at a minimum. We can only afford reconstruction along 19,860 kilometers of coastline while Indonesia has approximately 95,000 kilometers," he explained.

**SOURCE:** [The Jakarta Globe](#) ; **SEE ALSO** [Jakarta in Danger of Sinking](#) ; **AND** [Jakarta sinks as soil degrades, sea surface escalates](#) ; **AND** [Coastal areas may disappear in coming decades](#) ; **AND** [Sinking Harbor Points to Bigger Troubles for City](#)

**GE and Indonesia's Agency for the Assessment and Application of Technology signed a memorandum of understanding for the joint development of renewable energy use, cleaner coal and energy efficiency projects to help meet Indonesia's growing power and environmental needs.** The two partners will work together to study the key issues that can support the commercial implementation of



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renewable energy projects such as wind, solar, geothermal, biomass and biogas, along with cleaner coal, in Indonesia, the world's third fastest growing economy. In line with its economic growth, the country's energy demand is increasing about 7 percent a year. The government is offering tax incentives for the development of renewable energy projects to help reduce the country's dependency on fossil fuels. The first challenge for the new partnership will be to work on wind initiatives developed through Indonesia's wind hybrid power generation (WHyPGen) project, followed by additional renewable energy activities. The project is supported by the United Nations Development Programme with a grant from the Global Environment Facility.

**SOURCE:** [PennEnergy](#) ; **SEE ALSO** [GE, Indonesia join forces to push renewable energy](#) ; **AND** [GE partners with Indonesian government on cleaner energy](#)

**JGC Corp. said Sept. 27 it is building a demonstration plant in Karawang, Indonesia, for converting low-grade coal into fuel that can be used in place of petroleum.** The plant is being built in collaboration with Indonesia's Sinarmas Group and is due to be completed in 2011, the company said. Domestic petroleum production in Indonesia is declining, and in 2004 the country became a net importer of crude oil. Low-grade coal accounts for 80 percent of Indonesia's coal resources. JGC's technology uses high-pressure hot water to convert low-grade coal into a fuel known as JCF, which can be used as an alternative to petroleum.

**SOURCE:** [Asahi Shimbun](#) ; **SEE ALSO** [Press Release: JGC and Partner to Promote Low-rank Coal-Based Fuel as a Substitute for Petroleum in Indonesia](#)

**Jatofil Ltd. announced on Sept. 28 that it is moving into the second stage of development with its joint venture, PT Jatofil Waterland, which will effectively double its jatropha land holdings in the Central Java, Indonesia, to 1,000 hectares (2,471 acres).** According to the company, nurseries to grow jatropha seedlings will be established in the coming weeks. It is currently expected that those seedlings will be planted in November. Jatofil's joint venture has additional plans to increase its holdings to 10,000 hectares within the next 12 months. The initial stage of PT Jatofil Waterland's project was completed three months ago. It involved the purchase of land planted with two-year-old trees. Those plants have already been harvested. In July, the resulting oil was shipped to an international consortium of airline companies for use as jet fuel.

**Source:** [Biodiesel Magazine](#) ; **SEE ALSO** [Jatofil boosts jatropha land holdings](#)

**A Korean investor plans to build a bio-ethanol plant worth US\$ 500 million in Brebes, Central Java.** The Brebes Regional Secretary Assistant, Muhammad Supriyono, said the request for a license to build a plant fueled from cassava was filed last August. The investor will collaborate with PT Rekayasa Cassava Terpadu, and the plant is estimated to employ 125,000 workers. In mid April, PT Aegria Indonesia, a Japan-based bio-ethanol company, planned to build a similar factory in Pasuruan, East Java. The 1,000 hectare land for the cultivation of jarak pagar plant (*Jatropha curcas* L., Euphorbiaceae) covered 12 sub-districts, including Sukorejo, Purworejo, Gempol and Prigen. According to PT Alegria Indonesia's official, Yoshifumi Nakamura, investors were attracted to the bio-ethanol industry because some developed countries had begun using environmentally-friendly fuel, especially when oil reserves continued to decline and the price of bio-ethanol in the world market went up.

**SOURCE:** [Tempo Interactive](#) ; **SEE ALSO** [East Java needs 48,000 tons of jatropha](#)

**There's an easy charm to Banda Aceh that belies its tumultuous history—and a ground-breaking climate change experiment.** Apart from the large ship washed kilometres inland that still towers over single-story homes, little evidence remains in the north Sumatran city of Banda Aceh of the devastation



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wrought by the Boxing Day tsunami in 2004. During decades of strife, Aceh's forests were virtually no-go areas, meaning the province was spared much of the rampant deforestation that other parts of the country witnessed. But demand for timber soared during the post-tsunami reconstruction and many former combatants—demobilised and with few prospects—turned to illegal logging. Concerned by such figures, Aceh's then new governor, Irwandi Yusuf, took the initiative at the 2007 UN climate summit in Bali to push for the inclusion of a mechanism for reducing emissions from deforestation and forest degradation, or REDD, in post-2012 climate planning. And now it's in Aceh that the world's first commercial REDD-style project is under way. Brokered by the Carbon Conservation firm, the idea is that Aceh's government will sell credits from avoided deforestation, with Bank of America Merrill Lynch having first refusal on many of the expected credits.

**SOURCE:** [The Diplomat](#) ; **SEE ALSO** [Carbon credits for Aceh forest](#) ; **AND** [Merrill Lynch: Turning Trees into Money](#) ; **AND** [First rainforest-for-carbon-credits deal becomes a reality](#)

**Indonesia's abundant biodiversity has once again been highlighted with the discovery of two new species of orchid in Kalimantan.** An article on the new orchids belonging to the *Dendrobium calcariferum* section was published in the September edition of *Malesian Orchid Journal* by Destario Metusala, from the Indonesia Institute of Sciences (LIPI), Peter O'Byrne, an orchid expert from Singapore, and J.J. Wood, a researcher from England's Kew Botanical Garden, a LIPI statement said. Of the estimated 40,000 species of Malesian plants, Kuswata said, 30,000 grew in Indonesia. "This is equal to roughly 10 percent of the world's flora," he said. However, he added that only 60 percent of the country's native flowering plants have been systematically recorded.

**SOURCE:** [The Jakarta Globe](#) ; **SEE ALSO** [New Spider Species Found in Indonesia's Kalimantan](#) ; **AND** [Plant species in peril, report warns](#)

**Indonesia, home to two of the world's five rhinoceros species, is facing a hard time in conserving the endangered animals with a drop in birth rates,** a pressing issue coupled with the long-standing threats of habitat loss and human pressures. The Forestry Ministry said the breeding program had still not boosted the rhino population despite the government's target to expand it by three percent per year. "To date, we have not been able to record any rhinos give birth in the wild," Harry Santoso, director of biodiversity at Forestry Ministry told reporters. The ministry said the reasons for the rhinos' failed pregnancies remained unclear. Indonesia's two rhino species are the Javan rhino and the Sumatran rhino. Javan rhinos, confined to Ujung Kulon national park, number between 38 and 65, according to report from the ministry. The population of Sumatran rhinos, which is spread across Gunung Leuser, Way Kambas and Bukit Barisan national parks, was estimated to be between 210 and 275 as of 2006.

**SOURCE:** [The Jakarta Post](#) ; **INFO** [Javan rhinoceros \(\*Rhinoceros sondaicus\*\)](#) ; **AND** [Sumatran Rhinoceros \(\*Dicerorhinus sumatrensis\*\)](#)

**A herd of seven Sumatra elephants (*Elephas maximus sumatrae*) were roaming in the residential area of Gampong village, Trumon Timur subdistrict, South Aceh regency.** "It has been several days that the elephants are roaming in the residential area, trampling and destroying crops," Director of the South Aceh Institute of Society Development Strategy (Insosdes) T Masrizar said in Tapaktuan Thursday. The protected animals also destroyed other crops like palm oil, banana and second crops. The elephants also caused fear to the villagers especially in the night, during most of the time they stayed indoor. "The disruption by the wild elephants at the foot of Mt Leuser had caused great concern and fear to the villagers, and the relevant government authorities were called on to handle the situation," Masrizar said.

**SOURCE:** [Antara News](#) ; **SEE ALSO** [Rohul authorities considering wild elephants relocation](#)



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**For visitors to Bali, the experience of a tropical paradise has long been tarnished by one of the island's less serenity-inducing features: packs of stray, unkempt and often snarling dogs.** But since the first recorded human death from rabies in Bali in late 2008, that nuisance has become a mounting public danger as the virus — believed to have arrived with an infected dog from another part of the Indonesian archipelago — has spread with increasing speed. Forty-one rabies deaths have been confirmed, and dozens more are suspected. No foreigners have died from the disease, but the outbreak is causing concern abroad, and countries including the United States and Australia have issued travel warnings this year because of it. This week, the Balinese authorities and a nonprofit group, the Bali Animal Welfare Association, began a mass dog vaccination campaign, funded largely with foreign assistance. Moving from village to village, the teams' goal is to vaccinate 400,000 animals, roughly 70 percent of the island's dog population, by the end of the year.

**SOURCE:** [The New York Times](#) ; **SEE ALSO** [Mass rabies vaccinations under way in Bali](#) ; **AND** [World Rabies Day exposes management problems](#) ; **AND** [Rabies Kills 50,000 Asians Every Year](#)

**The H5N1 bird flu virus may be evolving the ability to spread from mammal to mammal,** says a team who have discovered that pigs in Indonesia have been infected with the disease since 2005. The H5N1 bird flu kills 60% of the people it infects. However, most infections occur after direct contact with an infected bird and the disease does not appear to spread well between humans. Chairul Nidom of Airlangga University in Surabaya, Indonesia, and colleagues in Japan have been tracking H5N1 in pigs since 2005 in Indonesia, the country hardest hit by the avian flu virus. They now report that between 2005 to 2007 -when the avian flu peaked- 7.4% of 700 pigs they tested also carried H5N1. There have been sporadic reports of H5N1 in pigs, but this is the first time the extent of the problem has been measured.

**SOURCE:** [Meat Trade News](#) ; **SEE ALSO** [Bird Flu Remains a Likely Outbreak Worldwide](#)

**Almost one month after the unexpected eruption of the Mount Sinabung volcano in North Sumatra Province, thousands of residents who fled to emergency shelters have begun returning home,** officials say. The National Disaster Management Agency (BNPB) declared the emergency period over on 24 September, a day after authorities lowered the alert status one level from the highest. Residents living beyond the radius of 3km from the volcano were allowed to go home. As of 27 September only 2,000 people remained in two of the 11 government-run shelters, said Chairunsyah Nasution, field coordinator for the Indonesian Red Cross. "Some of the displaced people were sick, but we have enough food and medicine," he told IRIN, adding that the Red Cross would work there until 4 October. Mount Sinabung erupted for the first time after 400 years on 29 August, forcing 30,000 villagers in Karo District to seek refuge in government-run shelters. In another development, the Centre for Volcanology and Geological Disaster Mitigation raised the alert status for Karangetang volcano to orange, one level below the highest, on 23 September. The volcano, located on Siau island, north of Sulawesi island, erupted on 6 August.

**SOURCE:** [IRIN News](#) ; **SEE ALSO** [Indonesia: Sinabung Volcano Eruption DREF operation n° MDRID005 Update n° 2](#) ; **AND** [Mt. Sinabung erupts after 410 years](#) ; **AND** [Experts: Indonesia Not Prepared for Disasters](#)

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