The secret deal to destroy paradise

The story behind the single biggest threat to the rainforests of Indonesia

Presentation to WRI Forest Legality Week, October 2019
The Tanah Merah palm project
It is huge

Twice size of London

More GHG than Belgium or Virginia

The bulldozing of rainforests for the Tanah Merah project will produce more climate-changing emissions than the burning of fossil fuels in Belgium in an entire year.
It also STINKS

- Permits for the project issued from a prison cell, by a local official jailed for corruption
- Ownership of the concessions deliberately obscured

**UNWITTING NOMINEES**

- EIs likely being deliberately, and illegally, withheld from the public
- A number of ‘politically exposed persons’ involved, e.g. ex-National Police Chief/Mal ambassador

<table>
<thead>
<tr>
<th>Ultimate Owners</th>
<th>PT Indraprasta Karya Utama</th>
<th>PT Delga Bora Persada</th>
<th>PT Seusa Data Consulting</th>
<th>PT Multi Eksa Megah</th>
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<tbody>
<tr>
<td>Offshore Secrecy Jurisdictions</td>
<td>80%</td>
<td>14%</td>
<td>3.6%</td>
<td>2.4%</td>
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</tbody>
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**Diagram**

[Diagram showing ownership structure and offshore secrecy jurisdictions]
Chairul Anhar: the “storyteller”

Prime Minister of Malaysia

President of Indonesia
Succession…

Former Dep PM of Malaysia*

Chairul

Minister of Home Affairs, Indonesia

* Now President of UMNO, Malaysia’s main opposition party
More STINK – Notorious timber firms

- Estimated $6 billion worth of timber on the land
- Malaysian ‘big six’ multinationals have been eyeing Papua for years
- Shin Yang - constructed giant new mill to process wood from the site
- Rimbunan Hijau also has a stake in the land
- These firms are notorious in Malaysia, PNG, Congo Basin etc:
  - Gross corruption
  - Illegalities
  - Trampling indigenous people
More STINK – Indigenous rights

- Indigenous rights have been trampled
  - Company reps arrived flanked by soldiers and police
  - Those who asked questions beaten
  - Communities tricked into signing documents
  - Cash distributed tiny compared to true value of land
  - Rifts within communities, damaged livelihoods

“He got beaten half to death in that room”

“It feels like the clouds have fallen”
A test case of global importance...

- Increased attention, but project continues & bulldozers back

- Indonesian deforestation/palm oil moratoriums, many flaws of which perhaps biggest:

  - 6 million hectares of forest under existing clearance permits – area larger than Florida

- Most of these permits involve illegality and corruption

- Forest moratorium reg incs mention of ‘concession review’ – but vague and little progress

- To meet climate targets, Indonesia must start cancelling permits

- Palm oil prices at 13-yr low: if we cannot do this now, we never will

- Tanah Merah should be seen as key TEST CASE
... requiring an international response

- International community (e.g. EU, Norway, UK) must encourage Indo govt to act on this ‘test case’

- Private sector response also needed (but less vital)
  - E.g. change RSPO rules so that members cannot get away with continuing to deforest
... but also highlighting underlying issues

Saving Indonesia’s forests from industrial plantations demands more than just forest policy changes

- Indigenous land rights – implement Constitutional Court decision
- Corruption – strengthen KPK, go after bribe payers, examine electoral funding
- Secrecy – implement new beneficial ownership law, improve access to co’ ownership info
More info:


Key points: https://thegeckoproject.org/a-carbon-bomb-in-papua-7-takeaways-from-our-investigation-a0564982feb0

15m film: https://www.youtube.com/watch?v=gA4ERWW9tOc&t=9s

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