September 14th 2005

Mr. Paiman Turnip
Indonesian Consulate General
127-129 Leighton Road,
Causeway Bay, Hong Kong

Dear Mr. Turnip,

Re: Palm Oil Plantation in Kalimantan

We refer to recent press reports about the conversion of 1.8 million hectares of forest in the Kalimantin region into a palm oil plantation. We wish to join the voices of many others to express our concern about and opposition to this proposal. We understand the proposed scheme runs through two protected areas – Betung Kerihun National Park in West Kalimantan, and, Kayan Mentarang National Park in East Kalimantan.

We believe this is a bad decision because:

1. Under Regulation No. 5/1990 conversion of protected areas for palm oil plantations is prohibited.
2. According to Fairhurst and Hardter (2003) oil palms are not recommended to be planted at elevations above 200 meters sea level because of low productivity. The proposed site is between 1,000 and 2,000 meters.
3. In the same report, Fairhurst and Hardter stated that oil palms should be planted in areas where the incline is less than 30 percent to avoid &/or reduce the extent of soil erosion. The rugged terrain in Kalimantin suggests that soil erosion will be high.
4. Plantations of the scale envisaged will have devastating effects on river systems and the indigenous species to the area.
5. It has been suggested that the real reason behind this project is to gain access to the timber rights in the region. The government should be strictly opposed to this abuse of the environment for narrow commercial reasons when sustainable forest management options are available.

We need to remind you and the Government of the Indonesian Republic of the disastrous consequences of the excessive deforestation in the Philippines in July 2004. Over 1,400 people died in the devastating landslides. The implied deforestation in this project should be a cause for great concern on the part of the government.

We are at a loss to understand why the Government of the Republic of Indonesia supports this project, when there are considerable tracts of degraded and non-forested land in the area and where oil palm plantations could be established. We are equally concerned

about the potential loss of regional bio-diversity and habitat because of the proposal.   How can the Government of the Republic of Indonesia in good conscience permit the intention of protected areas to be blatantly ignored?

The destruction of a forest wilderness which provides an important habitat for a wide diversity of species, for conversion into a vast monoculture plantation, in an area which is not even appropriate for oil palms, is a tragedy for conservation, and makes little economic sense.   The destruction, which is irreversible, would be a sad loss to future generations, and through soil erosion threatens the lives and livelihoods of Indonesian citizens.

We strongly urge the Government of the Republic of Indonesia to reconsider and cancel this proposal, which is in breach of your own laws.   It is essential that we conserve our natural environment as much as possible particularly when sustainable methods for forest management are available, and practiced on a world-wide basis.

Yours very truly

Eric A. Bohm
CEO

c.c. Mr. Chen, Yuan, Governor, China Development Bank