

**Greenpeace International**

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Address**RGE Indonesia**

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Kota Jakarta Pusat,
Daerah Khusus Ibukota
Jakarta 10230

Date 30/10/2019

Dear **RGE Palm (Asian Agri/APICAL)**,

Re: Opportunity to comment ahead of new Greenpeace International publication

I am writing to offer you an opportunity to comment in advance of a planned publication by Greenpeace International. While the 2015 fires in Indonesia, and the resultant haze that blanketed large parts of Southeast Asia, are considered one of the worst environmental disasters so far this century, this year the destruction is repeating itself with the same severity. In its forthcoming report, Greenpeace International will release new data and analysis showing that the palm oil industry continues to drive the deliberate use of fire to clear forests and peatlands.

The new report evidences the presence within your producer group Asian Agri's palm oil operations of companies associated with a high incidence of forest, peatland and/or other land fires. The attached Table 1 details this evidence and includes all the plantation concessions that we have considered as part of your group for the purposes of this analysis, though we do not necessarily regard this as an exhaustive list of your concessions. As explained in detail in the 2018 Greenpeace International report *Final Countdown*, 'producer group' in this context denotes both formally constituted groups of companies whose parent–subsidiary relationships are publicly acknowledged, and informal groups of companies often based on extended family interests and involving extensive (but often obscured) ownership links and overlaps in management or operational control – as well as groups encompassing both formal and informal linkages.

Evidence for your producer group's association with forest, peatland and/or other land fires includes:

- the number of fire hotspots within concessions that should be considered part of your group between 1 January and 30 September 2019, according to Greenpeace analysis of satellite data;
- the area of burn scars noted within these concessions between 2015 and 2018, according to Greenpeace analysis of official government burn scar data; and
- two instances so far in 2019 of concession land where fire has occurred being 'sealed' (prohibiting further activity pending investigation) by the Ministry of Environment and Forestry (information collated from a Ministry of Environment and Forestry list and media sources).

Turning to your group's role as a trader of palm oil under the Apical name, the new report evidences the presence in your supply chain of other producer groups operating in Indonesia and associated with a high incidence of fires on their land. In addition to fire hotspot, burn scar and concession sealing evidence covering the periods stated above, evidence of these producer groups' association with forest, peatland and/or other land fires includes convictions of, and administrative sanctions

imposed on, plantation companies between 2013 and 2019 for occurrence of fire on their land (information drawn respectively from media sources and from a Ministry of Environment and Forestry response to a Greenpeace Indonesia freedom of information request).

Evidence that your supply chain includes some of these problematic producer groups comes from the mill data in your most recent disclosure as of 1 October 2019, made publicly available at [<https://www.asianagri.com/en/supply-chain-map>]. In addition, the same source shows that your direct supply chain includes concessions that have been 'sealed' pending investigation of fires. Details of these links are provided in Table 2 below. If your grievance list indicates a suspension of trade with a producer subsequent to your most recent mill disclosures, this is also indicated in the table.

Ahead of the publication, we ask that you acknowledge our assessment of your operations. If you dispute its contents in any way (for example if you claim that your palm oil production operations have never been, or have ceased to be, connected with the implicated plantations or companies that we have identified as belonging to your group, or if you dispute those plantations/companies' past or present association with fire; or if you claim that your trading operations are no longer linked to, or have never been linked to, one or more of the producer groups or concessions shown in Table 2), then please provide Greenpeace International with the necessary evidence verifying these claims. We ask that you include a full list, and a complete set of geospatial digitised maps, of all concessions and mills under your control; as well as an updated list of mills supplying your trading operations, which should also be publicly available on your company website.

In order to be able to take your response into account when finalising our publication, we would need to receive it no later than the close of business on Friday 1 November (CET).

Provision of the requested information will ensure that Greenpeace International's report can present the most up-to-date picture of your group's operations and its environmental impacts.

Yours sincerely



Grant Rosoman
Forests Global Campaign
Greenpeace International