

# Up for Grabs: Deforestation and Exploitation in Papua's Plantations Boom

By [Global Research](#)

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Jakarta: - The planned expansion of plantations in the Papuan provinces of Indonesia should be immediately suspended and reviewed amid concerns over massive deforestation and widespread exploitation of local communities, environmentalists warned today.

A new report released by the Environmental Investigation Agency (EIA) and Telapak - entitled "[Up for Grabs](#)" - exposes how five million hectares of land, most of it forested, is being targeted in Papua by powerful companies seeking to cash in on projected demand for biofuels, derived from crops such as oil palm, and other commodities. This land grab is provoking conflicts with local communities and threatens the third largest area of remaining tropical forests on Earth.

Field investigations carried out by EIA/Telapak at seven locations in Papua and West Papua Provinces during 2009 reveal a stark picture of government condoned exploitation of traditional landowners, many of whom are being enticed, tricked and sometimes coerced into releasing large swathes of forested land for plantations on the basis of unfulfilled promises of development benefits such as improved transport, schooling, and housing.

In one case EIA/Telapak encountered a four year old boy, son of a local landowner, who had to sign a contract so that the plantation company could ensure control of the land for decades.

The new report documents widespread dissatisfaction among local communities persuaded to release land for conversion to oil palm plantations. The rate of compensation encountered is shockingly low - the best price paid was \$45 per hectare for a 35-year lease, while the worst rate was \$1.5 per hectare. EIA/Telapak also found companies clearing forest for plantations illegally before the necessary permits had been obtained, with full government knowledge.

Hapsoro of Telapak said: "Companies are tricking Papuans into giving up their land for oil palm plantations based on empty promises about their future welfare. This is all happening with the backing of the government in the name of development."

The plantations boom in Papua is being driven by a raft of government policies promoting the development of biofuels, principally oil palm, yet management of the sector is chaotic and non-transparent. The government intends to expand the area under oil palm cultivation from six million hectares to 20 million hectares. Much of this massive growth is planned in Papua because the forests of Sumatra and Kalimantan are already largely saturated with

plantations. Indonesia became the world's biggest producer of palm oil in 2007.

As well as attracting major Indonesian companies, the lure of cheap land for plantations, coupled with substantial amounts of valuable timber from clearing forests, overseas investors are moving into Papua. EIA/Telapak uncovered a Hong Kong-based company registered in an offshore tax haven obtaining over 300,000 hectares of heavily forested land in southern Papua. In its publicity the company claims it will "improve" the forest by felling 200,000 hectares and replacing it with oil palm to supply biofuels to industrialised countries seeking to reduce carbon emissions.

As the crucial Copenhagen climate meeting approaches, the consequences of deforesting large swathes of Papua for conversion to plantations are clearly negative. Scientific research carried out in Indonesia shows that replacing intact or logged-over forest with oil palm for biofuels has an adverse impact on greenhouse gas emissions.

Jago Wadley, Senior Forest Campaigner at EIA said: "Indonesia's climate change council recognises deforestation must be curbed if the country is to reduce its greenhouse gas emissions. The government has also claimed biofuels will not mean deforestation. Yet EIA/Telapak investigations have found massive deforestation in Papua is being driven by national and international demand for biofuels in the name of climate change. With Indonesia already the world's third largest carbon emitter due to its rapid forest loss, this is policy incoherence of the highest order."

EIA/Telapak is calling for the Indonesian government to suspend any further award of plantation licenses in Papua until strong safeguards to support the rights of local communities and protect forests are put in place. It is also calling for the international community to address the role played by consumption of plantation commodities and timber as a key driver of deforestation.

Video and still images also available on request. Full version of the report 'Up for Grabs' available at [www.eia-international.org](http://www.eia-international.org) and [www.telapak.org](http://www.telapak.org).

For further information, please contact:

- Jago Wadley, EIA: +62 813 86621940 (mobile)  
Email: [jagowadley@eia-international.org](mailto:jagowadley@eia-international.org)
- Hapsoro, Telapak: +62 815 85719872 (mobile)  
Email: [hapsoro@telapak.org](mailto:hapsoro@telapak.org)

Editor's Notes:

- The Environmental Investigation Agency (EIA) is an independent environmental non-profit group based in London and Washington DC. More information at [www.eia-international.org](http://www.eia-international.org)
- Telapak is an independent environmental organization based in Bogor, Indonesia. More information at [www.telapak.org](http://www.telapak.org)
- Papua and West Papua hold the largest remaining areas of forest in Indonesia, following a decade of destructive and illegal exploitation elsewhere in the country.

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