

SUSTAINABILITY BRIEF

October 2019

FIRES IN INDONESIA: A HOT TOPIC

Introduction

Fires and haze seems to be synonymous with Indonesia and the palm oil industry since the late 1990s. In 2006, Wilmar adopted our No Burn policy, where burning for land clearing in our own operations are strictly prohibited. In 2013, with the launch of our No Deforestation, No Peat and No Exploitation (NDPE) policy, the No Burn policy became a condition for trade with our third-party suppliers.

This is an important step by the industry in breaking the link between oil palm and fires, which has since been occurring in increasing frequency and intensity. Since 1 January 2019 until 31 October 2019, World Resource Institute's (WRI) Global Forest Fire Watch has recorded a total of 81,393 hotspots that were detected by the National Aeronautics and Space Administration (NASA)'s Moderate Resolution Imaging Spectroradiometer (MODIS), and 387,896 hotspots that were detected by the Visible Infrared Imaging Radiometer Suite (VIIRS)'s satellite for Indonesia alone.

Fire use under Indonesian law

One of the biggest challenges in trying to stop or even reduce the incidence of fires lies in the fact that the law in Indonesia still provides allowance for the use of fires for land clearance and cultivation. Whilst the use of fire is clearly not allowed under Indonesian Agrarian Law, No. 18 (2004)¹ which states that *"All plantation businesses are prohibited from clearing and / or cultivating land by burning, which results in pollution and damage to environmental functions"*, with serious sanctions of imprisonment of up to ten years and a maximum fine of IDR 10 billion, the limitation lies in the Agrarian Law's coverage, which is applicable to plantation companies only.

For local communities, which include smallholders, fire use for land clearing and cultivation is still allowed though is limited to two hectares, as stated within the Regulation of the Minister of Environment, No. 10 (2010)², which states that *"local and indigenous peoples who burn land with a maximum land area of two hectares per family to plant local varieties must inform the village head"*. While this likely refers to the planting of non-oil palm, this does recognize the use of fires

¹ <https://www.hukumonline.com/pusatdata/detail/19805/nprt/537/uu-no-18-tahun-2004-perkebunan>

² <https://www.hukumonline.com/klinik/detail/ulasan/lt56a70dd6773cd/bolehkah-membuka-lahan-dengan-cara-membakar-hutan/>

in regular small-scale cultivation which in dry seasons like 2015 and 2019, can spread beyond their initial areas. This trend is supported by the WRI Forest Fire analysis (see Figure 1) which shows that most occurrences of fires based on fire alerts occur outside of the palm oil concession boundaries.

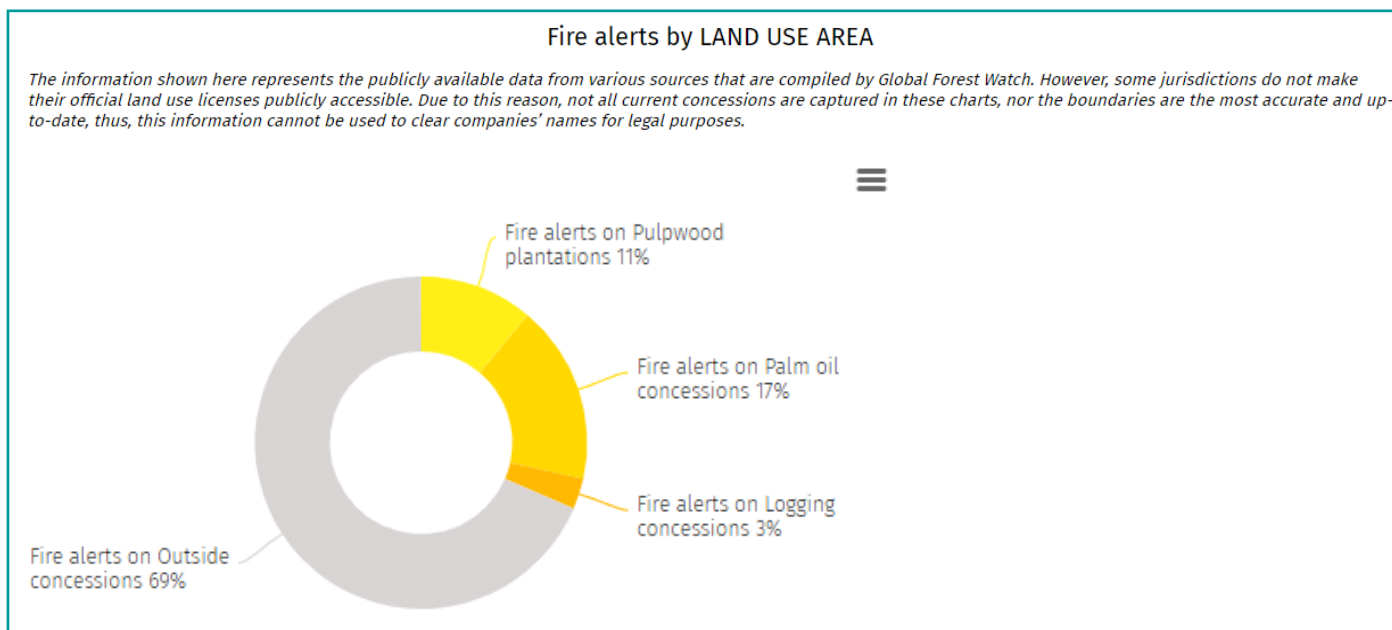


Figure 1: Fire alerts by land use area, Source: WRI Global Forest Watch

Fundamentally, the overriding factor is the authority given to local district governments to either out rightly ban or allow the use of fire. This authority of local district governments on fire use is enshrined within the Environmental Protection and Management Law, No. 32 (2009)³. With no overarching policy at national level, it is nearly impossible to prevent major fires during acute dry seasons.

Internal Monitoring

As technology has improved over time, Wilmar has since started a Fire Free Alliance programme in our own operations to ensure that we able to quickly detect, effectively suppress and report on fire incidences that occur within the our concessions and the surrounding area. The Fire Free Alliance (FFA) is a multi-stakeholder alliance launched in February 2016, to share information, knowledge and techniques that will lead a lasting solution for a fire and haze-free Indonesia.

Under this programme, Wilmar has extended our monitoring area to include an extension of five kilometre radius around our boundary. Hotspot alerts are identified by the Visible Infrared Imaging Radiometer Suite (VIIRS) and NASA satellite imageries are monitored daily. Any hotspot notification located within Wilmar's plantations and five kilometers outside of our concession boundaries will be relayed by our Geographic Information System (GIS) team to the team on-site. A team comprising of members from Wilmar's GIS, Conservation and Management departments are then mobilized to verify data received from the satellite imagery. The use of satellite

³<https://www.hukumonline.com/pusatdata/detail/lt4b2885a7bc5ad/nprt/22/uu-no-32-tahun-2009-perlindungan-dan-pengelolaan-lingkungan-hidup>

technology in this way has significantly improved our rates of early detection of fires, and therefore also raises the effectiveness of our rapid response teams.

External Monitoring

Our monitoring also extends to our suppliers. Working with Aidenvironment since 2014, our Supplier Group Compliance Programme (SGCP) is currently monitoring over 14.75 million hectares associated with our supply chain and this includes for fire alerts. In cases where a fire alert is highlighted via reports from our monitoring platform or in the media, we will seek immediate clarification from our suppliers on the cases. In all the cases, we have either found that the fire alerts were a false alert or fires that were not deliberately set by the companies themselves and importantly the fires were not used by the companies for land clearing or replanting. Unfortunately, during the dry seasons, strong winds and dry vegetation provides an easy means in which these fires can spread.

In both instances of internal and external monitoring, ground verification for the fire/ hotspot alert is a crucial part of the process as not all fire/ hotspot alert necessarily translates to fires in the field. This is due to the fact that the current satellite technology captures changes of temperature on the ground. This can be illustrated in the Global Forest Watch Fire map from the period between 1 August 2019 – 31 October 2019, the whole of Indonesia appears to have been on fire (see Figure 2). In cases where the fire/ hotspot alerts are confirmed fires, our fire response teams are immediately dispatched to extinguish the fires.



Figure 2: Distribution of fire alerts between 1 August 2019 – 29 October 2019, Source: WRI Global Forest Watch

Moving Forward

Even as we continue to implement these actions, our effectiveness may be hindered with the fact that a lot of the fires are increasingly occurring outside of plantation concessions (see Figure 1). As these areas are outside the control of Wilmar and companies that supply us, the efforts for fire control would only be a drop in the bucket compared to larger development issues. There is a need for collaboration between the government agencies, the private sector and local communities in the effort to find a lasting solution.