



The connection to the world of sustainable tropical agriculture

Greenpeace releases data on forest fires in Indonesia

In a press release dated 24th September, Greenpeace reported their findings on forest fires recorded between 2015 and 2018, using government data overlaid with their best available concession data. This report also mentioned SIPEF as one of the groups responsible for fires that resulted in around 7 300 ha of burn scarred land over a time span of four years.

We realise that the forest fire problem is very complex, that it is impacting the lives of numerous people living in Southeast Asia and that the highest priority should be given to prevent it from happening again. The SIPEF group nurtures transparency, as promoted by the Roundtable on Sustainable Palm Oil (RSPO), and has a good reputation to defend. It would have been appreciated if we had been given the opportunity beforehand by Greenpeace to reframe the released unverified data with the correct proportions and responsibility.

For many years, SIPEF has had a strict no burning policy, meaning we never use fire to clear land. That being said, we do acknowledge that there are historical and more recent cases of fire, all of which were extinguished, investigated and reported to RSPO and the local authorities, wherever relevant and as required. This allows us to crosscheck and ground truth the estimates, which are derived solely from remote sensing via satellite.

RSPO obliges members to report fires, and the analysis of our concessions indicates that since 2015 there have been 363 satellite fire alerts. Of those alerts, 41% were from fires on land which SIPEF does not control, as the original owners prefer to continue managing it, which we respect in line with our Free and Prior Informed Consent (FPIC) policy. Contrary to the 7 300 ha reported by Greenpeace and according to our estimates based on visual verification of actual fires inspected in the field, we have had only about 172 ha of burn scars on our concessions, within the areas managed and controlled by the Group since 2015.

We note that in the Greenpeace report, PT Dendymarker Indah Lestari is mentioned as having fires recorded on 5 500 ha. From our calculations based on our concession maps, a total burned scar of 4 505 ha was detected

in 2015, but this was prior to SIPEF purchasing this concession in 2017, and for which we do not take any responsibility. According to documents acquired during Due Diligence in August 2017, PT Dendymarker Indah Lestari cooperated with local authorities regarding these historical fires. Note, however, that the Ministry of Forestry data does no longer include burn scar data for 2015.

It is further mentioned that, in 2019 so far, with the extreme drought conditions experienced over the last months, a total of 201 hotspots have impacted the SIPEF group, of which 182 are on Dendymarker, mainly related to the concession areas that are not controlled by the Company.

To control fire, the Group maintains vigilance over the managed estates through manned fire towers, communication with field staff and investigation of all hotspots identified by satellite in the Fire Information for Resource Management System (FIRMS). In accordance with the law and with the principles and criteria of the RSPO, the Group has trained firefighters, dedicated resources, and vehicles fitted with water tanks and high-pressure water pumps. All verified fires are immediately extinguished, and an internal report is compiled, which is then filed with the Police on every occasion.

Extreme drought situations show the importance of the impact of climate change. Therefore, sustainable land development requires us to intensify our future efforts to manage any fire recorded in any of our controlled concession areas and to work with the stakeholders surrounding us, including the authorities, to discourage any attempt to impact areas and to enhance cooperation with the local villagers to prevent fires of any kind.

As an RSPO certified palm oil producer, SIPEF appreciates developing a dialogue on all issues related to sustainable agriculture and remains available for verification at any time.

Schoten, 25 September 2019

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SIPEF is a Belgian agro-industry group listed on Euronext Brussels and specialised in the – as sustainable certified - production of tropical agricultural commodities, primarily crude palm oil and palm products. These labour-intensive activities are consolidated in Indonesia, Papua New Guinea and Ivory Coast and are characterised by broad stakeholder involvement, which sustainably supports the long-term investments.