

**SINGAPORE SENDS NOTICES TO FOUR INDONESIAN COMPANIES AND SEEKS INFORMATION FROM SINGAPORE-LISTED APP**

**Singapore, 25 September 2015** – The Singapore Government has written to four Indonesian companies for contributing to haze pollution as provided for under the Transboundary Haze Pollution Act (THPA). Under the THPA, haze pollution is said to have occurred if the 24-hour PSI remains at 101 or higher for 24 continuous hours or longer. Haze pollution as prescribed under the THPA has occurred for four periods since 10 September 2015.

2 The National Environment Agency (NEA) is conducting investigations and the gathering of evidence into these four haze periods. This is done through the close monitoring of hotspots and smoke plumes from fires in the region, drawing on information from sources such as maps, meteorological data and satellite imagery.

3 From investigations so far, there are indications that the haze may have been contributed by fires in lands held via concessions under four Indonesian companies, namely:

1. PT Rimba Hutani Mas;
2. PT Sebangun Bumi Andalas Wood Industries;
3. PT Bumi Sriwijaya Sentosa; and
4. PT Wachyuni Mandira.

4 NEA has sent Preventive Measure Notices pursuant to Section 9 of the THPA to these four companies, requesting them to carry out the following:

1. Deploy fire-fighting personnel to extinguish or prevent the spread of any fire on land owned or occupied by them;
2. Discontinue, or not commence, any burning activities on such land;
3. Submit to NEA any plan of action to extinguish any fire on such land or to prevent its recurrence.

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5 In addition, NEA has served Asia Pulp & Paper Company Ltd in Singapore (APP) a notice pursuant to Section 10 of the THPA, seeking information from APP on its subsidiaries in Singapore and Indonesia, as well as measures taken by its suppliers in Indonesia to put out fires in their concessions.

6 NEA had written to its Indonesian counterpart yesterday with coordinates of hotspots detected over Sumatra with the request that they assist to analyse the coordinates and share the names of the companies that hold the concessions for these areas, including the names of the office bearers of these companies. The information will be of assistance in NEA's investigations. NEA is continuing with its investigations and will share more information when ready.

7 Minister for the Environment and Water Resources Dr Vivian Balakrishnan told media today, that while Indonesia has taken some positive measures, in combating haze, more needs to be done. He emphasised that haze was not a natural disaster but a man-made problem that should not be tolerated.

#### Economic Measures

8 The Singapore Government is currently examining how to apply more economic pressure against errant companies. Minister Balakrishnan said that the results of our investigations will be shared with the public, particularly because the THPA makes errant companies liable for civil claims.

9 The Government will also review its procurement to see how it can weed out errant companies and it will do more to promote green procurement. For example, the Government will look into how it can support companies which are recognised by their industry or by international bodies to have instituted sustainable practices. As far as possible, this would take into account the practices of their suppliers further down the supply chain to ensure that they meet social and environmental standards.

10 This will lead to the expectation for companies to be transparent about their supply chains, particularly those involved in the palm oil and forestry sectors. Minister Balakrishnan added that "Ultimately, errant companies must know that there is a price to be paid for damaging our health, environment and economy."

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#### Annex A

Statement made by Minister for the Environment and Water Resources,

**Dr Vivian Balakrishnan on 25 September 2015**

#### General Statement on Haze

- Haze is a serious recurrent problem. The haze in our region has affected millions of Singaporeans, Malaysians and, especially Indonesians for far too long.
- This is not a natural disaster. Haze is a man-made problem that should not be tolerated.
- It has caused major impact on the health, society and economy of our region.
- Schools across Singapore, Malaysia and Indonesia have closed. As you are aware, we had to close Primary and Secondary schools yesterday. The last time we had to take this measure was in 2003 during the SARS episode.
- Several flights in Singapore, Indonesia and Malaysia have been disrupted.

### Response from Singapore

- The Singapore Government has been in constant contact with our Indonesian counterparts. DPM Teo (17 Sep), Foreign Minister Shanmugam (18 Sep), Defence Minister Ng Eng Hen (10 Sep) and I (14 Sep) have communicated directly with our counterparts.
- CEO(NEA) first registered Singapore's concerns officially in writing on 1 Sep 2015. I followed up with a letter to the Indonesian Environment and Forestry Minister on 10 Sep 2015. I had also talked to her on 14 Sep 2015 to reiterate our concerns and Singapore's offer of assistance to help fight the fires.
- We have repeatedly offered our assistance, and asked for information on companies suspected to have caused the fires.
- TPNs had been issued by MFA on 3 Sep 2015 and 16 Sep 2015.
- Just yesterday, CEO NEA conveyed to Indonesia the coordinates of hotspots detected over Sumatra with the request that the Indonesian Authorities assist to analyse the coordinates and share the names of the companies that hold the concessions for these areas, including the names of the office bearers of these companies.

### Measures by Indonesia

- Indonesia has taken some positive measures. They informed us that thousands of troops and some aircraft had been deployed to engage in fire-fighting efforts. In terms of law enforcement, the Environment and Forestry Ministry has apparently revoked the license of one company and suspended operations of three companies that operate palm oil plantations in Sumatra. Seven corporate executives have been said to have been arrested in connection with illegal forest fires, one of whom was said to be from Bumi Mekar Hijau, a unit of APP.
- President Jokowi has given the issue his personal attention, having visited Kalimantan yesterday to assess the situation.
- But clearly much more needs to be done.

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### Actions against Errant Companies

- Singapore enacted that the Transboundary Haze Pollution Act (THPA), which came into effect on 25 September 2014. Under the THPA, haze pollution is defined to have occurred if the 24-hour PSI remains at 101 or higher for 24 continuous hours or longer. Haze pollution as prescribed under the THPA has occurred for four periods since 10 September 2015.
- Investigations by NEA are ongoing, through the close monitoring of hotspots and smoke plumes from fires in the region, drawing on information from multiple sources such as maps, meteorological data and satellite imagery.
- From investigations so far, the haze may have been related to fires in lands held via concessions by four Indonesian companies, namely:
  1. PT Rimba Hutani Mas;
  2. PT Sebangun Bumi Andalas Wood Industries;
  3. PT Bumi Sriwijaya Sentosa; and

4. PT Wachyuni Mandira.
- NEA has sent Preventive Measure Notices pursuant to Section 9 of the THPA to these four companies, requesting them to carry out the following:
    1. Deploy fire-fighting personnel to extinguish or prevent the spread of any fire on land owned or occupied by them;
    2. Discontinue, or not to commence, any burning activities on such land;
    3. Submit to NEA any plan of action to extinguish any fire on such land or to prevent its recurrence.
  - In addition, NEA has served on Asia Pulp & Paper Company Ltd in Singapore (APP) a notice pursuant to Section 10 of the THPA, seeking information from APP on its subsidiaries in Singapore and Indonesia, as well as measures taken by its suppliers in Indonesia to put out fires in their concessions.
  - NEA has also written to the Indonesian authorities yesterday to request for the names of errant companies which may have been identified by the Indonesian authorities as being responsible for causing fires and the resultant transboundary haze. The information will be relevant for NEA's investigations.
  - NEA will share more information when it becomes available.

#### Economic measures

- We are currently examining how to apply more economic pressure against errant companies. We will share the results of our investigations with the public, particularly because the THPA makes errant companies liable for civil claims.
- The Government will review its procurement practices to see how we can weed out errant companies. We will do more to promote green procurement. For example, look into how we can support companies which are recognised by their industry or by international bodies to have instituted sustainable practices. As far as possible, this should take into account the practices of their suppliers further down the supply chain to ensure that they meet social and environmental standards.
- We will therefore expect companies to be transparent about their supply chains, particularly those involved in the palm oil and forestry sectors. Ultimately, errant companies must know that there is a price to be paid for damaging our health, the environment and economy.

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