Open Letter to Chief Minister Taib Mahmud

Dear Chief Minister Taib,

In an interview with the Let's Talk programme on The Malaysian Observer, you challenged Global Witness to a debate on the allegations of corruption, land grabbing and tax evasion shown in the film Inside Malaysia’s Shadow State. We are writing to accept your invitation. We would also like to take this opportunity to respond to various comments you have made about the accuracy of our research.

Appended to this letter is a short briefing outlining statements by you and Second Minister of Resource Planning & Environment Awang Tengah that seek to portray Sarawak’s timber and plantation industries as sustainable, and Global Witness’ responses to these claims.

As you will see, our sources include analysis of the latest satellite imagery, publicly available information from the Sarawak Forest Department, environmental impact assessments completed for Sarawak forestry companies and the International Tropical Timber Organisation, which you yourself regularly cite.

Global Witness insists on the following conditions to enable an open and transparent debate:

1) A guarantee from the Sarawak and Malaysian government that Global Witness staff can safely and freely enter and exit the country and state of Sarawak, that the debate is broadcast live on the internet and is moderated by an independent professional, and that it take place in front of an impartial public audience, including any members of Malaysian civil society who wish to attend;

2) That you provide full disclosure of any directorial or shareholder interests that you or members of your family hold - including through nominees - in companies holding timber and plantation licences, and land titles in Sarawak. This should include specifying the circumstances by which the Ministry of Resource Planning & Environment arrived at the decision to direct Sarawak Forest Department and/or Sarawak Land & Surveys to issue the said licences and land titles;

3) That you provide full disclosure of assets in offshore jurisdictions of which you and/or your family are beneficial owners;

4) That you provide full disclosure of any legal cases or financial dealings that have involved the lawyer Alvin Chong acting on behalf of you or the Sarawak Government’s interests.

We look forward to hearing from you soon.

Yours Sincerely,

Global Witness
1. The state of Sarawak's forests

**CLAIMS:**
- Taib claims that "Sarawak's forests are still as luxuriant as ever", and that this is demonstrated by Google Earth satellite images.
- Sarawak forest officials claim that 84% of Sarawak remains forested, while Taib has claimed that 70% of the State's forests are 'preserved'.

**REALITY:**
- The 84% figure includes areas of monoculture oil palm and exotic timber plantations; in fact only 65% of the land still has natural forest cover.
- Google Earth satellite images clearly show that the vast majority of the remaining natural forest has been heavily degraded by multiple rounds of selective logging and is criss-crossed by a spider's web of logging roads (see image).
- Environmental Impact Assessments of such areas describe them as being "beyond recovery".
- Satellite images show that only 5 per cent of Sarawak's forests remain in a pristine state (unaffected by logging or plantations).
- Independent analysis of satellite images shows Sarawak has a higher deforestation rate than any other major tropical timber producer and that the deforestation rate is increasing.

2. Forest conservation

**CLAIMS:**
- Sarawak officials claim that 1 million hectares of Sarawak's forest is 'totally protected', with no logging allowed.
- Sarawak officials have claimed that the State is the 'biggest contributor' to the 'Heart of Borneo' tri-national conservation project led by WWF.

**REALITY:**
- Only 0.5 million hectares is actually protected.
- A further 0.5 million hectares has been 'proposed' for protection for decades.
- 'Proposed' protected areas are currently being logged and clear-felled for oil palm (see image).
- Some genuine protected areas were heavily degraded by logging before designation.
- The 1990 official International Tropical Timber Organisation (ITTO) mission concluded that even 1 million hectares would be 'inadequate to preserve the full range of biological diversity in Sarawak'.
- Only ¼ of Sarawak's part of the 'Heart of Borneo' is in a pristine state, another ¼ is licensed for clear-felling.
- More virgin forest was degraded in Sarawak's Heart of Borneo during 2005-2010 than in Indonesian Borneo, Sabah and Brunei combined.
3. Sustainable forest management

CLAIMS:
- Taib claims that Sarawak practices 'sustainable forest management': felling only small numbers of larger trees in a low-impact manner and then leaving the forest to recover for 25 years.

REALITY:
- Environmental Impact Assessments demonstrate that Sarawak's forests are regularly re-logged after much less than 25 years.
- Even the 25-year cycle is considered by experts to be insufficient to allow the forest to recover.
- Investigations by Global Witness and others have shown that regulations meant to ensure selective logging impact is minimised (such as minimum sizes for logged trees, maximum widths for logging roads and prohibitions on logging in steep slope areas) are routinely flouted by the major logging companies in Sarawak.

4. International support

CLAIMS:
- Taib claims the International Tropical Timber Organisation (ITTO) has 'certified' Sarawak's forest management policy & practices and described these as 'one of the best in the world'.
- Taib claims that the ITTO's mission to Sarawak in 1990 "agreed generally speaking with what we were doing before that".
- Taib claims Sarawak is following ITTO advice by restricting logging to 9.2 million cubic metres/year.

REALITY:
- ITTO has never 'certified' Sarawak's forest management policy or practices.
- The ITTO mission in 1990 found that Sarawak's forests were being logged at double the sustainable rate and 'in a manner which is damaging to the environment'.
- ITTO's recommended maximum annual logging volume was based on the existing area of permanent forest estate (PFE), which has reduced by more than one quarter since 1990.
- Adjusting for the reduced PFE, and accounting for standard logging practice in Sarawak, a 'sustainable' harvest (consistent with ITTO definitions) would be 4 million cubic meters.
- Actual log production in Sarawak has averaged 13 million cubic metres in the 20 years since the ITTO recommendation.
This language is used to describe logged forest areas in Sarawak in multiple Environmental Impact Assessments (EIA) for Licenses for Plantation Forest, including those for LPF/0004 and LPF/0008. EIA for forest clearance for oil palm and timber plantations in Sarawak routinely cite the heavy degradation caused by multiple rounds of logging as a justification for clear-felling.

Analysis by Global Witness of Greenpeace/WRI maps of ‘Intact forest landscape’ (IFL) (significant areas of unlogged forest, identified using satellite imagery - www.intactforest.org) as of 2010, with adjustments for additional areas degraded by logging since 2010, as shown in Landsat EMT7 imagery for subsequent years, and with addition of unlogged gazetted protected areas not large enough to be classified as IFL.

A 2011 study found the deforestation rate in Sarawak in 2010 was 2.16% (SarVision, Impact of oil palm plantations on peatland conversion in Sarawak 2005-2010, Summary report, 25 January 2011). This rate is higher than both the official FAO deforestation rates and published independent assessments for all other major tropical forest countries. Indonesia, for instance, claims a deforestation rate of 0.3% per cent during 2000-2010, while Miettinen et al 2011 found the true rate to be 1 per cent (Miettinen, J., et al., Deforestation rates in insular Southeast Asia between 2000 and 2010, Global Change Biology (2011) 17, 2261–2270). The independently measured rate of deforestation in the Brazilian Amazon is currently around 0.3 per cent (INPE).


Borneo Post, ‘Sarawak Biggest Contributor to Heart of Borneo’, 24th March 2012


Global Witness, ‘In the future, there will be no forests left’, Nov 2012, p11-12 show that the proposed Danum-Linau National Park is being logged by Shin Yang under T/3342, and p14-15 show that the proposed Mud Volcano National Park is being cleared to make way for a Sarawak Oil Palms Bhd plantation.

For instance, all of Sarawak’s peat swamp forest protected areas, including Maludam National Park - Sarawak’s third largest national park - were selectively logged prior to being gazetted (see IUCN review of CITES Appendix II listing proposal for ramin (Gonystylus spp.), 2004 at http://data.iucn.org/themes/ssc/our_work/wildlife_trade/citescop13/pdf/Cop13_Prop_06_Gonystylus_spp.pdf, page 3, last paragraph; for Maludam NP see also The Star, 1/12/2004, ‘Conservation plan under way for Sarawak park’).


Official boundaries of Sarawak’s ‘Heart of Borneo’ taken from Sarawak Forest Department map at http://www.forestry.sarawak.gov.my/modules/web/page.php?id=993&menu_id=0&sub_id=146; areas of intact primary forest within it mapped and measured using 2010 Greenpeace/WRI Intact Forest Landscape maps (www.intactforests.org), with subtraction made to account for additional degradation of primary forests in the upper reaches of the Melatai, Danum and Baram river basins during 2010 to 2012 documented in Landsat EMT7 satellite imagery obtained and analysed by Global Witness.

Official maps of oil palm plantation and timber plantation license areas, drawn from Environmental Impact Assessments.

Measurements by Global Witness of differences between Intact Forest Landscape maps provided by Greenpeace/WRI for Borneo for 2005 and 2010 (www.intactforests.org).


Global Witness, ‘In the future, there will be no forests left’, Nov 2012


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Global Witness calculation, using ITTO 1990 methodology, adjusting to reduced PFE area of 3 million hectares (compared with the 4.5 million assumed by ITTO) and assuming no silvicultural treatment of logged forests.