

Press Release

For Immediate Release

August 31, 2020

35 Environmental Groups from 15 Countries Ask Shareholders of H.I.S.
To Urge Them To Stop Palm Oil Power Plant
"Be a Responsible Shareholder"

Tokyo, Japan, August 31, 2020 - 35 environmental groups and 19 academics from 15 countries, including Friends of the Earth Japan, sent a letter to 37 major shareholders of H.I.S., asking them to urge H.I.S. to withdraw from their biomass power plant project in Kakuda City, Miyagi Prefecture that plans to use palm oil as fuel. These organizations and individuals have long opposed power generation using palm oil as a fuel, as it "destroys tropical forests and accelerates climate change".

In addition to Japan, environmental groups from the United Kingdom, the United States, the Netherlands, Russia, Germany, Bosnia Herzegovina, Australia, Sri Lanka, Tanzania, Belgium, Bolivia, Mozambique, Sweden, and the Czech Republic have signed the letter.

Palm oil has been used mainly for food, but in recent years, along with the increase in demand, oil palm plantations have expanded rapidly, and this has become one of the major factors in the destruction of tropical forests in Indonesia and Malaysia. In Indonesia and Malaysia, approximately 3.5 million hectares of tropical forest have been converted to oil palm plantations in the past 20 years. The use of palm oil for power generation will further increase demand and increase pressure on forest development due to the expansion of plantations.

"If demand for palm oil expands, the exploitation of tropical forests and peatlands to develop oil palm farmland will release enormous amounts of CO₂. Taking into account the enormous carbon reserves of forests, palm oil power generation generates far more CO₂ than coal-fired power generation." says Friends of the Earth Japan, an environmental NGO that coordinated the request.

"H.I.S. has focused on eco-tours and study tours of tropical forests in Borneo. Nevertheless, launching such a business that destroys tropical forests and climate will also be a management risk for H.I.S.. We would like shareholders to approach the company from the perspective of ESG investment."

Friends of the Earth Japan will continue to work to increase international opposition and work to prevent the Feed-in Tariff scheme from being applied to projects that do not reduce greenhouse gas emissions or biomass projects that result in deforestation.