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Firm denies involvement in open burning

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KUALA LUMPUR, Mon. - Kulim (M) Bhd said today its plantations in Sumatra, Indonesia, were not involved in open burning.

Kulim has joint ventures in two of the 18 Indonesian companies being investigated by the Indonesian Government for allegedly conducting slash-and-burn activities for land-clearing.

The two companies listed were PT Padang Bolak (Malaysia/Johor) Lahat and PT Tri Mitra Perkasa (Malaysia/Johor) Lahat.

It was reported last Friday that the Indonesian Government was investigating 18 companies with Malaysian shareholders for allegedly causing forest fires in Sumatra and Riau.

A spokesman from Kulim said both estates were fully planted in October last year and no open burning was conducted now.

The spokesman said it was normal practice in Indonesia as well as Malaysia to burn trees felled before new seedlings were planted.

However, the incidence of fires on both the estates were caused by sparks from neighbouring plantations that were burning their felled trees.

"There is no planting this season so there is no felling (of trees) and burning on our estates. In fact we are very concerned about the fires because if it burns our estates, all our investments would go down the drain," the spokesman said.

So far there had been three cases of fires in the Tri Mitra Perkasa estate and 11 in the Padang Bolak estate. All these were extinguished within a day.

"We are not involved (in burning) and we have reported to the NSC the actual situation."

In Ipoh, the Perak State Agriculture Development Corporation which has investments in oil palm plantation at Bayung Lencir in south Sumatra would investigate allegations of open burning by one of its Indonesian subsidiaries.

SADC general manager Datuk Ismail Shah Bodin said today a senior officer would go to Indonesia to check on the company, P.T. Pinang Witmas Sejati, which could be involved in using fire to clear land.

One of the companies mentioned was P.T Pinang Wai Mas which sounds almost similar to P.T Pinang Witmas Sejati.

"It is hard to ascertain if the allegations are true. As far as we are concerned, the clearing had been completed last year and now we are in the planting stages ... but we still have to investigate," he said after the launch of the Perak Pekan Seni, cultural fest.

Ismail said he visited the plantation last month and there was no burning activities then.

The project, involving some 24,000 hectares of plantation land, is SADC's most prominent oil palm venture to date.

SADC holds a 60 per cent stake in the joint-venture deal. Its total investment was about RM170 million.

Pinang Witmas Sejati is a joint-venture company between SADC's subsidiary Ladang Lekir Sdn Bhd and an Indonesian company.

Today Prime Minister Datuk Seri Dr Mahathir Mohamad hit out at the attitude of Malaysian firms believed to be partly responsible for the open burning in Indonesian forest areas.

To date, only Tabung Haji has come forward to admit that it had been warned by Indonesian authorities to put out fires in its plantation.

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