



WWF-Lafarge Partnership Nothing More Than Empty Words in Aceh



***Lafarge's Aceh Cement Plant
proves WWF is playing no
meaningful role on
the ground***

16 November 2011

Background

WWF-Lafarge, a worldwide partnership for environmental protection. That is how the partnership between WWF and one of the biggest cement producers in the world is described in a document on the partnership. In another document on the partnership, the following statement appears: “the partnership was formed at a global level, but Lafarge Business Units and their WWF counterparts own it on the ground, contributing to group-wide goals and leading ambitious local initiatives.”

The rebuilt Lafarge cement plant in Lhoknga, Aceh Province, began operations in September 2009. Lhoknga is one of the areas worst hit by the tsunami of 26 December 2004, which also badly damaged the cement plant, owned by PT Semen Andalas Indonesia (PT SAI), subsequently changed its name to PT Lafarge Cement Indonesia (PT LCI).

One of the issues that has drawn most concern in connection with PT LCI is the impact of the large-scale burning of coal both as part of the cement production process and for the purpose of generating electricity. The effects of the coal burning have caused a great deal of concern among the local community and civil society groups in Aceh, particularly the effects on public health and local farmers' agricultural land.

In this regard, Greenomics Indonesia – a technical advocacy NGO that is very concerned with the management of natural resources in Aceh – has felt compelled to study the extent to which the WWF-Lafarge partnership for environment protection is being implemented on the ground, in this case, as part of PT LCI operations.

Greenomics Indonesia has good grounds for studying the operation of the WWF-Lafarge partnership bearing in mind that the specific issue that will be studied in this report is the role played by WWF as part of the partnership in responding to the problems and impacts caused by the use of coal as the principal source of energy by PT LCI, including as regards environmental protections, protections for the rights of local communities, and problems related to public health.

WWF is no doubt aware that the majority of people currently living in Lhoknga are survivors of the tsunami almost 7 years ago. Greenomics Indonesia wants to see whether the large scale use of coal as an energy source by PT LCI has given rise to negative environmental and public health impacts in the post-tsunami rehabilitation and reconstruction periods in Lhoknga.

We thus have very high hopes for the WWF-Lafarge partnership, particularly as the partnership is directly related to environmental protection, which obviously also concerns public health and respect for the rights of local people.

This report will assess the extent to which WWF, which is stated in one of the WWF-Lafarge partnership documents to be a “critical friend” of Lafarge, plays a role on the ground as regards PT LCI's operations. This report also contains important recommendations for WWF as a “critical friend” of Lafarge based on our case study of PT LCI's operations.

At the end of April 2010, a community organization in Lhoknga sent a letter to PT LCI asking it to review the use of coal for power generation. The letter relied on a statement by Aceh Governor Irwandi Yusuf, as quoted by an Aceh daily at the end of March 2010, in which the governor said that the use of coal for power generation was environmentally damaging.

At the end of May 2010, PT LCI replied to the letter, stating that “Lafarge is committed to sustainable development globally as well as locally. Hence, in addition to our global agreement with worldwide conservation NGO, WWF...”.

It is not clear what PT LCI was hoping to achieve by referring to its global agreement with WWF. Bearing in mind that the WWF-Lafarge partnership is stated to be “formed at a global level, but Lafarge Business Units and their WWF counterparts own it on the ground,” it is clearly reasonable to attempt to ascertain the extent of the role played by WWF -- in this case, WWF-Indonesia, as Lafarge’s counterpart on the ground – as regards the issues and impacts resulting from the use of coal as part of PT LCI’s operations.

In reality, PT LCI should not have simply referred to the global agreement with WWF as a manifestation of its commitment to sustainable development, but should also have explained how that global agreement is being put into effect in collaboration with its counterpart, WWF-Indonesia.

It is not enough for PT LCI to merely express its good intentions on paper, but it should also put its money where its mouth is and show how the global agreement with WWF is being implemented on the ground, particularly as regards the impacts on the local community arising from the burning of coal by PT LCI as part of its operations.

In the following three cases, Greenomics Indonesia will question the role played on the ground by WWF in respect of PT LCI’s operations.

Is Lafarge merely “selling” its Global Agreement with WWF, while WWF plays little role on the ground?

Case 1: Response to the impact of coal burning on public health: What role is WWF playing on the ground?

Although PT LCI constantly claims that it is capable of controlling the impacts from its coal burning, a clear example of its failure to do so occurred in early August, a failure that resulted in people having to flee their homes as a result of the emissions produced by the burning of coal by PT LCI.

The pertinent question here is whether WWF has conducted any assessment as to why these problems arose, particularly in the context of the use of coal, and whether it took any action on the ground. The answer to this question is undoubtedly no.

In PT LCI's Environmental Impact Analysis (EIA) of 2006, it is stated that there are two reasons why PT LCI decided to rebuild its cement factory at the same place in the wake of the tsunami. First, the location was highly favorable as it was close to sources of the principal raw materials (limestone and siltstone), and a port, both of which factors would facilitate its operations.

Second, from the perspective of pollution, the site was located between the coast and mountains so that for part of each day the pollution and dust fell on the sea and for the rest of the day these pollutants fell on uninhabited uplands. Only a small part of the emissions were expected to affect populated areas, namely, Lhoknga and Naga Umbang village, both of which are located about 3 km from the factory.

The question that arises in this respect is whether WWF ever conducted an assessment of the above assertions, particularly the assertion that only a small part of the emissions would affect populated areas? **The answer to this question is clearly no.**

The fact is that there are many populated areas located less than 3 km to the north and south. In reality, the same EIA states that the dust and other emissions from PT LCI's operations would not affect populated areas located 5 km away.

The question now is whether WWF has ever assessed the validity of the assertions made in the PT LCI EIA? **The answer once again is no.**

Thus, what in reality is WWF's commitment on the ground as part of the WWF-Lafarge Partnership in this regard? Is the partnership nothing more than words, meaning that WWF does nothing about real issues affecting people's lives?

Less than 3 km



If it is stated in the EIA that the dust and other emissions will not affect residential areas within a radius of 5 km, the Google images also clearly show that there are many settlements within that radius to the north of the PT LCI plant.

Google Earth (Imagery Date: 7/8/2010)

Less than 1.5 km



Google Earth (Imagery Date: 7/8/2010)

If one looks at images of the area from Google Earth, it will be seen that there settlements less than 1.5 km and less than 3 km to the north of the PT LCI factory.

This image also shows settlements less than 2 km to the south of the factory.

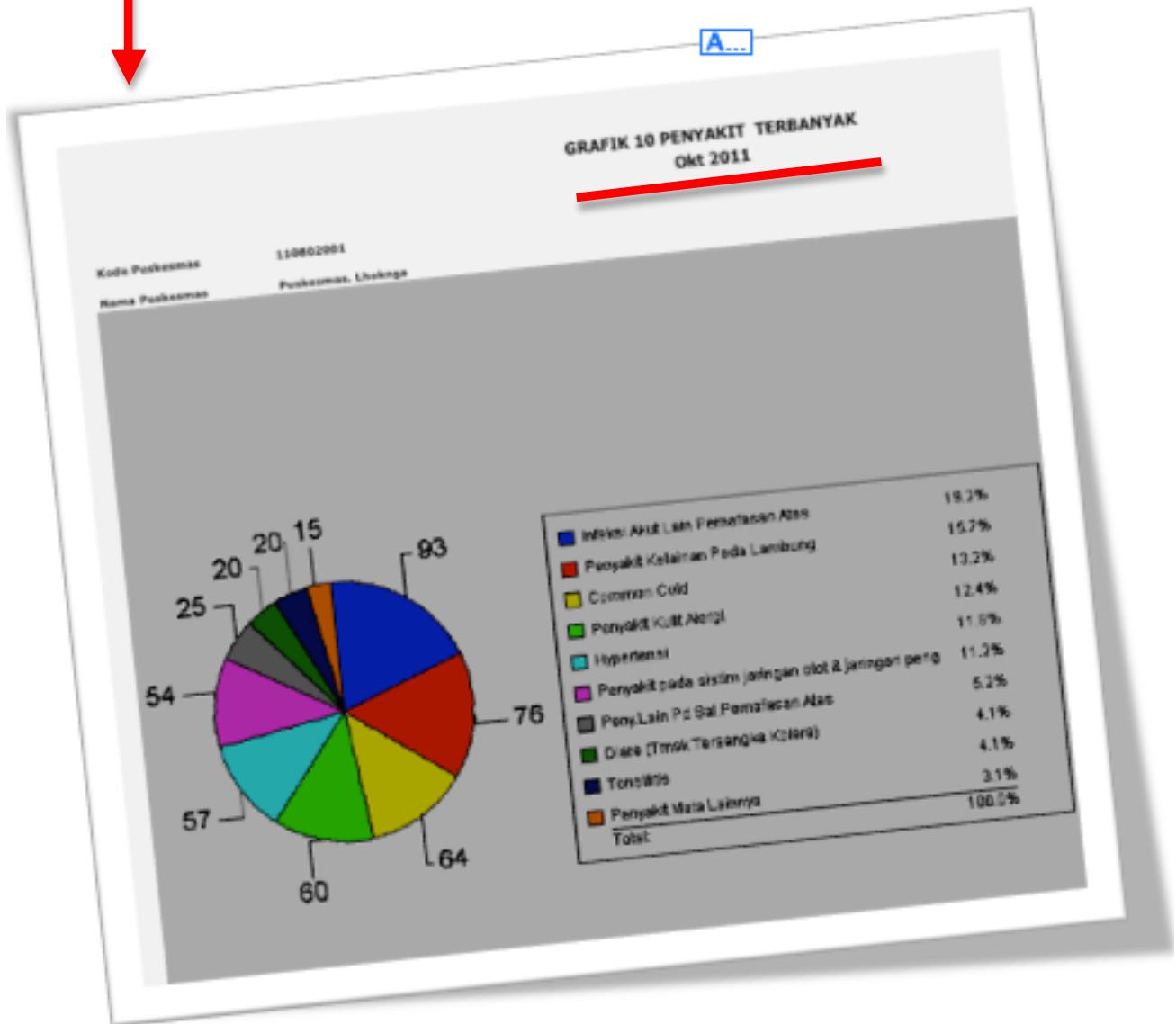


Less than 2 km



Google Earth (Imagery Date: 7/8/2010)

Official data from the Lhoknga community health center (Puskesmas) reveal that upper respiratory tract infections and other respiratory ailments are the most frequent types of illness that occur in Lhoknga district (see data on 10 most common diseases from Lhoknga health center, October 2011). This data obviously only records the cases who presented for treatment at the health center.



WWF should be taking action on this issue as a manifestation of its commitment on the ground as part of the partnership with Lafarge. In reality, however, WWF has never shown any concrete concern in respect of this issue. It would obviously be highly relevant for WWF to attempt to ascertain the extent to which the emissions produced by PT LCI are connected to the respiratory ailments suffered by those living in the vicinity of PT LCI operations. Despite this, WWF has taken no action on the ground.

This is despite the fact that the last paragraph of the “WWF-Lafarge, a worldwide partnership for environmental protection” document, it is stated that “...It is imperative that we create dynamic partnerships that will guarantee that we leave our children a living planet.” It is clear that this statement runs completely counter to the real role being played by WWF on the ground as part of its partnership with Lafarge in the case of PT LCI. How can WWF continue to state that the WWF-Lafarge Partnership will “leave our children a living planet” when it does nothing about the public health issues caused by the emissions resulting from coal burning by PT LCI? **Only WWF knows the answer.**

Case 2: Effects of pollution from PT LCI operations on local farmers' agricultural land: What role is WWF playing on the ground?

At the end of December 2010, the head of Gampong Weuraya village, Lhoknga District – the area from where the limestone used by PT LCI is sourced – wrote a letter to the Regent of Aceh Besar and the Environment, Parks, Cleansing and Fire Agency (BLHKP) asking them to investigate the effects of the pollution caused by PT LCI on local farmers' agricultural land. In this letter, the village head stated that PT LCI had responded to a number of letters from the village head and local people, but the responses did nothing to address how the problem could be resolved (*see the letter*).

It is therefore reasonable for us to question WWF's role on the ground in responding the effects of the pollution caused by PT LCI on farmers' agricultural land located in the vicinity of the PT LCI plant. Has WWF ever done anything to address the problem as a concrete manifestation of the WWF-Lafarge Partnership for environmental protection in action?



It is clear from the data and information collected, and the observations carried out, by Greenomics Indonesia that WWF has done nothing to respond to this problem.

Thus, it is logical to ask what WWF's commitment is on the ground as part of the WWF-Lafarge Partnership is to the damage caused to local people's agricultural lands as a result of the pollution caused by PT LCI? (*see list of local farmers' agricultural land owners who have sent letters to PT LCI*).



Kebun masyarakat dalam areal PT. LCI yang sudah menyurati PT. LCI

No	Nama kebun/tanah	Jumlah Pemilik	Letak Lahan	Keterangan
1	Kubu Bedeuk	42 orang	Sebelah selatan PT. LCI berbatasan HGU PT. SAI	
2	Guha troh	8 orang	Sebelah Timur PT. LCI	
3	Weung dalam	17 orang	Sebelah Utara PT. LCI berbatasan HGU PT. SAI	
4	Cak Langa	6 orang	Sebelah Selatan PT. LCI	
5	Lueng Angen	20 Orang	Sebelah Utara PT. LCI	
6	Leubu Meapet	14 orang	Sebelah Timur PT. LCI	
7	Leupon	16 orang	Sebelah Utara PT. LCI	
8	Leubu Lhok Kerisek	7 orang	Sebelah Utara PT. LCI	

Another question that arises is whether WWF has ever conducted an assessment of the impacts caused by the burning of 378,500 tons of coal per year by PT LCI – as stated in the PT LCI's EIA in the section on the effects of pollution from the PT LCI plant on local people's agricultural land? **The answer once again is no.**

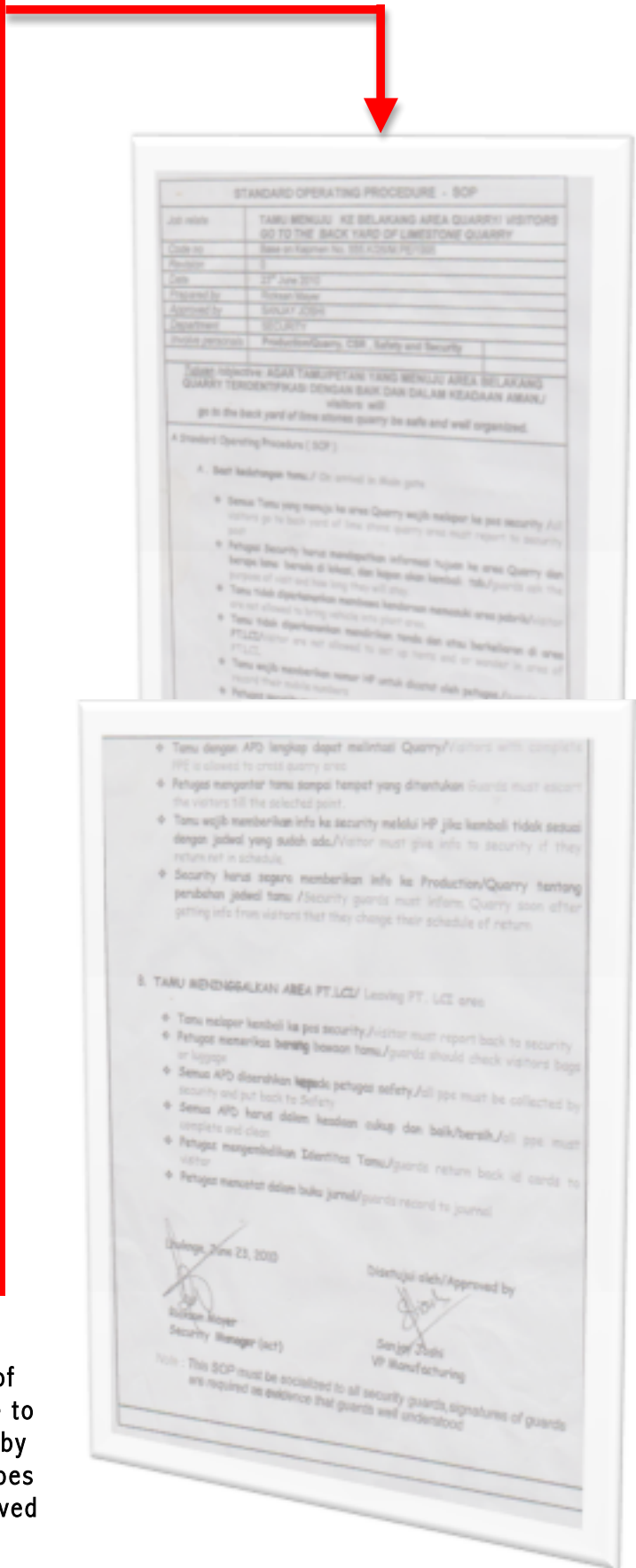
It should come as no surprise that WWF has taken no action to address or mitigate the effects of the pollution caused by PT LCI on local farmers' agricultural land. So, once again, what is the significance of the WWF-Lafarge Partnership on the ground?

Just as disturbing as the pollution caused by PT LCI, the company treats local farmers in the same way as visitors. The farmers have to follow the same Standard Operating Procedure (SOP) as visitors by reporting to the security post, informing the guards as to what they are doing, how long they will be in the area and when they will be leaving.

The security guards also ask farmers to deposit their identity documents.

The farmers are even required to give the security guards their cell phone numbers, and their bags are searched before they are allowed into the area, in the same way as visitors. The farmers are also accompanied by guards after they enter the area, and are required to give inform the security post if they are going to be late in leaving.

When the farmers leave the PT LCI area to farmland that has been in their families' possession for generations, they have to report once again to the security post, where they have to undergo another search.



The question here is whether WWF is aware of this SOP? If WWF is aware of this SOP, what response has it made to the treatment of farmers as visitors by PT LCI? If WWF is unaware of this, does this mean that WWF has never observed PT LCI's operations as part of its commitment under the WWF-Lafarge Partnership? Does WWF have any concern at all for local people in this respect?

Case 3: Studying the environmental impact of PT LCI's coal supply sources: What is the role of WWF?

In the chapter of the PT LCI EIA on the procurement of coal and auxiliary raw materials, it is stated that coal is an auxiliary raw material and that the amount to be used will be **300,000 tons per year**, with the coal to be sourced from East Kalimantan Province (in another chapter of the EIA, it is stated that the cement plant's coal requirement will amount to **378,500 tons per annum**).

The question that needs to be answered by WWF is whether WWF has ever studied the source of the coal supplied to PT LCI in East Kalimantan? Has WWF ever calculated the environmental damage caused by the mining of the coal by PT LCI supplier? Has WWF ever conducted a High Conservation Value Area Assessment in respect of the place where the coal that is supplied to PT LCI is mined?

The reality is that WWF has never conducted such an assessment. It is an undeniable fact that the procurement of such large quantities of coal will have significant environmental impacts – impacts that should be studied and assessed by WWF as a “critical friend” of Lafarge.

So, not only has WWF done nothing to anticipate and mitigate the impacts of the emissions produced by PT LCI – primarily impacts produced by coal burning – it has also done nothing as regards the origin of the coal supplied to PT LCI.

This means that neither the upstream environmental impacts resulting from the extraction of the coal supplied to PT LCI in East Kalimantan, nor the downstream impacts resulting from that burning of that coal by PT LCI, have been studied or assessed by WWF.

So, what role is WWF playing on the ground as part of its partnership with Lafarge in respect of PT LCI's operations? The answer is crystal clear, none at all.

Recommendations for WWF

- 1) Bearing in mind that WWF is not playing any concrete role on the ground in respect of the environmental and social impacts of PT LCI's operations since its reopening, WWF should immediately inform the public that it has never taken any on-the-ground action in respect of PT LCI's operations, and that it is not responsible for any impacts that arise from those operations. This is the type of public accountability that needs to be engaged in by WWF so as to avoid the misuse of the WWF-Lafarge Global Agreement in connection with the environmental and social problems resulting from PT LCI's operations.
- 2) Should WWF wish to start manifesting its commitment in respect of PT LCI's operations on the ground, before doing so WWF will need to conduct an international standard independent assessment, involving all stakeholders, of the environmental protections and protections for people's rights in relation to PT LCI's operations from upstream to downstream. Such assessment will also need to afford opportunities to community and civil society components to review data and information during the course of the assessment up until the publication of the final report.
- 3) Should WWF be displeased with this report as it highlights the fact that to date WWF has done nothing concrete on the ground as regards PT LCI's operations – even though it is on-the-ground initiatives that are supposed to be prioritized by the WWF-Lafarge Partnership – then should WWF wish to launch an on-the-ground initiative, it will need to respond to the needs of local stakeholders, just as stated in one of the WWF-Lafarge Partnership documents, and use the independent report as referred to in point 2 above as its principal reference.

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