Institutional Visit and Talking ASEAN

Tackling the Haze Issues in Southeast Asia: Domestic and Regional Approaches

Institute of Southeast Asian Studies (ISEAS), Singapore
November 11, 2015
INSTITUTIONAL VISIT

SINGAPORE – On Wednesday, 11 November 2015, The Habibie Center held a meeting with Ms. Moe Thuzar (Lead Researcher on Socio-Cultural Affairs, ISEAS) and Mr. Jason Salim (Research Officer, ISEAS) to discuss several issues related to ASEAN and ISEAS‘ role in the region.

ISEAS–Yusof Ishak Institute had several publications that aim to increase ASEAN awareness among people. It was mentioned that ASEAN awareness was still low among people within the region, including Singapore. Although there was an ASEAN department in each foreign ministry of ASEAN member-states, due to limited resources it was hard for them to do public outreach, especially in countries such as Cambodia, Lao PDR, Myanmar, and Vietnam. The public outreach was also limited to capital cities and rarely extended to rural areas. Based on the current situation, ISEAS–Yusof Ishak Institute explained that they were trying to increase public awareness on ASEAN by producing publications.

The meeting also discussed the Rohingya issue. In the recent elections held in Myanmar, it was noted that none of the major political parties had fielded candidates from Muslim background whereas there were candidates representing LGBT and transgender views. In this sense political inequality was still a problem.

It was further discussed that the refugee situation had placed a burden on existing infrastructures of receiving countries in the ASEAN region. It was noted that governments had been reluctant to extend assistance and that it was initially local fishermen, acting out of humanitarian concern, which had helped refugees on shore and provide them with food and shelter. In this sense, governments were seen to not be doing enough. The institutional visit ended with The Habibie Center and ISEAS-Yushof Ishak Institute agreeing to cooperate further through contributing to each other’s publications and other means.
Talking ASEAN

Tackling the Haze Issues in Southeast Asia: Domestic and Regional Approaches

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INTRODUCTION

JAKARTA – On Wednesday, 11 November 2015, The Habibie Center in collaboration with Institute of Southeast Asian Studies (ISEAS) – Yusof Ishak Institute held a Talking ASEAN public dialogue entitled, “Tackling the Haze Issues in Southeast Asia: Domestic and Regional Approaches” at ISEAS office in Singapore. This particular edition of Talking ASEAN featured as resource persons Dr. Chua Chin Wei (Trader for metals and minerals for Advanced Metal Tradings/AMT), Dr. Jonatan A. Lassa (Research Fellow, the Centre for Non-Traditional Security (NTS) Studies, S. Rajaratnam School of International Studies, Nanyang Technological University Singapore), and Dr. Helena Varkkey (Senior Lecturer at the Department of International and Strategic Studies, University of Malaya), with Ms. Moe Thuzar (Lead Researcher on Socio-Cultural Affairs, ISEAS) as a moderator.

The objectives of this Talking ASEAN were to: (a) identify the cause and the impact of the haze problems; (b) address challenges in tackling the haze issues; (c) identify domestic and regional approach to resolve the haze problem in the region; and (d) give possible recommendation for ASEAN policy makers to resolve the haze issue.

This discussion report summarizes the key points of each speaker as well as the question and answer session that followed.
The first to speak at the Talking ASEAN public dialogue was Mr. Chua Chin Wei. He explained that the cause of haze in the region started from fires on the ground that were conducted in order to clear land for new plantation as old plantation were often obstructing crops rotation.

Regarding the palm oil industry, he mentioned that the growth of the palm oil industry was significant. 15 to 20 years ago, the palm oil industry had 3 to 4 million ha of palm oil. However, due to increasing demand, this business was expanded on a large scale and there was currently 10 million ha of palm oil.

Looking at future projections, haze would be a continuous issue for the years to come. The palm oil industry had grown so much and they had no capacity to handle this in a sustainable way. He also questioned whether the infrastructure in Indonesia was enough to manage this in a sustainable way.

Mr. Chia Chin Wei went on to point out that the haze impact in some countries had been very severe lately. In Singapore, it had affected the daily routine of everyday people whose children were unable to go to school, etc. Furthermore, it had caused a notable drop in tourism. He went on to express his hope that the haze would not lead to any major civil disasters such as in the aviation industry.

He went on to point out that the cause of haze was not always related to palm oil industry. The figures would likely be higher if other crops, such as pulp and paper industry were included in the data.

Fortunately, technological development also provided avenue to help track the development of forest fires more closely, including which companies were responsible. Lately, some companies were becoming more transparent and Mr Chia Chin Wei highlighted Wilmar as a good example. This was seen as an important progress on the part of the company.

He ended his presentation by stating that effective networks of people and companies could be useful to create relevant solutions for the issue. But this should not just focus on the fires as there were other negative externalities such as land conflicts or other issues on the ground. In this sense, the approach needed to be both broad and narrow at the same time.
The second resource person to speak was Dr. Helena Varkkey. She explained that the organizational structure of ASEAN environmental and haze cooperation was quite complicated and non-streamlined.

In 1985, the haze started to be discussed in ASEAN although the issue was not directly mentioned. Instead it was indirectly referred to under the general environmental and pollution issues. In 1992, ASEAN started to use the term ‘haze’ when they organized a "Workshop on Transboundary Pollution and Haze". The year 1997 saw the first ASEAN ministerial meeting on haze which resulted in the regional haze action plan. Finally, ASEAN adopted the Hanoi Plan of Action in 1998 and the ASEAN Peatland Management Initiative in 2002.

It was argued that all of these efforts were compliant with the principle of the ‘ASEAN Way’ as they focused on national plans with individual member-states to have their own plans. Dr. Helena Varkkey argued that this was useful for information gathering but it was not effective for implementing mitigation activities and long term solutions. Most of the time, ASEAN member states were pleased to share data, but less pleased to solve problems in their countries.

Furthermore, member-states were also free to pick initiatives that best suited their economic interests (and skip those that did not advance their interests). For example, regarding the ASEAN Specialized Meteorological Service which called for regional mapping, Malaysia did not want to use it for sovereignty reasons while Indonesia preferred to use its own mapping although it used less advanced meteorological data.

The next major phase in ASEAN regarding the haze issue was the adoption of the ASEAN Agreement on Transboundary Haze Pollution (AATHP). However throughout the whole agreement, there was no specific elaboration on the responsibilities of parties, no dispute resolutions, and no means to enforce the agreement.

With regards to ratification, Indonesia was the last country to ratify the agreement. Dr. Helena Varkkey pointed out that Indonesia’s non-ratification had led to four main downfalls: (1) fire-fighting; regional fire fighters can move in quickly with pre-approved diplomatic clearance to tackle fires across borders but only applicable if both countries ratified; (2) coordination; delayed establishment of ASEAN coordination for haze and its dedicated secretariat; (3) policy making; agreement empowered ASEAN to advise on the issues, but only applicable with ratification; and (4) future directions; while Indonesia did not ratify it they had similar powers as those that had ratified the agreement (consult recording). However, now that Indonesia had ratified the agreement it was hoped that Jakarta would carry out its obligation to ensure all laws and policies were fully aligned with the agreement.

Another recent development was the Haze Monitoring System (HMS 2013). The idea was to provide open access maps and concession maps of fire-prone areas that caused haze. It was opposed by Malaysia and Indonesia who cited privacy and legal concerns. As such the maps were only shared at a government-to-government level and the data is not accessible to the public. Dr. Helena Varrkey questioned this stance suggesting it would reduce the credibility of the system.

It was also pointed out that the ASEAN Coordination Centre for Haze, whose establishment was delayed due to Indonesia’s late ratification, was only handled by two personnel so far in the ASEAN Secretariat. The Centre was meant to be located in Riau where it was close to the fires so that there would be greater urgency for action.

She concluded that the limited effectiveness in tackling the haze issue was because of the ASEAN Way and the limited capacity possessed by ASEAN to guide the negotiations, outcomes and implementations of response mechanisms. As a result, action was still dependent on national consent, with national interests trumping regional collective interests, and economic interests being prioritized over environmental interests. Dr. Helena Varkkey pointed out that the limited criticism allowed, meant there was limited innovation to solve the issue.
Dr. Jonatan A. Lassa was the last person to speak. He started his presentation by raising a number of questions such as: Who should be responsible for the haze? How could we explain the problems and the collective failures that was happening in an area that covered 211 districts/cities in Sumatera and Kalimantan? Was there enough avenue including legal spaces for the government to take action and impose punishments on the culprits?

He explained that it was important to understand the root causes to the problem. There had been an expansion of palm oil plantations, from 8 million in 2009 to 11 million in 2014, mostly by slash and burn method. Vulnerable forest ecosystems in Sumatera and Kalimantan were under constant stress due to exploitation by palm oil and other industries such as the pulp and paper industry and the mining industry. Dr. Jonatan A. Lassa pointed out that slash and burn methods was actually allowed and legally supported by Indonesian Law No. 32/2009. The law allowed for 'local wisdom' in land clearing which included slash and burn methods.

According to the law, heads of villages were allowed to issue permits except for land clearance with the exception of non-normal seasons. However Dr. Jonatan A. Lassa questioned how heads of villages would be able to know if it was a non-normal season such as El-Nino. He further pointed out that the Indonesian central government had promised to review the law that allowed small time farmers to use slash and burn methods.

The solutions suggested by Dr. Jonatan A. Lassa was for a new ministerial regulation to be issued that guided local governments to deal with burning and haze. While admitting this would not immediately solve the problems, he argued that a ministerial regulation would provide the legal framework for local governments to allocate resources to prevent forest fires. Without this, any solutions in the regional level would not be met with equal national response. To speed up this process financial resources was required, however there were question marks as to who would pay for handling local fires. It was argued that at least USD 10 – 20 million was required as incentives for local governments so that they would develop the proper infrastructure to deal with haze.

To conclude, there were four things that needed to be done. First, through people centered approach. ASEAN should put people first and make a proper assessment on long term health impacts of haze. Second, systematic solution by promoting measures of prevention and mitigation. Third, establishing local crisis response strategy and a unified command system. Fourth, reforming environmental or forestry regulations and governance.
Q&A SESSION

Comment No. 1

What is your opinion on the importance of awareness at a local level? Is it possible for ASEAN to organize meetings not only for ASEAN Ministerial Meeting but also to increase local awareness all over ASEAN? Can ASEAN make some research or create solutions to bridge the disparity of price between slash and burning and mechanical land clearance methods?

Comment No. 2

How to prevent haze despite the expansion of the palm oil industry? Would it be possible in Indonesia to replicate community forestry?

Comment No. 3

What has the government learned from the past 20 years in tackling the haze issue?

Dr. Helena Varkkey

Regarding regional awareness, the governments of ASEAN member states have done some efforts, including on how to combat forest fires more effectively but catered their response to the smallholders. However this has worked in a negative way, as the smallholders feel singled out. The responsibilities lie more with the bigger firms, because they are able to shoulder this burden. However such companies do not want to take on this burden as it will imply that they were legally responsible for the haze and be an admission of guilt. As for palm oil expansion, companies and smallholder farmers need to avoid peat and go to alternative lands.

With regard to replicating community forestry, one of the main problems is the transmigration policy in Indonesia. People who transmigrated from other parts of Indonesia and worked on the land do not have the adequate community knowledge or local wisdom viz-a-viz slash and burn. They do not know how to ensure slash and burn does not escalate into major fires. Also because of animosity between the local people and transmigrated communities, there is lack of information sharing between the two about such community knowledge.

Mr. Chua Chin Wei

Fire is by far the cheapest and most economical way to clear land when compared to more expensive mechanical methods. Subsidies program can allow for mechanical equipment to be delivered to these areas at below market cost. However, some of the plantations are located in remote regions which are not suitable for heavy machineries and can make it difficult as well as very costly to use mechanical clearance. The private sector has the capacity to do more and should do more. However, at the moment companies benefit more from the profit gained from plantation compared to the taxation enjoyed by governments.

Comment No. 4

Question for Dr. Jonatan A. Lassa, forestry laws have always been in a limbo between decentralized and centralized systems in Indonesia. According to the recent laws, local government only has the authority on conservation forest. Does this help in tackling the issue? Question for Dr. Helena Varkkey, do you think forest fires are the result of the close connection between businesses and the government?

Comment No. 5

I am surprised that so little have been said about the pulp and paper industry. They are some of the driving force behind the deforestation in Indonesia. Fires are originating from and owned by companies that supply pulp mill. Furthermore, some companies like Wilmar has bought a lot of fresh fruit branches from other plantations. They are actually one of the companies implicated in the 2012 haze. One of their subsidiaries are involved in the issue is Jatim Jaya. According to Der Spiegel in 2014, Jatim Jaya is still supplying Wilmar. We need to look closely at the large companies as well as their subsidiaries.
The background context is that there is a vertical missing link in what we call vertical governance. I hope the law can help with the issue, but it will definitely require sometime for it to take full effect. But to transfer some power to the provincial level is a good progress and I think an innovative approach.

Regarding the transmigration, I interviewed transmigrants in Papua and there are difficulties for smallholders to sustain the profits. At the same time, Papua is the new land for palm oil expansion. To be frank, your question is also my question.

Dr. Helena Varkkey

There seems to be a dichotomy between big business and smallholders, for the big business there seems to be patronage politics. Peatlands are supposed to be largely non-exploitable but patronage politics allow licenses to be published for exploitation. Companies can also get away with problems by relying on this patronage politics. This is what we are seeing with Malaysian and Singaporean companies.

Mr. Chua Chin Wei

On the part of Singapore, we have to admit that we also benefit from the development of this industry. Singapore is also a culprit for this problem. They are providing incentives for plantation development, as it is a base for trade and finance for these commodities. If there is a sufficient evidence, under our haze laws, the Singaporean government can fine the companies involved. The law presumes companies to be guilty and it is their duty to prove otherwise. The question is whether the fine is enough to deter illegal activities on the ground as their profits outweigh the fine. In the end of the day we need to approach the problem on the base of common interest.

Dr. Helena Varkkey

From the view of consumers, boycotts can be useful against big companies. However this will not work against smallholders, it will be difficult as they do not have other choices. Boycott will be counterproductive in the context of smallholders.

Dr. Jonatan A. Lassa

In the context of disaster management. Haze has gained only marginal attention from the international sector. Moving forward, ASEAN can help in creating mechanism to speed up the process on the local level, from preventing fire to responding to fire. At the moment the progress at the local level is still very slow.
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