
The struggle against Indorayon in Indonesia

On July 20 over 1,000 security forces arrived to break through a blockade set up by villagers and students at Indorayon's paper and rayon pulp factory (PT IIU) in Porsea, near Lake Toba in North Sumatra. Demonstrations have hampered production since mid-June. Hundreds of local people supported by university students and members of environmental groups had blocked roads leading to PT IIU's mill, forcing the factory to stop production since its supplies of timber and fuel have been cut off.

After the violent confrontation at least 13 local people are reported seriously injured and some are missing.

That of Indorayon is a long history of actions undertaken by local people and environmental groups in defence of the environment. It became a landmark case after the environmental NGO WALHI brought a court case against the company and the government which sanctioned its construction in 1989 for the high pollution it was provoking. Powerful interest soon moved in, but the villagers continued their struggle against the company. Some 300,000 people are thought to have been affected by the mill and the plantations that feed it. By 1997 the company had established approximately 41,000 hectares of eucalyptus and acacia plantations. The Finnish company Jaakko Poyry was responsible for the feasibility study for the PT IIU plant and acted as consultant for the feeder plantations.

Last February people from four villages affected by pollution caused by the plant formed a campaign group against PT IIU with others from the island of Samosir in Lake Toba. This is one of the areas where forests are being felled, since natural wood is the second supply of raw material for the pulp plant. The company has cleared 150,000 hectares of rainforest. The group, called KAPAL, refused to be placated by company officials or intimidated by local officials and issued an ultimatum to PT IIU on Environment Day (June 5th) to stop logging on Samosir.

Huge popular demonstrations took place in June in front of the Governor of North Sumatra. The Environment Minister himself, Panangian Siregar added to the debate by stating that the Indorayon plant should be closed due to public complaints over many years, which surprised the Indonesian public opinion. Nevertheless the plant did not close. Indorayon's response was limited only to temporarily suspending logging on Samosir island. In view of the company's unwillingness to respond to local communities' grievances regarding its operations, people reacted blocking the street in Porsea and preventing supplies of raw materials from reaching the Indorayon factory.

Resisting local communities are facing harsh problems in relation to this issue. There is some tension between local activists and larger city-based NGOs. While local people feel having suffered all the costs, without enjoying any of the benefits in terms of employment and development the company promised that the factory would bring, city-based NGOs consider closure of the mill is an unrealistic demand and that the community would gain more from campaigns to make the company take responsibility for its negative impacts. A second point is that the strategy PT IIU has adopted since 1996 to neutralize opposition is to set up new community organisations through which to channel contributions and organise social events instead of recognising traditional community leaders.

Source: Based on an extended version of an article in the Down to Earth newsletter No. 38 (now at the printers).