
Indonesian forests under threat

An enormous pulp mill - PT TEL- is being established in South Sumatra by a syndicate of foreign banks and export credits from Europe, North America and Japan. The agreement for nearly US1billion was signed in March. PT TEL involves a number of Barito Pacific subsidiaries, President Suharto's daughter Tutut and Japanese companies.

Mature rainforest, local people's plantations and farms are being destroyed to make way for the paper pulp mill at Tanjung Enim and the industrial timber estates to supply it. Local communities have been forced off their land with little compensation and no alternative means of making a living.

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