

Press Release

November 6, 2025

Japanese and Indonesian Environmental NGOs Urge Hanwa Co., Ltd. to Halt Imports of Forest-Destructive Biomass Fuel

“Indonesia’s forests are not fuel.”

A coalition of **Japanese and Indonesian environmental NGOs** submitted today a **letter of request and questionnaire** to **Hanwa Co., Ltd.**, urging the company to **suspend imports of wood pellets from Indonesia**.

In Indonesia, so-called *Industrial Plantation Forests for Energy (Hutan Tanaman Energi, HTE)* have been rapidly expanding for wood pellet production, now reaching approximately **1.3 million hectares**. This expansion has led to the **logging of natural forests** and the **conversion to monoculture plantations**, resulting in serious concerns about **biodiversity loss, increased flood risks, and negative impacts on local communities’ livelihoods and land use**.

In particular, in **Gorontalo Province in northern Sulawesi**, one of the known supply areas for Hanwa’s imported wood pellets, **NGOs and civil society groups in Indonesia have raised strong concerns**, declaring that *“Indonesia’s forests are not fuel.”*

Anggi Putra Prayoga, FWI Campaigner stated, *“Forests have crucial functions that must be preserved, namely protecting human life from the climate crisis. There is no sustainability if the practices are destructive to forests. FWI’s investigation results in the field mention that the utilization of natural forest wood is done on a massive scale. This is also reinforced by the V-Legal report.”*

Defri Sofyan, Executive Director of WALHI Gorontalo, stated, *“Our research in two villages—areas overlapping with concessions connected to Hanwa Co.—found that the company failed to obtain the Free, Prior, and Informed Consent (FPIC) of local communities. From the very beginning, the communities have firmly rejected the company’s presence, fearing forest destruction that could lead to floods and landslides, as well as the loss of access to forests that are essential for their livelihoods. The study also found no improvement in income or employment opportunities, contrary to company claims, alongside significant biodiversity loss and degradation of river quality.”*

Junichi Mishiba, a forest campaigner at Friends of the Earth Japan, stated: *“Biomass power generation has been promoted under the FIT (Feed-in Tariff) scheme as an initiative that ‘contributes to environmental conservation.’ However, it is completely self-defeating that this has led to the logging and conversion of Indonesia’s rich natural forests. The Japanese government and companies should recognize once again that the FIT system is a public scheme funded by surcharges on electricity bills, and they must review the policy accordingly.”*

The signatory organizations call on Hanwa to **cease importing wood pellets** linked to deforestation and to **disclose its procurement policy and due diligence process** related to sustainability and human rights.

Signatory Organizations

- Friends of the Earth Japan
 - Forest Watch Indonesia
 - Trend Asia
 - WALHI Gorontalo
 - *WALHI*
-

Contact

FoE Japan (Friends of the Earth Japan)

1-21-9 Komone, Itabashi-ku, Tokyo 173-0037, Japan

E-mail: info@foejapan.org

Tel: +81-3-6909-5983