

THE WORLD'S LARGEST DEFORESTATION PROJECT: INDONESIA'S 'FOOD AND ENERGY' ESTATES

April 2025

The Indonesian government has sanctioned the Food and Energy Estate' mega-project on the islands of Papua and Borneo. The Merauke Food and Energy estate in Papua alone is slated to cover roughly 3 million hectares, much of it the habitat of endangered birds of paradise along with half of all bird species recorded in New Guinea. Another 1.3 million ha is planned in Kalimantan. Mighty Earth believes this scale makes it the largest single deforestation project in the world.

The Merauke Food and Energy Estate contains areas allocated for rice and sugar production as well as additional areas that are yet to be allocated for specific crops. There are currently two major family-owned corporate players leading the development of the project:

- 1) Haji Isam's Jhonlin group is moving swiftly ahead with the development of the 1 million hectare rice project.
- 2) The Fangiono family controls Merauke Sugar Group, which presently has nearly 500,000 hectares of concessions on the border with Papua New Guinea.



Map of area allocated for rice (orange outline) and sugar (red outline).

The areas currently allocated for sugarcane plantations are on the right (red) of the image below. The areas currently allocated for rice plantations are on the left (orange).

The CO₂ emissions from so much land clearing are estimated anywhere from 315 million tonnes of CO₂ equivalent in an unpublished government feasibility assessment carried out by PT Sucofindo to more than double that in a

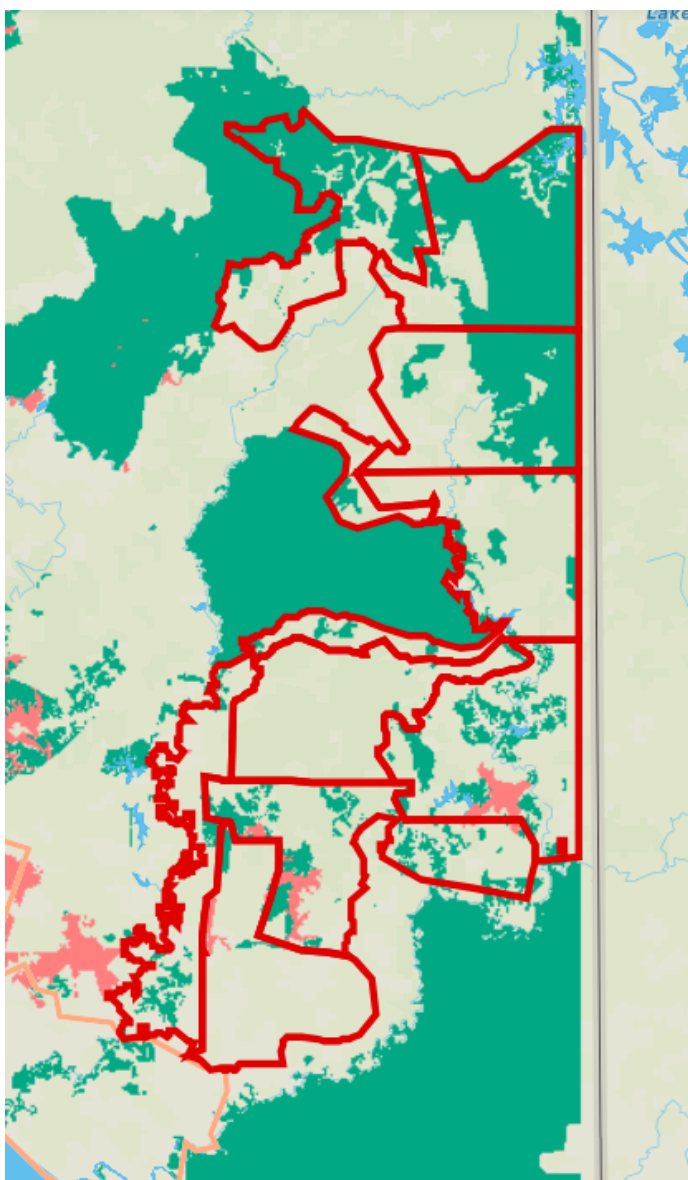
briefing published by the Indonesian think tank [CELIOS](#). These figures excludes emissions from carbon-rich peatlands that a 2017 Indonesian government [study](#) show distributed throughout the project area.

Deforestation and Clearing of High Conservation Value areas in the Sugarcane Project

In 2011, Indonesia established a moratorium on conversion of primary forest and peatlands, made permanent by former President Jokowi in 2019. An estimated thirty percent of land ([145,644 hectares according to NGO Pusaka](#)) currently allocated for the Sugarcane project falls within areas that should be off limits based on the moratorium.

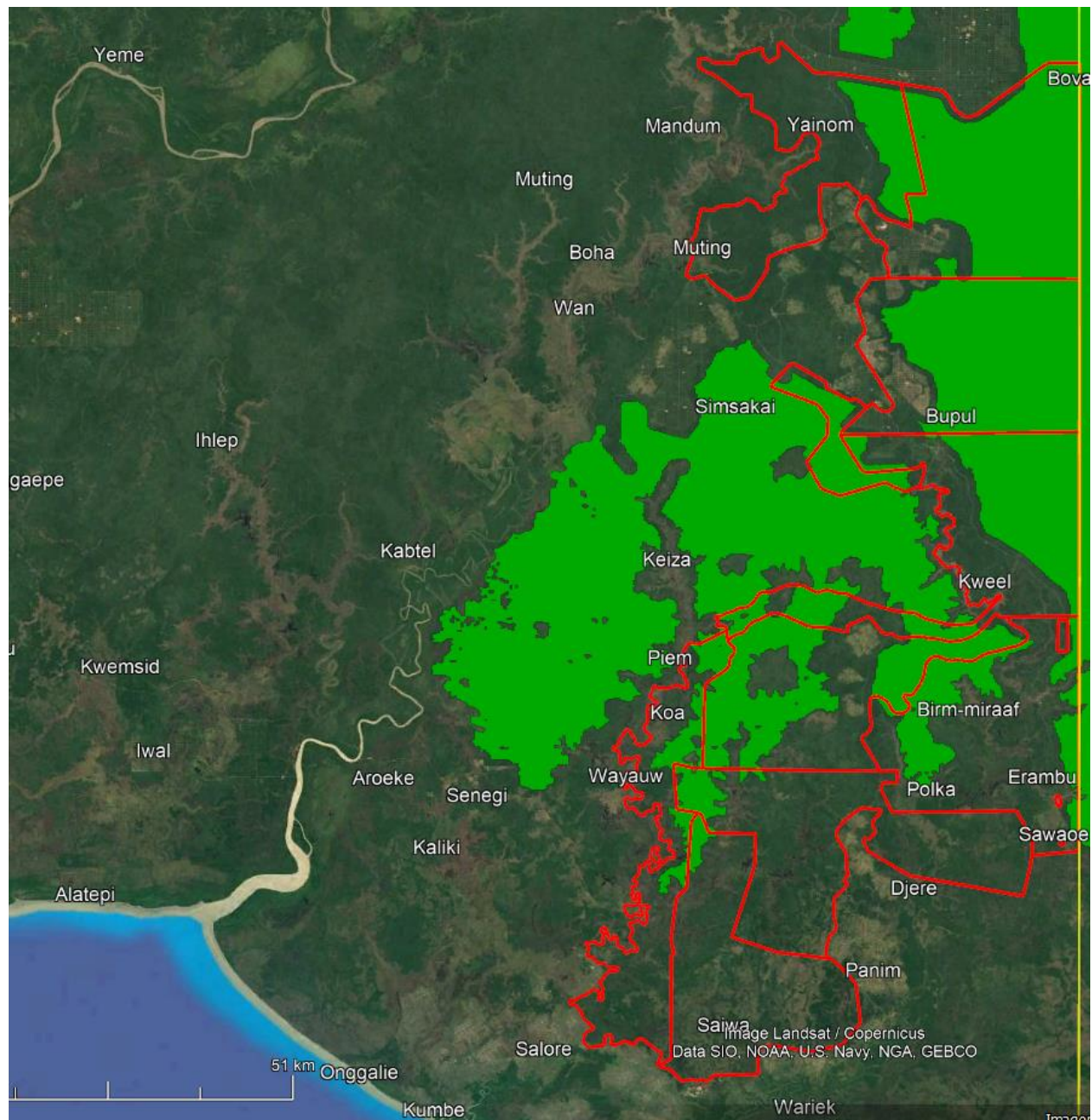
The map below shows the nine sugar cane concessions in the Merauke Sugar Group (red outline) and their overlap with areas of primary forest (green shading) and peatlands (pink shading) which are protected by the Presidential moratorium, based on the Indicative Map for Suspension of New Permits ([PIPPIB 2023, Period 2](#)) issued by the Ministry of Environment and Forestry (MoEF).

The maps shows that all nine Merauke Sugar Group concessions include forest and peatland areas protected by moratorium. Hence, the concession boundaries allocated for the nine concessions would appear to breach the moratorium – i.e. the concession boundaries should have excluded the areas protected by the moratorium.



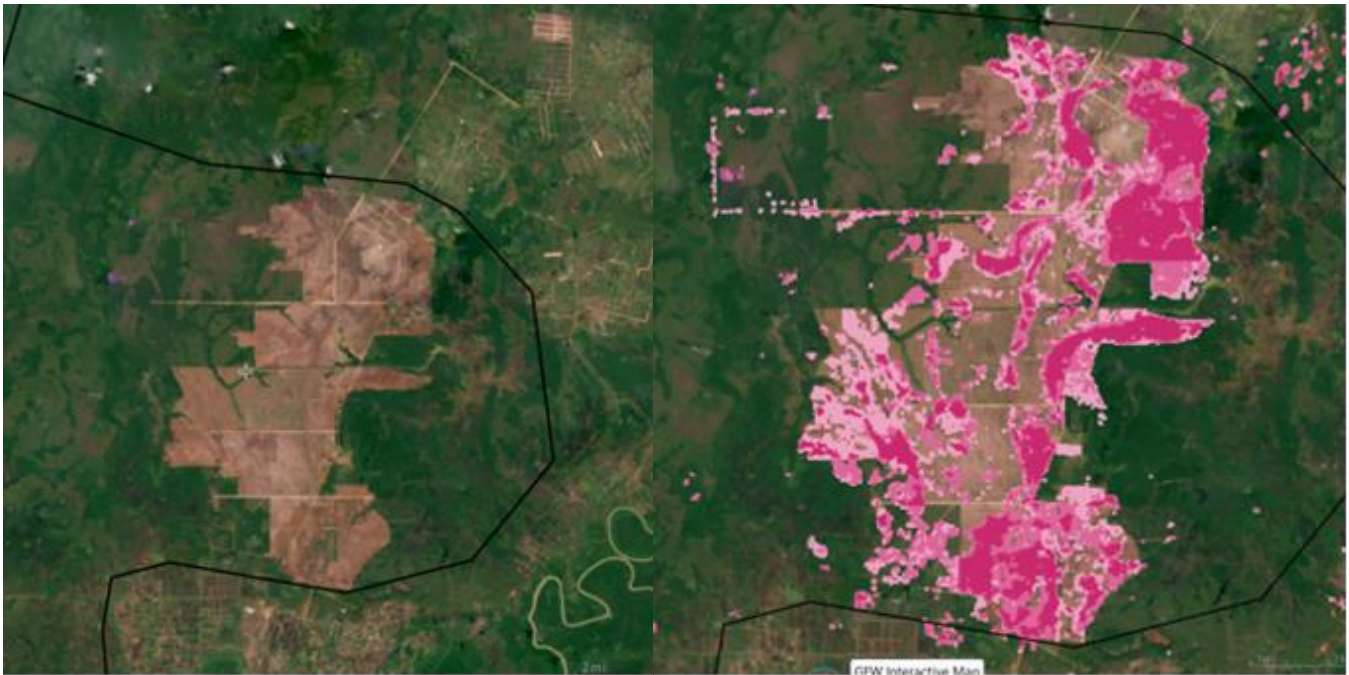
Map of Merauke Sugar Group concessions (red outline) and overlap with primary forest (green shading) and peatland (pink shading).

Intact Forest Landscapes are areas over 50,000 ha with less than 5% human development. They are by their very nature classified as having High Conservation Values. The area is part of the Transfly ecosystem, home to numerous critically endangered and endemic mammals, birds and turtles as well as plant life. The map below shows the nine sugar cane concessions and their overlap with large proportion of 'Intact Forest Landscapes' (IFL areas in bright green).



Map of Merauke Sugar Group concessions (red outline) and overlap with Intact Forest Landscapes (bright green shading).

Deforestation in PT Global Papua Abadi, a Merauke Sugar Group concession, has escalated in the past year. The map below (right) shows over 2,700 hectares of Integrated Deforestation Alerts (pink) in PT Global Papua Abadi between May and December 2024. The image also shows new road development that the company in the far top left of the image, which means that they are likely preparing to clear this area.



Map of PT Global Papua Abadi (black outline) overlap with deforestation alerts (pink shading) and tree cover (green shading). Source: [Global Forest Watch](#).



Photo from within PT MNM sugarcane concession.



Photo from within PT MNM sugarcane concession.

Deforestation and Clearing of High Conservation Values in the Rice Project

Jhonlin Group has ordered a staggering 2,000 land excavators from the SANY Group (China) at the cost of \$250 million to establish the 1 million hectare rice project.



Screengrab from a YouTube video entitled: 'Set a world record !!! Haji Isam Helps Prabowo's Mega Project to Create 1 Million Hectares of Rice Fields for Papua.' Source: [Youtube](#)

Mighty Earth estimates that between July and December 2024 roughly 4,200 hectares of forest and savanna have been cleared to pave the way for the 1-million-hectare rice project.



Clearing in the rice project area. Source: Planet Inc. 2024

The image below shows approximately 25km of road which has been built thus far, with nearly 150 km planned. It also captures some of the 2000 SANY excavators.



Building of road in rice project. Source: Planet.

Ownership of Sugar and Rice Projects in the Merauke Food Estate

The Fangiono family is behind the Merauke Sugar Group. Martias Fangiono founded the Surya Dumai Group, which collapsed after Maritas was convicted on corruption charges in 2007. His son, Ciliandra Fangiono, is the CEO of First Resources, which went public around the time that Surya Dumai crumbled. Martias is also an original founder of First Resources.

On the corporate shareholder documents, Martias' niece, Angelia B. Sudirman, is named as the controlling shareholder of the Merauke Sugar Group and its nine subsidiary companies (see chart below). On [Instagram](#), Angelia describes herself as a 'wife mommy and Mumpreneur in love with beauty and wellness. However, on paper, she is now one of the biggest agribusiness tycoons in Asia.



Photo of Angelia Sudirman (left) along with Angelia and her mother, Martias Fangiono's sister (right). Source: Angelia's Instagram

Fangiono Family's Control of the Merauke Sugar Group

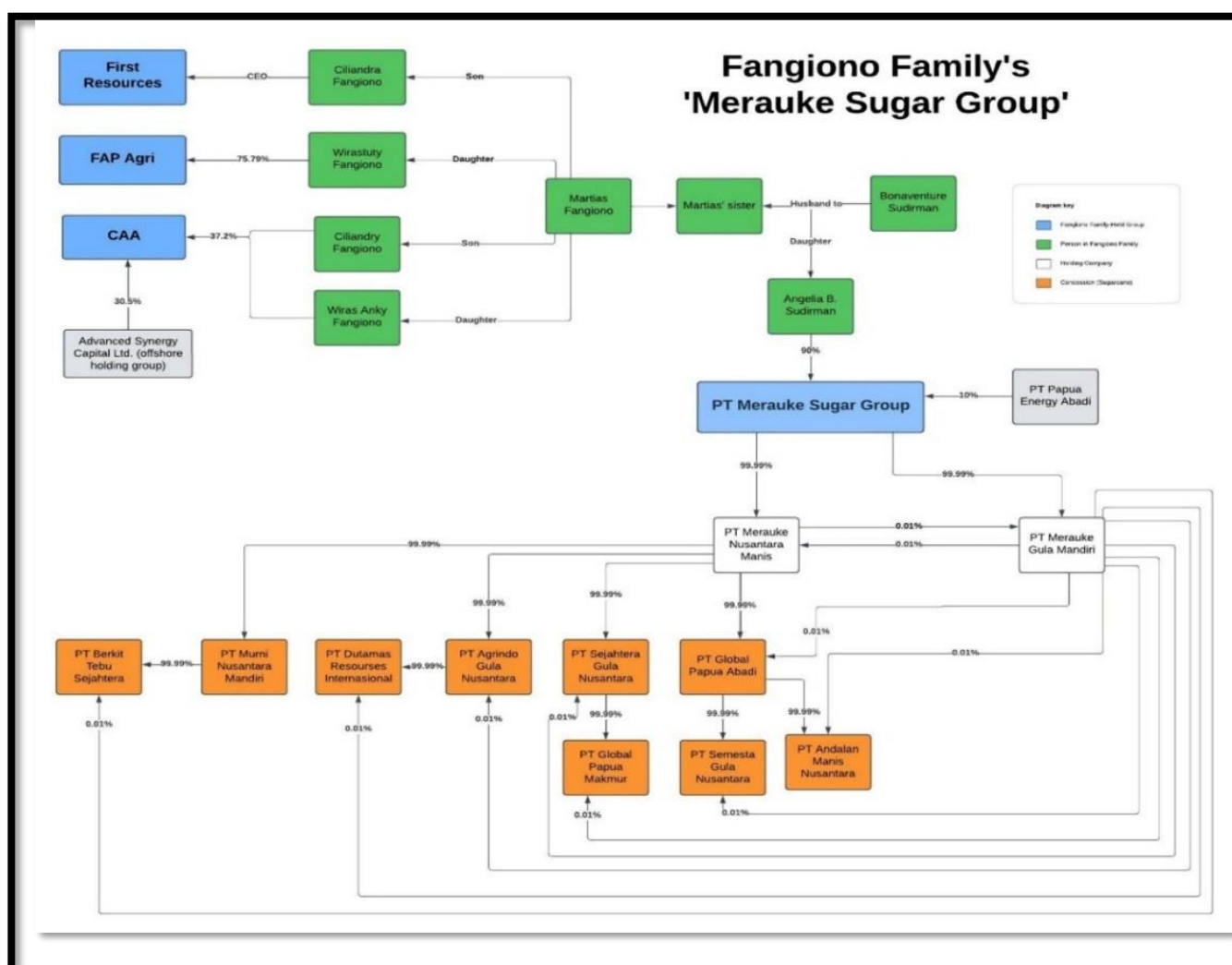
| No. | Company/Concession Name | Shareholder | UltimateOwner (through her 90% share in PT Merauke Sugar Group) | Area (hectares) |
|-----|------------------------------------|--|---|-----------------|
| 1 | PT Global Papua Abadi | PT Merauke Nusantara Manis, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 30,777 |
| 2 | PT Murni Nusantara Mandiri | PT Merauke Nusantara Manis, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 39,579 |
| 3 | PT Andalan Manis Nusantara | PT Global Papua Abadi, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 60,000 |
| 4 | PT Semesta Gula Nusantara | PT Global Papua Abadi, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 60,000 |
| 5 | PT Berkat Tebu Sejahtera | PT Murna Nusantara Mandiri, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 60,000 |
| 6 | PT Agrindo Gula Nusantara | PT Merauke Nusantara Manis, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 60,000 |
| 7 | PT Sejahtera Gula Nusantara | PT Merauke Nusantara Manis, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 60,000 |
| 8 | PT Global Papua Makmur | PT Sejahtera Gula Nusantara, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 59,963 |
| 9 | PT Dutamas Resources International | PT Agrindo Gula Nusantara, 99% owned by PT Merauke Sugar Group | Angelia Sudirman | 60,000 |
| | Total Merauke Sugar Group | | | 490,319 |

Martias Fangiono and his daughter, Wirastuty Fangiono, attended the sugarcane planting event with President Jokowi (images below). Wirastuty is shareholder in First Resources and the controlling shareholder of FAP Agri. Angelina Sudirman was seemingly not present. This indicates that Angelina may be merely acting as a 'nominee shareholder' for the Fangiono family and is therefore not the ultimate beneficial owner of the 'Merauke Sugar Group'.



Photo of Martias Fangiono and Wirastuty Fangiono at sugarcane planting event with President Jokowi at the PT Global Papua Abadi sugarcane nursery. Source: [President Republic of Indonesia website](https://www.president.go.id/).

See corporate diagram below for full available ownership information.



A recent presentation by the Merauke Sugar Group obtained by Mighty Earth (but not public) shows that the group plans to establish '300,000 ha of Sugarcane Production'; the '*company plans to build 5 (five) integrated sugar factories, with an investment value of USD 3.6 billion (around IDR 53.8 trillion).*' In addition, the presentation would require an investment of USD 2 billion (around IDR 29.2 trillion) for '*land preparation, planting and mechanisation.*'

Jhonlin's Rice Project

The Jhonlin Group is owned by one of the wealthiest businessmen in Indonesia, controversial coal and palm oil magnate Andi Syamsuddin Arsyad (aka 'Haji Isam'). The Jhonlin group has been listed as one of the top deforesters of palm oil in Southeast Asia since 2018. The group has also been [accused](#) of bribery, tax fraud and other corruption. Jhonlin is also a major player in the clearing of oil palm concessions, has a track record of violating NDPE commitments, and is not an RSPO member.

In reference to Haji Isam's Jhonlin group, the military Major General overseeing the project said "Why was Pak Haji Isam chosen by Pak Prabowo? Because his company is big. The one that has the experience and the one that possesses the equipment needed to resolve the problem is Pak Haji Isam. He received instructions directly from Pak Prabowo. The Major General added, "[Pak Haji often clears land in Kalimantan, he clears land in Sulawesi, and elsewhere.](#)"

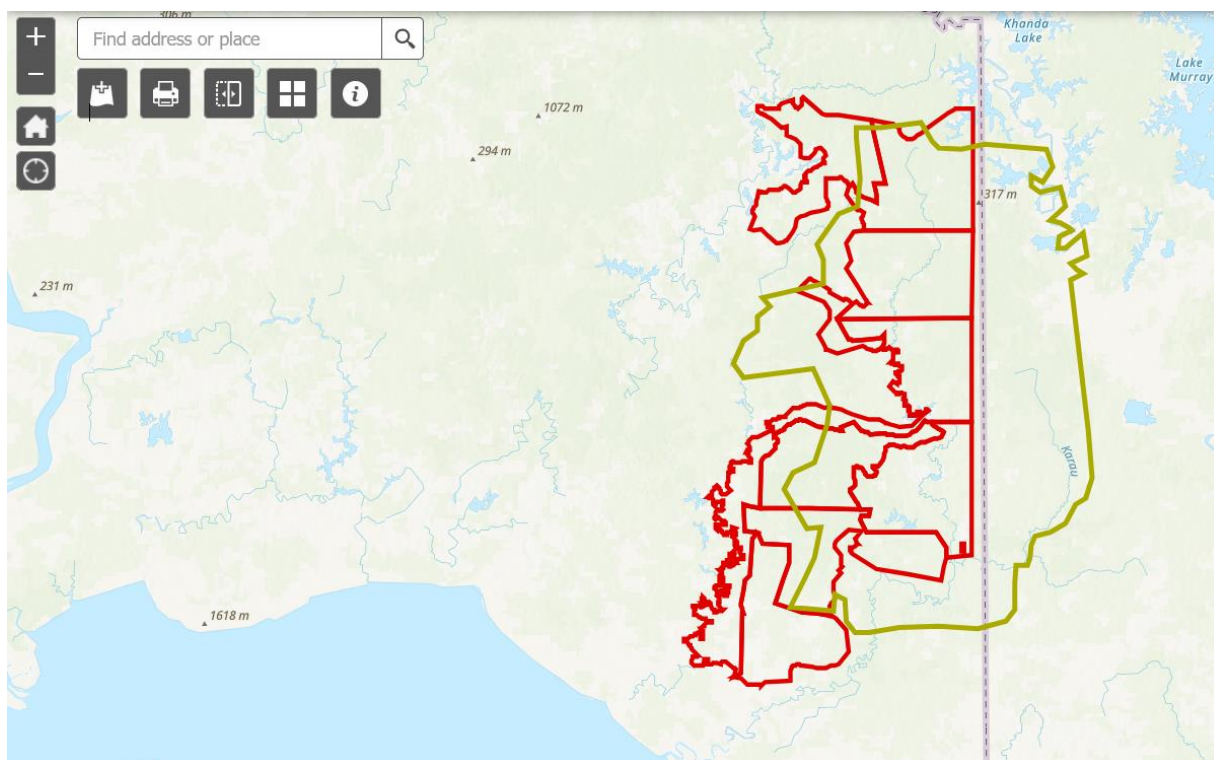
[Haji Isam himself is reported to have said](#), "This is a state duty that has been entrusted to me. Based on a concept provided by Prabowo, I have plans for clearing one million hectares within three years – without considering the costs and benefits."

Impacts of Sugar and Rice Projects on Indigenous Communities

Customary land rights of Indigenous communities are being ignored in the project areas – and Indigenous people are resisting.

Mapping analysis by Mighty Earth shows that the majority of the overall sugarcane concession area is highly likely to be classified as areas with High Conservation Value (HCV), including HCV 5 (areas fundamental to meeting basic needs of local communities) and HCV 6 (forest areas critical to local communities' traditional cultural identity, respectively).

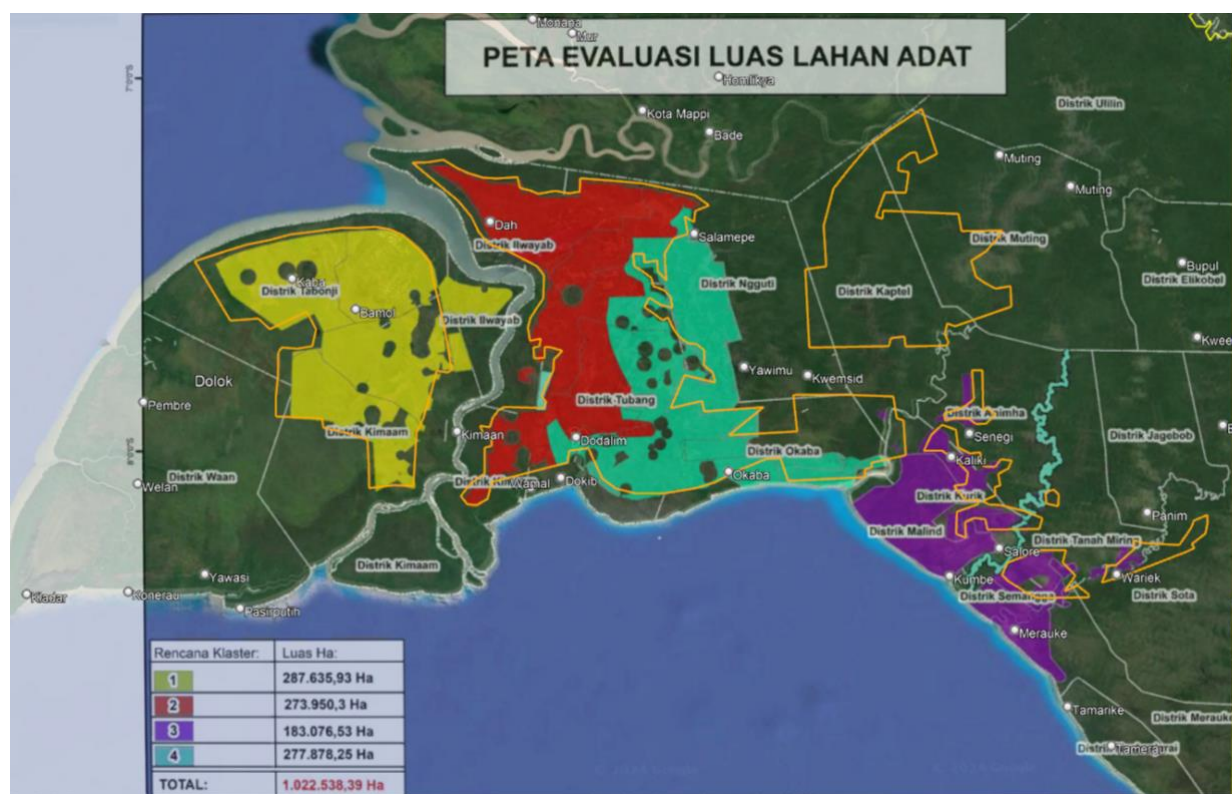
Mighty Earth estimates that roughly 320,000 hectares of Merauke Sugar Group sugarcane concession area overlap with the customary land of the Yei indigenous community posing a socio-economic and cultural impacts – Yei indigenous community are represented in the brown outline in the map below.



Map of Merauke Sugar Group concessions (red outline) overlap with Yei Indigenous land (brown outline).

An unpublished Feasibility Study commissioned by the government includes a map (below) which shows 1,022,538 ha of customary land of the indigenous people (yellow, red, blue-green and purple area) overlaid with areas identified as suitable for rice production (orange outline).

As the map shows, most of the target rice project areas (orange outline) are identified as the customary land of the indigenous people.



Map of Indigenous land overlap with rice project areas. Source: unpublished study by PT Sucofindo.

The feasibility study acknowledges that indigenous communities in Merauke rely on forests for livelihoods and land conversion will threaten their cultural survival.

The military is playing a significant role in the food estate with the project being overseen by the Ministry of Defence. The military's involvement, coupled with the lack of Free, Prior, Informed Consent (FPIC) from Indigenous communities living in the area, have fuelled concerns that the project will create new conflicts in the region in addition to adding psychological pressure on village communities.

Papua is not an empty land. As can be concluded from the mapping analysis above, the Merauke Food and Energy Project area considerably overlaps with areas mapped as being customary land of indigenous people.

Indigenous people from Merauke have voiced their rejection of the project in multiple demonstrations.



Photo of Indigenous community member fighting food estate. Source: [Pusaka](#).



Perwakilan masyarakat adat suku Malind, Maklew, Khimaima dan Yei dari Distrik Ilwayab, Ngguti, Tubang, Malind, Eligobel, Kimaam, Okaba, Kabupaten Merauke, bertemu dan berdialog dengan Ketua Komite II DPD RI Badikenita Sitepu dan Anggota DPD asal daerah pemilihan Provinsi Papua Selatan, serta perwakilan Kementerian Pertanian, Kementerian Pertahanan, Kementerian Agraria dan Tata Ruang, serta Sekda Provinsi Papua Selatan. (Dok. Tim Solidaritas for SP)

Photo Of Merauke Solidarity speaking at Indonesian Parliament. Source: [Suara Papua](#).

On December 2, 2024, [Merauke Solidarity](#) spoke to the Indonesian Parliament urging President Prabowo Subianto and related ministries to halt the food estate project in Merauke (see photo above). ‘*The project was brutal, without any socialisation and without prior consultation to obtain agreement from the indigenous community, the company’s excavators and bulldozers entered our indigenous territory, ran amok, evicted and destroyed natural forests, hamlets and swamps,*’ explained Father Pius Manu, a religious figure and owner of indigenous land.’

Swift Action Needed

Many palm oil companies with NDPE policies, including traders and consumer brand companies, have adopted ‘No Buy’ lists. These lists aim to ensure suspended producer groups palm oil does not enter the companies’ supply chain.

For example, in 2020, multiple palm oil traders, refiners, and consumer brands companies [suspended Samling](#) from their supply chains due to the group’s vast conversion of rainforests to plantations in Sarawak, Malaysia. To date, Samling refuses to end its relentless large-scale conversion of rainforests into timber plantations. It recently quit the Forest Stewardship Council (FSC) certification system rather than face an independent investigation into its violations of FSC standards. Despite the group’s palm oil division adopting an NDPE policy, Samling remains on the ‘no buy’ lists of many of the palm oil companies for very good reasons.

A growing number of companies have either suspended them or put Jhonlin Group on their ‘No Buy’ list including Unilever, Cargill, Hershey, Bunge, AAK and Pepsi.

Besides involvement of the Jhonlin Group and the Fangiono family, evidence available to Mighty Earth also linked KPN and Wilmar to the project.

KPN: Following our recent call with KPN and members of the Sitorus family, we were informed that the family has now decided to withdraw from this investment project. As a result, the family member, Jocelin Sitorus, is no longer listed as a director of any Merauke Sugar Group company.

Wilmar: Despite claims on the internet about Wilmar being connected to the project, the owner of the group has informed us that they are not involved in the project. However, we have just been made aware that a Wilmar company called '[Wilmar Consultancy Services](#)' is providing services to a Merauke Sugar Group subsidiary and we are following up to find out more as this would run counter to what the company has told us. We are awaiting clarification.

This case is now Mighty Earth's highest priority in Asia, and we are in the process of launching a global campaign to stop deforestation within the food estate. We are working with Indonesian and international allies, governments, investors, and private sector companies to pause the development. Meanwhile, the Indigenous communities whose land is in the way of these bulldozers continue to resist in Papua and far away in Jakarta. Palm oil companies should act to distance their supply from groups involved in the deforestation of the Merauke Food Estate.