

[English translation]

August 28, 2020

To: H.I.S. Travel Branch Office

Dear Sirs or Madams,

We the undersigned are environmental groups and individuals who share a deep concern about climate change and the loss of biodiversity, and are calling for the protection of forests globally.

We are writing to you, as a branch office of H.I.S. travel, to ask for your support and to reach out to H.I.S. management. You may be aware that H.I.S. affiliate H.I.S. Super Power is currently constructing a 41-megawatt palm oil power plant in Kakuda City, Miyagi Prefecture. Trial operation is expected to begin shortly. Each year, this power plant will require about 70,000 tons of palm oil to be imported.

We oppose this project because burning palm oil “destroys tropical forests” and “generates more carbon dioxide than coal,” and directly conveyed these concerns when we met with Mr. Sawada, CEO of H.I.S., and Mr. Akao, the president of H.I.S. Super Electric Power. It is very regrettable that despite this, they decided to commence construction. Following this, we called upon the public to speak out against the project and twice submitted more than 200,000 signatures from all over the world. However, they refused a second meeting with us. It is regrettable to see such an attitude which rejects dialogue with civil society.

As you know, palm oil has been increasingly used for food production, and in recent years oil palm plantations have been expanding rapidly to meet this demand. In fact, palm oil production has become one of the major causes of the destruction of tropical forests in Indonesia and Malaysia, with some 3.5 million hectares of tropical forest converted to oil palm plantations in the past 20 years.

Once a tropical forest consisting of diverse species is cut down and replaced by a plantation with a single species, oil palm, the orangutans, elephants, and other wildlife that originally lived in the tropical forest will no longer be able to live there, and biodiversity will be lost.

H.I.S. says it will use RSPO (Roundtable on Sustainable Palm Oil) certified oil, and while RSPO (2013) certified oil does prohibit conversion of “high conservation value” forest after 2005, conversion of other forests is allowed. In addition, since there is a limited amount of land available for cultivation, there is a limit to the amount of RSPO-certified oil which can be supplied, and already food companies are struggling to procure it.

In addition, if demand for palm oil further expands, the development of tropical forests and peat lands for palm plantations will release enormous amounts of CO₂. Additionally, a large amount of methane and other greenhouse gases are also generated from the waste liquid that is produced in the processing stage. Accounting for the full emissions over its lifecycle, a palm oil power plant generates far more CO₂ than even a coal-fired power plant.

We are very concerned that H.I.S.'s power generation using palm oil will destroy irreplaceable tropical forests while worsening climate change. We believe that H.I.S.'s entry into this dangerous business represents a tremendous financial and reputational risk to the company. Over the coming decades, H.I.S. will have to continue to import enormous quantities of palm oil from Malaysia and Indonesia. Going forward, we expect palm oil will be increasingly criticized for worsening climate change and destroying biodiversity.

Japan's Ministry of Economy, Trade and Industry indicated in recent discussions regarding the sustainability of biomass under Japan's Feed-in Tariff (renewable energy incentive) that it would move to require greenhouse gas emission lifecycle assessments. In the future, there is a possibility that palm oil power plants will be forced to shut down as incompatible with efforts to address climate change. News outlets including Toyo Keizai, The Economist, NHK BS and other media have already provided critical coverage regarding palm oil power generation.

More than anything, we are concerned that your company, which has admirably focused on eco-tours and study tours of the tropical forests of Borneo, is turning a blind eye to the fundamental causes of the destruction of the tropical forests and wildlife habitats, and is proactively taking part in their destruction.

This could be seen as a betrayal by long-standing customers who have trusted your company. In fact, we have received many harsh criticisms of H.I.S., as well as questions such as "Is that true?" "I can't believe it." "What happened to H.I.S.?" "I feel let down." and "Why is President Sawada ruining his reputation?".

We hope that you will speak out from within your company to urge withdrawal from this project. We welcome your questions and would appreciate an opportunity to speak with you directly.

Best Regards,

Friends of the Earth Japan, HUTAN Group, Kiko Network, Greenpeace Japan, Global Environmental Forum, JATAN, Plantation Watch, Mighty Earth, Fridays for Future Sendai, Fridays for Future Furano, Fridays for Future Sapporo, Fridays for Future Iwate, Fridays for Future Miyazaki, Fridays for Future Saitama, Biofuelwatch, Friends of the Siberian Forests, Stand.earth, Forum Ökologie & Papier, Friends of the Earth US, Rainforest Rescue, Centar za zivotnu sredinu/ Friends of the Earth Bosnia and Herzegovina, Pivot Point, Centre for Environmental Justice, TABIO, Global Forest Coalition, Fern, reacción climática, Justicia Ambiental - JA!, Protect the Forest Sweden, Indigenous Knowledge and Peoples Network Society for Wetland Biodiversity Conservation Nepal in Federation of Kirat Indigenous Association, BUND (Friends of the Earth Germany) - Bund fuer Umwelt und Naturschutz Deutschland e.V., Friends of the Earth International

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