

Golden Agri-Resources – Indonesia

Pursuing deforestation-free palm oil through landscape partnerships

Agricultural lands occupy almost half of the world's land surface and a further expansion is projected to feed a global population expected to reach 9 billion by 2050. The social and economic contribution that agriculture makes at both the macro and micro levels is also well documented: agriculture contributes 30% of the GDP in many low-income countries and employs more than 2 billion people globally. Over 75% of people living in poverty depend on agriculture for their livelihoods. Agri-business firms—local, national and international—play major roles in agricultural production and services.

As a significant land user, agri-business also has a critical role to play in holistic sustainable land management that protects and maintains essential ecosystem services and builds rural community resilience. GAA and EcoAgriculture Partners are working together to identify and learn from a selection of innovative regenerative and restorative landscape partnerships in which agri-business companies are actively involved. These case studies will support us in our shared ambition to better understand the agri-business perspective—their business rationale for landscape partnerships, institutional models, business and landscape benefits, and how to bring success to scale. We welcome your input and feedback.

Case studies are available at globalagribusinessalliance.com



Piloting the Participative Conservation Planning (PCP) tool with villagers of the Kapuas Hulu district

Rationale

Golden Agri-Resources (GAR) is among the world's largest palm oil producers with a total planted area of 500,000 hectares across 45 plantations in Sumatra and Kalimantan. In Kapuas Hulu district in West Kalimantan, a landscape of approximately 100,000 hectares, GAR operates three plantations that cover a total of 20,000 hectares and overlap with 14 village boundaries. The rest of the landscape comprises forest areas, wetlands, agricultural areas and so-called 'mixed gardens'. In this landscape, GAR has pioneered efforts to comply with the no-deforestation voluntary requirement of the High Carbon Stock Approach (HCSA). The commitment includes halting deforestation in village forests inside and outside GARs plantation boundaries.

GAR's roles in landscape partnerships

Recognizing the limited effectiveness of a desktop based top-down approach to conservation planning and management, GAR sought to develop a more viable methodology for implementing the High Carbon Stock Approach (HCSA) for the Kapuas Hulu landscape together with its implementation partner The Forest Trust (TFT). To pilot-test a Participative Conservation Planning (PCP) tool, the partners engaged village and government agency leaders as well as local NGOs to ensure its suitability for applying with communities. Together, the expanded group of partners demonstrated the tool's effectiveness in identifying areas for protection, livelihoods and development by integrating conservation mapping with participatory village mapping.

Independent authors

They used the maps to negotiate with local councils to demarcate boundaries between use types, and eventually create village level spatial plans that were used to obtain regulatory approval by local government. GAR and partners then engaged other concession holders in the neighbourhood to socialize the process, securing their support and agreement not to sabotage the process. To implement the approach across the 14 villages, GAR supports the local communities to play leading roles. The company has worked to ensure that local communities who participate in the plans acquire land tenure security, and can access a state infrastructure fund of about 100,000,000 rupiah/year (approx. US\$7,000).

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Actions and investments for landscape sustainability

GAR also offers livelihood packages to communities to help ensure the sustainability of the work force in light of palm oil mechanization trends that will lead to a reduced work force and less employment over time. Families are offered training and support with inputs and market access for rubber plantation revitalization, organic farming, and local fish breeding enterprises. In addition GAR promotes the 'plasma palm' scheme in which smallholder cooperatives operate under GAR management to convert non forested community land into productive plantations through better agronomic practices.

Benefits and successes

A vital benefit of employing the PCP tool to planning for no-deforestation has been compliance with international Free, Prior and Informed Consent (FPIC) guidelines. GAR's participatory process, which led to tenure security for villages, has engendered good relationships with communities that will help ensure GAR's social license to operate well into the future.

Lessons learned and future directions

GAR relies on partnerships and has many, preferring to have the flexibility to ensure they are tailored to their needs, and can operate strategically to get things done. They have generally avoided large multi-stakeholder platforms organized by government agencies and NGOs. GAR foresees that in the future communities may request financial compensation for the maintenance of conservation areas. In anticipation, GAR is engaging its customers to consider paying for carbon offsets, with payments going into village funds.

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Golden Agri-Resources

For more details please contact sustainability@goldenagri.com.sg

The Global Agri-business Alliance

The only multi-commodity, multi-geography, CEO-led platform for supply-side sector engagement and collective action: growers, processor, traders, providers of finance and inputs. Member companies have come together to strengthen their contribution to building sustainable landscapes and livelihoods. A time-bound initiative, GAA has its sights set firmly on 2030 and on making an additional contribution to the SDGs. The GAA does this by providing a platform for engagement and collaborative action that 1) scales best practice through peer learning 2) contributes to thought-leadership and 3) informs and influences emerging policies.

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