

Cross Border Collaboration for HCV Management in Oil Palm Estates: Case Studies from Indonesia

By Daemeter Consulting and Fauna & Flora International

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Success of recent efforts to promote biodiversity conservation in oil palm estates in Indonesia is limited by a number of legal, practical, and financial constraints. One approach widely promoted for biodiversity conservation, especially by members of the Roundtable on Sustainable Palm Oil and its supporters, is the identification and management of High Conservation Value (HCV) areas within plantations.



The HCV approach has genuine merit, but many biodiversity HCVs exist at a spatial scale larger than typical oil palm license areas in Indonesia (c. 20,000 ha), and thus depend on management actions taken beyond the boundaries of a single estate. For HCV to deliver on its potential as a tool for promoting biodiversity conservation within oil palm, it is therefore crucial for HCVs to be managed collaboratively across borders with other land users.



Such cross border management can reduce HCV management costs for producers and strengthen government lobbies to retain HCV areas for biodiversity conservation (rather than re-licensing these areas to another company for development). To strengthen such cross-border partnerships, companies need to engage not only government and HCV practitioners, but also NGOs and other civil society partners to identify, manage and monitor conservation areas; work directly with local communities to gain local participation; and obtain deserved public recognition for making the financial commitments to achieve this.

At least six such collaborative, cross-estate border partnerships are underway in Kalimantan and Sumatra, in addition to two single estate projects that border protected areas (see Table). General trends in project location, aim, process of project initiation, location, RSPo membership, estate development, the role of HCV, proximity to protected areas, links to carbon funding, and government involvement are reviewed and are summarized below.



General trends:

- All companies were engaging in these collaborations with the aim to manage High Conservation Values in and/or adjacent to their estates(s).
- All companies are RSPo members.
- There is a clear pattern of NGO initiation of such collaborations, with one exception: a company approaching an NGO to assist in management of orangutan populations in their estates.
- Development of some form has taken place in most of these estates, yet the level of development prior to initiating the collaboration was not clear.
- Most estates border a protected area, and therefore orangutans or (in the case of Sumatra) tigers are the conservation target of primary concern. A major focus of these collaborations has been to mitigate human-wildlife conflict for these two flagship species in the plantation area.
- Carbon-based funding was not central to these initiatives, but anecdotal evidence showed that the possibility of carbon revenues to co-finance HCV management areas was indeed being considered by a number of these projects.
- Government involvement was notably limited, which would appear to be symptomatic of the policy barriers that have been met to date by companies attempting to maintain HCVs in oil palm landscapes. This said, project proponents acknowledge the fundamental weakness of not having government involved in managing these areas; most land areas involved existing on land legally permitted for agricultural development (APL). One project provided a unique example in which two oil palm producer companies signed an MOU with local government to ensure maintenance of a buffer area within their estates for a wildlife reserve being used as an orangutan release site.

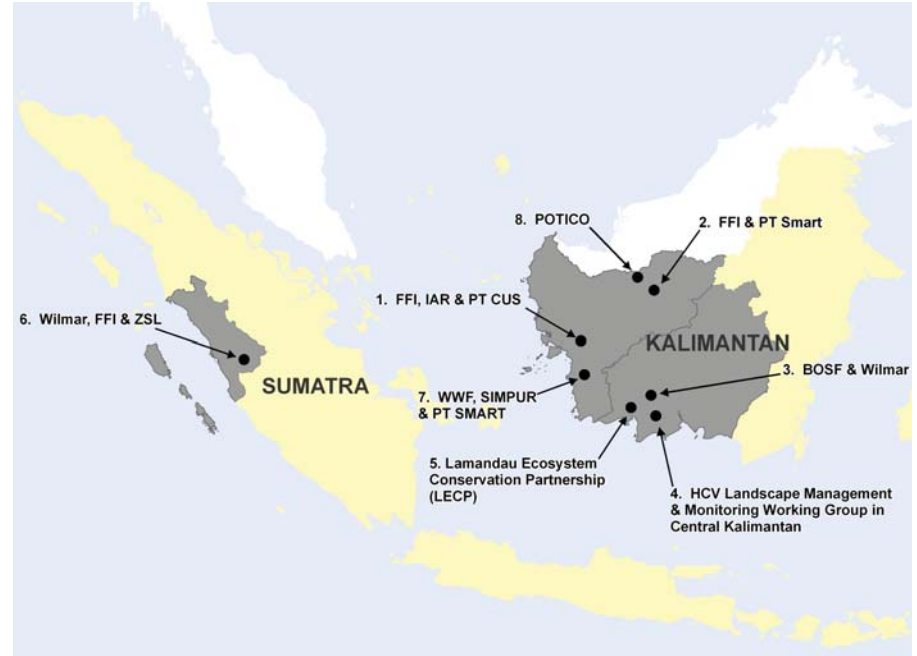


Image: Approximate Project Locations

	Cross-estate Initiatives						Initiatives with a single estate bordering a PA	
	1	2	3	4	5	6	7	8
	FFI, IAR and PT CUS collaboration in Kalbar	FFI and PT Smart collaborations in Kapuas Hulu	BOSF and Wilmar working relationship	HCV Landscape Management and Monitoring Working Group in Central Kalimantan	Lamandau Ecosystem Conservation Partnership (LECP)	Wilmar, FFI and ZSL working relationship	WWF, SIMPUR and PT Smart	POTICO program
Location	Kayong Utara, West Kalimantan	Kapuas Hulu, West Kalimantan	Central Kalimantan	Central Kalimantan	Kotawaringin Barat, Central Kalimantan	Sumbur, West Sumatra	Ketapang, West Kalimantan	Kapuas Hulu, West Kalimantan
Companies involved (RSPo)?	PT CUS (Yes)	PT Smart (Yes)	Wilmar (Yes)	Five oil palm companies with many oil palm estates involved. Total number not yet confirmed. (Yes)	Sampoerna Agro (Yes) & Burnitama Gunajaya Agro (Yes)	Wilmar (Yes) & likely others	PT Smart	n/a
No. of estates	Two: PT Jalm Vano & PT Cipta Usaha Sejaht; with potential for a 3rd (neighboring RSPo member estate)	Two: PT Primanusa Mitra Serasi and Kartika Prima Cipta	17 estates in the Central Kalimantan Project (CNP) with focus on PT. MSM.	Numerous	Two: PT Sungai Rangit & PT Burnitama Gunajaya Abadi	More than one	One: PT. Agrolastari Mandiri	One: n/a
NGOs involved	FFI, IAR	FFI, Tisian	BOSF	WWF	LECP	FFI, ZSL and others	WWF	WRI, Sekala, Risk Bumi, ICEL
Role of government	Support from governor (expose held by governor in Feb 2010). Will seek Kabupaten level support.	None	BKSDA	Group will seek further support from Bupati	BKSDA and district government central to agreement	n/a	None	Close involvement of local gov/ Bupati to get support for process and change land use plans (RTRW)
Project status	MOU signed between IAR, FFI and PT CUS in Jan 2010. HCV, biodiversity and orangutan surveys just beginning.	HCV areas identified. Public consultations held, with some difficulties from communities in one estate. Reports in progress for peer review.	Preliminary survey to assess the potential for orangutan conservation completed in a number of different HCV areas. MOU and Lol in final stages of development.	The MOU is in the process of being finalized. A preliminary desktop corridor has been mapped and the threats and possible areas of linkage of HCV area have been discussed.	IN 2009, BKSDA and the two companies signed an MOU and MOA stating the companies will not to plant or do any business activities within a radius of 500 m of PA buffer.	FFI and Wilmar to collaborate on the establishment of a landscape initiative with the surrounding companies, some of which have been approached informally.	HCV assessment complete. HCV areas identified in the concession and recommendations for management and monitoring provided.	MOU signed between company and MCOs). Degraded land legally on 'forested lands' has been identified, and steps taken to revise local land use plans to allow for protection of forest slated for conversion and planting of degraded areas that are legally 'forest'. Community mapping being undertaken.
Bordering a protected area	Yes: Gunung Palung NP and Cagar Alam Gunung Juring	Yes: protection forest	No	Potential connectivity with Sebangau National Park and Anubantikan (Production and Limited Production Forest).	Yes: Lamandau River Wildlife Reserve (orangutan release site)	Yes: Kerinci Seblat	Yes: South of Bukit Menangis Protection Forest	Yes: Danau Sentarum National Park

Table: Case Studies from Indonesia



Challenges encountered and opportunities presented in attempts to achieve lasting conservation outcomes through such partnerships were also considered.

The strengths/ opportunities presented by these collaborations include:

- Broader skill and knowledge bases of HCV, biodiversity, threats, and mitigation is available to companies by engaging with NGOs and associated scientists.
- Landscape level planning is more attainable across the large, contiguous land banks belonging to these companies.
- RSPo member companies are gaining an increasingly good understanding of HCV and what it means to manage them.
- An opportunity to manage biodiversity in areas outside of protected areas, on lands that are permitted by national and district government for conversion.
- Mobilizing financial resources to manage HCVs in these locations is feasible when private sector land managers are involved.
- A number of these HCV areas may otherwise have been lost (cleared and planted) were it not for NGO initiative to identify the companies and engage them in these collaborations.

Even with these collaborations, challenges to long-term HCV management in these oil palm landscapes remain. Amongst the greatest challenges faced by these projects are:

- Non-RSPo member companies and smallholders encroaching on HCV management areas outside of the partner company's license areas.
- Obtaining government support for maintaining conservation areas on land allocated for agriculture.
- Building trust between oil palm companies and NGOs, which traditionally had opposing primary objectives.

Daemeter Consulting is an independent firm based in Bogor, Indonesia, specializing in the provision of technical services to promote responsible management of forest and agricultural landscapes.

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