



Rights, forests and climate briefing series - October 2011

SUMATRA: Update on RAPP's activities in the Kampar Peninsula, Riau

[For background on the Kampar Peninsular, please see Indonesia: Indigenous Peoples and the Kampar Peninsula, October 2009]

Although pulp and paper company APRIL has been interested for a number of years in developing a REDD+ project in the interior peat forests of the Kampar Peninsular, it has so far been unable to obtain a suitable concession and REDD+ licence from the government. Only one REDD+ license has been issued in the Kampar, and that was to Asia Pulp and Paper (APP), for an area of 15,000 hectares of forest on deep peat in the centre of the Peninsula originally designated for conversion to pulpwood plantation. The Kampar Carbon Reserve is being developed by APP in cooperation with the concession holder, PT. Putra Riau Perkasa (PRP) (which supplies pulpwood to APP) and the carbon brokerage firm Carbon Conservation.

Commenting on the deal, announced in October 2010, Aida Greenbury, sustainability managing director for APP, noted, "The Kampar Carbon Reserve is a gift from Indonesia to the world. We are working with the Ministry of Forestry, PRP and other concerned stakeholders to create a pilot programmeme that helps tackle the global climate change challenge. At the same time we are creating real community investment programmemes directed at the true root of Indonesia's environmental issues: poverty in the indigenous communities surrounding the rainforests."

In 2011, Forest Peoples Programmeme (FPP) checked with the community of Teluk Meranti, whose customary forests overlap with the Kampar Carbon Reserve, but the community members we spoke with had not yet been informed by APP about its Kampar REDD+ project.

Following high profile protests by environmental groups and local communities about APRIL's plans to clear and drain 45,000 hectares of peat swamps in the southern Kampar Peninsula, in December 2009, the Minister of Forestry suspended the development permit issued to APRIL's subsidiary RAPP to develop acacia plantations in this area. The Minister sent a team to investigate RAPP's permits and plans, including the validity of its permits for clearing deep peat soils, and concerns that nearby communities had not been consulted.

On 15 January 2010 the team reported to the Minister and its first recommendation was that RAPP must respect the right of the communities affected by its operations to give or withold their Free, Prior and Informed Consent (FPIC) to its plans before land clearing and plantation development begin. On 15

April, the Minister lifted the suspension on RAPP's development permit, and the company immediately began clearing peat

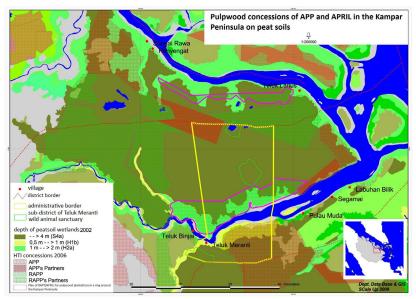


Diagram 1: Pulpwood concessions of APP and APRIL in the Kampar Peninsula on peat soils.

 $^{1\,}$ $\,$ On diagram 1, the REDD+ site is the red rectangle that cuts into the north-west corner of the yellow boundary, which is the village boundary of the community of Teluk Meranti.

forests despite undergoing negotiations with the community of Teluk Binjai.

Teluk Binjai Village

The company completed negotiations with the community of Teluk Binjai on 17 June, at about the same time that it completed the clearing and draining of 11,750 hectares of peat forest under the customary management of the Teluk Binjai. The community rejected the agreement reached between PT. RAPP and its Team 9, who represented the community in the negotiations. Although Team 9 was selected by the community to represent it in negotiations, it had not

Issues of concern to the local community

I. PT. RAPP's concession area overlapping with the customary lands of the village of Teluk Binjai

About 11,750 hectares. Almost all of this area has been converted to its projected use (e.g. plantations, jetties/ports, workers' camps)

II. The size of land for community gardens

The agreement calls for PT. RAPP to establish 1,222 hectares of community gardens: 600 hectares to be planted in 2010 and 622 hectares in 2011. By the end of 2010, only 400 hectares had been established.

III. Community demands, as expressed to the NGO Scale Up

- 1. Renegotiation of the agreement
- 2. The exclusion of 700 hectares of community agricultural lands from the concession

IV. Community position on the implementation of the agreement

PT. RAPP has not implemented its side of the agreement with Teluk Binjai. For example, it agreed to develop 600 hectares of community gardens (*tanaman kehidupan*) during 2010 but only 400 hectares were established.

V. Threats to the community

- 1. The loss of the agricultural land that supports the community's economy.
- 2. The loss of vital sources of livelihood (i.e. peat forests).

informed or discussed the content of the negotiations with the community before signing the agreement, nor was the final agreement submitted to the community for its endorsement.

Having limited knowledge about the agreement, and being intimidated by Team 9 and the company, the community of Teluk Binjai has not explicitly expressed its rejection of the agreement. The community has observed how PT. RAPP has cleared and drained its peat forests in areas that are not consistent with the agreement. In 2011, the community requested input from NGOs on how it could renegotiate the agreement.

Teluk Meranti Village (Kelurahan Teluk Meranti)

In October 2009, the community of Teluk Meranti sent PT. RAPP a formal letter informing the company that a negotiation team (Team 49) had been elected by the community. The community requested that all PT. RAPP field activities cease until an agreement had been reached with the community. The letter requested PT. RAPP to provide the community with copies of all permits it held to develop plantations on the community's lands, and stated that the negotiations should take place in the village of Teluk Meranti. The letter further asserted the right of the community to involve third parties in the negotiations, including other community members, NGOs, government officials and those with experience and expertise in conflict resolution. Finally, the letter requested that PT. RAPP's negotiation team include individuals with a mandate from the company to make decisions. The community did not receive any response to that letter and the company refused to comply with the community's requests. Instead, the company has attempted to select its own negotiation team from supportive members of the Teluk Meranti community.

To bridge the impass, in December 2009, the sub-district and district government heads issued a decree (140/ PEM/2009/03) mandating a Team 40, elected by the community of Teluk Meranti, to negotiate with PT. RAPP. Formal negotiations between Team 40 and PT. RAPP began in January 2010. Negotiations took place at the company headquarters in the town of Kerinci, several hours drive from Teluk Meranti. Community members who were not part of the negotiation team were not allowed to attend, and neither were NGOs, government officials and lawyers requested by the community to assist in the negotiations. The negotiations took place over a period of six months, and an agreement was reached on July 30th 2010.

The agreement came as a disappointment to many members of the Teluk Meranti community as they felt it was inconsistent

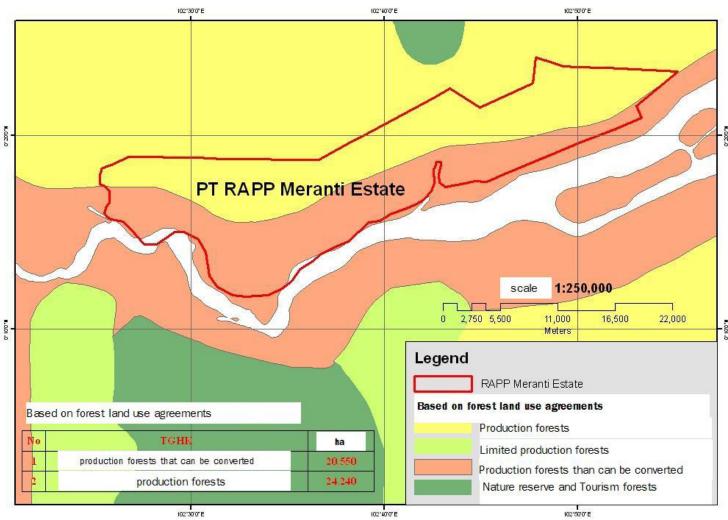


Diagram 2: PT RAPP Meranti Estate and forest land use agreements

with their right to give or withhold their consent (FPIC). Nor was it in accordance with their October 2009 letter or the decree issued by Pelalawan Regent and the subdistrict head that authorised the negotiation team from Teluk Meranti. The decree stated that decisions taken by Team 40 must be made in mutual agreement with their community. On 11 August 2010, the community of Teluk Meranti sent a formal letter to the Director of PT. RAPP, asking for a renegotiation of the agreement. The letter was signed by religious and traditional leaders, youth and student leaders, heads of each section of the community, and several members of Team 40 that had refused to sign the agreement with PT. RAPP. PT. RAPP did not respond to the letter.

On several occasions during the negotiations, members of Teluk Meranti community had requested to meet their negotiation team. Team 40, however, did not meet with the whole community until after the agreement was reached. Angered at the lack of transparency and participation, on 24 August 2010, a delegation from the community went to office of the Regent of Pelalawan to ask him to reject the validity of the agreement. The Regent and district administration responded that the agreement could not be renegotiated or annulled.

In early August 2010, as soon as the agreement had been endorsed by the majority of Team 40, PT. RAPP's excavators started to clear the forest and drain the peat soils on 25,842 hectares of customary lands belonging to the Teluk Meranti community. A few weeks later, the company's heavy machinery was forced to stop operating when the community protested that it did not recognise the agreement, and expressed its frustration that the village and the district governments had paid no attention to their rejection of this agreement. Community members were worried that PT. RAPP's plantations were taking over much of their accessible forest and potential agricultural lands, which they held as sources of livelihood for themselves, their children and grandchildren. Although the agreement between the community and PT. RAPP required PT. RAPP to establish community gardens, the community was unhappy that they would not be given ownership of these lands, which would remain part of the PT. RAPP concession. In order to assert their rights to part of their lands on the Kampar Peninsular, in the following months, the community cleared about 687 hectares of their customary lands inside the company's concession area.

Issues of concern to the local community

I. PT. RAPP's concession area overlapping with the customary lands of the village of Teluk Meranti

25,842 hectares, from the border with Teluk Binjai Village to the Turip River.

II. The size of the land on which Community Gardens would be established

The agreement calls for PT. RAPP to plant 2,300 hectares of community gardens, with 150 hectares to be established in 2010, 1,150 hectares in 2011, and 1,000 hectares in 2012. By the end of 2010, however, only 100 hectares had been esablished and many seedlings were already dead.

III. Community demands

- 1. The agreement between PT. RAPP and Teluk Meranti should be renegotiated.
- 2. PT. RAPP must recognise the right of the community of Teluk Meranti to their customary forests and agricultural lands on the Kampar Peninsula, including:
- The exclusion of 687 hectares of the agricultural land from PT. RAPP's concession.
- Community title to the lands that are now community gardens.
- The delineation of the boundaries of the community's managed land and PT. RAPP's concession.

IV. Community position on the agreement

- 1. Team 40 made decisions without community consensus.
- 2. Team 40's negotiation efforts were not consistent with the Regent's Decree.
- 3. 687 hectares of agricultural land that has been used for generations by the community lie inside the PT. RAPP concession.
- 4. PT. RAPP still does not recognise the rights of the community of Teluk Meranti to their customary forests and agricultural lands on the Kampar Peninsula.

V. Threats to the community

1. The loss of community lands; most households of Teluk Meranti still use and depend on lands on the Kampar Peninsula (for agriculture, timber for houses and boats, and non-wood forest products (NWFP) such as rattan, palm leaves, honey, resins, fish etc.)
2. Community members now have difficulty fishing in the rivers and streams that lie inside PT. RAPP's concession (the Turip River has been blocked by the company, the Serkap River and the Pebilah River are also affected).

In June 2011, Forest Peoples Programmeme, Scale Up and two community associations from the Kampar Peninsular wrote to APRIL to remind the company of its unfulfilled commitment to respect the rights of the indigenous communities of the Kampar Peninsular. As of September 2011, no reply has been received from APRIL.

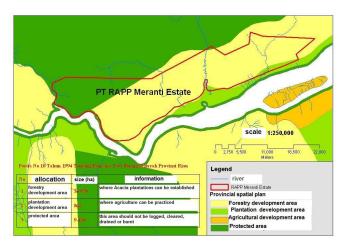


Diagram 3: Provincial spatial plan and PT. RAPP Meranti Estate

Forest Peoples Programmeme

Ic Fosseway Business Centre, Stratford Road, Moreton-in-Marsh GL56 9NQ UK Tel: +44 (0)1608 652893 info@forestpeoples.org www.forestpeoples.org