



# Forest Peoples Programme

1c Fosseway Business Centre, Stratford Road, Moreton-in-Marsh GL56 9NQ, UK  
tel: +44 (0)1608 652893 fax: +44 (0)1608 652878 info@forestpeoples.org [www.forestpeoples.org](http://www.forestpeoples.org)

## Field Trip to the Communities of Riding, Sungai Rasau and Jadi Mulya in OKI, South Sumatra, July 2013 by Patrick Anderson

**Participants:** Patrick Anderson from Forest Peoples Programme, Aidil Fitri and Sigid Widagdo from Wahana Bumi Hijau - WBH.

**Objective:** To meet with communities affected by the pulpwood plantations and planned mill facilities of Sinar Mas and affiliates in the OKI District of South Sumatra, to discuss impacts they have experienced from existing plantations, to find out if they are aware of Asia Pulp and Paper (APP)'s Forest Conservation Policy, and to consider what assistance they may need to be able to engage with APP and its affiliate companies BMH and BAP.

### Summary of Field Trip Findings

The communities visited have lost access to land and resources due to the HTI plantations of APP affiliates established over the last decade. This has resulted in significant loss of livelihoods: fishing, forest product gathering and traditional rice cultivation (Sonor)<sup>1</sup>. Community members attempting to access their customary resources have been subjected to intimidation, arrests and prosecution. The communities have protested against their losses on site and at the district and provincial capitals. They have written letters, petitioned the government and sought direct engagement with the HTI companies. No community complaints have been resolved. Little sign of good faith from the HTI companies towards the affected communities was reported by the community members we met. Recently, however, PT. BMH and leaders of the community of Riding have agreed to try to solve their conflicts through mediation. An agreement between the company and Riding leaders towards this end was signed on July 2012.

### Methodology

The information in this report was collected by conducting interviews, observations and small group discussions (about a dozen people) with local people in the village of Riding and the hamlet of Sungai Rasau, in the sub district of Pangkalan Lampam, and in the hamlet of Jadi Mulya in the sub district of Air Sugihan. The team visited Riding and Sungai Rasau because these communities have a long history of conflict with BMH, the APP affiliated plantation

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<sup>1</sup> Sonor is a traditional method of rice cultivation in swamps and peat areas, in which farmers grow rice in the dry season when water levels are low. (<http://www.beritanda.com/gaya-hidup/berita-gaya-hidup/budaya/2237-padi-sonor-padi-yang-tumbuh-dari-pembakaran-lahan.html>)

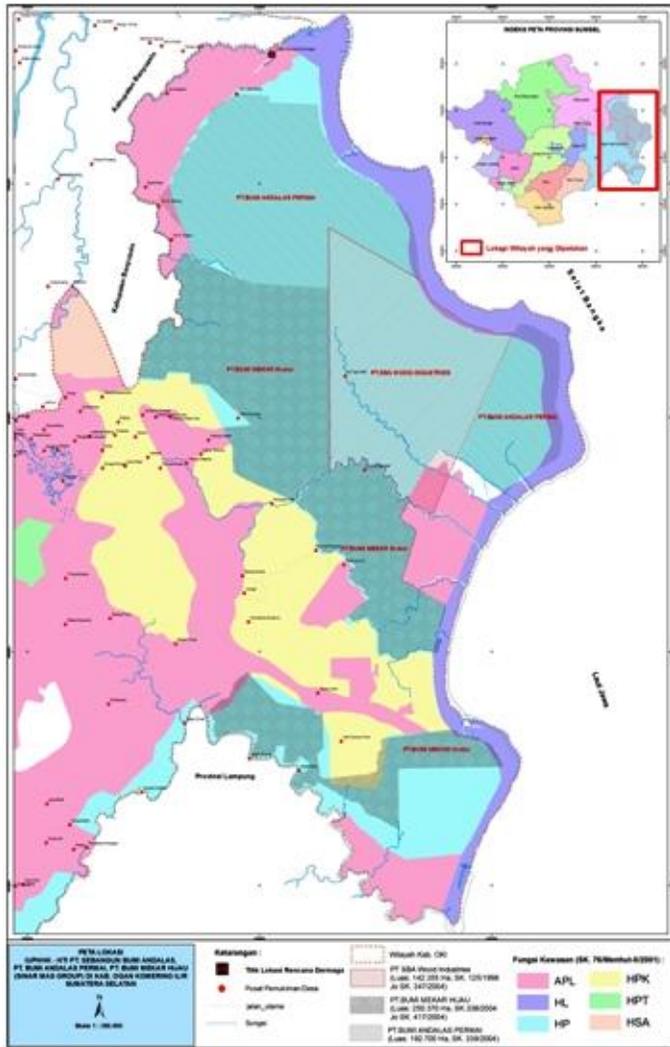
company. We visited Jadi Mulya because this is the closest village to APP's proposed new mill. Subsequent to our field visit, we were informed that APP now plans to establish the mill and port at a different site.

## **Background**

FPP and WBH have met with APP and its consultants on a number of occasions in 2012 and 2013 to discuss the development and implementation of APP's Forest Conservation Policy (FCP). FPP and WBH decided it would be useful to visit communities affected by APP and affiliates operations in South Sumatra, and informed APP of our intentions before the field visit. The initial findings of the field visit were presented to APP and consultants on 1 August in Jakarta.

The Kabupaten of Ogan Komering Ilir, or OKI, covers 1.9 million hectares, in the east of the province of South Sumatra. The terrain is riverine with many rivers, lakes, wetlands and peat swamps. The current population is approaching one million and the capital city is Kayu Agung. OKI has 18 sub-districts, with about 300 villages and towns. The population of OKI today is made up of original Melayu communities with a significant proportion of immigrants from Java and elsewhere in Sumatra. The traditional governance system was based on Marga, or clans. Each Marga included five to ten sub-clans. In the 1980's, with the implementation of the 1979 law on local government, the Marga Government system was replaced with district and village government.

Sinar Mas and affiliates have plantations throughout the district.



Map of the concession areas of APP's subsidiaries in OKI District, South Sumatra.

### **Meeting with representatives of Riding Village, South Sumatra, 22 July**

Desa Riding is the original village which expanded in the 1970s through the establishment of six outlying hamlets, Dusun Lebung Gajah/ Pangkal Jerambah, Sungai Setanjung, Lebak Simpanan, Penyabungan, Rengas Abang and Sungai Rasau. The community of Desa Riding was originally made up of Melayu people. Due to subsequent in-marriage and in-migration, the Melayu are now a minority but their original ties to land and customs for land management are respected by the wider community. The main traditional livelihoods in Riding are based on fishing in rivers and lakes. Although the customary or Adat institutions and rules and ceremonies have been weakened, decisions relating to land, water and marriage still require the involvement of customary leaders and adherence with customary practice. For instance, if someone wants to develop a new garden area, the process of clearing the land is undertaken with the cooperation of the neighbours and the area that is assigned is based on customary rules. The community as a whole is aware of and respects the Ulayat or customary territory of the community. When members of the Riding community established the six new hamlets in the 1970's, they were occupying areas within the Ulayat of the Riding community. Twenty years ago, all families had livelihoods that included fishing. Today only ten per cent of the families have any livelihood based on fishing, due to the impacts of land changes, especially the pulp and paper companies.

“The pulpwood plantation company, Sebangun Bumi Andalas - SBA first came to our area in 1996. The first that we knew about it was when it started to clear the forest and drain the swamp. No one from the company came to our village to explain what they were doing. In about 2004, another pulpwood company, PT. Bumi Mekar Hijau -BMH started to operate here, and it also commenced clearing and planting without informing us first. Our community was concerned that our livelihoods were being impacted but there was not contribution to our community from the company. So, our community protested against the company by sending letters, meeting with company staff on the ground and holding massive demonstrations from 2005 - 2007. As a result of our protests, some 10,000 hectares of our land has not been developed into pulpwood plantations. However, other areas that are our traditional lands have been taken over, cleared, drained and planted with Acacia. There has never been any recognition by the companies that these are community lands, and never any compensation. In 2006, after series massive demonstrations and meetings facilitated by local government, between the community of Riding and the company, PT. BMH signed an agreement. The letter was signed by representatives of communities, including head of village and the company, which was represented by Mr. Sambudsir, head of company public relations - HuMas. In this agreement, it was stated that the company agreed to let the community to use a 10,000 ha of lands for community rubber plantation. However, the community has never received the official agreement because the company took the letter to their office to be signed by director and never returned it to the community. The companies had offered us work in the plantations, and to help us plant Acacia. But when we looked at it, we would be receiving only 5,000 Rupiah (US\$0.50) per tonne of wood produced, with payment only once the Acacia had been harvested, after six years.

“We only know that the companies that operate here have changed their policy because WBH has informed us. We have received no official communication from the company. No one from the company has been to our village to explain the new forest conservation policy. On previous occasions when we had asked the company officials to come to our village to meet with us, they have refused, saying that they don't feel safe. Instead, we have been

invited to travel to Palembang, but we don't feel comfortable taking funding from the company in order to pay our travel costs. (Today, the journey from Riding to Palembang takes about 2.5 hours. There is no regular public transport).

### **Meeting with members of Dusun Sungai Rasau, 23 July**

"We heard from friends and NGOs about a new commitment from Sinar Mas and the plantation company, but we have not received any information directly from the company. The company community liaison staff, HuMas, hasn't even been here yet this year.

My grandfather and uncle moved here in 1973 from Riding Village. They were the first people to move here and to build houses. Their livelihood was from fishing and from collecting forest products such as Jelutung. Others followed, from Riding and from elsewhere, including fishermen and farmers from elsewhere in Sumatra and from Java. Now our Dusun has 175 households, about 25 are Melayu families with relatives in Riding.

In the late 1970's logging companies came here with cash, seeking timber. The community became involved in cutting and transporting the wood, meranti, ramin, many species. The logging company was Sribunian Trading Company [which was not affiliated with Sinar Mas]. After the forest around here was logged out, Gelam (a Melaleuca species) grew up, and it is the main wood harvested today, as small logs. It is used for fences, houses and foundations, as it doesn't rot quickly when driven into the ground.

Our community used to extend across the river Rasau but in about 1987 the government declared the area to be protected forest and a wildlife refuge, and about 70 families were forced to move.

In 2006, the HTI company, PT. Bumi Andalas Permai (PT BAP) started to put down boundary markers without informing us. We held demonstrations to protest what it was doing, as the land it was taking over had been used by us for decades for fishing and forest product harvesting. We also held demonstrations when the company started to clear the forest. We held two demonstrations at the Kabupaten capital, Kayu Agung, and 2 demos at the work site, where our forest was being cleared. We also went to Palembang and held two demonstrations. Most of the demonstrators came from Riding, as Dusun Sungai Rasau is much more isolated. Due to costs, only a few people from Sungai Rasau were able to attend the demonstrations.

Our land area is getting smaller and smaller, due to the HTI and to the Oil Palm, but there has been no compensation and no attempt by the companies to respond to our demands. Since the HTI came, we have been banned by using fire to clear our fields. We used to do this and then plant rice, five or even ten hectares each. When the company said we could no longer burn the grass, they gave us herbicide to do the clearing. But since the first year of the ban, they have never given enough herbicide, only a fraction of what we need to clear the grass before planting rice.

Since PT BAP came in 2006, we have only eaten their promises, nothing more. We are forbidden from entering the HTI. If we try to go in there to obtain fish, like we used to, we are caught and held by their security guards. A few years ago, six men from Riding and Rangas Abang were jailed for nine months,

for lighting fires near the HTI concession. They had been cutting trees and milling logs near the HTI concession, in an area that is our traditional land but that the company says is its conservation area. The company detained them and accused them of setting fire to the forests.

In the HTI, every 250 to 500 meters, the land is drained, with the canals about 6 meters wide. The canals are closed in the dry season but are opened in the rainy season, and our land here floods as a result. The water coming out of the HTI has affected our streams and lakes, as we our downstream. Our water quality has been badly affected by the SBA operations, including excavations, the draining of the peat, the road building, land clearing and planting. The water here is now sour, and the quantity of fish is greatly reduced, I estimate by 80 per cent, compared to before the HTI started.

Here we are 90 kilometers from Pangkalan Lampam, the capital of our Kecamatan, 65 km of which is dirt road. Travelling to the capital to meet with the government is difficult, time consuming and expensive. [when we were visiting Sungai Rasau, we learned through sms that the consultancy, Ekologika was to hold a public consultation in Pangkalan Lampam the next day. No one in Dusun Sungai Rasau was invited, but even if they had, at such late notice, leaving first thing in the morning, they could only arrive in Pangkalan Lampang in the late afternoon, at the end of the consultation. The transport cost for one person to reach the Kecamatan capital from Sungai Rasau, traveling by hired motor bike, bus and boat, is several hundred thousand Rupiah].

There is a primary school in our Dusun with 70 kids attending, and two teachers. Since 2012, the teachers are paid by PT BAP. The Social Department built houses for us in 2007, but not enough for every family – of 80 houses built, 65 are occupied. The houses are small, 3 x 4 meters in size.

In 2011, the oil palm company PT Persada Sawit Mas (PSM), came here. It has taken over 6,000 hectares of our land. As we don't have land certificates, it was easy for the company to ignore us. We have been promised 0.5 ha of oil palm per family. We asked for 1 hectare per family, but were told that there is no land.

In 2009 officials from the National Land Agency (BPN) came here and offered to help us get certificates for 2 hectares per family. We were asked to pay Rp150,000 per household to start the process, as the funds would be used to measure the land. After receiving the certificate, another payment of Rp. 750,000 would be made. Almost all the families of our Dusun, 170 families, gave this amount to the BPN officers who came here with promises, I remember their names and titles, but we didn't get receipts for the money we gave, only promises. We were told that 1000 families needed to participate in the scheme before BPN could measure the land and issue certificates, so many hundreds of families in Desa Riding were involved too. Since then, although we have contacted BPN many times, there has been no follow up.

In 2011, we found that the areas that we were promised title to by BPN have been included in the concession of the oil palm company Persada Sawit Mas. Its concession covers 6,000 hectares of our customary lands from Baung to Biuku. The community has been requesting its return to us as plasma, with two hectares of oil palm plantation per household. The oil palm company, Persada Sawit Mas, which is not affiliated with Sinar Mas, has offered 0.5 hectares per

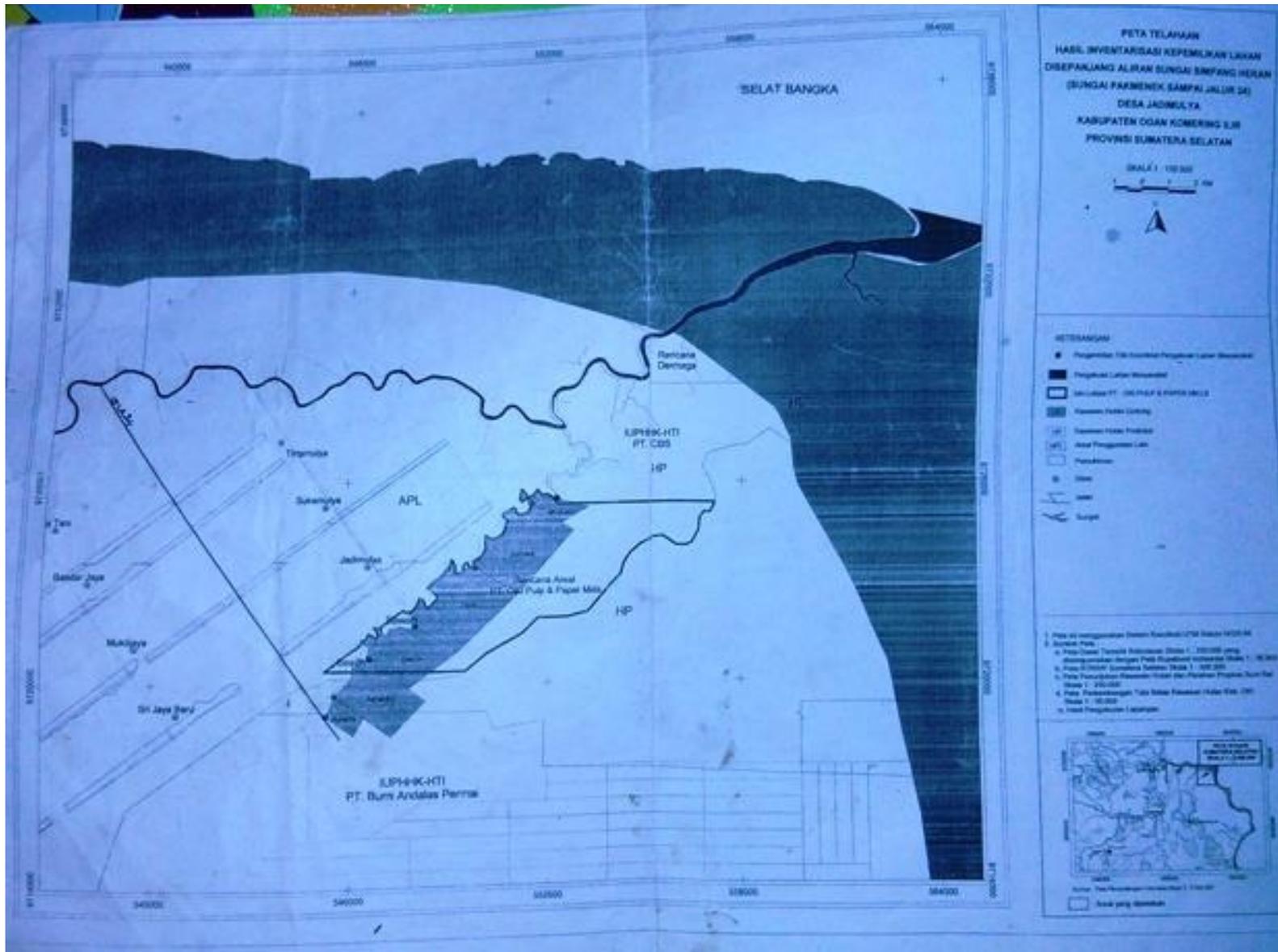
family. The reason to include this information in the report is to show that the communities affected by APP's operations have also lost large land areas to other companies.



Map showing the concession of oil palm company Persada Sawit Mas (PSM), and the hamlet of Sungai Rasau. The hamlet is the small area without stripes in the center of the concession map, as these lands are not part of PSM's concession. The HTI concession of APP affiliate, BAP, shares the eastern boundary of the PSM concession. The HTI concession of APP affiliate BMH shares the southern boundary of the PSM concession. Between the oil palm and HTI concessions, the hamlet of Sungai Rasau has lost all but 200 hectares of its customary lands in OKI.

**Meeting with farmers at Jadi Mulya, 24 July 2013.**

Jadi Mulya is the closest settlement to original proposed site for APP's pulp mill. One of the farmers we met stated that he moved to the area of Jadi Mulya in the 1970s, and that he is a member of the Riding Melayu community. The Riding community regard Jadi Mulya as part their customary area or Ulayat. Since he settled here, others, both from Riding and from outside have joined him. Livelihoods used to include fishing but now all the members of Jadi Mulya are famers. They have not agreed to release their lands to Sinar Mas. There hasn't been socialization in this Dusun about Sinar Mas's new Forest Conservation Policy and commitment, which they only learned about from the NGOs. Nor has the community received information about APP and affiliate's plans to build a pulp mill and port in the area. "We have heard that the mill will employ more than 5,000 people. Sinar Mas has never asked our opinion, or sought our permission to establish the mill. The only involvement of members of the Dusun with the proposed new mill was when one of them was invited to attend an AMDAL consultation in mid 2012. The farmers have letters (SKT) from the head of village recognising their lands, covering in total about 600 hectares. The Ulayat of the Dusun is much larger.



Map of the initial proposal for APP's pulp and paper mill, in the Dusun Jadi Mulya. The dark shaded areas in the map are land plots to which farmers have land letters from the head of village (SKT). [APP recently moved the site for its planned mill to different sub-district].

## **Recommendations**

APP should quickly move to socialise and begin implementation of its Forest Conservation Policy in OKI. Socialisation of its policy and explanation of the terms FCP, HCV, FPIC and HCS should take place in each affected Dusun and Desa.

Socialisation is only very first step in respecting the right of communities to FPIC. APP should develop and implement a detailed plan to respect the right of affected communities to FPIC, based on consultation with each of the affected communities in OKI, and their agreement to the plan.

Participatory mapping will be required to clarify the extent of land rights and prior land use of the affected communities.

Remedial negotiations must be based on APP's acceptance that communities have legitimate rights to the land and rights to give or withhold consent. Settlements should thus be done through mutually agreed processes which allow communities to be represented through institutions of their own choosing.

Representatives of APP and its subsidiaries should participate directly in any negotiations, rather than contracting out this role to other parties.

Consultations and negotiations with communities should by preference, take place in each affected community, rather than in the district or provincial capital. This will allow more people within the community to participate in and witness the consultations and negotiations, increasing the likelihood that any subsequent agreement is understood, respected and implemented by the community as a whole.

APP should establish a mechanism allowing affected communities to access expert advice on legal, economic, environmental and social issues, in preparation for and during any ensuing negotiations.