

Rights, forests and climate briefing series – October 2009

Indonesia: indigenous peoples and the Kampar Peninsula

See also updated briefing October 2011

Introduction

The deep peat soils and forests of the Kampar Peninsula in Riau Province, eastern Sumatra, have become the focus of an intense controversy about how the area should best be used or conserved. While government land-use plans prioritise the expansion of oil palm and pulpwood plantations, conservationists stress the area's high biodiversity, including tigers, and the massive reserves of carbon locked up in the peat soils and forests. One powerful business consortium, the APRIL group, plans a combination of both: conservation areas in the core, to benefit from REDD payments, surrounded by a ring of Acacia plantations. None of these plans give priority to the rights and views of the local communities. The Pekanbaru-based NGO Scale Up, with the support of the Forest Peoples Programme, is working with the local people so they can play a determining role in what now happens on their lands.

Context

The province of Riau on the eastern side of Sumatra suffers one of the fastest rates of deforestation in Indonesia. Only 50 years ago the province was largely covered with very varied forests but intensive resource extraction (logging, oil and gas) and conversion of forests to oil palm and pulpwood plantations means that today the province has lost over 80% of its original forest cover. What forests are left have mostly been heavily degraded by logging, much of it to feed the voracious demands of two of the world's largest paper mills which are located in the province. Most of these remaining forests are on the deep peat soils abutting the Straits of Malacca in the low-lying east of the province.

As in other parts of Indonesia, in Riau most rural communities lack secure rights to their lands. Community lands are neither titled nor officially mapped, with the result that Government land-use plans ignore customary rights and allocate lands to development and conservation initiatives without taking local livelihoods into account. One result is that land conflicts between the original communities and the companies

granted licences to exploit their lands are common throughout the province.

The Peninsula

The Kampar Peninsula includes some 700,000 hectares of low-lying lands mainly comprised of peat swamp forests and mangroves. Situated on the north bank of the Kampar river, until very recently the Peninsula was accessible only by boat. Tropical rains and the flat terrain keep the majority of the Peninsula saturated with fresh water and, despite several large rivers draining the area, this has kept the water-table near the surface resulting in an enormous build up of peat soils, representing a carbon store of over two billion tonnes.

Since the 1970s, the majority of the Peninsula has been handed out as logging concessions (HPH) to a number of companies which have cut canals through the peat to assist with extracting felled timber. Much of the forests have been heavily degraded by these operations, yet the area retains significant biodiversity. Although logging operations are coming to an end the canals cut by the companies pose a long-term risk as they are speeding up the drainage and consequent drying out of the peat soils. Peat soils drained to a depth of only one metre release up to 70 tonnes of CO_{2e} per hectare per year. More recently the government has begun granting concessions on the periphery of the Peninsula for plantations of oil palm and timber. A number of small nature reserves have been established around the larger lakes in the centre of the Peninsula.

The people

According to surveys undertaken by Scale Up, the livelihoods of some 33,000 people depend wholly or in part on the forests in the Kampar Peninsula. These people are very varied in their origins and identities. Although most identify themselves as *Melayu* (Malay) to casual enquiry, in fact many of the villages have deep roots in the area and trace their origins back to a number of different ethnic groups (or 'tribes' – *suku*) that were

somewhat tenuously ruled by the various Hindu, Buddhist and Malay coastal kingdoms that contested control of the regional trade between the 7th century BCE and the colonial era. The communities emphasise their long ties with the land and retain strong customary rights in the area.

Resident villages on the northern side of the Peninsula actively use the forests for hunting, charcoaling, fishing and small-scale farming, while supplementing their incomes with wage labouring for the concessionaires (oil, gas, logging and plantations). Most of the communities with customary territories on the southern side of the Peninsula were relocated to the other side of the Kampar river as part of a government programme to provide public services and road connections. All these communities, however, still make extensive use of their territories on the Peninsula for farming, rubber gardens, hunting, fishing, non-timber forest products extraction, accessing timber and some cash cropping.

Although detailed maps of community land use systems are currently lacking, preliminary surveys suggest that the communities make use of the majority of the Peninsula. The most intensive use is around the edges of the Peninsula but the maze of lakes and waterways in the swamp forests means that regular use is made of resources even in the very heart of the Peninsula.

The company

The APRIL group, with its head office in Singapore, is one of the world's largest pulp and paper companies. It belongs to the Indonesian conglomerate, Raja Garuda Mas, which also owns several large palm oil companies, the largest being Asian Agri, a member of the Roundtable on Sustainable Palm Oil. APRIL's main plantation company in Riau is PT Riau Andolan Pulp and Paper (PT RAPP). PT RAPP runs several huge pulpwood plantations capable of producing some two million tons of paper per year. APRIL dominates the town of Pankalan Kerinci and has its own airport, with regular company flights to Singapore, its own port at the northern end of the Kampar Peninsula and is also connected to a string of wholly owned subsidiaries and joint venture companies which supply the mills with fibre.

Because APRIL has installed its mills prior

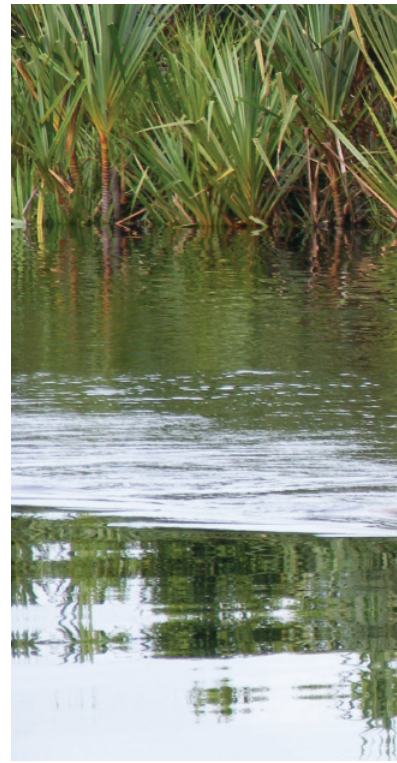
to acquiring land and establishing plantations, for years the company has, controversially, been supplying its mills with 'mixed tropical hardwoods' cut from the province's forests by other members of the Raja Garuda Mas group, as well as joint venture operators and independent companies, some of doubtful legality. Conservationists point to PT RAPP and its competitor, Asia Pulp and Paper of the Sinar Mas Group, as the main drivers of deforestation in the province, a charge the companies deny.

APRIL is seeking to double the capacity of its pulp mills in Riau. This means that the company needs yet more lands for planting *Acacia*, even though, given the strong competition from other interests, such lands are fast running out. PT RAPP has been aggressively acquiring new lands to plant fast-growing *Acacia mangium* and *A. crassicarpa*, while simultaneously committing itself to adopting corporate best practices such as 'high conservation value' (HCV) zoning, respect for the principle of 'free, prior and informed consent' and to end the use of timbers from natural forests. As an expression of its commitment to industry best practice, APRIL is now a member of the High Conservation Value Resource Network, The Forests Dialogue and the World Business Council for Sustainable Development.

To outside observers it seems APRIL, with its subsidiary PT RAPP, has given itself an almost insoluble problem. In its search for sustainability, it is seeking to make its mills self-sufficient with timber from its plantations. Yet it does not yet have enough estates to supply its existing mills and it thus depends on timber supplies from its logging subsidiaries and other contractors. The Kampar Peninsula is one of the few areas left in Riau that has not already been permanently allocated to other companies.

The project

Aware that further expansion into the forests and peat swamps is likely to be both controversial and the cause of substantial greenhouse gas emissions, PT RAPP has developed a project to expand its operations in a ring around the rim of the Kampar Peninsula while securing the core forests in the centre of the area as biodiversity and carbon stores. Under the scheme the company would block



Local NGO Scale Up estimates that 33,000 people depend on the Kampar Peninsula for their livelihoods



The lowlying Kampar Peninsula lies on the eastern seaboard of Riau, right on the Equator



The forests of the Peninsula have already been heavily degraded by logging and conversion to plantations



PT RAPP is acquiring plantation permits (HTI) in a ring around the Peninsula, while assisting Burung Indonesia (part of Birdlife International) to secure a conservation concession in the core zone

the canals opened up by loggers, thereby raising water-tables and securing the peat from drying out. The company would also plant some 150,000 hectares of *A. crassicarpa*, a species that can tolerate relatively high water tables, around the periphery of the Peninsula. This combination of activities would, the company argues, reduce net emissions from the Peninsula by about 10–12 million tonnes of CO₂e/year. The project would however imply clearance of the degraded forests around the periphery of the Peninsula and, as presented, does not specify where local people would make their living or what rights they would have in the newly designated plantations, buffer zones and core conservation areas.

Towards FPIC

Encouraged by PT RAPP's publicly expressed commitments to HCV zoning, industry best practice and respect for the principle of 'free, prior and informed consent' (FPIC), in May 2009, a joint team from Scale Up and the Forest Peoples Programme held 10 workshops with communities and local authorities in the Peninsula to assess what they knew about PT RAPP's proposed project, gain an understanding of the communities' current land uses, inform them of their rights and discuss the possible application of FPIC.

The most startling discovery of the survey was that almost no one knew about PT

RAPP's plans for the Peninsula. None of the communities had been given clear information about the project, no efforts had been made by the company to assess communities' land use systems or customary rights, no measures had been taken to identify their representative organisations, and no negotiations had been undertaken to secure their agreement to the proposed project.

Immediately after our departure from the Peninsula we learned from other sources that PT RAPP has already secured 97,000 ha. of timber plantation permits in the Peninsula allowing it to complete the proposed ring of plantations. The company does however claim that 5% of the company's leaseholds will be set aside for community use. It seems that the communities are being offered a *fait accompli* instead of a chance to negotiate the best use of their lands.

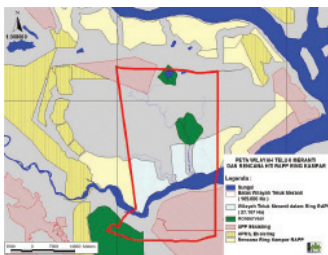
Recent developments

In mid-May 2009, field teams from PT RAPP began efforts to survey their new acquisitions and commence discussions with the communities. Some of these intrusions have been met with concern by the communities who feel their rights are being overridden. On the 20 June 2009, the largest community on the southern side of the Peninsula, Teluk Meranti, wrote a formal letter to PT RAPP informing the company that the area over which the company was seeking to expand its operations included community lands which they had continuously inhabited and utilised since long before Indonesia's independence. The community noted that members use these lands for horticulture and farming and they seek to retain them for the use of their grandchildren. Conversion of this land to an industrial timber plantation would mean loss of the economic, social and cultural bases of their livelihood. Given that they have also observed that other communities where PT RAPP is operating have suffered severe problems, they have therefore decided to reject the presence of PT RAPP on their lands.

Meanwhile, at the provincial level, PT RAPP has also been heavily criticised for continuing to trade with one of its suppliers, PT Sumatera Sylva Lestari, even though the company was in a long-term land dispute with the local community of Bangun Purba. The



Communities supported by Yayasan Mitra Insani are installing their own mini-dams to block the loggers' canals



Indicative land use map (red line). The community of Teluk Meranti claims rights over the central part of the Kampar Peninsula. Proposed plantations would affect 21,000 ha. of their lands

community had sought resolutions to the land dispute since 1994 including making petitions to PT SSL, to the local authorities and to the forestry ministry in Jakarta. Denied redress, the community sought to occupy the disputed area, cleared the *Acacia* saplings and began to plant the area with crops of their choice. After police officers arrested two community spokespersons, the protesters took their complaints to PT SSL's office. As night fell on 28 May 2009, the company allegedly armed its staff and security personnel with clubs and stones, corralled the protesters by sealing off the office compound using heavy machinery and proceeded to charge the community members, many of whom fled the beatings and stonings into the back-dam behind the offices. Sixteen persons were seriously injured, one of whom died from his injuries in hospital while two others were lost during the night, their dead bodies being discovered next day bruised and probably drowned at the back of the compound. NGOs have appealed to PT RAPP to suspend trading with PT SSL.

In a public statement first circulated in mid-August APRIL has recognised that PT SSL is

one of its fibre suppliers but claims it does not manage or control PT SSL's operations. APRIL has expressed 'deep concern' for the incident and has stated that it is 'strictly against the use of violence in any form and expects the same community engagement standards in all supply partners'. It is now promoting dialogue through the provincial NGO Forum FKPMR (*Forum Komunikasi Pemuda Masyarakat Riau*) to try to resolve the land conflict between PT SSL and the communities.

Next steps

With the support of Scale Up, the communities are now in the process of producing detailed maps of their systems of land-use and undertaking intensive community consultations to prepare themselves for further discussions about the future of their lands. Recognising the national, indeed global, significance of the area, they also want to ensure that they don't get left out of decision-making about the future of their forests.

A beneficial outcome for the area (one in which community rights, economic development and conservation can be combined) must accommodate the rights, visions and priorities of the people. Conservationists, companies and government officials all need to adjust their plans to ensure that the indigenous peoples' rights are respected. This briefing has been issued to promote informed dialogue among all parties. Alternatives that exclude local people will neither be sustainable nor just, and risk provoking further conflicts over land. □

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