

Asia Pacific Forestry Week 2016

Political Economy of Rights Recognition Scaling up Communities' and IP's Forest Resource Rights: Challenges and Opportunities

By

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24 February 2016

Holiday Inn, Clark Airbase, the Philippines

Highlights the interconnection:

- the political and economic power
 - its implications
 - influence community's tenure rights recognition agenda in Indonesia
 - Legal drafting process
 - Law enforcement
 - Judicial actions
 - Imbalance of power between communities and other actors
- Particular challenges
- Some insights on how these challenges could be overcome.

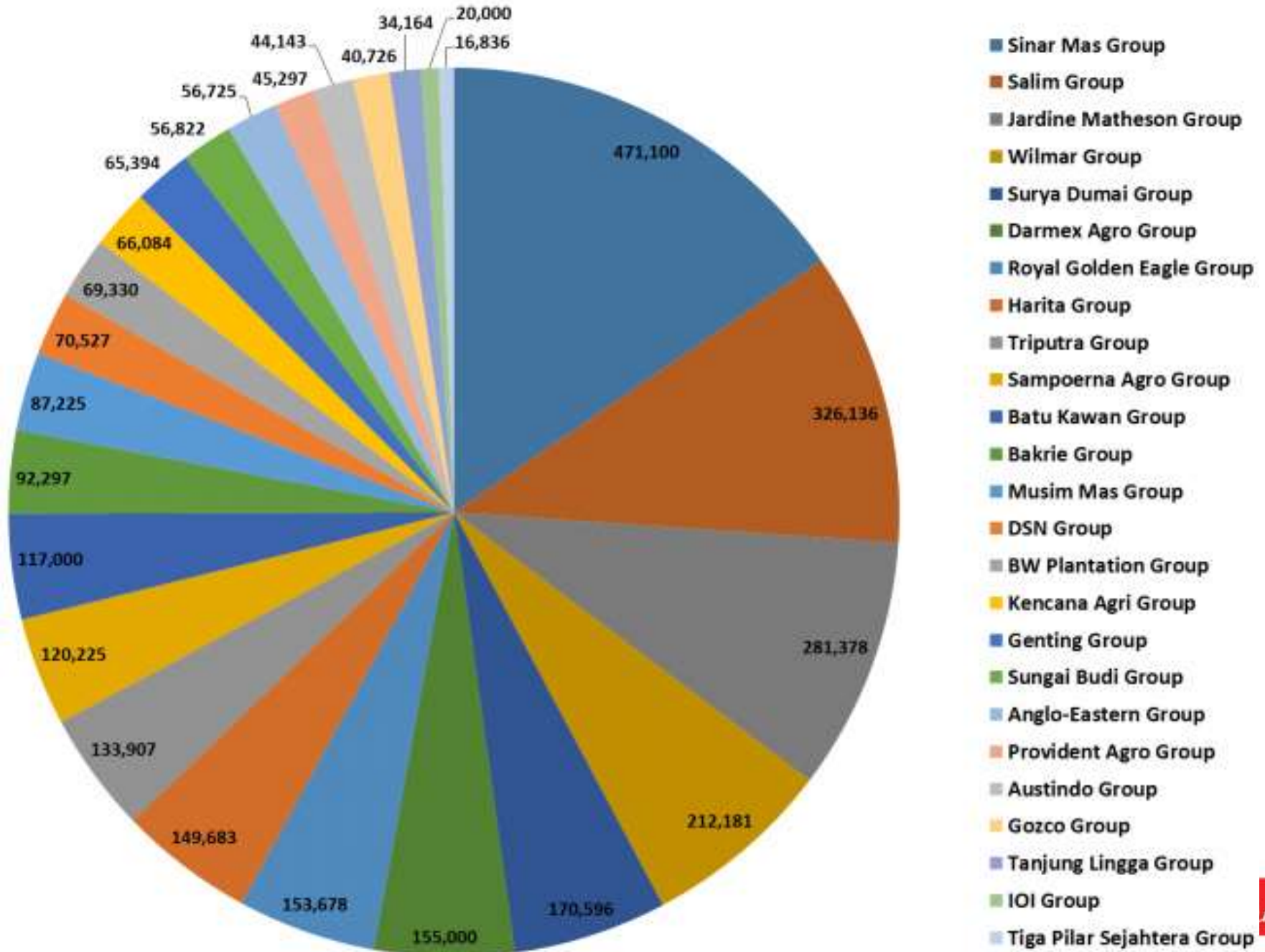
1. Big Corporate & Business Interests

<i>Types of exploitation and utilization</i>	Million hectares	%
a. Natural Forest Exploitation (IUPHHK-HA)	24,88	
b. Industrial Tree Plantations (IUPHHK-HT)	9,39	
c. Ecosystem Restoration (IUPHHK-RE)	0,19	
d. Forest Release for plantations and transmigration	5,93	
e. Mining and others (IPPKH)	0,62	
Total 1	41,01	99,49

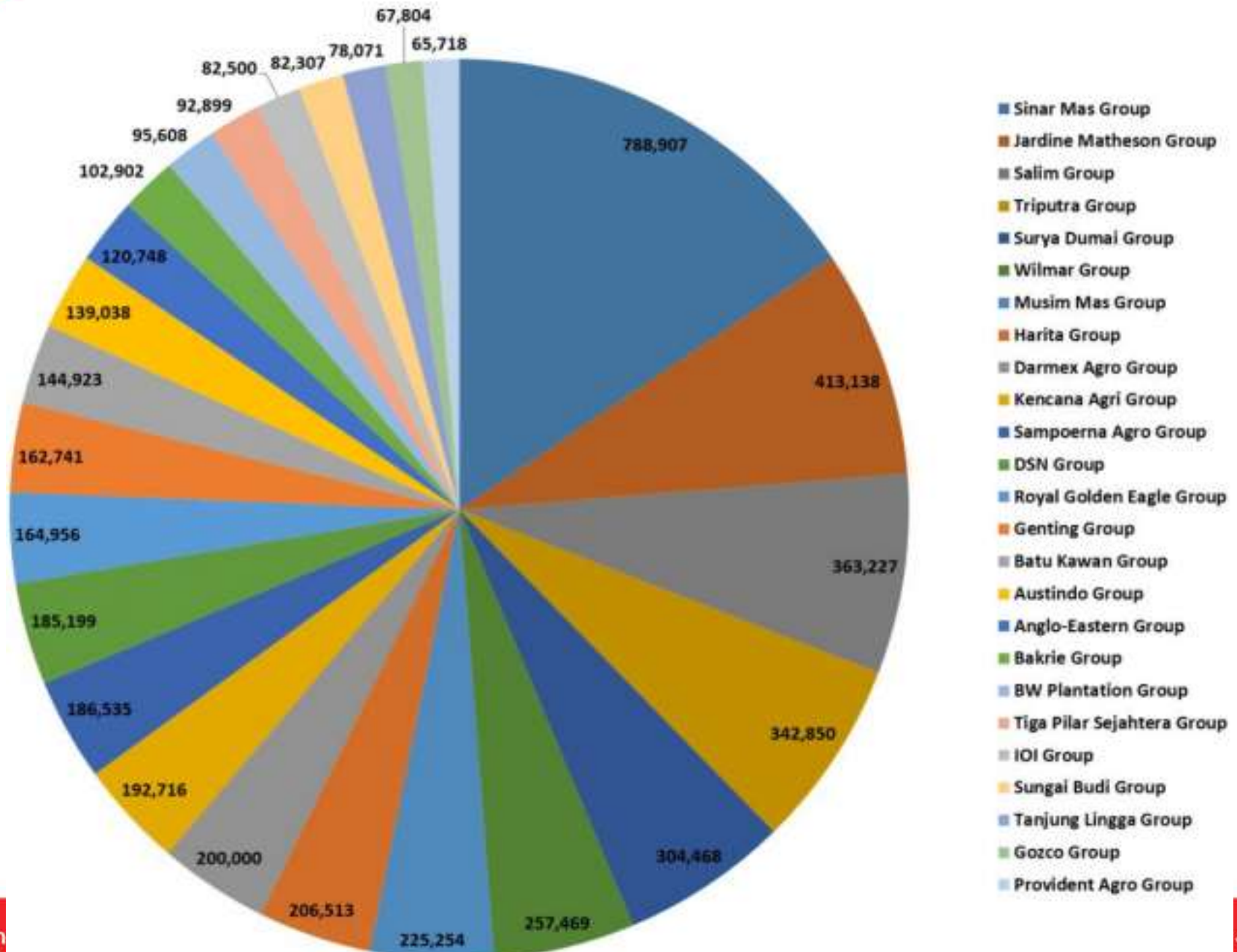
2. Small business and Indigenous/Local Peoples

<i>Types of utilization</i>	Million hectares	%
a. Community planted forests (IUPHHK HTR)	0,16	
b. Village forest (Hutan desa)	0,003	
c. Community forestry (Hutan kemasyarakatan)	0,04	
Total 2	0,21	0,51
(Source: Hariadi K, 2013)	Total 1 and 2	41,22
		100,00

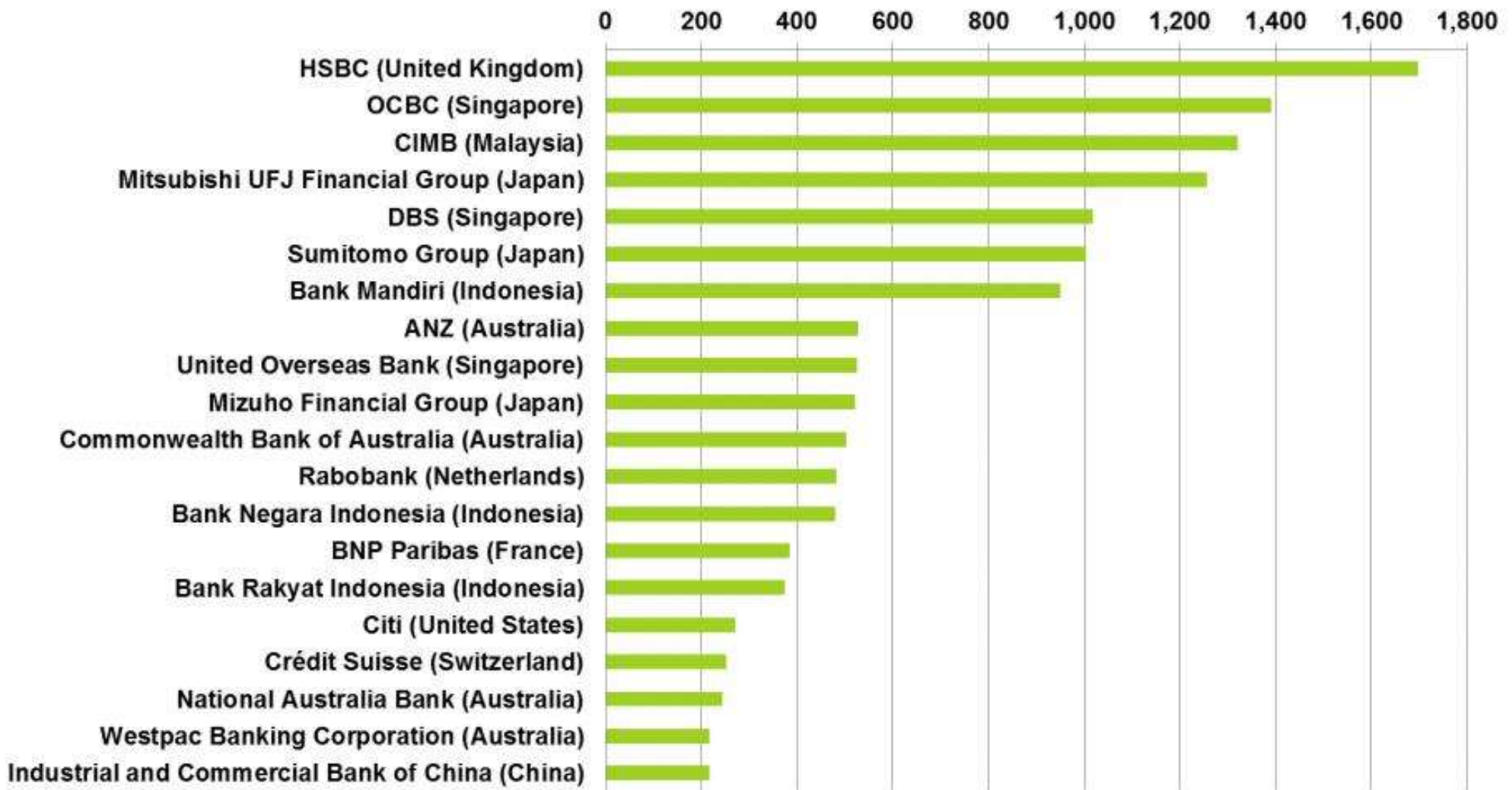
Planted land by 25 palm oil groups end of 2013 (ha)



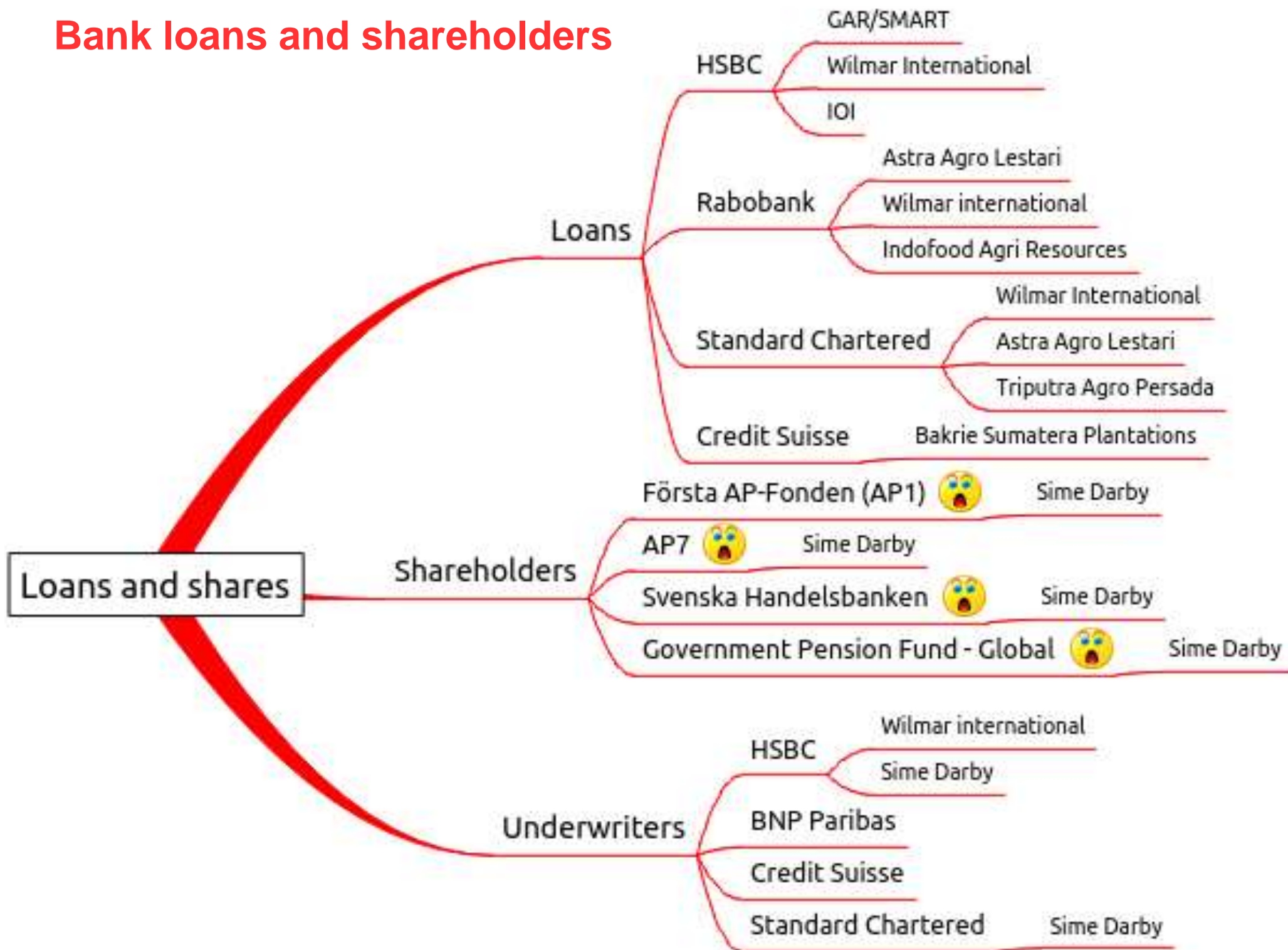
Oil palm landbanks (unplanted) of the 25 palm oil groups, end of 2013 (ha)



Total loans 2009-2013 (US\$ million)



Bank loans and shareholders



Palm oil and land grabs

Trades and Investments

Unilever

GAR/Sinar Mas

PT WKS

tortures, murder 😞

land conflicts

Coal mining 😞

GHG emissions

PT KPC

land conflicts, forest conversions 😞

PT BNM

land conflicts 😞

Wilmar

PT AP

Land grabs/conflicts 😞

PT PHP

Land grabs/conflicts 😞

PT MS

land grabs/conflicts 😞

IOI

Ketapang

land grabs

forest clearings

IOI-Pelita

land grabs/conflicts 😞

Nestle

United Plantations

PT SSS

land grabs 😞

clearing peatland

IOI

Harita Group

mining operations 😞

HCV clearing

RGE

RAPP

forest conversions

clearing peatland areas

Asian Agri

tax evasion/tax avoidance 😞

AAK AB

Surya Dumai/First Resources

Corruptions/bribes 😞

PT PSA/Murders 😞

Wilmar

PT ANI

land grabs/conflicts 😞

PT WSP

land grabs/conflicts

Bakrie Sumatra Plantations

Lapindo mud disasters 😞

land grabs/conflicts

✓National

- Permits were issued without proper screening
- Concessions overlapping with protected forest and conservation areas
- Allow 'legalised' land grabs and appropriation

✓Undemocratic licensing system

- No check-and-balance process
- No meaningful and participatory process

✓Local

- Illegal clearing of:
 - Areas with high carbon stock
 - Unsustainable conversion of peatland
 - Operations without an approved EIA

Business interests and control: Parliamentarians and governments

- ***Ministers of the Working Cabinet (or Kabinet Kerja) have business interests:***
 - Trades Minister, Rahmat Gobel: Commissioner of SMART
 - Agriculture Minister, Andi Amran Sulaiman: CEO PT Tiran Group, sugar cane and oil palm operations.
- ***Elected Indonesia House of Representatives 2014-2019***
 - There are 229 out of 560 Members of the House of Representatives, are business persons from oil palm, agrofuels plantations, pulp and paper, mining companies
 - Closely linked and associated with oil palm companies in Astra (Demokrat Party), Wilmar (Golkar Party), Tidar Kerinci (Gerindra Party):
 - Chairman, Setya Novanto | Vice chairman, Fadli Zon, commissioner of PT Tidar Kerinci, etc.

Recommendations

- ***Governments, international agencies and the international community to:***
 - Halt the production, trade and consumption of commodities derived from deforestation, land grabs and other violations of the rights of forest peoples
 - Stop the invasion of forest peoples' lands and forests by agribusiness, extractive industries, infrastructures, energy and green economy projects that deny our fundamental rights
 - Take immediate and concrete actions to uphold forest peoples' rights at all levels including the right to land, territories and resources, the right to self-determined development and to continue to own, control and manage our lands according to our knowledge and livelihoods.
- ***Financial institutions (banks and investors)***
 - Must examine the full range of environmental, social, reputational, legal and market risks prevalent in the palm oil sector
 - Ensure that they undertake enhanced, robust due diligence procedures to identify, understand and screen these risks prior to any financing.