

# Land grabbing, conflict and agrarian-environmental transformations: perspectives from East and Southeast Asia

An international academic conference  
5-6 June 2015, Chiang Mai University

## **Conference Paper No. 40**

### Who is 'land grabbing'? Who is deforesting? Will certification help prevent bad practice?

Lesley Potter

May 2015



BICAS

[www.plaas.org.za/bicas](http://www.plaas.org.za/bicas)

[www.iss.nl/bicas](http://www.iss.nl/bicas)



#### *In collaboration with:*

Demeter (Droits et Egalite pour une Meilleure Economie de la Terre), Geneva Graduate Institute  
University of Amsterdam WOTRO/AISSR Project on Land Investments (Indonesia/Philippines)  
Université de Montréal – REINVENTERRA (Asia) Project  
Mekong Research Group, University of Sydney (AMRC)  
University of Wisconsin-Madison

#### *With funding support from:*



# **Who is ‘land grabbing’? Who is deforesting? Will certification help prevent bad practice?**

by Lesley Potter

*Published by:*

## **BRICS Initiatives for Critical Agrarian Studies (BICAS)**

Email: [bricsagrarianstudies@gmail.com](mailto:bricsagrarianstudies@gmail.com)

Websites: [www.plaas.org.za/bicas](http://www.plaas.org.za/bicas) | [www.iss.nl/bicas](http://www.iss.nl/bicas)

## **MOSAIC Research Project**

Website: [www.iss.nl/mosaic](http://www.iss.nl/mosaic)

## **Land Deal Politics Initiative (LDPI)**

Email: [landpolitics@gmail.com](mailto:landpolitics@gmail.com)

Website: [www.iss.nl/ldpi](http://www.iss.nl/ldpi)

## **RCSO Chiang Mai University**

Faculty of Social Sciences, Chiang Mai University Chiang Mai 50200 THAILAND

Tel. 66-53-943595/6 | Fax. 66-53-893279

Email : [rco@cmu.ac.th](mailto:rco@cmu.ac.th) | Website : <http://rco.soc.cmu.ac.th>

## **Transnational Institute**

PO Box 14656, 1001 LD Amsterdam, The Netherlands

Tel: +31 20 662 66 08 | Fax: +31 20 675 71 76

E-mail: [tni@tni.org](mailto:tni@tni.org) | Website: [www.tni.org](http://www.tni.org)

May 2015

Published with financial support from Ford Foundation, Transnational Institute, NWO and DFID.

## Abstract

This paper explores the extent to which management of oil palm land may be changing and whether improvement can be detected as a result of the various regulations and statements of intent noted above, using a case study from Central Kalimantan (Kalteng), with briefer reference to Riau and Jambi. The role of the independent smallholders in this process will also be examined. The studies are based on recent fieldwork in the three provinces during March 2015, following previous field studies in Kalteng in 2011 and Riau in 2013 and the collection of available secondary materials. More strategic and theoretical questions concerning the impacts of these land-centred activities include changes in agrarian structures, in rural social differentiation, in land and food sovereignty. They have provoked political struggles and varied levels of resistance, continuing corruption and the use of land as a source of patronage, with the uneven power relations which that concept implies. A further topic, among many suggested, involves “the limitations of ‘code of conduct’, certification, regulation, information dissemination and capacity building strategies” (Borras and Franco 2010, McCarthy 2012). This paper examines some of these questions, analysing the specific situation in Central Kalimantan and making some comparisons with Riau and Jambi. Conclusions permit some (partial) answers to be supplied to specific questions, especially ‘who is land grabbing?’, ‘who is deforesting?’, ‘where?’ and the corollary ‘who is winning?’ ‘who is losing?’ and ‘why?’

## Introduction

Despite much criticism of the social and environmental conditions under which oil palm is grown in Indonesia, some moves towards improvements may be detected. The demands of the market for a more sustainable product put pressure on large corporations such as Wilmar and Global Agri Resources (GAR) to produce statements predicting changed behaviour among all their subsidiaries ('No deforestation, no development on peat, no exploitation')<sup>1</sup>. In July 2014 the Malaysian giants Sime Darby, IOI Corporation, and Kuala Lumpur Kepong, together with the Musim Mas Group and Asian Agri signed a 'Sustainable Palm Oil Manifesto', which similarly committed them to 'no deforestation, creating traceable and transparent supply chains, protecting peat areas, while ensuring economic and social benefits for the local people and communities where oil palm is grown' (Sime Darby 2014). In addition, certifying bodies such as the RSPO and ISPO<sup>2</sup> have emphasised adherence by the corporations to local laws and sets of 'principles and criteria', designed to improve the industry's environmental and social performance. The newer ISPO, though slow in implementation (and with weaker criteria than the RSPO<sup>3</sup>) is intended to be compulsory for all Indonesian plantations (including those from foreign countries such as Malaysia) and eventually for smallholder groups, with sanctions applicable for non-compliance. Meanwhile, the central Ministry of Agriculture has set corporate standards for smallholder participation (at least 20% of land, previously within, now outside the plantation boundaries, is to be developed in association with smallholders).<sup>4</sup> Some provinces, such as Central Kalimantan, famously slow in securing any involvement of smallholders, published new rules which included mandating attached smallholdings for all operating plantations, supposed to be achieved by 2013 (PERDA No 5 of 2011).

The rise of independent smallholders (*swadaya murni*), especially in parts of Sumatra such as Riau and Jambi, but beginning to occur more widely, is shifting the boundaries between the huge estates and the tiny *plasma* holdings<sup>5</sup>. While a comprehensive study of both plasma and independent smallholders indicated an average holding size of 2-3 ha (Molenaar et al 2013), many independent smallholders have managed to amass larger farms, while 60% of plasma farmers also owned independent smallholdings. A change in the arrangements for plasma or 'scheme' smallholders which is now less generous than earlier schemes<sup>6</sup> has led some farmers to stay away from the plantation and its credit and attempt to grow the crop themselves. The drop in the relative prices for rubber compared with oil palm has also increased the push toward oil palm by many village rubber growers in both Sumatra and Kalimantan.

Local elites, government officers and professional people, transmigrants and others from further afield may acquire 20, 50 or 200 hectares as entrepreneurial smallholders. 'Investors' may own more land, perhaps up to 500ha, but will likely escape the improvements demanded by ISPO, at least in the

---

<sup>1</sup> Wilmar's statement December 2013

<sup>2</sup> RSPO = Round Table for Sustainable Palm Oil (international, voluntary); ISPO = Indonesian Sustainable Palm Oil (national, compulsory).

<sup>3</sup> For example, unlike the RSPO, ISPO does not include in its criteria the 'free, prior and informed consent' of local people to the arrival of a plantation seeking to take some of their land for oil palm. Plantations certified under the ISPO have only to conform to Indonesian law.

<sup>4</sup> Permentan No 26 of 2007; Permentan No 98 of 2013. The law applies to holdings of 1000 ha and above.

<sup>5</sup> Plasma farmers received direct assistance from their host plantation in the form of credit to buy necessary inputs such as fertiliser. This credit was repaid from the proceeds of their crop. Most received 2 ha or 1 *kapling* of oil palm in return for up to 7.5ha of land, depending on which scheme they were associated with. Independent smallholders do not receive such assistance, but deliver their crop to the mill of a nearby estate, or sometimes to an independent mill, where one exists (there are many in Riau and several in Jambi).

<sup>6</sup> The latest 'kemitraan' ('partnership') or 'satu atap' ('under one roof') systems involve the plantations working 20% of the land on behalf of the smallholder, who receives only a 'rent' which is much less than if he worked the land himself.

short term, as that organisation deals with the large players first<sup>7</sup>. Many independent smallholders (and some ‘medium’ holders) are inadequately enumerated by the current systems, as the cut off point for smallholders under the Indonesian system is 25ha. (The RSPO allows 50ha). Estates are usually considered to be 1000 ha or larger. Some of these smaller to medium scale ‘land grabbers’ may also engage in deforestation through invasions of peat swamps and areas designated as ‘National Parks’ and ‘Fauna Reserves’. Their presence may be detected through examination of fire ‘hotspots’, as happened following the June 2013 fires in Riau (Gaveau and Salim 2013, Ekadinata et al 2013).

This paper explores the extent to which management of oil palm land may be changing and whether improvement can be detected as a result of the various regulations and statements of intent noted above, using a case study from Central Kalimantan (Kalteng), with briefer reference to Riau and Jambi. The role of the independent smallholders in this process will also be examined. The studies are based on recent fieldwork in the three provinces during March 2015, following previous field studies in Kalteng in 2011 and Riau in 2013 and the collection of available secondary materials.

In his discussion of the worldwide processes of ‘land grabbing’, Marc Edelman noted that “An accelerated process of dispossession is clearly in motion, but countering it effectively requires precise and accurate information, which is difficult to obtain” (Edelman 2013:488). In particular he singled out the ‘messiness’ of studying land tenure “over time and on the ground” made more complex by the ‘illegibility’ of the tenure of both large investors and village farmers (Edelman 2013:495-6). Researchers may also tend to highlight international investors and ignore domestic ones, as well as investors “that acquire existing farms and plantations instead of ‘new’ lands” (Edelman,2013: 494, quoting Cotula 2012). Oya (2013:516) raised other questions around the nature and importance of land. “Does access to land matter more than patterns of labour use? Does land productivity matter more than returns to labour?” Similar questions have been raised by Li (2011a,b), particularly in the Indonesian context.

All of these caveats apply to a study of contemporary agrarian change in Indonesia, together with the need to address “the fundamentally important questions of who wins, who loses and *why*” (Borras et al 2011:210).<sup>8</sup> The LDPI<sup>9</sup> has identified further questions around which to organise the study of these processes, including: “what land is changing hands, and where? who is engaged in land deals? how are the deals enacted ? for what purpose?” (Borras et al 2011:211)

More strategic and theoretical questions concerning the impacts of these land-centred activities include changes in agrarian structures, in rural social differentiation, in land and food sovereignty. They have provoked political struggles and varied levels of resistance, continuing corruption and the use of land as a source of patronage, with the uneven power relations which that concept implies. A further topic, among many suggested, involves “the limitations of ‘code of conduct’, certification, regulation, information dissemination and capacity building strategies” (Borras and Franco 2010, McCarthy 2012).

This paper examines some of these questions, analysing the specific situation in Central Kalimantan and making some comparisons with Riau and Jambi. Conclusions permit some (partial) answers to be supplied to specific questions, especially ‘who is land grabbing?’, ‘who is deforesting?’, ‘where’? and the corollary ‘who is winning?’ ‘who is losing?’ and ‘why?’

---

<sup>7</sup> ISPO is running well behind schedule, originally demanding that all plantations should be certified by December 31 2014. It has now allowed a further 18 months but will probably need longer. Some effort is also being directed toward independent smallholders in Riau.

<sup>8</sup> These questions were raised as part of the criticism of the World Bank’s major study *Rising global interest in farmland: can it yield sustainable and equitable benefits?* (Deiniger and Byerlee 2010). In that study, oil palm in Indonesia was discussed in a general manner in several chapters (pp19-22; 99;120-121; 135 -138; 147), but with rather limited information. A field visit in East Kalimantan to collect more specific data appeared to have failed (p147).

<sup>9</sup> Land Deal Politics Initiative

## Central Kalimantan: No room for smallholders? No consideration for Dayaks?

This province has experienced a very rapid growth in oil palm since the commodity arrived in 1992, the last of the Borneo provinces to introduce the 'golden palm'. The fastest expansion occurred between 2005 and 2010, when the area under oil palm more than doubled and Central Kalimantan moved ahead of its rival, West Kalimantan. According to official statistics, It has subsequently stabilised with around 1.1 million ha actually planted, although the area given out in concessions to 332 units has been estimated by WALHI<sup>10</sup> at 4.1mha (WALHI Kalteng, 2015). Most of this is technically within the official 'Forest Zone' (see footnote 14). Central Kalimantan now ranks third in the area of planted oil palm after Riau and North Sumatra. Although the province is large with 15.4mha, once the areas under various permits are taken into account (oil palm: 4.1mha, mining: 3.9mha, forestry: 4.9mha), the remaining area is only 2.5mha (WALHI Kalteng, 2015)<sup>11</sup>. More worrying is the actual area of various districts covered by oil palm and mining permits within the 'oil palm zone' across the centre of the province: Barito Selatan has an area of 830,000ha, yet permits have been issued for 1.4m ha; Kapuas covers 1.5mha, yet has permits covering 1.7mha! Several other districts are almost entirely covered by such permits, though not all are activated (Sri Palupi et al 2014)<sup>12</sup>.

Growth in the oil palm area has been dominated by large corporations, which have taken advantage of the ease in obtaining permits from district authorities and the lax enforcement of regulations. Most of the big players are present, including several international corporations from Malaysia and Singapore; even China is represented. Many of the parent companies are also longstanding members of the RSPO. Corporations represented include Wilmar International : 17 plantations in Seruyan and Kotawaringin Timur [Kotim]; Sime Darby (through its subsidiary Minimas : 8 plantations in Kotim); Global Agri Resources [GAR] (through its subsidiary Sinar Mas/SMART :12 plantations, mainly in Seruyan, Kotim and Kotawaringin Barat [Kobar] ); Astra: 10 plantations mainly in Kobar; Makin Group, 9 plantations, mainly in Kotim and Katingan; Kuala Lumpur Kepong [KLK ]: at least 3 plantations in Kotim; IOI, 3 plantations in Kotim (Greenpeace 2008, updates from various plantation Annual Reports, WALHI Kalteng 2015 and Provincial Office of Estate Crops [Disbun Kalteng] 2011, 2014). Wilmar alone was said to control over 300,000ha ('Save Our Borneo', undated), though that figure is the maximum 'land bank' allotted to the company, and it is not known whether all of those plantations are in fact operating.

Statistics of functioning plantations which were 'Clear and Clean' on December 31 2014 (provided to ISPO by the Provincial office of Estate Crops (Disbun Kalteng) covered 101 units, with an area of just over 1 m ha.<sup>13</sup> Six Wilmar plantations appeared in the list, with 69,000ha planted. Of

---

<sup>10</sup> WALHI (Wahana Lingkungan Hidup Indonesia) is a strong umbrella organisation of various local NGOs, with 479 member organisations, a central office in Jakarta and representatives in most provinces. WALHI Kalteng is the provincial organisation. Although initially established as an environmental group during the Suharto era, WALHI's interests now equally span social and human rights issues. The organisation also campaigns as the Indonesian arm of 'Friends of the Earth International', with grassroots organisations in 70 countries.

<sup>11</sup> From that must also be subtracted the three National Parks with a total area of 1.1m ha

<sup>12</sup> The first three permits needed by companies to initiate the planting and production of palm oil are issued by the districts, following decentralisation in 2000. While the districts collect land tax from companies, permits have also become a source of patronage by local politicians (Larsen et al, 2012).

<sup>13</sup> There were also 19 new plantations which were not yet operating but had acquired legal status. Given the large number of plantations which do not appear in the 'Clear and Clean' list, but which are presumably still operating (200+), the total area planted to oil palm would seem to be much larger than recorded by the official statistics (which suggested about 1.1mha in 2013) (DirJen Perkebunan 2013-15).

the overall total across the province, only 9.8% was provided for smallholders. That was either *plasma*: land for ‘scheme’ smallholders attached to estates or land under newer ‘partnership’ (*kemitraan*) arrangements. The Wilmar estates had none (Disbun Kalteng 2014)<sup>14</sup>. Out of 156 plantations which were examined in Kalteng during 2014, just 9 had received their complete certification from ISPO<sup>15</sup>. The designation ‘Clear and Clean’ applies only to particular elements of the legality of the plantation, specifically whether it had been removed from the forest zone and/or it had been issued with its final business permit or HGU. There was no indication as to what extent an AMDAL or environmental impact assessment had been undertaken satisfactorily, nor whether a timber extracting permit (IPK) had been granted. Arrangements for smallholders (if present) were indicated, but obviously not considered as having a bearing on the ‘clear and clean’ status of the property. The Provincial Head of Estate Crops explained that it had now become very hard for plantations to meet their commitment to provide land for smallholders, especially with the revision of the regulation (Permentan 98 of 2013) that such land must fall outside the operating area of the estate<sup>16</sup>. In some districts, especially Kotim, this extra land could hardly be found.

A further reason for the lack of ‘scheme’ smallholders in Central Kalimantan is related to the late development of the industry in the province. In Riau Province, for example, the original plantation/smallholder projects were of the *inti/plasma* type consisting of an estate nucleus (*inti*) surrounded by the *plasma* smallholders (Nagata and Arai, 2013). These arrangements, which were largely organised by parastatal plantations (PTPN) were current in Riau and Jambi from the mid-1980s until the early 1990s, using mainly Javanese transmigrant labour. With State (and World Bank) encouragement of private plantation companies from the mid-1990s, the parastatals declined in importance. They were barely present in Central Kalimantan. The private plantations then adopted a new system, KKPA, in which credit from banks was channelled to local smallholders via co-operatives. Plantations were not forced to participate in the system: in Central Kalimantan, most did not, instead using a system of limited monetary compensation when resuming Dayak land. In many areas, oil palm had barely begun before decentralisation in 2001, when districts, rather than the province<sup>17</sup>, became responsible for issuing permits<sup>18</sup>. It was only after the Ministry of Agriculture’s decree in 2007 (Permentan 26 of 2007) that it became mandatory for companies to provide at least 20 per cent of plantation land to smallholders. The Governor of Central Kalimantan attempted to reiterate that regulation with his decree in 2011, which followed his declaration in 2009 that indigenous/customary land claims needed to be recognised, mapped and if necessary excised from estates. Many plantations have remained recalcitrant and ignored these legal efforts to improve their behaviour, relying on local

---

<sup>14</sup> Kalteng is one of a few provinces that do not yet have an accepted provincial land use plan, despite many struggles over the years between provincial authorities and the central Forestry Department, which should approve any agricultural excisions from the forest zone. The problem applies particularly to plantation permits issued between 2000 and 2006, when the Forestry Department first accepted then rejected the provincial land use maps. One reason for such a low proportion of plasma smallholdings in the province relates directly to this confused situation regarding the land use zoning. Land which apparently still belongs to the Forestry Department cannot be allocated to smallholders, nor can a final permit or HGU be issued (Larsen et al 2012:32). The original Forest Classification Process (TGHK) in 1983 placed 91% of the land under forest. It is estimated that now only 58% of the Forest Zone carries forest and much of that is highly degraded (Gnych and Wells 2014). A report in 2011 stated that “of 325 plantation companies in Central Kalimantan, 282 were suspected of ‘non-procedural ‘forest use’”, which meant that they had not been removed from the forest zone and were therefore technically illegal (EIA/Telapak 2011, quoted in Colchester et al, 2011). Even the Million Hectare Rice Scheme was never officially released from forest for agricultural use (Colchester et al 2011).

<sup>15</sup> Interview, Pak Slamet, Disbun Kalteng, Palangkaraya, 6 March 2015.

<sup>16</sup> This new regulation from the Central Ministry of Agriculture would over-ride the Governor’s regulation (No 5 of 2011) which still stipulated that the 20% should be from within the estate’s operating area.

<sup>17</sup> The province would only continue to issue permits where plantations were located in more than one district.

<sup>18</sup> It did not begin in Parenggean, Kotim until 1997, with the first crop only in 2000. In 2002, 44 out of 56 plantations had no smallholder arrangements (Potter, 2011:175).

Bupati (district Heads) to provide support.

Central Kalimantan is one of the least populated provinces in Indonesia, with just 2.2 million people enumerated in the 2010 census and around 2.4m in 2013 (*Kalimantan Tengah Dalam Angka* 2014). However, the population is unevenly distributed, as some districts, such as Katingan and Seruyan have a long north-south extension, with most of the economic activity confined to their middle sections. While the most populated district, Kotim, has a density of 25/sq km and the small district of Barito Timur (East Barito) has 28/sq km, in Murung Raya, the large district in the far north (with no oil palm), the density is only 4/sq km (*Kalimantan Tengah Dalam Angka* 2014). The indigenous Dayak population, together with a longstanding minority of Banjarese from South Kalimantan, have been added to since 1960 by extensive transmigration<sup>19</sup>, primarily from Java, the aim in recent times being to provide a labour force for the oil palm industry. Almost one quarter of the population (23%) was of Javanese or Sundanese descent at the 2010 Census, while Banjarese made up 21%<sup>20</sup>.

The failure of former President Suharto's infamous 'Million hectare rice scheme'<sup>21</sup> in Kalteng in 1998, destroyed local Dayak livelihoods and led to the repatriation to Java of 8,500 transmigrant families from the 15,000 originally settled in the peat swamps of Kapuas district. The population of the area is now 60% Ngaju Dayak and 40% Javanese, with oil palm becoming established following large-scale illegal logging<sup>22</sup>.

The transmigration programme did continue in a limited way beyond the end of the Suharto era in 1998 and after decentralisation in 2001. It became a strictly district to district affair, from the sending districts in Java (and from poor provinces such as NTT) to the receiving districts, not only in Kalimantan, but also in Sumatra and Sulawesi (Potter, 2012). Between 2006 and 2011 2,089 families were assisted to immigrate to Kalteng under those arrangements. They were located in 13 settlements across the province, with an equal number of local Dayak or Melayu/Banjar families. However in 2013 a moratorium on further transmigration was announced by Kalteng's Dayak Governor (Karana 2013) as it was clear that many of the new sites were in very remote and difficult locations and frequently on land already claimed by Dayaks. Employment on new oil palm estates was not always forthcoming, as the estates were often late in establishing in the remote districts (Potter, 2012).

The formal transmigration schemes are being replaced by spontaneous migration, especially from North Sumatra and Riau, of Batak and second generation Javanese (known as 'Jawa-Medan'). These newcomers, as well as some of the original transmigrants, are becoming independent oil palm smallholders, buying up land in the more economically developed districts. However, this process is still quite small when compared with the numbers of independent smallholders in Riau or Jambi. We were not provided with official numbers of such people nor the area of land they controlled<sup>23</sup>, just

---

<sup>19</sup> Almost 400,000 people between 1960 and 2011 (Karana 2013).

<sup>20</sup> The proportion of the population claiming Jawa/Sunda ethnicity had risen from 18% in 2000.

<sup>21</sup> This scheme is referred to locally as the ex-PLG (*Proyek Lahan Gambut* or peat land project). It was described by McCarthy in its initial form as 'a caricature' in which 'political considerations totally eclipsed technical planning', leading to an environmental and social disaster (McCarthy 2013: 196).

<sup>22</sup> This occurred after widespread issuing of location permits (*ijin lokasi*) by district authorities to oil palm companies and despite efforts by former President Yudhoyono to conserve a large part of the area.

<sup>23</sup> At the EstateCrops office (Disbun) in Palangkaraya we were informed that it was too difficult to keep a record of the independent smallholders. However, there were some indications in press reports. In August 2014 the previous head of Disbun suggested that 20% of oil palm production came from independent growers (Augustine 2014), while at a conference in the same month the Deputy Bupati of West Kotawaringin (Kobar) acknowledged that the influx had begun in his district, with around 200 properties being established by that group, quite separately from the plasma smallholders (Istihanah 2014). An earlier report (Boer et al 2012:9) provided figures of 140,000ha managed by independent smallholders and 88,000 ha of plasma, but gave no source for that information and the numbers appear too high. The preliminary official figure of total oil palm smallholder area for 2015, which does not distinguish between different types of smallholder, is only 142,607ha (DirJen



evidence from informal discussions and the specific restaurants along the roadsides<sup>24</sup>. Ari Rompas, the head of WALHI Kalteng, suggested that land is being bought by newcomers as the area controlled by the indigenous population continues to shrink. Although the Governor has introduced regulations to try to protect the Dayaks, the concentration has been on culture and custom, rather than the area available for them to live and develop. Even when they receive *plasma* smallholdings from the companies, the Dayaks tend to just sell them to others, so that there is no land left for the next generation and they become marginalised (Interview, Ari Rompas, 6/3/15).

**Table 1: Area (ha) and percentage of oil palm land occupied by smallholder, government\* and private estates, by district, Central Kalimantan 2013**

District	S'holder area	% of total	Private/Govt* estates area	% of total	Total palm oil area
Murung Raya	3	100.0	0	0.0	3
Barut (N. Barito)	4,928	14.1	29,993	85.9	34,921
Barsel (S. Barito)	137	13.1	912	86.9	1,049
Bartim (E. Barito)	230	7.3	2,940	92.7	3,170
Palangkaraya	869	100.0	0	0.0	869
Katingan	7,126	12.5	49,864	87.5	56,990
Kotim	22,606	7.0	302,178	93.0	324,784
Seruyan	14,324	4.7	289,121	95.3	303,445
Kobar	42,234	18.3	188,345	81.7	230,759
Sukamara	12,382	17.6	58,135	82.4	70,517
Lamandau	23,984	47.2	26,478	52.8	50,462
Kapuas	270	3.5	7,307	96.5	7,577
Pulang Pisau	986	12.3	7,056	87.7	8,042
Gunung Mas	977	13.4	6,308	86.6	7,285
<b>Total/av.</b>	<b>131,056</b>	<b>11.9</b>	<b>968,637</b>	<b>88.1</b>	<b>1,099,693</b>

\*The only government property was 700ha in Kobar Source: DirJen Perkebunan 2013-2015

It is clear from Table 1 that four districts – Kapuas, Seruyan, Kotim and Bartim - are below average in their relative proportions of land occupied by smallholders, while Lamandau is well above the norm. While there is no breakdown of smallholder numbers into independent and plantation supported smallholders, it is suggested that large numbers of transmigrants in Lamandau may be the reason for the improved figures for that district<sup>25</sup>. In the more detailed discussion which follows, attention will be focussed on the below average districts, as they also tend to be those with more disputes between the plantations and local people.

### *The land issue in Kotawaringin Timur (Kotim)*

The rapid expansion of oil palm with little concern for existing settlements or farms has triggered numbers of protests from local people and in some cases also from transmigrants. According to WALHI's statistics, the largest number of conflicts erupted in Kotim, which recorded 37% of the total

---

Perkebunan 2013-2015). Ari Rompas suggested maybe 5% of the oil palm land, which would be around 58,000ha or 40% of the smallholder total, which appears more accurate.

<sup>24</sup> Bataks are Christian and eat pork, so advertise their restaurants carefully and separate from those run by (and for) Islamic Javanese and Banjarese. We saw no restaurants catering specifically for Dayaks.

<sup>25</sup> There has also been considerable interest by outsiders, including Jakarta business people, in investment in Lamandau (Potter 2012:282-3). Whether such investments, of 100 or 200 ha, for example, would fall into the category of 'large estate' or 'smallholding' when being counted is an interesting question.

(94 out of 252) but also had 45% of the overall area under palm, with oil palm permits of various kinds occupying almost half of the district's land (WALHIKalteng 2015, Colchester et al 2011). The sub-district of Parenggean, with more than 20 companies and 60% covered by oil palm is a prime example (Potter, 2012, Sri Palupi et al, 2014).

The Report by a team from the RSPO on "Securing High Conservation values in Central Kalimantan" (Colchester et al, 2011) provides useful detail of the relations between one of the Wilmar estates in Kotim (PT Mustika Sembuluh) and two Dayak villages, Pondok Damar and Tanah Putih. The villagers had experienced many problems with the plantation's takeover of their lands, including some grave sites. Although allowed to 'enclave' lands they particularly wanted to keep, the villagers received very little compensation for lands given up (only amounting to about US\$20 per hectare). In Pondok Damar the villagers said 'We were very naïve when they first came in...When people saw all the money they lost their heads and relinquished their lands...People who gave up their lands are now landless. Yes, the Company paid them but now they have nothing... We are just spectators looking on.' At least some of the people in Pondok Damar were able to receive smallholdings by relinquishing more of their own lands outside the main area of the estate, but not those in Tanah Putih. In the latter village there was most concern about the 'set asides', as forested lands of High Conservation Value (according to the RSPO's rules) were to be excised from the plantation. Some of those lands were enclaved and belonged to villagers, but they were given little information and did not understand the excision process (see Colchester et al 2011 pp10-20 for the detailed discussions with the villagers and Wilmar's responses).

Government officers interviewed by Colchester et al were quite forthcoming about the situation in Kotim. The District Office of Environmental Affairs noted that RSPO members had been persuaded to restore natural vegetation to corridors along rivers. They thought there had been some improvement since the RSPO was created but the authority of the Environmental office was limited. The Head of the office of Estate Crops objected that 'There are no conservation areas, it is all just oil palm...In reality there is nothing left to protect any more'. A staff member suggested that the pressure on land by the estates and independent smallholders was pushing people into conservation areas. 'I don't want the communities to sell their productive land. What are they going to live on? Then they will ask for more land and will have to go into the forest...Most of the communities used to work on timber. Now they mainly work on the estates. They become part of the *plasma* and then outsiders come in and buy up the smallholdings, like people from Medan. So then it is all gone'.

The Governor was also consulted, responding that his new decree (No 5 of 2011) would insist on 20% of all estates lands being allocated to smallholders within two years (p28). He added 'My first initiative is to secure the lands of indigenous peoples...We don't want local communities to lose their rights to land' (p29). The conclusions of the Report include the following statement. 'The loss of land to the expanding oil palm sector, without compensatory provision of oil palm smallholdings, inevitably means that communities put pressure on High Conservation Areas identified by RSPO plantation companies. Arguably not enough land is being set aside that is essential to the livelihoods of local communities...' (p31).

Although the Colchester et al Report in July 2011 also stated that oil palm development in Central Kalimantan 'seems to be at a critical juncture' (p30), our fieldwork in March 2015 did not reveal much that had changed. In June 2011 we had investigated a long-standing dispute between a group of transmigrants (Biru Maju village, Telawang subdistrict) and a Sinar Mas plantation (PT Buana Artha Sejatera, PT BAS). In 2005 the plantation authorities had seized about half the transmigrants' land (their 'second hectare'), bulldozing their existing crops and planting oil palm (Potter 2012). Fifty of the 214 families led by the village head had refused the minimal compensation offered. When the plantation's palm trees planted on his land were bearing, the Head cut the fruit and left it on the ground in protest. He did this 12 times, but after the thirteenth occasion (in March 2011)

he was arrested and jailed, being charged under articles 21 and 47 of the 2004 Plantations Law with disturbing the operation of the plantation. The village secretary, a Dayak, was also jailed. They were released some months later when those sections of the Plantations Law (the 'crime' and the ensuing 'punishment') were struck out by the Constitutional Court. A demonstration in Sampit in May 2011 protesting the arrests and affirming that the plantation was operating illegally (It had no HGU or release from the Forest Estate) brought intimidation of the villagers and posting of army units on the plantation as security<sup>26</sup>.

When we returned to Biru Maju in 2015 we found the status quo still in place. The villagers had not had their land returned and the estate was still operating. This was despite appeals to the RSPO, discussions with WALHI and Greenpeace and personal representations by the Governor to the district head (Bupati) to achieve a negotiated agreement. It turned out that there were two maps of the area, one issued by the Department of Transmigration showing the land classified as APL (for other uses) and approved for transmigrants, the other by the Forestry Department which PT BAS was using, which showed the land remaining part of the forest estate. It did not nullify the fact that the estate was operating illegally, but did partly explain why the management had no compunction in pushing aside the transmigrants. It was part of the considerable confusion over maps in the period from 2000 to 2006, but nobody had checked this discrepancy. The estate was also told to extend its permit and change it to make land available for *plasma* smallholdings but had so far refused. Pak Purnomo, the Village Head, remarked wryly that Indonesian law had a sharp knife for the small man but a blunt one for those with power (interview with Pak Purnomo, 8/3/2015).

One change which had occurred was that 90% of the transmigrants at Biru Maju had bought extra land and become independent smallholders. The losers in that process were the local Dayaks. Two families of Temuan Dayaks were living along the road not far from the village. Almost all of their land was gone. They earned a precarious living working as casual labourers for various smallholders, but could only find employment for a few hours a day. They indicated that in another transmigrant village nearby, several Javanese each owned 100ha, while a Chinese investor from Batam had 74ha.

However, not all of the land owned by independent operators was bought from Dayaks. The experience of one Javanese transmigrant reveals the gradual way in which he was able to amass 15ha through residence over many years. He arrived in Parenggean in 1985, well before the beginnings of oil palm, and when there was no road into the area, just the river. The settlers survived by growing rice and vegetables. In 1996 they were given 2 ha of oil palm land with one of the first estates, PT Transindo, but only 1 ha was actually sown. During disturbances in 1998, PT Transindo was burnt and the management left the district. Many of the transmigrants then sold their land and returned to Java but our respondent and others then bought some of that land. In 2001 more land became available after a confrontation between Dayaks and Madurese in Sampit town during which local Madurese fled the violence. The ex-transmigrant once again was able to buy land, now as an independent grower. He was assisted by Sumatrans who began to arrive with good seed and better technical knowledge of the crop, while new estates were setting up factories to process his fruit. Our respondent had acquired 6 ha of plantation land after the departure of PT Transindo and 9 ha in later purchases. He suggested that local Dayaks were not generally attracted to oil palm but grew rubber and rattan; they previously practised swiddening when the area was still forested. He employed mainly Javanese to assist him on his farm, especially for pruning and harvesting. He did not consider that Dayaks had the skills for those jobs, but he would hire them to clean around the trees. He noted that the prices of land were now very high: Rp70 million per hectare for land already producing oil palm; Rp30 million for land which was still unplanted but with good road access (interview with Pak Purwadi, 7/3/15)<sup>27</sup>.

---

<sup>26</sup> There is a photo of that demonstration taken by Colchester et al on p 25 of their report.

<sup>27</sup> One million Indonesian rupiah was worth around USD80 in March 2015.

One Sumatran, a Batak, had been sent from Medan in 1984 as an agricultural officer assisting rice growers in another transmigration settlement (Karang Sari/Karang Tunggal in Parenggean and Cempaga Hulu subdistricts). As land use changed in the district in 1993 he helped to get rubber established through a government project and then later became a technical officer for oil palm. He owned 8 ha of oil palm and 2 of rubber. He noted that Javanese rubber-growers were switching to oil palm because of the precipitous decline in rubber prices, but only a few Dayaks were growing oil palm as they still preferred rubber. However, there was a lot of private planting now taking place in Cempaga sub-district, including some very recent efforts by Dayaks<sup>28</sup>. Newcomers buying land in Cempaga Hulu were Javanese (from Medan, North Sumatra), Balinese (in three villages) and Bataks in one village, Pelantaran. The Bataks were mainly from Riau: they sold their 2 hectares in Sumatra to buy more land in Kalteng as prices there were lower (interview with Pak Muin 7/3/15).

Two other Batak independent farmers recounted their experiences. One was acting as manager for a family member who had 45 ha. This landowner had previously owned a holding in Riau, using seed imported from Costa Rica. Now he used the seed from Marihat<sup>29</sup>, the Marihat farm having opened a depot in Sampit. When he purchased the 'empty forest' land from Dayaks in 2009 he paid Rp8.9m/ha; now 'empty land' like that would cost Rp30m/ha. The manager hired just 3 helpers for the 45 ha, 1 Javanese and 2 Bataks (interview on the estate, Pelantaran Village, 9 March 2015).

The second respondent was a doctor at the health centre in the town of Katingan<sup>30</sup>. He said he had to buy oil palm land because his salary as a doctor was not sufficient for the schooling needs of his children. Soon after arriving in Kalteng in 2009 he started buying land, beginning with 7 ha, later gradually buying more, so that he now has 25ha in 3 locations. His seed also came from Marihat, costing Rp22,500 per seedling. Now he obtains 14 ton of fresh fruit bunch per month. He just hires one family as permanent helpers; at harvest time, he takes on an extra 8 people (a mixture of Dayaks and Javanese) as casual labourers (BHL). One of his brothers was the manager of a palm oil factory and had assisted him in purchasing good land. He also knew of 2 other doctors who had bought oil palm. He noted that land in Riau would cost Rp120-130m per hectare, while in Kalteng it was Rp60m: but it was land without permanent papers, just an SKT.<sup>31</sup> All the surrounding land belonged to Dayaks, who would sell it for Rp10m/ha ('empty land' along the road) and Rp15m/ha closer to Palangkaraya. He commented that a few Dayaks had begun to plant oil palm, though most were not able to do so because of the large amount of capital required. He often discussed the situation with Dayaks and tried to persuade them never to sell their land to newcomers. Now some were beginning to plant oil palm (Interview Dr Siahaan, 9 March 2015)<sup>32</sup>.

### *Problems of the Banjarese in Seruyan*

In the neighbouring district of Seruyan, the Banjarese minority clustered around Lake Sembuluh had long experienced problems with incoming oil palm estates. The companies ignored their centuries-old occupation of the area; they had refused to pay adequate compensation for destruction of local traditional livelihoods of boatbuilding (using the district's ironwood forests); they had razed people's rubber and fruit trees and taken over their rice lands (Acciaoli 2008, Potter 2011). The main offender,

---

<sup>28</sup> We were told of one Dayak with a large holding, but attempts to interview him were unsuccessful.

<sup>29</sup> Costa Rica and Marihat (a seed farm attached to a famous estate in North Sumatra) are important sources of excellent oil palm seed, with high yields. Such seed is expensive.

<sup>30</sup> Katingan is the neighbouring district to Kotim, also used as the location of one of the sample plantations in Sri Palupi et al 2014

<sup>31</sup> An SKT is a letter from the sub-district head affirming ownership of a piece of land. It is not strong legal evidence of ownership and could conceivably be overruled by a formal title.

<sup>32</sup> The situation of the Dayaks described above resembles that found by McCarthy among Melayu in one district of Jambi, which he labelled 'adverse incorporation' (McCarthy 2010).

PT Agro Indomas, subsequently became a member of the RSPO and appeared to have lifted its game, though there were claims in 2006 that effluent from the estate's factory had polluted one of the lakes and could destroy the fishing industry in Lake Sembuluh (*Kalteng Pos* 2006).

Discussions in Sampit with an NGO member from Lake Sembuluh revealed a wide dispute with a plantation called PT Selonok Ladang Mas (SLM), involving 1600ha, 7 villages and 700 families. There were further claims of destruction of rubber and durian trees which had been ongoing since 2002. In 2013 the government decided to return some of the plantation land to the people, but that had not yet happened. Our informant described the people as 'tolerant', but they were now threatening to kidnap all the staff of PT SLM (interview in Sampit, 7/3/15)<sup>33</sup>.

A visit to Lake Sembuluh the following day revealed a poverty-stricken population of about 5,000 in the two lakeside villages, with only 20% being able to find work as labourers on the plantations. They had begged to be given plasma land according to the regulations, but not one of the plantations had complied. At least half the people had been fishermen but the fish had all disappeared, destroyed by pollution from the 10 estates and five factories in the area<sup>34</sup>. They had to buy rice as all their rice fields had been taken over by plantations which planted right up to the lake shore, again against the regulations (interviews with primary school teacher and local leader 8/3/15).

The Governor's decree (No 5 of 2011) on 'Sustainable Management of Plantation Businesses' was described as 'groundbreaking' in its breadth and depth (Gnych and Wells 2014). Pertinent to the situation of Danau Sembuluh was the ruling (paragraph 23) that a company must not plant oil palm within 500m of a lake shore, 200 meters from a water source or stream in a marshy area, 100m from a stream bank... and a minimum of 2000m from the boundary of a village. Along roads the restriction was 500m from the edge of a national highway, 250m from a provincial road and 100m from a district road. Most of these restrictions (originating in the Forestry Law of 1999) had not been observed in the Danau Sembuluh area.

The Audit Report for a neighbour of PT Salonok Ladang Mas, Wilmar Plantation PT Kerry Sawit Indonesia (PT KSI) when seeking accreditation with the RSPO (Soeminta 2011), noted that PT KSI did not have all the necessary documentation to demonstrate legal ownership of the land. The dispute over the spatial management plan for the province had delayed HGU processing and the estate had to re-apply for forest release. However, the plantation was complying with regulations for riparian buffer zones and felling oil palm trees where they had been planted in those zones. When asked about the need to prepare 20% of the land for plasma smallholders, management responded that when the permit was issued in 2003 'this regulation to develop 20% of the HGU for plasma was non-existent'. They promised to look into the question 'as long as the community can identify the area suitable for plasma outside our HGU with a clear legal status' (p48). They did also claim that they applied the concept of 'free prior and informed consent' for land acquisition, though there were complaints that the company was slow to pay compensation for land and that their payments were very low (pp49 and 56). Some lands which people did not want to give up had been enclaved, including some community forest. These lands all had multiple owners. One comment at a stakeholder consultation meeting was that although there were some positive impacts from the company's operation, 'the livelihood of communities in Sembuluh village still has not improved' (p54). The company was also asked about a program for local employment. The management responded that local workers 'refer to those from the

---

<sup>33</sup> Previous large demonstrations had been held at the estate, as reported by Saturi (2014). The estate, among others, had also been brought before Komnas Ham (the Anti-Corruption Commission) in 2010 for corruption and human rights abuses (Supriyatno 2010)

<sup>34</sup> A plan by PT Salonok Ladang Mas to build a new factory within a kilometre of the village was halted by the Governor when pollution was discovered in the upper part of Lake Sembuluh. The company's promise to supply water to affected people was slow to be implemented (Larsen et al, 2012:24-6.). Despite these questionable activities, the plantation was in the 'Clear and Clean' list in December 2014.

whole of Central Kalimantan and are not confined to the surrounding villages... Communities from the surrounding villages are very selective and only want to work in certain positions where there are no vacancies' (p56). The tenor of the responses to questions was not conciliatory: PT Kerry Sawit would not easily make any changes in favour of the community. However, the accreditation was set to go ahead once the question of release from the forest estate was resolved.

### *Other problems between plantations, the environment and local people*

The District of Kapuas, the main site of the ex-PLG, noted a further 36 conflicts as 23 oil palm companies (including a large Chinese multinational) attempted to establish themselves in the area. In 2013 Kapuas district had the lowest percentage in the province of oil palm land available to smallholders, only 3.5% (Dir Jen Perkebunan, 2013-2015) (Table 1). Dayaks in the downstream district of Pulang Pisau have complained of regular floods since the removal of the swamp forest. They have formed a strong bloc of 15 villages aimed at keeping three new oil palm companies at bay. They could be lucky as the Governor has frozen new permits, especially those which intend to move into peat swamps. A 'holding zone' is still in place throughout most of the oil palm area until the District Land Use plan will finally be accepted. Ibu Lilis bemoaned the fact that they could no longer grow rattan as prices were too low, while rubber was also in difficulty. But they would never have oil palm in their district (interview with Ngaju Dayak Secretary of Bawen village, 6/3/15).

Two recent studies by EIA (2014) and Sri Palupi et al (2014) have directed attention towards other districts of Kalteng. EIA is especially concerned with illegal removal of large amounts of timber from oil palm concessions before the management have proper legal documentation, often clearing beyond the legal boundaries. They were especially interested in the activities of two plantations in the district of Gunung Mas: 'a relatively remote and underdeveloped regency in Kalteng's indigenous Dayak heartlands' (p12). Gunung Mas still contains areas of good forest. The plantations, PT Flora Nusa Perdana (PT FNP) and PT Kahayan Agro Plantations (PT KAP) are included in the 'Clear and Clean' list prepared for ISPO by the provincial estate crops office. Since 2007, PT FNP had cleared 4,500 ha of forest and planted it with oil palm, even though it did not have an Environment Permit (IPK) or a Forest Release Permit. It has also been under investigation for violations of the Forestry Law and Plantations Law, but clearing has continued.

Nine villages protested at the arrival of plantation PT KAP in their area when its AMDAL (environmental impact assessment) was still only under discussion. The company was banned from buying land from the communities without the permission of the district government, while the Governor demanded an inventory of all land claims within the concession. Nevertheless the company marked out and sold existing smallholdings, then divided up the communal forest by 'encouraging individuals to mark out a boundary' (p17), after which all those parcels were also sold quickly at cheap rates. It was estimated that the value of the timber on those lands would conservatively be worth 20 times the value the company paid the community. Local people said that lack of documentation and uncertainty over their tenure caused them to sell the land (p17).

The report by Sri Palupi et al (2014) for the Indonesian Institute for Ecosoc Rights and the Norwegian Center for Human Rights, is a hard-hitting exposure of human rights abuses by oil palm plantations, mainly of Dayak villagers and plantation workers, sometimes of transmigrant villagers also. Four plantations were selected for case studies. Two were in East Barito, a small district with a high poverty rate, relatively far from the oil palm centres of Kotim and Seruyan; a third was in Kahayan, a largely riverain area with few plantations; the fourth was in the crowded Parenggean sub-district of Kotim. Of the four, the sole RSPO estate, PT Sawit Graha Manunggal (SGM) (part of the British Anglo-Eastern Plantation Group) located in East Barito, received the most criticism.

The company occupied most of the Sarapat village farmland without the permission of the

villagers, together with the community forest and lands right up to the river bank, while the river itself had been polluted, with no attempt to mitigate such damage or to compensate those affected. Most of the villagers have now to work for the estate as BHL (*buruh harian lepas* – casual day labourers), even though plantations accredited to the RSPO are not supposed to use that system (Sinaga 2013). As BHL they have no work contract, health care or work insurance and they must buy their own tools. Even though PT SGM instituted a ‘partnership’ (*kemitraan*) project with the village, promising that the families would receive the shared proceeds from 20% of the land, they were provided with little information concerning their rights and obligations and complained that so far they had received nothing. Eighty per cent of the village households were said to have lost their land. The estate also sought to take over the second hectare plots of a nearby transmigrant village, capitalising on the fact that the transmigrants did not know exactly where their plots were located. As local Dayaks suddenly made a claim for that land, the transmigrants relinquished it for a low price, even though they had legal ownership documents. They also work for the plantation as BHL.

PT SGM was particularly criticised for its failure to comply with RSPO standards. These were identified as: a commitment to transparency; meeting applicable laws and regulations; environmental responsibility and conservation of natural resources and biodiversity; and responsibility toward affected workers and communities (p131). The second plantation studied in East Barito (PT Ketapang Sumber Lestari) copied PT SGM’s tactic towards another group of transmigrants, who agreed under pressure to receive compensation for their second hectare<sup>35</sup>.

In the Kahayan district the estate studied (PT Karya Dewi Putra) provided much written information to the researchers about its aims and policies, making the company sound suitably compliant with all necessary regulations (though it was not yet ‘clear and clean’, nor was it a member of the RSPO)<sup>36</sup>. However, the reality on the ground was rather different. According to nearby villagers, PT KDP had suddenly arrived in the district and cleared large areas. It had adopted the practice known as ‘*garap selonong*’, which means ‘take first, talk later’, giving the people no option but to surrender their land as it had already been cleared without their permission. Villagers mentioned continuing disputes and much land resumed without compensation.

The estate in Parenggean, PT Katingan Indah Utama (part of the Makin group, near Kabuau village), would only provide 12 days’ work per month to the people, 80% of whom worked as BHL. This meant that their income was inadequate for minimum daily needs. The estate mill, situated very close to the village, polluted the nearby river and caused health problems for the villagers. Estate authorities indicated that they had introduced a *kemitraan* (partnership) scheme to the villagers, managing their lands through a co-operative in which the villagers were originally given shares. Unfortunately almost all had sold their shares in the co-operative to outsiders. The people said they had sold their shares to meet their needs and once again were left with no option but to find work as BHL.

The second part of the study by Sri Palupi et al is a legal analysis of the impact of the plantations on human rights, on the role of the state and the responsibilities of corporations. Four major impacts of the plantations are identified: on land and culture, on labour rights, on the right to health, education and a proper livelihood and on civil-political rights. The human rights obligations of the state are

---

<sup>35</sup> At the time of the field study in 2013, PT SGM did not have a satisfactory AMDAL, as this had been issued by the environmental commission of East Barito, not considered an acceptable organisation to approve an AMDAL by the Central Kalimantan Environmental Agency. A satisfactory AMDAL is considered important in protection of both the environment and human rights (Sri Palupi et al, 2014: English version p19). It was nevertheless considered ‘Clear and Clean’ and is listed as such in 2014. The second Barito plantation, PT KPP, did not have all the necessary permits but was still operating. This defect was apparently soon rectified as it also appears in the December 2014 ‘Clear and Clean’ list.

<sup>36</sup> The plantation belongs to the Asian Agri Group (Raja Garuda Mas). It was cited in a Greenpeace study (2008) for fire hotspots and active deforestation.

identified as protecting citizens from abuses and punishing perpetrators when violations occur. However, the report's conclusion is that the Indonesian State has failed to protect its citizens and communities in areas around oil palm plantations. 'The laws/rules made by the government, both at the national and local levels are inadequate to prevent land grabbing and violation of the right to culture' (Sri Palupi et al 2014:134). Specifically in Central Kalimantan the legal uncertainty surrounding the Spatial Plan and the demands of the Department of Forestry has been used as a pretext to justify offences. 'Local governments grant permits without regard to the provisions related to space' and are 'actively involved in facilitating corporations taking over citizen and community land' (Sri Palupi et al 2014: 135). Violations of other rights such as the right to work, to health and education are also covered, to be summed up in the violations of the right to a decent livelihood: 'Indigenous people and transmigrants are undergoing a process of impoverishment, both materially and culturally' (Sri Palupi et al, 2014: 137), while 'Corporate land-grabbing threatens people's food security and their right to an adequate standard of living' (p143).

## Discussion

Much additional detail is supplied in the above report concerning the companies studied and the position of nearby villages, including lifestyles before and after oil palm. Many of the conclusions are not new, but they provide further evidence of the situation in Central Kalimantan, which agrees well with our present findings and the general literature. Land grabbing has certainly been the norm, with local government connivance. As a result, Dayak lives and livelihoods have been seriously impacted. Whether the position is likely to improve as a result of the various initiatives mentioned in the introduction is not clear, but changes are likely to be slow. More companies will no doubt try to comply with the regulation to supply land for smallholders, though it may be too late for much to happen in districts like Kotim. The cancelling of licences for poorly performing companies, as happened some years ago in East Kalimantan, may be one way to make land available to smallholders if the local administration has the political will to enforce such a process. However, more attention would need to be given to preparing Dayaks to move into the industry if they are to benefit from plasma lands. They would need technical as well as financial assistance, of the kind beginning to be supplied now (by a few plantations and NGOs) to independent smallholders in Riau, as they attempt to gain ISPO certification. The activities of outsiders in buying Dayak land should also be more carefully monitored, even though such moves are relatively small-scale at present. They are nonetheless contributing to the marginalisation of the indigenous Dayak people, which is continuing unabated.

### **A brief summary follows of the comparative situations in Riau and Jambi**

***Riau: Independents have the numbers in a complex province, but what is their position? Do they experience 'adverse incorporation?' Do they deforest?***

The area under oil palm in Riau is twice that in Kalteng, just as the population is more than twice the size. The most interesting figure for Riau is that of the *swadaya murni*, the independent smallholders, who in 2013 controlled an area of more than 1.1mha of oil palm, more than that of the private companies and government estates combined<sup>37</sup>. It is therefore hardly surprising that ISPO has selected Riau as its demonstration province for certification of the independents, who will be assisted in their

---

<sup>37</sup> The area of land occupied by private companies in Riau is very similar to that in Kalteng (971,552ha as against 968,637ha).



efforts by the UNDP and plantations PT Asian Agri and Pt Astro Agro Lestari (GoRiau 2015a)<sup>38</sup>. Scheme smallholders (plasma) form a much smaller group, with only 9% of the total area, as against 47% owned by independents (Table 2)<sup>39</sup>. As many independents (Batak and Jawa Medan) have migrated from North Sumatra, nearby districts such as Rokan Hilir (Rohil) and Rokan Hulu (Rohul) have high numbers of independent smallholders. However, even higher numbers in Siak reflect a different reality and include the special settlements implemented in that wealthy district for poor Melayu farmers, described in their early years by John McCarthy (McCarthy et al 2012)<sup>40</sup>. A third group which now supplies large numbers of independent smallholders consists of former transmigrants and their adult children, the parents once recipients of plasma holdings, but now moving beyond estate control and buying or opening new land.

**Table 2: Summary of area (ha) and percentage under s'holder oil palm (SH), independent s'holders (Ind), plasma (PI), private plantations (Priv), govt plantations (Gov), Riau Province by district: 2013**

District	SH	%	Ind	%	PI	%	Priv	%	Gov	%	Total area
Rohul	208,606	49.2	186,314	44.0	22,292	5.2	180,668	42.6	34,271	8.1	423,545
Rohil	182,763	66.9	169,372	62.0	13,391	4.9	83,056	30.4	7,326	2.7	273,145
Siak	210,989	73.3	186,903	64.9	24,086	8.4	67,321	23.4	9,473	3.3	287,783
Bengkalis	160,201	80.6	160,201	80.6	0	0	38,441	19.4	0	0	198,642
Kampar	190,486	49.2	111,226	28.7	79,260	20.5	177,033	45.7	19,744	5.1	387,263
Pelalawan	118,150	38.6	84,301	27.2	33,849	11.4	187,995	61.4	0	0	306,145
Inhu	56,892	47.9	37,311	31.4	19,581	16.5	55,252	46.4	6,832	5.7	118,976
Inhil	109,028	47.8	109,028	47.8	0	0	119,025	52.2	0	0	228,053
Kuansing	63,568	52.3	42,551	35.0	21,017	17.3	55,981	46.1	1,900	1.6	121,449
Others*	40,310	85.6	40,310	85.6	0	0	6,780	14.4	0	0	47,090
<b>Total/av</b>	<b>1,340,993</b>	<b>56.1</b>	<b>1,127,517</b>	<b>47.1</b>	<b>213,476</b>	<b>9.0</b>	<b>971,552</b>	<b>40.6</b>	<b>79,546</b>	<b>3.3</b>	<b>2,392,091</b>

\*Dumai and Pekanbaru city

Source: Dinas Perkebunan (Disbun) Provinsi Riau 2014

<sup>38</sup> The Head of Disbun Riau (Drs Zulher) suggested the local village co-operative (KUD) as a suitable model, already used to assist plantations to certify three groups for the RSPO, including the Amanah transmigrant association at Ukui village, on the edge of Tesso Nilo National Park (GoRiau 2015a).

<sup>39</sup> Drs Zulher stated in February 2015 that almost 55% of all smallholders in Riau were now independents, a proportion even higher than the 2013 figures cited in Table 2 (GoRiau, 2015b)

<sup>40</sup> Siak 1 was laid out in 2004, Siak 2 in 2005 across 7 of the 14 sub-districts in 15 villages. The project received assistance from the Siak government, PTPN V (Government estate) and the Agricultural Institute in Bogor (IPB). Farmers were given 3 ha of oil palm with good seed and subsidised fertiliser. They still have to repay some of their credit but are doing quite well, despite some problems in handling the shallow peat soils, especially the risk of dry season fires. They are not permitted to sell their land but many are now seeking more land outside the settlement. Farmers say 3 hectares is not enough. They don't want to be rich, just to have enough for their children's schooling and other costs (field visit March 2015). Independent smallholders unable to obtain a settlement allotment remain poor, often have to use uncertified seed (called 'mariless', a pun on the location of the best seed, 'Marihat'). Their yields are low, especially if they cannot afford to use much fertiliser.

In Jambi the proportions are somewhat different, with an even higher percentage of the oil palm area owned by smallholders (68.6%), but within the smallholder group, independents control rather less land than the estate-supported plasma farmers – 29.8% as against 38.8%. The proportion of land in private estates is lower than in Riau (28.3%) while only 3% is owned by the government estates (in Jambi known as PTPN VI) (Disbun Provinsi Jambi, 2014).

Riau has a population<sup>41</sup> of considerably mixed ethnicity: at the 2010 census the indigenous Melayu numbered just 33%, with Javanese/Sundanese 30.4%; Batak 12.5%; Minangkabau 12.2% and Banjarese 4%<sup>42</sup> (BPS 2011). The Batak and Java/Sunda group have substantially increased their percentage in the population since the 2000 census (BPS 2001) and their impact is felt among the growing numbers of independent smallholders.

In terms of the plantations, as expected the government properties form only a small part of the total, and they are absent from several districts. However, PTPN V, the name given to all government properties in Riau, has been helpful both to groups of transmigrants (especially in Rohul) and the Melayu settlement in Siak. Pelalawan, Rohul and Kampar are the most dominant areas for private plantations, forming a swathe E-W across the centre of the province. The area and production of oil palm has increased strongly over the past decade with the area almost tripling and production quadrupling. Although some of the increase came from crop changes on smallholder farms, Riau's forests have borne the brunt of this expansion, especially the peat swamp forests. In recent times the National Parks and wildlife reserves have also been attacked.

However, complicating the picture is the presence in Riau of two huge pulp and paper companies, APP (Asia Pulp and Paper) in Siak<sup>43</sup> and RAPP (Riau Andalan Pulp and Paper) in Pelalawan. Both have an insatiable appetite for wood fibre and also connections with palm oil<sup>44</sup>. Although both companies have established plantations of fast-growing *Acacia* spp, a cheaper option for several years was to simply source supplies of 'mixed tropical hardwood', without inquiring too much about their source, actively encouraging deforestation from the local community (Potter and Badcock 2001). The companies have now promised to only use *Acacia* in their mills, but were actively deforesting as they increased their plantation areas (and some active deforestation has continued<sup>45</sup>). Figures calculated by the head of local NGO Jikalauhari (Muslim Rashid) indicated a deforestation rate between 2009-2012 of 188,000ha per year of which almost 2/3 came from the peat swamps. Between 2012 and 2013 the deforestation rate increased to 252,173 ha. Over that year the two pulp firms and their associated companies (Arara Abadi for APP and April for RAPP) are estimated to have deforested 69,582 ha (Muslim, 2014) with other timber companies bringing that total to 86,935ha<sup>46</sup>. The large oil palm

---

<sup>41</sup>Riau's 5.5 m people at the 2010 Census had risen to 6.1 m in 2013.

<sup>42</sup>As is the case in Kalteng, the Banjarese group in Riau has been there for generations. It had its beginnings in 1888 when a group moved from South Kalimantan to open forest near the mouth of the Indragiri River (now Indragiri Hilir, Inhil District), digging drains and planting rice and coconuts. Further settlements also occurred along the Jambi coast. The coconuts have now been partly replaced by oil palm (Potter 1993).

<sup>43</sup>APP also has a pulp company in Jambi, Wira Karya Sakti (WKS)..

<sup>44</sup>Asia Pulp and Paper is linked to Sawit Mas, part of GAR; RAPP is part of Raja Garuda Mas, or PT Asian Agri. The director of RAPP, Sukanto Tanoto, is considered Indonesia's richest man.

<sup>45</sup>Another Riau NGO Group 'Eyes on the Forest' has published evidence of a timber company associated with April and RAPP which was clearing forest on the Kampar Peninsula near the mouth of the Kampar river and on an island offshore (Pulau Padang), then digging canals to transport timber to the RAPP factory (Eyes on the Forest 2014 a, b). This was a particularly blatant activity in forest classified as 'High Conservation Value Forest' (HCVF), as April had claimed it was committed to protection of such forests. Child labourers (illegal) were also found to be working for the company and there were conflicts with local communities. The activities of this company were also linked with corruption cases involving the jailed former Bupati of Pelalawan, Azmun Jaafar.

<sup>46</sup>In Jambi, APP announced a moratorium on natural forest conversion in 2012, the plan being to phase out sourcing of fibre from natural forests by 2015, though environmentalists are sceptical, as such targets have been

companies (with a HGU permit) deforested 10,587ha; protected forests and national parks lost 43,362 ha, while the balance was 111,289 ha. This high residual of deforestation (44%), if correct, was presumably attributable to some estates clearing without a HGU, to small and medium oil palm growers and investors and to other farmers, some of whom could be changing their tree crop from rubber to oil palm. The 'investor' group, often with considerable resources behind them, must also be a suspect here.

Without exploring further, Jikalahari also used fire 'hotspots' to indicate active deforestation. Several of the companies associated with Arara Abadi and April also exhibited hotspots during 2013 (some of them associated with illegal loggers) and there were 13,917 inside and around the edges of the national parks and other protected areas, the largest number in Tesso Nilo National Park.

### **Taman Nasional Tesso Nilo (TNTN) a 'paper park' (and its Jambi 'twin').**

The Tesso Nilo forest complex in the districts of Pelalawan and Indragiri Hulu was assessed in 2001 as containing extraordinary levels of plant-based diversity. 'The TN species richness is well above that of the richest sites so far recorded in tropical lowland forests between sea level and 550m elevation' (Gillison 2001). Large mammals such as elephant and tiger were present. Unfortunately much of the forest at that time was being logged under various concessions, with Inhutani (a government company) supposedly looking after a section and illegal loggers rampant. The pulp and paper companies were also active and plasma oil palm (KKPA) occupied 847ha at the village of Ukui. PT RAPP constructed two 'corridor roads' through the park to be used by its trucks, mainly transporting *Acacia* (in 2001 and 2004), but these simplified access to illegal loggers and others, as did the roads into oil palm or pulp estates. After campaigns by WWF to make Tesso Nilo an elephant sanctuary, the Ministry of Forestry eventually permitted a section (38,576ha) to be classified as a National Park in 2004 and in 2009 this area was finally doubled to 83,068ha.

Encroachment on the park to plant oil palm had already begun in 2002, with 3,587ha; by 2007 this had grown to 16,789ha and 36,861ha in 2012. The total for 2013 was a big jump to 53,530ha, more than 60% of the park area (presentation by the Office of the National Park, 13 March 2015). Investors could easily buy 100 or 200 ha of land through the elites of nearby villages who had traditional connections with the area or who had acquired legal ownership during the 1990s through village co-operatives (8460ha)<sup>47</sup>. Various letters of ownership would be supplied in the villages to confer a kind of 'legality' on other purchases. Most of the investors came from North Sumatra, some also from Bandung, Singapore and Malaysia. They arranged for farmers, mainly Batak, with previous oil palm experience, to settle in the park. A bus station had even been built inside the park with a bus going directly to Medan! The workers generally had 2 ha and were assisted to establish their oil palm plots by their sponsors. In one section of the park named Toro there were 7,000 settlers. There were more than 40 independent small mills around the perimeter, not attached to any estate. Many were owned by Chinese from North Sumatra (Gurundam 12.co 2013, WWF 2013). According to WWF, the mills just received fresh fruit bunches from any suppliers, without asking questions about their legality. The Park management complained that they had only 18 forest police to patrol the park, which was becoming increasingly dangerous. While they could arrest the small settlers, they never caught the large investors. If they removed individual farmers, replacements would quickly appear. ISPO has proclaimed that no crude palm oil (CPO) coming from the mills around the park would be allowed to be exported, but who would really be able to check? (Interview with Director of TNTN 13 March 2015).

---

breached before (mongabay.com 2012)

<sup>47</sup> The head of the co-operative 'Mekar Sakti', a leading 'operator' (*oknum*) is said to control an organisation with more than 500 legal ownership certificates.

The experience of Tesso Nilo has been repeated to some extent in other parks in Riau<sup>48</sup>, and especially in the Hutan Harapan forest (98,555ha) on the border between Jambi and South Sumatra. There has been some input again from North Sumatra, but the main issue here seems to be a lack of land for second generation transmigrants, so the ethnicity of those invading the forest to plant oil palm is mainly Javanese<sup>49</sup>. While that forest is also highly important for conservation, the largely migrant encroachers are supported by local elites and speculators (who once again sell the land, together with letters of dubious legality), some government agencies, and local NGOs. Although the encroachment is not as serious in terms of numbers and area as in Tesso Nilo (about 20% of the area), the situation has become politicised in terms of ‘people versus trees’, which has complicated ongoing efforts to resolve conflicts by means of an ‘Ecosystem Restoration Concession’, PT REKI. As well as attempting to prevent further destruction of the Harapan forest, PT REKI works with the indigenous Batin 9 group in harvesting jelutung, jernang (dragon’s blood) and rattan, trying to encourage people to collect and sell other forest products, not plant oil palm (Silalahi 2014, Silalahi and Erwin 2015) (interview with Manager, PT REKI, 19 March 2015).

### **Do most independent smallholders experience ‘adverse incorporation’?**

The Head of Disbun in Indragiri Hulu made a distinction between the independent oil palm smallholders in his district: those who were entirely reliant on oil palm and those who also had other occupations. The latter would include the many government officers, members of the urban (and village) middle class and even the occasional investor from Jakarta. The small farmers with only 2 ha, both Batak and especially Melayu, suffered almost universally from poor seed (mariless) and lack of fertiliser, with low yields and incomes, which they would attempt to boost by working as BSL for the companies or their wealthier neighbours. The district had tried to help and was supplying some good seed, but the problem was too large. The only exception was the transmigrant group, predominantly from Java, who had experienced higher levels of assistance, especially from the government estates. Even some of the Javanese had begun with poor seed, but had replanted with better varieties. The problem for them was land for the second generation. We found the same pattern in our field visits, in both Riau and Jambi. In some villages farmers had lost land to estates, or did not receive the plasma land promised, but this seemed to be less of a problem than in Central Kalimantan<sup>50</sup>. In one village on the edge of Tesso Nilo an informant said he did not know where his seed came from and he had no money for fertiliser. He would just plant and pray!

### **Do the smallholders deforest?**

A study carried out by Lee et al (2013) using data across Sumatra for the period 2000-2010 concluded that private oil palm enterprises were responsible for most of the deforestation (88.3%). Oil palm smallholders were next with (10.7%), followed by government estates (0.9%). The large private

---

<sup>48</sup> These include Bukit Tigapuluh National Park (TNBT) and Bukit Betabuh (a wildlife corridor). In the buffer zone of TNBT a ‘village’ of 2000 Batak families, half with no legal status, is planting oil palm. Similar to the Dayaks in Kaltim, indigenous Kubu people of TNBT are selling land to outsiders (Interview with the Head of Disbun Indragiri Hulu, 16 March 2015). At Talang Lakat, a minority Christian village of Talang Mamak the larger indigenous group inhabiting TNBT, some Batak men are marrying local women, thus obtaining access to land (interview with former village head, Talang Lakat 16 March 2015).

<sup>49</sup> Given its greater distance from North Sumatra, this park would not be expected to be the target of many Bataks. In Jambi the ethnic structure is simpler than that in Riau: Melayu people accounted for 48.6% at the 2010 census, while the Java/Sunda group was 31.4%. Bataks and Banjarese both made up 3.3-3.4% (BPS 2011).

<sup>50</sup> More serious in some districts were disputes with pulp companies, with examples in both Riau and Jambi of acacia plantations being destroyed by angry villagers seeking to plant oil palm. A young village activist was recently murdered by security guards on a WKS (APP) pulp estate in Jambi (Butler 2015).

plantations were especially active in felling the peat swamp forests, which it was suggested smallholders generally were unable to access without plantation assistance. However, Lee et al admitted that their study, based on remote sensing, was not able to include information about independent smallholders with areas less than about 25ha, which would omit a large proportion of the *swadaya murni*. Lee admitted that she had observed wealthy transmigrants clearing ‘large parcels of agroforests’ in South Sumatra (Lee et al 2013:7). It was suggested that smallholders cleared more of the ‘mosaics’, small areas of mixed forest and farm land outside the peat swamps.

One paper did identify two locations where smallholders were engaged in burning peat forest: in Sinaboi (Rokan Hilir) and Dayun (Siak)(Cacho et al 2014). The Sinaboi case involved ex-fishers who were turning to oil palm after a decline in the fishing industry. They were assisted by the local Bupati who subsidised canal construction into the peat forest. At Dayun, the transmigrant population were expanding their area under oil palm (originally planted in 1997), perhaps to accommodate the second generation or because replanting would soon be necessary (the reason is not made clear in the paper). In both of these studies, smallholders were asked how much money they would need to cease clearing and protect the forest. Their answers indicated that they much preferred to continue with oil palm: they were not interested in short-term cash, but long-term livelihoods.

However, these examples seem relatively minor. They do not cover the main area where burning was so common in June 2013 and recurred in June 2014 (Sizer et al 2014) (though Sinaboi was not far away). Those fires cut a swathe across Rokan Hilir, especially to the west and south of Bagan Si Api-Api and they extended to Rupa Island in Bengkalis. Tesso Nilo was a secondary focus. In 2013, because of the choking haze and pollution which spread across Singapore and Peninsular Malaysia, there was much argument as to who was responsible<sup>51</sup>.

However, more precise remote sensing tools have enabled a detailed examination of the burned area after the June 2013 fires, which discovered the involvement of several small and ‘medium’ plantations in addition to the large concessions for oil palm or acacia (Gaveau and Salim, 2013). A further analysis (Gaveau et al 2014) noted that ‘only 7% of the burned lands were classified as forest before the fires’ however 58% had been forested five years previously. Of the total burned area, 52% (84,717ha) was in concessions, but 59% of the concession areas were occupied by communities, so it was difficult to attribute the fires to any one source. The rest of the burned area was still technically Forestry Department land, but it had been deforested and some was apparently awaiting planting.

As the area of mineral soil in Riau is now almost all taken up with oil palm (and pulpwood plantations), what remains is parts of the peat swamps and the parks and protected areas. Riau continues to provide land for Batak and Javanese migrants as its population continues to climb. As the parks are already under pressure, it seems certain that remaining areas of peat swamp forest will be targeted, not just by the large companies, but also smallholders. Even though this is a difficult environment for poor farmers to conquer, they are still likely to try. So although Lee et al (2013) were basically correct with their claim that the smallholders do not venture into the peat, it is beginning to happen. This is not the same as claiming that they are responsible for deforestation in the peat swamps, as that seems to have already occurred. It is the re-burning of the ‘forest graveyards’ (Gaveau et al 2014) which is now taking place, not only increasing Indonesia’s CO2 emissions, but haze and smoke over its neighbours.

---

<sup>51</sup> Greenpeace blamed Malaysian companies such as Tabung Haji Plantations, Sime Darby and Kuala Lumpur Kepong (all members of the RSPO) and castigated the RSPO for failing to prevent fires on peat (Greenpeace 2013, *TheSundaily* 2013a), while the Association of Plantation Investors of Malaysia in Indonesia (APIMI) stated that the companies were not to blame: it was their plasma smallholders who set the fires to clear land (*TheSun Daily* 2013b). The local districts were said to be investigating a few individuals, while the RSPO was looking into the activities of one company. More field studies are needed to find out what is actually happening in these fire-prone districts of Rohil and Bengkalis and to what extent smallholders are involved.

## Conclusion

The three districts originally targeted by this paper proved impossible to tackle at an equal level of detail. So Central Kalimantan has taken up much time and space, followed at a distance by Riau and with only a very brief look at Jambi. Nevertheless, one may attempt to answer the original questions: Who is land grabbing? Who is deforesting? Where? And equally important: Who is winning? Who is losing? And why?

The land grabbing in Kalteng is being done mainly by the large private plantations, with the victims being not only Dayaks, but also some groups of Banjarese and transmigrants. It is accomplished partly by intimidation, by lack of information, or simply by speed of attack, the infamous '*garap selonong*'. Compensation, when it is paid, is shamelessly inadequate. Dayaks and others, forced to work as BHL are treated poorly and ignorant of their rights. Companies sharing land with smallholders through plasma or *kemitraan* arrangements are still not widespread, despite regulations, though more make promises. Deforesting is also mainly a company phenomenon, confined to districts such as Gunung Raya where some non-degraded forest remains.

It is also clear that Dayaks in general, many of the Banjarese and some of the transmigrants are losing as a result of these processes, while the companies are winning. The latter are reluctantly being forced to confront change in the shape of government and provincial regulations and the ISPO. However, it is likely to still take time for many changes to occur, as companies use their power and money to buy a continuation of the status quo. Independent growers mainly consist of those with other occupations, or the elite, and they remain a small group. But that will change, especially if the exodus of Bataks from Riau to Kalteng gathers momentum and more of the present group of transmigrants move to increase their holdings. Dayaks are beginning to plant oil palm, but one would hope under rather better conditions than many of their fellow countrymen in Riau. Their technical needs must be addressed as they take up the crop.

In Riau and Jambi, different forces are at work, with much land being used for oil palm by independent smallholders, a group partly characterised by small plots and few resources, but wanting to continue with the crop. The 'land grabbing' is taking place in the parks, especially Tesso Nilo (and Hutan Harapan in Jambi), by a variety of '*oknum*', operators with considerable capital. In Tesso Nilo they have been importing Bataks to work the stolen land. Some village heads and adat chiefs are also participating. Controlling this process will not be simple, as the *oknum* are not deterred by the law (gurindam 12.co 2013) and there seems to be a limitless source of willing labour in North Sumatra. An improvement of the situation in that province, especially the provision of more smallholder land there, would hopefully begin to reduce the flow. In this situation the 'victim' is the environment, where a unique resource is being squandered.

A further source of land grabbing and deforesting is the pulp companies, especially their supply firms, whose activities were not included in APP's 2012 'Sustainability Roadmap' for Jambi; they appear equally irresponsible in Riau. As both APP and RAPP have experienced a strong backlash from customers in the past, and APP has been expelled from forest certification schemes, that might again be the spur which could improve behaviour.

At a recent meeting (April 2015), the ISPO secretariat reported that they had classified 831 plantations and found 600 to be suitable for certification. Of those, 172 had already been audited and 109 were in process. While the final procedure was slow because the auditing was thorough, they were making companies aware that by October 2015, those not already listed for certification would have their classification reduced, meaning that they would not be allowed to export CPO (*Agrofarm* 2015). Although some firms would no doubt continue to seek local markets for their product, time is now beginning to run out for companies to comply with Indonesian law, including the provision of land for

smallholders.

With such large numbers of independent smallholders in Riau and Jambi, the rush will then turn to improving their position and yields so they can also be part of the ISPO. That process will take longer, but again, the plantations would be expected to take more responsibility (aidenvironment 2013), though government involvement is also considered essential (Lee et al, 2014b). It should not be so difficult to distribute improved seed and reduce fertiliser costs. Even distributing empty fruit bunches free to villagers from the mills would help overcome the fertiliser shortage: people presently have to purchase this useful organic material. At least if the villagers can keep their land, it can be made more productive. Two or three hectares is not an adequate-sized holding where yields are low, but could be sufficient if the trees are properly grown and cared for.

President Jokowi has declared 2015 to be a year of no burning in Indonesia. As Riau is such a major culprit, especially for burning of peat forests, the causes of the annual conflagrations should be explored more thoroughly and alternatives more energetically canvassed.

## References

- Acciaoli, G. 2008 “Mobilizing against the ‘Cruel Oil’ : Dilemmas of organizing resistance against palm oil plantations in Central Kalimantan” in *Reflections on the Heart of Borneo* ed G. Persoon and M. Osseweijer, Wageningen Tropenbos International pp91-120
- Agrofarm 2015 “Agar perusahaan sawit sadar, kementan keluarkan permentan ISPO terbaru” 9 April 2015
- Aidenvironment 2014 “Fair company-community partnerships in palm oil development” Oxfam Discussion Papers
- Augustine, I. 2014 “96 perusahaan kelapa sawit di Kalteng akan dipantau...” industri.bisnis.com 27/08/14
- BPS [Badan Pusat Statistik] 2011 “Kewarganegaraan , Suku Bangsa, Agama dan Bahasa Sehari-hari Penduduk Indonesia” BPS Jakarta
- Boer R., D.R. Nurrochmat, M. Ardiansyah, Hariyadi, H. Purwawangsa and G. Ginting 2012 *Reducing agricultural expansion into forests in Central Kalimantan-Indonesia: analysis of implementation and financing gaps*. Center for Climate Risk and Opportunity Management, Bogor Agricultural University
- Borras, J, R. Hall, I. Schoones, B. White and W. Wolford 2011 “Towards a better understanding of global land grabbing: an editorial introduction” *The Journal of Peasant Studies* 38(2): 209-216
- Borras, J. and J. Franco 2012 ‘From threat to opportunity? Problems with the idea of a “Code of Conduct” for Land-Grabbing’ *Yale Human Rights and Development Law Journal* 13 (2):507-523
- Colchester M., N. Jiwan, P. Anderson, A. Darussamin, A. Kiky 2011 *Securing High Conservation Values in Central Kalimantan: Report of the Field Investigation in Central Kalimantan of the RSPO Ad Hoc Working Group on High Conservation Values in Indonesia*
- Deiniger, K. and D. Byerlee, with J. Lindsay, A. Norton, H. Selod and M. Stickler 2010 *Rising Global Interest in Farmland: Can it yield sustainable and equitable benefits?* The World Bank Washington DC
- Dinas Perkebunan (Disbun) Pemerintah Provinsi Kalimantan Tengah 2011 “Daftar Alamat Perkebunan Besar yang sudah operasional di Provinsi Kalimantan Tengah per Januari 2011”
- Dinas Perkebunan (Disbun) Pemerintah Provinsi Kalimantan Tengah 2015 *Perkembangan Usaha Perkebunan Besar Clear and Clean (Telah memiliki Izin Pelepasan Kawasan Hutan dan/atau Hak Guna Usaha) Provinsi Kalimantan Tengah Posisi 31 Desember 2014*
- Dinas Perkebunan [Disbun] Provinsi Jambi 2014 *Pemerintah Provinsi Jambi Statistik Perkebunan*

- Tahun 2013*, Kota Jambi, August 2014
- Dinas Perkebunan [Disbun] Pemerintah Provinsi Riau 2014 *Statistik Perkebunan Provinsi Riau 2013*
- DirJen [Direktorat Jenderal] Perkebunan 2014 *Statistik Perkebunan Indonesia: 2013-2015 Kelapa Sawit*, Jakarta Desember 2014
- Edelman, M. 2013 “Messy hectares: questions about the epistemology of land grabbing data” *The Journal of Peasant Studies* 40(3): 485-501
- EIA 2014 *Permitting Crime: How Palm Oil Expansion drives Illegal Logging in Indonesia* EIA UK December 2014
- Ekadinata A., M. van Noordwijk, S. Budidarsono and S. Dewi 2013 *Hot Spots in Riau, haze in Singapore: the June 2013 event analysed* ASB Policy Brief No 33. Nairobi: ASB Partnership for the Tropical Forest Margins
- Eyes on the Forest 2014a ‘April clears high conservation value forest in Sumatra’s Kampar Peninsula, as it breaks its own commitment’ Investigation Report April 2014
- Eyes on the Forest 2014b ‘Penghancuran berlanjut oleh APRIL/RGE: operasi PT RAPP melanggar hukum dan kebijakan lestarnya di Pulau Padang, Riau’ Laporan Investigasi Eyes on the Forest: Laporan pengaduan kepada Komits Penasihat Parapemangku APRIL pada 20 November 2014
- Gaveau, D. and Salim M. 2013 “New data on June fires generate important insights” CIFOR News Blog 2 July 2013
- Gaveau, D. , M. Salim, K. Hergoualc’h, B. Locatelli, S. Sloan, M. Wooster, M. Marlier, E. Molidena, H.Yaen, R. DeFries, L. Verchot, D. Murdiyarso, R. Nasi, P. Holmgren, D. Sheil 2014 “Major atmospheric emissions from peat fires in Southeast Asia during non-drought years: evidence from the 2013 Sumatran fires”. *Nature.com, Scientific reports* 4 Article 6112
- Gillison, A.2001 *Vegetation Survey and Habitat Assessment of the Tesso Nilo Forest Complex: Pekanbaru, Riau Province, Sumatra, Indonesia*, Report prepared for WWF-US
- Gnych, S. and Wells P. 2014 *Land Use in Central Kalimantan: Combining development and sustainability goals for land optimization*. Also with Franklin, N., Glenday, S., Limberg, G., Paoli, G., Resosudarmo, D.P., Schweithelm, J. and Suryadi, I. CIFOR and the Forests Dialogue: food, Fuel, Fiber and Forests.
- GoRiau* 2015a “Sertifikasi ISPO untuk petani swadaya di Riau dimulai” *GoRiau*, Pekanbaru 26/01/2015
- GoRiau* 2015b “UNDP, Dirjenbun dan Disbun Riau survei sertifikasi ISPO Petani Swadaya” *GoRiau* Pekanbaru 11/02/2015
- Greenpeace 2008 “*How Unilever Palm Oil Suppliers are Burning Up Borneo*”, Amsterdam: Greenpeace International
- Greenpeace 2013 “Certifying Destruction: Why consumer companies need to go beyond the RSPO to stop forest destruction” Amsterdam: Greenpeace International September 2013
- Gurudam 12.Co 2013 “Hukum tak berdaya atas pemodal besar di TNTN” March 12 2013
- Istihanah 2014 “Petani swadaya sebagai wujud pembangunan berkelanjutan di Kalteng” <http://swa.co.id/business-strategy/petani-swadaya-sebagai-wujud-pembangunan-berkelanjutan-di-kalteng>
- Kalimantan Tengah Dalam Angka* 2014, Palangkaraya Kalimantan Tengah
- Kalteng Pos* 2006 “Pencemaran Danau Rambania oleh PT Agro Indomas” 6 May 2006
- Karana, W. 2013 ‘Kalimantan Tengah Moratorium Transmigrasi’ *Tempo.co* 12/2/ 13
- Larsen R.K., M. Osbeck, N. Jiwan, A. Rompas, J. Nito and A. Tarigan 2012 *Competing Water Claims in Biofuel Feedstock Operations in Central Kalimantan*. Stockholm Environment Institute, Working Paper 2012-6
- Lee J.S.H., S. Abood, J. Ghazoul, B. Barus, K. Obidzinski and L P. Koh 2013 “Environmental impacts of large-scale oil palm enterprises exceed that of smallholdings in Indonesia “ *Conservation*



*Letters* 0 (2013): 1-9

- Lee, J. S.H., J. Ghazoul, K. Obidzinski and L.P. Koh 2014 "Oil palm yields and incomes constrained by harvesting practices and type of smallholder management in Indonesia" *Agronomy for Sustainable Development* 34 (2):501-513
- Li, T.M. 2011 "Centring labor in the land grab debate" *Journal of Peasant Studies* 38 (2):281-298
- McCarthy, J. 2010 "Processes of inclusion and adverse incorporation: oil palm and agrarian change in Sumatra, Indonesia" *Journal of Peasant Studies* 37 (4): 821-850
- McCarthy, J. 2012 "Certifying in contested spaces: private regulation in Indonesian forestry and palm oil" *Third World Quarterly* 33 (10) :1871-1888
- McCarthy, J. 2013 'Tenure and Transformation in Central Kalimantan: After the "Million Hectare" Project' in *Land for the People :the State and Agrarian Conflict in Indonesia* eds A. Lucas and C.Warren. Ohio University Research in International Studies: Southeast Asia Series No 126; Athens: Ohio University Press pp 183-214
- Molenaar J., M. Persch-Orth, S. Lord, C. Taylor, J. Harms 2013 *Diagnostic study on Indonesian Oil Palm Smallholders: developing a better understanding of their performance and potential*. Commissioned by the IFC, September 2013 Aidenvironment, Global Sustainability Associates, Triodos Facet
- Nagata, J. and Arai, S. 2013 "Evolutionary change in the oil palm plantation sector in Riau province, Sumatra" in *The Palm Oil Controversy in Southeast Asia : A Transnational Perspective* ed O. Pye and J. Bhattacharya. Singapore: Institute of Southeast Asian Studies, pp76-96
- Oya C. 2013 "Methodological reflections on 'land grab' databases and the 'land grab' literature 'rush'" *The Journal of Peasant Studies* 40 (3): 503-520
- Palupi ,Sri., P. Prasetyohadi , C. Pahun, A. Kusni, K. Sulang, J. Jenito, D. Warnadi 2014 *Industri Perkebunan Sawit dan Hak Asasi Manusia: Potret Pelaksanaan Tanggung Jawab Pemerintah dan Korporasi terhadap Hak Asasi Manusia di Kalimantan Tengah*. Jakarta : The Institute for Ecosoc Rights (also published in English as *Oil Palm Industry and Human Rights: A Case study on Oil Palm Corporations in Central Kalimantan*)
- Potter, L. 1993 "Banjarese in and beyond the Hulu Sungai. A study in cultural independence, economic opportunity and mobility" in Lindblad, J.T., ed *New Challenges in the Modern Economic History of Indonesia: Proceedings of the First Conference in Indonesia's Modern Economic History*, Bureau of Indonesian Studies, University of Leiden, 264-298 (also in Indonesian).
- Potter, L. and S. Badcock 2001 *The effects of Indonesia's Decentralisation on Forests and Estate Crops in Riau Province: Case studies of the Original Districts of Kampar and Indragiri Hulu* Case Studies 6 and 7, Center for International Forestry Research (CIFOR), Bogor, Indonesia
- Potter, L. 2011 "Agrarian Transitions in Kalimantan: Characteristics, limitations and accommodations" in *Borneo Transformed: Agricultural Expansion on the Southeast Asian Frontier* eds R. de Koninck, S. Bernard and J.F. Bissonnette 2011 Singapore, NUS Press, pp152-202
- Potter, L. 2012 "New transmigration 'Paradigm' in Indonesia: Examples from Kalimantan" *Asia Pacific Viewpoint*, 53 (3): 272-287 Special Issue *Oil Palm and Rural Livelihoods in the Asia-Pacific Region*
- Rasyid, M. 2014 'Penebangan Hutan Alam di Riau, buruk rupa tata kelola kehutanan Indonesia ' Muslim Rashid, Kordinator Jikalauhari 02 January 2014.
- Rompas, A. "Penglolahan Gambut dan Konflik Agraria di Kalimantan Tengah" Powerpoint presentation Palangkaraya 6 Maret 2015, WALHI Kalimantan Tengah
- 'Save Our Borneo' (undated) "Daftar perusahaan Grup WILMAR Internaional di Kalimantan Tengah"
- Saturi, S. 2014 "Tuntut lahan, ratusan warga desa blokir jalan ke kebun sawit" [mongabay.co.id](http://mongabay.co.id) February 9 2014
- Silalahi, M. 2014 'Pemetaan Konflik dam upaya penyelesaian di Hutan Harapan Jambi-Sumatera

- Selatan' report to Burung Indonesia (Birdlife Indonesia)
- Silalahi, M. and Erwin, D. 2015 'Collaborative Conflict Management on Ecosystem Restoration Concession : lessons Learnt from Harapan Rainforest Jambi-South Sumatra- Indonesia' *Forest Research* 4(1)134.doi:10.4172/21689776.1000134 (9pp)
- Sime Darby *Sustainability Report 2014*
- Sinaga H. 2013 'Employment and income of workers on Indonesian oil palm plantations: food crisis at the micro level' *Future of Food: Journal of Food, Agriculture and Society* 1 (2): 64-75
- Soeminta, D. 2011 *TUV Rheinland: Roundtable on Sustainable Palm Oil Public Summary Report. Report No 117292 Certification Assessment against the RSPO Principles and Criteria Indonesia National Initiative 2008. Wilmar International Limited PT Kerry Sawit Indonesia* . Report prepared by Dian S. Soeminta
- Supriyatno, B. 2010 "12 perusahaan sawit diduga Langgar HAM. Komnas HAM didesak membentuk tim pencari fakta pelanggaran HAM yang dilakukan perusahaan kelapa sawit"
- Tarigan, A. 2015 "Perencanaan pemerintah dalam pengelolaan hutan dan lahan gambut serta perlindungan wilaya kelola masyarakat di Kalimantan Tengah" Powerpoint presentation Palangkaraya, 6 Maret 2015, WALHI Jakarta
- TheSundaily* June 2013a "Palm oil companies behind Singapore smog: Greenpeace" AFP 22 June 2013
- TheSundaily* June 2013b "Malaysian companies not at fault for open burning: Apimi" Bernama 24 June 2013
- Wilmar International 2013 "No deforestation, No Peat, No Exploitation Policy"
- WWF 2013 'Palming off a National Park: Tracking illegal oil palm fruit in Riau, Sumatra'. WWF Indonesia.

## Land grabbing, conflict and agrarian-environmental transformations: perspectives from East and Southeast

---

An international academic conference  
5-6 June 2015, Chiang Mai University

### International Conference Paper Series

The purpose of the 2015 Chiang Mai conference is to contribute to *deepening* and *broadening* of our understanding of global land deals, resource conflict and agrarian-environmental transformations – in the specific regional context of Southeast and East Asia, with special attention to climate change mitigation and adaptation policies as well as the role of China and other middle income countries (MICs) within the region.

The Conference Paper Series aims to generate vibrant discussion around these issues in the build up towards the June 2015 conference – and beyond. We will keep these papers accessible through the websites of the main organizers before, during and after the conference.

### About the Author

Associate Professor **Lesley Potter** is a Visiting Fellow with the 'Resources, Environment and Development Group' in the Crawford School of Public Policy, ANU College of Asia and the Pacific, Australian National University, Canberra, Australia. email: [lesley.potter@anu.edu.au](mailto:lesley.potter@anu.edu.au)