

Jurisdiction-Based Certification Working Group Minutes of Meeting

Jakarta, 29 May 2015

Participants:

1. Head of the Central Kalimantan Province's Plantation Office
2. Head of the Central Kalimantan Province's Environmental Agency
3. Head of the Infrastructure Division of the Central Kalimantan Province's Plantation Office
4. Head of the Kotawaringin Barat District's Plantation Office
5. Head of the Seruyan District's Forestry and Plantation Office
6. Head of the Gunung Mas District's Agriculture and Plantation Office
7. Head of the Legal Bureau of the Central Kalimantan Province's Regional Secretariat
8. Head of the Production Division of the Central Kalimantan Province's Forestry Office
9. Secretary of the Central Kalimantan Province's Agrarian and Spatial Planning Regional Office
10. Head of the Infrastructure Division of the Gunung Mas District's Agriculture and Plantation Office
11. Executing Members of the Seruyan District's Plantation Office
12. Executing Members of the Kotawaringin Barat District's Plantation Office
13. Secretary of the Central Kalimantan Province BPMDP
14. National Gapki
15. Central Kalimantan Branch Gapki
16. Astra Agro Lestari Group
17. SMART Group
18. Musim Mas Group
19. Medco Agro
20. Makin Group
21. Triputra Agro Plantation Group
22. Kuala Lumpur Kepong Group
23. Bumitama Gunajaya Agro Group
24. Sampoerna Group
25. Goodhope Group
26. Wilmar Group
27. Citra Borneo Indah Group
28. PT Kalimantan Sawit Kusuma
29. Cipta Plantation Group
30. EagleHigh Group (formerly BW Plantation Group)
31. Central Kalimantan Indigenous Dayak Council
32. Kemitraaan
33. Earth Innovation Institute (INOBU)

Points of the Minutes:

1. Opening:
 - a. Head of the Central Kalimantan Province's Plantation Office (Ir. Rawing Rambang, MP)
 - i. The Governor of Central Kalimantan is committed to achieving sustainability in the entire Province. He launched a roadmap in May 2013 to accelerate the implementation of Provincial Regulation 5/2011 on Sustainable Plantation Development. The Roadmap focuses on the goal of reducing deforestation to 80% below the 2006-2009 level by 2020, eliminating deforestation from the province's palm oil sector and increasing

- smallholders' participation in the province's palm oil industry from 11% to 20% of annual production.
- ii. To facilitate the implementation of the sustainable Palm Oil Development Roadmap, the Governor of Central Kalimantan has established a Jurisdiction-Based Palm Oil Certification Working Group. Through this Working Group, government stakeholders and businesses may discuss and agree on further steps to accelerate the implementation of the Sustainable Palm Oil Development Roadmap in Central Kalimantan.
 - iii. At this first Working Group meeting, the Provincial and District Governments wished to hear and seek constructive inputs from the audience on how the Provincial Government of Central Kalimantan could help create sustainable operations of palm oil estates and industry.
- b. Head of the Kotawaringin Barat District's Plantation Office (Ir. Kamaluddin, M.Si)
- i. Kotawaringin Barat has been a pilot district to consistently implement the Governor's Roadmap towards sustainable rural development focusing on palm oil commodities and has made an excellent response to the Gubernatorial Decree on the formation of a Working Group on Jurisdiction-Based Palm Oil Certification.
 - ii. The Working Group is an appropriate forum for intensive communication in identifying potential challenges and opportunities to reduce risks about which the market is worried such as deforestation, social conflicts and greenhouse gas emissions.
 - iii. One key issue is the participation of independent palm oil smallholders in a sustainable palm oil supply chain. In this connection, the District Government of Kotawaringin Barat is now mapping some 370 independent smallholders in an area of more than 1,000 ha. The target is to complete the mapping of all independent smallholders in the District in the next few years. We hope that planters and manufacturers would also support the mapping process. Further, we will also pilot the certification of independent smallholders based on ISPO and RSPO standards.
- c. Head of the Seruyan District's Forestry and Plantation Office (Budi Purwanto, SP, M.Si)
- i. Seruyan District is ready to actively participate in the Jurisdiction-Based Palm Oil Certification Working Group to ensure that oil palm products are sustainable.
 - ii. Some companies in the District have obtained certification from RSPO and are in the process of obtaining ISPO. They are Wilmar, Sinar Mas and Triputra.
 - iii. We think that the Working Group may serve as an intensive discussion forum to seek opportunities for cooperation and respond to challenges of achieving sustainability in palm oil plantations between the district government, private large plantations, indigenous peoples and smallholders, particularly independent smallholders.
 - iv. In relation to smallholders, we are now mapping independent smallholders, and, so far, more than 100 smallholders have been mapped in Seruyan. After completion of the mapping, we will accelerate the issuance of cultivation registration certificates to enter the next step of a certification process. For smallholder farmers who operate around forest areas, we will consider the possibility of registering their lands based on a Joint Decree of

Four Ministers. We hope that in the future Large-Scale Plantations will help and support the mapping and empowerment of independent smallholders in the Seruyan District.

- d. Head of the Gunung Mas District's Agriculture and Plantation Office (Ir. Lethus Guntur)
 - i. Like other districts, Gunung Mas District is very supportive of the establishment of a Jurisdiction-Based Certification Working Group and is ready to support the implementation of sustainable palm oil plantation schemes.
 - ii. Currently, some large plantations in the District have received certification from RSPO and are in the process of obtaining ISPO certification, such as Sinar Mas.
 - iii. Gunung Mas District is also very supportive of smallholder empowerment and now at the District level, a palm oil farmer association has been formed. The District is also preparing a regulation to stipulate that at least 2 or 3 hectares of land per household are allocated by large plantations to their plasma schemes.
 - iv. It is expected that good and active communication between the District Government and stakeholders in the palm oil industry, particularly large plantations, indigenous peoples and farmers will take place, particularly through the Working Group.
2. Presentation: Jurisdiction-level certification by Joko Arif of Earth Innovation Institute (INOBU)
3. Structured discussion: Responses to the formation of the Working Group
 - a. Dr. Darma M. Nasir, SE, M.Si of the Indigenous Dayak Council (DAD)
 - i. DAD is principally supportive of setting up a Jurisdiction-based Palm Oil Certification Working Group. The Working Group is expected to effectively facilitate communication and solutions to problems and challenges in the implementation of sustainable palm oil plantations among all stakeholders. Yet, there remain many to be discussed in detail concerning the jurisdiction-based certification, e.g. what agency will issue certificates.
 - ii. To date, many problems in the field have arisen from the lack of synchronous regulations at the national level, e.g. between Forestry Law and Spatial Planning Law. This is also a major challenge of future efforts to be made by the Working Group, and appropriate solutions should be devised.
 - iii. DAD is ready to cooperate with companies in addressing issues related to spatial planning and land use for farmers and indigenous peoples through the implementation of Joint Decree of the 4 Ministers No.79 Year 2014. Moreover, DAD also hopes that companies will work together to promote the implementation of decision of the Constitutional Court no. 35 concerning Indigenous Forests.
 - b. Dr. Sumarno of PT. Kalimantan Sawit Kusuma (PT. KSK)
 - i. It is a good idea for Mr. Governor to set up this Working Group to help companies implement the ISPO certification in Central Kalimantan where only 9 companies have been certified so far. Because of the importance of ISPO to be met, support from Provincial and District Governments is most desirable. For this purpose, it is suggested that existing issues should be

- reviewed, including obstacles and challenges for companies to obtain ISP certification, to inform future action plans of the Working Group.
- ii. In addition, the Working Group should have a formal structure or organization. Our input is that the Working Group should have a structure based on the 7 ISPO principles and have some units at the district level.
- c. Mr. Riyanto of National GAPKI
 - i. Supports the establishment of a Working Group expected to increase the participation and support of Provincial and District Governments in ISPO certification because this certification should not only be imposed on businesses.
 - ii. Deforestation issues should be related to existing laws and regulations.
 - iii. As regards the issues of independent smallholder plantations sometimes located in forest areas, it is expected that they could be addressed by this Working Group, especially if they are related to the requirements of companies for obtaining ISPO certification.
 - d. Mr. Andi Kiki of Kemitraan
 - i. Supports the formation of a Working Group by Mr. Governor, especially to help provide solutions to social conflicts as directed by Gubernatorial Regulation No. 2
 - ii. A technical team should be created in the Working Group's structure to prepare work plans, documents and inputs for approval by the Working Group.
 - e. Drs. Sabarudin of the Central Kalimantan BPN Regional Office
 - i. It is also important for the Working Group to discuss the issue of land availability especially closely related to independent smallholders.
 - ii. As regards the implementation of the joint decree of 4 Ministers through Inventorying of Land Tenure, Ownership, Use and Utilization (IP4T), the process is now underway with the Budget Execution Document (DIPA) 2015 for 9,000 pieces of land. The process is expected to minimize social conflicts arising from overlapping land uses.
4. Closing: Head of the Central Kalimantan Plantation Office
- a. The Working Group's meeting took place well and inputs given were recorded in minutes for follow-up. The minutes will be sent to each member of the Working Group and presented to the Governor as a report.
 - b. The Provincial and District Plantation Offices will follow up the inputs to develop an organizational structure for the Working Group.
 - c. The Provincial and District Plantation Offices in cooperation with EII will seek inputs from each member of the Working Group into a meeting plan for next 2 months.
 - d. The input given at this meeting will be discussed at the next meeting.
 - e. EII will consult the Government representatives to discuss the inputs.
 - f. EII wishes to have a person-to-person conversation with plantation companies for more detailed inputs.
 - g. The establishment of the Jurisdiction-based palm oil certification Working Group will be appointed by Central Kalimantan Governor Decision Letter

Jakarta, May 29th 2015

Acknowledged by:

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TRANSLATOR'S STATEMENT:

This document is translated accurately and consistently from Indonesian into English.
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Sworn Translator