

**Working Group on Jurisdictional Certification of Palm Oil**  
**Minutes of Meeting**  
**Jakarta, 11 March 2016**

Participants:

1. Director for Food and Agriculture of the Ministry of National Development Planning (PPN) /Bappenas
2. Expert Staff of the Director for Perennial Crops of the Director-General for Plantation of the Ministry of Agriculture
3. Indonesian Sustainable Palm Oil (ISPO)
4. Head of Central Kalimantan Provincial Plantation Office
5. Head of Infrastructure Department of the Central Kalimantan Provincial Plantation Office
6. Head of Legal Bureau of the Central Kalimantan Provincial Secretariat
7. Head of Production Department of the Central Kalimantan Provincial Office
8. Secretary of Agrarian and Spatial Planning Regional Office of the Province of Central Kalimantan
9. Secretary of Central Kalimantan Provincial BPMDP
10. Head of West Kotawaringing District Plantation Office
11. Head of Seruyan District Forestry and Plantation Office
12. Head of Gunung Mas District Agriculture and Plantation Office
13. Head of Infrastructure Department of the Gunung Mas District Agriculture and Plantation Office
14. Executives of West Kotawaringin District Plantation Office
15. Executives of Seruyan District Plantation Office
16. Central Kalimantan *Adat Dayak* Council
17. National Gapki
18. Central Kalimantan Branch Gapki
19. Astra Agro Lestari Group
20. SMART Group
21. Mulya Sawit Agro Lestari
22. Musim Mas Group
23. Medco Agro Group
24. Makin Group
25. Triputra Agro Plantation Group
26. Kuala Lumpur Kepong Group
27. Bumitama Gunajaya Agro Group
28. Sampoerna Group
29. Goodhope Group
30. Wilmar Group
31. Citra Borneo Indah Group
32. Minamas Plantation
33. PT Kalimantan Sawit Kusuma
34. Cipta Plantation Group
35. Eagle High Group (d/h BW Plantation)
36. Best Group
37. Sawit Sumbermas Sarana

38. Aliansi Masyarakat Adat Nusantara (AMAN), Central Kalimantan
39. Kemitraaan (Partnership)
40. Roundtable on Sustainable Palm Oil (RSPO)
41. Earth Innovation Institute (INOBU)

Issues Raised:

1. Opening by Head of Central Kalimantan Provincial Plantation Office, Ir. Rawing Rambang, MP
  - a. The Province of Central Kalimantan is committed to province-wide sustainability. To implement Provincial Regulation (Perda) No. 5/2011, a road map was launched in May 2013 to accelerate sustainable development in Central Kalimantan.
  - b. To support the implementation of the Road Map for Sustainable Palm Oil Development, the Central Kalimantan Governor established a Working Group on Jurisdictional Certification of Palm Oil as set out in his Decree No. 188.44/435/2015. Through the Working Group, stakeholders, the government and companies may discuss and agree on steps to be taken to accelerate the implementation of sustainability certification in Central Kalimantan. It is targeted that all palm oil plantations in Central Kalimantan will have been certified as sustainable by 2019.
  - c. The first meeting of the Working Group announced cooperation between the Provincial Government and pilot districts and *Yayasan Penelitian Inovasi Bumi* (INOBU) in mapping independent palm oil smallholders and developing an online monitoring system. The cooperation is a major part of sustainable plantation development in Central Kalimantan and will be exposed to and inform this discussion. Stakeholders, particularly companies, are targeted to support the ongoing initiatives and cooperation in pilot districts of Seruyan and West Kotawaringin, and starting this year, in Gunung Mas.
2. Speech of Head of the ISPO Commission, Dr. Ir. Herdrajat Natawidjaja, M.Sc
  - a. At present, some organizations are cooperating with the Government, particularly local governments, in supporting sustainable plantation development, particularly for smallholders. In addition to mapping by INOBU since late 2014 in Central Kalimantan, there are other initiatives, e.g. one taken by IDH in the Province of South Sumatra. The Ministry of Agriculture itself cooperates with UNDP in strengthening palm oil smallholders to achieve sustainability.
  - b. The mapping in some pilot districts promoted by the Central Kalimantan Provincial Government is directed to help clarify the status of smallholders' land. To date, smallholders have not had clear information on the status of their land and the mapping is a solution. The mapping and cooperation with districts governments, BPN or Land Offices will promote legalization through an IP4T process if they are within forest areas. Support from the District Head becomes important.

- c. Companies are subject to ISP certification. To date, 149 companies and 6 tons of CPO have been ISPO-certified across 1.2 million hectares out of the total 11 million hectares of palm oil land in Indonesia. ISPO certification for companies is taking place but not for farmers.
  - d. Companies are required to support smallholders, not otherwise. About 42% of land belongs to smallholders and, in the future, district governments should also support the issuance of Documents of Certificate for Cultivation (STDB) and Letter of Commitment to Environmental Management and Monitoring (SPPL), which will be issued after lands and cultivation methods are certified as clean and clear. Therefore, the mapping is very important.
  - e. The smallholder mapping should become a national action proposed to Bappenas to be part of planning.
3. Presentations given by Joko Arif and Mr. Danny of INOBU
- a. INOBU was asked by the Central Kalimantan Provincial Government to help facilitate meetings of the Working Group on Jurisdictional Certification in the Province of Central Kalimantan. In addition to accelerating sustainable development by targeting all smallholdings to be certified as sustainable by 2019, the Central Kalimantan Provincial Working Group intends to pilot an approach to jurisdictional certification. The eventual object of certification will be jurisdiction, in this case for example, at the district level. To date, 2 pilot districts are implementing this approach. They are Seruyan and West Kotawaringin.
  - b. One major obstacle to developing a sustainable plantation is the absence of data particularly on independent smallholders. For that purpose, INOBU helps map smallholders in the pilot districts in addition to giving legalization and empowerment support at the district level. The resulting data is consolidated in the online plantation monitoring system (SISMONIP).
  - c. The current monitoring system is still in a pilot beta version. In the monitoring system, the government can integrate PBS data with data on plasma and independent smallholders and data from Plantation Business Assessments (PUP). This monitoring system is also designed to monitor deforestation and land fires.
  - d. During its pilot stage, the monitoring system is accessible to the Central Kalimantan Provincial Government and districts in the province. The national government via its Ministry of Agriculture can also access the system for supervision. In the future, the private sector and the public will be given limited access to the system.
4. Responses from Bappenas' Director for Food and Agriculture, Ir. Nono Rusono, PG.Dip.Agr.Sci,Msi
- a. Bappenas strongly supports the ongoing cooperation between the Central Kalimantan Provincial Government and INOBU, particularly in mapping independent palm oil smallholders.
  - b. The Working Group is expected to develop an action plan and implement it and prepare an Exit Strategy and capacity building for local governments because INOBU may not help forever.

- c. It is very strategic to connect the smallholder mapping with the monitoring system and IP4T mechanism and Bappenas will promote the initiative on a larger scale.
  - d. Companies and the public also need to have access, though limited, to the monitoring system.
5. Structured discussions:
- a. Head of Seruyan District Forestry and Plantation Office (Budi Purwanto, SP, M.Si)
    - i. The Working Group is a suitable forum to communicate intensively and identify challenges and opportunities to reduce risks feared by the market, including deforestation, social conflicts and greenhouse gas emissions.
    - ii. One major issue is the participation of independent palm oil smallholders in a sustainable supply chain. For this year, the district's target is to map all independent palm oil smallholders in Seruyan, with an estimate of 5,700 smallholders having 12,000 hectares of land. The next targets will help legalize smallholders' land and cultivation by giving STDB and SPPL through the IP4T mechanism.
    - iii. In support of the implementation of an approach to jurisdictional certification, the Seruyan District with its Head's decree has established a Working Group on District Jurisdiction Certification.
    - iv. Problems over the mapping of smallholders' lands related to the spatial plan cannot be solved only by the District. Support from the province is also necessary, including some important steps. For example, the conversion of area functions lies with the Province before going up to the national level.
  - b. Head of Gunung Mas District Agriculture and Plantation Office (Ir. Lethus Guntur)
    - i. The IP4T Team is not established yet although the team is much needed to help smallholders in an area. Further coordination is needed with the national land agency (BPN) in this case.
    - ii. There are 23 PBS in Gunung Mas. Independent smallholders grow but are not mapped yet. Therefore, the Gunung Mas District strongly supports collaboration with INOBU who will start farmer mapping in May.
  - c. Head of West Kotawaringin District Plantation Office, Ir. Kamaludin, M.Si
    - i. As a pilot district for jurisdictional certification, West Kotawaringin has mapped more than 1,000 independent smallholders and is now implementing ISPO and RSPO certification projects for 1 village. The district is also committed to support land legalization and cultivation by issuing STDB and SPPL and pursuing an IP4T process.
    - ii. In the future, palm oil smallholders, particularly independent smallholders should be assisted in improving their standards to

- successfully achieve ISPO or RSPO certification in order to keep up with the supply chain in sustainable development.
- iii. With mapping and empowerment, smallholders will have continuous access to the market to sell their fruits and get an assurance that they will obtain the best prices from mills. The program is very important socially and economically.
  - iv. It is expected that, with jurisdictional certification, the whole palm oil produced and going out of the West Kotawaringin District will be trusted by the market as sustainable palm oil and add economic, social and environmental value.
- d. PT SSS, Mr. Rudi Hendarto
- i. He supports collaboration through the Working Group and expects that the future role of each stakeholder can be defined more clearly, particularly that of companies.
  - ii. The targets of sustainability certification for both ISPO and RSPO by 2019 should be established and the term jurisdictional certification should be defined more specifically.
- e. AMAN, Mr. Simpun Sampurna
- i. He supports smallholder mapping for clarity in the field.
  - ii. There already exists the basis for recognizing rights. What is important now is the field process in coordination with all parties.
  - iii. One spatial issue is concerned with overlapping land uses. A solution should be found in cooperation with stakeholders in order that smallholders and indigenous people will get an assurance about their land status.
- f. Wilmar, Mr. Muhammad Syafei
- i. One major obstacle to jurisdictional certification is land legality particularly related to spatial overlap.
  - ii. There should be legal certainty particularly in buying fruit from smallholders categorized as encroaching upon forest areas although they have been there for a long time.
- g. Central Kalimantan GAPKI, Mr. Halind Ardi
- i. He supports a collaboration between the Provincial and District Governments in Central Kalimantan and INOBU, particularly in smallholder mapping to collect data.
  - ii. One major problem in sustainable plantation development is a spatial plan. The collection of smallholder data may inform the proposal for revising Local Regulation (Perda) No. 5/2015 often leading to overlapping land uses.
  - iii. The IP4T mechanism needs to be clarified, whether applications can be made only by the community or also by PBS. This is related to problems with the allocation of land for plasma smallholders.
  - iv. In the future, this jurisdictional certification initiative may be linked to environmental licensing.

6. Responses in the discussions:

- a. Head of Central Kalimantan Provincial Plantation Office, Ir. Rawing Rambang, MP
  - i. The certification target is ISPO for PBS in 2019. Many farmer groups are expected to have been ISPO-certified. RSPO certification is the responsibility of companies who are RSPO members.
  - ii. From stakeholders' responses, it will be very important to engage the Ministry of Environment and Forestry in multi-stakeholder discussions and the Working Group's meetings. This is particularly related to address the issues of overlapping land uses, legal certainty and IP4T process. One major challenge of plasma smallholding development in Central Kalimantan is overlap between smallholders' land uses and forest areas although they have lived there for a long time.
- b. ISPO Commission Leader, Dr. Ir. Herdrajat Natawidjaja, M.Sc
  - i. ISPO certification is mandatory for companies and one key part is legality. This provision is defined by Regulation of the Minister of Agriculture 11/2015. ISPO certification is also mandatory for plasma smallholders.
  - ii. He supports the engagement of the Ministry of Environment and Forestry in discussions and meetings of the Working Group because those other than smallholders and communities also have land-related problems in Central Kalimantan. Some areas of land with legal status as HGU (legally cultivable land) and ISPO-certified appear to be included later as forest areas in a new spatial plan.
  - iii. In ISPO certification, not only do companies or local governments play a role but third parties as well. This is where INOBU plays a role. INOBU's mapping will provide a gate into the issuance of Certificates for Land Cultivation (STDB) and Letters of Commitment to Environmental Management and Monitoring (SPPL) and the IP4T process. Unless farmers' status is made clear, their palm oil will be continually considered illegal. He supports the initiative from the beginning because INOBU has made smallholders, local governments and the private sector sit at the same table.
- c. Bappenas' Director for Food and Agriculture, Mr. Ir. Nono Rusono, PG.Dip.Agr.Sci,Msi
  - i. The status of forest areas is converted into cultivation areas is set forth in the Agricultural Minister's Regulation (Permenhut). And changes from smallholding areas to forest areas are also set forth in legal provisions. Indeed, data on farmers within forest areas is needed to go to a higher level.
  - ii. As regards IP4T implementation, further discussions are necessary particularly to ensure a quick and effective process.

- iii. There is a plan to revise Law No. 23 on Spatial Planning, which may provide a gate into improved spatial governance in Central Kalimantan and other parts of the country.

7. Closing: Head of Central Kalimantan Provincial Plantation Office, Ir. Rawing Rambang, MP

- a. The Province of Central Kalimantan will follow up the input from stakeholders into the development of a plantation monitoring system. What will be requested from companies is that they submit a plasma smallholder map to the province to be integrated into the monitoring system.
- b. The Province of Central Kalimantan will follow up the input to address the ongoing issue of spatial overlap after establishment of Provincial Regulation (Perda) No. 5/2015.
- c. The mapping of independent palm oil smallholders is an essential activity all parties, particularly companies, should support.

Jakarta, 11 March 2016

Known to:

Minutes Prepared by,

Ir. Rawing Rambang, MP  
NIP. 19601004 199003 1 004  
Junior Administrator

Lugikaeter, S.Hut, M.Si  
NIP. 19730122 199903 1 006