An example of conflict resolution efforts in Indonesia

Presentation by Sawit Watch
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Background

At the Roundtable in August 2003, Sawit Watch was asked to present a case on conflict resolution during RT2
Sawit Watch
Conflict resolution approach:

• Non-violence at any time
• Facilitate dialogue between communities and other stakeholders
  • Local and national government
  • Plantation company estate staff and CEOs
  • Market players, if necessary
• Introduce RSPO to communities and local government bodies

Constraints to conflict resolution in Indonesia

• Centralistic decision making by companies and government
• Sectoral decision making (BPN for land use, MoF for forest matters etc.)
• Frequent changes in management of the company
Type of social conflicts

- Primarily about access to land
- Involves community, plantation company and government bodies
- Often driving in “horizontal conflicts”: within community and community and workers
- Often resulting in violence

Case study
History

• Community requested Sawit Watch to assist in conflict resolution in 2000
• Conflict since 1974
• Involves 0.055% of company’s total estate area in Indonesia (165 hectares)
• Disputed land planted with oil palm, but remains un-utilized for several years now

Results so far

• Several official letters from the parliament calling on the company to return the land to the people.
• In 2001, an assessment by BPN (National Land Agency) determined 131 hectares belong to the community.
• In 2003, BPN promised to facilitate a meeting between the company, BPN and the community.
BPN’s consolidation efforts fail

• November 2003: BPN asked the community to develop land use plan, if the area be returned to them (*completed*)
• Since 2003, BPN sent three letters to the company, asking to settle the case with the community.
• February 2004: a dialogue between the company and community was held but after the community staged a demonstration in the disputed land

A bizarre response by the company

• The company refused to discuss with the community the return of the land.
• In April-May 2004, the company began to dig a 3x4 meter canal around the village, apparently an attempt to isolate the villagers from the disputed land
Reaching out to the market

• Considering the company’s actions, Sawit Watch reached out to its partners in Europe
• In the past few months, the community were copied 3,000 letters directed to President Megawati from all over the world, calling upon resolution of the case

New management, no change

• In 2004, the company’s management was replaced to form a ‘normal, transparent and open’ company.
• The company became a member of RSPO in 2004.
• However, no change in behaviour can be seen.
• The company informed BPN a month ago, it wants to settle the case in court
Lesson Learned

• Land conflicts are persistent
• The company has the power to intimidate the government
• The company must fear a domino effect when this case is settled. It shows how vulnerable plantation companies are to conflicts

The way forward

• A court case will not resolve the conflict, esp. if the company wins
• Without dialogue, we will need to ask the company’s ultimate investors (pension funds) and buyers in Europe to take action
• Sawit Watch renewed RSPO membership last week. The company is an RSPO member
• We hope to announce next year that the case has been permanently settled. What role will RSPO play?
Thank you

*Terima kasih*