

Voices from the Field



• Pramono,

Is an oil palm farmer from Ukui in Riau Province. He joined local smallholder association, Amanah, to partner with like-minded farmers and ultimately improve his yield.

Today Pramono is an RSPO and ISPO certified smallholder with an average yield of two tons of Fresh Fruit Bunches (FFB), per hectare, per month. The farmer admits that it's very difficult for smallholders to achieve certification without government, NGO and private sector support. He feels lucky to be one of the very few Indonesian farmers who has gained quality training through SPOI and became certified under ISPO.

"Unlike other smallholder farmers who have no support to achieve certification, our fruit is considered more transparent and we have better access to buyers."

Pramono



• Musdhalifah Machmud,

is the Deputy for Food and Agriculture at the Coordinating Ministry for Economic Affairs. She is also the Chair of the FoKSBI Steering Committee.

Musdhalifah Machmud knows how vast the Indonesian palm oil sector is. She understands the need for a platform to provide a neutral space for all stakeholders to come together and be active in solving the challenges faced by the Indonesian palm oil industry.

"There are a lot of stakeholders related to Indonesian palm oil, the challenges on the ground cannot be addressed by just one actor. All stakeholders, government, business actors, and NGOs have to work together. FoKSBI is needed to help us coordinate better and as a platform to communicate and to share information, to ensure the sustainability of Indonesian palm oil."



Through the Platform,

stakeholders are developing a National Action Plan designed to address some of the key barriers to sustainability.

"The National Action Plan will be a reference for all related stakeholders who want to support the development of Indonesian palm oil. This reference is very important because at times we take actions individually and might overlook a clear gap. This NAP will help us to move faster together towards a more sustainable Indonesian palm oil sector."

Musdhalifah Machmud

Supporting Partners



Indonesia: Sustainable Palm Oil At A Glance



MORE THAN 30 MILLION

Indonesia is the world's largest producer of palm oil, producing more than 30 million tons annually, with an estimated 12 million hectares under cultivation.



49 MILLION PEOPLE

49 million people, or 41% of the Indonesian labour force, are working in agriculture, with over 2 million directly employed by the palm oil industry, with many more receiving indirect economic benefits.



SMALL-SCALE FARMERS

Small-scale farmers manage roughly 40% of Indonesian oil palm plantations, but account for only 30% of the nation's palm oil output due to a combination of low-quality seeds, a lack of access to finance and poor farming techniques.

Sustainable Palm Oil Initiative

Set up in 2012, the Sustainable Palm Oil Initiative (SPOI) supports the Government of Indonesia to address key challenges across the nation's palm oil sector. This has included launching the first-ever government-led national palm oil platform, known as FoKSBI, which provides a space for different stakeholders to collaborate on solutions. Through this Platform, a widely supported National Action Plan (NAP) has now been developed to prioritise and coordinate activities aimed at improving the sector. To tailor solutions to specific areas, at the provincial and district levels, government-led multi-stakeholder platforms and action plans are now also underway. Meanwhile, in 2017, SPOI began implementing the Good Growth Partnership with hundreds of actors in government, farming, conservation, finance and business to put sustainability at the heart of global commodity supply chains.

What SPOI does

Facilitating government-led



multi-stakeholder dialogue and Action Plans at national and regional levels

- 1 National Platform, known as FoKSBI
- 3 Provincial Platforms
- 3 District Platforms

National Action Plan developed focusing on:

- Smallholder capacity building.
- Environmental management and monitoring.
- Governance and conflict mediation.
- ISPO certification and market access.

Empowering smallholders to gain training,



and better legal standing.

- Farmer Training Needs Assessment carried out.
- 1.2 million palm oil smallholders to be mapped through a national database system that SPOI is helping to facilitate.
- 1,500 smallholders directly trained, enabling them to gain ISPO certification, and demonstrating that it's possible.

Supporting the Indonesian Sustainable Palm Oil (ISPO)



standard to become globally recognised.

- 1 joint study to compare ISPO and RSPO
- 7 compliance criteria, including: supply chain traceability, social responsibility and farming business legality.

Working with the Government at all levels to



develop better laws and policies.

- Supporting the Government to identify, protect and manage 104 million Ha of potential Essential Ecosystem Area (KEE) across Indonesia.
- Connecting all levels of Government - national, district and provincial - to help transform policies into action.
- Through CSR regulation, making it mandatory for companies to partner with smallholders. The aim is to benefit 40,150 smallholders.

Sustainable Palm Oil and the National Action Plan in Indonesia

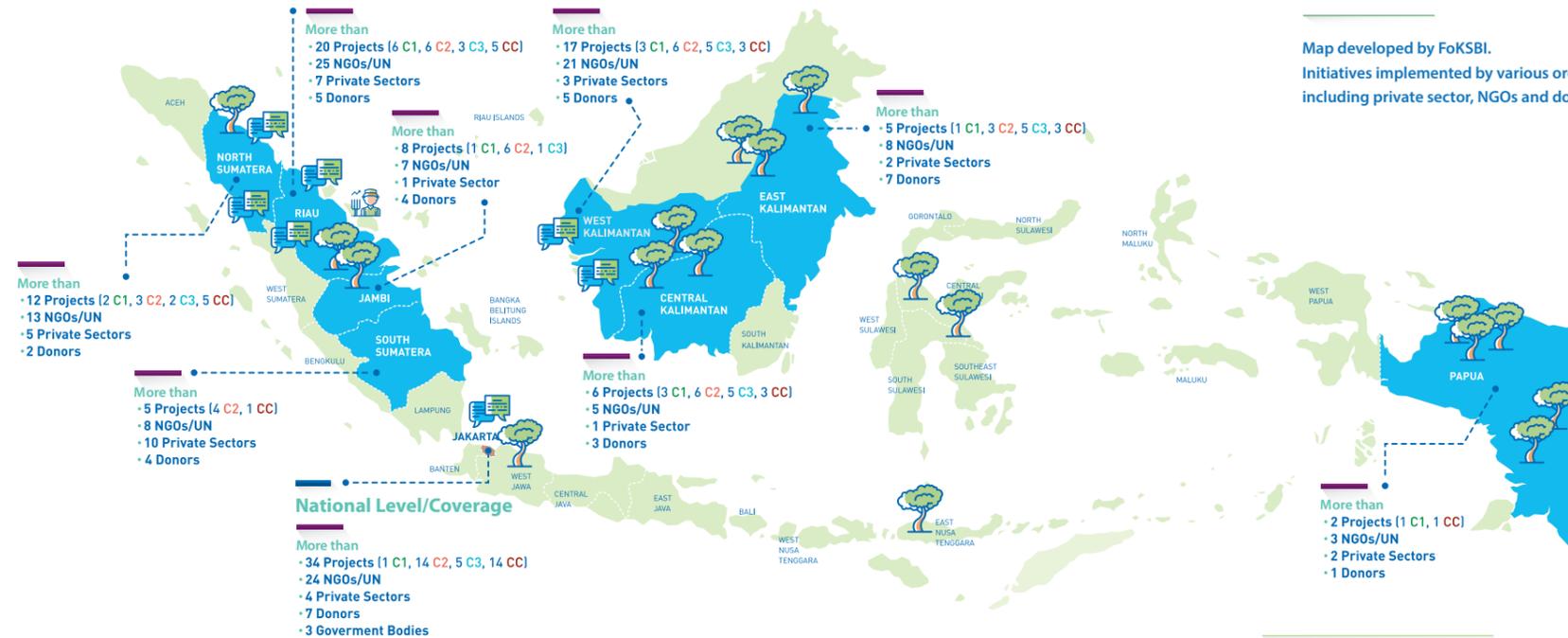
Where the government-led multi-stakeholder platforms supported by SPOI are active.

Where SPOI works with smallholders.

Where the essential ecosystems identified through SPOI are located.

NAP Components

- (C1) Capacity Building for Smallholders (15 projects)
- (C2) Environment Management and Monitoring (45 Projects)
- (C3) Governance and Conflict Mediation (16 Projects)
- (C4) ISPO and Market Access
- (CC) Cross Components (33 Projects)

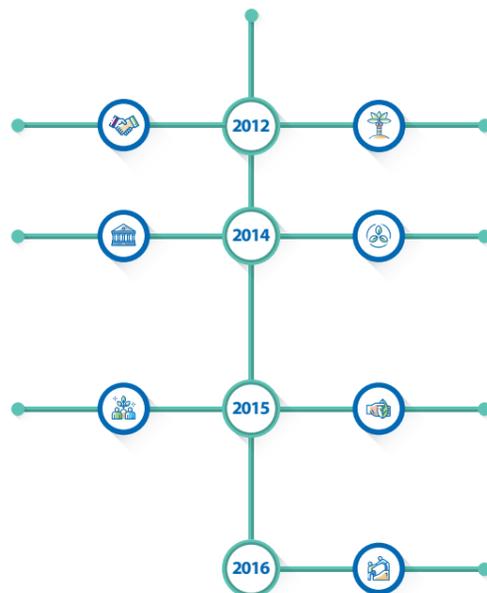


- 113 PROJECTS
- 73 NGOs/UN
- 25 PRIVATE SECTOR
- 14 DONORS
- 7 MAIN PROVINCES
- 31.100 SMALLHOLDERS

The Story so Far...

National & Global Milestones

- 2012: The Tropical Forest Alliance (TFA) 2020, a global public-private partnership committed to zero net deforestation by 2020, is launched.
- 2014: Indonesia sees a Presidential election and changes in government. The New York Declaration on Forests (NYDF), a partnership of multinational companies, governments, civil society and indigenous peoples pledging to cut natural forest loss in half by 2020 and to end it by 2030 is launched.
- 2015: The global Sustainable Development Goals are launched with many touching sustainable palm oil production. The Amsterdam Declaration is launched with the aim of realizing deforestation-free agro-commodity supply chains in Europe by 2020.
- 2016: [Milestone icon]



SPOI Milestones

- 2012: SPOI project gets underway with support from private sector partners, IKEA and Mondelez.
- 2014: The Indonesia Palm Oil Platform, known as FoKSBI, is launched and 4 working groups explore key barriers to sustainability.
- 2015: Key barriers to sustainable palm oil are identified and consultations on a National Action Plan to address these begin. The Swiss State Secretariat for Economic Affairs (SECO) becomes a funding partner.
- 2016: First draft of the National Action Plan is launched. Guidelines for High Conservation Value Forests are developed for Government. Training + ISPO certification for smallholders begins. Pelalawan district Platform set-up.

USA pulls out of Global Climate Agreement.

Regional elections held in Indonesia. New IPCC report released, including agriculture as a key driver of climate change.

2020: Amsterdam declaration and TFA 2020 deadlines. 2025: All national palm oil plantations are ISPO certified. 2030: SDG and NYDF deadlines.



- 2017: Platform steering committee set-up. Public consultations on National Action Plan held. Coordinating Ministry of Economic Affairs takes the Chair in the steering committee. First independent smallholders become ISPO certified. Good Growth Partnership launched. Training Needs Assessment for smallholders carried out. Essential Eco-System Area (KEE) guidelines developed for Government.
- 2018: National Action Plan and ISPO become single draft Presidential regulation. New partnership with NGOs and the private sector set up for farmer capacity building in Pelalawan and South Tanpanuli. Pelalawan Regional Regulation on CSR legalized, aiming to benefit 40,150 smallholders. Three provincial platforms set-up (Riau, North Sumatera, West Kalimantan) and two district Platforms (Sintang and South Tapanuli). The German Government provides funding. Agreement signed with Bogor Agricultural University to develop a Land Use Change Monitoring Tool.
- 2019: [Milestone icon]
- 2020: [Milestone icon]
- 2021: Consolidated data and Map of palm oil smallholders completed.
- 2025: FoKSBI established in 18 Provinces and 18 Districts. All palm oil companies are managing the Essential Eco System and the High Conservation Value areas in their concessions.