

TREE PLANTATION LANDSCAPE IN RIAU, INDONESIA



OBJECTIVE OF BACKGROUND PAPER

- Synthesizing key science and knowledge related to Tree Plantations in Indonesia
- Guiding the discussion and questions on Tree Plantations in Indonesia
- Noting relevant issues to the dialogue on Tree Plantations in Indonesia



MAPS OF RIAU







BRIEF DESCRIPTION OF RIAU

- The population of Riau Province in 2022 is 6 million people, with Malays being the largest community with a composition of 33.% of the entire population of Riau.
- The Provincial Government of Riau recognizes a number of customary law communities such as Sakai Bathin Sobanga Tribe in Bengkalis District and seven customary communities in Kampar District namely Kenegerian Kampa, Kenegerian Petapahan, Kenegerian Bertaluk Gajah, Kenegerian Aur Kuning, Kenegerian Kanal and Kenegerian Suku Petopang. This recognition has been regulated in Provincial Regulation No 14/ 2018 that concerns guidelines for customary people recognition and Provincial Regulation No 10/ 2015 on customary land and its utilization.
- The provincial government targets 1.2 million ha for the social forestry program, giving customary
 people the opportunity to register their forest land under social forestry program, Through this program,
 the provincial government identifies around 32,538 ha of customary forest in Riau, but so far, there are
 only two customary peoples in Riau who received forest land rights from the Ministry of Environment and
 Forestry (MoEF). They are Kenegerian Petapahan Customary Forest with an area of 251 ha and
 Kenegerian Kampa Customary Forest with an area of 156.8 ha.
- In 2022, Riau Province is the province with 5th largest Gross Regional Domestic Product (GRDP) in Indonesia and with an economic growth rate at 4.55%. The investment in Riau is worth IDR 82.5 trillion with the unemployment rate around 4.37% (low), while the same condition also with the poverty rate which is low with 6.78%.

RIAU FOREST AND TREE PLANTATIONS

- Around 5.1 million hectares or 55% of the Riau's land area is peatland. In addition, around 126,000 ha in Riau is mangrove.
- From 2001 to 2021 (GFW), Riau has lost 4 million ha of tree cover, which is equivalent to a 51% tree cover loss since 2000, and 3.51 Gt of CO2e emissions. Agricultural conversion, timber plantations, illegal logging, and forest fires are key drivers of deforestation in Riau, and land tenure conflicts are common.
- Despite the fire trend decreasing yearly, the threat remains as 1,219 ha of forest land was burned until August 2022. Communities are still opening the forest land through slash-and-burn methods, especially for palm oil plantations. Provincial government launched the Local Action Plan on Sustainable Palm Oil Plantations of Riau Province 2022 -2024 under the Riau Government Regulation No 9/2022 to control oil palm expansion to the forest.
- Around 1,673,030 ha of forest in Riau is under this tree plantation. Pulpwood mills and tree plantations continue to be controversial in Riau as they have historically contributed to the large-scale conversion of natural forests to plantations both on mineral soils and on peat. Previous TFD dialogues have sought clarity on the source of fiber supply for the expanding mills held by both APP and APRIL.
- In Riau, there are 440,539 ha of conservation areas in the form of Nature Reserve Areas and Nature Conservation Areas. Thirty-one species of endangered mammals still living in the Riau forest area, including Sumatran tiger and Sumatran elephant)



TFD INVOLVEMENT IN RIAU, INDONESIA

- TFD has conducted three dialogue visits to Riau. In 2007, field visits identified opportunities and challenges under Intensively Managed Planted Forests (IMPFs). Concerns are
 - identified on conversion of natural forest, rather than promotion of plantations on previously deforested or degraded lands,
 - human-wildlife conflict and potential wildlife extinction due to loss of habitat of the Sumatran tiger and Sumatran elephant,
 - marginalization of communities as a result of insecure land tenure and use rights as well as land and livelihood competition between indigenous and migrant communities, and
 - social conflict as a result of inadequate governance and the application of corporate social responsibility as a means to address gaps in governance.
- Second field dialogue is on Free, Prior and Informed Consent (FPIC) in 2010. The meeting concluded that
 importance of legal reforms in Indonesia in line with the requirements of international law to secure the
 rights of communities and customary peoples to their lands and forests and adjustments to the process
 for allocating concessions to the private sector.
- The third dialogue took place in 2015 on understanding of the deforestation-free (UDF) commitments Some identified findings included:
 - differing definitions and understandings of the terms 'forest' and 'deforestation' that make it challenging to monitor and verify progress made toward meeting deforestation-free commitments, and
 - clear tenure and tenure security as foundational to the success of deforestation-free initiatives.



OPPORTUNITIES AND CHALLENGES OF THEMATIC ISSUES OF TPL IN RIAU (1)

- Land and economic reform: Two current policies in regard to land and economic reform in Indonesia are Agrarian Reform and Law of Job Creation. The total target of agrarian reform is 9 million ha, while the target under the social forestry programs is 12.7 million ha. Tree plantation can play a key role in social forestry programs and land redistribution especially on developing smallholder tree plantation through market and financial support. In Riau, around 1.8 million ha of forest land are illegally occupied by local communities and the government intends to replace smallholders' oil palm to agroforestry system under social forestry program. However, smallholder tree plantation is not considered competitive compared to smallholder oil palm plantation in terms of profitability and rural welfare. Moreover, not all smallholder farmers agreed to participate in the social forestry program so that it might cause conflicts, especially for those who claim under customary rights.
- Peat and mangrove restoration and management: The target for restoration in Riau is 611,000 ha, which is mainly located outside the concession areas. Introducing new technology and innovation such as paludiculture and agro-silvofishery that integrate community participation, private sector partnership and peat landscape ecosystem policy can be a solution. However, there is a disagreement over what practices are allowed, which sometimes conflict. The role of private sectors on preserving and restoring peat areas become important as 2.7 million ha of peat is under the concession areas.



OPPORTUNITIES AND CHALLENGES OF THEMATIC ISSUES OF TPL IN RIAU (2)

- Landscape-scale dynamics and jurisdictional approaches: The impacts and risks from fire have been a longstanding challenge across the country resulting in the need to coordinate and collaborate efforts across stakeholder groups and at multiple scales, from landscape to regional. Participatory land use planning for achieving zero deforestation and sustainable development can build on government planning regulations, but implementation then requires local legislative innovation and active enforcement by government officials. Companies, service providers, NGOs and local governments are now exploring this option in the Siak-Pelalawan landscape which fits well with the provincial government's recently announced Green Riau (*Riau Hijau*) initiative.
- Nature-based climate solutions and the role of carbon markets: There are expressed concerns, however, over a gap between decision making and knowledge availability at the national level vs local levels, as well as methods used to calculate and validate carbon credits, benefit sharing with local communities and government, and poor regulations for carbon markets. Discussions around carbon markets, carbon rights, and carbon concessions often do not permeate local communities, and that there is a need for learning on applications at the local level. Carbon market and concession has also a potential to cause conflicts especially with customary people and communities who live and access to forest. This is because the communities can be driven out by companies that have been granted concession permits by the government in the name of protecting forests. Price regulation and carbon trading mechanisms are needed to provide incentives for stakeholders to achieve the NDC target and ensure that revenues from carbon trading are invested in sustainable emission reduction and livelihood programs.

OPPORTUNITIES AND CHALLENGES OF THEMATIC ISSUES OF TPL IN RIAU (3)

- Social and Environmental Policy Change: There are multiple initiatives and policy changes at regional, national and international levels affecting tree plantation industry and communities in those landscapes. There are commitments made as part of the UN Biodiversity Conference (COP 15), understand and implement customary rights to lands and to Free, Prior and Informed Consent (FPIC) as defined by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP). National efforts, such as Indonesia's Forestry and Other Land Use (FOLU) Net Sink 2030 Operational Plan, which mandates establishing a net carbon sink in Indonesia's forest sector by 2030, and multi-stakeholder efforts at the provincial level, such as the "Green Riau" initiative, will have important implications for Indonesia's plantation forests at both smallholder and industrial levels. Others are forest-based companies look towards the opportunity to reassociate with the Forest Stewards Council (FSC) Remedy Framework and EU regulation on deforestation free products.
- Sustainable community development, tenure and rights: Community land rights and tenure become an important issue for sustainable community development. There are differing perceptions among different stakeholders in regards to community role in forest, and that there is a need for improved clarity on land rights and land access, as well as better evidence based policy advocacy on the role of indigenous peoples and communities as stewards of the environment. One Map is an important collaborative initiative to achieve sustainable and equitable land use and planning in order to support the government to implement low-emission development. However, community spatial data and maps were not accommodated as a reference in the process of synchronization and integration with other ministries and officials data and maps, leaving the communities' land rights at risk.

CONCLUDING DISCUSSIONS AND PRIORITIES (1)

- The contribution of tree plantations to meeting Indonesia's and to Riau's sustainable development goals and other commitments
 - How could tree plantations contribute to achieving FOLU-NET Sink, NDC and CBD biodiversity commitments?
 - How do tree plantations help to achieve national targets for peatland restoration, reforestation, fire reduction, deforestation mitigation?
 - How do tree plantations contribute to job creation and poverty reduction in Riau?
 - How should tree plantations better support FPIC as defined by UNDRIP, implementation of the remedy framework of FSC, and the new EU deforestation policy?
 - Are there specific challenges that tree plantations present in the context of these goals?

Agrarian reform and tree plantations

- How can tree plantations help address the challenges and needs of agrarian reform?
- Claims and conflicts between private companies and local communities still exist due to various factors, including
 government capacity to address claims and disagreements over recognition of customary and local peoples' land
 and resource claims. How can industry and local communities make more rapid progress to resolve such claims and
 conflicts?



CONCLUDING DISCUSSIONS AND PRIORITIES (2)

Peat and mangrove restoration and management

- The target for restoration in Riau is 611,000 ha, which is mainly located outside forestry and plantation concessions. Community-based peat management could play the key role to meet such targets. How can tree plantations strengthen such initiatives including through promoting and supporting community-business partnership?
- Around 2.7 million ha of peat is under the concession areas. How can plantations help in protecting peat forests from deforestation and peat fire, while generating income?

Landscape-scale dynamics and jurisdictional approaches

- What can be learned from institutions such as Siak Hijau and Riau Hijau Multi-stakeholder forum? How can these important programs be strengthened?
- Considering that there are many institutions in such multi-stakeholder forums, how to generate synergy and cooperation among them, to amplify the capacity of planning and action in the scale of the landscape?
- What is the appropriate role of the private sector in contributing to such initiatives?

Nature-based climate solutions and the role of carbon markets

- How can local communities play a larger role in nature-based solutions and carbon trade and benefit more from such programs? What are the challenges and how can they be addressed?
- How should carbon revenue be invested back in communities to help achieve sustainable livelihood and rural welfare outcomes?



DISCUSSION

• What are the gaps of information and issues that are not being covered in the background paper?



THANK YOU!

