

Free, Prior and Informed Consent

**PUTTING THEORY
INTO PRACTICE**

A.J. Devanesan, President, APRIL
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MY PRESENTATION



- ❖ Background on APRIL
- ❖ Perspectives on sustainable development
- ❖ The key challenges
- ❖ What we believe
- ❖ Principles in practice
- ❖ What we must do
- ❖ Questions

APRIL OVERVIEW



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- ❖ Leading player in pulp and paper industry
- ❖ Our Vision
- ❖ Helping to meet growing world demand for pulp and paper, while relying on sustainability for our future success
- ❖ Profitable company
- ❖ One of the world's largest private sector managers of conservation forest
- ❖ Voluntarily go way beyond legal compliance on both environmental and social matters when required

SUSTAINABLE DEVELOPMENT



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- ❖ Sustainability is an essential ingredient for our success
- ❖ The Triple Bottom Line approach is vital to our reputation
- ❖ We have a long history in Community Development
- ❖ We contribute significantly to our surroundings
- ❖ First Indonesian company to publish a sustainability report
- ❖ The only Indonesian member of the WBCSD and a signatory to the UN Global compact
- ❖ Committed to being fair, but...
- ❖ We don't always get it right and have more to do

THE KEY CHALLENGES



- ❖ High community expectations of us
- ❖ Responsibility beyond legal rights
- ❖ Dealing with ambiguity and multiple layers of government
- ❖ Community processes often unclear, mixed self-interest
- ❖ Agreements reached don't always endure
- ❖ Ability to distinguish between genuine rights versus opportunists and extortionists
- ❖ Corruption
- ❖ Inherent mistrust in government and business
- ❖ Pervasive poverty – much to be addressed

WHAT WE BELIEVE



- ❖ Inherent link between environmental and social
- ❖ Clear responsibility for our surroundings
- ❖ Destruction of remaining high conservation forests can only be averted by active management – which we deploy
- ❖ Local people need sound private sector companies
- ❖ They don't always manage their surroundings sustainably
- ❖ Government is under-resourced - needs private sector support
- ❖ Local people need a healthy environment
- ❖ We have much more to learn

PRINCIPLES IN PRACTICE



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Typically community negotiations include:

1. Comprehensive, third-party Social Mapping
2. Community Development officers' own assessment of community needs and expectations
3. Community members appointment of their respective representatives (one to two per 10 households)
4. Village head (Kepala Desa), sub-district head (Camat) and village elders (Tokoh Masyarakat) asked to endorse the representatives
5. Process of detailed discussion about agreements starts
6. Documentation is drafted and circulated for discussion
7. Signing of Memorandum of Understanding (MoU) only after majority consensus is reached
8. Implementation

WHAT WE MUST DO



WHAT WE MUST DO



- ❖ Balance social, environmental and business imperatives
- ❖ Alleviate poverty and help people realise their aspirations
- ❖ Reduce disagreements, disputes and conflicts
- ❖ Understand we can't resolve social problems alone
- ❖ Build active and robust partnerships that deliver true benefits to local people – avoiding a quick fix
- ❖ Further enhance our Community Development programme to benefit yet more people
- ❖ If we make mistakes, acknowledge them, fix them and learn from them
- ❖ Convince sceptical NGOs of our sustainability plans through further intense engagement

WORKING TOGETHER



- ❖ We are committed to continuous improvement, working with the key stakeholders to ensure our practices:
 - fairly obtain majority consent and respecting people's rights
 - provide tangible long-term benefits to the communities
 - significantly reduce existing and potential disputes
 - improve mechanisms to resolve them when they do occur
 - enhance the skills of our negotiating team
 - align community and business needs
 - are tailored to meet specific local circumstances

QUESTIONS



QUESTIONS WE ASK EVERY DAY



- ❖ How do we truly help alleviate poverty?
- ❖ How do we compensate people fairly?
- ❖ How do we avoid opportunism and extortion?
- ❖ How can we provide for people's sustainable future, avoiding just short-term fixes?
- ❖ How do we help people to protect their environment?
- ❖ With whom do we negotiate fair deals on behalf of the community?
- ❖ How do we overcome the notion that all of the forests belong to the people?
- ❖ How do we ensure that everyone benefits fairly from the deals that we make?
- ❖ How do we convince people we are honest and sincere in our intentions?



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