

Lubuk Jering and PT. RAPP Resolve their Land Conflict

Lubuk Jering is community in Siak district, 125 kilometers to the north of Pekanbaru. A conflict over land developed between Lubuk Jering village and the pulpwood plantation company PT RAPP in its Mandau Sector. The dispute was over lands that the community had developed for farming and plantations. The conflict was triggered by a Ministry of Forestry permit issued to PT RAPP for industrial pulpwood plantations (HTI number 137, 1997) covering 159,500 hectares of which the Mandau Sector was 23,000 hectares.

The community claimed that PT RAPP's HTI concession overlapped with their customary territory which they inherited from their ancestors. The Lubuk Jering community used the lands for gardens of rubber, durian, jack fruit and other plants for domestic and commercial purposes. The community had also developed small oil palm plantations, vegetable gardens and dry-land rice. The community can point to several old cemeteries to show that they have long since lived in the territory.

The conflict between Lubuk Jering and PT RAPP reached its peak in 2006 when the pulp company opened an even bigger concession of forest land. This time the company acquired the permit from the Riau Forestry Office, which was deeply disappointing to the community. To show its concern, the community mobilized its members to make a series of protest actions and released a statement conveying their stance against the presence of PT RAPP in their village territory. The community produced a letter of objection to PT RAPP, staged street demonstrations and built a road blockade. PT RAPP also took action by publishing a letter of warning, sending a report to the Government over land occupation by some community members, and distributing press releases.

These activities raised the curiosity and attention of several stakeholders, especially local NGOs. They were surprised to find the rift between the community and PT RAPP, considering that in mid 2006 the company had received a certification of sustainable forest management for this and other areas in Riau from the Indonesian Ecolabel Institute (LEI). LEI claimed that the certification was issued because the company had shown that it was successfully resolving conflicts with local communities. The NGOs wrote a letter of objection over the certification to LEI and sent a similar letter to PT RAPP.

During this stage of the conflict, both sides made efforts to settle the dispute but to no avail. By the end of 2006, the NGO Scale Up (Sustainable Social Development Partnership) was requested by the company and the community to mediate efforts to resolve the conflict and began talks with the two parties. The mediation process was also helped by Iwan Tjitradjaja, an expert anthropologist, who was able to confirm that the Lubuk Jering community has a long association with the lands, with the village also having recent migrants.

The approach to conflict resolution that Scale Up offered was to treat both sides equally, and to establish a mutually agreed, transparent procedure for problem solving. Negotiations started in January 2007 and were completed in November 2008 when the community and PT RAPP agreed that Lubuk Jering would be recognized as the owner of 1,024 hectares of the 1,627 hectares of disputed territory. In compensation for loss of lands, 224 hectares were made available for community gardens and 160 hectares for community oil palm plantations, which the company agreed to establish.

The remaining community territory was to be utilized for a community forest management (PHBM) scheme. The community also received compensation for the parts of the 1,627 hectares of the disputed territory on which the community had agreed that RAPP could plant Acacia trees.

In December 2008 PT RAPP delivered compensation to Lubuk Jering for the territory that the company occupied. The company agreed to implement the rest the compensation by early 2009.

Of the agreements, only two have been accomplished by the company, namely a 224 hectare enclave over the community's gardens and 1,627 hectares acacia plantation apart from the conflicted area. Meanwhile, the three other agreements for compensation – a 160 hectare oil palm plantation that RAPP would establish for the community, and two areas of PHBM community forests covering 240 and 400 hectares – did not materialize. The reason for this was that a rift within the community was triggered by the election of a new village chief and sub-district chief in 30 December 2008, both of whom refused to sign the agreement which the community's representatives (including the former village chief) and the company's representatives had signed. However, recently efforts have been made to bring the both parties together for further talks.

The conflict resolution efforts between Lubuk Jering and PT RAPP were possible because both sides wished to resolve the conflict. These efforts began with a mutual commitment to respect each other's presence and concerns. This facilitated transparent communication and information flow between the two parties and with other stakeholders, and helped speed up the conflict resolution process. Mutual respect helped to ensure a fair and transparent outcome and to avoid one-sided, manipulative and repressive measures.

This model required the conflicting sides to appoint their own representatives for the talks and negotiations. (This is different from the common negotiation model over land where a company determines which community representatives it wants to negotiate with, and often pays those representatives for their work). The community representatives were authorized by their community, having been appointed by a community-wide meeting and decision-making process (Musyawarah). They and the company representatives were the only ones authorized to make official statements. Each side took suggested decisions back to their community and company respectively for approval before decisions were made. No phase or step of the negotiation took place without both group's approval. This was to make sure that the negotiations were free from outsider's interventions.

Lubuk Jering appointed 11 representatives from the community's social systems, namely village government, youth, spiritual leaders, customary leaders and other informal leaders. PT RAPP established a negotiating team from its own internal personnel.

The representatives of the two sides, with Scale Up's mediation, initially met to arrange a roadmap for the negotiations towards conflict resolution. The roadmap involved several phases – identifying each other's stances and concerns, developing information harmonization concerning the disputed object (land and resources), then negotiating and seeking agreement.

The local government did not play a significant role in the conflict resolution process. Instead, there was a phase when the road to agreement involved academic research. From February to July 2007, two lecturers of Riau Islamic University undertook an economic feasibility study on the 264 hectares oil palm plantation that PT RAPP was offering to give as compensation to the community. The study was required to help the community verify that the plantation would really be of value to them. A study on the community's economic and social life was carried out in August 2007 by scholars from Faculty of Anthropology of Indonesia University and faculty of Sociology of Riau Islamic University. The outcome of the study helped in defining the formula for compensation.

Conflict Resolution between the Pangean Community and PT CRS (Wilmar Group)

In 1999, a 583 hectare rubber plantation belonging to the Pangean community was taken over by the plantation company PT Citra Riau Sarana (CRS), which had obtained a government permit for developing oil palm on the site. The disputed land is on the bank of the Teso River, near Kuantan Sako and Giri Sako villages, in Logas Tanah Darat Sub-district, Kuantan Singingi District, about 116 kilometers to southwest of Pekanbaru. The Pangean community established the rubber plantation in 1981. The community has an existing law which says that the plantation is a communal asset and is not for sale.

The community had lived in peace until 1999 when PT CRS came and razed their rubber plantation, converting it into palm oil plantation. Conflict broke out as PT CRS established the palm plantation without the Pangean community's permission. PT CRS was later acquired by Wilmar Group of Singapore in 2004.

Despite the fact that the conflict had began in 1999, the community and PT CRS only started meaningful efforts towards resolving the conflict in 2004, after the company was acquired by Wilmar Group. To help enhance its standing in the negotiations, the community engaged in advocacy with the help of several NGOs, including Lestari Negeri, and Scale Up. PT CRS established a negotiating team and engaged in negotiations in a transparent, accountable, efficient, and effective manner.

From 2004 to 2010, the community and PT CRS undertook a series of talks and eventually commenced negotiations to seek a solution to the conflict over land. The talks and negotiations involved other stakeholders, including the village chief, sub-district chief, local government, local lawmakers as facilitators. In 2008 both parties requested Scale Up to act as mediator for the negotiation process.

After a series of tough stances from both sides, the community and PT CRS made significant progress in October 2008 when they agreed to establish an independent auditing team. A joint monitoring team was also established to monitor the auditing process, to find data and establish facts from both sides, and to provide assistance to the audit team. The monitoring team comprised representatives of PT CRS, Pangean community, Scale Up as a mediator and Sawit Watch.

In 2009 the two parties agreed to establish a joint mapping team to identify and delineate the area under conflict. Data from the mapping process was submitted to the audit team and the mediator.

In further talks in July 2009 both sides agreed on a list of members of the Village Cooperatives (KUD) in Kuantan Sako and Giri Sako villages, who would be

eligible for compensation if an agreement was reached. The two sides agreed that the area of community lands which had been taken over by the company was 583.3 hectares. To verify this, both parties consulted with relevant independent information sources.

During talks in August 2009, the community requested PT CRS to provide compensation for its rubber plantation and in December 2009 PT CRS agreed to a field survey by a joint team to identify an oil palm plantation which the company will provide as compensation to the community. An oil palm plantation at Giri Sako, Logas Tanah Darat Sub-district, Kuansing District was offered to the community as compensation. The community and PT CRS have agreed to appoint representatives to establish a team to prepare documents over the proposed compensation site.

In June 2010 the community and PT CRS signed an agreement resolving the land conflict. Firstly, PT CRS acknowledged that its plantation overlapped the Pangean community's territory. Secondly, the company promised to compensate its destruction of the community's rubber plantation by providing the community with 145.7 hectares of oil palm plantation. The provision of the oil palm areas as compensation was to be made by September 2010. Both parties agreed that the implementation of their agreement should involve the local governments as well as NGOs in the monitoring and grievance process.

There are several other oil palm plantations in Riau which were acquired by Wilmar Group, and which the company has shown good faith in resolving outstanding conflicts with communities.

Pulp plantations, REDD and community conflicts on the Kampar Peninsula

The Kampar Peninsular is located in eastern Riau Province, about 135 kilometers east of Pekanbaru. It covers an area of 700,000 hectares of which 675,000 is peatlands. The Peninsular is located in two districts namely Siak (38%) and Pelalawan (62%), and is bounded to the north by the South Siak River and to the south by the Kampar River. Natural forest still covers 440,000 hectares or 65% of the Peninsular.

There are some 27,000 people living in 17 villages around Kampar Peninsula. Most of the residents are members of indigenous communities who have lived in the area for many generations. The communities still depend on their peatforests for livelihoods based on fish and wild game, honey, resins and wood. Since the 1970s, the government has issued logging concessions covering much of the Kampar Peninsular. Logging companies cut canals through the peat soils to assist extraction of felled timber, and during the dry season the canals lower the water table leading to a major increase in forest and peat soil fires.

In 2004, the pulp and paper company RAPP (part of the APRIL group) acquired permits to establish **75,640 hectares** of Acacia pulpwood plantations on the Pelalawan Sector on the Kampar Peninsular, and has cleared forest and established plantations on roughly half its permit area. The company has also invested considerable resources to develop an overall plan for the Kampar Peninsular which would see a core area of some 550,000 hectares protected from development, with funding from REDD payments, surrounded by 150,000 hectares of Acacia pulpwood plantations. As yet, the company does not have government approval for this Peninsular-wide plan, and has not consulted with communities whose customary forests would be affected by the Acacia plantations and REDD conservation area.

In 2009 RAPP received a permit to develop 43,000 hectares (**27,107 hectares specifically in Teluk Meranti**) of Acacia plantations in the southern Kampar Peninsular, on the customary lands of the villages of Teluk Meranti, Teluk Binjai and Pulau Mudah. RAPP had obtained an initial license to begin planning for Acacia plantations in the southern Kampar Peninsular in 2004 but when Scale Up and FPP visited the villages in May 2009, the communities were yet to be informed of the company's plans.

Following that field visit, the Teluk Meranti community sought information from many parties regarding RAPP's plan to develop Acacia on their lands, and held a series of village meetings which criticized the company's plan. In June 2009, a letter signed by most of the Teluk Meranti community leaders and many village and district government officials, rejected RAPP's plan for acacia plantations, and was sent to the company as well as to local, provincial and national government. In response to the rejection by the community, RAPP invited the community to meet and review its development plan. The company offered to establish

gardens for the community, and agreed that if there was evidence that the community had been using the area for agriculture, that it would pay compensation.

The Teluk Meranti community was divided in its response to the company's plans and offer. In late 2009, based on the consensus of a village wide meeting, the community formed a team with 49 members representing every interest group in the village and gave the team the mandate to monitor the operations of RAPP, and to meet with RAPP to discuss the companies plans. Members of the community who wanted to make an agreement with RAPP formed a team with 11 members to negotiate with RAPP.

In early 2010 the two teams were disbanded by the local government, and a new team with 40 members (Team 40) was created, based on a decree from the sub-district (Kecamatan), with a mandate to negotiate with RAPP. In response, the Teluk Meranti community formed a new group, Kampar Peninsula Rescue Society Forum (FMPSK), to gather opinions from the community and give input to Team 40.

FMPSK requested to RAPP that negotiations between Team 40 and RAPP be held in Teluk Meranti, as previous negotiations with the community took place far from the village, and community members were excluded from the negotiations. FMPSK also asked that PT. RAPP provide all its licensing documents to the community, and requested that Team 40 is allowed to engage third parties to provide advice to the community. These three conditions, however, were ignored by RAPP in negotiations with Team 40 in June and July 2010. Team 40 worked hard to negotiate a deal with RAPP but community opposition remains in part due to the fact that the requests from FMPSK were not respected.

RAPP and Team 40 reached an agreement on 30 July 2010, with the main points being: **(1) RAPP will establish 2,300 hectares of community rubber gardens (two hectares for every household); (2) where lands had already been used for farming by community, the company will pay compensation or withdraw from those areas; (3) RAPP will provide CSR funding every year to Teluk Meranti; (4) RAPP will pay a fee to the community for felling natural forests, (the level of payment is yet to be negotiated); (5) RAPP will develop a community forest area based on lands that the community provides.**