



# The Forests Dialogue

## ENGAGE! EXPLORE! CHANGE!

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## Field Dialogue on Tree Plantations in the Landscape (TPL)

*June 12-June 16 2023 / Indonesia*

### Concept Note

### ABOUT THE TPL INITIATIVE

Tree plantations currently provide roughly 35% of the world's industrial wood supply, and are expanding to meet increasing global demand for timber, fiber, and fuel products. They also have great potential to deliver environmental services and social benefits, such as combating climate change, restoring ecosystems, and creating jobs and improving livelihoods. However, many aspects of tree plantations have been and remain controversial, with concerns that associated environmental and social costs often diminish economic and other benefits.

The Forests Dialogue (TFD) launched the Tree Plantations in the Landscape (TPL) Initiative in September 2015, to explore the evolving state of issues related to tree plantations and planted forests within the larger landscape context through engaging key stakeholder groups at the international and local levels. The first TPL field dialogue was held in Chile in 2016, and since then dialogues have been held in Brazil and New Zealand.

The TPL Initiative builds on TFD's Intensively Managed Planted Forests (IMPF) Initiative (2005-2008), revisiting specific issues and locations to understand how practices have evolved and what new challenges have emerged. In 2007, TFD held an IMPF dialogue with associated field visits in Pekanbaru, Indonesia, to identify the conditions under which IMPFs could deliver an optimal and equitable mix of economic, social and environmental benefits both locally and globally. The dialogue aimed to expand the working group's knowledge of IMPFs and contribute to ongoing national policy discussions on the role of IMPFs in meeting Indonesia's future fiber demands.

The TPL initiative has been developed to revisit issues raised in the IMPF dialogues and enhance discussions through field dialogues that address key topic areas related to planted forests, such as:

1. Consider the design and implementation of plantation forests in the context of jurisdictional and landscape approaches;
2. Review approaches to enable good governance and inclusive development; Understand the potential of plantation forests to contribute to the global development agenda;
3. Identify key externalities associated with the development and management of plantation forests;
4. Learn about and encourage adoption of new practical solutions to specific contextual challenges (ie, peatland management, land tenure and dispute resolution, social forestry, restoration etc.)
5. Explore the diversification of the forms and species composition of plantation forests; the sustainability of plantation forestry systems; and access to and use of new technologies.

## TREE PLANTATIONS IN THE LANDSCAPE IN INDONESIA

From 2001 to 2021, Indonesia lost 28.6 million ha of tree cover, equivalent to a 18% decrease in tree cover. 96% of that tree cover loss was due to commodity driven deforestation ([Global Forest Watch](#)), including the expansion of oil palm and pulpwood plantations. Rates of deforestation in Indonesia have slowed significantly since 2016, largely due to reductions in commodity-driven expansion and effective government intervention. Controversies around tree plantations in Indonesia, however, remain urgent. While tree plantations have played an important role in Indonesia's local and national economies, communities and civil society raise concerns over environmental and social impacts of conversion of natural forests to plantations as well as existing forest plantations. Key issues reflect those that have occurred in similar situations of high deforestation rates around the world, including habitat and biodiversity loss, marginalization of communities as a result of insecure land tenure and use rights, conflicts with the needs and rights of indigenous peoples, and poor working conditions for laborers.

Smallholder plantations in Indonesia play a crucial role in the country's economy and rural livelihoods. In the palm oil industry, for example, smallholders account for around 40% of production in Indonesia. However, smallholder plantations also face a number of challenges that can limit their productivity and sustainability. These challenges include limited access to land, credit, and technical assistance, as well as difficulties in gaining formal land rights, and meeting the certification requirements demanded by international markets. Moreover, smallholder plantations are often situated in areas that are prone to fires, which can cause significant economic and environmental damage.

However, there is notable hope and timely opportunity for Indonesia's tree plantation industry to improve as its role in the future of global wood fiber product demand will likely remain prominent. Some forest companies will be enacting new environmental and social policies in response to the new opportunity to reassociate with the Forest Stewards Council if certification and remedy requirements are met. There is momentum from the private sector to engage in restoration efforts, as well as social forestry and community forest management. Furthermore, there is increasing awareness of the role of multi-stakeholder landscape collaborations, with important lessons and best-practices to share from within Riau, across the country and globally. Avenues for dialogue between stakeholder groups involved in and affected by tree plantations could play a critical role in maximizing outcomes of social and environmental reconciliation, and more broadly, better understanding the role of planted forests in Indonesia and their potential.

## BUILDING ON IMPF DIALOGUE

The 2023 TPL dialogue will follow-up on the goals and observed successes of the IMPF initiative, identify what must be improved and how policies should evolve to best support sustainability, and set new objectives in light of changes in socio-political and environmental context. The 2007 IMPF dialogue participants identified priority environmental and social opportunities and challenges. There was concern over conversion of natural forest, rather than promotion of plantations on previously deforested or degraded lands. Participants identified human-wildlife conflict and potential wildlife extinction due to loss of habitat of the Sumatran tiger and Sumatran elephant. At that time, High Conservation Value Forest was used as a tool to mitigate forest conversion. Social concerns included 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. Participants identified social conflict as a result of inadequate governance and the application of corporate social responsibility as a means to address gaps in governance. Additionally, participants observed industry practices such as the high deployment of subcontracted labor, mill capacity expansion ahead of sustainable fiber supply sources, and contractual agreement with local populations for raw materials to supply mills.

Proposed solutions to the challenges and opportunities outlined above were structured around three principal themes of

- 1) the private sector as a vehicle for sustainable development,
- 2) land tenure and use rights,
- 3) strategies to reduce the risk of forest conversion, including landscape-based processes.

## TPL INDONESIA PRIORITY THEMES

**New themes relevant to the Indonesian context that have emerged since the 2007 dialogue include:**

- **Restoration, conservation, and community-based forest protection:** The Indonesian government, civil society, and the private sector have responded to urgent global calls to invest in conservation and restoration efforts. How does this intersect with planted forest industries, and how can we elevate opportunities for community-based forest protection? What are the major challenges and opportunities?
- **Nature-based Climate Solutions and the Role of carbon markets:** Nature based solutions, carbon markets, and carbon concessions are an emerging focus in Indonesia, especially with increasing pressure from international targets and goals. 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 to local communities, and that there is a need for learning on applications at the local level.
- **Heightened awareness around responsible peatland management:** Concern over the use of peatland has emerged as a critical issue in Indonesia, especially in Riau, where 50% of land area is categorized as peatland. Peatlands are carbon-rich soils, which are an important carbon sink and factor in climate resiliency, playing a role in flood control and fire management. Pressure from the government, international organizations, and goals to conserve and restore peatland has had impacts across various stakeholders but has been especially relevant to local livelihoods. There is growing concern over the systematic reduction in the size of the peat area protected within the government's forest-clearing moratorium, as well as the lack of rigorous science and good data to fully understand emissions from peatlands and land use change. Additionally, while mechanisms have been put in place to grant local communities social forestry license to utilize peatland area, there is disagreement over what practices are permissible under provincial vs. national regulation, which are sometimes in conflict. Discussion of land use and sustainable forest management in Riau will need to include peatland management.
- **Landscape-scale dynamics and Jurisdictional Approaches:** There is increasing awareness that many environmental and social challenges occur beyond individual land parcels and must be managed at landscape and jurisdictional scales. It is essential to consider the impacts of tree plantations in the context of broader land use dynamics such as oil palm and other sectors in Riau. For example, 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. This can be achieved through so-called 'jurisdictional approaches'. 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.

- **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 is a timely opportunity to build off international frameworks, including commitments made as part of the UN Biodiversity Conference (COP 15) and ongoing efforts to more rigorously understand and implement Free, Prior and Informed Consent (FPIC) as defined by the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), to improve social and environmental impacts of the forest plantation industry in Indonesia. 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. As forest-based companies look towards the opportunity to reassociate with the Forest Stewards Council (FSC), there is notable opportunity to understand and inform best practice for company policies and actions in line with FSC's newly adopted Remedy Framework which provides a mechanism for companies to remedy social and environmental harms associated with forest conversion between 1994 and 2020 and so qualify for FSC certification.
- **Sustainable community development:** There is increasing interest and momentum from the private sector in working with communities to foster sustainable land use. Community forestry has emerged as a noted example to demonstrate the opportunity to integrate ecological and socioeconomic wellbeing, and there is potential synergy with government-led sustainable development initiatives, such as the aforementioned FOLU Net Sink operational plan and multi-stakeholder platforms (MSP)s, such as the Green Riau initiative.

## THE DIALOGUE

The multi-stakeholder field dialogue will convene approximately 30 Indonesian and 20 international experts, stakeholders, and rights holders in June 2023. The dialogue will include both plenary and small working-group formats as well as field visits to hear directly from local participants about social and environmental challenges on the ground. This dialogue will build on and learn from existing multi-stakeholder collaborations and landscape and jurisdictional-scale initiatives. Outputs of the dialogue include a Background Paper synthesizing key science and knowledge related to Tree Plantations in Indonesia, a Co-Chairs' Summary highlighting key areas of agreement and disagreement emerging from dialogue; and a co-developed action plan of identified strategies and recommended next steps.

### Collaborators

- The Forests Dialogue
- Bahtera Alam - Dialogue co-host
- World Wildlife Fund, Indonesia - Dialogue co-host
- APRIL - Dialogue co-host
- RECOFTC - Dialogue co-host
- Forest Peoples Program

### The Forests Dialogue



TFD provides a neutral platform for dialogue where diverse stakeholders feel welcome and empowered, leading to outcomes that are made durable by the sense of ownership shared by all participants. TFD's process ensures broad participation that enables strong uptake of dialogue outcomes.