
Human rights crisis in palm oil estates in Indonesia

A new report published in November 2011, exposes how local police in the Province of Jambi on the Indonesian island of Sumatra, working with oil palm plantation staff, systematically evicted people from three settlements, firing guns to scare them off and then using heavy machinery to destroy their dwellings and bulldoze concrete floors into the nearby creeks. The operations were carried out over a week in mid-August and have already sparked an international controversy. Andiko, Executive Director of the Indonesian community rights NGO, HuMa said:

Forced evictions at gun point and the destruction of the homes of men, women and children without warning or a court order constitute serious abuses of human rights and are contrary to police norms. The company must now make reparations but individual perpetrators should also be investigated and punished in accordance with the law.

The operations occurred in August 2011 in the 20,000 hectare oil palm concession of PT Asiatic Persada, a 51%-owned subsidiary of the Wilmar Group. Singapore-based Wilmar is represented on the Executive Board of the Roundtable on Sustainable Palm Oil and as well as holding over 600,000 ha. of plantations in Malaysia and Indonesia, has expansion plans in other continents, is the world's largest palm oil trader and has processing facilities in Sumatra and Europe. Abetnego Tarigan, Executive Director of the Indonesian NGO, SawitWatch, which is also a board member of the RSPO, stated:

Frankly we are very disappointed. We expect leading members of the RSPO to scrupulously adhere to the agreed standard which includes respecting people's customary rights and resolving disputes. RSPO member companies should pro-actively reach out to communities and not resort to the heavy-handed tactics of past eras.

As detailed in the report, underlying the present problems is a long-standing land conflict with the local communities whose lands were taken over by the oil palm plantation without recognising their rights, without compensation and without their consent. Wilmar, which took over the plantation in 2006, has refused to recognise the communities' land claims or offer them smallholdings within its concession instead offering them shares in a 50/50 1000 ha joint venture further west. Some community members, who did join this scheme, have since repudiated it claiming it has brought them few benefits and further conflicts.

The Forest Peoples Programme, which coordinated the field investigation, notes that the NGOs have now filed a third complaint about Wilmar with the International Finance Corporation's Compliance Advisory Ombudsman (CAO). The previous complaints led to the suspension of all World Bank funding to the palm oil sector worldwide. Currently the CAO still has an ongoing process to mediate the disputes between Wilmar subsidiaries and the communities. However, in Jambi, these efforts broke down in June this year.

The CAO has now agreed to look again into the complaint, and the company, some community representatives, local government and some local NGOs have also agreed to the CAO mediating the dispute. Meanwhile, however, the dispute remains unresolved and other activists, impatient with the slow progress, recently took their complaints to Germany where, with the help of German NGOs, they demonstrated outside palm oil processing facilities in Hamburg. The German NGOs have called on Unilever, one of the world's largest users of palm oil, to cease trading with Wilmar.

SawitWatch, the Indonesian NGO which monitors the palm oil sector has, through its own network, catalogued 663 cases of land conflicts between communities and oil palm plantations in Indonesia. The National Land Agency of the Government of Indonesia has admitted that there are some 3,500 such cases on its own books.

Underlying these desperate disputes is the problem that, contrary to Indonesia's international human rights obligations, national laws only weakly recognise the customary rights of rural communities. Less than 40% of all land holdings in Indonesia have been titled. Despite being the third most populous country in the world the Government treats over 80% of the national territory as State land and liberally hands areas out to companies for logging, mining and plantations without community consent. Academic studies show that the deals offered to local people by the oil palm companies are worse today than during the dictatorship of President Suharto. The United Nations human rights treaty bodies have repeatedly brought these issues to the attention of the Indonesian government urging the reform of laws to recognise indigenous peoples' and local communities' rights. The Indonesian Government however has not even replied to the UN, apparently ignoring its responsibilities to protect the rights of its citizens.

A wider regional review of palm oil expansion in South East Asia, also published by Forest Peoples Programme and SawitWatch in November, shows that where community rights are ill-protected and law enforcement weak oil palm continues to expand through large 'land grabs', leading to conflict, repression and further human rights abuses. The same pattern can be seen in Cambodia, the Philippines, Indonesia, Malaysia and even in Papua New Guinea. Where farmers' lands are more secure, however, as in lowland Thailand, the crop is being chosen by smallholders who can independently market their produce on terms of their choosing, leading to better outcomes for local people. The study also shows that such expansion in South East Asia is not only being driven by global demand for palm oil, which is expanding exponentially, but also by national policies to develop the crop to serve local markets, save foreign exchange and promote energy security.

In December, a regional meeting of the national human rights commissions of South East Asia was convened by the Indonesian Human Rights Commission, KOMNASHAM, to examine these problems. The conference issued the 'Bali Declaration on Human Rights and Agribusiness' which calls on South East Asian States to secure the rights of local communities and indigenous peoples, including their right to food, and establish stronger frameworks to oblige companies to respect human rights.

Links:

For copies of the new report on the human rights abuses in Jambi, Indonesia, see:

<http://www.forestpeoples.org/sites/fpp/files/publication/2011/11/final-report-pt-ap-nov-2011-low-res-1.pdf>

For a detailed overview of the human rights problems in the palm oil sector in both Malaysia and Indonesia see:

<http://www.forestpeoples.org/sites/fpp/files/publication/2010/08/>

[palmoilindigenoussoutheastasiafinalmceng_0.pdf](#)

For the new report on palm oil expansion in SE Asia:

<http://www.forestpeoples.org/sites/fpp/files/publication/2011/11/oil-palm-expansion-southeast-asia-2011-low-res.pdf>

For the Bali Declaration see:

<http://www.forestpeoples.org/sites/fpp/files/publication/2011/12/final-bali-declaration-adopted-1-dec-2011.pdf>

For information on the protest action in Germany see:

<http://www.regenwald.org/news/palmoel/3933/tagliche-news-zu-dem-indonesier-besuch-die-indonesier-in-deutschland>

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