

38th regular session of the Human Rights Council

Item 3: General debate – promotion and protection of all human rights, civil, political, economic, social and cultural rights

Joint Oral statement

25 June 2018

Mr. President,

We, Franciscans International, VIVAT International and NGO partners from Indonesia, would like to draw your attention on the impact on human rights of the exploitation of natural resources and especially of palm oil plantations in Indonesia. With 11.6 million of hectares of expansion and land acquisition¹, the palm oil industry has a strategic position and significant role for the national economy. The Indonesian government claims that palm oil plantations contributes to reduce poverty and improve the welfare of farmers² as well as provide employment for 16 million farmers and workers.³

But the reality on the ground show that the production of palm oil is to the benefit of a limited number of people, namely the investors and the economic and political elite in the country and beyond. To the contrary, the farmers and villagers living around the palm oil plantations are usually getting poorer because of the lack of access to the land that has been occupied and seized by palm oil companies. A study conducted by Auriga Nusantara (2018) in ten villages living around palm oil plantations in Sumatra and Kalimantan shows that only 12.5% of the total village land can be managed by the community. The rest is controlled by palm oil and forestry companies.⁴

The expansion of palm oil plantations triggered land grabbing and agrarian conflicts between companies and local communities. In 2017, the Consortium for Agrarian Reform reported that from 659 land conflicts, 208 took place in the plantation sector, corresponding to an area of

¹ Directorate General of Plantation, Ministry of Agriculture stated that there are 11,672,861 hectares of oil palm plantation area, while the Corruption Eradication Commission (KPK) stated that the area of Indonesian palm oil plantation is 15.7 million hectare. Of the KPK data, only 28.03% of oil palm plantation is owned by the people, while 3.14% is owned by State-Owned Enterprises and 68.83% is under the occupation of private investment. The condition of the control of the space clearly shows that the Indonesian palm oil plantation is dominated by investors (see Walhi's Position Paper, *Rencana Kotor di Balik RUU Perkelapasawitan*)

² <https://maritim.go.id/diplomasi-sawit-ala-menko-luhut>

³ <https://sitinurbaya.com/parlemen-uni-eropa-apresiasi-pengelolaan-kelapa-sawit-indonesia>

⁴ <https://kolom.tempo.co/read/1095165/fakta-semu-ekonomi-sawit>

530,491.87 hectares of land and affecting 652,738 families.⁵ These conflicts between palm oil companies and communities are on the rise with 717 unresolved cases to date.⁶

The governance system of the palm oil plantation industry ignores the rights and welfare of workers, both men and women. Some plantation laborers are allegedly extorted and discriminated against, and minimum wages are often not respected paid. Women workers are most vulnerable to sexual harassment. The plantation workers consume low-quality food and water; in several cases, they are denied their rights to freedom of expression, opinion and association. They are vulnerable to illness and accidents, have no social security during illness and occupational accidents and may be dismissed at any time.⁷

Therefore, we recommend to the Government of Indonesia to:

1. Implement agrarian reforms for assuring protection, respect and fulfillment of land rights of indigenous peoples and poor peasants and eliminating inequalities in the access of land resources.
2. Issue a regulatory moratorium policy for palm oil plantation permits, as President of the Republic Indonesia Joko Widodo has promised in 2016, on forest areas, peat and other areas of use, as part of the revamping phase of natural resource governance, in particular the palm oil plantation sector.
3. Develop policies and facilitate empowerment programs for smallholder farmers based on sustainable principles and equitable standards, respect for human rights and self-reliance.
4. Immediately improve the standard of living and working conditions of workers (men and women) in palm oil plantations in accordance with national and international law, in particular through the issuance of the Law on the Protection and Respect of the Rights of Plantation Laborers.

Thank you Mr. President.

⁵ In 2015-2017 there were 1.361 agrarian disputes covering an area of 2.185.948 hectares and 848.197 direct victims. Around 40 % are connected to conflicts caused by oil palm plantation companies. See further, KPA's Annual Report: Reforma Agraria di Bawah Bayang Investasi [Agrarian Reform in the Shadow of Investments, 2017.

⁶ See: <https://www.infosawit.com/news/5240/sawit-watch-tanggapi-komentar-kabarahakam>, accessed on May 1, 2018

⁷ Results of Women's Solidarity Research with Sawit Watch 2010 and Female Solidarity Investigation Data Kendari 2015