



Ministry of Foreign Affairs



Solidaridad

NI-SCOPS: National Initiatives to stimulate and scale up smallholder climate-smart agriculture in oil palm landscapes in Asia and Africa

NI-SCOPS in Indonesia

Background

Palm oil contributes in the region of \$23 billion US annually to Indonesia's export income. Palm oil smallholders in Indonesia account for around 40% of the total palm oil area and will play a significant role in realising sustainable palm oil production in Indonesia. The Government of Indonesia and the Government of the Kingdom of the Netherlands signed a Memorandum of Understanding (MoU) on Sustainable Palm Oil Production Cooperation (NI-SCOPS) in September 2019, followed by a Technical Arrangement (TA) in March 2020. Joint dialogue is facilitated through the Bilateral Economic Commission. Project activities extend across Aceh, North Sumatra, West and East Kalimantan. The intention is that NI-SCOPS in Indonesia will be mainstreamed into national policy and regulation, including the Nationally Determined Contribution (NDC), delivering both tangible and measurable, on-the-ground benefits.

Key Performance Indicators for Indonesia

In order to guide programme implementation, 3 KPI targets, were developed:

1. Improve the livelihoods of around 38,000 oil palm smallholders due to increased yield, improved access to market and readiness to comply with Indonesian Sustainable Palm Oil certification (ISPO)
2. Increased adoption of enhanced climate adaptive practices by oil palm smallholders across 66,000 ha, through easy access to information and policies/regulation encouraging green growth
3. Improving smallholder palm oil grower climate mitigation efforts across 90,000 ha, through reduced encroachment in forest areas, avoided deforestation and adoption of climate smart agricultural practices.

Partnerships

The Indonesian Ministry of Foreign Affairs has assumed a coordinating role, with the aim of creating alignment of NI-SCOPS with relevant national governmental programs and the achievement of NI-SCOPS overall goals. Solidaridad and IDH, as implementing partners, work closely with the Coordinating Ministry of Economic Affairs, the Ministry of Agriculture and the Ministry of Environment and Forestry to facilitate this, with a focus on the National Action Plan for Sustainable Palm Oil and the strengthening of the Indonesia Sustainable Palm Oil (ISPO) certification scheme. National research partners (CCROM, IPB and IOPRI) will measure progress against the targets. A Technical Steering Committee (TSC), comprising Indonesian and Dutch representatives, provides expertise and advice on issues relevant to the objectives of NI-SCOPS.

Technical Assistance Provision

Main achievements so far include:

Completion of the project preparation phase, including engagement with provincial, district and local government bodies across 12 provinces and districts, independent smallholder groups and cooperatives, other local organisations and the private sector to realise a sustainable, jurisdictional approach. Activities included:

1. Mapping and identifying areas of potential cooperation with stakeholders.
2. Strengthening governance support and further improvement of ISPO implementation.

3. The development of multi-stakeholder processes such as the provincial Green Growth Plan (GGP) in Aceh Tamiang, linked to existing initiatives such as the Sustainable Palm Oil Province action plan.
4. Securing an agreement on protection, production and inclusion.
5. The establishment of Centres of Excellence (CoE).
6. Development of eight partnerships with the private sector (i.e., Unilever, PepsiCo, Golden Agri Resources, PT Paya Pinang and Anglo Eastern Plantation, with commitment to supporting the project activities, including capacity building and technical assistance for independent smallholders, as well as value chain commitments.
7. Jurisdictional approach tool at district level, including land use change monitoring system, mapping activities and database development.
8. Palm oil Good Agricultural Practices (GAP) training for 2,150 smallholders), including organic fertilizers and integrated pest management courses; polygon mapping for 2,000 smallholders; inventorying and mapping 1,900 grower locations; assisting three cooperatives with total 600 member growers for ISPO certification preparation; assisting 500 growers and grower cooperatives to meet palm oil rejuvenation fund requirements; providing assistance to resolve issues of community palm oil plantations in forest areas of 3,100 ha; 115 women farmers received facilitated training on circular farming practices; 240 smallholders were issued Estate Crop Business Licences (STDBs) by local governments to ensure legality of their businesses; farmer cooperatives also received facilitated training on how to improve the social capital of smallholders.
9. Mapping of smallholder plantations to apply for a Cultivation Registration Certificate (STDB); Facilitating growers to directly sell their FFBs by forging a partnership between Bumi Subur and Jaya Mukti; Inventory and mapping of grower locations in the districts.
10. Delivering participatory mapping training for village government officials and palm oil growers in the assisted districts.
11. Facilitating grower groups to diversify livelihoods and reduce plantation costs through the use of Empty Fruit Bunches (EFB), solid ex-decanter, manure for composting, and use of domestic waste and other wastes from the surroundings for making liquid organic fertiliser in the assisted districts.
12. Facilitating information dissemination and use of certified seedling in the 10 assisted districts; facilitating growers in the 10 assisted districts to establish groups/cooperatives or join the existing organisations.
13. Training 2,150 growers on plantation Best Management Practices ("BMP"); Facilitating 220 growers to apply plantation BMP.
14. Facilitating 25 growers to access Oil Palm Plantation Fund Management Agency ("BPDPKS").
15. As part of the mitigation effort, facilitating multi-stakeholder fora at provincial and district levels to resolve oil palm-related issues in forest areas; capacity building of FMUs in Berau, North Penajam Paser, Paser, Landak and Sanggau Districts; implementation of jangka benah (agroforestry) system under Omnibus Law and its derivative regulations; mapping 65,000 ha of community palm oil plantations in the district forest areas, using satellite imagery; diversifying 3,130 monocultural palm oil plantations in community forest areas through multi-stakeholder plant seedling support; at federal level, the Ministry of Environment & Forestry was engaged to establish GHG MRV for the oil palm sector.



NI-SCOPS jurisdictions in Indonesia