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NEWS RELEASE

Integrating oil palm into the landscape – Initial lessons learnt from the field

Jakarta, 17 November 2017 – The attached storybook written by Aidenvironment was sponsored by Bothends and Bumitama. The storybook highlights some of the initiatives Bumitama conducted with the local communities, in our endeavor to grow in social and environmental harmony with the locations where we operate. It highlights our heart to serve.

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Connecting people for change

Integrating oil palm into the landscape

Initial lessons learnt from the field

October 2017

Integrating oil palm into the landscape

Oil palm (*Elaeis guineensis*) was introduced to Indonesia from West Africa in the early 20th century. Today, 15-18 million hectares of land in Indonesia have been cultivated and planted with oil palm, stretching from Aceh to Papua. As demand for vegetable oil continues to grow, locally and internationally, more land will be cleared for plantations.

The need to alleviate poverty and bring economic development to the poor, combined with the lack of appreciation and understanding of the landscape approach in regional development, led to the clearing of huge areas in Indonesia for timber, paper and pulp, oil palm and other plantations during the 80s to 90s.

As a result, the country is left with fragmented forest and peatland, and this had led to extreme annual fires. Those rapid forest land developments also left a legacy where many (older) plantations had imposed on landscapes and their local communities. Thus it is no wonder that these plantations remain mired in land conflicts and negative environment issues.

Fortunately, there have been important changes in recent years. Forward-looking plantation companies now realize that they are just one player in the wider socio-economic and physical landscape, where local communities, NGOs, and the regional government also have a stake in sustainably maintaining and managing the productivity of the land.

Oil palm plantings integrated in the agro-forest landscape, West Kalimantan

The first company-NGO partnerships have begun to explore how to work together to achieve this sustainability. This work remains in the very early stages of trial and error, learning, and adapting, but the vision is clear: where oil palm is developed, it should not dominate but be *integrated* into the landscape.

An alternative solution is to revisit the manner in which plantation companies' Corporate Social Responsibility (CSR) budgets are allocated. Traditionally spent as donations or aid based activities, CSR budgets are now being allocated more towards the creation of shared values, highlighting the understanding that the companies' business strategy is interdependent on the CSR strategies for employees, communities, and other stakeholders of the companies. Based on this new vision, CSR programs are now designed so that they will be able to generate multiplier effects into the future, as they looks into capacity building and developing sustainable economic and social benefits for all.

One such company exploring different ways to integrate landscape level conservation with development is the Indonesian palm oil grower, Bumitama Agri.

Since announcing their ambitious new sustainability policy in August 2015, Bumitama – among other actions – has developed a new CSR program. This program allocates funding to assist villages with village boundary mapping and helps to ensure villages are developed in ways that are environmentally-friendly but allow for economic growth.

This booklet presents case studies on Bumitama Agri's CSR activities in Kalimantan. Our hope is to open the dialogue with other stakeholders, to exchange knowledge and lessons learned, and to see more direct and indirect support for conservation (co-management) projects.

Co-management of land

It is estimated that 6.1 million hectares of forest and peat remains in oil palm concession areas in Indonesia. These areas may be legally cleared and planted, but as hundreds of palm oil buyers throughout the world have committed to 'no-deforestation' policies, more and more parties are becoming reluctant to buy palm oil from such areas.

The forest and peat set-aside areas of oil palm concessions are very vulnerable, as they are considered stranded assets in accordance with Indonesia's ongoing moratorium on new permit issuance and management of peatland and primary forest (Presidential Instruction No. 8/2015).

Should such land revert back to the government? Perhaps. Should the land be passed to local communities? Maybe. Is the company responsible for this land? Not officially. Who will take care of the forests and peatlands that have been spared from conversion into oil palm plantations? How, and at whose benefit? There are no resolute answers to those difficult questions.

Much of the answers will depend on the local context. In some instances where the area is already identified as a company's conservation area and legally acknowledged by the district government, an environmentally aware business model to facilitate co-management with local communities should be constructed as the next step. In other instances, companies would be the best long-term guardians of biodiversity, whilst in other cases indigenous communities could exercise their customary rights over the land.

Any combination of the aforementioned stakeholders is a good starting point. Government, companies, communities, and NGOs all have an interest in environmental conservation and biodiversity preservation and each has its own expertise and resources to enable this.

Co-management of forest and peatland set-asides in plantation landscapes has yet to be proven a successful concept. Yet it is not hard to capture the likely **key ingredients of the co-management:**

Red Star fruit (*Belimbing*), West Kalimantan

Forest use: strict conservation is rarely a sustainable option in areas where development pressure is high. Alternative ways of utilizing forest must be considered, ideally enriching biodiversity and carbon stock, preferably with high involvement of local communities

Consensus: There is little point in retaining a forest area if a stakeholder with decision-making power disagrees with it. Companies and communities must reach a consensus agreement on the boundaries of conservation set-asides; ideally government affirms these by law.

Embedded in village planning: closely related to the above principle, forest and peat set-asides are usually better conserved when embedded in village land use planning.

Benefits: while plantation companies (and also plantation workers + smallholder farmers) earn their benefit from the profit of their plantations, more economic growth for the local communities, esp. those who do not work for the company, can be achieved by creating a new income from the conservation set-asides.

Kick off support is indispensable. Support is needed in the form of know-how, planning, enrichment plantings, labour, and other input. Some of this can be provided by the companies' CSR Programs but NGO and donor assistance is needed too.

Look forward: true many forests have been degraded by fires, logging, and other human activity. Rather than dwelling on riches of the past, why not re-create the forests' wealth?

One company's learning

Bumitama Agri Ltd. is an Indonesian palm oil company group, founded in 1996. Its current total land bank is 225,000 hectares, spread over nine concessions in 3 provinces in Kalimantan and Sumatra, Indonesia. Over three-quarters of the company's land bank is planted with oil palm – including an above average area for their plasma smallholder farmers (26.4%). Approximately 14% of the land is set-aside for conservation.

Bumitama Agri became an RSPO-member in 2013. The group committed to a policy to not clear High Carbon Stock (HCS) forest a year later. It launched an ambitious "No Deforestation, No Peat, No Exploitation" policy and its first sustainability report in August 2015.

Making commitments to sustainability requires more than mere words. It requires interpreting and supporting the policies with plans, targets, measurement, and executions. In the case of Bumitama, the commitments made had significant consequences to their operations. Land clearing activity had to be suspended pending further studies into development viability. Planting schedules had to be adjusted and shareholders had to be informed about what this all meant to 'the bottom line'. Similarly, for the local communities and governments in the regions where the company is developing land, consultations had to be held based on adjusted development plans.

CSR programs have always been integral to Bumitama operations. While it was started as a donation and aid based program, now Bumitama's CSR program is coordinated with the company's environment policy and has moved deeper into community capacity building and economic development.

When exploring its no-deforestation commitment, Bumitama realized that conservation would have limited value if its scope was limited to the land under its direct control.

The experience taught Bumitama to understand its position in the larger landscape and engage with neighbouring stakeholders to achieve sustainable conservation outcomes. For example, it is of little use to retain a peat area if someone else drains it right outside of your boundary.

The core of Bumitama's sustainability policy is a holistic landscape approach that provides for the protection, restoration, and/or co-management of forests and other areas identified as having High Conservation Value (HCV) and HCS forests and peat land.

One of the ways to implement and grow such an ambitious policy is to depart from existing tools and mechanisms. Bumitama's sustainability team builds upon its experiences with its CSR Program. This booklet describes how Bumitama's CSR Program is directed towards achieving that vision, in which the oil palm is integrated into its larger physical, social and economic landscape.

Bumitama Sustainability Report in 2014

Planted oil palm as at 31 Dec 2016 (ha)		Conservation areas (partial overlap*) (ha)		
Inti	Plasma	HCV	HCS	Peat
128,966	46,277	18,745	9,238	4,113

* Conservation areas did not include the HCV, HCS and peat hectarage

Conservation areas in Bumitama's land bank

Learning from CSR Program

Bumitama's CSR Program supports a range of activities in the field of education, health, culture, and economic development:

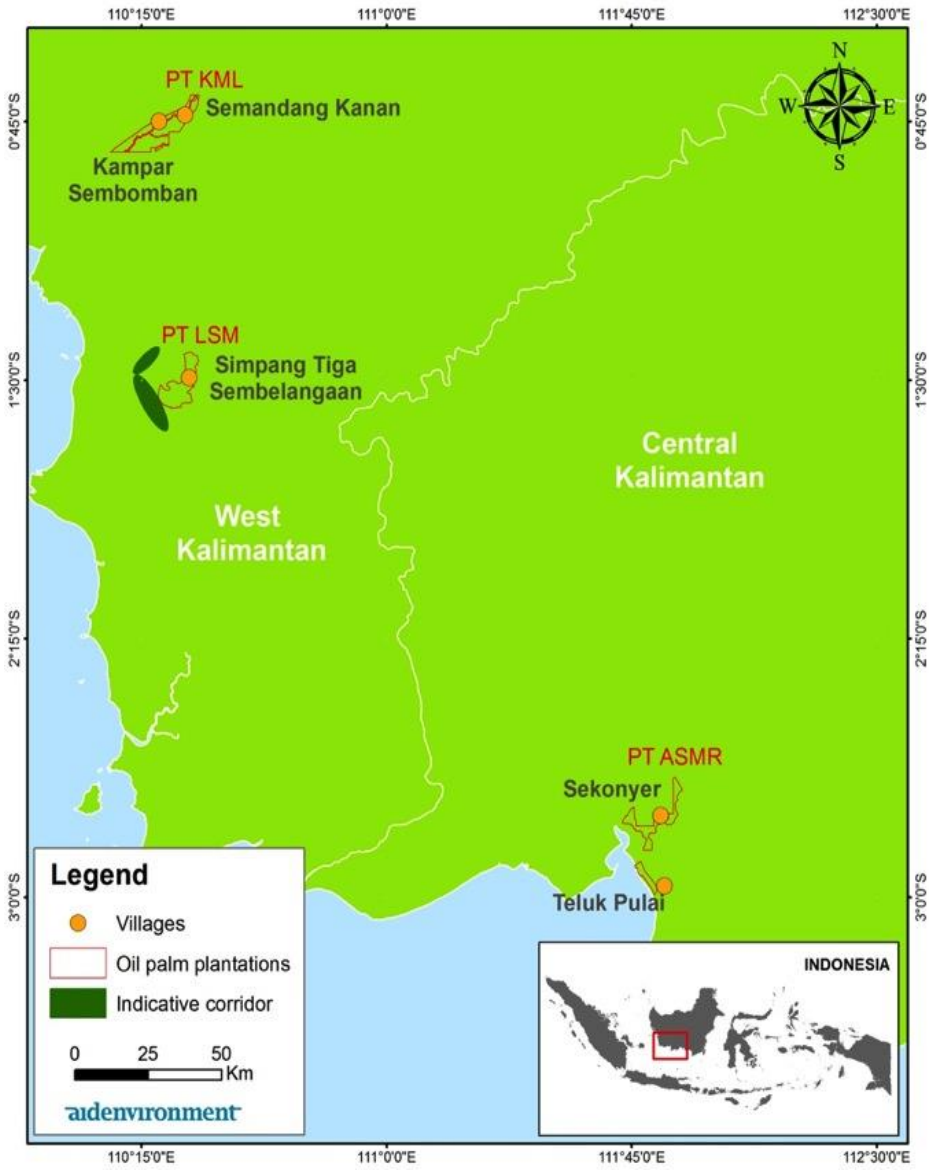
- Medical care, including free-circumcision service and medical assistance in villages during the haze episode of 2015 and flooding events of 2016
- Day care centres
- Kindergarten, primary, secondary, and junior college
- Bumitama Academy, for specialized training
- Religious activities
- Sports and competitions
- Women groups' activities

A company's CSR activities could easily be taken for granted by outsiders but they are often of crucial importance to local communities, especially in regions where government presence is still minimal.

Bumitama's CSR Program is founded on principles similar to those applied by most advanced NGOs: "give a man a fish…, teach a man to fish…"

The particular strength of a company is that entrepreneurship is in its veins, and this makes it easier for CSR departments to evaluate which businesses are likely to deliver results against which risk profiles.

The company's permanent presence on the ground, furthermore, helps businesses to learn about local villagers' resources, knowledge, and traditions. This way, a small allocation from the company's CSR budget can go a long way in achieving meaningful conservation and development on the ground.



The map shows the locations of highlighted Bumitama's CSR projects; village names and their plantation subsidiaries

Championed CSR Projects of Bumitama

1: Rearing chickens to spare a forest in Simpang Tiga Sembelangaan

2: Promoting sustainable development in Teluk Pulai

3: Company-community partnership encourages eco-tourism and community interest in restoring NTFP potentials in Sekonyer

4: NTFPs from HCS forest in Sedamar and Pantan

Rearing chickens to spare a forest

In 2014, Bumitama's plantation subsidiary - PT Ladang Sawit Mas – had just committed to no-deforestation when it discovered that a small group of men had entered a small conservation set-aside in the north of the concession. They had started cutting trees and selling the timber, a result of lack of alternative sources of income in the area.

Concerned that their new conservation and conflict resolution commitment would be questioned, in addition to the possibility of losing the set-aside forest area, Bumitama reached out to identify the loggers. At first, numerous reach out attempts, such as informal notices and seeking police assistance, were to no avail. However, once the village decided to step in and a sanction based on customary (adat) law, the loggers agreed to meet with Bumitama's CSR personnel.

In late 2014, the company met with Muhidi and his friends, and asked them to abandon their logging activities. Muhidi and friends said they would agree as long as the company could offer an alternative source of income. Bumitama then offered support through its CSR entrepreneurial program. This offer was initially met with hesitation, as Muhidi and his friends felt they lacked the necessary skills. Eventually, they decided to take part in the poultry husbandry programme.

The support was granted in kind, i.e. hatchlings, feedstock, medicines, and technical supervision, and it was given to the group instead of individuals. In addition, it was agreed that the profit from sales would be used to support any newcomers.

In April 2015, the group received 15 millions rupiahs worth of support in the form of 500 chicken hatchlings. Once ready, the chickens were marketed in Simpang Tiga Sembelangaan and the surrounding villages. The gross outcome from this first sale was around 28 millions rupiah. As agreed, the profit was then shared with new poultry entrepreneurs, and to buy hatchlings for the next period.

Muhidi's group hired 3 to 4 people from the village to help them prepare the chickens for marketing. So far, there have been four sale periods and one new business unit has joined the venture.

Following this successful experience, Muhidi started to diversify his entrepreneurial repertoire by adding tofu and tempeh to his chicken business. He also opened a small catering shop to provide a personal income for his wife. Since working together with the company, Muhidi has been able to secure a stable monthly income of almost 4 times higher than what he was previously earning.

Muhidi, the poultry entrepreneur of Simpang Tiga Sembelangaan

"After gaining experience in this chicken business, I can see many other ventures and networking opportunities around me that are waiting to be explored. This, I think, is possible since my community put their trust in me and my work"

Promoting sustainable development in Teluk Pulai

Teluk Pulai Village is physically surrounded by Tanjung Puting forest's resources. However, after the establishment of Tanjung Puting National Park in 1982, the villagers were forbidden to utilise those commodities due to the Indonesian government's policy on national park management.

Due to the situation, Teluk Pulai remained an under-developed village with limited access to bigger markets inland. Teluk Pulai villagers struggled to obtain any kind of support (e.g. micro-finance, government infrastructure programs, etc.). Dry land rice cultivation and fisheries were the only legal livelihood options available to them. Due to numerous trials which ended up with poor yields, added with infrequent planting, this income was insufficient to meet daily needs, let alone to build village infrastructure.

In 2012, the Ministry of Environment and Forestry finally excised Teluk Pulai Village from the national park area. In the same period, Bumitama was offered the concession for Teluk Pulai.

In 2013, the village was allocated a 100 ha of land to be planted with a local rice variety, named "*Padi Tampuy*".

The land was divided into 2 patches of 50 ha and managed by local people, who were arranged in to 2 farming groups.

On average, one person has 1 to 1.5 ha of land to cultivate. Since the land belongs to the village, individuals cannot turn it over to other parties. However, the village agreed to allow individual farmers to manage the profit from their own harvest.

In 2015, Bumitama helped to clean up and de-silt the existing irrigation system to improve crop yields, as well as to assist in the release of additional land for communal use.

During the 2016 harvest, Teluk Pulai managed to produce 3.7 tons of dry grain/ha. The village had become rice self-sufficient and even produced a surplus of 350 tons. The market price of *Padi Tampuy* is stable at Rp 10,000/kg. As this local rice variety can only be harvested once a year, it was agreed to cultivate corn in between rice planting to maintain the stability of the farmers' income as well as to ensure the fields are not left alone and be subjected to fire risk.

Ruslan, the head of Teluk Pulai's Village Representative Board and their rice farmer

"We wanted to make* Teluk Pulai *farmers known for their Padi Tampuy cultivation ability. We are ready and willing to support the national policy on food security with all of our might. With the help from Bumitama, we believe we can achieve that goal."

A high-value NTFP in your soup

'Swiftlet hotel' in Teluk Pulai

Bird's nest soup

Source: Robert Staudhammer from Earth

The development of a plantation in Central Kalimantan by Bumitama's subsidiary PT Andalan Sukses Makmur (PT AMSR) and the corresponding migration of people to the area, plus a stable income, has enabled the emergence of a new high-value NTFP industry in Teluk Pulai Village: birds' nests.

Keeping swiftlets (local name: burung walet, Latin: *Collocalia sp*.) and nest cultivation has become a favourite side job in the village.

Currently there are 60 'swiftet hotels' in the village, and their number is projected to keep growing, along with the welfare of the villagers.

Based on interviews with the villagers, the capital needed to start cultivating birds' nests is around 100 million rupiah. To cover the investment cost, the villagers formed an informal cooperative (or 'arisan' in Indonesian) through which they secured a loan.

The yield of nests varies from 1 kg to 70 kg, dependent on the environment where the nests are cultivated. The average yield in Teluk Pulai is 10 kg in one season. The selling price is stable at 7 to 8 million rupiah per kg. The edible birds' nests, which end up in soups, can fetch a higher price.

While still in its inception phase, the semi-domestication of swiftlets to harvest their nests is projected to boom in Teluk Pulai. Further baseline study in several Bumitama's concessions in West Kalimantan also showed growing preference of cultivating swiftlet nests by the villagers. Aside from 'arisan', some villagers even went to get a loan from their local Credit Union in order to build these artificial swiftlet houses.

The employment opportunities offered by Bumitama have given people the financial means to invest in birds' nest farming, and it is likely the industry will continue to expand in the next few years.

The rapid rise of this industry provides companies such as Bumitama the opportunities for more direct engagement, particularly as there are increasing concerns about the conservation and public health implications of the domestication of such large numbers of wild birds.

There is scope for Bumitama to support villagers to think more about the environmental impacts of this business model, and comply with public health standards. They can also invest in studies to identify more environmentally responsible methods to cultivate the swiftlet nests. If done properly, swiftlets semi-domestication could function as a long term and sustainable livelihood for the people of Teluk Pulai.

Company-community partnership encourages ecotourism

Around 20% of all Tanjung Puting National Park visitors pass by Sekonyer Village, which sits at the entrance of the park. Unfortunately, the tourism revenue has largely by passed the villagers. As a consequence, the villagers started to look for outside investment instead. A third of the village's population started working for Bumitama after the company entered the area in 2013, and once a stable income had been secured, the villagers began looking into ways to develop the village and its infrastructure.

It was agreed that Bumitama would commission a study into the available options for village development. The villagers and the CSR Department of Bumitama then agreed to develop the ecotourism potential of Sekonyer, by attracting tourist to stay a night in the village to sample local food, handicrafts, and visit the reforestation project managed by the plantation.

Currently, parties are in the planning stage and the next step is to commence capacity building, such as training of local conservation guides, entertainment programs with traditional dance and music, and non-timber forest products (NTFP) based craft making workshops.

The company is also focused on an 150 ha patch of land which is undergoing reforestation (an area that was previously burnt in 2015). This 150 ha area is a set –aside area which is near to the buffer zone from the National Park and this land had been acquired by the company.

The company also provides training and materials to primary and junior high school students for traditional Indonesian screen printing. Initiated in 2016, the printing workshop serve as an educational tourist attraction. In the future, the printing skills learnt will be used to produce local merchandise that can be sold to tourists and hopefully support ecotourism in Sekonyer.

Source: indonesia-tourism.com

Community interest in restoring NTFP potential

The people in Sekonyer aim to develop their village into a conservation-based tourist destination. They also hope to utilize NTFPs from the forest conservation areas in their village, and the plantation.

They have already identified several potential NTFPs (see below). Among the NTFPs that can be found in the forests are *Tongkat Ali* and *Saluang Belong*, the most popular products in the area.

Currently, production is limited to subsistence purposes, as villagers lack information about production and marketing costs.

Inter-generational transfer of skills is also an issue as most artisans do not have successors to pass down knowledge about NTFP processing.

Unfortunately, many conservation areas around Tanjung Puting National Park were affected by the severe fires of 2014 and 2015. Bumitama and the villagers are jointly investing in assisted restoration of key affected areas, which is also an opportunity to plant species that have NTFP potentials. As forest restoration progresses, there will be new opportunities for cooperation, such as improving villagers' access to NTFP markets and enhancing quality control.

Local/Market Name	English Name	Scientific Name	Uses
Gaharu	Agarwood, Aloewood, Eaglewood, Lign-aloes	*Aquilaria spp.*	Resin
Sarang burung Pudang, Pekakak, Jalak Suren, Kucer, Cucak Hijau or Kutilang	Edible birds nest	*Collocalia spp.*	Birds nest as food commodity
Jernang	Jernang rattan, dragon's blood	*Daemonorops draco*	Highly valuable resin is extracted for red dye material. Emerging market in China as a cure all medicine
Pasak bumi	Tongkat Ali root	*Eurycoma longifolia*	Tree roots and barks. Mostly marketed as male libido enhancement
Seluang Belong/ Saluang Balum	Saluang Balum	*Lavanga sarmentosa*	
Tengkawang	Borneo tallow nut, Illipe nut, red seraya	*Shorea sp.*	Tree fruits where the oil/fat can be extracted
Nipah	Nypa palm	*Nypa fruticans*	Leaves, leave bone, stems, tree trunks are processed into palm sugars.
Sagu/Rumbia	Sago	*Metroxylon sagu*	
Rotan	Rattan	*Calamus sp.*	Tree trunks and leaves are usually made into handicrafts
Pandan Duri/ Pandan Pudak	Pandan	*Pandanus tectorius*	
Kelakai/Pakis Lemidi	Lemidi	*Stenochlaena palustris*	Leaves and stems are made into local dish
Nyatu	Gutta-percha	*Pallaquium sp.*	Resin for dentistry needs
-	Glowing mushroom	*Mycena illuminans*	Tourist attraction
Manggis hutan/ Buah Kirasa	-	*Garcinia bancana*	Fruits, leaves, barks, twigs
Jelutung/ Pantung	Jelutong	*Dyrea polyphylla*	Gum, resin for organic chewing gum

Non Timber Forest Product potentials identified by the villagers in Sekonyer (PT ASMR)

NTFPs from High Carbon Stock forest

After Bumitama committed to stop deforestation for oil palm plantations in August 2015, a challenge emerged in one of its new developments – PT Karya Makmur Langgeng - in West Kalimantan. The company had previously committed 20% of its land bank for smallholder oil palm but its no-deforestation commitment implied that the area allocated to smallholders would decrease. During HCS public consultations, some villagers made it clear that they had no interest in becoming "NTFP-smallholders" instead.

Fortunately, this was not the view of all villages. A quick-scan into NTFP-potentials in the envisaged conservation areas identified seven forest products with potential for income generation, which include bamboo.

Considerable numbers of women in Pantan village in Simpang Dua were found to be in possession of local knowledge to produce traditional Dayak basketry. Seeing this opportunity, Bumitama CSR's department got in contact with Yayasan Palung, a local NGO with heavy interest in Gunung Palung National Park conservation and community development, to inquire about the possibility of participation in one of their regular basketry training workshops in Simpang Dua district.

Bumitama's CSR team then facilitated the participation of five women from Pantan in Yayasan Palung's basketry workshop. Afterwards, these women enthusiastically shared their workshop experience to 15 other women in their village. The project drew the attention of the men in the village, who approached the CSR team asking for similar projects.

Hopefully, more NGOs with experience in NTFPs, community organizing and community-based enterprises will step in to assist plantation companies with CSR activities in the field. Whilst plantation companies know a great deal about oil palm, they often do not have deep knowledge about forest products and sustainable forest uses.

Traditional rattan basket shop in Pantan Village

"J.H. de Beer and Melanie J. Mcdermott: The Economic Value of Non-Timber Forest Products in Southeast Asi, NC-IUCN, 1996"

Local/Market name	Scientific name	Uses
Pantan Village		
Bamboo fibre	*Bambuseae*	Crafts (basketry)
Bamboo shoots	*Bambuseae*	Food
Bengkuan	*Pandanus atrocarpus*	Crafts (mats)
'Rika' tree bark	*Unknown*	Not used at present Foods
Jengkol	*Pithecellobium lobatum*	
Kemanyang/ Benzoin	*Styrax benzoin*	Fragrant resin
Gaharu/ Eaglewood	*Aquilaria malaccensis*	Fragrant resin Traditional medicine
Sedamar Village		
Daun kesum	*Polygonum barbatum*	Traditional medicine
Sambang darah	*Excoecaria cochinchinensis*	Traditional medicine
Illipe nut/ Tengkawang	*Shorea spp.*	Food, cosmetics
Honey	*Apis dorsata*	Food, traditional medicine
Rattan	*Calameae*	Not used at present

Non Timber Forest Products found in the High Carbon Stock forest in PT KML

At the same time, companies' experience with business development can add value to NGOs' knowledge. We strongly believe that such exchange of knowledge and experiences holds great potential and it is hoped that donor organizations will sponsor such efforts.

It was perceived that the company should finance such activities; however, it is not that simple. NGOs' knowledge of NTFP development is critical; nevertheless, many NGOs are understandably reluctant to accept company funding. In addition to the above mentioned issues, CSR funding is still needed for conventional development projects.

Potential NTFPs

The surveys carried out in the framework of this publication found a remarkable range of medium to highly value NTFPs occurring in the locations visited.

Most of the identified products fall in the large category of specialty foods and (ingredients for) medicines. These identified NTFPs can further be divided in to 3 categories: 'top', 'medium', and 'further to be investigated' commodities.

The 'top' commodities are those with an established market and high market prices. The 'medium' commodities are those with value lower than the former but still commercially reasonable, and with a smaller but established market. The last category stands for those commodities with a market that needs to be further explored.

The potentials of NTFPs that may be developed in and near conservation areas in Bumitama's land bank are shown below.

Illipe nut is an excellent cocoa butter equivalent

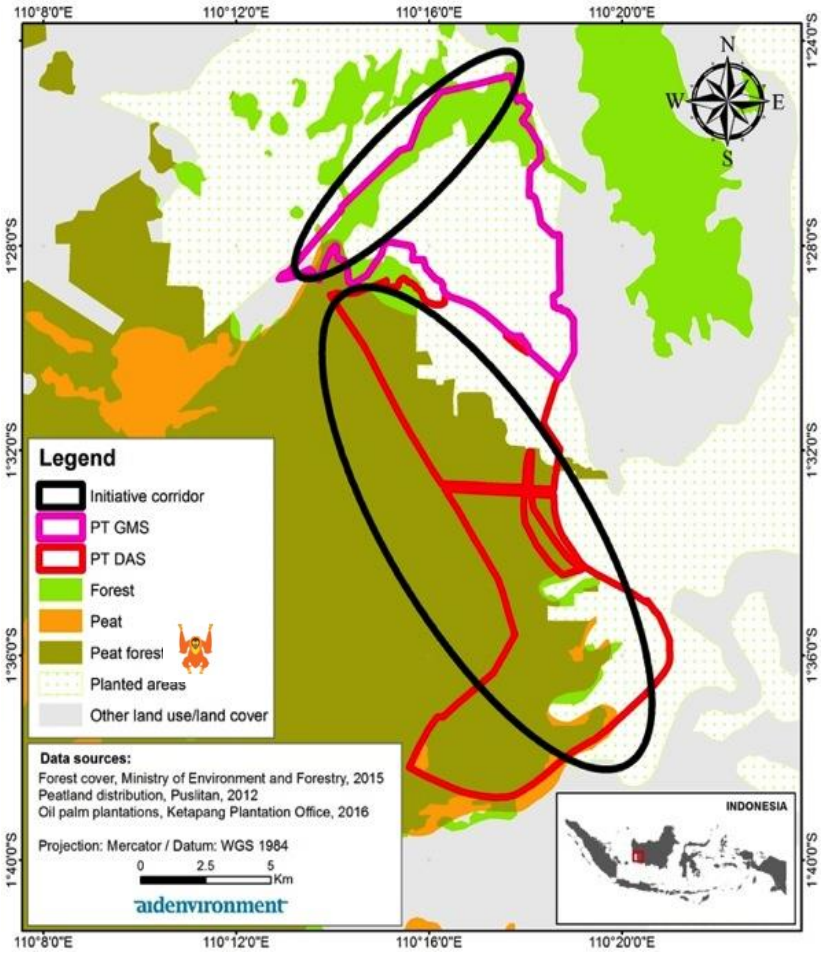
Best Potential	Medium Potential	Further Study
• Bird's nest (esp. swiftlet) • Dragon's blood / Jernang • Tongkat Ali • Forest honey	• Tengkawang or illipe nut • Keminting • Jengkol • Daun Kesum • Sambang darah • Bamboo shoot • Aren or palm sugar • Nypah • Rattan and pandan	• Derris or tuba's root

Recommended NTFPs for development

Landscape conservation

More and more companies are adopting the concept of HCV and HCS into the CSR policies, and taking steps to protect forest on their plantations. As the impact of agricultural expansion on tropical forests and endangered species continues to attract negative attention, there is scope for companies to collaborate with NGOs, local communities and neighbouring companies to not just protect forest on plantations, but around them as well.

Bumitama have taken this landscape level approach to their operations in West Kalimantan. The province is home to Critically Endangered Bornean Orangutans (*Pongo pygmaeus*), with two of the largest populations found in Gunung Palung National Park and the Sungai Putri peat swamp. These two areas are separated from each other by Bumitama's PT Gemilang Makmur Subur and PT Damai Agro Sejahtera, and plantations owned by other companies.



PT Gemilang Makmur Subur (GMS) & PT Damai Agro Sejahtera (DAS) corridor plan.

For orangutans and other wildlife to be able to move between these two forest blocks, and therefore maintain breeding opportunities and genetic diversity, it is imperative that there is enough forest in and between these plantations to sustain populations of wild orangutans. At the very least, there should be enough good quality forest for orangutans and other wildlife to move through.

The project is unique because it will be conserving and connecting protected forest, peat areas, and orangutan habitat with community, government and others involvement at the same time.

Bumitama have begun engaging with neighbouring palm oil companies, NGOs, local communities and government organisations to create and maintain a corridor linking these two forest blocks.

The development of the corridor includes village mapping, establishing NFTP initiatives, community development, reforestation, enrichment planting, human-orangutan conflict monitoring, and the establishment of forest monitoring teams.

If successful, this corridor plan could set a precedent for both wildlife corridor development in human-dominated landscapes, and the way in which companies apply their CSR policies and work with stakeholders outside of their concession boundaries.

Key take-a way's

Our intention was to assess how a plantation company such as Bumitama is modifying their CSR program, to integrate itself in the landscape rather than to impose itself. The various case studies have taught us the following:

On CSR program planning:

- Managing consumer expectations of sustainability policy on the one hand and fulfilling the development expectations of local people to have jobs on the other hand is difficult. This dilemma opens a company up to criticism, especially if expectations on either side cannot be fully met.

- Company CSR programmes can have a tangible positive impact on local communities, but programmes should only be instigated after socialisation with the communities and with an understanding of the local culture. 'Communities' are not necessarily cohesive units, and local people may have competing or conflicting needs/ desires that companies must be aware of.

- Initiatives that provide conditions for people to run their own programmes usually have a higher chance of success than programmes that require long term financial assistance; for example, Bumitama's poultry husbandry programme provides initial financial assistance, but the programme focus is on technical teaching and market development.

On the further development of NTFP potential through CSR projects:

- HCV and HCS forests and peat land need not be locked up for pure conservation. Such areas can be co-managed provided that all parties involved agree on sustainable use and fair distribution of cost and benefits.

- The development of NTFP programmes can take a considerable amount of time, which can be frustrating and upsetting for local people expecting a quick return. Companies must manage local people's expectations, and plan accordingly. NGOs could do more to help companies achieve this.

- Key for community development and the utilisation of NTFP is an understanding of both personal use/ needs and an external market; without an identified market for any NTFP, there is little chance of economic return. By researching markets and categorising NTFP by the size of these markets and likely sale prices, Bumitama can prioritise which products to develop first, and which need the most investment.

On multi-stakeholder cooperation in achieving sustainability:

- The relationship between companies and NGOs has traditionally been acrimonious. NGOs are often the groups with the most knowledge of the local area, and the longest stakeholder presence. Companies should try to reach out to NGOs and form constructive working relationships. NGOs should realize that plantation companies are there to stay in the landscape for the very long term (potentially up to a century). This also offers opportunity to assure the continuity that NGOs may not be able to offer.

- NGOs are often reluctant to accept payment or donations from palm oil companies, and are themselves often working within the constraints of external donors in developed countries. Similarly, companies can not always provide the financial assistance expected. Multi-stakeholder agreements with shared or external funding arrangements are one answer.

- The palm oil industry has become publicly linked with the plight of charismatic endangered species (for example, orangutans and elephants), and such animals will increasingly be forced to survive in human-dominated landscapes as plantations continue to be developed, even those with No Deforestation policies. Bumitama is exploring multi-stakeholder approaches to protection and sustainable use of the forest in and around their plantations. It invites other companies, NGOs and other experts to contribute to this effort by sharing their expertise and experiences.

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