



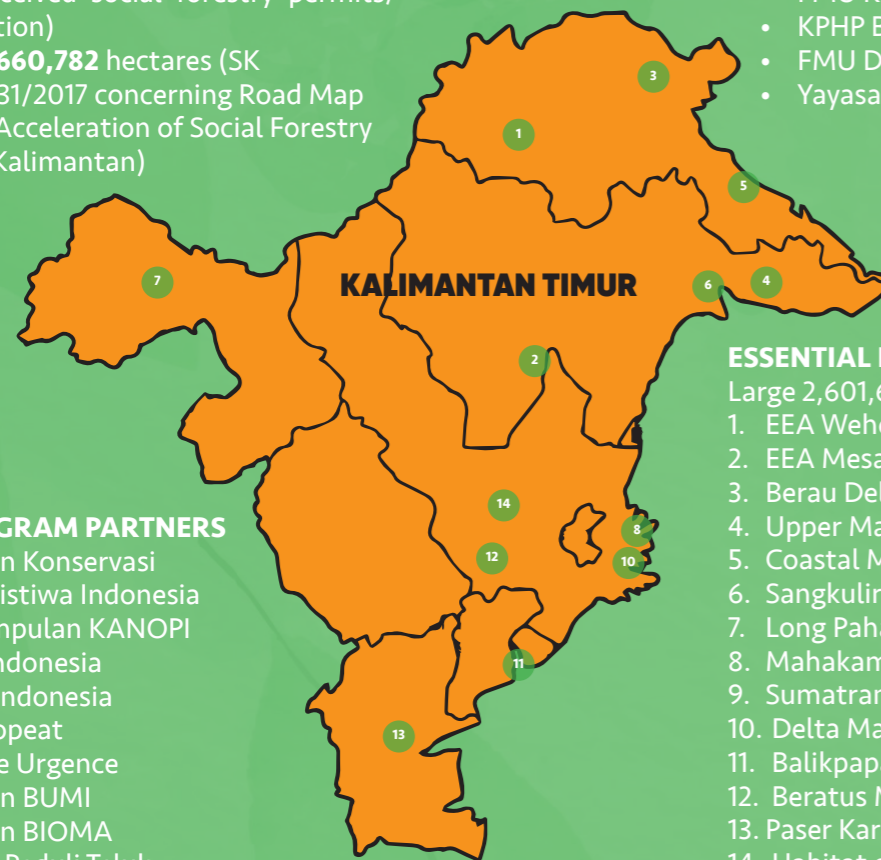
SOCIAL FORESTRY IN EAST KALIMANTAN

2021 **195.471.75** hectares (82 units have received social forestry permits/recognition)

Target: **660,782** hectares (SK 522/K.431/2017 concerning Road Map for the Acceleration of Social Forestry in East Kalimantan)

EEA PROGRAM PARTNERS

- Yayasan Konservasi Khatulistiwa Indonesia
- Perkumpulan KANOPI
- RASI Indonesia
- WWF Indonesia
- GIZ Propeat
- Planete Urgence
- Yayasan BUMI
- Yayasan BIOMA
- Forum Peduli Teluk Balikpapan Pesisir



SOCIAL FORESTRY FACILITATOR

- YKAN
- FMU West Berau
- FMU Kelinjau
- KPHP Bengalon
- FMU Damai
- Yayasan Kawal Borneo

ESSENTIAL ECOSYSTEM AREA (EEA)*

Large 2,601,659 hectares

1. EEA Wehea Kelay;
2. EEA Mesaat Suwi;
3. Berau Delta;
4. Upper Mangkalihat Sangkulirang Karst;
5. Coastal Mangkalihat Karst;
6. Sangkulirang Bay;
7. Long Pahangai;
8. Mahakam dolphin habitat;
9. Sumatran Rhino habitat;
10. Delta Mahakam;
11. Balikpapan Bay;
12. Beratus Mountain;
13. Paser Karst and KEHATI Park;
14. Habitat of the Karau Ibis.

*Decree of the Governor of East Kalimantan Number 522.5/K.672/2020

FOR THE SAKE OF A SUSTAINABLE LIFE

The implementation of mitigation and compensation procedures is aimed at encouraging the conservation of biodiversity, environmental services, and social and cultural values. The program can also protect important areas to maintain when oil palm plantation is expanded. YKAN proposes that this be done by encouraging member compliance with the standards as set out in the RSPO Principles and Criteria (P&C).

YKAN and partners continue to support the implementation of the principles of mitigation and compensation for the development of sustainable oil palm plantations. However, there are still a number of companies that have not implemented the regulations, for example opening new land without prior HCV assessment.

Some of the keywords in compliance with the implementation of mitigation and compensation procedures are disclosure, liability assessment, development and approval of remediation and

compensation plans, as well as consistent implementation and monitoring in the field. In order for the implementation of the procedure to run comprehensively, an understanding between all stakeholders is needed, such as local governments, palm oil plantation companies, communities, and civil society organizations. This understanding can be built through a massive socialization process regarding mitigation and compensation procedures.

YKAN needs to expand the integration of conservation planning with development through the DbD approach in East Kalimantan to other companies in the oil palm sector. Furthermore, it is still necessary to increase the understanding of HCVA and how to manage and monitor the area by involving stakeholders.

Mitigation and compensation activities can encourage companies and oil palm growers to be responsible for meeting agreed standards for plantation operational activities. Thus, their efforts to obtain or maintain plantation certification are a means of demonstrating their commitment to environmental management and sustainable estate crop.

SUSTAINABLE OIL PALM MANAGEMENT STRATEGY

MITIGATION AND COMPENSATION

In accomplishing sustainable management of palm oil plantations, mitigation and compensation procedures should be implemented. Mitigation is a series of efforts to prevent or overcome negative impacts that are expected to occur or have occurred as a result of planned activity and business.

For the mitigation in East Kalimantan, Yayasan Konservasi Alam Nusantara (YKAN) integrates planning for green development with development plans through the Development by Design (DbD) approach to improve the land use policy-making process of various interests. This method combines landscape-level planning with the mitigation hierarchy – avoid, minimize, restore, and offset – to support robust land use planning.

YKAN also collaborated with Mulawarman University to conduct a study for almost a year to compile the East Kalimantan High Conservation Value (HCV) map using the DbD approach. These activities include desk study,

spatial analysis, and field data collection for verification. HCV is a biological, ecological, social, and cultural value of extraordinary or extremely important significance. The six HCV categories consist of HCV (1) Species diversity; HCV (2) Landscape and mosaic level ecosystems; HCV (3) Ecosystems and habitats; HCV (4) ecosystem services; HCV (5) Community needs; and HCV (6) Cultural values.

The HCV category has been applied to land-based production practices such as forestry and agriculture. The HCV concept was first developed as a component of the certification process, not a conservation tool. The certification scheme involves a number of important elements, such as complying with applicable policies and regulations, protecting endangered species, respecting the property rights of indigenous peoples, and providing mechanisms for checking effective management plans. HCVs are also used to inform land-use planning, advocate conservation, and design responsible product procurement and investment policies.

This approach assists policy-makers in preventing and mitigating conflicts between development impacts and conservation priorities and guides offset conservation activities. Overall, this study has identified 4.5 million hectares of land in East Kalimantan as avoided areas to ensure green development.

The mitigation program involving the Berau District Sustainable Estate Crop Communication Forum (FKPB) in 17 palm oil concessions was initiated by collecting secondary data on High Conservation Value Area (HCVA) locations. Then, the potential of the HCVA is calculated through a spatial analysis study according to the HCVA criteria and local protected area guidelines following the national regulations.

YKAN also held a training in November 2019 for the Estate Crop Office in Berau and other Districts in East Kalimantan to gain a common understanding of HCVA. Before the field activities began, the Berau Estate Crop Office also formed an Ad hoc team for HCVA Inventory and Verification.

The Ad hoc team that verified 54 points in 17 palm oil plantation concessions in Berau District found that some of the areas between these locations had been designated as HCVA. Although some areas have not been identified as HCVA, they have been set aside as conservation areas.

In general, conservation sites in the company's plantation business permits (IUP) still meet the HCVA criteria. They function to maintain biodiversity, environmental, and socio-cultural services. During the field visit, we also found riverbanks, hills, mangrove areas, community water reservoirs, as well as old graves belonging to local leaders and communities.

Supporting the protection, management, and supervision of HCVA, the Regional Secretary of Berau District, who is also the Chair of the Berau District FKPB, Muhammad Gazali, established the HCVA Network Team in 2021. Under the FKPB, the team becomes a platform for communication and cooperation in protecting, managing, and supervising HCVA in Berau District.

The formation of the HCVA Network Team is also a continuation of YKAN's activities since 2001 in supporting the protection of biodiversity values to a low-carbon economic growth model. The activity, which was started in Berau District, focuses on biodiversity conservation.

In addition to mitigation, YKAN also encourages a compensation program to obtain HCVA in oil palm plantations. The compensation is any

CONSERVATION AREA IN OIL PALM PLANTATION

Within three years since 2019, the Berau District Sustainable Estate Crop Communication Forum has made an inventory of High Conservation Value Area (HCVA) in 17 palm oil plantation concessions. This activity was carried out to obtain references to HCVA spatial data in the concession area and to find ways to manage it with concession holders, the government, and the community in Berau District.

The desk study shows that the HCVA reaches 37,953.07 hectares. This HCVA potential figure is obtained based on HCVA guidelines that should be adopted by the company, for example, buffer areas or river borders, steep slopes, rough terrain, protected forest buffers, wetlands, and threatened or rare fauna and flora habitats.

The Berau District Estate Crop Office also held training on how to verify, monitor, and evaluate HCVA. The office also formed an Ad hoc team for Inventory and Verification of HCVA in the Berau District. The Ad hoc team who visited 54 sample points in 17 concessions found that the HCVA is up to 12,472.94 hectares.

The inventory becomes the basic data for managing, monitoring, and evaluating HCVA in Berau Regency. Areas with HCVA potential within the concession should be managed to provide environmental benefits, especially to protect the quality and ecosystem services of water availability and avoid ecological disasters such as floods and landslides within the concession.

This HCVA inventory is part of a mitigation and compensation program in sustainable environmental management, including in the oil palm sector. Mitigation and compensation programs in oil palm sector are also the focus of YKAN's activities. Collaborating with the government, YKAN helps create solutions for conservation at the right scale and in a sustainable way.



MITIGATION PROGRAM RESULTS

- 17 Concessions
 - 11 companies have work plans for HCVA management within concessions:
 - » PT Yudha Wahana Abadi
 - » PT Global Primatama Mandiri
 - » PT General Aura Semari
 - » PT Hutan Hijau Mas
 - » PT Mulia Inti Perkasa
 - » PT Sanggam Harapan Sejahtera
 - » PT Sentosa Kalimantan Jaya
 - » PT Dwiwira Lestari Jaya
 - » PT Tunas Alam Nusantara
 - » PT Jabontara Eka Karsa
 - » PT Anugerah Agung Prima Abadi
 - 2 companies have regular animal monitoring* agendas in conservation areas:
 - » PT Yudha Wahana Abadi
 - » PT General Aura Semari
- *using drones, camera traps, watchtowers

form of reward or service provided to the affected environment or community. The compensation activity offered by YKAN is a scheme developed by the Roundtable on Sustainable Palm Oil (RSPO) to comply with Criterion 7.3, the requirement that new plantings since November 2005 do not replace primary forest areas or other areas needed to maintain or enhance one or more HCVs.

In supporting RSPO member companies in carrying out compensation activities, YKAN developed an instrument called the Compensation Support Facility (CSF). This instrument was developed by YKAN to help companies that did not meet the HCVA assessment before Criterion 7.3 was implemented in 2005 to calculate their "liabilities" according to regulations and a compensation catalog containing data on conservation activities in East Kalimantan province along with its institutions. Therefore, palm oil plantation companies can calculate how much compensation they have to pay and what forms of activity or conservation they will choose if they will pay compensation in the form of channeling funds for related conservation activities or programs.

Furthermore, after 2005, compensation became the obligation of concession holders who cleared land for palm oil plantations without conducting a high conservation value (HCV) study of the area. This is regardless of whether land clearing is done before

or after the land is acquired or leased. Compensation can be in the form of project funds or conservation activities.

The Compensation Catalog contains data on Social Forestry, Essential Ecosystem Areas (EEA), and Forest Management Units (FMU). The data and information in the catalog will be very helpful for companies, especially those that are members of the RSPO, to determine the conservation projects design that they will carry out as part of their proposed compensation program.

In 2020, YKAN helped the company Tsani Hutani Abadi and its three subsidiaries calculate their obligations for compensation for the 2016-2019 period in West Kutai, East Kalimantan. YKAN provided recommendations and technical input using the DbD instrument to assess HCV areas and high carbon stocks and make land recovery plans. The company was listed as having an obligation to compensate for an area of 6,485.82 hectares.

