

BUPATI OF SERUYAN SPEECH DELIVERED AT RSPO RT13 SIDE EVENT

Towards a Sustainable Palm Oil District: Seruyan's Pathway towards Jurisdictional Certification Kuala Lumpur, 17th of November 2015

Good afternoon distinguished guests, ladies and gentlemen.

We come here today as the smoke clears from much of the Indonesian Archipelago and the Malay Peninsula. In the aftermath of the fires, we, as leaders of government, companies and civil society, have to ask ourselves: how do we ensure that these fires never happen again? Forest and peat fires, like so many other environmental problems, cannot be solved by the government alone. Local and national governments, companies, civil society and communities need to work together to find solutions to environmental problems such as forest fires, deforestation and forest degradation. Today, I am pleased to share with you one exciting initiative from Seruyan District in Central Kalimantan, Indonesia, which may serve as a model for addressing environmental challenges, such as forest fires, in the future.

Today, I would like to discuss with your our initiative for certifying the production of palm oil across the entire district of Seruyan, in Central Kalimantan.

Our dream in Seruyan is to ensure that all commodities coming from the district, such as palm oil, are produced sustainably. By purchasing palm oil from Seruyan, buyers and consumers will know that they are produced by companies and smallholders without causing deforestation or degrading peatlands. They will also know that there was no burning when clearing land or seizures of indigenous lands.

This dream is aligned to the aspirations of the Provincial Government of Central Kalimantan. In June this year, the government of Central Kalimantan announced its target to ensure that all palm oil produced and processed in the province should be certified as sustainable. Seruyan District is the first district to pilot the implementation of this commitment.

We are not too concerned about which certification scheme to use. In Indonesia, there is the certification scheme known as the Indonesian

Sustainable Palm Oil system or ISPO. ISPO is a scheme that provides certification for those complying with government regulations and it is mandatory for all palm oil companies. As the district government of Seruyan, we fully support the implementation of ISPO. We would also like international recognition for our efforts. Consequently, we have chosen to adopt the certification approach used by the Roundtable for Sustainable Palm Oil or RSPO.

Our main concern is mitigating the risks currently faced by the actors along the palm oil supply chain. Companies and smallholders currently face some issues such as legality, deforestation and social conflict, which cannot be addressed only by companies or smallholders alone. These issues need to be addressed and solved at the level of the jurisdiction, supported fully by the government. In Seruyan District, we are committed to removing these risks in order to develop a sustainable supply chain of palm oil in Seruyan district. As these risks are removed, I believe companies and smallholders will be able to produce oil palm according to sustainability standards. As all producers in a district are moving towards sustainable production, the entire district should be able to be certified as sustainable.

Ladies and gentlemen,

So how do we in Seruyan District reduce the risks faced by producers to achieve sustainability in our district?

Although companies have more capacity in transitioning towards sustainability, smallholders face significant challenges in changing their mode of production. They need help. Currently, the Seruyan District Government works with smallholders in addressing risks such as legality and unsustainable practices, supported by our partners Earth Innovation Institute and INOBU. To address these challenges, we initiated a program to increase the proportion of smallholders in sustainable palm oil production, particularly Dayak farmers. Part of this program includes mapping the lands of these smallholders. To date, around 400 smallholder farmers have been mapped covering more than 800 hectares in 4 villages. Our target is to map all of the 5,000 smallholders in the district in the next year.

Through this mapping, we now have sufficient information about the location of these smallholders, their socio-economic situation, the legal status of their land and the challenges they face in palm sustainably. cultivating oil We are now helping smallholders to overcome these challenges. In regards to legality, supporting these smallholders to achieve full recognition of their land and to get their land titles, Plantation Registration (STDB) and including the Registration Letter for Cultivation and the environmental permit (SPPL). We will also help the smallholders in getting better organized, trained in good agricultural practices and moving them towards certification.

We hope that our efforts with the smallholders in Seruyan District could also be supported by other actors in the palm oil supply chain,

especially mills and palm oil buyers, along with other stakeholders, in speeding up and upscalling the work that we have done so far.

The smallholder work is only a portion of our work towards jurisdiction certification in Seruyan District. We also need to focus on finding ways to address the issues of deforestation and social conflicts. For example, in ensuring that future licenses are only allocated on degraded land to avoid deforestation, we need to create a map that defines go and no-go areas for oil palm and other agricultural commodities. This map could include information regarding high conservation value areas and indigenous people's land. To reduce risks of social conflict, we will also need to interpret the principles of free, prior and informed consent in the context of Seruyan District, and also by providing support for conflict resolution.

We realize that this is not an easy task. To help us move forward, we will form and lead a multi-stakeholder working group consisting of representatives from oil palm growers, governments and non-government organizations, smallholders and indigenous people. The working group will identify and implement strategies to achieve our commitments for reducing sustainability risks. Specifically, the working group will focus on how to mitigate important risks such as deforestation, social conflict and greenhouse gas emissions from palm oil production.

Ladies and Gentlemen,

I applaud the initiative of RSPO to acknowledge the jurisdictions that will make the transition towards sustainability. I hope RSPO can be the leader in developing a system that recognizes and certifies jurisdictions.

To end my remarks, let me address the buyers of palm oil products, financial institutions and donors. As we make the transition to becoming sustainable, certified jurisdictions, will you be prepared to shift your investments accordingly? Will you preferentially invest in sustainable districts over those whose practices are not sustainable? Will donors be prepared to support these districts in making the shift towards the sustainable production of commodities?

Ladies and gentlemen, our dream of certified, sustainable jurisdictions is one that is achievable. We need to work together, however, to ensure that the concept of sustainable jurisdictions is understood and valued by buyers and consumers. Through achieving this dream, we can ensure that commodities are produced sustainably and profitably for the benefit of all people living in the region.

Kuala Lumpur, 17th of November

Bupati of Seruyan