

WRM 218 Bulletin – September 2015

Subscribe to WRM monthly Bulletin

<http://wrm.us9.list->

manage1.com/subscribe?u=f91b651f7fecdf835b57dc11d&id=ca171adcc2

The Bulletin aims to support and contribute to the struggle of Indigenous Peoples and traditional communities over their forests and territories. Subscription is free.

OUR VIEWPOINT

Industrial oil palm plantations:

A model that violates forest-dependent peoples and their territories

To mark the International Day of the Struggle against Monoculture Tree Plantations on September 21, WRM, together with organizations and networks from around the world, this year issued a declaration condemning the expansion of the industrial oil palm plantation model. The expansion of this model is leading to a growing number of economic, social, cultural and environmental impacts. Once again, aspiring to break the circle of silence around the violations faced by the communities whose territories are invaded and surrounded by these monocultures, we shout loud and clear: Plantations are not forests!

Industrial oil palm plantations have been the type of monoculture that has been expanding fastest in the last few decades. In the period 1990-2010 these plantations expanded globally about threefold, especially in Indonesia and Malaysia. And over the past 15 years, a series of free trade agreements favored the latest expansion wave of industrial oil palm plantations, not only in Indonesia and Malaysia but also in countries in Africa and Latin America. Another trend that pushes expansion comes especially from Europe with the increasing demand for agrofuels.

Palm oil companies are making (non-binding) so-called "zero-deforestation" pledges as part of their "corporate responsibility" policies. However, reports from the ground already show that even *after* companies have made these pledges, the evidence about environmental and social violations of these same companies continues. But most disturbing is the fact that the objective of these commitments is not to halt industrial oil palm expansion, but is instead an attempt to "green" the sector. By retaining a logic of unlimited expansion, these "commitments" are actually a threat to more communities losing their land and livelihoods.

Moreover, the growing interest of corporations in forests, and especially trees, is explained because these have become even more important under "green capitalism". Forests' capacity to store carbon and biodiversity is used as a source for generating carbon and biodiversity credits, which can be then sold to polluting countries and companies to either "compensate" for the destruction generated elsewhere or to make profits on financial markets.

REDD+ and REDD+-like policies, which promote financing forest conservation through the sale of carbon and biodiversity credits, can channel this money to oil palm

companies for conservation of forest areas with a so-called “high carbon value” that oil palm companies have been identifying on their land concessions. This way, oil palm companies can “green” their activities. But conserving areas with “high carbon value” does not change the harmful impacts of a sector that requires significant use of water, agrotoxins, chemical fertilizers and fossil energy, and that occupies vast territories which numerous communities used to live in or depend upon for their livelihoods. Rather than presenting any real solution to climate change, the oil palm industry contributes to climate destruction. And those who will be most affected by such policies are the forest dependent peoples and peasant communities, who will see their access to their lands and forests increasingly restricted by oil palm plantations expansion. For them, not only a “high carbon value” forest is important, but all of the areas that they need to maintain their livelihoods and cultures.

In addition, governments of palm oil producing countries, together with the industry’s transnational companies have been active in appealing for the re-categorization of oil palm plantations as ‘forests’ instead of agricultural crops! This absurdity is made possible because according to the prevailing FAO definition, a forest is basically any area with tree cover. The aim of the re-categorization is to guarantee access to the “opportunity” represented by a potential REDD+ agreement under the UN climate negotiations in Paris by the end of this year. With such an agreement, palm oil companies would be able to sell carbon credits in the future, using the deceitful argument of promoting “zero net deforestation” or “reforestation”.

The emphasis on deforestation tends to take attention away from the wider range of impacts caused by industrial oil palm plantations, such as:

- **Destruction of local livelihoods and displacement.** The regions where oil palm plantations are being promoted are home for peasants and indigenous peoples and are areas of tropical forests that they depend on for economic, social, spiritual and cultural reasons. Industrial oil palm plantations therefore cause the loss of land and thus the livelihoods of communities, especially for women, because of their specific relation with the forest, resulting in displacement of these communities.
- **Destructive logging and human rights violations.** In many cases, these plantations are also a result of devastating logging in the past that paved the way for oil palm plantations coming in. Moreover, land clearing through burning for developing oil palm plantations in Indonesia has been continuing for more than a decade, resulting in an almost annual haze across Southeast Asia. This practice not only harms the environment, but also the health of millions of citizens.
- **Privileged land access for corporations, not communities.** Introducing the model of industrial oil palm cultivation through land concessions guarantees privileged access to agricultural lands for long periods to corporations, increasing their power and influence. Thus, the struggles of communities in defence of their collective rights over these territories, and for a diversified, agro-ecological agriculture tend to become increasingly harder.
- **Miserable working conditions.** Jobs turn out to be few and labor conditions are often akin to slavery, and child labor as well as drug abuse among workers and prostitution have been documented in numerous instances. Workers are also especially affected by the obligation to apply agrotoxins in monoculture plantations, including products forbidden in many countries. Many become ill for the rest of their lives, without being able to count on any compensation.

- **Increasing criminalization of social movements and local opposition.** A very concerning aspect is also that communities and supporting organizations as well as workers in oil palm plantations have to deal worldwide with an increasing trend of human rights violations including criminalization. Also in other countries people were killed, arrested and/or persecuted, just because of their struggle to defend the collective rights of communities over their territories and their opposition against the invasion of their territories by industrial oil palm companies. Meanwhile, companies can count on all sorts of protection from security forces of the state.

Since 2006, September 21st has been established as the International Day of Struggle against Tree Monocultures, aiming to increase the visibility of the growing number of peoples and communities, often the most marginalized ones, including the women and youth, who are struggling in different places and countries against industrial oil palm and other monocultures of eucalyptus, pine, acacia and rubber plantations. Large-scale industrial tree monocultures are not acceptable, neither for local communities nor for a world facing a severe crisis with manifold symptoms, including climate change, economic and environmental deterioration and increasing militarization and human rights violations.

For these reasons, this bulletin focuses on denouncing oil palm plantations' expansion and some of its consequences for forest dependent peoples and their territories. The West Papua article brings attention to a remote region where the expansion of these plantations is benefiting large business conglomerates at the expense of indigenous and traditional populations. Furthermore, the Liberian government's push to facilitate logging concessions for large-scale oil palm cultivation is another important warning, especially in a context plagued by illegal logging and corruption. From Brazil, a report from the field reveals how the mining company VALE is establishing oil palm plantations in the Amazon state of Pará, as a way to meet the agrofuel industry's demand for trains to carry its minerals, but above all to strengthen an alleged "green" image. This bulletin also includes an article on the role of banks and investors who speculate on these plantations, helping to strengthen and expand oil palm corporations and generating huge profits for their portfolios. Finally, the bulletin also includes an article that reminds us that tens of millions of people in Africa not only depend on this tree for their livelihoods and cultures, but also preserve and value it as a source of life. Happy reading!

[See the International Declaration for the 21 September here](#)

THE ADVANCE OF INDUSTRIAL OIL PALM MONOCULTURE: DESTRUCTION AND RESISTANCE STRUGGLES

Africa: where palm oil is still a source of life

These days, with so many companies jumping into the oil palm plantations business and with more and more extensive areas of forests being turned into this monoculture, it is easy to disregard the origins and traditional uses of the oil palm tree. The fact is that tens of millions of people in Africa, the centre of origin for oil palm, rely on this tree for food and livelihoods. And the tree and its traditional use are of particular relevance and importance to women. For them, palm oil is an essential ingredient in local dishes, a

source for traditional medicine and animal feeds. African communities use every part of a traditional oil palm tree, from its roots to its branches to produce everything from wine and soups to soaps and ointments, and even a whole range of textiles and household materials. However, the global land grab for industrial oil palm plantations puts these people, the oil palms they look after and their traditional systems of use and production at tremendous risk.

A history of diversity

Oil palms trace their origins to Africa. And it is in this region where the plant soon became an integral part of their food systems, local economies and cultures. According to research from the NGO GRAIN, in the traditional songs of many countries of West and Central Africa, oil palm is called the “tree of life”.

In Africa, most oil palms are still grown in the groves in mixed forests. These groves are often cared for and harvested by a particular family, passed down from generation to generation. Such semi-wild groves are found in large parts of Africa, from Senegal in the west, to the southern end of Angola, from along the banks of Lake Kivu and Tanganyika on the East African coastline, and even on the west coast of Madagascar. Nigeria contains the continent’s largest area of wild or semi-wild palm groves, with over 2.5 million hectares. African farmers in West and Central Africa also grow oil palms, mixing them with other crops like bananas, cacao, coffee, groundnuts and cucumbers.

It is extremely difficult to find reliable figures on the area covered by oil palms grown in traditional systems in Africa, because of: 1) the difficulty of separating forest areas - containing oil palm trees as one of their components from natural palm groves where oil palms constitute the sole or main tree species; 2) the difficulty of distinguishing between “wild stands” and palm groves that have been part of local communities’ agricultural practices for centuries (some natural, some planted); 3) the difficulty of classifying palm stands as family plantations (that may or may not sell the fruit to an industrial processing unit) or as outgrower plantations contractually linked to an industrial plantation unit; 4) the existence of abandoned industrial plantations that are being used by local communities as if they were natural palm stands; and, 5) the lack of updated inventories of natural palm stands, small scale plantations and industrial plantations (See WRM’s [“Oil Palm in Africa”](#) publication).

According to GRAIN, the type of oil palms grown in Africa is also significantly different from those grown elsewhere. Most palm oil in Africa is produced from the traditional dura variety, which grows in the wild, and not the high yielding crossbreeds used on plantations. Many African peasants prefer it because it creates less shade and therefore does not hinder the growth of other crops on their farms. They also favour it for the quality of palm oil it produces, which sells for a premium in local markets.

In the local markets of West and Central Africa, the quality of a palm oil is typically judged by its colour. African women say that the palm oil extracted from traditional oil palms is better because it has a more intensively red colour than that extracted from the modern varieties. In Benin, traditional palm oil sells for 20-40% more in the markets than that from modern varieties. Women who use the traditionally grown oil palm also say that their traditional sauces made with boiled palm kernels have a lighter and thus

better texture when made with kernels from traditional palms than with those from modern ones.

Palm oil in Côte d'Ivoire

Palm oil has long been the vegetable oil of choice in Côte d'Ivoire. The average Ivorian consumes about 10 kilos of it per year. It is used not only for frying but also as a main ingredient for many local dishes, from gombos and other sauces to various dishes made with plantains or fofou. Palm oil gives these foods a particular taste and colour that is highly valued in Ivorian cuisine. Imports and highly refined palm oil from industrial plantations and modern mills have taken a share of this market from traditional producers. But despite higher prices, consumers remain loyal to traditional palm oil, even in the cities.

Oil palms in Cameroon

According to Marie-Crescence Ngobo, from RADD, all parts of the oil palm, including its byproducts, are raw materials for making indigenous remedies. The Yambassa people in Mbam use the leaves of traditional oil palms to treat tooth decay. Palm wine mixed with various other ingredients is used as a remedy for male impotence, chlamydia, gonococcal infections, stomach ache, jaundice, and measles.

The Mvele, a Beti sub-tribe, prepare a meal of hearts of oil palm for new mothers, as it stimulates milk flow. Some other uses include the black palm kernel oil, which is used in skin and hair care and is an indispensable and ubiquitous ingredient in formulas for newborns. Further, coal made from the kernel also serves as a teeth whitener and communities in southern Cameroon use it as a toothpaste. Ash from the burned tree bark relieves boils.

Extract from a Béninois song (translated)

*What you can take from my song
Is this: that the palm tree standing there;
Anyone who wishes to benefit from it should care for it and worship it
Look at its leaves which are used for making brooms
Look at the parts which are used for making ropes to draw water from the well
From the palm tree, you get branches and cakes
On the same palm tree there are big stems which hold nuts
Look at the liquids it produces: palm oil and wine
Anyone who wants to benefit,
should know that we get the best quality oil from these nuts;*

** This article was extracted from "A long history and vast biodiversity", *GRAIN*, 22 September 2014, <https://www.grain.org/article/entries/5035-a-long-history-and-vast-biodiversity>

Forests under siege:

Liberia may intensify forest destruction

"The world's forests remain under threat from illegal logging... Illegal logging perpetuates corruption, undermines livelihoods, fuels social conflict, deprives

governments of revenue and erodes countries' natural resource bases.” Chatham House Report, July 2015 (1)

Forestry officials in Liberia have tabled a proposal that will allow for large-scale conversion of forests to oil palm plantations. This is despite the fact that Liberia is still struggling to deal with the problem of illegal logging, even though the European Union (EU), the Government of Norway, the United States, and other donors are investing more than US\$200 million dollars to fight illegal logging and forest destruction in the country.

In July 2015, the Forestry Development Authority (FDA) circulated the draft of a “Manual for Harvesting Trees in Agriculture Plantation Extension and Mining Contract Areas” to stakeholders for review. According to the manual, for a company to log an agriculture concession, it must confirm that the area does not include a proposed conservation or protected area, demonstrate that the agriculture concession holder has plans to clear and plant oil palm in the area for which the timber needs to be removed, has a map of the area, and possess a letter of waiver or consent from the holder of the agriculture concession; the agriculture concession holder is however allowed extract timber for use in their operations. With agriculture concession areas including vast expanses of forests in the northwest and southeast of the country, forest destruction will ultimately intensify if the government forges ahead with this plan.

Liberia’s forest provides livelihoods for more than half of its 3.5 million people. According to the 2008 census, more than two-thirds of the population lives in rural areas where almost everyone relies on forest resources such as timber and non-timber forest products including herbs, rattans, bush meat and a variety of food items for subsistence and income generation. Yet, successive governments have colluded with illegal loggers to plunder the country’s forests. For example, between 1997 and 2001, approximately 2.5 million cubic meters of timber was logged, of which more than 1.7 million cubic meters were exported, mainly to Europe and Asia (2). A government-led review of logging concessions in 2005 found that all the logging companies that operated during that period did so illegally (3).

Similarly, between 2009 and 2013, the current government illegally allocated more than 3 million of the estimated 4 million hectares of the country’s forest. More than 2 million hectares issued under “Private Use Permits” were later cancelled. Seven large concessions covering more than one million hectares continue to operate – even though a government commissioned post-award audit from 2013 found that 771,390 hectares had been illegally allocated to four logging companies. The remaining three concessions were not assessed during the audit but they had also been allocated in the same manner. The future of these concessions remains uncertain as Liberia and the EU grapple with how to deal with them under the Voluntary Partnership Agreement that is aiming to stem the flow of illegal timber from Liberia into the EU.

Conversion timber as an emerging problem

According to a report from the think-tank Chatham House, globally, more forest is being cleared for agriculture and other land uses, and as much as half of the tropical timber now sold internationally comes from forest conversion in tropical countries. The

report also found that while illegal logging has decline since 2000, the gain has been offset by increased illegal production of timber from forest conversion.

Already, Liberia's legal framework allows for certain forest areas to be logged and converted to plantations and other land uses, under permits known as Timber Sale Contracts (TSCs). However, there are safeguards to prevent wanton destruction of forests. For example, TSCs can only be awarded on forest fragments no larger than 5,000 hectares, and disconnected from any significant forest area. Additionally, they can only be allocated on Public Land, through a concession plan approved by the Cabinet, and awarded through competitive bidding. Furthermore, TSCs cannot be issued for land already under another land-use contract. The current legal framework therefore excludes logging in existing agriculture concessions and is meant to keep the possibility of forest conversion to a minimum.

Following the logging requirements laid out in the manual, industrial logging in agriculture concessions will open several possibilities that would be damaging for Liberia's forest. First, it will immediately open the door for forest clearance and conversion in at least 500,000 hectares of forest. Second, it will put pressure on oil palm companies that have been reluctant to allow logging in their concessions. Third, it will destroy other forest resources, such as rattan, round-poles and other local construction materials, as well as the native palms harvested and processed for edible oil across Liberia, and bush meat. Communities depend on these forest areas and forest resources for subsistence and income generation, and priceless environmental functions. Therefore, opening the gate to industrial logging in "agriculture concessions" would not only be an environmental disaster but would also have severe social and economic consequences.

What, then, needs to happen?

The ultimate responsibility for managing the country's forests in a responsible manner rests with the government and people of Liberia. As such, the government should withdraw the manual and revise it to limit timber extraction from "agriculture concessions" and to salvaging timber exclusively for use in the region where the concession is situated. The revised version should explicitly exclude industrial logging. The EU and the Government of Norway should take steps not only to distance themselves from this plan, they should raise concerns about the plan with the government of Liberia; not to do so would imply complicity. Civil society on the other hand, should mobilize and launch an aggressive campaign locally and internationally to safe the forest and protect the livelihoods of communities that depend on them.

Silas Kpanan Ayoung Siakor

Email: ssiakor@sdiliberia.org

Sustainable Development Institute, Liberia

- (1) Chatham House Report 'Tackling Illegal Logging and the Related Trade: What Progress and Where next? July 2015. Available from: <https://www.chathamhouse.org/publication/tackling-illegal-logging-and-related-trade-what-progress-and-where-next>
- (2) Plunder: the silent destruction of Liberia's rainforest, 2002. Available from: http://www.forestsmonitor.org/uploads/2e90368e95c9fb4f82d3d562fea6ed8d/plunder_1_.pdf
- (3) Forest Concession Review Report, May 2005

West Papua Oil Palm Atlas: **The companies behind the plantation explosion**

During the last few decades, Indonesia's oil palm industry has been growing rapidly, but with the vast majority of this expansion on the islands of Borneo and Sumatra. With large tracts of land increasingly difficult to find in those regions, plantation companies are now shifting their attention to the Maluku archipelago and especially to conflict-ridden West Papua. While in 2005 there were only five oil palm plantation companies operating in West Papua, by the end of 2014 there were already 21 operational plantations. This rapid expansion is set to continue with many more companies having already obtained an initial location permit. If all these plantations were to be developed, more than 2.6 million hectares of land would be used up, the vast majority of which is currently tropical forest and the home of many indigenous peoples groups. AwasMIFEE, Pusaka and six other organisations recently published "The West Papua Oil Palm Atlas" in an attempt to break the isolation of this region, in a context where communities choosing to oppose plantation companies often feel intimidated by state security forces that back up the companies.

The oil palm industry's rapid growth in West Papua is having serious adverse effects on its indigenous population. For almost every single existing plantation, there have been reports that indigenous peoples have lost out when the forests they depend on for their livelihoods become oil palm plantations. Besides, almost without exception, these plantations have caused conflicts with and within indigenous communities who depend on the forest – most lowland Papuans are hunters and gatherers to some degree. The conflicts have centred around communities' refusal to hand over their land, demand for justice in the cases where they feel the land has been taken from them by deceit or intimidation, horizontal conflicts between neighbouring villages or clans, action by indigenous workers who feel they are being exploited, or aggression by police or military working as security guards for the plantation companies.

Although Indonesian law does recognise communal land rights for indigenous communities with customary use of the land, in reality, those communities often face considerable pressure to give up that land. When affected communities do get some compensation, they rarely get more than US\$30 per hectare, with some cases of compensation of as little as US\$3 per hectare reported. This pressure is further fuelled by the fact that local administrations and companies are often reluctant to share information about permits, meaning that communities often know nothing of the plantation plans until a company shows up trying to acquire their land.

Who are the companies involved this expansion?

The many companies controlling the oil palm industry in Papua often use local names, or names which give the impression of being pro-people and pro-environment. In reality, they are often controlled by members of the business elite and part of large corporate groups working with multinational companies. Typically, these companies also have businesses in other sectors, such as logging, industrial tree plantations, mining or industrial-scale fishing, both in Papua and in other parts of Indonesia.

Some of these corporate groups are linked to some of Indonesia's richest business entities according to Forbes (2014) data, including the Raja Garuda Mas group, the Sinar Mas group, the Salim group and the Rajawali group. Most of them have more than one concession for oil palm plantations, and some have other businesses, like the Rajawali group which is also developing sugar-cane plantations in the Merauke area. Other major companies involved are the Austindo Nusantara Jaya Group, which is also developing the Sago Palm processing industry in the Metamani area of South Sorong and an electricity plant in Tembagapura, Mimika; the Kayu Lapis Indonesia Group, which has its roots in logging, and is the largest operator of timber concessions in Papua; the Medco Group, which is also active in industrial timber plantations, pulp and mining around Papua; and the Korindo Group, which is using the timber extracted from the land for oil palm plantations for its plywood business. Moreover, other foreign companies operating in Papua are the Tadmax group from Malaysia, Pacific Interlink from Yemen, the Genting Group from Malaysia, the Noble Group from Hong Kong, and the Carson Cumberbatch from Sri Lanka. In contrast with other parts of Indonesia, only one oil palm plantation is operated by a state company: PTPN II in Arso.

Apart from these big national and transnational companies, the West Papua Oil Palm Atlas also shows that there are several other "mysterious" companies that pioneer new investments, profiting from their links with local governments to obtain permits for the plantations. These companies operate very discreetly and try to avoid having any kind of public profile. They don't have websites, their offices in Jakarta have no company names and refuse to give out any information. These companies include the Menara Group, which obtained permits for seven subsidiaries before selling most of them, and PT Pusaka Agro Sejahtera Group, which also managed to receive plantation permits. There are indications that the main interest of this kind of companies is speculative - once all the permits have been obtained, the plantation company would then be sold on to another company, very likely to one of the big national or transnational companies that have bigger access to capital. This type of shady behind-closed-doors business practice however, makes it further impossible for indigenous communities to gain respect their rights as responsibilities shift with the sale of the companies that originally obtained the permit while the new owners often reject responsibilities for unpaid compensation etc.

Below are two of the many sections from the Atlas that portray concrete examples of what is going on in the region:

"Timber companies see the future lies in oil palm"

In 2003, the Kayu Lapis Indonesia Group was the biggest logging company in Papua, operating 1.4 million hectares of concessions. One of their largest concessions was in Sorong, PT Intimpura, where it also owned a huge wood factory producing 264,000 cubic metres of plywood per year. But like several other timber companies, the Group opted to shift its investment into the expanding oil palm industry a few years before its forest management permit was due to run out in 2009. Using its links with the local government, it managed to obtain permits for five subsidiary companies in the next few years to start oil palm plantations. Currently, two of these subsidiaries are operational. PT Henrison Inti Persada (HIP) in Klamono is the most advanced, having received the final permit in 2006 - although it had already started planting oil palm illegally a few years before.

PT HIP established its plantation on the land of the Mooi people through trickery and by making promises to provide new facilities or education support that have not yet materialised. The compensation given to communities was exceptionally low, even compared to other cases around Papua. In one documented case, ancestral land was handed over for 30 000 Rupiah per hectare (around US\$3). In 2010, PT HIP was sold to the Noble Group, a Hong Kong-based agricultural commodities trading company. Noble became a member of the Round Table on Sustainable Oil Palm which allows it to apply for sustainability certification that facilitates access to premium markets. As the new owner, Noble cannot be held responsible for the illegal logging and land-grabbing that took place when PT HIP was owned by the Kayu Lapis Indonesia Group. As a consequence, Noble can present itself with a “respectable image” despite all the destruction and harm to local communities.

“Oil and gas below ground, palm oil above ground”

Bintuni Bay is the centre of oil and gas development in West Papua, with UK-company BP, Malaysian-company Genting Oil and Italian-company Eni Oil extracting or exploring reserves. Designated by the government as a key area for energy and industrial development in Papua, Ferrostaal from Germany and LG from Korea, together with local partners, both want to develop ethanol plants, and the Indonesian state-owned fertilizer company PT Pupuk Indonesia is also lining up to invest. Once covered with rainforest and mangrove forest, Bintuni Bay is in the process of being turned into an industrial landscape, with industrial oil palm plantations as a key part of the picture, since nowadays oil can also be extracted from trees.

PT Varita Majutama – now owned by the Malaysian company Genting Berhad – was the first to arrive in the area in 1996, developing three blocks of 6,460, 5,510 and 5,300 hectares respectively. The company confronted conflicts with the local populations since the beginning. In 2007 and 2012 some of the affected communities around Tofoi blockaded the plantations as the company continued to ignore their demands. The company nevertheless continued to expand. In January 2013, another 35,371 hectares of land were released by the Forestry Ministry to be planted with oil palm. The indigenous peoples around Tofoi also have to contend with two oil companies operating on their land, Genting Oil and Eni Oil, which bring further problems, including an increased police and military presence. In 2012 for example, the Kamisopa and Sodefa clans disputed the boundaries of land, until a fight broke out. Police brought criminal accusations against one man, and then forced his brother to sign a document handing over rights to their ancestral land to Genting Oil – threatening that if he didn’t, his younger brother would face five years in prison.

The West Papua Oil Palm Atlas is an important warning of the growing expansion of these plantations as well as a clear picture of who are the actors benefiting from this boost. Using the excuse of the conflict around the independence movement, the Indonesian government makes it very difficult for international observers to access this region. This has probably added to the lack of awareness internationally about the threats towards forests and the populations in West Papua that depend on them for their livelihoods. With sound research and detailed maps for each area of the Papua region which confronts different and manifold threats from the extractivist and

industrialization model, the Atlas can also be seen as a call-out to stand in solidarity with the many communities confronting this industry.

Selwyn Moran, *awasmIFEE*, awasmiffee@potager.org
Y.L. Franky, *Pusaka*, yay.pusaka@gmail.com

Access the West Palm Oil Palm Atlas in English here:

<https://awasmiffee.potager.org/uploads/2015/04/atlas-sawit-en.pdf>

And in Bahasa-Indonesia: <http://awasmiffee.potager.org/uploads/2015/04/atlas-low-resolution-Final-id.pdf>

Brazil – mining company VALE promoting oil palm in Pará: Impacts of the "green economy"

In the 19th century, the region around Belém, capital of the Amazon State of Pará, Brazil, witnessed the so-called "Cabanagem", one of the largest popular uprisings in the history of Brazil, where indigenous peoples, afrodecendant populations and sectors from the middle of society organized to fight for freedom and justice. These uprisings are little known because they were made invisible by the ruling classes in their "official" version of history. Today, there is no imperial power in Brazil but there are new threats trying to force rural workers into a logic of oppression, by restricting their freedom and autonomy, and aiming to take control of their territories. One example is oil palm monoculture expansion.

Around 2006, a process of expansion of oil palm monocultures began in Pará, reaching as far as the municipalities of Acará and São Domingos do Capim, about 100-150 km away from Belém, the state's capital. Companies like VALE and the oil company Petrobras appropriated land in the region and oil palm plantations' arrival expelled many families from their territories. Until today families still resist along the roads, while others are already trying to survive in the cities. According to local residents, the process also caused deforestation.

The upheaval experienced by rural workers was denounced by trade unions and prompted government intervention, which made companies change their tactics: they tried to convince peasants to begin planting oil palm on their lands - the government even opened a specific credit line to provide loans to peasants. A farmer from the Taperuçu settlement said that for 3-4 years now he has a contract with Biovale (a VALE company). Last year he picked the first palm fruits, and earned approximately R\$1,000 (US\$ 268) per month. This year he expects to double his crop. However, this peasant still has not begun to repay the government loan, and does not know how to cope with the situation from 2017 onwards, when the company Biovale will no longer be responsible for transporting the fruit to the processing factory, a stretch of more than 100 km. On top of that, on the land of the settlement, apart from oil palm, there is a tree plantation to sell timber. He is no longer planting cassava; the most consumed staple food in the region, the price of which has increased significantly since the cultivation of palm trees began to expand.

The same peasant told us that he had to use agrottoxins – as stated in the contract with the company Biovale - but he had to stop because he started to feel ill. Still unwell and shaky, he continues to suffer from the consequences of applying a poisonous product. In

a region with high temperatures and humidity, the use of individual protective equipment is extremely difficult; which in any case is not a safe protection either. Another hazard of working in plantations is the existence of many poisonous snakes. We heard stories claiming that the company could have released snakes, and asked for them not to be killed, so as to control the rodent presence, which was allegedly jeopardizing production. It seems the company is not concerned about workers' health, since snakes represent another hazard.

The problem with agrottoxins is also very serious as local residents told stories about having seen dead fish in the region's rivers. They attribute this to the arrival of oil palm and the contamination resulting from application of agrottoxins. The renowned Public Health Institute Evandro Chagas of Belém confirmed those accusations with the detection of agrottoxins in water sources which the people in the region depend upon. One of the products used is, for example, endosulfan, a highly dangerous product for human health and already banned in several countries. Based on this analysis, the Public Ministry of Pará is trying to agree on a code of conduct with companies to attempt to reduce the contamination.

With Biovale's oil palm plantation, the region entered the "green economy" path. The doubling of railway tracks used to transport VALE's iron ore from the largest mine in the world - the Carajás complex - to the Brazilian coast, will increase the demand for biodiesel from palm oil further. But the project serves mainly as "green" propaganda for VALE, since 80% of its demand for diesel is obtained from oil. With the planned expansion of the railways and the iron ore production, the company will also increase its oil consumption and, therefore, increase its carbon emissions (see information on the impacts of VALE and the resistance in the [article from our Bulletin of June 2015](#)). This is an example of how the "green economy" rather than being a recipe for emission reductions, is a way to create a "smokescreen" that allows companies to further increase their production and burn fossil fuels. Instead of leaving oil and other fossil fuels underground, the "green economy" is a way to perpetuate its use for longer, until the last drop of oil runs out.

Since the arrival of oil palm plantations in the region, the State has enhanced road conditions to meet the companies' demands. Some works from the IIRSA plan (Initiative for the Integration of Regional Infrastructure in South America) are also planned for this region, thus facilitating the entry of new companies. All of this resulted in an increase of land prices in the region and, in consequence, a process of land speculation and overvaluation. Worse still, several quilombola communities in the region, like the Concordia community, which are waiting for the recognition of their constitutional right to land titles and the collective recognition of their territories, reported that this fight has become even more difficult now. Collective titles are very important for these communities to access public policies, but above all, to guarantee a future - including access to land - for future generations. But at the same time, the State does not cease to encourage individual land titles because that fits well with the proposal of companies for peasants to plant oil palm on their land under individual contract with each producers.

While visiting quilombola communities in the region which are already surrounded by palm oil plantations, the inhabitants told us that they also suffer from other impacts such as wild animals taking refuge in their areas, fleeing from monoculture areas where there

is no food to find. And insect infestations originating from the plantations that affect peasants' lands for example. People talked about a general environmental degradation and even the re-emergence of illnesses once thought to have been eradicated such as the Chagas disease. They also mentioned that it is mainly men who find work with the companies, but working conditions are often akin to “-slavery”, since workers need to carry out very hard labour for a monthly minimum wage (R\$ 788 or US\$ 211). Finally, it is important to highlight the problem related to drug consumption of the workers responsible to plant the oil palm seedlings. The issue has been raised in some interviews and published articles, but it deserves to be further investigated.

Winnie Overbeek – winnie@wrm.org.uy
International Secretariat of the World Rainforest Movement (WRM)

This article is based on a two-day visit to the cities of Acará and São Domingos do Capim, organized by FASE-Amazônia, an activity that was part of the Latin American Conference on the Financialization of Nature, 24-27 August 2015 in Belém (see <http://br.boell.org/pt-br> for more information.)

Democratic Republic of Congo: “We need justice to be made”

Interview with Jean-François Mombia on oil palm plantations

Could you tell us what is the RIAO-RDC (Information and Support Network for national NGOs-Democratic Republic of Congo) and what are its main activities?

RIAO is an information and support network for NGOs in the Democratic Republic of Congo (DRC). It is an organization of social assistance and protection. We work hand in hand with communities to protect their rights. We also work closely with NGOs. We deal with issues that are important to the life of communities, and the protection of forest ecosystems. We also deal with micro-credits at the community level in order to help the people.

The territories along the Congo River are mainly occupied by oil palm plantations belonging to the Canadian agribusiness company Feronia Inc. Could you explain how this company has been able to take control of so many hectares of land?

Feronia inherited land that the colonizer, i.e, the agribusiness company Unilever, had previously occupied. Our ancestors, our authorities, our leaders, concerned about building good relations, gave land in exchange for peace and to stop the white men whipping our people. When Unilever came, there were already palm groves; yet there were no plantations. Mr Lever decided to negotiate. In Leverville in Lusanga where Unilever began, those natural forests had existed for a long time. The palm groves always grow along watercourses or rivers.

Since the river facilitated the transportation, they chose the land on the riverbanks. They began with small areas. They made so many false promises to our parents. The villagers feared the whip, so they gave up space for plantations. The companies also promised work and wages for the communities. Communities that wanted to approach the white, the colonizers, agreed to give land. The white promised, for example, that for every

three plantations, one would be given to the community; this was never fulfilled, nor in Boteka or Lokutu, neither in Yaligimba.

Are there other companies involved?

Yes, there are companies engaged in logging around the Feronia concessions. In Igende, for example, there is a timber company. And SODEFOR, SAFBOIS, SOFORMA, SOCINEX, ISOBOIS are also present.

Were the affected communities consulted before or during the creation of plantations? If so, was the process satisfactory?

Native peoples had nothing to say in front of the colonizers. As I said, we must position ourselves in the Unilever era to understand. Unilever gave, for example, bags of salt or fabrics for those lands. And that was accompanied by promises. They deceived the people. No consultation was carried out.

Who buys palm oil produced by Feronia? And where does the demand come from (for example is it for markets within the Congo Basin, or markets located elsewhere)?

That issue is a mystery. Communities do not have access to palm oil from Feronia, although basic food is made with palm oil. The communities are deprived of that oil, it is not authorized, and people do not benefit from it. At the time of Unilever, the oil was sent to Marsavco, which produced margarine and other consumer goods. Even oil cakes were sent abroad, but now it's not known where the oil goes. We all wonder where the oil of Feronia goes because nowadays, Marsavco imports oil from Malaysia. The ship-owner who transported the oil also disappeared a while ago. It is a real mystery.

Could you explain what are the main problems that local communities face regarding these palm oil plantations?

The first problem is malnutrition of children because, as the parents no longer have the right to go to the forest, it is difficult to practice agriculture. Today we learned that Feronia is starting to plant even in the fishponds owned by the communities. It is planting even in those areas. The communities have no hospitals, no schools, there is so much misery. Workers are treated like slaves.

Do communities face further difficulties such as health problems associated with pesticide use or water pollution?

The situation is very serious, because the villagers use factory waste to make soap. However, this waste was sprayed with chemicals that present a health danger to both the children and the youth. NPK and other products are used. Sometimes we find dead fish in rivers and fishponds. There are always problems with diarrhoea.

What activities were organized by the communities to oppose the company's actions? What are demands of the people?

After discussions and information on the problems concerning the rights of communities, RIAO began a mobilization campaign and, after publishing the report with GRAIN, the communities who we contacted began to oppose Feronia's return to those areas to conduct land demarcation. Communities are now constantly claiming their land; because they do not want anymore those well-known documents with conditions that the company is now trying to make them sign. Some of the affected communities have travelled more than 2,000 km to testify and meet other communities affected by Feronia's operations.

Do you think that there have been positive reactions due to local resistance?

Yes, there were positive reactions. In Mokaria, for example, in 1997, demonstrations were able to push back the company, which then left the land. However, the State still refuses to acknowledge the restitution. But today, where Feronia is present, there are tensions, without any further positive reactions. The necessary steps are being taken to liberate the people from this company.

What kind of international solidarity do you think would be useful to support the affected communities?

The information we are providing is already making a difference. We must continue denouncing everything that happens. We demand justice, because there have been deaths and it is important to find those responsible. We must help communities, even on basic issues such as health and education. We must also help children to go to school, because one of the strategies of the company is to prevent children from doing so, so that children of workers also become workers and children of farmers also become farmers.

Jean-François Mombia, RIAO–RDC

Financialized capital and palm oil corporations

The surging global demand for palm oil has produced windfall profits for the industry and turned oil palm plantations into hot targets for investment by banks, pension funds and other financiers looking to cash in on the palm oil boom. Wealthy business magnates control most of the biggest groups in the palm oil sector, especially in Asia. However, investment in debts, underwriting shares (whereby shares are bought by an investor for an agreed price and re-sold to the public at a mark-up, bearing all the associated costs) and bonds are facilitating these multinationals to expand their plantations and power. Yet, oil palm plantations continue to be a cause of deforestation. They are connected with forest and peatland fires, pollution from the intense use of agrochemicals as well as being imposed on local communities and indigenous peoples, whose livelihoods and territories these plantations destroy.

Financing tycoons for further expansion in Indonesia

Research by the NGO GRAIN revealed that in Indonesia alone, US\$12.5 billion is estimated to have been invested in oil palm expansion between 2000 and 2008. Much of this money comes from Singapore, where Indonesian tycoons parked their ill-gotten fortunes to protect them from the clampdown that occurred after the collapse of the

Suharto dictatorship. These *tycoons* (meaning “great lords” in Japanese) are now using this money and their old political influence to build up plantation empires throughout Indonesia and in other countries, such as the Philippines and Liberia.

The NGO’s TUK Indonesia and Profundo also released a report in February 2015 analysing the owners and financiers of 25 corporate business groups active in the Indonesian palm oil sector. The businesses included in this report are involved in a large part of the existing plantations and the companies are developing very sizeable land banks – areas held for future development into new plantations. The study shows that even though 21 out of the 25 companies investigated are listed on a stock exchange, tycoons have invariably the largest shareholding – giving them the ability to control the management and strategy of the company. However, being listed on a stock exchange means that the companies have attracted capital – and continue to do so – by issuing shares to private and institutional investors. Some companies also issue bonds and all have access to bank loans.

The banks and investors involved enable the tycoons to invest more capital than they would be able otherwise, thereby accelerating the growth of the tycoon-controlled groups. Consequently, while the tycoons control the expansion process of the oil palm sector in Indonesia, the funds of banks and external investors offer them a way to accelerate their expansion. The same study shows how banks have helped the 25 tycoon-controlled groups to attract considerable amounts of capital in the last five years, through loans and by underwriting shares and bonds sold to investors by the companies. The most important banks giving loans to these groups have been HSBC (United Kingdom), OCBC (Singapore) and CIMB (Malaysia). Meanwhile, the most important banks which have underwritten issuances to these groups in the past five years were RHB (Malaysia), Morgan Stanley (United States) and Goldman Sachs (United States).

The most important tycoon-controlled groups – in terms of area planted – are Sinar Mas Group, Salim Group, Jardine Matheson Group, Wilmar Group and Surya Dumai Group. However, the study also highlights that the 25 tycoon-controlled groups still have at least 2.0 million hectares of land banks under their control, additional to the 3.1 million hectares that have already been planted. West Kalimantan, Central Kalimantan, Riau and East Kalimantan are the provinces with the largest tycoon-controlled land banks. Consequently, in terms of their unplanted land banks in Indonesia, the most important tycoon-controlled groups are Sinas Mar Group, Triputra Group, Musim Mas Group, Surya Dumai Group and Jardine Matheson Group.

Oil palm plantations are also a desired investment of Malaysian companies with close connections to the ruling elites. The forestry companies linked to the ex-Chief Minister of the Malaysian state of Sarawak are particularly active in building up land banks for oil palm plantations in Borneo, Papua and Africa. Meanwhile in Colombia and Honduras, paramilitary groups and drug barons are deeply intertwined with oil palm expansion.

Moreover, according to GRAIN, some of the largest palm oil companies have recently turned to public offerings on stock markets to raise money from the financial management companies and institutional investors eager to get a piece of the palm oil boom. In 2012, Felda, the Malaysian state-owned palm oil company, restructured and went partially public, raising US\$3.3 billion in what was the third largest share offering

in the world that year. The share sale left Felda with the huge amount of US\$2 billion in cash that the company has since been using to acquire lands for oil palm and rubber plantations outside of Malaysia.

That same year, one of the largest oil palm plantation companies in Indonesia also made an initial public offering. Bumitama Agri, controlled by Indonesian billionaire Lim Hariyanto Wijaya Sarwono, raised around US\$177 million on the Singapore Stock Exchange, as palm oil giant Wilmar and several Asian, European and US financial management companies each bought multimillion dollar stakes in the company. Bumitama said it would allocate US\$114 million from the initial public offering for the expansion and development of its existing uncultivated land bank.

Between 1980-2001, companies, most of them controlled by friends and relatives of ex-President Suharto, acquired an incredible 72 million ha of lands under forestry permits in Indonesia, while 4.1 million hectares were handed out for oil palm plantations. But between 2004-2014, the forestry permit numbers dropped to 25 million hectares, while the oil palm numbers increased to 19 million hectares. The Indonesian NGO WALHI predicts that oil palm concessions will be the main source of land concessions over the next 10 years, accounting for 26.3 million ha, in comparison with 26.2 million ha for forestry concessions.

The rapid expansion of Indonesian oil palm plantations creates serious environmental and social problems: vast amounts of forest are converted into plantations; habitats of protected species are endangered; significant greenhouse gas emissions are caused by forest and peatland destruction; and many communities lose access to their territories which are crucial for their subsistence and cultures.

This article is based on information from the article “Cash crop”, GRAIN, 22 September 2014, in “Planet palm oil”, <https://www.grain.org/article/categories/519-planet-palm-oil> and “Tycoon-controlled oil palm groups in Indonesia”, TUK Indonesia and Profundo, February 2015, <http://tuk.or.id/file/Summary%20of%20the%20tycoon%20study%20TuK%20INDONESIA%20.pdf>

PEOPLES IN ACTION

Brazil: Stop eucalyptus monoculture plantations!

On September 21, about 300 indigenous peoples occupied the Nedila property in the municipality of Prado Bahia, Brazil, where the Suzano Company has a eucalyptus monoculture plantation. The main demand of the indigenous peoples is the immediate closure of the plantation, which is already causing great environmental destruction. The plantation is still not fully developed, but it is already showing its harmful effects on humans as well as on fauna and flora. The dams are causing rivers and water sources to dry out, and huge machinery incessantly mows down the Atlantic Forest. About 10 agricultural machines, owned by Suzano, are in the hands of the indigenous peoples in order to give visibility to the movement and ensure effective action of the pertinent bodies

See the Pataxo Indigenous community announcement (in Portuguese) here

Moratorium on the Baram Dam in Sarawak, Malaysia, approved!

After two years of blocking all work on the proposed Baram Dam in Sarawak, Malaysia, the indigenous peoples have scored a major victory: the state government has announced a moratorium on the controversial dam and an evaluation of small-scale energy alternatives. The indigenous peoples of Baram however are still concerned due to the status of their native lands which are already gazetted for construction of the dam, and of the on-going logging activities carried out with valid permits.

See the press release here: <http://bmf.ch/en/news/victory-moratorium-on-the-baram-dam-in-malaysia>

Stop privatizing India's Forests!

A Press Release by All India Forum of Forest Movements (AIFFM) denounces the Government of India allowing “forest concessions” to private sector companies in what it perceives as state-owned forests. Forty per cent of the “identified” degraded forests could be given away on lease to private companies for raising plantations, violating not one but several statutes such as the Forest Rights Act or the Indian Forest Act. They also highlight a recent announcement by the Government of a US\$15 billion package for new plantations. In this context, AIFFM affirms once again: “Plantations are not forests: irrespective of species being planted, a plantation can not replace or in any way replicate the biodiversity even a so-called degraded natural forest support, and the sustenance they provide to local communities.”

See the press release (in English) here

The Durban Declaration against REDD

The Global Coalition Against REDD in alliance with the No REDD in Africa Network (NRAN) and supported by many international organizations launched a Declaration at the Civil Society Alternative Programme to the World Forestry Congress, which was held in Durban, South Africa, in early September. The Declaration states “to reject top-down forms of development, including false solutions to climate change and forest and biodiversity conservation that only serve the dominant market economy” and demands governments, the United Nations and financial institutions “to stop the disastrous REDD+ experiment and finally start addressing the underlying causes of forest loss and climate change!”

Read the Declaration here:

<http://www.no-redd-africa.org/index.php/declarations/147-durban-declaration-on-redd>

Brazil: Rising profits do not prevent layoffs: Fibria Celulosa in Mato Grosso do Sul

On August 25, 2015, employees of the Fibria Company in Tres Lagunas, Mato Grosso do Sul, made public the recent layoffs made by the company - one of the largest pulp producers in Brazil. “In the last few weeks alone there were almost 18 layoffs. And the worst is that some workers with occupational diseases were also dismissed.” The dismissals are thought to be a retaliation due to workers’ mobilization surrounding the creation of a new union organisation. The workers considered the foundation of the Forestry Worker Union in early September 2015 as essential to confront a company that makes employees work long hours with low wages. While Tres Lagunas factory shows growing profits in every quarter, its workers receive the lowest pay rates when compared with salaries paid in other states. In addition, the company recently

announced the expansion of the industrial plant with the construction of a new unit. BNDES's investments and tax relief are also expected. A report released by Fibria's workers during a session of the City Council of Tres Lagunas denounces serious irregularities on the part of the company.

Read the report (in Portuguese) here

Save the Mekong Rivers!

Rivers Coalition in Cambodia (RCC) together with national and international organizations, insist to immediately stop all activities related to the construction of the Don Sahong Dam after the concession agreement was officially approved earlier this September in a unilateral decision by the Government of Laos. A joint statement denounces that "the concession agreement was made while the requests made by the Governments, communities of the lower Mekong and civil societies of the three countries members of Mekong River Commission (Cambodia, Vietnam, and Thailand) have yet to be meaningfully responded to and/or resolved".

Read the statement (in English) here:

<http://nature.org.vn/vn/wp-content/uploads/2015/09/Final-English-Joint-statement-on-DSH-18-Sep15.pdf>

RECOMMENDED

Malaysia: Human trafficking and workers' abuse in palm oil plantations

Malaysian palm oil industry, which produces 40 per cent of the world's palm oil supply, is growing but, according to labourers and activists interviewed by a Wall Street Journal report, also surrounded with abuses. Migrant workers, especially from Bangladesh and Myanmar, are being brought in terrible conditions by human traffickers as labourers in certain palm oil plantations in Malaysia. Felda Global Ventures, which sells crude palm oil to multinationals such as Cargill Inc., Nestlé SA and Procter & Gamble Co, says that 85 per cent of workers in its plantations are foreigners. Even those with legal work permits complain that they earn less than Malaysian minimal wage and are treated poorly. The Arakan Project, a non-profit organization that studies migration through the Bay of Bengal, estimates that nearly 50,000 people have boarded boats for the perilous journey to Malaysia in the past two years, many dying on the way.

See the video here: <https://www.youtube.com/watch?v=Imck6O1yIgY>

Honduras: palm plantations and violence under the auspices of the World Bank

An article in the newspaper "*El País*" shows the intense violence experienced by the people of the valley of Bajo Aguán, in Honduras, who are struggling to regain land that was captured long ago by Dinant Corporation for its vast palm oil plantations. The conflict has attracted worldwide attention partly because the company had the backing of the International Finance Corporation (IFC), the commercial sector arm of the World Bank which grants loans to private companies. The IFC provided support to Dinant while clashes took place on the ground. Since 2004, the IFC has approved more than 180 initiatives that may involve physical or economic displacement around the world, according to a documentation analysis of the organization carried out by the International Consortium of Investigative Journalists.

Read the article (in Spanish) at:

http://elpais.com/elpais/2015/06/08/planeta_futuro/1433761148_555067.html?id_externo_rsoc=FB_CM

Gender impact of oil palm plantations among indigenous peoples in Sarawak

An article from the recently launched book “Gender and Land Tenure in the context of Disaster in Asia”, examines the impact of changing land use and land tenure systems in Sarawak on human rights, livelihoods, and local gender practices. The article studies the Iban community of Kampong Lebor whose customary lands were cleared by companies to establish oil palm plantations. Authors Carol Yong and Wee Aik Pang, conclude that “Conversion of forests to oil palm plantations is regarded as a disaster given the importance of land for customary practices, food security and income-generating activities, and other fundamental rights of indigenous peoples.” This changing in people’s relationship to land has a stronger impact on women, who are primarily responsible for the well-being of the family and community, as they lose their access and control of specific forest resources that are sacred to spiritual activities, when such resources have degraded.

Read the article here

Forest peoples and territories: Rights Violations in Acre, Brazil

In 2013, the Rapporteur on human rights to the environment (RDHMA, for its Portuguese acronym), from the DhESCA Platform, conducted a Research and Advocacy Mission in the state of Acre on the green economy problematic and its political and territorial effects. Different state governments, especially in the Amazon, have already established or are in the process of defining state policies contemplating proposals for payments for environmental services and REDD+. Acre is one of the pioneers. However, a group of social organizations and collectives in Acre have identified in these policies a number of negative socio-political, economic and environmental impacts, particularly on traditional populations and their territories. These groups denounced, through the Report of the Research Mission, violations of land and territory rights, as well as violations of the rights of populations in territories conquered by them, both resulting from the green economy installed in the state.

Read the document (in Portuguese) here:

http://www.plataformadh.org.br/files/2015/08/economia_verde_relatorio.pdf

Monthly Bulletin of the World Rainforest Movement

This Bulletin is also available in French, Spanish and Portuguese

Editor-in-Chief: Winfridus Overbeek

Managing Editor: Joanna Cabello

Editorial Assistants: Elizabeth Díaz, Jutta Kill, Flavio Pazos, Teresa Perez

WRM International Secretariat

Maldonado 1858 - 11200 Montevideo - Uruguay

Phone/Fax: 598 2413 2989

wrm@wrm.org.uy - <http://www.wrm.org.uy>