

Exploration, May 2008

## Bio fuels and deforestation in West Papua

*These are some initial thoughts on addressing the issue of bio fuels and deforestation in West Papua (Indonesia). They will be worked on and amended after discussions with different stakeholders in Brussels in May 2008.*

### Case description

The island of Papua is home to one of the largest rainforests worldwide. Plans to develop palm oil plantations not only threaten Papuan rainforests, but furthermore endanger the livelihood of indigenous people. Palm oil is, however, a lucrative source of income, filling the needs for increased bio fuels of international actors, such as the European Union. Economic needs often trump the interests of the environment and indigenous people.

The Reduced Emissions from Deforestation in Developing Countries (REDD) mechanism is an opportunity for indigenous people to protect their interests and simultaneously provide economic benefit<sup>1</sup>. This mechanism is being developed to avoid deforestation and compensate carbon oxide emission by sustaining and improving forests. Those countries sustaining their forests will receive financial compensation, those persons protecting and keeping the forests would gain recognition, protection and financial benefit.

Hence, if properly designed, the REDD mechanism could promote the interests of indigenous people in Papua by granting them both a voice in the destiny of the forests and financial compensation for avoided deforestation.

This positive outcome is, however, not yet secure. It can only be attained if the REDD mechanism includes true participation, and if the Papuan people are enabled to properly make use of this participation. The former calls for commitment of the international community to deliberate on factors of social impact and development, as well as environment and economy, whilst designing the REDD mechanism. The latter requires international actors, such as the EU, to invest in capacity building programmes in West Papua.

All should be aware of the possible downsides of REDD and bio fuels, when Papuans may be forcefully evicted from the forests, endangering their livelihoods and violating their human rights. Already there are rumours that private companies buy up land to benefit from REDD revenues, violating land rights of the indigenous people. To avoid these

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<sup>1</sup> International law is gearing up to reduce carbon oxide emissions, linked to the Kyoto Protocol and the December 2007 Bali Summit. The REDD Mechanism (Reduced Emissions from Deforestation in Developing Countries) is a mechanism to compensate these emissions, by sustaining and improving existing forests.

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downsides, and to make REDD a success for the environment and indigenous groups, international actors need to adopt a holistic perspective.

### Facts

- Estimates are that more than half a million hectares of palm oil plantations have been established during the last years, cutting down Papua's rainforests (source Watch Indonesia!).
- According to government plans, Papua should open five million hectares for palm oil plantations. Three million should be in the South (in the districts Merauke, Boven Digoel, Mappi and even in Asmat). President Yudhoyono is putting pressure on governor Suebu to comply with his wish. Suebu himself wants to open 2 million ha in the province of Papua. Many district chiefs have their own plans. In 2007, several contracts have been negotiated and some have been undersigned (source Watch Indonesia!).
- On existing plantations, very few Papuans have found jobs as contract workers. Working conditions are hard and salary is low (officially about 93 \$ per month). There are forced evictions, where the people lose their Sago forests and hunting grounds. Even if small financial compensation is given, this loss of livelihood leads to serious poverty.
- Plantations are often safeguarded by Kopassus and other security forces. Many human rights abuses including murder have been recorded from oil palm plantations.
- There is no consultation with indigenous groups. Decisions are made in Jakarta, Jayapura and the district offices. The companies then negotiate with one or two chiefs.

### How can the EU contribute?

- Overall the EU and its Member States should focus on the social impact on the REDD mechanism, in addition to the technical focus on how to measure carbon sustenance. Social standards should therefore be included in the REDD mechanism. The pilot projects now carried out are a good opportunity for the EU to be in the forefront when it comes to social standards.
- The European Commission (EC) could initiate or support applied research into inclusive participation of indigenous people in the REDD mechanism.
- The EC could contribute by supporting the capacity building of the Papuan people by:
  - Informing them on the workings of the REDD mechanism and on ways to participate;
  - Providing capacity building for negotiating with palm oil plantations;
  - Providing forest preservation trainings.
- The European Union and its Member States should adopt a human rights and development perspective in the development of REDD and related issues.
- The EU and its Member States should monitor the social impact of REDD once it is operationalised, to ensure coherence with development policies.

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