



CARGILL'S LEGACY OF DESTRUCTION

A CASE STUDY OF A CARGILL OWNED PLANTATION IN INDONESIA

MANIS MATA, INDONESIA - As day breaks in the small community of Desun Keladi, Pak Gladu hoists a hand woven basket over his shoulder, and sets out on the hour long walk to his vegetable farm. "This is how it is now, I must walk so far to my fields, all the other land is full of oil palm," Pak Gladu says as he heads down the road through PT Harapan Sawit Lestari (locally known as simply HSL), an oil palm plantation owned and operated by the U.S. multinational Cargill.

HSL is one of the older palm plantations in Borneo; it was carved out of primary rainforest 17 years ago, in 1993. It's long, controversial history is representative of thousands of oil palm plantations in Indonesia, where rainforests of extraordinary biodiversity have been destroyed to make way for oil palm, while local people have been forced to give up their community forests and agricultural lands.

At HSL, the rainforest has been lost to a monoculture of oil palm and critical ecosystem biodiversity and functions have disappeared. Although no known ecological surveys were carried out before HSL's land was cleared, nearby Gunung Palung National Park serves as a reminder of the rich biodiversity the plantation once held. There, endangered orangutans exist in high densities,¹ and ten hectares of lowland rainforest hold as many tree species as the whole of North America. At HSL, only one species grows, African Oil Palm,² and only ten percent of the mammals normally found in a primary rainforest ever enter oil palm plantations.³

When the rainforest was destroyed at HSL, the watershed that provided clean water to the Indigenous Dayak who

inhabit the region was also destroyed. Behind Pak Gladu's wood-slat home, he points to a muddy trickle of water that he says was once clear and fast-flowing. "Our river is destroyed. The oil palm trees drink a lot. And the palm oil factory drinks even more," Pak Gladu explained. With no other water source, Pak Gladu and his 12 sons, daughters, and grandchildren had no choice but to continue using the water. "One time after bathing I broke out in a horrible rash. I went to the hospital for many days. It was HSL's palm oil mill, it is only 500 meters away, that caused this. I went to HSL's office to demand they pay for my treatment. But they just sat silent."

There are 16 villages within Cargill's plantation here in the Ketapang district of West Kalimantan. Signs of the inhabitants of Cargill's HSL are everywhere: lone men in tattered shorts fish with bamboo poles in the drainage



PAK KIPAS STANDS IN A FOREST NEWLY CLEARED FOR OIL PALM.



A TANKER TRUCK CARRYING CRUDE PALM OIL TRAVELS THROUGH CARGILL'S HSL PLANTATION.

ditches and woman carry bundles of firewood past the effluent ponds marked by giant signs reading: "Danger. Do not drink, bath, swim, or fish here!"

These local inhabitants exist on the periphery of daily life in the plantation. The vast majority of Cargill's 4,300 plantation workers at HSL are outsiders; of the about 400 residents of Desun Keladi, just four have regular work in the plantation. Five hundred meters from Cargill's head offices, which have their own internet connection, air-conditioning, and hospital, Desun Keladi does not have electricity, a school, or a health clinic. The bulk of Pak Gladu's income comes from work in a nearby quarry, breaking rocks.

When HSL began their operations, the communities initiated a forest-mapping project to counter HSL's claims over their land. When the mapping project was completed, Pak Gladu pushed a proposal where HSL would pay each family of Desun Keladi a monthly rental fee of 35 USD for every hectare given up for oil palm; piles of refusal and rejection letters from local government and HSL are stacked up in his home. In 2002, representatives from the villages of Desun Keladi and Terusan traveled to the National Commission for Human Rights in Jakarta to demand proper compensation for their land, access to jobs in the plantation, and the protection of certain sacred forests.⁴

After years of meetings with no clear results, villagers increased the intensity of their protests. They blocked plantation roads and attempted to reclaim 2000 hectares of HSL's plantation that once belonged to them. Villagers formed a farmer's group to protect their remaining farmland and a worker's union to demand regular work from HSL.⁵ Government and HSL managers responded by sending in the military, calling the community maps "illegal and seditious," and labeling the villagers "anti-government" and "communist."⁶

Now, after 16 years of struggle, the villagers are still trying to make the most of their marginalized position. Every few weeks, village representatives bring a proposal to Cargill for improving a road or for electricity. They wait in the hot sun outside Cargill's offices for days, only to be told to come back another time.

As the original inhabitants of HSL, the Dayak here strive to gain a standing equal to that of Cargill's. But Pak Nair, the former General Manager of HSL, speaks of his role interacting with local stakeholders in the most colonial of terms: "You have to be father, brother, and doctor. That is what the plantation business is all about."⁷

Cargill is currently expanding into an additional 16,000 hectares at HSL on an estate known as PT Indo Sawit Kekal.⁸ In 2007, as part of the expansion, the multinational purchased 1,000 hectares of primary rainforest from the village of Bagan Kajang. Land acquisition managers told the villagers Cargill would pay 25 USD per hectare, no more. Worried they would not be compensated at all, the villagers accepted, signing away the last of their intact forestland. Pak Kipas, the most outspoken of the villagers here, stated the plight of his village directly: "There are many victims here."



INHABITANTS OF DESUN KELADI, A VILLAGE SURROUNDED BY THE HSL OIL PALM PLANTATION, REPORT A LOSS OF TRADITIONAL LIVELIHOODS AND HIGH UNEMPLOYMENT.

In a meeting with Cargill management on the HSL plantation, the procedure assurance officer for HSL admitted, "We do not yet have an environmental impact assessment for the current expansion."⁹ An AMDAL, as the environmental assessment is known in Indonesian, is required by national law for palm oil operations.¹⁰ An AMDAL is also required by the Roundtable on Sustainable Palm Oil (RSPO), a multi-stakeholder group that aims to produce premium priced palm oil by promoting the best of industry practices for oil palm production.¹¹

To receive RSPO certification for its plantations, Cargill has committed to upholding strict protections for primary rainforests and local communities, as well as industry best practices in transparency, assessment, and consultation.

On paper, Cargill has a clear local community policy, which states that they are: "committed to not threatening or diminishing the resources or tenure of Indigenous peoples."¹² But their take-over of the 32,000 hectare HSL in 2005, a plantation that has destroyed natural resources and eliminated the land tenure of thousands, casts serious doubt on Cargill's commitment to protecting forests and local communities. The expansion at PT Indo Sawit Kekal, carried out without a completed AMDAL, is a direct violation of Cargill's own RSPO commitments and grounds for elimination of Cargill's certified producer status.

With or without RSPO approval or an AMDAL, the Dayak communities around Cargill's plantations aren't finding Cargill's policies to be socially or environmentally responsible.

In July 2009, as part of this most recent expansion, Cargill bulldozed 800 fruit and natural rubber trees belonging to Pak Rusni of Bagan Kajang. A small man with wispy hair graying at the edges, Pak Rusni says he was not told of the clearing before it took place, did not receive any compensation, and Cargill managers refuse to speak with him. "This is the hardest. My way of life is gone, taken away by Cargill. My rubber trees were the way I survived day to day."

- David Gilbert
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CARGILL'S HARAPAN SAWIT LESTARI OIL PALM PLANTATION IS ON LAND ONCE CLAIMED BY 16 INDIGENOUS DAYAK VILLAGES.

NOTES

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