

No : 012/A/ED-WALHI-ST/IX/2020  
Subject : Fact sheet of violations committed by PT Astra Agro Lestari

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*Salam Adil dan Lestari,*

Greeting from Indonesia. We are Wahana Lingkungan Hidup Indonesia (WALHI) Central Sulawesi, and we represent the largest environmental network in Indonesia. Over the past two decades, WALHI Central Sulawesi has been actively advocating cases of environmental destruction and land grabbing committed by palm oil companies in Central Sulawesi, Indonesia.

We are writing to express our concerns regarding violations committed by one of the suppliers of Procter & Gambler in Indonesia. According to our finding, PT Astra Agro Lestari (AAL) and several of its subsidiaries sell their crude palm oil (CPO) and palm kernel oil (PKO) to your company.

In the years that we have assisted communities in the areas of palm oil expansion, we have documented ongoing land conflicts and numerous persistent violations committed by the subsidiaries PT AAL in Central Sulawesi. In this letter we bring to your attention three cases of grave concern to us.

- 1) In Rio Pakava District, Donggala Regency, two subsidiary companies of PT. AAL, PT Mamuang and PT Lestari Tani Telada (LTT) have unilaterally claimed and seized land belonging to local farmers. One of the subsidiaries, PT Mamuang, whose land use rights (HGU) are located in West Sulawesi, has seized land belonging to farmers in Panca Mukti Village in Rio Pakava, Central Sulawesi, covering an area of 50 hectares. The company has also repeatedly criminalized farmers from Panca Mukti Village who are outspoken in protecting their own land. One community member, a farmer named Hemsu, has been wrongfully criminalized on three occasions: in 2010 he was imprisoned for three months by the Pasangkayu Police; in 2017, Hemsu was again imprisoned for five months on false charges of vandalism and threats; in 2018 Hemsu was convicted by the Pasangkayu District Court with the same charges.
- 2) Another AAL subsidiary, PT Lestari Tani Teladan (LTT), has seized approximately 100 hectares from farmers in Rio Mukti Village and Tawiora Village. In addition, the company implements an outsourcing system, mismatches working hours and fails to follow a wage system in accordance with labor law (Law Number 13 of 2003). Workers are paid daily wage for only 25 days working days, which is far below the provincial minimum wage standard. Further, the price of palm oil fruits produced by the farmers is determined by the company alone, which is detrimental to the farmers.
- 3) In North Morowali Regency, since 2006, another subsidiary company of PT AAL, PT Agro Nusa Abadi (PT. ANA) has also seized the land of farmers in Molino Village, Bungintimbe Village, Tompira Village and Bunta Village covering an area of approximately 5000 hectares. PT ANA has been operating without a lands use permit



(HGU) and only based on location permits. This violates Article 285 of Law Number 24 of 2014 concerning Regional Government related to regional income, causing state losses because companies produce without paying taxes.

*Due to these companies' failure to comply with the law and their ongoing violations of human rights, on behalf of the local communities, we strongly urge Procter & Gambler to stop buying CPO from PT Astra Agro Lestari and its subsidiaries. While the operating licence of these companies have not yet been revoked by the Indonesian government, as we believe they should be, we wish to point out that the interests of those in power may not always align with the interests of local communities who experience the adverse impacts firsthand. As such, we call on Procter & Gamble to respect the wishes of the local farmers in Central Sulawesi and stop buying from the company.*

Eksekutif Daerah WALHI

Sulawesi Tengah



Abd Haris Lapabira

Direktur

