

ADDRESSING ERRONEOUS REPORTING BY SOUTHEAST ASIA GLOBE

On 26 June 2020, Southeast Asia Globe published an article by Zachary Frye titled “David vs Goliath: Indonesian Communities Push Back Against Palm Oil Firm”¹. The publication and the journalist erroneously reported on allegations against Wilmar International Limited (Wilmar), which is outlined below.

- i. *“700 hectares in total was unfairly developed”*
- ii. *“For the next twenty-plus years, the remaining time on Wilmar’s current contract in the area with the Indonesian government, they agreed to pay rent to the community.”*

A participatory mapping exercise was conducted between Wilmar and the Nagari Kapa community, as part of the Roundtable on Sustainable Palm Oil (RSPO) mediation process, during which 698.6 hectares of land under Nagari Kapa territories was noted to have been handed over to the West Pasaman provincial government in the 1990s as part of the oil palm development programme with PT Permata Hijau Pasaman 1 (PHP 1). The community were duly compensated for this area under the programme.

From this area, 697 hectares were developed for plasma smallholders, which have directly and substantially profited the Nagari Kapa community from the sales of Fresh Fruit Bunches (FFB) to Wilmar since it was established. The community smallholders continue to benefit from the plasma area, which generates a generous income for them.

Subsequently, we identified the remaining area of 1.6 hectares which appeared to be overlooked from the initial compensation process in the 1990s. Wilmar agreed to compensate them accordingly for the loss of potential income on the area and, additionally, to provide funds² for the community development needs on a monthly basis for the remaining duration of Wilmar’s *Hak Guna Usaha* (HGU), which is the land tenure rights. This however has been misrepresented and misreported in the article as rent, which it is clearly not.

The above details were agreed upon between Wilmar and the Nagari Kapa community during the meeting in February 2020, resulting in an agreement being finalized and signed by all parties involved. The RSPO Complaints Panel have since closed this case³.

¹ <https://southeastasiaglobe.com/the-fight-for-land-rights-in-indonesia-wilmar/>

² The Bahasa Indonesia term used is *Uang Tali Asih*, which is a commonly used term used to reference ex-gratia payments made as a sign of gratitude, compassion, etc

³ RSPO Case Tracker (Case #GR000878): <https://rspo.org/imu/monitoring/postcomplaints-monitoring#pcm002>

iii. *“When the license period is over, both Wilmar and local government officials have reportedly agreed to support the Nagari Kapa community if they decide they want the contested areas back in full”*

It was clarified between all parties during the engagement process that the status of the land at the end of the HGU period is ultimately within the government’s decision, under the purview of the *Badan Pertanahan Nasional*⁴ (BPN).

As part of the resolution, the Nagari Kapa community recognized that they had released their customary claims over the land developed under PT PHP 1 to the district authorities, in accordance to the principle of *‘Adat Diisi Limbago Dituang’*⁵. This is explicitly stated within the resolution agreement, dated 23 March 2020, which was signed by Wilmar and the Nagari Kapa community, acknowledged by Impartial Mediator Network (IMN)⁶ as the appointed independent facilitators of the RSPO complaints resolution, and signed in witness by RSPO and Nagari Institute.

The agreement also states that at the end of PT PHP 1’s HGU period, the company has the right to reapply for the HGU from the BPN, while emphasizing that the consent from the Nagari Kapa community will be required as part of the process.

iv. *“There are many other communities that I know of in West Sumatra who haven’t had their rights recognised and that are still being intimidated by Wilmar”*

“Violence and intimidation still occur in communities such as in the Nagari Koto Baru community, Kinali and others that have problems with Wilmar concessions and their supply chains”

It is of utmost importance that any accusation; be it of violence, intimidation or anything else, that portrays any individual or company in such a negative manner be supported accordingly with evidence. This is especially pivotal in ensuring that journalism remains ethical, fair and objective.

There has yet to be a shred of credible evidence produced to prove that Wilmar and / or anyone associated with us have engaged or committed any acts of violence or intimidation towards any party or member of the community, and was neither presented nor discovered even throughout the various engagements and processes under the RSPO complaints system.

Wilmar strongly advocates engaging with our stakeholders, especially communities surrounding where we operate, as we firmly believe in constructive dialogue and working together to resolve issues. Our engagement process with the Nagari Kapa community, for example, has been professional and cordial throughout the resolution process, which led us towards successfully finalizing the resolution agreement.

Wilmar has been in collaboration with Earthworm Foundation (EF) since 2018, to pursue similar conflict resolution efforts with other communities in the West Pasaman region using a consultative, participatory and inclusive methodology. These constructive dialogues and resolution efforts are beginning to demonstrate progress, as noted in the report⁷ published by EF in April 2020.

⁴ Indonesian National Land Office

⁵ Customary principle where the parties involved agree to conduct matters according to usual customs or practices.

⁶ <http://imenetwork.org/>

⁷ [Earthworm Foundation Report of Resolution Case Study in Pasaman Barat](#)

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Further to that, we have continuously provided Nagari Institute i.e. Zulkifli with the opportunity to raise specific issues with Wilmar, provided they are accompanied by relevant details and substantiated by evidence, to allow us to investigate these concerns and, if needed, take action to remediate the situations. Our attempts included offering to invite a third party to support with the engagement and mediation efforts.

To date, we have yet to receive any further input from Nagari Institute to support any of the allegations, without which we are unable to take actual action to resolve any of the concerns raised. Nevertheless, we continue to welcome Nagari Institute and all stakeholders who wish to raise concerns with Wilmar to engage with us and furnish us with details and evidence that will allow us to take action to resolve any issues.

v. ***“Local leader Syahrul Ramadhan Tanjung Sinaro was arrested and forced to stay in jail for 100 days, with local authorities reportedly telling him that he would only be released if he signed a paper forfeiting the community’s claim to land used by a Wilmar subsidiary”***

Syahrul Ramadhan was arrested and charged in court for theft of fresh fruit bunches from PT Primatama Mulia Jaya (PMJ). He was subsequently found guilty and sentenced to prison last year.

Wilmar views seriously the allegations related to the violation of human rights; ensuring that thorough investigations follow suit as we have zero tolerance for threats, intimidation, harassment, retaliation and especially the use of violence against anyone who raises concerns, lodges complaints, for whistleblowing or participating in an investigation.

Wilmar views the protection of human rights defenders, whistleblowers, complainants and community spokespersons to be pivotal, as reflected in our ‘No Deforestation, No Peat, No Exploitation’ (NDPE) Policy⁸, Human Rights Framework⁹ and Policy¹⁰ as well as our Whistleblowing Policy¹¹.

As a member of the RSPO Human Rights Working Group, Wilmar was among the developers of the RSPO Policy on Human Rights Defenders, Whistleblowers, Complainants and Community Spokespersons¹², which was fully adopted within our NDPE policy (updated in November 2019).

We therefore strongly refute the baseless allegations that Syahrul Ramadhan was pressured into forfeiting the community’s customary claim in exchange for his release from his prison sentence. We deem these allegations to be libellous towards Wilmar. This particular case is in fact still an active RSPO complaints case, which is under investigation and is reported publicly¹³.

⁸ Wilmar’s NDPE Policy:

https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/wilmar-ndpe-policy---2019.pdf?sfvrsn=7870af13_2

⁹ Wilmar’s Human Rights Framework:

<https://www.wilmar-international.com/docs/default-source/default-document-library/sustainability/policies/human-rights-framework.pdf>

¹⁰ Wilmar’s Human Rights Policy:

<https://www.wilmar-international.com/sustainability/wp-content/uploads/2018/02/Human-Rights-Policy.pdf>

¹¹ Wilmar’s Whistleblowing Policy:

https://www.wilmar-international.com/docs/default-source/default-document-library/highlights/sustainability/2016/08/wilmar-whistleblowing-policy.pdf?sfvrsn=a79a6564_2#:~:text=Concerns%20and%20Information%20Provided%20Anonymously,-8.1%20Concerns%20expressed&text=Accordingly%2C%20Wilmar%20Group%20will%20consider,individual%20merit%20of%20each%20circumstance.

¹² <https://rspo.org/news-and-events/announcements/rspo-policy-on-human-rights-defenders-whistleblowers-complainants-and-community-spokespersons>

¹³ RSPO Complaint: PT PMJ and Masyarakat Adat Luhak: <https://askrspo.force.com/Complaint/s/case/50090000028EoXsAAK/>

- vi. *“In another event, a village woman named Tini was violently threatened by local security forces when she refused to stop working in a field owned by the company. She claims that her house and all her family’s possessions were later burned down”*

Wilmar is unaware of any such incident involving the woman named Tini being subjected to intimidation and arson. We have yet to receive any grievance for this case but have begun looking into this matter. Simultaneously, we welcome the affected party and / or representatives, be it Nagari Institute or others, to raise a grievance with Wilmar and furnish us with the related evidence to support this allegation to enable us to investigate accordingly.

If indeed it is found that Wilmar and / or our supplier is responsible and, if verified, we will take immediate and appropriate action to resolve the matter based on our policy. As mentioned, we take all incidences and allegations related to threats, intimidation, retaliation and violence very seriously.

Constructive Engagement with Media

Wilmar strongly believes in constructive engagements with our stakeholders, including the media. We advocate and support fair, objective and responsible reporting by the media, which also entails speaking to all parties involved and having an objective and holistic view on the subject matter. More importantly, any allegation must be substantiated with evidence and supporting documents.

Southeast Asia Globe’s policies (<https://southeastasiaglobe.com/policies/>) state that, among others, they “believe in getting not only both sides but all sides” and that “Facts are thoroughly checked. Issues are balanced with diverse views and sources”. Unfortunately, this appears to be contradictory and an obvious failure on the part of the publication as none of the allegations in the article that was published is supported by evidence and there has been no verification by the journalist. Further to that, the journalist also failed to contact Wilmar for comments or clarification; opting to publish an article that reflects his personal views.

Thus, we are requesting for Southeast Asia Globe to withdraw the published article from its website, taking into consideration that the article is not supported by any evidence, is defamatory and, more importantly, goes against the spirit of their organization which is to engage all parties to get the whole story.

For further information or clarification, please contact Wilmar Sustainability via csr@wilmar.com.sg.