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MEDIA RELEASE

26 June 2013

Addressing the encroachment problem in Tesso Nilo National Park

The expansion of palm oil plantations into Tesso Nilo National Park needs to be stopped immediately to improve the credibility of Indonesia's palm oil industry

Jakarta – Illegal encroachment by palm oil producers poses an immediate threat to Tesso Nilo National Park, according to “Palming Off a National Park” a new report launched by WWF Indonesia today. However, the situation could be mitigated through a win-win solution proposed by the Minister of Forestry and Regent of Pelalawan, Sumatra, which offers the farmers a voluntary relocation with nearby land provided by the government.

According to the report, up until 2012 over 52,000 hectares of natural forest in Tesso Nilo Forest Complex (made up of a national park and two neighboring logging concessions) has already been converted to palm oil plantations, with over 15,000 ha of the converted area located inside the national park. WWF urges all parties to work on constructive solutions in order to immediately stop further encroachment and help smallholders already illegally in the area to voluntarily relocate. Local government—especially the agency regulating plantation development—is expected to be more active in managing the allocation of palm oil plantation permits. WWF Indonesia is ready to cooperate with all relevant stakeholders—particularly with the indigenous communities of Tesso Nilo—by mapping the location of plantations and assisting plantation management to implement sustainable practices.

The WWF report also shows that up to the end of the first quarter of 2012, two global companies, Asian Agri and Wilmar were not adequately filtered their Fresh Fruit Bunch (FFB) supplies, with some of the fruits sourced from plantations located inside Tesso Nilo National park. As members of the Round Table on Sustainable Palm Oil (RSPO) — under obligation to implement responsible management practices —both companies have since responded to the situation and ceased sourcing from suppliers located inside the park.

Irwan Gunawan, Deputy Director of WWF-Indonesia's Market Transformation Initiative recognizes efforts made by the companies. “WWF welcomes immediate responses taken by Asian Agri and Wilmar in the area. As dutiful members of RSPO they are obliged to make improvements to tackle this problem.” WWF calls for both companies to develop and implement a robust and transparent chain of custody, tracking the FFB from smallholder plantations to their mills, as well as conducting internal verification to identify and stop any endorsement for illegal palm oil plantations.

“This problem is not restricted to these companies or the Tesso Nilo area alone. Responsible palm oil companies should implement such procedures throughout their whole operations.”

“Buyers of palm oil products should be rewarding the industry that ensures they source palm oil legally and from non-HCV (High Conservation Value) areas,” said Nazir Foad, WWF-Indonesia Conservation Director. “It is very crucial for Indonesia, as the largest palm oil exporting country in the world, to cultivate credible systems for sustainable palm oil production.”

“WWF encourages the local authorities and the park management to verify land ownerships in order to immediately develop viable solutions such as the relocation mechanism proposed by the government.”

This press release and associated material can be found on www.panda.org

WWF– World Wide Fund For Nature (also known as World Wildlife Fund)



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Notes for Editor:

- The investigation report titled "Palming off Tesso Nilo National Park", can be accessed through http://awsassets.panda.org/downloads/wwf_indonesia_25jun13_palming_off_a_national_park_final_2.pdf. Tesso Nilo forest complex comprises of Tesso Nilo National Park, PT Hutani Sola Lestari and PT Siak Timber Raya logging concessions.
- Analysis from Landsat Satellite Images 2002 – on April 2011 shows an increase in encroachment areas inside the 167,618 hectare Tesso Nilo forest complex each year with peaks in 2006 with newly recorded encroachment area of 14,165 hectares, in 2008 with 14,704 ha, and the highest in 2009 with 16,305 ha. The worst encroached area in the Tesso Nilo forest complex is PT Siak Raya Timber logging concession with 84% of the concession area or 32,310 ha encroached, followed by Tesso Nilo National Park, reaching 43% or 35,416 ha. Encroachment in PT Hutani Sola Lestari logging concession reached 40% or 18,497 ha.
- Oil palm plantations inside the Tesso Nilo forest complex are controlled and managed by individual owners or groups. The identification showed that 524 individuals dominate 72% (26,298 ha) of the total plantation areas (36,353 ha). Average plantation size per individual was 50 hectares, far above the typical size for a smallholder, suggesting availability of significant capital. The WWF investigation also identified 17 encroacher groups to have oil palm plantations in the Tesso Nilo forest complex.

About WWF

WWF is one of the world's largest and most respected independent conservation organizations, with more than 5 million supporters and a global network active in over 100 countries. WWF's mission is to stop the degradation of the earth's natural environment and to build a future in which humans live in harmony with nature, by conserving the world's biological diversity, ensuring that the use of renewable natural resources is sustainable, and promoting the reduction of pollution and wasteful consumption.

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