



TROPICAL FOREST ALLIANCE

**JURISDICTIONAL APPROACH
TO SUSTAINABILITY
LESSONS LEARNT FROM PRIVATE SECTOR ACTION
IN ACEH TAMIANG, INDONESIA
JULY 2021**



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1. EXECUTIVE SUMMARY

In the Indonesian district of Aceh Tamiang, growers, buyers and end consumers of palm oil have united behind the local government to help make the entire jurisdiction a sustainable source of commodities and protect the Leuser Ecosystem, a 2.6-million-hectare area of tropical forest spanning multiple districts.

This jurisdictional approach to sustainability in Aceh Tamiang is possible due to leadership from the district government, supported by civil society organizations, companies, local communities and other stakeholders. Such government commitment is vital: it is the government that will need to define policies and pass regulations to tackle systemic issues that affect companies' ability to meet their sustainability pledges.

In Aceh Tamiang, shared jurisdictional-level goals have been set through a compact, and great progress has been made. Alternative livelihoods projects and smallholder training in good agricultural practices are taking place to help achieve these common targets. A multi-stakeholder forum called the Center of Excellence for Sustainable Plantations (Pusat Unggulan Perkebunan Lestari, or PUPL) has been set up to coordinate the work of civil society organizations, companies and others to bring sustainable land use across the district. Successes have snowballed and drawn in additional partners, each of which is contributing resources according to its ability.

KEY LESSONS LEARNT FROM PRIVATE SECTOR ENGAGEMENT IN ACEH TAMIANG

Good communication and coordination between stakeholders, particularly with the local government, is key. Companies and implementing partners must understand the government's goals and must engage early on in a leader's tenure to ensure progress is fully embedded before any change in leadership.

Various proponents must communicate and coordinate with one another to avoid overlapping work and inefficiency, particularly as the umbrella to do this has been set up in the form of the PUPL.



Jurisdictional work takes time as it is necessary to accommodate the agendas of multiple stakeholders and the complexities within land use and commodity production.

Implementers need to spend time building trust between all actors and integrating sustainability into land-use planning, which must follow government processes. This may be a slower undertaking than some parties might wish.



Good implementing capacity is needed on the ground. Commodity buyers rely on Implementers and commodity producers on the ground for their expert knowledge of the jurisdiction and to build meaningful relationships with other stakeholders, particularly local governments.

It is also important for facilitators and Implementers to collaborate to ensure resources are not wasted on overlapping programmes.





2. THE JURISDICTIONAL APPROACH AT A GLANCE

The jurisdictional approach to sustainable land use seeks to balance economic, social and environmental considerations in an entire administrative area through dialogue and coordinated action among stakeholders.¹ The approach has gained traction globally in the past decade,² and was initiated by civil society organizations. Companies then joined as they realized they needed to act beyond their own supply chains.

They realized that while individual corporate sustainability efforts are important, they must be embedded in external, collaborative and landscape-scale efforts that are complemented by aligned public policies.³ Only then can systemic challenges be resolved, ensuring the supply chains of companies are deforestation free.

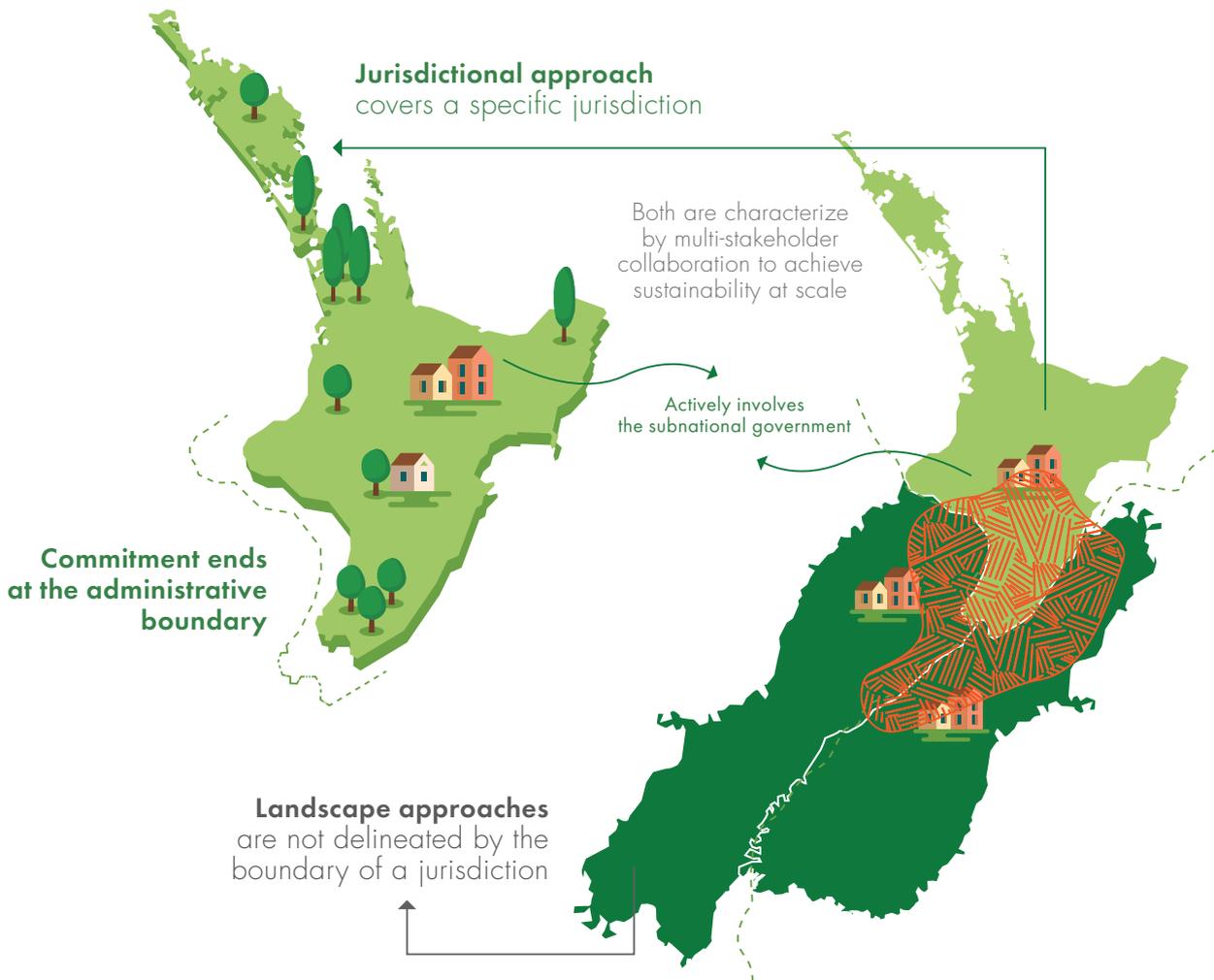
INDIVIDUAL CORPORATE SUSTAINABILITY EFFORTS MUST BE EMBEDDED IN EXTERNAL, COLLABORATIVE AND LANDSCAPE-SCALE EFFORTS THAT ARE COMPLEMENTED BY ALIGNED PUBLIC POLICIES

There are already leading examples of the use of landscape approaches, including the jurisdictional approach, in palm oil, soy and cocoa. A group of 20 leading manufacturers and retailers, the Consumer Goods' Forum Forest Positive Coalition of Action, launched in 2020, has identified collaboration on production landscapes as a critical element to achieve sustainable land use.

As described in the Coalition's roadmaps to achieve sustainability in different commodities, addressing deforestation requires integrated, multi-stakeholder collaboration between companies, producers, local communities, governments and civil society organizations.⁴

The jurisdictional approach is distinguished from other landscape approaches in one key aspect. The jurisdictional approach covers a specific jurisdiction, actively involves the government of that jurisdiction and the commitment ends at the administrative boundary. In contrast, landscape approaches are not necessarily delineated by the boundary of one jurisdiction: they may span more than one, or may be limited to a portion of one. For example,

JURISDICTIONAL VS LANDSCAPE APPROACHES



a landscape approach may focus on a watershed that spans several jurisdictions.

Elements of civil society, the private sector and donors have been building discourse to define the jurisdictional approach. Two important features are:

- The jurisdictional approach actively involves the subnational government to ensure continuity, and the goals should be integrated into the jurisdiction's development planning.
- The jurisdictional approach is inclusive and participative with multi-stakeholder actors involved systematically in the process, including in monitoring and reporting.⁵

The jurisdictional approach is not a one-size-fits-all concept but must be adapted to the characteristics of each jurisdiction, which may produce different commodities, have different priorities, levels of development, infrastructure, government commitment and stakeholders. They can range from districts or municipalities to provinces or states, and even whole countries, as in the case of Ecuador. In Indonesia,

districts and provinces are seen as the most relevant levels of jurisdiction to engage with, because the former issues permits on commodities like palm oil, while the latter represents the national government on climate and forest management.

Another deciding factor in choosing which level of jurisdiction to work in is manageability: the bigger the administrative territory, the bigger the challenge. Further, in the context of planning in Indonesia, both province and district are entry points for detailed land-use planning.⁶

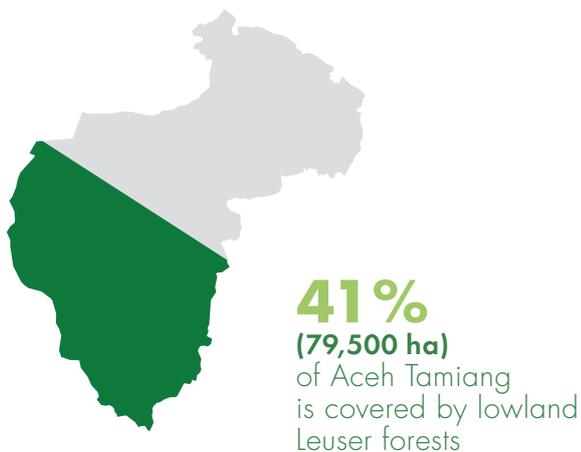
The focus of this case study is Aceh Tamiang, a coastal kabupaten or district in the Sumatran province of Aceh in Indonesia where the priorities of conservation and economy collided, and jurisdictional and landscape initiatives were launched. This study focuses on the engagement of corporate actors with an interest in palm oil and aims to demonstrate the business case for their engagement in these initiatives. Desktop research and interviews with companies and other stakeholders took place in March and April 2021.

3. ACEH TAMIANG AND THE JURISDICTIONAL APPROACH

Aceh Tamiang is hugely significant in conservation terms because of its partial overlap with the magnificent 2.6-million-ha Leuser Ecosystem, the only place on earth in which Sumatran orangutans, tigers, elephants, rhinos and sun bears coexist in the wild.⁷

Approximately 41% of Aceh Tamiang's land area, or 79,500 ha,⁸ is covered by lowland Leuser forests, and all these species, barring rhino, are found in the district.⁹ For the region's human inhabitants, the Leuser Ecosystem is significant for the role it plays as a source of irrigation and drinking water, and to protect the region from floods.

LEUSER ECOSYSTEM IS THE ONLY PLACE ON EARTH IN WHICH SUMATRAN ORANGUTANS, TIGERS, ELEPHANTS, RHINOS AND SUN BEARS COEXIST IN THE WILD



However, Aceh Tamiang is also a source of palm oil, and plantations are encroaching onto the Leuser Ecosystem.¹⁰ Between 2002 and 2020, Aceh Tamiang lost 43,333 ha or 25% of its tree cover, though deforestation has been trending downwards since 2013.¹¹

This is due to a concerted effort from a broad range of stakeholders, including NGOs and the local government, which together spearheaded the effort. They pushed ahead with a significant increase in monitoring, protection and law enforcement, and a publicity campaign to show what could be lost if changes were not made.¹²

**TABLE 1
ACEH TAMIANG KEY FIGURES**

SIZE	
	195,702 ha ^a
POPULATION (2020)	
	294,356 ^a
OIL PALM, TOTAL PLANTED AREA	
	71,000 ha ^b
OIL PALM PLANTED AREA MANAGED BY SMALLHOLDERS	
	21,000 ha ^b
NUMBER OF OIL PALM SMALLHOLDERS	
	10,033 ^c (Indonesian smallholders usually manage 2–5 ha of land each)
NUMBER OF MILLS	
	11 (one of which is certified by the Roundtable on Sustainable Palm Oil) ^d
NUMBER OF REFINERIES	
	0 ^b
AVERAGE ANNUAL TREE COVER LOSS FROM 2002 TO 2020	
	1.26% ^e
TREE COVER LOSS FROM 2001 TO 2020	
	45,300 ha ^e or 25% ^e

Sources: **a.** Badan Pusat Statistik Aceh Tamiang; **b.** IDH (The Sustainable Trade Initiative); **c.** Forum Konservasi Leuser, citing government data; **d.** Universal Mill List; **e.** Global Forest Watch;

Aceh Tamiang has been the focus of attention for landscape and jurisdictional approaches since 2014, due to its importance for conservation and its links to global palm oil supply chains.

In 2014, IDH (The Sustainable Trade Initiative) began talks with Forum Konservasi Leuser (FKL), a homegrown Acehnese NGO and one of the most active stakeholders in the area at the time. As part of its work with corporate members, another close partner of the private sector, Earthworm Foundation (formerly The Forest Trust), commenced palm oil supply chain mapping and interventions in the district in 2013 and evolved the work into a formal landscape-level programme in 2015. Both implementers have received considerable support from the private sector, including financial, practical and project (see Section 4).

In 2018, the bupati or district head, H. Mursil, demonstrated Aceh Tamiang’s commitment to sustainable development by issuing a moratorium on palm oil expansion,¹³ ahead of the national government’s 2019 decision to make the moratorium permanent, and began a review of all existing licences. Also in 2018, Aceh Tamiang also applied to join Indonesia’s Sustainable Districts Association (Lingkar Temu Kabupaten Lestari), a collaboration forum for district governments committed to sustainable land use. The same year, the Coalition for Sustainable Livelihoods (CSL), a jurisdictional initiative for North Sumatra and Aceh, saw the discussions that were taking place in Aceh Tamiang and selected it as one of two pilot districts.¹⁴

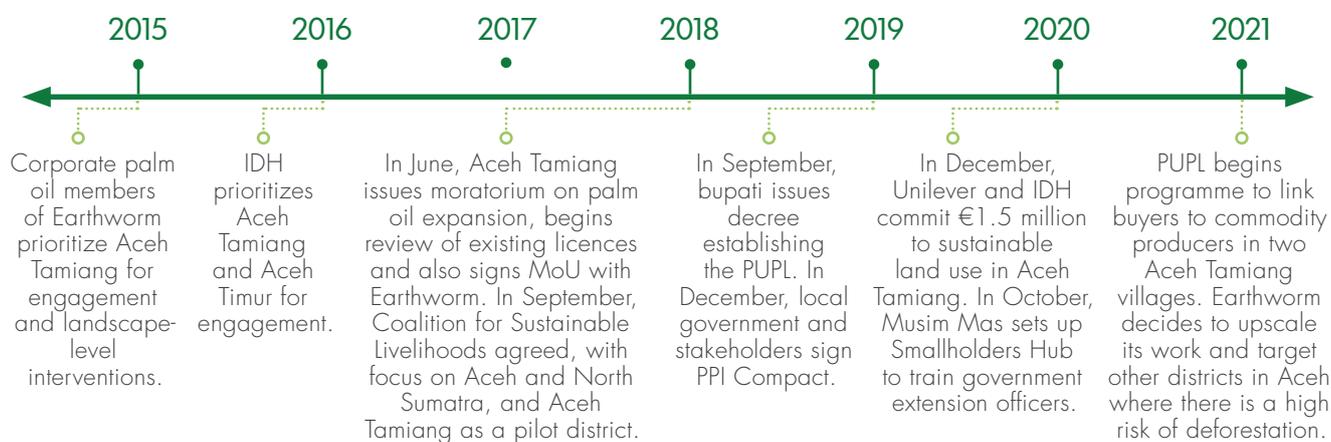
The Aceh Tamiang government then took two further hugely important steps in 2019. It adopted measurable targets to reduce deforestation and increase

output of sustainable palm oil, among others, that were wrapped in a jurisdictional approach to sustainable development. The targets were contained in the Production, Protection and Inclusion Compact (PPI Compact), an agreement the district government signed with IDH (The Sustainable Trade Initiative), the Aceh Forest Management Unit, GAPKI–Aceh (the Aceh branch of the Indonesian Palm Oil Association), FKL and the Aceh Tamiang Farmers and Fishers Group.

The other key step was when the Aceh Tamiang government passed a decree setting up a government-led multi-stakeholder forum, the Center of Excellence for Sustainable Commodities (Pusat Unggulan Komoditas Lestari; PUPL, see Box).¹⁵ The decree requires the PUPL to “plan, develop and supervise the establishment of a Verified Sourcing Area (VSA) throughout Aceh Tamiang”, referring to the jurisdictional concept developed by IDH to work towards the agreed ambitious targets. The PUPL already assists with programme implementation on the ground, is monitoring replanting and backs up village extension officers – who often work in their own villages and may struggle to assert authority – by explaining government land-use plans and requirements.

Another success of the programmes to date are the solid relationships that have been built among many stakeholders, including between government and the private sector – training photos are swapped, jokes told and government office space shared. These are the kind of relationships that are necessary if real change is to be affected on the ground at jurisdictional scale. Details on the engagement of the private sector in Aceh Tamiang in the past five years will be discussed in the next section.

FIGURE 1 TIMELINE
ACEH TAMIANG PRIVATE SECTOR INVOLVEMENT IN THE JURISDICTIONAL APPROACH



Sources: Decree of the Regent of Aceh Tamiang No. 1,680 of 2019; Earthworm Foundation; IDH (The Sustainable Trade Initiative); stakeholder interviews; Unilever

PUPL: ACEH TAMIANG'S MULTI-STAKEHOLDER FORUM

Center of Excellence for Sustainable Plantations (Pusat Unggulan Perkebunan Lestari; PUPL)

VISION: to encourage a production landscape based on sustainable commodities, and data-based regional development planning for farmer welfare.

The PUPL is a newly established multi-stakeholder forum that is assisting Aceh Tamiang on its journey to become a source of only sustainable commodities. It is formed by district government decree and reports to the Aceh Tamiang district head, who leads the steering committee. The PUPL remit includes palm oil, the current focus, as well as rubber and horticultural products.

The PUPL has multiple responsibilities. It must compile a strategic plan to develop sustainable plantations and synchronize this with the district's medium-term development plan. It must create an inventory of the district's sustainable plantation zones, compile a portfolio of plantation development plans, encourage the production of sustainable commodities grounded in data and that benefit farmers, help resolve conflict between plantation companies and communities, and coordinate activities across sectors. It is also required to plan, develop, supervise, monitor and evaluate the establishment and progress of the VSA.

The PUPL has become a key point of contact for stakeholders for multiple purposes. For example, when deforestation alerts are received, they can be sent to the PUPL, which oversees the response. In other jurisdictions the response may be slower, as

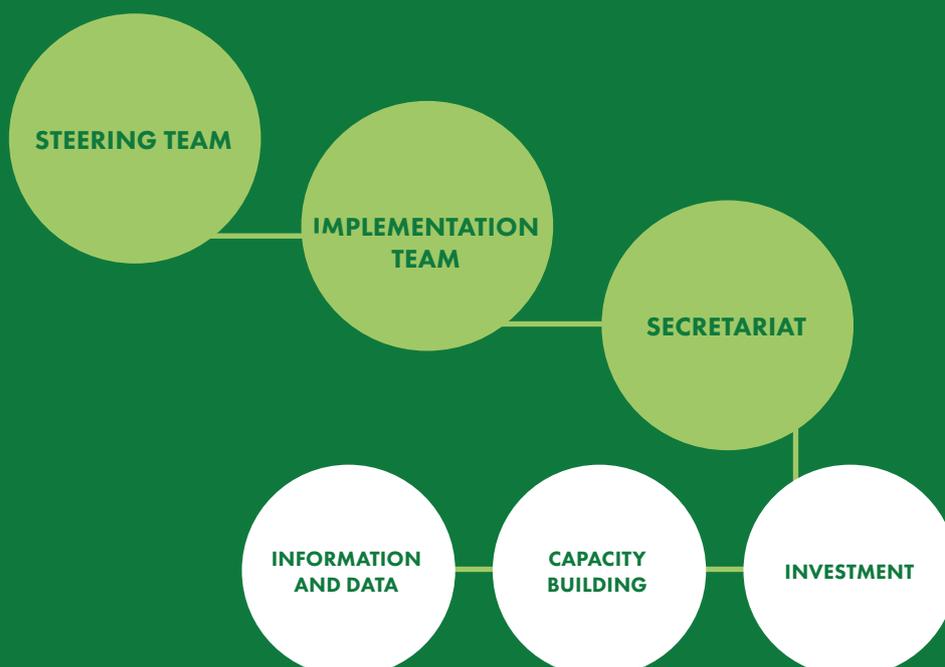
several government departments may be involved. The PUPL has also now become a point of contact for potential VSA participants; if IDH receives enquiries, it directs them to the PUPL.

The PUPL is moving forward towards its broader role as overseer and coordinator between stakeholders and is working on five action pillars: spatial and development planning, which began two years ago; the regulatory framework; multi-stakeholder governance; monitoring, reporting and assurance; and action plans and investment portfolio.

Stakeholders note that while there has been considerable movement on action plans, more work is needed on integrating the agreements contained in the PPI Compact into district planning. They also caution that the PUPL should not be drawn too much into programme implementation but should keep sufficient bandwidth for its coordination role.

The next stages for the PUPL, which it hopes to reach by the end of 2021, are to be legalized by the district and then to become either a limited liability company, an association or a government-owned enterprise. Having a formal legal status will help it to act independently.

ORGANIZATIONAL STRUCTURE



4. PRIVATE SECTOR ENGAGEMENT AND COLLABORATION IN ACEH TAMIANG

Working in Aceh Tamiang appealed to the private sector for clear reasons, beginning with palm oil. All companies involved in jurisdictional initiatives in the district either produce, trade or use palm oil or its derivatives, as one of the key threats to Aceh Tamiang's lowland Leuser forests, and all have pledged to remove deforestation from their supply chains. The companies also look at how relevant an area is to their supply chains and, although some of the companies involved in fact source little directly or indirectly from Aceh Tamiang, they are linked to the area and are interested in it because of the Leuser Ecosystem. The Rainforest Action Network has been influential here: its campaigns around the Leuser Ecosystem target companies and encourage them to become – or remain – involved in landscape work.

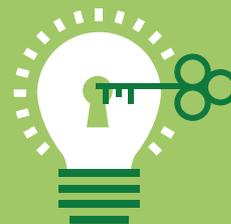
Companies also saw real opportunities to effect change in Aceh Tamiang district. They were attracted by the opportunity to help protect the Leuser Ecosystem and the dedication of the district's current head. If a jurisdictional approach is to be successful in protecting forests, it requires commitment from the top, since sustainability principles must be integrated into development planning.

Aceh Tamiang also became one of the first Indonesian jurisdictions engaged by companies at jurisdictional scale partly due to the fact that two implementors working there, Earthworm and IDH, have longstanding experience working specifically with the private sector.

PRIVATE SECTOR ENGAGEMENT IN SUSTAINABLE LAND USE IN ACEH TAMIANG

PT Bumi Sama Ganda, PT Mopoli Raya, Musim Mas, PT Pati Sari, PepsiCo, PT Semadam and Unilever (through IDH and the Verified Sourcing Area)

Avril, Clorox, Bunge, Colgate-Palmolive, Fuji Oil, Golden Agri-Resources, Givaudan, Hershey, Mars, Musim Mas, Nestlé, PT Semadam, PZ Cussons, Reckitt, Vandemoortele (through Earthworm)



KEY BENEFITS FOR COMPANIES OF ENGAGING AND COLLABORATING IN JURISDICTIONAL INITIATIVES

Several years after attempting to clean their supply chains to meet NDPE commitments, companies realized they could not do this alone, given the scale and complexity of the issues. Further, they realized that cleaning their own supply chains alone would not translate into an industry transformation towards sustainability: suppliers unwilling to comply with NDPE commitments can simply sell to other markets that do not require such compliance. Engagement at landscape and jurisdictional level is essential to create impact at scale.

Through engagement in jurisdictional initiatives, companies can join together to cover more ground, share costs, and achieve progress faster, as all are grappling with similar challenges. With support and incentives provided by companies in collaboration with partners, stakeholders including smallholders can begin to implement sustainability practices and the local government can integrate these principles in their development plans. The effects can snowball, attracting more investment from the sustainable commodity markets and with all stakeholders benefiting.

This multi-stakeholder approach also means the workload and costs can be split; each actor contributes time and resources according to their ability. Companies can share knowledge and experience, and some find that when their customers learn of the programmes they are involved in, they also want to participate.

Creating a strong group also means companies can engage governments at various levels, including the national government, and other supply chain actors with one collective voice. This will increase the likelihood of effecting change.

Companies match pledges made by the governments of the Netherlands, Switzerland, Denmark and Norway to fund IDH and provide financial support through Earthworm, which has assisted many of them in the implementation of their No Deforestation, No Peat, No Exploitation (NDPE) commitments.

One final factor in attracting private sector partnerships to Aceh Tamiang was the desire to help the district win better value from oil palm. At present, the district's income from palm oil is limited, as a significant proportion of its fresh fruit bunches are milled over the border in North Sumatra province, where the refining takes place (there are no refineries in Aceh Tamiang).

The participation of many actors, including plantations, smallholders, government and end users, is vital for the success of the VSA concept, the jurisdictional approach developed by IDH and through which the targets of the PPI Compact will be achieved.¹⁶ The PPI Compact sets out hard targets to be achieved by 2023, including a 30 per cent increase in the production of sustainable palm oil and its derivatives, a 50 per cent reduction in the deforestation rate, a 50 per cent increase in the restoration of ecosystem functions and a 30 per cent increase in the land legality of smallholders, all based on 2018 data.

The PPI Compact also requires signatories to prepare an incentive mechanism strong enough to make sustainability practices a viable business option for producers. The signatories are also required to develop a monitoring system and reliable data and increase the protection of forest areas and ecosystem areas through regional regulations.

THE PPI COMPACT ALSO REQUIRES SIGNATORIES, AMONG OTHERS, TO PREPARE AN INCENTIVE MECHANISM

To implement the VSA work on the ground, the companies, through IDH, collaborate with FKL as a key implementing partner. FKL is well-known for its impressive achievements around the Leuser Ecosystem, not least for clearing illegal oil palm in Aceh Tamiang and other districts, restoring 5,000 ha with agroforestry and natural revegetation. Companies also work with GAPKI-Aceh, the Aceh branch of the Indonesian Palm Oil Association, which has helped explain the concept to existing and prospective GAPKI members.

One further key source of assistance is the Sustainable Districts Association, which is working particularly closely with Aceh Tamiang's planning agency, known as Bapp-eda, and also engages with the Environment and Plantations Agency. The Sustainable Districts Association has focused its efforts on helping to develop the PUPL and match-making PPI Compact commitments into the district's planning documents, a complex task given that there are up to 16 relevant agencies.

Within the VSA, the private sector is involved in agroforestry, smallholder training, training of village extension officers, clarifying land title, forest protection, social forestry, and high conservation value (HCV) and high carbon stock (HCS) assessments. In 2020, for example, PepsiCo and mill owner PT Mopoli Raya replanted 300 ha of degraded forest as agroforestry, while Musim Mas, with the support of PepsiCo and Unilever, created the Smallholders Hub, which has already trained all 73 of Aceh Tamiang's village extension officers in good agricultural practices and NDPE policies. In turn, the extension officers train independent smallholders, thereby building local capacity.

The hub follows a training programme provided by Musim Mas, which has used it successfully in its own sustainability programme to increase yields and improve fruit quality. Overall, the VSA is targeting 10,000 smallholders for training in good agricultural practices and NDPE by the end of 2023; 500 were trained last year and a fur-

WITHIN THE VSA, THE PRIVATE SECTOR IS INVOLVED IN AGROFORESTRY, SMALLHOLDER TRAINING, TRAINING OF VILLAGE EXTENSION OFFICERS

PPI COMPACT 2023 TARGETS



30% INCREASE
in the production of sustainable palm oil and its derivatives



50% REDUCTION
in the deforestation rate



50% INCREASE
in the restoration of ecosystem functions



30% INCREASE
in the land legality of smallholders



IN 2021, SMALLHOLDERS START RECEIVING TITLE FOR THE LAND THEY'RE MANAGING, A KEY STEP TO ALLOW THEM TO ACCESS LOANS.

ther 1,500 are targeted for 2021. A final major commitment of 2020 was a joint pledge of €1.5 million from Unilever and IDH, which will help to protect 100,000 ha of HCV and HCS forest and, in conjunction with growers and a mill, restore a further 500 ha with agroforestry.

Significant progress has continued into 2021: from May, the owners of 5,000 parcels of land, approximately 2,000 to 2,500 farmers, are to begin receiving land title, thanks in part to support from PT Bumi Sama Ganda, PT Mopoli Raya, Musim Mas, PT Patisari, PepsiCo, PT Semadam, PT Socfin Indonesia and Unilever. This is an important step in intensifying production; once a smallholder has land title, they are able to access loans to help them replant old and unproductive palm trees. By April 2021, 500 parcels had been mapped, and the mapping of a further 1,500 was ongoing.

Companies also expect a proposal on forest monitoring, verifying and reporting protocols to be finalized by IDH in the second quarter of 2021. IDH is working with FKL, the PUPL, Unilever, the World Resources Institute and the government's Forest Management Unit and Plantations Agency to build

on the Radar Alerts for Detecting Deforestation, a monitoring system that will also be used in Aceh Timur, a second pilot district for IDH's VSA approach.

Work has also already begun on understanding what incentives brands, retailers and traders will be able to provide to producers, particularly smallholders, to encourage them to implement sustainable practices. At least one of the end-user partners within the VSA has committed to buying smallholder credits from the Roundtable on Sustainable Palm Oil, and IDH is also trying to establish a mechanism through which mills can buy fresh fruit bunches (FFB) from sustainable independent smallholders – one mill has already shown interest in paying higher prices for these.

Looking ahead, stakeholders stress that more assistance is both needed and welcome. FKL is ready to restore a further 9,000 ha as soon as funds are made available, and more help is needed to conduct HCV and HCS assessments in plantations. Additional financing is also needed for smallholder engagement. Producers, traders and brands using palm oil also work through a jurisdictional programme implemented by Earthworm Foundation.



Forest in Leuser ecosystem, by: Bea Wiharta

The programme, Areas for Priority Transformation, has been in place since 2016; its overarching aim is to reduce deforestation and show that commodity production, conservation and good social and labour practices can be balanced.

Companies, working through this programme are focused on eliminating in-concession deforestation, and strengthening the NDPE practices of mills and plantations. The programme also includes efforts to reduce smallholder and community clearing of HCV and HCS forest, and robust data and monitoring. The approach was reinforced in a one-year MoU signed in June 2018 with the district head of Aceh Tamiang.¹⁷ The agreement covered commitments to work with communities and smallholder groups to develop replicable additional sources of income, including for farmers whose land is being replanted under the national replanting scheme.¹⁸ This is critical work; if farmers do not have an alternative source of income, they may resort to clearing forest and selling timber.

COMPANIES, WORKING THROUGH THIS PROGRAMME, ARE FOCUSED ON ELIMINATING IN-CONCESSION DEFORESTATION, AND STRENGTHENING THE NDPE PRACTICES OF MILLS AND PLANTATIONS

The private sector also works with smallholders and mills in Aceh Tamiang through Rurality, Earthworm's smallholder capacity building programme. In addition to assisting with the replanting and complementary livelihood programmes in several villages, the partners, through Rurality, support training in management and agricultural practices and the creation of price transparency across the supply chain. These initiatives are all designed to increase the incomes of smallholders, reducing pressure on forests.

As part of its support for corporate members, Earthworm has given NDPE training to mills and plantations in the district, building their awareness of the issues and of best practices around managing forests, land and natural resources. It also helps them carry out self-assessments of their own operations and follows up with capacity building to close any gaps in order to protect forests, workers and communities.

Earthworm has also carried out some project work

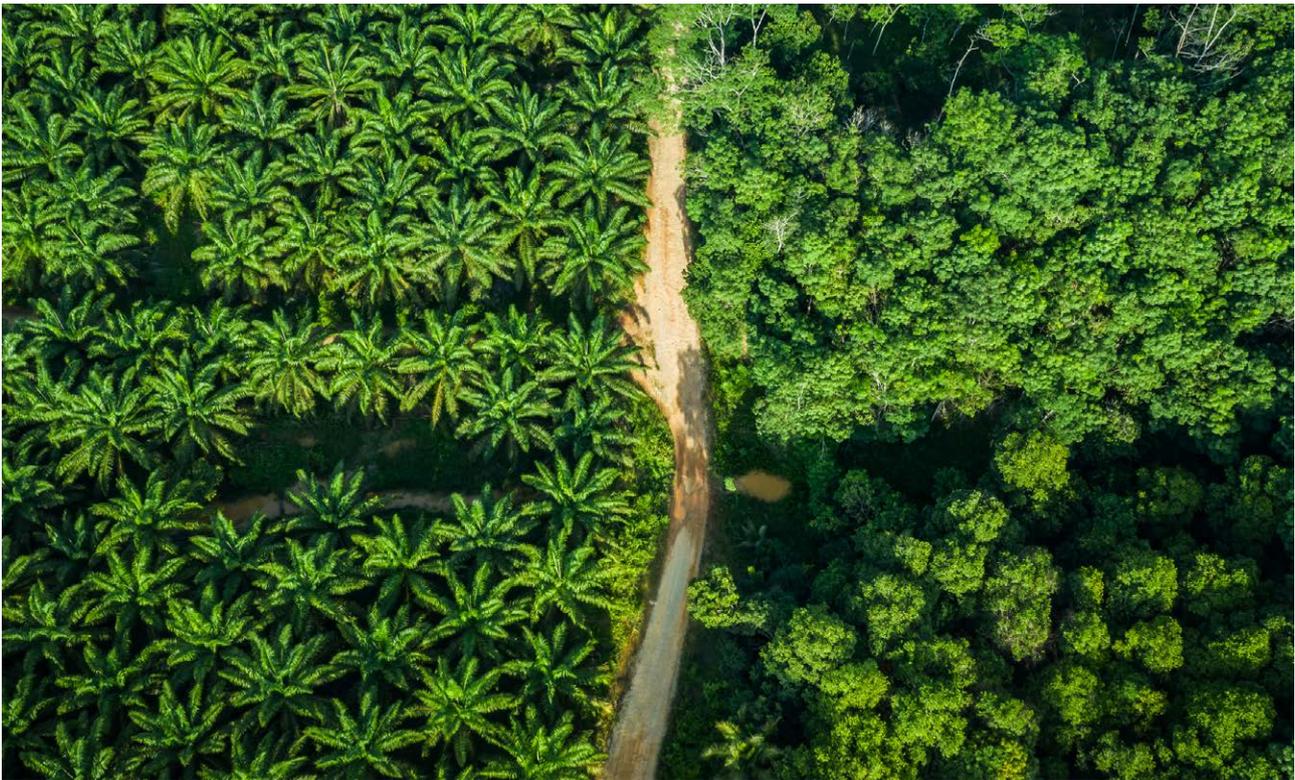
in labour issues, the third component of NDPE policies, and is pushing for mills and plantations to understand the importance of good social and labour practices.¹⁹ Aceh Tamiang at present has no organization dedicated to labour issues, and stakeholders stress that this is an area where new partners could help. Under its programme with corporate members, Earthworm has also signed a forest protection MoU with grower PT Semadam, which holds 1,400 ha of forest, the largest area in any Aceh Tamiang concession, and has conducted a desktop study to support the company's HCV/HCS assessment. It has talked with nearby villages to identify social issues and secure free, prior and informed consent for HCV and HCS assessments.²⁰

Another key component of the work was the creation of a base map for the entire district using the Starling high-resolution satellite monitoring system, which means Aceh Tamiang is now fully covered for monitoring changes in forest cover. In addition, the forest-cover change data provided through Starling helps the partners understand deforestation patterns. This can help identify drivers and show where the remaining HCS and HCV forest is that needs to be protected.

Earthworm's jurisdictional programme was reinvigorated in 2021, with Mars and Nestlé, which are involved in multiple landscape or jurisdictional approaches, each taking on a lead sponsor and steering role. While the programme was previously focused on Aceh Tamiang and Subulussalam districts, in 2021 it was decided to broaden this out and target areas with a high risk of deforestation but which have not yet benefited from concerted stakeholder attention and collaboration. The private sector, through Earthworm, is now working

to identify priority districts within this larger area for collaboration in 2022 and beyond. The programme's targets for 2025 relate to reducing deforestation, improving working conditions, training in good agricultural practices and land-use planning, land tenure and reducing conflict.





5. PRIVATE SECTOR ENGAGEMENT IN ACEH TAMIANG: LESSONS LEARNT

STAKEHOLDER COMMUNICATION AND COORDINATION IS KEY



Companies say good relationships with the government is a key success factor in engagement at jurisdictional level, as government support, including from different agencies, is vital. In Indonesia, district heads and governors serve a maximum of two five-year terms, so engaging early on in the tenure of a leader is imperative. It is also important for companies to let the government know that they were drawn to the jurisdiction because of the sustainability commitments it has already made. Companies interviewed stressed that it is important to listen closely to government leadership and officials, as well as other actors on the ground, to understand the jurisdiction's goals and priorities. Companies can then see where they might fit in and provide relevant assistance.

Companies also emphasised the importance for various proponents to communicate and coordinate with one another to avoid overlapping work and inefficiency. In Aceh Tamiang, lack of coordination and communication between certain stakeholders on the ground was cited by several parties as a cause of difficulties and an area for improvement as quickly as possible. This will be made easier in the future with PUPL as an umbrella to coordinate the diverse support from various stakeholders to achieve sustainability at scale in Aceh Tamiang.

JURISDICTIONAL WORK TAKES TIME



Jurisdictional work takes time, often longer than hoped. The different agendas of each stakeholder must be considered, as inclusivity and obtaining buy-in from everyone is key to ensuring that sustainability can be firmly embedded. It can take several years from beginning engagement in a jurisdiction to agreeing on shared jurisdictional-level goals and setting up a multi-stakeholder forum to coordinate efforts. Sustainability commitments also need to be integrated into the jurisdiction's planning, and that takes time.

Jurisdictions also often lack reliable or up-to-date data, and this can slow progress and hinder monitoring. For example, a district may not know how many smallholders it has, or how much land they farm. Companies must be ready to support the jurisdiction in mapping and data collection efforts. Stakeholders may also find that they need to persuade the government of the importance of data as a foundation for decision making, as there is a weak data culture within government.

GOOD CAPACITY IS NEEDED ON THE GROUND



Many of the companies involved in landscape and jurisdictional initiatives in Aceh Tamiang are headquartered in Europe or the US and **rely on implementors and producers to be their eyes and ears and conduct activities on the ground.** The private sector praises the work carried out in Aceh Tamiang both by international partners, Earthworm and IDH, and domestic NGOs, not only FKL, but others including Kemptra, which works in conflict resolution, and Forest, Nature and Environment of Aceh (known as HAKA).

Each implementor brings different skill sets, including project implementation, monitoring, or fostering government relationships, and each also helps to build the capacity of other stakeholders on the ground. However, companies stress that coordination rather than competition is needed so a clear pathway for implementing the jurisdictional approach in Aceh Tamiang can be agreed and implemented effectively.



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