



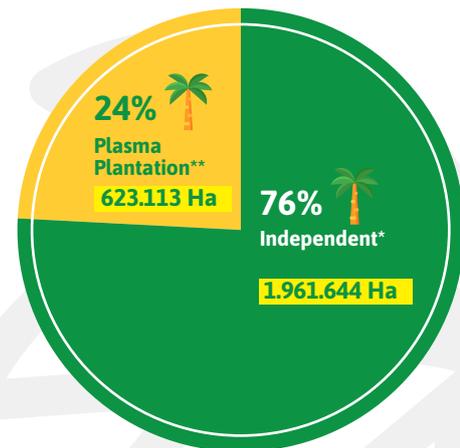
## Information Brief

# The Government Needs To Accelerate the Data Collection, Mapping and Issuance of Cultivation Registration Letter (STD-B) for Smallholders' Palm Oil

- There are approx. 1.9 million hectares of smallholders' palm oil plantation managed independently by communities and 623 thousand hectares of oil palm plantation managed by plasm system;
- The development of smallholders' palm oil is hampered by legality problem and Cultivation Registration Letter or Surat Tanda Daftar Budidaya (STD-B) of smallholders' palm oil, this is caused by the shortness of data and map of oil palm plantation ownership as well as lack of mapping and data collection standardization;
- The government needs to arrange the Norms, Standard, Procedure and Criteria (NSPK) for mapping, data collection and issuance of STD-B for smallholders' palm oil.

Indonesia has a spacious area of oil palm plantation and is dominated by Smallholders' Oil Palm Plantation. According to data, there are approx. 1.9 million hectares of land already planted with oil palm and managed independently by communities (KEHATI, 2019) and 623 thousand hectares managed by plasm system (The Ministry of Agriculture, 2018)

Notwithstanding the above, the effort to develop smallholders' palm oil is constrained by the lack of data and map (by name, by address, by spatial) about its ownership (KPK, 2016). This results in the delayed issuance process of STD-B for Smallholders' palm oil. For example, in two regencies being the center of oil palm plantations in Central Kalimantan, such as Kotawaringin Barat Regency, it has been issued 130 STD-B only and in Seruyan Regency it was 50 STD-B only (INOBU, 2016), which are out of tens of thousand of independent oil palm plantation existing in both of said regencies. Whereas STD-B is important in improving the sustainable management of smallholders' oil palm plantation (INOBU, 2016; KEHATI, 2018).



Remarks:

\* ownership on land of less than 25 hectares

\*\*exclusive data of plasm plantation in North Sumatra Province

Figure 1.

The Area of Smallholders' Oil Palm Plantation in Indonesia, 2019  
(Source: KEHATI, 2019 and the Ministry of Agriculture, 2019)

### Why it is necessary to accelerate the data collection and mapping of Smallholders' palm oil?

- **First, the data collection and mapping of Smallholders' palm oil is required for the issuance of STD-B.** In accordance with the Minister of Agriculture's Regulation No. 98/Permentan/OT.140/9/2013 concerning Guidance to the licensing of Plantation business, any ownership on oil palm plantation managed by communities with the area of less than 25 hectares, must have a Cultivation Registration Letter (STD-B) of Plantation Crops. STD-B in oil palm plantation management system constitutes a very important instrument to have. In addition to being beneficial for accumulating data and map of ownership on Smallholders' Oil Palm Plantation, STD-B also becomes a requirement in obtaining ISPO certification. STD-B can also be integrated to various policies pertaining to oil palm plantation management in Indonesia, such as oil palm replanting program, biodiesel development program and land productivity upgrading program.

- **Second, data collection and mapping of Smallholders' palm oil are required to improve the legality of land.** Many oil palm plantation lands managed by communities without having any legality, such as Freehold Certificate (SHM). This is due to the land's status problem, like being located within a forest area, the data of which reaches 713 thousand hectares (KEHATI, 2019). The government has several programs in relation to land legality and the settlement of oil palm plantation within a forest area, such as land certification program, agrarian reform program (TORA), and social foresting program. Notwithstanding the above, to support those programs it is needed a valid data and map of Smallholders' Oil Palm Plantation ownership (by name, by address, by spatial). So, it can become an entry point to help in optimizing those government's priority programs.
- **Third, data collection and mapping of smallholders' palm oil is required to trigger the government's programs such as the replanting of smallholders' palm oil, certified seeds aid, subsidized fertilizer aid and other programs in relation to the development of smallholders' palm oil.** Many initiations of Smallholders' palm oil development program that have been launched by the government, as described above. Notwithstanding the above, many of those programs constrained by the shortness of data and map of ownership on Smallholders' Oil Palm Plantation. As in the replanting of smallholders' palm

oil case, the government has targetted approx. 185 thousand hectares of land going to be replanted, but the realization is far from the target (BPDPKS, 2020). This is due to the lack of a valid data and map, that is usable to determine program recipients and design the working procedure of program. Therefore, the acceleration of smallholders' palm oil data collection and mapping becomes an important instrument to support the optimalization of those programs.

- **Fourth, identifying the existence of Smallholders' Oil Palm Plantation in forest areas and find an alternative solution for this problem.** The national oil palm industry is always pressured by negative issues pertaining to management, such as deforestation and climate change issues (Gaveau et al, 2016; Vijay et al, 2016; Patrenko et al, 2016). One of these is identified by the opening of oil palm plantation lands by communities. We always face difficulty to overcome those issues, since the fact, we are unable to convey data and information that indicate an occurrence of deforestation and climate change by Smallholders' Oil Palm Plantation. Whereas, if data and map of smallholders' palm oil ownership are available completely, then we are able to answer said negative issues based on fact. In addition, those data and map can also be used to find an alternative solution, either through agrarian reform program or social forestation.

## How is the data collection, mapping and issuance process of STD-B?

KEHATI (Indonesian Biodiversity Trust Fund) together with its partners have an experience in making data collection, mapping and application for STD-B within the last three years. Based on those field experiences, we try to explain the flow of process, as shown in figure 2.



Figure 2. Process Flow of Data Collection, Mapping and Issuance of STD-B for Oil Palm Plantation

- **First, data collection on oil palm plantation ownership.** Data collection uses census approach, collecting the data of all people's plantations without differentiating locations and status of plantations (within one village administrative area). Technically, data collection can be conducted by two methods : (1) gather all planters and distribute data collection forms to fill-out by the Planters under the guidance of data collecting team, or (2) data collecting teams visit planters' residences and do a face to face interview according to the format of data collecting form.
- **Second, the mapping on oil palm ownership.** the mapping can be done by using Ultra-high resolution satellite image (CSRST) or using drone. Further, CSRST map and results of drone are parceled by ownerships. In this process, the mapping teams ask Planters to show the borders of their plantation ownership. this map is then integrated to the results of the above tabular data collection. Ultimately, these result in a data and map of

smallholders' oil palm ownership (by name, by address, by spatial) completed by data attributes that have been standardized with the need of STD-B for Smallholders Oil Palm issuance.

- **Third, the issuance of STD-B for Smallholder's Palm Oil.** It needs to know that STD-B is not part of licensing, but a registration system developed by the government to collect the data of smallholders' oil palm plantation ownership. STD-B can be applied for individually by Planters or collectively by groups of planters through the village administration. The results of standardized data collection and mapping in accordance with general instructions of STD-B issuance issued by the Ministry of Agriculture, are usable to become a material to apply for STD-B issuance to the service handling plantation sector in regencies / cities. Those data and map are verified by inventory and verification team at said service. For those applications already passing the verification, the Regent/ Mayor or Service Head may issue STD-B.

### How much is the cost needed in said process?

Based on the experiences of KEHATI Foundation in conducting the data collection, mapping and processing as well as the issuance of STD-B, the total cost incurred per hectare is **Rp. 179.583**, which comprises of data collecting and mapping cost of **Rp. 133.333** per hectare and the estimated cost of STD-B processing and issuance of **Rp. 66.250** per hectare or **Rp. 198.750** per STD-B. With the assumption that the area of land mapped is 1.200 hectares, the quantity of plantation ownership is 400 and the number of STD-B applied for is also 400.

### What are the constraints in conducting the mapping, data collection and issuance of STD-B?

**There is no Norms, Standard, Principle and Criteria (NSPK) which become a general reference for data collection, mapping and issuance of STD-B.**

Several related parties have taken initiatives for data collection, mapping and issuance of STD-B, but with different approaches and methods. This occurs because the government has no reference or NSPK. So, some of data collection and mapping initiatives conducted have no uniformity by method and procedure. Often, data and maps generated by several institutions such as NGO, were not accepted by the regional government, since they were not in conformance to the standard they wanted, meanwhile the standard itself did never exist from the government. This becomes a constraint for those parties having an initiation to conduct the data collection, mapping and issuance of STD-B.

**Second, the shortness of program and its source of financing by the government.**

Due to the absence of NSPK, many regions do not design any program and funding for the data collection, mapping and issuance of STD-B. Whereas, with reference to the Minister of Agriculture's regulation No. 98/Permentan/OT.140/9/2013 concerning Guidance to Plantation Business Licensing, the regency / municipality governments have the authority to issue STD-B. Accordingly, the regency / municipality governments are supposed to execute this authority by making programs and their budgeting.

**Many regencies / cities which have no STD-B issuance service yet and there also some which place the STD-B issuance system in licensing system so Planters face a difficulty to access STD-B service**

With reference to the Minister of Agriculture's regulation No. 98/Permentan/OT.140/9/2013 concerning Guidance to Plantation business licensing and Decision of the Director general of plantation No. 105/Kpts/PI.400/2/2018 concerning Guidance to the Issuance of Cultivation Rights Title/Surat Tanda Daftar Budidaya (STD-B), STD-B is not a permit, but a registration number developed to collect the data and map independent smallholder's oil palm plantations. So, the implementation of service is not at the regional licensing service unit, but at the service which handles plantation affairs.

**There is no system which is integrated from data collecting, mapping and issuance of STD-B available.**

In several locations, these three process flows are not integrated. Some of them already did the data collecting but having no map yet. However, there are some which have conducted the data collecting and mapping but submitting an application can't be done straightly, since the system is not integrated or still manual. This makes the process undergone becomes in-effective.

## What to do by the government and how?

**The government needs to accelerate the preparation of NSPK for data collecting, mapping and STD-B issuance for Smallholders' Palm Oil.**

The government, in this matter the National Development Planning Agency (BAPPENAS) and the Ministry of Agriculture may prepare said NSPK by involving those parties having an experience in conducting the data collecting, mapping and STD-B issuance process. The developed NSPK can be tried out in several locations to see the effectiveness of its implementation, prior to being legalized into a government's official document.

**Second, the government needs to allocate budget for the data collecting, mapping and STD issuance for smallholders' palm oil.**

BAPPENAS may design the program and budget for data collecting, mapping and STD-B issuance that is going to do by the related instances in accordance with the developed NSPK.

**Third, the government needs to build a smallholders' palm oil database system including an integrated electronic system for STD-B issuance.**

The developed NSPK must be derived to become a smallholders' palm oil database system which is integrated with e-STDB to ease and expedite the policy making process in relation to the data collecting, mapping and STD-B issuance as well as those policies that pertain to the development of smallholders' palm oil in Indonesia.

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