

Rehabilitation and Reconciliation: Opportunities and benefits for smallholders

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Presentation outline



- Smallholder perceptions and RSPO
- Rehabilitation process
- Reconciliation process
- Opportunities and Challenges

Smallholder perceptions and RSPO



- Papua New Guinean Smallholders play an important role in the production of Sustainable Palm Oil
- NBPOL is working with associated smallholder towards sustainable production
- The model of associated smallholders was designed based on review of responsibilities and independence status



Smallholder perceptions and RSPO



Smallholder Palm Oil Organisations and LPC

O.P.R.A.



Oil Palm Research Association

O.P.I.C.



Oil Palm Industry Corporation

P.O.P.A.



Palm Oil Producers Association

Smallholder perceptions and RSPO



- Smallholders want to understand the aims and objectives of RSPO implementation?
- Which institutes will be able to guide the implementation?
- What can RSPO certification bring for smallholders?
 - Support, training and awareness are the main drivers
 - This is compounded by mixed performance of the involved government body in rural service delivery

Rehabilitation process

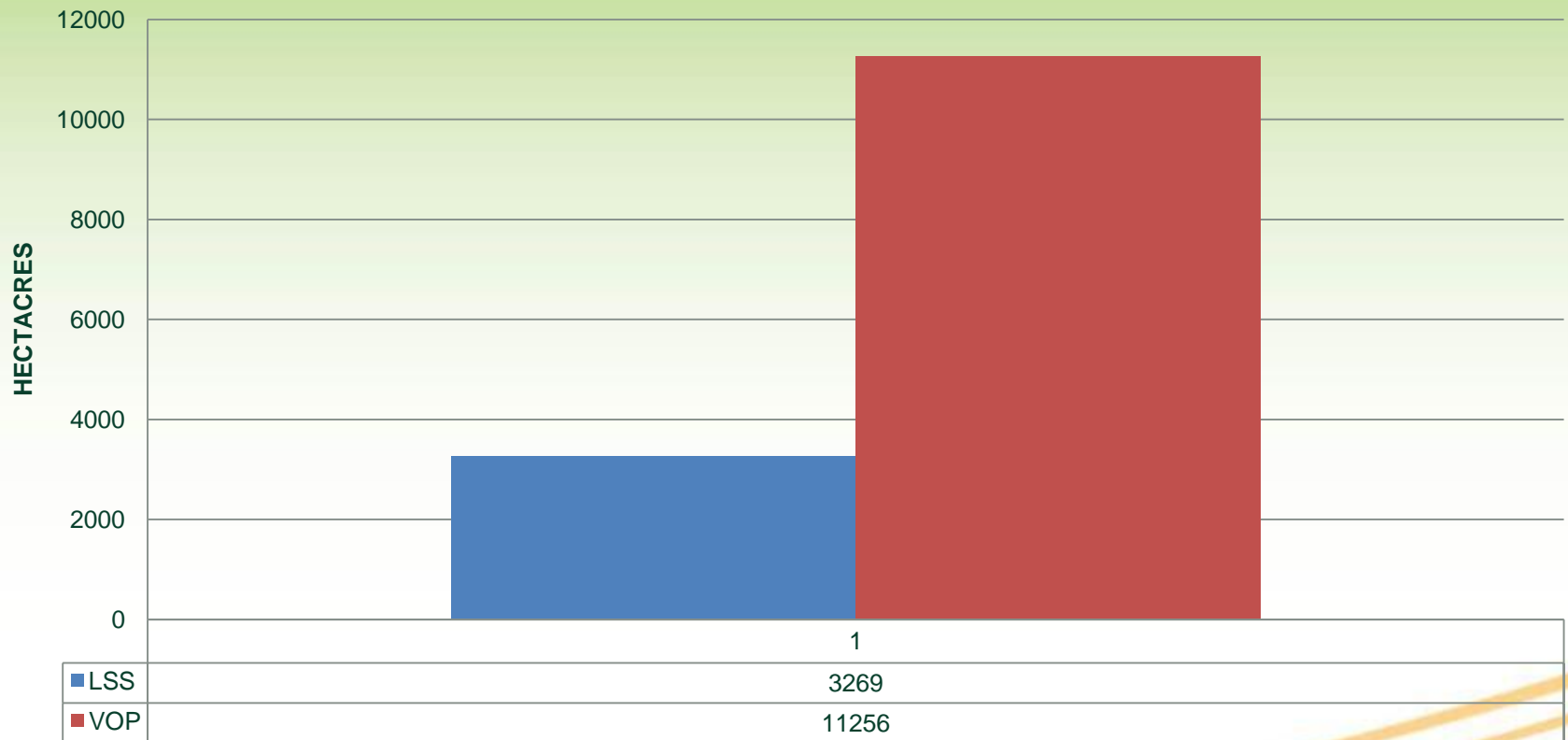


- Kula group ,NBPOL Higaturu Oil Palms took over existing estate in the Oro province in June 2010
- 5706 Small holders covering 14225 ha
- Average yield from all productive small holders is 11 mt per ha
- Smallholders blocks unproductive due to dispute or have been abandoned as result of destroyed roads by cyclone Guba

Rehabilitation process



SMALLHOLDERS BY TYPE



Rehabilitation process



Challenges faced:

- Road access
- Replant requirement of 5000 ha
- No fertilizer application
- Upkeep
- Disputes on blocks

Rehabilitation process



Proposal:

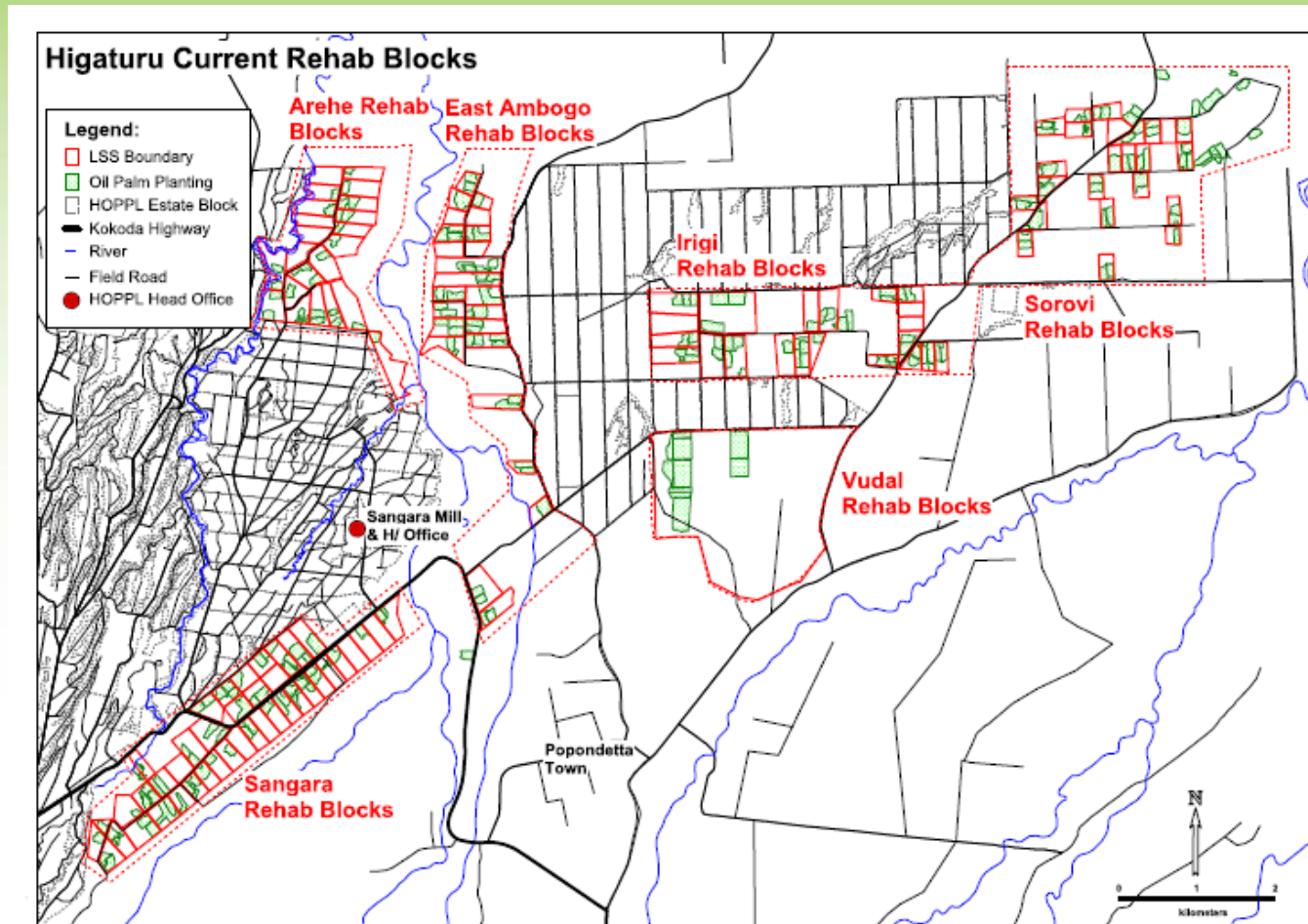
- Discuss with smallholders the option of management guidance
- Employ the village youth, train and help with addressing disputes in the areas by empowering the village communities by training and implementation of GAP
- Clean up the blocks, rehabilitate and replant where necessary

Rehabilitation process



- Crop will be harvested and weighed separately from each block to ensure that the growers are paid out correctly.
- Set up strategic points to enable growers to deliver crop
- Introduce tractors to the more remote areas to collect crop and deliver to the buying points
- Yield increase to improve incomes for the growers

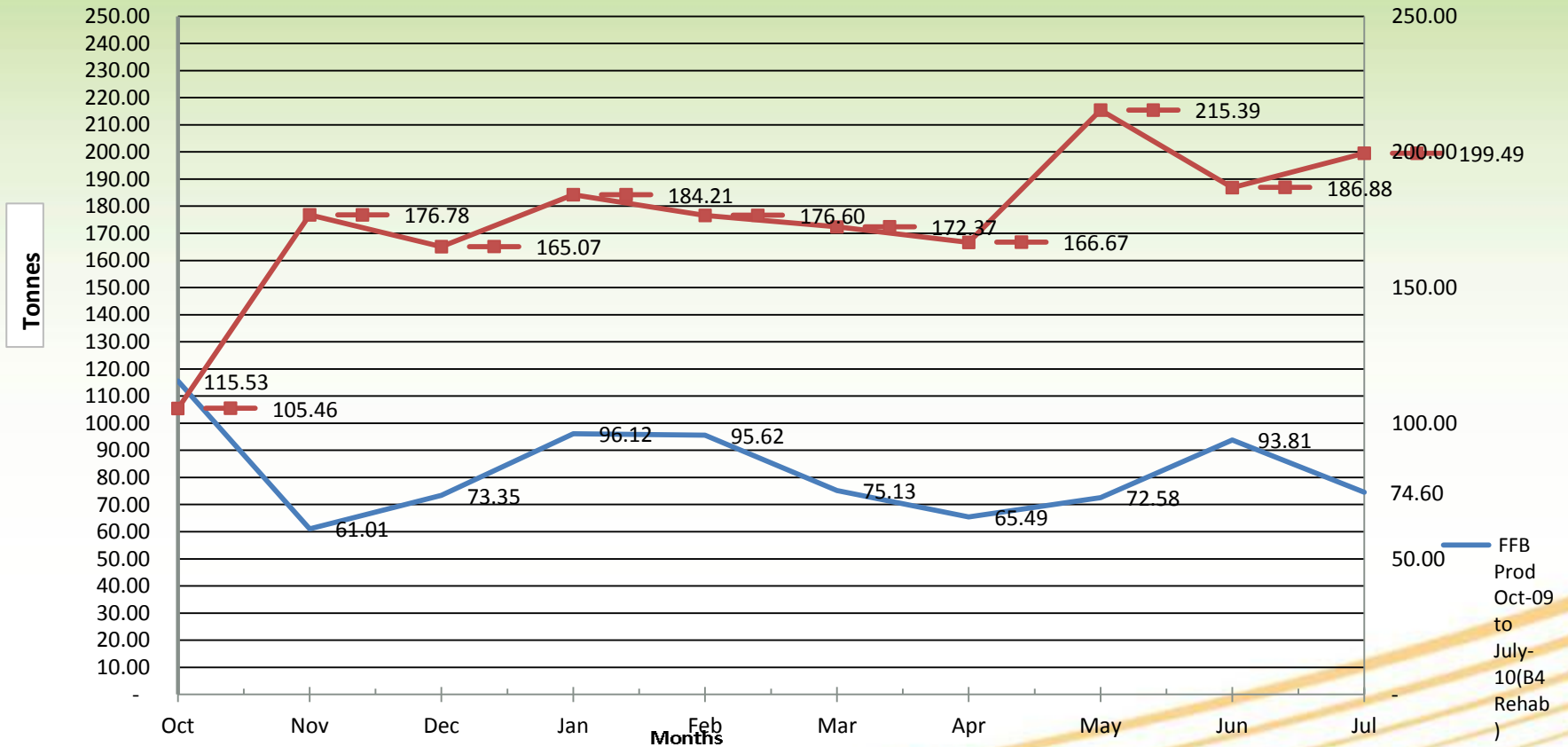
Rehabilitation process



Rehabilitation process



Trial months / tonnes increased



Rehabilitation process



Reconciliation process



- 1973- 2000 Solomon Islands Plantations Ltd in operation; NBPOL GPPOL
- Total = 6,500 ha
- 10% Smallholders crop 289 individual blocks

Reconciliation process

Palm Oil opens

By ROBERT L. IRIGA

THE multi-million dollar Guadalcanal Plains Palm Oil Ltd (GPPOL) was opened yesterday with a promise to adopt the same model in two other national projects in the pipeline.

Thousands of guests and people from the Plains witnessed the ground-breaking ceremony at Tereu, which was described as the dawn of a new era for the country economy.

Prime Minister Sir Allan Kemakeza who opened the plantation's operations under a new company said the opening of the plantation was a signpost for everyone to see that Solomon Islands is now rich.

Papua New Guinea based company New Britain Palm Oil Ltd (NBPOL) which has an expanding history since its establishment in the 1980s teamed up with Guadalcanal Plains Resource Development Association to form the new company GPPOL.

The landowners through GPPOLA own 20 per cent while NBPOL 80 per cent.

The legal instruments for the two were also signed yesterday.

Managing Director of GPPOL, Nick Thompson said that he hopes it to take the company to a new level, which is different to what SIFU did.

He said their decision to pursue the project in Solomon Islands, which is their first major operation outside is a vote of confidence in the people of Solomon Islands.

Mr Thompson said NBPOL is now one of the world leaders in palm oil production and development.

Sir Allan said because of its success the government would adopt the same model for its planned projects at Pangasinan and Baita-Baita.

NBPOL's success is believed to be based on its approach to buy back from the landowners unlike what SIFU did.

In its first payroll, the company had signed out



ABOVE: TIME TO CELEBRATE. Visitors in the Guadalcanal Plains bringing gifts for the guests who attended the ground breaking ceremony yesterday.

LEFT: New Britain Palm Oil managing director Nick Thompson meeting Prime Minister Sir Allan Kemakeza.

more than \$107,000 to the landowners for rental and more than \$200,000 to the Guadalcanal Province for the province's community fund.

It culminated in the planting of trees to mark the ground-breaking ceremony event.

Sir Allan has spoken highly of the Plains' people for their contribution to the national economy.

He said for many years the people there were active participants in national development and he fully acknowledged that.

Chairman of GPPOLA, Fr Benedict Guzman said the people there are still waiting for their lost property payments.

He said the people there wanted social services but the government has not directed that to them.

- Late 1999– June 2003 Ethnic tension, the plantation estates were destroyed and abandoned
- April 2005: GPPOL commenced operations in Solomon Islands. Joint venture partners NBPOL (80%) and Guadalcanal Plains Resource Development Association (20%) (Landowner Association)
- 19 May 2006: Production commenced after reconstruction of existing mill (25 tonne/hr)

Reconciliation process



- Different setup in the Solomon
- Cultural diversity at local and national level
- Ethnic Tension and long memories
- Landowners Association is vital if effective – dealing with one body and provides a buffer and ensures participation

Reconciliation process



Program focus:

- Involve the women, never underestimate the strength and the power of the women
- Understand the family and cultural structure
- Local argument can become a company problem
- Respect needs to be established
- Adjusted Company personnel attitude

Reconciliation process



- Work with the youth and young adults
- Local ownership in Company and smallholders
- Develop local and regional businesses, support the local business houses. If they don't exist, find that budding entrepreneur.

Reconciliation process



- Local training – financial management, first aid, literacy
- Discuss perceptions and find balanced approach
- Formalised grievance procedure, audited
- Join community gatherings, courses, church, meetings
- Engaged RAMSI and supported community

Opportunities and Challenges



Political, Environmental, Social and Technical

- **Generic Standard - National Interpretation -Regional differences**
- **Communities / smallholders - companies not governments**
- **Driving force should be Good Agricultural Practices**
- **HCV,carbon stocks vs livelihoods**
- **Economic development – rural poverty - FPIC**
- **Health and Education**
- **Remote locations - poor infrastructure**



Thank you

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