

Merangin Land Grabbing Case Study

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July 2012



This research study is part of the collaboration of PAN AP and its partners on mapping and documentation of land grabbing in selected Asian countries. This initiative is carried out with support from MISEREOR. This publication may be cited in part as long as PAN AP and Aliansi Gerakan Reforma Agraria (AGRA) are properly cited.

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ABOUT PAN AP

Pesticide Action Network Asia and the Pacific (PAN AP) is one of the five regional centres of PAN, a global network dedicated to eliminating the harm caused to humans and the environment by pesticides and promoting biodiversity-based ecological agriculture.

PAN AP's vision is a society that is truly democratic, equal, just, and culturally diverse; based on the principles of food sovereignty, gender justice and environmental sustainability. It has developed strong partnerships with peasants, agricultural workers and rural women movements in the Asia Pacific region and guided by the strong leadership of these grassroots groups, has grown into a reputable advocacy network with a firm Asian perspective.

PAN AP's mission lies in strengthening people's movements to advance and assert food sovereignty, biodiversity-based ecological agriculture, and the empowerment of rural women; protect people and the environment from highly hazardous pesticides; defend the rice heritage of Asia; and resist the threats of corporate agriculture and neo-liberal globalization.

Currently, PAN AP comprises 108 network partner organizations in the Asia Pacific region and links with about 400 other CSOs and grassroots organizations regionally and globally.

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Tanjung Benuang Village

Tanjung Benuang Village is located at the foothill of Mount Tungkak in Sungai Tenang Subdistrict, Merangin District, Jambi Province. Previously, before the enactment of the Law No. 5/1979 on Village, this village was one of ten villages of Koto Sepuluh indigenous peoples. It was previously called Tanjung Beringin.

Tanjung Benuang Village is surrounded by Jangkat Village on the north, Gedang Village on the south, Beringin Tinggi Village on the east, and Tanjung Dalam Village of Lembah Masurai Subdistrict on the west. It takes 9 hours travel by land or around 336 kilometres (km) from the provincial capital city of Jambi. The distance from the capital city of district is around 86 km or 5-hour travel by land.

The total area of Tanjung Benuang Village is 437.5 hectares (from Sungai Tenang Subdistrict monograph data) which consists of the settlement area (4 hectares), garden (2 hectares), plantation area (200 hectares), dried agricultural land (200 hectares), wet agricultural land with simple irrigation (30 hectares), and public utilities area (0.5 hectare). Previous area of Tanjung Benuang Village was 1,700 hectares. The downsizing of its area is caused by the land grabbing in the form of HPH (commercial timber rights) concession in 1988.

The village is composed of two hamlets, Tanjung Benuang Bawah and Tanjung Benuang Atas. The population of Tanjung Benuang Village is 217 families with total 881 people, with 438 males and 443 females.

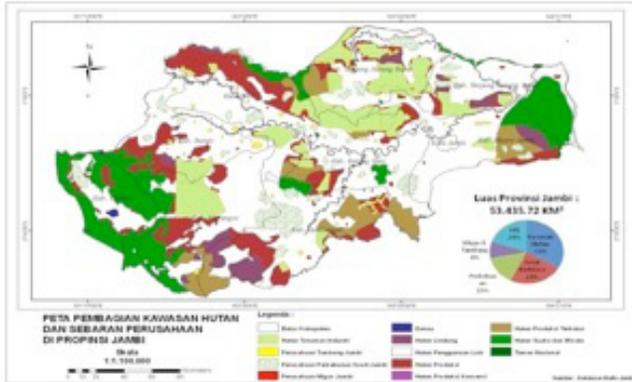
The settlement is generally scattered along the village road, although most of families own the huts in their dried fields. During the harvesting season, the people living in the huts usually leave their houses in order to protect their dried lands from the animal attacks.

Tanjung Benuang Village is surrounded by hills. Tungkak hill is the closest with the status of a protected forest. There is also Sedingin hill which provides timber for daily uses in building houses. The people are usually using the forest products in Tungkak hill wisely, because they have to obey the village traditional rules, such as reporting to the forest protector and head of village to have a permit. It is forbidden to get the timber near the source of the river, hillside areas, and protected areas. They only use the timber for building the houses, public facilities like the mosques, etc.

The people in Tanjung Benuang Village are skilled toolmakers from bamboo and rattan for their own needs. It is rare to find the people get the forest products for trading purposes.

Aside from these two hills, there are many hills scattered around the village, including the Bukit Barisan which is located around 15 km on the east. Therefore, the village has fertile and rich forest with good quality and high value tropical trees. Because of this richness, the area is a target of investors. The protected forest in Tungkak Hill can also be a 'carbon business' for the government.

The people in Tanjung Benuang Village also use the forest as the source of water from the rivers which flow



down from the existing hills. They tap the river flow from Sedingin hill for drinking purposes.

Land ownership of the people of Tanjung Benuang Village does not have a strong foundation before the Indonesian law since their lands are ancestral in nature. There is nobody among the peoples of Tanjung Benuang who has a certificate of land both for settlement and agricultural lands. Under this circumstance, the ownership of land in Tanjung Benuang is vulnerable to land grabbing that may be done by the government and the private sector.

Tanjung Benuang Village itself is under the area of Sungai Tenang Subdistrict, Merangin District which has several forests defined by the government as forest. The government's forest definitions include the Kerinci Seblat National Park, Limited Production Forests (HPT) composed of HPT Lubuk Pekat, protected forest (HL) Mount Tungkak, and HPT Mount Sedingin. Tanjung Benuang Village is in the border of forest definition of limited forest production of HPT Mount Sedingin. Meanwhile, the definition of HPT Mount Sedingin is the area previously for commercial timber rights (HPH) concession of PT Serestra II with SK (Permit) 549/kpts-II/1988 which ended in 2008 that covers 96,000 hectares and of PT Nusalease TC with SK HPH No. 845/kpts-II/1991 that covers the area of 61,200 hectares.

According to the local people, the assignment of the limited production forest (HPT) for the first enclosure was conducted in 1996 and for the second time in 2004. But this was originally the agricultural lands of the indigenous peoples. The average agricultural land per family in Tanjung Benuang village is one hectare. However, there are also families who own more than

one hectare, especially those with bigger families. In which case, they are managing the agricultural land by opening the lands, redistributing the land until decisions on what crops to be planted are made. In short, indigenous practices are much in force as these are ancestral lands.

The system of rotary garden of the Koto Sepuluh indigenous peoples

Among the indigenous peoples of Koto Sepuluh, there are rules on how the people practice dry agriculture and open up the forests. All these rules have been existing and implemented since time immemorial. For example, whoever would want to open up the forest has to inform the village master in a meeting of the indigenous community. Whenever they decide to open the forest, it should be done by the groups chosen in the meeting and after 10 days of *Idul Fitri*. Only the head of the family is allowed to open one hectare of forest land, which should be planted on for three years. If the land is not utilised, the family is prohibited to open the forest again.

If a family opens the forest and plants, the land will become their land and it can not be sold to outsiders. If the people found out that the rotary garden is being neglected and the owner is undecided, then through a village meeting it will be decided as the collective land of the people.

In opening the forests for dry agriculture, there are regulations that should be obeyed by the Koto Sepuluh indigenous peoples, known as "*Pantang Larangan*". These regulations include prohibitions in opening the forest in the river source or in the hilly areas. The indigenous regulations were made to protect the forest for the next generations. Aside from the regulations regarding opening the forest, there is also regulation prohibiting tiger hunting. It is also not allowed for the people of Koto Sepuluh to climb the trees, especially if the fruits may be enjoyed by public, such as durian, petai, tembacang, and rambutan. Other prohibition is catching fish using poison. The rules are for everyone – there are no exceptions.

There are punishments and penalties for breaking the rules. For breaking the indigenous rules on opening the forest, the punishment is one goat, 15 kilogram of rice,



Paddy crops in the dried field

plus the amount of Rp 750,000. For breaking the rules on opening the forest without approval by the village master, the punishment is the same as aforementioned plus the offender will not be allowed to open the forest. The punishment is also the same for everyone who sells the land to outsiders. The land shall be returned to the village administration. The punishment will also be meted to everyone who opens the forest not covered by their rights.

These things show that the people have their own indigenous land laws, much related to how to manage the natural resources for the benefit of their grandchildren and the sustainability of the resources. These rules are still existing combined with the rules of village administration.

Agricultural land for food stock

The dried agricultural land is being planted with the food crops and commodity crops while the wet agricultural land is solely for the rice crops. It is understandable then that in the past, the village was the main rice producer and every house had its own rice basket. In general, the food crops they planted were not for sale and trading but for their own consumption.

The rice varieties are the local rice, the crossbreeding/*payo, lai, pulut*, and moon rice. Once they tried to plant IR 64, but it was not successful. They prefer to plant the local varieties which are not dependent on chemical fertilizers. The rice varieties are in danger of being patented by Monsanto because of their quality.



Nilam crops

Aside from rice, the dried agricultural land is also planted with vegetables such as chillis, beans, etc. These crops are not for trading but for their own family consumption or for other community people in need. They also plant bananas, rambutan and durians on riverbanks. For commodity crops, the people of Tanjung Benuang Village plant coffee and *nilam*, which is famous in Tanjung Benuang Village. In the past, the price of the crop was high around Rp 1,000,000 per liter. But at present, the price of *nilam* oil is decreasing to Rp 300,000 per liter. The villagers are not too keen to plant *nilam* crops anymore. Aside from the price declining, the crops are also stricken of the “red” plague. At the moment, the commodity crop with a stable price is coffee.

The Process of Land Grabbing

The people of Tanjung Benuang Village are victims of land grabbing under the New Order era, from 1988 through the timber concession rights (HPH or *hutan produksi terbatas*) for PT Sarestra II.

Aside from PT Sarestra II, the HPH was also given to PT Nusalease Timber Corporation (NTC) based on the Minister of Forestry decision No. 845/Kpts-II/1991 on 15 November 1991. This corporation had an HPH of 61,200 hectares in Merangin District, Jambi Province. Based on field findings in 2004, the corporation abandoned the area concession, and the Minister had to revoke the previous decision.

After the release of the HPH concessions to the two companies mentioned, the process of the actual land

Table 1. HPH concessions in Merangin District.

No	Companies	HPH letter	Size (Ha)	Ending dates	Remarks
1	PT. Sarestra II	549/Kpts-II/1988 19 November 1988	96,000	19-11-2008	Tree cutting dimension (diameter above 50 cm)
2	PT. Nusalease TC	845/Kpts-II/1991 15 November 1991	61,200	15-11-2011	Tree cutting dimension (diameter above 50 cm)

Table 2. Forest areas Merangin District.

No	Forest functions	Size (Ha)	Percentage (%)
1	Protected forest (HL)	36,734	4.78
2	Primary forest (TNKS)	121,046	15.76
3	Limited Production Forest (HPT)	49,956	6.51
4	Production Forest (HP)	136,275	17.75
5	Other usage areas (APL)	423,879	55.20
	Total	767,890	100.00

Source : Spacial planning of Merangin District, 2002

grabbing has been experienced by the people of Tanjung Benuang Village. The concessions have resulted in the eviction of the people from their agricultural lands and other villages under the administration of Sungai Tenang Subdistrict. The people had not realised that the process of land grabbing had already happened with the release of HPH concession to PT Sarestra II and PT Nusalease TC. The people finally realised their lands were being grabbed after the decision of the limited production forest under the HPT in the area of Gunung Sedingin. Since 1996, the people of Tanjung Benuang have been prevented to plant in their previous lands. The decision has affected Tanjung Benuang Village tremendously, with their land area declining from 1,700 hectares to 437.5 hectares.

Based on the map, Tanjung Benuang Village is located in the area of the limited production forest (HPT) of Mount Sedingin which covers 10,860 hectares. Meanwhile, the forest area in Merangin District covers 767,890 hectares with several definitions of forest as shown in Table 2 above.

The Introduction of PT. DAM

PT Duta Alam Makmur (DAM) is a subsidiary of Sinar Mas Group (SMG) which already has a permit letter for Industrial Plantation Forest (HTI) in the area

of Production Forest (HP) Sungai Aur, HP Batang Nilo-Nilo Dingin, Limited Production Forest (HPT) Mount Sedingin, and HPT Lubuk Pekak, which used to be the area of HPT Rimba Karya Indah (RKI), PT Sarestra II, and PT Nusalease TC. The introduction of PT DAM has provoked resistance from the people, which resulted in the revocation of the permit letter of PT DAM by the Minister of Forestry through the Minister Letter No. S. 663/Menhut-IV/2009 on 21 August 2009.

Previous HPHs and HPTs in Jambi are the target of companies for raw materials such crude palm oil (CPO) through HGU (Plantation Use Rights), and also timber for pulp and paper through HTI (Industrial Plantation Forest). The company strategy, as in the case of PT DAM where the company sneaks in after the end of HPH which then is decided to become the area of HPT. Once the area becomes HPT area, then the company comes in by having a permit letter for HTI.

The entry of PT DAM as the subsidiary of SMG was a way for the expansion of forest domination for HTI of SMG. According to the data available, SMG already owns 884,180 hectares of land in Jambi Province for HTI for the supply of pulp and paper production. The land ownership of SMG through its subsidiaries and joint ventures may be found in Tables 3, 4 and 5.

Table 3. Sinar Mas Group.

No	Names of company	Permit letter	Size (ha)	Remarks
1.	PT. Wira Karya Sakti (WKS), Tanjung Jabung Barat District	SK Menhut No. 64/Kpts-II/2001, 15 March 2001	191,130	
2.	PT. Wira Karya Sakti, (ex PT. IFA Block Dusu Aro) Batang Hari District	SK Menhut No. S.47/Menhut-VI/2004, 18 February 2004	38,261	
3.	PT. Wira Karya Sakti, (ex PT Inhutani V) Batanghari – Tebo –Tanjung Jabung Barat District	SK Menhut No. 346/Menhut-II/2004	65,925	Ex PT Sadarnila – Loka Rahayu
4	PT. Rimba Hutani Mas in Batanghari –Tanjabar-Muorojambi District	SK Menhut No. 68/Menhut-II/2004, 9 March 2004	51,260	PT RHM Blok Taman Raja to be the area of conservation as size as 9,688 ha
	Total		346,576	

Table 4. Data Government License Application Scheme.

No.	Company	Location	Size (ha)	License Progress
1.	PT. Wira Karya Sakti (WKS)	Batang Hari	6,900	Jambi Governor Letter No. 522/5039/DISHUT/2007 on 28 November 2007
2.	PT. Wira Karya Sakti (WKS)	Tanjab Tim	7,709	
3.	PT. Semesta Jaya Lestari	Sarolangun	104,992	Jambi Governor Letter No. 522/5039/DISHUT/2007 on 28 November 2007
4.	PT. Duta Alam Makmur (DAM)	Merangin	84,794	Jambi Governor Letter No. 522/5039/DISHUT/2007 on 28 November 2007
5.	PT. Duta Sarana Sejahtera	Bungo	52,925	Jambi Governor Letter No. 522/5039/DISHUT/2007 on 28 November 2007
6.	PT. Rimba Hutani Mas	Ma. Jambi	80,147	Jambi Governor Letter No. 522/5039/DISHUT/2007 on 28 November 2007
7.	PT. Semesta Jaya Lestari	Sarolangun	18,390	
8.	PT. Semesta Jaya Lestari	Batang Hari	32,760	Batang Hari Resident Letter No. 522/3906/DISHU/2007 on 13 Desember 2007
9.	PT. Rimba Hutani Mas	Tanjab Bar	18,070	
10.	PT. Duta Alam Makmur (DAM)	Merangin	25,990	
	Sub Total		432,677	

Table 5. Take Over/Joint Operation Scheme.

No	Company	Location	Gross Area (Ha)	License Progress
Take Over				
1	PT. WANA TELADAN	TANJABBAR	9,800	Negotiation process
2	PT. INJAPSIN	MERANGIN	61,610	MoU on 3 April 2007
3	PT. ARANGAN HUTAN LESTARI	TEBO	9,400	Due diligence process
4	PT. JEBUS MAJU	MERANGIN	15,012	Changed to PT. DAF in 2012
Joint Operation				
1	PT. WANA MUKTI WISESA	TEBO	9,105	
	Sub Total		104,927	
TOTAL			537,604	

Table 6. Production capacity of APP in 2006.

No	Company	Production type	Production capacity (ton)
1	Indah Kiat	Pulp, paper and packaging + New product of cup stock base paper started in 2010	3.8 million
2	Tjiwi Kimia	Paper, packaging and pencil	1.5 million
3	Pindo Deli	Paper, tissue and packaging	1.1 million
4	Lontar Papyrus	Paper	750,000

From Tables 3, 4 and 5, it may be concluded that all of production plantation forests in Jambi Province is being controlled by SMG through its subsidiaries and also joint operation schemes with the local government. PT DAM, which owns the license for 25,990 hectares, is the scheme of SMG to expand the HTI concession on eucalyptus and rubber plantation, with eucalyptus as the main crop to supply raw materials. Companies joining SMG are PT Indah Kiat, PT Tjiwi Kimia, PT Pindo Deli, and PT Lontar Papyrus, all under APP (Asia Pulp and Paper Co. Ltd). Based on the data provided by APP in 2006, the capacity of production of APP is shown in Table 6.

Based on the production capacity shown on Table 6, the expansion of HTI plantation is quite important for SMG. According to its public statement, the production capacity will be increased continuously, hence, the expansion and land monopoly will be a necessity for SMG. Such land monopoly, however, has evicted peasants from their lands and livelihoods. It has also resulted in land conflicts that have claimed farmers' lives.

The Impact of Land Grabbing

The indigenous peoples of Tanjung Benuang Village can no longer farm in the HPT area. This government decision on forest function has forced the people to leave their own farmlands. In the second enclosure in 2004, the people were marginalised because it had effectively decreased the size of their agricultural land. Their income has decreased as well.

The people have to survive on one hectare of land. Some people have resorted to looking for daily livelihood from irregular labour.

The indigenous peoples of Tanjung Benuang in resisting land grabbing

Resistance to land grabbing has emerged after the entry of PT DAM to own the HTI permit in the former HPH areas of PT Sarestra II and PT Nusalease TC, although actual land grabbing has already started since the release of HPH concessions to the two companies.

People's resistance is being supported by NGOs in Jambi and the vice-president of Merangin District. The resistance to the land grabbing by PT DAM has resulted in the revocation of its permit by Minister of Forestry in 2009. The area is then being proposed to become a village forest.

Conclusion

The indigenous peoples of Koto Sepuluh have already lived in their ancestral land long before the existence of the Indonesian Republic. They have their own land laws that governed land tenure, management of agricultural lands, managed hunting, and ways to open the forest. In principle, the indigenous land laws are against the monopoly of land. They also try to sustainably govern the forests and nature for the next generations. Indigenous laws are also governing the structure of leadership among the people and managing the conflict resolution within the community. It is reasonable therefore to strengthen the indigenous land laws in accordance with the need and struggle for genuine agrarian reform.

The State has systematically abrogated the indigenous laws of the Tanjung Benuang Village by issuing law on village administration. Through the imposition of this

law, the land of the people has been grabbed through the granting of HPH concession to the companies, creating untold misery to the village peoples.

People have to be aware of the indigenous laws in order to defend and fight for them at all costs. This awareness shall give them courage and faith to fight back and stop land grabbing. Organizing work is a must therefore.

