

# **Pandemic Power-grabs: Who benefits from Food Estates in West Papua?**



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# Preface

This report is the result of a collaboration between TAPOL and awasMIFEE!. TAPOL is a UK-based NGO formed in 1973 that promotes human rights, peace and democracy in Indonesia. awasMIFEE! was a project started in 2012 to monitor the establishment and expansion of 'Food Estates' which saw Indigenous land cleared in Merauke Regency, Papua province. awasMIFEE!'s reports are available on its website ([awasmiffee.potager.org](http://awasmiffee.potager.org)), including a "West Papua Oil Palm Atlas", published in 2015. TAPOL's website ([tapol.org](http://tapol.org)) contains recent reports, briefings, and submissions to international bodies; our work and campaigns can also be found on Facebook (TapolUK), Twitter (@Tapol\_UK), and Instagram (tapol.uk).

We hope that this report informs the public, policymakers and West Papuans and Indonesians about Food Estates, especially the loss of Indigenous land, their potentially ruinous ecological results and the questionable reasons for their establishment.

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# Executive Summary

As the COVID-19 pandemic began in 2020, the Indonesian Government proposed to establish 'Food Estates': massive expansions of agricultural land spanning millions of hectares of land across Indonesia, including West Papua, and producing a variety of crops. The Government's reasons were that it wanted to anticipate a food security crisis caused by the pandemic. However, this report shows that there were other motivations. Based on existing documents in the public domain, and the record of previous failed Food Estates in West Papua and elsewhere in Indonesia, it highlights how Food Estates could fuel corruption and have the potential to produce food for profitable export markets to the benefit of agro-industrial conglomerates and oligarchic interests.

The report also highlights serious shortcomings that may result from the plans as they stand, especially watering down of regulations designed to protect the environment, the felling of primary forest and drainage of wetlands, land grabbing, and potentially irreparable harm to the culture of Indigenous communities in West Papua.

The report shows:

- A chronology of past top-down agricultural development plans in West Papua and how even though they have mostly been poorly planned and short-lived, they nevertheless constitute a long-term threat to the entire landscape of the southern part of Papua province;
- How plans for Food Estates could potentially lead to the flourishing of corruption, where corporate and state actors and their family and friends – not West Papuans – benefit from the allocation of land for Food Estates;
- How this potential corruption is being facilitated by new legislation which gives new powers to the central government to grab land for Food Estates, also circumventing environmental safeguards;
- That the growth of the plantation industry in West Papua over the last decade has highlighted many of the potential negative consequences Indigenous people are likely to suffer under the current plans – including frequent incidences of horizontal conflict between communities and an increase in local food insecurity;
- That it is not only Indigenous communities' livelihoods that are threatened by Food Estates but also their culture. Most labour on existing plantations also employs non-ethnic West Papuan labour, putting Indigenous communities at the 'bottom of the pile' in their own land and reinforcing existing structural discrimination rather than improving Papuans' welfare.





# Introduction – the re-emergence of Food Estates

In April 2020, as the COVID-19 pandemic began, the FAO announced its concern that one of the implications of the pandemic could be an increase in food insecurity, which would hit the most vulnerable around the world the hardest.<sup>1</sup> Shortly afterwards, Indonesia's Coordinating Minister for Economic Affairs Airlangga Hartarto revealed a government plan to convert hundreds of thousands of hectares of land in Central Kalimantan province to new rice fields.<sup>2</sup>

This marked the revival of the concept of 'Food Estates': government plans to create vast new areas of agricultural production. Similar Food Estates have been proposed and promoted many times over the years, but the most prominent schemes have tended to fail, not producing much extra food, let alone addressing the problem of poor people's access to a healthy diet.

The site being proposed in Kalimantan is located in the area left largely abandoned after the failure of the Mega Rice Project – a planned agricultural expansion in forested areas promoted by Suharto in the 1990s which resulted in massive forest clearance and drainage of peat bogs followed by devastating fires, but which proved difficult to cultivate.<sup>3</sup>

By July 2020, the Indonesian Government was holding regular planning meetings, and had extended the planned 'Food Estate' programme to several other Indonesian provinces. Similar projects have now been announced in North Sumatra, South Sumatra, East Nusa Tenggara and Papua provinces.<sup>4</sup> The stated rationale for all these projects is still to ensure food security in the face of COVID-19. New legislation has been issued to ensure that the projects are delivered promptly. However, after almost two years of pandemic response, no detailed explanation of how these Food Estates are expected to increase food security has been forthcoming.

1. UN FAO Youtube Channel (2020), "FAO Director General video message on Global Report on Food Crises 2020 edition" <https://www.youtube.com/watch?v=ohpyxqjB6V4>

2. detik.com Youtube Channel (2020), "Jokowi Minta Buka Ratusan Ribu Hektare Lahan Sawah Baru!", <https://www.youtube.com/watch?v=7xmyHabH0Ig>

3. Goldstein, Jenny (2016). "Carbon Bomb: Indonesia's Failed Mega Rice Project." Environment & Society Portal, Arcadia (Spring 2016), no. 6. Rachel Carson Center for Environment and Society. <http://www.environmentandsociety.org/arcadia/carbon-bomb-indonesias-failed-mega-rice-project>

4. The Indonesian-controlled part of New Guinea island is known internationally as West Papua, the term used here. It consists of two administrative provinces: Papua and Papua Barat (which translates as West Papua). Papua Province is the location of Food Estate plans described here. When Papua Barat province is referred to the Indonesian name will be used to avoid confusion



On 7 July 2020, President Joko Widodo invited Prabowo Subianto, the Minister of Defence and his two-time rival for the presidency, to oversee the implementation of the Food Estate programme.<sup>5</sup> The reason given for involving the Ministry of Defence (MoD) was because it had the capacity to react quickly in a crisis. The Ministry of Defence has taken up this mandate with considerable enthusiasm and has set about its own search for land around Indonesia, seemingly independently from the process which is coordinated by the Ministry of Environment and Forestry (MoEF). By November 2020 it was clearing forest in Central Kalimantan to plant cassava, in an area outside the MoEF's proposed 'Area of Interest' for the province.

Areas under consideration for many of the proposed Food Estates are currently forested, and their conversion would cause significant climate impact. The recent COP26 climate summit demonstrated the tension this is causing for the Indonesian government – just two days after Indonesia joined 137 nations in pledging to halt and reverse forest loss by 2030,<sup>6</sup> Forestry and Environment Minister Siti Nurbaya Bakar seemed to row back on this commitment, declaring on social media that the “massive development of President Jokowi's era must not stop in the name of carbon emissions or in the name of deforestation.”<sup>7</sup>

This report will focus on the Food Estates planned for Papua province. Even though plans for Papua are not as advanced as they are for some of the other areas of Indonesia hosting Food Estate projects, the impact in Papua could be enormous. A mammoth 3.2 million hectares of land in the southern part of the province (Merauke, Boven Digoel and Mappi Regencies) has been proposed by the MoEF as an Area of Interest – the size of Belgium or Taiwan. A different set of maps, showing an area of 179,211 hectares in Merauke Regency<sup>8</sup> was presented by the MoD in August 2021 for the areas it intends to manage for rice and cassava. There is a partial overlap between the areas proposed by the MoEF and MoD.

Even though many of the same issues also affect the other Food Estate projects, this report is especially focussed on the Papua province plan because of the particular circumstances of West Papua. Not only is it a new frontier for resource industry-fuelled transformation which largely excludes the Indigenous population but also it is a zone where militarisation and human rights violations have become engrained in Papuans' everyday realities leaving many people with little trust in the Indonesian state. Decoding the plans for the Food Estate to understand its potential effects on the economic, social and cultural rights of West Papuans as well as on their specific rights as Indigenous peoples requires an examination of the dynamics of Indonesian state power in West Papua and some of the multiple vested interests which align with it.

It is still unknown how much of the two Areas of Interest is likely to be used, how the estate will be managed and whether any private companies are likely to take a role. Nevertheless, by reviewing current plans, and older plans for similar large-scale Food Estates in West Papua since 2007, the most well-known being the Merauke Integrated Food and Energy Estate (MIFEE), it is possible to anticipate how the new project is likely to develop and the risks that entails. MIFEE, a million-hectare agroindustry initiative, was

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5. Antara News (2020) “Kemhan jadi “leading sector” dalam perkuat Food Estate”<sup>“</sup> <https://www.antaranews.com/berita/1596314/kemhan-jadi-leading-sector-dalam-perkuat-food-estate>.

6. ukcop26.org (2021), “Glasgow leaders' declaration on forests and land use”, <https://ukcop26.org/glasgow-leaders-declaration-on-forests-and-land-use/>

7. Siti Nurbaya Bakar Twitter account (2021) <https://twitter.com/SitiNurbayaLHK/status/1455762628035289090>

8. ‘District’ has become the usual English translation for the administrative division known as ‘kabupaten’ in Indonesian, replacing the older term ‘regency’. However, since in West Papua, the word ‘distrik’ is still used to denote a smaller administrative division, the term ‘regency’ is used for ‘kabupaten’ here to avoid confusion

launched in 2010. Like the older Mega Rice Project in Central Kalimantan, MIFEE was considered a failure because only small areas were converted to new rice fields. However, the momentum generated by government support for MIFEE was a major enabling factor behind the growth of oil palm plantations in the area, which have severely impacted West Papuan communities socially, economically and ecologically.

The government has pledged to learn from its mistakes in previous projects and there are indications that it may make a more serious effort this time round to ensure that the Food Estate programmes really do result in large-scale agricultural expansion. To this end it has introduced national legislation which allows it to convert areas which were intended to be maintained as permanent forest and also to compulsorily acquire land for the projects, including Indigenous lands. In effect this will give it unprecedented power to grab land, with ample opportunities for corruption.

This will be the first of two linked reports into planned Food Estates in southern Papua province, focussing mainly on the plans as presented by the central government. The second report will address the specific threats posed by the Ministry of Defence's plans, placing them in the context of the ongoing militarisation of Papua and the military's quest to advance its economic and political goals.





# Historical background: Creating a development frontier in southern Papua



Since at least 2007, southern Papua has been earmarked for development by a string of announcements of wildly ambitious government projects, each targeting the expansion of industrial agriculture and forestry on a scale of millions of hectares. So far these projects may be regarded as failures - if the criteria for a successful project is whether land was converted at the scale and pace that was originally announced.

However, in parallel to the plans for mega-projects, a stream of individual concessions have been issued to companies, taking advantage of the fact that much of the land in the area has been zoned to allow conversion to plantations or monoculture tree plantations,<sup>9</sup> the momentum for large-scale development and other forms of government support. Oil palm plantations in particular have expanded rapidly over this period.

These two interrelated processes have combined to create an existential threat to southern Papua, which could effectively destroy both its ecological richness and its diverse human cultures.

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9. Land zoned for plantations is designated as 'production forest which may be converted' while monoculture tree plantations are allowed in 'production forest'. The reason why so much land is designated in this way is partly because the ecosystems in the area contain less dense forests than the tropical rainforest which is or was the primary vegetation in much of Indonesia.



## A brief chronology of agricultural expansion goals for southern Papua

### 2006-2007 – Merauke Integrated Rice Estate.

In 2006 President Susilo Bambang Yudhoyono travelled to Merauke for a Great Rice Harvest, signalling central government support for large-scale agricultural production in southern Papua.<sup>10</sup> The following year the government started making plans for industrial scale rice production in Merauke Regency, covering an area of 1.6 million hectares. The area would be divided into production centres of 5000 hectares each.<sup>11</sup> In July 2008 it was reported that a coalition of 15 Saudi investors was preparing to invest in the project,<sup>12</sup> although this was never followed through.

**2007 - National Biofuel Plan.** A government-created team to promote biofuel development signed memoranda of understanding with several

corporate groups to develop vast areas of new palm oil plantations.<sup>13</sup> Two of those groups planned to base much of their expansion in southern Papua. The largest was the Sinar Mas group, which, in collaboration with the Chinese National Offshore Oil Company, planned to develop one million hectares, to an investment value of US\$5 billion. Genting Berhad from Malaysia also targeted southern Papua with a planned investment of US\$3 billion. The projects were abandoned in 2008 as rising prices for crude palm oil meant it would not be economic to sell as a biofuel.<sup>14</sup>

**2010 – MIFEE.** The Merauke Integrated Food and Energy Estate (MIFEE) was an evolution of the Merauke Integrated Rice Estate, promoted heavily by the Bupati (elected head of local government) at the time, Johannes Gluba Gebze. Another key architect was Arifin Panigoro of the Medco Group, which was planning several investments in the Merauke area. By this time, food price rises after the 2007-2008 global food price crisis had led to a rush to buy up land for agricultural production

10. Takeshi Ito, Noer Fauzi Rachman & Laksmi A. Savitri (2014) Power to make land dispossession acceptable: a policy discourse analysis of the Merauke Integrated Food and Energy Estate (MIFEE), Papua, Indonesia, *The Journal of Peasant Studies*, 41:1, 29-50

11. Made Oka A. Manikmas (2010), "Merauke Integrated Rice Estate (MIRE): Kebangkitan Ketahanan dan Kemandirian Pangan dari Ufuk Timur Indonesia", *Analisis Kebijakan Pertanian* Vol 8.

No 4. <http://ejurnal.litbang.pertanian.go.id/index.php/akp/article/view/4238/3578>

12. Down to Earth (2008), "Merauke mega-project raises food fears", <https://www.downtoearth-indonesia.org/story/merauke-mega-project-raises-food-fears>

13. Wikileaks, cable 07JAKARTA3302\_a, [https://wikileaks.org/plusd/cables/07JAKARTA3302\\_a.html](https://wikileaks.org/plusd/cables/07JAKARTA3302_a.html)

14. Sydney Morning Herald (2008), "Indonesia scraps \$5.9bn biodiesel plans", <https://www.smh.com.au/business/indonesia-scraps-59bn-biodiesel-plans-20080305-1x4o.html>



globally, and this allowed MIFEE to be presented as a way Indonesia could ensure its food security by ensuring national self-sufficiency in key crops such as rice. 1.28 million hectares was to be used for the project. It would be divided into 10 clusters, focussing mainly on rice and other food crops but also allowing for a maximum of 20% and 30% oil palm and sugar cane plantations respectively. Despite maps of the clusters being drawn up and the project being included in Indonesia's 2011 medium-term development plan (MP3EI), the project encountered multiple obstacles, including West Papuan opposition, and didn't get off the ground.

#### **2010 - Plantation permit boom in Merauke.**

As MIFEE was being launched (and despite being one of its main promoters) Bupati John Gluba Gebze issued at least 20 location permits to oil palm and sugar-cane companies, which didn't correspond with the boundaries of the MIFEE cluster or the limitations on palm oil and sugar cane in the MIFEE plan.<sup>15</sup> Eventually the sugar cane plans were largely abandoned, in part due to West Papuan resistance.<sup>16</sup> Major oil palm expansion did occur at this time however, especially around the north-eastern part of Merauke Regency, where seven large plantation companies<sup>17</sup> have planted 96,249 hectares of oil palm over the last decade, nearly all of it on rainforest land.<sup>18</sup>



**2011 - Tanah Merah Project.** Seven plantation business licences were issued for palm oil concessions in an area of 270,372 hectares of mostly primary forest on the lands of the Auyu people in Boven Digoel. It now appears likely that the location permits which preceded these licences may have been connected to Genting's role in the 2007 National Biofuel plan, although this has not been acknowledged by Genting itself.<sup>19</sup> Since 2011 the seven concessions have changed hands several times, with little clarity about who was actually controlling the companies at each stage.<sup>20</sup> Deforestation has now taken place in five of the seven concessions, but the rate of development is still slow and the majority of all concessions is still primary forest, with just 8,703 hectares planted.<sup>21</sup>

**2009 – 2017 Industrial Forestry Concessions.** Aside from agricultural expansion, since 2009 the government has issued a number of licences in southern Papua to companies for monoculture tree plantations. Another old licence (PT Merauke Rayon Jaya), which dates from the last months of Suharto rule, was also reinstated by a Supreme Court judgement after being revoked for inactivity in 2014.<sup>22</sup> This brings the total area licenced for industrial tree plantations to 898,645 hectares.<sup>23</sup> A concession belonging to the Moorim Group had cleared 4,453

15. awasMIFEE (2013), "Three Years of MIFEE (part 3): As the forest is felled where's the rice?" <https://awasmiffee.potager.org/?p=584>

16. awasMIFEE (2013), "Merauke Bupati orders Mayora and Astra to Stop Work Awaiting Further Discussions" <https://awasmiffee.potager.org/?p=532>

17. The seven companies are PT Dongin Prabhawa, PT Berkas Cipta Abadi, PT Papua Agro Lestari (Korindo Group), PT Bio Inti Agrindo (Posco), PT Agriprima Cipta Persada, PT Agrinusa Persada Mulia (KPN Group), PT Internusa Jaya Sejahtera (Indonusa Group)

18. Data on planted oil palm plantation is taken from the Nusantara Atlas, a project of The Tree Map: <https://nusantara-atlas.org/>

19. Yusak Yaluwo, the Bupati at the time location permits were issued in 2007, has said in interview to researchers from the Gecko Project that he believed he was negotiating with Genting in 2007

20. The Gecko Project (2018), "The secret deal to destroy paradise", <https://thegeckoproject.org/the-secret-deal-to-destroy-paradise-715b1ffc0a65>

21. Data on planted oil palm plantation is taken from the Nusantara Atlas, a project of The Tree Map: <https://nusantara-atlas.org/>

22. From court records, available at: <https://putusan3.mahkamahagung.go.id/direktori/putusan/762427461507c2b146c021e91d0ea738.html>

23. Ministry of Environment and Forestry licencing data, valid in 2020.

hectares by the end of 2019<sup>24</sup> and further clearance is ongoing. Another concession from the Medco Group cleared 3,577 hectares before mothballing its woodchip plant, although there are signs that work has recently restarted to supply a biomass power station in Merauke. The vast majority of plantations have still not developed their concessions at all, but since the permits will be valid for several decades this situation could change at any time, perhaps in response to increased demand from the pulp and paper or biomass industries.

**2015 Merauke Food Estate.** In May 2015, as part of his second visit to Papua as President, Joko Widodo travelled to Merauke to participate in a rice harvest at Medco's demonstration Food Estate site in Wapeko village. During that visit he announced to journalists that he wanted to see 1.2 million hectares converted to rice fields in Merauke Regency within three years.<sup>25</sup> This appeared to be a somewhat spontaneous announcement, without an evaluation of the reasons why MIFEE and MIRE had failed, or the practical difficulties of accommodating such a rapid expansion. The Merauke Food Estate, as it was now known, also failed to get off the ground. Nevertheless, the visit made it clear that the concept of agro-industrial expansion in Merauke would remain on the new government's agenda.

**2015 Agrarian Reform goals.** One of President Joko Widodo's election pledges was to redistribute nine million hectares of land to small farmers. However, instead of breaking up the assets of Indonesia's billionaire families, several of whom control millions of hectares in plantation and forestry concessions, much of the land targeted is

still covered with its natural vegetation. Government maps of areas under consideration for the agrarian reform programme include large areas of southern Papua. On the map are areas which were planned for transmigration<sup>26</sup> sites in the past, 20 per cent of all concessions released from the forest estate (many of which have been abandoned and remain as forest), and land zoned as eligible for conversion that is not actually forested (this includes wetlands and savannah areas in Merauke and Mappi regencies).<sup>27</sup>

**2020 Food Estate.** The latest iteration of the Food Estate plan is on the drawing board, with the Ministry of Environment and Forestry conducting a strategic environmental assessment for 3.2 million hectares. For the first time, a Food Estate programme is planned to encompass parts of Boven Digoel and Mappi Regencies, as well as Merauke. The Ministry of Defence has also presented a plan for 179,211 hectares of rice and sugar-cane (this will be addressed in more detail in the companion report to this one). Clear plans of the actual areas to

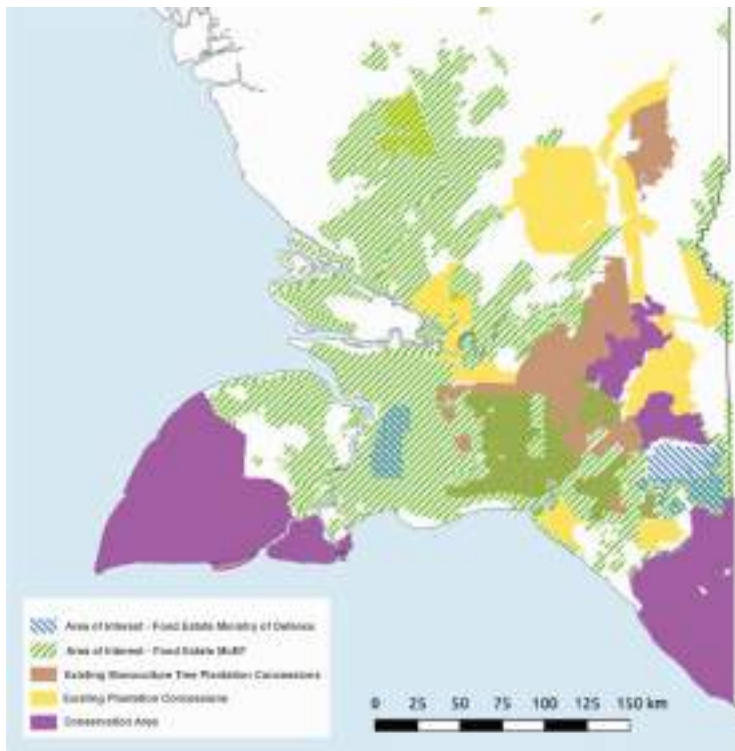
24. Data on conversion to industrial forestry plantation is taken from the Nusantara Atlas, a project of The Tree Map: <https://nusantara-atlas.org/>.

25. awasMIFEE (2015), "Jokowi relaunched MIFEE, wants 1.2 million hectares of new ricefields within 3 years!" <https://awasmiffee.potager.org/?p=1210>

26. 'Transmigration' refers to the Indonesian government's policy to develop resettlement schemes in less-populated islands to reduce the pressure on land on crowded islands such as Java and Bali. It has long been controversial in West Papua, and few new areas have been developed in recent years. Informal migration to Papua, outside official government programmes, remains high.

27. Maps of land under consideration for agrarian reform projects are available at the MoEF's mapserver: <https://geoportal.menlhk.go.id/webgis/index.php/id/peta/tora#>





Comparison of Project Area

be cultivated are still not available for either of these projects.

Looked at on a map, virtually all of Merauke Regency, other than its four areas set aside for conservation, has been included in one or other of these projects.

In the fourteen years since MIRE, what has been the result of all these grand projects? Merauke and Boven Digoel have experienced some of the highest levels of conversion to oil palm plantations anywhere in West Papua, but this has been the only commodity which has really taken off on a large scale. There has been a modest increase in areas of rice paddies and industrial timber plantations, but no successful sugar-cane ventures.

This slow progress is unsurprising since many of the proposed megaprojects have been highly impractical or poorly planned. Nevertheless, the long term perspective is clear: a threat to the landscape of Southern Papua has emerged, and though its name may have changed, it has remained and evolved. While it is tempting to interpret each individual project as a failure, their cumulative effect is that development in southern Papua is now seen as inevitable. Announcing that land will be converted rapidly for big projects but then developing slowly in reality may actually prove

to be a more effective technique to conquer this new frontier – the infrastructure and movement of population needed to turn the vision of an industrialised landscape into a reality would not have been possible within just a few years. Indigenous peoples' capacity and resolve to resist development may also be worn down as time goes on, and investors find new, effective ways to get a foothold.

A notable characteristic of all these projects has been their top-down nature - the driving force in every case has come from central government. Even though in most cases local government has been largely complicit, none of these projects are responding to a local development agenda. No project has involved a large-scale consultation with Indigenous communities to discover whether or not they would welcome these forms of industrial transformation at the landscape level or how it might impact them. Where consultations have taken place they have only been with the clans which hold customary rights within individual concessions, even though the effects of such a transformation would have profound effects for the whole region, indeed the whole of West Papua.

By drawing up maps and plans of its development projects without full Indigenous participation, the government is sending a clear signal that it does not fully recognise Indigenous peoples' sovereignty over their traditional lands and their right to self-determined development. Unless there is a paradigm shift in the government's approach it appears inevitable that the series of proposed projects will continue. It may be that no single project will transform millions of hectares by itself, but the continued pressure on the land can be expected to facilitate significant agro-industrial growth in the long term. As well as direct land conversion, less visible changes to support this agenda include developing infrastructure which facilitates a future project, consolidating land allocation in spatial plans, encouraging the migration of non-Papuan settlers and transmigrants looking for work, or creating further enabling legislation at the national and local level.







# **Southern Papua Food Estate**

## **What do we know so far?**

**H**ere's a short guide to what might be planned, based on government announcements so far, previous projects in southern Papua and how Food Estates are developing elsewhere in Indonesia.

### **What does the government mean when it talks about 'Food Estates'?**

Previously, in the 2010 version of the Merauke Food Estate it was clear that the intention was to promote corporate-driven industrial agriculture, planned and facilitated by the state with corporations taking the lead in cultivation, and therefore a departure from the dominant peasant agriculture model which produces most of Indonesia's food crops. The discourse around the 2020 version has been remarkably vague about what is meant by a Food Estate, and the term is now being used for any project which has a stated aim to tackle the issue of food security (although in practice Food Estates are expected to also produce commodities for export).

New legislation introduced to support Food Estates has also been focussed on ensuring availability of land (notably by gaining access to forest estate land), whereas there has been no new legislation defining how Food Estates will actually operate. It is possible that since previous Food Estate plans have frequently failed to attract the confidence and commitment of the public sector, the government may recognise that ensuring a role for small-scale farmers within may increase the viability of Food Estates. Nevertheless, it is highly likely that the main thrust of development remains some form of collaboration between the state and agribusiness corporations.

### **Where will the Food Estate be located?**

The Area of Interest is in the three southernmost regencies of Papua Province: Merauke, Mappi and Boven Digoel, with the vast majority of land located in Merauke and Mappi. Here the terrain is mostly flat, with large areas of wetlands. The Ministry of Environment and Forestry has produced a map of this Area of Interest for which they have started a strategic environmental assessment, but no further details of exact locations to be targeted have emerged. For its separate plan, the Ministry of Defence has identified two areas totalling 179,211 hectares. One of these is in the western part of Merauke Regency, and the other lies along the border with Papua New Guinea, which already has a heavy military presence.

### **How big will it be?**

3.2 million hectares is the size declared as the Area of Interest – an area the size of Belgium. A spokesperson for the MoEF presenting the Food Estate plan has said that not all this area would be developed but failed to give any estimate of the size which would be targeted. Nevertheless, the government is envisaging an enormous project since previous proposals for a Food Estate in the Merauke area have been of the order of at least one million hectares.



All existing plantation concessions (which comprise 653,102 ha across the three regencies)<sup>28</sup> are outside the Food Estate area. Many of these are undeveloped, which would mean an even greater potential footprint for industrial agriculture if all areas earmarked for development were to be converted.

#### **What crops will be farmed?**

There have been no government announcements about the commodity which

would be farmed in southern Papua, apart from the Ministry of Defence's statement that it intends to cultivate rice and cassava on its Food Estate. Previous iterations of Food Estate plans for Merauke have been heavily orientated towards rice. However, as this is heavily dependent on irrigation infrastructure it has proved difficult to imagine conversion on the scale envisaged, and this may be the case again. The 2010 MIFEE plan covered a variety of crops, including sugar cane and oil palm, although these were capped at a maximum of 30 percent and 20 percent of the project area respectively. Local government officials commenting on the project have observed that it might be easier to accept if traditional Papuan crops are involved, such as the sago palm, a staple food for lowland Papuans.<sup>29</sup> Existing industrial sago projects in Papua have set a possible precedent but as yet there have been no official announcements concerning sago in the Food Estate.

#### **Who is investing in the Food Estate?**

So far no companies are known to have publicly announced their intention to invest in the southern Papua Food Estate. There is so far little clarity about how the private sector may get involved in the Food Estate plans in general, and how responsibility for development will be split between the state and private sector. The Central Kalimantan Food Estate, which is the government's first priority, has also not seen public declarations of interest from private-sector growers. On the other hand, the North Sumatra project, located in an area suitable for horticulture, has seen greater interest from the private sector, including major national consumer branded products firms (Wings and Indofood) and companies which are involved in onion production.

#### **Where will the labour force come from?**

None of the Food Estates have explicitly addressed this, especially in Papua where the history of government schemes to relocate landless farmers from crowded central islands (transmigration) is often bitterly resisted.

#### **When might work start?**

The government has stated that the first priority areas for Food Estate development are Central Kalimantan and North Sumatra, but there have been no official announcements of any timescale for development in Papua. In theory further bureaucratic work is needed to complete the strategic environmental assessment and other preparations. However, the government has billed these Food Estates as responding to a crisis, and so it is possible that implementation may begin without full

28. This figure is based on concessions released from the forest estate. Note that in January 2022, the Minister of Environment and Forestry issued a decree revoking many concessions, including several in Merauke and Boven Digoel. However, since the companies still hold permits issued by other government ministries and/or local government, they may try to appeal this decision.

29. For example, this was the feedback from several local government officials to a presentation on the Papua Food Estate by the Ministry of Environment and Forestry: [https://www.youtube.com/watch?v=DocdfrWA\\_Do](https://www.youtube.com/watch?v=DocdfrWA_Do)



oversight. In Central Kalimantan, the military started clearing forest for its cassava plantation seemingly without following any of the required procedures – there is no evidence that an environmental impact assessment has been carried out, and the land was still included in the forest estate, which would breach several laws. The MoD reportedly claimed that they had got around these problems by exploiting an emergency-use loophole in a regulation normally designed to grant mining permits in forest estate land.<sup>30</sup>

### **Is producing biofuels on the agenda?**

Although, once again, no announcements have been made, there is some likelihood that the Food Estate program may be expanded to include biofuels, as was envisaged for the MIFEE project a decade ago. Despite the recent round of Food Estate proposals being justified as a means to increase food production in the post-COVID 19 era, recent legislation giving the government wider powers to promote food security projects in forest areas extend many of the provisions to include energy security, without clarifying which form of energy is being referred to. Indonesia has big plans to increase the use of diesel produced from palm oil, which is expected to be a major driver of plantation expansion. Wood biomass is another concern. The Medco Group has already built a small power station in Merauke which is using the timber from its PT Selaras Inti Semesta plantation. Several of the undeveloped industrial timber plantation concessions in southern Papua overlap with the Food Estate Area of Interest.



### **Legislating for land grabs**

One of the factors which may distinguish the 2020 Food Estate plan from its predecessors is that the government has produced a series of new pieces of legislation which will give it far greater power to requisition land for Food Estates, including forests and Indigenous land.

In Indonesia, the government designates areas as ‘forest estate’ (kawasan hutan). These areas are designed to remain with tree cover, and therefore are not suitable for agricultural purposes, although there is an exception for some areas which are allocated as suitable for conversion and may be ‘released’ for plantations or other forms of agriculture. Within the forest estate are areas zoned for conservation, areas classed as ‘protection forest’ (these are mostly on steep terrain or coastal areas to protect watersheds and prevent erosion), and ‘production forest’ (where permits for selective logging or industrial tree plantations can be issued).

In October 2020 the Ministry of Environment and Forestry issued a new regulation which allowed it to reallocate forest estate land for Food Estates. Unlike existing regulations for plantations, this was not restricted to areas allocated as suitable for conversion but could take place in all areas of production forest and protection forest. Such areas would be classed as ‘forest estate for food security’. Since most of the agricultural activity would involve clearing any tree cover, it would violate a basic principle of the 1999 Forestry Law that the forest estate areas should remain forested.

Under a moratorium in place since 2011, new permits may not be issued in areas of primary forest and peatland, regardless of whether or not they are within the forest estate and their classification within it.

30. The Gecko Project (2021), ‘Politically-connected firm seeks to profit as Indonesian Government cuts down orangutan habitat’, <https://thegeckoproject.org/politically-connected-firm-seeks-to-profit-as-indonesian-government-cuts-down-orangutan-habitat-ab7b5a398c17>

However, according to the most recent (2019) version of the moratorium 'national food sovereignty programmes' are given a specific exemption, meaning that the government does not have to apply the moratorium to Food Estates.

Another vital legislative change came through the notorious 2020 Law on Job Creation (popularly known as the Omnibus Law), a revision of 79 existing laws which weakened many environmental and social protections. The law was bitterly contested by a broad coalition of social movements across Indonesia, many of which perceived that it was designed to favour the interests of a small set of oligarchs rather than the majority of the population. Of particular importance to the Food Estates programme was the revision of the 2012 Law on the Supply of Land in the Public Interest, which extended the range of land uses for which land could be compulsorily acquired by the state to include food security programmes.

In November 2020, a presidential regulation added the Food Estate programme to the list of national strategic projects, which allows the state to prioritise these projects. A number of other pieces of legislation reduce the bureaucratic obstacles which a National Strategic Project has to pass in order to be approved.

In February 2021 the government published its first major tranche of executive legislation to flesh out some of the details of the new provisions contained in the Omnibus Law. Food Estate provisions were widely included in Government Regulation 23/2021 on matters related to forestry. In part this reiterated the provisions for using forest estate land for food security projects introduced in Ministerial Regulation 24/2020. However, clauses providing for food security projects were also inserted into several other sections on licensing activities within the forest estate, including sections on permits to use forest estate land for non-forestry purposes (the permits typically given to mining companies or infrastructure development which passes through forested areas) and permits for exploiting forest resources.

One way which Government Regulation 23/2021 aids Food Estate development is by reducing the requirements for a boundary survey, which is part of the process for any use of forest estate land. The new regulations simplify this process if the land is to be used for national strategic programmes, activities linked to national economic recovery, activities linked to food and energy security, and supplying land for agrarian reform. Crucially, this simplified survey process omits the step of inventorying and resolving third party rights' claims to the land. Moreover, development work may commence before the survey takes place. The terms used to describe these exemptions can be interpreted broadly, and so seem intended to give the government wide scope to use forest estate land for development projects. The frequent linking of the terms 'food and energy security' in the legislation raises the spectre that such provisions may also be used to facilitate bioenergy developments, although this is not stated explicitly.

Yet another piece of legislation extending the government's powers to acquire land was published in April 2021 through Government Regulation 64/2021. This legislation implemented yet another set of new powers granted to the central government by the Omnibus Law – this time for a government-run national Land Bank. The objective of this project is to build up a supply of land which can be used at a later date for a range of projects – with food security projects explicitly mentioned as one of the potential uses of land. The Land Bank's reserves can come from a range of sources including expired and abandoned concessions, land released from the forest estate and land which has been bought by the Land Bank. The Land Bank will be a new government body overseen by a committee of ministers and a council of individuals selected and appointed by the government.



Through a combination of ministerial regulation 24/2020 and the changes made by the Omnibus Law, the state therefore obtained new mechanisms to obtain land both from the forest estate and from Indigenous owners.

Several other new pieces of legislation have been published to implement the Omnibus Law's changes, including provisions relating to agriculture, introduced in February 2021. Curiously neither this nor any previous legislation sets out procedures for how Food Estates are to be managed, nor do they regulate any new kinds of partnerships that such developments may entail (eg. co-operation between the state and private sector, or between farmers and companies). As stated above, this means that all recent legislation on Food Estates has been solely focussed on facilitating land acquisition, and not on how the programme will actually be implemented.





## Potential human rights consequences of a new Food Estate

**U**nless the eventual form of the proposed 2020 edition of the Food Estate differs significantly from previous plans, the likely consequences of the new Food Estate for Indigenous Papuans can be predicted from the experience of other similar development plans, including plantation expansion over the last decade.

***Loss of sovereignty over Indigenous land:*** Indigenous communities in areas targeted for plantations have rarely if ever had a free choice over whether to accept the plans. Although companies are obliged to consult with communities and obtain the consent of the clans which hold customary land rights within a plantation concession, there is little oversight to ensure that these consultations are fair and respect the right of Indigenous people to make a free choice. Companies therefore have access to a range of techniques which can be used to obtain the signatures they need to show the authorities that they have consent. This can be through persuading individual community leaders to support company plans, promises of jobs, new infrastructure or services (which are frequently never met) or by demonstrating that they have the backing of police and military, leaving Indigenous people afraid they will be labelled separatist rebels. Food Estates, backed by discourse that they are required for Indonesia's national food or economic security, are likely to be used to legitimise these forms of land grabbing, even without recourse to the government's new powers to compulsorily acquire Indigenous land.

Since MIFEE was launched in 2010, there have been many horizontal conflicts within Indigenous communities relating to proposed developments. These can be between supporters and opponents of plantations, or between different ethnic groups which each claim customary rights over plantation land. Such conflicts are known to have a profound psychological effect on communities, and for some, the desire to avoid or resolve conflict produces a feeling that accepting the plantation may be the lesser of two evils.

***Demographic and economic marginalisation of Indigenous Papuans:*** Any agricultural expansion, especially for labour-intensive crops such as rice, would necessitate massive movement of labour to rural areas of West Papua. This would become in effect a revival of the 'transmigration' programme of government-sponsored resettlement for agricultural development). Transmigration is a politically sensitive policy, opposed by many



in West Papua because of the impacts on Papuans of a growing non-Papuan population in rural areas, and President Joko Widodo agreed to a moratorium when he came to power.<sup>31</sup>

Despite the halt in official transmigration policies, migration of non-ethnic Papuans continues rapidly. Ethnic Papuans almost certainly now make up a minority of the people living in West Papua. However, even though migration is largely driven by the economic opportunities of the resource-rich island, Papuans do not receive the same economic benefits, as employment opportunities are strongly biased towards people from other ethnic groups. In cities, shops, banks and other enterprises are almost entirely staffed by first and second generation migrants from other parts of Indonesia. There are thousands of restaurants and food stalls in Papua, but no more than a handful in the whole of West Papua which are run by ethnic Papuans.

In rural areas, as plantation companies have moved in, Indigenous people are also often largely excluded from long-term employment with companies, despite the promise of work sometimes having been a major reason they consented to a plantation. A pattern observed in several concessions is that local Indigenous communities are given work in the early stages of a company's operation, clearing land and working in the nursery. At this stage there are not many non-Papuans in the area, so this is of benefit to the company. However, local Papuans are almost always only employed on a casual basis and are rarely given permanent contracts. As more and more migrants arrive, these newcomers are viewed as preferable by the company and are able to obtain contracts. Gradually, fewer and fewer local people keep working for the company, being dismissed for one reason or another.<sup>32</sup>

By the time a plantation is mature, and workers are busy harvesting, there are often very few Papuans from the local area still working there.

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31. Merdeka.com (2015), "Presiden Jokowi berencana moratorium transmigrasi ke Papua", <https://www.merdeka.com/peristiwa/presiden-jokowi-berencana-moratorium-transmigrasi-ke-papua.html>

32. See for example: Yayasan Pursaka Bentala Rakyat (2016), "PT HIP pecat puluhan buruh asal penduduk asli Papua" <http://pusaka.or.id/2016/05/pt-hip-pecat-puluhan-buruh-asal-penduduk-asli-papua/>, awasMIFEE (2014), "Oil palm Workers Imprisoned for Demanding Workers' Rights", <https://awasmiffee.potager.org/?p=850>, Yayasan Pursaka Bentala Rakyat (2016), "Buruh Papua tetap menolak kesewenang-wenangan PT TSE", <http://pusaka.or.id/2016/08/buruh-papua-tetap-menolak-kesewenang-wenangan-pt-tse/>

There are other ways Papuans who hold Indigenous customary rights may obtain some sort of income from plantations: through compensation paid for the use of customary land and the timber it contains, and also through being part of plasma schemes where they are given a small share of the plantation land. However, as companies have a fairly free hand to design these schemes, including deciding what deductions should be made for their operating costs, the money actually paid to Papuans is often disappointingly little.

Suffering increasing economic marginalisation as they become a demographic minority is a vicious circle for Papuans. Any remaining power they have to determine appropriate and beneficial forms of development evaporates, and the opportunities to leverage local political support to resist programmes imposed by the national government are reduced.

**Loss of food security:** There have also been several credible accounts of plantation developments producing hunger amongst affected Indigenous populations, which ought to be of especial concern to the architects of a Food Estate plan predicated on improving food security.

In Merauke Regency, local healthcare workers reported encountering cases of malnutrition amongst young children in Zanegi village in 2013, after PT Selaras Inti Semesta started converting land to an industrial forestry plantation, and that five children under five years old had died.<sup>33</sup> Such cases had not been seen before the company started work.<sup>34</sup> A similar situation has emerged in Muting village, a village which has become surrounded by six large palm oil plantations in recent years. Researchers analysed data from routine health checks carried out between 2014 and 2019 and found evidence of childhood stunting. Since this was observed from birth onwards this may be interpreted as evidence of malnutrition amongst mothers as well as their children.<sup>35</sup>

Loss of food security (and malnutrition as an extreme consequence) can arise from loss of access to food. Conversion of forest to plantations means the destruction of sago groves which represent the staple food of lowland Papuans, animals which are hunted become scarce and rivers polluted by plantations become harder to fish in (this is notably the case in the Bian River in Merauke).<sup>36</sup> The change to living in an industrialised landscape can also mean a change in food consumed, from more nutritious traditional foods to less nutritious processed foods such as instant noodles



33. Forest Peoples' Programme (2013), "Press Release - Starvation and poverty in Indonesia: civil society organisations appeal for suspension of MIFEE project in Papua pending redress for local communities" <http://www.forestpeoples.org/topics/un-human-rights-system/news/2013/08/press-release-starvation-and-pov-erty-indonesia-civil-soci>. See also the film Mama Malind Su Hilang (Nanang Sanjaya, 2012): <https://www.youtube.com/watch?v=RqYoRh1aApg>

34. Laksmi Savitri (2013), "Korporasi dan politik perampasan tanah", Insist Press

35. The Gecko Project (2020), "The Consultant: Why did a palm oil conglomerate pay \$22m to an unnamed 'expert' in Papua?", <https://thegeckoproject.org/the-consultant-why-did-a-palm-oil-conglomerate-pay-22m-to-an-unnamed-expert-in-papua-edb486651342>

36. Musa Abubar (2012), "6 Perusahaan Sawit Cemari Sungai di Merauke" <https://www.mongabay.co.id/2012/12/25/6-perusahaan-sawit-cemari-sungai-di-merauke/>



and biscuits.<sup>37</sup> In a culture where ‘civilised’ values are seen as superior, a ‘primitive’ stigma can exist around traditional foods, adding to the pressure to change diets. Once people become accustomed to buying foods that depend on having enough money, this can lead to periods of hunger if they do not have a stable income.

**Culture loss:** The transformation of a landscape and the changing demographics it requires are certain to affect Indigenous cultures in many ways, and when this takes place without consent such changes are imposed on the Indigenous community and outside their control. In southern Papua, as with many Indigenous peoples, culture is intimately connected to the land. For the Marind, the largest ethnic group in Merauke Regency, human beings are related to different animals and plant species. Each clan is related to different forest species, which they call amai or grandparents, and both amai and the human clans are descended from dema, or ancestor spirits. For example, the Samkakai clan is related to kangaroos, the Gebze clan to coconuts, the Basik-basik to pigs.<sup>38</sup> Land is a living cartography mapped by a memory of paths traced out by amai creating boundaries which divide the land between clans. Place names are important, but are lost when new cultures move in.



The importance of land to the Marind and other peoples of southern Papua therefore goes far beyond its practical use value for hunting, gathering, fishing, felling sago palms for their starchy cores, and obtaining building materials, medicines and other subsistence needs. Because of their spiritual connections to other elements of the ecosystem, the land and the plants and animals which live on it are inseparable from their identity as a clan and a people. A document produced by Marind people in 2013 to explain their opposition the sugar-cane plantation companies which had permits in Merauke at the time (and now in one of the areas targeted by the Ministry of Defence for its Food Estate), clearly identifies the dilemma they face when presented with plans for large-scale conversion of forest which are entirely incongruous with their Indigenous understanding of land, their relation to it and their understanding of themselves as Marind (or Malind) Anim (humans):

37. Chao, Sophie. (2018). "In the Shadow of the Palm: Dispersed Ontologies among Marind, West Papua." *Cultural Anthropology* Vol 33 No 4.

38. Malindanim.wordpress.com (2011), "Merauke Integrated Food and Energy Estate (MIFEE) – A Food Project Invasion in West Papua" <https://malindanim.wordpress.com/2011/03/20/merauke-integrated-food-and-energy-estate-miffee-a-food-project-invasion-in-west-papua/>

*“Forest is not only the source of the Marind Anim people’s livelihood, it is also the source of Papuan people’s innermost sense of being, especially the Marind. If the forest is lost then all elements of their culture are lost, and the people will even lose their very identity as Marind Anim Ha. Even despite this, we do not want to reject all forms of progress out of hand. However we are very concerned about several companies which are already operating in other areas of Merauke regency, as we have outlined above.*

*The Malind Anim people are also normal people who want to feel the touch of development, and an increase in security in many aspects of our lives, but also we don’t want to be marginalised by the wave of modernisation and globalisation which continues to sweep in with all its sophistications. In the same way, we also don’t want to lose our identity as the AMIN-HA, a true people whose culture remains strong, as the basic rights we have held through many generations are forcibly snatched away from us by companies, holding permits issued by the governments which have made themselves managers of our customary lands...*

*...The land and forest make up the people of Ilwayab, Tubang, Okaba and Ngguti’s cultural identity, and the forest is our mother, and the people will not sell their own mother. As an example, the wood to make kandala or tifa drums is taken from the forest, and the bark of the cajuput tree is used for the roofs of our houses, which means that the forest is very important not only for our cultural life but also to build our houses. As well as house-building materials, earth for decorating or painting our faces (tanah poo) also comes from the forest, and there are other important cultural rituals which are closely linked to Malind Anim people’s lives. There are many sacred sites around our land which must not be disturbed, and these are only a few of the forest’s functions for us as Indigenous people.<sup>39</sup>*

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39. Awasmiffee (2013), “Marind intellectuals oppose corporations”, <https://awasmiffee.potager.org/?p=352>



# What are the real motivations of the Food Estate programme?

The primary justification given for the Food Estates programme, and the accompanying new legislation which has allowed the Government to bypass environmental safeguards and compulsorily acquire land, is to ensure Indonesia's food security in the post-Covid-19 social damage these projects will do, their purported benefits need to be carefully considered.

Food commodity prices globally, as tracked by the FAO, have continued to rise month-on-month during the pandemic,<sup>40</sup> so fears that these increases could be felt by poorer Indonesians are not entirely baseless. However, within Indonesia prices actually paid at markets for rice and other commodities have so far remained stable over the pandemic period<sup>41</sup> and Indonesia has remained self-sufficient in rice for the last three years. President Joko Widodo confirmed the government has not needed to activate the agreements it made with Thailand or Vietnam on a precautionary basis to import rice in the case of a potential COVID-related shortfall.<sup>42</sup>

Government briefings on Food Estates have also conspicuously not highlighted studies which lay out a detailed case for why Food Estates are necessary for food security. The repeated failures of previous Food Estate projects raise serious concerns for the likely effectiveness of the new ones, but this also appears not to have been addressed publicly. It is not only in Papua that the history of Food Estates has been a series of failed projects The Mega Rice Project and several more recent Food Estates in Kalimantan (Ketapang in

40. UNFAO, "World Food Situation", <http://www.fao.org/worldfoodsituation/csdb/en/>

41. Pusat Informasi Harga Pangan Strategis Nasional, "Tabel Harga Berdasarkan Daerah", <https://hargapangan.id/tabel-harga/pasar-tradisional/daerah>

42. Sekretariat presiden Youtube channel (2021), "Pernyataan Presiden Jokowi terkait impor beras, Istana Merdeka, 26 Maret 2021" <https://www.youtube.com/watch?v=aiM3kvrD7zY>



2013<sup>43</sup> and Bulungan in 2011<sup>44</sup> ) have also failed to produce substantial amounts of food. Given this track record, the Food Estate model must be viewed as a high risk strategy for increasing food production in the short term.

Proponents of the Food Estate model also face difficulties defending it against the charge that it is likely to have a higher ecological impact than other strategies for increasing food production, and also is more likely to create conflict with Indigenous groups and less likely to improve the welfare of peasant farmers. For these reasons, even if a Food Estate were eventually successful at increasing food production at the national scale, this does not necessarily translate into a guarantee of food security at the local level.<sup>45</sup>

So why does the government persist with promoting this model? Two alternative motivations need to be considered: dreams of commodity export and the corruption economy.

The scale of the projects under consideration makes it quite clear that there is an aspiration to produce commodities for export, beyond Indonesia's own domestic food needs. This has reportedly been explicitly confirmed by Agriculture Minister Syahrul Yasin Limpo, who in September 2020 said "Since the land for this is so big, if the industry is well organised the production will be of export quality. If it's export quality then we can export."<sup>46</sup>

Decision makers in Jakarta undoubtedly have an eye on countries such as Brazil, which have successfully developed huge and rapidly growing agribusiness export industries.<sup>47</sup> However those advances have come with a devastatingly high environmental price-tag as natural areas such as the Amazon, Cerrado and Pantanal have been converted or gone up in smoke. And while Brazil has indeed had some success in improving food security and reducing hunger, this is arguably more connected to state efforts from 2003 onwards to explicitly support family farmers and improve access to food for the poor, rather than the benefits of agribusiness expansion trickling down.<sup>48</sup>

It is also important to be alert to how potential vested interests within government or close to government may benefit from the Food Estate programme, and how the opportunities the programme presents may have been a key motivation behind the government's adoption of the programme. By framing the Food Estate programme through a narrative of crisis, the government has created a pretext for new legislation which has given it wide authority to acquire land for Food Estates. This creates opportunities for state actors in brokering land deals in which they can expect a cut. In previous Food Estates, local government leaders at the regency and sub-district level have taken the lead in this, taking advantage of their familiarity with local community dynamics.<sup>49</sup> The new powers assumed by the central government also mean that officials in various ministries will now have increased power to greenlight projects which may be lucrative for their associates, or which offer other opportunities for corruption.

43. Laksmi A. Savitri & Khidir M. Prawirosusanto (2015), "Kebun Pangan Skala Luas di Ketapang: Menggambar Angan-Angan tentang Surplus Produksi", Jurnal Analisis Sosial, Vol 19. No. 1, August 2015

44. Korankaltara.com (2019), "Program Food Estate di Bulungan Dinilai Gagal" <https://korankaltara.com/program-food-estate-di-bulungan-dinilai-gagal/>

45. John F. McCarthy and Krystof Obidzinski (2017), Framing the Food Poverty Question: Consequences of Policy Choices in Kalimantan, Indonesia, Journal of Rural Studies, Vol. 54, August 2017

46. Original quote: "Bahkan mungkin saja karena lahan ini cukup besar, kalau ditata baik dia punya industri maka akan bisa menjadi produksi yang berkualitas ekspor. Karena kualitas ekspor berarti bisa diekspor." kompas.com (2020) 'Mentan Targetkan Proyek "Food Estate" Jadi Pusat Industri Pangan', <https://nasional.kompas.com/read/2020/09/23/17270471/mentan-targetkan-proyek-food-estate-jadi-pusat-industri-pangan>

47. MercoPress (2020), "Brazil's agribusiness exports in August reached US\$ 8,9bn: China main client", <https://en.mercopress.com/2020/09/17/brazil-s-agribusiness-exports-in-august-reached-us-8-9bn-china-main-client>

48. Sencébé, Y., Pinton, F. & Cazella, A.A. 'On the unequal coexistence of agrifood systems in Brazil'. *Rev Agric Food Environ Stud* **101**, 191–212 (2020).

49. Laksmi Savitri (2015), "State Actor Brokerage in Large-scale Agricultural Investment in Indonesia", conference paper Land grabbing, conflict and agrarian environmental transformations: perspectives from East and Southeast Asia, June 2015

An example of how state actors may individually benefit from the Food Estate policy will be examined in more detail in the companion report to this one, focussing on the military's involvement in Food Estates. A private company set up by the Ministry of Defence, PT Agrinas, appears to be lining up to take a major role in running the MoD's Food Estates. Although both PT Agrinas and the MoD have denied that it will operate the estates, an investment pitch by PT Agrinas to the South Korean government clearly shows maps of the area being developed by the MoD in Central Kalimantan. They do admit that the charitable foundations which own PT Agrinas are controlled by the MoD. However, these ownership arrangements are not transparent because it remains unclear who will benefit from any profits the company may make. The boards of PT Agrinas and the foundations which own it are overwhelmingly composed of members of Prabowo Subianto's Gerindra Party.

Permit corruption is widespread in Indonesia, and there is little transparency to prevent this from taking place and little indication of real political will to implement reform. An increased government role in brokering land deals, including through the unaccountable new body running the Land Bank, risks further entrenching the culture of corruption. Those with the power to distribute land may also reward political allies or give favours in return for other means of support. Even in cases where this is not illegal, it is nevertheless problematic because the government is given incentives to serve vested interests, rather than the wider population.

Opportunities to benefit from Food Estates are also created by virtue of them becoming a national priority project. State resources are expected to be dedicated to implementing the project, leading to a whole set of projects for state and private bodies to carry out studies, develop infrastructure etc. Many of these opportunities exist even if the Food Estate should eventually fail. The potential for corruption in the budgets for these activities can become a motive for decision-makers to approve the project.

Indonesia is frequently criticised for failing to tackle the control by oligarchs over state decision-making, and one feature of this is the overlapping interests between political actors (including ministers, members of the house of representatives, political party figures, police and military officers and local government leaders) and business interests. This is visibly the case in the plantation industry in Papua, most notably in Boven Digoel regency where almost all the plantation concessions issued in the last 15 years can be linked to at least one national political figure.<sup>50</sup>

50. Greenpeace International (2021), "Licence to Clear: the dark side of permitting in West Papua", <https://www.greenpeace.org/international/publication/47071/licence-to-clear/>

# Conclusion

Food estate plans, which started by promising to improve Indonesia's food security in response to the COVID-19 pandemic, are still at an early stage. The scale of the plans described so far, and the maps that have emerged, suggest that they are likely to result in widespread conversion of forests and peatlands. These plans therefore will make it much less likely that Indonesia will be able to play a meaningful part in the global struggle against climate change, and to meet the pledge to halt and reverse forest loss by 2030, which Indonesia signed up to at the recent COP26 climate summit.

The potential that land will be appropriated by the state for Food Estate projects is also a major concern, especially Indigenous land and land used by peasant farmers all over Indonesia. New legislation to support Food Estates introduced since October 2020 has effectively given the central government unprecedented new powers to take control of land for Food Estate projects.

The project planned for West Papua is potentially the largest, with 3.2 million hectares under consideration. Existing plantation licenses cover another 650,000 hectares, so it is clear that, should these plans go ahead, southern Papua Province would become a landscape transformed, dominated by industrialised agriculture. A succession of similar plans have been promoted by central governments since 2007, but there has never been any real attempt to involve Indigenous Papuans in decision making. Opposition and resistance to previous proposals suggests that the new project is unlikely to be embraced by much of the local population. The experience of communities around existing plantations also shows the different ways Indigenous peoples are likely to lose out from Food Estate projects – from economic and demographic marginalisation to culture loss and even hunger.

The threat to southern Papua Province has two potential trajectories, both of which pose serious threats to Indigenous peoples, forests and wetlands. It may be that the current Food Estate proceeds as planned, with rapid and massive land conversion. The second, equally worrying scenario is that the transformation is more gradual, and the official Food Estate only covers a more modest area, but the momentum behind it opens the door for plantations and other forms of development. This second trajectory has been clearly observed since the previous Food Estate projects were first mooted.

The rationale behind Food Estates, that they are an effective way to rapidly increase national food production, does not stand up to scrutiny. Over the years, previous attempts to launch Food Estates have failed, with little if any extra food produced. The various iterations of the Merauke Food Estate are a good example of this. The need for more food production (as opposed to better access to nutritious food for all) has also not been adequately presented by the proponents of Food Estates. For these reasons, it is legitimate to call into question the real motivation behind the plans. With corruption still rampant in Indonesia, there is a significant risk that Food Estates will present new opportunities for profit by those in government and their associates. This includes the Indonesian military, which has been primed for a role in running Food Estates through the involvement of the Ministry of Defence and the private company it has set up, PT Agrinas. The issues around military involvement in Food Estates will be the focus of the next in our series of reports.



