

# NI-SCOPS Indonesia

**The National Initiative on Sustainable and Climate Smart Oil Palm Smallholders (NI-SCOPS) is a program initiated by the Government of the Netherlands and the Government of Indonesia where in as per the technical arrangement agreement the Government of the Netherlands has approved of Solidaridad and Yayasan Inisiatif Dagang Hijau (IDH) as its implementing organisations to support the Indonesian Government and other stakeholders to meet the Indonesian commitments under the Paris Agreement, the Convention on Biological Diversity and the Sustainable Development Goals. It does so by making the UN Food and Agricultural Organization's concept of climate smart agriculture (CSA) operational in selected provinces and regencies across the country.**

## BACKGROUND

Oil palm has contributed USD 23 billion in 2017 to Indonesia's export income. However, its development is relatively marked with deforestation, peatland conversion, land degradation, GHG emission, fire calamity as well as declining biodiversity. Lack of resources and capacity within stakeholders; proper implementation & monitoring of regulation across region/province; as well as poor cohesive & coherent actions among various actors are some of the main causes of unsustainable Indonesian palm oil. Palm oil smallholders, as the second largest proportion of oil palm growers in Indonesia contributing to around 40% to the total oil palm area, can play a significant role in realizing sustainable palm oil in Indonesia.

## BUILDING ON STRONG GOVERNMENT COOPERATION

The Government of Indonesia and the Government of the Kingdom of the Netherlands have signed a Memorandum of Understanding on Cooperation on Sustainable Production of Palm Oil in New York on the 26th of September 2019. The two governments are moving forward to setting the existing bilateral Mixed Economic Commission to become the platform of dialogue and co-development of the Key Performance Goals and Indicators to drive the agenda of climate smart agriculture in smallholder-led oil palm production. At the national level, NI-SCOPS is expected to be set as a tool to synchronize data and efforts related to smallholders across ministries that are currently considered to lack coordination. The Ministry of Foreign Affairs has assumed a coordinating role is actively involving other ministries including: The Coordinating Ministry of Economic Affairs, the Ministry of Environment & Forestry and the Ministry of Agriculture.

The NI-SCOPS program is currently seeking harmonization and alignment with FoKSBI, the multi-stakeholder Indonesia sustainable palm oil platform, which is led by the government and facilitated by UNDP's Sustainable Palm Oil initiative (SPOI). FoKSBI's main task is to develop the National Action Plan (NAP) for Sustainable Palm Oil and to monitor its implementation. Implementing NAP requires a long-term and overarching approach to climate governance, rooted in policies and regulations.

## NI-SCOPS GOALS

### Indonesia

- 1 Improved Livelihoods of oil palm smallholders due to increased yield, improved access to market and readiness to comply with Indonesian Sustainable Palm Oil (ISPO) certification.**
- 2 Climate Change Adaptation: Improved adaptive capacity of oil palm smallholders due to enhanced adoption of climate adaptive practices, increased access to information and policy/regulation on green growth.**
- 3 Climate Change Mitigation: Increased carbon stocks and reduced GHG emissions oil from reduced oil encroachment of oil palm smallholders in forest areas, avoided deforestation and adoption of climate smart agricultural practices.**

The support from the NI-SCOPS program in strengthening smallholders' capacity and building climate resilience will complement and feed into NAP's governance and components. NI-SCOPS will also be supporting the Nationally Determined Contribution (NDC) to reduce national emissions and adapt to the impacts of climate change.

## PROGRAM ACTIVITIES

IDH and Solidaridad will work closely with the Coordinating Ministry of Economic Affairs and Ministry of Agriculture to align the NI-SCOPS national framework, especially with the National Action Plan for Sustainable Palm Oil and the strengthening of Indonesia Sustainable Palm Oil (ISPO) certification scheme. NI-SCOPS can support the two initiatives to be mainstreamed into policy and regulations, and to be implemented with benefits in the field.

A NI-SCOPS Technical Arrangement agreement has been signed to facilitate the implementation of the program. Following this arrangement, a Technical Steering Committee (TSC) for the program will be established that will provide expertise and advice on technical issues relevant to the objectives of NI-SCOPS, aimed at creating alignment of NI-SCOPS with relevant national governmental programs and the achievement of NI-SCOPS overall goals.

## NI-SCOPS jurisdictions in Indonesia

- SOLIDARIDAD
- IDH



In the selected landscapes (see map), Solidaridad and IDH will offer technical assistance to farming communities and workers and support policymakers and authorities with improving natural resource management and restoration efforts. The main work areas are:



### Supporting sub national level governance

Policy engagement with the national and sub national institutions to create wider visions of inclusive green growth and sustainable development, embedded within local policies and regulations, and to ensure the projects and activities implemented on the ground are aligned in the regulatory environment at the Sub National level.



### Supporting landscape level governance

Strengthening the institutional arrangements, decision-making processes, policy instruments, and underlying values of a landscape at the level of a district, to promote the development and implementation of new knowledge and innovative solutions to issues such as, but not limited to: GHG mitigation, forest protection, remediation and restoration, natural resources protection, land use planning, sustainable palm oil cultivation, gender and social inclusion.



### Catalyzing business and investment

Increasing public and private investment in the selected landscapes needed to incentivize sustainable climate smart oil palm production by smallholders while protecting forest and peat land and restoring previously degraded land. Among others, by enabling stronger market linkages and leveraging larger private capital pools through technical assistance.



### Implementing landscape-, farm-, and community-level interventions

Provide support and assistance to oil palm (Solidaridad's interventions as agreed by the TC go beyond Oil Palm) smallholders and cooperatives, such as: capacity building and training on good agricultural practices (GAPs), business management and entrepreneurship, children and women empowerment and farm diversification options to improve livelihoods. In parallel, ensuring interventions are being implemented that create strong linkages between sustainable climate smart oil palm and key plantation crops (in the respective jurisdictions) production by smallholders to forest and peatland protection and restoration. Examples include: capacity building of forest protection, financing models for restoration, and satellite monitoring.



### Supporting market linkages

Facilitate market linkages by connecting independent smallholders and mills with domestic and international markets and to link market requirements on climate-friendly products. Develop private sector and Social Enterprise sector partnerships and platforms at local, national, Asian and global level, including China and India, building on existing partnerships with EPOA, Solvent Extractors Association of India and China Oil and Fats Industry Association.

#### MORE INFO?

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