

BEIERSDORF SUPPORTS WWF'S SMALLHOLDER PROJECT IN INDONESIA

Beiersdorf

Project Progress Report 2022 Engaging smallholders for RSPO-certification

CONTENT

1. Introduction	3
2. Convincing smallholders to take a long-term perspective	3
3. Approach and key learnings	5
4. Summary and outlook	9

Person in Charge:	Victoria Müller/WWF Germany
Authors:	Victoria Müller/WWF Germany,
	Malte Jonas/Intern
Head of Production:	Victoria Müller/WWF Germany
Design and Layout:	Thomas Schlembach/WWF Germany
Cover Photo:	© James Morgan/WWF International

WWF Germany | WWF Indonesia

1. INTRODUCTION

In 2018, Beiersdorf and WWF joined forces to support a palm oil smallholder project addressing around 4,500 people including 240 smallholder farmers in three villages, Sungai Sena, Seberu, and Pala Kota, in Kapuas Hulu, a district in West Kalimantan, Indonesia. Phase 1 of the project was concluded in June 2022, with phase 2 following directly after and set to close in 2026. For this second phase, Beiersdorf's supplier Evonik joined to support the project. To enhance sustainable production of palm oil, the project aims at:

- → Getting 200 smallholders, members of the farmer association 'Mitra Bersama', certified according to the RSPO Standard (Roundtable on Sustainable Palm Oil) and gain 300 smallholders as members of 'Mitra Bersama'.
- → Enabling direct market access to a palm oil mill for the smallholders.

2. CONVINCING SMALLHOLDERS TO TAKE A LONG-TERM PERSPECTIVE

Smallholders' interest in managing their own palm oil plantations is immense and continues to be on the rise ever since 2000. With this project, WWF promotes a more sustainable production of palm oil. Shifting towards more sustainable palm oil operations comes with generally undenied long-term benefits for palm oil smallholders. Among others, these include:

- ➔ Access to and buildup of expertise on best agricultural practices to produce palm oil more sustainably.
- → Higher production efficiency and yield through application of learned agricultural practices.
- → Expansion of smallholders' customer base through enhanced production (output and quality).
- ➔ Direct market link to palm oil mills and future reduced dependency on middlemen.

However, some of the abovementioned benefits are not immediately visible, but will take time and continuous implementation efforts from the smallholders themselves. But most smallholders are used to taking a more short-term perspective on the production of palm oil because it is important for them to see the immediate (economic) benefits directly from the start which can also be explained by the local living conditions. This short-term perspective and the fact, that economic benefits are not visible right away, lead to two major challenges: first, some smallholders initially tend to decide not to join the project at all, because it was difficult for them to see the project's long-term impact. Second, some smallholders, that signed up for the project initially, tend to lose focus and in some cases choose to discontinue their membership when not seeing direct benefits after a short period of time.



Socialization session with smallholders in Seberu village in September 2022 © G. Andre Baskoro, WWF Indonesia

The project has identified this overall smallholder turnover and loss of focus as challenges that needed to be addressed. Over the last months, the WWF project team has therefore developed a set of key measures to maintain smallholders' commitment as well as to further understand and address smallholders' concerns.



Mr. Maringan, smallholder

"At first, I decided not to take part in the WWF's program as I did not really see the need and could not imagine how it would add any value for me. I felt I could do this on my own. However, I made mistakes, had dissatisfactory results and was not able to find the errors myself.

I then became curious and decided to join a few meetings. As we discussed the different topics related to capacity building for palm oil in the trainings, I could really see the benefits for myself and my operations. Now I even encourage others to participate in the program! With everything we have achieved so far, I am now totally convinced and am sure that our only chance is to increase production and not sell through middlemen anymore."

3. APPROACH AND KEY LEARNINGS

As a response to address the aforementioned challenges, even more intense social interactions with smallholders in all three villages – Sungai Sena, Seberu, and Pala Kota – were planned to investigate the requirements to keepup smallholders' commitment. Hence, a set of different visits and activities in the (sub-)villages was conducted over several months.

Given the highly rural environments in the (sub-)villages, having a WWF team capable of understanding the local language "Kantu' Sebaruk" (and some can even speak it fluently) proved to be vital to deeply interact with the smallholders and to properly understand their concerns. Moreover, as some time had passed since smallholders had received their initial trainings on sustainable practices of oil palm cultivation during phase 1 of the project, the social interactions functioned as a great opportunity for smallholders to refresh and ask follow-up questions on the topics and material addressed during the trainings.

Group discussions with smallholders in villages

Visiting the smallholders in their villages is key to understand their challenges regarding their palm oil plantations as well as their reluctancy to join the project. In each village, the project team conducted in-depth group discussions from August to November 2022 of around three hours each with five to ten smallholders as participants.

In addition, the project team also frequently interacted with the smallholders through individual door-to-door-visits and visits of smallholders' plantations. These more individual sessions provided the opportunity to dig deeper and understand smallholders' individual concerns.

In both the individual and group sessions, the WWF team on the one hand highlighted again the benefits of the project and that implementing the activities is a lengthy process from which immediate economic results cannot be expected. Conveying this message once again proved to be vital, as many of the smallholders were no longer aware of the long-term perspective entailed in the project as well as the comparably long timeframe until first results can be expected.



Socialization session with smallholders in Sungai Ringin subvillage in September 2022 © G. Andre Baskoro, WWF Indonesia

> On the other hand, participants were individually asked to openly provide their feedback on the project so far. This was a very insightful exercise as smallholders – after a short initial period of timidity – very openly provided their feedback.



Mr. Fatkurmat, smallholder

"Prior to 2018, there was no organizing body in place that could provide expertise and advice on how to operate our palm oil plantations. We all planned our operations to the best of our own knowledge, but this was very limited. After we had started our operations, we all felt pretty down because our results were not satisfactory and there was nobody we could approach for questions or advice which would have been really relevant. As palm oil was and is the main income source for us, the dissatisfactory results created quite a bit of anxiety on our end.

As soon as the WWF started its engagement, the trainings and assistance they provided gave us the chance to ask questions and finally receive expert answers and advice on our operations. After the first phase of the WWF's mentoring there was a break, and I was wondering whether it ended here. It turned out that there was a second phase 2 with additional meetings and follow-up trainings which I was really looking forward to!

Initially there were still many farmers who did not understand the substance of the program: they tended to expect direct capital assistance, but after the sessions particularly in this second phase, all smallholders finally understand the main purpose of assistance, namely to improve the community's economy through learning about good palm oil agricultural practices. They finally realized that this training is of higher value than capital. We all understand the benefits of RSPO now and I really hope that in this second phase we will all get ready so that we can get the RSPO certification and take on a partnership with a mill to enable commodity sales."

Key insights from social interactions with smallholders

Based on the abovementioned meetings and activities, a set of key learnings was derived:

→ Enabling quick wins for smallholders as key success factor: Due to the short-term focus of many smallholders, establishing a set of benefits that are quickly visible to smallholders, is key to get their buy-in early on and convince them to endure throughout the project. Even though smallholders are asking for it, it is a challenge to bring quick economic benefits because this takes time. That is why it is important to show the smallholders that they receive other benefits like support to legalize their land units and trainings to increase their knowledge on good agricultural practices.

- → Access to training materials for smallholders: The presentations of the trainers had always been shared with the participants, but more comprehensive training material should be developed and shared in physical form after the training sessions to ensure that smallholders have a reference point even during the period in between two trainings.
- → Conduct trainings on weekends: Conducting trainings during the week made it difficult for smallholders to attend, as on weekdays some of them are working as employees in the nearby mill. Hence, they requested the trainings to take place only during weekends.
- → Possibility for follow-up questions after the trainings: In case smallholders did not fully understand all contents discussed during a training, there should be a possibility to ask follow-up questions in a more or less close timeframe after the initial training.
- → Mixing theory and practice: Applying a good balance between theory (i.e. presentation materials) and practice (i.e. hands-on exercises in the plantation) whilst putting the main focus on the practice part was requested by numerous smallholders.
- → Increase of training capacity and frequency: Not every smallholder had the opportunity yet to take part in the trainings. Hence, the training capacity should be raised. Moreover, the frequency of trainings was requested to be increased too (i.e. shorter time intervals between two training sessions).
- → Word of mouth is essential: To reach a bigger number of smallholders in all (sub-)villages, the buy-in from a critical mass of smallholders supporting the project is crucial. Only when an initial number of smallholders is convinced of the project's benefits and decides to spread the word, additional smallholders' participation in the project can be gained through respective network effects.

The WWF team is now addressing this feedback for future trainings and interactions with the smallholders. This includes a cross visit that is planned to happen beginning of 2023. The project team and members of the smallholder association 'Mitra Bersama' will visit the smallholder group 'Rimba Harapan' in Merarai in the neighboring Sintang district. This group has been RSPOcertified at the end of 2022 and bringing the farmers from Kapuas Hulu together with the smallholders from Sintang will enhance the understanding and will increase the commitment for 'Mitra Bersama's own RSPO-certification process. In addition, a workshop will be conducted with RSPO Indonesia to share insights directly from RSPO with the farmers.



The 8 Principles of the RSPO are shown on a sign in the Musim Mas plantation. © James Morgan/ WWF International



Mr. Agelius Endi

"I am the head of the Sauk Atas sub-village and I feel a sense of responsibility to his community. Thus, the first thing that got me excited for the WWF's support was their concern for my community. Prior to the WWF's engagement, our palm oil productions were not good because the farmers really had no previous experience growing oil palm.

In the past, the community always complained about the difficulty of selling their output and accessing fertilizers.

Through the WWF's trainings' we finally have a place where all these complaints and discussion questions can be brought. Not only do we discuss our concerns with the WWF, we also get highly valuable hands-on solutions to our problems and are ready to get things done afterwards."

4. SUMMARY AND OUTLOOK

The experiences shared by the smallholders highlight how social interactions by the WWF team can positively impact smallholders' absence, their attitudes toward the project and their willingness to take part on a long-term basis. The core results of interacting with the smallholders include:

- → Enhanced commitment: Hearing about the long-term benefits of participating in the project during social interactions raised smallholders' commitment to be actively engaged in the project. Whilst most of the messages conveyed have likely been communicated previously, reminding smallholders of the benefits and the need for persistence is key. After such social interactions, the feedback by the smallholders was generally very positive and their willingness to actively engage in the project again was clearly visible.
- → Reduced meeting absence: Interacting with the smallholders and convincing them of the project's benefits will have a direct impact on the participation rates in follow-up trainings and sessions. Not only did those smallholders, that took part in group discussions, decide to join follow-up trainings that are planned to start in March 2023, they also had a multiplier effect and helped to convince additional smallholders, that did not take part in these discussions, to attend going forward.
- → Greater application of sustainable agricultural practices: Smallholders' greater overall commitment and their enhanced meeting participation translated into the greater application of the knowledge taught during the training in practice. Smallholders, who actively took part in the discussion sessions and understood the benefits behind the agricultural practices (e.g. on the application of the right seedlings and the adequate distance between trees), took their learnings directly to the field.
- → Enhanced willingness to apply good practices: Through the trainings conducted about good agricultural practices in phase 1, the smallholders became more skilled regarding palm oil manufacturing. After the discussion sessions, in which certain issues they had faced in the past were clarified, the smallholders expressed a high motivation to apply these skills in their own plantations to optimize their operations in terms of both output and overall efficiency.

The social interactions with the smallholders, especially since phase 2 of the project started, have had a clearly visible positive impact on smallholders' long-term engagement in the project. Therefore, and to continuously maintain the dialogue with the smallholders, it is planned that such social meetings with the smallholders and the local communities will be carried out on a regular basis until the project's closing in 2026. Thereby a continuously high level of commitment across the smallholders shall be maintained.



More publications in our "WF Wissen" app. Download now!





Android

iOS



Also accessible via a browser

Support WWF IBAN: DE06 5502 0500 0222 2222 22





WWF Deutschland Reinhardtstr. 18 | 10117 Berlin | Germany Tel.: +49 30 311 777-700 info@wwf.de | wwf.de