

A man wearing a traditional Indonesian batik shirt is reaching up to touch a cacao pod on a tree. The tree is covered in green cacao pods and large, dark green leaves. The background shows a lush tropical forest with palm trees under a blue sky with light clouds.

# COALITION FOR SUSTAINABLE LIVELIHOODS

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**DEVELOPMENT WORKSHOP**

September 19-20th, 2018 | Medan - North Sumatra - Indonesia

Grand Aston City Hall Medan Hotel

# SUMMARY

**Hosted By: Conservation International, Danone, IDH, The Livelihoods Fund, Mars Wrigley Confectionary, Mondelēz International, PepsiCo, The Forest Trust and UNDP with nearly 130 participants in attendance from government, private sector, finance institutions, and civil society organizations.**

A collaborative planning workshop was held on September 19-20, 2018 in Medan, Indonesia with the aim of gathering stakeholder input to shape and build the Coalition for Sustainable Livelihoods (CSL). The CSL is an emerging initiative focused on driving sustainable agriculture and natural resource management to support livelihoods in North Sumatra and Aceh. Nearly 130 representatives from across government, private sector, financial institutions, and civil society joined CSL's initial supporting partners – including Conservation International (CI), Danone, The Sustainable Trade Initiative (IDH), The Livelihoods Fund, Mars Wrigley Confectionary, Mondelēz International, PepsiCo, The Forest Trust (TFT), and the United Nations Development Program (UNDP) – to explore and test an important hypothesis: that diverse collaboration through a sustainable landscape approach could contribute to reducing poverty, driving economic development and improving natural resources management, and by doing so would further help advance government programs and policies as well as contribute to supply chain sustainability for companies operating in and purchasing products from North Sumatra and Aceh.

Workshop participants heard from government officials on visions for their respective programs and specific regencies, as well as academics and industry experts related to cocoa, coffee, palm oil, rubber, agroforestry and sustainable landscape approaches. Farmer representatives clearly outlined needs and interests of smallholder producers. Diverse stakeholder panels addressed both tensions and opportunities for alignment and collaboration. Participants then discussed tangible strategies and next steps during both breakout groups and plenary sessions.



**Key conclusions drawn from two days of rich discussion include the following:**

- **Between the diverse stakeholders, there is a common, unifying objective to strengthen farmer livelihoods and prosperity.** Natural resources are typically not managed sustainably in the face of poverty. Small farmers depend on agriculture for their livelihoods and agriculture depends on a healthy environment. These objectives are mutually dependent. Furthermore, communities, and the supply chains that originate in these communities, are more vulnerable to floods and other natural disasters when resources such as forests are not managed sustainably.
- **Solutions must be built with government.** Government has responsibility for critical resource management and allocation. Initiatives such as CSL should align with and support government programs and policies (e.g. the National Action Plan for Sustainable Palm Oil, ISPO, the National Strategic Tourism Designation for Lake Toba) and reinforce compliance with legal frameworks. This alignment will contribute to more lasting outcomes and is essential to achieving scale beyond individual landscape or supply chain projects.
- **The role of government is vital, but government will need partners and investment.** Issues discussed in the workshop are difficult and complex. Creative partnerships and collaborations will be needed to help build government capacity and generate investments needed to ensure government officials, especially at local levels, can fulfill their roles effectively.
- **There are tensions and conflicting desires that need to be balanced:** some workshop participants want broad and comprehensive approaches, others want to start with quick and practical pilot project in specific places; some want to move fast, but lasting solutions require a broad range of partners and stakeholders; we want to create a broad movement with lots of stakeholders to achieve scale, yet the most committed stakeholders are needed to get started and move quickly. The CSL can provide a platform to manage these tensions by bringing stakeholders together to focus on shared objectives to move forward together.
- **Solutions are not short-term and progress will not follow a linear path.** The issues, challenges and opportunities discussed in the workshop are complex and will not be solved quickly. We must accelerate investment and effort if we are going to make desired progress, and we should not be surprised by challenges when they arise, but should focus on how to use the new collaboration that the CSL represents to overcome those challenges.
- **Leadership, creativity and investment is needed.** If the solutions were easy, they would have already been found. We need courage to try new approaches and new collaborations and we need creativity and persistence to unlock the financing needed to drive progress at scale. To move forward, the CSL will need participants to make appropriate commitments to drive progress. For off-takers, this may mean committing volumes to suppliers and regencies that are making tangible progress. Suppliers in turn would be expected to partner effectively with upstream farmer-suppliers and local stakeholders.
- **There is a strong and widespread desire across sectors to collaborate to drive tangible progress in North Sumatra and Aceh.** While details of the Coalition have yet to be defined and many questions remain, there was a clear and tangible spirit of collaboration and good will expressed by workshop participants and clear value in the combined “bottom-up + top-down” approach.



This workshop was only a first modest step in the development of the CSL. However, it was significant and important because the highly diverse and numerous participants clearly acknowledged that their interests and organizational objectives, while diverse, are also closely linked to the well-being and economic vitality of farmers and producers. Workshop participants also clearly indicated a willingness and desire to work constructively together towards common objectives with an aim to drive measurable progress in specific places. No one wants another “forum for dialogue”. Rather, participants expressed desire for dialogue and collaboration that leads to real progress in real places. Participants saw value in the CSL’s multi-commodity approach and focus on driving alignment and collaboration between government, private sector and civil society initiatives thereby helping achieve desired impact, scale and longevity of investments. For the private sector, the approach directly targets key enabling conditions necessary to achieve sustainable sourcing commitments.

## NEXT STEPS

Participants expressed interest to come together again in a workshop in 2019 with the aim of further defining workplans for the landscape level pilots, developing plans for growth and expansion of the CSL beyond initial pilots, and further defining the structure and governance models for the CSL moving forward. Specific next steps include:

1. **Stakeholder update meeting:** On behalf of the initial supporting organizations<sup>1</sup>, Conservation International will organize a meeting on Monday, November 12 at 5 PM for any workshop participants and other interested stakeholders that are attending the RSPO Conference in Kota Kinabalu. Invitations with location details will be shared closer to the event. Notes from this meeting will be shared with all workshop participants afterwards as stakeholders not directly involved in the palm oil sector are unlikely to be present at the RSPO event.
2. **Establishment of working groups to further develop specific workplans and structure of the CSL:** Working groups will be formed to develop recommendations in response to key questions raised during the Medan workshop. Recommendations developed by these working groups will provide the content for further review and development at the next CSL workshop in 2019. Working groups will be organized around the following questions:
  - **Working Group 1: What are the specific action plans for CSL regency level pilot initiatives?** These action plans should detail actions to be taken, timelines, expected outputs and estimated financial needs. Draft action plans will build upon initial breakout group discussions at the workshop (Appendices V and VI) and will be used to engage potential partners and investors in advance of the 2019 workshop. CI will lead coordination with the government of Tapanuli Selatan and IDH with Aceh Tamiang and Aceh Timur to develop these draft workplans.
  - **Working Group 2: How will the CSL define success?** What are commonly agreed indicators and metrics that could be used to evaluate the progress of CSL related initiatives and what tools or methodologies are best suited to establish baseline conditions and track progress?
  - **Working Group 3: How will the CSL grow and expand beyond the initial regency level pilots?** This will require agreement on criteria for evaluating opportunities for expansion as well as further consideration of how the CSL should best grow: should it expand through greater collaboration with other existing initiatives, should it start new initiatives, or should it do both? What is the process for doing so?
  - **Working Group 4: How do interested organizations “join” the CSL?** This will require consideration of governance models including defining expectations for CSL participants or members, assessing most appropriate institutions to lead different components of CSL, and ensuring the central role of government and linkage to government programs and priorities as agreed in the workshop.

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<sup>1</sup> Conservation International, Danone, IDH, The Livelihoods Fund, Mars Wrigley Confectionary, Mondelez International, PepsiCo, The Forest Trust and UNDP

**3. Organization of a second workshop targeted in 2019.** This second workshop would provide an opportunity for stakeholders to review progress and recommendations developed by the working groups, provide input and further define the structure and workplans of CSL for the year ahead. The workshop will be held in North Sumatra or Aceh.

Further details of the Medan workshop including key points and outputs from different sessions are captured in the report below.

## BACKGROUND

The Indonesian provinces of North Sumatra and Aceh are important production regions for key commodities such as palm oil, rubber, cocoa, coffee, and timber. Production of these crops supports thousands of smallholder farmers and represents a critical component of the regional economy. Both provinces contain significant areas of natural forest, providing a home to threatened species as well as securing essential ecosystem services, such as flood risk mitigation, that are important to human well-being. Because of the importance of this region, there are numerous government, private sector, and civil society initiatives aiming to advance economic, social, and environmental sustainability in both provinces. Many of these initiatives have achieved important successes, but there remain important gaps and many other initiatives are not aligned and not achieving scale or their desired impacts.

The initial partners supporting the CSL believe that important livelihood and development gains could be achieved in North Sumatra and Aceh by improving smallholder productivity of cocoa, coffee, oil palm and other crops. A sustainable landscape approach that considers the economic, social, and environmental context of a specific district or province can address

challenges noted above in an integrated manner that aims to reduce poverty, drive economic development, and improve natural resources management. This integrated landscape approach can help advance common objectives shared by government, civil society, and private sector and can directly contribute to advancement and implementation of government programs and priorities such as ISPO and the National Action Plan for Sustainable Palm Oil.

However, the initial partners also recognize that implementing a successful sustainable landscape initiative requires alignment of multiple sets of actors and actions. It cannot be a top-down initiative or purely driven by supply chain actors in one sector. Furthermore, achieving long-term success and scaling beyond pilots requires direct and active engagement and leadership by appropriate government officials. This initial workshop in Medan was intended to test the assumptions behind the CSL, assess stakeholder interest in building an initiative to work both “bottom-up” and “top-down”, and to identify a path forward for collective action. Specific details on the workshop are below.



# OBJECTIVES

## Objectives of the CSL workshop were to:

1. Identify common interests and shared outcomes that government, civil society, indigenous peoples, and private sector seek in North Sumatra and Aceh related to sustainable agriculture, inclusion of smallholders in markets, economic development, and improved management of forests and other natural resources.
2. Explore and define the potential role of the CSL as a mechanism to work collectively together to achieve common these interests.
3. Define the roles of key stakeholders within the CSL to advance shared objectives and outcomes.
4. Build a joint workplan to guide the first 1 – 3 years of the CSL with specific activities focused in target regencies.

# WORKSHOP STRUCTURE AND OUTPUTS

The two-day workshop was designed to both provide context and to engage with participants through a combination of speaker presentations, panel discussions, and smaller group breakout sessions. Plenary sessions were also held, providing individuals with the opportunity to engage through pointed questions and responses with all participants. Feedback and questions throughout the workshop were captured on notecards, shared during plenary sessions, and have been documented (see Appendix IV) to integrate into future actions and development planning. Below is a general overview of the agenda with a summary of outputs and conclusions reached throughout the two days. The complete, detailed agenda from the workshop can be found in Annex 1.

**DAY 1:** The focus of the first day was to establish a common level of understanding of issues and challenges related to sustainable development and use of natural resources. The agenda provided an opportunity to discuss stakeholder interests, test assumptions around shared interests, build alignment of objectives, and explore the potential value of agroforestry systems and a sustainable landscape approach as means of advancing multiple stakeholder objectives.

## Day 1: Morning

- **Opening Session:** Participants were welcomed by the government of North Sumatra and an opening presentation from the Director of Social Forestry Business Development, DG Social Forestry about the opportunities to develop community-based agroforestry under the social forestry scheme.
- **Session 1: Opportunities to advance sustainable agriculture through sustainable landscape approaches.** Speaker presentation discussed the inclusion of smallholders in markets, economic development, and improved management of natural resources through sustainable landscape approaches.
- **Session 2: Stakeholder Reactions.** Cross-sector panel discussion to explored where different stakeholders see their needs and interests being addressed through sustainable landscape approaches.
- **Session 3: Exploring Connections + Synergies with Government Programs & Market Needs.** Cross-sector panel discussion defined linkages to programs, commitments and objectives of government, private sector, and civil society.
- **Session 4: Facilitated Discussion:** Participants were asked to reflect upon discussions of the morning to identify common themes, challenges, and objectives related to sustainable agriculture and management of natural resources.

## Key points of discussion and outputs from Day 1: Morning

A key question was raised in the first panel: Why are foreigners needed to solve Indonesia's challenges and problems? This question drove an important discussion that led to several conclusions:

- **For Indonesia, by Indonesia** - To be successful, the CSL should be managed by Indonesians for Indonesians.
- **Government is critical** - Government needs to be a central actor in the CSL because many of the key challenges discussed relate to government responsibilities.
- **Mutual dependency** - High value crops produced in North Sumatra and Aceh are purchased by international buyers. There is therefore a mutual dependency between international commodity buyers and producers and opportunity for both to work together towards common objectives.
- **Need to find balance between “top-down and “bottom-up” solutions** - Neither approach will succeed in isolation - CSL should seek to create appropriate linkages between “bottom-up” locally driven initiatives/solutions and “top down” initiatives and investments through supply chains, investment funds and similar programs.
- **Effective collaboration can occur between stakeholders with different interests and objectives, as long as there is overlap** – There is value in CSL bringing together diverse stakeholders from across local, national, international levels. These stakeholders each bring different interests, presenting both opportunities and challenges. Having different objectives is not a problem as long as we identify where those interests overlap.
- **Strengthening farmer livelihoods and prosperity is an objective shared by all participants**
  - Participants agreed on the importance of strengthening farmer livelihoods as a shared core common objective. Farmer livelihoods, sustainable agriculture, supply chain stability, and environmental health are related and mutually dependent.
- **Small-holder farmers face diverse and important challenges** – Small-holder farmers lack access to critical resources and inputs necessary to reduce poverty and drive sustainable development.
- **Need to build trust** - Trust and effective communication is essential for cross-sectoral collaboration to work effectively. The CSL can provide a platform for trust building and communication.
- **Government faces important capacity and funding constraints** - Government has a central role in supporting farmers, facilitating economic growth and development, and ensuring sustainable use and management of natural resources, but has critical capacity gaps.
- **CSL can help drive alignment** - The CSL should align with government priorities and programs such as ISPO and FOKSBI for palm sector and related complementary initiatives such as Lake Toba's designation as a National Strategic Tourism Destination.

## DAY 1: Afternoon

Afternoon sessions transition theme towards landscape action.

- **Session 5: Overview and Discussion of a Sustainable Landscape Framework.** Presentation and discussion of a framework for sustainable landscape approaches from Conservation International aimed at advancing economic, social, and environmental outcomes in North Sumatra and Aceh. Table discussions refined and built out the framework.
- **Session 6: The role of agroforestry as a sustainability solution in palm oil producing landscapes.** Presentation and discussion session led by World Agroforestry Center outlined potential benefits of diversified agroforestry systems as a complement to oil palm cultivation in support of landscape sustainability. Presentation followed by table discussions captured questions, input, and experiences from participants.

## Key points of discussion and outputs from Day 1: Afternoon

- **Sustainable landscape approach can help balance multiple objectives** - Sustainable landscape approaches include consideration of production systems, management of natural capital, governance and inclusion and equity for local peoples. They can provide a useful framework for advancing multiple objectives including smallholder livelihoods, conservation, and economic development.
- **Landscape approaches can support government objectives** - Implementation of sustainable landscape approaches can help advance implementation of government programs and regulations such as Presidential Regulation #13/2012.
- **There are significant opportunities to improve livelihoods through sustainable intensification** – Increasing productivity in existing farming areas, especially smallholder farms, would benefit farmers and the wider sector and avoid conflict associated with farm expansion.
- **Need to find farming systems that balance income and volatility at the farm level** - Diversification of smallholder production systems through agroforestry models can reduce risk to smallholders from market and prices volatility, but may also offer lower returns during peak years compared to mono-culture systems.
- **Need to find the right balance between different land-uses such as mono-culture plantations and diversified agroforestry systems at the landscape level** - Agroforestry could be a valuable complement to oil palm with potential to improve ecological productivity and reduce financial risks from reliance on monoculture palm oil land in the landscape.
- **There are important research gaps and questions regarding diversified agroforestry systems** – Optimal agroforestry approaches can be very site specific and additional research is needed within the Indonesian context especially with regard to providing economic benefits similar to oil palm.
- **Need to balance the desire to be comprehensive in the landscape, with the ability to start with practical actions in specific commodity sectors** – There is strong support for the idea of a “multi-commodity” approach that addresses multiple farming systems with the landscape, but also a recognition of the risk of trying to do too much at once and failing due to complexity. The CSL needs to manage and balance this tension.





**DAY 2:** The focus of the second day was to build on the alignment achieved on day one and encourage participants to establish a common vision for success in specific landscapes and supply chains and to identify the necessary actors, actions, and targets necessary to develop pilot initiatives in these landscapes. Participants were also asked to contribute thoughts related to a common vision for CSL and consider short-term governance models to advance the CSL.

### Day 2: Morning

- **Session 1: Profiles of Featured Regencies in North Sumatra and Aceh Tamiang + Aceh Timur.** Local government representatives set the stage for detailed discussions using presentations outlining the development challenges and opportunities for their regencies alongside their vision for sustainable development.
- **Session 2: Concurrent Breakout Sessions by Regency – Tapanuli Selatan and Aceh Tamiang + Aceh Timur.** Reaching alignment around development visions for each regency. Break out groups used information from previous presentations, discussions, and existing knowledge of landscape projects and/or production systems to generate aligned visions and priority actions for long-term sustainable success within their regency as well as for CSL overall. Discussions focused on the potential to establish pilot initiatives in these regencies that could serve as models for replication and scaling through the CSL.
- **Session 3: Plenary Report back from groups.** Each breakout group reported back on key findings/agreements, shifting focus to identify common themes and needs to guide future work of the Coalition. See Appendix IV and V for key points from the Tapanuli Selatan and Aceh Timur + Aceh Tamiang breakout sessions.

### Key points of discussion and outputs from Day 2: Morning

- **Local governments have a clear vision** - Regency officials have positive development visions that reflect economic, social and environmental themes as well as commitments towards green supply chain jurisdictions.
- **Common themes and challenges exist, but solutions will be local** - There are similarities between the regencies from both North Sumatra and Aceh including the importance of common crops such as palm oil, cocoa and coffee, common challenges related to smallholder development and capacity gaps, as well as common risks from natural disasters such as floods and landslide. There are also unique site-specific issues such as community conflict with elephants. Action plans need to be tailored to the needs and realities of the regency and stakeholders within.
- **Good work and collaboration is already happening and should be supported and built upon** - Cases presented provide a good illustration of initiatives where government, private sector and civil society are already working towards common objectives.
- **Need to balance short-term need for “quick wins” with longer term view** - Participants want long-term solutions, but also feel the need to get started with specific and tangible actions. CSL needs to manage this tension.
- **Pilot projects in key regencies can help demonstrate progress, test solutions and build models** - Initiatives being developed in the 3 initial regencies can serve as pilots for the larger CSL by testing and demonstrating approaches, building frameworks and tools that can inform the growth of the CSL.
- **The CSL will be larger than the initial pilots.** A key objective of the larger CSL is to define strategies and approaches for replicating and scaling impact across both provinces beyond the initial pilots.
- **More thinking on expansion plans is needed** - The process and plan for expanding beyond these initial pilots needs to be defined.

## Day 2: Afternoon

- **Session 4: Driving progress through collaboration – How should the Coalition work?** Plenary session provided an opportunity for group discuss and gathered input on the role of the Coalition going forward in supporting landscape-level initiatives in target regencies and scaling beyond those initial pilots. Participants also discussed initial structural and governance models to advance the CSL in the immediate term.

### Key points of discussion and outputs from Day 2: Afternoon

- **The CSL can/should operate at two levels:**
  1. It can help advance specific initiatives and pilots in target regencies.
  2. It can also serve as a “network” or “movement” to encourage and drive expansion and scaling of those initial regency level initiatives through replication and policy. At this level, the CSL provides a valuable platform for alignment, communication and learning.
- **Government has a central and critical role** in advancing key initiatives and priorities.
- **Interim leadership required to keep progress moving -**  
The CSL can be facilitated or coordinated by civil society partners in the short-term, but should be closely aligned with government initiatives and leadership. Coordinators were identified for each province to advance the CSL until longer-term governance models are defined: CI will serve as lead coordinator for North Sumatra and IDH will play this role for Aceh.
- **Longer-term governance models need to be defined**  
- A priority objective for 2019 is defining longer-term governance model in the appropriate Indonesian entities.



# APPENDICES

- I. Workshop Agenda
- II. List of Participating Organizations
- III. Presentations
- IV. Comments from Participants
- V. Additional Information on Aceh
- VI. Additional Information on North Sumatra
- VII. Media summary
- VIII. Points of Contact & links to CSL FAQ

# Appendix I. Workshop Agenda

Day 1 – Wednesday, September 19 <sup>th</sup> , Rosewood Room (2 <sup>nd</sup> Floor)	
8:30-9:00 am	<b>Breakfast and Registration</b>
9:00-10:00am	<p><b>Opening, Welcome &amp; Keynote Address</b></p> <p>Speakers:</p> <ul style="list-style-type: none"> <li>- Opening – Ketut Putra, Conservation International</li> <li>- Welcoming Address – Dr. Ir. Binsar Situmorang, M.Si MAP, North Sumatra Department of Environment</li> <li>- Keynote Address – Mr. Herudoyo, Director of Social Forestry Business Development, Ministry of Environment and Forestry</li> </ul>
10:00-10:30am	<p><b>Session 1: Opportunities to advance sustainable agriculture through sustainable landscape approaches</b></p> <p><i>This session will discuss inclusion of smallholders in markets, economic development and improved management of natural resources through sustainable landscape approaches.</i></p> <p>Speakers:</p> <ul style="list-style-type: none"> <li>- Diana Chalil, University of North Sumatera</li> </ul>
10:30-10:45am	<b>Coffee Break</b>
10:45-11:30am	<p><b>Session 2: Stakeholder Reactions</b></p> <p><i>Panel discussion to explore where different stakeholders see their needs and interests being addressed through sustainable landscape approaches.</i></p> <p>Speakers:</p> <ul style="list-style-type: none"> <li>- Diana Kosmanto, Orangutan Coffee Project-Yayasan Ekosistem Lestari</li> <li>- Rob Nicholls, Musim Mas</li> <li>- David Pendlington, Mars Wrigley</li> <li>- Gus Dalhari Harahap, Apkasindo</li> <li>- Moderated by: Professor Zulkifly Nasution, University of North Sumatera</li> <li>- Panel discussion will be followed by discussions at each table.</li> </ul>
11:30-12:15pm	<p><b>Session 3: Exploring Connections + Synergies with Government Programs &amp; Market Needs</b></p> <p><i>Panel discussion to define linkages to programs, commitments and objectives of government, private sector and civil society.</i></p> <p>Speakers:</p> <ul style="list-style-type: none"> <li>- Dr. Ir. Binsar Situmorang, M.Si MAP, North Sumatra Department of Environment</li> <li>- Farwiza, Hutan Alam dan Lingkungan Aceh (HAKA)</li> <li>- Bernard Giraud, The Livelihoods Fund</li> <li>- Pak Iman Santoso, Conservation International</li> <li>- Moderated by: Tri Widjayanti, UNDP</li> </ul>
12:15-1:00pm	<p><b>Session 4: Facilitated Discussion</b></p> <p><i>Participants will be asked to reflect upon discussions of the morning to identify common themes, challenges and objectives related to sustainable agriculture and management of natural resources. Inputs will be captured on notecards and highlights shared in plenary discussion.</i></p>
1:00-2:00pm	<b>Lunch</b>

<p><b>2:00-2:45pm</b></p>	<p><b>Opening</b>  <i>The theme of this afternoon's sessions is transitioning to landscape action</i></p> <p><b>Speaker:</b></p> <ul style="list-style-type: none"> <li>- Zakki Hakim, IDH</li> </ul>
<p><b>2:45-3:30pm</b></p>	<p><b>Session 5: Overview and Discussion of a Sustainable Landscape Framework</b>  <i>Conservation International led discussion of a framework for sustainable landscape approaches that could be used to help advance economic, social and environmental outcomes in North Sumatra and Aceh. Table discussions will refine and build out the framework.</i></p> <p><b>Speakers:</b></p> <ul style="list-style-type: none"> <li>- John Buchanan, Conservation International</li> <li>- Nassat Idris, Conservation International</li> </ul>
<p><b>3:30-4:15pm</b></p>	<p><b>Session 6: The role of agroforestry as a sustainability solution in palm oil producing landscapes</b>  <i>World Agroforestry Center led session outlining potential multiple benefits of diversified agroforestry systems in supporting landscape sustainability as a complement to oil palm cultivation. Presentation will be followed by table discussions to capture input and experiences in North Sumatra and Aceh.</i></p> <p><b>Speaker:</b></p> <ul style="list-style-type: none"> <li>- Dr. Suyanto, ICRAF</li> </ul>
<p><b>4:15-4:45pm</b></p>	<p><b>Summary and Conclusions</b></p> <p><b>Speaker:</b></p> <ul style="list-style-type: none"> <li>- Rueben Blackie, PepsiCo</li> </ul>
<p><b>4:45-6:00pm</b></p>	<p><b>Reception</b>  <i>Please join us for a reception with soft drinks and light snacks</i></p>

Day 2 – Thursday, September 20 <sup>th</sup> , Gaharu Room (2 <sup>nd</sup> Floor)	
8:30-9:00am	<b>Breakfast and Registration</b>
9:00-9:30am	Opening and Keynote Address <i>This morning's sessions aim to establish a common vision of success in specific landscapes and supply chains</i>
9:30-10:15am	<p><b>Session 1: Profiles of Featured Regencies in North Sumatra and Aceh</b> <i>During this session, representatives from local government set the stage for detailed discussions through the day with presentations that outline the development challenges and opportunities for their regencies and their vision for sustainable development. The private sector will then give an example of their role in supporting a common vision for people, planet, and production in the context of North Sumatra.</i></p> <p><b>Speakers:</b></p> <ul style="list-style-type: none"> <li>- Bapak Syahrul Pasaribu, Regent of District, Tapanuli Selatan</li> <li>- Bapak Adi Darma, Head of Bappeda, Aceh Tamiang</li> <li>- Bapak Dr. Darmawan, Head of Bappeda, Aceh Timur</li> <li>- Mr. Geetha Govindan K. Gopalakrishnan, Director, Austindo Nusantara Jaya</li> </ul>
10:15-10:30am	<b>Coffee Break</b> <i>Room will be divided into two parts for breakout groups</i>
10:30-12:30pm	<p><b>Session 2: Concurrent Breakout Sessions by Regency – Tapanuli Selatan + Aceh Tamiang and Aceh Timur</b></p> <p><i>Part 1: Reaching alignment around vision for each regency</i></p> <ul style="list-style-type: none"> <li>- Each break out session will build from the Bupatis presentation and provide opportunity for additional discussion and inputs aimed at alignment around a common landscape vision.</li> <li>- Break out groups will be informed by simple maps outlining production areas within the regencies, important areas of forest and other natural resources, and overlap with key commodity supply chains where known.</li> <li>- Discussions will focus on building alignment around the desired vision for the regency 5, 10 years into the future.</li> </ul> <p><i>Part 2: Applying the landscape framework in specific landscapes in initial target regencies</i></p> <ul style="list-style-type: none"> <li>- Building on previous discussions, this session will focus on identifying priority actions and interventions needed to advance towards long-term visions for the regency.</li> <li>- Discussions will aim to build alignment around priority actions and investments needed and identify organizations willing to work together to achieve these ambitions.</li> </ul>
12:30-1:30pm	<b>Lunch</b> <i>Room opens up for full plenary</i>
1:30-2:30pm	<p><b>Session 3: Plenary Report back from groups</b></p> <ul style="list-style-type: none"> <li>- Report back on key findings/agreements by each breakout group</li> <li>- Session will focus on identification of common themes and needs which could guide future work of the Coalition</li> </ul>
2:30-2:45pm	<b>Coffee Break</b>
2:45-3:30pm	<p><b>Session 4: Driving progress through collaboration – How should the Coalition work?</b> <i>This session will provide an opportunity to discuss and gather input on the role the Coalition could or should play moving forward to support landscape-level initiatives in target regencies, create alignment between different landscape initiatives and linkages to policy initiatives.</i></p>
3:30-4:00pm	<b>Conclusions &amp; Next Steps</b>

## Appendix II. CSL Workshop Participating Organizations

- Aceh Agriculture and Plantation Agency
- Aceh Forest and Environment Agency
- Aceh Green Community
- Aceh Tamiang District Bupati
- Aceh Tamiang District Plantation Agency
- Aceh Timur District Bupati
- Aceh Timur District Head of Bappeda
- Aceh Timur District Plantation Agency
- Aceh Timur District Regional Assistant II
- Aceh Timur District Secretary
- AMAN Tano Batak
- ANJ
- Apkasindo
- Apkasindo Aceh (Palm oil farmer association)
- ASPPUK
- Bakrie
- Cargill
- CI
- CLUA
- Danone
- DFI
- DFID
- Disbun SUMUT
- DLH Tapsel
- FoKSBI Sumut
- Forum Kakao Aceh
- Forum Konservasi Leuser
- GAPKI Sumut
- HAKA
- ICRAF
- IDH
- IFC
- IOI Group
- KEHATI
- Lestari Capital
- Livelihoods Ventures
- LSM ACEH
- LTKL
- Madina District Planning Kab. Mandailing Natal
- Mars
- MIB
- Ministry of Environment and Forestry
- Musim Mas
- Neste Oil
- North Sumatra Department of Environment
- North Tapanuli Department of Agriculture
- North Tapanuli Secretary
- P&G
- Pepsico
- Pesada Medan
- ProForest
- PSL USU
- PT Bahruny
- PT Indo Cafco
- PT Makmur Intl
- PT Semadam
- PT SMART tbk
- PTPN III
- PurProjet
- RA
- SNV
- SOCP
- South Tapanuli Regent Assistant II
- South Tapanuli Regent of District
- Starbucks Farmer Support Centre
- TFA/IBCSD
- TFT
- Transitions
- UNDP
- Unilever
- USU
- Wilmar
- World Bank
- World Bank - IBRD
- WRI
- WWF Aceh
- WWF-Indonesia
- Yagasu
- YOSL - OK

# Appendix III. CSL Workshop Presentations

## DAY 1

- [Dr. Ir. Binsar Situmorang, M.Si MAP, North Sumatra Department of Environment](#)
- [Mr. Herudojo, Director of Social Forestry Business Development, Ministry of Environment and Forestry](#)
- [Diana Chaili, University of North Sumatra](#)
- [John Buchanan and Nassat Idris, Conservation International](#)
- [Dr. Suyanto, ICRAF](#)

## DAY 2

- [Bapak Syahrul Pasaribu, Regent of District, Tapanuli Selatan](#)
- [Bapak Adi Darma, Head of Bappeda](#)
- [Bapak Dr Darmawan, Head of Bappeda](#)
- [Mr. Geetha Govindan K. Gopalakrishnan, Austindo Nusantara Jaya \(ANJ\)](#)
- [Tapanuli Selatan Breakout Group Report Back](#)
- [Aceh Breakout Group Report Back](#)

# Appendix IV. Comments from Participants

During Day 1 of the workshop, participants had the opportunity to provide comments, reflections, and feedback during each session on a post-it notes and place it on the “Hall of Fame” wall. This feedback, captured below, will be used to further guide and build the Coalition for Sustainable Livelihoods.

## Sessions 1 and 2:

- Establishment of the coalition of sustainable livelihoods is important as a learning forum for multistakeholders to learn each other and then to develop a concerted program for nature protection and people welfare. Let's collaborate and work well.
- Agreeing with the equal distribution of role and responsibilities among stakeholders. Everybody should make a move. Nobody should be passive in this coalition.
- What is the role of foreigners in advancing independent smallholders?
- What is the role of central government in synchronizing these kinds of initiatives and programs?
- There should be identification of what can encourage the independent smallholders to adopt good agricultural practices.
- Productivity of land can be achieved through training on pest control in coffee plantation and on how to make compost
- Need ibu Diana's advice on including gambir as possible commodity to be developed. Need assistance for 250 farmers in Pakpak Barat

- How to identify basic needs of community, not what the community wants, through sustainable landscape?
- In establishing such coalition, we need to do: data sharing, trust building, value creation and info sharing on what is going on now
- What if we agree on point of contact with Aceh and North Sumatera government and the coalition so that we accelerate mutual exchange of ideas/solutions
- The coalition also needs to pay attention to coffee in Tapanuli Selatan

### Sessions 3 and 4:

- Will the government (either central or regional) be able to publish boundary maps showing the owners' concession and this particular area can be monitored?
- What if we expand our thinking to non-agricultural livelihoods so that we give greater choice of livelihood to communities?
- Identification of supply chain of strategic commodities by government, communities, private sector and other stakeholders. The government plays an important role in regulation framework and putting these action plan into the planning documents such as RPJMD, RTRW, APBD, KLHS, RENSTRA and others.
- Opening up and communicate to each other in finding common best practices for future program's reference
- Government shall accommodate all different stakeholders and play leading role in these initiatives
- Role of stakeholders should be defined in the coalition/landscape. Building capacity of smallholders to ensure they apply good agricultural practices needs to be done. Donor should be encouraged to take part in this initiative.
- We need a platform for all actors to discuss issues
- The government should play a role in dealing with the conflicting regulations, with the regulations that do not support sustainability and in enforcing non-compliance
- Building trust – by having an open and positive dialogue. Ask what Acehnese need – match/adapt with the existing programs offered
- The government should play a role in: coordinating all stakeholders and initiatives and providing regulatory framework which supports sustainability
- The government should match the economic drivers (SME, farmers) from the region with market
- Common vision becomes important in coalition. There should be identification of stakeholders and their programs. The stakeholders need to be open, inclusive and not suspicious each other. Need to work cross commodities. Better understanding on productions in landscapes.
- Communities want to meet their basic needs. NGOs would like to see the conservation. Companies would like to get profits. These are different interests. It is reasonable to sit together to discuss to reach agreement and compromise on these interests. Need to work together.
- The government needs to monitor sustainability initiatives and become pioneers of them. The government also needs to improve its coordinating role in all programs, formulate incentives for those who implement sustainable practices and improve capacity of the government officials.
- The government needs to synchronize all regulations



### Session 5:

- How to fill the gaps of missing capacity for downstream operation on local strategic commodities (including social forestry)?
- The main target of sustainable livelihoods should be for the community welfare. It is a big issue for the farmers of rubber in Madina district. It is hard to get access to information and finance.

### Session 6:

- Why is there so little research agroforestry in palm, especially with smallholders?

### Wrapping up and next steps:

- What's the next step and follow up? How do we engage parties beyond the coalition?
- 3 main questions (what is our objectives, where are we working, who will be involved)?

## Appendix V. Additional Information on Aceh

On Day 2 of the workshop, two landscapes, North Sumatra (with a focus on Tapanuli Selatan) and Aceh (with a focus on Aceh Tamiang and Aceh Timur), were identified as pilot areas for CSL because of existing work & relationships with government but also with the understanding that CSL is not limited to these areas. Breakout sessions for each landscape were held to build a common vision and initial roadmap for Aceh Tamiang/Timur and Tapanuli Selatan. Initial pilots will provide lessons for future adaptation, replication, and scaling in other landscapes.

### Common Vision:

- Welfare
- Prosperity
- Justice
- Sustainable Economy
- Inclusive
- Sustainability
- High level commitment
- Equitable
- Self-reliance
- Islam-based
- Competitive

### Strategic Sectors Identified:

1. Plantation (oil palm, rubber, cacao, other spice such as pepper and galangal)
2. Livestock
3. Freshwater fishery
4. Tourism
5. Basic infrastructure (road, water, energy)

**Short term targets and next steps identified in the Aceh landscape include:**

- Zoning for land governance to support strategic sectors
- Baseline assessment
- Identification of infrastructure map and supporting logistics for strategic sectors
- Identification of supply chain and market intelligence for the strategic sectors
- Development of spatial and socioeconomic data as well as the organization of smallholders
- Regulation (including on licensing) review and identification to support strategic sector
- Opportunity identification to use social forestry and agrarian reform approach.
- Establishing team for joint mapping and survey on spatial, socio-economic and smallholders organizations involving multistakeholders
- Identification of the existing program and data and its integration into database that is managed and hosted by Aceh government
- Preparing recommendations for revising the current spatial planning and other planning documents with the specific targets of strategic sectors.

**Long-term actions and follow up steps identified (2018-2022):**

- Defining specific target for development of each strategic sector and commodity (including production volume, increase in regional and community income and increase in size of protected forests/area)
- Identifying strategies of improvement of strategic commodities for farmers and smallholders
- Identifying readiness and strategies of different stakeholders involvement in the supply chain of strategic sector/ commodities
- Developing sustainability standards to improve competitiveness of commodities from Aceh Tamiang and Aceh Timur
- Identifying possibilities of livelihoods beyond production (eg, nursery, environmental services etc)
- Developing strategies of investment in processing and down-streaming strategic sectors

## Appendix VI. Additional Information on North Sumatra

The North Sumatra landscape discussion focused on Tapanuli Selatan (Tapsel) as a pilot area for CSL because it represents priority commodities, contains important environmental values, and existing institutional partnerships and initiatives (i.e. Foksbi platform already established at the district level to guide local implementation of ISPO and NAP).

The Tapanuli Selatan discussion built around the concept of integrated “cluster” development. Five priority clusters have been identified within the regency. For each regency, officials identified priority crops and commodities for development and estimated forest areas to be conserved or restored in these areas. The clusters represent an opportunity to link landscape scale activities directly to supply chain initiatives.

**Strategic Commodities Identified:**

1. Coffee
2. Cocoa
3. Aren (palm sugar)
4. Organic rice
5. Palm oil
6. Salak fruit
7. Rubber

**Additional issues raised/discussed:**

- The Ijon system (upfront off-taker payment) in the traditional supply chain of oil palm has been regulated through governor regulation, although it is recognized that this system does not put smallholders in a good position to bargain.
- Interrelatedness of districts should be based on the watershed area (i.e., if forests in Tapanuli Utara are degraded, there will be big floods downstream in Tapsel and Tapanuli Tengah. Water-based power generation in the boundary of Tapsel and TapUt should be considered in calculating water supply for strategic commodities.
- Coordination with different landscape actors is essential.
- Planning cycles should align with government budgetary cycles.

**Short term targets and next steps identified in the Tapanuli Selatan landscape include:**

- Strengthening institutions
- Identifying issues and priorities
- Understanding more regulations and encouraging the government to issue regulations which support sustainability
- Supporting district level platforms (and province too)
- Aligning perceptions around sustainability and a landscape approach
- Getting buyers to commit to purchase the strategic commodities
- Environmental management (hydrology, ecosystem etc)
- Identifying smallholders and providing relevant trainings as needed
- Strengthening local economy
- ISPO certification

# Appendix VII. Media Summary

## MEDIA COVERAGE REPORT

Planning Workshop to Establish Coalition for Sustainable Livelihoods  
 “COLLABORATION AND COMMITMENT TO ALIGN THE CONSERVATION  
 AND ECONOMIC GROWTH IN NORTH SUMATERA AND ACEH”  
 19-20 September 2018, Medan, Indonesia

NO	DATE	MEDIA	HEADLINE	LINK
1	20 Sep 2018	Musim Mas Group (Media Sosial)	<b>Rob Nicholls, General Manager of Smallholders Programmes &amp; Projects, shares the collaborative work being done by multiple stakeholders to accommodate independent smallholders within our supply chain at the Coalition for Sustainable Livelihoods (CSL) Planning Workshop.</b>	<a href="https://www.linkedin.com/feed/update/urn:li:activity:6448370619259109376">https://www.linkedin.com/feed/update/urn:li:activity:6448370619259109376</a>
2	21 Sep 2018	Berita Buana	<b>Kolaborasi Menuju Keselarasan Konservasi di Sumut dan Aceh</b>	<a href="https://beritabuana.co/2018/09/21/kolaborasi-menuju-keselarasan-konservasi-di-sumut-dan-aceh/">https://beritabuana.co/2018/09/21/kolaborasi-menuju-keselarasan-konservasi-di-sumut-dan-aceh/</a>
			<i>Collaboration Towards Conservation Conformity in North Sumatra and Aceh</i>	
3	21 Sep 2018	GoSumut	<b>Pemerintah dan Stakeholder Sepakat Selaraskan Pertumbuhan Ekonomi dan Lingkungan</b>	<a href="https://www.gosumut.com/berita/baca/2018/09/21/pemerintah-dan-stakeholder-sepakat-selaraskan-pertumbuhan-ekonomi-dan-lingkungan">https://www.gosumut.com/berita/baca/2018/09/21/pemerintah-dan-stakeholder-sepakat-selaraskan-pertumbuhan-ekonomi-dan-lingkungan</a>
			<i>Government and Stakeholders Agree to Harmonize Economic and Environmental Growth</i>	
4	21 Sep 2018	Hijauku.com	<b>Sumut dan Aceh Berkoalisi Menuju Sejahtera</b>	<a href="http://www.hijauku.com/2018/09/21/sumut-dan-aceh-berkoalisi-menuju-sejahtera/">http://www.hijauku.com/2018/09/21/sumut-dan-aceh-berkoalisi-menuju-sejahtera/</a>
			<i>North Sumatra and Aceh Coalition Towards Prosperity</i>	
5	22 Sep 2018	Sinar Harapan	<b>10,2 Juta Penduduk Miskin Indonesia Berdomisili Dekat Hutan</b>	<a href="http://sinarharapan.net/2018/09/102-juta-penduduk-miskin-indonesia-berdomisili-dekat-hutan/">http://sinarharapan.net/2018/09/102-juta-penduduk-miskin-indonesia-berdomisili-dekat-hutan/</a>
			<i>10.2 Million Indonesian Poor Population Near Forests</i>	
6	22 Sep 2018	SKOR (Solusi Komunikasi Regional)	<b>Pelaku Usaha Perkebunan Gelar Lokakarya</b>	<a href="http://www.skornews.com/skor-pelaku-usaha-perkebunan-gelar-lokakarya.html">http://www.skornews.com/skor-pelaku-usaha-perkebunan-gelar-lokakarya.html</a>
			<i>Plantation Business Actors Hold Workshops</i>	
7	24 Sep 2018	CitraneWS Indonesia	<b>Lokakarya Rencana Membangun Koalisi Untuk Kehidupan Sejahtera Dan Keberlanjutan</b>	<a href="http://citraneWSindonesia.com/2018/09/24/lokakarya-rencana-membangun-koalisi-untuk-kehidupan-sejahtera-dan-keberlanjutan.html">http://citraneWSindonesia.com/2018/09/24/lokakarya-rencana-membangun-koalisi-untuk-kehidupan-sejahtera-dan-keberlanjutan.html</a>
			<i>Planning Workshop to Build a Coalition for Prosperity and Sustainability</i>	
8	24 Sep 2018	Majalah CSR	<b>Koalisi untuk Keberlanjutan</b>	<a href="http://majalahcsr.id/koalisi-untuk-keberlanjutan/">http://majalahcsr.id/koalisi-untuk-keberlanjutan/</a>
			<i>Coalition for Sustainability</i>	

# Appendix VIII. Points of Contact

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\*Points of contact related to working groups, sectors, etc. will continue to be identified in the near future. If anyone is interested in being a point of contact for CSL or for either landscape, please contact Jessica Furmanski (jfurmanski@conservation.org).