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Building the Coalition for Sustainable Livelihoods in North Sumatra and Aceh

Context: Agricultural economies of North Sumatra and Aceh are important and need investment to advance sustainable development objectives.

The Indonesian provinces of North Sumatra and Aceh are important production regions for key commodities such as palm oil, cocoa, coffee, rubber, timber and many others. 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 that are home to threatened species such as tigers, clouded leopard and orangutan. These forests also provide ecosystem services such as freshwater provision, climate regulation and mitigating storm damage that are critically important to human well-being at local, national and international levels. There are numerous government, private sector, indigenous peoples' and civil society initiatives aiming to advance economic, social and environmental sustainability in both provinces, but many of these efforts are not aligned and not achieving scale or their desired impacts.

Opportunity: An integrated approach to reduce poverty and improve natural resource management.

Important livelihood and development gains could be achieved in N. Sumatra and Aceh by improving smallholder productivity of cocoa, coffee, oil palm and other crops. For example, average oil palm productivity for smallholder producers in N. Sumatra and Aceh is 35 percent below yield levels achieved by corporate plantations in the same provinces. A sustainable landscape approach that considers the economic, social and environmental context of a specific district or province can address these challenges 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, indigenous peoples and private sector and can directly contribute to advancement and implementation of government programs and priorities.

The Coalition for Sustainable Livelihoods: Collective action to improve smallholder productivity and sustainable development.

Private sector and civil society organizations — with a shared interest in sustainable development, active investments

in Aceh and N. Sumatra and a strong desire to work collaboratively with government — are coming together to create a coalition to achieve common objectives for livelihoods, agricultural production and conservation. This Coalition for Sustainable Livelihoods (CSL) will seek to align with and build upon key government programs, such as ISPO and the National Action Plan for Sustainable Palm Oil, and it will support implementation of Indonesian regulations related to sustainable commodity production.

Implementation: Putting theory into practice.

The Coalition will work simultaneously at two levels:

1. **Policy** — CSL will coordinate and align with government programs such as the FoKSBI platform, the National Action Plan for Sustainable Palm Oil, and the Green Aceh initiative to support implementation and advancement of these programs. Coalition members view this coordination with government as essential to achieving scale and sustainability of conservation and development gains sought by the initiative.
2. **Landscapes** — CSL will invest in strengthening existing or developing new integrated landscape initiatives in districts where government, private sector and civil society agree to work together towards jointly defined sustainable development outcomes with communities and farmers that feed into global supply chains. Priorities for these landscape initiatives will be defined locally through participatory processes, but are anticipated to include:
 - *Training programs* to build smallholder farmer capacity and ability to implement Good Agricultural Practices. This aligns with ISPO Principles and Criteria 2 and 7 and NAP components B1.1 and B1.2.
 - *Clarifying smallholder land rights* in appropriate production areas. This aligns with ISPO Principles and Criteria 1 and NAP components A1.1 and A1.2.
 - *Raising awareness* of existing regulations for production and building implementation and enforcement capacity as a foundation for sustainability as per ISPO and NAP component 2.
 - *Improving spatial analysis and landscape planning capabilities* to identify the most appropriate areas for commodity production in support of NAP components 2.6 and 3.1.
 - *Improving forest management* and protection of environmental services as flood and landslide prevention as identified in NAP 2.6.
 - *Building capacity for smallholder service provision* and monitoring in support of NAP component A.1.1.
 - *Securing financing* to support smallholder replanting and restoration of degraded lands.

Initial landscape level initiatives include Tapanuli Selatan, Aceh Tamiang, and Aceh Timur.

Getting Started: Success will require both bottom-up and top-down collaboration.

The Coalition was launched with a collaborative planning workshop held September 19-20, 2018, in Medan, Indonesia. More than 130 representatives from across government, private sector, financial institutions and civil society joined the Coalition's initial supporters, which have grown to include Barry Callebaut, Conservation International (CI), Danone, Earthworm Foundation (formerly The Forest Trust), The Sustainable Trade Initiative (IDH), The Livelihoods Fund, Mars Wrigley, Mondelēz International, PepsiCo, Unilever and the United Nations Development Program (UNDP).

We invite government representatives, producers, private sector, finance institutions, civil society and regional and international NGOs to join us in this journey for collective action for sustainable development. To learn more about the Coalition, please visit www.conservation.org/CSL.