Addressing the Social Dimensions of Oil Palm Developments in the Guadalcanal Plains

A Rapid Social Impact Assessment of Guadalcanal Plains Palm Oil Limited (GPPOL), Soloman Islands.

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Advisory Report by
Wild Asia (Malaysia)
A social enterprise dedicated to promoting sustainability in Asia

www.wildasia.org
About Wild Asia

Wild Asia is a social enterprise working to promote concepts of sustainability through global standards, raising awareness, promoting education and developing practical implementation models. Wild Asia has worked exclusively in Asia and have built up a wide experience base in dealing with the complexities and challenges of promoting sustainability in this part of the world. Wild Asia has experience in forestry, tourism, and agriculture sectors. The core sustainability programmes that Wild Asia currently runs include the Responsible Tourism Initiative, Sustainable Agriculture Initiative, and the Natural Corridor Initiative.

About Stepwise Support Programme

Launched in November 2008, Wild Asia has partnered with ProForest to jointly deliver the Stepwise Support Programme (SSP). SSP is one of the first global support programmes specifically designed for the oil palm sector. ProForest and Wild Asia are both known and respected technical organizations within the global sustainability sector. We share the common goal of promoting sustainability in agriculture. We have experience throughout the entire supply chain; combining our experience from policy development to field implementation is one of our core strengths. The programme is designed for the whole supply-chain: from providing strategic support for corporate plantation offices or plantation managers to providing credible communication of progress to downstream processors and end-users.
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1. Background

This independent, scoping assessment for social impacts for Guadalcanal Plains Palm Oil Limited (GPPOL), Soloman Islands was commissioned by Global Sustainability Associates (GSA). This scoping assessment is a first step of investigations into understanding the impacts of oil palm development; hence it is to be seen as delivering an early insight, and to gain knowledge of perspectives of the internal and external conditions and issues faced by the company. At this stage of deliberation, it is by no means an all-encompassing study, due to the limits of time and resources, and as social conditions are incredibly dynamic and can change and evolve quickly. It should be utilised to highlight the main areas of concern for the client, both at the macro and micro level of operations.

2. Objective of the assessment

The objective of the assessment is to:

- Initiate consultation with local and estate community on the current perception of the company operations and benefits.
- Provide an assessment of perceived positive and negative impacts of the operations.
- Provide guidance to the management on areas of improvements.

3. Methodology & Deliverables

3.1. Contextual Review

A desk review was conducted to understand the wider context of development in the Soloman Islands and the Melanesian region. This is important to be able to place into perspective the development of agribusiness within the current local social, cultural and political context. The impacts of oil palm industry in the region were also reviewed. A wide range of literature was reviewed, including donor reports, academic journals, research papers, NGO publications and responses, and media reports.

We placed a big importance on having a wide-ranging desk review, as this is the first time we are working within the Melanesian context, and there was a lot of ground to cover. As such we view the review part of this scoping assessment as an ongoing exercise as we continue to research and network with relevant stakeholders, and new insights will inevitably become apparent. As this happens we will feedback to the clients in an appropriate manner.

This is especially so as attempts to get in touch in several NGOs by email have not resulted in encouraging response, as our past experience from these types of sudden and remote "consultation" have shown. The perceptions, concerns and standpoint of these NGOs on key issues are well documented and are readily available however, these were sufficient as the first stage of understanding "what people say about oil palm development". The team will continue to encourage a dialogue approach with this group of stakeholders.

3.2. Site Consultation

A mapping of key stakeholders was identified through preliminary interviews with management staff and other available resource persons. Target groups were identified and management was requested to arrange for focus group meetings (see below: Summary of Meetings & Citations). Meetings usually targeted internal (workers, supervisors, managers) and external communities (village leaders, land associations, outgrowers). Other interviews usually targeted clinic staff, school teachers, local
security, etc. Finding from the focus group meetings were usually cross-checked during one-on-one interviews with management or other resource persons.

Simple key questions were asked during consultation, such as “why plant oil palm”; “why do you work here”; “what are the perceived benefits of the current operations” or “what are the perceived negative impacts of the operations”. Additional lines of questioning were usually focused on getting more clarity on issues raised.

White boards were used for most meeting to help focus the discussion and simple priority rankings were employed to help visualize the degree of importance of a particular point.

Most interviews were recorded on a digital recorder (which will be kept confidential and not released to the company unless necessary to clarify points raised) and summary of each meeting was recorded on a white board (photo record) and notes provided below (see below: Summary of Meetings & Citations).

A period of 2 weeks was allowed for feedback, corrections and additional inputs/clarifications. The results of the consultation will be communicated by Management to all stakeholders interviewed and the Company's Board.
4. The context of food, agriculture and development in Melanesia

This section looks at the wider perspective of development and the accompanying issues in the Melanesian region in general, and with agricultural development. Examples from both Papua New Guinea as well as the Solomon Islands are referenced, as the shared cultural characteristics between both countries means the issues and lessons learnt are applicable in both.

4.1. The Big Picture, in brief

4.1.1. Agribusiness

When considering food and agricultural products, especially grown in developing countries, it is good to start with the big picture – the global context. The Millennium Development Goal set a target to eradicate hunger and poverty by 2015. Barely six years away from the deadline, the UN food and agricultural agency (FAO) reports that the advances achieved in the 1990's to reduce the number of people going hungry, has actually been reversing. From 1995 to 2005, the number of chronically hungry in developing countries increased by 5 million a year, from 800 to 852 million.

Instead of supporting diversity and robustness of local food systems (domestic and subsistence based agriculture leading to food security and “food sovereignty”), international policy agenda, which is also supported by most local and national policies that govern food and agriculture, seem to be designed to facilitate international trade. This, based on large monoculture plantations of food and oil crops, generally reduces ecological and agro-diversity and can easily catalyze damaging impacts on affected communities, while multinationals reap the rewards from wealth creation.

As agribusiness grows, and land under their crops expands, a positive “development” impact is far from being a sure thing. In fact, impacts including societal breakdowns, worsening poverty and hunger despite agribusiness investments are seen as excessively harsh and unacceptable by critics. Key to this is the existing poor governance of many developing countries where large agribusinesses are active in. This combination can lead to a “resource curse”, where the development of resources, instead of improving levels of effective development, make conditions even worse (e.g., Nigeria is thought to be worse off from development of its oil resources). Economists have advocated checks and balances within a democratic system to ensure development bring real benefits. And one of the keys to achieving a system of check and balances is informed grassroots – local people, NGOs, etc.

4.1.2. Food security and sovereignty

At the other end of the spectrum, food sovereignty, the term coined in 1996 in response to large-ranging impacts of agribusiness, refers to a policy framework advocated by members of the grassroots – farmers, pastoralists, fisherfolk, etc. It spells out “the right of people to define their own food, agriculture, livestock and fisheries systems, in contrast to having food largely subject to international market forces", where global commodity price fluctuations can have significant domestic impacts. Food sovereignty goes beyond the concept of food security (i.e. having access to a sufficient daily diet) to embrace where food comes from and how it is produced. Hence, its principles include:

- agrarian reform,
- protecting natural resources (land, water, seeds, breeds),
- reorganizing food trade (prioritizing food production for domestic and food self-sufficiency), and
- farmers’ having democratic control, i.e. having direct inputs, into formulation of agricultural policies that directly affects them.

It also aims to achieve what the MDG aims to do: eradicate hunger and poverty. But as opposed to having conventional agri-industries as the driver to meet these goals, food sovereignty works at the
local grassroots level, recognising that local, small farmers are the lynchpin to achieving these goals. The food sovereignty approach improves local, low external input sustainable agriculture through giving and supporting local farmers with appropriate tools, skills and education (e.g. through farmer field schools). While there have been local-level examples showing impressive positive outcomes (from our own project experience in the Philippines), food sovereignty principles have not yet been implemented on any national level. So far, only one country, Ecuador, has enshrined food sovereignty in its constitution in 2008. A law is being drafted that would, amongst others, ban genetically modified organisms, protect many areas of the country from extraction of non-renewable resources and discourage monoculture. Nepal is also planning to introduce food sovereignty into its national policies.

4.1.3. Complexities of countries in transition

Papua New Guinea, Solomon Islands, and similarly many Melanesian nations, are countries in throes of transition from traditional, subsistence existence to cash economies. Development and investment efforts, mostly by foreign multinational stakeholders and aid organisations are faced with a complex set of issues that are hard to fathom, and even harder to find solutions to, as there is no “one size fits all” in development. The issues faced often comprise complex cultural relationships and dependencies, complex customary land tenure systems, low levels of education, geographical isolation, poor governance and government services, and minimal transport and communication infrastructure. The models of development oft promoted by governments, and international financial institutions, based on large natural resource-based development may not always be the most appropriate in such circumstances.

Attempts at development (through global market-ked economy and donor aid) have been discouraging. For example, Papua New Guinea, according to Medicins San Frontieres, “… has the worst health indicators in the Pacific region: maternal and infant mortality rates are high. Malaria, pneumonia and tuberculosis are prevalent health problems. HIV/AIDS is a growing health issue (2% of the population is HIV-positive). Violence at all levels of the society presents a huge problem. Physical and sexual violence against women and children in Papua New Guinea is extreme. Two out of three women experience domestic violence and 50 percent of women have experienced forced sex, rape or gang rape. Children too suffer enormously from daily abuse and some men as well.”

Despite large donor investments in the PNG health sector in the past decade (Australia donated A$476 million in the 10 years), indicators show a breakdown in the healthcare system and deteriorating health conditions, such as increasing childhood malnutrition, and doubling of the maternal mortality rate in the last 10 years. It is not just the health sector that is left wanting, indicators for poverty, hunger, shelter and security suggest similar disintegrations, with deep roots in the breakdown of governance. In AusAID’s second annual report tracking the effectiveness of development in the Pacific region, it argues for a new development framework to prioritise and coordinate development programmes.

In SI, the biggest lesson to be learnt regarding the impacts of development come from the conflicts in Guadalcanal between the migrant Malaitans and local Guadalcanal population. The roots of the tension run deep – according to Roughan (2002), it is directly linked to the failure of the government over two decades to invest in rural / village areas, i.e., provide essential services, jobs, social amenities and infrastructure, which eventually bred a timebomb population of disaffected and dispirited youth. During the same period, the quality of life, especially in rural areas fell, while the gap between the country’s minority elite and villages grew, as the government pursued a development model based on the trickle-down theory. Researchers and activists like Roughan envisage the solution is in investing in careful resource-based development in the villages, rather than in “Big Time Operations”.

Stepwise Support Programme
1. Advisory
2. Training
3. Assurance

Wild Asia Sdn Bhd (634448-W)
Upper Penthouse, Wisma RKT, No 2 Jalan Raja Abdullah, 50300 Kuala Lumpur, Malaysia T +60 3 1700 80 7008
4.1.4. So...?
Where does a responsible “BTO” or oil palm agribusiness fit into this wide spectrum, in countries in the throes of transition and poor governance, and what should its scope cover? Is agribusiness by nature fundamentally at odds with food sovereignty goals and “appropriate development”? Should it address the huge development gaps, and to what extent is that possible as a company? Is it possible to craft a suitable model that contributes significantly to the diversity and vibrancy of the local food system, social stability, while encouraging a check-and-balance system within its scope, while pursuing profitable global trade? In pursuing a shift away from developing a “resource curse” in the country it operates in, it will mean, first, to understand the opposing views of its critics, and bringing to the forefront small-scale producers, processors, local traders, and the poor and the marginalized.

4.2. Subsistence agriculture in Melanesia
Agriculture in the Melanesian region is based strongly on subsistence agriculture, which the majority of people especially in rural areas depend on (~85-90% in both PNG and SI), that is mostly produced from gardens, or harvested wild plants and tree nuts from forested areas. Gardens also produce domestically marketed products.

Although agriculture is key to survival in rural areas, there is generally not much of a support framework for agriculture in many rural areas. For example, donor aid into the agriculture sector in SI, while very low (1% of donor funded development budget in 2004, 1.7% in 2005, according to AusAID), is mostly focused on cash crops; while 85% of people depend on subsistence agriculture and face the bulk of constraints in terms of development.

Most development assistance focus on cash crops, e.g., copra, cocoa products, and livestock. Subsistence agriculture and domestic marketed food products receive scant attention, although interventions would deliver development assistance directly to rural people. Currently, there is no substantive donor plans to address the significant rural needs for improved food security and increased cash incomes. Government efforts have also been lacking in this area, and in the absence of this, NGOs, such as Kastom Gaden Association in SI, with capacity in agricultural production and development, are aiming to improve subsistence production systems.

In areas of low stress (stable population numbers, adequate fertile land, no weather anomalies), there is a level of subsistence “comfort zone”, that doesn’t compel people to invest time and/or land to cash economy. This is seen as a positive aspect of rural economy, which is too often overlooked. It is estimated that the non-cash value of subsistence agriculture in SI is 40% of GDP (AudAID, 2006). This is an important security net for rural producers. A healthy state of subsistence agriculture encourages flexibility – people can increase or decrease their involvement in cash economy as opportunities rise or wane, and there is no “real” poverty.

Unfortunately, this directly conflicts with the requirements of industry; as flexibility is currently seen as a liability by agri-industries that rely on having a stable workforce. This demand and reliance on a stable workforce is a great mismatch with local conditions; and pressures industry to source migrants for their workforce, as has been the norm since the rise of plantation agriculture in the 18th Century. This brings other significant impacts and conflicts that have been well documented, and most recently in Guadalcanal. There is, however, a great opportunity to explore different models of ensuring a suitable local workforce from a flexible pool of potential workers from nearby communities, if companies opt to be creative and inclusive in their search for workable local solutions.

4.2.1. Subsistence vs cash
Subsistence agriculture also partially subsidises cash economy activities, as people are usually not being paid enough for labour. Participation in cash economy is usually not considered a permanent situation, and people will quickly move back to subsistence agriculture if the return from cash
economy is considered poor. Furthermore, it has been shown that where oil palm has been inappropriately developed (the Marovo lagoon in Vangunu Island, SI), the net economic benefits of oil palm are three times less than those for traditional and alternative uses of land.

There is potential conflict between subsistence food production and cash crops (e.g., copra, cocoa). Economic growth that threatens the communities’ subsistence base has the ability to leave people in real poverty (as opposed as “cash poverty”). As pressure on land increases (through population growth, expansion of land under export crops), fallow periods are decreasing, which leads to poorer soil and declining yields. There is potential to improve and reinforce subsistence food production, through the adoption of better varieties, better land husbandry, etc. The ideal would be to provide sustainable opportunities for cash income, while providing flexibility and options, combined with a strengthened subsistence system.

That these societies still maintain a strong subsistence base is a good thing. However, to minimize vulnerability to vagaries of international commodity markets, there needs to be progress in the diversification of smallholder agriculture.

4.2.2. Impacts of changes on health

As agricultural trends change, with increasing pressure on the land base, processed food is gaining a foothold in rural populations, replacing traditional, healthier meals from locally grown fresh produce. The increase in consumption of processed foods such as white rice and canned food, biscuits and sugary beverages, should also be seen in context of an impending health risk that already exists in many parts of the world disconnected from traditional healthy foods, which are dealing with burgeoning healthcare costs to address “lifestyle diseases” (diabetes, hypertension, heart disease).

However, in many countries in transition, processed food is perceived as convenient and high status while fresh food from the garden is associated as “local”, hence of low status. This, while expected in any developing country, can and should be countered with targeted information and awareness programmes to encourage local food production. The importance of the latter is increasingly acknowledged in developed countries, especially in Europe and North America, from rising food costs amidst economic decline, as more knowledge about the impacts of food production is made known, as well as increasing incidences of chronic lifestyle diseases. It is also notable that even the White House is promoting local food gardening and farmers’ markets. (All this, however, doesn’t negate the fact that processed food has a role in buffering food security, especially in periods or regions of high stress.)

4.3. Social coping mechanisms

In Melanesian culture, people invest their wealth in social relationships and social networks. The wantok system, i.e. extended family and kinship relations, drives the way society works in many Melanesian societies, by acting as a default social safety net. It basically fills the gap where basic government services aren’t available or sufficient. This means looking out for each other, and involves sharing their home, food and income with relatives and visitors, which also means having the capacity extra provisions. Subsistence gardening is not only a common way of managing life and livelihood, but also a way to maintain social cohesiveness through the exchange and produce (especially important for womenfolk) and to be able to provide for the extended relations.

Where this (wantok) inclination tend to overwhelm the services that a plantation provides for its workers, it needs to be seen as an indicator of the government’s lack of service delivery. Restricting or dismissing wantoks could be seen as denying people of their essential kinship tradition and obligations; hence solutions need to be carefully thought out. This has to be done the participation of the people involved, and with a clear understanding of the situation faced by all parties. Solutions should ideally originate from people themselves, and not imposed from the top down.
4.4. The question of land

Land, in the Melanesian islands, as well as other nations with substantial areas under customary tenure, has been the basis of social cohesion, food security, cultural propagation and ecological management. It is deeply embedded into belief systems, and hence, makes issues surrounding it extremely complex. To add to the complexity, people have also always fought over land; and customary practices are dynamic, they can change and evolve over time. Population increase, and the need to commoditise land to pay for essential needs such as health and education, and national and corporate development agendas heap even more pressure and layers of complexities surrounding land.

Generally, the debate regarding land is split into two camps – those who support and recognize the wider values of indigenous customary land tenures, and the corporate interests with a more limited view of “land as commodity” that catalyse the growth of economic activities.

4.4.1. Economic value of land

The economic argument used in persuading customary landowners to lease or register their land for commercial agricultural activities, or else be stuck in poverty-struck subsistence, was shown in a study to be a false one (Anderson 2006). Anderson shows several issues: First that lease values on land in PNG, based on willingness to pay as well as prior transactions, have produced very low values, e.g. at 50 kina per hectare per year (plus uncertain royalties) in one case. Further, customary landowners may be asset-rich, cash poor, but have "very poor information about the real opportunity cost value of their land". Valuation of land typically, according to Anderson, excludes wider considerations such as land-based non-cash values, e.g. subsistence farming, housing, etc. In addition, customary landowners have little or no experience in establishing and managing leases or mortgages.

Anderson also showed that leasing or registering land might not always make the best economic sense for small farmers. His research showed that cultivation of cash crops by small farmers on their own land for local markets have potentially better returns than leasing land out or working on oil palm. A comparison of different groups of small farmers showed that the farmers who earned the highest income are not oil palm farmers, but farmers who cultivate three or four cash crops, usually two for the domestic market, and the rest for export market (e.g. cocoa and/or vanilla).

Similarly, a study in the Marovo lagoon on SI showed that the development of a rich diversity of local resources is worth three times more than oil palm development.

These seem to indicate that customary landowners are unaware of the true potential of their land. Not only do customary landowners typically undervalue the cash value rate of their land hence are susceptible to low value leases; "they are at risk of dispossessing their prime asset through registered mortgages and being unable to meet mortgage commitments."

This stems from the lack of information and knowledge, i.e., a lack of capacity of farmers and landowners to understand the true costs and benefits of oil palm and other cash crops, land value, and the full long-term impact of leasing land, or growing oil palm, or other alternative systems. These need to be taken into serious consideration if and when plantation companies plan to expand their acreages.

4.4.2. Land reform and administration

That development of commercial agricultural activities away from small-scale cash cropping requires a change in land systems has always been regarded as a norm not requiring a second thought by national governments, the global institutions that promote industrial agricultural economy or the corporate sector. Yet the brunt of the cost is borne by the local people, as well as local agro- and biodiversity directly affected. While state- and market-led land reforms have always been the norm,
the latest international research on the topic has shown limitations of the top-down approach led by the state or market, and call for community-led land reform (Sikor, et al, 2009).

In PNG, the land administration system is generally seen as corrupt and inefficient, and the land reform exercise done for economic purposes, without supporting evidence that it would benefit the informal sector and small farmers. This view by NGOs is also based on their belief that coffee, cocoa and copra, major cash crops that are already being produced from customary land, is playing a significant role in PNG’s economy, hence customary landowners should not have to be compelled to mortgage or lease their land to benefit from their involvement in cash economy.

4.4.1. Land and conflict

In a 2004 UNDP analysis on the conflict in the Solomon Islands, it posits a perspective that “land itself is not a problem”, i.e., it is not the root cause of conflict. Although it is an ingredient that leads to conflict, it is argued that the breakdown in customary and government management play an even bigger role where conflicts have increasingly become more violent, especially in terms of the lack of mechanisms for conflict management and dispute resolution. It suggests that any effort or initiatives that just looks at land alone will have a “conflict generating impact”.

Unfortunately, the clash between, and breakdown of, traditional and non-traditional authority structures are symptoms of a country in transition coupled with poor governance. The report cites that anecdotal evidence seem to show that in areas where traditional mechanisms still exist are less prone to conflict, although there is no empirical evidence of such.

Although their recommendations are targeted at donors, as major investors to the SI, the company should heed the UNDP’s call for parties to review peace and conflict development issues, “especially on core themes such as land, traditional vs non-traditional authority structures, and access to government services, public resources and information, economic opportunity and law and justice.”

4.4.2. Incorporated land groups in PNG

There are deep-seated socio-cultural issues associated with developing and running community-based businesses that have been largely unsuccessful due to “the lack of responsibility, jealousies, and poor management and financial control” (Roughan, 2002). Improvements in these spheres should not be expected in the short term, as these countries face a huge gap in capacities and a lack of a long-term strategic plan to bridge this gap.

All the “buts” levelled at land reform through registration and leasing shows there are numerous lessons to be learnt. In situations where governance is poor, and there is a gap in terms of support, information and advice available to local landowners, poor outcome is expected.

The ILG system used by the client company, NBPOL in West New Britain, PNG, however has been cited as a case study for positive outcomes in a 2008 study published by AusAID (Power, 2008). The author cited enabling situations such as having sound business and legal advice from NBPOL, and strong community leadership that led to the success of the ILGs.

The study also showed that where ILGs are “set up only to receive compensation and royalty payments, the potential for group disintegration and conflict is acute”. With the case at West New Britain, the landowning groups still earned their income from working their oil palm blocks and other agricultural crops and did not simply rely on collecting rent from their land. It is thought that with access to good corporate governance and advice, royalty payments were channelled into community development projects that benefited the whole group, instead of benefiting a select elite.

This is as opposed to other ILG examples in PNG where the groups are simply being used as a means to receive income, rather than for income generation and social development. Conflicts have arisen through these “rent seeking” examples. In one such case in the Kutubu gas and oil project, the
customary landowners “did not have a genuine desire to be incorporated”, and it was only done as per requirement by the company involved so that compensation and royalties could be paid. There was little opportunity or support for the landowners to attain the necessary skills to manage an ILG. This resulted in “fission” amongst the landowning groups as new subgroups formed to bypass the mismanagement of the original groups.

Companies choosing ILG as a means to develop customary land, where landowning groups are genuinely willing after full disclosure of information and impacts, have to be prepared to invest heavily in the soft skills of ILG members as well as enabling a robust governance structure with suitable check and balance mechanisms.

4.5. In sum
It is understandable that several prominent NGOs have refused to engage with anything to do with RSPO. RSPO or not, large investment industries requiring land reform as a norm, are seen from their experience as not to benefit local people, due to the lack of information and awareness available to them (of the value of land, of the alternatives available, of the sea change of development impacts) that leaves local people vulnerable to being taken advantage of; hence groups’ opposition to large development projects requiring land registration. Poor governance underlies the inability for the government to provide support and services in the rural areas where development assistance is most needed by the majority of the population, and leaving local communities vulnerable to breakdown, pressured to commodify their land, and giving space for a generation of discontent to grow.

Companies who choose to invest in, and who aim to be responsible producers, in countries of poor governance have their work cut out for them, as they would have to play the role that the state has been unable to deliver, in terms of meeting local expectations and providing local community services, infrastructure and development. Companies need to acknowledge that this is a high-stakes and long-term commitment game without clear solutions, and often in politically precarious, highly changeable countries, with less than clean administrative systems. It comes as no surprise, then, that a certificate claiming “sustainability” may be viewed by some as incongruous in this setting.

5. Oil Palm in the Soloman Islands

5.1. Background
Oil palm was introduced in SI in the 1970s as a joint venture programme between the Commonwealth Development Corporation and the SI government on Guadalcanal, with a mill and a 6,000 ha plantation. Before the ethnic tension of 2000 closed down the plantation, palm and kernel oil contributed up to 10% of revenue earned. The SI government made the agricultural sector a priority strategy in post-conflict development, but has not allocated sufficient resources to support the sector. It allocated 1.7% of its total budget in 2004 to agriculture but in reality, most of the allocation is meant for oil palm and rice projects, which critics point out will not directly benefit the 85% of rural farmers who rely on subsistence agriculture.

5.2. Complexities
Subsistence agriculture plays a key livelihood role in rural SI, where majority of rural farmers or smallholders tend to produce cash crops as a secondary activity hence cash cropping is often not given the necessary time and resources, according to some observers. Cash crop development is faced with complexities as mentioned in Section 4 above.

The complexities play out at the Guadalcanal plains, as the available land for oil palm development is on customary land, hence development needs to be based on smallholder production involving
customary landowners. Although NBPOL, the new owners of GPPOL, introduced an approach of introducing oil palm cultivation on customary land and involving smallholders and landowners in PNG, it is not without strong criticisms from local and international NGOs, especially with regards to the system of land reform associated, i.e. land registration. On the other hand, the NBPOL example in West New Britain, PNG, has been regarded as a positive case study by others (Power, 2008).

5.3. Alternative views

There is more literature regarding the impacts on oil palm development in PNG than in SI, but it is assumed that due to the similarity in cultures and issues, the impacts and lessons learnt in PNG are also relevant in SI.

5.3.1. Small scale, local development

NGOs advocate small and medium scale industries as the preferred development option for SI, based on the availability of a rich diversity of local resources. For example, a study conducted at Marovo lagoon where a plantation was developed showed that small-scale cash generating options are worth three times more than developing an oil palm plantation, due to the rich diversity of local resources, from sustainable timber, non-timber forest products (NTFPs), reefs, fisheries, domestic agricultural crops, and the potential value in tourism.

Although the involvement of landowners in development projects have earned them land rents, experience shows that problems with distribution has been significant, and has been described as “painful and socially damaging”; with scarce benefits in terms of improvement of services or quality of life for the wider community.

5.3.2. Governance

The prevailing view of NGOs, such as the indigenous NGO Solomon Islands Development Trust, is that the key to the failure of development has been poor governance, corruption and the lack of attention and investments into the rural resource base, including that of basic services such as health and education. The focus on large investments (“Big Time Operations”), as promoted by central government has not brought improvements to essential social services, which the SIDT describes as the “modern day face of poverty”. Instead, SIDT promotes grassroots level development and political transparency. While acknowledging the fact that the country needs development investments, the reality is that these had also became “a major impediment to social cohesion”.

Social cohesion, at the community level, is an important part of sustained poverty reduction, according to SIDT. A community working and functioning together coupled with access to information for people to be able to make rational decisions, as well as decent income earned from the responsible conversion of the local resource base are, according to SIDT, the requirements for poverty reduction programmes to be effective. The company will do well to adhere to these basic principles.

5.4. Summary of impacts

What follows below is a quick summary of commonly cited impacts associated with the Melanesian region, gleaned from literature. This is not meant to be an exhaustive list. The sources range from donor reports, academia, media and NGO publications.

1. Dwindling land and gardens for domestic food production led to increasing reliance on imported/bought food and cash economy.
   - This may have impending negative health impacts as dependence on processed food increases, as well as impacts on food sovereignty through loss of local farming knowledge and skills, local seed varieties, etc.
Vulnerability of local people increases with rising food prices, if they have restricted access to good agricultural land. Increases their dependence on cash, which may also increase the likelihood of social problems.

2. **The high dependence on a monoculture crop** exposed to the fluctuation of commodity prices increases risks to farmers in terms of socio-economic vulnerability and food security.

   - Oil palm limits the development of other cash crops, so the dependence on monoculture may tend to strengthen with time, diminishing cash crop diversity and entrenching local vulnerabilities.
   - Usually the palm oil mill in the catchment area is the only mill around buying FFB from farmers, i.e. there is a monopoly of pricing, and farmers have no options of negotiating prices; in other words, farmers have very weak market position, and is unable to change this under current circumstances.

3. **Socio-cultural impacts** have been widely cited in many studies:

   - Cultural shift and changes in community cohesion from a shift to cash economy leading to social breakdown, including that of traditional authority structures. Social breakdowns include behavioural changes, symptoms including alcoholism, binge drinking, domestic violence, leading to family breakdowns, etc. Breakdown in traditional authority structures may lead to increasingly violent conflicts.

   - The influx of workers (and wantoks) from other regions increases not only stresses on physical systems (land and natural resources) and services, but also tensions between various groups (migrants vs local; workers vs plantations, etc) that may lead to conflicts.

4. Aside from the **poor recognition of women’s rights and position** in a traditional matriarchal society, there are also economic considerations in terms of **gender equity**:

   - Criticisms that women’s involvement in oil palm development, especially through Mama Lus schemes in PNG hardly achieves equity for poor women farmers and families.

   - Also widely mentioned is the fact that domestic market remains women’s chief social focus and potential for greater income, which when lost, has significant impacts on the wellbeing of women and their dependents.

5. The impacts involving **land** are complex and multidimensional, as discussed above:

   - Loss of access to raw materials from forests as building materials for homes; and land for gardens that support local food security

   - Major equity issue, with regards to level of rent and profit share agreements between landowners and corporates.

   - Tensions and conflict among and within clans, and between clans and company/government/land owning groups/etc over land claims as well as benefits, are attributed to large investments into land development

   - Lessons from the Foi in PNG (with oil development) that incorporated land groups were used more as a **political-economic tool** by elites and opportunists within a clan rather than one of customary land management per se.

   - Increasing pressure on land coupled with poor governance and breakdown in traditional or non-traditional authority structures leave communities vulnerable to conflicts.

6. **Impacts on health**:
o Health impacts from use of agrochemicals by workers, and farmers with VOPs, due to poor understanding and management of health risks
o Pollution of ground and surface water from land work, fertilizers, pesticides, mill effluent etc.
o Change in diet with increasing consumption of processed foods promotes chronic diseases that only increase the stress on a broken-down healthcare system.

7. Poor development outcomes are common from large scale investments into extractive or agro-industry:
o Claims that oil palm development does not bring real improvements and benefits to local communities. In PNG, this is seen from more than two decades of oil palm development, yet there is claimed to be little, if any, real development outcomes seen. Instead, NGOs have seen the regression of living conditions and standards in oil palm areas. In addition, the lack of local development opportunities (e.g. business opportunities, savings) stifles progress, as income earned is sufficient only for basic daily needs.
o Poor governance record of authorities and financial mishandling are also cited as main reasons why NGOs do not generally support large investments projects that require state-led land reform.

5.5. In conclusion…
Researchers as well as civil society have cited social and environmental concerns of oil palm development in SI, which seem to enjoy central government support at the expense of “more appropriate local development”. In addition, there are deep-seated socio-cultural issues associated with developing and running community-based businesses that have been largely unsuccessful due to, as one researcher said, “the lack of responsibility, jealousies, and poor management and financial control”.

Going back to the questions posed in 4.1.4 above, to ring true to the aims of being a “responsible agribusiness”, the company need to engage with these complex issues. It does mean having a novel, experimental company culture that is willing to evaluate and change the way major oil palm industries have traditionally operated in developing and transitional countries, by adding value to social and environmental goals. Companies should not assume that there is only one way of doing things (whether this involves land or workers, arguably the biggest elephants in the room), and should themselves be flexible to be able to adapt to the loose, flexible conditions (often based on traditional structures) in which they operate.

The complexities on the ground should be looked at as opportunities to explore new operational systems, rather than as problems or roadblocks. Solutions should always be worked out with the affected local communities, from the ground up, and the role of the company as facilitators to promote effective local development – i.e., to provide neutral information (including alternatives that might be better suited for local conditions), build awareness and capacity, encouraging local markets and services, while “keeping a watchful eye on developing community issues” (Roughan, 2002) – should not have to be questioned.

5.5.1. What can companies do?
How each issue translates in reality in a local area can’t be confidently predicted, and any solutions should be attempted as a participatory process where all affected stakeholders have been given access to information regarding relevant issues as well as their rights. (Section 6 and beyond attempts more prescriptive measures, based on field visit). Local communities need to be seen as a source for solutions rather than a source for potential problems or conflicts. It should be seen as a strategic learning process on both ends of the spectrum. And as a process, there is no endpoint,
instead a series of targets and goals. We can allude to broad underlying principles as to how a company should begin its approach, and besides a participatory process, this includes:

- Understanding the narratives surrounding oil palm development (i.e. the political economy and political ecology), including the company’s position in this spectrum of political development of a country.

- Understanding how economic development has affected the culture and social cohesion of transition communities, and that there is no “one size fits all” solution with regards to what is locally appropriate development. “Development” is a choice for local people to make, not an imposed necessity.

- Understand local needs, preferences and complexities and explore solutions that work with these rather than against (even if it means ditching ways of doing things that may have been successful elsewhere, or a “no-development” option).

- Local communities to be regarded as partners (rather than “just another stakeholder”) in this process, hence any decisions that will directly or indirectly affect them need to be deliberated with their participation. Focus on soft skills of local partners to help them better understand and deal with the impacts of development.

- Extending reach – how is it possible to engage with various levels of local authorities, government and NGOs to improve conditions (social, cultural, environment, etc).

- Plan strategically, execute with flexibility. Ensure allocation of sufficient resources (manpower, time, skills and funds) to drive the process.
6. Guadalcanal Plains today

Guadalcanal Plains Palm Oil Limited (GPPOL) is the only oil palm industry operation on the island. The company was acquired by NBPOL in 2003 and happened after the ethnic conflicts in the region. The investment by NBPOL was recognised as a key driver for stimulating economic growth on the island during the period of recovery. Local landowners met were keen to secure a better deal for their people and negotiated a lease agreement to ensure more benefits for both land owners and the community. GPPOL directly contributes to the local, provincial and national economies: stimulating business, direct employment and other spin offs. The area is serviced by a major road, primary and secondary schools, medical hospital and a police station.

6.1. Perspective of the employee

6.1.1. Why work with GPPOL?
GPPOL offers long term income, an opportunity to earn a living, provide a home for the family and access to basic services (markets, education and health). From the employee perspective they come to GPPOL for economic opportunity especially as the other provinces have limited opportunity for earned income. This is important for “daily living needs” or as a means to school their children, gain access to medical services and ensure that their family in the villages has a source of income. This is in contrast to the people of Guadalcanal Plains who have access to fertile land for both subsistence and market gardens and provides a stable source of cash income for the local islanders. For many, this is the “development” they seek that is not available to them in their own home villages.

6.1.2. Meeting “daily living needs”
Do people earn enough to cater for their daily living needs? One of the most common, and persistent complaint, was not earning enough. The work conditions were hard but yet income for basic needs and the dream of economic expectations were often not met. By far the most vulnerable member of the community, with the increase of cash income, are the women. The workforce is also built of a number of single mothers. Many of the mothers have complained of not having enough for the family. This was due to being a single mother (large number of workers on the estates are single mothers), the husbands not earning enough (despite the company following the Government’s minimum wage) or was spread too thinly with their multiple partners and concentration on themselves (beer, buai and women!). The lack of income for the family could result in children and teenagers not going to school. Women also turn to casual trade to earn extra income (some legal and others illegal).

Pay appears to be the key factor in industrial relations (e.g., error in pay calculations, unnecessary deductions), although not all workers are brave to approach the Management directly. Some workers complained that they do not even have the money to afford being a union member (S$ 50 per year). Some workers have said that the previous company provided for better earnings which need to be investigated. It is possible that daily wage with incentives (old company) versus piece rated provide for better earning potentials.

There is an urgent need to understand true cost of living, cost of goods (locally available), actual wages earned and how families distribute their money.

From a company perspective, finding a way to reduce the cost of living of the workers, especially low income workers, might work to the advantage of the company (greater loyalty or better productivity).

Suggestions could include:
Stepwise Support Programme

Advisory  Training  Assurance

- Create a special “allowance” for women income earners that are below a given threshold. This allowance could be in the form of food credit, cash, or other ways of reducing the daily cost of living.
- Dedicating fixed plots of land for own gardens to each working family.
- Improving the market space for working mothers to sell goods.
- Create a second hand initiative to provide for clothes, basic living needs, etc to the workers at a lower cost.
- Subsidize cost of store goods for workers.
- Subsidize or pay for working mother’s children to go to school.

Having access to cultivate gardens is an important resource for women in the estate community. These gardens provide an avenue for growing their own food or for sale at the makeshift markets on the estate.

<table>
<thead>
<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.2.a</td>
<td>Conduct a survey to establish a baseline: (a) cost of goods (daily living), (b) actual income and distribution amongst workforce, and (c) family allowance.</td>
<td>Survey completed</td>
</tr>
<tr>
<td>5.1.2.b</td>
<td>Define a minimum wage, below which welfare support of some sort would be most critical.</td>
<td>Minimum wage threshold</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Monthly reporting of wages</td>
</tr>
<tr>
<td>5.1.2.c</td>
<td>Define and plan a specific action plan to help ease the financial burdens of the lower income group.</td>
<td>Plan and minutes of meetings</td>
</tr>
</tbody>
</table>

6.1.3. Creating a home

The condition of housing is another major issue raised. Workers complained of being in cramped housing “living in a matchbox”, with one room provided for a family. There is limited space and the room has to provide for an eating space, sleeping, storage, etc. The workers say that the previous company housing provides for more dignity, space and privacy. The families and single women should be segregated from the bachelors. The management is aware of this situation but currently is
struggling to maintain a daily minimum workforce (productivity) to operate because of the high turnover and low outturn.

The company needs to determine a minimum housing for every worker family. If possible, follow an existing minimum housing regulation (such as Malaysia). Ideally, every family should be:

- Sufficiently large for individuals.
- Provides for privacy for families.
- Provides for spaces to cook, clean, toilet and sleep.
- Provides access to clean water.
- Allows for gardens.
- Allows for easy upkeep – for public health (waste, mosquitoes, etc)
- Adequate provisions for waste (septic tanks).
- Creates a sense of community.

A typical “modified” block with additional “rooms” being added to the front of the house to provide extra rooms and space for the family. The situation is aggravated by the lack of control of dependencies that stay with each family.

Currently there is limited supervision of the estate community and housing. This means that there may be a high number of “passengers” living within the community. This puts increasing stress on the available housing and services available (clinics, schools).
Upkeep of the housing areas needs to be enforced strictly. This is as much to maintain good public health, as well as, create an environment that people will enjoy to live in. An improvement to sanitation could be to ensure that sewage is piped away from the housing quarters and a larger, centralized, sewage treatment be built instead. This will be cheaper, easier to maintain and will prevent the soakaways from contaminating the housing compounds.

A dedicated supervisor (“Village Clerk”) should be appointed for all housing compounds. This clerk should report directly to the Estate Manager. Their role should be to:

- Monitor conditions of housing;
- Monitor occupancy of housing (including regular census);
- Monitor repairs and improvement of housing.
- Participates in relevant community committees.

<table>
<thead>
<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
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<tbody>
<tr>
<td>5.1.3.a</td>
<td>Dedicated supervisor assigned for each compound (ie the “Village Clerk”).</td>
<td>Terms of reference defined Estate organisation structure revised</td>
</tr>
<tr>
<td>5.1.3.b</td>
<td>Conduct a survey of who actually lives within the compound. Estimate number of workers per room and number of dependents per room.</td>
<td>Survey report (at least every 6 months)</td>
</tr>
<tr>
<td>5.1.3.c</td>
<td>Policy and procedures to control the number of people in each unit. Control of “passengers”.</td>
<td>Number of violations reported.</td>
</tr>
<tr>
<td>5.1.3.d</td>
<td>Define the minimum housing per family (design, space, etc). See relate legislation (e.g. Malaysia). Design should consider alternative sewage design.</td>
<td>Guidelines established</td>
</tr>
<tr>
<td>5.1.3.e</td>
<td>Revisit housing requirements, number of blocks required, budget and estimated timeline.</td>
<td>Revised plan (timebound)</td>
</tr>
</tbody>
</table>

6.1.4. I want to do better

Workers complained of lack of opportunity, superiors not acting fairly and no training opportunities. A number of workers are also employed casually which does not provide for job security and employment rights. There is a need to focus back on the worker, not as a laborer, but on providing opportunities for growth. This will be good for the morale but also could provide a degree of loyalty to the company and staff retention. Skills could be job related (job specific and including an understanding of why the job is done in a particular way) or could be focused on basic skill development (literacy, financial management, recording skills, first aid, etc). Each of these training programme could be conducted in-house and should be open to all workers. A basic competency set could be defined which enables people to advance a grade within their employment scope.

<table>
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<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
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</thead>
<tbody>
<tr>
<td>5.1.4.a</td>
<td>Oil palm training programme defined and training programme developed that is open to every worker. Core</td>
<td>Oil Palm training programme</td>
</tr>
</tbody>
</table>
Stepwise Support Programme

1 Advisory
2 Training
3 Assurance

competency set can be related back to the employment grade.

5.1.4.b Core competency defined and training programme developed that is open to every worker. Core competency set can be related back to the employment grade.

5.1.4.c Training programme offered to nearby community to increase skill set (for VOP farmers) and self improvement.

6.1.5. Creating a safe working environment

Safety in the workplace was a concern brought up by the workers. One of the sprayers even asked if the overalls and gum boots really made a difference since they got soaked in chemicals anyway. Lack of protection for manurers also caused problems on the skin. When a group was asked for common problem areas, eyes, lower limbs and hands were common areas for injuries. The company has a good system for recording medical health records and this is used for monthly reporting.

Table 1. Summary of Medical Records for GPPOL (January-March 2009).

<table>
<thead>
<tr>
<th>Medical Condition</th>
<th>Proportion of total patients</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aches &amp; Pains</td>
<td>19.95 %</td>
<td>Occupational health concern</td>
</tr>
<tr>
<td>Malaria</td>
<td>17.44 %</td>
<td>Public health concern</td>
</tr>
<tr>
<td>Pneumonia</td>
<td>10 %</td>
<td>Public health concern</td>
</tr>
<tr>
<td>Influenza</td>
<td>8.16 %</td>
<td></td>
</tr>
<tr>
<td>Upper Respiratory Tract</td>
<td>7.726 %</td>
<td></td>
</tr>
<tr>
<td>Infections</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Skin diseases</td>
<td>6.54 %</td>
<td>Occupational health concern</td>
</tr>
</tbody>
</table>

Note: Total number of recorded patients for this period (January - March 2009) was 669. 216 (32%) were employees, 277 dependents (39%) and 176 were from nearby villages (26%).

To improve medical reporting it is recommended that data be reported also by job scope. This will help improve the identification of issues that are directly related to occupational health. It is also advisable to ensure a Visiting Medical Officer (VMO) be contracted to ensure that (a) medical records are properly recorded, (b) provide additional support to local medical officers, (c) make visits to housing compounds and (d) to assess medical records. It is recommended that a copy of Plantation Medicine (Donal R. O'Holohan, 1994) be purchased for each estate as this provides invaluable advice for planters (eg framework for OSH, common medical issues in estates and managing medical records).
Public health concerns and occupational health concerns need to be acted on, the former immediately to contain further outbreaks. Ways should be found to reduce occupational health risks through modification of work processes, awareness or provision of appropriate protection.

Location of common injuries and occupational health issues raised by workers during interviews.

Note: “Safety PPEs” (steel-capped boots, etc.) may provide adequate protection but may not be practical given the conditions of the fields. This is where further monitoring and trails will help find a satisfactory improvement to the current situation.

Sprayers have questioned whether gumboots and overalls provide adequate protection from exposure to agro-chemicals.
Stepwise Support Programme

Advisory

Training

Assurance

Two men were seen walking from the mill after collecting nuts from the mill workers. This raises serious security issues (open access), as well, health and safety issues.

<table>
<thead>
<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.5.a</td>
<td>Visiting Medical Officer (VMO) appointed for company and terms of references defined.</td>
<td>Appointment and contract.</td>
</tr>
<tr>
<td>5.1.5.b</td>
<td>Establish a Health and Safety Committee that will be attended by the VMO during his visits to (a) interpret monthly medical reports, (b) to feedback on findings of the latest visit and (c) monitor progress of action points to address health and safety issues in the plantations.</td>
<td>Health &amp; Safety Committee formed with terms of reference.</td>
</tr>
<tr>
<td>5.1.5.c</td>
<td>To review monthly medical records (to date) and ESH audit report (Murray?) to develop an action plan that will be monitored by the Health and Safety Committee.</td>
<td>High risk health &amp; safety issues with specific action plans.</td>
</tr>
</tbody>
</table>

6.1.6. Safety of the Community

The safety of the community as a whole and the family, especially the wives and children, must be ensured. “Pay Friday” is usually a period of disturbance for the community. Alcohol and the availability of illegal homebrew (“quaso”) and drugs (marijuana readily grows in the plains) are contributing factors. Company property is also at risk (company office was burnt down recently, the building was unprotected at night). It will become important to re-assess the current security measures and to develop strategies to make it safer for families living within your compound and also the neighboring villagers.

Domestic violence is a common occurrence within the community and from the interviews the root cause is usually over money, drinking or another wife/partner. Many of the cases are believed to go unreported as the wives are worried they may lose their husband (divorce), loss of earnings (suspended or terminated) or goes to jail (if reported to the police).

There is also a need to raise awareness that the company takes this very seriously and that any reports by the residents can be made via Province leaders, security, police, or management following a similar process to the grievance procedure. Strict confidentiality must be assured and anonymous.
reports should be allowed (especially for fear of retribution). Management needs to act on these reports immediately.

The company security will need to be improved. Security force is better managed directly by the individual estate manager and hiring of the security crew will need to be scrutinized by the GM. Proper monitoring, training and provision of resources to ensure the security force is trusted, provides regular patrols and is feared by the community.

The company should also ensure that a strict policy is enforced on all company property. For example:

- No public drinking tolerated on company property. Areas clearly demarcated.
- No one on company property to cause public disturbances or safety (noisy, threatening, etc).
- No tolerance of damages to company property or violation of any employee (especially women).

Coupled with this is a strategy to promote more church-based activities, fellowships and activities. This has a positive impact on the community and was one of the priority request by the workers that a space be provided for a communal church activities. There also needs to be control for the number of dependents housed on company property.

### Specific Recommendations and Means of Monitoring

<table>
<thead>
<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
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</thead>
<tbody>
<tr>
<td>5.1.6.a</td>
<td>Policy and procedures establish to enforce (a) no public drinking; (b) control of public nuisance and (c) damages to company property and (d) use of violence (men &amp; women).</td>
<td>Number of violations reported.</td>
</tr>
<tr>
<td>5.1.6.b</td>
<td>Security review and time-bound plan to set improvements in hiring, management and integrity of security staff.</td>
<td>Guidelines established</td>
</tr>
</tbody>
</table>

Two men were seen walking from the mill after collecting nuts from the mill workers. This raises serious security issues (open access), as well, health and safety issues.
6.1.7. Working from down up

As with any community, having an opportunity to influence decisions gives an increase sense of ownership within the places on lives. This is especially important to create when there are communities created outside of their natural homes. Achieving this could be in the form of smaller working committees (community groups: churches, women, union, business, neighbors) which could be developed to support the monitoring, action plans and providing a formal channel of communication. The working committees could meet at least once per month.

This committee should be reporting to the Estate Manager. In addition, a formal “Joint Consultative Committee” (JCC) should be created which is chaired by the General Manager. The JCC would then be the regular, senior committee of which issues unresolved at a lower level can be addressed and monitored. The JCC could meet quarterly. The JCC is not new to the estates and have been setup in a number of older colonial run plantations, in which case, the committee was often headed by the wife of the General Manager. The formal meetings would be conducted to ensure that decisions and issues raised are fair, open, and transparent. Making these committees work would require sustained effort but the rewards would be beneficial to both the community, the employees and community.

For most decision making it is recommended that the workers (or community), their reps or other groups, are consulted during the surveys and in defining solutions. This will build trust within the workforce and community. People will feel empowered to have a voice in making positive improvements within their own community.
Figure 1. Example of an Estate’s Joint Consultative Committee.

<table>
<thead>
<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1.7.a</td>
<td>Terms of reference for JCC and Working Committee defined.</td>
<td>Terms of references.</td>
</tr>
<tr>
<td>5.1.7.b</td>
<td>Establishment of working committees and date set for first JCC meeting.</td>
<td>Minutes of meetings.</td>
</tr>
</tbody>
</table>
6.2. Perspective of the neighboring community

6.2.1. What I hope from Oil Palm
Oil Palm was first established in the 1970s in the Guadalcanal Plains and the local community saw for the first time large scale industrial agriculture. Palm was developed mainly on leased land and workers were brought in from neighboring provinces to provide the labour requirements for the plantation. All this was disrupted severely during the ethnic conflicts between militant groups resulting in the pulling out of the CDC operations on the island. It was during the critical period of recovery that the company, NBPOL, entered into negotiations with the land owners and Government to invest in the country and to re-establish the plantations again. It is within this context – where many land owners had lost all their wealth and property – that they were eager to secure the right investor and to develop a fair agreement that will allow for economic development in the region, as well, as provide for the community and land owners. So for those land owners interviewed, oil palm, is seen as an important cash crop and that they feel a sense of “ownership” in the company to see it prosper for this will impact on their monthly payments and dividends.

The plains itself is believed to be fertile “just plant anything and it will grow” and the proximity to markets (Honiara is about 30 minutes away) and local markets (estate community) means that there is a ready market for cash crops, such as, watermelon, coconut and cucumber. Some land owners have also taken back their previously leased (Loka Mamata small holder association) and are currently managing this on their own but will sell their crops to the company (it is the only mill here). The other cash crops, like coconut and cocoa, do not seem to be expanding and it is likely that small holders will begin to shift to oil palm where there is land that is accessible and suitable for the crop.

6.2.2. “It is our own”
As mentioned earlier, there is a strong sense of ownership and the recent case of the estate office being burnt down was clearly an isolated event and many locals we met expressed embarrassment that this incident did occur. Infrastructure has improved within the community, roads and basic services, and this has meant ease of access to towns for goods and access to markets for supplementing their income. If anything, there is a frustration with the Government for not doing more. They feel that the funds being allocated for local development are being misused and there was talk of being able to manage these funds themselves.

6.2.3. “Land as a resource”
There is little natural, undisturbed vegetation left in the plains, but the plains are an important resource for the people as it provides land to cultivate for subsistence or for cash crops. From the local informants met, without extensive labour and machinery, an able bodied family could easily cultivate 3-5 ha. Land may either be passed down through the women-folk (for customary land) or are held in trust by the men folk (current leased land). Many of land owners are clear about land ownership and customary laws but admit that complications do arise and are a source of discontent.

Within the plains, the social dimensions should be given prominence and grasslands may appear to be unimportant from a biodiversity perspective, but in itself is a key resource for local communities. The use of fires for clearing land simply contributes to the creation of new grasslands. An understanding of the cultural dimensions of the local communities (sacred areas, minimum areas for subsistence, rise in local population numbers, etc) will require further studies and will help to set defined limits to expansion in the plains. Knowing the limits of cultivation will also be important as this
will set an important considerations for future expansions. Such studies could be conducted through collaborative studies with Australian or National universities.

Typical village design and homesteads found in the area.

Secondary forests and areas cleared for cultivation near a settlement area. This pattern of land use seems typical of the area.
Wastelands or fallow agriculture land? Small plots are often burnt and planted with subsistence or cash crops. The sizes are small as it will depend on the amount of land a single family can work effectively. This ranges from 1-3 ha.

<table>
<thead>
<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.2.3.a</td>
<td>Identify relevant stakeholder groups (and their leadership) in the community that will be important to the company. Prioritize these groups and identify a method for communication (adhoc, irregular, formal, etc).</td>
<td>Stakeholder list defined. Priority list and means of communication completed.</td>
</tr>
<tr>
<td>5.2.3.b</td>
<td>Initiate a series of meetings to identify areas for cooperation/support between the company and communities.</td>
<td>Minutes of meetings.</td>
</tr>
</tbody>
</table>

6.2.4. Unseen changes to the environment

A number of locals were aware of the degradation of the environment, or at least changes to the environment since the plantation has been established. There have been reports of fish deaths and the company has paid for compensation in such cases as is customary. What is more serious, especially in the context of the Solomans, with limited facilities for recycling environmental hazards such as oils, filters, etc, would be the accumulation of toxic materials from landfills over time. Since most of these are located in the plains where the water table is low, there is a very obvious risk of contamination of the groundwater. It may be advisable to design the environmental monitoring programme to not only include the waters bodies that are obviously impacted by the company, but to also include the major rivers that flow into the plains (eg Mbeerande, Matepono, etc). This would provide an early warning service to the community especially as there are gold mining activities upstream. In addition, it may be advisable to develop "sealed" disposal of potentially toxic waste to reduce chances of groundwater contamination. The company may also contract specialists to understand the groundwater flow below the landfill and mill and to map the risk areas where no pollution sources are introduced at all cost.

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<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
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</thead>
<tbody>
<tr>
<td>5.2.4.a</td>
<td>Baseline environmental assessment, especially focused on water resources. This would include watersheds, critical</td>
<td>Environmental assessment completed with specific</td>
</tr>
</tbody>
</table>
Stepwise Support Programme
¹ Advisory ² Training ³ Assurance

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<thead>
<tr>
<th></th>
<th>5.2.4.b Identification of all environmental hazards and possible strategies to monitor, reduce, replace or contain.</th>
<th>Assessment report and monitoring programme.</th>
</tr>
</thead>
</table>

Children and the local community within the plains depend on clean water. How will the oil palm operations impact on water availability and quality in the long term?

The lowland plains do not allow for landfills and operational waste (oil filter, etc) to be sited far from water tables. This recently dug pit clearly shows this. Lining the pit with EFB and raising the pit depth will provide little protection from potentially toxic leachate from entering the groundwater. Key questions to ask are: How do we contain this? How much waste is generated? How can we dispose of the waste safely?
6.2.5. Building relations

The company currently works primarily through the Guadalcanal Plains Resource Development Company Limited and there are ad hoc meetings with the village leaders. Individual community members do approach the managers directly if there are issues to be resolved or to request for assistance (managers are aware of the need for record keeping of these request and such practice should be encouraged).

The company should make an attempt to create a regular dialog with the nearby communities, including the land owners, to ensure that everyone is heard and that the people see the genuine intentions of the company. This ensures that meetings are not always held with the landowners reps alone and that it allows for some meeting to be conducted in the presence of other clan/family/village members. How frequent should the meetings be? It could be set at a frequency that is appropriate, and results of the meetings should be minuted highlighting any action points.

It may also be to the advantage of the company to try to find novel ways to improve relations with the neighboring communities, some suggestions raised include:

- Offer skills training (health, crafts, business, literacy) for adults and youths;
- Offer financial management training to help villagers to manage their funds and develop investment portfolios;
- Develop a community radio which provides entertainment (music, talk shows), community messages (messages, public announcements), educational programmes and company news and announcements;
- Initiate recreational activities between employees and communities.

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<tr>
<th>No</th>
<th>Specific Recommendations</th>
<th>Means of Monitoring</th>
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</thead>
<tbody>
<tr>
<td>5.2.5.a</td>
<td>Terms of reference for an Estate Working Community Committee and Community Relations Committee defined.</td>
<td>Terms of references.</td>
</tr>
</tbody>
</table>
5.2.5.b Establishment of working committees at each estate and date set for first meeting.  Minutes of meetings.

5.2.5.c Establishment of Community Relations Committee and date set for first meeting.  Minutes of meetings.

What is left of the office burnt down by arsonists. There were no night patrols and the only surveillance cameras were recording on tapes that were in the office. Company property is vulnerable and such acts may be common when the relations with land owners or workers sour or when people feel frustrated.
7. Considerations for the expansion of Guadalcanal Plains

7.1. What is on the table
To sum up the current situation in the Guadalcanal Plains, the total industrial oil palm agriculture area covers a total hectarage (about 6,0000 ha). In addition, small holder schemes provide additional FFB inputs (13 % of annual production). The estate houses an estimated population of at least 1,800 people of which it currently employs a work force of about 1,751 people (38 % of which are women). The company has leased land, through a Government facility, which is owned by local people. Land owners have negotiated for an agreement which includes royalty payments, rental and provision of basic services. The management has been working hard on rehabilitating the plantation and is currently working on a far-from-perfect labour condition (poor turn out, poor productivity, etc). The plantation is seen as a key economic driver for the island and Nation, which sees itself as is part of the economic recovery of the island nation.

For the workers, conditions are currently far from ideal. Work is tough (labour is hard work); actual pay for many is sufficient to feed the family and many families are not able to manage cash income (for many, this is the first time they have earned income); many do not feel secure in the job (casual labour and limited understanding of labour laws); housing conditions are over stretched due to high number of dependency and limited housing (although there are plans to address this). The estate communities do not fear for personal safety, but recognize, that security is an area for improvement (especially during pay Friday and this is related to alcohol).

7.2. Major considerations for new developments

7.2.1. High Conservation Values?
The social dimensions and ecosystem services are the main considerations for high conservation value considerations. The social dimensions should be given prominence and grasslands may appear to be unimportant from a biodiversity perspective, but in itself is a key resource for local communities. The use of fires for clearing land simply contributes to the creation of new grasslands. An understanding of the cultural dimensions of the local communities (sacred areas, minimum areas for subsistence, rise in local population numbers, etc) will require further studies and will help to set defined limits to expansion in the plains.

7.2.2. Reconstructing GPPOL community
There are a number of fixes that have to take place to rebuild the GPPOL community (consolidating an inherited structure, etc). The first urgent thing to do is to initiate a better understanding of “cost of living”, what are the daily requirements for families (firewood, school fees, etc) and how income is distributed within the employees. The second would be to re-assess the security measures and to define measures to fix this. The third would be to create at least one formal communication channel between management and the community (see discussion above, Joint Consultative Committees). The fourth should focus on improving the control of the housing population and a re-assessment of the housing needs. Finally, the establishment of a space for community activities (church and recreation) should be facilitated to help provide a caring and calming influence within the estate communities.
7.2.3. Re-assess “true” social and environmental costs
On another more strategic level, it is evident that the “true” cost for being a responsible employer is far more than what has been budgeted for. There therefore is an urgent need to review environmental and social assessments to ensure that all areas for improvements are identified. For each, a work plan needs to be developed with corresponding budgets. This will provide a more realistic overview of the “true cost” of development. This will also have a direct impact on the profitability of GPPOL and more importantly, the scale and speed of expansion. It will be natural to revisit the budget and 10 year plan. It is also evident that a lot of what needs to happen will need some thought, consultation and a degree of innovation. It would be good to start to consider external support to work through the social issues (much like what one would do with ESH compliances) and to begin to integrate the social issues as one of the company’s core operations.

7.2.4. Setting “sustainable” limits
One of the ways to move forward is to begin to define the actual area that could be realistically serviced by one or two mills (which is within the expansion plans). Then, the limits could be set by factoring ecological considerations (areas to be set aside for watershed, critical resources, etc) and social considerations (areas for settlements, cultural sensitive areas, etc). We then end up with a figure of maximum allowable developed areas and within which we develop strategies which combines LLB and VOPs to allow for equitable distribution of wealth and benefits.

7.3. Creating new models for business
The current model for expansion is designed to meet a production target and economic target. The “growth” is ultimately referring to the growth in economic outputs, which as we have seen plays an important role from a National perspective. However, an important figure to determine would be how much industrial agriculture can Guadalcanal Plains actually take before we find breakdowns in the community, direct impacts on water supplies, degradation of the environment, breakdowns in the family unit and loss of public security? We need to consolidate our positions and demonstrate that we can manage the current production levels and develop measures to address them through consultation and experiment to make those changes happen. The reward? Real prosperity for the people who work for you and the communities that live around you. These are uncharted territories but one that could be made by NBPOL as a leader in sustainable development.
8. Summary of the Impacts of Oil Palm in Guadacanal Plains

The following tables of "social impacts" have been identified and refined based on the results of the consultations and observations made during the survey period. For more background to the concerns and impacts, the reader is referred to the main report findings above. Additional impacts are outlined in the introductory sections of the report.

8.1. In-migration and rising population

<table>
<thead>
<tr>
<th>No</th>
<th>Potential Impacts</th>
<th>Possible Action</th>
<th>Means of Monitoring</th>
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</thead>
<tbody>
<tr>
<td>7.1.1</td>
<td>Resentments by locals who see employees as those who have the “opportunity or benefits”</td>
<td>Develop a “pro-local” policy and increase efforts for local recruitment (announcements, apprentices, training). Improve communication between company and local communities. Improve community developments by in-kind support, collaboration, facilitate Government or Aid support.</td>
<td>Proportion of workforce for nearby villages. Number of formal meetings held with local community. Amount of aid or Government aid provided to community.</td>
</tr>
<tr>
<td>7.1.2</td>
<td>Loss of “family” support (women &amp; wantok)</td>
<td>Creation of a community centre for activities, training, counselling and other services. Education about nutrition, health, business, new skills and other topics could be covered.</td>
<td></td>
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<tr>
<td>7.1.3</td>
<td>Loss of “respect” for local culture and customs which erode community spirit and resilience to increasing population.</td>
<td>Improve communication between company and local communities. Identify local cultural norms and practices which could be strengthen by the company activities and efforts. Examples could be “gift giving”; consultation with clan leaders (on their own land and language) on community-wide decisions.</td>
<td>Number of formal meetings held with local community.</td>
</tr>
</tbody>
</table>
7.1.5 Overcapacity of local services
Assess current services and capacity of community facilities (education, medical, etc).
Census and reports of major community facilities (e.g., schools and clinics).

7.1.6 Increasing security risks
As above. Assess security capacity (company property and community safety).
Control movements of people into the main "service centres" (fencing and guard posts) to ensure people entering compounds are monitored.
Security reports analysed.

8.2. Increasing local cash economies
Summary: One of the basic reasons to seek employment or that land is leased for business development or is planted with cash crops is to earn cash. This is to cover basic living needs, schooling for children and for providing for the community (be it local or those in far away villages). However, a number of negative social concerns raised during the consultation can be linked to the distribution of cash between man and wife. Often the conflict is between personal use and family use. This would increase in magnitude for landowners in lease-lease-back contracts.

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</thead>
<tbody>
<tr>
<td>7.2.1</td>
<td>Dependency of employees on cash for basic services and goods.</td>
<td>Monitoring of &quot;cost of goods&quot; in company stores.</td>
<td>&quot;Bilum index&quot; for the local area.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Provision of subsidies for other basic services (education and health)</td>
<td>Monitoring the range of actual wages for all employees.</td>
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<tr>
<td></td>
<td></td>
<td>Provisions of garden plots for home gardens to provide food.</td>
<td>Area of gardens allocated to families employed by company or per room.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increasing opportunities for employees to earn extra income.</td>
<td></td>
</tr>
<tr>
<td>7.2.2</td>
<td>Dependency of local people on royalties and large cash inputs to local landowners.</td>
<td>Develop provisions in contracts for direct funding of community-wide services and benefits.</td>
<td>Proportion of contract value provided to local business owners.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increasing opportunities for 'self employment' to ensure that income is earned.</td>
<td>Number and area of VOP schemes.</td>
</tr>
</tbody>
</table>
Stepwise Support Programme

1. Advisory
2. Training
3. Assurance

Wild Asia Sdn Bhd (634448-W)
Upper Penthouse, Wisma RKT, No 2 Jalan Raja Abdullah, 50300 Kuala Lumpur, Malaysia
T +60 3 1700 80 7008

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8.3. Land as a resource

Summary: Land is an important resource for any native. Land is also a finite resource from the perspective of the clan and the family. Land provides for food, cash crops, gardens and “wild lands” for other resources.

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<tr>
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</thead>
<tbody>
<tr>
<td>7.3.1</td>
<td>Resentment from local community for losing land to “state lease” where they derive no benefits (direct or indirect).</td>
<td>As above. Develop a “pro-local” policy and increase efforts for local recruitment (announcements, apprentices, training). Improve communication between company and local communities. Improve community developments by in-kind support, collaboration, facilitate Government or Aid support.</td>
<td>Proportion of workforce for nearby villages. Proportion of workforce for nearby villages. Number of formal meetings held with local community. Amount of aid or Government aid provided to community.</td>
</tr>
</tbody>
</table>
7.3.2  Resentments between the clans between the “have and the have not”.

Improved central monitoring of benefits, contract opportunities and employment to those communities that have a direct association with the company.  

Proportion of contract value provided to local business owners.

7.3.3  Increasing disputed lands between neighbouring clans which pose a risk to the company employees and property.

Ensure identification of all disputed lands and territories that will have an impact on the company. If in the company interest, better to help the process of mediation.  

Areas of dispute marked on a map and followed up in management meetings.

7.3.4  Loss of accessible land to developments and restricting access to land further away from the main roads.

Ensure effective communication to identify suitable lands for VOPs. 

Number of formal meetings held with local community. 

Number and area of VOP schemes.

8.4. Managing your Estate Community

Summary: Managing the workforce for industrial agriculture poses a number of concerns which range from core labour standards, decent living wages to health and safety.

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<tr>
<th>No</th>
<th>Potential Impacts</th>
<th>Possible Action</th>
<th>Means of Monitoring</th>
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</thead>
<tbody>
<tr>
<td>7.4.1</td>
<td>Wages insufficient to meet the daily needs.</td>
<td>Conduct a study to understand the cost of living, actual wages earned and distribution of income.</td>
<td>“Bilum index” for the local area. Monitoring the range of actual wages for all employees. Area of gardens allocated to families employed by company or per room.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>As above, Monitoring of “cost of goods” in company stores.</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Provision of subsidies for other basic services (education and health).</td>
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<td></td>
<td></td>
<td>Provisions of garden plots for home gardens to provide food.</td>
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<tr>
<td></td>
<td></td>
<td>Increasing opportunities for employees to earn extra income.</td>
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<tr>
<td>Stepwise Support Programme</td>
<td>Advisory</td>
<td>Training</td>
<td>Assurance</td>
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<tr>
<td>Creation of a community centre for activities, training, counselling and other services. Education about nutrition, health, business, new skills and other topics could be covered.</td>
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<tr>
<td><strong>7.4.2</strong> Wages not being distributed to the family.</td>
<td>Difficult cultural norm. Consult with women groups and mothers to identify possible solutions.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7.4.3</strong> Workers unable to communicate their needs and concerns to management.</td>
<td>Formal channels of communication need to be created. This could be in the form of the union (if sufficient numbers) or other means. <strong>See discussion</strong></td>
<td>Number of formal meetings held.</td>
<td></td>
</tr>
<tr>
<td><strong>7.4.4</strong> Estate community unable to communicate their needs and concerns to management.</td>
<td>Formal channels of communication need to be created. This could be in the form of a “Joint Community Committee”. <strong>See discussion</strong></td>
<td>Number of formal meetings held.</td>
<td></td>
</tr>
<tr>
<td><strong>7.4.5</strong> Women unable to communicate their needs and concerns to management.</td>
<td>Formal channels of communication need to be created. This could be in the form of a “Women’s Working Committee”.</td>
<td>Number of formal meetings held.</td>
<td></td>
</tr>
<tr>
<td><strong>7.4.6</strong> Upkeep and management of housing conditions (health, safety and humane perspective).</td>
<td>Formal channels of communication need to be created. This could be in the form of a “Joint Community Committee”.</td>
<td>Number of formal meetings held.</td>
<td></td>
</tr>
<tr>
<td><strong>7.4.7</strong> Safety of the estate community.</td>
<td>As above. Assess security capacity (company property and community safety). Control movements of people into the “housing compounds” (fencing and guard posts) to ensure people entering compounds are monitored. Formal channels of communication need to be created. This could be in the form of a “Joint Community Committee”.</td>
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</tbody>
</table>
7.4.8 Safety of the local communities
Ensure reporting lines between community and management are clear for all incidences between workers-community.
Assess security risk areas through consultation with local communities and develop plans to reduce risks.

7.4.9 Rise of domestic violence.
Creation of a community centre for activities, training, counselling and other services. Education about nutrition, health, business, new skills and other topics could be covered.

7.4.10 Stagnation and no opportunity for self improvement.
Formal training needs assessment conducted (through consultation) for all levels of employees. Ensure all training opportunities are fair and equitable.
Creation of a community centre for activities, training, counselling and other services. Education about nutrition, health, business, new skills and other topics could be covered.

Security reports analysed. Medical reports analysed.
Medical reports analysed.
Training needs assessment conducted annually. Records of hours of training per employee.

8.5. Socio-environmental concerns
Summary: The impacts of the operation on the socio-environment have impacts that could be very localised to having an ecosystem wide impact.

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<tr>
<th>No</th>
<th>Potential Impacts</th>
<th>Possible Action</th>
<th>Means of Monitoring</th>
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</thead>
<tbody>
<tr>
<td>7.5.1</td>
<td>Large scale agriculture causing ecosystem-wide impacts on (water, natural woodplands, grasslands).</td>
<td>Define the natural “ecosystem boundaries” and assess and map the natural resources currently available within the area. Determine current pressures on natural resources within</td>
<td>Map.</td>
</tr>
</tbody>
</table>
## Stepwise Support Programme

### 7.5.2 Availability of key natural resources (for example wood – fuel for mill and firewood for communities; wild food).

Identify natural resources which are shared between community, estate community and operations.

Develop alternative or sustainable strategies to ensure that shared resources are not exhausted.

### 7.5.3 Land clearing and preparation having direct impact on community land and resources.

Identify all culturally sensitive, community land/resources and settlements **prior** to any land developments.

Ensure a suitable natural buffer between operations and community land/resources are created. Size will depend on the local conditions.

Ensure land clearing and drainage do not impact on community land/resources.

### 7.5.4 Water availability and quality

Assesses the available water resource (watersheds and availability) has been conducted.

Identify all settlement areas and other “sensitive areas”.

Assess any drainage plans in terms of its impact on water availability and water quality.

Develop strategies for the conservation of water.

*the said boundary (population, point-source pollution, etc).*

Determine cultural or resources important for local communities within the said boundary.

Set "ecosystem" limits based on best judgement or expert inputs. (simply: determine how much land can be cultivated within a natural boundary).
Stepwise Support Programme

Advisory Training Assurance

7.5.5 Chemicals and other poisons in the environment

Identify all potential chemicals and poisons in use that will have a direct environmental impact.

Ensure that there is a plan to minimise (amount and area), reduce exposure or to find an alternative.

Chemical risk and mitigation plan.

7.5.6 Air quality from mill stacks and burning.

Identify all sources of air pollution and ensure there is a time-bound plan to minimise and eliminate source of pollution.

Monitoring plan and reports.
9. Summary of Meetings & Citations

Schedule of meetings
27 July 2009
- Orientation of GPPOL.
- Manager Mbalisuna interview.
- Exploring interior road - village community.

28 July 2009
- Land matters Focus Group (consultant, lands officer, village liaison and outgrower officer)
- Mill walk-through.
- Women group (9 women, 1 management, 1 consultant).

29 July 2009
- Explore coastal road and follow river that flows from the mill to the sea.
- Meeting over land matters (land owners and land association).
- Male and female Mbalisuna supervisors (14 supervisors – 6 women)

30 July 2009
- Manager Ngalimbiu interview.
- Women group and clinic focus group (Joyce and Grinta).
- Notes and review of results.
- Management closing meeting (GM, 4 managers).

9.1. Mbalisuna Manager Interview

Who are your stakeholders?

Based on our mapping exercise, these appear to be the main stakeholders for GPPOL. There will be others and it would be useful for GPPOL to complete this table and maintain their list of stakeholders. It is important to identify the major stakeholders (who have an interest or who are impacted by operations) and work out a strategy for communication.

<table>
<thead>
<tr>
<th>Category</th>
<th>Who?</th>
<th>Means of communication</th>
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</thead>
<tbody>
<tr>
<td>Owners</td>
<td>Board of NBPOL</td>
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<tr>
<td>CEO</td>
<td>Strategy Meetings</td>
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<td></td>
<td>Monthly statistics</td>
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<td>Government</td>
<td>“Regulators”</td>
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<tr>
<td>Employees</td>
<td>Management</td>
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<td>Supervisors</td>
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<td>Section Leaders</td>
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<td>Labourers</td>
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<td>Station Chiefs</td>
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<td>Union representatives</td>
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<td>Estate Community</td>
<td>Clinic</td>
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<td></td>
<td>Business (stores, market traders)</td>
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<td></td>
<td>Churches</td>
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<td></td>
<td>Others (Women associations, church-based NGOs, recreational clubs)</td>
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<tr>
<td>Contractors &amp; Suppliers</td>
<td>Contractors</td>
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<td></td>
<td>Suppliers</td>
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<tr>
<td>Community</td>
<td>Village Chiefs</td>
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<td>Land Owners Association</td>
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<td>Leased-land Trustees</td>
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<td>Outgrowers</td>
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<td>Hospital (Good Sheppard)</td>
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<td></td>
<td>School (primary &amp; secondary)</td>
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<tr>
<td></td>
<td>Churches</td>
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<td></td>
<td>Aid projects (e.g., Don Basco)</td>
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</tbody>
</table>

Note:

1. **Station Chiefs** – 6 to represent each of the Provinces is an interesting addition. Their responsibility is to ensure that tribal customs are enforced. These leaders are elected but currently voluntary. Meets informally.

2. **Union** – this is a “company union” and is a parallel union to the Militant-styled industry union that existed in Solomans. Fees are S$52/year compared to S$81/year.

3. **Land** – bulk of land is currently leased from the Government through a LLB scheme. All landowners form land groups which have appointed trustees and are managed by one land owners association.

4. **Outgrowers** – many request assistance directly to the manager, despite an outgrower officer. Requests for tools, fertilizers, fuel and were assisted in establishing the plots.
9.2. Land Matters Focus Group

Leased land & land Association

- Bulk of land leased by the company are held by 5 tribal people:
  - Gaubata (majority)
  - Thimbo (about ¾ of land area)
  - Thongo (about 1/3 of land area)
  - Lathi (less than 1/3 of land area)
  - Nekama (less than 1/3 of land area)

- Boundaries are clear but there are conflicts due to complications of inheritance. In general:
  - Land is passed down through “blood lineage”.
  - Different genealogy can cause land disputes.
  - In-laws claims on land (outside of clan) can cause confusion.
  - Lack of paper work and decisions made by village chiefs many years ago causes problems today.

- Current disputed lands.
  - Limited to two plots: office plot (title “101”) and 200 ha plot (title “93”).
  - Note: Disputed areas should be marked on a map and clear grievance procedures, that are locally appropriate, need to be drawn up.
  - Company can usually only act as an arbitrator and can help guide disputing clans towards a resolution.

Benefits to landowners

- For leased areas - company only works with one land association (Guadalcanal Plains Resource Development Company Limited). From their perspective, the current deal was more favorable to the land owners compared to the old agreement.

- Many landowners have lost a lot of money and resources due to the tension. Finding the right investor was very important to them and this they see, will help them in this recovery period.

- Association is responsible for paying land owners (which hold individual accounts that are held by trustees).

- Disputes usually arise when individual land owners group mis-manage their funds, which is often taken out on the company. “Poor consultation within their land owner group or family”.

- Note: Company should think of ways of monitoring the consultation and payments of the land owner groups. Training on fund management and accountability for trustees and clan members?
Model “Trustee” @ Sacha Tribe

- One of the major “land owners”.
- Setup clear rules for funds at the start of the agreement.
- Meets regularly with whole family groups; elects its leaders; trustees are responsible to their group; any changes are reinforced by customary traditions (pig and feast).
- Funds for investments.
  - Term deposits.
  - Business investments (egg, transport, VOP of about 14 ha)
- Beneficiaries
  - Elders @ S$50 per elder
  - Death payments
  - Family – by rotation – will get the share of rental. This allows families to invest in small projects to be self-sufficient.
  - Scholarships for the children to go to high school.
- Benefits to the community?
  - Indirect via helping individual family groups and does create some resentment
  - Contributions to Provincial government seen as the investment to the community; unhappy with Government poor performance; want to have share controlled by company/land owners to ensure that better channeling of funds to local projects.
  - Micro-credit scheme could be offered by group for any community member?

Outgrowers

- Opportunity for outgrowers is facilitated by a dedicated officer and community sometimes approach Managers directly.
- Main blocks? (total ha)
  - Loka Mamata Small Holder scheme – once part of the LLB is now an independent outgrower scheme. About 500 ha; each family about 3 ha each.
  - Kautomo Group – about 77 ha; 50-100 members.
  - Other smaller groups (update from james).
- Note: Professional support would be useful from company for improving yields of outgrowers. Need for regular, recorded visits? Training on RSPO issues would be useful to be designed early on.

Land as a resource
Stepwise Support Programme
1. Advisory
2. Training
3. Assurance

- Land is something important to local communities.
- Families may work between 3-5 ha on their own without much community support. Additional support for tilling lands, etc, might be sought from family groups or from the company (hires are usually S$ 5/hour or free if company provides this).
- Plains are considered very fertile and they grow a wide range of crops.
- Gardens are often for a combination of subsistence and market crops. Very little inputs (fertilizers) are usually added, but land is burnt, tilled and planted. Some crops (like Chinese cabbages have good sale values, but require use of pesticides – “autin”, “carboro” and “benlate”). The location of the gardens close to local markets (estate and Honiara) provides good income for land owners (S$ 500-1,000s per day).

Table 2. List of crops planted in Gardens from personal observations & interviews.

<table>
<thead>
<tr>
<th>Name of crop</th>
<th>Name of crop</th>
<th>Name of crop</th>
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</thead>
<tbody>
<tr>
<td>Cucumber</td>
<td>Watermelons</td>
<td>Taro</td>
</tr>
<tr>
<td>Tomatoes</td>
<td>Chinese cabbages</td>
<td>Sweet potato</td>
</tr>
<tr>
<td>Watermelon</td>
<td>Coconut</td>
<td>Panna</td>
</tr>
<tr>
<td>Salads</td>
<td>Cocoa</td>
<td>Yam</td>
</tr>
<tr>
<td>Pumpkin</td>
<td></td>
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<tr>
<td>Paw Paw</td>
<td></td>
<td></td>
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<tr>
<td>Egg plants</td>
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</tbody>
</table>

Domestic Violence

- Company perspective
  - Domestic violence policy exists
- Possible causes
  - Not enough income
  - Adultery
  - Alcohol
- Emergency response
  - Seek relatives “wantok” for refuge
  - Immediate “response” from men-folk (brothers, uncle, fathers)
  - Compound chief to enforce compensations or security or police
  - Women fear husbands might lose job or income. Impacts on the whole family.
- Improvement?
  - Ensure company policy and standardized punishments are developed according to consensus with the compound chiefs.
Stepwise Support Programme

1. Advisory
2. Training
3. Assurance

- Try the “name and shame” method but not wage deductions as this will backfire on the families involved.
- Create a full time leader as the “Compound Chief” (currently, leaders are part time and already have a full time job).
- Create a counseling option for all those that have been reported. This would help dig out the root cause…income, drink, etc.
- Need more privacy in housing areas. Company needs to monitor number of dependents on a month basis.

9.3. Women Focus Group

Why work in company?
- Income for daily living
- Free: housing, lights, water, clinic

Decent living wage?
- Families earning S$ 200-500.
- Wage is insufficient – stuck as need to earn to live but “if we can earn enough, want to go home”.
- Most of workers are women, the bulk with fathers that do not work. About half of the total are single mothers (and the bulk of this teen mothers). A smaller proportion are housewives.
- Need to have better control/monitoring of compounds. Number of dependents, visitors, etc.
- Basic expenses:
  - S$ 110 rice 10 kg bag (1 wk for 2 pax; 3 days for 7 pax)
  - S$ 850/year school fees
  - S$ 15/day/child school transport and food allowance
  - S$ 20-50/fortnight household expenses
  - S$ 70/whole chicken
- Making ends meet – need additional income!
  - Market space – selling doughnuts, pack lunches, ice blocks, betel nuts, garden produce, smokes
  - Illegal – homebrew
  - Men – homebrew and marijuana (grown in gardens)

Building the young
- Government school is 1 hour walk from compound.
Stepwise Support Programme
1 Advisory 2 Training 3 Assurance

- Most primary going kids do not go to school (not enough money, cannot afford transport, unsafe for children).
- Teenage kids dropping out – again lack of cash.

Housing
- For section leaders & laborers – one room is for 1 family and their dependents.
- No space for storage, family, children and too demeaning.
- Lack of privacy.
- Blocks should be segregated. Families (young ladies) and single men.
- Power points need to be provided.

Rise of domestic violence
- Causes? What is common:
  - Men frustrated not getting money from women for booze, etc.
  - Men drunk and women try to stop men.
- Where do women go?
  - Relatives, neighbors or wantoks.
  - Station Chiefs
  - Pastor or church elders
  - Police
  - Boss – but fear men will divorce them; men might lose their jobs; loss of income.
- How can we improve?
  - More community activities
    - Increase church presence and activities
    - Increase women-group activities
  - Improve workers union
    - Not active – but no money to join – not proven effective in improving conditions for workers
    - Some workers afraid to raise issues with management
  - Improved security
    - Police need to patrol at night; check compounds regularly.
    - Management need to check compounds or better control over access.
  - Improved housing
    - Increase number of buildings
- Small rooms lack privacy and disturb others
- Separate families & singles.

**Improving the community**

- Church
  - All feel strongly that they need a dedicated church building. Can be common for all the diff church groups.
  - Church activities they feel can be “calming” influence in the community.
  - Women can seek comfort from the church and counseling.
- Recreation
  - More sports – less opportunity for men to drink!
  - Better recreational facilities.
- Medical
  - Emergency vehicle for clinic cases

**Priority areas? Women voted.**

- 1 - Salary
  - Improve salary rates or
  - Increase “benefits” to reduce cost of living
- 2 - Church
  - Common building
  - Increase church activities
- 3 - School
  - School on site (primary) or provide transport for kids to school.
  - Subsidize children education – emphasis on teenage kids?

**9.4. Land Owners Focus Group meeting**

**Share of the company**

- “It is our own”: Land owners feel a sense of ownership of the company and productivity as they know it impacts on their income (royalty, investment fund and rent).
- “us, need to look after workers”: they see a connection between worker’s “happiness” and the productivity of the estate.

**The Plantation**
• Pollution
  o Fish dying! Landowner had complained on 28th Jan 2009
  o Compensation agreed and agreed on creating new bore hole.
  o Currently waiting for completion of this.

• Housing
  o Issue always raised. Last time in May. Company agreed to expand (eg Okea) and to expand/improve housing at Ngalimbiu.
  o Communication of this and other actions could be improved.

• Employment
  o Locals have opportunity as Supervisors in the company.

• Grievance
  o Issues are taken to the Union or to the Community Liason officer, possibly because he is easily accessible and is familiar to most.
  o Common issues: unfair dismissal.

Problems arising from the mining operations

• Current operation in Matepona but some prospecting activities going on down stream and other rivers.
• See rivers “drying up” from sedimentation and find new kind of ‘sand” from the mining operation.
• Water is not tested, many now using bore holes for safety.

9.5. Women Group Secretary & Clinic (Ngalimbiu) Focus Group

Understanding complaints of workers

• High number of single mothers and dependents. Lost of husband and limited income opportunities on other provinces.
• Unfair treatments by supervisors; hired as casual workers and no job security; job not meets expectation (income).
• Cultural melting pot: lack of control by family – close proximity of men and single women (high rate of STI, HIV?); tension caused by drinking or abuse; loss of partner to other women (often causes big fights). Some fields are known as “meet meet blocks” for illicit affairs.
• Small housing; no privacy; mixture of family and singles.
• Lack of recreation activities; church/community building activities.
• Pay – piece rated vs daily wage. Income levels were better with old company.
• Poor security presence: not good security; known to drink on job; not trained.
Improving health delivery

- Need to improve budget for health services, currently servicing more community members, dependents and workers. *Need for control of station population.*
- Improve manpower, medication (anti biotics) and equipment (needles).
- Provide 24 hour security for all clinics – windows broken, no security, complained but not attended to.
- Create a medical committee (sisters, province leaders, VMO, welfare officer, etc) that can oversee medical improvements and improving health monitoring, health awareness, and occupational safety and health.

Medical Procedures

- Patient Registered – Patient card (adult and child)
- Diagnosis Nurse decides
  - treatment
  - need for referral
  - recordings for monitoring purposes (internal and government)
- Treatment nurse administers and prescribes drugs
- Sick chit (if required) goes to Patient
- Patient sends chit to office, returns to work or goes home.
- Monitoring
  - Patient card
  - Tally Sheet
  - Monthly Summary – for all estates – sent to GM

Note: Good system established. Reporting should be adapted to allow better monitoring of (a) problems by job types (sprayers, mill, etc); ease of reporting (by using visual summary – tally by area of medical treatment). Managers should take note of occupational risks and public health risks and should show evidence that summary has been seen and action taken. Copies of which should be circulated to GM.

Women Group

- Not estate based, committee of 10 women (personnel officer, women reps of the different provincial groups)
Meetings are minuted; meets every 2 months.

Current activities focused on domestic violence. 3 ladies being trained as councilors. Committee just started.

9.6. Management Focus Group

Understanding of Occupational Risks

- **Thorns, Malaria, Pneumonia** and **Aches** are known health problems (this is supported by clinic monitoring information).
- What do Managers think of ... Group was asked what they thought contributed to the high number of **Pneumonia** cases?
  - Answers from Managers: Being out in the rains; cold showers in the evening; smoking; gambling late at night; lack of rest.
  - Answer from Clinic: lack of anti-biotics; lack of early tratement.
  - Note: Web search of pneumonia - [http://www.ehealthmd.com/library/pneumonia/PNM_causes.html](http://www.ehealthmd.com/library/pneumonia/PNM_causes.html) - says that pneumonia is caused by viruses and bacteria. It is also highly contagious. Managers are not be medically trained and medical advice should be sought for interpreting the medical monitoring information and investigation by a trained medical officer. Recommendations should be noted by Managers and followed up.

- Management does take note of the common problems but lack of follow through was agreed as the reason for not sustaining efforts (e.g. Malaria team which started in Tertere but has not rolled out to other estates).
- Agreed responsibility needs to lie with Manager but best if supported by a **Visiting Medical Officer** and fulltime **Welfare Officer**, both reporting to Manager of the estate.
- Attempts should be made to clearly identify health issues which are occupational health related (and modifications to work processes required), or public health (immediate follow up and reporting necessary) and health trends (for improvements).

Understanding of Community Security

- Alcohol (abuse) was identified as one of the key issues in the community.
- Possible strategy discussed:
  - Increase church and welfare activities to create a more caring community.
  - Strict management policy and enforcements.
    - No public drinking tolerated on company property. Areas clearly demarcated.
    - No one on company property to cause public disturbances or safety (noisy, threatening, etc).
    - No tolerance of damages to company property or violation of any employee.
  - Enforce through:
Stepwise Support Programme

 Advisory  Training  Assurance

- Community reporting. Need to raise awareness that reports can be made via Province leaders, security, police, or management following a similar process to the grievance procedure. Strict confidentiality must be assured and Anonymous reports will be allowed (especially for fear of retribution).

- Direct enforcement by security and management.
  - Improvements to local security
    - Lack of trust for current security staff. Many are locals, leave their guard posts, drink on the job, etc.
    - Security should be under the direct control of managers and that all hiring will need to be scrutinized by the GM. This is to ensure that staffing of the highest level of integrity is built. Security should be trained and monitored by professionals.

Understanding of the Housing Problems

- Current situation and thinking
  - Ideal is 1 worker per 7 ha – but currently working at about 3 ha per person.
  - Over supply but needed because turnout and productivity is low.
  - Puts stress on current housing.
  - Management will focus on rewarding the most productive workers which would create a natural consolidation of workforce towards those that are most productive.

- Problem though
  - Lack of control of “passengers” which puts more stress on the housing situation.
  - Number of “residents” are actually working outside of the company.
  - Number of the workers live in town and are transported in.

Note: Need to have an accurate census of compound; need to have control measures to monitor local population; need improve allocation and availability of housing – a minimum standard per family needs to be set.

10. Literature Review:


Sukot, S. (2008) People’s perspectives: Understanding the relationship between people and land in PNG and the struggle to maintain these important relationships. Issues Paper, AidWatch. (Bismarck Ramu Group presentation as the PNG NGO representative to AusAID’s Pacific Land Conference in Vanuatu, June 2008.)


CREDITS AND CITATION
Team Leader: Dr Reza Azmi
Project Advisor: Su Mei Toh
Research Assistants: Sharyn Suffian

11. Project Team

Wild Asia is a social enterprise working to promote concepts of sustainability through global standards, raising awareness, promoting education and developing practical implementation models. Wild Asia has worked exclusively in Asia and have built up a wide experience base in dealing with the complexities and challenges of promoting sustainability in this part of the world. Wild Asia has experience in forestry, tourism, and agriculture sectors. The core sustainability programmes that Wild Asia currently runs include the Responsible Tourism Initiative, Sustainable Agriculture Initiative, and the Natural Corridor Initiative.

Dr Reza Azmi is the founder and Executive Director of Wild Asia, a Malaysian-based conservation initiative. Reza developed his audit experience from certification assessments using FSC and MTCC Principles & Criteria for forestry and RSPO Principles & Criteria for oil palm. An individual member of RSPO, Reza was among the early external experts to be involved in assessing Malaysian plantations against the RSPO P&Cs.

Reza has over 14 years experience in issues relating to biodiversity conservation. Apart from botanical and wildlife surveys, he has led several multi-disciplinary teams conducting HCVF assessments for both forest concessionaires and oil palm plantations. Reza currently sits on the technical committee for the Global HCV Network and leads an initiative, within Wild Asia, to explore ways in which biodiversity conservation can be effectively factored into the oil palm plantation landscape.

Su Mei Toh – Su Mei is a natural resource biologist trained in environmental and development studies. Her auditing experience focuses on social aspects of certification systems using the FSC and MTCC P&C for forestry, and the RSPO P&C for oil palm. In addition, she has been involved in social assessments in Malaysia as part of HCVF studies for both oil palm and forestry sectors, with clients ranging from corporations, government departments and NGOs.

As a conservationist specializing in social and environmental aspects of development, she is also familiar with land and resource tenure issues where it concerns local and indigenous communities in Malaysia. She has written an analysis of the impact of FSC certification on an affected indigenous community in a forest concession in Malaysia for her Masters thesis (School of Development Studies, University of East Anglia, 2004); and has also researched and co-wrote an FAO case study on the role of forestry and land tenure in poverty alleviation in Sabah’s rural communities.

Sharyn Shufiyan - Sharyn obtained her Diploma in Advertising from Taylor’s College in Malaysia then pursued her Bachelor of Arts majoring in Media Studies and Anthropology at Victoria University in Wellington, New Zealand. Passion for the environment and social work landed her a Research Assistant position with Wild Asia, with whom she has been working for since January 2009.