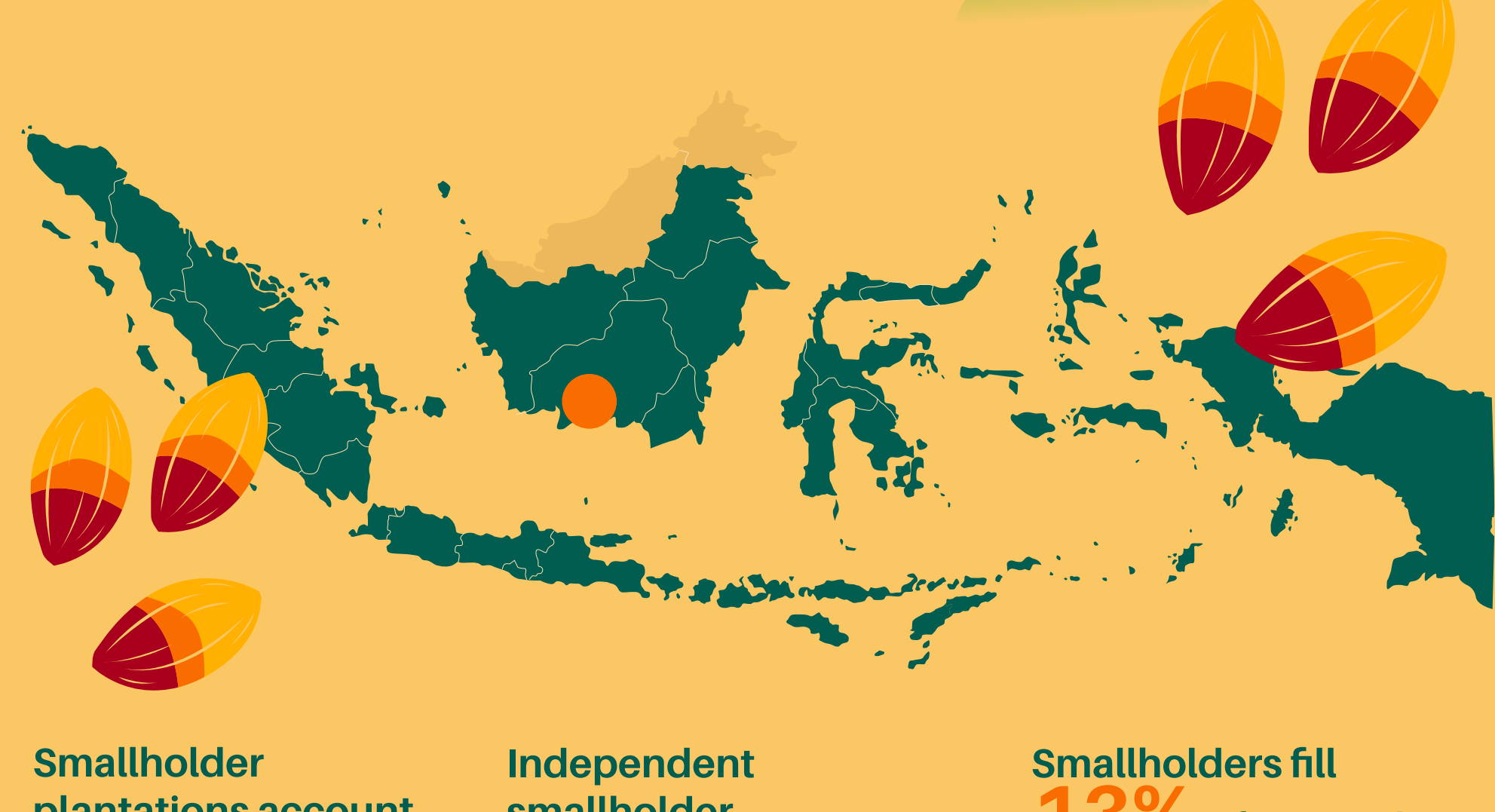


Independent oil palm smallholders are not homogeneous groups

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Smallholder plantations account for **41%** of Indonesia's oil palm plantation
2.7 million farmers

Independent smallholder plantations account for **15.8%** of oil palm plantations in Kotawaringin Barat district, Central Kalimantan

Smallholders fill **13%** of gap in the fresh fruit bunch supplies of processing industries in Kotawaringin district

Challenges:

Low productivity

Lack of skill in good agriculture practices

Lack of compliance with sustainability standard

Lack of access to information, fair price and financial support

Understanding a group's specific characteristics, potentials, challenges, and responses helps reach the right targets for intervention and upgrading of sustainability practices.

A typology: Six groups of independent smallholders



Migrant Worker

Share of farmer groups: **17.7%**
Share of area: **13%**
Size of plots: **3-15 ha**

Migrants from Java, Sumatera and Nusa Tenggara Islands work in oil palm plantation companies. They manage mostly oil palm plots, certified as Surat Keterangan Tanah (SKT) land title, located in the same subdistrict as their residence. Most have bought land from local residents, and hire workers to manage the plantation.

Early Adopter

Share of farmer groups: **19.5%**
Share of area: **15%**
Size of plots: **3-15 ha**

Native Dayak and Malay tribes, including a few second-generation Javanese migrant families who pioneered establishment of oil palm plantation plots on their own farmlands. They acquired land from inheritance, purchases, and grants from the government. The plots are prepared from the clearing of secondary forest and agricultural land, which are partly on peat lands. About 38% of the plots are already certified as Surat Hak Milik (SHM) land title. The group and family members mostly manage the plantation and hire workers to help harvest fresh fruit bunches.





Entrepreneur


Share of farmer groups: **12.8%**
Share of area: **37%**
Size of plots: More than **50 ha**


Various ethnic groups, both native and migrant, live scattered in the village close to the plots and outside Central Kalimantan province. The group's plantations are mostly administered by local managers. Outside workers receive either lump sum or piecemeal payments. More than half of the plantation plots are certified as SHM. About half of the land for plantations comes from forest conversion; some plantations are built on peat lands, while the rest are built on open land.

Local Elite

Share of farmer groups: **15.6%**
Share of area: **20%**
Size of plots: **15-50 ha**

The group comprises influential figures who are strongly connected to the plantation land and the people living around it. They are local and migrant figures who have lived in the area for a long time. Most elite farmers are not part of village farmer groups, but 20% of the sampled elite lead farmer groups. They are highly educated, working mostly as civil servants. They have their own businesses, and some became bosses in fresh fruit bunch trade chains. They acquired land from purchases and government grants, and established palm plantations by clearing forests. Some of the plantations lie on peatlands. The land is certified as SKT land title.





Subsistence Farmer


Share of farmer groups: **11.7%**
Share of area: **5%**
Size of plots: **3-15 ha (30%)**

The group comprises farmers originating from and residing close to their oil palm plantation plots. Most of them are members of farmer groups and manage oil palm plots themselves, when they were not working on farm lands. They acquired lands from inheritance and government grants, and established oil palm crops by converting agriculture and rubber plantations (three-quarters) or developing on bare land (one-third).

Migrant Farmer

Share of farmer groups: **22.7%**
Share of area: **15%**
Size of plots: **60%** of this group owns **3-15 ha** of land; the rest own less than **3 ha**

The group comprises farmers from outside the province as part of transmigration programs or spontaneous migration. Most farmers live in the same village as their oil palm plantation plots. They are mostly not part of village farmer groups and manage the plots by themselves. They acquired lands from purchases, and then cleared forests and established oil palm plantations. In contrast to subsistence farmers, this group also establishes rubber plantations and agricultural crops to diversify income and reduce full dependence on oil palm.



Typology construction

Forest, palm oil plantations and other types of land cover account for 51.8%, 21.5% and 26.7% of Kotawaringin Barat district land, respectively. Palm oil plantations comprise those managed by companies (18.1%) and smallholders (3.4%). Typologies are based on sampled plantation areas of 2,902 ha taken from 7% of the district's total smallholder plantation areas. This amounts to 42,770 ha. There are 349 surveyed plots (defined as a compact oil palm plantation area owned by a smallholder) involving 308 households.

A multivariate analysis with two-step clustering is used to build smallholder typologies and group them using log-likelihood function and Euclidean distance formula. It assesses relationships between structural variables (resources, assets) and functional variables (livelihoods, social).

Source

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