ASLI: ALIANSI SAWIT LESTARI INDONESIA
(Alliance for Sustainable Palm Oil)

CHALLENGE
Indonesia’s oil palm industry represents both a significant threat and a significant opportunity to the realization of Indonesia’s development objectives to reduce social gaps and to balance the use, availability, and sustainability of natural resources and the environment.

Indonesia’s oil palm sector expanded from 1.34 million hectares to 11.3 million hectares under production between 1990 and 2015. This expansion has been linked to positive impacts on smallholder incomes, growth in national economic output, as well as adding value in other sectors of the economy. However, the expansion of the sector has also been a driver of high deforestation rates and peatland degradation across the archipelago. It is critical that palm oil production in Indonesia remains economically and environmentally sustainable to ensure its long-term future.

INITIATIVE
ASLI (Aliansi Sawit Lestari Indonesia) is a strategic partnership between USAID, Winrock International, and Perkumpulan Sawit Lestari. ASLI seeks to strengthen initiatives that address the link between deforestation and the palm oil industry. ASLI also supports USAID/Indonesia’s Signature Effort, approved by the Development Lab in December 2014, to integrate innovative partnerships and business models to address climate change mitigation challenges. ASLI advances efforts to mitigate the impacts of climate change from deforestation in Indonesia as a result of land clearing for palm oil production through direct engagement with the private sector, the Indonesian Chamber of Commerce and Industry, civil society organizations, the Government of Indonesia and other key stakeholders.

OUTCOMES
ASLI is working to achieve three key outcomes:

- Enhanced technical research to support policy and regulatory reform.
- Sustainability-related smallholder characteristics defined and needs assessed.
- Framework for monitoring and reporting progress toward zero deforestation efforts.
PROGRESS

Enhanced technical research on policy and regulatory reform
ASLI has created a roster of environmental and ecological specialists with expertise on High Conservation Values (HCV) and Ecosystem Essential Areas (Kawasan Ekosistem Esensial). This group of experts is developing academic papers to feed into a White Paper addressing policy and regulatory reform, including Law No. 5/1990 on Biodiversity and Ecosystem Conservation.

Defining smallholder characteristics on sustainability
ASLI has facilitated a series of meetings under the #SahabatPetaniSawit campaign, on topics including the creation of a smallholder database, Indonesian Sustainable Palm Oil (ISPO) strengthening, and improving smallholder readiness to align with zero deforestation and sustainability policies. ASLI is also actively engaged on sustainability issues at the international level through participation in Roundtable on Sustainable Palm Oil (RSPO) meetings. ASLI is also supporting an initiative called Lingkar Temu Lestari (Roundtable on Sustainability Forum) led by PSL and SPKS, at the district-level. This initiative engages District Heads in sustainability and smallholder characterization work.

Developing a framework for monitoring & reporting
ASLI has developed a set of tier-one Key Performance Indicators (KPIs). The updated tier-one KPIs are the result of several consultative meetings initiated by the Coordinating Ministry for Economy involving NGOs in strengthening ISPO. ASLI has also developed a complete draft of the overall tiered KPI framework, which includes a set of principles, criteria, indicators and guidelines as well as checklists and standardized measurement methods. ASLI will present the draft of the tiered KPI framework at six consultation meetings in 2017.