JDE Peet's — Supporting the protection of the forests of Bukit Barisan Selatan (BBS) National Park and improving farmer livelihoods

The Bukit Barisan Selatan Sustainable Commodities Partnership (BBS KEKAL) is facilitated and implemented by Wildlife Conservation Society (WCS) in collaboration with JDE, Nestlé, coffee suppliers, the Indonesian government, communities and civil society. The partnership supports the BBS National Park Authority in protecting the forests of the Bukit Barisan Selatan National Park and improving farmers' livelihoods in the wider landscape in Southern Sumatra, Indonesia.
The objectives of the project are to:

- **Engage 2,000 farmers in villages adjacent to the national park to transition producing deforestation-free coffee**
- **Avoid 20,000 hectares (ha) of deforestation in the park as compared to business as usual**
- **Restore 2,500 ha of degraded forests**

The impetus

The forests and unique biodiversity of Sumatra's Bukit Barisan Selatan National Park are threatened by agricultural conversion. The national park forms part of a UNESCO World Heritage Site and provides an important habitat for threatened species, including the Sumatran tiger, rhino and elephant. It also stores an estimated 45 million metric tons of carbon. Deforestation is occurring in part because Indonesia's largest coffee producing region borders the national park area. In an attempt to earn a living, smallholder farmers have been expanding their production into the national park's territory, which threatens the integrity of the park's ecosystem and critical habitat of the key species. Continued deforestation will reduce farm productivity, threaten farmer incomes and expose coffee buyers to major reputational and supply chain risks. Already, it is estimated that companies who source from the region have traded 25,000 megatons (MT) of coffee beans from over 34,000 ha of illegal encroachment areas.

The solution

In response to these challenges, the BBS KEKAL project adopted a landscape approach that includes supporting forest and biodiversity conservation, addressing coffee-driven deforestation and improving the productivity, profitability and resilience of smallholder coffee farming in the area.

The first part of the initiative involved working with farmers to implement sustainable agricultural practices. These included training on Good Agriculture Practices (GAP) including composting, pruning and grafting, weed and pest control, soil management and harvest and post-harvest practices. Farmers were also introduced to the use of shade trees in coffee production and to forest and wildlife conservation. The project developed a training manual to disseminate to farmer groups, and training was delivered in line with the seasonal agricultural calendar.

Farmers in the program saw their coffee bean yield increase between 20% and 80% in the first two years of the project from these measures alone, demonstrating clearly that expanding farms is not the only route to increasing yield. They could then sell their coffee through partners' supplier networks, if both farmers and suppliers were registered in company sourcing areas and if suppliers complied with the project's Codes of Conduct.

Besides training farmers, the project has sought to help them diversify their income to reduce their dependence on coffee. BBS KEKAL partners identified suitable additional income sources like livestock, sugar palm, cinnamon and pepper, and helped farmers access Indonesian Government support for diversification.

To sustain the project in the longer term, the partners are also engaging with provincial and district governments to formulate strategies to address deforestation and support farmers growing deforestation-free coffee.

This engagement includes facilitating leadership training for officials, raising awareness of ecosystem restoration work at government meetings and approaching government agencies to integrate conservation objectives into their development strategies.

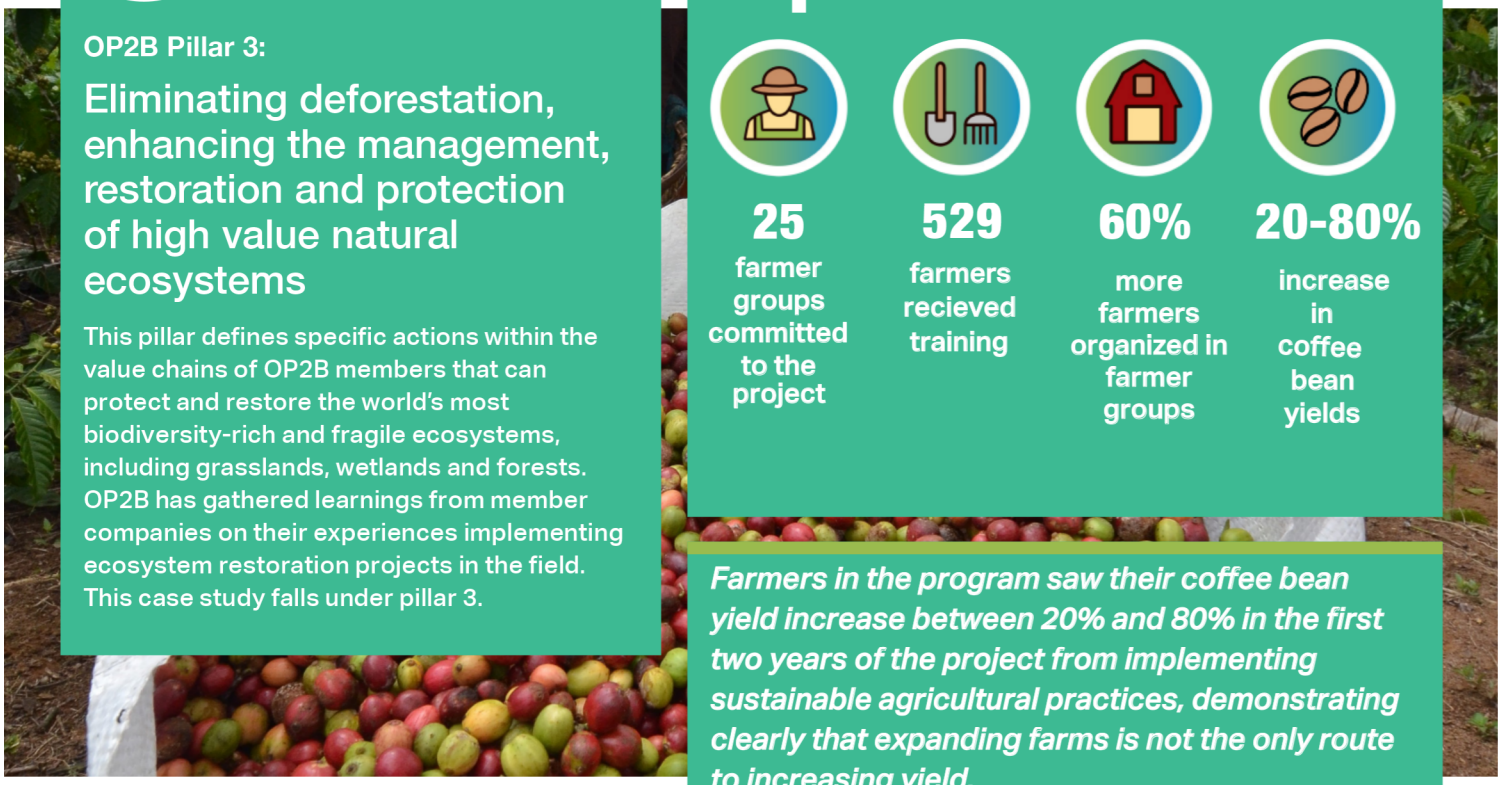
To monitor and collect impact data, BBS KEKAL uses the Olam Farmer Information System (OFIS), a dedicated digital platform created for the project. WCS is also developing a satellite Forest Monitoring System, which will support the project to identify and respond to deforestation alerts and monitor landscape progress over time.

Three key learnings

1. **The value of landscape approaches:** Why should a coffee company care about pepper farmers? Pepper farmers can also become coffee farmers. By working at a landscape level rather than focusing on a single commodity, the project can help farmers diversify their income through access to supply chains other than coffee. Getting local governments' seal of approval boosts suppliers' confidence in the quality and sustainability of coffee and other crops. Ultimately, helping farmers earn more through sustainable production and diversification addresses a deforestation risk and is good for the biodiversity of the whole landscape.
2. **Data convinces suppliers:** Increasing the quality and yield of coffee benefits farmers only if suppliers are willing to buy their product. Convincing suppliers to buy from diverse or new locations is critical and takes time. JDE has learned that utilizing data about farmer activities and forest monitoring is instrumental to reassure and convince suppliers to participate.
3. **Importance of collaboration with local governments:** In order to convince suppliers and ensure sustainability of the project, buy-in is needed from local governments. Local governments and agencies can adopt data tools to monitor and verify deforestation, and they can enforce anti-deforestation laws locally. Government endorsement can help boost suppliers' confidence about sourcing areas.

What's next?

JDE is a company that cares about the future of coffee and understands the positive impacts of a resilient coffee market on their business as well as the environment. In order for coffee farm restoration to happen at a larger scale, more projects like BBS KEKAL need to be financed. Through the Common Grounds program, JDE is actively supporting more than 40 projects globally and participates in the IDH Farmfit Fund to scale up investment into smallholder farming.



OP2B Pillar 3:

Eliminating deforestation, enhancing the management, restoration and protection of high value natural ecosystems

This pillar defines specific actions within the value chains of OP2B members that can protect and restore the world's most biodiversity-rich and fragile ecosystems, including grasslands, wetlands and forests. OP2B has gathered learnings from member companies on their experiences implementing ecosystem restoration projects in the field. This case study falls under pillar 3.

Impacts as of June 2021

25 farmer groups committed to the project

529 farmers recieved training

60% more farmers organized in farmer groups

20-80% increase in coffee bean yields

Farmers in the program saw their coffee bean yield increase between 20% and 80% in the first two years of the project from implementing sustainable agricultural practices, demonstrating clearly that expanding farms is not the only route to increasing yield.

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