



International
Labour
Organization

▶ Advancing Workers' Rights in Indonesia's Palm Oil Sector



DONOR

The United States Department of State-
Bureau of Democracy, Human Rights and
Labour (USDOS-DRL)



DURATION

2 years (7 September 2019 – 27 August
2021)



COVERAGE

National, North Sumatra Province, South
Sumatra Province, West Kalimantan
Province



FOCUS

To ensure that Indonesian unions in the
palm oil supply chain are better equipped
to effectively represent and advocate for
their members, promoting their access to
fundamental workers' rights, in particular
freedom of association and collective bar-
gaining, and contributing to sound indus-
trial relations.



BENEFI-
CIARIES/
PARTNERS

- Ministry of Manpower
- Ministry of Agriculture
- Coordinating Ministry of Economic
Affairs
- Trade Union Confederations and
Federations
- Indonesia Trade Union Networks in
Palm Oil
- Indonesian Employers' Association
(APINDO)
- Indonesian Palm Oil Association (GAPKI)



CONTACT

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The project's objective is to ensure that Indonesian unions in the palm oil supply chain effectively advocate for their members' access to fundamental workers' rights, in particular freedom of association and collective bargaining. This initiative builds on the ongoing ILO work in Indonesia's palm oil sector and aims to help to improve workers' access to labour rights (and better quality jobs), contributing to improved compliance, through strengthened capacity of enterprises to implement core labour standards and national labour laws, and to expanded rule of law at both national and local levels. It will do so by inter alia promoting social dialogue and strengthening the capacity of unions to effectively engage in it with employers and government and advocate for their members; supporting the strengthening and enforcement of national legislation on labour issues and collecting and disseminating knowledge on employment and labour issues in the palm oil supply chain.

The proposed project will therefore help to improve workers' access to labour rights – and, correspondingly, to better-quality jobs, contributing to improved compliance, through strengthened capacity of enterprises to implement core international labour

standards and national labour laws, and to expanded rule of law at both national and local levels. It will do so by inter alia facilitating social dialogue at the national and provincial/local levels; strengthening the capacity of labour unions to effectively engage in dialogue with the employers and government and advocate for their members; supporting the strengthening and enforcement of national legislation on labour issues and collecting and disseminating knowledge on employment and labour issues in the palm oil supply chain. In addition to plantations, the project will be targeting crude palm oil (CPO) factories, oleo chemical factories, as well as selected food and beverage industry actors which use palm oil as one of the main ingredients.

The project will build on the ongoing Dutch-funded ILO initiative on the promotion of decent work in the palm oil sector, which covers the period of March 2017-June 2019. This ongoing project follows a two-pronged strategy, which distinguishes between the “institutional development” component and the “direct support” component. The former aims at advancing the functioning of the rural labour market by strengthening the capacity of government and all relevant stakeholders to address decent work deficits facing the rural economy.

The latter focuses on the implementation of integrated measures to promote productive employment at the enterprise/plantation level. It includes targeted action to tackle specific problems faced by enterprises/ plantations, as well as smallholders engaged in the palm oil sector, with particular attention being paid to youth and women. The proposed project will follow the same two-pronged strategy, which would combine upstream and downstream level work. This approach will help ensure long-term sustainability of the interventions, while enabling the project to demonstrate concrete achievements on the ground. National level activities will be implemented in Jakarta. Activities at the provincial and local level will be implemented in Sumatra (North and South) and West Kalimantan.

► Project Strategy

The proposed project results will be achieved through the activities described under the respective outcomes and outputs, as follows:

Outcome 1. In-depth knowledge is generated about opportunities and challenges for the promotion of freedom of association and collective bargaining and effective social dialogue in the sector

Interventions under this Outcome will support the tripartite constituents of Indonesia in identifying gaps in the implementation of core international labour standards and national legislation concerning in particular the right to freedom of association and collective bargaining, and developing strategies to address these gaps.

Output 1.1. Studies on opportunities and challenges for the promotion of freedom of association and collective bargaining in the



sub-sectors of the palm oil supply chain conducted; and, a strategy/strategies to advance this fundamental right developed.

Activity 1.1.1. Conduct a study on freedom of association and collective bargaining in the subsectors of the palm oil supply chain

Activity 1.1.2. Develop a compilation of good practices on the promotion of labour rights in the palm oil sector

Activity 1.1.1 will provide the underpinning of the project strategy. Output 1.2. Tools to strengthen the ILO tripartite constituents’ capacity to address challenges for the promotion of core international labour standards, in particular freedom of association and collective bargaining, and effective social dialogue, are developed/adapted to the needs and realities of the sector(s)

Activity 1.2.1. Develop/ adapt a training tool consisting of modules on fundamental principle and rights at work with a particular focus on freedom of association and collective bargaining

Activity 1.2.2. Organize an academy on fundamental principle and rights at work, with a focus on freedom of association and collective bargaining, and fair recruitment in the agro-food (plantations) sector

Outcome 2. National-level coordination and engagement among trade unions in the palm oil supply chain and their capacity to advocate for their members is strengthened through the effective functioning of the national union network

This Outcome will support efforts aimed at strengthening unions’ capacity at the national level to operate and advocate for their members. The proposed project will expand and build upon the ILO’s ongoing partnerships with the unions, the employers’ organizations, and civil society organizations on institutional capacity building and the extension of services including counselling, training, and organizing workers in the palm oil sector. In addition to four confederations and 10 federations affiliated with them, the ILO has been partnering with the CNV Internationaal – the Dutch National Confederation of Christian Trade Unions and the sectoral employers’ association



GAPKI. Under the proposed project, the ILO will identify additional partners among civil society organizations.

Output 2.1. Outreach materials and training curriculum produced

Activity 2.1.1. Develop specific outreach and information, education and communication materials on the rights of plantation and other workers in the palm oil supply chain and disseminated them through the union network.

Activity 2.1.2. Develop needsbased training and education programmes for trainers from federations/confederations and deliver them jointly with federations/ confederations participating in the network

Output 2.2. Effective functioning of the national palm oil union network is supported to ensure coordination and engagement among unions.

Activity 2.2.1. Organize meetings of the national palm oil union network organized at least biannually and provide support (technical and organizational) in coordination of the network

Outcome 3. At the enterprise/local level, labour unions and workers in the sectors/sub-sectors of the palm oil supply chain, in particular plantation workers, have better capacity to advocate for and access their rights

This Outcome will focus on improving the unions' capacity at the provincial/enterprise/local level to meaningfully participate in social dialogue and advocate for their members and to improve outreach, organization and collective action.

Output 3.1. Unions are supported in enabling improved access for workers in the sector to training, knowledge and information about labour laws and other relevant employment and labour issues.

Activity 3.1.1 Adapt training and education courses to local needs and realities

Activity 3.1.2 Provide support (technical, coaching, accompaniment) in the organization and holding of training and education courses,

to be delivered by the representatives of federations/ confederations who received training at the national level as part of the project.

Output 3.2. Unions trained with the view to better organize workers and to engage in collective bargaining.

Activity 3.2.1.Support local unions in organizing outreach campaigns, routine meetings, events, and organizing at plantation and factory level

Activity 3.2.2 Support local unions in holding negotiation meetings and being involved in bipartite dialogue at plantation and factory level

Outcome 4. Sound industrial relations are facilitated through strengthened capacity of the tripartite constituents to participate meaningfully in social dialogue.

Output 4.1. Social dialogues at national and regional levels focusing on the palm oil supply chain held.

Activity 4.1.1. Organize a series of bipartite and tripartite dialogue forums and meetings, both at national and regional levels, on labour issues in the palm oil sector, with a particular focus on fundamental principles and rights at work, including industrial dispute settlement, as well as other issues such as employment status, working time and resting time, fair recruitment practices, gender issues, etc.

Output 4.2. Needs-based training programmes designed and implemented to build the capacity of the employers, and government institutions as appropriate, to effectively participate in social dialogue processes.

Activity 4.2.1. Develop training and education courses for employers and their organizations on labour standards, social dialogue and fair recruitment practices as well as an individual enterprise assessment tool

Activity 4.2.2. Deliver training courses for employers

Activity 4.2.3. Provide technical support for the development of a strategic approach to monitoring workplace compliance, including through labour inspection

Activity 4.2.4 Organize training workshops on various employment and labour issues, including fundamental principles and rights at work, contract and /or casual labourers for labour offices and other government departments, as appropriate.



► Project Beneficiaries

The ultimate beneficiaries of the project are workers, both men and women, in permanent as well as nonstandard forms of employment (i.e. casual, daily, etc.) across the palm oil supply chain in Indonesia, including plantations and small-scale producers and smallholder farmers engaged in contract arrangements with plantations managed by companies. The project envisages reaching at least 10,000 workers in the palm oil supply chain. Special attention will be dedicated to the improvement of working conditions of women on plantations who, despite being integral to plantation labour, are often underrepresented in worker organizations and decision-making processes. The project will strive to ensure a 50 per cent target for participation of women.

The direct beneficiaries of the project are the trade unions, federations and confederations representing workers across the palm oil supply chain, employers' associations and policymakers and staff from national and local institutions, among them various government ministries and technical departments.

The identified local partners for the implementation of this project are workers' and employers' organizations in the palm oil supply chain. In particular, these are the federations and confederations that form the Indonesian Palm Oil Trade Union Network, which has been established with the support of the previous ILO project targeting the palm oil sector. On the employers' side, the project will work closely with the GAPKI representing employers in the palm oil sector, and APINDO which has been a key partner in the implementation of the current ILO project.