Challenges to Implementing Socially-Sustainable Community Development in Oil Palm and Forestry Operations in Indonesia

Stephany I Pasaribu *, Frank Vanclay and Yongjun Zhao

Faculty of Spatial Sciences, University of Groningen, 9747 AD Groningen, The Netherlands;
frank.vanclay@rug.nl (F.V.); yongjun.zhao@rug.nl (Y.Z.)
* Correspondence: s.i.pasaribu@rug.nl or benedictastephanie@gmail.com

check for updates

Abstract: Through the lenses of community development and social licence to operate, we consider the complex relationships between local communities and forest plantation and oil palm companies. We examine the practical challenges in implementing socially-sustainable community development (SSCD) by analyzing two corporate social investment community development projects located in West Kalimantan, Indonesia: *Desa Makmur Peduli Api* (integrated fire management) and *Pertanian Ekologi Terpadu* (ecological farming). Our study scrutinized: (i) What were the practice challenges faced by the companies in establishing SSCD?; Along with (ii) what should be done to improve how SSCD is undertaken, especially in Indonesia? We identified five challenges: (1) unresolved land conflict; (2) determining the right program; (3) building community capacity rather than providing irrelevant training; (4) a shortage of company field staff and government facilitators; and (5) managing community expectations. Better governance of SSCD will reduce conflict between affected communities and companies.

Keywords: sustainable development; social license to operate and grow; corporate social responsibility; strategic social investment; shared value; social sustainability

1. Introduction

Indonesia is experiencing increasing conversion of forest and swidden land to oil palm plantations. Indonesia is the world's biggest producer of palm oil, and palm oil is its most important export commodity at around 10% of total export earnings. In 2018, Indonesia's production of palm oil was around 38 million tonnes and the total area of oil palm plantations was over 14 million hectares [1]. Oil palm has attracted increasing interest from the Indonesian government because of its potential to boost economic development through state revenue and by providing employment, especially in rural areas [2,3]. Oil palm has contributed to growth in the local economy of villages by employing farmers, with over five million working on plantations in Indonesia, and a further 16 to 20 million engaged in the processing industry [4].

The expansion of oil palm in Indonesia is controversial, and is accused of being the primary cause of forest destruction, forest fires, biodiversity loss, and social conflict [5]. Conversely, oil palm brings benefits in terms of national revenue and regular income streams to the small and large landholders involved in its production [6]. However, over half of the oil palm plantations in Indonesia are developed by converting agricultural land, secondary forest, or marginal land [7,8], resulting in: reallocation of land and resources; extreme changes in vegetation and local ecosystems; resettlement of local communities; loss of traditional livelihoods; conflict between companies and local communities; and exploitative labor relations [9–11].

Industrial timber plantations are similarly controversial at global and national levels [12,13]. Some plantations are praised for their capacity to produce timber products while reducing pressure on natural forests, creating jobs that support rural development, and providing a range of ecosystem services, particularly when established on degraded lands requiring restoration [14–16]. However, many people are concerned with the negative social and environmental impacts, including social conflict related to land tenure, limited benefits to landowners, and deforestation [17].

There is growing awareness in civil society about the importance of issues like corporate social responsibility (CSR), environmental and social management, and sustainability [18,19]. Many companies undertaking large-scale resource extraction activities have sought to address the social and environmental impacts of their business activities on local communities, including in Indonesia [17]. This is typically done by implementing CSR policies and practices to enhance economic opportunities and manage risks to the company [20]. Key ideas that underpin CSR are that: companies should act responsibly towards affected communities and the environments in which they operate; they should not focus solely on creating value for the company but should benefit the community as well as the company; and companies need to obtain a social license to operate from local communities, in other words, acceptance if not approval of company operations [11,21]. Corporations are increasingly under pressure to be more open and accountable for their actions and to publicly report on their social and environmental performance, in particular regarding their engagement with host and neighboring communities [22–26]. Companies are increasingly playing a role as a development agent by fulfilling community needs through social programs, such as health and education projects [27–29].

A concept that emphasizes the instrumental role of business in addressing community concerns is 'shared value' [30]. Shared value is the alignment of CSR efforts with underlying corporate objectives to achieve better outcomes for company and community. In that way, a company can contribute to solving societal challenges while also gaining a social license to operate and greater profitability [31]. Thus, companies often contribute to community development (CD) through their CSR programs [32], usually motivated by the need to gain a social license from communities and improve their reputation and legitimacy, especially in the face of opposition and resistance from local communities [23,24,26]. Companies typically contribute to various social investment initiatives such as health care, education, economic welfare, infrastructure development, and environmental protection [20]. This practice is commonly called corporate social investment (CSI) [33]. However, CSI has been criticized for being paternalistic, context insensitive, corporate centric, and for not being development oriented [34–36], which is why Esteves and Vanclay [20] developed a Social Development Needs Analysis process that emphasized the needs of the community.

Despite these concerns, there is growing recognition of the need for companies to invest in communities in order to earn a social license [24,25,37–39]. Achieving a social license to operate and grow is essential for long-term business success, especially in those sectors with highly-visible business activities, long time horizons, high exposure to global markets, and/or with diverse stakeholders keen to influence practice, such as the resource-based industries, including forestry and mining [40–43]. A social license to operate is perhaps best understood as "the demands on and expectations for a business enterprise that emerge from neighborhoods, environmental groups, community members, and other elements of the surrounding civil society" [44] (p. 308). A social license is essential due to the need that oil palm plantations and forestry companies have for access to large amounts of land and resources owned by local communities, especially Indigenous peoples. Forestry and plantation companies need continuous strong community support for those industries to keep operating [45,46].

In spite of the increasing awareness of plantation and forestry companies about the importance of integrating social license thinking into their social practice [47,48], conflict and disputes between companies and communities continue to occur [49–53]. In 2018, 73% of land conflict in Indonesia occurred in the oil palm sector and 8% was in the forestry sector [54]. Land conflict affects economic, social, and environmental development, especially where law enforcement is weak and there are opportunities to benefit from illegal activities [55]. In conflict-ridden situations, communities become

unstable, insecure, and less cooperative. The affected community will experience social, physical, and emotional scars from the conflict, retarding its ability to engage in effective decision making, make long-term plans, or take initiatives. Conflict also limits the movement of people, goods, and services [56]. On Lombok, Indonesia, a major consequence of conflict over land tenure and forest boundaries was lack of investment in infrastructure on contested land. This limited the development of transport, impacting the education of children [57]. We believe that oil palm and forestry companies should implement grievance redress mechanisms and conflict resolution processes, as well as contribute to socially-sustainable community development (SSCD).

The purpose of this paper is to consider whether SSCD is possible and to discuss the challenges oil palm and forestry companies operating in Indonesia face when they attempt to undertake SSCD. We specifically examine what are the practice challenges in implementing SSCD faced by forest plantation and oil palm companies operating in Indonesia; and what should be done to improve the process of establishing SSCD. We argue that SSCD can be used by companies to build sustainable communities in conflict-affected settings. We also argue that, for a company to gain and maintain a social license to operate and grow, social problems, e.g., social conflict and conflict over land, must be resolved early on. This paper advances the application of SSCD in conflict contexts by identifying common challenges and lessons learned.

2. Issues Associated with Oil Palm and Industrial Timber Plantations

The rapid expansion of oil palm plantations has led to concern about the distribution of costs and benefits from these activities [17,58,59], especially the trade-off between conservation and development [60]. Oil palm has significantly contributed to Indonesia's economic development and has provided much employment. However, the rapid expansion [3,17] has created social conflict and environmental problems [61]. Previous studies suggest that oil palm production has had contradictory impacts. Rist et al. [17] assessed the impacts of oil palm development on the wellbeing of smallholder farmers in Kalimantan and Sumatra, Indonesia. They contrasted the apparent contradiction between the negative impacts of oil palm expansion against the support of rural communities for oil palm development, either as smallholder farmers or by selling their land to oil palm companies. They found that, in all locations, local communities expressed strong support for oil palm to be developed in their area. The communities, particularly women, longed for a regular source of income to secure better access to education, health, and daily necessities. Thus, some communities consider that oil palm is their best option to fulfil their development needs. However, many later find that there are unexpected impacts and significant externalities [17,62–64].

Academic research on the sustainability issues of oil palm has accelerated [65]. Studies about land conflict triggered by oil palm expansion indicate that most conflicts occur because of: a lack of transparency; the absence of free, prior, and informed consent (FPIC); unequal benefit sharing; and inconsistencies in law enforcement relating to recognition of and respect for the customary rights of Indigenous and local people [66,67]. Case studies tend to highlight the context of informal tenure, and the adverse impacts of oil palm plantations on the collective rights of communities to land and natural resources. There is limited knowledge by oil palm companies about how to contribute to the development of sustainable communities or how to deal with the challenges in implementing SSCD. The lack of research about community development in oil palm reflects a general trend that the company perspective has been insufficiently considered in academic literature [68].

3. Socially-Sustainable Community Development

Only limited research has considered how companies contribute to SSCD or the challenges they encounter in doing so. Brennan et al. [69] considered three factors: the community; stakeholder perceptions; and the resources themselves. Kemp [27] examined problems and possibilities of SSCD practices in mining, focusing on local-level practices and the contribution of the mining industry to poverty reduction and human development. A key feature of effective community development is the

level of engagement of the community in the processes of meeting their own needs and solving their own problems, while building social networks and increasing creativity. Key notions are self-help [70], community adaptive capacity, and resilience [71,72], and the community's ability to sustain and renew their own future trajectory [73,74].

Cavaye and Ross [75] argued that community development is key to building community resilience. Community resilience is "the existence, development, and engagement of community resources by community members to thrive in an environment characterized by change, uncertainty, unpredictability and surprise" [76] (p. 402). Community resilience can be built by improving community adaptive capacity while the community is anticipating or undergoing significant change [73,75]. It can also be built through the community development process [71,77,78]. Resilience thinking has highlighted the importance of the community's ability to embrace change, allow it to happen, and use it as an opportunity to create innovative adaptive strategies, rather than to control or avoid change, or try to return back to the pre-designated state or function [79,80].

There is a vast literature on SSCD. Egan [81] (p. 7) defined sustainable communities as communities that: "meet the diverse needs of existing and future residents, their children and other users, contribute to a high quality of life and provide opportunity and choice. They achieve this in ways that make effective use of natural resources, enhance the environment, promote social cohesion and inclusion, and strengthen economic prosperity". Roseland [82] (p. 97) reasons that the notion of SSCD grew out of the concept of community economic development, which is characterized as "a process by which communities can initiate and generate their own solutions to their common economic problems and thereby build long-term community capacity and foster the integration of economic, social, and environmental objectives". Roseland provided a definition of sustainable community that emphasizes quality of life and careful consideration for future generations as a fundamental goal:

"A Sustainable Community is a community that uses its resources to meet current needs while ensuring that adequate resources are available for future generations. A sustainable community seeks a better quality of life for all its residents while maintaining nature's ability to function over time by minimizing waste, preventing pollution, promoting efficiency, and developing local resources to revitalize the local economy. Decision making in a sustainable community stems from a rich civic life and shared information among community members. A sustainable community resembles a living system in which human, natural, and economic elements are interdependent and draw strength from each other" [82] (p. 99).

This definition is aligned with the notion of sustainability, "the need to ensure a better quality of life for all, now and into the future, in a just and equitable manner, while living within the limits of supporting ecosystems" [83] (p. 5). Agyeman [84] included a pivotal concept, justice, which many scholars consider as fundamental to creating a sustainable community. A company is expected to contribute to addressing societal problems, including low levels of education, material deprivation, vulnerability, exposure to risk, voicelessness, powerlessness, and any other issues that hinder the development and maintenance of human, economic, ecological, and social capital in local communities [85]. The successful implementation of stakeholder engagement in the governance of SSCD is contingent on the company's understanding of the rationale for participation by each stakeholder, and on whether or not the company is able to implement appropriate participatory structures and processes that will contribute to sustainable decision making [85].

Roseland [82] identified the important factors in the governance of SSCD: public participation, decision making, the role of local government, and planning for action. Roseland considered that direct public participation in decision-making process was important because it helps various actors with different interests to communicate better and reach a common understanding. Shared or collaborative decision making becomes essential for SSCD because it engages those who are not traditionally involved in decision making processes. Planning should be carried out together *with* stakeholders rather than *for* stakeholders.

4. Corporate Social Responsibility and the role of Business in Socially-Sustainable Community Development

Companies increasingly participate in societal governance, including through being a provider of social services, something that was often regarded as the role of government [86,87]. Companies have contributed to the resolution of societal problems and to development opportunities. Current thinking in CSR is based on the understanding that business and society are intertwined in ways that exceed a simple economic relationship [88]. This highlights the importance of companies acting responsibly in their operations [26]. For companies to continue to contribute to significant community outcomes into the future, they also need to ensure the long-term profitability of the company itself. Therefore, companies are increasingly encouraged to undertake strategic CSI to ensure that community issues are addressed while they also create value for their business unit [20].

Strategic CSI encompasses a company's social initiatives to address community issues, such as the lack of community facilities, education, or health care. Strategic CSI intends to achieve social development outcomes at the community level and to deal with big issues such as sustainable development and governance [89]. Strategic CSI can be defined as a company's "strategy for risk mitigation and in response to a desire to deliver—and to be seen to deliver—a 'net benefit' to communities that are affected by their operations" [33] (p. 338).

To be effective in implementing CSI, a company needs to assess three factors: (1) what sustainability means for local communities; (2) the true nature of the business drivers for the company's sustainability approach; and (3) the role of CSI in delivering such an approach [33]. CSI initiatives should be evaluated in terms of the business value they create in terms of: (i) improved access to land; (ii) enhanced risk minimization; (iii) cost reduction; (iv) potential to build human capital; and (v) enhanced reputation or social license to operate [33].

The concept of strategic CSI is similar to shared value, which is defined as "policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in communities in which it operates" [30] (p. 6). Porter and Kramer [30] argue that shared value should supersede CSR in guiding CSI. The underlying strategy is to integrate shared value into company profit maximization and competitive positioning, using the company's particular business, expertise, and/or resources to tackle societal problems.

5. Methodology

To understand how oil palm and forestry companies undertake SSCD and address the challenges faced, two corporate SSCD projects in West Kalimantan, Indonesia, were examined: *Desa Makmur Peduli Api* (integrated fire management, IFM), which was initiated by a large paper and pulp company; and *Pertanian Ekologi Terpadu* (ecological farming), which was implemented by a large oil palm company. These two projects were examined using a case study research methodology [90] between February and August 2018. This research involved analysis of key internal documents from each company, including their social and environmental policies, and operating procedures for topics such as FPIC, stakeholder engagement, grievance redress mechanisms, and social conflict. We also considered the public reports of external stakeholders.

The lead author (an Indonesian national) conducted in-depth interviews with key personnel from the community development, CSR, and sustainability departments of the two companies. She also interviewed staff who had community relations responsibilities. In addition, she interviewed representatives of non-government organizations (NGOs) and the Ministry of Forestry and Environment at the central and provincial government levels. A focus group discussion with representatives of local NGOs was conducted. Informed consent and other principles of ethical social research [91] were observed. However, signed consent sheets were not used because this would not have been culturally appropriate in Indonesia. A total of 12 in-depth interviews (in Bahasa Indonesian) were conducted in Jakarta, Central Kalimantan, and West Kalimantan. Permission was given for them to be recorded. The recordings were transcribed by the lead author and were analyzed using Atlas-Ti, a qualitative

data analysis program in 2019. Key issues and themes pertinent to establishing IFM and ecological farming, and the challenges the companies face in their SSCD activities were identified.

6. The Challenges in implementing Socially-Sustainable Community Development

Our research revealed that the process of SSCD involved six phases: assessing the local context; engaging the community; enhancing community capacities; establishing parameters; monitoring and evaluation; and developing and implementing an exit strategy. Our research also revealed that the major challenges companies faced in developing SSCD were: (i) unresolved land conflict; (ii) determining the right CSI program; (iii) building community capacity rather than simply providing irrelevant training; (iv) a shortage of company field staff and government facilitators; and (v) managing community expectations. We discuss these challenges below. We also describe the process of establishing SSCD and we link this process to the specific challenges (see Figure 1).
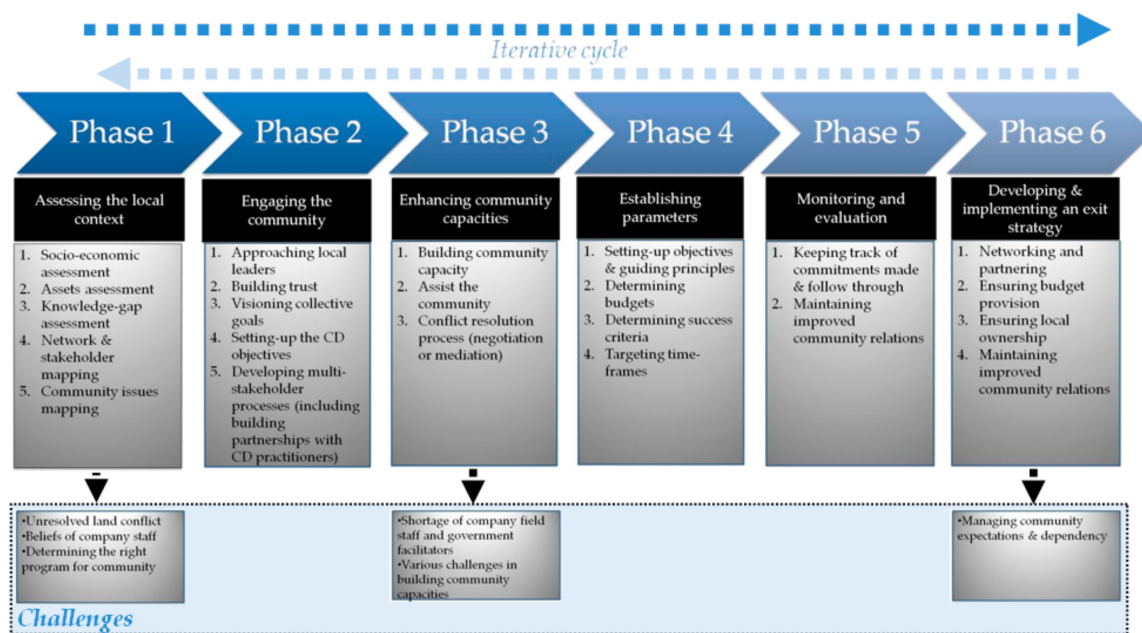

Figure 1. Socially-sustainable community development and its major challenges.

Figure 1 illustrates the iterative process of developing SSCD and its significant on-the-ground challenges. We consider that the process is iterative because it involves continuous planning, continuous monitoring and evaluation, and continuous improvement. In each iteration, the specific activities can be repeated, developed, or adapted to improve achievement of desired results. An understanding of the critical challenges faced by company staff in the process of developing SSCD assists in enhancing the process. The context in which each challenge takes place also needs to be considered. Thus, we provide a better understanding of the challenges experienced by company staff and the situations in which they occur. The definition of SSCD that emerged from our research was: SSCD is the process of creating a sustainable community by a company and community members collectively, with the effective utilization of community resources, in order to enhance the overall wellbeing of the community, protect natural resources in a way that considers the needs of future generations, address underlying basic needs and long-term development needs, and resolve and/or manage social conflict.

6.1. Unresolved Land Conflict

When IFM and ecological farming were started, land conflicts between the companies and the community were on-going. There were two root causes of the conflicts faced by the companies. Firstly, there was a lack of community engagement that met expectations for FPIC during land acquisition by the

companies. Secondly, there were land tenure issues, especially in relation to competing (overlapping) claims to land—i.e., the land concessions the companies gained overlapped with pre-existent claims of the communities. The local communities believed that the areas they claimed were clearly indicated by the presence of old villages, rice fields, gardens (*tegalan*), or old cemeteries. Problems arose when the companies obtained a location permit (*Izin Usaha*) from the district government. A location permit is usually granted when a plantation development is in accordance with local regulations and land use planning requirements *(Rencana Tata Ruang Wilayah)*. At this phase, a company is allowed to organize consultation meetings with local communities to inform them about its plans, possible environmental and social impacts, the process of land acquisition, and compensation.

In the regions we studied, there were villagers who opposed the plantations (forestry or oil palm) for fear of losing forest (the site of many livelihood activities) or having limited access to land for their diverse activities (e.g. collecting timber, hunting, swidden cultivation). Others welcomed the oil palm plantation because they considered it as the best option for regular income. The community hoped that the plantation would provide them with better access to education, health care, infrastructure (such as roads), as well as enable them to buy motorbikes or electronic goods (e.g. TVs or cell phones). The friction within the local community was exacerbated when the village government and/or head of the Indigenous group was in favor of the plantation. The oil palm company established good relations with local authorities who were supportive of this investment. The support of local authorities exhorted villagers who were initially opposed to accept the presence of the company and compensation offered. With discontent from some villagers, the oil palm company proceeded to clear the land and develop the plantation. The company used its legal permit to argue that their land claim was legitimate and indisputable.

We found that, only in areas where the community perceived that the programs had substantially benefited them were some conflicts able to be resolved. However, conflict resolution activities meant that the level of tension was significantly reduced or dampened for some time, or was completely settled. The community and company could sit together and talk about the issues that concerned them.

From the community's perspective, the primary benefits of the forestry plantation were: (1) the community could use company funds to facilitate activities that would strengthen their forest and non-forest livelihood activities; (2) the community gained opportunities to cooperate with various investors or to sell their agroforestry products directly to local buyers; and (3) the community were able to genuinely express their aspirations to the company as a result of the intensive and open communication between them.

During 2016–2017, the forestry company succeeded in resolving most old conflicts. However, new conflicts emerged because of: (1) the lack of company monitoring, resulting in poor or untimely reporting to the region and head office, and a lack of follow-up action; therefore, the community perceived that their grievances were unheard or ignored; (2) the company failed to maintain good communication with key community leaders; (3) the company used a 'fire fighter approach' (reactively deal with short term crises, rather than proactively address underlying issues); (4) the affected communities perceived that they did not get many benefits from company operations in their area; and (5) the communities did not know the precise boundaries of the company's concession areas.

The term, 'fire fighter approach', refers to the way the forestry company dealt with land conflicts. Essentially, when there was a conflict, they negotiated directly with the individual landowner rather than try to anticipate such situations or develop a systematic scheme of conflict resolution and deal collectively with all landowners. In our research, many company actions resulted in community discontent, which then escalated, turning complaints into disputes then into conflict. A key issue was a lack of acceptance by the forestry company that the community did not know the boundaries of the company holdings, which led to the company falsely believing that the community had deliberately encroached on company land.

6.2. Determining the Right Program for the Community

Since the forestry company launched its forest conservation policy (FCP) in 2011, as part of standard procedure before embarking on new developments, they now conduct assessments of the concession area to determine sites of high carbon stock (HCS) and high conservation value (HCV). The company has identified around 9500 hectares of HCV and HCS across their concession areas that will now be conserved. A problem arose because some of the HCV/HCS land that was to be protected was being utilized by the community. The company's attempt to protect HCV and HCS areas made the community worried that they could no longer use the forest as the basis of their livelihoods. To address this concern, through their community development program, the forestry company introduced new agriculture and animal husbandry methods. Using communal land and their own house yards, the community grew rice and vegetables, and learned how to raise livestock. In this way, the community was expected to be able to meet their daily food consumption needs and earn extra income without being dependent on forest resources and without using fire to clear land for cultivation (which they did in their traditional swidden agriculture practice). Nevertheless, during Phase 2, the company experienced difficulty in determining the most appropriate activities for the local community, especially when assessed against the company's criteria: (1) will fill knowledge or skill gaps in the community; (2) ultimately boost community economic wellbeing; (3) there are sufficient facilitators with appropriate expertise and commitment to work in remote rural areas; (4) delivers financial return and/or reputational benefits to the company; (5) addresses community concerns or needs; (6) is community-driven; (7) is aligned with rural empowerment programs developed by government agencies; and (8) is aligned with the company's core business or objectives. In the case of ecological farming, this was complicated by the community's distrust in the effectiveness of ecological farming, compared to their traditional swidden cultivation technique that required them to burn the forest.

The forestry company's struggle can be illustrated with this example. One village wanted to learn about shrimp farming because of high market prices for shrimp. However, the company did not have any skills or experience with shrimp farming. They also found it difficult to source sufficient experts in shrimp farming who were willing to work in remote villages for long periods of time. The struggle was heightened by the fact that this was the first experience of the company in developing an SSCD program, rather than merely implementing a conventional philanthropic CSR project. Consequently, the company failed to anticipate various risks.

6.3. Managing Community Expectations and Dependency

In the beginning of IFM (2016), the forestry company set criteria to select the villages where IFM would be implemented, including: (1) villages located within the company's concession area; (2) villages outside the company's concession area that have high reliance on forests for their livelihood; (3) villages that have land conflict with the company; (4) villages that have experienced forest fire; and (5) villages that still use slash-and-burn to clear land (i.e., swidden agriculture). To increase the likelihood of success (and reputational benefit), the company tended to choose villages that would be more likely to accept IFM. After the program had been running for about a year, tensions arose due to planned changes to the scheme. Other villages that met the criteria but were not initially funded and some that do not meet the project's criteria at all had asked the forestry company to develop the IFM program with them. As mentioned by one interviewee, *"Just like the other villages, we also want money from the company"*. Irrespective of whether or not they knew about the forestry company's expectations about how the funding should be used, these villages urged the company to give them the same amount of money, a once-off amount of 220 million Indonesian rupiah (about USD $15,000) per village (with further payments potentially possible). Since then, IFM is now intended for all villages located in and around the concession areas of the company.

In the case of the ecological farming program, there are increasing expectations from the community that the company will make a long-term contribution to the community. Dependency can be regarded

as the community's tendency to look to the company for continual support in maintaining the project over time. Often communities do not have the patience or required skills to maintain equipment, or the resources or outputs might not be used appropriately. For instance, in one village that has been in the program for four years, the villagers had gained skills about how to clear land without using fire, use fertilizer, plant rice, and sell it to local buyers. Therefore, the company considered it was time for that village to be exited from the program. However, after 3 months, the community asked the company to return because they said that they did not have the skills or inclination to continue rice production, because as they were previously swidden farmers, this was not a normal crop for them. The community also lacked the skills to manage their finances wisely. The presence of a credit union meant that they could borrow money easily, and this was often used for consumption behavior rather than investment in projects that may enhance their wellbeing. The community's dependency on the company was aggravated by two factors: firstly, they were not able to maintain the alternative livelihoods programs (cattle farming and improved cropping); secondly, the fact that they were communities that originally depended on the forest, as was revealed by an interviewee:

"I predict that, if the company goes away, the village will become disorganized because they are 90% dependent on the company. The community is still questioning how their life will be if they continue farming, because typically they are not farmers but hunters. A long time ago they could sell pig, lizard, deer, monkey (bekantan), but now not any more. If now they want to go hunting, the animals to be hunted are in short supply. So, whether they want it or not, the villagers must work for the [forestry] company. We taught them how to breed livestock, but it was unsuccessful because the animals got sick or were eaten by the villagers. So actually, this is a difficult situation." (Forestry company representative).

From a company perspective, if the issue of community dependency on the company for funding and operational capacity cannot be solved, then it is likely that the results achieved to date will disappear should there be a decline in the market and/or if the company would cease operating.

6.4. Challenges in Building Community Capacity: Skills, Discrepancy and Inequity in Profit Sharing

The oil palm company considered that capacity building of the community was essential for achieving long-term, sustainable community development. Therefore, the company assisted the existing farmer groups (*Gabungan Kelompok Tani* or *Gapoktan*), which were implemented by the local government. These groups enabled the farmers to work together and collectively sell their produce. This facilitated problem solving and helped the community develop various agribusinesses. The issues that emerged in building the capacity of these groups were as follows. Firstly, there was considerable variation in the ability of individual community members to absorb the skills taught. For instance, there were farmers who became highly proficient in making cassava flour, while others were less effective. Only a few members who worked to produce cassava flour succeeded in selling it. This led to one farmer, who believed he had worked harder than others, to ask, "*will those who worked only a little or not at all get the same income as we who worked much harder?*" In practice, this created another obstacle, how to ensure that all members of the group work according to their individual ability while guaranteeing that everybody will get fair benefits.

Secondly, for various personal reasons, there were farmers who could not maintain their commitment till the end of the program. This was particularly the case for those who had to learn new skills, such as raising livestock. Instead of being successful at breeding livestock, they slaughtered young cattle for traditional ceremonies, consumed them for daily use, or sold them before they reproduced. There is a challenge in getting all community members to understand the long-term, collective benefits from a program and to recognize the importance of being patient to foster positive community change and realize the investment made in a program. This challenge occurred in both case studies, IFM and ecological farming.

Thirdly, the challenge concern with community participation in the training is to enhance the community's capacity in governance, planning, implementation, and interaction with actors beyond the

village neighborhood. In our research, participation in terms of the number of participants increased, particularly in two situations: (1) at the beginning of the program during the consultation meetings to inform the community about program details; (2) any time people noticed there were villagers who were particularly successful in generating benefits from the program. As depicted by an interviewee from the company:

"In the beginning, we paid attention to the people who attended the training, whether those who attended were only the key people in the community or not. In the first weeks, usually there were 30 to 70 people attending the training. Then, when the learning process was on-going, only 5 to 10 people attended. And when these few people were successful in showing significant results or benefits, the number of villagers who attended the training increased." (Oil palm company representative).

Our research identified the challenges both companies faced: (i) how to maintain the motivation of the community to participate over the whole program; and (ii) how to ensure that all sections of the community were involved. Essentially, this was achieved by creating trust between the company and the community, which was accomplished by showing the community that the program had proven to be useful in improving their economic wellbeing. The community was willing to participate when they perceived it was an opportunity to earn extra income. However, in the Indonesian context, it was difficult for community members not to participate if village authorities had encouraged their participation.

6.5. Shortage of Company Field Staff and Government Facilitators

Both companies were overwhelmed by having to provide facilitators for all the villages in which the development program was implemented. The main challenge was to provide a sufficient number of facilitators who had appropriate skills and were willing to live in the villages, which was desirable so they would work effectively with local people. The companies tended to have staff with technical, engineering, or managerial backgrounds, thus they are not the most appropriate people to deal with complex social issues. To address this shortage, the companies used their own staff who were competent in agriculture or animal husbandry to become the village facilitators. Nevertheless, there was still an insufficient number of staff who had the required skills. Those with the necessary expertise tended to occupy managerial positions, therefore it was not possible to re-assign them to field duties. Consequently, those who were assigned by the companies to the villages did not always have the necessary skills or experience to effectively facilitate the program. Another issue was the perception of the companies that only staff from the social department (who were often referred to as the 'social people') should be responsible for the social issues. Meanwhile, the social department had an insufficient number of people considering the vastness of the concession area and the number of villages. As mentioned by one interviewee:

"The managers tend to think that to deal with social issues or conflict is solely the duties and responsibilities of the social people. Meanwhile, there are only 4 or 5 social people in our department to be assigned for the whole concession areas. There was an extreme case, a social staff member quit the job after only 3 months working because it was too much for him to do all the tasks. The field is accessible but still too vast to travel to". (Oil palm company representative)

The facilitators provided by the local government were often fresh graduates who did not yet have experience working with communities, or they were senior facilitators with considerable skills and experience, but not willing to work in remote areas.

7. Discussion: Facilitating the establishment of Socially-Sustainable Community Development

7.1. Promoting Community Resilience in Situations of Conflict

From as soon as they arrive in local communities, companies have to deal with conflict over land in their concession areas. As stated by the forestry company, the establishment of IFM was an attempt

to implement their forest conservation policy. One policy commitment emphasizes use of FPIC and community development principles to avoid and resolve social conflict across the company's supply chains. This was a change from what they had done previously. Despite some conflict being pre-existent, the company succeeded in resolving some conflicts. Aligned with Roseland's [82] argument that it is important to recognize stakeholder values and interests as being legitimate during the planning process, together with an NGO the company implemented a process of recognition of community and NGO concerns by conducting a social conflict analysis, developing a grievance procedure to handle community complaints and concerns, and developing a social conflict procedure to deal with social conflict responsibly in all areas of operation. In its policies and protocols, the company recommended use of independent stakeholders in tracking progress in the implementation of company's commitments. In its IFM Implementation Guide, the forestry company clearly stated that avoiding and resolving land conflict was a principal objective of IFM.

From our research, we identified that the key steps a company needs to take in the planning phase of CSI initiatives are: (1) re-evaluate the approach to partnerships, stakeholders engagement, and social impact assessment; (2) identify any significant flaws in previous community development activities; (3) identify underlying social issues that may impact on the project; and (4) recognize that a sustainable community cannot be developed in isolation from the wider impacts and demands of all the different actors. From a community resilience perspective, conflicts are system disruptors, since they inflict changes, threats, uncertainty, and adversity. Community resilience is created by building community ability to endure turmoil and to maintain community social networks [92]. In undertaking SSCD, the companies made an effort to maintain social networks and community functions despite the forces of disturbance and change. The appropriate community response to system disruptions—in our cases, social conflict and land conflict—will vary from maintenance to adaptation to transformation [76]. Our research reveals a similar result: there were some individual community members and groups who did not participate at all in IFM, there were some who had minimal participation (i.e., observed the company's activities in their neighborhood, attended community meetings, but only as listeners or passive participants), and there were some who participated fully throughout the whole process, resulting in a significant transformation in the way they subsequently conducted their livelihood activities.

Another approach taken by the company to create community resilience was by building the community's agency through the SSCD processes. Community agency is an important feature of community resilience and is the community's ability to take planned action and effect change [76,77]. Companies should perceive the community as the primary active agent of their own wellbeing. In our research, the companies encouraged the community to be fully aware of their valuable assets, what they really wanted to achieve in the short and long term, and who they needed to involve in a time of crisis. This process led the community to act collectively to cope with and respond positively to changes and stresses. In our research, this happened in community consultation meetings and in collective activities organized by the farmers groups.

7.2. Identifying Conflicting Company Strategies, Community Expectations, and Community Dependency

During the planning stage, both companies faced two main challenges: how to determine the most appropriate program; and how to manage community expectations and not create long-term dependency on the company. Reconciling conservation, development, and commercial objectives made it difficult to select the appropriate community development program. A recurring issue in the implementation of company policies is situations where prescriptions are not mutually compatible. A possible example of this would be where a location is a high carbon stock area (therefore needing to be protected) as well as an area that the local community would like to use for their livelihoods. Reflecting on our two cases, it was evident that extensive engagement is crucial to create joint understanding among all stakeholders (including national and regional governments, local authorities, Indigenous peoples, local communities, employees, and NGOs). This shared understanding is principally the

outcome of their participation during the process of collection, assessment and interpretation of information, and the process of identifying potential conflicting requirements and implementing them into integrated management plans. Furthermore, we suggest that companies use their particular unique business expertise to address societal problems faced by affected communities and/or develop new livelihood projects that fully connect with the company's SSCD project. Based on a thorough review of the literature of CSI, Esteves [33] identified three key aspects to evaluate the effectiveness of strategic CSI: (1) the meaning of sustainability for local communities; (2) the true nature of the business drivers for the company's sustainability approach; and (3) the role of strategic CSI in delivering such an approach or strategy. From our research, it was evident that only one of these aspects was embedded in the companies' ÇSI approach, the role of strategic CSI in the sustainability approach of the company.

7.3. The Role of Strategic Corporate Social Investment in Delivering Sustainability

In 2012, the forestry company released its Sustainability Roadmap Vision 2020, which aimed to address 10 environmental and social impact areas. Included in this roadmap, were the company's commitments to protect Indigenous peoples' customary rights, enhance the wellbeing of local communities, and improve relations with them. Another objective was to improve environmental performance and biodiversity conservation. The roadmap highlighted the company's forest conservation implementation plans and the recommendations of an independent external assessor. The company invited an Indonesian NGO to monitor and evaluate the implementation of the plans.

Community expectations of the companies were influenced by the role of local government in meeting community needs and in helping them overcome life challenges. In both cases, we identified a significant gap between the stated presence of local government in various regulations and their actual material presence in the community's everyday life. The absence of government at all levels encouraged the community to turn their attention to the company as an actor that can bring sustainable development [93,94]. We also analyzed how the company's discourse of 'helping people to help themselves' has framed the long-term objective of their community development initiatives, that is to achieve a long-term disengagement of the company once the SSCD project is completed. In both cases, this discourse was in contrast to the community's understanding of sustainable development and their desire for ongoing service provision by the company into the future. This disconnected development [95] has created a somewhat detached relationship between each company and their local community, which has potential to create disharmony and conflict. From a company perspective, community expectations can create dependency on a company, and a 'dependency mentality' leads to vulnerability and powerlessness [96]. To overcome this challenge, we suggest that companies should: examine how the community perceives the evolving relationship between them and the company; evaluate the negative impacts on the SSCD process on the most impacted groups in the community; analyze their responsibilities toward the community; and ensure that the community has the capacity to continue the CSI/SSCD activities.

7.4. Building Community Resilience and Community Capacities Simultaneously

We identified that both companies fully understood that building community capacity was more important than simply transferring knowledge, skills, or technology to the community. The companies believed that, by enhancing the capacity of individuals and groups, the economic and social development of the whole community would be enhanced. However, it was apparent that the companies were not aware that building community capacity was not sufficient on its own, because it does not ensure the community will do something constructive in times of adversity or crisis. Although community capacity is necessary, it is not enough to create a resilient community. To be resilient, a community should engage with their own resources and assets, taking initiative and not simply developing the capacity to act [72,76].

We found that both companies perceived capacity building solely as the development of human resources (knowledge, skills) to improve on certain weak areas in the community. This was primarily

achieved through training and technical assistance. The companies attempted to strengthen local institutions and their potential to drive local development by encouraging collaboration with farmer and other groups. The companies endeavored to build two main aspects: resources (skills of individual members, cultivation technology, and organization financial structure); and management (leadership, program management, and networking).

Three types of capacities can be considered at individual and community levels: technical; behavioral; and social [97]. Enhancing all three of these capacities is crucial to increase the success of sustainable development projects. In our research, it was evident that the companies were more focused on strengthening technical capacity, rather than the behavioral and social elements. Technical capacity is all the technical aspects or skills required to perform the desired tasks. For example, the oil palm company conducted a series of training initiatives that taught farmers about new cultivation techniques, particularly regarding food crops (rice and cassava). This company also taught farmers about planning and management skills, identifying supply chain contacts, and how to manage organizational and financial aspects of their enterprises. Behavioral capacity is the personal attitudes and skills necessary to build relations between communities and groups of stakeholders. The company encouraged and gave continuous assistance in building good cooperation between different farmer groups. Nevertheless, they did not intentionally attempt to enhance the organizational skills of farmer groups, such as leadership and entrepreneurship. The company stimulated the farmer groups to develop their own vision, mission, and strategy. However, they did not introduce them to other important skills that may contribute to business success, such as communication, negotiation, marketing, project management, and problem-solving.

To overcome the varying technical skills and inequity in profit sharing, we suggest that companies should: (i) analyze the three types of capacities at individual and organizational level to gain a comprehensive skills mapping and to be able to identify weak elements that need to be improved; (ii) develop a monitoring and evaluation process that allows them to track changes in behavioral capacities and impacts for SSCD; (iii) focus on developing community resilience through engagement of community resources; (iv) explore the cultural aspects of community resilience, such as community beliefs, and wisdom about how to cope with changes, and how to improve their ability to solve problems.

7.5. The Importance of Progress Evaluation in the Process of Transforming the Company Staff Mindset

One challenge faced by both companies was a shortage of company field staff and government facilitators. This challenge is compounded by company perception that dealing with social issues is merely the responsibility of the social department. To overcome this challenge, the companies have conducted training for staff and suppliers about emerging social issues, such as requirements for FPIC, social conflict mapping and conflict resolution, and sustainability issues. Through these information sharing activities, the companies aimed to increase the awareness of staff and suppliers about the importance of handling social aspects responsibly, and the importance of this to the company. Together with an NGO (the same in each case), each company developed a grievance redress mechanism. However, we found that the impact of the training was not adequately tracked, and that the desired behavior changes shaped by the training were obscure. Assessing whether training is effective or fruitful goes beyond reporting participant satisfaction, the number of people trained, or how the training was administered. Thus, we conclude that the policies have not been embedded in the daily practice of employees. Hence, we propose that companies should develop and/or deliver training linked to specific goals, competencies, and organizational objectives. In this way, staff will understand how their work contributes to the achievement of the company's higher goals and success. To reinforce this, we suggest that the expected behavioral changes be implemented in the annual performance review of each staff member. By identifying improvement in performance review scores, a company can better measure training effectiveness. In the light of changing company policies, we encourage all managers to regularly discuss with their employees what the employees think about their daily work. This will help companies address gaps in their understanding of specific societal issues.

8. Conclusions: Is Socially-Sustainable Community Development Possible?

Leading oil palm and industrial timber plantation companies operating in Indonesia have made commitments to intensify efforts to reconcile conservation, development, commercial needs, and objectives. This is a discourse that echoes the basic principles of development and international calls to engage with affected and vulnerable communities in meaningful participation. Despite company commitments to balancing plantation productivity with the survival of valuable forest landscapes and local community development needs, the working culture within companies and industry generally continues to restrict the establishment of sustainable communities. As with other extractive industries, company community development practitioners can introduce constructive changes within the company and community. Reflecting on our research, we believe that a positive change in community development practices is taking place; however, oil palm and industrial timber plantations companies are constrained by their own company culture. Should these companies continue to become consciously-engaged agents of development by directly investing in community development initiatives or should they create long-lasting development impacts with the risk of losing control over the community processes driving change? Or should they continue to push themselves in terms of their development contributions and focus on partnering arrangements with various organizations that take time, efforts, and frustrations? These are only a few examples of questions that reflect the complexity of SSCD works faced by companies.

Despite this complexity, there are some clear paths to follow to build SSCD in the context of conflict. Companies need to recognize that sustainable communities cannot be developed in isolation from the wider impacts of company activities and the numerous demands of all stakeholders. More effort must be put into improving company approaches to community engagement long before the process of creating sustainable communities is started, for example, by appropriately implementing FPIC in land acquisition, and by monitoring the outcomes and impacts of their activities. It is also evident that companies need to explore the meanings of sustainability from the perspective of local communities in order to capture their values, aspirations, and needs. This will provide clearer and more complete understandings about how companies can contribute to promoting community development that is inclusive, equitable, and sustainable. Finally, companies must continue to examine their relationship with communities, especially in terms of consent, engagement, empowerment, and what this means for community development.

References

1. Direktorat Jenderal Perkebunan Kementerian Pertanian RI. 2019. Luas Areal Kelapa Sawit Menurut Provinsi di Indonesia. 2015–2019. Available online: https://www.pertanian.go.id/home/?show=page&act=view&id=61 (accessed on 7 December 2019).
2. Bunyamin, B. *Dampak Pengembangan PIR Kelapa Sawit Terhadap Perekonomian Regional Kalimantan Barat (Impacts of Oil Palm Plantations on the Regional Economy of West Kalimantan Region)*; Untan Press: Pontianak, Indonesia, 2008.
3. Feintrenie, L.; Chong, W.K.; Levang, P. Why do farmers prefer oil palm? Lessons learnt from Bungo District. Indonesia. *Small-Scale For.* **2010**, *3*, 379–396. [CrossRef]

4. Nurfatriani, F.; Ramawati; Sari, G.K.; Komarudin, H. Optimalisasi dana sawit dan pengaturan instrumen fiskal penggunaan lahan hutan untuk perkebunan dalam upaya mengurangi deforestasi. CIFOR: Bogor, Indonesia, 2018. Available online: http://www.cifor.org/publications/pdf_files/WPapers/WP238Nurfatriani.pdf (accessed on 7 December 2019).

5. Dayne, S. *Oil Palm Landscapes: Indonesia's Game of Palms*; CIFOR: Bogor, Indonesia, 2008. Available online: https://forestsnews.cifor.org/54814/oil-palm-landscapes-indonesias-game-palms?fnl=en (accessed on 7 December 2019).

6. Pacheco, P.; Gnych, S.; Dermawan, A.; Komarudin, H.; Okarda, B. *The Palm-Oil Global Value Chain: Implications for Economic Growth and Social and Environmental Sustainability*; CIFOR: Bogor, Indonesia, 2017. Available online: http://www.cifor.org/publications/pdf_files/WPapers/WP220Pacheco.pdf (accessed on 7 December 2019).

7. Koh, L.P.; Wilcove, D.S. Is oil palm agriculture really destroying tropical biodiversity? *J. Soc. Conserv. Biol.* **2008**, *2*, 60–64. [CrossRef]

8. Gunarso, P.; Hartoyo, M.E.; Agus, F.; Killeen, T.J. *Oil Palm and Land Use Change in Indonesia, Malaysia, and Papua New Guinea*; Tropenbos International, Indonesian Agency for Agricultural Research and Development: Bogor, Indonesia; World Wildlife Fund: Washington, DC, USA, 2013. Available online: https://www.tropenbos.org/file.php/1343/4_oil_palm_and_land_use_change_gunarso_et_al.pdf (accessed on 7 December 2019).

9. Colchester, M. *Palm Oil and Indigenous Peoples in South East Asia*; International Land Coalition: Rome, Italy, 2011. Available online: http://www.forestpeoples.org/sites/default/files/publication/2010/08/palmoilindigenouspeoplesoutheastasiafinalmceng_0.pdf (accessed on 7 December 2019).

10. Colchester, M.; Chao, S. (Eds.) *Conflict or Consent? The Oil Palm Sector at a Crossroads*; Forest Peoples Programme, Sawit Watch, and TUK Indonesia: Moreton-in-Marsh, UK, 2013. Available online: http://www.forestpeoples.org/en/topics/palm-oil-rspo/publication/2013/conflict-or-consent-oil-palm-sector-crossroads (accessed on 7 December 2019).

11. Vanclay, F. Principles to assist in gaining a social licence to operate for green initiatives and biodiversity projects. *Curr. Opin. Environ. Sustain.* **2017**, *29*, 48–56. [CrossRef]

12. Busscher, N.; Parra, C.; Vanclay, F. Land grabbing within a protected area: The experience of local communities with conservation and forestry activities in Los Esteros del Iberá, Argentina. *Land Use Policy* **2018**, *78*, 572–582. [CrossRef]

13. Busscher, N.; Parra, C.; Vanclay, F. Environmental justice implications of land grabbing for industrial agriculture and forestry in Argentina. *J. Environ. Plan. Manag.* **2020**, *63*, 500–522. [CrossRef]

14. Bauhus, J.; Van der Meer, P.; Kanninen, M. *Ecosystem Goods and Services from Plantation Forests*; Routledge: London, UK, 2010.

15. Baral, H.; Keenan, R.J.; Fox, J.C.; Stork, N.E.; Kasel, S. Spatial assessment of ecosystem goods and services in complex production landscapes: A case study of south-eastern Australia. *Ecol. Complex.* **2013**, *13*, 35–45. [CrossRef]

16. Baral, H.; Keenan, R.J.; Sharma, S.K.; Stork, N.E.; Kasel, S. Spatial assessment and mapping biodiversity and conservation priorities in a heavily modified and fragmented production landscape in north-central Victoria, Australia. *Ecol. Indic.* **2014**, *36*, 556–562. [CrossRef]

17. Rist, L.; Feintrenie, L.; Levang, P. The livelihoods impacts of oil palm: Smallholders in Indonesia. *Biodivers. Conserv.* **2010**, *19*, 1009–1024. [CrossRef]

18. Achda, B.T. The sociological context of corporate social responsibility development and implementation in Indonesia. *Corp. Soc. Responsib. Environ. Manag.* **2006**, *13*, 300–305. [CrossRef]

19. Hamann, R. Mining companies role in sustainable development: The 'why' and 'how' of corporate social responsibility from a business perspective. *Dev. S. Afr.* **2003**, *20*, 237–254. [CrossRef]

20. Esteves, A.M.; Vanclay, F. Social development needs analysis as a tool for SIA to guide corporate-community investment: Applications in the minerals industry. *Environ. Impact Assess. Rev.* **2009**, *29*, 137–145. [CrossRef]

21. Carroll, A.B.; Shabana, K.M. The business case for corporate social responsibility: A review of concepts, research and practice. *Int. J. Manag. Rev.* **2010**, *12*, 85–105. [CrossRef]

22. Eweje, G. The role of MNEs in community development initiatives in developing countries. *Bus. Soc.* **2006**, *45*, 93–129. [CrossRef]

23. Hanna, P.; Vanclay, F.; Langdon, E.J.; Arts, J. Conceptualizing social protest and the significance of protest actions to large projects. *Extr. Ind. Soc.* **2016**, *3*, 217–239. [CrossRef]

24. Jijelava, D.; Vanclay, F. Legitimacy, credibility and trust as the key components of social license to operate: An analysis of BP's projects in Georgia. *J. Clean. Prod.* **2017**, *140*, 1077–1086. [CrossRef]
25. Jijelava, D.; Vanclay, F. How a large project was halted by the lack of social license to operate: Testing the applicability of the Thomson and Boutilier model. *Environ. Impact Assess. Rev.* **2018**, *73*, 31–40. [CrossRef]
26. Vanclay, F.; Hanna, P. Conceptualising company response to community protest: Principles to achieve a social license to operate. *Land* **2019**, *8*, 101. [CrossRef]
27. Kemp, D. Mining and community development: Problems and possibilities of local level practice. *Community Dev. J.* **2010**, *45*, 198–218. [CrossRef]
28. Scheyvens, R.; Banks, G.; Hughes, E. The private sector and the SDGs: The need to move beyond 'business as usual'. *Sustain. Dev.* **2016**, *24*, 371–382. [CrossRef]
29. Banks, G.; Scheyvens, R.; McLennan, S.; Bebbington, A. Conceptualizing corporate community development. *Third World, Q.* **2016**, *37*, 277–293. [CrossRef]
30. Porter, M.E.; Kramer, M.R. Creating shared value: How to reinvent capitalism and unleash a wave of innovation and growth. *Manag. Sustain. Bus.* **2011**, *1*, 323–346.
31. Andrew, C.; Palazzo, G.; Spence, L.J.; Matten, D. Contesting the value of 'Creating Shared Value'. *Calif. Manag. Rev.* **2014**, *56*, 130–153.
32. Gulakov, I.; Vanclay, F. Social impact assessment and stakeholder engagement in the Russian federation: Representativeness, deliberativeness and influence. *Environ. Impact Assess. Rev.* **2019**, *75*, 37–46. [CrossRef]
33. Esteves, A.M. Evaluating community investments in the mining sector using multi-criteria division analysis to integrate SIA with business planning. *Environ. Impact Assess. Rev.* **2008**, *28*, 338–448. [CrossRef]
34. Banerjee, B. The practice of stakeholder colonialism: National interest and colonial discourses in the management of indigenous stakeholders. In *Postcolonial Theory and Organizational Analysis*; Prasad, A., Ed.; Palgrave Macmillan: New York, NY, USA, 2003.
35. Newell, P. Citizenship, accountability, and community: The limits of the CSR Agenda. *Int. Aff.* **2005**, *81*, 541–557. [CrossRef]
36. Rajak, D. The gift of CSR: Power and the pursuit of responsibility in the mining industry. In *Corporate Citizenship in Africa: Lessons from the Past, Paths to the Future*; Visser, W., McIntosh, M., Middleton, C., Eds.; Greenleaf: Sheffield, UK, 2006; pp. 190–200.
37. Prno, J.; Slocombe, S. Exploring the origins of 'Social License to Operate' in the mining sector: Perspectives from governance and sustainability theories. *Resour. Policy* **2012**, *37*, 346–357. [CrossRef]
38. Dare, M.; Schirmer, J.; Vanclay, F. Community engagement and social licence to operate. *Impact Assess. Proj. Apprais.* **2014**, *32*, 188–197. [CrossRef]
39. De Jong, W.; Humphreys, D. A failed Social Licence to Operate for the neoliberal modernization of Amazonian resource use: The underlying causes of the Bagua tragedy of Peru. *Forest* **2016**, *89*, 552–564. [CrossRef]
40. Vidal, N.G.; Bull, G.Q.; Kozak, R.A. Diffusion of corporate responsibility practices to companies: The experience of the forest sector. *J. Bus. Ethics* **2010**, *94*, 553–567. [CrossRef]
41. Esteves, A.M.; Franks, D.; Vanclay, F. Social impact assessment: The state of the art. *Impact Assess. Proj. Apprais.* **2012**, *30*, 35–44. [CrossRef]
42. Langbroek, M.; Vanclay, F. Learning from social impacts associated with initiating a windfarm near the former island of Urk, the Netherlands. *Impact Assess. Proj. Apprais.* **2012**, *30*, 167–178. [CrossRef]
43. Vanclay, F. The potential application of Social Impact Assessment in Integrated Coastal Zone Management. *Ocean Coast. Manag.* **2012**, *68*, 149–156. [CrossRef]
44. Gunningham, N.; Kagan, R.; Thornton, D. Social licence and environmental protection: Why businesses go beyond compliance. *Law Soc. Inq.* **2004**, *29*, 307–341. [CrossRef]
45. Gordon, M.; Lockwood, M.; Vanclay, F.; Hanson, D.; Schirmer, J. Divergent stakeholder views of corporate social responsibility in the Australian forest plantation sector. *J. Environ. Manag.* **2012**, *113*, 390–398. [CrossRef]
46. Gordon, M.; Lockwood, M.; Hanson, D.; Vanclay, F.; Schirmer, J. Perceptions of Corporate Social Responsibility in Australian Forestry Companies. *Int. J. Sustain. Soc.* **2014**, *6*, 336–353. [CrossRef]
47. Arminen, H.; Tuppura, A.; Toppinen, A.; Kozak, R. Corporate responsibility development paths in US forest sector. *Forestry* **2015**, *89*, 500–511. [CrossRef]
48. Lahtinen, K.; Toppinen, A.; Mikkila, M.; Toivio, M.; Suur-Uski, O. Corporate responsibility in promoting social license to operate in forestry and sawmilling industries. *Forestry* **2016**, *89*, 525–541. [CrossRef]

49. Abram, N.K.; Meijaard, E.; Wilson, K.; Davis, J.; Wells, J.; Ancrenaz, M.; Budiharta, S.; Durrant, A.; Fakhruzzi, A.; Runting, R.; et al. Oil palm community conflict mapping in Indonesia: A case for better community liaison in planning for development initiatives. *Appl. Geogr.* **2017**, *78*, 33–44. [CrossRef]

50. Barton, J.; Roman, A.; Floysand, A. Resource extraction and local justice in Chile: Conflicts over the commodification of spaces and the sustainable development of places. In *New Political Spaces in Latin American Natural Resource Governance*; Haarstad, H., Ed.; Palgrave: New York, NY, USA, 2012; pp. 107–128.

51. Dhiaulhaq, A.; McCarthy, J.; Yasmi, Y. Resolving industrial plantation conflicts in Indonesia: Can mediation deliver? *For. Policy Econ.* **2018**, *91*, 64–72. [CrossRef]

52. Haughney, D. Defending territory, demanding participation: Mapuche struggle in Chile. *Lat. Am. Perspect.* **2012**, *39*, 201–217. [CrossRef]

53. Wedel, P. *"When We Lost the Forest, We Lost Everything": Oil Palm Plantations and Rights Violations in Indonesia*, Human Rights Watch. 2019. Available online: https://www.hrw.org/report/2019/09/22/when-we-lost-forest-we-lost-everything/oil-palm-plantations-and-rights-violations (accessed on 7 December 2019).

54. Konsorsium Pembaharuan Agraria. *Masa Depan Reforma Agraria Melalui Tahun Politik: Catatan Akhir Tahun 2018*; Konsorsium Pembaharuan Agraria: Jakarta, Indonesia, 2019.

55. Wehrmann, B. *Land Conflicts: A Practical Guide to Dealing with Land Disputes*; GTZ: Eschborn, Germany, 2008. Available online: https://www.commdev.org/pdf/publications/A-practical-guide-to-dealing-with-land-disputes.pdf (accessed on 7 December 2019).

56. World Bank. *Community-Driven Development in the Context of Conflict-Affected Countries: Challenges and Opportunities*; World Bank: Washington, DC, USA, 2006. Available online: http://siteresources.worldbank.org/INTCDD/Resources/CDD_and_Conflict.pdf (accessed on 7 December 2019).

57. Riggs, R.; Sayer, J.; Margules, C.; Boedhihartono, A.; Langston, J.; Sutanto, H. Forest tenure and conflict in Indonesia: Contested rights in Rempek Village, Lombok. *Land Use Policy* **2016**, *57*, 241–249. [CrossRef]

58. Euler, M.; Schwarze, S.; Siregar, H.; Qaim, M. Oil palm expansion among smallholder farmers in Sumatra, Indonesia. *J. Agric. Econ.* **2016**, *67*, 658–676. [CrossRef]

59. Obidzinski, K.; Andriani, R.; Andrianto, A. Environmental and social impacts of oil palm plantations and their implications for biofuel production in Indonesia. *Ecol. Soc.* **2012**, *17*, 25. [CrossRef]

60. Sumarga, E.; Hein, L. Benefits and costs of oil palm expansion in Central Kalimantan, Indonesia, under different policy scenarios. *Reg. Environ. Change.* **2016**, *16*, 1011–1021. [CrossRef] [PubMed]

61. Colchester, M.; Boscolo, M.; Contreras-Hermosilla, A.; Gatto, F.D.; Dempsey, J.; Lescuyer, G. *Justice in the Forest: Rural Livelihoods and Law Enforcement*; Center for International Forestry Research (CIFOR): Bogor, Indonesia, 2006. Available online: https://www.cifor.org/publications/pdf_files/Books/BColchester0601.pdf (accessed on 7 December 2019).

62. Krishna, V.; Euler, M.; Siregar, H.; Qaim, M. Differential livelihood impacts of oil palm expansion in Indonesia. *Agric. Econ.* **2017**, *48*, 639–653. [CrossRef]

63. Pirker, J.; Mosnier, A.; Kraxner, F.; Havlik, P.; Obersteiner, M. What are the limits of oil palm expansion? *Glob. Environ. Chang.* **2016**, *40*, 73–81. [CrossRef]

64. Rival, A.; Levang, P. *Palms of Controversies: Oil Palm and Development Challenges*; CIFOR: Bogor, Indonesia, 2014. Available online: http://www.cifor.org/publications/pdf_files/Books/BLevang1401.pdf (accessed on 7 December 2019).

65. Hansen, S.B.; Padfield, R.; Syayuti, K.; Evers, S.; Zakariah, Z.; Mastura, S. Trends in global palm oil sustainability research. *J. Clean. Prod.* **2015**, *100*, 140–149. [CrossRef]

66. Colchester, M.; Jiwan, N.; Andiko Sirait, M.; Firdaus, A.Y.; Surambo, A.; Pane, H. *Promised Land: Palm Oil and Land Acquisition in Indonesia: Implications for Local Communities and Indigenous Peoples*; Forest Peoples Programme and Sawit Watch: Moreton-in-Marsh, UK, 2006. Available online: https://www.forestpeoples.org/sites/fpp/files/publication/2010/08/promisedlandeng.pdf (accessed on 7 December 2019).

67. Marti, S. *Losing Ground: The Human Rights Impacts of Oil Palm Plantation Expansion in Indonesia*; Friends of the Earth, LifeMosaic and Sawit Watch: London, UK, 2008. Available online: https://www.foei.org/wp-content/uploads/2014/08/losingground.pdf (accessed on 7 December 2019).

68. Van der Ploeg, L.; Vanclay, F. Challenges in implementing the corporate responsibility to respect human rights in the context of project-induced displacement and resettlement. *Resour. Policy* **2018**, *55*, 210–222. [CrossRef]

69. Brenann, M.A.; Luloff, A.E.; Finley, J.C. Building sustainable communities in forested regions. *Soc. Nat. Resour.* **2007**, *18*, 779–789. [CrossRef]
70. Green, G.P.; Haines, A. *Asset Building and Community Development*; Sage: Thousand Oaks, CA, USA, 2015.
71. Davidson, D. J The applicability of the concept of resilience to social system: Some sources of optimism and nagging doubts. *Soc. Nat. Resour.* **2010**, *23*, 1135–1149. [CrossRef]
72. Imperiale, A.J.; Vanclay, F. Experiencing local community resilience in action: Learning from post-disaster communities. *J. Rural Stud.* **2016**, *47*, 204–219. [CrossRef]
73. Imperiale, A.J.; Vanclay, F. Using social impact assessment to strengthen community resilience in sustainable rural development in mountain areas. *Mt. Res. Dev.* **2016**, *36*, 431–442. [CrossRef]
74. Castro-Arce, K.; Vanclay, F. Transformative social innovation for sustainable rural development: An analytical framework to assist community-based initiatives. *J. Rural Stud.* **2019**. [CrossRef]
75. Cavaye, J.; Ross, H. Community resilience and community development: What mutual opportunities arise from interactions between the two concepts? *Community Dev.* **2019**, *50*, 181–200. [CrossRef]
76. Magis, K. Community resilience: An indicator of social sustainability. *Soc. Nat. Resour.* **2010**, *23*, 401–416. [CrossRef]
77. Berkes, F.; Ross, H. Community resilience: Toward an integrated approach. *Soc. Nat. Resour.* **2013**, *26*, 5–20. [CrossRef]
78. Brown, K.; Westaway, E. Agency, capacity, and resilience to environmental change: Lessons from human development, well-being and disaster. *Annu. Rev. Environ. Resour.* **2011**, *36*, 321–342. [CrossRef]
79. Berkes, F.; Colding, J.; Folke, C. *Navigating Social-Ecological System: Building Resilience for Complexity and Change*; Cambridge University Press: Cambridge, UK, 2003.
80. Nelson, D.R.; Adger, W.N.; Brown, K. Adaptation to environmental change: Contributions of a resilience framework. *Annu. Rev. Environ. Resour.* **2007**, *32*, 395–419. [CrossRef]
81. Egan, J. *The Egan Review: Skills for Sustainable Communities*; Riba Enterprises: London, UK, 2004.
82. Roseland, M. Sustainable community development: Integrating environmental, economic, and social objectives. *Prog. Plan.* **2000**, *54*, 73–132. [CrossRef]
83. Agyeman, J.; Bullard Robert, D.; Evans, B. *Just Sustainabilities: Development in an Equal World*; MIT Press: Cambridge, MA, USA, 2003.
84. Agyeman, J. *Sustainable Communities and the Challenge of Environmental Justice*; New York University Press: New York, NY, USA, 2005.
85. Muthuri, J.N.; Moon, J.; Idemudia, U. Corporate innovation and sustainable community development in developing countries. *Bus. Soc.* **2012**, *51*, 355–381. [CrossRef]
86. Moon, J. The social responsibility of business and new governance. *Gov. Oppos.* **2002**, *37*, 385–408. [CrossRef]
87. Kooiman, J. Social-political governance: Overview, reflections, and design. *Public Manag.* **2007**, *1*, 67–92. [CrossRef]
88. McLennan, S.; Banks, G. Reversing the lens: Why corporate social responsibility is not community development. *Corp. Soc. Responsib. Environ. Manag.* **2019**, *26*, 117–126. [CrossRef]
89. Hamann, R.; Agbazue, T.; Kapelus, P.; Hein, A. Universalizing corporate social responsibility? South African challenges to the International Organization for Standardization's new social responsibility standard. *Bus. Soc. Rev.* **2005**, *110*, 1–19. [CrossRef]
90. Yin, R.K. *Case Study Research Design and Methods*; Sage: Thousand Oaks, CA, USA, 2014.
91. Vanclay, F.; Baines, J.; Taylor, C.N. Principles for ethical research involving humans: Ethical professional practice in impact assessment Part I. *Impact Assess. Proj. Apprais.* **2013**, *31*, 243–253. [CrossRef]
92. Adger, W.N. Social and ecological resilience: Are they related? *Prog. Hum. Geogr.* **2000**, *23*, 347–364. [CrossRef]
93. Banks, G.; Kuir-Aylus, D.; Kombako, D.; Sagir, B. Conceptualizing mining impacts, livelihoods, and corporate community development in Melanesia. *Community Dev. J.* **2017**, *48*, 484–500. [CrossRef]
94. Bebbington, A. Extractive industries and stunted states: Conflict, responsibility, and institutional changes in the Andes. In *Corporate Responsibility: Discourses, Practices, and Perspectives*; Raman, R., Ed.; Palgrave Macmillan: London, UK, 2010; pp. 97–115.
95. Gardner, K.; Ahmed, Z.; Bashir, F.; Rana, M. Elusive partnerships: Gas extraction and CSR in Bangladesh. *Resour. Policy* **2012**, *37*, 168–174. [CrossRef]

96. Frynas, J.G. The false developmental promise of corporate social responsibility: Evidence from multinational oil companies. *Int. Aff.* **2005**, *81*, 581–598. [CrossRef]

97. Merino, S.; de Los Rios Carmenado, I. Capacity building in development projects. *Procedia* **2012**, *46*, 960–967. [CrossRef]