

## RSPO NEW PLANTING PROCEDURES

### Summary Report of SEIA and HCV assessments

#### 1. Executive Summary

The area of PT Mitra Karya Sentosa (PT MKS) is located in Kampar Sebomban Village, Simpang Dua Subdistrict, Ketapang District, Province of West Kalimantan. The company was established in 2003 in line with the issuance of the area license in the name of PT MKS for oil palm plantation development purpose and its processing plant which issued by the Head of Ketapang District Decree No. 54 dated 19 February 2009, covering areas of 20,000 ha. PT MKS then received Minister of Forestry's Decree No. 203/Menhut-II/2011 concerning releasing of the Convertible Production Forest Areas of 14,125.02 ha located in Semandang-Kualan Rivers Forest Areas, Simpang Dua Subdistrict, Ketapang District, Province of West Kalimantan. Final permit for PT MKS area was issued by National Land Agency through Decree of BPN No.94/HGU/BPN-RI/2013 for area 12,548.53 ha.

PT MKS has legal environmental permit for its Environment Impact Assessment (EIA) from local government through Decree of Governor West Kalimantan No. 635/BLHD/2011 regarding Environmental Feasibility for Plantation (area 14,125.02 Ha) and Palm Oil Mill (Capacity 60 ton FFB/hour) for PT MKS at Simpang Dua SubDistrict, Ketapang District, West Kalimantan.

To identify the existing condition of PT MKS particularly related to the community's socio-economic, inter-relationship among stakeholders, land ownership and land status, land compensation and acquisition, impacts that may occur on the surrounding communities, and community's perceptions towards the company, a Social Environmental Impact Assessment (SEIA) was carried out. PT MKS appointed Faculty of Forestry, Bogor Agricultural University (Fahutan IPB) to conduct SEIA study. There are 6 strategic issues identified including communities' perceptions, tenure, labor, socio-economic, educational and public health and environmental issues.

As required by RSPO, PT MKS engaged RSPO approved HCV assessment Faculty of Forestry, Bogor Agricultural University (Fahutan IPB) to carry out High Conservation Value of the proposed oil palm development area. The objectives of HCV identification are to identify the presence of the HCV area in PT MKS and to prepare HCV management and monitoring plan for PT MKS. There are 7 HCV identified in PT MKS area which are: HCV 1.1, HCV 1.2, HCV 3, HCV 4.1, HCV 4.2, HCV 4.3 and HCV 6. Based on HCV Assessment, the concession area comprise of secondary forest and shrub. Most of the land in the concession area belongs to local communities.

#### 2. Scope of the SEIA and HCV Assessments:

**Table 1.** Organizational information and contact persons

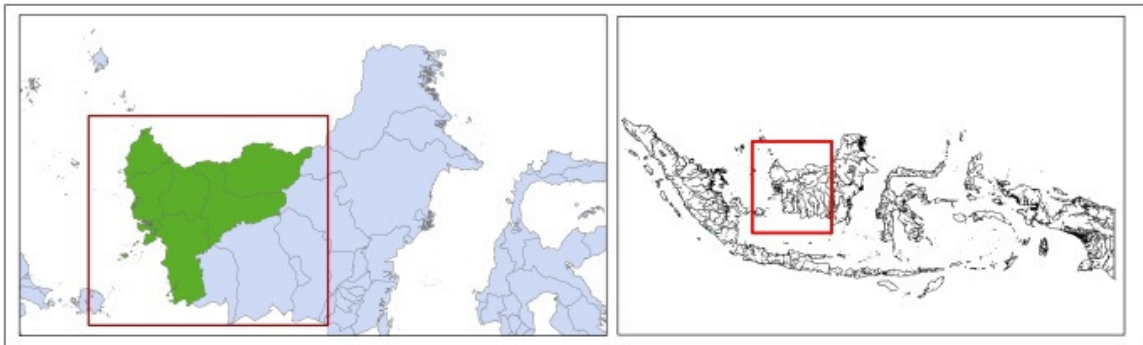
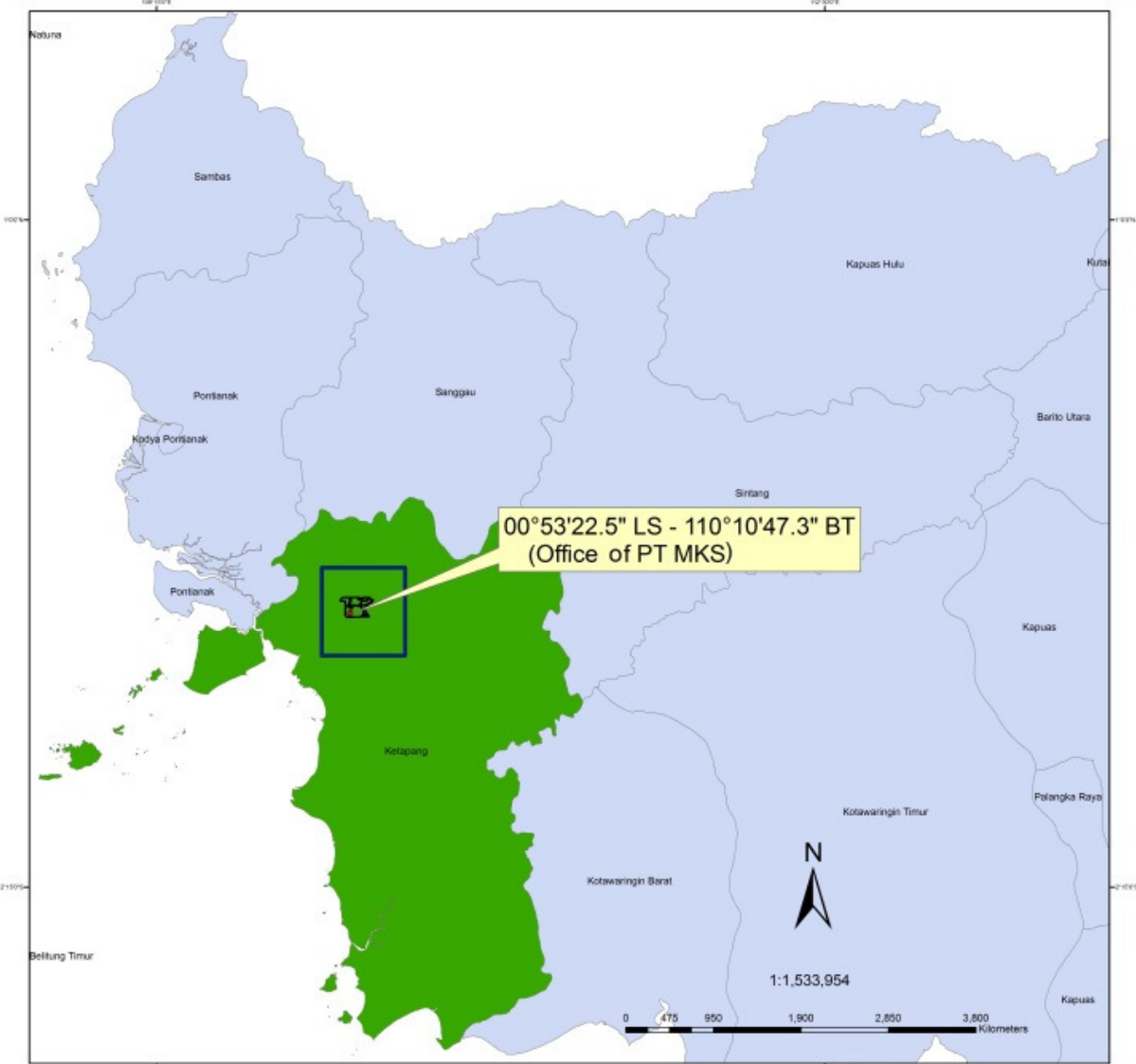
Name of company	PT. Mitra Karya Sentosa subsidiary of First Resources Ltd
RSPO membership number	1-0047-08-000-00 belong to First Resources Ltd
Location	Kampar Sebomban Village, Simpang Dua SubDistrict, Ketapang District, West Kalimantan- Indonesia
Administrative Address Corporate First Resources Office	APL Tower –Central Park, 28th Floor Podomoro City, Jl. Letjen. S.Parman Kav.28, Grogol-Petamburan, Jakarta, Indonesia
Regional Office	Komplek Perdana Square Blok J 8 – 12, Jalan Perdana, Pontianak, West Kalimantan, Indonesia.

Contact Person	Corporate Sustainability Head – Bambang Dwi Laksono Email Address: <a href="mailto:bambang.dwilaksono@first-resources.com">bambang.dwilaksono@first-resources.com</a>
Geo Coordinate	00°49'36" – 00°56'06" S 110°06'54" – 111°22'50" E
No. Wajib Pajak/NPWP	02.080.783.4-701.001
Surrounding Area	<ul style="list-style-type: none"> <li>• North Palm Oil Plantation</li> <li>• South Palm Oil Plantation</li> <li>• West Palm Oil Plantation</li> <li>• East Forest and Community Land</li> </ul>

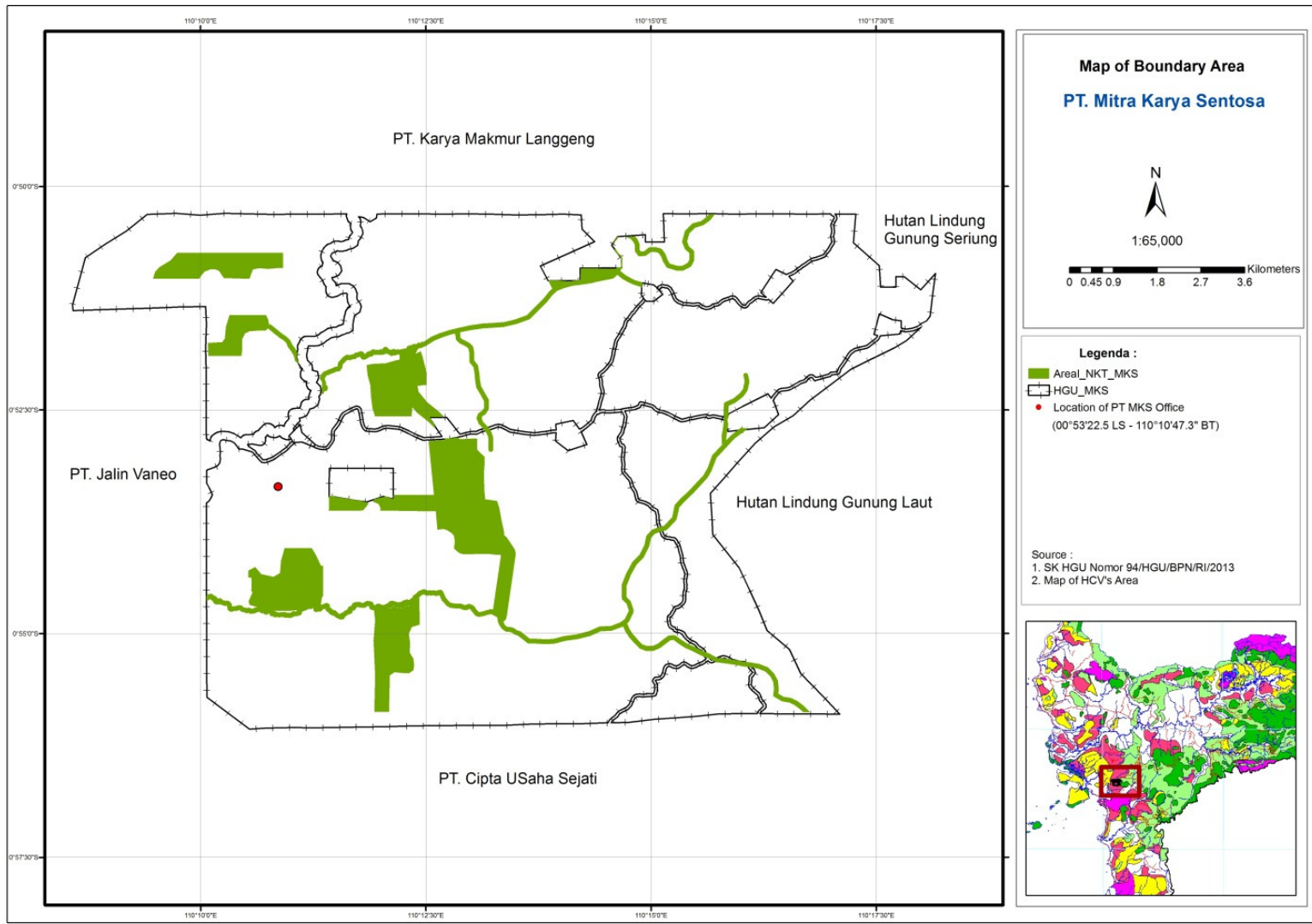
**Table 2** List of Legal documents, regulatory permits and property deeds related to the areas assessed

No	Legal Documents	Issued by	Number and Date
1	Company establishment	Notary: Petrus Yani Sukardi, SH	Act No. 22 30 January 2003
2	Endorsement of company establishment	Minister of Justice and Human Rights	Decree of Minister of Justice and Human Rights No. C-08018 HT.01.01.TH.2003 11 April 2003
3	Plantation Permit ( <i>Izin Usaha Perkebunan</i> )	District Head of Ketapang	Decree of District Head of Ketapang No. 551.31/0632/DISBUN-C 1 April 2005
4	Location Permit	District Head of Ketapang	Decree of District Head of Ketapang No. 112 year 2005 27 April 2005
5	Extension of Location Permit	District Head of Ketapang	Decree of District Head of Ketapang No. 36 year 2008 25 January 2008
6	Location Permit (Renew)	District Head of Ketapang	Decree of District Head of Ketapang No. 54 year 2009 19 February 2009
7	Releasing of the Convertible Production Forest Areas	Ministry of Forestry	Minister of Forestry Decree No. 203/Menhut-II/2011 11 April 2011
8	Environmental Feasibility Approval for Plantation Activities (AMDAL)	Governor of West Kalimantan	Decree of Governor West Kalimantan No. 635/BLHD/2011 12 December 2011
9	Land Use Right (HGU)	National Land Agency (BPN)	Decree of BPN No.94/HGU/BPN-RI/2013 10 September 2013

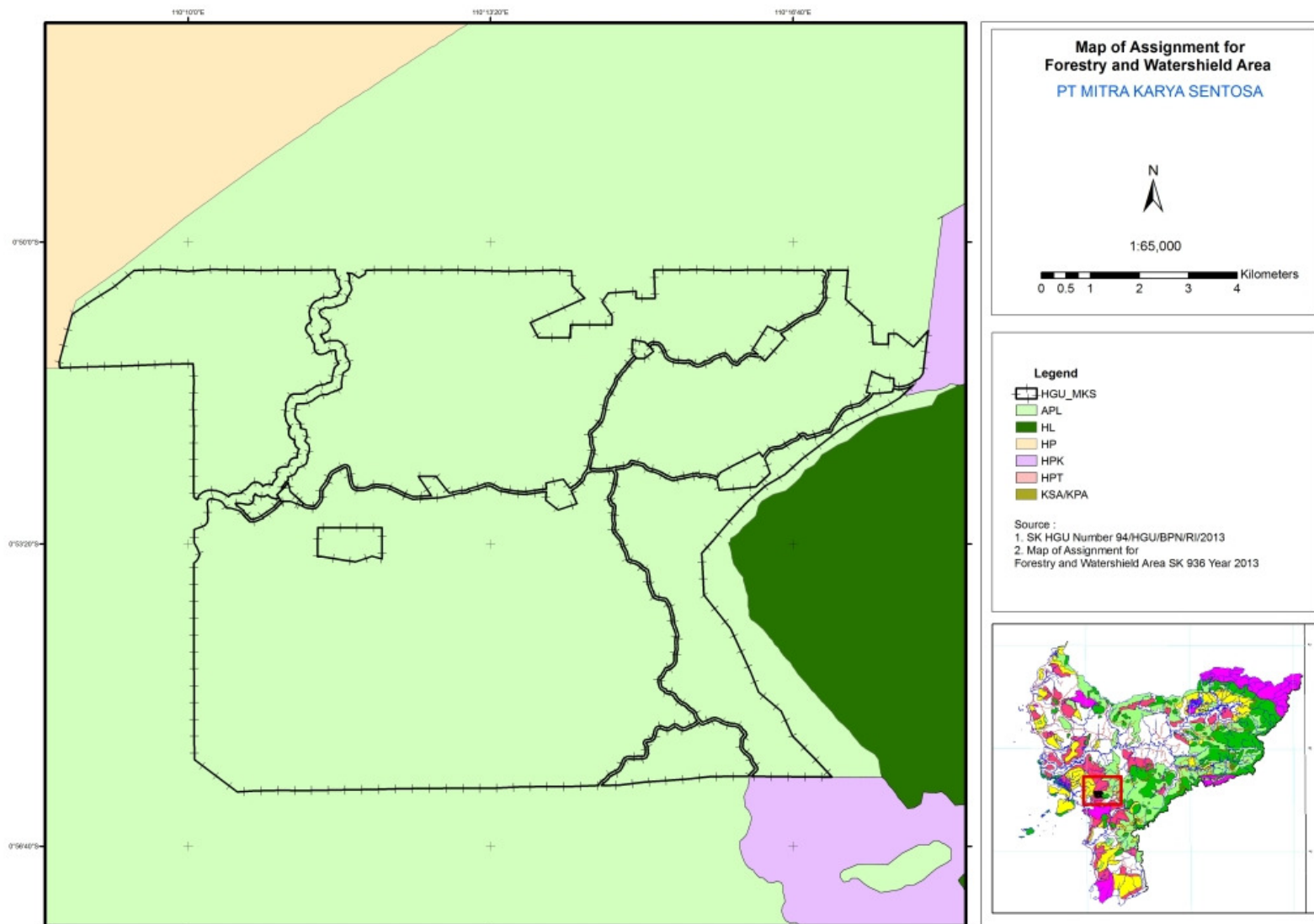
# MAP OF PT MITRA KARYA SENTOSA LOCATION



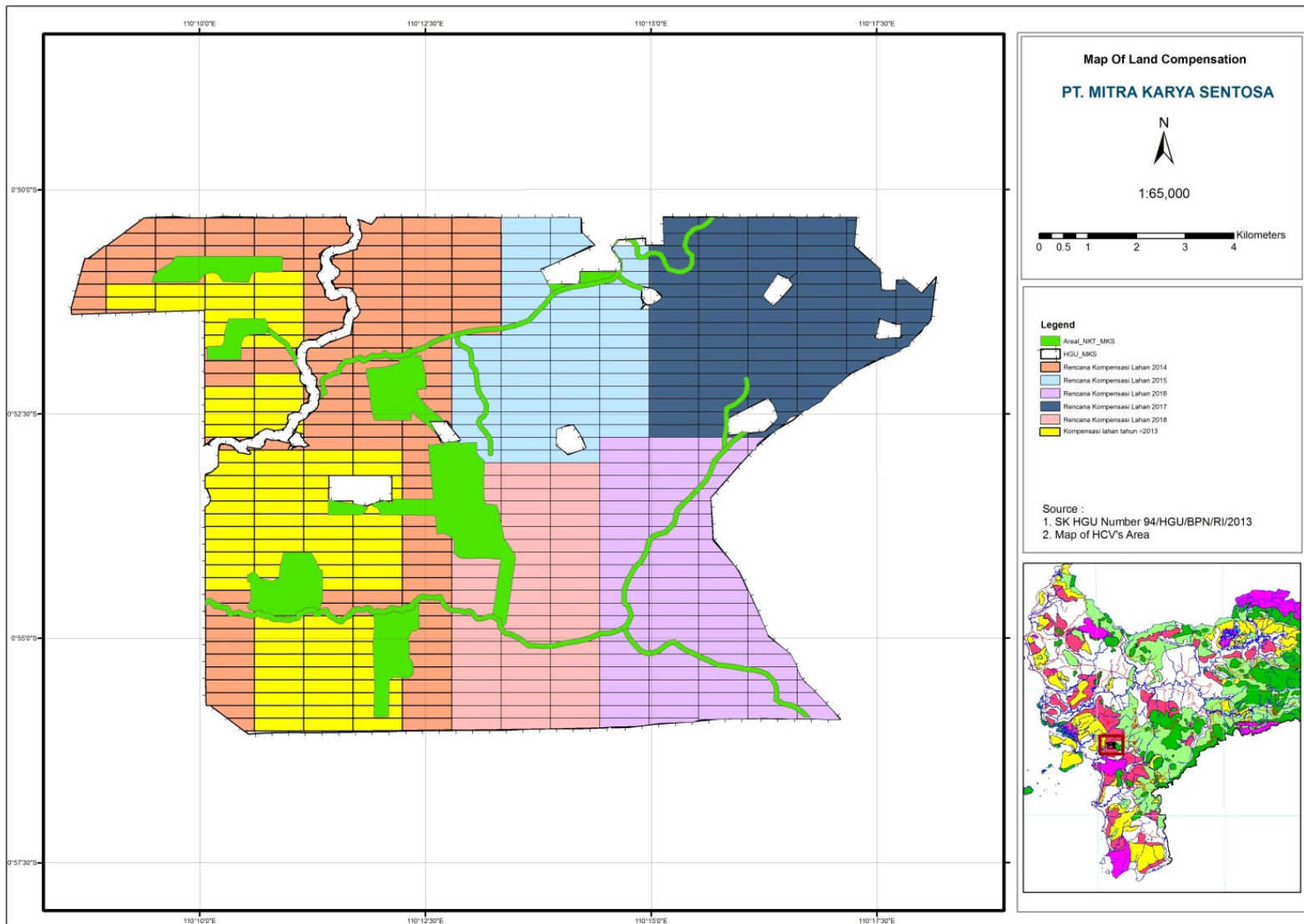
**Figure 1** Location maps – both at landscape level and property level



**Figure 2** PT MKS surrounding and HCV area



**Figure 3** Land suitability PT MKS



**Figure 4** Area for new compensation program



PT MKS proposed New Planting Area as its land use permit: 12,548.53 ha. New planting area planted > 2010 is 1,409.61 ha and no high conservation area being planted.

**Table 3** Time plan for new planting

No	Activity	unit	> 2010	2014	2015	2016	2017	2018	TOTAL
1	Planted Area	( Ha)	1,409.61						
2	FPIC program	(Ha)		1,937.09	1,923.57	2,014.87	2,034.53	1,896.39	9,806.45
3	Land Compensation Program	(Ha)		1,876.77	1,903.44	2,204.33	1,987.48	1,834.43	9,806.45
4	Land Clearing Program								
	Nucleus	(Ha)		1,518.05	1,481.65	1,576.11	1,787.41	1,481.94	7,845.16
	Smallholders	(Ha)		379.51	370.41	394.03	446.85	370.49	1,961.29
	Total	(Ha)		1,897.56	1,852.06	1,970.14	2,234.26	1,852.43	9,806.45
5	Nursery	pcs		379,512	370,412	394,028	446,852	370,486	1,961,290
6	Plantable Area								
	Nucleus	(Ha)		1,518.05	1,481.65	1,576.11	1,787.41	1,481.94	7,845.16
	Smallholders	(Ha)		379.51	370.41	394.03	446.85	370.49	1,961.29
	Total	(Ha)		1,897.56	1,852.06	1,970.14	2,234.26	1,852.43	9,806.45

During kadastral process, some area were being excluded from PT MKS location permit i.e. enclave for settlement village area, small river riparian, Semandang riparian, Mount Laut forest area, Mount Seruing forest area, and peat. Since the HCV identification area were using PT MKS's 2011 Releasing of the Convertible Production Forest Areas, the latest 2013 land use permit (HGU) has legally reduced HCV identified area. In 2012 total area for HCV is 2,627.99 ha of 14,125.02 ha; then in 2013 it reduced to 1.332,47 ha from 12,548.53 ha (see table 4). After reducing planted and HCV area, total PT MKS plantable area is predicted 9,806.45 ha and will be develop in 5 years started from 2014 to 2018 (see table 3). To fulfill RSPO standard for Free Prior Informed Consent (FPIC) mechanism, PT MKS creating FPIC program to whole plantable area. It will start from the nearest sub village (dusun) Lembawang then moving to Tunas Kampar, Merangin, Mentawa Biring, Pantan then village Kampar Sebomban. Each FPIC program will be followed by Land Compensation program for each individual who have land rights. Compensation program should be done as PT MKS Standard Operational Procedure. All compensated area will be land cleared and planted at the same year for both smallholder and nucleus area. Nursery will be built in PT MKS area from 2014.

### 3. Assessment process and procedures

Assessors and their credentials

The legal Social Environment Impact Assessment (AMDAL) was carried by:

PT Tiara Pilar Kreasi

Jl Sei Raya Komplek Mitra Indah Utama 3, Blok D3, Pontianak, West Kalimantan, Indonesia

Team Leader : Tri Rima Setyawati S.Si, M.Si

Physic and Chemical Aspect : Eta Fanani AR. S.Hut

Sarianto S.Si

Romiyanto S.Hut

Biological Aspect : Riyandi S.Si

Leonardus Silvester S.Si

Tri Astika Sari S.Si

Social and Economic and Cultural Aspect : Aris Bahariyono S.Si

Public Health Aspect : Muhammad Adam S.Km  
SEIA report was approved by West Kalimantan Governor through Decree of Governor West Kalimantan No. 635/BLHD/2011 dated 12 December 2011

The Social Environmental Impact of PT MKS was carried by:  
Faculty of Forestry, Bogor Agriculture University  
Bogor Agriculture University, Darmaga – Bogor, West Java Indonesia 16001;  
Website: <http://www.fahutan.ipb.ac.id/hcv/index.html>

1. Dr. Ir. H. Nyoto Santoso, MS (Team leader).  
He is a RSPO approved HCV Assessor with capacity as a Team Leader. His expertise is in Biodiversity Management and Conservation, particularly: Mammals, Flora, Avifauna, Watershed Management, Hydrology, Soil Conservation and competence in social aspect: Participatory Rural Assessment, Participatory Mapping (GIS), Socio Culture and Conflict Resolution. Obtained his Master of Science degree in Natural Resource Management and Environmental Study Program from Bogor Agriculture University (IPB) in 1992, earning a Doctorate in Forestry Management Study Program (graduated 2012). As an expert of environmental has been started since 1987. He is also as a lecture in Forest Resource Conservation and Ecotourism Department, Faculty of Forestry, Bogor Agriculture University (IPB) with courses on ecology and wildlife management, forestry and environmental policy, ecosystem management, ecological of primates (primates and forestry management science - master's program at IPB). He had been an Executive Director on Study and Development of Mangrove Indonesia (1996-2008), and currently listed as a Board member of National Mangrove Experts, as well as members of the Expert Council of Sustainable Strategic Plantations Development Forum.
2. Handian Purwawangsa, S.Hut, MS  
Born at Cipanas, January, 1<sup>st</sup> 1979. He is a team member of SEIA at Faculty of Forestry Bogor Agriculture University with competency on Social and Culture aspects. He obtained his Master degree of Forestry in 2008. Having experienced in social assessment since 2002.
3. Udi Kusdinar, S.Hut. As a team member of HCV and SEIA at Faculty of Forestry Bogor Agriculture University with competency on Social and Culture aspects. Bachelor of Forestry in 2009 from Forest Resources Conservation major study, Department of Forest Resources, Conservation and Ecotourism, Faculty of Forestry, Bogor Agriculture University. Having experience in Social aspect since 2009.
4. Mustagfirin, S.Pi  
Born at Demak, September 16<sup>th</sup> 1982. He is assistance for of SEIA at Faculty of Forestry Bogor Agriculture University with competency on Social and Culture aspects. He obtained his Bachelor degree of Forestry in 2007 from Faculty of Fishery and Sea- Bogor Agriculture University.
5. Jimmy Syahrasyid  
Born at Surabaya, November 19<sup>th</sup> 1976. He is free lance for of SEIA at Faculty of Forestry Bogor Agriculture University with competency on Social and Culture aspects. His latest education was Kornita High School at 1996.

The Identification of High Conservation Value of PT MKS was carried by Forestry Faculty, IPB. Team member are:

1. Dr. Ir. H. Nyoto Santoso, MS  
He is a RSPO approved HCV Assessor with capacity as a Team Leader. His expertise is in Biodiversity Management and Conservation, particularly: Mammals, Flora, Avifauna, Watershed Management, Hydrology, Soil Conservation and competence in social aspect: Participatory Rural Assessment, Participatory Mapping (GIS), Socio Culture and Conflict Resolution.
2. Ir. Heru Bagus Pulunggono, MSi  
Born at Banyuwangi, April 7<sup>th</sup> 1963. He is a team member of HCV at Faculty of Forestry Bogor Agriculture University with competency on hydrology and soil conservation. He obtained Mater of Agriculture by specific study Tropical Geography from Kyoto University, Japan. Experienced since 1999 in hydrology and soil conservation. He is a lecture at Soil Science and Land Sources, Faculty of Agriculture, IPB.



3. Eko Adhiyanto, S.Hut  
Born in Batang, June 3<sup>rd</sup> 1978. He is a team member of HCV at Faculty of Forestry Bogor Agriculture University with competency on flora. Obtained Bachelor of Forestry at major Forest Sources Conservation, Ecotourism and Forest Sources Conservation Department IPB on 2001. Practicing his flora specialist activity since 2003.
4. M. Sayidina Ali, Amd  
RSPO approved HCV assessor with competences on Ecotourism and Flora, Participatory Mapping (GIS). Obtained his Diploma of Forestry in 2005 from Ecotourism major study, Department of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agriculture University. Having experience in Mapping (GIS) since 2007.
5. Udi Kusdinar, S.Hut  
Having competences on Socio Culture aspects.
6. Sutopo, S.Hut  
As a team member of HCV at Faculty of Forestry, Bogor Agriculture University with competency on Wildlife aspect. Obtained his Bachelor of Forestry in 2008 from Department of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agriculture University. Having experience of first HCV study at Forest Management Unit (KPH) Madiun – Perhutani (2007) focused on Wildlife aspect and essay title “Bird Species Diversity In Several Types of Habitat at Forest Management Unit (KPH) Madiun – Perhutani Unit II East Java”.

Assessment methods (Data sources, data collection, dates, program, places visited)

Assessment method for AMDAL

Impact assessment method used by AMDAL for PT MKS oil palm plantation and palm oil plantation was ‘Modified Leopold Method’ which is combination between Leopold Matrix and Fisher and Davis Matrix added by weighting scale for magnitude of Impact and Importance Impact. The example of modified leopold matrix is as table 4.

**Table 4** Modified Leopold Matrix for PT MKS AMDAL method

No	Environmental component Affected	Component Activities Of Impact														
		Pre Construction		Construction										Operational		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	
A	Sub Component of Physics and Chemist Environmental															
1	Quality of air and noise level															List Of Activity :  Pre - Construction 1. Plan and Socialization 2. Compensation land
2	Quality of air and Hydro oceanography															
3	Structure and soil Composition															
B	Sub Component of Environment (Biotic)															
1	Structure and Flora Composition														Construction : 3. Employee Recruitment 4. Heavy Vehicle and construction mobilization 5. Opening and maintaining of land	
2	Structure and terrestrial Fauna Composition															
3	Structure and aquatic biota composition															

C	Sub Component of Social, Culture, Economy and Public Health													
1	Public Perception													6. Build of facilities and infrastructure
2	Job and business Opportunity													7. Nursery and planting of Palm Oil
3	Public Income													8. Maintaining of young plant
4	Public Welfare													9. Opening of Palm Oil Mill and supporting facilities
5	Level of Health and Environmental sanitation													After Construction :
														10. Employee recruitment
														11. Maintaining mature plant
														12. Harvesting and Transport FFB to palm oil mill
														13. CPO and PKO Distribution

Data related to AMDAL SEIA analysis are BPS Ketapang in number 2011, BPS Ketapang for Simpang Dua Sub District in number 2011, and Indonesian NI for RSPO 2008. Framework approach used in the Social Environment Impact Assessment (SEIA) is to identify the current state (existing condition) of PT. MKS particularly related to the community's socio-economic, inter-relationship among stakeholders, land ownership and land status, land compensation and acquisition, impacts that may occur on the surrounding communities, community's perceptions towards the company. Based on the existing condition, the SEIA document was then compiled containing characteristics of the surrounding communities, issues/problems raised and the settlement efforts undertaken, inter-relationship among stakeholders, impacts both positive and negative which generated on the surrounding communities and the corporate social management plan.

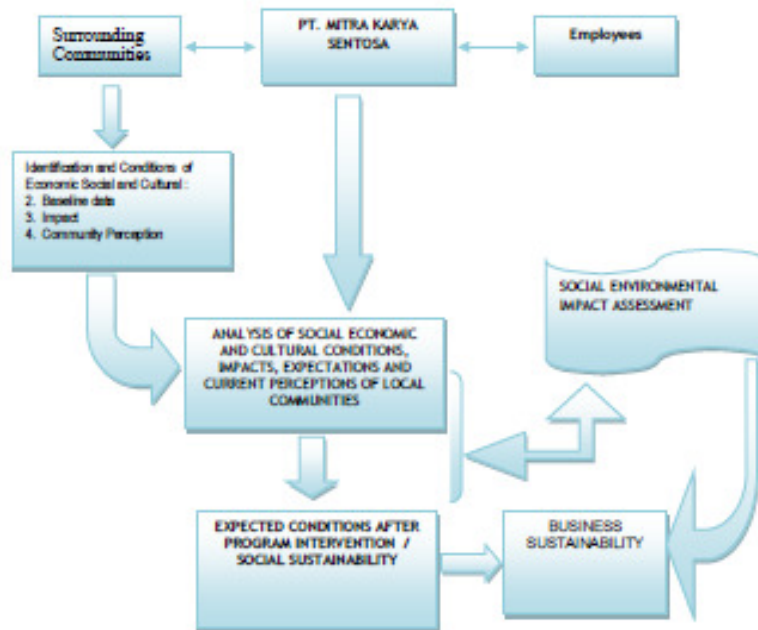
The study utilizes purposive sampling and simple random sampling. In the purposive sampling, samples were determined based on researchers' assessment which considered as the most appropriate samples to fulfill required data. While simple random sampling utilized to give equal opportunities to be taken to every element of the population. The study utilizes purposive sampling to determine village samples. It also uses simple random sampling to determine respondents in the selected villages. Village samples are determined based on its accessibilities, community characteristics, social insecurity and inputs from the PT. MKS. Then the village of Kampar Sebomban, Simpang Dua Subdistrict, Ketapang District was determined as sample village. Sample distributions were determined by considering representation of the population based on the characteristics of existing population.

Primary and secondary data collected, then analyzed using combination of quantitative and qualitative methods. Qualitative analysis will be more emphasized on the description of facts and relationships among variables found in the field. Based on the description and the relationship among existing variables, then followed with analysis of

- 1) The local community's socio economic within and around the company's area,
- 2) Analysis of farmers and the public's perception towards the company, and
- 3) Analysis of the impacts generated by the company of PT. MKS on the environment, and community's socio-economic-culture.

The results of the analysis were then synthesized in the form of Social Impact Assessment document and Corporate

Social Management Plan of PT. MKS.



**Figure 3** Framework approach for SEIA of PT MKS

The study was carried out in the area of PT MKS and the surrounding villages which administratively located in Kampar Sebomban Village, Simpang Dua District, Ketapang Regency, Province of West Kalimantan and conducted from 20 – 24 February 2012.

HCV

Data sources as Toolkit for Identification of High Conservation Values in Indonesia by Consortium to Revise the HCV Toolkit for Indonesia JAKARTA - June 2008 are satellite imagery; topography and slope maps; map of Forest Land Use Consensus Plan; Land System map; river network map, Field Guide Books ((Field Guide Book for birds in Sumatera, Kalimantan, Jawa and Bali - BirdLife, Mammals and Reptiles in Sumatera, Kalimantan, Jawa and Bali); Social and Cultural Questionnaires, and field book.

The success of the HCV study will depend on two factors, namely:

- (1) the availability of adequate and the latest data of, both secondary and primary data and
- (2) proper and systematic activity steps.

Availability of adequate and latest data/information will depend on the systematic, adequate and well-planned of field surveys carried out. In order to conduct an expected field survey plan, then the review on the existing documents / reports / maps and initial HCVs identification need to be conducted. While the proper and systematic activity steps, include field surveys, data processing, analysis and synthesis of data, identification and analysis of the HCV presence and mapping.

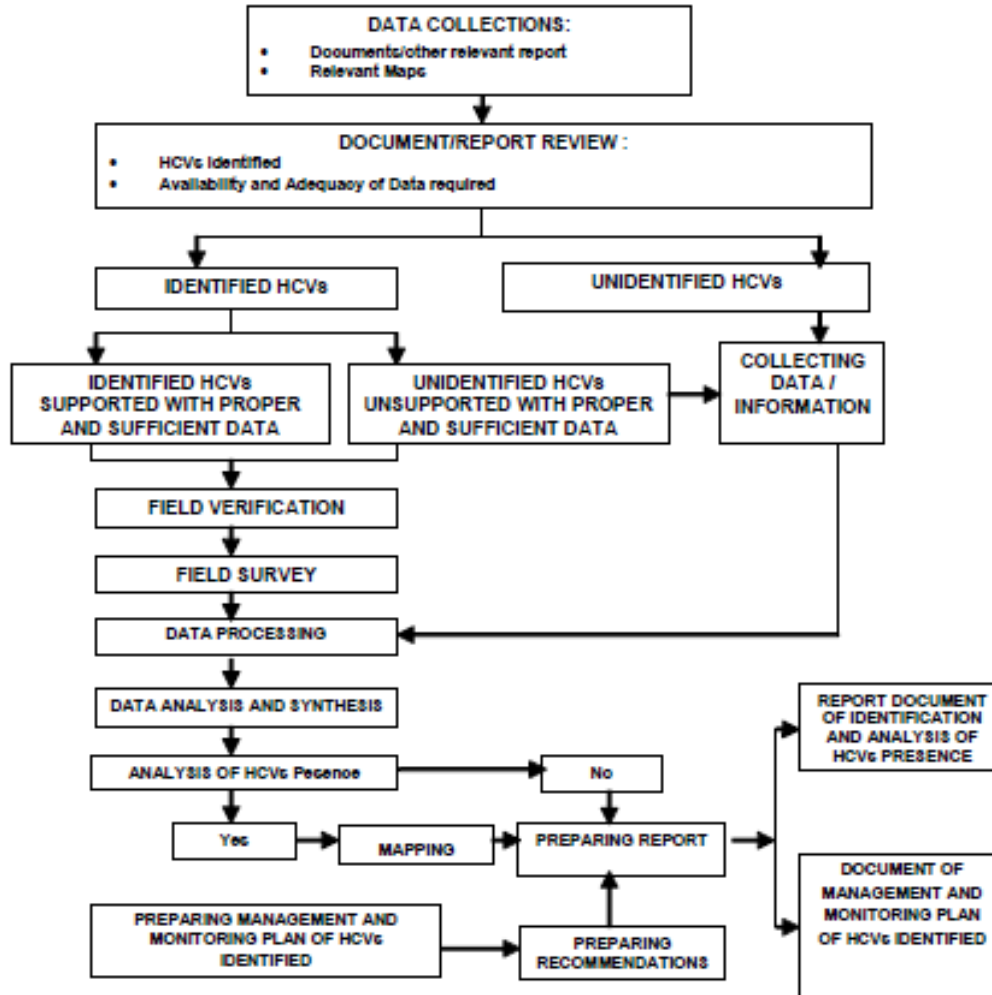


Figure 4 Framework approach for HCV of PT MKS

#### Physical Conditions

Types of land cover in the area of PT MKS consist of secondary swamp forests, low land secondary forests, shrub, mixed crops farming fields, bare lands and settlement. While types of land cover on areas around PT MKS are secondary swamp forests, low land secondary forests, oil palm plantation, settlement and mixed crops farming fields.

#### Biological Conditions

##### Flora

There are 2 plant species found as protected species under PP No 7/1999, 7 plant species which identified as species of Appendix II CITES and 30 plant species which identified as species of Red List IUCN containing 7 species of CR/*Critically Endangered*, 2 species of EN/*Endangered*, 4 species of VU/*Vulnerable*, 17 species of LR/*Low Risk*, 1 species of LC/*Least Concern* and 3 species of DD/*Data Deficient*.

##### Wildlife

There are 31 wildlife species found as protected species under PP No 7/1999 containing 14 species of mammals, 16 species of aves and 1 species of reptile. Also, 24 wildlife species are found as species of CITES Appendixes containing 7 species of Appendix I (5 species of mammals, 1 species of aves and 1 species of reptile); 16 species of Appendix II ( 7 species of mammals, 6 species of aves and 3 species of reptiles); and 1 species of Appendix III ( a species of mammal). Almost all of the wildlife species found, except 3 species of reptiles, are identified as the species of IUCN Red List which containing 5 species of EN/*Endangered* (4 species of mammals and 1 species of reptile), 8 species of VU/*Vulnerable* (8 species of mammals), 11 species of NT/*Near Threatened* (2 species of mammals and 9 species of aves), 1 species of DD/*data deficient* mammal) and others are species of LC/*Least Concern*.

### Environmental Services Aspects

Areas or ecosystems important for the provision of water and Prevention of Floods for Downstream Communities. According to the field observation and satellite imagery interpretation, it is showed that types of ecosystems contained in the area of PT MKS consist of low land ecosystem (riparian ecosystem) and peat swampy ecosystem in the form of logged over secondary forest areas.

### Ecosystem Important Related to The Various Land Class Based on The RePPPProT

According to the RePPPProT data of 1987, it is identified that types of land system in the area of PT MKS which consisting of GBT (Peat), MDW (mendawai), RKG (Rangkankau), PLN (Pakulanai) and TWI (Telawai). RKG and GBT land systems are important ecosystems in Kalimantan Island and rare ecosystems in the area of PT MKS.

### Soil Erosion

The soil erosion hazard level will depend on the soil conservation and plantation management practices implemented. When the plantation is well managed under the best management practices on soil and water conservation, for instance: planting legumes as cover crops; developing guludan as plant strenghtener; developing embankment of waterway and canals either mechanically or by planting particular plants like vetiver grass or scented citronella; and water management as developing drainage system like rorak-rorak ; application of mulsa using stems and empty bunches of palms, then the erosion will be very low to low (0.89 – 29.27 tons/ha/year). Otherwise, the worse the management by ignoring best conservation and water practices management, the larger the erosion level as indicated by medium plantation management and conservation, then the erosion value will range from very low to medium (4.46– 146.33 tons / ha / year). When the plantation area is managed under poor plantation management and conservation, then the erosion will range from medium – very heavy (22.32 – 731.64 tons / ha / year).

### Socio Economic and Culture Aspects

Main of livelihoods peoples in Kampar Sebomban village for the basic need as a farmer/rubber workers. Peoples in this village is sub-sisten; more of them has agriculture in dry land or swamp. The dry land agriculture is conducting for them self family and agriculture products is not sell. The other of livelihoods are sailors, hunter, workers (farmer, builder, daily), un permanent worker, service sell, forest yield collecting and marketing.

### Stakeholder consultation (stakeholders contacted, consultation notices and dates)

Social Environment Impact Assessment (AMDAL) first public consultation was held on 1 February 2011 at Dusun Lembawang, Kampar Sebomban Village, Simpang Dua Sub District, Ketapang District, West Kalimantan, Indonesia. Stakeholder contacted via public notification at Village Office and invitation for indigenous people. There were 30 participants. Second AMDAL public consultation was held on 28 October 2011 at Simpang Dua Sub District Office, Ketapang, West Kalimantan, Indonesia. Stakeholder contacted via public notification at Sub District office and all village office in Simpang Dua Sub District area. There were 33 participants from government, local people, university and local organization.

In this study, stakeholder identification was focused on the parties related to the management plan of PT. MKS at local/ site level. And in the study, it was identified 14 stakeholders which containing government agencies, company's management and communities. Each group of stakeholders have different relevance to the existing socio-economic problems in the surrounding area of PT. MKS. The main stakeholders who directly drive the plantation of PT MKS are the company's management and community. While other stakeholders who indirectly affect the plantation are the local government.

Stakeholders associated with PT. MKS can be classified into three groups, namely direct primary stakeholders i.e. stakeholders who receive benefits directly from the PT. MKS, indirect primary stakeholders i.e. stakeholders who receive indirect benefits from PT. MKS and secondary stakeholders i.e. stakeholders who are not included in groups 1 and 2, but have interests towards PT. MKS.

Direct primary stakeholders are the stakeholders who are at the level of internal corporate and local level, for example : company's employees / workers, or other parties who are directly benefited from the company (income and other facilities according to their level). Policies of the PT. MKS will be very influential on these stakeholders. Village and dusun governments, are also included in the direct primary stakeholders of PT MKS. Those stakeholders

received directly benefits from the company in the form of social reliefs and employment opportunities for local communities. While stakeholder that included in the indirect primary stakeholder is the Local Government of Ketapang Regency and Simpang Dua District.

Stakeholder that included in the secondary stakeholders is Badan Lingkungan Hidup of Ketapang Regency. Those stakeholders receive interests towards the company especially related to the implementation of sustainable natural resources management, conducive situation and the compliance with the all applicable regulations.

Stakeholder consultation for HCV Identification was held together with SEI Assessment.

List of Legal, regulatory and other guidance referenced.

- refer to table 2
- Term of Reference of Environmental Impact Assessment (KA ANDAL) PT MKS
- Environment Management and Monitoring Program (RKL RPL) PT MKS
- Toolkit for Identification of High Conservation Values in Indonesia by Consortium to Revise the HCV Toolkit for Indonesia JAKARTA - June 2008.
- satellite imagery
- topography and slope maps;
- map of Forest Land Use Consensus Plan;
- Land System map;
- river network map,
- Field Guide Books ((Field Guide Book for birds in Sumatera, Kalimantan, Jawa and Bali - BirdLife, Mammals and Reptiles in Sumatera, Kalimantan, Jawa and Bali);
- Social and Cultural Questionnaires

#### **4a. Summary of assessment findings (for SEI assessments)**

Summary of key findings in respect of socio-economic impacts to country, region and local communities.

##### AMDAL findings

- PT MKS is environmentally and socially feasible.
- PT MKS need to conserve some area from its location permit.
- PT MKS need to enclave some area for people's settlement.
- PT MKS need to follow environment management and monitoring plan so effluent and emission of it activities will not against government's environmental quality standards.
- PT MKS need to follow social management plan to avoid social disturbance.

##### SEIA findings

Kampar Sebomban is a village which intensely interacted with the company of PT MKS. Most of the village community are Catholics and Moslems. While based on their origin, the village community are the members of Dayak Simpang Tribe, Melayu and others (Jawa, Bugis and China). Most of the village community's livelihoods are field farming and rubber crop farming. Lack of educational and public health facilities.

Forested areas and other natural ecosystems within the area of PT MKS are utilized by the village community of Kampar Sebomban to meet their needs for animal protein (meats and fish), vegetables and fruits, wood as materials for housing, furnitures and firewoods, animal feeds in less than 50% or with the scoring values 0, 1 and 2. It indicates that the existing forested areas and other natural ecosystems within the company area were considered as less important for the village community of Kampar Sebomban in meeting their basic needs. Most of the community's basic needs are met from outside the company's area such as purchase, community's own cultivation and reliefs.

The existing potentials in the Kampar Sebomban Village are land availabilities and the development of rubber crops plantation, fresh fish culture, rattan, honey and bauxite mining.

The most *Corporate Social Responsibility* (CSR) programs required by the village community are in the form of providing clean water supply facilities, educational facilities supports (scholarship, teacher's assistants, school



buildings), lighting / electrical supply support and public health services (medical workers and medicines), training and technical assistance on rice field farming, vegetables cultivation and raising livestock, actualization of plasma scheme, training and development of entrepreneurship and community's skills  
The social programs undertaken by the company of PT MKS are village land roads improvements, providing electric generator, providing artesian well, supports of the needs for heavy equipments, supports of patients transportations and financial supports on the national holidays and religious

Summary of key findings in respect of socio-economic impact in respect of emergent communities (workers, suppliers, etc.).

#### Risk Factors Analysis

Risk factors identified in the initial phase of PT MKS plantation development are land certainty and business legality, local community's legitimacy, labor supply, horizontal conflict, household economic resistance, public food supply, social dynamic and local community's welfare

#### Positive Impacts

According to interview, it was estimated that a palm plantation development of PT MKS will deliver positive impacts on the surrounding communities in the form of employment and business opportunities for local communities, become crowded on the surrounding villages, better village accessibility and infrastructures.

#### Negative Impacts

Based on interview result with PT. MKS's existence society peaceful Opus hasn't caused negative impact. Besides positive impact potency, existence of PT MKS partner also give negative impact potency. Negative impact potency that for example: qualities changed potency opening consequent river water farm and chemical material purpose or manure, surface soil erosion, increasing it dust, social conflict, its dwindling is location hunts and location look for to usufruct forest etcetera.

Issues raised by stakeholders and assessors comments on each issue.

#### Communities Perceptions

According to the interviews and FGD, it was revealed that the village community of Dusun Lembawang showed their acceptance towards the company's presence. While the village community of Dusun Tunas kampar showed their acceptance towards the company's presence under some certain conditions. The village community of Dusun Merangin have not shown their acceptance.

#### Tenure Issues

According to the FGD, it was revealed the issues related to the tenure : 1) The intense custom rules applicable in a land problem settlement, 2) the existing custom institution is not fully able to control land problems, 3) There is no formal reference in the custom penalties, 4) Most of the village community are willing to hand over their land to the company due to the lack of information and communication, 5) land acquisition by local investors (speculators), 6) Individual land ownerships are evenly distributed, 7) Decision on a land utilization is a personal decision not a communal decision, 8) Officially, a dusun showed their rejection to join in the company but some village community have shown their interests to join, 9) Average of land ownership in the village is around 30 ha/household.

#### Labor Issues

According to the FGD, it was revealed the issues related to the labor :

- 1) Most of the community's livelihoods are field farming and rubber crop farming,
- 2) Income of tapping rubber is greater than the company's wage standard,
- 3) village community's work culture.

#### Socio Economic Issues

Strategic issues arised related to the socio economic in the surrounding communtie are 1) Intense custom rules are applicable in a land problem settlement, the existing custom institution is not fully able to control land problems related to the land utilization, 2) Custom rules are applicable in a community's problem settlement such as community's conflicts, theft etc, 3) evenly distribution of local power to the chief of a dusun, custom institution, informal leaders and local investors, 4) local economy is controlled only by some rubber traders, 5) local economy depends on the rubber trading, 6) It is easy for the village community to earn money over Rp 5 million.

#### Educational and Public Health Issues

According to the FGD, it was revealed the issues related to public education and health are 1) Lack of educational facilities (only elementary eschool), 2) Some of the village are graduated from university or even post graduated

who have considerable influence in building public perception towards the company, 3) It is not provided with adequate community's education level, in increasing the community's participations to the company's activities.

#### Environmental Issues

According to the FGD, it was revealed that almost all of the village communities have not known the negative impacts that will be generated by the company's presence on the environment such as water pollution, ground water availability, air pollution due to dust and smell, and damage to roads.

#### **4b. Summary of assessment findings (For HCV assessments)**

Overall HCV identification and proposed measures to maintain and enhance those identified Documentation showing the Obtained Free, Prior and Informed Consent of any indigenous peoples affected by the development of the concession (part of RSPO requirements)

##### Data sources and quality

According to the 11 (eleven) years long observation on rainfall (2000-2010) at the Meteorology and Geophysics Station (BMG) Ketapang, climate in the area of PT. MKS is characterized Climate Type B (wet), Schmidt-Ferguson Classification- 1951, containing 8 wet months, 2 humid months and 2 dry months with Q value of 0.25 (comparison between dry months – average monthly < 60 mm, and wet months – average monthly rainfall >100 mm. Dry months usually happen in the period of July and August, while the humid months happen in the months of June and September. Average yearly rainfall in the area of PT MKS is around 2,354 mm and it indicates that the area is suitable for oil palm plantation development purpose.

The company's area is located at the altitude ranging between 4-453 m above sea level with the land slope varies between flat to declivous (0- > 40%). Most of the area is flat with the land slope between 0-5 %.

According to the Geological Map, the Pontianak/Nangataman Quadrangle, scale 1 : 250,000 published by Geological Research and Development Center, Bandung, 1993, it is showed that the company area is composed of 3 geological formations namely : (1) Aluvium sediment, coast, lake, swamp and undak (Qa) containing mud, sand, gravel, and plant materials (peat), covering less than 50% of the company area and distributed at the western and southern part of the company area, (2) Gununga pi Kerabai stones (**Kuk**) which composed of andesite lava, dacite and basalt, breccias lava, pyroclastic and small intrusions, covering less than 30% of the company area and distributed at the northern and eastern part of the company area, (3) Sukadana Granite (Kus) which composed of monzogranit, syenogranit, monzonit kuarsa, syenit kuarsa, granit feldspar alkali, and a bit of granodiorite, tonalit, and quartz diorite, Rocks contain biotite and varied hornblende, and sometimes of klinopiroksen and amfibol alkali, covering less than 20% of the company area and distributed at the eastern part of the company area.

According to the land system map, the soil review map, scale 1 : 250,000 ((RePPProT, 1990) and he field observation, the company area are composed of 7 (seven) soil types namely: Tropofibrist (Organosol Fibrisk), Tropohemists (Organosol Hemik), Tropaquepts (Gleisol and Kambisol), Dystropepts (Kambisol Distrik), Tropudult (Podsolik), Paleudults (Podsolik Kromik), and Haplorthox (Oksisol).

The company area is located in the Kapuas Hilir sub watershed area with the main river flowing inside is Semandang River and its tributaries (S. Tamiang, S. Tentunyuk, S. Sorie, S. Tunduh, S. Yeh Tatin, S. Pelapis, and S. Dadap)..

According to Forest Areas and Aquatic Designation Map of West Kalimantan Province, scale 1 : 250.000 (the Decree No 259/Kpts-II/2000), land status of the area of PT MKS is Convertible Production Forest areas. Then it was released in 2011 through the Decree of Minister of Forestry No SK.203/Menhut-II/2011 covering areas of 14,125.02 ha. While according to the Spatial Planning of West Kalimantan Province, land status of the company area is Convertible Production Forest and Dryland Farming Areas.

#### Which HCV toolkits employed

Toolkit for Identification of High Conservation Values in Indonesia by Consortium to Revise the HCV Toolkit for Indonesia JAKARTA - June 2008

#### Decisions on HCV status and related mapping

**Table 5** The Results of Identification and Analysis of HCV 1-6's Presence in The Area of PT. MKS

HCV / Component	HCV Presence	HCV Area	2012	2013
<b>HCV1. Areas with important</b>				
HCV1.1. Areas that contain or provide biodiversity support functions to protection or conservation areas	Present	- Bufer zones of Gunung Seriuang Protection Forest	459,56	0
		- Bufer zones of Gunung Laut Protection Forest	332,69	0
HCV1.2. Critically endangered species	Present	- Riparian of Semandang River	214,16	0
		- Deep Peat Land > 3 m	1.167,4	965,70
		- Bufer zones of Gunung Seriuang Protection Forest	*)	*)
		- Bufer zones of Gunung Laut Protection Forest	*)	*)
HCV 1.3. Areas that contain habitat for vilable population of endangered, Restricted	Absent	-		
HCV1.4. Areas that contain habitat of temporary use of species or congregations of	Absent	-		
<b>HCV2. Natural Landscape and</b>				
HCV 2.1. Large natural landscape with capacity to maintain natural ecological processes and	Absent	-		
HCV 2.2.Areas that contain two or more contiguous	Absent	-		
HCV2.3. Areas that contain representatives population of most naturally occuring species	Absent	-		
<b>HCV3.Rare or endangered</b>	Present	- Deep Peat Land > 3 m	*)	*)
<b>HCV4. Environmental</b>				
HCV4.1. Areas or ecosystems important for the provision of water and and Prevention of Floods for Downstream Communities	Present	- Riparian of Semandang River	*)	*)
		- Riparian of Empawang	97,1	97,1
		- Riparian of S.Pelapis, S.Dadap	110,	74,02
		- Riparian of Tanduh	71,8	46,73
		- Riparian of Temiang	11,8	9,15
		- Riparian of Paku	119,	106,14
		- Riparian of Tentunyuk	31,1	27,80
		- Riparian of Sorie	12,6	5,83
HCV4.2. Areas important for the prevention of erosion and sedimentation	Present	- Deep Peat land >3 m	*)	*)
		- Bufer zones of Gunung Seriuang Protection Forest	*)	0
HCV4.3. Areas that function as natural barriers to the spread of forest or ground fire	Present	- Bufer zones of Gunung Seriuang Protection Forest	*)	0
		- Bufer zones of Gunung Laut Protection Forest	*)	0
<b>HCV5. Natural areas critical for Meeting the basic needs of local</b>	Absent			

<b>HCV6. Areas critical for maintaining the cultural identity of local communities</b>	Present	Merangin Scared River. Prohibition of fishing from the upstream of Merangin River to the intersection of Merangin River		
		Sacred Tengan, Hutan Raja Ali. Kayu belian that has been fallen. Roots lifted up and budding grows. In the right side of Semandang River.		
		Sacred Tunas Kampar which in the form of 2 "Belian Trees" on the. Aik Putih River (tributaries of Paku River), behind Rodi's House as. a		
		Old Kampong and tembawang Mentawabiring. An ex betang house which abandoned in 1985 due to no clean water as an impact of HPH Hutan Raya's		
		Ancestral Tomb Mentawa Biring. It is still used by the community.		
		Sacred Tarojun Konakng. In the form of water fall of. Sorie River.		
		Sacred Tama' Galung. In the form of an old tomb. It was not used anymore.		
		Sacred Dadap. In the form of ponti and stone covered with bamboo. There are big tengkawang and kayu		
		An old kampong and tembawang Dadap. There are 3 ex betang houses. Village peoples moved to Kampong Merangin in the Dutch era		
		An old tomb of Mak Ripang's father (a community's elder of Kampong Merangin), marked by 3 durian trees.		
		Sandung Orang Buko. In the form of kayu ara ( <i>Ficus sp.</i> ). Peak point of the hill. Buko people inhabit Dadap before Dayak people from Sukadana coming		
		Sacred Tarojun Merangin. In the form of water fall. A place for people putting "sesaji".		
		Sacred Ponti (wood statue) Pengaduh Peningki, and white small stone. Kek Patih Jogam. A place for people praying and requesting something.		
		An old tomb ("market") Tama' Sebomban. Has been utilized. Containing big trees inserted by rattan and bamboo.		
		Sacred Sekawan. In the form a stone in the upstream of Sekawan River located within protection forest area		
<b>Total of HCVA</b>			2.627,9	1,332.4
<b>COMPANY's AREA</b>			14.125,	12,548.
<b>% of HCVA</b>			18,61	10,62

*Note :*

*\*) = The extent is the same as mentioned above.*

During HCV identification in February 2012, highest legal permit for PT MKS is Minister of Forestry Decree No. 203/Menhut-II/2011 regarding Releasing of the Convertible Production Forest Areas for PT MKS dated 11 April 2011. Assessor used the area 14,125.02 ha from it to identify HCV area. In 2013 after the issuance of Decree of BPN No.94/HGU/BPN-RI/2013 dated 10 September 2013 regarding land use title for PT MKS, some area being excluded from PT MKS. The area are enclave for settlement village area, small river riparian, Semandang riparian, Mount Laut forest area, Mount Seruing forest area, and peat. The comparison of HCV area can be seen on table 5.

HCV management will be held for HCV area inside PT MKS land use permit. Otherwise monitoring of HCV area will be held for all area that identified earlier by the HCV assessor, although it already being excluded from PT MKS land use permit.

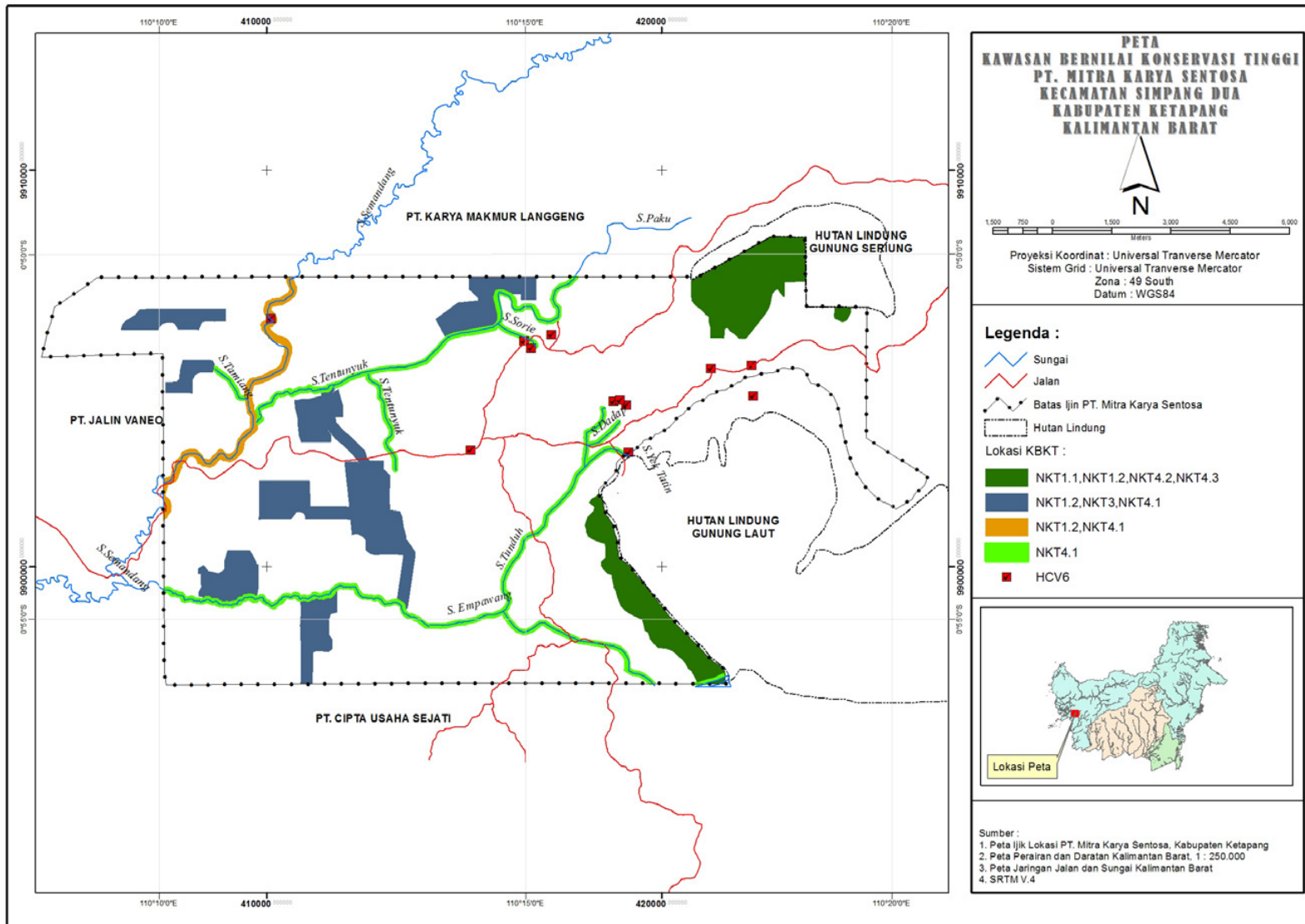
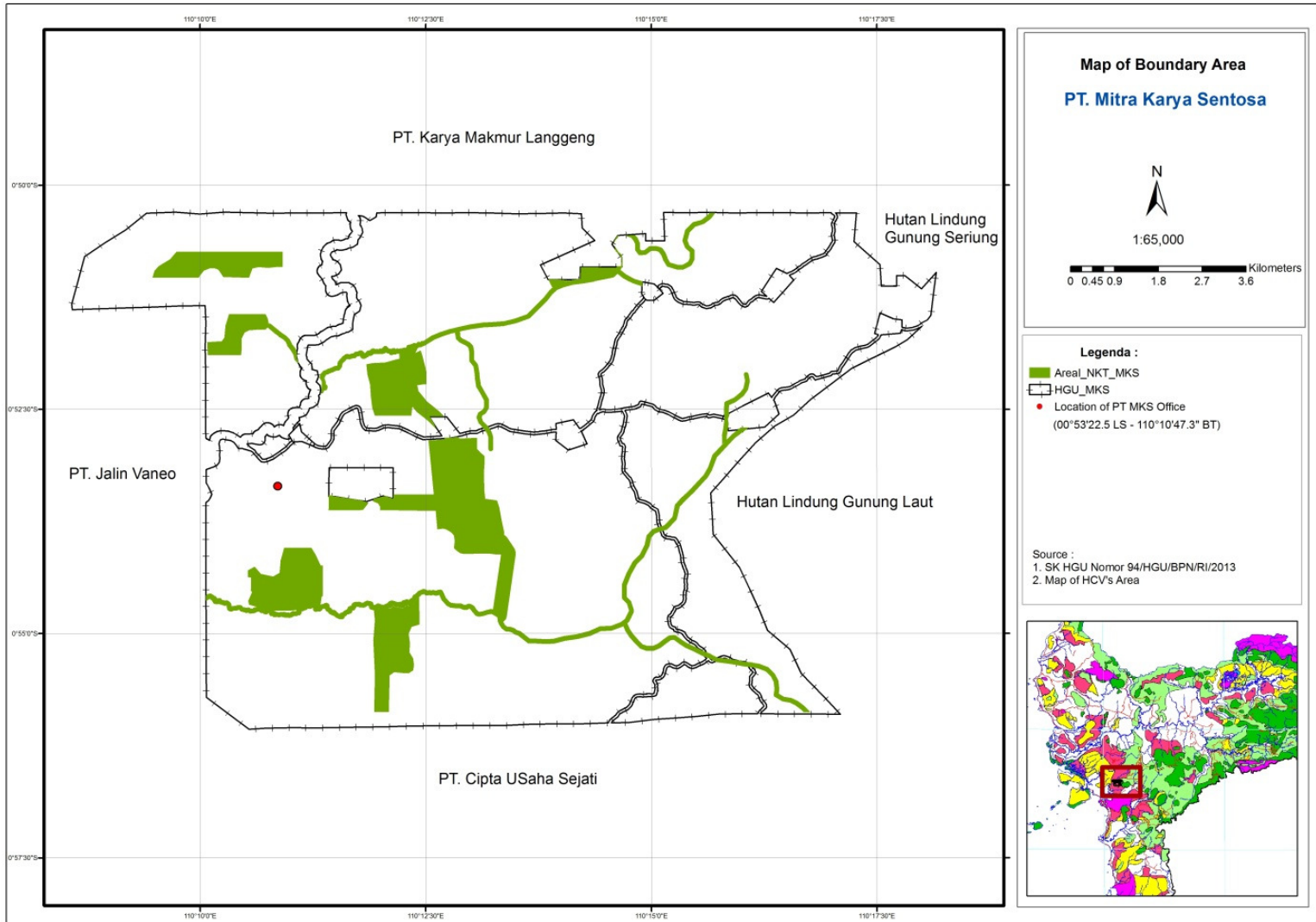


Figure 5 Identified HCV area base on assessor report 2012





**Figure 6** HCV area in PT MKS land use permit

## 5. Internal responsibility

Formal signing off by assessors and company  
Statement of acceptance of responsibility for assessments.


### INTERNAL RESPONSIBILITY

#### Formal Signing Off by Assessors and company

These document its summary of SEIA (Social Environment Impact Assessment) Assessment in PT. Mitra Karya Sentosa and has been approved by the management of PT. Mitra Karya Sentosa

##### Fakultas Kehutanan Institut Pertanian Bogor

Bogor Agricultural University,

  
**Dr. Ir. Nyoto Santoso, MS**  
Team Leader of SEIA Assessment  
February 24, 2014



**Tri Rima Setyawati, S.Si, M.Si**  
Ketua Tim AMDAL


##### Management of PT. Mitra Karya Sentosa

  
**Ratmaja Eka Putra**  
Director  
February 24, 2014

#### Statement of acceptance of responsibility for assessments

Assessment result document SEIA (Social Environment Impact Assessment)  
Assessment of PT. Mitra Karya Sentosa by Faculty of Forestry - Bogor  
Agricultural University (IPB) will be applied as one of the guidelines in managing  
palm oil plantation in PT. Mitra Karya Sentosa

##### Management of PT. Mitra Karya Sentosa


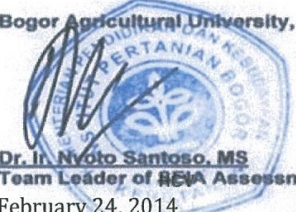
  
**Ratmaja Eka Putra**  
Director  
February 24, 2014

## INTERNAL RESPONSIBILITY

### Formal Signing Off by Assessors and company

These document its summary of HCV (High Conservation Value) Assessment in PT. Mitra Karya Sentosa and has been approved by the management of PT. Mitra Karya Sentosa

#### Fakultas Kehutanan Institut Pertanian Bogor

  
Bogor Agricultural University,  
  
**Dr. Ir. Nyoto Santoso, MS**  
Team Leader of HCV Assessment  
February 24, 2014

  
**Tri Rima Setyawati, S.Si, M.Si**  
Ketua Tim AMDAL

#### Management of PT. Mitra Karya Sentosa

  
  
**Ratmaja Eka Putra**  
Director

February 24, 2014

### Statement of acceptance of responsibility for assessments

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#### Management of PT. Mitra Karya Sentosa

  
  
**Ratmaja Eka Putra**  
Director

February 24, 2014