

**Summary Report of Planning & Management of PT Bangun Nusa Mandiri  
Sub-Districts of Jelai Hulu, Marau, Manis Mata and Air Upas, Ketapang District, West Kalimantan  
Province**

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**Executive Summary**

PT Bangun Nusa Mandiri is located in the the villages of Kelampai, *Terusan*, Kemuning and Merabung, in the Sub-Districts of Jelai Hulu, Air Upas, and Manis Mata, District of Ketapang, West Kalimantan Province. The estate received its location permit from the Ketapang District Head under Decree No. 528 dated 30 December 2009 for a total area of 20,000 ha.

PT BNM has an Environmental Impact Assessment (EIA) for the plantation covering a total area of 20,000 ha and the oil palm mill with capacity of 80 tons FFB per hour. The EIA was conducted by Intergraha Citra Persada CV (of Jl. M.H Thamrin Komplek Untan No. P42,,Pontianak, West Kalimantan Province). PT BNM is acknowledged as environmentally feasible by the Decree of the Governor of Central Kalimantan No. 110/2009 on 16 March 2009.

The company also conducted a Social Impact Assessment (SIA) in January 2013. Based on this a management plan was drawn up to handle any negative social impact, with details on the type of monitoring, location and schedule. To gather data for the SIA, an indirect collection system was applied, involving a literature review of the EIA, High Conservation Values (HCV) identification study and supporting literature such as data from local government websites.

PT BNM also performed HCV identification with the help of the Faculty of Forestry of Bogor Agricultural Institute (IPB) from May 2010 to February 2011. The identification was made based on a field survey conducted on 6 – 14 February 2010, with a team consisting of RSPO-approved HCV assessors. A public consultation was held on 15 June 2010. The HCV Assessment was peer reviewed in October 2010 by Dr Kunkun Jaka Gurmaya, an RSPO-approved HCV assessor and a member of the Faculty of Mathematics and Natural Science of Padjajaran Bandung University. In PT BNM's concession area, there are nine identified HCV, namely HCV 1 (HCV 1.1, HCV 1.2, HCV 1.3, and HCV 1.4), HCV 2 (HCV 2.3), HCV 4 (HCV 4.1 and HCV 4.2), HCV 5 and HCV 6.

The company has formulated an HCV management and monitoring plan for the period 2012–2016. The plan consists of HCV management at riparian areas, springs, lake areas, hills, and cultural heritage sites. In addition, PT BNM has drawn up a social impact management and monitoring plan based on the SIA, and an environmental management and monitoring plan based on the EIA. These three documents guide PT BNM in managing environment and social aspects in accordance with RSPO principles and criteria.

**Reference Documents**

The following Reference Documents were used:

- a. EIA on PT BNM's 20,000 ha plantation and mill with capacity of 80 tons FFB/hour, by Intergraha Citra Persada CV.
- b. PT BNM Final Report of HCV Identification and Analysis in the area of PT BNM, by the Faculty of Forestry of IPB in 2011.
- c. SIA report by the internal team from PT SMART in January 2013
- d. Environmental Management and Monitoring Plan Document, 2008
- e. Management and Monitoring Plan of Social Impact Assessment, January 2013
- f. Management and monitoring Plan for HCV areas in the concession area of PT BNM, West Kalimantan Province. Jakarta: PT BNM and the Faculty of Forestry, IPB, 2011

## Summary of Reference Documents

PT BNM's presence has made a positive social and environment impact on the communities who live within the vicinity of its operations. The environmental management and monitoring plan has been reported to Environmental Office (BPPLHD) of West Kalimantan Province, Environmental Office of Ketapang District, Plantation Office of West Kalimantan Province, and Plantation Office of Ketapang District. Monitoring of environmental components is performed periodically. Improvements in community welfare, accessibility and social relations between the communities are some of the positive impacts from the company's operation. Some of the negative impacts identified are social anxiety, land ownership conflicts and community health issues.

Nine HCV have been identified In PT BNM's concession area, namely HCV 1 (HCV 1.1, HCV 1.2, HCV 1.3, and HCV 1.4), HCV 2 (HCV 2.3), HCV 4 (HCV 4.1 and HCV 4.2), HCV 5 and HCV 6. The total area of HCV in PT BNM is 2,761.19 ha.

A public consultation was held on 15 June 2010, which was attended by representatives and community leaders of communities in the Sub-Districts of Jelai Hulu, Air Upas and Manis Mata. PT BNM's HCV identification report was peer reviewed in October 2010 by Dr Kunkun Jaka Gurmaya, an RSPO-approved HCV assessor from the Faculty of Mathematics and Natural Science, Padjajaran Bandung University. Findings of this review were used to improve the HCV report and HCV management and monitoring plan.

## Scope of SEIA and HCV Assessment

1. Company Name: PT Bangun Nusa Mandiri
  2. Location: The villages of Sengkuang, Harapan Baru, Asam Jelai, Biku Sarana, Kelampai, Terusan, Kemuning, Merabung and Penyarangan, in the Sub-Districts of Jelai Hulu and Manis Mata, West Ketapang District, West Kalimantan Province.
  3. Geographical Location: 110°49'13" – 110°58'15" BT dan 02°02'19" – 02°15'13"L
  4. Surrounding Areas:
    - a. North: PT Fangiono Agro Plantation Plantation
    - b. East: PT Umekah Sejahtera Plantation
    - c. West: PT Andes Plantation
    - d. South: PT Polyplant Plantation
- Licenses
    1. Plantation Business Permit: Ketapang District Head's Decree Number: 224/DISBUN-D/2012 dated 1 May 2012, with a total area of 18.138 ha and mill capacity of 80 tons of FFB/hour.
    2. Extension of Land Permit based on Ketapang District Head's Decree no. 528 dated 30 December 2009 covering ± 20.000 ha, valid for 36 months or until 30 December 2012.
    3. Land Use Title (HGU): In process.

### Parties Involved:

Parties involved in developing the SIA report and management and monitoring plan are the Village Head, Head of BPD, community representatives, and PT BNM's management.

## **Summary of SEIA Planning and Management**

PT BNM's EIA document has been recognised by the West Kalimantan Province EIA Review Commission, in Decree No.110 of 2009, dated 16 March 2009. In addition, PT BNM also conducted its SIA in January 2013 through an internal team from PT SMART, led by Yosaphat Ardhilla Renato (an RSPO-approved assessor for social impact management).

### **General Recommendations based on SIA**

#### **1. Land Acquisition Programme as the start of sustainable relationships**

Based on the EIA, on the early development of PT BNM, the socialisation concerning the land acquisition and compensation process adhered to the principles of free, prior, informed consent (FPIC). This process can be seen from several written and verbal statements that support the investment and development of PT BNM's oil palm plantation. This is also underscored by the SIA findings of positive social impacts on the local communities. The process of land acquisition and compensation was conducted in accordance with the procedures of PT BNM and witnessed by local government officials and other witnesses.

#### **2. Social Impact Management and Monitoring Programme as part of social relations**

- Economic aspect: To improve community welfare, the company pays workers at least the local minimum wage, conducts community development through local partnerships and local purchasing, implements health and safety policies in the workplace, conducts capacity building training to enhance employee competency, and supports the growth of local enterprise.
- Health and environmental aspect: Pro-active communication with relevant stakeholders, adopting best practices in managing hazardous waste, reporting to relevant government institutions on the management and monitoring of social and environmental impacts, and implementing health and safety measures in the company's operations.
- Social relations aspect: Improving education by providing scholarships to outstanding students, supporting local cultural activities including traditional ceremonies.

#### **3. PT BNM's role in local economic development**

The company should help community development by providing employment opportunities to the local community, purchasing local commodities, forming local partnerships with local transportation providers, and developing smallholder plantations.

**Summary of environmental management and monitoring plan for PT BNM**

No.	Environmental Component (Operational Level)	Source of Impact	Environmental Parameter	Data Collecting and Analysis Methods	Location	Monitoring Period and Location	Environmental Management Plan
a.	Water Quality	Land clearing, ground and water conservation, and TBM maintenance	The decrease or stable condition of the river water quality based on Indonesian Government Regulation No. 82/2001 and Environment Department Decree No. KEP. 122/MENLH/8/2004	Composite sampling and analysis based on Indonesian Government Regulation No. 82/2001	Daranuk, Silat, Terusan and Sekelamping rivers and the communities within the area.	Annually	Maintaining greenbelt and riparian areas based on government regulations, prohibition on logging along the river and greenbelt, planting ground cover to minimise erosion and sedimentation"?
b.	Community Well-Being	Land clearing, FFB processing, hazardous waste from the mill	Sanitary conditions in the settlement, types of disease that arise, quality of the water in the river, availability of medical personnel, health facilities, and environmental comfort	Conducting grab sampling at the water surface, microbiology E. Coli analysis, bi-annual data collection regarding types of waterborne diseases that have resulted, observation and direct interviews conducted in the field	Areas around the villages	Quarterly, with biannual field monitoring	Providing water filtration, spraying and providing mosquito nets to prevent malaria outbreaks, installing traffic signs on routes where vehicles pass, providing integrated public health education, intensive monitoring of potential sources of pollution
c.	Community Income	The development of facilities and infrastructure, replanting, and managing the FFB process	Community income level, community financial distribution patterns, and changes in community income level	Direct observation and interviews with community around PT BNM mill, with purposive random sampling using series of questions that are prepared in advance	. To the community who live around the PT BNM mill	Biannually	PT BNM should pay employees at least the local minimum wage, purchase locally, conduct awareness programmes on alcohol, gambling and prostitution.
d.	Air Quality	Exhaust emissions from heavy equipment and vehicles, construction besides planting of palm trees, FFB processing	Noise, ISPU, air pollution, and emissions from static items	The examination process using grab sampling refers to Indonesian Government Regulation No. PP 41/1999 and KEP-48/1996	Plantation areas	Once during the construction process and twice during FFB	Conducting spraying prior to physical activities, providing masks to field workers, implementing a safety equipment awareness programme, spraying the road on a periodic basis,

**Summary of environmental management and monitoring plan for PT BNM**

No.	Environmental Component (Operational Level)	Source of Impact	Environmental Parameter	Data Collecting and Analysis Methods	Location	Monitoring Period and Location	Environmental Management Plan
		activities, and hazardous waste management				transportation	using the recommended chimney

## **Summary of HCV Planning and Management**

### **1. Recommendations for management**

The HCV management plan for PT BNM, covers the management of riparian areas, springs, lake areas, hills and cultural heritage sites. Actions to protect and improve the condition of HCV areas include:

- Marking of HCV area boundaries
- Maintenance of HCV area boundary markers
- Protection of flora and fauna in HCV areas
- Rehabilitation and enrichment in the HCV areas
- Socialisation to the local communities
- Employee training
- Development / improvement of SOP for managing HCV
- Organisation Empowerment
- Coordination with relevant authorities

### **2. Recommendations for monitoring**

The following should be monitored in all HCV areas in the concession area of PT BNM:

- Disturbance to the HCV area, including fire risk
- Biodiversity and population density of rare, threatened and endangered species
- Rehabilitation and survival rate of vegetation planted in the area
- Changes in river width
- Surface water quality and source of water
- Water biota in river

### **Plan for HCV Monitoring and Regular Review of Data**

The HCV assessment document and HCV management and monitoring plan for PT BNM was reviewed by Dr Kunkun Jaka Gurmaya (an RSPO-approved HCV assessor). The peer review was taken into consideration to improve the HCV assessment report and HCV management and monitoring plan.

### **Management of threats to HCV areas**

#### **Technological Approach**

1. Identification and Inventory of land cover in riparian areas, areas around lakes, hills, protected forest buffer zones, and conservation forests
2. Installing and monitoring signage at boundaries of HCV areas
3. Protection of the areas, flora and fauna
4. Rehabilitation and enrichment of the HCV areas

#### **Social Economic Approach**

1. Conducting an awareness programme for the local communities and workers
2. Employee training on environmental issues

#### **Institutional Approach**

1. Developing and improving SOP
2. Coordinating with relevant institutions

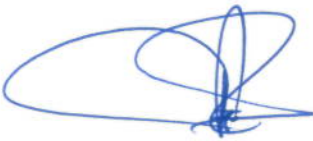
#### **Management plans to enhance or maintain HCV**

1. Marking of the riparian zones, areas of water sources and lakes, and maintaining the boundary markers
2. Inventory and identification of land cover conditions in HCV areas
3. Protection, both passive and active, of HCV areas
4. Rehabilitation and/or restoration of HCV areas
5. Communication and coordination with relevant stakeholders
6. Periodic maintenance of HCV areas

### **Internal Responsibility**

We hereby sign off on the above Summary Report of Planning and Management. The above may be amended and clarified for improvement during the development of the plantation but it will remain in accordance with RSPO Standards and Principles.

On behalf of the Management of **PT Bangun Nusa Mandiri**,

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

**Dr. Haskarlianus Pasang**

Head of Sustainability Division

Date: May 10<sup>th</sup>, 2013