RSPO

RSPO NOTIFICATION OF PROPOSED NEW PLANTING

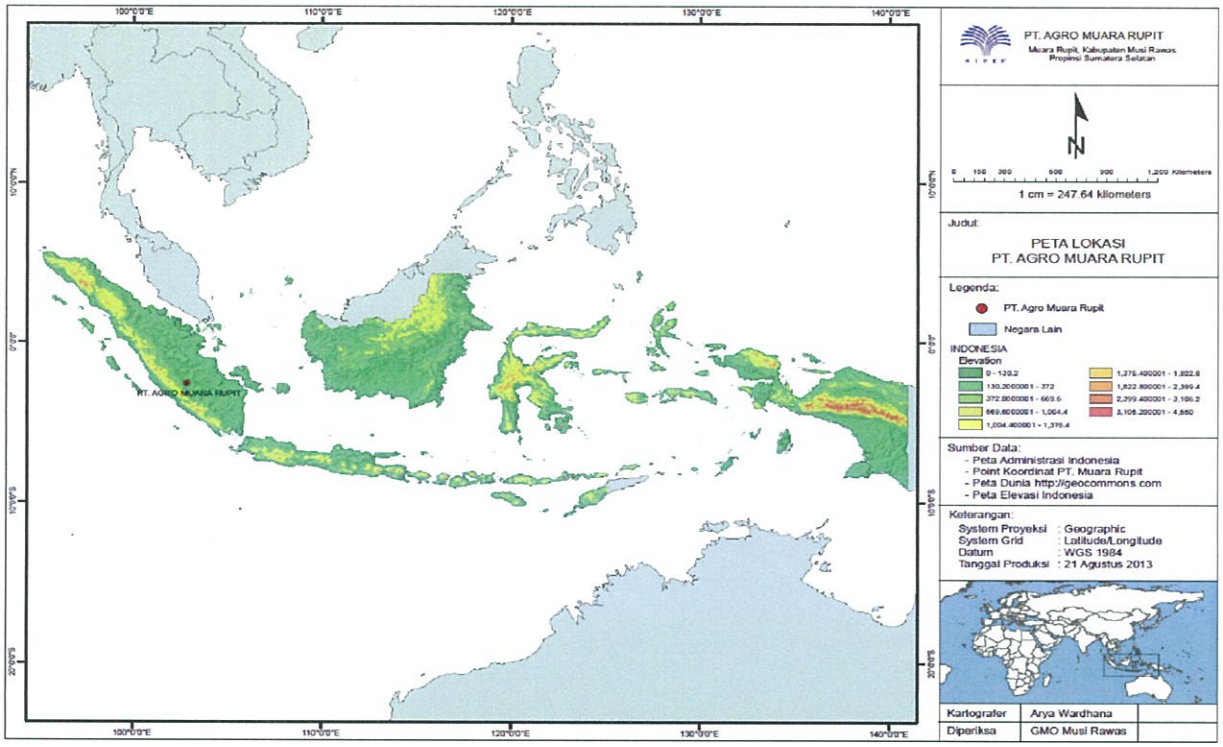
This notification shall be on the RSPO website for 30 days as required by the RSPO procedures for new plantings (http://www.rspo.org/?q=page/535). It has also been posted on local on-site notice boards.

Date of notification: June 2014

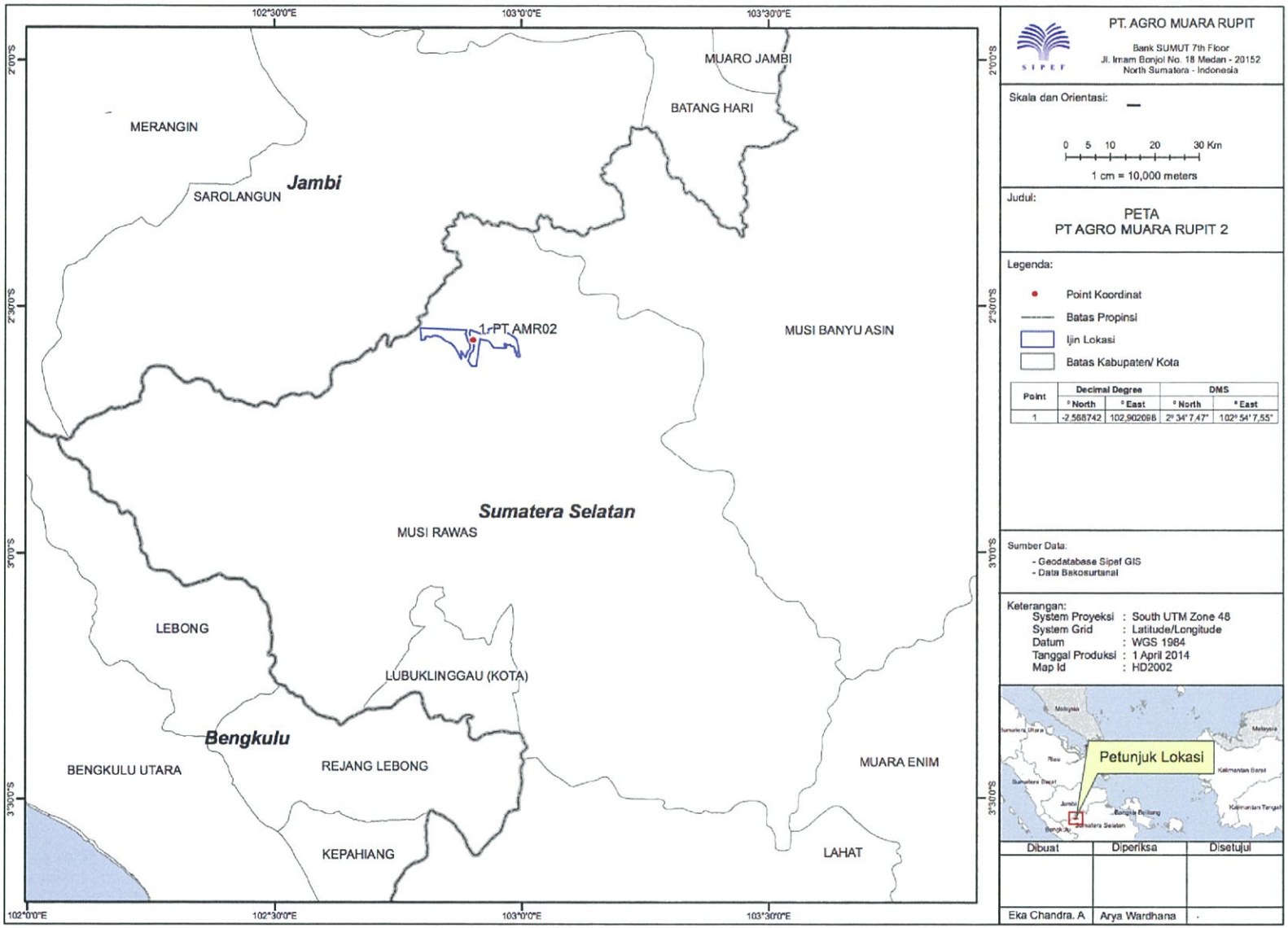
Tick whichever is appropriate

√	This is a completely new development and stakeholders may submit comments.
	This is part of an ongoing planting and is meant for notification only.

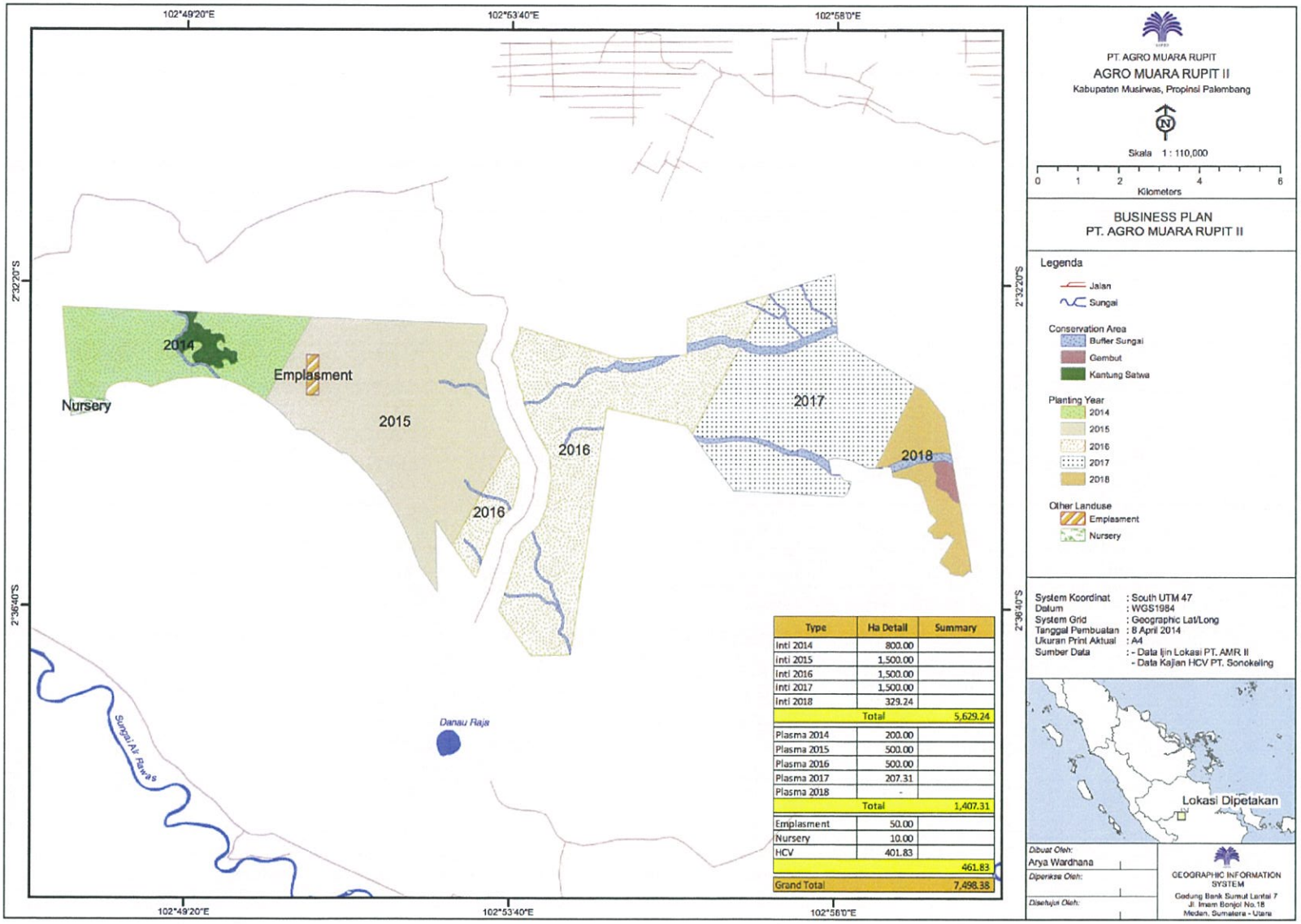
Company	PT. AGRO MUARA RUPIT (SIPEF GROUP)
Subsidiary	--
RSPO Membership	1-0021-05-000-00
Location of Proposed new planting	Kecamatan Rawas Ulu, Kabupaten Musi Rawas, Provinsi Sumatera Selatan, INDONESIA
Coordinates	S 02° 35' E 102° 52'



Map 1. Location of PT PT AMR (country level)



Map 2. Location of PT AMR (Kabupaten Level)



Type	Ha Detail	Summary
Inti 2014	800.00	
Inti 2015	1,500.00	
Inti 2016	1,500.00	
Inti 2017	1,500.00	
Inti 2018	329.24	
Total		5,629.24
Plasma 2014	200.00	
Plasma 2015	500.00	
Plasma 2016	500.00	
Plasma 2017	207.31	
Plasma 2018	-	
Total		1,407.31
Emplasment	50.00	
Nursery	10.00	
HCV	401.83	
		461.83
Grand Total		7,498.38

Map 3. Planting Program

SUMMARY FROM SEI ASSESSMENTS:

A participative SEIA has been conducted for the project area of PT Agro Muara Rupit. The SEIA covered a review of documentary sources, field surveys, individual interviews and public consultation meetings for the villages within the project area and for affected land-owners of surrounding communities. Summaries and findings of the interviews and public consultation meetings are included in the SEIA report.

Previous assessments prepared by the same team leader for the same management unit, PT AMR, have already been reviewed during RSPO P&C certification audits and found complied with RSPO NPP.

The local populations will expect some positive outcomes from the development of PT Agro Muara Rupit in the area. Improved roads would be a priority outcome for the local population, to improve access to the area, and access to school for the children. Related to this, improved education facitilites would be also seen as a positive result of the presence of the company, with possibility better school buildings, support to the teachers (allowances) and/or scholarships for children in the area. Improvement in the health sector are also likely to be expected, considering the current isolation of the area in that aspect.

The long tradition of rubber cultivication in the area is likely to bring challenges to the development of PT Agro Muara Rupit. Farmers are reticent to change from rubber to oil palm, and this is likely to reduce the number of farmers interested in joining the plasma programme of the company. Also, with the establishment of a plantation, and the numerous job opportunities, mid-size rubber growers are likely to feel some competition between them and the company to obtain labour.

The informal land ownership system in place in the area will be a challenge for the initial phases of land-rights acquisition by the company. As is the case in many other areas, there will likely be some land-right ownership conflicts, with multiple people claiming ownership of the same plot of land. PT AMR has to identify carefully the land owners with respect to the local customs. The offering land for acquisition is mapping in participatory manner, using precise mapping tools, and is recorded carefully. Payments of land acquisition are negotiate in fair, open manner, documented also conduct directly with land owners. For land acquisitions, PT AMR avoids brokers or land speculators.

Related to the plasma program, the company will provide continuous clear information to the villagers, including financial aspects (bank loans and repayment model), management (cooperatives) and time schedules for the establishment of the plasma blocks (location, size, land titles). The company will support the establishment of cooperatives for the plasma members, including training in management and administration; ensure that the cooperatives operate in a democratic and transparent manner. During the land acquisition process, ensure that land owners are given the opportunity to join the plasma scheme of the company, pro rata of the land they own. In other words, ensure good understanding of the "plasma" programmed and provide communities within the project area opportunity to join the "plasma" programmed based on their own free will.

Villagers will be very wary of any perceived water pollution or over-usage by the company due to their reliance on the rivers to supply them with water for their daily needs.

Considering the low population density, CSR efforts by the company are expected to have a good impact. The relative amount of money spent per habitant will be relatively high, and if planned participatively, CSR activities are more likely to bring satisfaction to the villagers.

SUMMARY FROM HCV ASSESSMENTS:

A team of HCV specialists, led by a HCV lead assessor approved by the RSPO (Ir. Kresno Dwi Santosa, M.Si. from PT. Sonokeling Akreditas Nusantara), conducted a HCV assessment of the project area of PT Agro Muara Rupit. The assessment included satellite imagery analysis, extensive field surveys, and public consultations with the communities living in the project area. The HCV assessment report included recommendations for the management and improvement of the HCV found within the project area.

One of the results of the HCV assessment in the area is no primary forest. The forests that still exist is in the form of young secondary forest which limitedly scarttered in PT AMR's owned location permit area. By Landsat Image Map path/row 125/62 (year of 1997, 2004), by historical and interview with local people also field surveyed, it is shown that the area does not have a natural forest ecosystem anymore.

From data of survey and analyse based on red list of IUCN, CITES also government regulation no. 7 year 1999, various HCV areas were found in the project area, covering a total of 401.83 Ha. Mostly riparian areas supporting HCV1 (overlap with HCV 3, HCV 4 and HCV 5), for a total 354.14 Ha. One patch of degraded secondary forest were identified as HCV1 areas, covering 94.23 Ha. Two areas that are watershed (Semak and Gulo river) identified as supporting HCV 3 and HCV 5 , overlap with HCV 1 and HCV 4. There were no areas found to be supporting HCV 2 and HCV 6. Total HCV area identified in PT AMR is 401.83 Ha or 5.36% of the owned Location Permit area.

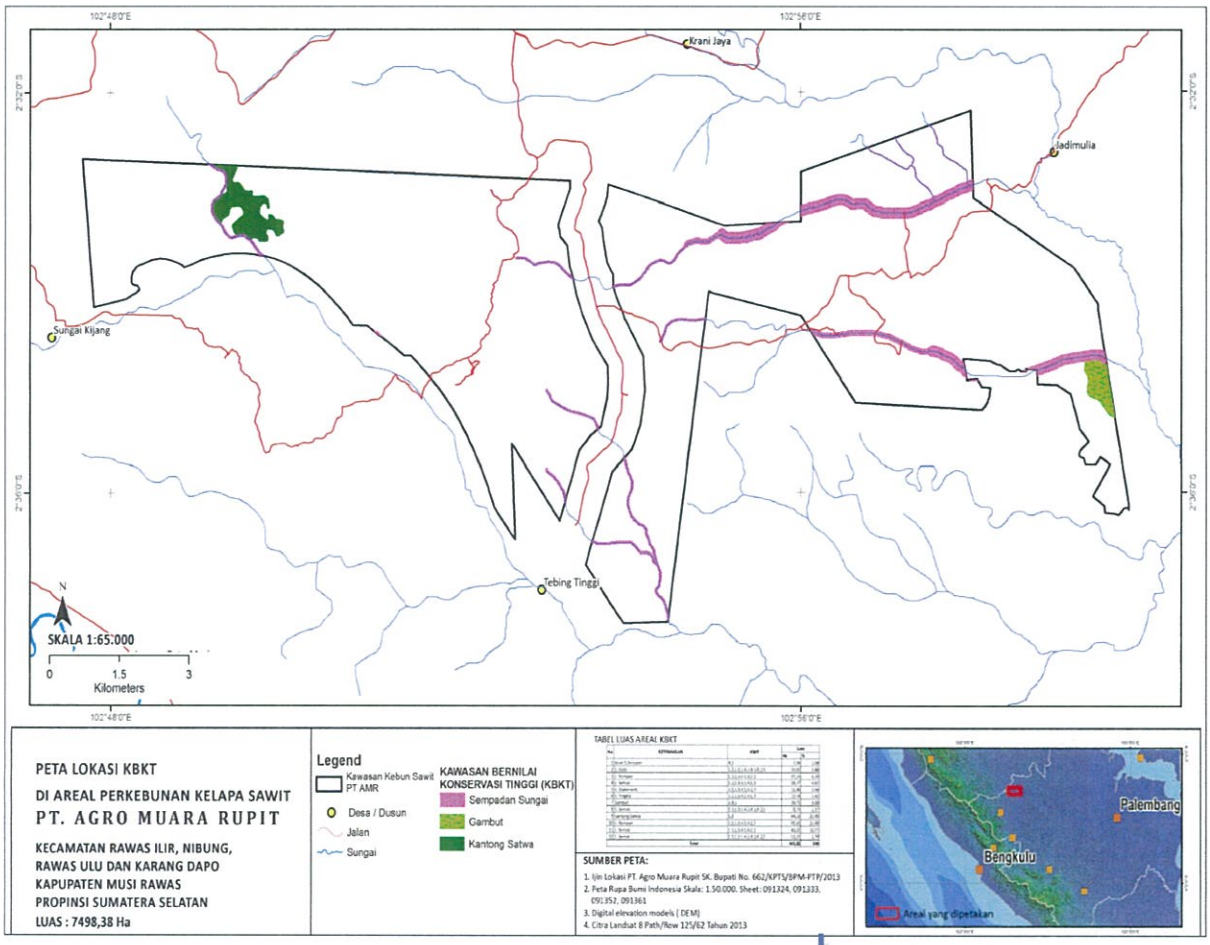
Based on field survey and over lay map of PT AMR's Land Use Permit area with Peta Rupa Bumi Indonesia 1:50.000, with Landsat Image 8 Map Path/Row 125/62 year of 2013, and with Digital elevation models (DEM), a small peat area of 39.71 Ha has been identified to the East of the area.

The HCV assessment also considered the land cover prior to November 2005 to determine if HCV areas were lost after November 2005. The HCV assessment concluded that by 2005, and since before 1997, the project area was "not a natural forest ecosystem" with only "scattered small patches of secondary forest". No significant changes since 2005 were discerned.

A separate desktop HCV assessment was carried out and it is found that before the year 1997, there is no any primary forest in the area.

Summary of HCV findings at PT. Agro Muara Rupit

No.	Area	HCV Attributes	Ha	%
1	Buffer zone branch of Rempan river	4.1	7,98	1,98
2	Buffer zone Gulo river	1.1,1.3,1.4,3,4.1,4.2,5	23,61	5,88
3	Buffer zone Rempan river	1.1,1,3,4.1,4.2,5	37,36	9,30
4	Buffer zone Semak river	1.1,1.3,4.1,4.2,5	18,77	4,67
5	Buffer zone Silaberanti river	1.1,1.3,4.1,4.2,5	11,88	2,96
6	Buffer zone Tingkip river	1.1,1.3,4.1,4.2,5	13,74	3,42
7	Peat	3,4.1	39,71	9,88
8	Buffer zone Semak river	1.1,1.3,1.4,3,4.1,4.2,5	8,73	2,17
9	Wildlife Sanctuary	1.3	94,23	23,45
10	Buffer zone Rempan river	1.1,1.3,4.1,4.2,5	91,63	22,80
11	Buffer zone Semak river	1.1,1.3,4.1,4.2,5	43,02	10,71
12	Buffer zone Semak river	1.1,1.3,1.4,3,4.1,4.2,5	11,17	2,78
Total			**401,83**	**100**



Map 4. Location of Combined HCV in PT. Agro Muara Rupit

Legend

- Kawasan Kebun Sawit PT AMR
- Desa / Dusun
- Jalan
- Sungai

KAWASAN BERNILAI KONSERVASI TINGGI (KBKT)

- Sempadan Sungai
- Gambut
- Kantong Satwa

TABEL LUAS AREAL KBKT

No	KETERANGAN	KBKT	Luas	
			Ha	%
1	Anak S.Rempan	4.1	7,98	1,98
2	S. Gulo	1.1,1.3,1.4,3.4.1.4.2,5	23,61	5,88
3	S. Rempan	1.1,1.3.4.1,4.2,5	37,36	9,30
4	S. Semak	1.1,1.3.4.1,4.2,5	18,77	4,67
5	S. Silaberanti	1.1,1.3.4.1,4.2,5	11,88	2,96
6	S. Tingkip	1.1,1.3.4.1,4.2,5	13,74	3,42
7	Gambut	3.4.1	39,71	9,88
8	S. Semak	1.1,1.3.1.4,3.4.1.4.2,5	8,73	2,17
9	Kantung Satwa	1.3	94,23	23,45
10	S. Rempan	1.1,1.3.4.1,4.2,5	91,63	22,80
11	S. Semak	1.1,1.3.4.1,4.2,5	43,02	10,71
12	S. Semak	1.1,1.3.1.4,3.4.1.4.2,5	11,17	2,78
	Total		401,82	100

SUMBER PETA:

1. Ijin Lokasi PT. Agro Muara Rupit SK. Bupati No. 662/KPTS/BPM-PTP/2013
2. Peta Rupa Bumi Indonesia Skala: 1.50.000. Sheet: 091324, 091333, 091352, 091361
3. Digital elevation models (DEM)
4. Citra Landsat 8 Path/Row 125/62 Tahun 2013

SUMMARY OF PLANS:

The Management Plan for PT Agro Muara Rupit is based on the best practices that have been applied at other oil palm operations of the Sipef group in Indonesia. The findings and recommendations of the SEI and HCV assessments have been integrated in the management plan.

Land preparation is planned for middle 2014. Land Development permit ("izin lokasi") has been signed by Bupati Musi Rawas, Decree No. 622/KPTS/BPM-PTP/2013, dated 11 September 2013. The ANDAL (Socio-environmental impact assessment) is in progress, the initial stage (KA-AMDAL) already approved and signed on 27 January 2014 by head of Environment Board Kabupaten Musi Rawas. The IUP (Plantation Operation Lisence) will be processed immediately after issuance of the AMDAL by the local government, Bupati Musi Rawas. The HGU (Permanent Land Use Title) will be processed afterwards, as per Indonesian regulations.

The management plan is consistent with the current RSPO P&C for New Planting Procedure.

4.a. Summary of Management and Mitigation Plan (SEIA)

No	Description	Management Objective	Action Plan	PIC	Target
1	FPIC	Ensure good awareness of the project by communities within the lisence area.	• Immediately carry out awareness sessions in the villages within the project area, using both formal and informal approaches. Informal approach is often more effective than a formal approach, but more time intensive. Awareness sessions in private homes allow for more in-depth discussions of the project. • Awareness sessions shall be done in a transparent and responsible manner, without over-emphasized positive or negative impacts of the project.	Estate Manager Field Head Assistant	2014
2	Conversion from rubber to oil palm	Communities to understand the benefits of oil palm in their area.	• Provide clear comparison (advantages and disadvantages) between rubber and oil palm as cash crops, including clear technical examples. • Try and ensure than non- or low-productive rubber plots are converted to oil palm in priority.	Estate Manager Field Head Assistant	2014
3	Land acquisition by the company	Conduct land transactions in a transparent manner, reducing potential future land disputes.	• Identification of landowners is done carefully and with respect for local customs. • Mapping of land offer for acquisition is conducted in a participatory manner, using precise mapping tools, and is recorded carefully. • Land acquisition negotiations are conducted in fair and open manner, and are documented. • Payments for land rights are made directly with landowners, and avoid brokers or land speculators.	DFAD GM -RMO CA Manager	Continuously
4	Associated smallholders ("plasma") programme	Ensure good understanding of the "plasma" program and provide communities within the project area opportunity to join the "plasma"	• Provide clear information related to the plasma program, including financial aspects (bank loans and repayment modes), management (cooperatives) and time schedules for the establishment of the plasma blocks (location, size, land titles). • Support the establishment or the already established of cooperatives for the plasma members, including trading in management and administration, ensure that the cooperatives	GM –RMO Plasma Manager	Continuously

		program based on their own free will.	operate in a democratic and transparent manner. • During the land acquisition process, ensure that land owners are given the opportunity to join the plasma scheme of the company, pro rata of the land they own.		
5	Employment opportunities	Ensure that local communities area given fair access to have opportunities for working in the project..	• Give priority to local people with the right skills. • Ensure that information on job vacancies is well disseminated within the local communities.	HRAD	As needed
6	CD/CSR Programme	Provide social benefits to the communities in the project area.	• Prepare a CSR/CD program tailored to the needs of the local communities, through thorough social surveys conducted by dedicated personnel. • Incorporate income-generating activities in the conservation programs of the riparian areas of Rawas river. This conservation program should preferably be conducted in cooperation with the Environment Board or the Forestry Services of Musi Rawas.	GM- RMO Estate Manager	Continuously
7	Air Pollution	Minimized the negative impact and maintain the quality in the range of standard/regulation .	• Training the drivers for all vehicles of the project, to reduce the air dust. • All vehicles should pass the emission gas test. • Avoid pressing the horn on the road of villages.	Estate Manager Field Head Assistant	Continuously
8	Sound Pollution	Minimized the negative impact and maintain the quality in the range of standard/regulation .	• Training the drivers for all vehicles of the project, to reduce the air dust. • All vehicles should pass the emission gas test. • Avoid pressing the horn on the road of villages.	Estate Manager Field Head Assistant	Continuously
9	Surface	Maintain the water	• Processing the waste as standard and keep the rivers in clean	Estate	Continuously

	Water	around the area of project from the negative impact of mill's waste and keep the water surface base on government standard (PP No. 82/2001)	condition. • Maintain the water river flow, not changing the direction. • Regularly conduct analyses (monthly basis) by the registered and certified laboratory.	Manager Field Head Assistant	
10	Waste liquid	There is no pollution to the rivers from the waste, as it is already processed and according to the waste standard.	• Using technology to process the waste and keep the water of rivers in good and safe to villagers. • Regularly conduct analyses (monthly basis) by the registered and certified laboratory.	Estate Manager Field Head Assistant	Continuously
11	Licences	ANDAL, IUP, IPK and HGU	• CA will coordinate with BLH Musi Rawas and Regent/Bupati Musi Rawas. • CA will coordinate with Agriculture services to proceed the IUP of PT AMR • CA will coordinate with regional manager and Forestry Services for the IPK (Timber permit). • CA will coordinate with regional manager and National Board of Land for the HGU (Permanent Land Use Title).	Estate Manager Field Head Assistant	2014

4.b. Summary of Management and Mitigation Plan (HCV)

HCV Management Programme *(Implementation conditional to land acquisition progress)*

No	HCV area	Buffer zone/riparian area (m)	Total Area (ha)	HCV Criteria	Management Program					
					Purpose	Objective	Program	Method	PIC	Target
1	Riparian zone branch of Rempan river	50	7.98	4.1	The protection of Biodiversity/ Conservation area	To maintain the function of riparian area	HCV Area management and monitoring	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage.	Estate Manager Field Head Assistant	2014
					To enhance the function of HCV area by protecting the soil, water, vegetation and wild life inside riparian area.	Soil, water, natural vegetation and wildlife inside riparian area are preserved	•HCV Area Socialization •Management and Monitoring SOP for HCV Area	• Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas. • Minimize soil erosion from plantation activities. • Maintaining a water source within or adjacent to the HCV in the UP (inundation areas, terracing, cover crops, soil pits / rorak)	Estate Manager Field Head Assistant	2014

2	Riparian zone of Gulo river	50	23.61	1.1, 1.3, 1.4, 3, 4.1, 4.2, 5	The protection of Biodiversity/ Conservation area	To maintain the function of riparian area	HCV Area management and monitoring	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage.	Estate Manager Field Head Assistant	2014
					To enhance the function of HCV area by protecting the soil, water, vegetation and wild life inside riparian area.	Soil, water, natural vegetation and wildlife inside riparian area are preserved	•HCV Area Socialization •Management and Monitoring SOP for HCV Area	• Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas. • Minimize soil erosion from plantation activities • If necessary, dig a trench along the sides of the river to collect runoffs after heavy rains to avoid silting of the river.	Estate Manager Field Head Assistant	2014
3	Riparian zone of Rempan river	50	18.77 + 91.63	1.1, 1.3, 4.1, 4.2, 5	The protection of Biodiversity/ Conservation area	To maintain the function of riparian area	HCV Area management and monitoring	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage.	Estate Manager Field Head Assistant	2014
					To enhance the function of HCV area by protecting the soil, water,	Soil, water, natural vegetation and wildlife	•HCV Area Socialization •Management	• Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas.	Estate Manager Field Head	2014

					vegetation and wild life inside riparian area.	inside riparian area are preserved	and Monitoring SOP for HCV Area	• Minimize soil erosion from plantation activities. • If necessary, dig a trench along the sides of the river to collect runoffs after heavy rains to avoid silting of the river.	Assistant	
4	Riparian zone of Semak river	50	18.77 +8.73 +43.02+11.17	1.1, 1.3, 4.1, 4.2, 5 dan 1.4, 3	The protection of Biodiversity/ Conservation area	To maintain the function of riparian area	HCV Area management and monitoring	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage.	Estate Manager Field Head Assistant	2014
					To enhance the function of HCV area by protecting the soil, water, vegetation and wild life inside riparian area.	Soil, water, natural vegetation and wildlife inside riparian area are preserved	•HCV Area Socialization •Management and Monitoring SOP for HCV Area	• Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas. • Minimize soil erosion from plantation activities. • If necessary, dig a trench along the sides of the river to collect runoffs after heavy rains to avoid silting of the river.	Estate Manager Field Head Assistant	2014
5	Riparian zone of Silaberanti river	50	11.88	1.1, 1.3, 4.1, 4.2, 5	The protection of Biodiversity/ Conservation area	To maintain the function of riparian area	HCV Area management and monitoring	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage.	Estate Manager Field Head Assistant	2014

					To enhance the function of HCV area by protecting the soil, water, vegetation and wild life inside riparian area.	Soil, water, natural vegetation and wildlife inside riparian area are preserved	•HCV Area Socialization •Management and Monitoring SOP for HCV Area	• Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas. • Minimize soil erosion from plantation activities. • If necessary, dig a trench along the sides of the river to collect runoffs after heavy rains to avoid silting of the river.	Estate Manager Field Head Assistant	2014
6	Riparian Zone of Tingkip river	50	13.74	1.1, 1.3, 4.1, 4.2, 5	The protection of Biodiversity/ Conservation area	To maintain the function of the riparian area as a natural habitat.	•HCV Area management and monitoring •HCV Area Socialization	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage.	Estate Manager Field Head Assistant	2014
7	Peat	—	39.71	3, 4.1	The protection of Biodiversity/ Conservation area	To maintain the function of the peat area as a natural habitat.	•HCV Area management and monitoring •HCV Area Socializa	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Consider increasing the size of the protected area, including restoration of the additional set-aside, to increase the value of this protected zone for wildlife. • Routinely patrol the HCV area, collect	Estate Manager Field Head Assistant	

							tion	data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage, especially planting plants that can minimize the risk of fire. • Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas.		
8	Wildlife Sanctuary		94.23	1.3	The protection of Biodiversity/ Conservation area	To maintain the function of the wildlife sanctuary area as a natural habitat.	•HCV Area management and monitoring •HCV Area Socialization	• Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. • Field demarcation using permanent poles. • Consider increasing the size of the protected area, including restoration of the additional set-aside, to increase the value of this protected zone for wildlife. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly, and carry out restoration in case of damage. • Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas.	Estate Manager Field Head Assistant	2014

4.3. Summary of Development plant

PT. AMR Gross Block Area (± Ha)	Proposed New Planting and Nursery (± Ha)	Left out of Planting (± Ha)		
		HCV Area	Emplacement	Total
7,498.38	7,046.55	401.83	50.00	451.83

4.4. Time Plan for New Planting

Planning of cultivation of palm oil in net area (+ Ha)	Allocation	Time Plan for New Planting (ha)				
		2014	2015	2016	2017	2018
± 7,046.55	Nursery	10	-	-	-	-
	INTI	800	1500	1500	1500	329.24
	Plasma (Scheme Smallholders)	200	500	500	207.31	-

VERIFICATION STATEMENT:

PT Agro Muara Rupit (PT AMR) was going for desktop audit against relevant RSPO NPP documents. Two (2) BSI auditors conducted desk review and discussion with PT AMR management to verify and review the relevant New Planting Procedure documents from 10 – 11 June 2014 with no field verification. Subsequently, PT AMR prepared and submitted the correction of documents through email for verification purposes until completed by BSI on 7 July 2014. The desktop review was carried out by BSI Lead auditor Aryo Gustomo accompanied with an Auditor Haeruddin Tahir as a team member.

Audit team concluded that the social and environmental assessment were comprehensive, detailed and professionally carried out. The management plan has incorporated the findings from Social Impact Assessment conducted by professional consultants as well as the High Conservation Value assessment findings by qualified consultants. The High Conservation Value assessment team was led by RSPO-approved lead assessor, namely Ir. Kresno Dwisantosa, M.Si from TP Sonokeling Akreditas Nusantara. PT Agro Muara Rupit has adhered to the RSPO New Planting Procedures and has documented the assessment and plans according to RSPO templates issued in May, 2010. The company is in process to obtain approval of ANDAL (Socio-environment Impact Assessment) documents from authorized ANDAL commission of Kabupaten Musi Rawas.

It is the opinion of BSI audit team through desk review that PT Agro Muara Rupit has complied with the RSPO New Planting Procedures comes into effect 1st January 2010 and confirmed that the documented assessment reports and plans are comprehensive and in compliance to RSPO New Planting Procedures for Ongoing planting.

Signed on behalf of:

BSI Group,

Aryo Gustomo
Lead Auditor
10 July 2014

PT Agro Muara Rupit

PT AGRO MUARA RUPIT

Adam Christian Quentin JAMES
President Director