RSPO New Planting Procedures Assessment Report

PUBLIC SUMMARY

PT LESTARI ABADI PERKASA

Pemahan, Nanga Tayap dan Tumbang Titi Sub District, Ketapang District, West Kalimantan Province. Indonesia

This public summary has been prepared in accordance with RSPO NPP requirements

Report prepared by: Haeruddin (Lead assessor).

Control Union (Indonesia)
Jl Kramat 3A,
Cilandak Timur
Jakarta Selatan 12560
Phone: 062-21-7884 2016

Control Union (Malaysia) S/B
Persiaran Raja Muda Musa,
Off Jalan Sg Berith,
Teluk Gadong, 41100, Klang,
Selangor. Malaysia.
Phone 03-3377 1600 / 1700

Control Union Certifications. (Head office)
Meeuwenlaan 4-6,
P.O. Box 161.
8000 AD Zwolle.
The Netherlands.

certification@controlunion.com
Phone: 0031 38436 0100

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1. SCOPE OF THE ASSESSMENT.

1.1 Guidance Document used.
The proposed new planting of PT Lestari Abadi Perkasa was assessed for compliance against the RSPO Procedures for New Oil Palm Planting (RSPO NPP) using the Guidance Document approved in September 2009 by the RSPO Executive Board for implementation from 1st January 2010.

1.2 Assessment type.
Assessment of legal documents, independent Social Environmental Impact Assessment Reports (SEIA and AMDAL), High Conservation Value Assessment Report (HCV) and management and implementation plans of the proposed new planting.

1.3 Location maps.
(Map showing the location of the proposed new planting and neighbouring entity).

Map 1. Location of PT Lestari Abadi Perkasa in Indonesia
Map 2: Location of PT. Lestari Abadi Perkasa in West Kalimantan Province

Map 3: Location of PT. Lestari Abadi perkasa in Ketapang District.
Map 4: Location of PT. Lestari Abadi Perkasa and neighbouring entity
1.4 Location address of the proposed new planting.

<table>
<thead>
<tr>
<th>Name of the company</th>
<th>Location address</th>
<th>GPS reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>PT Lestari Abadi Perkasa</td>
<td>Pemahan, Nanga Tayap dan Tumbang Titi Sub District, Ketapang District, West Kalimantan Province, Indonesia</td>
<td>110°33'09.90&quot; E – 110°39'07.18&quot; E. 01°36'45.30&quot; S – 01°50'35.02&quot; S.</td>
</tr>
</tbody>
</table>

1.5 Description of the proposed new planting area.

The proposed New Planting area is located at Pemahan, Nanga Tayap dan Tumbang Titi Sub District, Ketapang District, West Kalimantan Province, Indonesia. Total area of + 5,478 hectare was allocated with Plantation operational permit (Izin Usaha Perkebunan Nomor : 83/DISBUN-D/2012, dated 24th February, 2012 to PT Lestari Abadi Perkasa. The new planting area of PT Lestari Abadi Perkasa is located in area of Other Usage Area (Areal Penggunaan Lain – APL) and not forest land.

1.6 PT Lestari Abadi Perkasa Contact person.

<table>
<thead>
<tr>
<th>Principle Contact person:</th>
<th>Dr. Gan Lian Tiong</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business address:</td>
<td>Spring tower 01 – 16, Jl. KL. Yos Sudarso, Tanjung Mulia, Medan Deli Kota Medan 20241, North Sumatera, Indonesia.</td>
</tr>
<tr>
<td>Group name if applicable:</td>
<td>Musim Mas</td>
</tr>
<tr>
<td>Office telephone:</td>
<td>+62 61 661 5511</td>
</tr>
<tr>
<td>Mobile telephone:</td>
<td>+62 811 632 831</td>
</tr>
<tr>
<td>Fax:</td>
<td>+62 61 661 7386</td>
</tr>
<tr>
<td>e-mail:</td>
<td><a href="mailto:liantiong.gan@musimmas.com">liantiong.gan@musimmas.com</a></td>
</tr>
<tr>
<td>Web site:</td>
<td><a href="http://www.musimmas.com">www.musimmas.com</a></td>
</tr>
<tr>
<td>RSPO Membership №:</td>
<td>1-0073-04-000-00</td>
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</table>
1.7 Certification body contact details.

<table>
<thead>
<tr>
<th>Name of Client:</th>
<th>PT Lestari Abadi Perkasa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client number:</td>
<td></td>
</tr>
<tr>
<td>Final Report Date:</td>
<td>21st March 2012</td>
</tr>
<tr>
<td>Issued by</td>
<td>Control Union Certifications</td>
</tr>
<tr>
<td>Address</td>
<td>Meeuwenlaan 4-6</td>
</tr>
<tr>
<td></td>
<td>8025 BS Zwolle</td>
</tr>
<tr>
<td>Telephone</td>
<td>0031 (0) 38 426 0100</td>
</tr>
<tr>
<td>Fax</td>
<td>0031 (0) 38 423 7040</td>
</tr>
<tr>
<td>Email</td>
<td><a href="mailto:certification@controlunion.com">certification@controlunion.com</a></td>
</tr>
<tr>
<td>Website</td>
<td><a href="http://www.controlunion.com/certification">www.controlunion.com/certification</a></td>
</tr>
</tbody>
</table>

Lead Auditor | Haeruddin

Signature

2. ASSESSMENT FINDINGS.

2.1 Lead assessor’s verification statement:

The social and environmental assessments were detail, comprehensive and professionally carried out. The management plan has included the findings of the SEIA (AMDAL), HCV and SIA assessments by consultants accredited and approved by the RSPO (and for AMDAL, approved by AMDAL Commission of West Kalimantan province). PT Lestari Abadi Perkasa has adhered to the RSPO New Planting Procedures and has documented the assessments and plans according to the RSPO templates issued in May, 2010.

Control Union Certifications auditors has verified all the related documents on 11th March 2012. The company opted for a document audit. Two Control Union auditors were with the management team of PT Lestari abadi perkasa at their head office in Medan on 19th and 21st March 2012 to finalise the findings of the pre-verification review and have further discussion and verification conducted.

It is the opinion of the Control Union Certifications auditors that PT Lestari Abadi Perkasa has complied with the RSPO New Planting Procedures enforced on 1st January, 2010. Control Union Certifications confirmed that the assessment and plan are comprehensive, professional and compliant of RSPO principles, criteria and indicators.

Signed on behalf of Control Union Certifications

Haeruddin
Lead Auditor
Date: 21st March, 2012
2.2 Summary of the findings:

2.2.1 Executive Summary

PT Lestari Abadi Perkasa which is located in Pemahan, Nanga Tayap and Tumbang Titi Sub-District, Ketapang District - West Kalimantan Province, is one of palm oil plantations companies that adopted the sustainable palm oil practices based on RSPO New Planting Procedures which was enforced 1st January 2010. As part of a sustainable palm oil management, PT Lestari Abadi Perkasa has conducted the Social Environment Impact Assessment (AMDAL), High Conservation Value (HCV) identification and Social Impact Assessment (SIA). The HCV and SIA assessment were conducted from 31 October – 6 November 2010 by Aksenta; the consultants conducting these assessments have been accredited and approved by RSPO.

The Consent License (Izin Prinsip) for PT Lestari Abadi Perkasa was approved on 15 January 2010 by the Ketapang Regent decree (Surat Keputusan Bupati Ketapang) No. 525 / 32 / DPU-TR; the total area based on Consent License is ± 13,000 ha. The Permitted Area (Izin Lokasi) was approved on 10 February 2010 by the Ketapang Regent decree (Surat Keputusan Bupati Ketapang) No 73 Year 2010; the total area based on Permitted Area is ± 13,000 ha. The Social Environment Impact Assessment (AMDAL) was approved by Commission of AMDAL of West Kalimantan province No 92/BLHD/2012 dated on 12 January 2012 and for the Environmental Permit (Izin Kelayakan Lingkungan) was approved by Governor of West Kalimantan Province (Surat Keputusan Gubernur Kalimantan Barat) No. 92/BLHD/2012 dated on 12 January 2012. The Plantation Permit (Izin Usaha Perkebunan, IUP) was approved on 24 February 2012 by the Ketapang Regent decree (Surat Keputusan Bupati) Nomor : 83/DISBUN-D/2012; the total area is ± 5,478 ha.

The results of the HCV assessment by independent consultants from Aksenta who has been accredited and approved by RSPO have shown that there is no primary forest in the Permitted Area (Izin Lokasi) of PT Lestari Abadi Perkasa. Almost the entire land has been opened, the vegetation's cover dominated by the rubber (*Hevea brasiliensis*), agroforestry and paddy field. The Report of Semi Detail Soil Survey and Palm Oil Suitability Assessment of PT Lestari Abadi Perkasa 2011 by the consultant (JH – Agriculture Service), indicated that no peat land was found in the Permitted Area (Izin Lokasi).

As for potential HCV areas, five types of HCV were identified by Aksenta; these are HCV 1, HCV 3, HCV 4, HCV 5 and HCV 6 within the Permitted Area (Izin Lokasi) of PT Lestari Abadi Perkasa. The total HCV area identified was ± 3,385.98 ha or ± 26.05 % of the total Permitted Area (Izin Lokasi) in the assessments by Aksenta. The important elements for HCV 1 are the existence of population and tracks of endangered species such as common Bornean river turtle (*Orlitia borneensis*), sunda pangolin (*Manis javanica*), bornean agile gibbon (*Hylobates albibarbis*) and bornean clouded leopard (*Neofelis diardi* ssp. *borneensis*). The important elements for HCV 3 are related hill dipterocarpa forest. The important elements for HCV 4 are related to the catchment areas, potential damage from erosion, springs, river riparian and firebreaks. The important elements for HCV 5 are related to basic needs of local communities or the main asset of society. The important elements for HCV 6 are related to the traditional and sacred graveyard. The HCV areas outside the IUP approved areas will be included in the monitoring and socialization plan with the local communities.

The results of the Social Impact Assessments (SIA) have shown that the company’s development of oil palm plantation and palm oil mill production has significant and positive impacts toward local livelihood and the society’s social sustainability. The findings have defined how the company’s business management can influence the key issues in the respective component of the social sustainability of the local community. There are described in the three basic components for society’s social sustainability that influences the planning of future company’s operation; they are: 1) *Natural capital*, 2) *Social capital*, and 3) *Physical capital*.

2.2.2 Scope of SEIA and HCV Assessment

**a) General Data of the Company**

<table>
<thead>
<tr>
<th>Company Name</th>
<th>PT Lestari Abadi Perkasa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deed of Establishment</td>
<td>Notary Hustiati, SH, No : 83 dated on 25 September 2006</td>
</tr>
<tr>
<td>Adjustment Article of</td>
<td>Notary Lili Suryati, SH, Association No : 1, dated on 1 November 2010</td>
</tr>
<tr>
<td>Capital Status</td>
<td>Domestic Investment (Penanaman Modal Dalam Negeri - PMDN)</td>
</tr>
<tr>
<td>Taxpayer Notification Number</td>
<td>02.528.801.0 – 112.000</td>
</tr>
<tr>
<td>Company Address</td>
<td>Spring tower 01 – 16, Jl. KL. Yos Sudarso,</td>
</tr>
</tbody>
</table>
Tanjung Mulia, Medan Deli Kota Medan 20241, North Sumatera, Indonesia

Type of business: Oil Palm Plantation & Processing
Status of concession land:
- Consent License (Izin Prinsip) No. 525/32/DPU-TR dated on 15 January 2010 (size ± 13,000 Ha).
- Permitted Area (Izin Lokasi) No. 73 Year 2010, dated 10 February 2010. (size ± 13,000 Ha)
- AMDAL (SEIA) Nomor : 92/BLHD/2012 dated on 12 January 2012
- Environmental Permit (Izin Kelayakan Lingkungan) No. 92/BLHD/2012, dated on 12 January 2012
- Plantation Permit (Izin Usaha Perkebunan) Nomor : 83/DISBUN-D/2012, dated on 24 February 2012 (size ± 5,478 Ha)

Contact person: Go Swee Aun
Geographical Location: See 1.3 (maps 1 – 5) as above
Surrounding Entities:
- North: PT Ketapang Agri Pratama
- South: Permitted area of PT Mentari Pratama and PT Bangun Maya Indah
- West: Pateh Benteng, Cegolak, Batu Mas village and PT Bangun Maya Indah
- East: Production forest area and Permitted Area PT Mentari Pratama oil palm plantation.

b) Legal Documents
The permits that have been obtained by the company as mentioned above.

c) Area and time-plan for new plantings

Area and time-plan for new plantings
The proposed new planting area by PT Lestari Abadi Perkasa is in the location of the Plantation Permit (Izin Usaha Perkebunan, IUP) which have been agreed by the owners of the land through the Free Prior Informed Consent Process (Report on Process of FPIC – Free, Prior and Informed Consent of PT Lestari Abadi Perkasa). Land development and planting of oil palm will begin in 2012 following the procedures of the RSPO New Planting Procedures (NPP). PT Lestari Abadi Perkasa’s development plan has incorporated the findings from SEIA (AMDAL), HCV Assessments and Social Impact Assessments when implementing the operational plans.

Based on the development plan data of PT Lestari Abadi Perkasa 2012, PT Lestari Abadi Perkasa will implement the smallholder scheme system with a ratio of 20:80 (smallholder scheme : estate) based on net available area for planting, that is the smallholder scheme (20%) and estate oil palm plantations (80%) and both will be managed by the PT Lestari Abadi Perkasa Estate Management. The total area allocated in the Plantation Permit (Izin Usaha Perkebunan, IUP) is ± 5,478 ha. HCV areas will be left out of planting. The HCV management plan has been developed for these areas. The net area for cultivation of oil palm is ± 2,934 ha. The balance areas left out of oil palm planting are ± 1,133 ha of HCV areas and others (enclave, building, nursery, etc) is ± 1,411 ha. Of the total planted area of ± 2,934 ha, 20 % of the land (or ± 587 ha) will be allocated to development of smallholder cooperative scheme. The other 80 % of planted areas (or ± 2,347 ha) will be under the estates or inti. In accordance with the operational management of PT Lestari Abadi Perkasa land development will commence in year 2012.

2.2.3 Assessment Process and Procedures

a. Social Impact Assessment

Assessors and their credentials:
The Social Impact Assessment of PT Lestari Abadi Perkasa was carried out by Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com. The key consultants conducting these assessments have been accredited and approved by RSPO. The team members are:
1. Dwi R. Muhtaman (dwirm@aksenta.com), finished his Master Degree in Auburn University, USA. He is now working as the Strategic Social and Environmental Auditor in Aksenta. He has ever been as the consultant in the Center for International Forestry Research (CIFOR) in the project of Levelling
2. **Sigit Budhi Setyanto** (sigit@aksenta.com), He graduated from the Faculty of Agriculture of Universitas Negeri Jember and has been involved in research and has experiences in areas involved with growers and communities development since 1990 (such as, PT Rajawali Corporation Group, PT Bentoel and Philip Morris Inc, Marlboro cigarette product). Sigit become local partner on processing certification Lembaga Ekolabel Indonesia for Communities Forest Supply Chains Unit project which is funded from PT Kutai Timber Indonesia (Sumitomo Group), as well as an Agriculture Marketing Specialist for an international NGO for Rural Agro-enterprise Development (RAeD) program. Since 2004 he has been active as the auditor for COE Practice Program in Indonesia and Papua New Guinea as well as. He is experienced in national and international training on Sustainable Organic, “SCS-Starbucks” CAFE Practice, “Rainforest Alliance” – Sustainable Agriculture, Forest Management and Chain of Custody, as well as “DOEN- Roundtable Sustainable Palm Oil. His role in this Social Impact Assessment was as one of the team members focusing on the field of socio-economic and social development. In Aksenta, he has carried out assessments on “Socio – Economic study on palm trees in West Pasaman and Sanggau”, “Social Impact Assessment” and “High Conservation Value Assessment” for Indonesian Palm Oil Companies. In March, 2010, He obtained the accreditation from RSPO as the Discipline Specialist for Social Assessment on palm oil companies. His role in this Social Impact Assessment was as one of the team members focusing on the field of socio-economic and social development. In Aksenta, he has carried out assessments on “Socio – Economic study on palm trees in West Pasaman and Sanggau”, “Social Impact Assessment” and “High Conservation Value Assessment” for Indonesian Palm Oil Companies.

3. **Nashirul Umam** (oemamantrop@yahoo.com), born in Tuban, East Java and graduated from major of anthropology, Faculty of socio-political, Airlangga University. Since 2006, Irul became a division leader of research and development in Lembaga Kajian dan Pengembangan Sumber Daya Manusia Nahdatul Ulama, Tuban. He has engage in research activity in social, economy and politic as soon as development communities activity since 2003. The activity such as, fund by Friedrich Ebert Stiftung, PIRAC, Reform Institute, East Java Government, Pengurus Besar Nahdatul Ulama and Airlangga University. Beside assessor of Aksenta, he also a staff in Research and Development Communities Institution in Airlangga University and consultant for Jalin Kesra Pemprov Jatim program.

4. **Erizal** (erizal.bogor@hotmail.com), is graduated from Forest Resources Conservation Department, Faculty of Forestry, Bogor Agricultural University. He has the good experienced of work in agriculture, forestry, and the research of biodiversity and social capacity. His activity’s concern is “Bina Desa” with the main activity of the emergence of Kader Pelopor in the Village in “Pelatihan dalam Pengembangan Komuniti Forestri” project. This time, he is participating in the social development and he has ever been the trainer related to the business, the development of bamboo handicraft, such as, working together with Non-Timber Forest Product Indonesia Programme, Forest Department of West Java, DPRD of Bogor Regency, and Cirebon City, DRPD of South Sumatera, UKM Ternate and Bogor Agricultural University. Since 2010, He joined in the Social Impact Assessment Team of PT Gagas Dinamiga Aksenta.

5. **Andri Novi** (andri.novi@aksenta.com), Graduated from the Arts, with knowledge of culture, arts and linguistics. Specialist on Participatory Action Research and Community Development and as consultant for Capacity Building & Regional Development Training Expert for Capaciting Community National Programme / Program Nasional Pemberdayaan Masyarakat (PNPM). He has done Social Impact Assessment in some corporations palm oil in Indonesia and on year 2010, obtained the accreditation from RSPO as the Discipline Specialist for High Conservation Value on social and cultural. Andri Novi participate on process of writing book “Panduan Menakar Otonomi Komuniti” which is publish Yappika and writing article with the title is “Tata Kehutanan Majemuk: Redistribusi Kekayaan Alam Nusantara” for Community Forestry Journal. Else, translating book Seni Membangun Kapasitas Pelatihan dalam Pengembangan Komuniti Forestri which is publish RECOFTC. His role in this Social Impact Assessment focusing on the field of cultural and social relation, as well as coordination of all activity on the field.
b. HCV Assessment

Assessors and their credentials
The HCV assessment conducted from 31 October – 6 November 2010 in the Permitted Area (Izin Lokasi) of PT Lestari Abadi Perkasa was carried by Aksenta, located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com. Key consultants from Aksenta have been accredited and approved by RSPO. The team members are:

1. **Dwi R. Muhtaman** (dwirm@aksenta.com), finished his Master Degree in Auburn University, USA. He is now working as the Social Strategic and Environmental Auditor in Aksenta. He has ever been as the consultant in the Center for International Forestry Research (CIFOR) in the project of **Levelling the Playing Field: Fair Partnership for Local Development to Improve the Forest Sustainability in Southeast Asia**. He has ever been worked too as the Technique Adviser for **The Sustainable Supply Chain Linkages Program** in the International Finance Coorporation (IFC), Program for Eastern Indonesia SME Assistance (2005-2006). He is experienced to embrace the issues of forestry policies in the same manner as Chain of Custody (Lacak balak) to forest products and done the research in more than 20 wood industry. He has joined in more than 20 assessment’s certification between 1996 – 2005 in 17 management of forest concession as the social auditor. Since this last year, he has become the independent auditor to baseline appraisal in some companies that joined into the Nusa Hijau, WWF’s programme. At this time, he is active in doing the palm oil assessment (RSPO standards, social and environmental audit) and High Conservation Values areas (HCVF). He is the verifier too to the Café Practice verification program, Scof palm oil. In this activities, Dwi become the team leader to High Conservation Values and Social Impact Assessment.

2. **Wibowo A Djatmiko** (bowie@aksenta.com), has the capacity and experience in conservation research, wild life management, habitat and population study, wild life ecology (especially on birds and herpetofauna), and forest ecology (including forests resident) researches. He graduated from Bogor Agriculture University in Forestry majoring in the field of biodiversity conservation. He is also involved and attended courses such as Second Asian School for Conservation Biology (SEAMEO BIOTROP – Bogor) and International Training Course on Practical approach to Management of Biodiversity Conservation (Malayan Nature Society, in Kuala Lumpur). He completed his Master Degree in Biology Conservation at Indonesia University. He is well-experienced as an independent consultant: with wild life ecology specialty, AMDAL-forestry analysis (the analysis of environment impact), mining and transmigration, and assessment of eco-global certification for both commercial and traditional forests. He has conducted many HCV assessments for palm oil plantations since 2006, he achieved the RSPO accreditation as **RSPO approved HCV assessor for biodiversity discipline specialist**. In this HCV assessment for PT Lestari Abadi Perkasa, his role is to focus and identify the existence of HCV 1, 2, and 3.

3. **Robert H. Sinaga** (rohansinaga@aksenta.com), Experience in GIS dan Remote Sensing technic for Conservation Biology and land use issues. Has conducts his research in the quantity of radiation in the forest and energy using by forest with GIS and Remote Sensing technique. He has experience in analysis of land resources and water management. Robert has considerable study of HCV in five palm oil plantations companies in Borneo. In this assessment, he identified for HCV 4 and mapping of HCV areas.

4. **Wahono**, graduated from faculty of Agriculture, IPB in mayor Plant Protection. He active working with farmer communities in villages. His experienced in agriculture environment with Nastari Foundation and populace coalition for food souvereignty to carry out considerable study of villages social, sustainable of agriculture and community development. After that, he deepen specialist of bioecology with participate **Certificate Course for Conservation Biology and People on the Landscape, Center of Environmental Research and Conservation (CERC), Columbia University, New York**. As well as be independent consultant, he experienced in assessment of villages social and field survey about socio-ecology capital, sustainable livelihood and community development.

5. **Yanto Ardiyanto**, graduated from agrometeorology IPB, he is now working as GIS officer. His part of job that frequently done related to the spatial modeling to hydrology and agriculture and the analyze system to development the system. The activities that he has done are the system arranging of budget planning information in the Direktorat Jenderal RLPS Forest Department, the Arranging of **Spatial Decision Support System** to land use arranging (Central Java Province), the Arranging of IWMS (**Industrial Waste Monitoring System**) to The Ministry of State For The Environment, Critical Land’s mapping in the area of BP DAS Sadang, South Sulawesi.

Assessment Methods (data sources, collection, dates, program, and visited places)

**SIA assessment Methods**

Social Impact Assessment on the ground was carried out as participative, multiparty, rapid and Ex-ante, appreciative and social learning cycles and methods applied were literature, dialogue, field observation, In-depth Interview, Tri Angulations and Social Learning Cycle.
The findings obtained from the methods above were analyzed. The baseline of the analysis was based on RSPO criteria which relevant to sustainable social aspects. The recommendations also covered other issues which were not entailed in the RSPO criteria, in the form of ideas or aspirations as the result of the field analysis.

HCV Identifying Methods
The assessment covers the Permitted Area (Izin Lokasi) which has been approved as the company's project area. Assessments also expanded into villages and other areas which could be considerably of relevant importance to the proposed plantation area. The field survey was conducted on 31 October – 6 November 2010.

In this process, each observation team was accompanied by the filed staff from the company and local representatives who familiar with the site. Besides field activities, the team also collected information from the local people through individualistic interviews, Focus Group Discussion (FGD), as well as public consultations. At the same time, confirmation and cross checking of the findings were carried out with the local people using the technique of purposive sampling – which included the socialites, the enclaves’ owners (if existed), and the related interest parties.

The understanding and scope of HCV for the oil palm plantation sector refers to the HCVF definitions which apply to the forestry sector. The Identification of High Conservation Value in Indonesia was developed by the Konsorsium Revisi HCV Toolkit Indonesia (2008) - the toolkit for the revision HCV consortium. Other references are such as IUCN, CITES, and other guidelines as well as the relevant laws of Indonesia were also subjects of consideration.

Identifying Methods for HCV 1, 2, and 3
The target of HCV 1, 2, and 3 identifying was to find out the areas which have important values in the biological context. Such areas were marked by the location status, the origin of the communities, or the existence of the ecosystem of flora and fauna with high values. The significant values of flora and fauna refer to the status defined by the law, endemics (endemic, limited spread), and scarcity (scarce, facing extinction or almost extinct) was in accordance to the national and international law (IUCN and CITES) which protect such flora and fauna. Moreover, the significance of the value of the wildlife as well as the habitat was also based on the ecology roles from the species and from the cultural and traditional point of view.

The method of inventories was done using reconnaissance survey to analyze the existence of the important flora and fauna. The existence of every fauna was recorded through:
1. Direct observation, either through the identification of visual appearance or sound (for both diurnal and nocturnal animals),
2. The existence of the marks or residual from the animals’ activities in their former habitat (such as tracks, scars on trees, nest, scales, snake skin, bird feathers, or mammal hair, etc.).
3. The finding of the residual of animals’ body parts (skull, horn, skin, hair, tusk, scales, and other recognized part of the animals’ body) which were possibly hunted or caught by the local people in the observed locations. Interviews were carried out to complement the information about the time and location of the hunting activities.
4. The secondary information was the existence of the animals which were documented based on external information, such as local people information or the local authorities. The consistency of such information was monitored through cross checking (check and recheck) with other relevant parties as well as checking the validity of the description on every species of animals from the feedback from interviews with the local people. All information was then matched with the natural distribution and the history of the existence of such species in the locations. The data was then compared to the type and condition of the habitat at the time when the survey was done. Any mismatching between the description and their natural distribution zone and habitat, will result the existence of such species in doubt.

HCV 4 Identification Methodology
In order to identify the existence of HVC 4 in an oil palm plantation, two approaches were applied. The first approach was analysis to find out the interactions and correlations between the water system and the plantation land in a wide context. The approach also covered the area outside the plantation area. The second approach was another analysis to find out the significant values of such locations and their impacts to the plantation location. Thus, in this analysis, the perspective used was the inside area in the plantation.

Based on both approaches, the phases of identifying HCV 4 were analysis of the secondary data, field survey, and the integrated data analysis of secondary data and the field survey. The identification of the HCV 4 areas was done by analyzing the area from the metrology point of view, the soil analysis, topography, watershed, and the field survey and interviews. The field observation was carried out on the chosen locations; i.e., springs, river, river condition, land clearing, plantation in production, and other locations representing the condition of the water management in the plantation.
The HCV Assessment Phases
This HCV assessment is generally carried out through a series of phases such as: Desk Study, Field Survey, Data Analysis, Spatial Analysis of HCV area, and indicative HCV mapping.

2.2.4 Summary of SEIA & SIA Assessment Findings
The finding from the AMDAL (SEIA) and SIA assessment identifies both positive and negative impacts from the proposed operational activities of PT Lestari Abadi Pratama. The key positive impacts include enhancing the income of the communities and providing more job opportunities to the local communities with the development of oil palm plantations in the area, while possible negative impacts are threats to the ecology as well as potential conflicts of workforce and socio-cultural balances.

The HCV 5 and HCV 6 Identification Methodology
The focus of the HCV 5 assessment was the area inside the plantation which has significant values to fulfill the basic needs of the local community. The focus of the HCV 6 assessment was the area inside the plantation which has the significant values for identification and sustainability of the tradition or culture living of local community. The methods adopted in the assessment of HCV 5 or 6 are:

1. Mapping participation of locations containing elements of HCV 5 and 6.
2. Interview the local community, either with individual or Focus Group Discussions.

The stakeholders mentioned in the context of Social Impact Assessment are those who may affect or being affected by the operation of the oil palm plantations and mills. The identification of those parties was carried out through a series of Focus Group Discussion (FGD) meetings within the management and local community as well as on site interviews. There is a detail stakeholders consulted during the assessments and this is presented in the SIA report of PT Lestari Abadi Perkasa January 2011 by Aksenta.

2.2.5 Summary of HCV Assessment Findings
The HCV identification study in the Permitted Areas (Izin Lokasi) of PT Lestari Abadi Perkasa has created High Conservation Value areas and has been mapped in accordance with the type and elements of HCV. A verification process of HCV indicative map was carried out to the definitive HCV. Through this process, definitive HCV areas were identified with total area (overlay) of ± 3,385.98 ha, which comprised of ± 26.05 % of total PT Lestari Abadi Perkasa Permitted Area (Izin Lokasi). Five types of HCVs were identified by Aksenta, i.e. HCV 1, HCV 3, HCV 4, HCV 5, and HCV 6. Within the Permitted Areas (Izin Lokasi), the important elements for HCV 1 are the existence of population and tracks of endangered species such as common Bornean river turtle (*Orlitian borneensis*), Sunda pangolin (*Manis javanica*), Bornean agile gibbon (*Hylobates albibanis*) and Bornean clouded leopard (*Neofelis diardi* ssp. *borneensis*). The important elements for HCV 3 are related hill dipterocarpa forest. The important elements for HCV 4 are related to the catchment areas, potential damage from erosion, springs, river riparian and firebreaks. The important elements for HCV 5 are related to basic needs of local communities or the main asset of society. The important elements for HCV 6 are related to the traditional and sacred graveyard. The HCV areas outside the IUP approved areas will be included in the monitoring and socialization plan with the local communities.

2.2.6 Summary of Plans:
Development of SEIA and HCV Management Plans
The findings by Aksenta on High Conservation Values (HCV) and Social Impacts Assessment (SIA), and the recommendations in SEIA (AMDAL) are incorporated in the HCV and SIA management plan. Development of the HCV and SIA management plans for PT Lestari Abadi Perkasa was facilitated by Aksenta team through a workshop for the PT Lestari Abadi Perkasa management and sustainability team conducted from 16th – 17th January 2012 in Sambas, West kalimantan. The purpose of the workshop was to enable the management team to have a better understanding of the HCV and SIA findings and their related implications so as to provide reference points in developing the operational activities of the company related to the high conservation values, social management’s synergy with the company’s development of oil palm plantation.

Stakeholders’ Consultation
The process of the HCV and SIA development and preparation of management plans and monitoring PT Lestari Abadi Perkasa also involved relevant stakeholders such as governmental offices (Natural Resource Conservation Department-BKSDA, The Plantation Office, The Forestry Office, and The Office for...
Environment-BLH), local communities, the government of local village and Sub-District, The local NGOs and the local existed companies.
Consultation with the relevant stakeholders to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT Lestari Abadi Perkasa and the workers, contractors, suppliers, smallholders (plasma), consumers, government agencies and communities to move forward for the benefit and common progress. This is also part of the process of free, prior informed consent procedures to ensure that there is a balance in the social and environmental harmony in the development of the oil palm planting project between PT Lestari Abadi Perkasa and the local communities, the relevant government agencies, concerned stakeholders, NGOs etc.
The Stakeholders’ Consultation was held on 19th January, 2012 in the Ketapang District, West Kalimantan. This stakeholder consultation was held simultaneously with PT Mentari Pratama’s stakeholder consultation as most stakeholders are common to both PTs albeit different participants from villages around the respective PTs were present in the respective session that affect them. This PT is nearby PT Lestari Abadi Perkasa. There were 62 participants present during this consultation meeting. The details of the Stakeholders’ Consultation is presented in the Report of Stakeholders Consultation PT Lestari Abadi Perkasa, 2012. The summary of the consultation with highlights of key suggestions from the consultation on HCV, SIA, and RSPO P&C are as follow:

1. The number of stakeholder consultation participants that conduct by PT Lestari Abadi Perkasa on 19th January, 2012 in Ketapang District - West Kalimantan Province are 62 participants, consisting of:

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<tr>
<th>Organization</th>
<th>No. of participants</th>
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<td>Government Agencies, are: Region I BKSDA West Kalimantan (3 participants), KLH Ketapang District (1 participants), DISHUT Ketapang District (2 participants), DISBUN Ketapang District (2 participants), BP-DAS Kapuas (1 participant), DANRAMIL (1 participants), Nanga Tayap Polsek (1 participants), Tumbang Tit Polsek (1 participant).</td>
<td>12</td>
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<td>Representatives from villages around (subdistrict head, village head, socialite)</td>
<td>25</td>
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<td>Non-Govermental Organization (NGO), consist of: Forum Hutan Desa (3 participant), Ketapang SKU Demokratis (1 participant), Flora Fauna Indonesia (2 participant), Yayasan International Animal Rescue Indonesia (1 participant), USAID IFACS / The U.S. Agency for International Development Indonesian Forest and Climate Support (1 participant), Yayasan Palung (1 participant) and Forum Pemberantasan Korupsi (1 participants)</td>
<td>10</td>
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<td>Company around, such as PT Sinarmas and PT Poliplant (Both Company of oil palm plantation</td>
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<tr>
<td>Mass Media, such as Pontianak Post (1 participant) and kalbar-online.com (1 participant)</td>
<td>2</td>
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<tr>
<td>HCV / SIA Assessor</td>
<td>5</td>
</tr>
<tr>
<td>Management PT Lestari Abadi Perkasa</td>
<td>6</td>
</tr>
<tr>
<td>Total</td>
<td>62</td>
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2. The following subject matters were presented to the stakeholder during the Stakeholders’ Meeting:
   a) BKSDA Seksi Konservasi Wil. I Ketapang District, explanations about government policy concerned with management of conservation area. Explanations about government policies with management of conservation area, such as UU No. 5 Year 1990 about Natural Resources of Conservation and Ecosystem, Region Regulation, Common Law / local wisdom and International regulation.
   c) BP-DAS Kapuas, government policy and regulation about management of rivers area and border of beach. Explanation of fundamental laws management of rivers area and border of beach, understanding of DAS and border of beach and land suitable for oil palm plantation.
   d) Explanation from consultant Aksenta about HCV and SIA Identification in PT Lestari Abadi Perkasa. Size of HCV and social issues and then management and monitoring plan HCV and SIA in PT Lestari Abadi Perkasa.

3. Key Issues raised for discussion during the Stakeholders’ Meeting include:
   Important issues that are related to sustainable development of oil palm plantations in PT Lestari Abadi Perkasa, Ketapang District, West Kalimantan Province in stakeholder consultation activities, are:
a. Socialization activity need to continue and being transparent to do, until people understanding about development plan of palm oil plantation PT Lestari Abadi Perkasa can be understand to all parties.

b. Land acquisition (and compensation) procedure are to be carried out with FPIC, when any problem should be finish with expedient, else agreement reached between company and owner land.

c. Village community in Permitted Area PT Lestari Abadi Perkasa hope of company to increase positive impact from palm oil plantation and make efforts minimization negative impact from palm oil plantation development of environment (HCV), social (SIA) and AMDAL aspects.

d. Village community in Permitted Area PT Lestari Abadi Perkasa hope of company to be manage in good way and in accordance with RSPO P&C as the sustainable palm oil plantation and good coordination among the stakeholders (company, community, NGO and government).

SIA Management Plan

Based on the SIA results for PT Lestari Abadi Perkasa by Aksenta and the Environmental Management & Monitoring Plans (Rencana Pengelolaan Lingkungan/Rencana Pemantauan Lingkungan) of PT Lestari Abadi Perkasa document, the management for the Social and Environmental Impacts aimed to be managed consistently with appropriate work performance standards. The scope of the development and preparation of management & monitoring plans included all of the potential impacts by the plantation activities. The development and preparation of management & monitoring plans guidelines include:

1. **The Management Plans of PT Lestari Abadi Perkasa, Land Acquisition (and Compensation) Program**
The scope for this management and monitoring included the process of land acquisition and land compensation which referred to the principles of Free, Prior and Informed Consent (FPIC) such as: a) The policy and procedure for land acquisition and compensation in socialization and implementation, b) Partner system of development palm oil and land acquisition procedure is socialized.

The scope for this management and monitoring included the participation of the company in increasing the human resource such as: a) encourage local people which is poor in economic for continuing education until college with scholarship program, b) participated in increase the achieving of basic education and c) giving the opportunity to senior High School of Vocational for (Praktek Kerja Lapangan).

3. **The Management Plans of PT Lestari Abadi Perkasa, Participation of Company in Increasing Local Economic**
The scope for this management and monitoring included: a) build smallholder scheme, b) receive local people as workers accord with the needed of the company, and c) opening opportunity of corporation with local supplier accord with standard and quality desirable of company.

4. **The Management Plans of PT Lestari Abadi Perkasa, Reinforcement of Communication and Social Relation of Company Environment**
The scope for this management and monitoring included interlacing of harmonic communication with people in a continuous manner.

5. **The Management Plans of PT Lestari Abadi Perkasa, Participation of Company in Increasing Health People Quality**
The scope for this management and monitoring included the corporation with official concerned which is maintenance and increasing environment quality.

The scope for this management and monitoring included: a) participation of increasing public facility which is giving easy of company and peoples, b) management and monitoring of the water quality, soil and air, c) arranging of environmental management & monitoring plans (Rencana Pengelolaan Lingkungan, RKL – Rencana Pemantauan Lingkungan, RPL) and d) survey of people perception with environment condition.

HCV Management Plan

The HCV development and preparation of management & monitoring plans was based on the result of the HCV assessment that was conducted on 31st October 2010 – 6th November 2010 by independent consultants from Aksenta who has been accredited and approved by RSPO. This process provides data and information related to the presence of the HCV areas in the Permitted Area (Izin Lokasi) of PT Lestari Abadi Perkasa, the key HCV elements, the actual conditions included the potential threats, and the recommendations for the management.

The HCV development and preparation of management & monitoring plans was implemented with the aim to provide guideline for the company in planning and management of its programs or activities in managing the HCV present within the concession area. The purpose was to enable all the available resources to be focused, integrated and effective in order to achieve the HCV management outcome. The purposes of this
management and monitoring document were:

1. To ensure that the identified and assigned HCV areas are under protection and in a well managed state so that their HCV functions are well preserved,
2. To enhance the administration of the management and monitoring in the sense that the process carried out is more systematically according to the legal procedures.

The process of the HCV preparation of management plans and monitoring for PT Lestari Abadi Perkasa was based on the structure of strategy mapping (Picture 6). In strategy map, the processes were all focused on three fields under the management and responsibility of the plantation management;

1. Stakeholders
2. Operation
3. People & Resources

Plan for HCV Monitoring and Regular Review of Data

The basic programs and activities that fulfill the HCV management are in regular monitoring and review. The purpose of review is to measure the achievements, effectiveness, efficiencies, impacts, and sustainability of the programs. Thus, the purpose of monitoring is to evaluate whether the activities run as they are expected; whether the outputs of the process are as they were projected previously; and whether the resources investments (human, fund, time) are as they were planned.

Monitoring and review are aimed to a set of indicators as the key performance indicators and should be managed systematically, consistently, and well documented. The monitoring should be implemented regularly and it is dependent on the classifications of the activities and the target indicator to evaluate the detail of such activities is presented in the Activities Plan Matrix (Matriks Rencana Kegiatan). The review should be conducted at the end of the management periodical plan, that is in the end of the third years (summative review) and every six months (formative review).

Management and mitigation plans for threats to HCV areas.

The identified basic activities which are planned to run in order to achieve the basic targets for the enhancement and maintenance of the HCV areas are:

1. Identification, documentation and recondition of baseline HCV elements and that threatents.
2. Socialization to local peoples and people around the HCV area about the existence and importance of protecting HCV areas.
3. Develop dialogue and facilitate people for make like-minded of HCV management.
4. Dialogue with stakeholders, especially government for increasing protecting HCV elements and areas.
5. Monitoring of land clearing activity.
6. Measuring fluctuation activity of water level on rainy season and dry season as baseline in rivers which has the important function as the catchment areas.
7. Avoid/minimizing superficial of river with GAP (Group Agriculture Policy) which is land clearing until maintenance and harvesting.
8. Recondition and making the policy and procedure (SOP) which is supporting efectivity HCV management.

Management plans to enhance or maintain conservation values of identified HCV areas

The process of strategy mapping, the practical vision is defined as the basic targets. Those basic targets include nine ideal states which are going to be achieved through the efforts of HCV protection and management. Those ideal states are:

1. The sustainability of the local habitats is reserved.
2. The existence of the key animals in the area is reserved.
3. Refuge condition of wildlife (refugum) are controlled and connectivity.
4. The river banks function as the hydrological buffer (the protection for water cycle), ecology (the protection for wildlife species)
5. The erosion state is well minimized.
6. Spring water reserved.
7. Conserve water catchments areas.
8. The reverence of the human rights.
9. The existence of the local spiritual sites are well preserved.

In order to make such activities in effective state, it is required that the reinforcement to the human resources competencies be applied so that they have sufficient knowledge and life skills to implement all the determined activities. Moreover, it is essential to provide appropriate infrastructures so that the implementation of the activities is possible to be effective.

Development Plan:

The total area based on Izin Lokasi (Permitted Area) is ± 13,000 ha. The Plantation Permit (Izin Usaha Perkebunan, IUP) was approved on 24 February 2012 by the Ketapang Regent decree (Surat Keputusan Bupati) Nomor : 83/DISBUN-D/2012; the total area is ± 5,478 ha. PT Lestari Abadi Perkasa will not cultivate these areas in accordance to the wishes of the communities and in accordance with the areas allocated in
the IUP. Hence, in the development plan, the Company development of oil palm will be within the approved. PT Lestari Abadi Perkasa's development plan has incorporated the findings from SEIA (AMDAL), HCV Assessments and Social Impact Assessments by Aksenta as described above when implementing the operational plans. Management plans for HCV areas and management plans for handling social impacts have been drawn up. The total area allocated in the Plantation Permit (Izin Usaha Perkebunan, IUP) is ± 5,478 ha. The HCV management plan has been developed for these areas. The net area for cultivation of oil palm is ± 2,934 ha. The balance areas left out of oil palm planting are ± 1,133 ha of HCV areas and others (enclave, building, nursery, etc) is ± 1,411 ha. Of the total planted area of ± 2,934 ha, 20 % of the land (or 587 ha) will be allocated to development of smallholder cooperative scheme. The other 80 % of planted areas (or ± 2,347 ha) will be under the estates or inti. In accordance with the operational management of PT Lestari Abadi Perkasa land development will commence in year 2012.

As part of the process of free, prior informed consent (FPIC), procedures to ensure that there is participation in the social and environmental harmony in the development of the oil palm planting project by PT Lestari Abadi Perkasa, consultation with the relevant stakeholders is to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT Lestari Abadi Perkasa and the the affected stakeholders to move forward for the benefit and common progress. PT Lestari Abadi Perkasa has established standard operating procedures for land acquisition and compensation procedures based on the principle of free prior informed consent. The company also has established the complaint and grievance procedures so that the problem solving process is done through discussion and mutual deliberation. PT Lestari Abadi Perkasa will abide by the requirements in accordance of the Decree of the Minister of Forestry No: P.14/Menhut-II/2011, 10 March 2011 before commencing land clearing. The company will inform in writing to the Forestry Department of Ketapang District for assessment of the area on the requirements of the Wood Utilization Permit (Izin Pemanfaatan Kayu).
3. Formal signing off of the Internal Responsibility

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<tr>
<th>3.2 Acknowledgement of internal responsibility by PT Lestari Abadi Perkasa.</th>
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<tr>
<td>I the undersigned, being the legal representative of the inspected company, agree with the contents of this report.</td>
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<tr>
<td>Comments: The CUC assessment findings and conclusion are acknowledged and accepted.</td>
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