

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: 5 December 2013

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 BUMITAMA GUNAJAYA AGRO

SUBSIDIARY (If any) : PT KARYA MAKMUR LANGGENG

RSPO Membership Number : 1-0043-07-000-00

Location of proposed new planting :

- Company name : PT Karya Makmur Langgeng (PTKML)
- Location : Kampar Sebombam/Simpang Dua/Semandang Kanan villages, Sub district of Simpang Dua, District of Ketapang, Province of West Kalimantan, Indonesia.
- Geographical location : 0° 40' 23" - 0° 50' 16" North and 110° 9' 0.1" - 110° 25' 31" East
- Surrounding Entities :
 - a. North. IUPHHK PT INHUTANI (Timber Concession Company)
 - b. South. Bordering the City District of Simpang Dua
 - c. West. IUPHHK PT INHUTANI (Timber Concession Company)
 - d. East. Bordering the City District of Simpang Dua
- New Planting Area : ± 12,500 Ha
- Permit :
 - a. Deed of Company on behalf PT KML dated 19 November 2003 Number 71 based Notary Eliwaty Tjitra, S.H. (Ministry of Justice Decree RI No.C-1746.HT.03.02-Th.1999 dated 1 September 1999).
 - b. Taxable letter Inauguration: PEM-10339/WPJ.13/KP.0303/2012 dated 27 September 2012 from Republic of Indonesia Ministry of Finance Regional Office of Directorate General of West Kalimantan Taxation with tax number 02.355.723.4-703.001 on behalf PT KML Semandang Kanan Village, Ketapang District.

- c. Land Information letter from the Regent Ketapang No.525/123/IV-Bapedalpembda dated 21 February 2006 to explain about the approval area of oil palm plantation development of ± 19,000 ha within the production forest area (HPK) by SK Menhutbun number 259 of 2000.
- d. Location Permit
- Location Permit for Oil Palm Plantation Development Purposes under the name of PT KML based on Ketapang Regency Decree No. 293 of 2006 dated 13 October 2006 for an area of ± 19,000 ha, located in the Village of Pasir / Simpang Dua / Mariangin, Sub-District of Simpang Dua, District of Ketapang. Location permit is valid for 3 years.
 - Based on Ketapang Regency Decree No. 24 of 2010 on Construction Site Permit Renewal Oil Palm Plantation and Processing Plant for PT KML dated 13 January 2010 for the land area of ± 19,000 ha in force for 12 months from the stipulated of decision date.
 - Certificate of Regents Ketapang Number: 100/1437/PEM dated 18 July 2013 that explain:
 - PT KML has obtained the Location Permit through a Renewed Location Permit of Regent Ketapang No. 24 Year 2010 dated 15 January 2010 for ± 19,000 ha.
 - PT KML is still active in business and Ketapang district government supports business activity that is sustainable by not issuing location permits to other companies. And PT KML intends to continue to obtain the related licensing for its business and in line with the requirement of the Indonesian Law and Regulations.
- e. Converted forest area released by the Republic Indonesia Ministry of Forestry Number: SK.689/Menhut-II/2011 dated 8 December 2011 on release of Forest Production Convertible For Oil Palm Plantation for PT KML for the Group of Forest of Semandang River and Kuwalan River of Ketapang District, West Kalimantan Province covering an area of 18,483.2 ha.
- f. Environment Impact Assessment/ Analisa Dampak Mengenai Lingkungan (EIA/AMDAL)
- Environmental Feasibility of Plantation Activity (±18,483.2 ha) and the Palm Oil Processing Plant (plant capacity 60 ton ffb/hour) by PT KML in sub district of Simpang Dua and Simpang Hulu, Ketapang district of West Kalimantan Province by West Kalimantan Regent Decree Number: 201/BLHD/2013 dated 14 March 2013.
 - Environmental Permit for Plantation Activity (± 18,483.2 ha) and the Palm Oil Processing Plant (plant capacity 60 ton ffb/hour) by PT KML in sub district of Simpang Dua and Simpang Hulu, Ketapang district of West Kalimantan Province by West Kalimantan Regent Decree Number: 262/BLHD/2013 dated 29 May 2013.
- g. Plantation Business Permit (Izin Usaha Perkebunan/IUP).
- Oil Palm Plantation Business Permit (IUP) PT KML according to Ketapang Regency Decree No.510/DISBUN-D/2013 dated 16 October 2013 for a land area of 16,700 ha with an oil processing plant with processing capacity of 60 tons ffb/hour which is located in s sub district of Simpang Dua and Simpang Hulu District, Ketapang District, West Kalimantan Province, Indonesia.

h. Report of Field Orientation on Conditions and Potential Wood Vegetation in the Area of Location Permit of PT KML in Ketapang District of West Kalimantan Province from Forestry Department of West Kalimantan dated 27 June 2013 which explain technically why a Timber Utilization Permit (izin Pemanfaatan Kayu/IPK) is not required for Land Clearing:

- Area of ± 4,252.85 ha are young forest category which are physically dominated by small-diameter trees (10 cm to 20 cm)
- Area of ± 14,236.35 ha is a non-forest area (open land, bushes, farming community and residential area)

This means that PT KML is allowed to conduct the Land Clearing directly.

Figure 1. Location Map of PT. Karya Makmur Langgeng

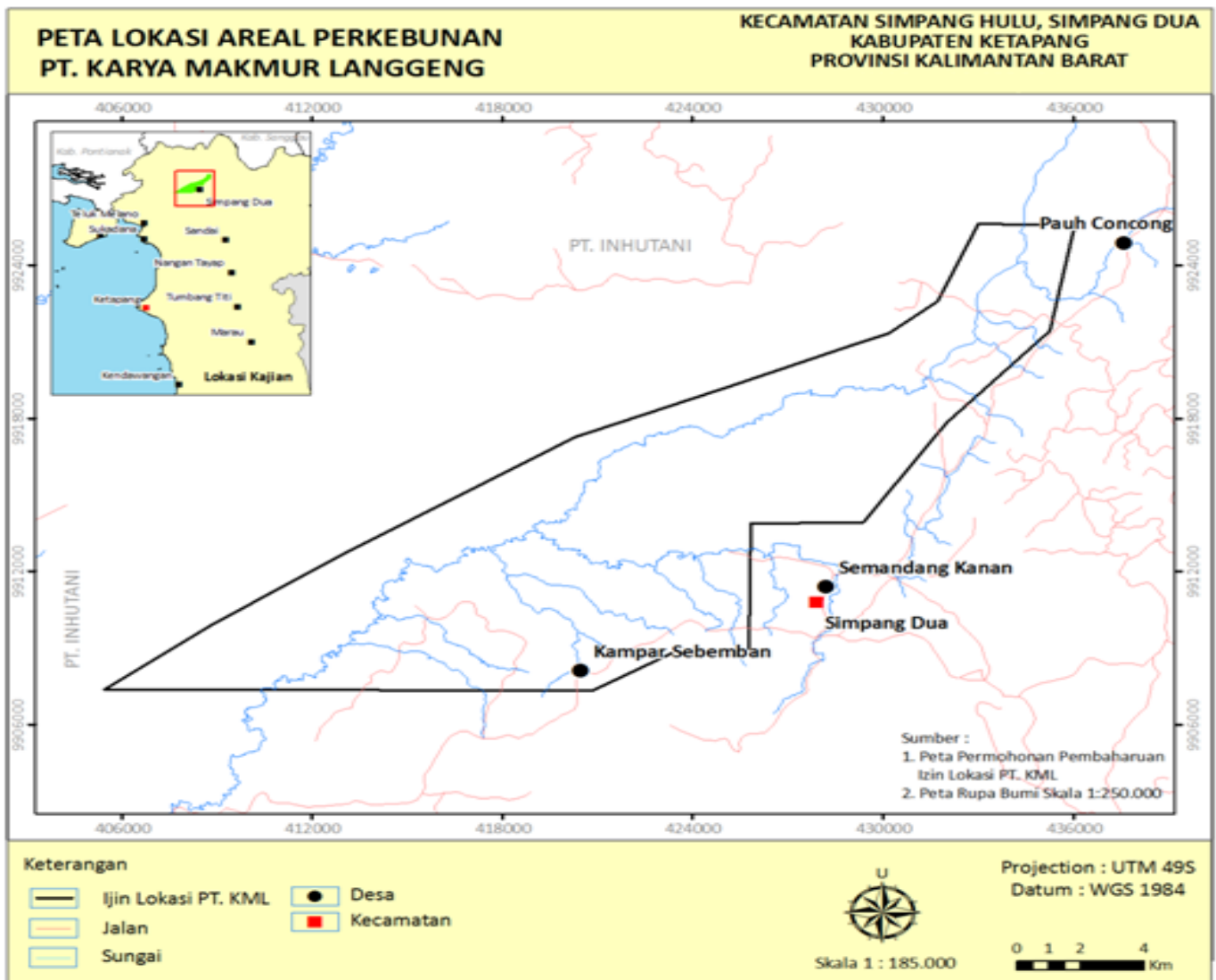


Figure 2. Land System Map of PT. Karya Makmur Langgeng

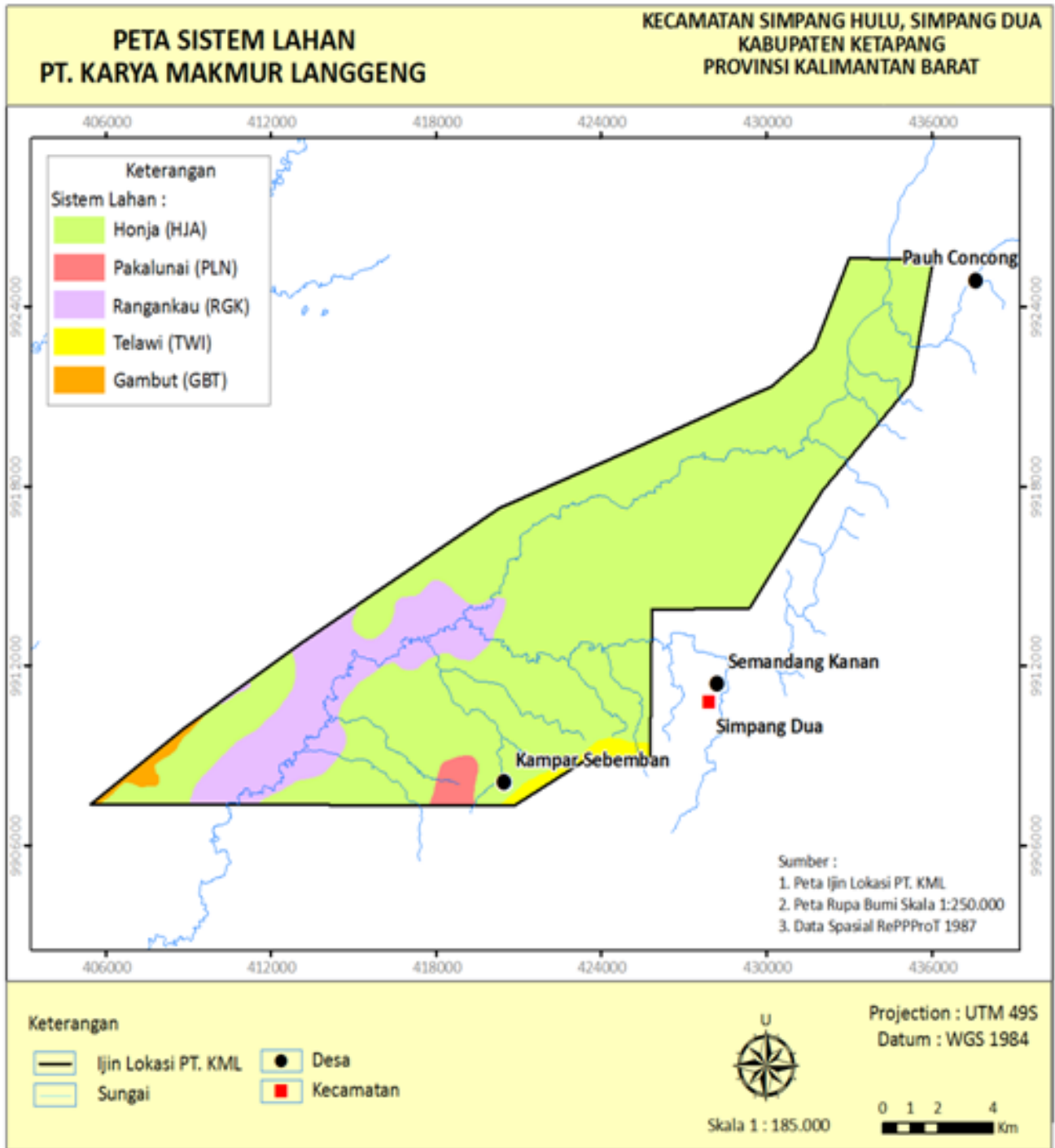


Figure 3. Topography Map of PT. Karya Makmur Langgeng

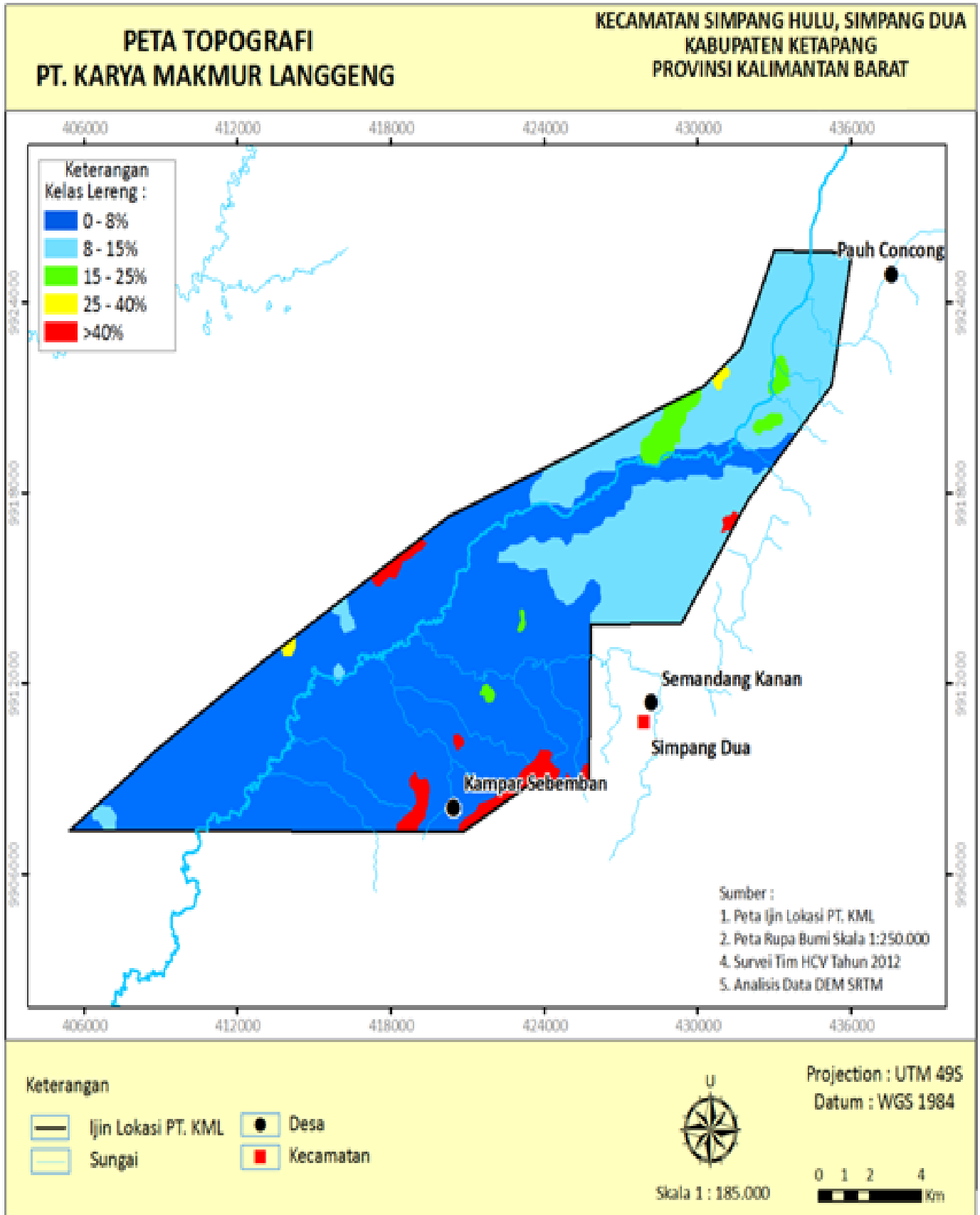


Figure 4. Conservation Area Map of PT. Karya Makmur Langgeng

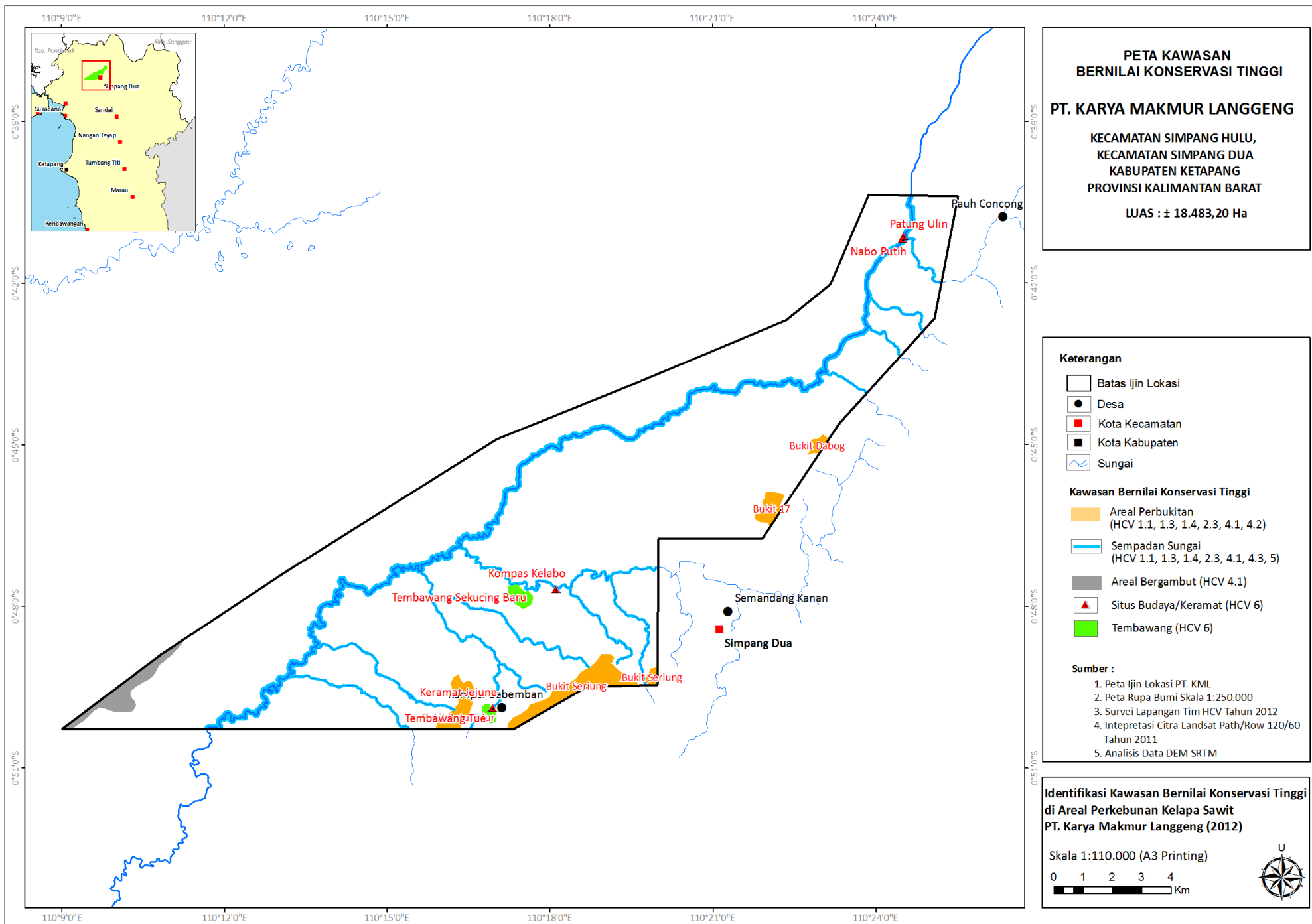
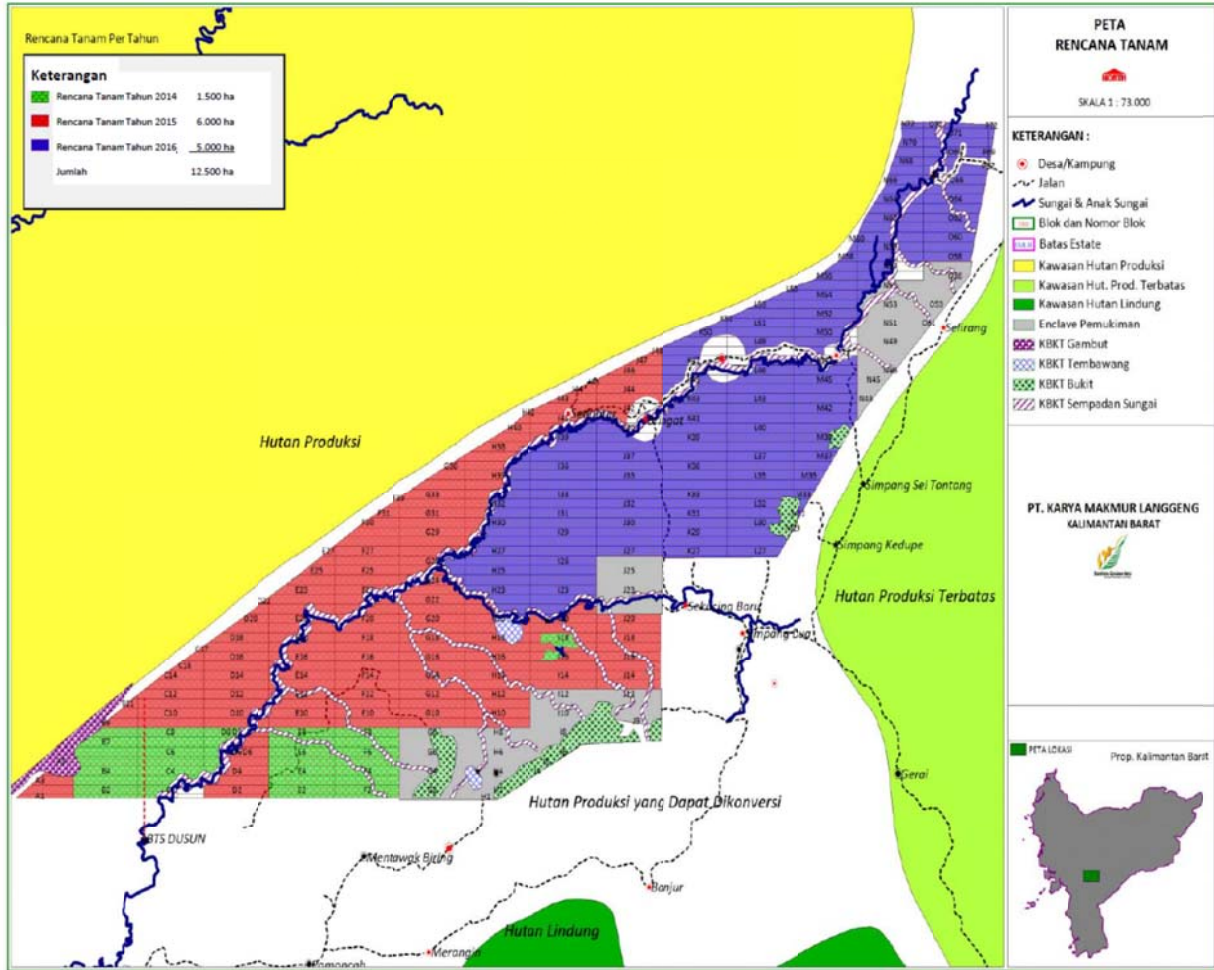


Figure 5. Planting Plan Area Map of PT. Karya Makmur Langgeng



SUMMARY FROM SEI ASSESSMENT:

PT KML had conducted the Environmental Impact Assessment (EIA/AMDAL) separately from other RSPO required assessment. The EIA was conducted by the government accredited assessor (CV Alam Indo Lestari) while the RSPO assessment called Social Impact Assessment (SIA) was conducted by PT Sonokeling Akreditasi Nusantara team and led by RSPO approved HCV assessor (Ir. Kresno Dwi Santosa, M.Si) on May to June 2012.

The main focus of EIA is the company profile, general condition of the project using demographic data, economic status as well as availability of public transportation. The assessment is also conducted to identify the demand of transparent aspect (principal 1) and legal compliance as well as applicable law (principal 2) stated in the Indonesian RSPO P&C, land availability, community perception of the project, as well as the existence of conservation area based on HCV toolkit Indonesia.

The EIA review of documentary sources covers a collection of data and information from the Focus Group Discussion (FGD), in-depth interview, government policy, and village profile data. The assessment also covered field observation and public consultation meetings for the villages within the project area and for affected landowners of surrounding communities. Summaries and findings of the interviews and public consultation meetings are included in the EIA report.

SUMMARY FROM HCV ASSESSMENT:

The on-site HCV assessment of PT KML project conducted by the PT Sonokeling Akreditasi Nusantara was for the period of 22 June to 07 July 2012 and was led by RSPO approved HCV assessor, Ir. Kresno Dwi Santosa, M.Si.

The assessment included satellite imaginary analysis, extensive field surveys, and public consultations with the communities living in the project area (Villages of Semandang Kanan, Paoh Congcong, Kampar Sebomban). The HCV assessment report included recommendations for the management especially on the improvement of the HCV found within the project area.

The HCV identified in PT. Karya Makmur Langgeng project area were clearly mapped. Based on identification and analysis of HCV presence in the area of PT. KML there were found HCV1.1, HCV1.2, HCV1.3, HCV1.4, HCV2.3, HCV4.1, HCV4.2, HCV5 and HCV6 with total area coverage of 2,195.72 ha. No area supporting HCV 3 is identified. Location plan and the new land to be open was not in the area of primary forest, it is in the Conversion Production Forest/Hutan Produksi Konversi (HPK)

Table 1. Identification and Analysis of HCVs Presence (HCV1-6) in the Area of PT. Karya Makmur Langgeng

HCV/ Components	Type of HCV	Location
HCV1. Areas with high concentrations of biodiversity		
1. Areas that contain or provide biodiversity support functions to protection or conservation areas	Present	1. Riparian of Banjar River 2. Riparian of Lamata River 3. Riparian of Raraba River 4. Riparian of Semadang River/Prodang 5. Seriung Hill 6. Batu Tulus Hill 7. Block 17 hill

HCV/ Components	Type of HCV	Location
1.1. Critically endangered species	Present	1. Riparian of Lamata River
1.2. Areas that contain habitat for viable population of endangered, restricted range or protected species	Present	1. Riparian of Banjar River 2. Riparian of Lamata River 3. Riparian of Raraba River 4. Block 17 hill
1.3. Areas that contain habitat of temporary use of species or congregations of species	Present	1. Riparian of Banjar River 2. Riparian of Lamata River 3. Riparian of Raraba River 4. Block 17 hill
2.1. Large natural landscape with capacity to maintain natural ecological processes and dynamics	Absent	-
2.2. Areas that contain two or more contiguous ecosystems	Absent	-
2.3 Areas that contain representatives population of most naturally occurring species	Present	1. Riparian of Banjar River 2. Riparian of Lamata River 3. Riparian of Raraba River 4. Block 17 hill
HCV3. Rare or endangered ecosystem	Absent	-
4.1. Areas or ecosystems important for the provision of water and and Prevention of Floods for Downstream Communities	Present	1. Riparian of Banjar River 2. Riparian of Bergoram River 3. Riparian of Blomah River 4. Riparian of Keba River 5. Riparian of Lamata River 6. Riparian of Menggunung River 7. Riparian of Mengkasan River 8. Riparian of Mun River 9. Riparian of Pelanduk Jirak River 10. Riparian of Penyawan River 11. Riparian of Raraba River 12. Riparian of Selerang River 13. Riparian of Semandang/Prodan River 14. Seriung Hill 15. Batu Tulus Hill 16. Dabog Hill 17. Block 17 hill 18. Deep Peat (Potensial) > 3 meter
4.2. Areas important for the prevention of erosion and sedimentation	Present	1. Seriung Hill 2. Batu Tulus Hill 3. Dabog Hill 4. Block 17 hill
4.3. Areas that function as natural barriers to the spread of forest or ground fire	Absent	-
HCV5. Natural areas critical for meeting the basic needs of local people	Present	1. Riparian of Banjar River 2. Riparian of Penyawan River 3. Riparian of Semandang/Prodan River
HCV6. Areas critical for maintaining the cultural identity of local communities	Present	1. Keramat Kompas Kelabo 2. Tembawang Sekucing Baru 3. Tembawang Tue 4. Keramat Nabo Putih Nago Ranting 5. Patung Ulin 6. Keramat Jajune

Table 2. Management Plan of HCV Area for PT Karya Makmur Langgeng.

Number	HCV Area	HCV Attribute	Total HCV Area Identified (ha)	HCV Area Managed (ha)
1	Sungai Banjar	1.1,1,3,1,4, 2,3, 4.1, 5.	108.38	88.28
2	Sungai Bergoram	4.1	42.87	30.21
3	Sungai Blomah	4.1	52.06	50.07
4	Sungai Keba	4.1	28.5	9.47
5	Sungai Lamata	1.1,1,2,1,3,1,4,2,3, 4.1	80.26	57.30
6	Sungai Menggunung	4.1	27.14	25.56
7	Sungai Mengkasan	4.1	47.64	32.15
8	Sungai Mun	4.1	23.01	6.8
9	Sungai Pelanduk Jirak	4.1	17.83	3.07
10	Sungai Penyawan	4.1, 5	67.9	42.01
11	Sungai Raraba	1.1,1,3,1,4,2,3, 4.1	63.62	50.04
12	Sungai Selerang	4.1	18.33	0.00
13	Sungai Semandang/Prodram	1.1, 4.1, 4.3, 5.	893.73	893.73
14	Bukit Seriung	1.1, 4.1, 4.2	258.96	0.00
15	Bukit Batu Tulur	1.1, 4.1, 4.2	117.94	0.00
16	Bukit Dabog	4.1, 4.2	26.11	26.11
17	Bukit 17	1.1,1,3,1,4,2,3,4.1, 4.2	64.27	64.27
18	Kawasan Lindung Gambut	4.1.	179.59	62.00
19	Keramat Kompas Kelabo	6	0.005	0.05
20	Tembawang Sekucing Baru	6	47.03	47.03
21	Tembawang Tue	6	21.53	21.53
22	Patung Ulin	6	0.005	0.00
23	Keramat Nabo Putih Nago Ranting	6	0.005	0.00
25	Keramat Jajune	6	0.005	0.00
Total			2,195.72	1,509.68

DOCUMENTATION OF FREE, PRIOR AND INFORMED CONSENT

In accordance with RSPO requirements PT KML needs to obtain free, prior and informed consent from the local community that would be affected by the development of the concession area or land that would be opened. The documents are as follows:

1. Minutes of the Meeting of Socialization Development of Oil Palm Plantation in District PT. Karya Makmur Langgeng at Sub district of Simpang Dua and Simpang Hulu, Ketapang District on:
 - a. On 5 March 2012 which took place at the Church of Pantan Hamlet, Village Kampar Sebomban, sub district of Simpang Dua, attended by **TP3K (Tim Pembina Pembangunan Perkebunan Kabupaten)** Ketapang, Muspika of Simpang Dua, Chairman of the Dayak Culture Board of Simpang Dua, Village Head and the Village Board of Trustees (BPD) Kampar Sebomban, Chief of Pantan Hamlet, Chief of Mentawa Hamlet, Semandang Kanan Village Head, head of Sekucing Baru Hamlet, Head of Sei Tontang Hamlet and Head of Selentak Hamlet.

- b. On 6 March 2012 held at Elementary School Building Kek Lipur Hamlet, Concong Paoh village, Simpang Hulu Sub district, which was attended by TP3K Ketapang, Muspika Simpang Hulu, Concong Paoh Village Head, Head of Kek Lipur Hamlet, Head of Baram Hamlet and community representatives.
2. Available evidence of the land acquisitions process on the operational area of PT KML contained 154 land spots with an area of 2,522.85 ha site with total compensation of Rp. 7,988,503,000 from 19 April 2013 until 19 September 2013. All documentations of all land acquisitions are available.
 - Land Acquisition Data.
 - Identity of Land Owner.
 - Minutes of Land Measurement (Berita Acara Pengukuran)
 - Location Map of Land Measurement (Peta Lokasi Yang diukur/digantirugi).
 - Minutes of Price Agreement (Berita Acara Kesepakatan Harga)
 - Land Submission Statement (Surat Pernyataan Penyerahan Lahan).
 - Certificate of Land Acquisition Property/ Rights Recognition Letter and Land Tenure (Surat Keterangan Garap (SKGR) Kepemilikan Lahan/Surat Pengakuan Hak Kepemilikan dan Penguasaan Lahan)
 - Land Rights Letter (Surat Penguatan Atas Hak)
 - Origin of Land Letter (Surat Keterangan Asal Usul Tanah)
 - A Brief History of Land Tenure (Riwayat Singkat Penguasaan Tanah)
 - Letter of Approval Heirs (Surat Pernyataan Persetujuan Ahli Waris)
 - Information Letter of Heirs (Surat Keterangan Ahli Waris)

3. Interviews with local community on PT KML project area

The results of the interviews with the local people (Tunas Kampar Hamlet –Village of Kampar Sebomban and Sekucing Baru Hamlet, Semandang Village) is known as the process of socialization and land acquisition for the PT KML project area conducted with free prior and inform consent where the communities also receive the Oil Palm Plantation development plan of PT KML.

SUMMARY OF PLANS:

The management New Planting Plan has incorporated the findings from EIA (AMDAL), Social Impact Assessment (SIA) and HCV assessment for implementing the operational plans. Recommendations and also conclusion from the results of EIA and HCV have also been integrated into the management plan and this is consistent with RSPO P&C for New Plantings.

VERIFICATION STATEMENT:

PT KML opted for a document verification and field observation method to conduct the New Planting Procedure. PT Mutuagung Lestari (Mutuagung) auditors have conducted desk study and discussions with sustainability officers of PT KML during the desk audit. Two of Mutuagung auditors had conducted the desk audit at KML head office in Jakarta on 16-17 October 2013 as well as in Pontianak, West Kalimantan Province on 21-22 October 2013 to review and verify the relevant document and also to interview the management representatives. The auditor conducted field observation on KML project area to verify the company identification of HCV on 22-23 October 2013.

The EIA (AMDAL) conducted by the government approved consultants as well as the HCV and SIA assessments conducted by RSPO accredited and approved assessors. PT Karya Makmur Langgeng has adhered to RSPO New Planting Procedure and documented the assessments and plans are comprehensive and professionally carried out according to RSPO requirements and comply with the applicable RSPO Principles, Criteria and Indicators for new plantings.

Signed for, on behalf of,
Mutuagung Lestari



Octo HP Nainggolan
Lead Auditor
5 December 2013

PT Karya Makmur Langgeng



Francisca Tiurma Damanik
Group Department Head CCS
5 December 2013