

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: May 2, 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 AUSTINDO NUSANTARA JAYA AGRI

SUBSIDIARY (If any) : PT GALEMPA SEJAHTERA BERSAMA

RSPO Membership Number : 1-0032-07-000-00

Location of proposed new planting :

- Company name : PT Galempa Sejahtera Bersama
- Location : Sub district of Ulu Musi and Sikap Dalam,
District of Empat Lawang, Province of South Sumatera, Indonesia.
- Geographical location : 3° 47' 54,7" - 3° 38' 24,5" South and 102° 40' 39,0" - 102° 54' 6,8" East
- Surrounding Entities :
 - a. North : Protected Forest , Non Forest Designated Area, and Riparian of Musi River
 - b. South : Protected Forest (Hutan Lindung), Non Forest Designated Area, and Riparian of Musi River
 - c. West : Non Forest Designated Area, Riparian of Belimbing River and Riparian of Musi River
 - d. East : Non Forest Designated Area
- New Planting Area : ± 20,000 Ha
- Permit:

The followings are the list of the licenses and recommendations:

| No. | Kind of Permit/ Recommendation | Approved by | No. and Date | Remarks |
|-----|-----------------------------------|--|---|-----------------------------|
| 1 | Deeds of Establishment | Notary H. Zulkifli Sitompul, SH, Palembang | No. 6 dated 14 th December 2011 | |
| 2 | Limited Company Approval Deeds | Ministry of Justice and Human Rights Republic of Indonesia | AHU- 04071.AH/01.01, 2012 | Approved in 20 January 2012 |

| No. | Kind of Permit/ Recommendation | Approved by | No. and Date | Remarks |
|-----|---|--|--|--|
| 3 | Deeds of Shareholder Statement | Mala Mukti, S.H, LL.M , Jakarta (Notary) | No, 09 dated 3 rd January 2013 | |
| 4 | Notification Receipt of Company Data Changes PT Galempa Sejahtera Bersama) | Ministry of Justice and Human Rights | AHU-AH.01.10- 01091, dated 29 th January 2013 | |
| 5 | Taxes Number (NPWP) | Region Office of Taxes Medan Polonia, North Sumatera . | 03.178.764-1.121.000, based on Registered Letter No: PEM.00167/WPJ.01/K P.0303/2014/PB | |
| 6 | Company Registered Number | Integrated Permits Services Agency, Palembang | 060614606223, dated 08 th February 2012 | |
| 7 | Status of area PT Galempa Sejahtera Bersama | Ministry of Forestry | No 76/Kpts-II/2001, dated 15 March 2001 | Status of area PT Galempa Sejahtera Bersama in Permit Area based on Forest Area Indicated (TGHK) is Non Forest Designated Area (Area Penggunaan Lain). |
| 8 | Location Permit | Regent of Empat Lawang | No.525/535/KEP/HUT BUNTAMBEN/2012, dated 20 th April 2012 | Total Area 20,000 Ha, located in Village of Luwuk Puding Lama, Luwuk Puding Baru, Pula Kemang, Muara Betung, Padang Tapong, Galang,Tanjung Agung, Batu Lintang, Kalangan, Simpang Perigi, Kanduran, Talang Bengkulu and Air Kalinsar Sub district Ulu Musi. Village Puntang, Padu Raksa, Bandar Aji, Karang Gede, Karang dapo Lama, Karang Dapo Baru, Tangga Rasa, Tapa Baru, Karang Anyar dan Martapura Sub district Sikap Dalam Empat Lawang Rgency. Attach of Map, Scale 1 : 100,000 |
| 9 | Plantation Permit | Regent of Empat Lawang | No.525/423/KEP/HUT BUNTAMBEN/2013, dated 8 th Mei 2013 | Total Area ± 20,000 Ha, located in Village of Luwuk Puding Lama, Luwuk Puding Baru, Pula Kemang, Muara Betung, Padang Tapong, Galang,Tanjung Agung, Batu Lintang, Kalangan, Simpang Perigi, Kanduran, Talang Bengkulu dan Air Kalinsar Sub district Ulu Musi. Village Puntang, Padu Raksa, |

| No. | Kind of Permit/ Recommendation | Approved by | No. and Date | Remarks |
|-----|--|---|---|---|
| | | | | Bandar Aji, Karang Gede, Karang dapo Lama, Karang Dapo Baru, Tangga Rasa, Tapa Baru, Karang Anyar dan Martapura Sub district Sikap Dalam Empat Lawang Regency. Attach of Map, Scale 1 : 100,000 |
| 10 | Environment Permit, Development Plan of Oil Palm Plantation and Mill \pm 20.000 Ha, Sub district Ulu Musi and Sub district Sikap Dalam, Regency of Empat Lawang Province of South Sumatera | Regent Empat Lawang | No.211, 2013, dated 6 May 2013 | Total area \pm 20,000 Ha, located in Village of Luwuk Puding Lama, Luwuk Puding Baru, Pula Kemang, Muara Betung, Padang Tapong, Galang, Tanjung Agung, Batu Lintang, Kalangan, Simpang Perigi, Kanduran, Talang Bengkulu dan Air Kalinsar Sub district Ulu Musi. Village Puntang, Padu Raksa, Bandar Aji, Karang Gede, Karang dapo Lama, Karang Dapo Baru, Tangga Rasa, Tapa Baru, Karang Anyar dan Martapura Sub district Sikap Dalam Empat Lawang Regency |
| 11 | SEIA or Environmental Feasibility Permit | Head of AMDAL Commission, Empat Lawang Regency | No. 210, 2013, dated 1 May 2013. | Total area \pm 20,000 Ha, and Palm Oil Mill (Capacity 60 Ton FFB/Hour) |
| 12 | Land Clearing Permit | Agency of Forest, Plantation, Mining and Energy | 525/681/HUTBUNTA MBEN/ 2013, dated 16 August 2013 | Totally of Land Clearing Plan 2013 – 2016 is 15,000 Ha |
| 13 | Permit Letter of Commerce | Integrated Permits Services Agency, Palembang | 503/SIUP.B/0457/KPP T/2012, dated 8 February 2012 | |
| 14 | Information Letter of Company Domicile | Government of Medan Sub district Medan Polonia Kelurahan Madras Hulu | 503/376/SK-DP/MH/XI/2013, dated 01 September 2013 | |
| 15 | Informatin Letter of Company Domicile | Government of Empat Lawang, Sub district Ulu Musi, Kantor Head of Village Tanjung Agung | 700/38/120-TA/II/2014, dated 27 February 2014. | |
| 16 | Surat Ijin Gangguan (<i>Hinder Ordonantie</i>) | Integrated Permits Services Agency, Palembang Palembang | 503/IG.R/0112/KPPT/ 2012, dated 6 January 2012 | |

Figure 1. Location Map of PT Galempa Sejahtera Bersama

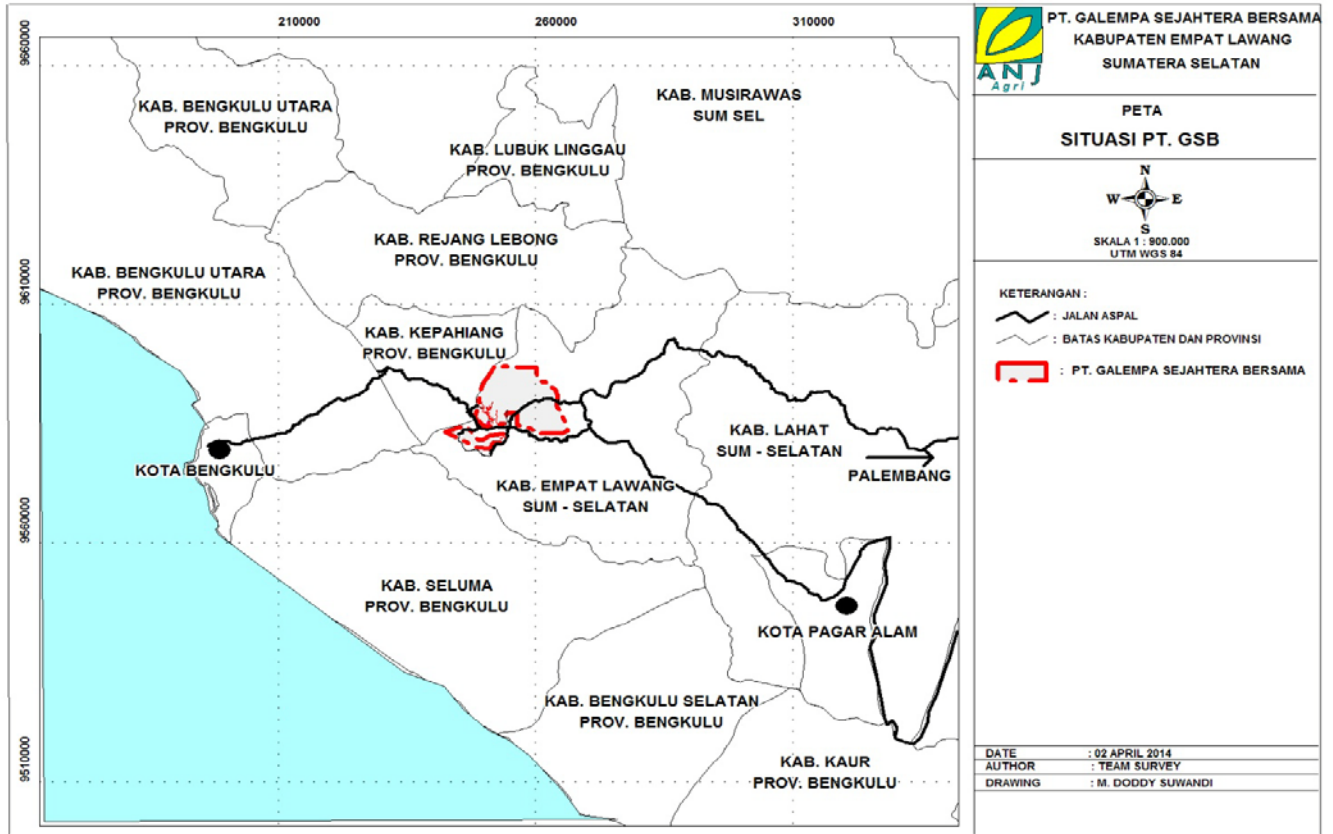


Figure 2. Location Permit Map of PT Galempa Sejahtera Bersama

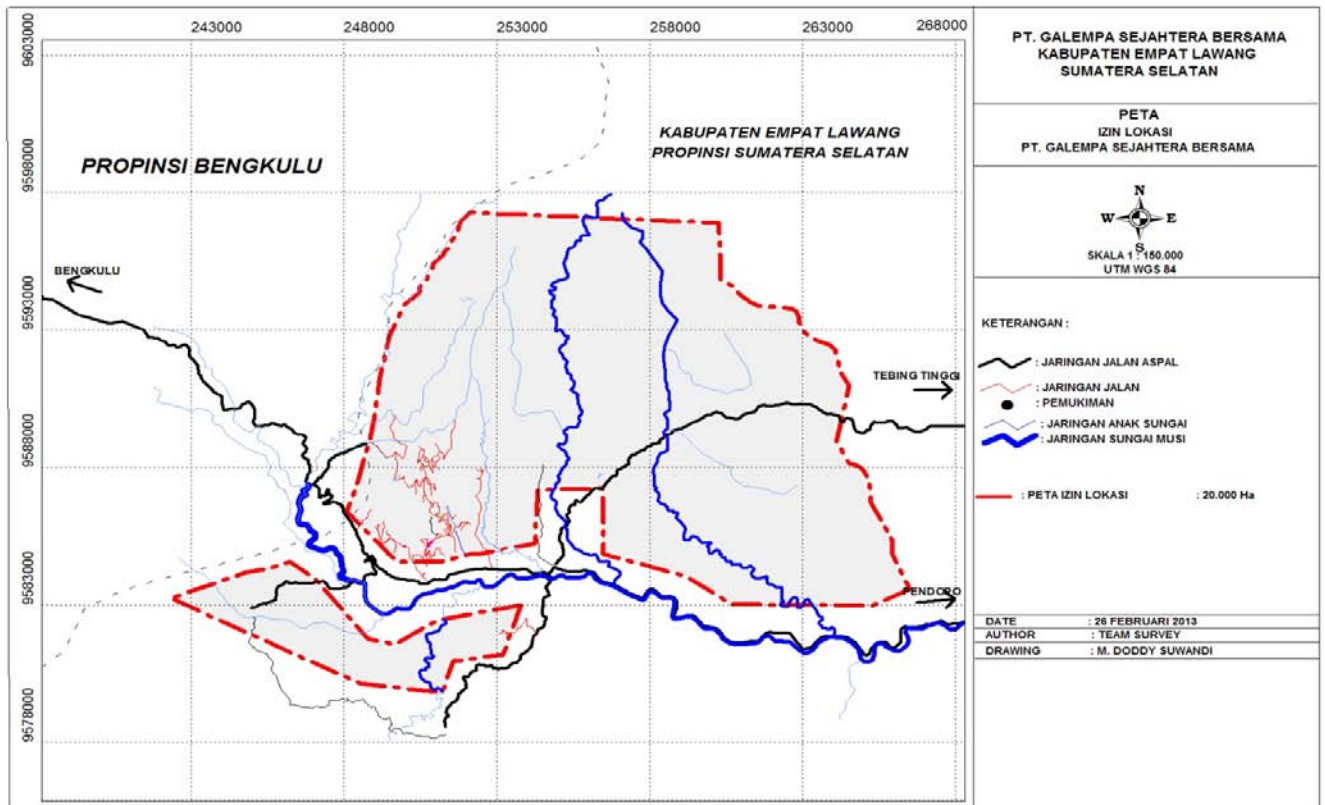


Figure 3. Map of Forest Area Status on PT Galempa Sejahtera Bersama

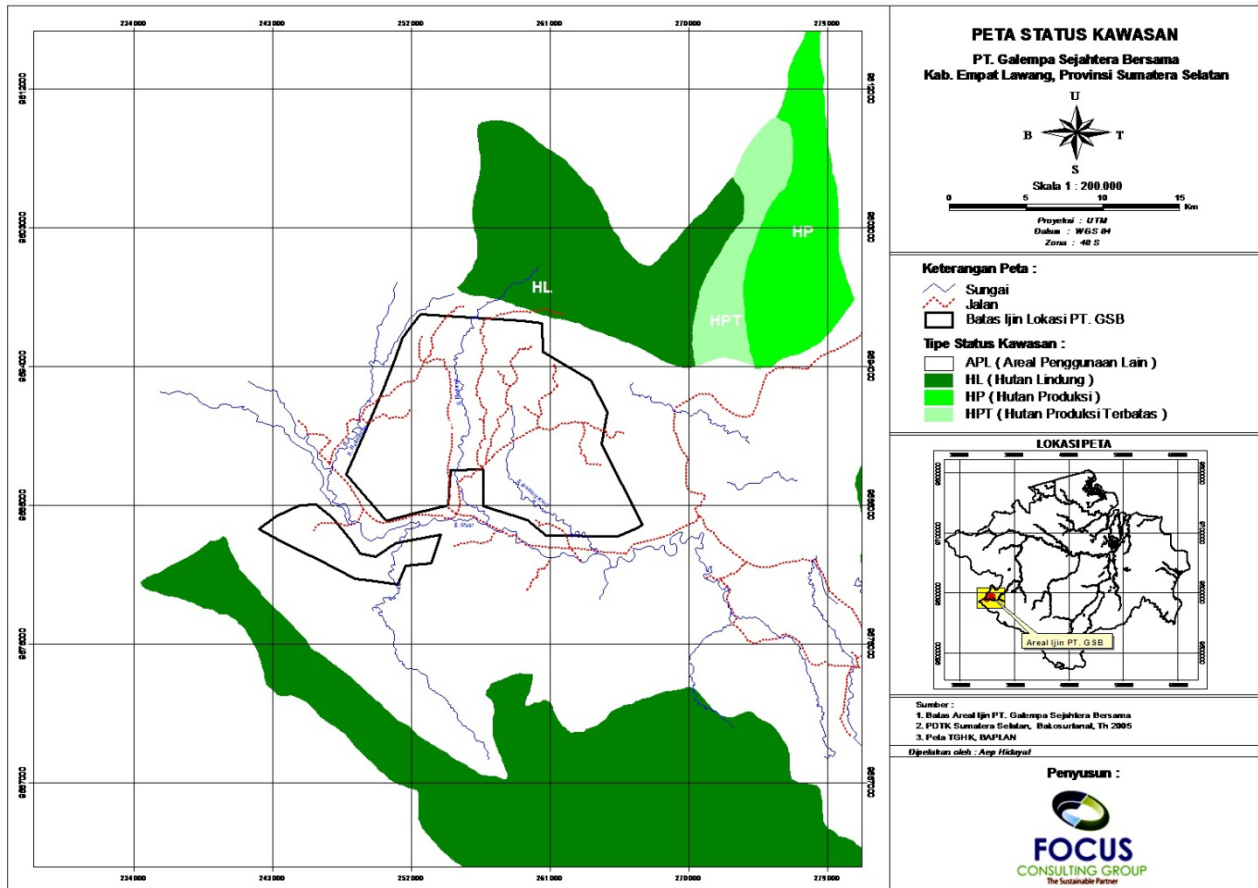
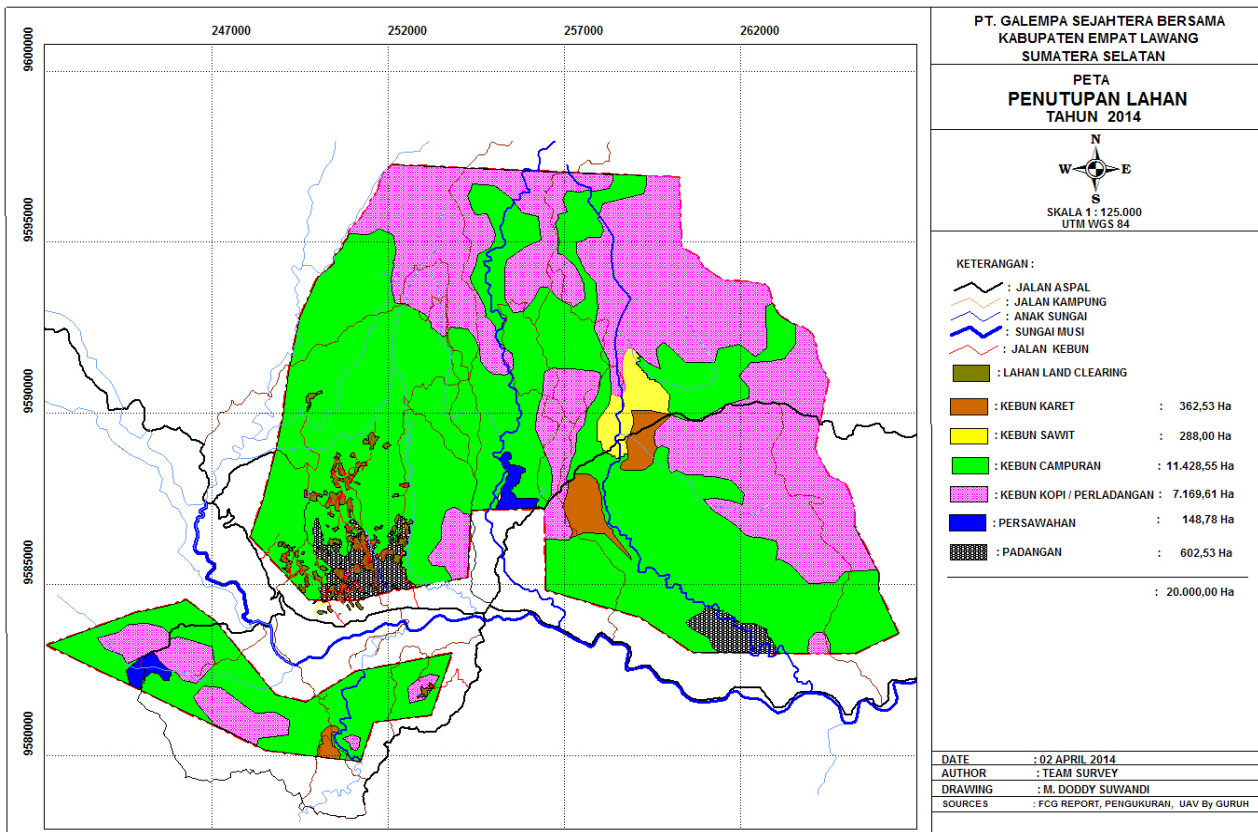


Figure 4. Land Cover Map of PT Galempa Sejahtera Bersama 2014



SUMMARY FROM SEI ASSESSMENTS:

A Participative PT Galempa Sejahtera Bersama Social Environmental Impact Assessment (SEIA) has been conducted separately. The Social Impact Assessment (SIA) conducted by Focus Consulting Group and led by RSPO approved HCV assessor (Ir. Siswoyo, M.Si) on November 2012 to February 2013. Social Environmental Impact Assessment (AMDAL) conducted by government accredited assessor (Dr. Ir. Yakup Parto, MS).

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

The SEIA covered a review of documentary sources are collected through Focus Group Discussion (FGD), in-depth interview, government policy, and village profile data; besides, 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 SEIA report.

SUMMARY FROM HCV ASSESSMENT(S):

HCV assessment of PT Galempa Sejahtera Bersama project conducted by the Focus Consulting Group on November 2012 to February 2013 and lead by Ir. Siswoyo, M.Si.

The assessment included satellite imaginary analysis, extensive field surveys, and public consultations with the communities living in the project area (Ulu Musi Sub district and Sikap dalam Sub district). The HCV assessment report included recommendations for the management and improvement of the HCV found within the project area.

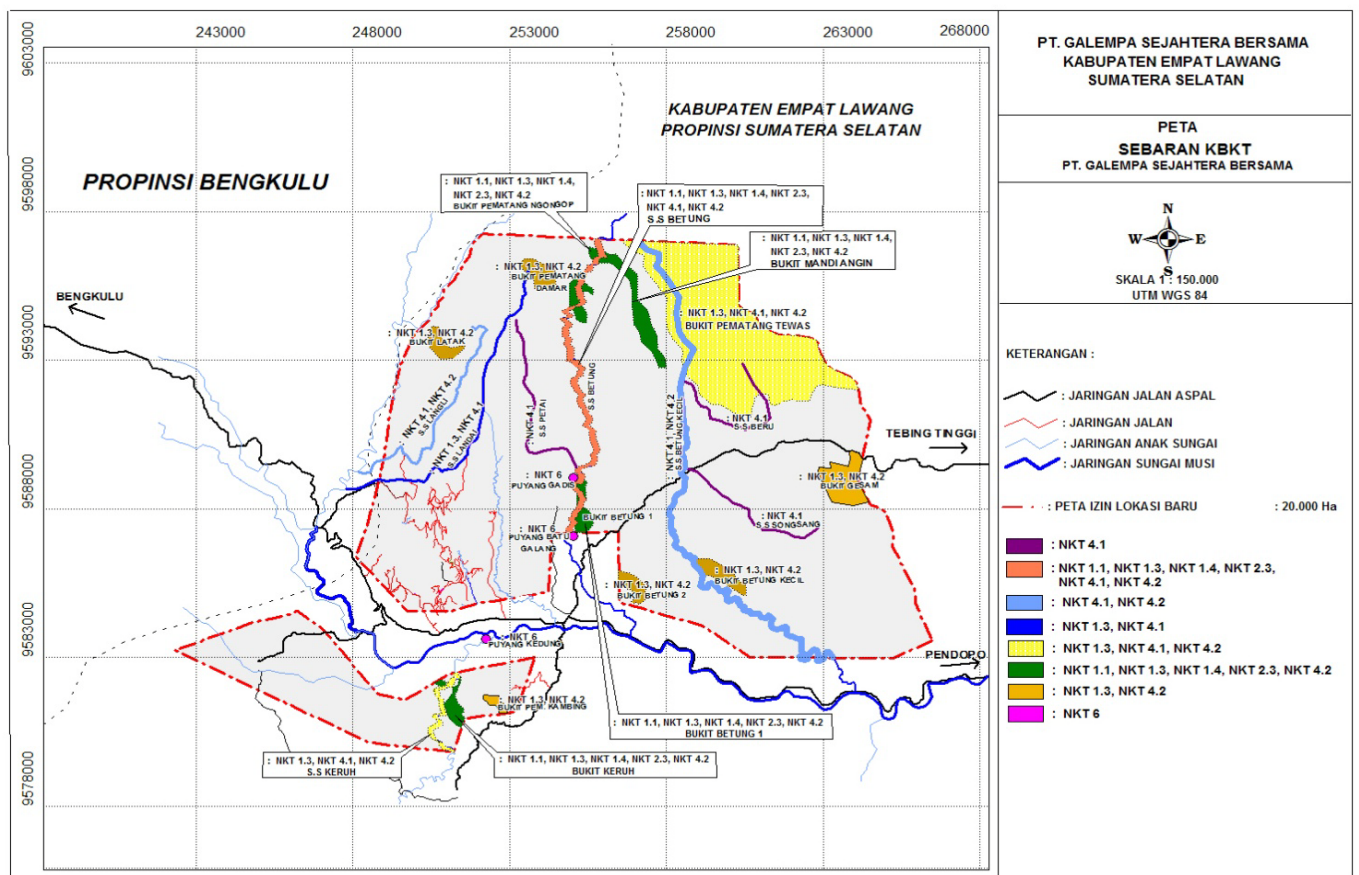
The HCV identified in the PT. Galempa Sejahtera Bersama project area clearly mapped. Based on identification and analysis of HCV presence in the area of PT. Galempa Sejahtera Bersama there are found HCV1.1, HCV1.3, HCV1.4, HCV2.3, HCV4.1, HCV4.2, and HCV6 with total area coverage of 3,410.59 ha. No area supporting HCV 3 is identified. Location Plan and the area will be opening new land was not in the area of primary forest.

Table 1. Identification and Analysis of HCVs Presence (HCV1-6) in The Area of PT. Galempa Sejahtera Bersama

| No. | Location of HCV | Area (ha) | HCV/ Components |
|-----|--------------------------------|-----------|------------------------------|
| 1 | Riparian of Berau River | 29.60 | 4.1 |
| 2 | Riparian of Betung River | 135.69 | 1.1, 1.3, 1.4, 2.3, 4.1, 4.2 |
| 3 | Riparian of Betung Kecil River | 209.91 | 1.3, 4.1, 4.2 |
| 4 | Riparian of Gaman River | 12.91 | 1.3, 4.1 |
| 5 | Riparian of Keruh River | 77.79 | 1.1, 1.3, 1.4, 2.3, 4.1, 4.2 |
| 6 | Riparian of Landai River | 26.41 | 1.3, 4.1 |
| 7 | Riparian of Langli River | 5.03 | 4.1, 4.2 |
| 8 | Riparian of Petai River | 13.38 | 4.1 |
| 9 | Riparian of Songsang River | 10.58 | 4.1 |
| 10 | Riparian of Latak River | 169.68 | 1.1, 1.3, 1.4, 2.3, 4.1 |
| 11 | Riparian of Puluh River | 3.52 | 4.1 |
| 12 | Betok swamp | 3.10 | 4.1 |

| | | | |
|------------------------------------|-----------------------|-----------------|-------------------------|
| 13 | Betung-1 Hill | 71.97 | 1.1, 1.3, 1.4, 2.3, 4.2 |
| 14 | Betung-2 Hill | 20.14 | 1.3, 4.2 |
| 15 | Betung Kecil Hill | 97.27 | 1.3, 4.2 |
| 16 | Gesam Hill | 190.06 | 1.3, 4.2 |
| 17 | Latak Hill | 55.35 | 1.3, 4.2 |
| 18 | Pematang Damar Hill | 80.44 | 1.3, 4.2 |
| 19 | Pematang Kambing Hill | 22.61 | 1.3, 4.2 |
| 20 | Kunjung-1 Hill | 54.18 | 1.1, 1.3, 1.4, 2.3, 4.2 |
| 21 | Kunjung-2 Hill | 8.86 | 1.1, 1.3, 1.4, 2.3, 4.2 |
| 22 | Pematang Ngongop Hill | 137.95 | 1.1, 1.3, 1.4, 2.3, 4.2 |
| 23 | Mandi Angin Hill | 171.49 | 1.1, 1.3, 1.4, 2.3, 4.2 |
| 24 | Pematang Tewas Hill | 1,801.67 | 1.3, 4.1, 4.2 |
| 25 | Puyang Gadis | 1.00 | 6 |
| Total of HCV Area at PT GSB | | 3,410.59 | |

Figure 5. HCV Area of PT Galempa Sejahtera Bersama



DOCUMENTATION OF FREE, PRIOR AND INFORMED CONSENT

In accordance with RSPO requirements PT Galempa Sejahtera Bersama obtained 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. This is documented as follows:

- a. Land and plant growing acquisition procedure (No. 021/HR&GA/CP/Pembebasan Lahan/06-09).
The aim of the procedure is as a general guidance for land acquisition that has obtained location permit from Regency/Provincial Government and will be occupied as an area for company's activities includes compensation for plantation in the area. Standard Operasional Procedure for Community Disagreement Management and Land Tenure Conflict is available (SOP-EAD-01)
- b. Land and plant growing compensation process by PT Galempa Sejahtera Bersama was conducted through an agreement between land owner and witnessed by parties. There are also a record evidence which are certificate of land acquisition (Akta Pelepasan Hak Atas Tanah, map of the area (scale 1:4,500) signed by Land Owner, Chief of Orchard, Chief of Village, company representatives, letter of land status from the Village Agency, statement letter of sporadic physical land tenure, letter of acknowledgement right (Surat Pengakuan Hak), statement letter of individual land release and willingness to join partnership scheme, form of history of land tenure, request letter for land measurement (Surat Permohonan Pengukuran Lahan) from land owner, Resident Identity Card (KTP) of land owner and payment invoice.
- c. Recapitulation of land acquisition (Land and plant growing compensation).
Payment for plant growing compensation (GRTT); first stage had been delivered on 2013 for total area of 854.64 Ha and 594 in document. At the second stage on 2014 (until March) 113.65 Ha had been compensated and 106 documents. Total GRTT until March 2014 is 702 documents, 502 land owners and 968.29 Ha of total area.
- d. The interview result with some villagers in Muara Kalangan Village who had received payment for land compensation informed that before land compensation process was conducted by PT Galempa Sejahtera Bersama, there was a socialisation on plantation development planning of the company. There were Community Leaders, Villagers, Village Agency Representative and Village Organisation Representative.
- e. The document arrangement of Social Environmental Impact Assessment (AMDAL), Social Impact Assessment and HCV has involved stakeholders. It was proven by:
 - AMDAL: The involvement of stakeholders was conducted at stage of AMDAL document review. There are notes of technical team meeting and AMDAL document review and valuation committee meeting of PT Galempa Sejahtera Bersama on April 15, 2013 and April 30, 2013 attended by BLHD Empat Lawang Regency, Community Leaders, BPN, Chief of Village of Pulau Kemang, Chief of Village of Muara Kalangan, Orchard chief and consultant.
 - HCV identification and Social Impact Assessment: The involvement of stakeholders was conducted through:
 - Questionnaire: conducted by giving questionnaire to community in the surrounding villages
 - *Focus Group Discussion* (FGD): conducted with Muspika of Ulu Musi Sub District, Chief of Village, Community Leader, and Community representatives of the surrounding villages and the concerned agencies of Empat Lawang Regency (e.g. Plantation Agency (Dinas Perkebunan), Regional Environment Impact Control Agency (Badan Pengendalian Dampak Lingkungan Daerah), Forestry Agency (Dinas Kehutanan), Environmental Agency (Dinas Lingkungan Hidup) and Non-government Organisation (NGO) in Empat Lawang Regency. FGD was conducted on January 22, 2013.

SUMMARY OF PLANS:

The management plan has incorporated the findings from SEIA (AMDAL), Social Impact Assessment (SIA) and HCV assessment for implementing the operational plans. Recommendations and also conclusion as result of SEIA and HCV has integrated in the management plan and consistent with RSPO P&C for New Plantings.

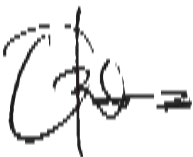
VERIFICATION STATEMENT:

PT Galempa Sejahtera Bersama opted for a document verification and field observation to conducted the New Planting Procedure. Mutuagung Lestari auditors have conducted desk study and discussions with sustainability officers during the desk audit. Two auditors of Mutuagung Lestari were conducted the audit at Ulu Musi Sub District, Empat Lawang District , South Sumatera Province on 1 - 4 April 2014 to review, verify the relevant document, interview with the relevant stakeholders (management representatives, workers & member of community) and field observation.

The SEIA (AMDAL) conducted by the government approved consultants as well as the HCV and SIA assessments conducted by RSPO accredited and approved assessors. PT Galempa Sejahtera Bersama 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 on behalf of,

PT Mutuagung Lestari



Oktovianus Rusmin
Lead Auditor
May 2, 2014

PT Galempa Sejahtera Bersama



Sukrisdianto
General Manager
May 2, 2014