

RSPO

RSPO NOTIFICATION OF NEW SEEDING PROPOSAL

Check one as appropriate

<input type="checkbox"/>	This is a completely new development and the interested parties may submit their feedback.
<input checked="" type="checkbox"/>	This is part of a seeding in progress and nothing more is being notified.

COMPANY: Corporación Agroindustrial del Caribe S.A.

SUBSIDIARY (if any): None

RSPO MEMBERSHIP NUMBER: 1-0069 -08-000-00

PLACE OF THE NEW SEEDINGS:

New plantings were carried out in 3 farms, known as:

- San Fernando
- Roma
- San José

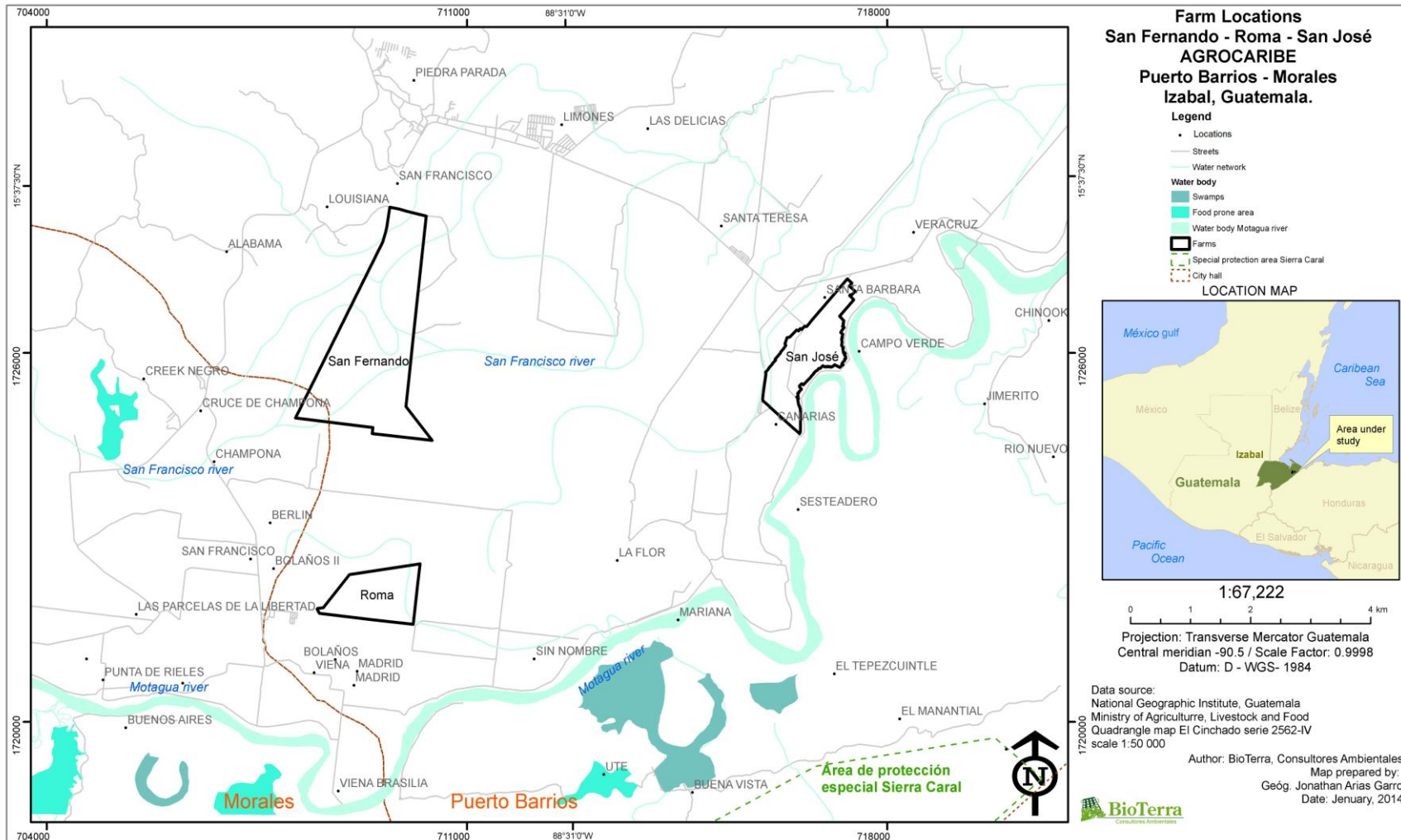
Geographic Location

Farm	Mapping*	GTM Coordinates (Midpoint)	Geographic Coordinates (Midpoint)
San Fernando	El Cinchado	709485.70/1726178.89	-88.546576/15.601651
Roma	El Cinchado	709510.45/1722051.36	-88.546698/15.564362
San José	El Cinchado	716665.10/1725931.76	-88.479681/15.598813

Administrative political location:

Farm	District	Department	Province
San Fernando	Puerto Barrios and Morales	Izabal	Guatemala
Roma	Puerto Barrios	Izabal	Guatemala
San José	Puerto Barrios	Izabal	Guatemala

Figure 1. Location map of the 3 survey farms



Areas to be planted:

The new planted areas are described below:

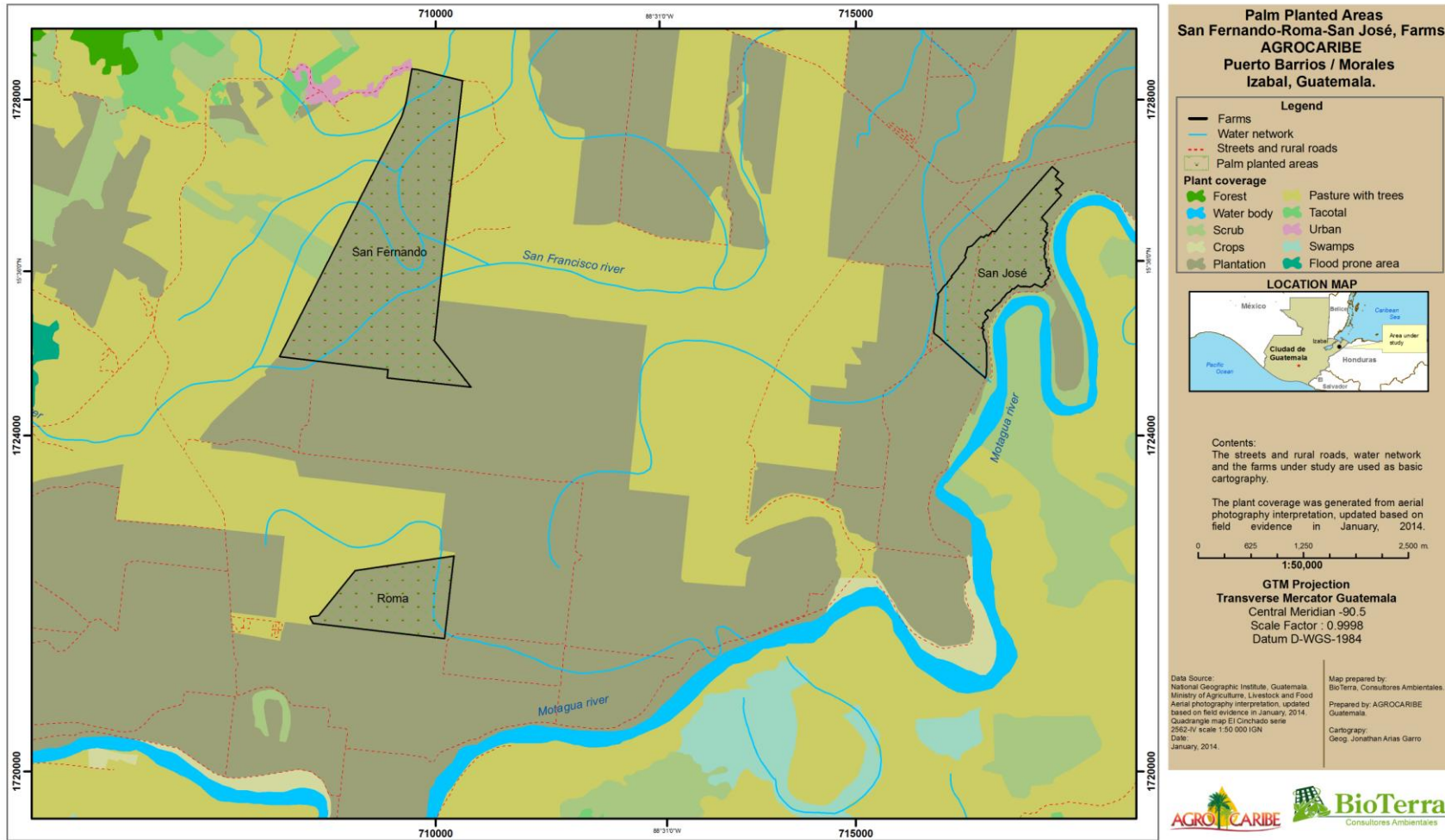
Farm areas versus planted areas

Farm	Farm area	Area to be planted
Roma	118.41	111.13
San Fernando	427.33	417.46
San José	145.58	138.24
Total	691.32	666.83

Before being used for the cultivation of oil palm, the farms under study, San Fernando and Roma were being used for cattle and San Jose for the cultivation of plantain.

Below is a map which clearly indicates the newly planted areas:

Map of areas of the new plantations vs. land use coverage in the area of influence



SUMMARY OF THE SOCIAL-ECONOMIC IMPACT ASSESSMENT:

From tours to the communities and meetings with community leaders from farm areas of the new oil palm plantations in Morales and Puerto Barrios, the main social impacts identified as a product from this activity can be grouped into the categories listed in the following table:

Positive impacts	Negative Impacts
Employment Generation	Non-local work in the field
Higher payment than the minimum wage	Floods
Responsibility to the communities	Bad smells from the rachis reach the communities
Responsible with the environment	Abuse of the buffalo
Leader company	Deterioration of roads
Environmental and social certifications: Rainforest Alliance, BASC, UK Kosher, Unilever, Certified Emissions Reductions, RSPO process	Lack of support from the communities

As shown in the table above, the potential social impacts that will be generated in the study area as a result of the new oil palm plantations were classified into two major groups: possible positive social impacts and possible negative social impacts. The types of social impacts that could occur were grouped in these two broad categories, from the information gathered in the work tour and conversations with the area residents.

SUMMARY OF THE HCVA ASSESSMENT:

To understand the assessment, it is important to present a summary of the methodology used to identify the potential areas of high conservation value (HCVA). Such summary is shown on the following table:

HIGH CONSERVATION VALUES	METHODOLOGICAL PROCESS
<p>HCV1: Diversity of species</p>	<p>-GIS Information</p> <ul style="list-style-type: none"> ❖ Analysis of satellite and aerial imagery. ❖ National protected areas NPA land use maps, etc. <p>-Secondary Information</p> <ul style="list-style-type: none"> ❖ NPA Management plans review ❖ NGOs list. <p>-Review of listed species on national and international agreements</p> <ul style="list-style-type: none"> ❖ CITES. ❖ IUCN. ❖ Official Mexican Norm on the environmental protection of native species NOM-ECOL-059. ❖ Others.
<p>-HCV2: Ecosystems and mosaics at the landscape level.</p>	<p>Rapid Ecological Assessment (REA)</p> <p>- Compilation of field information / field sampling</p> <ul style="list-style-type: none"> ❖ Daytime terrestrial fauna ❖ Daytime flying fauna ❖ Flora
<p>-HCV3: Ecosystems and rare , threatened or endangered habitats</p>	<p>-Inquiry to focus groups and groups of interest by a sociologist</p> <ul style="list-style-type: none"> ❖ Independent owners. ❖ Community population. ❖ Community leaders. ❖ Company workers.
<p>-HCV4 : Ecosystem Services</p> <ul style="list-style-type: none"> ❖ HCV4.1 Critical forests for catching watersheds ❖ HCV4.2 Critical forests for erosion control ❖ HCV4.3 Forests firewall 	<p>-GIS Information</p> <ul style="list-style-type: none"> ❖ Soil and vegetation maps. ❖ Hydrological and soil maps. ❖ Maps of cultural areas and indigenous reserves. <p>-Analysis of satellite and aerial imagery.</p> <p>-Analysis of government databases (INEGI).</p>
<p>-HCV5: Community needs</p>	<p>-Socio-economic surveys of the relevant actors.</p> <p>-Government database analysis (National Museum-database of archaeological sites).</p>
<p>-HCV6: Cultural Values</p>	<p>-UNESCO</p>

Below is a summary of the HCVs, present or absent in the survey area:

As already explained, the three farms of survey are immersed in extremely degraded areas in terms of presence of natural ecosystems, mainly due to the agricultural and livestock activities in the area. For decades, agricultural exploitation has been intense and there has been no mitigation for the conservation of habitats, which has undermined a large percentage of the natural ecosystems that once occupied the area.

The foregoing is well demonstrated in the historical soils use analysis through the photographic interpretation performed by Geotecnología company, and such analysis also states that the company did not carry out any forest conversion before palm seeding.

Considering the data obtained in the field work, the satellite analysis done, and the existing information for the area that was analyzed, it was determined that neither within the farms of this survey, nor in their areas of direct influence, no HCVA was identified. None of the variables analyzed reflects the existence of truthful HCV 1, 2, 3, 4, 5, and 6.

SUMMARY OF THE PLANS:

Mitigation Plan for the potential social-economic impacts by the development of new oil palm plantations

High Impact Action	Possible Impact	Mitigation Measure	Stage	Responsibility	Time
1. Local Labor:	- Recruitment of workers in the Alta Verapaz area to perform field work	- Provide opportunities to local people in the site	- 100% of clerical workers, drivers, operators, workshops, extraction plants are local in Puerto Barrios and Morales	- Human Resources Manager - Production Manager	- During the operation inception and operation phase
2. Floods:	- Flooding of communities close to oil palm plantations	- Construction of banks on plantations that represent a greater risk of flooding	- There are 30 km of banks protecting 16 surrounding communities in the area of influence of the plantations	- Human Resources and CSR Manager - Infrastructure Manager	- During the operation growth and plantations development
3. Rachis on the field:	- Bad smell in communities	- Reuse the rachis	- There is a project of Generadora del Atlántico using rachis as biomass to generate clean energy - The Technical Department develops a plan to manage rachis	- Technical Department Manager - Production Manager - Generadora del Atlántico Plant Manager	- During growth of operations
4. Use of buffalos:	- Abuse	- Actions that reduce the effort of buffalos in the work area	- There is a plan for deworming,	- Production Manager and General	- During the growth of operations

High Impact Action	Possible Impact	Mitigation Measure	Stage	Responsibility	Time
			<p>medicines, food and vaccination implemented</p> <ul style="list-style-type: none"> - Fiber carts are used to prevent heavy weight - Bedspreads are used on the back of the buffalo to prevent injury with the cart - The practice of inserting earrings on buffalos is implemented to carry out rotation 	Manager	
5. Fruit Truck Traffic	- Deterioration of roads	- Roads maintenance and repair	<ul style="list-style-type: none"> - There is an annual maintenance plan of internal and external roads - There has been an investment on ballast, machinery hours, and diesel to repair roads 	<ul style="list-style-type: none"> - Production Manager - Human Resources and CSR Manager - Infrastructure Manager 	- During the growth of operations
6. Community Development	- Attention to communities	- Social Responsibility Projects with surrounding communities	- The Company has carried out projects of infrastructure, drinking water, support to schools, health centers and training to	<ul style="list-style-type: none"> - Human Resources and CSR Manager - Certifications Manager - Corporate Affairs Coordinator 	- During the growth of operations

High Impact Action	Possible Impact	Mitigation Measure	Stage	Responsibility	Time
			community leaders and has been kept close relationship with the communities - Communities requests in favor of its development have been addressed and solved		

Conservation, management and mitigation plan for the high conservation value areas (HCVA) identified, and their buffer zones, which could be affected with the development of new oil palm plantations

It is important to clarify that none of the farms of this survey were identified as HCVA. However, in the direct and indirect influence areas, some small patches were identified, which must be preserved, specifically because of the devastation of the area. The following table has the Conservation, Management and Mitigation Plan for all those areas that although they have not been considered HCV areas, they have some potential for conservation.

Conservation, management and mitigation plan for the impacts that could affect the areas that still have some potential for the conservation, even when these are not considered HCVA.

Objective	Environmental Impact	Environmental Measures	Application Time	Person responsible
<p>Ensure the non-affectation, and promote the recovery and maintenance of the biological environment of the farms, and of the DIA and AII.</p>	<p>Potential effect on the biological environment (regenerating coverage, fauna and flora and water bodies)</p>	<ul style="list-style-type: none"> • Prevent native tree logging, and prohibit poaching in the farms. • Notify relevant state offices, on the presence of species of endangered flora and fauna, in case any are found. • If any burrows, shelters, or nests of any kind, are found to coordinate with specialists for their relocation. • Ensure the non-affectation of regenerating coverages, or in the protection areas of water bodies associated with each of the farms. • Keep strict erosion and sedimentation control practices, mainly with regard to surface runoff water that drains into the water bodies associated with the farms. • Promote plant recovery plans in the protection areas of the water bodies. • Monitor on a regular basis the physical-chemical conditions of the water bodies. • Take annual water samples of the bodies of water, for the group of macro-benthic invertebrates (biological indicators). • Keep signs indicating the prohibition of hunting, littering, or pollution of the rivers in the farms. • Place signs, stating the rare, endemic, threatened or endangered species that must be protected to help raise awareness of their ecological value. 	<p>The application time is a periodic. However, the alert to compliance with these measures is constant. The water monitoring will be performed every six months.</p>	<p>Company:</p>

		<ul style="list-style-type: none"> • Participate actively in the local and regional programs for the conservation of biodiversity in Protected Areas nearby. • To perform an assessment with the purpose of determining the awareness level of the staff in the farms on the ecological values in the area. • Establish contact with local institutions, NGOs or government entities, in order to publicize the conservation and management policies and actions they want to implement. • Take a firm stand and inform the communities on the policies and actions that will be taken by the company in the environmental field. • Identify socio-cultural attitudes that can affect important ecological areas, such as the bodies of water close to the farms and draw up solutions. • Identify internal company problems, in regard to the management of the plantations that could affect important ecological areas close to the farms. • Identify local and regional issues that affect these areas. • Know the position of the owners of the neighboring farms, on the future conservation and management plans for their farms. • Monitor the behavior and dynamics of the ecosystem on the landscape in general (increase or decrease of regenerating areas). • Identify in the landscape the sites with potential of connecting to forested areas that may favor the establishment of biological corridors. • Carry out a survey of the protection areas of water bodies, which are invaded by palm plantations and take actions to correct them. • Assess populations of wild, threatened or 		
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		<p>endangered species that are making use of the plantations, with the object to determine their population status.</p> <ul style="list-style-type: none"> • Determine the use of the plantations, as transit and travel routes toward areas better established, by the wildlife species identified. • Develop a plantation management plan, taking into consideration the environmental impact. • Implement landscape management tools (biological corridors, living fences, fragments or patches of native forests, wetland enrichment and isolation) that ensure the diversity and configuration of the natural landscape. • Design and implementation a local system of ecological connectivity that is integrated into the main ecological structure of the region. • The regional palm agro-system should not be continuous, and a separation or isolation of the palm tree farms of at least 5 kilometers must be sought, in order to promote a diverse landscape. • During the planning of each productive activity, a management plan must be designed and implemented for the landscape that favors heterogeneity of the area and the connectivity between the relics of ecosystems and the permanence of the associated biodiversity. The plan should be based on the implementation of landscape management tools (LMT), such as agroforestry systems, replanting of native species, protection of forest fragments and wetlands, implementation of biological corridors, reconnection of riparian forests, and others. 		
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ENVIRONMENTAL MANAGEMENT PLAN

Comprehensive summary of the environmental impacts proposed for the potential social and environmental effects by the development of new oil palm plantations

High Impact Action	Possible Impact	Mitigation Measure	Stage	Responsibility	Time
Activities for the establishment of cover crop	Reduction of erosion and improvement of the soil physical-chemical conditions	Extend and maintain the coverage cultivation system in all areas of the plantation.	Establishment of new crops and preparation of new farms.	Agricultural Manager	During the phase of sowing new oil palm plantations.
Agronomic management and harvest (recruitment)	Provides jobs and consequently, income to several families at the local level.	Prioritize the employment of local labor	During the life cycle of the crop.	Human Resources Manager	During the life cycle of the crop
Fertilization and Pest Management	Control over the outbreak of diseases and pests not beneficial for the plantation, in its various growth phases.	Continue with the batch fertilization program and strengthen the MIP.	During the life cycle of the crop.	Agricultural Manager, Technical Manager and Certifications Manager	During the crop cycle
Pest management and fertilization	Risk of water pollution by inappropriate use of pesticides.	Pesticides management according to FAO standards. Implementation of the control mechanism in the agrochemicals	During the life cycle of the crop.	Agricultural Manager, Technical Manager and Certifications Manager	During the crop cycle.

High Impact Action	Possible Impact	Mitigation Measure	Stage	Responsibility	Time
		application.			
Preparation of seeding soil for new plantation:	- Change in the farms landscape Replacement of agricultural activities	Comply with Environmental legislation of the country. Develop plantations according to good agricultural practices.	Planting of new oil palm plantations.	Agrocaribe, Production Manager, Certifications Manager	During the entire seeding phase of new plantations.
Seeding process of new plantations Nursery garden Seeding	Change in the landscape of farms. Replacement of productive agricultural activities.	Comply with Environmental legislation of the country. Develop the plantations in accordance with the best agricultural practices for oil palm cultivation.	Seeding of new oil palm plantations.	Production Manager, Certifications Manager	During the entire seeding phase of new oil palm plantations.
Activities for the establishment of cover crop	Avoid effects by erosion.	Erosion reduction and improvement of soil physical-chemical conditions. Extend and maintain the cover crop system in all areas of plantation	Seeding of new oil palm plantations.	Production Manager, Certifications Manager	During the entire seeding phase of new oil palm plantations.
Establishment of protective coverage	Generates a positive impact for wildlife by adding a certain	Maintenance of vegetative cover	Seeding of new oil palm plantations.	Production Manager, Certifications	During the entire seeding phase of new oil palm

High Impact Action	Possible Impact	Mitigation Measure	Stage	Responsibility	Time
	degree of complexity to the agricultural ecosystem.	channels. Maintenance of vegetative coverage of related water bodies		Manager	plantations.

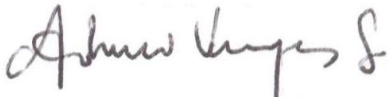
STATEMENT OF VERIFICATION:

The company opted for a document audit. Control Union Certifications auditors conducted desk study, During the main document audit Control Union auditor was in contact with the accredited asesor and the company (Corporación Agroindustrial del Caribe S.A.) to follow all aspects of this NPP report, verifying and reviewing the relevant documents.

Corporación Agroindustrial del Caribe S.A. has adhered to the RSPO New Planting Procedures and has documented the assessments and plans according to the RSPO templates issued in May, 2010. The social and environmental assessments were detail, comprehensive and professionally carried out. The management plan has included the findings of the SEIA conducted by the RSPO approved assessor as well as incorporating the HCV and SIA assessments findings by consultants accredited and approved by the RSPO.

Control Union Certifications confirmed that the assessment and plans are comprehensive, professional and compliant of RSPO New Planting Procedure. It is the opinion of Control Union Certifications, that Corporación Agroindustrial del Caribe S.A. has complied with the RSPO New Planting Procedures enforced on February, 27th 2014. This is part of an ongoing planting and this report is meant for notification only.

Signed on behalf of Control Union Certifications



Adriana Vargas
Control Union Colombia Ltda
February 2014