

RSPO

RSPO NOTIFICATION OF PROPOSED NEW PLANTING

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

Date of notification:

Tick whichever is appropriate

This is a completely new development and stakeholders may submit comments.

This is part of an on-going planting and is meant for notification only.

COMPANY : PT. AGRO INDOMAS (CENTRAL KALIMANTAN)
SUBSIDIARY (If any) : PT. AGRO INDOMAS
RSPO Membership No : 1-0029-06-000-00 (*ordinary member since 06-12-2006*)

Location of proposed new planting:

Company name : PT Agro Indomas (Central Kalimantan)
Address : Jl. Pangeran Antasari II No. 26, Sampit, Central Kalimantan
Location : Seruyan Regency, Central Kalimantan Province, Indonesia.
Contact Person : Wilton Simanjuntak
Telephone : Phone: +62-21-52892260 Fax: +62-21-52892259
Email : wiltons@goodhope-id.com
Deed in Corporation : Notary Ny. Enimarya Agoes Suwarko No. 56 dated 28th September 1995
Capital Status : PMA (Penanaman Modal Asing)/ Foreign Investment Company
Status Business Land : 1. Location permit from Head of National Land Authority (BPN), Kotawaringin Timur No. 08.460.42 /Revised of Location Permit No. 22.460.42, dated 16th September 1996 (\pm 12,000 ha)
2. Location Permit from Kotawaringin Timur Regent no. 211. 460. 42, dated 5th March 2005 (\pm 1,000 ha)
3. Location Permit from Head of National Land Authority (BPN), Kotawaringin Timur No. 02.460.42 dated 3rd February 1999 (\pm 3,860 ha).
4. Location Permit from Seruyan Regent No. 102,

- 2005, dated 30th April 2005 (\pm 3,000 ha).
5. Location Permit from Seruyan Regent No. 04, 2006, dated 17th January 2006 (\pm 1,300 ha)
 6. Location Permit from Seruyan Regent No. 92, 2007, dated 19th April 2007 (\pm 752 ha).
 7. Revised Ijin Usaha Perkebunan/IUP (*Operational Plantation Permit*), No. 525/342/EK.2007, dated 31th October 2007 (\pm 20,500 ha).
 8. Ijin Usaha Perkebunan/IUP (*Operational Plantation Permit*) No. 525.26/469/VIII/ /2007, dated 28/08/2007 from Kotawaringn Timur Regent (\pm 1,000 ha).
 9. Ijin Pelepasan Kawasan Hutan (Forest Conversion Permit) No. 499/Kpts-II/1997 from Forestry Ministry for \pm 11,930 ha.
 10. Proposed Forest Conversion Permit for \pm 3,783 ha.
 11. Revised SEIA (AMDAL) Permit No. 188.44/ 281/ 2007. Dated 22nd June 2007 form Governor of Central Kalimantan Province.

Geographical Position

112°16'32" - 112°29'56"E ; 02°25'05" - 02°40'06"S

Surrounding Entities

North: Hanau District and Kota Besi District

East: Kota Besi District, Bamaang District, and Mentaya Hilir Utara District.

South: Sembuluh lake

West: Hanau District and Sembuluh Lake

Location of new planting area (194.00 ha) which has been planted since 2010 - 2013 as described in the map below:



Figure 1. Location of PT. Agro Indomas (Central Kalimantan) in Indonesian Country

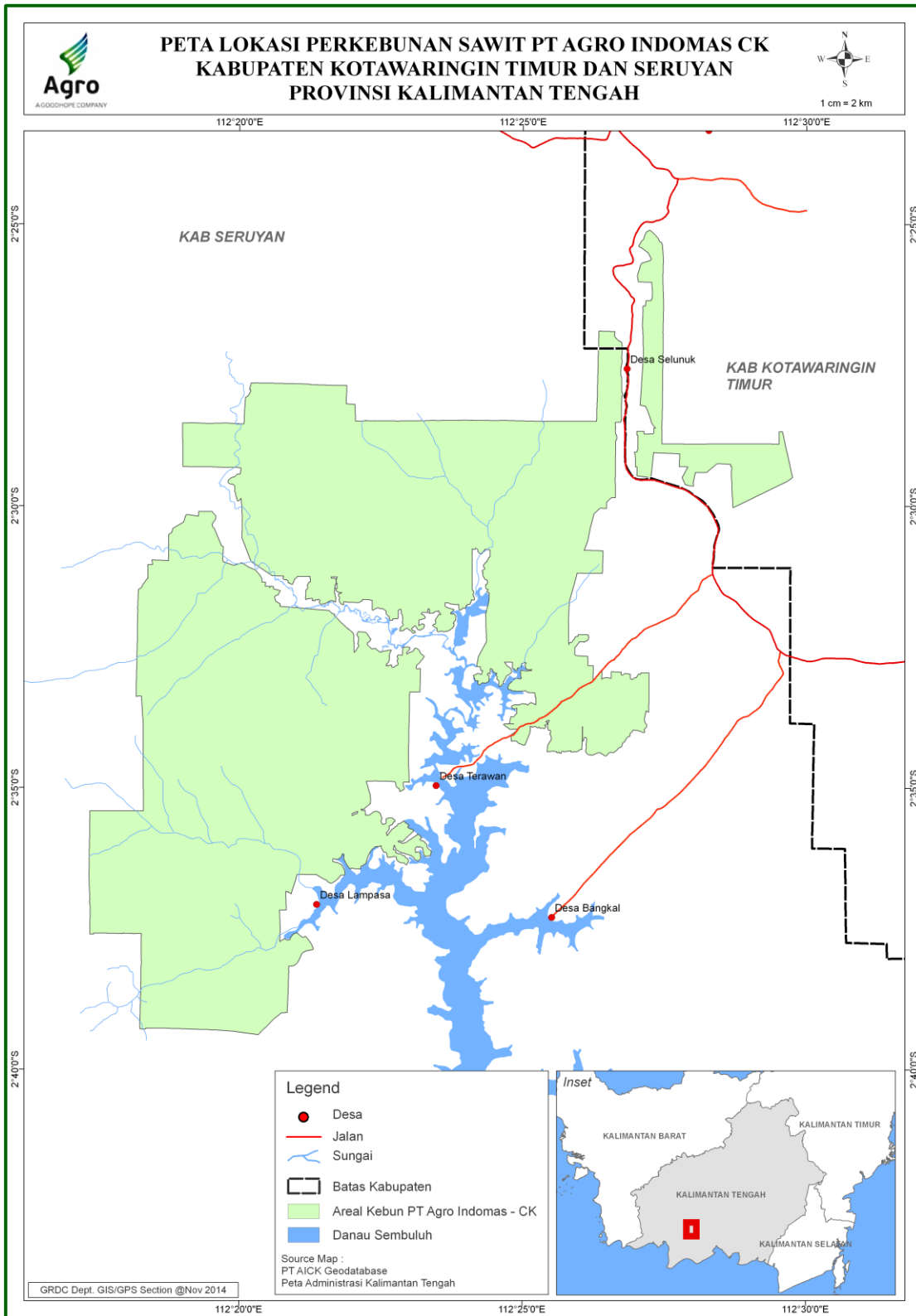


Figure 2. Location of PT. Agro Indomas (Central Kalimantan) and Surrounding Entities



NEW PLANTING AREA PT AGRO INDOMAS CENTRAL KALIMANTAN



1 cm = 1 km

112°20'0"E

112°24'0"E

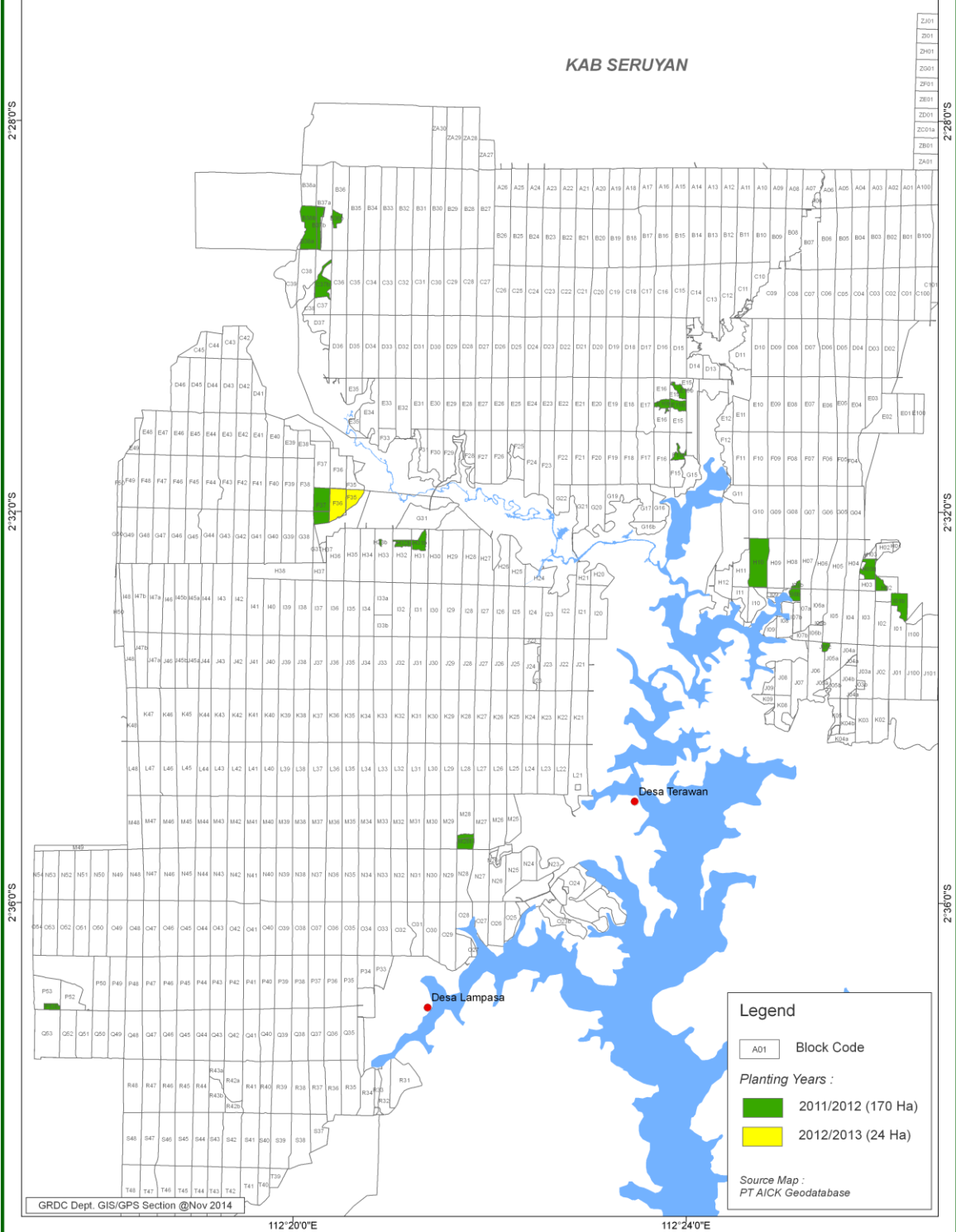


Figure 3. Location of new planting area PT. Agro indomas (Central Kalimantan) in 2010 – 2013

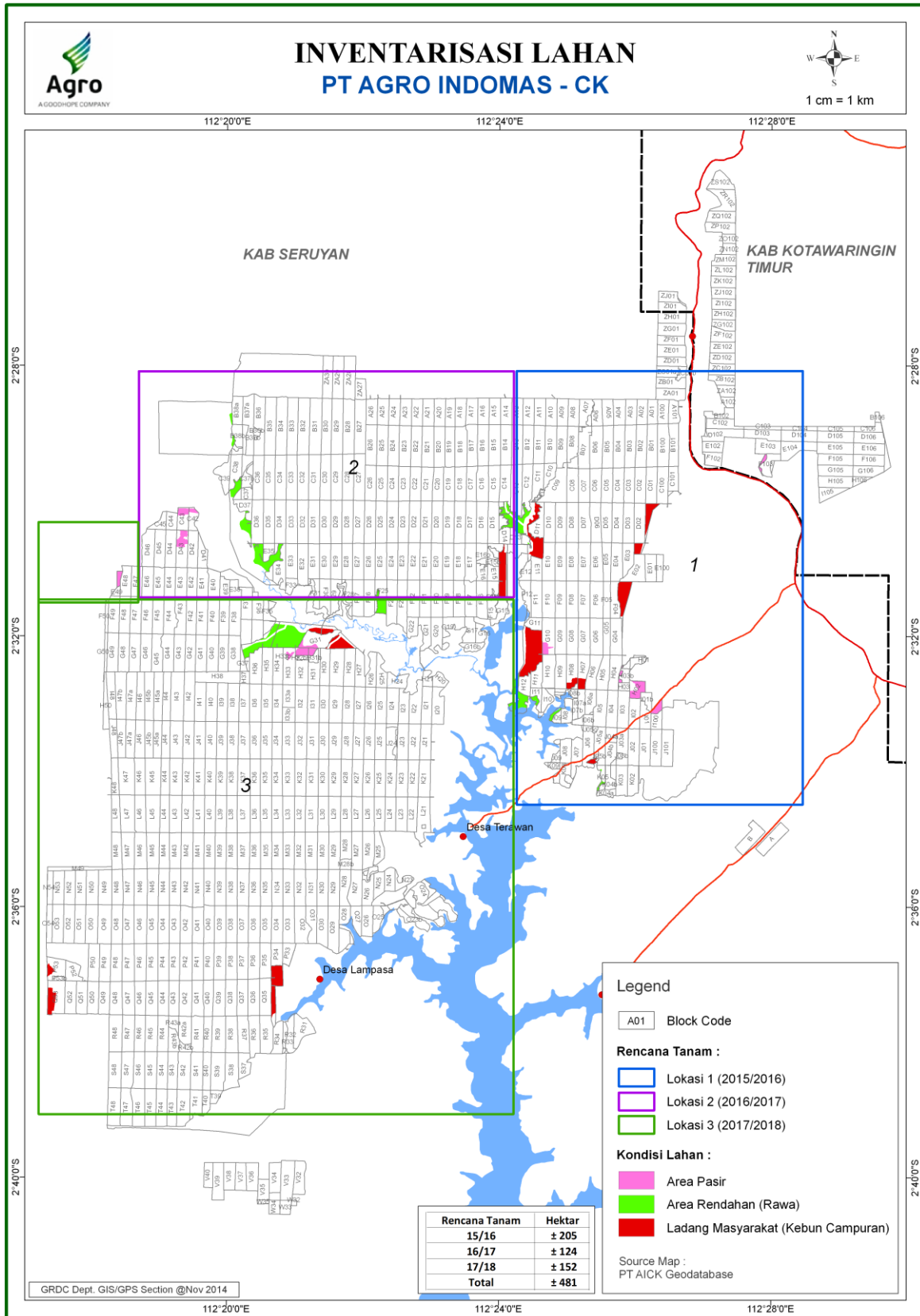


Figure 4.. Proposed new planting area of PT. Agro indomas (Central Kalimantan) in 2015 - 2018

1. SUMMARY OF SEI ASSESSMENT

Based on the Focus Group Discussion (FGD) process with the village community, there is some social issue that have been arisen related to the development of PT. Agro Indomas (Central Kalimantan). The identified social issues are showed in the following table :

Table 1. The identified social Issues/Impacts through assessment process

No.	Issue	Description
1.	Land Tenurial	<ul style="list-style-type: none">• Land ownership of the society getting smaller as a result of land compensation and management of PT. Agro Indomas Central Kalimantan• Potential land conflict between community may be occurred as the result of unclear village boundaries• Unclear concept and realization of plasma program for the land that had been compensated by company
2.	Environmental	<ul style="list-style-type: none">• Most of surrounding villagers of PT. Agro indomas (Central Kalimantan) stated that the establishment of oil palm plantation by PT. Agro Indomas would be reducing availability and quality of ground, lake and river water.• Ambient• Erosion• Biodiversity
3.	Socio Economics	<ul style="list-style-type: none">• Job opportunities• Accessibility
4.	Socio Cultural	<ul style="list-style-type: none">• Acculturation has occurred between indigenous (Dayak), Banjar and immigrant community and all the people live harmoniously.
5.	Regional and Community Development	<ul style="list-style-type: none">• Local community expect to the company for provide clean water facilities and improve village public facilities and educational facilities• Local community perceive a positive impact from PT. Agro Indomas Central Kalimantan for better road accessibility

Analysis of Stakeholders Interest

Stakeholders that associated with PT. Agro Indomas Central Kalimantan can be classified into three groups, they are: primary direct stakeholders who received direct benefits, primary indirect stakeholders who received indirect benefits and secondary stakeholders that have interest towards PT. Agro Indomas (Central Kalimantan).

The primary direct stakeholders, include internal corporate and local level, is consist of: employee, indigenous people and village government. The primary indirect stakeholders is consist of service providers for business opportunity, community's plantation for better accessibility and local government for the income of PT. Agro Indomas Central Kalimantan. The secondary stakeholders that have interest towards PT. Agro Indomas (Central Kalimantan) included university and international communities.

2. SUMMARY OF HCV ASESSMENT

The HCV development and preparation of management and monitoring plans started from 2008 by preliminary assessment in cooperation with WWF – Indonesia. The preliminary assessment showed the presence of HCV with no primary forest and with no any peat land in PT Agro Indomas Central Kalimantan, then in 2009 PT. Agro Indomas (Central Kalimantan) continued the assessment by independent consultants from Bogor Agriculture University (IPB), one of the RSPO accredited assessor. The assessment conducted from Augusts – September 2009. From that assessment identified nine types of HCV ie. HCV1 (1.1, 1.2, 1.3), HCV2 (2.2, 2.3), HCV 3, HCV 4 (4.1), HCV5 dan HCV6. The size of HCV area of PT. Agro Indomas Central Kalimantan is 854.06 ha, with detailed information as in the following table.

Table 2. HCV Areas Identified in PT. Agro Indomas (Central Kalimantan)

HCV elements	Existence of NKT	THCV (Territory with High Conservation Value)	Area size (Ha)
<i>HCV1. Territory which has important level of biodiversity.</i>			
1.1. Territory which possesses or provides supporting function of biodiversity for conservation or protection areas	Present	Riverside of Landau	30.81
		Riverside of Pakayung	40.25
		Riverside of Purun	52.8
		Riverside of Rungau	90.61
		Riverside of Telaga Ringgit	33.08
		Riverside of Anak Rungau	14.93
		Riverside of Bapilang	22.83
		Riverside of Parigi	74.39
		Riverside of Simpang Beriut	12.41
		Riverside of Sembuluh	20.30
1.2. Nearly extinct species	Present	Heath forest	330.88
		Riparian Danau Sembuluh	98.83
		Riverside of Rungau	*)
1.3. Territory which constitutes the hábitat for population of threatened species, whose distribution is limited, and being protected, and is able to survive	Present	Lowland forest	31,88
		Peat forest	**)
		Heath forest	*)
		Golf course riparian	*)
		Riverside of Landau	*)
		Riverside of Pakayung	*)
		Riverside of Purun	*)
		Riverside of Rungau	*)
		Riverside of Telaga Ringgit	*)
		Riverside of Anak Rungau	*)
Forest around long house and housing complex	*)		
1.4. Territory which constitutes the hábitat for species or group of species which were used	Absent		-

HCV elements	Existence of NKT	THCV (Territory with High Conservation Value)	Area size (Ha)
temporarily.			
<i>HCV2. Territory of landscape which is important for natural ecological dynamics</i>			
2.1. Vast landscape territory which possesses capacity to maintain natural process and ecological dynamics.	absent	-	-
2.2. Natural territories which contain two or more ecosystems with unbroken (continuous) borderlines.	Present	Lowland forest	*)
		Heath forest	*)
		Peat forest	*)
2.3. Territory which contains population of natural species representatives which are able to survive	Present	Heath forest	*)
		Riparian Sembuluh Lake	*)
		Riverside of Landau	*)
		Riverside of Pakayung	*)
		Riverside of Sungai Purun	*)
		Riverside of Rungau	*)
		Riverside of Anak Rungau	*)
HCV3. Territory which possesses rare ecosystem or ecosystem which is threatened with extinction	Present	Heath forest	*)
<i>HCV 4. Territories which provide natural environmental service</i>			
4.1. Territory or ecosystem which is important as water supplier and flood control for downstream community.	Present	Peat forest	*)
		Riverside of Landau	*)
		Riverside of Pakayung	*)
		Riverside of Purun	*)
		Riverside of Rungau	*)
		Riverside of Telaga Ringgit	*)
		Riverside of Anak Rungau	*)
		Riverside of Bapilang	*)
		Riverside of Parigi	*)
		Riverside of Beriut	*)
4.2. Territory which is important for erosion and sedimentation prevention	absent	-	-
4.3. Territory which function as natural barrier for preventing the spread of forest and land fire.	absent	-	-
HCV5. Territory which has important function for fulfilling the basic need of local community	Present	Riverside of Pakayung	*)
		Riverside of Purun	*)

HCV elements	Existence of NKT	THCV (Territory with High Conservation Value)	Area size (Ha)
HCV6. Territory which has important function for cultural identity of local community	Present	Sacred sites/ Worship sites	0.06
Total THCV			854.06

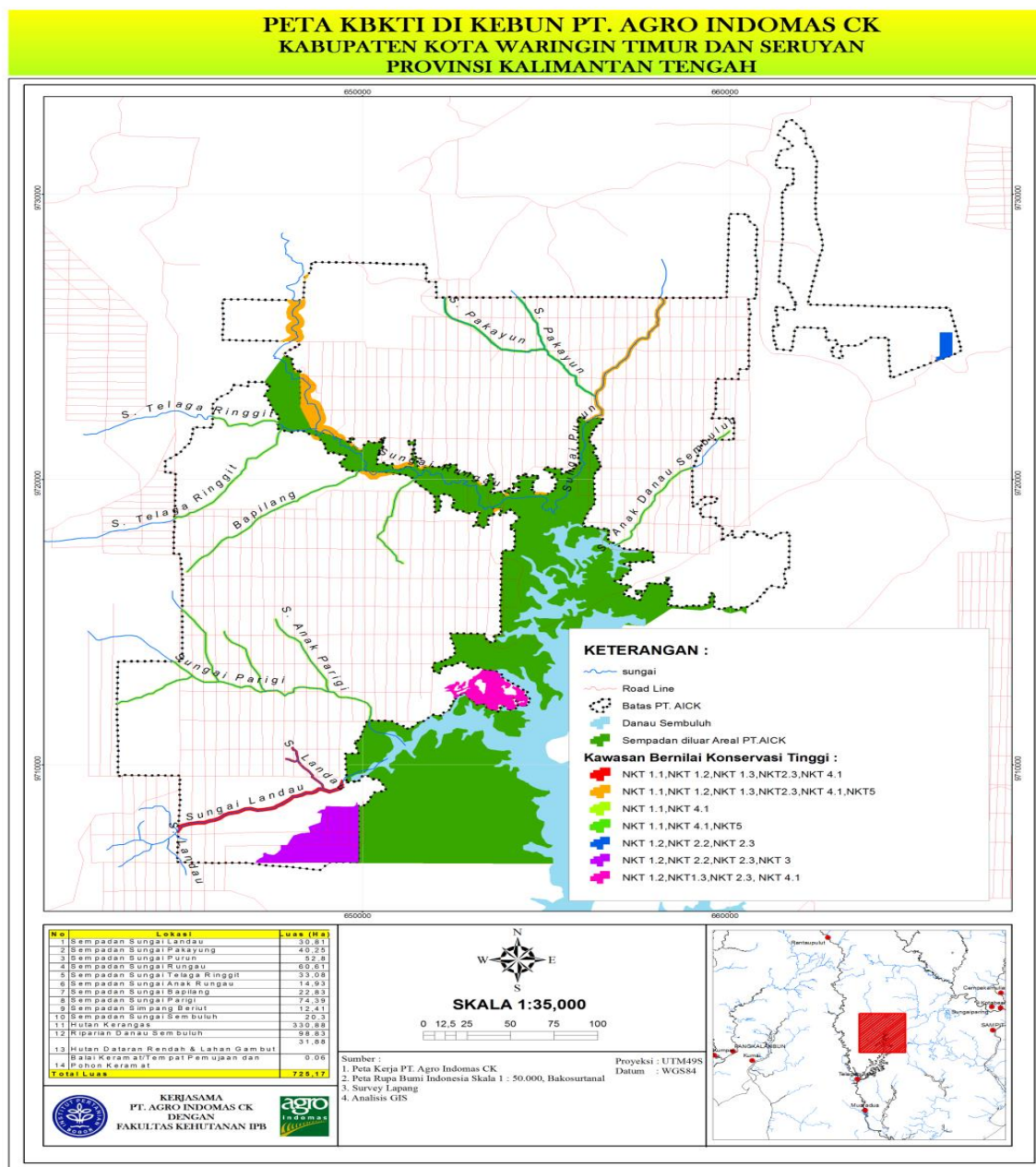


Figure 5. Map of PT AICK HCV Area based on Assessment Result

3. SUMMARY OF PLANS

The HCV and SIA Assessment of PT. Agro Indomas Central Kalimantan were prepared by Assessor from Faculty of Forestry, Institut Pertanian Bogor (IPB). The team was consist of 6 (Six) assessors, 5 (five) are RSPO Approved assessors and led by Ir. Nyoto Santoso, MS. The HCV and SEIA consultant addressed at Faculty of Forestry, Institut Pertanian Bogor (Bogor Agriculture University), IPB Darmaga Campus Bogor, Bogor Regency – West Java Province Indonesia 16001 (Phone: 62-251- 621947, Fax: 62-251-6219470).

Table 3. Team member of HCV and SEIA Assessor

No	Expert Name	Position / Expertise	Status
HCV assesment			
1	Ir. Nyoto Santoso, MS	Team Leader	Approved by RSPO
2	Ir. Jarwadi Budi Hernowo	Wildlife Ecology	Approved by RSPO
3	Ir. Siswoyo, MSi	Flora Ecology	Approved by RSPO
4	Dr. Ir. Cahyo Wibowo, MScF	Soil and Hydrology	
5	Handian Purwawangsa, S.Hut, MSi	Socio and Cultural	Approved by RSPO
6	M. Sayidina Ali, AMd	SIG	
SIA assesment			
1	Ir. Nyoto Santoso, MS	Team Leader	Approved by RSPO
2	Handian Purwawangsa, S Hut, Msi	Social Expert	Approved by RSPO
3	Ahmad Fasial Siregar, S Hut	Social Expert	Approved by RSPO
4	Yanti Aprianti	Social Expert	
5	Dian Purbasari	Social Expert	

Summary from SEIA Management and Monitoring Plan

The study of Social Impact Assessment (SIA) identified negative and positive impacts on the environment and surrounding community of PT Agro Indomas (Central Kalimantan). The summary of preparation and management plans on SIA are as follows:

Table 4. The summary of social management and monitoring plans of PT Agro Indomas (Central Kalimantan)

Program	Activity
Land tenurial issues solving in surrounding community	Land inventory that still claimed by surrounding community
Improving of plasma scheme	Inventory of land location, size and status for plasma scheme plantation and develop a participatory plasma plan
Improving Economic Aspect for the community	<ul style="list-style-type: none"> • Analysis of economic potential in the surrounding communities • Improving capacity for entrepreneurship and alternative livelihoods • Developing fisheries demonstration plot • Organizational and institutional improvement for plasma scheme • Facilitating the potential youth for attending a training course such as mechanic

Program	Activity
Improving Educational Quality for the Community	<ul style="list-style-type: none"> • Develop an educational plan from kindergarten, elementary school, junior high school until senior high school • Build Tunas Agro Junior High School • Developing an educational facilities for the surrounding communities • Provide a scholarship program
Socialize and improvement Community Health Quality	<ul style="list-style-type: none"> • Analysis of health issues and problem in the surrounding communities • Medical check-up and health treatment • Socialization and awareness about disease
Developing communication and network with all related stakeholders	<ul style="list-style-type: none"> • Conduct a routine meeting with all related stakeholders • CSR Publication activities in mass media
Reuse-Reduce-Recycle Campaign	<ul style="list-style-type: none"> • Conducting a campaign, training and socialization of 3R (Reduce, Re-use, Recycle) for local communities and employees
Reducing the river and lake pollution	<ul style="list-style-type: none"> • Evaluating a waste management and improving and mantaining wates facilities
Improving ground water stock	<ul style="list-style-type: none"> • Ground Water Conservation • Provide a clean water to the communities
Employment improvement	<ul style="list-style-type: none"> • Improving understanding and knowledge of employment regulation • Labour Union engagement • Safety work improvement and provide PPE

Summary from HCV Management and Monitoring Plan

HCV Management Plan

The HCV development and preparation of management and monitoring plans started from 2008 by preliminary assessment in cooperation with WWF – Indonesia. The preliminary assessment showed the presence of HCV with no primary forest and no peat land in PT Agro Indomas Central Kalimantan, then in 2009 PT. Agro Indomas (Central Kalimantan) continued the assessment by independent consultants from Bogor Agriculture University (IPB), one of the RSPO accredited assessor. The assessment conducted from Augusts – September 2009. From that assessment identified nine types of HCV, and provides recommendation for the company in managing the HCV area present within the concession area, also to enable all the available resources to be focused, integrated and effective achieving the HCV management outcome.

The purpose of management and monitoring plan of HCV were:

1. To ensure all the identified HCV and all area that assigned as HCV are protected and managed well, so that the HCV functions are well preserved.
2. To enhance the administration and documentation of the management and monitoring in the sense that the process carried out is more systematically according to the legal aspects.

The process of the HCV preparation of management and monitoring plans for PT Agro Indomas (Central Kalimantan) was based on the structure of strategy mapping. In strategy

map, the process were all focused on three fields under the management and responsibility of the plantation management, 1) Stakeholder, 2) Operation, and 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 achievement, effectiveness, efficiencies, impact, 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 book of Management and Monitoring of HCV within PT Agro Indomas (Central Kalimantan) concession) in five years periodical time plan, with five years for summative review and every one year for 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. Inventory and Identification of all HCV Areas and that threatents or disturbances
2. Socialization about the existence and importance of protecting HCV areas to the local communities and people around the HCV areas
3. Socialization about the existence and importance of protecting HCV areas to employee
4. Develop an SOP of management and monitoring HCV
5. Dialogue with stakeholders, especially government for increasing protecting HCV elements and areas
6. Develop organization structure for HCV management and monitoring system
7. Reduce sediment loads and river siltings by river leaching

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 five ideal states which are going to be achieved through the efforts of HCV protection and management. Those ideal states are:

1. Demarcate all of HCV areas boundaries
2. Maintain the boundary poles
3. Provide HCV signboard in all HCV areas with hunting ban to protect flora and fauna reserved include the sacred place
4. Enrichment and rehabilitation in HCV areas
5. Reserve the riparian zone

Monitoring plan of HCV

To ensure the implementation of management HCV was implemented, PT AICK also has a monitoring plan of HCV with the standard of the monitoring. The monitoring plans of HCV are :

1. Measure the intensity of HCV disturbance in HCV areas include fire hazards potential
2. Calculate and measure the most recent land cover and the development of land cover periodically
3. Monitor the development of the buffer zone condition
4. Monitor recent condition and density plant species biodiversity include protected and endangered species
5. Monitor recent condition and density of wildlife species biodiversity include protected and endangered species
6. Monitor the realization of rehabilitation activity and percentage of rehabilitation coverage area
7. Monitor the river quality periodically

Development Plan of SEIA and HCV

PT AICK's development plan has incorporated the findings from Social Environmental Impact Assessment (SEIA – AMDAL), HCV assessment and Social Impact Assessment for implementing the operational plans.

Development area for new plantings

The new planting area of PT Agro Indomas (Central Kalimantan) was in its permitted area. Currently, new planting areas have been planted from 2011 2013 (194.00 ha) and proposed new planting for 2015/2016 – 2017/2018 (\pm 481 ha) with no any primary forest, no any peat lands and no HCV area being planted. The process of land development and palm oil planting are following the procedures of RSPO New Planting Procedures (NPP). Undertaken activities are land acquisition or compensation to the land owners and as addition activity is socialization of plantation development plan or Free Prior and Informed Consent (FPIC).

Table 5. Summary of plantings area in PT Agro Indomas (Central Kalimantan)

Plantation Area	April 2010 – March 2013	Proposed New Planting			Total Proposed New Planting (Ha)
		2015/2016	2016/2017	2017/2018	
Proposed new planting Area (Ha)	194.00	205.00	124.00	152.00	\pm 481.00

4. VERIFICATION STATEMENT:

PT. Agro Indomas (Central Kalimantan) has opted for RSPO NPP desktop audit against relevant documents, BSI's auditor (Haeruddin) conducted desk review and discussion with PT. Agro Indomas management to verify and review the relevant New Planting Procedure documents from 21st – 22nd August 2014 in PT Agro Indomas Office in Seruyan Regency, Central Kalimantan. Based on review of new planting plan, it was noted that this part of an on-going planting and is meant for notification only.

The auditor conclude that the social and environmental assessment were comprehensive, detailed and professionally carried out. The management plan has incorporated the findings from Social and Environmental Impact Assessment conducted by government-approved consultants as well as the High Conservation Value assessment findings by qualified consultants, approved by RSPO.

Based on RSPO announcement related New Planting Procedure where NPP report submission after 1st August 2014 shall include the requirement of criterion 7.8 of the RSPO P & C 2013. Land use changes, identified and estimated of carbon stock and minimize net GHG emission plan will be submitted to the "Emission Reduction Working Group – ERWG" before end 2014.

It is the opinion of BSI auditor through desk review that PT. Agro Indomas (Central Kalimantan) has complied with the RSPO New Planting Procedures comes into effect 1st January 2010 and confirmed that the documented assessment reports and plans are comprehensive and compliance to RSPO New Planting Procedures.

Signed for on Behalf of
BSI Group



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Mr. Haeruddin

Lead Assessor

Date : 18th September 2014

Signed for on Behalf of



PT. Agro Indomas

Wilton Simanjuntak

RSPO Manager

Date: 18th September 2014