



PT SURYA AGRO PALMA

SANGGAU REGENCY

WEST KALIMANTAN PROVINCE

INDONESIA

SUMMARY OF HCV AND SEIA REPORTS

MAY 2014

RSPO NEW PLANTING PROCEDURES
Summary Report of HCV Assessment and SEIA

1. Executive Summary

PT. Surya Agro Palma (PT.SAP) has obtained the license area of 17,500 ha for oil palm plantation based on Sanggau Regent Decree No. 395 Year 2009 dated on 20th November 2009. The permit extension is No.508, dated 12th November 2012. The land status is area outside the forest zone (APL) approved by The Decree of Forestry and Plantation Ministry No.295/Kpts/II/2000 on Forest and Water Zone Designation for West Kalimantan Province.

After obtaining the licence area, PT SAP hired a team lead by Wibowo A. Djatmiko (of Aksenta), RSPO-accredited HCV lead assessor, to conduct HCV assessments and SEIA in May 2010. Villages where the assessments were conducted are: Balai Belungai, Lumut, Teraju, Belungai Hilir, and Bagan Asam Villages.

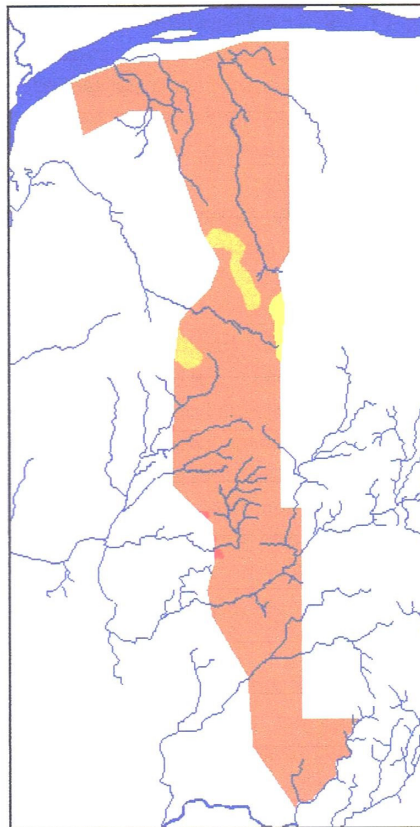
Based on the HCV identification, it was found that there is no primary forest remaining within the Management Unit (MU). Land cover is dominated by field crops and rubber garden (*Hevea brasiliensis*). Other land cover found are ‘the logged over, severely degraded forests’ (not yet been converted yet into crop field, where this type of forest cover cannot be defined as primary forest since all of the forest areas available are have been logged before and severely degraded), crop field, paddy-field, bawas (ex-crop field), oil palm field, pulau (remnant forest area in the middle of field), tembawang, tawang (quartz based marshy area), kerangas, labok/lobak and reed area. In addition, bauxite and C-type mining are also found inside and around the MU area.

Based on HCV identification carried out from May to June 2010, it was found that PT SAP concession area contains 1,995.9 ha of High Conservation Value Area (or 11.4 % from the total of 17,500 ha).

HCV assessment was conducted in the area of 17,500 ha based on the license obtained from Sanggau Regent Decree No. 395 Year 2009 dated on 20th November 2009.

The AMDAL (Socio-environmental Impact Assessment), Izin Lingkungan (Environmental licence) and IUP (Plantation Operational licence) have been obtained.

The soil types within PT SAP concession area are classified as Inceptisol, Ultisol and Oxisol. The main soil type belongs to Ultisol, includes the predominant Tropudults and Tropohumults soil groups which account for around 16,830.9 ha (96.2 %) of the MU area. Soil type distribution within the MU area is presented in Figure 1 below.



SOIL GREAT	Area	
	(ha)	(%)
Tropudults, Paleudults, Tropohumults	16830.9	96.2
Dystropepts; Tropudults; Haplorthox	497.3	2.8
Dystropepts; Tropudults; Paleudults	140.2	0.8
Tropohemist, Tropofibrists	31.7	0.2
	17500.0	100.0

Figure 1. Soil Type Distribution within PT. SAP Concession Area

2. Scope of the HCV Assessment and SEIA

- Company PT Surya Agro Palma
- Location Toba Districts, Sanggau Regency, West Kalimantan Province
- Geographical Location Latitude 110°0'6.369" to 110°7'32.410"
Longitude 0°3'10.467" - 0°23'26.958"
- Surrounding Area
 - a. North : Dusun Belungai Community settlement
 - b. East : Community land and settlement,
Protected Forest and oil palm plantation
 - c. West : Production Forest Area
 - d. South : Bawang Kecil River
- Permits
 - a. Location Permit: Licence area for oil palm plantations covering an area of 17,500 ha through the Regent Decree of Sanggau No: 395, 2009 on 20th November 2009. Extension of permit No: 508 dated 12th November 2012.
 - b. Plantation Operational License/IUP: through the Regent Decree of Sanggau No.277 dated 7th July 2010.

- Location Map:

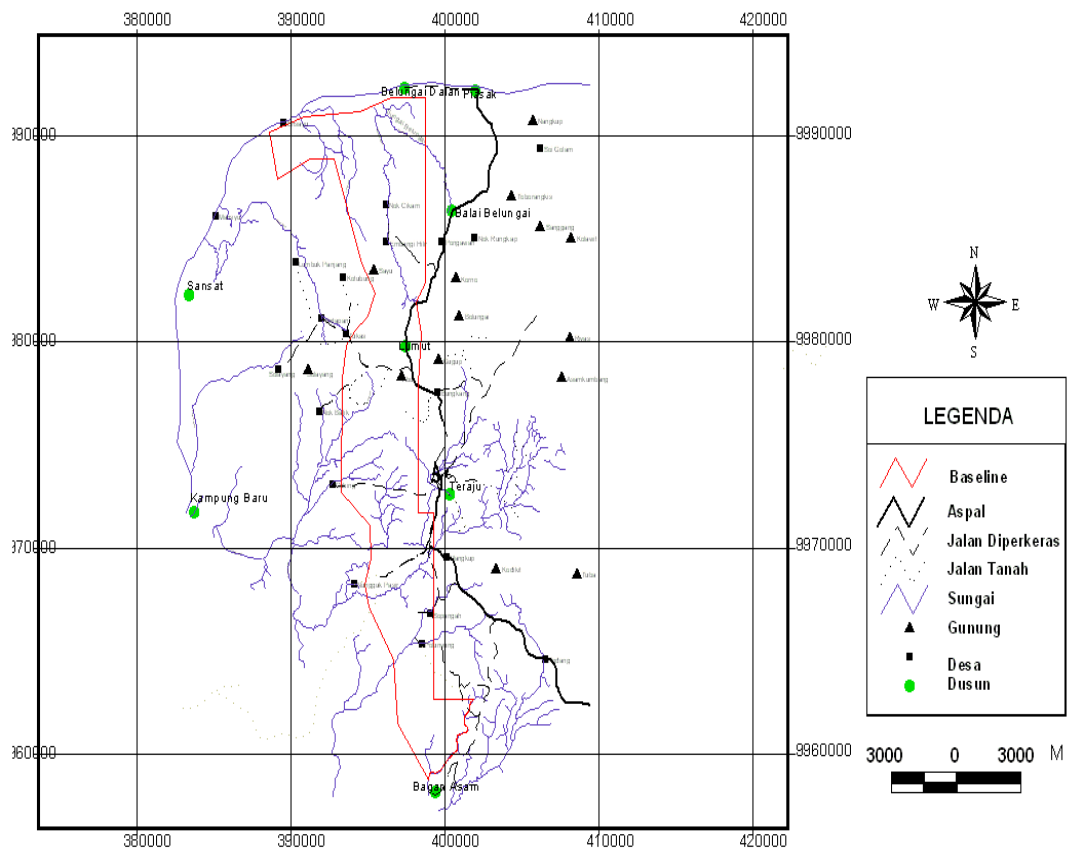


Figure 2. Location map of PT SAP

3. Assessment Methodology

a. HCV Assessment

The HCV assessor team, which involved experts in Biodiversity, Environmental Services, Social and Culture and supported by GIS expert, had conducted field data collection on 23rd – 27th May 2010. Data collection was facilitated by the staff of the company and assisted by the village community. The SEIA assessments was also conducted in the same time.

HCV Team Leader: Wibowo A. Djatmiko (RSPO Approved HCV Assessor-Team Leader and Dicipline Specialist on Biodiversity and Conservation)

Members : Idung Rusdiyanto, RSPO Approved HCV Assessor on Environmental Services.

Ganip Gunawan, Approved HCV Assessor on Social and Cultural

HCV 1, 2 and 3 identification

The target of HCV 1, 2 and 3 identification is to find the important area as defined by biodiversity context. To find out whether an area is defined as protected area or not, an analysis is conducted based on the TGHK (Forest Zone Concensus) Map and formal government document on Forest Area Status. The originality of community or ecosystem is checked through map analysis and ground checking. A method of *reconnaissance survey* is used to examine the presence of important flora and fauna.

HCV 4 Identification

HCV 4 is consists of important area related to water and land resources. To identify the presence of HCV 4, two approaches were taken, i.e. : (1) an analysis to find out the interaction and relation between water system and plantation land area within the wider landscape context; and (2) an analysis to find out the importance of specific areas and their influence to plantation area.

HCV 5 and HCV 6 Identification

HCV 5 assessment will focus on the places or areas within the plantation which are important for the local community's fulfillment of their basic needs. The manifestation of any area defined as HCV 5 is an area consisting of proper delienation and ownership which are legitimated by local tradition and custom. HCV 5 areas can also be outside the delienation borders and/or collective ownership. An example of the first category is the mix-gardens where basic needs, such as main sources of food (carbohydrates) are obtained from/and are within the boundaries of those gardens under collective ownership. The example of the second category can be wildlife hunting area, fishing area, or area for sourcing of traditional medicines. These areas remain available if there is no other option or valued compensation, such as health care clinic which is affordable by the locals. The second example is outside the ownership of the communities land areas.

The local communities' utilization of these HCV 5 areas for the fulfillment of their basic needs can be obtained directly or by conversion. Examples of direct utilization are hunting or fishing for fulfilling the basic need of animal protein, gathering medicinal plant for meeting the basic needs of health, and collecting firewood for cooking. Meanwhile the example of utilization by conversion include rubber tapping from their gardens/farms and then selling the latex for purchase of rice (staple food) or paying for their childrens' school tuition.

The focus of HCV 6 identification and assessment is on places or areas within the plantation area which are important for the identity and continuity of tradition and culture of the local communities.

HCV and SEIA public consultation took place on May, 2010 at Toba Sub-District, Sanggau Regency. The public consultation was conducted to obtain feedback towards the HCV and SEIA findings from related parties. During the process of public consultation, the feedback and commentary from the participants were documented to provide inputs in the finalization of HCV and SEIA report.

Public consultation was attended by PT Aksenta, PT SAP employees, community and traditional leaders, and village heads.

b. SEIA Assessment

The SEI assessment was conducted in three stages. The first stage was the desktop study to collect existing data from public sources. Further collection of data was also conducted in the villages, sub-district and district administration offices, The information collected includes data on public health data, villages/sub-district and districts monographies.

The second stage was field work, which included in-depth interviews, as well as Focus Groups Discussions (FGD) and direct observations. The field work was conducted over eight days in the field, in the villages around PT SAP.

The third stage was analysis of the data and preparation of the report. The report was submitted to PT SAP for review and comments before being finalised.

The methods used for social impact assessment consists of:

1. Literature Review; used to gain understanding on the social and environmental context of the study area.
2. Primary Data Collection; used to obtain village demography data as background for understanding the social life of local community
3. Dialogues; used to identify the parties, to explore the issue of impacts, to explore hopes, ideas and aspirations to find out solution of occurring issues, conducted through both formal and non-formal meetings.
4. Field Observation; used for gain direct understanding on the facts which became indications for the occurring social impacts and issues.
5. In depth interviews; to explore and gain deeper understanding on the emerging issues from the key figures chosen as resource persons.

6. Triangulation; integration of the above methods to verify the emerging issues, opinions and ideas.
7. Social Learning Cycle; social impact assessment is not a completely linear process but it is a process cycle which functions as an understanding to social changes in response to the environmental changes that occurs.

SIA Team Leader: Andri Novi Hendarto

Members : Ganip Gunawan

Gena Lysistrata

Miranty Magetsari

4. Summary

a. Summary of HCV Assessment Findings

The licence area of PT SAP covers around 17,500 Ha. The area identified as HCV area covers around 1995.9 ha (11.41 % from the total license area). See Table 1 and Figure 3 below.

Table 1. High Conservation Value Area within PT. SAP

Map Indeks #	HCV Attribute	Area Description	Size (Ha)
1	1.3 ; 3 ; 4	Riparian of Sayu River, Swamp Forest of Sayu River	180.1
2	4	Riparian of Belungai River	76.9
3	4	Riparian of Embangai River	137.4
4	1.1 ; 1.2	Nek Ucing Sacred Forest	2.1
5	1.3 ; 6	Embangan Hilir Customary Forest	1.8
6	1.3; 3 ; 4	Lereng Belungai, Nek Dolong, Sayu Hill	517.4
7	1.1 ; 4	100 meters Buffer Zone of Protected Forest	50.9
8	4 ; 5	Paddy Field	226.3
9	4	Riparian of Sansat River	20.9
10	4	Abor Hill	90.8
11	1.3 ; 4	Riparian of Abor River	45.3
12	1.3 ; 4	Bungkang Hill	63.4
13	4	Riparian of Ngenyangas River	42.3
14	4	Riparian Belobo River	17.0
15	1.3 ; 4	The hill near Kampung Cabing	10.5
16	4	Riparian of Tumbang River	65.9
17	1.3 ; 4	Riparian of Nek Kambing and Nek Lambun Rivers	164.5
18	1.2 ; 1.3 ; 4 ;	Riparian of Dawak River, sacred places of sarang	137.6

	6	tua buaya jolong, pekong keramat buaya sekait	
19	1.3 ; 3 ; 4	Pulau Utin, swamp forest	4.0
20	1.3 ; 4	Riparian of Pangal River	29.1
21	1.2 ; 4	Riparian of Pelunjung River	30.4
22	1.2 ; 4	Riparian of Bawang Kecil River	81.3
Total of HCV area (Ha)			1,995.9

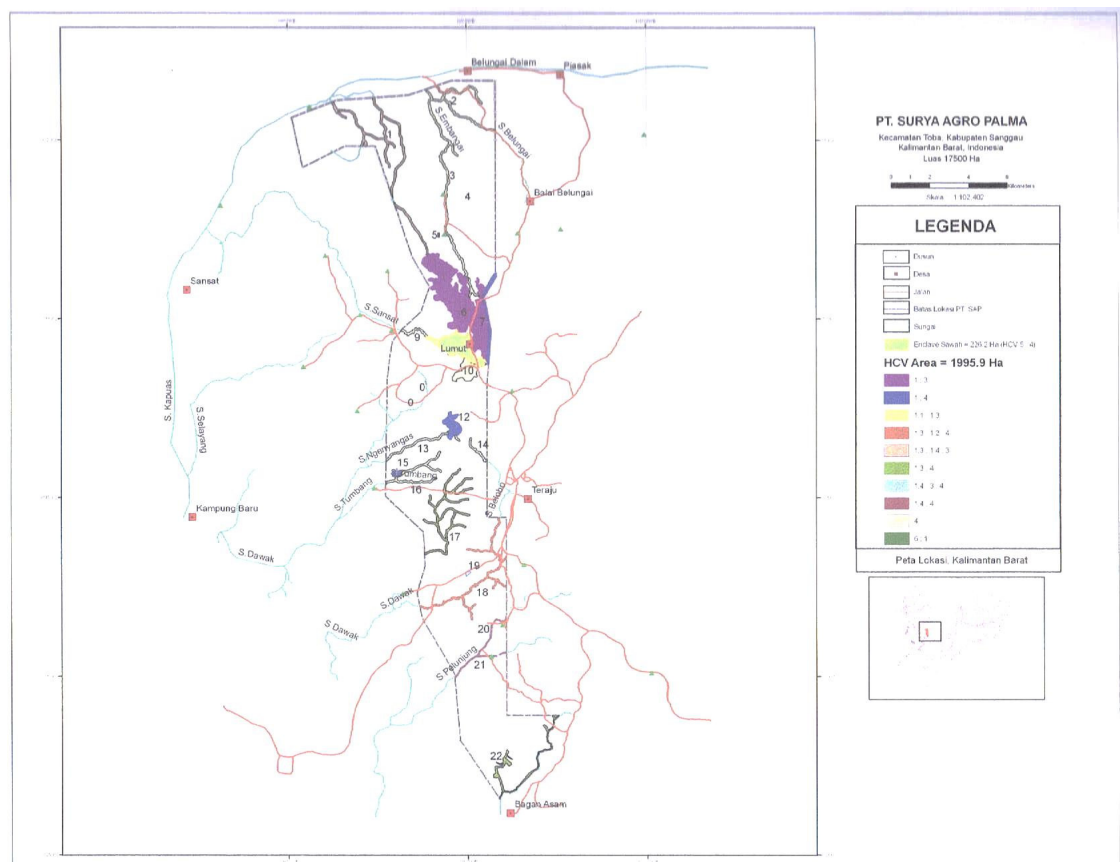


Figure 3. HCV Map of PT. SAP

c. Summary of SEIA Findings

Demography/Social issues. PT SAP is located within the Toba sub district, Sanggau Regency, with field operational office in Teraju village. The location is very strategic and has development potential in the future, because this area is near to Pontianak, which is the capital city of West Kalimantan Province. This area can be traversed by the trans-Kalimantan road. The villages bordering this plantation area include Lumut, Bekungai Dalam, Balai Belungai, Teraju and Bagan Asam. There are also a few sub-villages within the

PT SAP location permit namely: Sayu Dalam, Nek Cikap and Embangai Hilir. In general, the villages located around the area of the plantation are not densely populated, with an average population density of only 3 persons/square km. The livelihoods of the people in the villages are very diverse, mainly caused by the development of the local economy in Toba sub-district. The main livelihoods are agricultural based, with rice farming, besides oil palm and rubber farms.

Ethnically, the population is mostly of Dayak Tebang, Banyuke, Dsa sub ethnics and Malay with significant number of people from other areas (mostly Java). Majority of the population are Christians.

Education is relatively good, with a good proportion of the younger generation attending high school. Higher education opportunities are very limited in the area.

Health facilities in the area are limited, but primary health services are available in each village of the area. The doctor can only be found in the district capital, and the only government hospital is in the regency capital, Sanggau.

Economy. Most of the area surrounding PT SAP is covered by rubber and palm oil plantation owned by villagers. The area relies almost exclusively on small-scale rubber farming, and has done so for a long period of time, as can be observed by the age of the rubber trees. The local population is familiar with rubber farming. Other sources of income are limited, with a few farming/collection activities on the side of rubber farming, some small trade, and a low number of public servants and private employees.

Potential positive and negative developments. The local population expects some positive outcomes from presence of PT SAP in the area. Improved roads would be the key positive outcome for the local population; to improve accessibility to the area, and access to school for the children. The presence of the company could also result in improved education facilities with possibly better school buildings, support to the teachers (allowances) and/or scholarships for children. Improvement in the health sector is also likely to be expected.

In general, the sustainability of community life depends greatly upon the availability of natural resources and water. The community is open to corporate presence and hoped that the presence of the company as one of the opportunities to improve their well-being, even though there is still concern over the certainty of continuation of the company.

The main concerns of the community arising from the presence of the company are environmental damage, disruption of traditional order, reduced income and farmland as well as competition in getting a job with the entry of more skilled workers. Another issue that arises is the occurrence of overlapping land uses that could potentially give rise to conflicts between the communities e.g. mining activities.

The villagers are also wary of any perceived water pollution or over-usage by the company, due to their reliance on the rivers to supply them with water for their daily needs.

The informal land ownership system in the area will be a challenge for the initial phases of land-rights acquisition by the company. As this is a common case in many other areas, there will likely be some land-rights ownership conflicts, with multiple people claiming ownership of the same plot of land.

Considering the low population density, CSR efforts by the company are expected to have a good impact. The relative amount of money spent per habitant will be relatively high, and if planned participatively, CSR activities are more likely to bring satisfaction to the villagers.

4. Internal Responsibility

Formal sign-off by Assessors and Company.

This document is the Summary of HCV (High Conservation Values) Assessment and SEIA (Social and Environment Impact Assessment) of PT SAP.

PT AKSENTA

Wibowo A. Djatmiko
Team Leader HCV

Andri Novi Hendrarto R.I
Team Coordinator SEIA

Statement of Acceptance of Responsibility for Assessments.

The assessment results of the High Conservation Value (HCV) Assessment and Social and Environment Impact Assessment (SEIA) of PT SAP by PT Aksenta will be applied as part of the guidelines in developing and managing PT SAP.

Prepared By

Approved By



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Group Sustainability Manager

Director