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**RSPO NEW PLANTING PROCEDURE
SUMMARY OF PLANNING AND MANAGEMENT**



**PT UMBUL MAS WISESA
(SIPEF GROUP)
KABUPATEN LABUHAN BATU & LABUHAN BATU SELATAN
NORTH SUMATERA PROVINCE
INDONESIA**

OCTOBER 2014

1. EXECUTIVE SUMMARY

PT Umbul Mas Wisesa (UMW) is a company established in Indonesia, as a subsidiary of SIPEF, a member of RSPO, for the development of 8,719 Ha into palm oil estates. The area is located in the Kabupaten Labuhan Batu Induk and Labuhan Batu Selatan, Province of North Sumatra. The land status is "APL" ("other land use", allowed for development) according to the current government land use master plan.

PT UMW was established in 1997, the initial development planting was started in 2005 then the SIPEF group requisited the area in March 2007 and continued the development from the previous party since then, until 2012. PT UMW realizes that eventhough the project has started earlier than 2005 but some of the land clearing took place after 01 January 2010, so should necessitated an NPP submission, and this submission was overlooked. The HCV assessment was conducted in 2009, so no areas were land-clearing without HCV assessment after 01 January 2010. As a member of RSPO, PT UMW prepared and submits this "on going" NPP, so as to complete the RSPO certification process of PT UMW.

PT UMW has commissioned a HCV assessment conducted by YASBI (Yayasan Kelapa Sawit Berkelanjutan Indonesia = Indonesian Sustainable Palm Oil Foundation) that led by an assessor approved by the RSPO from 10 till 16 November 2009. There is no primary forest within the concession area. It was surveyed by soil expertise, JH Agriculture Services, on June 2010.

The document of AMDAL (Analysis Impact fo Environment) was signed by Governor of North Sumatera on 31st December 2008, as the first public consultation of PT UMW. Then on 14-17 February 2014, SIA was conducted by Forestry Faculty of IPB.

Based on satelite images analysis, Citra satelite 2005, it was found that almost all of the area of PT UMW was not forest anymore, it was degradated landscape and shrubs, even some parts of the area have been planted with palm oil.

Area is ex-logging, as can be seen with the logging cannals. It has been heavily degradated, result from logging and fire before 2005 and based on the result of HCV assessment by YASBI (Yayasan Kelapa Sawit Berkelanjutan Indonesia) that there is no raw peat (fibric) that prohibited for development of oil palm cultivation.

In general, HCV identification showed that HCV 1 was found on 167 ha or 1.19% of the area, potention for HCV 1 was on 30.53 ha or 0.35%, potention for HCV 3 was found 187.79 ha or 2.15%, and potention for HCV 4 was found on 9.74 ha or 0.11% of the total area. HCV 3 and HCV 4 were overlap with HCV 1. As some areas have been found to contain more than one HCV, the total HCV area identified is 197.53 ha or 2.27% of the total area of PT UMW.

PT UMW obtained a new Land Development Permit ("izin lokasi") No. 12 year of 2007, signed by Bupati Labuhan Batu dated 14 June 2007. The AMDAL (Socio-environmental Impact Assessment) No. 503.660/268/SET-KOMISI/XII/2008 has been approved and signed by Bupati Labuhan Batu on 31 December 2008. The Adendum of ANDAL with decree No. 188.44/430/KPTS/2013 was signed by Governor of North Sumatera province, dated 10 July 2013. The IUP (Izin Usaha Perkebunan = Operation Licence) No. 503/II/HUKUM/2005 has been signed by Bupati Labuhan Batu on 05 August 2005 and HGU (Permanent Land Use Title) in two parts, 2,077.11 Ha and 4,396.58 Ha were signed by Head of National Land Agency with document No. 42/HGU/BPNRI on 28 May 2013. The two last documents are No. 1/HGU/BPN.12/ III/2014 and No. 93/HGU/BPN RI/2014 signed on 28 May 2014 and 25 June 2014.

The entire area is flat and poorly drained as it is mostly peat. Best management practices must be adopted. In particular, maintaining drain water level at optimum level at all time is very important in the management of both peat soil and potentially acid sulphate soils. With effective water management, satisfactory oil palm yields can be achieved.

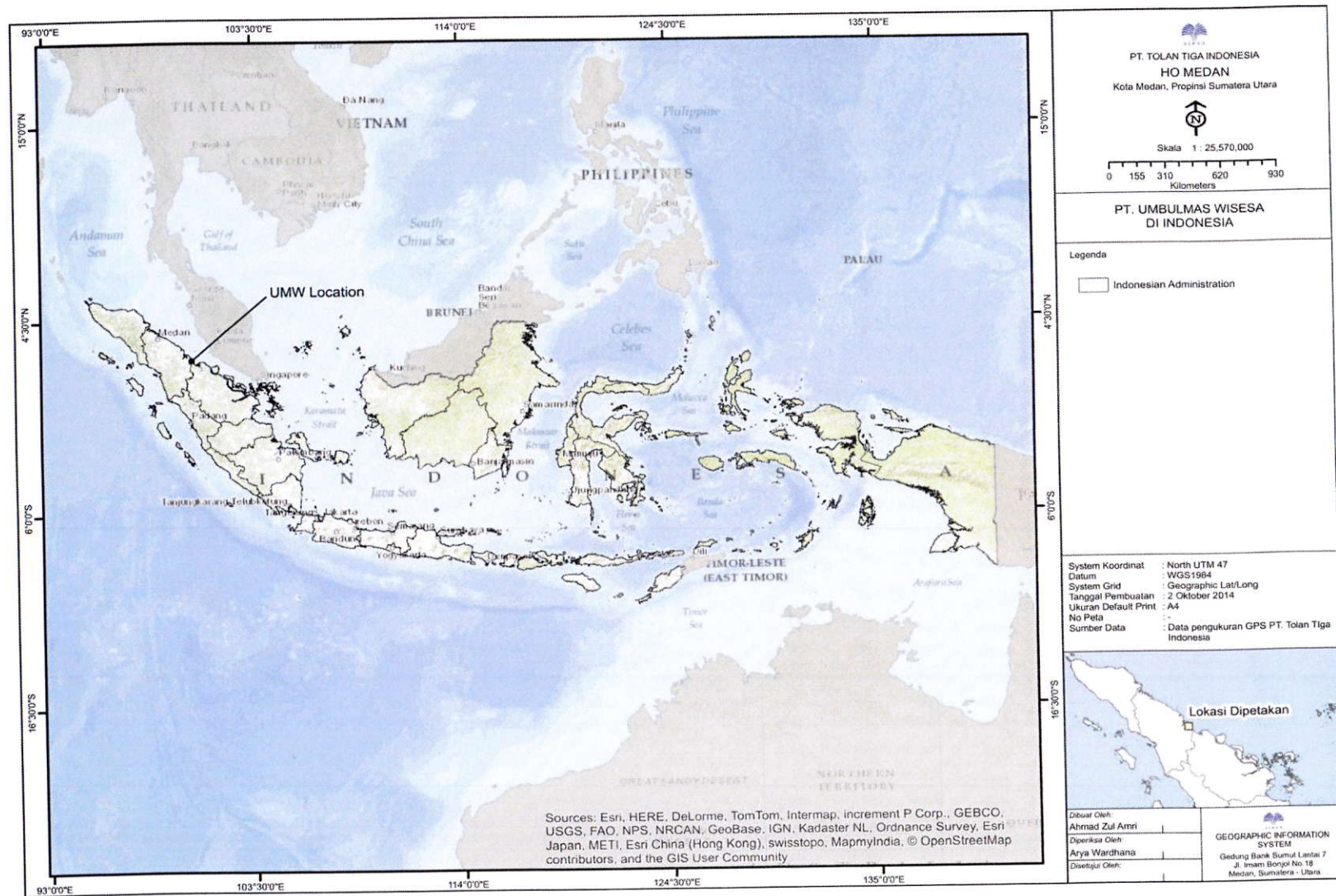
Villages where SIA assessments were conducted are: Sei Siarti and Tanjung Mulia villages which in Panai Tengah district and Kampung Rakyat district. Based on the assessment, there are no indigenous people in the area.

Local populations were informed and known the existence of PT UMW.

2. REFERENCE DOCUMENTS

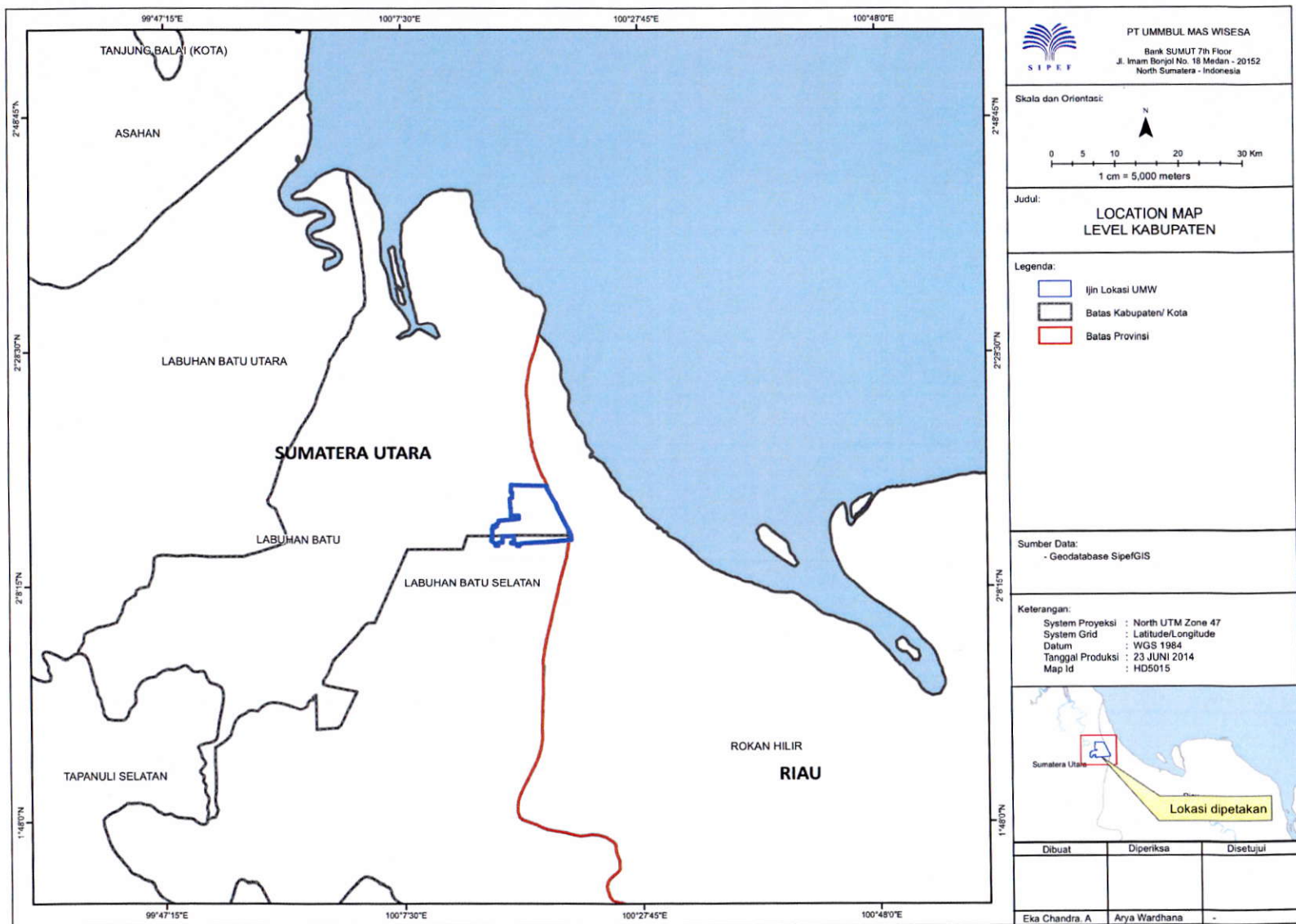
- HCV Assessment Report : HCV Assessment of PT Umbul Mas Wisesa, November 2009 was conducted and prepared by RSPO approved assessors from YASBI (Yayasan Kelapa Sawit Berkelanjutan Indonesia = Indonesian Sustainable Palm Oil Foundation).
- Soil Survey and Suitability : "Semi Detail Soil Survey Report Of PT Umbul Mas Wisesa (PT UMW) in Kecamatan Kampoeng Rakyat, Kabupaten Labuhan Batu Selatan, in Sumatera Utara, Indonesia" by JH Agriculture Services, September 2010.
- SIA Assessment Report : SIA Assessment of PT Agro Muara Rupit, April 2014 conducted and prepared by Team of Forestry Faculty, IPB (Bogor Agriculture Institute).
- IUP B (Izin Usaha Perkebunan Budidaya = Plantation Operation Permit for Cultivation) No. 503/II/HUKUM/2005, signed by Pj. Bupati Labuhan Batu on 5 August 2005.
- IUP (Izin Usaha Perkebunan Budidaya = Plantation Operation Permit) No. 773/1/IU/PMA/2014, signed by Agriculture Minister, Investment Coordination Agency Head), on 03 June 2014.
- Land Development Permit (Ijin Lokasi) : Decree No. 12 year of 2007, signed by Bupati Labuhan Batu, 14 June 2007.
- AMDAL No. 503.660/268/SET-KOMISI/XII/2008 signed by Bupati Labuhan Batu on 31 December 2008.
- Consent Licence (Izin Prinsip) No. 503.591.02/65/03/KPTP/2010, signed by Bupati Labuhan Batu, dated 13 October 2010.
- Adendum AMDAL, No. 188.44/430/KPTS/2013 signed by Governor of Sumatera Utara, dated 10 July 2013.
- Permanent Land Use Title (HGU) No. 42/HGU/BPNRI/2013 signed by Head of National Land Office (Kepala Badan Pertanahan Nasional RI), 28 May 2013 and no. 93/HGU/BPNRI/2014, signed by Head of National Land Office RI, dated 25 June 2014.
- Indonesia Government Regulation related to conservation management and monitoring, IUCN Redlist, CITES and PP No 7 tahun 1999 signed by B.J.Habibie dated 27 January 1999.
- HCV Resource Network toolkit Indonesia, 2008.
- PT Umbul Mas Wisesa planned management map, location map and landscape level map.

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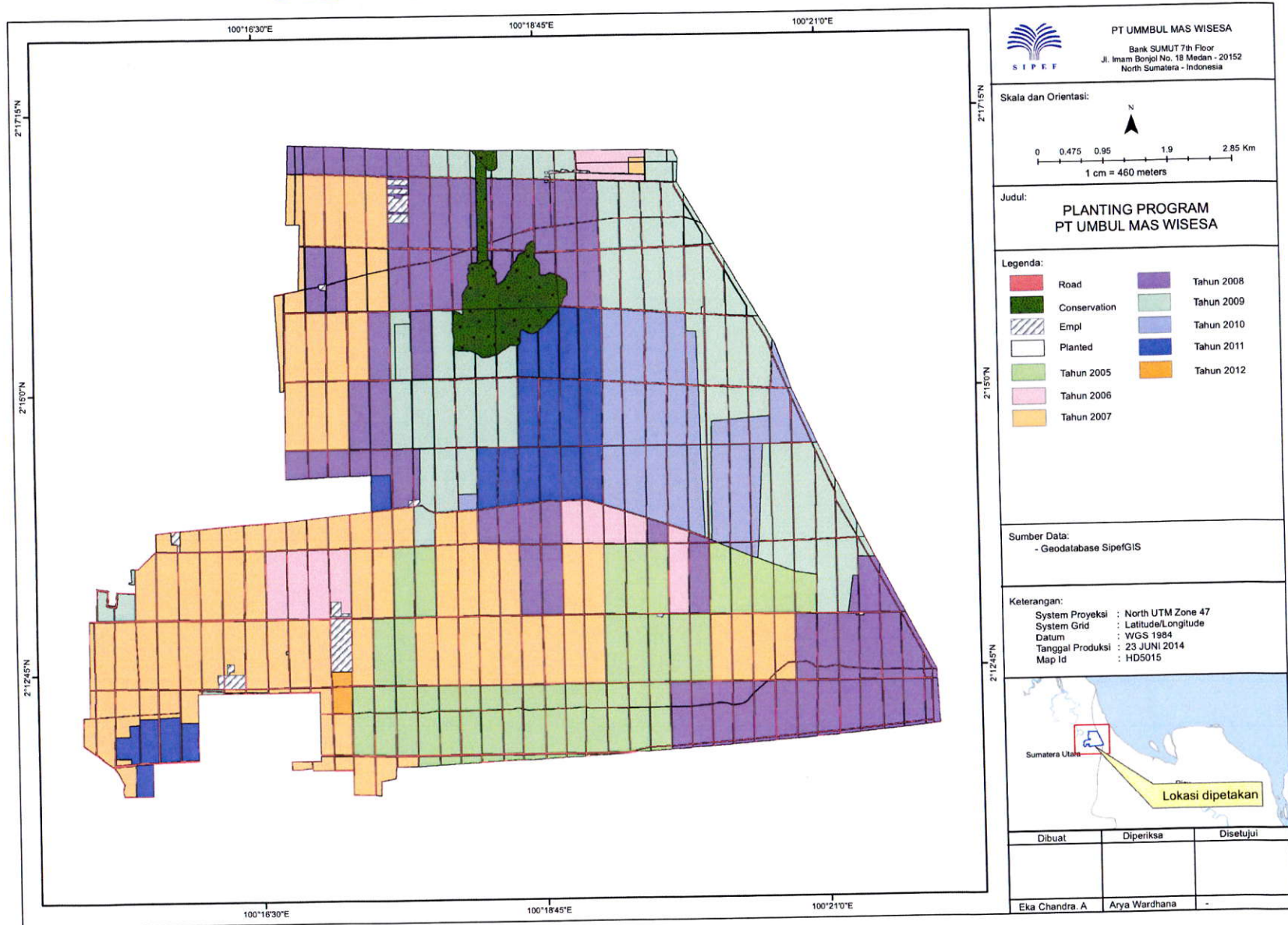
Map 1. Location of PT UMW in Indonesia

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Map 2. Location of PT UMW in Labuhan Batu and Labuhan Batu Selatan District

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Map 3. Planting Programme

3. SEIA AND HCV MANAGEMENT AND KEY PERSONNEL

Organizational information and contact person

Company Name : PT Umbul Mas Wisesa
RSPO membership number : 1-0021-05-000-00 (as part of SIPEF)
Capital status : Foreign Investment (Penanaman Modal Asing – PMA)
Type Of Business : Oil palm plantation and palm oil mill

Address :

Regional Office : Desa Perkebunan Perlabian
Kecamatan Kampung Rakyat
Kabupaten Labuhan Batu Selatan
Head Office : Bank Sumut Building 7 Floor, Jl Imam Bonjol No 18,
Medan – North Sumatera

Telephone : 061 – 4152043
E-Mail : estate_umws@sipef.com
Contact Person : Mr. Jasni Kanchil

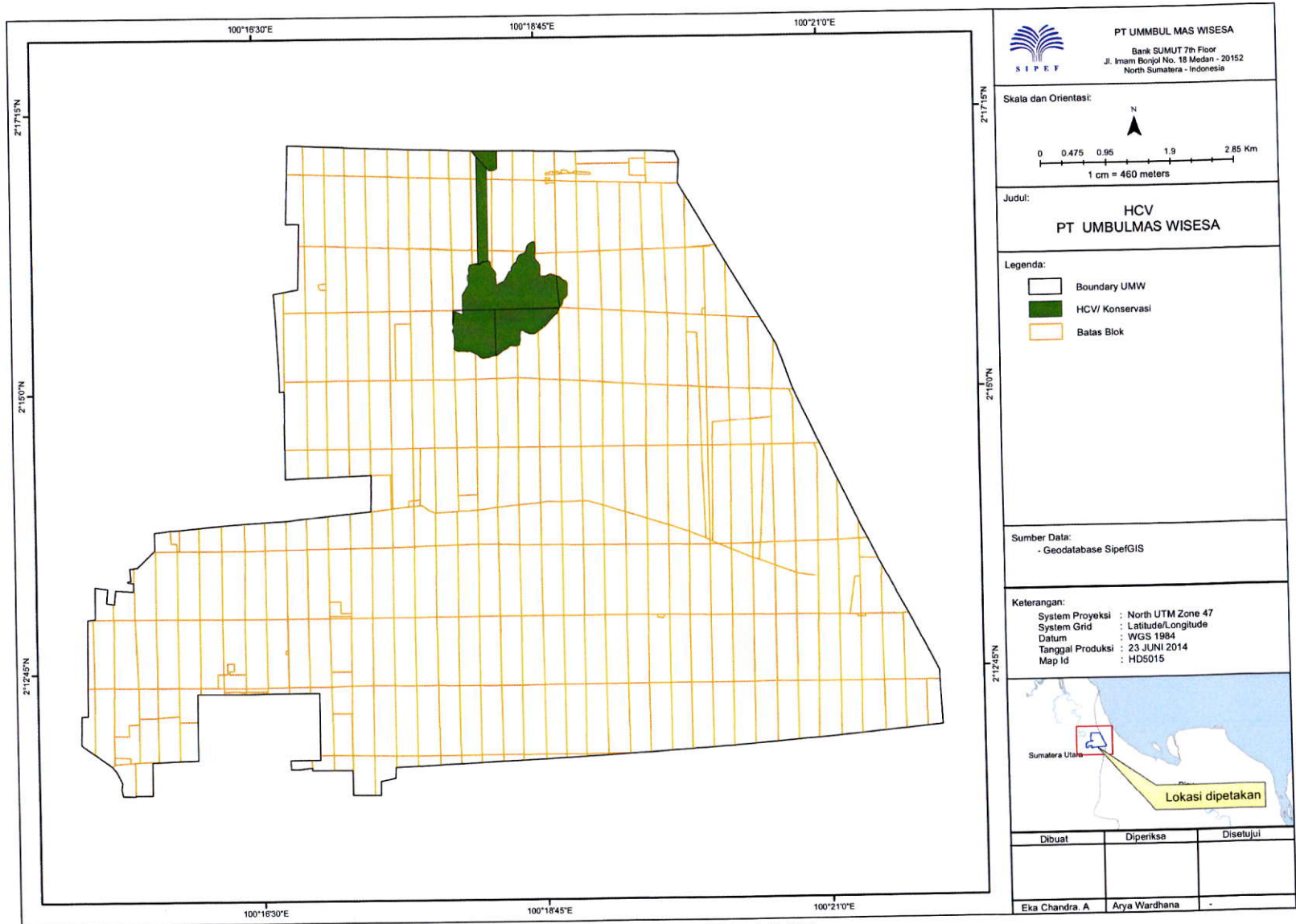
Personnel involved in planning and implementation

1. Mr. Olivier Robert Tichit (Director)
2. Mr. Jasni Kanchil (General Manager North Sumatera)
3. Mr. Shiva Murali (Senior Field Manager Sumatera)
4. Mr. Peterus Ginting (Manager Estate PT UMW-South)
5. Mr. Suryana (Manager Estate PT UMW-North)
6. Mrs. Anita Ridhani (Manager, Corporate Affairs)
7. Mr. Efri Paryanto (Environment, Health and Safety Coordinator, North Sumatera GMO)

Stakeholders involved during implementation

1. Local government representatives : head villages and district, community leaders.
2. Local people / villagers of Sei Siarti and Tanjung Mulia villages.
3. Company employees and their representatives.

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Map 4. HCV Area of PT UMW

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4.a. SUMMARY OF MANAGEMENT AND MITIGATION PLAN (SEIA)

No	Description	Management Objective	Action Plan	PIC	Target
1	FPIC	Ensure good awareness of the project by communities within the license area.	<ul style="list-style-type: none"> • Already carried out, with awareness sessions in the villages within the projects, using both formal and informal approaches. Done in transparent and responsible manner. • Already obtained full acquisition of land-use rights (HGU). • Relation with communities is good and maintain continuously. 	Estate Manager Field Head Assistant	Done and continuously
2	Land acquisition by the company	Conduct land transactions in a transparent manner, reducing potential future land disputes.	<ul style="list-style-type: none"> • Mapping of land offer for acquisition has been conducted in a participatory manner, using precise mapping tools, and recorded carefully. • Land acquisition negotiations have been conducted in fair and open manner and documented. • Payments for land rights made directly with landowners. • Already obtained full acquisition of land-use rights (HGU). • If there is any legal complain of the land acquisition, the company firstly will choose informal approach to settle the matter, and legal / formal process according to the regulation if the first way is fail. But until now, there is only issue and not direct or formal complain to the company. 	DFAD GM - Sumut CA Manager	Done and keep continuously
3	Create / maintain good communication and relationship with stakeholders related with PT UMW.	Stakeholders / communities to understand the benefits of oil palm in their area and support the existence of PT UMW.	<ul style="list-style-type: none"> • Maintain the idea of the advantages of PT UMW's existence. • Listen and give appropriate comments / answers to their questions. Have a special book to record all the complains / questions and answers from the company. • Follow up the progress of 	Estate Manager Field Head Assistant	Done and continuously

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			action until finish if needed.		
4	Employment	<ul style="list-style-type: none"> Ensure that local communities are given fair access to work opportunities in the project. Keep good spirit of workers. 	<ul style="list-style-type: none"> Give priority to local people with the right skills. Ensure that information on job vacancies is well disseminated within the local communities. Trainings of workers are regularly held. Improve quality and quantity of workers' facilities. 	HRAD	as needed
5	CD/CSR Programme	Provide social benefits to the communities in the project area. Prepare programs that beneficial to local communities and correlated with their needs.	<ul style="list-style-type: none"> Education: school building for primary. Building for junior and senior high school already include in the company's planning. Scholarship for excellent perform students with potential for higher education. Improve road conditions in the area, as both local community and government identify the road as a priority. 	GM-RMO Estate Manager	Continuously
6	Air Pollution	Minimized the negative impact and maintain the quality in the range of standard/regulation.	<ul style="list-style-type: none"> Training the drivers of all vehicles of the project, to reduce the air dust. All vehicles must pass the emissions gas test. Maintain road condition. 	Estate Manager Field Head Assistant	Continuously
7	Sound Pollution	Minimized the negative impact and maintain the quality in the range of standard/regulation.	<ul style="list-style-type: none"> Processing facility have been built far from villages. Regular hearing test is carried out. 	Estate Manager Field Head Assistant	Continuously
8	Surface Water	Maintain the water around the area of project from the negative impact of mill's waste and keep the quality standard based on regulation (Permenkes No. 416, year 1990, Lampiran 2).	<ul style="list-style-type: none"> Filtration of water is tested before release in all emplacement. Regularly conduct analyses by the registered and certified laboratory. 	Estate Manager Field Head Assistant	Continuously
9	Liquid Waste	There is no pollution to the rivers from the waste, as it is already processed and according to the waste standard, based on regulation PP LH No. 51 year 1995, Lampiran B4.	<ul style="list-style-type: none"> Mill is equipped with latest effluent treatment system to achieve minimal negative impact of disposal. Regularly conduct analyses (monthly basis) by the registered and certified laboratory. 	Mill Manager	Continuously

4.b. SUMMARY OF MANAGEMENT AND MITIGATION PLAN (HCV)

No	HCV area	Buffer zone/riparian area (m)	Total Area (ha)	HCV Criteria	Management Program					
					Purpose	Objective	Program	Method	PIC	Target
1	Conservation forest	--	167	1.1 , 3	The protection of Biodiversity/Conservation area	To maintain the function of consevation area	HCV Area management and monitoring	<ul style="list-style-type: none"> Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. Made a some kind of security ditch to prevent intrusion, surrounding the conservation forest. Field demarcation using permanent poles. Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage. Put camera-traps, to know about the diversity of wild life inside and know how to maintain it. Also to know human behaviour that can harm them and find ways to deal with it. 	Estate Manager Field Head Assistant	Done and continuously
					To enhance the function of HCV area by protecting the soil, water, vegetation and wild life inside riparian area.	Soil, water, natural vegetation and wildlife inside riparian area are preserved	<ul style="list-style-type: none"> HCV Area Socialization Management and Monitoring SOP for HCV Area 	<ul style="list-style-type: none"> Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas. Minimize soil erosion from plantation activities. Maintaining a water source within or adjacent to the HCV in the UP (inundation areas, terracing, cover crops, soil pits / rorak) 	Estate Manager Field Head Assistant	Done and continuously
2	Riparian zone of main drain and outlet drain (Potential HCV)		9,74	1.1, 4.1	Protection of Biodiversity / Conservation area		HCV Area management and monitoring	<ul style="list-style-type: none"> Maintain the depth and width according to SOP. 	Estate Manager Field Head Assistant	Done and continuously
					To enhance the function of HCV area by protecting the soil, water, vegetation and wild life inside riparian area.	Soil, water, natural vegetation and wildlife inside riparian area are preserved	<ul style="list-style-type: none"> HCV Area Socialization Management and Monitoring SOP for HCV Area 	<ul style="list-style-type: none"> Conduct socialization with communities surrounding the company and employees about the presence of potential HCV area. Inform and put signs about what activities are allowed and forbidden at the riparian. Minimize soil erosion from plantation activities. Forbid wash and / or throw waste of pesticide into the drain and soil. All the waste and equipment have to be taken back to be cleaned at it place. 	Estate Manager Field Head Assistant	Done and continuously
3	Corridor		20,79	1.1, 3	The protection of Biodiversity/Conservation area	To maintain the function of riparian	HCV Area management and monitoring	<ul style="list-style-type: none"> Conduct clear delineation of HCV in the field in accordance with the result of HCV identification. 	Estate Manager Field Head	Done and continuously

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					area		<ul style="list-style-type: none"> • Field demarcation using permanent poles. • Put camera-traps to know the diversity of wild life that pass the corridor and know how to maintain it. Also to know human behaviour that can harm them and find ways to deal with it. • Routinely patrol the HCV area, collect data with data sheet monitoring to be reviewed monthly and carry out restoration in case of damage. 	Assistant	usly
				To enhance the function of HCV area by protecting the soil, water, vegetation and wild life inside riparian area.	Soil, water, natural vegetation and wildlife inside riparian area are preserved	<ul style="list-style-type: none"> • HCV Area Socialization • Management and Monitoring SOP for HCV Area 	<ul style="list-style-type: none"> • Conduct socialization with communities surrounding the company and employees about the presence of HCV area. Inform about what activities are allowed and forbidden inside the HCV areas. 	Estate Manager Field Head Assistant	Done and continuously

5. INTERNAL RESPONSIBILITY

This Summary of Planning and Management has been approved by the management of PT Umbul Mas Wisesa.

October 2014



Adam Christian Quentin JAMES
President Director



Olivier Robert TICHIT
Director