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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: 6th January, 2011

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 Agrowiratama

SUBSIDIARY (If any):

1. PT Sukajadi Sawit Mekar
2. PT Maju Aneka Sawit
3. PT Globalindo Alam Perkasa
4. PT Agro Makmur Raya (Copra Crushing Plant and Refinery)
5. PT Wira Inno Mas (Kernel Crushing Plant and Refinery)

RSPO Membership No.: 1-0054-08-000-00 (old no. 029-08 (0) 26th May, 2008)

Location of proposed new planting: description or maps and GPS coordinates.

Company Name : PT Agrowiratama
Company Address : Spring Tower, 06-61 Jl. K.L. Yos Sudarso, Tanjung Mulia, Medan Deli, Medan Sumatera Utara - 20241
Type of business : Oil Palm Plantation & Processing
Location Permit (Izin Lokasi) (No. 425 Tahun 2009 dated 31 December 2009)
Status of business land : AMDAL (SEIA) (No. 269 Tahun 2010 dated 12 October 2010)
Izin Usaha Perkebunan (Plantation Development Permit (No. 304 Tahun 2010 Dated 20 December 2010)
Location Size : ± 9000 Ha

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Contact person : Dr Gan Lian Tiong
email: dr_ganlt@yahoo.com, liantiong.gan@musimmas.com

Location : Mekar Jaya Village, Beringin Village, Sabung Village
Sajad Sub-District, Subah Sub-District
Sambas District West Kalimantan Province
See Figure 1, Figure 2, Figure 3, and Figure 4, Figure 5

GPS Reference

N	:	109° 22' 50,2"E	1° 18' 3,6" N
O	:	109° 22' 50,2"E	1° 24' 3,6" N
P	:	109° 26' 34,0"E	1° 24' 42,6" N
Q	:	109° 26' 32,9"E	1° 17' 10,7" N
R	:	109° 24' 57,1"E	1° 17' 41,7" N
S	:	109° 24' 57,1"E	1° 18' 3,6" N

Region boundaries

North	:	PT Sampurna Bio Energi
South	:	PT Multi Daya Fortuna,
West	:	Kecamatan Sambas (Sub-District)
East	:	Kecamatan Sejangkung (Sub-District)



Figure 1. Location of PT Agrowiratama oil palm plantation in Sambas District, West Kalimantan as shown in Indonesia map

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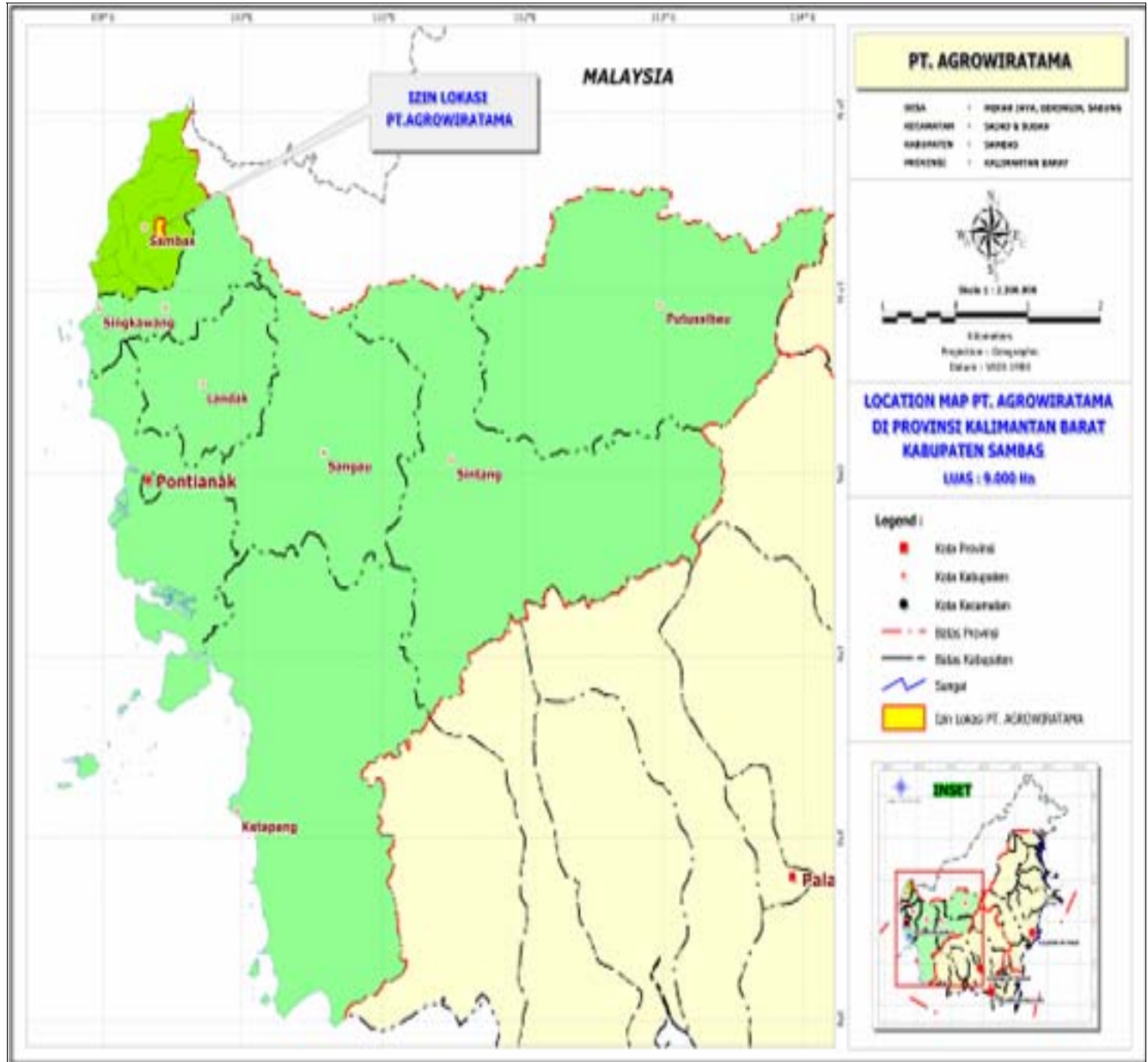


Figure 2. Location of PT Agrowiratama oil palm plantation in Sambas District as shown in West Kalimantan Provincial map

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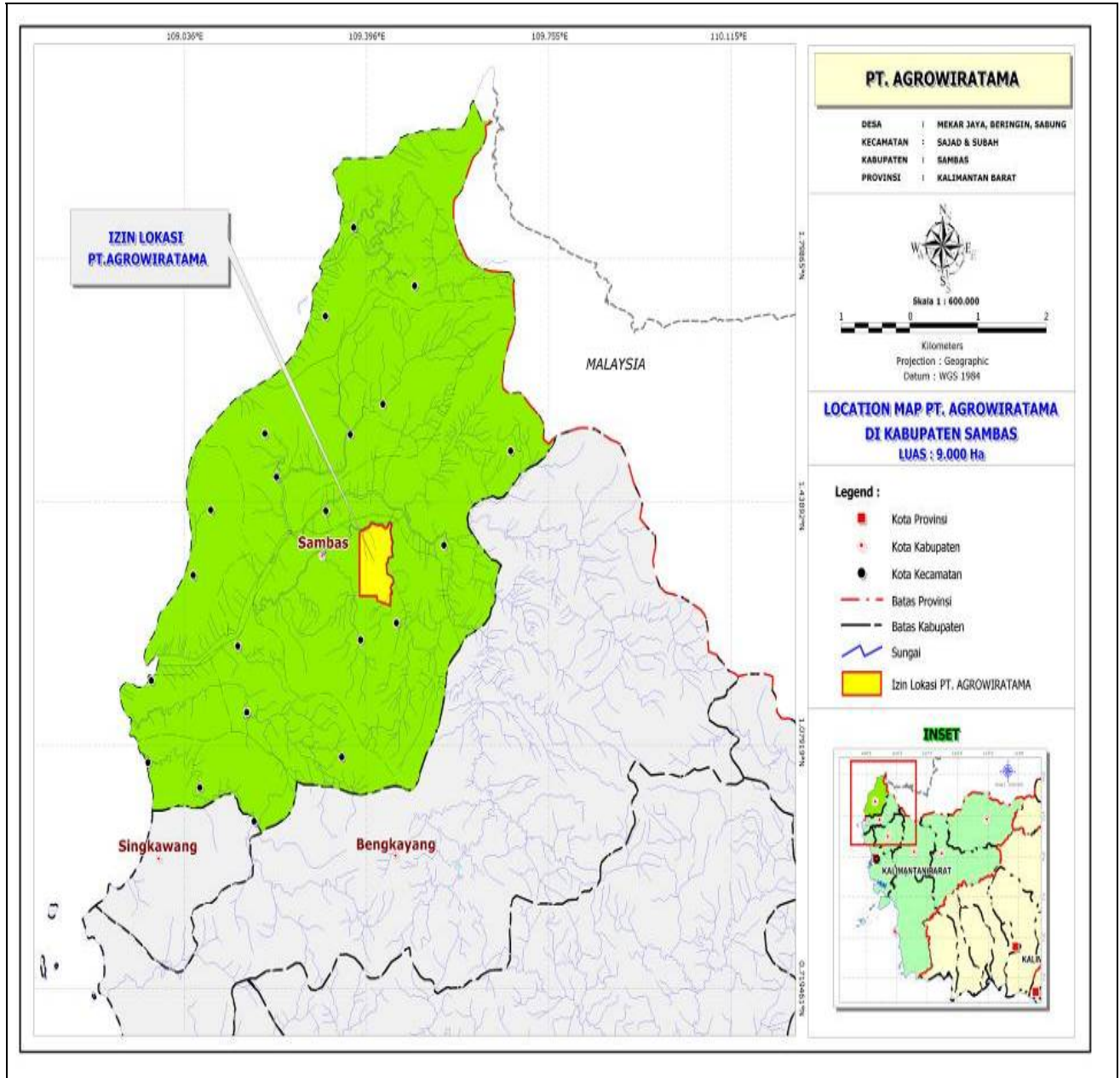


Figure 3. Location of PT Agrowiratama as shown in Sambas District map

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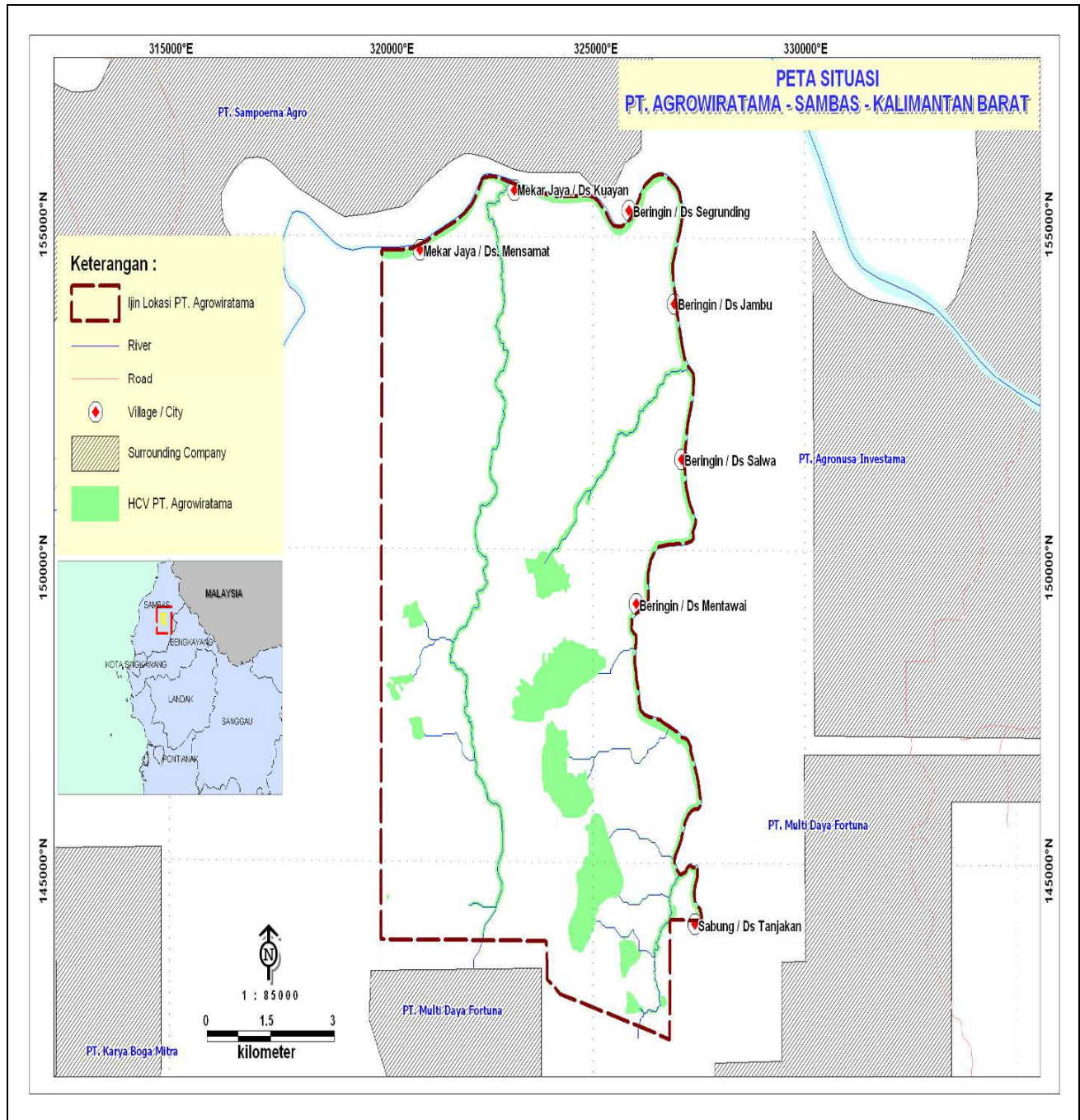


Figure 4. Map showing PT Agrowiratama and its surrounding entities in Sambas District, West Kalimantan Province

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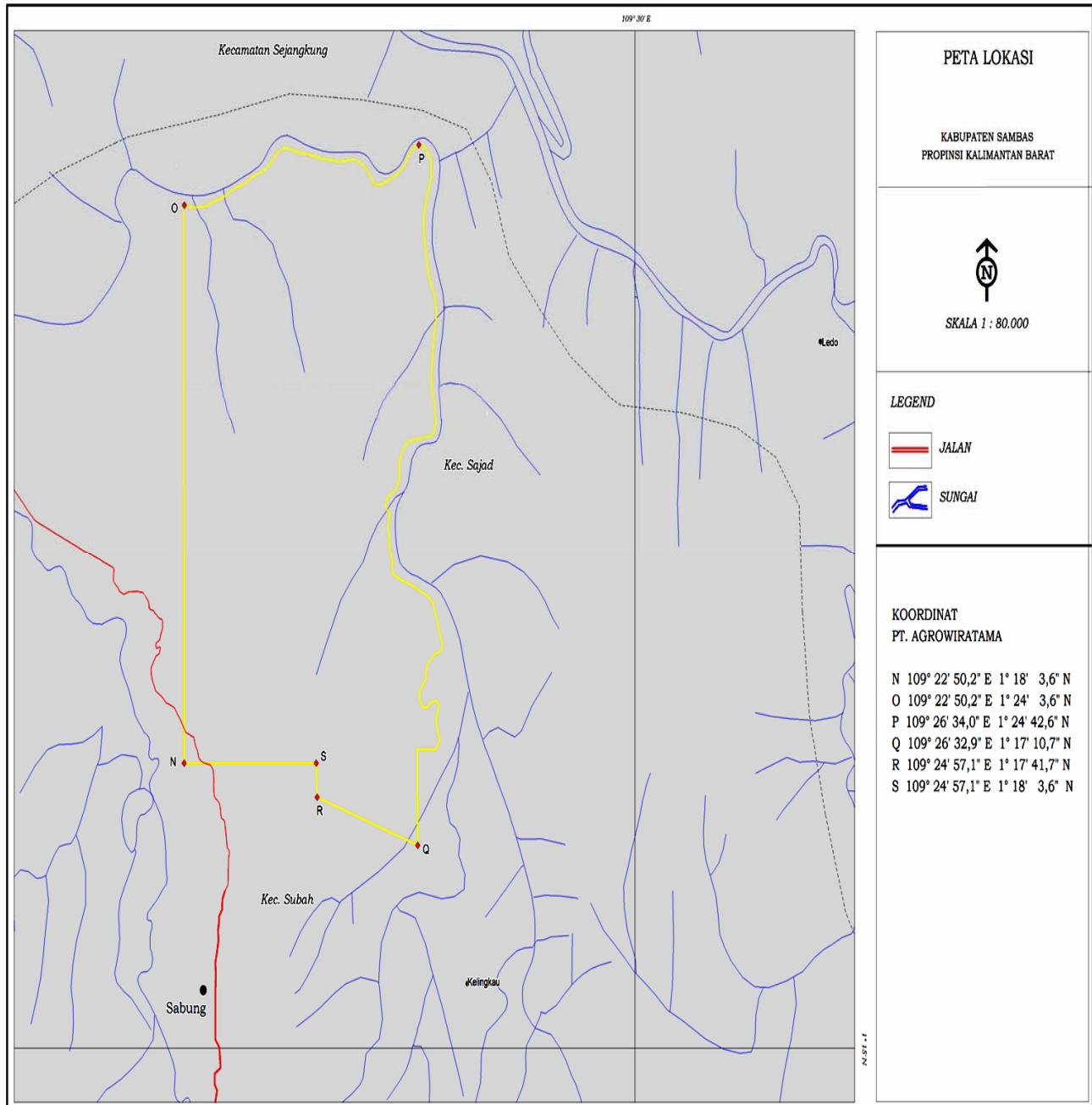


Figure 5. Location Map of PT Agrowiratama showing GPS Coordinates

SUMMARY FROM SEI ASSESSMENTS:

Assessors and their credentials:

The Social Impact Assessment (SIA) of PT. Agrowiratama was carried out by an independent consultants from Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com. The team members consist of:

1. **Sigit Budhi Setyanto.** He graduated from the Faculty of Agriculture of Universitas Negeri Jember and has been involved in research and has experiences in areas involved with growers and communities development since 1990. Since 2004 he has been active as the auditor for *CAFÉ Practice Program* in Indonesia and Papua New Guinea as well as an *Agriculture Marketing Specialist* for an international NGO for *Rural Agro-enterprise Development (RAeD)* program. He is experienced in national and international training on *Sustainable Organic*, "*SCS-Starbucks*" *CAFÉ Practice*, "*Rainforest Alliance*" – *Sustainable Agriculture, Forest Management and Chain of Custody*, as well as "*DOEN-Roundtable Sustainable Palm Oil*. In Aksenta, he has carried out assessments on "*Socio – Economic study on palm trees in West Pasaman and Sanggau*", "*Social Impact Assessment*" and "*High Conservation Value Assessment*" for Indonesian Palm Oil Companies. In March, 2010, he obtained the accreditation from RSPO as the *Discipline Specialist* for Social Assessment on palm oil companies. His role in this Social Impact Assessment was as one of the team members focusing on the field of socio-economic and social development. **Contact mail address:** sigit@aksenta.com
2. **Miranti Magetsari.** She graduated from the Physics Department, Faculty of Matematika dan Ilmu Pengetahuan Alam (Math and Natural Science), Institute of Technology Bandung. She has the relevant training on ISO 14001 (Environmental Management System) and OHSAS 18000 (Management of Health and Working Safety). She is experienced in developing management system for human resources and quality, and conduct assessment for management system certification. The assessments that she has been assigned by Aksenta were Social Impact Assessment and High Conservation Value Assessments for several palm oil companies in Indonesia. Her role in this Social Impact Assessment was as one of the team members focusing on the aspect of socio-economic and social development. **Contact:** aget@aksenta.com
3. **Sofyan Cholid.** He obtained his Bachelor Degree from the Department of Social Welfare of Fakultas Ilmu Sosial dan Politik (the Faculty of Socio-Politic) and Master Degree of Geography from Fakultas Matematika dan Ilmu Pengetahuan Alam (the Faculty of Math and Natural Science), Universitas Indonesia (UI). He has been involved in the activities of NGOs focusing on social problems such as the abandoned children living on the streets, HIV/AIDS, and local prostitutes. With Badan Pertanahan Nasional (the Indonesia National Bureau of Land), he was involved in the survey of the land statistics in corporation with Badan Perencanaan Pengembangan Nasional (the National Planning and Development Department) and Indonesia Social Department. As a researcher from Pusat Kajian Perlindungan Anak UI (Children Protection Assessment Center of UI), he has carried out assessments on the system of protecting street children in Indonesia in

collaboration with Columbia University funded by the UNICEF. His role in this Social Impact Assessment was as a team member focusing on socio-economic and social development. **Contact:** sofyan.cholid@aksenta.com

Assessment Methods (Data sources, data collection, dates, program, and places visited)

Social Impact Assessment on the ground was carried out as follow:-

1. **Participative:** Issues identification and information searching were done in a participative way. This participative approach enabled the participants as the relevant subjects in mapping the social issues they are facing, expressing their opinions and ideas, as well as being involved in designing the management and mitigation of issues. (The list of stakeholders in participative process is presented in the SIA Report).
2. **Multiparty:** Issues identification and information searching were done in multiparty way by involving related parties directly or indirectly impacted by the development of oil palm plantation in the area.
3. **Rapid and Extant:** Issues identification and information searching were done in rapid way and based on the forecast of the impacts from changes that will take place from the feedback – as the approach to the Social Impact Assessment within the time allocation.
4. **Appreciative:** Issues identification and information searching were guided positively, not only to find out the gap at the location but also to collect the data on expectations, potentials problems, and ideas for identification of solutions and social issues that may arise.
5. **Social Learning Cycles:** The Social Impact Assessment is not a linear process which is instantly created but a cycled process which functions as the social learning processes to respond the changes in the environment.

The methods and techniques applied in the Social Impact Assessment were:

1. **Literature Study:** This method was used for the purpose of gathering information on the socio-context and environmental aspect of the location which was evaluated. It was carried out in the early phase-before going to the field and at the result analysis phase. (This was described in the SIA report of PT Agrowiratama - Sambas July 2010 by Aksenta);
2. **Dialogue:** This method was used to identify the nature of the parties, identify the potential issues and impacts, gathering information about expectations, ideas, and opinions to enable identification of potential solutions to address these potential issues and impacts. The process was carried out through meetings both in formal and in non-formal sequence focusing on specific topics (Focus Group Discussion or FGD);
3. **On-the-Spot Observation:** This method was used to understand directly the actual facts on the ground which serve as indicators of the issues and social impacts ;

4. **In-depth Interview:** This technique was used to get a deeper understanding about the issues. It was done in-depth by interviewing the key people who will be affected by the development of plantation. The criteria of choosing the respondents were based on the knowledge possessed or their direct experience over the impact or impacts.
5. **Tri Angulations:** this method was carried out in integrated way to reciprocally verify the actual issues, opinions and ideas.
6. **Social Learning Cycle:** The Social Impact Assessment is not a linear process which is instantly created but a cycled process which functions as the social learning processes to respond the changes in the environment.

Summary of SEI Findings

The finding from the AMDAL (SEIA) and SIA assessment identifies both positive and negative impacts from the proposed operational activities of PT Agrowiratama. The positive impacts of the activities identified are uplift of the local people's financial income, opening of more job opportunities and several others whilst the negative impacts that are possible to occur are the threats to the existence of the ecology as well as the potential conflict of workforce, socio-cultural disturbance, and others. The SIA study result by RSPO Accredited Assessors (Aksenta) stated that, in general, the existence of PT Agrowiratama has a significant social impact to the basic requirement to the social sustainability of local community. Those findings have defined how the company's business management influences the key issues in the respective components of the social sustainability of local community (details in the SIA report of PT Agrowiratama Sambas July 2010 by Aksenta, page 6-1).

The stakeholders mentioned in the context of Social Impact Assessment are those who may affect or being affected by the operation of the oil palm plantations and mills. The identification of those parties was carried out through a series of Focus Group Discussion (FGD) meetings within the management and local community as well as on site interviews. There is a detail stakeholders consulted during the assessments and this is presented in the SIA report of PT Agrowiratama Sambas July 2010 by Aksenta.\

SUMMARY FROM HCV ASSESSMENT(S):

Assessors and their credentials

The HCV assessment of PT Agrowiratama was carried by independent consultants from Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com. The team members are:

1. **Wibowo A Djatmiko.** He has the capacity and experience in conservation research, wild life management, habitat and population study, wild life ecology (especially on birds and herpetofauna), and forest ecology (including forests resident) researches. He graduated from Bogor Agriculture University in Forestry majoring in the field of biodiversity conservation. He is also involved and attended courses such as Second

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Asian School for Conservation Biology (SEAMEO BIOTROP – Bogor) and International Training Course on Practical approach to Management of Biodiversity Conservation (Malayan Nature Society, in Kuala Lumpur). He completed his Master Degree in Biology Conservation at Universitas Indonesia. He is well experienced as an independent consultant with wild life ecology specialty, AMDAL-forestry analysis (the analysis of environment impact), mining and transmigration, and assessment of eco-global certification for both commercial and traditional forests. He has conducted many HCV assessments for palm oil plantations since 2006. In this HCV assessment for PT. Agrowiratama, his role is to focus and identify the existence of HCV 1, 2, and 3. On 26th April 2010, he achieved the RSPO accreditation as the Discipline Specialist Biodiversity (for plants, mammals, avifauna, herpetofauna) and Social (participatory rural assessment; socioeconomic or cultural studies). **Contact:** bowie@aksenta.com.

2. **Idung Risdiyanto.** He obtained his Master Degree of Science in the field of Natural Resources Development Technology from Bogor Agriculture University after graduating from the same institute majoring in Agro Meteorology. His working experience includes administering assessments and researches on Green House Gas (GHG) and water resource assessment in collaboration with United Nation for Environment Program (UNEP) and PPLH IPB (Institut Pertanian Bogor or Bogor Agriculture University) in 1997. Since then, he has conducted many research activities with many leading institutes in Indonesia such as LIPI (Indonesian Institute of Science), LAPAN (Indonesian Institute of Aeronautics and Space), BPPT (Agency for the Assessment and Application of Technology) and BMKG (Bureau of Meteorology, Climatology, and Geophysics). Almost all of his researches are related to assessments of natural resource analysis and most of them were about water, soil, and climate using Geographic Information System (GIS), Remote Sensing, Spatial Analysis and Modeling approaches. At present, he is one of the team members of Aksenta who is responsible to assess the existence of HCV 4. He is also team member in Departemen Kehutanan (Forestry Department of Indonesia) to assess issues related to watershed in Indonesia since 2007. He is also lecturing in meteorology-satellite at Bogor Agriculture University. In March 2010 he achieved his accreditation from RSPO as Discipline Specialist Hydrology/Soil (Watershed management; hydrology conservation projects soil). **Contact:** idungris@aksnta.com.
3. **Nandang Mulyana.** He is the member of Aksenta team who is responsible for analyzing the Socioeconomic and CD/CSR aspects. Graduated from UMJ –Jakarta majoring in Economics and a Master Degree holder from Bogor Agriculture University, focuses on Ilmu Perencanaan Pembangunan Wilayah (development and planning studies). He is experienced in the field of socio-environment. In this HCV identification, his role was to identify HCV 5 and 6. In March 2010 he achieved the RSPO accreditation as Discipline Specialist Social (Participatory rural assessment; socioeconomic or cultural studies; participatory mapping; conflict resolution). **Contact:** nandang@aksenta.com.

4. **F. Getsamany.** He is experienced in GIS and remote sensing techniques for biology conservation and issues related to land management by the local communities. He has also carried out research on radiation quantity in forest and energy management by the forest using GIS and Remote Sensing techniques. He is also experienced in the soil potential resource analysis, the analysis on water and conservation area. **Contact:** getsa@aksenta.com.

Assessment Methods (Data sources, data collection, dates, program, and places visited)

HCV Identifying Methods

The assessment covers the permitted area which is included into the company's project area. The assessment was also expanded into villages and other areas which are of considerably importance to the surrounding proposed plantation area. The field survey was conducted in June 2009. The survey area covers 183 observation spots (location map of observation spots is presented in HCV report of PT Agrowiratama Sambas August 2010 by Aksenta). In the process, each observation team was accompanied by the field staff from the company and local representatives who are familiar with the site. Besides field survey, the team also collected information from the local community through individualistic interviews, Focus Group Discussion (FGD), as well as public consultations (the list of stakeholders in the participative process is presented in HCV report of PT. Agrowiratama Sambas August 2010 by Aksenta). At the same time, confirmation and cross checking of the findings were carried out with the local community using the technique of purposive sampling – which includes the communities, the enclaves' owners (where existed), and the related interested/affected parties.

The understanding and scope of HCV for the oil palm plantation is confined to the HCVF definitions which applicable to the forestry sector as adopted by the RSPO. The Identification of High Conservation Value in Indonesia was developed by the Konsorsium Revisi HCV Toolkit Indonesia (2008) (the toolkit for the revision HCV consortium). Other references used include IUCN, CITES, and other guidelines as well as the relevant Laws of Indonesia were also taken into consideration. (The summary is presented in HCV report of PT Agrowiratama Sambas August 2010 by Aksenta).

Identifying Methods for HVC 1, 2, and 3

The target for HCV 1, 2, and 3 identifying was to find out the areas which have important values in the biological context. Such areas are characterized by the location status, the origin of the communities, or the existence of the ecosystem of flora and fauna with high values. The significant values of flora and fauna refer to the status defined by the law, endemics (endemic, limited spread), and scarcity (scarce, facing extinction or almost extinct) was in accordance to the national and international law (IUCN and CITES) which protect such flora and fauna. The significance of the value of the wildlife as well as the habitat was also based on the ecology roles from the species and from the cultural and traditional point of view.

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The method of inventories was carried out using reconnaissance survey to analyze the existence of the important flora and fauna. The existence of fauna was recorded through:

- Direct observation, either through the identification of visual appearance or sound (for both diurnal and nocturnal animals),
- The existence of the marks or residual from the animals' activities in their former habitat (such as tracks, scars on trees, nest, scales, snake skin, bird feathers, or mammal hair, etc.).
- The finding of the residual of animals' body parts (skull, horn, skin, hair, tusk, scales, and other recognized part of the animals' body) which were possibly hunted or caught by the local people in the observed locations. Interviews were carried out to complement the information about the time and location of the hunting activities.
- The secondary information was the existence of the animals which were documented based on external information, such as local people information or the local authorities. The consistency of such information was monitored through cross checking (check and recheck) with other relevant parties as well as checking the validity of the description on every species of animals from the feedback from interviews with the local people. All information was then matched with the natural distribution and the history of the existence of such species in the locations. The data was then compared to the type and condition of the habitat at the time when the survey was done. Any mismatching between the description and their natural distribution zone and habitat, will result the existence of such species in doubt.

Identification Methods for HVC 4

In order to identify the existence of HVC 4 in area, two approaches were applied in the assessment. The first approach was through analysis to find out the interactions and correlations between the water system and the proposed plantation land in a wide context. The approach also covered the area outside the proposed plantation area. The second approach was an analysis to find out the significant values of such locations and their impacts to the proposed plantation's location. Based on both approaches, the phases of identifying HCV 4 were analysis of the secondary data, field survey, and the integrated data analysis of secondary data and the field survey. Identification of the HCV 4 areas was based on analyzing the area from the metrology point of view, the soil analysis, topography, watershed, and the field survey and interviews. The field observation was carried out in specific locations; i.e. springs, river, river condition, land clearing by existing area, land use in the area, and other locations representing the condition of the water management in the area.

Identification Methods for HVC 5 and HCV 6

The focus of the HCV 5 assessment was the area inside the proposed plantation which has significant values to fulfill the basic needs of the local community. The focus of the HCV 6 assessment was the area inside the proposed plantation which has the significant values for

identification and sustainability of the tradition or cultural living of local community. The methods adopted in the assessment of HCV 5 and 6 are:

- Mapping participation of locations containing elements of HCV 5 and 6.
- Interview the local community, either with individual or Focus Group Discussions.
- Ground assesment and analysis.

The HCV Assessment Phases

The HCV assessment was carried out through a series of phases i.e. Desk Study, Field Survey, Data Analysis, Spatial Analysis of HCV area, and indicative HCV mapping as shown in HCV report of PT Agrowiratama Sambas August 2010 by Aksenta.

Summary of HCV Findings

The assessments have revealed that no primary forest was identified and recognized all local community land. Areas that are required to maintain or enhance one or more High Conservation Values (HCVs) have been identified and the soil types are dominantly mineral soils (88 %), sandy soil (9 %), and peat soil (3 %).

Three types of HCVs were identified by RSPO Accredited Assessors from Aksenta, HCV 1, HCV 4, and HCV 6 within the legal boundary of proposed new planting of PT Agrowiratama, with the total area of 982.4 Ha (10.9% of the total permitted area). The important elements for HCV 1 are the existence of population and tracks of endangered species such as Müller's Bornean Gibbon (*Hylobates muelleri*), Giant River Turtle (*Batagur baska*), Sarawak Surili (*Presbytis chrysomelas*), Sunburst Turtle (*Heosemys spinosa*), and Sunda Pangolin (*Manis javanica*). The important elements for HCV 4 are related to the potential damage from erosion, the springs, and river riparian. The important elements for HCV 6 are related to the traditional and sacred graveyard. (full details are available in summary report of SEIA and HCV assessment of PT Agrowiratama). The management is committed to leave the peat area unplanted. This was confirmed during the interview with the management team of PT Agrowiratama and letter from Director of Strategic and Planning No. Dir. of S&P/001/XII/2010 dated 16th December 2010 further confirms the management's commitment to leave a side the peat area.

SUMMARY OF PLANS:

Development of HCV and SIA Management Plans

The findings by Aksenta on High Conservation Values (HCV) and Social Impacts Assessment (SIA), and the recommendations in SEIA (AMDAL) are incorporated in the HCV and SIA management plan. Development of the HCV and SIA management plans for PT Agrowiratama was facilitated by Aksenta team through a workshop for the PT Agrowiratama management and sustainability team conducted from 8 – 11 December 2010 in the company's head office in Medan, North Sumatra. The purpose of the workshop was to enable the management team to have a better understanding of the HCV and SIA findings

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and their related implications so as to provide reference points in developing the operational activities of the company related to the high conservation values, social management's synergy with the company's development of oil palm plantation.

Stakeholders' Consultation

The process of the HCV and SIA development and preparation of management plans and monitoring PT Agrowiratama involved consultation with the relevant stakeholders such as governmental offices (BKSDA, BP-DAS (Plantation and Forestry Office), the Office for Environment (BLH), the local community, the government official of local village and sub-district, the local NGOs, independent consultant (Aksenta) and the local existing plantation companies.

A stakeholders' consultation of the HCV and SIA management plan involving the stakeholders from local communities, village heads, government agencies, NGOs, Other surrounding plantation companies, PT Agrowiratama Management team and RSPO accreditation assessors from Aksenta was held on 21st October, 2010. Communication with the stakeholders concerned was in the forms of information, interaction, and inputs exchanges between the company and the stakeholders in order to achieve understanding of the management plans for the stakeholders. The inputs from the presentation by various stakeholders (see below) during the stakeholders' consultation workshop in Sambas on 21 December 2010 related to the HCV, SIA, and AMDAL were incorporated. The summary of the stakeholders' consultation workshop is as follow:

1. Total of 69 participants has attended the stakeholder consultation workshop organized by PT. Agrowiratama on 21st December, 2010 in Sambas Sub-District, West Kalimantan as follow:

No. of participants	Organization
17	Government Agency / Department, Natural Resources and Conservation Department (KSDA), Department of Agriculture and Forestry (DISBUN), Environment Department (BLH), River Area Monitoring (BP-DAS) Agency, Police Department, Army Department, Investment Department (BPMPT).
26	Representatives from village community (heads of village, district officers, villagers)
5	NGO – WWF (Environmental NGO West Kalimantan), GEMAWAN (Social NGO West Kalimantan), WAHANA VISI (Social NGO Sambas), Mangrove Center Foundation (Environmental NGO Sambas)
8	Surrounding plantation companies [PT Wilmar Sambas Plantation, PT Agro Nusa Investama, PT Buluh Cawang Plantation, PT Rana Wastu Kencana, PT Karya Boga Kusuma and PT Mitra Inti Sejati Plantation]
9	PT. Agrowiratama employees
4	Assessors from Aksenta

2. Presentation by various stakeholders and PT Agrowiratama during the workshop were:-
 - Policy of Conservation Legislation by Bapak. Taufik (Natural Resources and Conservation Department (BKSDA)).
 - Policy of Integrated River Area Management by Ir.Toni Kartiman, M.p (Head of River Area Monitoring Agency Kapuas).
 - Implementation of Social Environment Impact Assessment (AMDAL) by Ir. Herman Hasyim, M.T (Head of Environment Department).
 - HCV Management and Monitoring Plan of PT. Agrowiratama by Bapak. Wibowo A. Djatmiko (Aksenta).
 - Sustainable Management in Environment, Social and Oil Palm Development by Bapak. Haryono (WWF FCP officer).
 - SIA Management and Monitoring Plan of PT. Agrowiratama by Bapak. Sigit B Setyanto (Aksenta).
 - Materials from Manggala Agni/ BKSDA by Bpk. Taufik (BKSDA).
 - Process and Implementation of AMDAL of PT Agrowiratama by Bapak. Sony Kurniawan (PT Agrowiratama).
3. The issues raised during the workshop were:

Communication issues between the stakeholder and information sharing (socialization), local community right, river riparian, illegal logging, AMDAL implementation and small holder (mitra) scheme cooperation. (The question and answer records are summarised in the report on stakeholders' consultation workshop).

SIA Management Plan

The SIA development and preparation of management & monitoring plans for PT Agrowiratama was based on the SIA Assessment findings conducted in July 2010 the RSPO Accredited Assessors from Aksenta and the AMDAL Assessment for PT Agrowiratama which were approved on 12 October 2010 (by the decision letter [decree] of the regent of Sambas sub-district – Surat Keputusan Bupati Sambas No. 269 Tahun 2010) and, in principle, referred to the related Laws in Indonesia. The steps taken in the HCV and SIA development and preparation of management & monitoring plans were:

1. Determining the strategic issues i.e. land acquisition for plantation, public facilities, environment condition, Health condition, welfare, and company's communications with the local people.
2. Determining the purposes and desired final condition of the project (vision, practical vision, end-state).
3. Determining targets and objectives to achieve, creating the strategy map to achieve the desired outcome.
4. Identifying the must-do initiatives to achieve the determined targets.
5. Identifying the competency reinforcement of human resources and the supply of the infrastructures so that the implementation of the process can be achieved effectively.

6. Determining effective monitoring activities to analyze the dynamic state of every indicator in order to assess the progress of target and achievement.

The scope of the development and preparation of management & monitoring plans includes the potential impacts by the proposed plantation activities. The development and preparation of management & monitoring plans guidelines include:

1. The Management Plans of PT Agrowiratama Sambas, Strategic Issues on Land Acquisition

The scope for this management and monitoring plan includes the process of land acquisition which adhered to the principles of Free Prior Informant Consent (FPIC) such as:

- a) The policy and procedure for paying the compensation for the land acquisition through information sharing (socialization) and implementation,
- b) Administering the field survey with the participation of the local community,
- c) The policy of the company to respect and accommodate the local community's main professions which were based on the land management, and the settlement of legal documents which was under the actual related laws of the country.

There is a list of stakeholders who have been consulted by the Public Relation (HUMAS) Manager who the management representative is appointed to address the FPIC and land compensation matters. He is assisted by four field staff on site.

2. The Management Plans of PT. Agrowiratama Sambas, Strategic Issues on Infrastructures

The scope for this management and monitoring plan includes the participation of the company in building and developing the public facilities (infrastructures) such as health centers, schools, religious facilities, etc. as well as coordinating with local institutions and offices which are related to the proposed project to support the project itself.

3. The Management Plans of PT. Agrowiratama Sambas, Strategic Issues on Health Condition

The scope for this management and monitoring plan includes the uplifting of the level of the health quality of the local community and the distribution and maintenance of the assistance for health based on the outcome of the local community's participations and ideas.

4. The Management Plans of PT. Agrowiratama Sambas, Strategic Issues on People Welfare

The scope for this management and monitoring plan includes the opening of better job opportunities for the local community by information sharing (socializing) and informing the job vacancies available for them. The company is also actively involved in gaining the community's life skills in workforce by frequently conducting training programs based on the training need assessment.

5. The Management Plans of PT. Agrowiratama Sambas, Strategic Issues on Communication

The scope for this management and monitoring plan includes the storage of actual information and data for related parties concerning both policies and programs of the company in order to achieve positive acceptance and understanding of all stakeholders. These activities will be implemented by having regular meetings with the stakeholders and information sharing (socializing) of the policies of the company related to the stakeholders such as actual policies and land acquisition compensation procedures, and complaints procedure and management.

6. The Management Plans of PT. Agrowiratama Sambas, Strategic Issues on Environment

The scope for this management and monitoring plan includes the management and monitoring of both social and environment aspects which to be covered in the RKL (Rencana Pengelolaan Lingkungan – Environmental Management Plan) and RPL (Rencana Pemantauan Lingkungan – Environmental Monitoring Plan) documents of PT. Agrowiratama. The main purpose of the activities was to achieve conservation of the environment as well management and mitigation of the negative impacts through the following activities:

- a) The Management and Monitoring of the Air Quality,
- b) The Management and Monitoring of the Water Quality,
- c) The Management and Monitoring of the Soil Quality,
- d) Administering regular surveys on local community's perceptions concerning the environment actual condition,
- e) The monitoring of the company's performance in administering the environment management.

HCV Management Plan

The HCV development and preparation of management and monitoring plans was based on the result of the HCV assessment which was completed in August 2010 by the RSPO Accredited Assessors from Aksenta. This process developed data and information related to the existence of the HCV area in the proposed area of PT Agrowiratama in the Sambas Sub-District in West Kalimantan. The key elements of HCV and the actual condition include the potential threats, and the recommendation for the management.

The HCV development and preparation of management and monitoring plans was developed to provide guidelines for the company in planning and management of the HCV areas identified in its proposed developing area. The purpose was to identify available resources and be focused so as to be integrated in an effective manner in HCV management. The purposes of this management and monitoring document were:

1. To ensure that the identified and determined HCV areas are managed so that their HCV functions are preserved,

2. To effectively administer the management and monitoring plan to ensure that the process is coordinated systematically according to the legal procedures.

The process of the HCV preparation of management and monitoring plans for PT Agrowiratama, Sambas was based on the structure of strategy mapping which focused on three fields under the management and responsibility of the plantation management;

- 1) Stakeholders,
- 2) Operation, and
- 3) People & Resources.

Plan for HCV Monitoring and Regular Review of Data

The HCV monitoring and review plan is aimed to evaluate whether the activities implementation are as expected and whether the outputs of the process are as per targets; and whether the resources investments (human, fund, time) are as per plan.

Management and mitigation plans for threats to HCV areas.

The identified basic activities which are planned in order to achieve the basic targets for the enhancement and maintenance of the HCV areas are:

1. Enhancing and rehabilitating the clinching areas with natural vegetations,
2. Soil and water conservation,
3. Protecting the sacred and cultural local sites,
4. Mitigating negative impact in the proposed new land openings,
5. Minimizing possible accidental fires,
6. Mitigating illegal hunting of protected animals,
7. Develop policies and procedures to minimize impacts on protected animals.

Management plans to enhance or maintain conservation values of identified HCV areas

The process of Strategy Mapping, the Practical Vision was adopted in defining the Basic Targets. Those Basic Targets included seven items to be achieved through the efforts of HCV management as follow:

1. The existing areas with key animals in the proposed area are conserved,
2. The sustainability of the local habitats is reserved,
3. The river banks function as the hydrological buffer (the protection for water cycle), ecology (the protection for wildlife species) is maintained,
4. The erosion risk is managed and controlled,
5. Conserve water catchments areas,
6. Minimize damage of peat moss areas,
7. Preserve the local graveyards and cultural sites.

VERIFICATION STATEMENT:

The social and environmental assessments were detail, comprehensive and professionally carried out. The management plan has included the findings of the SEIA (AMDAL) conducted by the government approved consultants as well as incorporating the HCV and SIA assessments findings by consultants accredited and approved by the RSPO. PT Agrowiratama has adhered to the RSPO New Planting Procedures and has documented the assessments and plans according to the RSPO templates issued in May, 2010.

Control Union Certifications auditors conducted desk study and review relevant documents from 29th November 2010. The company opted for a document audit. Three Control Union auditors were present with the management team of PT Agrowiratama at their head office in Medan on 5th – 6th January to verify the findings of the desk study and held further discussions on the review and verification conducted. It is the opinion of the Control Union Certifications auditors that PT Agrowiratama has complied with the RSPO New Planting Procedures enforced on 1st January, 2010. Control Union Certifications confirmed that the assessment and plan are comprehensive, professional and compliant of RSPO principles, criteria and indicators.

Signed on behalf of Control Union Certifications



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Mr Senniah Appalasamy
Lead Auditor
Date: 6th January, 2011

Signed on behalf of PT Agrowiratama



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Dr Gan Lian Tiong
Head of Sustainability Department
Date: 6th January, 2011