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: 21th February 2012

Tick whichever is appropriate

	This is a completely new development and stakeholders may submit comments.
X	**This is part of an ongoing planting and is meant for notification only.**

PT Prima Mitrajaya Mandiri is located in three sub-districts, namely Kota Bangun, Muara Kaman and Muara Wis, Kutai Kartanegara District, East Kalimantan Province hereby provides the NPP Notification as required by the RSPO procedures for new plantings. PT Prima Mitrajaya Mandiri is subsidiary of MP Evans Group Plc.

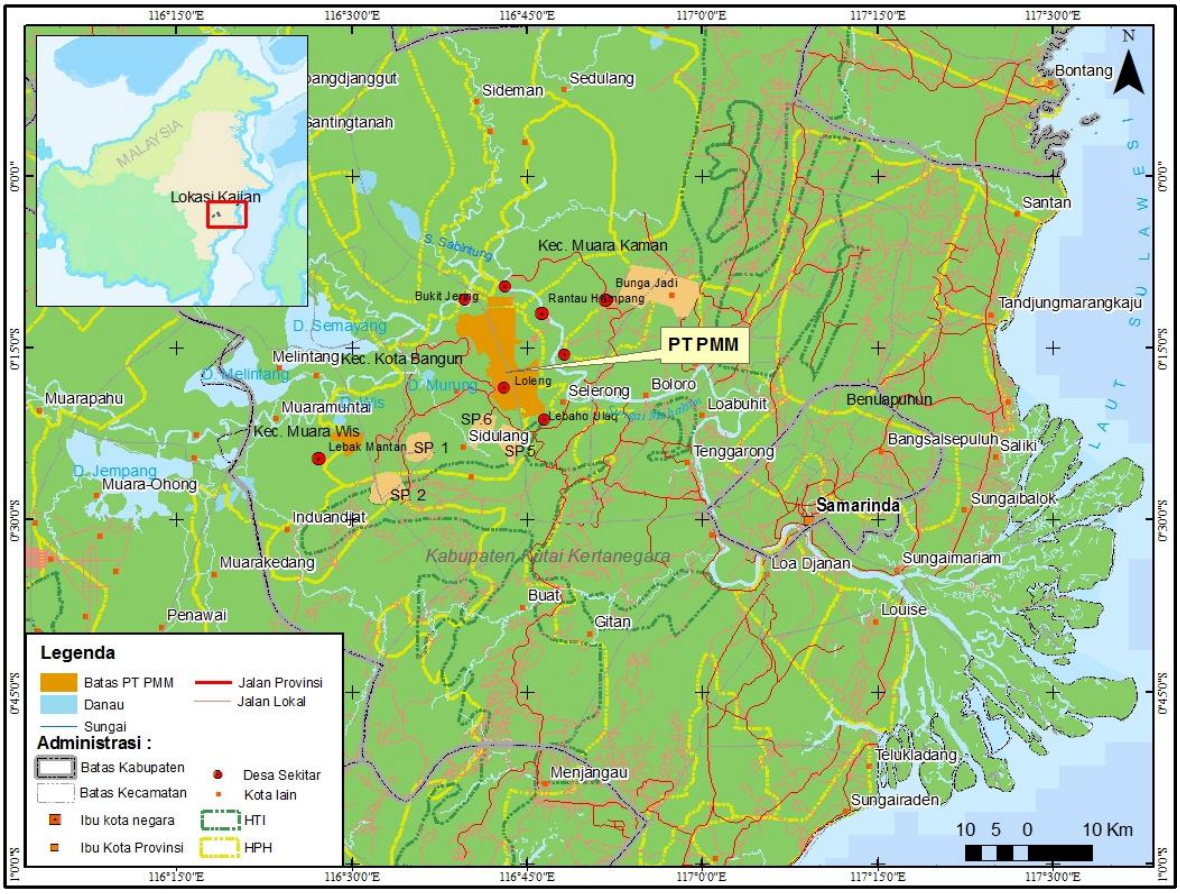
RSPO Membership No.: 1-0027-06-000-00

Location of proposed new planting: description or maps.

Company Name	:	PT Prima Mitrajaya Mandiri
Company Address	:	*Head Office*: Gedung Graha Aktiva Lt 10, Suite 1001, Jl. HR Rasuna Said Blox X-1 Kav. 03, Kuningan, Setiabudi, Jakarta Selatan *Regional Office*: Jl Kadrie Oening Ruko No 3 and 4, Kecamatan Samarinda Ulu, Samarinda, Kalimantan Timur, Indonesia.
Type of business	:	Oil Palm Plantation & Processing
Status of concession land and Permit	:	1. The last revision of Permitted Area (Izin Lokasi) No. 47/DPN.K/IL-46/VI/2007, dated 26 June 2007 (± 21,500 ha) which state that according the RTRWP, this area is non forest area (KBNK/APL). 2. Ijin Usaha Perkebunan/IUP (Plantation Operational Permit) No. 503/50/SK-DISBUN KUKAR /VIII/2007, dated 26 July 2007 (± 21,500 ha). 3. Recommendation of cadastral HGU from Kutai Kartanegara Regent No. 345/590/PPT/A.PTN/VI/2011, dated 27 june 2011 for ± 9,971.06 ha (INTI). Recommendation is not included KKPA areas (2,927 ha) due to the land Authority (BPN) will issue the land title of KKPA separated with INTI

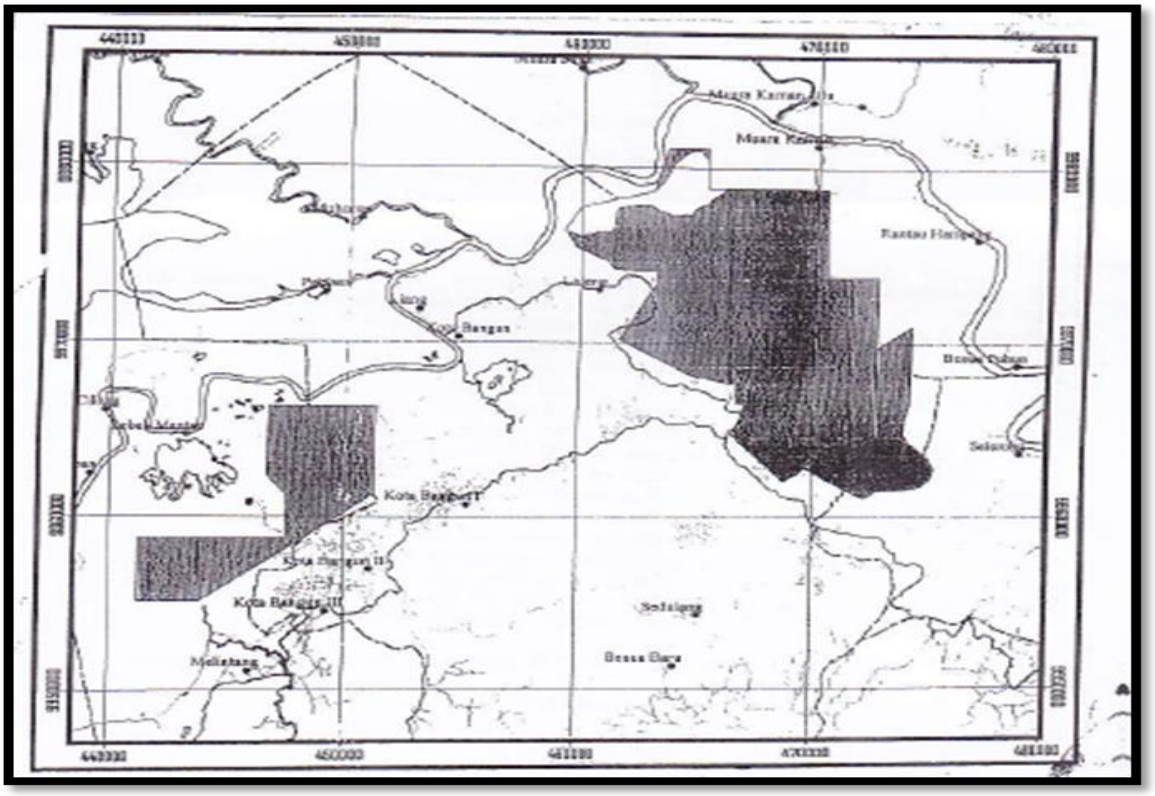
4. Area Allocation Mapping Analysis from Balai Pemanfaatan Kawasan Hutan/ BPKH Wilayah VI No. S.499/BPKH IV-2/2011, dated 13 June 2011 state that the proposed areas for ± 16,577 is not included in forest area (Areal Penggunaan Lain/APL)
5. The Social Environmental Impact Assessment (AMDAL) No. KAKK/27/AMDAL/KELAPA SAWIT/2008, dated 24 September 2008.was approved by Kutai Kartanegara Regent.

Contact person	:	Mr. Daud Bukit (Senior Manager PT PMM) Mr Hamdianas (RSPO Manager) Kaltim
Geographical Location	:	116°28 '- 116°46' E 0°10 '- 0°24' LS
Surrounding Entities		
North	:	Settlement of local community Muara Kaman Ilir and Bukit Jering villages.
South	:	Settlement of local community Lebaho Ulaq village
West	:	Settlement of local community Loleng village
East	:	PT. Teguh Jayaprima Abadi, forest area, and Benua Puhun village.

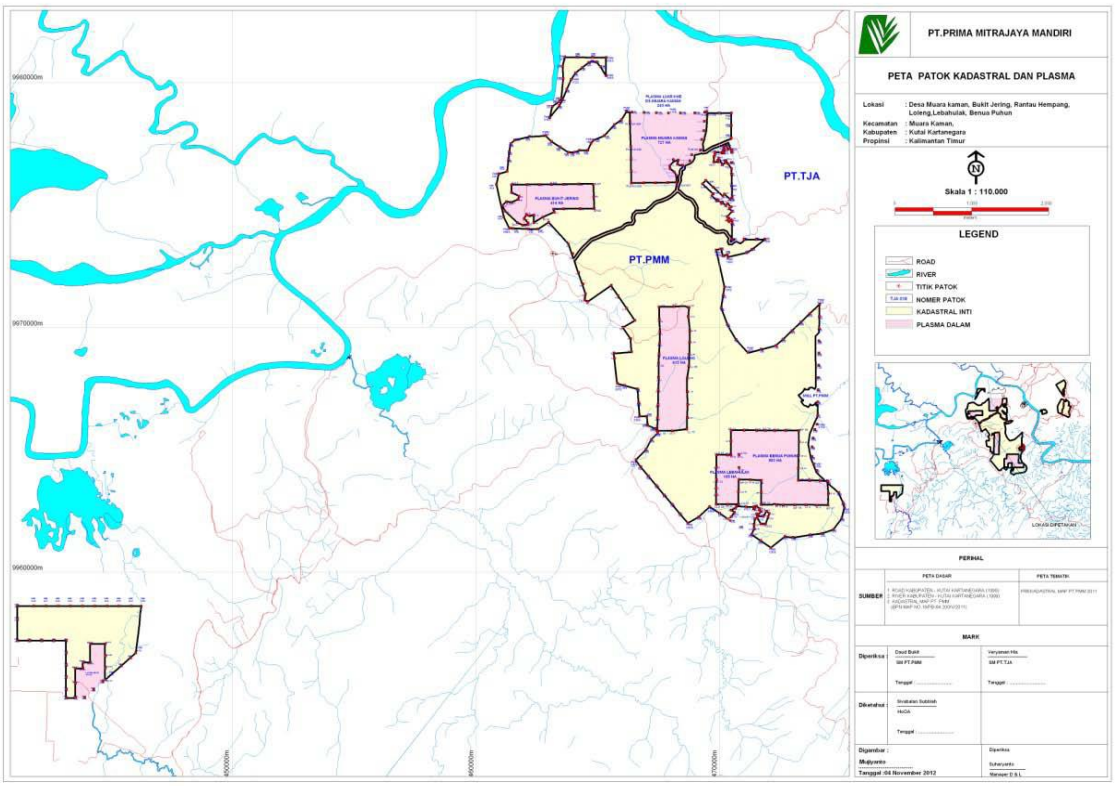


Picture 1. Location of PT. Prima Mitrajaya Mandiri in East Kalimantan Province

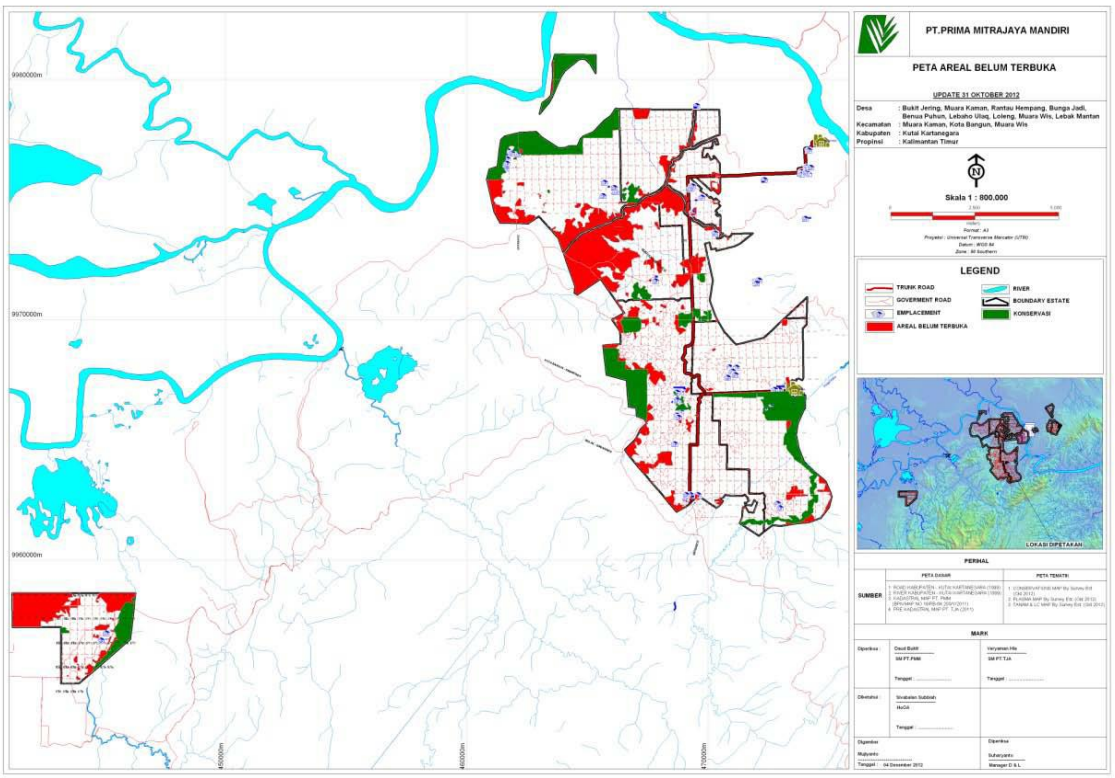
Picture 2. Location of PT. Prima Mitrajaya Mandiri in Kutai Kartanegara District.



Picture 3. Land permit of PT. Prima Mitrajaya Mandiri



Picture 4. Cadastral Boundary PT. Prima Mitrajaya Mandiri



Picture 5. Planting program PT. Prima Mitrajaya Mandiri in proposed Kadastral HGU

SUMMARY FROM SEI ASSESSMENTS:

Assessors and their credentials:

The Social Impact Assessment of PT PMM was carried out at June, 17th – 24th 2012 by 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 key consultants conducting these assessments have been accredited and approved by RSPO. The team members are:

1. **Miranty Magetsari,** she is graduated from Physics discipline, Faculty of Mathematics and Natural Sciences, Bandung Institute of Technology (ITB). A relevant trainings attended by her was ISO 14001 Environmental Management System, OHSAS 18001 Health Management System dan Safety Work, and ISCC audit. She is experienced as a consultant in the developmentation of the quality management system for various industry and professional certification body. She is also experienced in the proffesional training and certification based on competence aspect. Together with Aksenta she was doing a study related to the SIA and HCV for varius palm oil companies and forestry industrial companies in Indonesia, and also a RSPO audit due to due diligence system. Her role in this assessment was a team leader.

2. **Erizal** (*erizal.bogor@hotmail.com*), is graduated from Forest Resources Conservation Department, Faculty of Forestry, Bogor Agricultural University. He has good experienced of work in agriculture, forestry, and the research of biodiversity and social capacity. His activity's concern is "Bina Desa" with the main activity as the emergence of Kader Pelopor in the Village in "*Pelatihan Tokoh Pelopor Desa*". This time, he is participating in the social development and he has ever been the trainer related to the business, the development of bamboo handicraft, such as, working together with Non-Timber Forest Product Indonesia Programme, Forest Department of West Java, DPRD of Bogor Regency, and Cirebon City, DRPD of South Sumatera, UKM Ternate and Bogor Agricultural University. Since 2010, he joined in the Social Impact Assessment Team of PT Gagas Dinamiga Aksenta.

3. **Gelar Satya Budhi,** He is graduated Master of Science in Community Development from University of Putra Malaysia. He is senior researcher on social economic and community development aspect, which is some commodities are plantation, food plants, horticulture, ranch and forestry. Ever collaborated in research of applied research and participatory action research with some national institution (Bappenas, Bank Indonesia Pusat, Bank Indonesia Bandung, Kementrian Pertanian, Pemda DKI, IPB, Unpad) either or international (ICRAF, CIFOR, IFPRI, ACIAR, JBIC, ESCAP, IDRC). Active writing an article on some journals in Indonesian language and English about some topics, which is published by PSE-KP, UI and some universities. In teens articles release in some mass media like Kompas, Suara Pembaruan, Bisnis Indonesia, Suara Karya and Pikiran Rakyat. Conveying working paper on some seminars in Indonesia or abroad, like under one's belt by Asian Productivity Organization (APO). Some writes from his research published on book Improving Smallholder Farming Systems in Imperata Areas of Southeast Asia published with International. Since 2007 – 2009 become member of eight teams to help research of Agriculture Ministry. Now Gelar Satya Budhi engage in some Social Impact Assessment (SIA) and HCV activitiy in social and culture sector in Aksenta. His role in this Social Impact Assessment is as a Team Leader.

4. **Muayat Ali Muhshi** (muayat@aksenta.com)**,** He graduated from the Faculty of Forestry graduated from Bogor Agricultural University (IPB) – Bogor majoring in Forest Resources Conservation. He is experienced as a reseracher at WALHI and as a member of Book Editor "*Peran HPH dalam Pembangunan Ekonomi Regional Kaltim*" (Walhi and World Resources Institute, 1990-1991). He is also experienced as a Forestry Program Coordinator in Pelangi Indonesia Foundation and doing a studi: "*Integrasi Bina Desa dalam Kerangka Pengelolaan KPHP*" supported by ODA – in cooperation with Ministry of Forestry – UK Tropical Forestry Management Program; and the study of "Hasil Hutan Non-Kayu dalam Rangka Pengelolaan Hutan Berbasis Masyarakat" supported by NOVIB – the Netherlands (1991-1997). And also he worked in many roles for many years. His role in this Social Impact Assessment is as a team member.

5. **Nandang Mulyana** (nandang@aksenta.com)**,** He graduated from the Faculty of Agriculture Graduated from UMJ (Jakarta Muhammadiyah University) – Jakarta majoring in Economics and a Master Degree holder from Bogor Agriculture University. He is experienced in the field of education, environment, socio-environment, and community development programme (CDCSR), collaborated with Unocal Geothermal of Indonesia Ltd and Chevron Geothermal Salak since 2000. Nandang Mulyana wrote a book on "*Membedah UMKM di Indonesia; Sebuah Kajian tentang Strategi Pemberdayaan dan Pengembangan UMKM Indonesia" published* by Lugas. He has conducted several HCV and Social Impact Assessments in oil palm plantations in Indonesia with Aksenta. In year 2010. Achieved the RSPO accreditation as Discipline Specialist Social (Participatory rural assessment; socioeconomic or cultural studies; participatory mapping; conflict resolution). His role in this Social Impact Assessment is as The Team member focus on social economic and community development assessment.

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

SEIA assessment was conducted by Aksenta in Lebaho Ulaq, Loleng, Benua Puhun, Muara Kaman ilir, Bukit Jering and Lebak Mantan during the same time as the HCV assessment.

SEIA activities were carried out over a period of 8 days from 17th-24th June 2012 by the team consisting of Miranty Magetsari, Erizal, Gelar S. Budhi, Muayat Ali Muhshi, and Nandang Mulyana. Assessments were conducted by field observations, interviews, FGD (Focus Group Discussion) and document reviews.

Stages of the SIA assessment included:
- Social rapid Assessment
- Document reviews
- Participatory mapping

Data collection method included:
- Primary and secondary data reviews
- Dialogues
- Field Observations
- Indepth Interviews
- Triangulation

The methods used to analyze the social impacts and risks were qualitative using the tools of sustainable livelihood, RSPO Principles and Criteria, FPIC principles, national laws and regulations, and other applicable standards.

Public consultation was conducted on June, 22nd 2012 to obtain feedback from the findings of HCV and SEIA from various interested parties. Inputs from the public consultation are documented as evidence in the Final HCV and SEIA reports.

The Public Consultation was attended by Aksenta, PT PMM employee, leaders of cooperatives (KKPA), community leaders, traditional leaders, village chiefs, district representatives, government agencies such as Agriculture and Forestry Department, Department of Environment and other stakeholders such as neighboring plantation companies.

Summary of SEIA Findings

From the results of the study, it was found that the presence of PT PMM had created a positive impact on the livelihoods of the surrounding villagers who also viewed the activities of the company favourably.

Some of the positive impacts were:

1. KKPA locations determined together with the community.
2. Employment for villagers who were fishermen and farmers on shifting agriculture leading to regular income and financial stability.
3. Compensation paid on land acquisition was used by the villagers to start small businesses.
4. The total number of people employed by the company is 2.300 and in the short term 3.391 households will enjoy the positive benefits arising and subsequently the cumulative benefits will enhance the economic potential of the district and the people.
5. With opening of estate roads, children from the desas have better access for schooling in Kota Bangun.
6. Workers rights of worship, respect of local customs and giving priority of employment to locals has created a positive effect.

Strategic issues highlighted in the study include:

1. The lack of facilities such as schools, clinics and electricity supply which is limited.
2. In newer estates such as Muara Wis, crèches and houses of worship were not available yet.
3. In Muara Kaman Ilir a group of villagers are unhappy with the change in the cooperative recognised by the company.
4. Some areas in the “Kadastral” overlap with “izin” for mining companies and this has to be resolved amicably.
5. Village boundaries have not been verified by the authorities.

SUMMARY FROM HCV ASSESSMENT(S):

Assessors and their credentials

The HCV assessment in the Permitted Area (Izin Lokasi) of PT PMM was done by the RSPO accredited assessors from Envirologic Consulting and Aksenta. Envirologic Consulting conducted HCV assessment for Loleng estate and Benua Puhun estate on August, 20th – 23rd 2011. Besides Aksenta conducted HCV assessment for Bukit Jering estate, Kaman Hilir estate, dan Muara Wis estate on June, 17th – 24th 2012. Envirologic Consulting as an assessor located at 18 Jalan 20/2, Paramount Garden, 46300 Petaling Jaya, Selangor Darul Ehsan, Malaysia; Telephone/fax: +603 7960 5601; E-mail: sanath@kenviro.com. Then

Aksenta located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com.

Key consultants from Envirologic Consulting have been accredited and approved by RSPO. The team members are:

1. **Sanath Kumaran, PhD** (*sanath@kenviro.com*), has 17 year profesional working experience in natural rasources conservation and management in Malaysia, Indonesia, and Papua New Guinea. He is a conservation planning expert with Envirologic Consulting, an international specialist consultancy based in Petaling Jaya, Malaysia and has field experience in High Conservation Value assessment, development of management plans and monitoring indicators. He has vast working indicators in scientific fieldwork and policy level on natural resources management and community absed natural resources management. Dr. Kumaran has worked in the field and as an agronomist with oil palm companies. He has also served WWF-Malaysia in various project related to forest conservation, forest certification, and forest trade network. His role in this HCV assessment was a team leader.

2. **Hanjoyo (Aseng Tan)**, is a field trained botanist working as freelance consultant in botanical survey and above ground biomass assessment for Fauna & Flora International – Indonesia Programme (FFI – IP). He is responsible for organizing fieldworks in HCV assessment in logging concessions and oil palm plantations, leading the above ground biomass survey team and organizing replanting and rehabilitation projects. He is also actively involved in conservation awareness programmes. He is also an advisor in marketing strategy and company spokeperson for several trading companies. His role in this HCV assessment was a team member for HCV 1, 2, and 3 related to the biodiversity assessment.

3. **Angga Rachmanshah**, graduated from School of Life Science and Technology, bandung Institute of Technology (ITB), Indonesia specializing in ecology and biosysthematics. He works as a herpetologist with Fauna & Flora International – Indonesia Programmes (FFI – IP). He undertakes herpetofauna surveys as a part of High Conservation Value Forest (HCVF) and Biodeiversity Assessments. Prior to joining FFI – IP, he freelanced and worked with National University of Singapore, University of California Berkeley, and in private sectors in Sumatera, Java, Kalimantan, Sulawesi, and Papua New Guinea. He was a part of a team which discovered several herpetofauna species in Indonesia. His role in this HCV assessment was a team member for HCV 1, 2, and 3 related to the biodiversity assessment.

4. **Andhy Priyo Sayogo**, graduated from Department of Forest Resources Conservation and Ecotourism, Faculty of Forestry, Bogor Agricultural University (IPB). He works as an ornithlogist with Fauna & Flora International - Indonesia Programmes (FFI – IP). His main responsibility is undertaking bird surveys as a part of High Conservation Value Forest (HCVF) and Biodiversity Assessments. He has conducted several bird surveys in Sulawesi, Sumatera, Kalimantan, Lombok, dan Java. In addition, he is a member of Indonesia Raptor Research & Conservation Network (RAIN). His role in this HCV assessment was a team member for HCV 1, 2, and 3 related to the biodiversity assessment.

5. **Rahmawati**, graduated from Faculty of Forestry, Tanjungpura University (Untan), Pontianak, West kalimantan, Indonesia specializing in Forest Management. She works at Fauna & Flora International - Indonesia Programmes (FFI – IP) implementing HCV assessment for socio-economic and cultural component in close collaboration with

senior orang utan scientist, senior biologists, and carbon specialists using standard methods for site specific and landscape level HCV assessments. She has conducted HCV assessments in Kalimantan and Java for timber companies, oil palm concessions, cement manufacturers, and coal mining companies. His role in this HCV assessment was a team member for HCV 5 and 6 related to the socio cultural assessment.

Meanwhile, key consultants from Aksenta have been accredited and approved by RSPO. The team members are:

1. **Resit Sozer** (resit@aksenta.com), Master's degree in Tropical Ecology at the University of Amsterdam (UvA). Have expertise and experience in the field of wildlife management; study habitat and population, as well as wildlife conflict mitigation. Currently, in addition to consulting with HCV, manage wildlife rescue centre in Sukabumi. Competence in the assessment of HCV has been recognized by the RSPO and the entry in the list of RSPO HCV Accredited Assessor - Team Leader, and a charge of identifying HCV 1, 2, and HCV 3.

2. **Andri Novi** (*andri.novi@aksenta.com*) a Literary from Padjajaran University, Bandung with science culture literature and linguistic culture. Experienced in Participatory Action Research and Community Development and was a Capacity Building & Regional Development Training Expert for National Programs of Community Empowerment (PNPM). Has conducted the Social Impact Assessment in several oil palm plantations in Indonesia and in 2010 obtain the accreditation from RSPO as a Dicipline Specialist to HCV studies in social and culture. Andri Novi jointly wrote a book name "*Panduan Menakar Otonomi Komunitas* (Guideline on Community's Autonomy)" which was published by Yappika and wrote an article "*Tata Kehutanan Majemuk; Redistribusi Kekayaan Alam Nusantara* (Forestry complex System; Redistribution of National Natural Resources)" in the Community Forestry Journal. Beside that, Andri Novi has translated the "*Seni Membangun Kapasitas Pelatihan dalam Pengembangan Komuniti Forestri* (The Art of Training Development Capacity in Forestry Community)" which was published by RECOFTC. As the study team Aksenta SIA (Social Impact Assessment) and the study of HCV 5 and HCV 6.

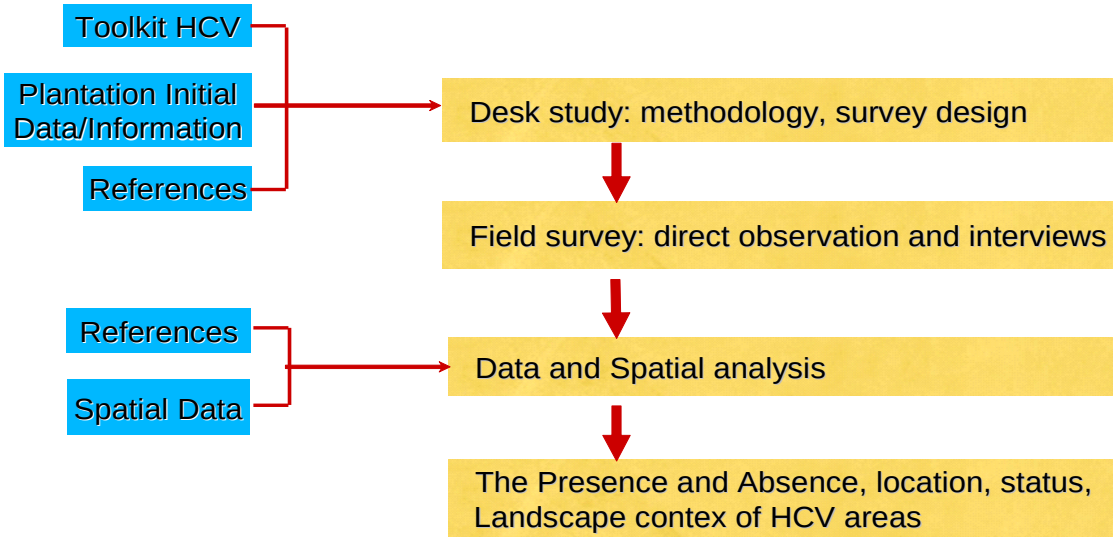
3. **Fersely G. Feliggi** (*getsa@aksenta.com*), graduated from undergraduate year of Department of Geophysics anf Meterology, Faculty of Mathematics and Natural Sciences, Bogor Agricultural University (IPB). He was actively involve to the studies related to the meteorology, climatology, and hydrology. He is experienced in mapping, spatial analysis, and remote sensing for applied natural resources management, water resource management, and watershed management as well as environmental risk assessment. In this assessment, his role is identifying HCV 4.

4. **Risa Syarif** (*risa@aksenta.com*), finished Bachelor programme in Bogor Agriculture University (IPB) of Forest Management Department. Her is experienced and had skill of Spatial, like Remote Sensing and Geografis Information Systems (GIS). In this assessment, as GIS Specialist, spatial analysist and mapping of HCV areas.

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

The HCV assessor teams consisting of experts in Biodiversity, Environmental Services, Social and Cultural Rights and supported by GIS experts, done by either Envirologic Consulting or Aksenta. Collected data facilitated by staff from the plantation and assisted by surrounding desa community. The SEIA was also conducted by Aksenta together with the HCV assessment and done in the same manner.

Identification of HCV was generally done through a series of stages from pre-assessment, field survey to analysis of the final results. The stages of these activities can be seen briefly in the diagram below:



Summary of HCV Findings

From the HCV assessment, it was found that the area consisted of 977.87 ha of HCV 1 or 7.5 %, 0.92 ha of HCV 3 or 0.007 %, 600.02 ha of HCV 3 or 4.65% and 0.06 ha of HCV 6 or 0.0006% of the 'Kadastral" area.

It was also found that some of the HCV areas are overlapping with other HCV areas. HCV 2 and 5 were not found in the area.

In total the HCV area identified was 1.410,71 ha and this accounted for 10,9% of the "Kadastral" area.

Summary of HCV findings at PT PMM

No.	Map Index	Areas	Ha	Description	HCV
1	Index 1	BJE Blok A13-20, B13-15	110,0	Mahakam River riparian area in the form of natural vegetation ± 20 meters from the river bank and the swamp behind it. This acts as a flood mitigation and sedimentation control area.	HCV 4.1, HCV 4.2, and HCV 4.3
2	Index 2	BJE Blok F 5-7, D7-20, C21-23, C26-28	309,6	Mineral fresh water swamp located behind the natural levee of the Mahakam River, and acts as a flood mitigation, sedimentation control also as a natural firebreak.	HCV 4.1, HCV 4.2, and HCV 4.3
3	Index 3	BJE Blok D8, E7-8	11,8	Mineral Swamp with natural vegetation cover and acts as a flood mitigation and sedimentation control area.	HCV 4.1 and HCV 4.2

4	Index 4	BJE Blok D9	0,92	Fragments of fresh water swamp forests. There is a layer of humus-like peat (>2.3m), but the top layer of soil is alluvial. There are many species of birds, small mammals such as Beluk Ketupu, This area is at the border of the Mahakam river flood plains	HCV 1.3 HCV 3, HCV 4.1, HCV 4.2
5	Index 5	BJE Blok E9	1,3	This natural spring has never dried out and is used as a water source for staff and workers.	HCV 4.1
6	Index 6	BJE Blok F 9	0,06	Banggeris Tree (*Koompassia excelesa*) called Liang Nene, should be maintained as memorial on the history of the ancestors of Bukit Jering Desa.	HCV 6
7	Index 7	BJE Blok F14	1,30	Secondary forest fragment in the form of an island which is a sanctuary for many species of birds and small mammals.	HCV 1.3
8	Index 10	BJE Blok J24-25	36,2	Open area with bushes, shrubs and Mahang trees supporting the existence of deer and Rhinoceros hornbills. The area also acts as a water catchment and also for erosion control.	HCV 1.3, HCV 1.4, HCV 4.1 and HCV 4.2
9	Index 8	KHE Blok F24-25	34,25	Ex cultivated area abandoned for > 20 years and has grown into a secondary forest supporting many species of small birds and mammals	HCV 1.3
10	Index 11	KHE Blok K33-K35	28,41	Area with bushes, shrubs and secondary forest that supports the existence of a number of species. This area is contiguous with Loleng Estate conservation area and is home to Rhinoceros hornbills, Monkeys and Ulin saplings. It also serves as a water catchment and erosion control area.	HCV 1.4 , HCV 4.1 and HCV 4.2
11	Index 12	MWE Blok H17,I15-17, J13-15 and K13-14	128,38	Secondary forests, swamps and other natural vegetation alongside Keham River. It is an habitat and corridor for rare species such as Proboscis monkeys, Rhinoceros hornbills, Grey Headed Fish Eagles and Gold Kingfishers. Also serves as a source of water, flood mitigation, erosion and sedimentation control as well as a natural firebreak.	HCV 1.2 , HCV 1.4 , HCV 4.1, HCV 4.2 and HCV 4.3

12	Index 13	MWE Blok J8	6,55	Ex-cultivated area abandoned for > 20 years and has become a secondary forest. The bigger part of this area is in PT JMS (neighbouring company). This area is an habitat for *Hylobates muelleri* (Mueller's gibbon).	HCV 1.2
13	Index 14	LLE Block K/L 23-26,K31,K/L 32,M21-23,N21-26,O24-26, N/O 31,O31-32	334,65	This area of shrubs and secondary forests is an habitat that supports small populations of endangered species. Species found are Pied hornbills and Rhinoceros hornbills.	HCV 1.3
14	Index 15	LLE Block T 40-42	17,47	This area has importance for erosion and sedimentation control along the Semilis River and is also an habitat for some animals.	HCV 1.3 and HCV 4.2
15	Index 16	BPE Block O35-O48,P45-P47,Q45-Q48, R48-R50, S43-S50	389,74	This area is an habitat for small populations of endangered species such as *Hylobates muelleri*, leopard cat, Greater Mouse Deer. Dipterocarp (*Shorea Floxworthy*) is found in block O40, and most of the area (109.94 Ha) is a riparian area for Semilis River	HCV 1.2 and HCV 1.3 and HCV 4.2
		Total	**1.410,7**		

SUMMARY OF PLANs:

Development of HCV and SIA Management Plans

PT Prima Mitrajaya Mandiri (PT PMM) is a subsidiary of PT Evans Indonesia under the auspices of MP Evans Group PLC. MP Evans Group PLC has been registered as a member of the RSPO (membership number 1-0027-06-000-00).

PT Prima Mitrajaya Mandiri (PT PMM) received a license (Izin Lokasi) to use land area of 20,000 hectares according to SK Bupati Kutai Kertanegara No.39/DPtn/UM-38/XII-2005 dated December 26, 2005, which was extended by SK Bupati Kutai Kartanegara No.88/DPN.K/IL-84/XII-2006 dated December 29, 2006. On June 26, 2007 there was an extension and revision by SK Bupati Kutai Kartanegara No.47/DPN-L/IL-46/VI-2007 for use of land for oil palm plantation area of 21,500 hectares. PT PMM receive the IUP from Bupati Kutai Kartanegara on July 26, 2007 by SK No. 503/50/SK-Disbun Kukar/VII/2007. PT PMM has conducted a review of environmental and social factors highlighted in the EIA document that has been verified by the government through SK Bupati Kutai Kartanegara No. KAKK/27/AMDAL/KELAPA SAWIT/2008.

The findings on both the HCV and SIA have been incorporated in the oil palm development plan of PT Prima Mitrajaya Mandiri which includes the HCV and SIA management and monitoring plans of PT Prima Mitrajaya Mandiri.

The results of the assessment and the management plans are documented and presented and discussed in a stakeholders consultation on 22th June 2012 in PT. PMM's office. The feedback from this stakeholders' consultation have also been incorporated into the oil palm development plan as well as the HCV and SIA management plan.

The implementation of the HCV and SIA management & monitoring plans in the field will be implemented by experienced personnel who possessed a high level of dedication of knowledge and special technical skills. RSPO team, Pemitra/Scheme Manager and support by D & L Dept. (Document and Legal) stationed at the location, will provide support in these activities. The Estate Manager is directly responsible on the implementation of the plans of management and monitoring. The Head of Operation Agronomy is accountable and responsible to ensure that the Overall Development Plan including the management of HCV and SIA is implemented according to the time plan and budget. The management team is supported and supervised by the President Director.

Stakeholders to be involved'

The Stakeholders Consultation was held on June, 22th 2012 in PT. PMM's office to provide opportunities for communication and sharing the informations/opinion/suggestions.

This is also part of the process of free, prior and informed consent procedures to ensure that there is a balance in the social and environmental harmony in the development of the oil palm planting project between PT. Prima Mitrajaya Mandiri and the stakeholders.

The summary of the consultation with highlights of key suggestions from the consultation on HCV, SIA, and RSPO P&C are as follow:

1. Is there any important area for flora and fauna?
    - Head of village: Mahakam estate, Orang Utan still exist, perhaps because they had a boundry with industrial wood concession (HTI) Tanjung Karas, also because in those concession area there are exist the community land which is still forest cover.
    - Rantau hempang and Muara Kaman Hilir found many Dutch Monkey and Orang Utan. But, it seems that they are influenced by the reducing of HCV because the mining activities.
    - Rantau hempang, there are still many of wildlife, however at recent days they are rare to be found.
    - For protection area, it depends on the local government regulation whether giving a permit for mining or not.
    - PT TJA concession area already worked on. The wildlife disappeared after an issuance of PT TJA concession area.
    - It is good to be recommended to the local government, that there are a conservation area in this area, so that no license could be issued to the mining company.
    - After doing this study and to be reported if the company ruled to open the land of PT PMM and PT TJA, what will happening next?
    - Head of cooperation (KPPA): What is the differenciacies between public consultation of EIA and HCV? Why it's done after the land opening already done? Whereas if this public consultation were done before the opening land, many areas will be saved.
    - BPLHD: Community involved to arrange the documents of EIA, there are a rules said the company should reseved 10% from the concession area. Basically those two activities are related each other. An EIA documents arrangement involving many stakeholders.
    - Dishutbun (Forest and Plantation Agency): Does on the studies of Aksenta already considered a several things related to the issues that the company permit were overlaid with mining company and when the company operated their activities, what

will be doing by the company? And whether this studies already considered the periodic swamp and permanent swamp around the concession area?

- Head of Loleng Village: There are conservation forest that already reseved. And we are talking about the continuity of wildlife. From the management is should be better if prioritized an important person in the field, so that the management were doing the monitoring in accordance to the inside-plantation-activities, and as a community we know that it is important to had a cooperation.
- Cooperation head: Commonly in this forest, there are many fruits can be found and also many kinds of wood can be found. As a community, we are inviting the company management for doing an enrichment again an existing conservation area.

2. Is there still any an important water resources?
   - Sumelis river
   - There is a mill located at the upstream of Sumelis river.
   - Ishak: Bukit Jering, there is a well/water resource which is entered by the hand, we can feel an electricity (already confirmed by the fieldteam of HCV assessment)/

3. Is there any an important places for the continuity of local cultural identities?
   - No, there aren't. The HCV assessment team didn't find any places to become a cultural identity. It is already confirmed by the visiting of HCV assessment team.

SEIA Management and Mitigation Plan

PT Prima Mitrajaya Mandiri has developed the plans for the conservation impacts and social impacts as the operational efforts on social and conservation mitigation. The SEIA development and preparation of management & monitoring plans was mainly based on the SIA Assessment result administered in June, 17th-24th 2012, in corporate with Aksenta; consultant accredited and approved by RSPO and the Social Environment Impact Assessment (AMDAL) was approved by Kutai Kartanegara Regent No. KAKK/27/AMDAL/KELAPA SAWIT/2008, dated 24 September 2008, in principle, referred to the related laws in Indonesia.

Summary of SEIA Management and Mitigation Plan as follows:

No.	Description	Management Objective	Action Plan	PIC	Target
1	Land acquisition by Company	To ensure that the land acquisition process is in accorandce with the principles of FPIC	Resocialization of SOPs on Land acquisition	Manager D&L	January 2013
2	KKPA Cooperatives	Fostering integrity and accountability in the KKPA Cooperatives	- Conduct education and training to Management representatives and members of Cooperatives. - Assisting and guiding Cooperative management representatives in	Pemitra Pemitra	2013 continual

			making transparent and credible financial statements. - Continuously supervising Cooperatives to conduct Annual General Meetings of members as scheduled and required by law. - Engaging with the Department of Cooperatives to supervise the AGMs and monitoring the Cooperatives activities and the relevant reports needed to be submitted to the various Authorities.	Pemitra Pemitra	continual continual
3	CSR Programs	Prepare CSR programs according to the needs of the surrounding communities within the financial capabilities of the Company	Conduct consultations with local government and community leaders on the needs of the villages.	Estate Manager	2013
4	Internal issues	- Develop programs to improve Occupational Health and Safety (OSH) for employees. - Develop programs to improve the welfare of employees	- Develop understanding and cooperation with the nearest Health Care Clinics. - Budgeting and planning for the construction of clinics in the estates. - Provide and improve creche. - Improve transportation facilities for schoolchildren		2012 2013 2012 2012

HCV Management and Mitigation Plan

The HCV development and preparation of management & monitoring plans was based on the result of the HCV assessment which was administered in August, 20th – 23rd 2012, in corporate with Envirologic Consulting and also administered in June, 15th-24th June 2012, in corporate with Aksenta. Both are accredited and approved by RSPO. The HCV development and preparation of management & monitoring plans was implemented with the aim to provide guideline for the company in planning and management of its programs or activities in managing the HCV present within the concession area.

Summary of HCV Management and Mitigation Plan as follows:

No.	HCV Area	Ha	HCV Criteria	Management Program	Target
1	BJE Blok A13-20, B13-15	110,0	HCV 4.1, HCV 4.2, and HCV 4.3	**Purpose**: To protect biodiversity/conservation areas	
				Objective: To protect and maintain the buffers around the streams	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants. - Ensure that conservation areas identified are not mistakenly cleared for planting. - Conduct fire patrols during dry seasons	2012 2012 2012 2013 2012 and continual continual continual
				PIC: RSPO dept/ Estate Manager/Security	
2.	BJE Blok F 5-7, D7-20, C21-	309,8	HCV 4.1; HCV 4.2; and HCV	**Purpose**: To protect biodiversity/conservation areas	

	23, C26-28		4.3	**Objective**: To protect and maintain the buffers around the streams that act as flood mitigation and natural firebreaks	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrol ling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Ensure that conservation areas identified are not mistakenly cleared for planting. - Conduct fire patrols during dry seasons. - Construct drain blocks during dry spells to retain water and reduce fire hazard.	2012 2012 2012 2013 Continual Continual 2013 and continual
				PIC: RSPO dept/ Estate Manager/Security	
3	BJE Blok D8, E7-8	11,8	HCV 4.1 and HCV 4.2	**Purpose**: To protect biodiversity/conservation areas	
				Objective: To protect and maintain the buffers around the streams that act as flood mitigation and natural firebreaks	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are	2012 2012 2012

				permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants. - Ensure that conservation areas identified are not mistakenly cleared for planting. - Conduct fire patrols during dry seasons.	2013 2012 and continual Continual Continual
				PIC: RSPO dept/ Estate Manager/Security	
4	BJE Blok D9	0,92	HCV 1.3; HCV 3; HCV 4.1; HCV 4.2	**Purpose**: To protect biodiversity/conservation areas	
				Objective: To protect and maintain the buffers around the streams that act as flood mitigation and natural firebreaks	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrol ling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants. - Ensure that conservation areas identified are not mistakenly cleared for planting. - Conduct fire patrols during dry seasons. -	2012 2012 2012 2013 2012 and continual Continual Continual

				PIC: RSPO dept/ Estate Manager/Security	
5	BJE Blok E9	1,3	HCV 4.1	**Purpose**: To protect biodiversity/conservation areas	
				Objective: Maintain the source of water	
				Program: Management and monitoring action of HCV area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/warning signage around the HCV areas. - Improving the quality of habitation in the conservation areas through enrichment by planting appropriate forest plants. - Ensure that conservation areas identified are not mistakenly cleared for planting. - Conduct fire patrols during dry seasons.	2012 2012 2012 2013 2012 and continual Continual Continual
				PIC: RSPO dept/ Estate Manager/Security	
6	BJE Blok F9	0,06	HCV 6	**Purpose**: To protect the importance of historical value	
				Objective: To maintain the existence of the Banggeris tree(*Koompassia exelsa*)	
				Program: Management and monitoring action of HCV Area	
				Method: - Ensuring that the Banggeris tree (*Kompassia exelsa*) is protected and not cut down or damaged. - Placing notice board near the tree. - Socialization to staff, employees	2012 2013

				and the public on the HCV area and inform what actions are permitted and prohibited.	2012
				PIC: RSPO dept/ Estate Manager/Security	
7	BJE Blok F14	1,30	HCV 1.3	**Purpose**: To Protection of biodiversity/conservation area	
				Objective: Protect the habitat for species with limited distribution	
				Program: Management and monitoring action of HCV	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants.	2012 2012 2012 2013 2012
				PIC: RSPO dept/ Estate Manager/Security	
8	BJE Blok J24-25	36,2	HCV 1.3; HCV 1.4; HCV 4.1; and HCV 4.2	**Purpose**: Protection of biodiversity/conservation areas	
				Objective: Protect the habitat for species with limited distribution and as a shelter for transient species .The area also has importance for sedimentation and erosion control.	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification.	2012

				- Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of habitation in the conservation areas through enrichment by planting appropriate forest plants. - Ensure that conservation areas identified are not mistakenly cleared for planting. - Decrease the possibility of soil erosion by planting Vetiver grass on the slopes around this area.	2012 2012 2013 2012 and continual Continual Continual
				PIC: RSPO dept/ Estate Manager/Security	
9	KHE Blok F24-25	34,25	HCV 1.3	**Purpose**: Protection of biodiversity/conservation areas	
				Objective: Protect the habitat for species with limited distribution	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants.	2012 2012 2012 2013 2012 and continual

				- Ensure that conservation areas identified are not mistakenly cleared for planting	Continual
				PIC: RSPO dept/ Estate Manager/Security	
10	KHE Blok K33-K35	28,41	HCV 1.4; HCV 4.1; and HCV 4.2	**Purpose**: Protection of biodiversity/conservation areas	
				Objective: Protect the habitat for species with limited distribution and as a shelter for transient species. The area also has importance for sedimentation and erosion control.	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants. - Ensure that conservation areas identified are not mistakenly cleared for planting. - Decrease the possibility of soil erosion by planting Vetiver grass on the slopes around this area.	2012 2012 2012 2013 2012 and continual Continual Continual
				PIC: RSPO dept/ Estate Manager/Security	
11	MWE Blok H17, I15-I17, J13-J15, and K13-K14	128,38	HCV 1.2; HCV 1.4; HCV 4.1; and HCV 4.2; and HCV 4.3	**Purpose**: To Protection of biodiversity/conservation area	
				Objective: Protection of rare, threatened or enandgered species and shelter for transient species The area also has	

				importance for erosion and sedimentation control	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants. - Prepare boundary signage of riparian reserve (50 m) on both sides of the Keham River. - Prepare warning signage prohibiting chemical spraying activities in this area. - Prepare a mechanism to resolve wildlife conflict and to socialize this to all staff, employees and the surrounding community	2012 2012 2012 2013 2013 2012 2012 Continual
				PIC: RSPO dept/ Estate Manager/Security	
12	MWE Blok J8	6,55	HCV 1.2	**Purpose**: To Protection of biodiversity/conservation area	
				Objective: Protection of rare, threatened or enandgered species	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas.	2012 2012

				- Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of habitation in the conservation areas through enrichment by planting appropriate forest plants. - Prepare a mechanism to resolve wildlife conflict and to socialize this to all staff, employees and the surrounding community	2012 2013 2013 2013
				PIC: RSPO dept/ Estate Manager/Security	
13	LLE Blok K/L 23-26, K31, K/L 32, M21-23, N21-26, O24-26, N/O 31, O31-32	334,65	HCV 1.3	**Purpose**: Protection of biodiversity/conservation areas	
				Objective: Protect the habitat for species with limited distribution	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants.	2012 2012 2012 2013 2012
				PIC: RSPO dept/ Estate Manager/Security	

14	LLE Blok T 40-42	17,47	HCV 1.3 and HCV 4.2	**Purpose**: Protection of biodiversity/conservation areas	
				Objective: Protect the habitat for species with limited distribution The area also has importance for erosion and sedimentation control	
				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants. - Prepare boundary signage of riparian reserve (50 m) on both sides of the Semilis River. - Prepare warning signage prohibiting chemical spraying activities in this area.	2012 2012 2012 2013 2013 2012 2012
				PIC: RSPO dept/ Estate Manager/Security	
15	BPE Blok O35-48, P45-47, Q45-48, R48-50	389,74	HCV 1.2; HCV 1.3; and HCV 4.2	**Purpose**: Protection of biodiversity/conservation area	
				Objective: Protection of rare, threatened or enandgered species and habitat for species with limited distribution . The area also has importance for erosion and sedimentation control	

				Program: Management and monitoring action of HCV Area	
				Method: - Delineation of HCV areas on site according to results of HCV identification. - Conducting patrolling and monitoring of the conservation areas. - Socialization to staff, employees and the public on the presence of HCV and inform what actions are permitted and prohibited in the conservation areas. - Construction and improvement of signboards and notice boards/ warning signage around the HCV areas. - Improving the quality of the habitat in the conservation areas through enrichment by planting appropriate forest plants. - Prepare boundary signage of riparian reserve (50 m) on both sides of the Semilis River. - Prepare warning signage prohibiting chemical spraying activities in this area	2012 2012 2012 2013 2013 2012 2012
				PIC: RSPO dept/ Estate Manager/Security	
	Total	**1.410,71**			

Development Plan

PT. Prima Mitrajaya Mandiri's development plan has incorporated the findings from SEIA (AMDAL), HCV Assessments and Social Impact Assessments by Aksenta as described above when implementing the operational plans. Management plans for HCV areas and management plans for handling social impacts have been drawn up.

The total area located in the Plantation Permit (Izin Usaha Perkebunan, IUP) of PT. Prima Mitrajaya Mandiri is ± 21,500 ha and proposed for kadastral area (HGU) is only ± 12,899 ha The area has been planted since 2007 is 9,424 ha (Inti: 6,698 ha and KKPA/Scheme Smallholders: 2,725 ha), proposed new planting areas is ± 2,021 ha (± 1,818 ha INTI and ± 202 ha KKPA/Scheme Smallholders) .The HCV management plan has been developed for these areas (± 1,411 ha) and there is unplantable areas around ± 44 ha. According the operational management of PT. Prima Mitrajaya Mandiri land development will commence in year 2013.

PT. Prima Mitrajaya Mandiri implemented a system smallholder with percentage (Estate (Inti): KKPA/Scheme Smallholder) at 80:20, which is estate and smallholder are managed entirely by the management partnership Estate PT Prima Mitrajaya Mandiri
Summary of Development Plan as described below:

Permit (Ha)	Proposed Kadastral (Ha)	Planted Todate (ha)			HCV Area (Ha)	Un plantable Area (Ha)	Balance Area to be Planted (Ha)		
		Inti	KKPA	Total			Inti	KKPA	Total
21,500	12,899	6,698	2,725	9,424	1,441	44	1,818	202	2,021

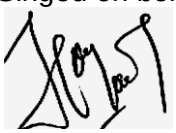
VERIFICATION STATEMENT:

The company opted for a document audit. Control Union Certifications auditors conducted desk study, pre-assessment check, discussions with the RSPO team before the main document audit. During the main document audit, 2 (two) Control Union auditors were present with the management team of PT Prima Mitrajaya Mandiri at their Regional office in Samarinda on February, 20th-21st 2013 to verify and review the relevant documents including interviewing the management team members.

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

Control Union Certifications confirmed that the assessment and plans are comprehensive, professional and compliant of RSPO New Planting Procedure. It is the opinion of the Control Union Certifications auditors that PT Prima Mitrajaya Mandiri has complied with the RSPO New Planting Procedures enforced on January, 1st 2010.This is part of an ongoing planting and this report is meant for notification only

Singed on behalf of Control Union Certifications



Haeruddin
Lead Auditor
Date: 21th February 2013

Signed on behalf of PT Prima Mitrajaya Mandiri

Sivabalan Subbiah
Head of Operation Agronomy
Date 21th February 2012