

**Meeuwenlaan 4-6,  
P.O. Box 161,  
8000 AD Zwolle.  
The Netherlands.**  
info@controlunion.com  
Tel: 0031 (0) 38 426 01 00  
Fax: 0031 (0) 38 423 70 40

CONTROL UNION CERTIFICATIONS  
MEMBER OF CONTROL UNION WORLD GROUP



27<sup>th</sup> January 2011

**Subject: Stakeholder consultation process of PT REA Kaltim Plantations According to the Indonesian National Interpretation of the RSPO P&C.**

PT REA Kaltim Plantations, an Indonesian Plantation Company has applied to Control Union Certifications (CUC) for RSPO Certification of its palm oil production against the Indonesian National Interpretation of the RSPO P&C commencing on 28<sup>th</sup> February, 2011.

<b>Applicant:</b>	<b>PT REA Kaltim Plantations</b>
<b>Contact details:</b>	<b>Mr. Geetha Govindan, e-mail: geetha.govindan@rea.co.id</b>
<b>Brief information on auditee</b>	<b>PT REA Kaltim Plantations is a company carrying out oil palm cultivation activities and its processing businesses are based in East Kalimantan province and was established in February 1993. The Company is producing Crude Palm Oil (CPO) and Palm Kernel (PK) and has 6 estates and 2 mills. A Partnership in the Management of Nucleus-Plasma Estates has also been developed for the benefit of the communities surrounding the Company's estates. The Partnership in the Management of Nucleus-Plasma Estates has been done in cooperation with local cooperatives consisting of plasma estate farmers surrounding the Company's estates, in which administration activities are done by the management of the cooperatives, who have been given training by the Company. The supply basis is from the six estates of the Company and the Program Pemberdayaan Masyarakat Desa or PPMD, a community development programme developed by the Company.</b>

Plantations to be included in the main assessment:					
Name of plantation	Location	GPS reference		Area summary (ha)	
		Longitude (East)	Latitude (North)	Total	Planted
Perdana	Desa Pulau Pinang, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 9' 50, 1"	0° 13' 47, 1"	3,946	3,946
Lestari	Desa Long Beleh Modang, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 10' 55,1"	0° 23' 17, 8"	3,849	3,849
Sentekan	Desa Long Beleh Haloq, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 7' 0,8"	0° 18' 7, 0"	4,008	4,008
Cakra	Desa Muai, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 15' 55,1"	0° 17' 7, 6"	4,675	4,675
Damai	Desa Kelekat, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 10' 36,2"	0° 14' 57, 6"	2,005	2,005
Berkat	Desa Kembang Janggut, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 22' 22,1"	0° 13' 11, 3"	4,460	4,460
Plasma	Desa Pulau Pinang, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 10' 00"	0° 15' 36,37"	1,700	1,700
PPMD	Desa Perdana, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur-	116°12'46,47"	0° 15' 36,37"	1,561	1,561
Total Area				26,204	26,204

Plantation Mills to be included in the main assessment:					
Name of Mill	Location	GPS reference		Annual output (tonnes)	
		Longitude (East)	Latitude (North)	CPO	PK
Perdana POM	Desa Pulau Pinang, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116° 9' 0.5"	0°15' 27, 0"	55,840	11,520
Cakra POM	Desa Kelekat, Kecamatan Kembang Janggut, Kabupaten Kutai Kartanegara, Kalimantan Timur	116°15'59,1"	0°15' 55,2"	71,416	13,094
Total Output				127,256	24,614

Control Union Certifications (CU) is a member of the Control Union World Group - an international inspection and certification body. CU performs assessments and certification in many agricultural based fields such as FSC, RSPO, and Organic production, Sustainable Textile Production, Organic Exchange, Globalgap, HACCP, BRC, GMP and GTP. CU is accredited by the Dutch Council of Accreditation (RVA) on the European quality standard EN 45011 for the inspection and certification of CU Organic program (according to the EU regulation 2092/91) and GLOBALGAP program. When requested a copy of the accreditation certificate can be obtained from CU.

**Details on the audit team:****David Ogg** (Lead auditor):

- Field working experience in the palm oil sector, or a demonstrable equivalent.
- Good agricultural practices (GAP), integrated pest management (IPM), pesticide and fertilizer use.
- Health and Safety auditing on the farm and in processing facilities.
- Environmental and ecological auditing.
- Economic issues.

**Haerudin**

- Fluent in local language.
- Environmental and ecological auditing.
- Fluent in local language.
- Economic issues.

**Simon Selvaraj**

- Workers welfare issues and social auditing experience.
- Fluent in local language.
- Good agricultural practices (GAP), integrated pest management (IPM), pesticide and fertilizer use.
- Health and Safety auditing on the farm and in processing facilities.
- Environmental and ecological auditing.
- Economic issues.

Stakeholder consultation is one of the most important parts in certification process; during which relevant national, regional as well as local stakeholders are asked to give their views and opinions as to whether the applicant's certification units comply with the requirements of the applicable National Interpretation.

We invite all stakeholders to take part in this consultation procedure as you can make a positive contribution to the certification decision. We ask you to raise any issues, both positive and negative, by either sending a written response by mail, fax or by E-mail to Control Union Certifications or by attending an open stakeholder meeting as indicated below. For your guidance only, you may consider the following points:

- Environmental protection.
- Biodiversity conservation.
- Opportunities for employment.
- Provision of housing, sanitation, amenities and educational support.
- Company approach to community development.
- Participation in decision making.
- Any other issue, both positive and negative that you consider may be of relevance to the assessment.
- Issues relating to other plantations owned by the company not included in this assessment.
- A copy of the applicable RSPO standard for the country, in which the assessment is being conducted, is available from [www.rspo.org](http://www.rspo.org). Alternatively please ask Control Union Certifications for a copy.

Further, Control Union Certifications plan to hold open stakeholder meeting on the following location:

PT REA Kaltim Plantations :           0900. 2<sup>nd</sup> March, 2011.

Please send your reply:

By email to: [info@controlunion.com](mailto:info@controlunion.com) and to [gstegeman@controlunion.com](mailto:gstegeman@controlunion.com)

Or by Fax to: 0031 38 4237040.

All replies will remain confidential and we will only include the nature of your reply in the public summary. We promise anonymity as to the source of all stakeholders' inputs. If you prefer to discuss your views and opinions directly with the audit team, then please let us know and arrangements will be made for you to meet with the team during the evaluation.

Any comment or grievance may also be directed by letter to be addressed to the Managing Director of Control Union Certifications in Zwolle, with at least the following information:-

- (i) Problem .

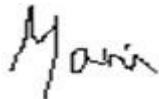
- (ii) Name of project.
- (iii) Relation of the aggrieved party to the project.
- (iv) Status of confidentiality of the information given.
- (v) Evidence.

Your comments will be evaluated by Control Union Certifications and you will be notified about the outcome of that evaluation. In case the outcome would not satisfy you, you may turn to the RSPO secretariat as the final stage of evaluation of such complaints. You can learn more about the dispute resolution procedure by contacting Control Union Certifications. Our staff will advise you or will send the appropriate document on your request.

In case your information for any reason is misused or misinterpreted, you can contact Control Union Certifications.

We appreciate your effort and input in advance.

Sincerely

A handwritten signature in black ink, appearing to read 'Maris', is positioned below the word 'Sincerely'.

p.p J Maris  
Managing Director.  
Control Union Certifications.