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RSPO NOTIFICATION OF PROPOSED NEW PLANTING

This notification shall be on RSPO website for 30 days as required by the RSPO procedures for new plantings. It will also be posted on local on-site notice boards.

Date of notification:

Tick whichever is appropriate

<input checked="" type="checkbox"/>	This is a completely new development and stakeholders may submit comments
<input type="checkbox"/>	This is part of an ongoing planting and is meant for notifications only

Name of Grower: Genting Plantations Bhd.

Name of Subsidiary: Genting SDC Sdn Bhd

RSPO Membership No.: 1-0086-06-000-00

Location of Proposed New Planting: Jambongan Island, Beluran District, Sabah, Malaysia

Notes:

- (i) Grower Address: Genting SDC Sdn. Bhd., Wisma Genting Plantations, KM 12, Labuk Road, 90000, Sandakan, Sabah, Malaysia
- (ii) Business Permit: Certificate of Incorporation & MPOB license (as per Section 2.2.1)
- (iii) Type of Business: Plantations
- (iv) Size of proposed new planting (ha): 496.56 ha
- (v) Contact persons: Mr. Tang Hong Piau (Vice President Sabah Region 2)
E-mail address: hongpiau.tang@genting.com
- (vi) Geographical location: Jambongan Island, Beluran District, Sabah
- (vii) Spatial Reference (GPS Coordinates): Please refer Figure 1 below with GPS coordinates of each block as per the table on top left.

(viii) Boundary map: Figure 1: Map indicating boundaries of planned NPP area (indicated in red lines)



(ix) Areas and time plan for new plantings:

Block	Area (ha)	HCV Area (ha)	Proposed timeline for development
A	17.15	0	2Q 2016*
B	106.77	0	2Q 2016*
C	94.41	0	3Q 2016*
D	161.06	0.93	3Q 2016**
E	117.17	1.55	3Q 2016**

* Initially planned for 1Q 2016, but delayed due to NPP process

** Initially planned for 2Q 2016, but delayed due to NPP process

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1 Executive Summary

1.1 Introduction

Genting Plantations Berhad commissioned TUV Rheinland Malaysia (an approved RSPO auditing office of the RSPO accredited certification body, PT TUV Rheinland Indonesia) to carry out an independent verification of compliance to the RSPO New Planting Procedures (NPP) for a planned new planting area of 496.56 ha in Genting Jambongan Estate, Sabah, which will be owned and managed by a subsidiary of the company, Genting SDC Sdn. Bhd. The verification was conducted off-site through document review by Ms. Carol Ng Siew Theng (RSPO Lead Auditor) between January to April 2016.

1.2 Location and accessibility

Genting Jambongan Estate (GJBE) is located on Jambongan Island which is the second largest island on the north eastern coast of Sabah, in the District of Beluran. GJBE is a landholding under Genting SDC Sdn Bhd which is 100% owned by Genting Plantations Berhad. The estate is only accessible by sea. The boat ride takes approximately 45 minutes from Kg Kanibongan, Pitas to an existing jetty located at Sg Bahanan.

The existing estate covers an area of approximately 4127.96 hectares (inclusive of new development area) with about 3,406.78 hectares already planted with oil palm between November 2003 to August 2007. The proposed new planting project will be divided into 5 blocks (Blocks A, B, C, D and E) which will cover approximately 496.56 hectares and will be located on 104 parcels of Native Title land. Blocks A, B and C are in close vicinity of the existing planted areas and accessible by estate field roads. However, blocks D and E are only accessible by boat from Sg. Bahanan to Kg. Limau-Limau which is located 0.3km north of Block D. The company has an existing 20 tonne/hour palm oil for processing of FFB produced at GJBE.

1.3 Landcover and soil type

Genting Plantations contracted PT Earthline to provide 2005 and 2009 satellite imagery and do cover mapping of their Jambongan estate (3,510 ha) in Sabah, Malaysia. The digital landcover classification and mapping of the area is based on 10 m SPOT5 satellite imagery collected in April 2006 and 15m Landsat7 imagery collected in October 2010. The report from PT Earthline dated September 2014 describes the land use change of the area as follows:

In 2006, most of Genting Jambongan estate consisted of cleared areas, with old and young shrubs mostly in the West and grassland mainly in the East. No secondary forest could be identified in this imagery.

In 2010, most of the estate was covered with young shrubs, with some old shrubs. In the West and South East, cleared areas are visible. No secondary forest or grassland could be identified in this imagery. Genting Jambongan estate is entirely grouped under coefficient 0.0 in 2006 and in 2010.

According to the Proposal for Mitigation Measures (PMM) document prepared by Chemsain Konsultant Sdn. Bhd., the soil type within the project site particularly for Blocks A, B and E is made up of Maliau association which generally consist of sandstone and mudstone. Maliau association also covers most of the western part of Block D whilst the remaining portions are covered by Brantian and Dalit associations. Block C is dominated by Sook and a minor portion of Brantian association on the north.

1.4 SEIA & HCV Assessment

A comprehensive and independent Social and Environmental Impact Assessment (SEIA) and High Conservation Value (HCV) Assessment for on-site assessment done from 4-8 August 2014 which included participation internal and external stakeholders were completed by an assessment team from S.K. Yap Forestry and Landscape Advisory Services, lead by Dr. Yap Son Kheong. The report was finalized on October 2014. The competencies and qualifications of the assessment team were evaluated and verified by the verification team as described in this report. The HCV/SEIA assessment team had prepared two separate reports as follows:

- 1st HCV/SEIA report entitled "Full Report on the Determination and Management of High Conservation Value (HCV) Sites and Social and Environmental Impact Assessment Within the New Planting Sites of

Genting Jambongan Estate, Jambongan Island, Sabah” (herewith referred to as ‘HCV/SEIA Report on New Planting Sites’). The purpose of this report was to determine any HCV attributes within the four blocks of newly acquired land for new plantings at Jambongan Estate. The total area assessed consisted of 241.53 ha located between the planted Division 3 and with an isolated block next to alienated land at the northern portion of the island. The study also included an assessment of potential socio-economic impacts to the local communities on the island. All 4 blocks assessed within this report are included in the scope of this NPP and are now identified as blocks A B, E and part of block D. The remainder of block D (identified in this HCV report as unplanted parcels A and B) was land previously acquired in year 2004 but not developed due to lack of road access. The land previously underwent a HCV assessment in year 2009, and the results of that assessment were reiterated in Section 8.1.5 of HCV report.

- 2nd HCV/SEIA report entitled “Report on the Determination of High Conservation Value (HCV) Sites and Social and Environmental Impact Assessment Within the Potential Sites on Jambongan Island, Sabah” (herewith referred to as ‘HCV/SEIA Report on Potential Sites’). The purpose of this report was to determine any HCV attributes within the potential areas which could be acquired by GJBE in the future. The total area consists of 5 blocks of land approximately 445.66 ha is located between GJBE Division 1 and 2 as well as isolated blocks next to the alienated land at the northern portion of the island. The study also included an assessment of potential socio-economic impacts to the local communities on the island. Out of the 5 blocks assessed, only one block was included in this NPP scope, while the other 4 blocks are excluded. In the HCV/SEIA report, this block was identified as Block 3, but within NPP scope, is identified as Block C.

There was only one HCV area identified in the proposed new planting area, i.e. HCV 4.1 which is a stream utilized by the villagers at Kg Limau Limau which flows from Block E and Sg Ginday in Block D. Both reports confirmed that no primary forest or peat are located in any of these land parcels.

Under Section 8.5.1 of both HCV reports, the assessors recommended that the company carry out participatory mapping with the affected communities to identify the boundary between the proposed expansion area and community land (both titled and NCR) prior to the establishment of GJBE new plantations. The company had completed the participatory mapping with results described in their operational management plan entitled “New Planting Procedures Genting Jambongan Estate, Sabah: Assessment Summaries and Management Plans”. No local people’s lands were identified to be located within the planned new planting area.

A more detailed list of environmental impacts was also identified in Chapter 4 of the Proposal for Mitigation Measures (PMM) for the Proposed Oil Plantation on 496.56 Ha at Jambongan Island, Beluran District, Sabah, dated September 2015. The PMM report was prepared by Chemsain Konsultant Sdn. Bhd. which prepared the report based on site visit done on 25 – 28 August 2014. The list of identified impacts is described under Section 4.2 of this report.

The results of the Land Use Change report from PT Earthline as well as the HCV/SEIA report for newly acquired areas were incorporated into the operational management plan of the company. Location maps showing the NPP location and HCV are in the attached figure below. The SEIA and HCV summary report includes additional maps showing the topography, landscape, and identified HCV area.

1.5 Carbon Stock Assessment

The company had commissioned Malaysian Environmental Consultants Sdn. Bhd. to carry out an assessment on Carbon Stock on Various Parcels in the Genting Jambongan Estate (Sabah), as seen from report dated August 2015. The results of the carbon stock assessment were incorporated into the company’s management plan entitled “Summary of Management & Mitigation Plans: Carbon Stock & GHG Emissions”. The results of the Carbon Stock Assessment and the management plan will be submitted to the RSPO Emissions Reductions Working Group (ERWG) for review in accordance with the RSPO New Planting Procedure 2015.

2 Scope of the SEIA and HCV Assessments

2.1 Organisational information and contact persons

Genting Plantations Bhd., a 54.6%-owned subsidiary of Genting Berhad, commenced operations in 1980. It has a landbank of about 66,000 hectares in Malaysia and some 180,000 hectares in Indonesia held through joint ventures. The company declares to own seven oil mills in Malaysia and two in Indonesia, with a total milling capacity of 405 tonnes per hour. Genting Plantations has also diversified into property development. Genting SDC Sdn. Bhd. is a subsidiary of Genting Plantations Bhd. Further information on the company is available at www.gentingplantations.com.

Table 1: Company contact person information

Company Name:	Genting Plantations Berhad
Address:	Head Office: 10th Floor, Wisma Genting, Jalan Sultan Ismail, 50250, Kuala Lumpur, Malaysia
	Site to be audited: Genting Jambongan Estate, Jambongan Island, 90100 Beluran District, Sabah
Contact Person & Position:	Tang Hong Piau
Telephone:	03-23333082
Email:	hongpiau.tang@genting.com

2.2. List of legal documents, regulatory permits and property deeds

2.2.1 Business licenses

- The evidence of incorporation of the company and the history of change of company name is as follows:
 - i) Certificate of Incorporation issued by the Registrar of Companies, Sabah, on 14 July 1969, which certifies that the company named Sabah Development Company Ltd. which was incorporated on 28 April 1962 is deemed to have changed its name to Sabah Development Company Sdn. Bhd. with effect from 15 April 1966
 - ii) Certificate of Incorporation on the Change of Name of the Company issued by the Companies Commission of Malaysia on 3 August 2004, acknowledging that the Sabah Development Company Sdn. Bhd. which was incorporated on 28 April 1962 has changed its name to Asiatic SDC Sdn. Bhd. with effect from 3 August 2004
 - iii) Certificate of Incorporation on the Change of Name of the Company issued by the Companies Commission of Malaysia on 3 July 2009, acknowledging that Asiatic SDC Sdn. Bhd. which was incorporated on 28 April 1962 has changed its name to Genting SDC Sdn. Bhd. with effect from 3 July 2009
- Genting SDC Sdn. Bhd. is licensed by the Malaysian Palm Oil Board (MPOB) to carry out processing and trading of FFB as seen from MPOB license no. 509406502000 for period of 01 December 2015 – 30 September 2016.

**RSPO New Planting Procedure Assessment Report for
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Jambongan Island, Beluran District, Sabah**



2.2.2 Land titles

The total project area measuring approximately 496.56 hectares (1,227.02 acres) in size is located on 104 parcels of Native Title land. Annex 2.1 of the approved PMM report listed the land title numbers, hectarage and status of the 104 parcels of land, which are divided into land titles that have already been acquired (82 land titles) and land titles with Memorandum of Sublease (MOS) which are still in name changing process (22). The list of land titles for the proposed new planting is as per Table 3 below.

The TUV verifier has reviewed all copies of land titles provided and confirmed that:

- Out of 82 parcels of land with Native Title listed as already acquired, registration of sublease to Genting SDC Sdn. Bhd. from the current owner named Intan Binti Angkung was sighted for 81 parcels, while for land title no. 21 (NT 083215963), evidence of registration of sublease was not available, however, sublease agreement between Intan bt. Angkung and Genting SDC Sdn. Bhd. dated 23 June 2014 was sighted and accepted as evidence that the transfer of legal ownership to the company for this land title is in process.
- Out of the remaining 22 parcels of Native Title lands with are still under the process of registration of sublease, registration of sublease was completed for 4 land titles on 15 July 2015, while signed memorandums of sublease between the current owner and Genting SDC Sdn. Bhd. were sighted for the remaining 18 parcels. This was accepted as evidence that the transfer of legal ownership to the company for this land title is in process.

The above was accepted by the verifier as evidence of legal right to develop the new area. The details of dates of registration of sublease or signed memorandum of sublease as confirmed by the verifier are as follows:

Table 2: Date of registration of sublease or signed Memorandum of Sublease (MOS) for all land titles of the proposed NPP area

Land title no. (as per Table 2)	Date of registration of sublease	Date of signed MOS
53	30 April 2004	-
44 – 52, 54 - 82	05 May 2004	-
1 – 3	24 March 2014	-
4 - 18	7 April 2014	-
101 - 104	15 July 2015	-
20, 22- 26, 29 - 43	31 July 2014	-
19, 27 - 28	4 August 2014	-
21	-	23 June 2014
83 - 100	-	22 January 2015

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Table 3: List of 82 land titles that have been acquired and 22 land titles with memorandum sublease which are still under name changing process as listed in the PMM report for the proposed new planting area for Jambongan Island.

No.	Land Titles (NT)	Hectares	Land Status/Owner	Land Use
A	Land titles that has been acquired			
1	083074373	5.38	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
2	083074337	5.82	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
3	083074060	5.95	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
4	083234057	5.16	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
5	083234075	5.91	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
6	083234191	6.04	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
7	083234182	6.02	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
8	083234066	5.18	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
9	083234084	5.61	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
10	083234173	6.06	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
11	083234164	5.96	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
12	083234093	5.71	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
13	083234100	6.03	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
14	083234119	6.06	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
15	083234128	6.05	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
16	083234155	5.82	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
17	083234137	6.07	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
18	083234146	5.76	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
19	083215909	5.04	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
20	083215954	5.08	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
21	083215963	5.08	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
22	083216040	4.443	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
23	083216077	4.493	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
24	083216068	4.534	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
25	083216031	4.385	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
26	083216013	4.401	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
27	083215990	4.471	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
28	083215936	5.11	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
29	083216111	4.506	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
30	083216166	4.678	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
31	083215927	5.12	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
32	083216059	4.539	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
33	083216086	4.501	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
34	083216095	4.553	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
35	083216120	4.498	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
36	083215918	5.09	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
37	083216004	4.471	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
38	083215972	5.09	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
39	083216102	4.534	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
40	083216139	4.523	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
41	083215945	5.07	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
42	083216148	4.542	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
43	083216022	4.424	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
44	083193944	4.349	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
45	083193953	4.322	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
46	083193962	4.447	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
47	083193971	4.160	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
48	083193980	4.252	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
49	083193999	4.341	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
50	083194003	4.283	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
51	083194012	3.946	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
52	083194021	4.317	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
53	083194030	4.188	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
54	083194049	4.057	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
55	083194058	4.194	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value

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No.	Land Titles (NT)	Hectares	Land Status/Owner	Land Use
56	083194067	4.216	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
57	083194076	4.623	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
58	083194085	4.721	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
59	083194094	5.15	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
60	083194101	3.971	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
61	083194110	3.954	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
62	083194129	3.868	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
63	083194138	3.767	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
64	083194147	3.606	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
65	083194156	3.648	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
66	083194174	3.548	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
67	083194165	3.586	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
68	083194183	3.677	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
69	083194192	3.601	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
70	083194209	3.612	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
71	083194218	3.704	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
72	083194227	3.749	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
73	083194236	4.567	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
74	083194245	4.272	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
75	083194254	4.059	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
76	083194263	4.263	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
77	083194272	4.225	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
78	083194281	4.119	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
79	083194290	4.669	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
80	083194307	4.416	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
81	083194316	4.329	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
82	083194325	4.275	Subleased to Sabah Development Company Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
Total Areas		382.82		
B	Land titles with memorandum sublease that are still in the changing name process			
83	083195626	5.26	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
84	083195617	5.29	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
85	083195484	5.28	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
86	083195500	5.26	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
87	083195555	5.26	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
88	083195537	5.19	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
89	083195546	5.23	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
90	083195475	5.30	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
91	083195608	5.25	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
92	083195528	5.25	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
93	083195519	5.28	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
94	083195591	5.19	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
95	083195448	5.16	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
96	083195582	5.36	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
97	083195466	5.24	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
98	083195457	5.22	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
99	083195493	5.31	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
100	083215981	5.08	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
101	083239196	4.964	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
102	083239203	4.863	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
103	083239212	4.839	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
104	083239221	4.659	Subleased to Genting SDC Sdn Bhd	Cultivation of an Agricultural Crop of Economic Value
Total Areas (Ha)		113.74		
Total Areas (A + B) Ha		496.56		

The following tables shows which land titles are belonging to which of the 5 blocks under the NPP scope.

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Table 4a: Land titles for Block A & B

Block	No.	Title	Hectarage
A & B	1	NT083074373	5.38
	2	NT083074337	5.82
	3	NT083074060	5.95
	4	NT083234057	5.16
	5	NT083234075	5.91
	6	NT083234191	6.04
	7	NT083234182	6.02
	8	NT083234066	5.18
	9	NT083234084	5.61
	10	NT083234173	6.06
	11	NT083234164	5.96
	12	NT083234093	5.71
	13	NT083234100	6.03
	14	NT083234119	6.06
	15	NT083234128	6.05
	16	NT083234155	5.82
	17	NT083234137	6.07
	18	NT083234146	5.76
	19	NT 083239196	4.97
	20	NT 083239203	4.86
	21	NT 083239212	4.84
	22	NT 083239221	4.66
		Total	123.92

Table 4b: Land titles for Block C

Block	No.	Title	Hectarage
C	1	NT 083195500	5.26
	2	NT 083195519	5.28
	3	NT 083195528	5.25
	4	NT 083195537	5.19
	5	NT 083195546	5.23
	6	NT 083195555	5.26
	7	NT 083195582	5.36
	8	NT 083195591	5.19
	9	NT 083195608	5.25
	10	NT 083195617	5.29
	11	NT 083195626	5.26
		Total	57.81

Table 4c: Land titles for Block D

Block	No.	Title	Hectarage
D	1	NT 083195448	5.16
	2	NT 083195457	5.22
	3	NT 083195466	5.24
	4	NT 083195475	5.30
	5	NT 083195484	5.28
	6	NT 083195493	5.31
	7	NT 083193944	4.35
	8	NT 083193953	4.32
	9	NT 083193962	4.45

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10	NT 083193971	4.16
11	NT 083193980	4.25
12	NT 083193999	4.34
13	NT 083194003	4.28
14	NT 083194012	3.95
15	NT 083194021	4.32
16	NT 083194030	4.19
17	NT 083194049	4.05
18	NT 083194058	4.19
19	NT 083194067	4.22
20	NT 083194076	4.62
21	NT 083194085	4.72
22	NT 083194094	5.15
23	NT 083194101	3.97
24	NT 083194110	3.95
25	NT 083194129	3.87
26	NT 083194138	3.77
27	NT 083194147	3.61
28	NT 083194156	3.65
29	NT 083194165	3.59
30	NT 083194174	3.55
31	NT 083194183	3.68
32	NT 083194192	3.60
33	NT 083194209	3.61
34	NT 083194218	3.70
35	NT 083194227	3.75
36	NT 083194236	4.57
37	NT 083194245	4.27
38	NT 083194254	4.06
39	NT 083194263	4.26
40	NT 083194272	4.22
41	NT 083194281	4.12
42	NT 083194290	4.67
43	NT 083194307	4.42
44	NT 083194316	4.33
45	NT 083194325	4.27
	Total	192.57

Table 4d: Land titles for Block E

Block	No.	Title	Hectarage
E	1	NT 083215981	5.08
	2	NT 083215909	5.04
	3	NT 083215954	5.08
	4	NT 083215963	5.08
	5	NT 083216040	4.44
	6	NT 083216077	4.49
	7	NT 083216068	4.53
	8	NT 083216031	4.39
	9	NT 083216013	4.40
	10	NT 083215990	4.47
	11	NT 083215936	5.11

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12	NT 083216111	4.50
13	NT 083216166	4.68
14	NT 083216059	4.54
15	NT 083216086	4.50
16	NT 083216095	4.55
17	NT 083216120	4.50
18	NT 083215918	5.09
19	NT 083215972	5.09
20	NT 083216102	4.53
21	NT 083216139	4.52
22	NT 083215945	5.07
23	NT 083215927	5.12
24	NT 083216004	4.47
25	NT 083216148	4.54
26	NT 083216022	4.42
	Total	122.25

2.3 Location maps:

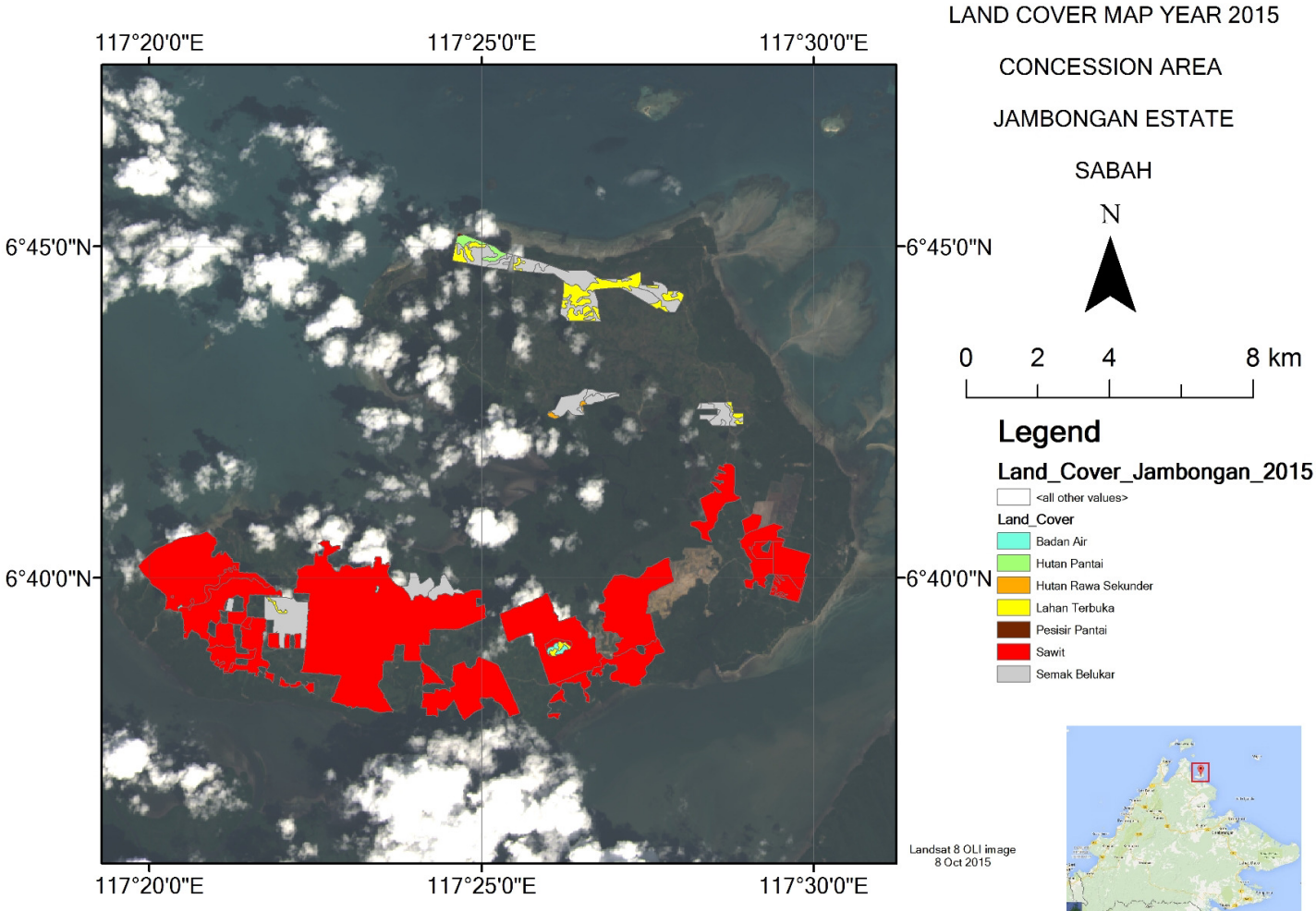


Figure 2: Location of Genting Jambongan Estate on Jambongan Island. Red areas indicate areas of Jambongan estate which are already planted

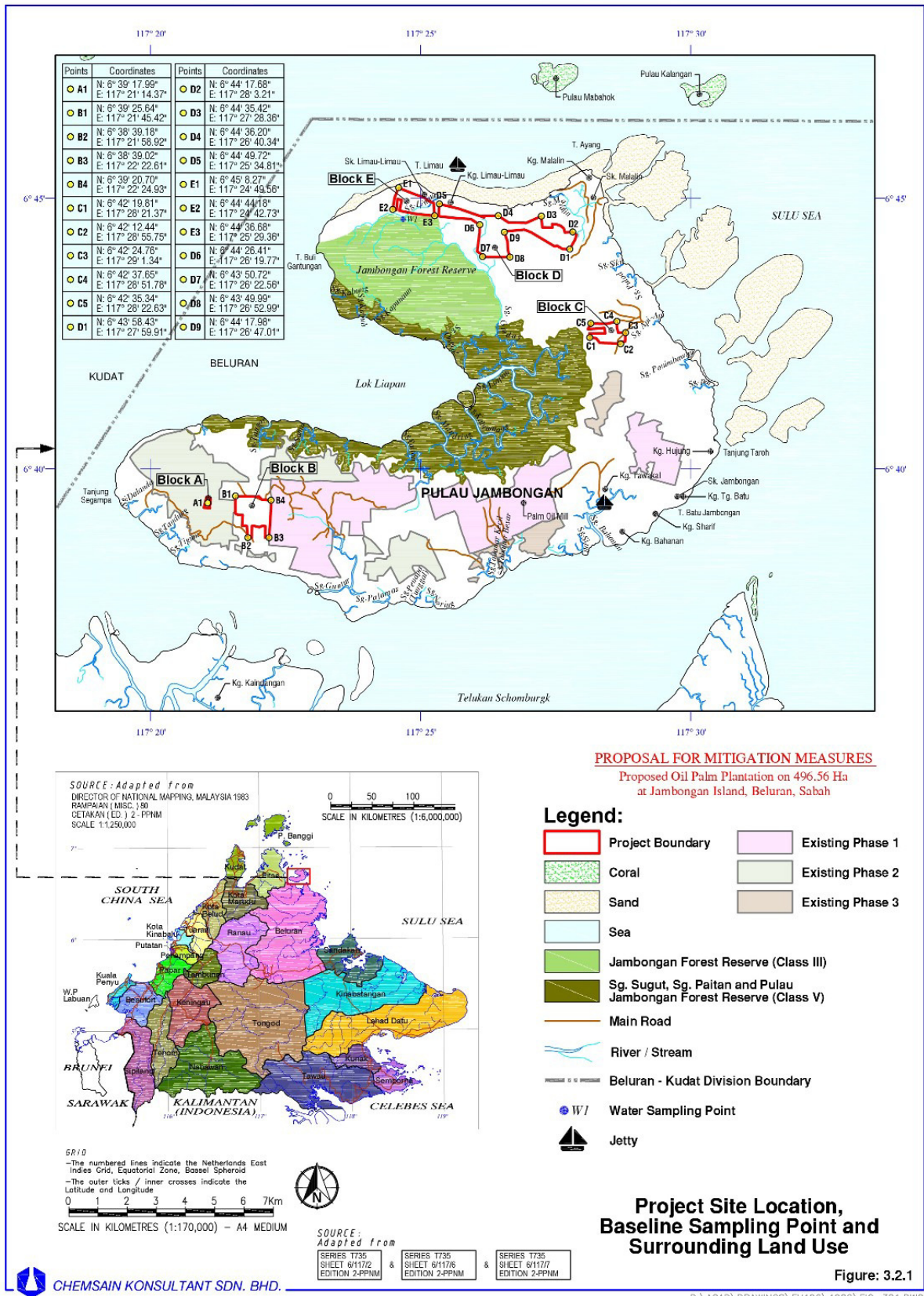


Figure 3: Map of Project Site Location, Baseline Sampling Point and Surrounding Land Use

2.4 Time plan for new plantings:

Table 5: Time plan for new plantings

Block	Area (ha)	HCV Area (ha)	Proposed timeline for development
A	17.15	0	2Q 2016*
B	106.77	0	2Q 2016*
C	94.41	0	3Q 2016*
D	161.06	0.93	3Q 2016**
E	117.17	1.55	3Q 2016**

* Initially planned for 1Q 2016, but delayed due to NPP process

** Initially planned for 2Q 2016, but delayed due to NPP process

3 Assessment process and procedures

3.1 Assessor and their credentials

3.1.1 HCV / SEIA Assessor Credentials

A comprehensive and independent Social and Environmental Impact Assessment (SEIA) and High Conservation Value (HCV) Assessment for on-site assessment done on 4- 8 August 2014 for the proposed new planting area is available and included participation of internal and external stakeholders. The report was finalized on October 2014. The HCV/SEIA assessment team had prepared two separate reports as follows:

- 1st HCV/SEIA report entitled “Full Report on the Determination and Management of High Conservation Value (HCV) Sites and Social and Environmental Impact Assessment Within the New Planting Sites of Genting Jambongan Estate, Jambongan Island, Sabah”. The purpose of this report was to determine any HCV attributes within the four blocks of newly acquired land for new plantings at Jambongan Estate. The total area assessed consisted of 241.53 ha located between the planted Division 3 and with an isolated block next to alienated land at the northern portion of the island. The study also included an assessment of potential socio-economic impacts to the local communities on the island. All 4 blocks assessed within this report are included in the scope of this NPP.
- 2nd HCV/SEIA report entitled “Report on the Determination of High Conservation Value (HCV) Sites and Social and Environmental Impact Assessment Within the Potential Sites on Jambongan Island, Sabah”. The purpose of this report was to determine any HCV attributes within the potential areas which could be acquired by GJBE in the future. The total area consists of 5 blocks of land approximately 445.66 ha is located between GJBE Division 1 and 2 as well as isolated blocks next to the alienated land at the northern portion of the island. The study also included an assessment of potential socio-economic impacts to the local communities on the island. Out of the 5 blocks assessed, only one block was included in this NPP scope, while the other 4 blocks are excluded. In the HCV/SEIA report, this block was identified as Block 3, but is currently identified as Block C.

The reports were prepared by a team from S.K. Yap Forestry and Landscape Advisory Services, located at 31 Lorong Zaaba, Taman Tun Dr Ismail, 60000 Kuala Lumpur. The assessors in the team and their qualifications are as listed below:

Table 6: Assessors included in the HCV/SEIA assessment team

Name	Expertise and role in the assessment	Academic Qualifications
Dr. Yap S.K.	Team Leader/Ecologist	1973 - B.Sc. Hons. Second Class Upper (Botany) 1977 - Ph. D. (Forest Biology) under the University of Aberdeen (Scotland) and University of Malaya Fellowship in Tropical Rain Forest Project.
Ms Angelica Suimin	Social/Local Communities Specialist	2003 - Masters in Environmental Management (Development Planning) -University Malaysia Sarawak :Education Award from DANCED (DANIDA). Bachelor's Degree with Honours majoring in Social Development and Administration. 2001 - Diploma In Human Resource Management, University of Malaya in 2001. 2013 - Certificate in paralegal studies, UMS, Kota Kinabalu in 2013 2000 - Trainer's Certification from De Tafe Institute, South Australia. 2000
Ms Roslina bt Ragai	Faunal Specialist	2006 - Master of Science (Wildlife Ecology) – Universiti Malaysia Sarawak, Kota Samarahan, Sarawak. Thesis Title: Small Mammal Species Diversity and Similarity In Acacia Plantations And

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		Conserved Forests In Planted Forest Zone, Bintulu, Sarawak, Malaysia. 2000-2003 - Bachelor of Science with Honours (Conservation Biology) – Universiti Malaysia Sabah, Sabah. Graduating grade: 2nd Class Lower Final Year Project: Helminth Infection Rate of Rats in Kota Kinabalu Port.
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The assessors are currently not listed as High Conservation Value Resource Network (HCVRN) Assessor Licensing Scheme (ALS) assessors, however the stakeholder consultations and field assessment was conducted on 4 – 8 August 2014, which is prior to the effective date of the ALS which is 1 January 2015. The lead assessor, Dr. Yap Son Kheong was confirmed be listed on the RSPO Approved HCV Assessors list as that time.

A more detailed identification of environmental and socio-economic impacts of the NPP project is also included in the Proposal of Mitigation Measures (PMM) report for the NPP area which is prepared by Chemsain Konsultant Sdn. Bhd on September 2015. The credentials of this consultant are stated below.

3.1.2 Soil & Topography Assessor Credentials

The description of soil and topography is described in the Proposal for Mitigation Measures (PMM) report prepared by Chemsain Konsultant Sdn. Bhd. with team members as follows:

Table 7a: List of consultants involved in the preparation of the PMM report

No.	Personnel	Qualifications	Registered Areas
1	Rebecca T. F. Poong Reg. No: S 0008 Expiry Date: 30.09.16	B. Sc. (Env. Sc.)	Land Use
2	Lee Kuok Chiang Reg. No: S 0136 Expiry Date: 20.05.15	B. Eng. (Hons) Civil (Environmental)	Hydrology
3	Joyce Chin Fui Fun Reg. No: S 0186 Expiry Date: 07.02.17	B. Eng. (Hons) Chemical	Waste Management & Chemical Processes
4	Tan Shwu Mei Reg. No: S 0009 Expiry Date: 30.09.16	M. Env. Management B. A. (Hons) Anthropology & Sociology	Socio-Economy
5	Cyril Bin Jinusie Reg. No: S 0155 Expiry Date: 18.11.16	M. Sc. Industrial Chem. B. Sc. (Env. Sc.)	Scheduled Waste Management, Air and Water Quality

Table 7b: List of team members for the PMM study (not registered with EPD):

No.	Personnel	Qualifications	Report Contribution
1	Olga David	B. Sc. (Hons) Environmental Science	Assistant to Land Use

It was verified from the list of approved Environmental Impact Assessment (EIA) consultant on the website of the Environmental Protection Agency (EPD) of Sabah (<http://ww2.sabah.gov.my/jpas/Assessment/default.htm>) that Chemsain Konsultant Sdn. Bhd. is listed as an approved EIA consultant with registration no. F001 expiring on 30 September 2016. This is accepted by the TUV Rheinland verifier as evidence of the competency of this consultant to conduct the assessment since they have been approved by the Environmental Protection Agency of Sabah. The CVs of the team members are also publicly available on the EPD website.

3.1.3 Land Use Change Assessor Credentials

The Land Use Change change assessment report entitled “SPOT5 Satellite Imagery and Landcover Mapping of Jambongan Estate, Genting Plantations” (herewith referred to as the LUC report) dated

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September 2014 was prepared by PT Earthline. As stated on the company website (<http://www.earthline.info>) The company was established since December 2001 and has extensive experience in satellite imagery, survey and mapping services. The credentials of the company team members are specified here: <http://www.earthline.info/about-us/>

3.2 Assessment Methods

3.2.1 Assessment methods for HCV/ SEIA

As described in the SEIA/HCV reports prepared by the assessment team, preliminary assessment of the presence of HCV sites within the sites was done by reviewing published information and discussion with the estate management. Published data of protected sites, endangered, rare and threatened species and the various enactments were used wherever appropriate. Documentation review on the planted areas including the previous HCV study, forest reserve and the villages on the island was done prior to the field study. There was a previous HCV report of the Genting Jambongan Estate which formed the baseline data for this present study. The stakeholder consultations and field investigation was conducted from 4 to 8 August 2014 by the 3 member assessment team listed above.

A) Documentation review

The assessment team conducted a document review with reference to the high conservation attributes originally initiated under Forest Stewardship Council which have now been elaborated into 6 high conservation values by Global HCVF Toolkit (2003) and had been adopted by the High Conservation Value Forest (HCVF) Toolkit of Malaysia (2009). The latter had divided the attributes into specific elements to further define specifically high conservation values.

Table 8: HCV Conservation Elements used as reference by the HCV/SEIA assessment team

HCV	Element
1	Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values
1.1	Protection areas
1.2	Threatened and endangered species
1.3	Endemic species
1.4	Critical temporal use
2	Globally, regionally or nationally significant large landscape level forests
3	Forest areas that in or contain rare, threatened or endangered ecosystems
4	Forest areas that provide basic services of nature in critical situations
4.1	Forests critical to water catchments
4.2	Forests critical to erosion control
4.3	Forests providing barriers to destructive fire
5	Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health)
6	Forest areas critical to local communities' traditional cultural identity

The study consisted of investigating the biological resources together with physical features of each block and also social impact consultation with the local communities on the island to determine whether there were any features that are related to the elements stated.

B) Ground assessment on biological resources

The assessment was done by walking through the whole of the smaller blocks consisting of 17.60ha and 19.33 ha while transects were used in the larger two blocks of 87.44 ha and 117.15 ha. The existing vegetation was documented by visual identification. A rapid wildlife assessment was done mainly by recording the footprints and droppings observed during the recce walk.

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C) Stakeholder consultation

For the community socio-economic investigation, consultations were conducted with the community leaders of the village nearest to the proposed site by the social assessor and partly assisted by the Team Leader. The consultation process was conducted through open house discussions, focus group discussions, administration of village and formal stakeholders meeting. Relevant stakeholders that were engaged during the consultation process included affected local communities, and Government representatives (PKR, Native Chiefs), all of which provided valuable information regarding the nature and extent of potential environmental and social impacts associated with or resulting from the proposed project.

The specific objectives pursued during the stakeholder consultation were:

- Provision of information to stakeholders;
- Gathering of information on various environmental and social aspects;
- Inputs from stakeholders on the planned project, including its scale, timing, ways to reduce and mitigate its potential negative impacts and ways to enhance its potential positive impacts.

A stakeholder meeting was organised by GJBE at its office, on the 7th August, 2014 with the 6 village heads but only 5 representatives (headman and JKKK) from 2 villages (Bahanan, Hujung) attended due to unpredictable weather conditions surrounding the island. Consultations had, however, been conducted in Kg. Limau-Limau, Kg. Malalin and Kg. Bahanan the previous day. The study team members and senior staff members of GJBE both from Jambongan and its Sandakan head office were involved in the discussion. The table below describes the consultation activities conducted.

Table 9: Consultation activities conducted with stakeholders

Date	Place	Stakeholders Concerned
August 5, 2014	Meeting with communities from Kg. Limau- Limau Meeting with Communities at Kg. Hujung	Local community representatives and headman Local community representatives and JKKK
August 6, 2014	Meeting with Communities at Kg. Malalin Meeting with Communities from Kg. Bahanan	Headman and representatives of the communities Local community representatives and chiefs
August 7, 2014	Formal meeting with the local communities of Jambongan island at GJBE office	Native Chief, Government officer (local school principal), headmen and representatives of the communities and management and Staff of GJBE

Below is the list of stakeholders consulted from 4th – 7th August 2014

1. KAN Zakaria SH Attar-Kg. Bahanan
2. PKR Hj.Mhd Najar Hj Abdul Razak –Kg. Hujung
3. Encik Zainal Bin Muntong & Wife - Headman of Kg. Limau –Limau
4. Encik Hassan Bin Kasui – Headmaster of Sekolah Kebangsaan Malalin
5. Haji Nalin Nalin Abdullah – Headman of Kg. Malalin
6. Encik Etit Haji Nalin – Son of Headman Kg. Malalin
7. Encik Ag. Asmal Majid –Community member of Kg. Malalin
8. Encik Rosli SH Attar –JKKK of Kg. Bahanan
9. Encik Barhajun Hijah- JKKK of Kg Hujung
10. Encik Jalil Apong – Headman of Kg Bahanan

Verification of the consultations activities by the TUV Rheinland verifier produced results as follows:

1. Minutes of meeting between GJBE management, the HCV consultant team leader and village heads of Jambongan Island on 7 August 2014. The meeting minutes included feedback received from the participants as well as photos of the meeting. However, additional evidence in the form of signed attendance lists were requested but could not be provided by the consultant team as they informed that the villagers had expressed reservations on signing formal attendance lists.

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2. Evidence of other consultation meetings done by the consultant between 5 – 7 August 2014 were requested, however the evidence could not be provided by the consultant team for the same reason as above.

The verifier had received the list of contact information for the stakeholders listed above and contacted several of the listed stakeholders to verify the feedback received in the HCV assessment report. The stakeholders contacted between 15 and 17 June 2016 included:

1. KAN Zakaria SH Attar-Kg. Bahanan
2. PKR Hj.Mhd Najar Hj Abdul Razak –Kg. Hujung
3. Encik Zainal Bin Muntong & Wife - Headman of Kg. Limau –Limau
4. Encik Hassan Bin Kasui – Headmaster of Sekolah Kebangsaan Malalin

Through phone conversations with the above listed stakeholders, it was confirmed that all stakeholders above had been invited for consultation meetings with the HCV assessor as well as the company, and it was informed that the community leaders had no issue with the company or objectives to the proposed new planting area. They also confirmed that their villages maintain a good relationship with the company, and the company has also provided contributions to their villages.

It is noted by the verifier that there was no documented evidence of consultation by the HCV assessor with local government bodies and NGOs. As informed by the company, there is no government offices based on the island. There is an army base and one policeman on the island. The company will refer to the district office in Beluran, Sandakan for any government related matters. The HCV & SEIA head assessor, Dr. Yap, was interviewed by phone by the verifier and informed that he had communicated with the local forestry department and the Beluran district based at Kota Kinabalu to identify potential issues prior to commencing ground work. No NGOs were interviewed by the consultant as there are no NGOs based on the island and also no significant issues identified from interviews with the local communities and the forestry department. The HCV report does not include evidence that this had been done as the communication has been done informally.

The verifier had attempted to contact the Forestry Department and Beluran district office to obtain confirmation on the information stated in the HCV report, and received an email from the department on 20 June 2016 confirming that parts of the island had been affected by fires and requesting further clarification on the intended planting area. Clarification was provided by the verifier, however the contact person from the department has not yet provided confirmation on whether the planned planting areas are located within areas that had been affected by fires. However, it was verified from phone interviews with the local communities heads listed above that information stated in the HCV reports was consistent with the explanation from the local community heads. For example, it was informed in the executive summary HCV report for new planting sites that the four blocks of land acquired for new plantings (which are now divided into 5 blocks, A, B, C, D and E) had been exposed to significant human activities and fires over times, resulting in no primary forests or HCV areas located in to acquired new planting blocks. It was also stated in the executive summary that the planned new planting area is not within any of the land claimed by the local communities of alienated land owned by outsiders. This information was confirmed to be consistent with information provided by the local community heads interviewed by the verifier.

The PMM report by Chemsain Konsultant Sdn. Bhd. did not describe the methodology employed in the development of the report, however as mentioned under Section 3.1.2 above, the consultant is listed as an approved Environmental Impact Assessment (EIA) consultant on the website of the Environmental Protection Agency (EPD) of Sabah (<http://ww2.sabah.gov.my/jpas/Assessment/default.htm>), and hence it is accepted as evidence that the methodology employed by the consultant is in accordance with the legal requirement.

3.2.2 Assessment methods for determining Soil & Topography

The PMM Scoping Note as well as the PMM report does not describe in detail the assessment methods engaged by the consultant to determine the soil and topography. However, as mentioned under Section 3.1.2 above, the consultant is listed as an approved Environmental Impact Assessment (EIA) consultant on the website of the Environmental Protection Agency (EPD) of Sabah (<http://ww2.sabah.gov.my/jpas/Assessment/default.htm>), and hence it is accepted as evidence that the methodology employed by the consultant is in accordance with the legal requirement.

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Site visit was conducted by Chemsain Konsultant on 25- 28 August 2014 where main points of the sites visit were:

- Observation of the existing conditions, general site conditions, ecological environment and surrounding land use.
- Discussion with Project Proponent on the project implementation schedule, method for plantation development and other related information involving the proposed project development.

3.2.3 Assessment methods for Land Use Change Analysis

The assessment method and materials used by PT Earthline are described in their LUC report as follows:

A) Imagery

Earthline acquired 10m Multispectral SPOT5 satellite imagery dating 6 April 2006 and 15m Landsat7 imagery, dating 25 October 2010 (preprocessing level 1A). The cloudcover on the imagery is 10% for the 2006 imagery and 5% for the 2010 imagery. The following methods have been used for processing the imagery:

- Orthorectification - Using a rigorous math model and a digital elevation model (DEM) to correct distortions in raw images
- Enhancement - Make the image on the screen clearer and easier to interpret
- Digital Classification: Supervised Object Based Classification

Based on the digital classification, 9 classes were identified: primary forest, secondary forest, old shrub, young shrub, grassland, cleared area, shadow, water and cloud.

B) Mapping

After digital classification, the results were manually corrected and edited. Based on the digital classification, the landcover map is divided into four vegetation coefficient classes:

- Coefficient 1.0: Structurally complex forest (including primary forest), regenerating, selectively logged forests with elements of high canopy.
- Coefficient 0.7: Structurally degraded but ecologically functional natural forest.
- Coefficient 0.4: Multi-species agroforestry
- Coefficient 0.0: Monoculture tree and non-tree plantations; other permanently cultivated, developed or open degraded land.

Elements not included into these coefficients are clouds and water, which are separate features on the landcover map.

To divide the previously defined classes into four coefficients, the following steps have been taken.

- Manual merging of very small polygons and editing of polygons based on imagery.
- All shrubs and developed and open land have been added to coefficient 0.0.
- Secondary forest has been classified as coefficient 0.7
- No multispecies agroforestry (coefficient 0.4) or primary forest (coefficient 1.0) have been identified.
- Smaller (around 5 ha or less) isolated patches of forest surrounded by coefficient 0.0 have been added to coefficient 0.0, except where they are clearly separate ecosystems (like ravines).

3.3 List of Legal, regulatory and other guidance referenced

The legal, regulatory and guidance documents referred to for the purposes of HCV Assessment are described in Section 6.1 of the HCV/ SEIA Assessment Report and the Reference list at the end of the report, as follows:

A) Legal and Regulatory documents referred to:

- i) The Forest Enactment 1968 (Class I to Class VII),
- ii) Land Ordinance 1930 (Sabah Cap 68), Wildlife Conservation Enactment 1997

- iii) The Master List of Protected Areas in Malaysia – A Tool for National Conservation Management and Planning
- iv) Wildlife Conservation Enactment 1997
- v) Sabah Water Resources Enactment 1998
- vi) Sabah Forest Enactment 1968

B) Other guidance documents referred to:

- i) High Conservation Value Forest (HCVF) Toolkit of Malaysia (2009)
- ii) IUCN Red List of Threatened Species (www.iucnredlist.org)
- iii) Malaysian Red data Book (FRIM)
- iv) Tree Flora of Sabah and Sarawak - 8 volumes
- v) A Field guide to the Mammals of South East Asia. Francis, Charles M. 2008. New Holland Publishers
- vi) Preferred Checklist of Sabah Trees. Lee Y.F. 2003. Natural History Publication (Borneo).
- vii) Fact Sheets of Forest Reserves in Sabah. Sabah Forestry Department 2013
- i) MNS Checklist of Birds of Malaysia
- ii) MNS Important Bird Areas (Appendix IV)
- iii) Department of Irrigation & Drainage Guidelines
- iv) Field Manual: Monitoring Large Terrestrial Mammals in Sabah. Ancrenaz, Marc 2013. Sabah Forestry Department
- v) RSPO Criteria and Indicators for sustainable oil palm production, Oct, 2007
- vi) RSPO Procedures for New Oil Plantations, Guidance Document,2009

The assessment team has also stated that they referred to wildlife survey data from NGOs e.g. WCS and WWF, published guides, reports and consultations with local communities, reports of Sabah Forestry Department, FRIM or confirmations by expert opinion.

4 Summary of SEI Assessment findings

The social and environmental findings pertaining to the NPP area are identified in the two HCV/SEIA reports for new planting sites and potential sites respectively, as well as as in the Proposal for Mitigation Measures (PMM) report for the 496.56ha of proposed new planting area. The findings are as described below:

4.1 Summary of findings of HCV/SEIA reports

The summary of SEI Assessment findings as described in both HCV/SEIA reports for new planting sites of Genting Jambongan Estate as well as the potential are similar, as explained below:

The consultations and meetings with stakeholders in all four villagers indicated that they were not aware of the proposed land expansion project of GJBE for oil palm plantings as the management of GJBE had yet to confirm the status of the land. The new blocks of land were acquired by Genting Plantations Berhad by phases since mid-2013 to 2014. Since the land acquisition is an on-going process, a proper consultation session is yet to be initiated by the management.

As the majority of the communities are not aware of the proposed oil palm planting expansion project and further consultations with all levels of the communities shall be conducted to inform the communities on the development plans of the acquired land especially the blocks that borders between the proposed sites and the lands owned by communities.

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Although, Genting Jambongan estate had established good relationship with the communities surrounding its oil palm plantation, this has been deemed by some community members only as a relationship between the management and community leaders, with little participation of the grass root communities. With such a condition existing, the relationship may not be sustainable. There is the potential risk of emergence of social dynamics within the communities with de facto groups thus complicating any consensus building in the future. The stakeholder's consultations shall therefore include all levels of each community. The younger groups perceived the oil palm operations in different perspective especially on the concerns on potential environmental pollution resulting in loss of livelihood. Perceived negative impacts on the environment due to GJBE operation of both plantations and mill on the fish stock and pollution of water courses could be explained.

Positive impacts of GJBE operation on the road access, utility provision to villages directly affected by its operation and employment opportunities could be highlighted. The issue of water scarcity is a major concern for all the 4 villages consulted with increasing burden for women to go and collect rainwater.

Availabilities of road access, inbound and outbound transportation to the island and power supply to communities are other major concerns of the village leadership. Possible joint venture between the plantation and communities was proposed during the consultation meeting but it was agreed that it has to be facilitated in transparent manners through consensus building approach.

The HCV reports also listed the following recommended management process to be instituted for the local communities:

1) **Identification of Boundary and Customary land through participatory mapping**

As specified under the RSPO, where lands are encumbered by legal or customary rights, the grower must demonstrate that these rights are understood and are not being threatened or reduced. Where customary rights areas are unclear these are best established through participatory mapping involving affected and neighbouring communities.

It is recommended that participatory mapping is carried out with the affected communities to identify the boundary between the proposed expansion area and community land (both titled and NCR) prior to the establishment of GJBE new plantations.

2) **Providing information and fair participation**

Based on the perceived negative impacts on the introduction of commercial oil palm cultivation in the area and the establishment of the GJBE oil palm mill by the younger generation, mitigation measures would have to be developed. These could include the following:

a. Disclosure involving the Free, Prior, Informed Consent (FPIC) process to the affected communities, particularly Kg. Malalin and Kg. Limau-Limau on the proposed project expansion (as required under the RSPO HCV Criteria 5.1, 6.1, 6.4, 7.1 and 7.3) is critical to ensure that communities can make informed judgement whether the plantation would likely benefit them or not. Assessments should be participatory allowing communities to be informed of the likely impacts and benefits but also to present issues of concern to the communities

b. Regular stakeholders meeting to share information and updates at village level to provide greater outreach and to minimise potential conflict.

3) **Consultation and collaboration with other stakeholders**

It was observed that there are other stakeholders operating at Jambongan Island. The neighboring Acacia plantation could be a potential partner to assist in the provision of clean water and electricity supply to the communities affected by both operations.

4) **Capacity Building and Employment Opportunities**

The communities from Kg. Limau-Limau and Kg. Malalin felt that the employment opportunities were too limited and tasks specific therefore it is not suitable for the job seekers from these villages. It is recommended that job creation through management trainee programme like plantations cadet or junior technician at the mill will provide a wider scope of employment

4.2 Summary of findings of PMM report

The PMM report divides identified environmental impacts into Key Environmental Impacts and Other Potential Environmental Impacts. Below is the list of identified environmental impacts and a summary of the described zone of impacts:

Table 10: Identified Environmental Impacts & Zone of Impact as per the PMM report for NPP area

Impact	Description & Zone of Impact
A) Key Environmental Impacts	
A.1) Soil Erosion & Water Pollution:	
A.1.1) Soil Erosion	<p>For this project, site clearing and earthwork activities for construction of access roads will contribute to soil erosion. The impact of soil erosion is mainly on the tributary streams of Sg Limau (traversing through Block E), Sg Ginday (traversing Block D) and Sg Malalin (immediate northeast corner of Block D). Clearing of trees and natural vegetations will significantly increase the sediment load in the aforementioned tributary streams. Soil will be washed into the rivers particularly during heavy rains. Increase in the amount of eroded soil will reduce the existing stream capacity and affects the hydrology of existing waterways. Therefore the quality of Sg Limau, Sg Ginday and Sg Malalin will be further deteriorated with increasing amount of Total Suspended Solids (TSS).</p> <p>It is also noted that there are no areas with slope of more than 20 degrees identified within the site. The blocks are mainly undulating hills with gentle slope.</p>
A.1.2) Water Pollution	<p>Potential sources of water pollution are:</p> <ul style="list-style-type: none"> • Usage of fertilizer and agrochemicals • Scheduled waste and hazardous materials such as oil and grease from the workshop and the storage area of the fertilizer and agrochemical. • Discharge of raw sewage into the waterway <p>The concern of impact from water pollution is towards the tributary streams of Sg Limau (traversing Block E), Sg Ginday (traversing Block D) and Sg Malalin (immediate northeast corner of Block D).</p> <p>Usage and application of fertilizer and agro-chemicals for weed and pest control during maintenance stage particularly at Blocks D and E can cause water pollution at the tributary streams of Sg Limau, Sg Ginday and Sg Malalin.</p> <p>As there is no existing waterway within Blocks A, B and C, the impacts of water pollution at these Blocks are therefore deemed insignificant.</p>
A.2) Waste Generation and Management:	
A.2.1) Biomass Waste	<p>Site clearing activities will generate large amount of biomass during site preparation stage as almost the whole project area will need to be cleared for subsequent plantation establishment including earthworks for road network, slope terracing and construction of drainage system.</p> <p>The zone of impact for biomass waste generated would mainly be towards the workers of the oil palm plantation, neighbouring lands i.e existing oil palm plantation (Phase 1 – 3) and potentially Kg Limau – Limau located 0.3 km north of Block D as well as the tributary streams of Sg Limau (traversing through Block E), Sg Ginday (traversing through Block D) and Sg Malalin (immediate northeast corner of Block D). Improper management and disposal of biomass waste can lead to several environmental issues such as:</p> <ul style="list-style-type: none"> • Becoming a breeding ground for pest; hideaway for disease-carrying vector, etc. • Open burning of biomass waste release excessive smokes that lead to respiratory health problem to workers over prolonged exposure and may cause fire spread to the existing oil palm plantation (Phase 1 – 3) that is in close vicinity to Blocks A, B and C. • Blockage to the existing waterway i.e tributary streams of Sg Limau, Sg Ginday and Sg Malalin may potentially cause localised flooding. <p>It is envisaged that a total estimation of 91,863.60 tonnes of biomass waste shall be</p>

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	generated from site clearing works during site preparation stage.
A.2.2) Domestic/ Solid Waste	<p>Domestic/ solid waste is mainly generated by workers onsite such as food containers, plastic bags, food waste, paper waste, etc. Improper disposal may result in:</p> <ul style="list-style-type: none"> • Attraction of disease-carrying vector such as mosquitoes and flies • Unhealthy working condition & unpleasant odour • Obstruction of water flow and water pollution <p>The zone of impact is mainly on the workers onsite, the tributary streams of Sg Limau (traversing through Block E), Sg Ginday (traversing through Block D) and Sg Malalin (immediate northeast of Block D) as well as the neighbouring lands, which for this project is mostly the existing oil palm plantation (Phase 1 – 3) and Kg Limau – Limau which is located 0.3 km north of Block D.</p> <p>The amount of domestic waste generated can be estimated using the assumption that each person on site will generate 0.7 kg of waste per day. Based on the projected population (PE) of 30, the waste generated daily is 21 kg during site preparation and field establishment stage.</p>
A.2.3) Sewage	<p>Indiscriminate discharge of sewage into the waterways i.e tributary streams of Sg Limau, Sg Ginday and Sg Malalin can lead to cause the following environmental problems:</p> <ul style="list-style-type: none"> • Deterioration of water quality at the tributary streams of Sg Limau (traversing through Block E), Sg Ginday (traversing Block D) and Sg Malalin (immediate northeast corner of Block D), with the potential increase of E. coli in the aforementioned waterways; • Eutrophication and spread of pathogens affecting the oil palm workers onsite; • Impact the aquatic ecosystem at the tributary streams of Sg Limau, Sg Ginday and Sg Malalin due to the depletion of dissolved oxygen in the river water; and • The aesthetic aspects of the atmospheric quality can be adversely affected by the unpleasant odour.
A.2.4) Scheduled Waste	<p>If the scheduled waste is not stored properly prior to disposal, the waste will pollute the soil within and surround the storage area that comes in contact with the waste. Contaminated soil will be washed off into the nearest waterway i.e tributary streams of Sg Limau (traversing through Block E), Sg Ginday (traversing Block D) and Sg Malalin (immediate northeast corner of Block D) causing water pollution. This will not only affect the plantation workers and the site surrounding environment but also the environment of the adjacent land.</p> <p>Besides the scheduled waste, hazardous materials such as agro-chemical, i.e. pesticides and herbicides will also pollute the environment by contaminating the soil which will be washed off into the waterways during rainy season</p>
B) Other Potential Environmental Impacts	
B.1) Ecological Impact:	<p>The development of an oil palm plantation will inevitably lead to clearing of almost the entire proposed area. Such activity would result in loss of existing natural terrestrial habitats onsite and cause certain degree of disturbance or ecological imbalances, depending on the existing ecological state of the affected area.</p> <p>For this project, the ecological impact towards Blocks A, B and C are foreseen as minimal as it is in close vicinity to the existing oil palm plantation (Phase 1 – 3). During the site visit, it was observed that only secondary vegetation i.e, grasses, bushes and ferns are covering the aforementioned Blocks. In terms of conservation values, there is no endemic, rare or threatened flora or fauna within these Blocks.</p> <p>Meanwhile for Blocks C, D and E, these are in close vicinity to two forest reserves namely Jambongan Forest Reserve (Class III – Domestic) and Sg Sugut, Sg Paitan and Pulau Jambongan Forest Reserve (Class V – Mangrove). Jambongan Forest Reserve is located approximately 70 m south of Block E while Sg. Sugut, Sg Paitan and Pulau Jambongan Forest Reserve is located approximately 240 m west of Block C. Provided that this distance is retained, the ecological impact will be minimal. The forest reserves are dominated with by belukar and secondary forest.</p>
B.2) Socio-economic	<p>As part of the socio economic assessment, consultation with the village head of the nearest receptor i.e Kg Limau – Limau located 0.3 km north of Block D was conducted to gauge the public opinion and concerns related to the proposed</p>

Impact:	project. The head villager of Kg Limau – Limau did not raise any specific environmental concerns as he understood that any impacts from the site clearing and establishment of infrastructure will be temporary and will not affect Kg Limau - Limau.
B.2.1) Beneficial social impacts	Road Connectivity - An access road will be constructed by the Project Proponent from Block D and E connecting to Block C. Villagers from Jambongan Island particularly Kg Limau and Malalin will be able to benefit from this. Employment Opportunities - If deemed necessary, additional workers will be employed for the Project. This will generate employment opportunities to the villagers of Jambongan Island whereby priority shall be given to the local.
B.2.2) Adverse social impacts	Impact to Water Quality – Usage of fertilisers and agro-chemicals such as pesticides and herbicides in the plantation will affect the water quality at the existing tributary streams of Sg Limau, Sg Ginday and Sg Malalin. This will potentially affect the plantation workers if they came in contact with the water.
B.3) Potential Abandonment	Abandonment refers to an event whereby the Project had to be withdrawn or halted may it be permanent or otherwise as a result of certain circumstances, such as downturn of national economy, unforeseen management and technical problems arising during the implementation of Project and changes in government policy on the nature of the Project. Abandonment during site clearing and establishment stage will expose the project site to some degree of soil erosion and sedimentation, besides causing loss of biodiversity in the area. The severity of the loss of biodiversity depends on how much area has been cleared then. Abandonment during maintenance stage will leave the whole area with only monoculture species thriving in that area.

The company has taken actions to follow up on the recommendations from the HCV/SEIA and PMM consultants and incorporate them into the management plan, as described in Section 8 below.

5 Summary of HCV Assessment findings:

5.1 Summary of assessment findings for 1st HCV Report on New Planting Sites

HCV inventory was conducted in the 4 blocks of land proposed for the new planting indicated that owing to repeated fires and human activities there was no original vegetation left except for patches of residual regenerating trees. The abundance of Bracken and Resam fern supported the observation. Abundant colonization by *Acacia mangium* trees was observed in most of the sites inspected.

Satellite imageries obtained from 2006 indicated that the area was degraded without forest cover even in the Jambongan Forest Reserve where a private company is now rehabilitating the site with *Acacia mangium*.

The high conservation value (HCV) attributes originally initiated under Forest Stewardship Council have now been elaborated into 6 high conservation values by Global HCVF Toolkit (2003) and had been adopted by the High Conservation Value Forest (HCVF) Toolkit of Malaysia (2009). The latter had divided the attributes into specific elements to further define specifically high conservation values and it was used as the reference for this study.

The only site with HCV significant is the stream flowing through Block 4 (currently Block D of the proposed new planting area) which shall be protected.

Section 8.4 of the HCV Report on New Planting Sites summarized the findings regarding existence of each HCV element as follows:

HCV 1

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The many fragmented small parcels of land within the first block could not support any elements that could be related to the HCV. The shrub vegetation with few standing trees did not contribute any HCV features. The floristic composition consisted mainly of residual trees of the secondary forest with the ground completely covered by Bracken ferns making natural regeneration extremely difficult.

The total area of Blocks 2 and 3 is 106.77 ha but the vegetation like the first block is shrub vegetation with few patches of standing trees of secondary forest species. Block 4 which is with residual trees of the planted *Acacia mangium* suffered from fires resulting in a ground cover of Bracken ferns.

The large animals detected were Sambar deers and wild boars which are both abundant throughout the island. These animals are protected under Schedule 3 of the Sabah Wildlife Enactment 1997 which allows hunting with permits. Both of these animals are placed in IUCN Red List Least Concern but vulnerable.

There were no endemic, rare or threatened species in these blocks.

HCV 2

The proposed new planting sites are small to be significant to be classified under HCV2.

HCV3

There are no ecosystems or habitats that are rare or threatened within the 4 blocks.

HCV 4

The last block next to Kg. Limau-Limau has a stream flowing through and is utilized by the villagers. A riparian buffer belt along this stream shall be established and demarcated on ground as well as on maps under HCV 4.1. It must be noted that the source of the stream is from the *Acacia* plantation established by the private company and cooperative effort for protection will be desired.

Other development projects in the village presented by the representatives included the state government's proposal for a water reservoir for Jambongan Island costing about RM36 million to ensure continuous supply of water for the six villages.

HCV 5

The communities on the island depended on the sea for their livelihoods. Fishing and government aided sea cucumber processing are the main stays for the villagers. Planting of fruit trees was the main activity observed on land.

HCV 6

From the consultations conducted with the local communities there were no sites within the proposed project sites that fall under HCV 6.

There was also no site of special cultural or religious importance except for Tg. Semangat at Kg. Hujung known as sacred site for annual ritual "mandi sapar" by fishing communities although the practise is gradually diminishing as it deemed to contradict to the Islamic teachings.

Another site is the water fall at Block 41 of the GJBE plantation important site for the community including Tg Batu being a stopover site for the legendary Mat Salleh in the past.

5.2 Summary of assessment findings for 2nd HCV Report on Potential Sites

HCV inventory was conducted in the 4 blocks of the potential area, indicated that owing to repeated fires and human activities there was no original vegetation left except for patches of residual regenerating trees. The abundance of Bracken and Resam ferns supported the observation. Abundance colonization by Acacia mangium trees was observed in most of the sites inspected.

Satellite imageries obtained from 2006 indicated that the area was degraded without forest cover even in the Jambongan Forest Reserve where a private company is licensed to rehabilitate the site with Acacia mangium.

Section 8.4 of the HCV Report on Potential Sites summarized the findings regarding existence of each HCV element as follows.

HCV 1

The many small parcels of land which under Harimaju Sdn Bhd could not support any elements that could be related to the HCV. The shrub vegetation with few standing trees did not contribute any HCV features. The floristic composition consisted mainly of residual trees of the secondary forest with the ground completely covered by Bracken fern making natural regeneration extremely difficult.

The large animals detected were Sambar deer and wild boars which are both very abundant throughout the island. These animals are protected under Schedule 3 of the Sabah Wildlife Enactment 1997 which allows hunting with permits. Both of these animals are placed in IUCN Red List Least Concern but vulnerable.

There were no endemic, rare or threatened species in these blocks.

HCV 2

The potential sites are small to be significant to be classified under HCV2.

HCV3

There are no ecosystems or habitats that are rare or threatened within the 4 blocks.

HCV 4

Block 1 has part of its land sited in a lake which together with the surrounding vegetation could be a water catchment site. A buffer belt along this stream shall be established and demarcated on ground as well as on maps under HCV 4.1. This is the only large water body in that area.

HCV 5

The communities on the island depended on the sea for their livelihoods. Fishing and government aided sea cucumber processing are the main stays for the villagers. Planting of fruit trees was the main activity observed on the land.

HCV 6

From the consultations conducted with the local communities there were no sites within the proposed project sites that fall under HCV 6.

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There was also no site of special cultural or religious importance except for Tg. Semangat at Kg. Hujung known as sacred site for annual ritual “mandi sapar” by fishing communities although the practise is gradually diminishing as it deemed to contradict to the Islamic teachings.

As the summary above covered all potential sites including Block 3 (now known as Block C), the only identified HCV is located at Block 1 which is not within the proposed new planting area. No HCV areas were identified in Block 3 which is currently Block C of the proposed new planting area.

6 Summary of Soil & Topography

According to the Proposal for Mitigation Measures (PMM) document prepared by Chemsain Konsultant Sdn. Bhd., the soil type within the project site particularly for Blocks A, B and E is made up of Maliau association which generally consist of sandstone and mudstone. Maliau association also covers most of the western part of Block D whilst the remaining portions are covered by Brantian and Dalit associations. Block C is dominated by Sook and a minor portion of Brantian association on the north. There are no peat soils identified.

Generally the topographical characteristic of Blocks A, B, C, D and E comprise of undulating hills with gentle slope of 0 – 20 degrees which has been altered since logging activities took over 10 years ago. During the site visit, it was observed that there are no areas with slope of more than 25 degrees on-site. There are also no low-lying areas noted within blocks A, B, C, D and E. Generally the topography of Pulau Jambongan is gently sloping down towards the coast.

Although there are no significant fragile and marginal soils or steep sloped areas identified in the proposed NPP area, soil erosion is identified as an environmental impact that needs to be managed by the company.

The maps showing the soil and topography of the project area are shown in the figures below:

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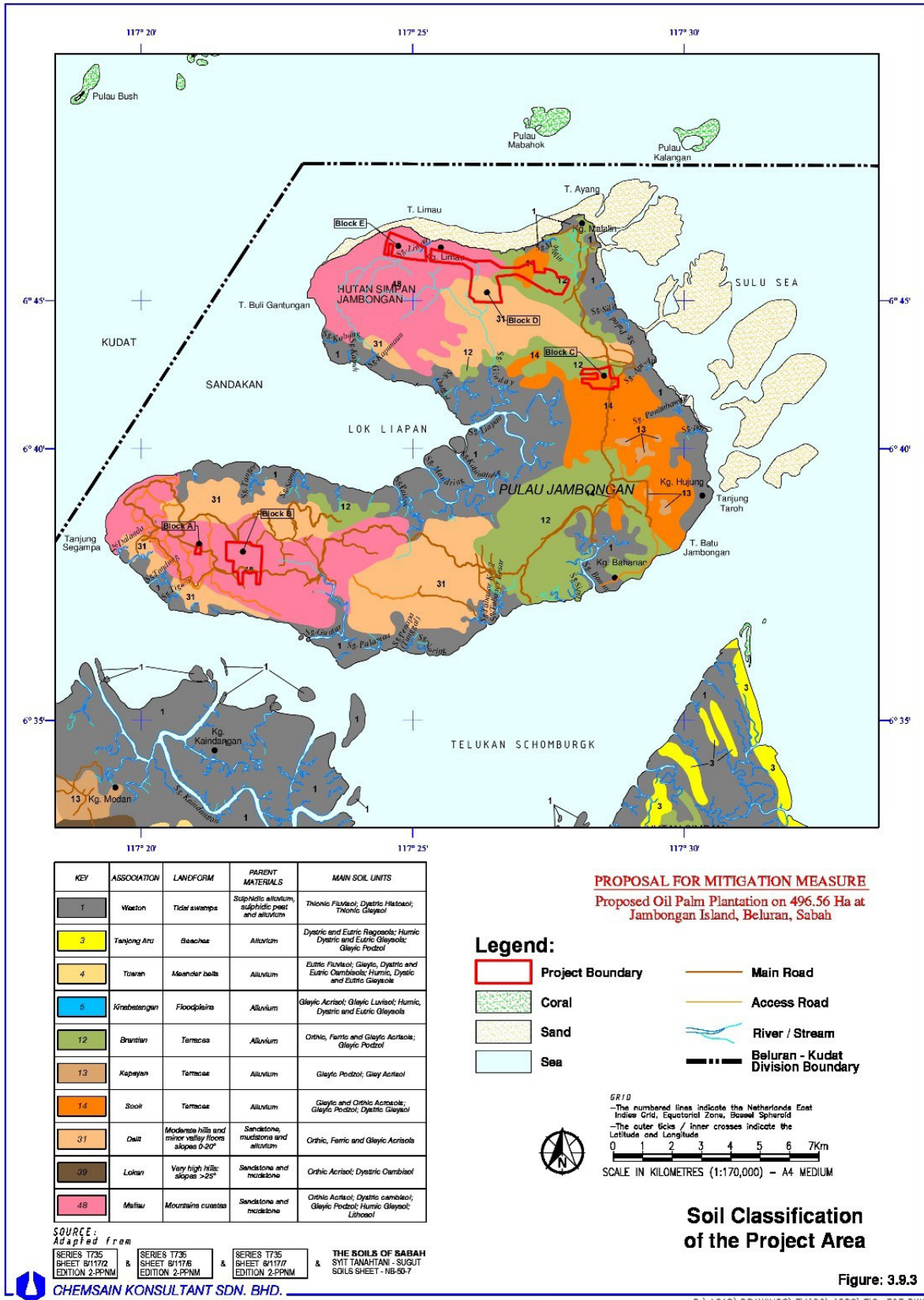


Figure 4: Soil Classification of the Project Area

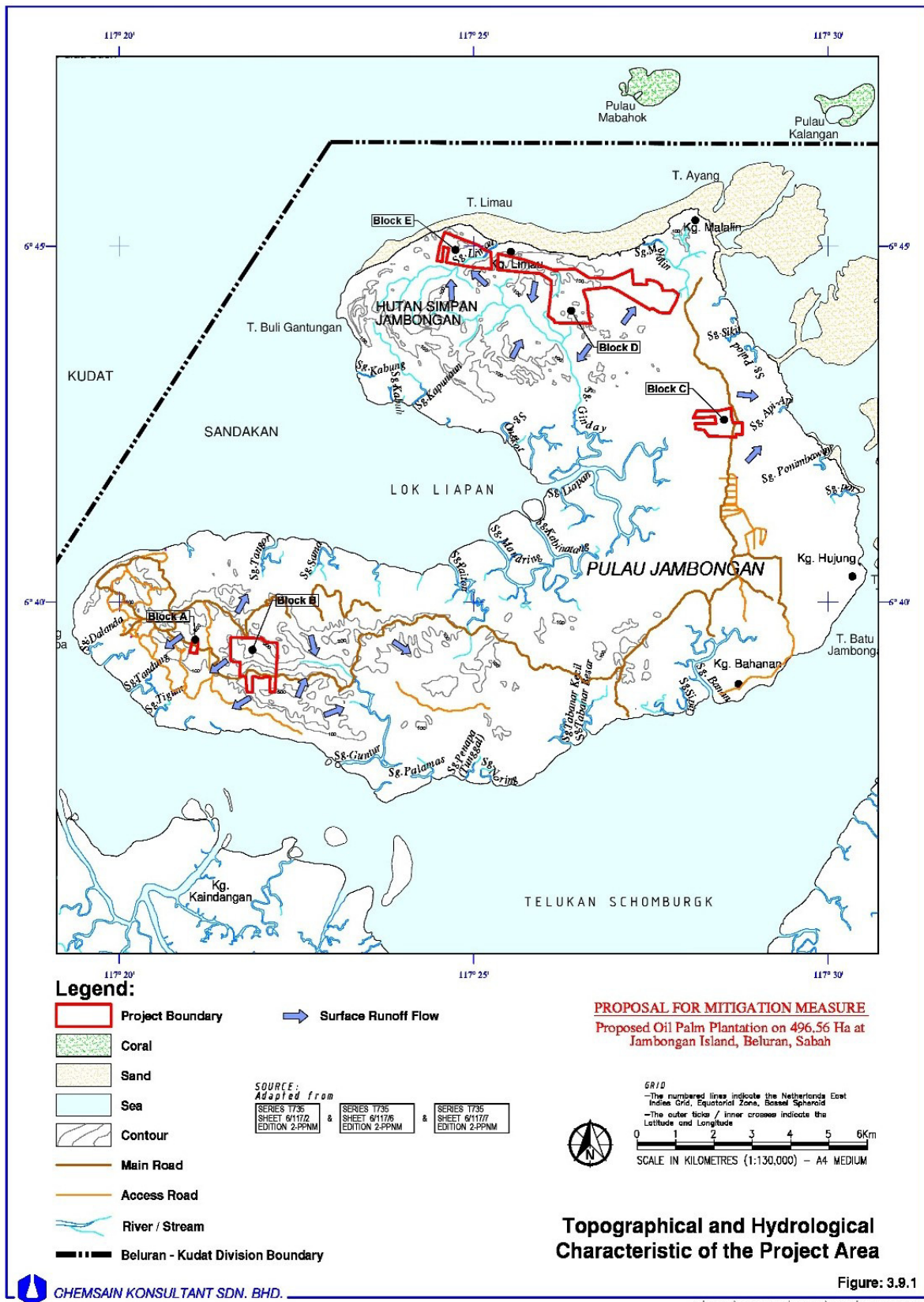


Figure 5: Topographical and Hydrological Characteristic of the Project Area

7 Summary of Land Use Change Analysis

Genting Plantations contracted PT Earthline to provide 2006 and 2010 satellite imagery and do landcover mapping of their existing Jambongan estate (3,510 ha) in Sabah, Malaysia, with landcover grouped under 4 coefficient. PT Earthline produced a report entitled "SPOT5 Satellite Imagery and Landcover Mapping of Jambongan Estate, Genting Plantations" (herewith referred to as the LUC report) dated September 2014.

As stated in the land use change (LUC) report from PT Earthline, this project involved the collection of 10 m multispectral SPOT5 imagery dating April 2006 and 15 m Landsat7 imagery, dating October 2010. Digital classification and editing was carried out based on this imagery. In 2006, most of the Jambongan estate consisted of cleared areas, with old and young shrubs mostly in the West and grassland mainly in the East. No secondary forest could be identified in this imagery.

In 2010, most of the estate was covered with young shrubs, with some old shrubs. In the West and South East, cleared areas are visible. No secondary forest or grassland could be identified in this imagery. The Jambongan estate is entirely grouped under coefficient 0.0 in 2006 and in 2010.

The landcover maps for the existing area of Jambongan estate produced by PT Earthline for year 2006, 2010 and 2015 are as shown below:

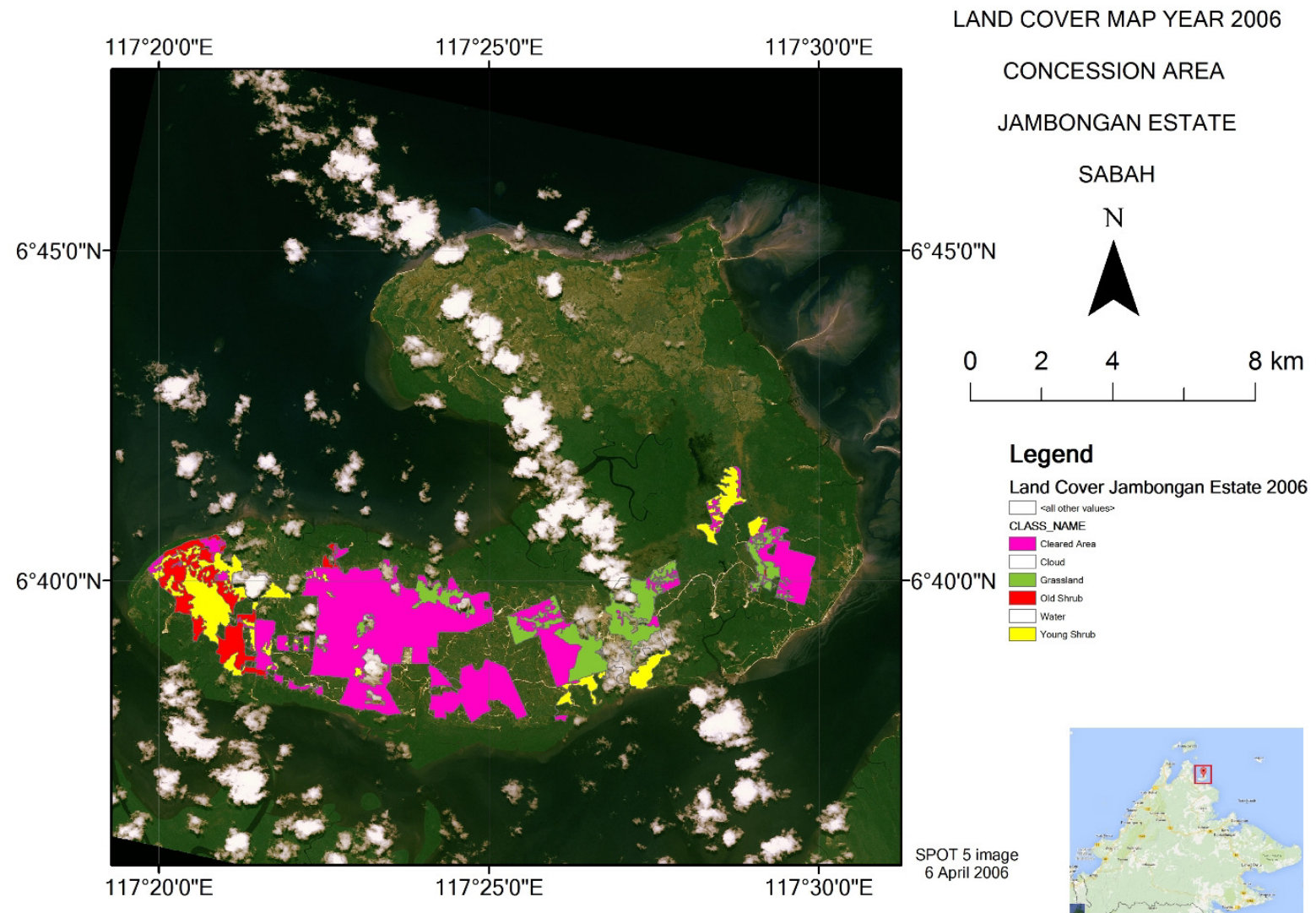


Figure 6: Land Cover of Jambongan Estate in year 2006

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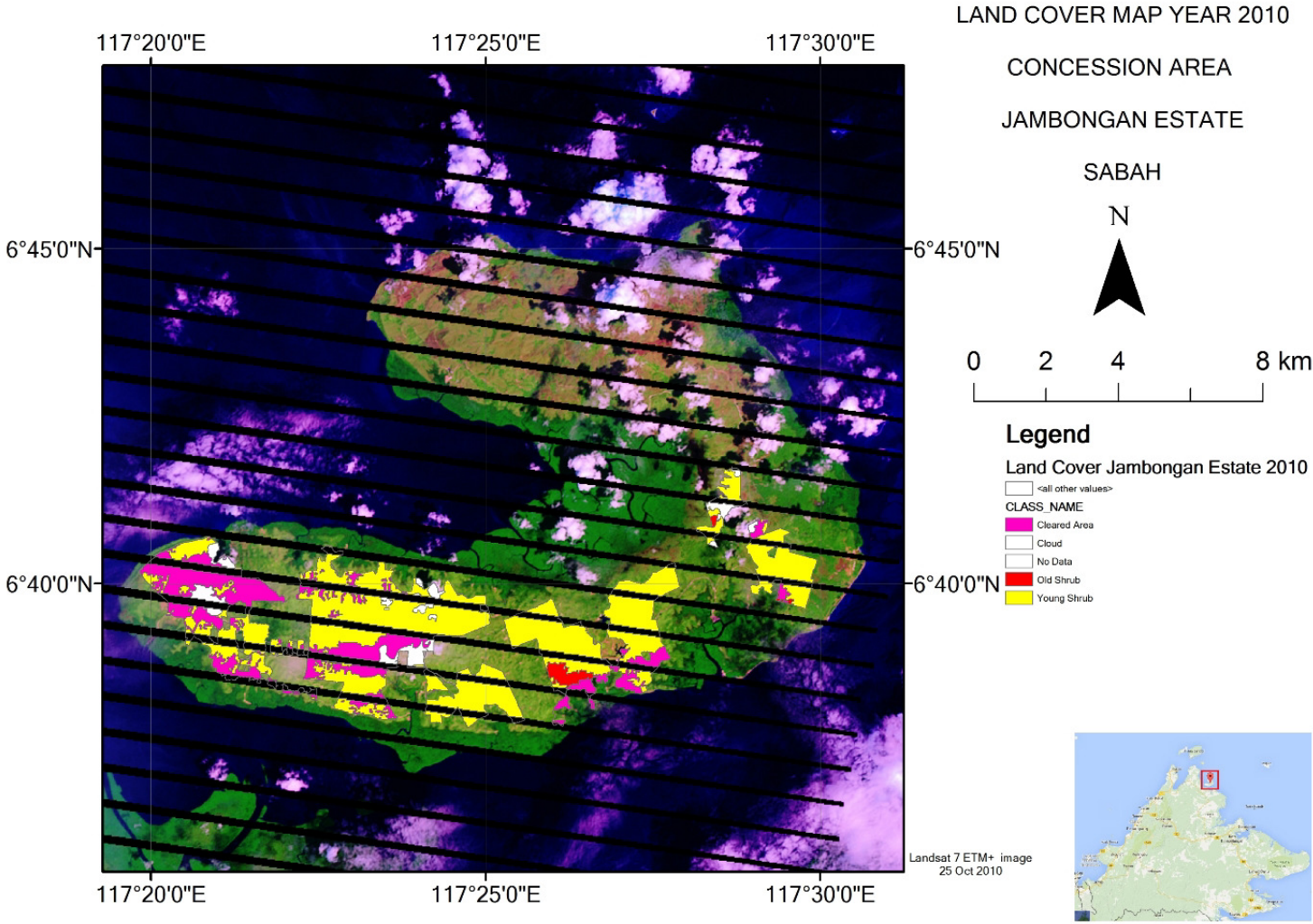
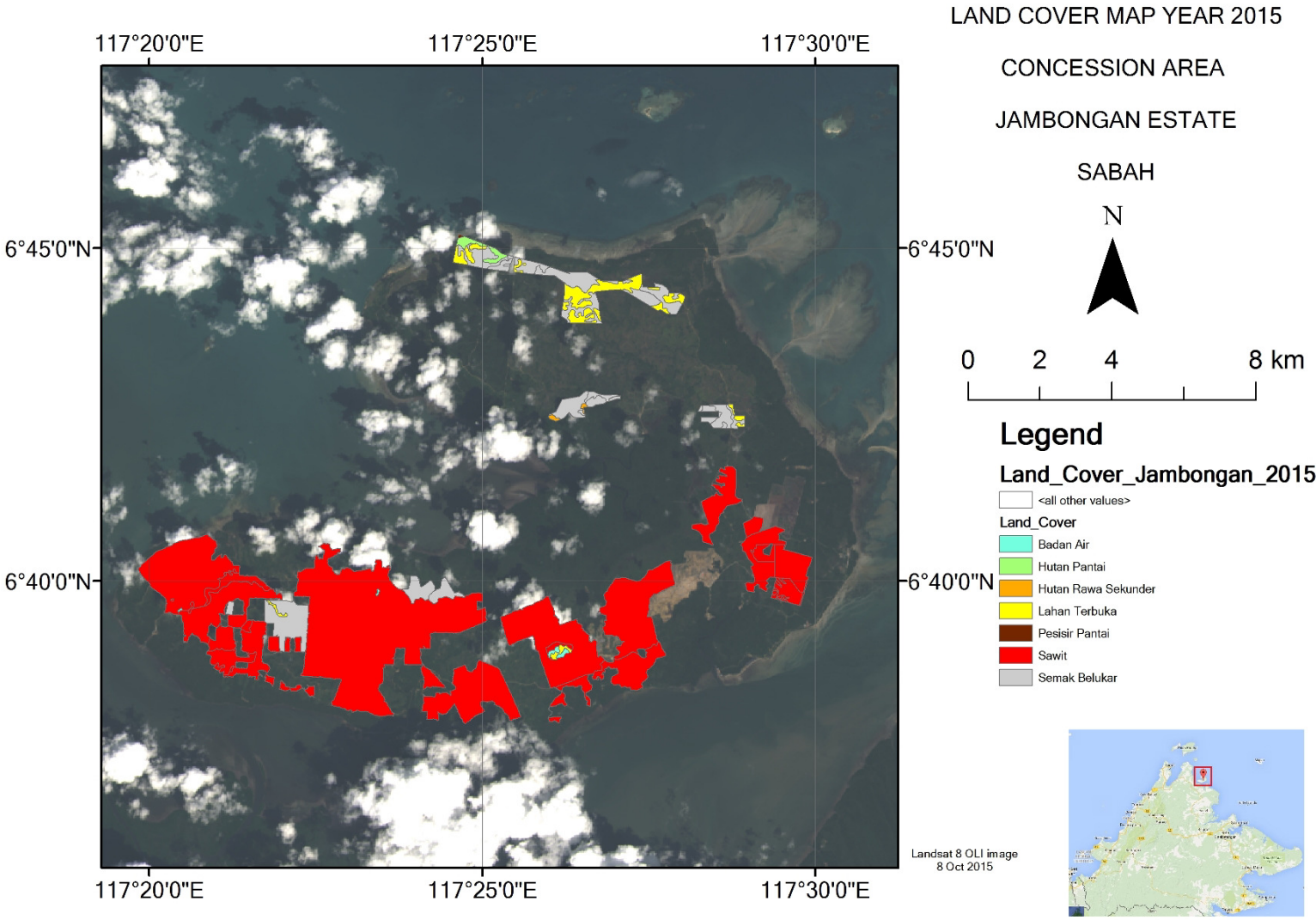


Figure 7: Land Cover of Jambongan Estate in year 2010

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Figure 8: Land Cover of Jambongan Estate in year 2015

8 Summary of Free, Prior, Informed Consent (FPIC) Process

Subsequent to the recommendations in the SEIA report as described in Section 4 above, the management of Genting Jambongan Estate together with the representatives from Genting Jambongan Oil Mill conducted a series of meetings with the affected villages on the island. The stakeholders invited were the village chiefs and the villagers as identified by the SEIA report. The results of these meetings were described in the company's 'Assessment Summaries and Management Plans' document.

During these meetings, the estate and mill management team communicated on the expansion plans of Genting Jambongan Estate and Genting Jambongan Oil Mill to the respective villagers. Concerns and feedback from the stakeholders were noted and management and mitigation plans were discussed. The meetings were held at the community halls at the respective villages and at the village head's house.

The meetings were held on the following dates:

Table 11: Details of FPIC meetings conducted by the company

Date	Village	Attendees
26.11.14	Kg. Hujung	38 adults, 9 children
27.11.14	Kg. Malalin	67 adults, 1 child
27.11.14	Kg. Bahanan	50 adults, 20 children
28.11.14	Kg.Limau-Limau	25 adults, 2 children

The topics discussed during the meetings were:

- Introduction and Background of Project
- Location of Project Area
- Proposed development plan
- Sustainability Programmes
- Oil Mill Operations
- Corporate and Social Responsibility Programmes

Evidence of the consultation activities were reviewed by the TUV Rheinland verifier, and included photos, signed attendance lists of participants from each village, and summary of issues raised. The issues raised were similar in all villages, including requests for improvement to road conditions, electricity supply, water supply, to increase in job opportunities and requests for other contributions.

In addition, boundary surveys were conducted and the villagers were invited to observe the surveys to ensure no encroachment into the community land. Evidence of boundary surveys conducted with the participation of villagers were sighted in the form of invoice from boundary surveyor (Jurukur Masa Sdn. Bhd.) for demarcation survey works, invitation letters to village heads and representatives to join the demarcation activity and well as a photo of the on-site demarcation survey being conducted. As explained further by the company, village representatives that participated in the boundary surveys were as follows:

Parcel beside Division 3 – No village representatives followed as no land in this area belongs to the kampong people

Parcel towards Kg Malalin and Limau-Limau – Demarcation activity was joined by village representatives En. Rosli and En. Murduhan during the first 3 to 4 days.

Since there is on 2 village representatives participated, no attendance list was signed by the participants.

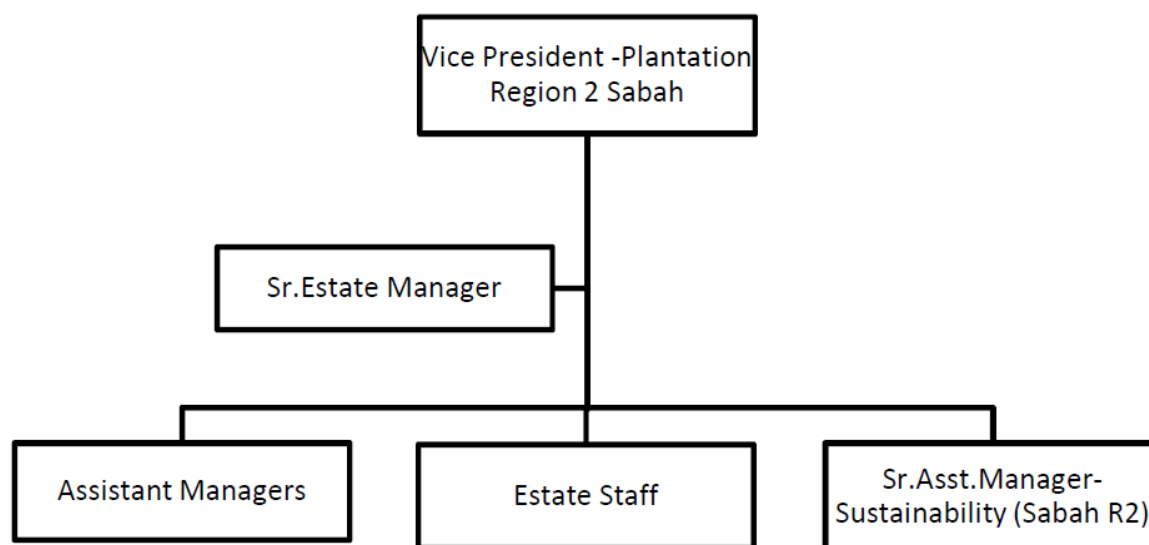
From the FPIC activities conducted above, the results were that there are no local communities lands identified within the proposed new planting area.

9 Summary of Management Plans:

9.1 Summary of Management and Mitigation Plans for SEIA

9.1.1 Team responsible for developing management plans

Personnel directly involved in the implementation of HCV and SEIA management plans are the Vice President Plantation Sabah Region 2, Senior Estate Manager and Assistant Managers, supported by the Senior Assistant Manager-Sustainability (Sabah R2).



Results of the SEIA study and also the FPIC meetings concluded that there are potential and existing social and environmental impacts on local villagers due to the proposed development of the new plantings at GJBE. The potential impacts and the areas of concerns highlighted and the management and mitigation plans are summarized in the tables below as stated in Section 4.2 of the company's 'Assessment Summaries and Management Plans' document:

9.1.2 Management and mitigation plan for social and environmental impacts

No.	Potential Impact/Impact areas	Concerns	Management & Mitigation Plan	Timing	Person-in-charge
1	Boundary encroachment	Lack of awareness of the proposed expansion plans by GJBE	1. FPIC session conducted by the estate and mill management teams in November 2014.	Before land clearing	Sr Estate Manager Assistant Managers Sustainability Team
2	Communication	Engagement and interaction at village level is lacking	1. To provide information on development plans. Regular stakeholders meetings to be held at village level.	Ongoing	Sr Estate Manager Assistant Managers Sustainability Team

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3	Pollution	Environmental pollution from estate and mill operations	<ol style="list-style-type: none"> 1. Environmental Aspect and Impact assessment to identify all sources of pollution 2. Estate and Mill to comply with Sustainability Management Procedures Manual specifically on environmental requirements. 3. Ensure compliance to DOE requirements 4. Ensure compliance to the PMM requirements 	Ongoing	Sr Estate Manager Assistant Managers Sustainability Team
4	Unemployment	Employment opportunities	<ol style="list-style-type: none"> 1. To provide capacity building and employment opportunities to the local villagers. 	Ongoing	Sr Estate Manager Mill Manager
5	Welfare	<p>CSR</p> <ol style="list-style-type: none"> 1. Request for provision of clean water during drought season 2. Request for electricity supply 3. Improve road access 	<ol style="list-style-type: none"> 1. Consultation with other stakeholders operating on the island (e.g. Acacia plantation) to jointly provide CSR to the local community. 2. To provide each village with one 5000 gallons water tank. Clean water supply to be sent once the villages are accessible by road. 3. Due to high cost of providing electricity, the management is unable to provide for all the villages. Excess energy from the mill is being used for the compost plant and the facilities around the mill. 4. The management will assess/study the road access. <p>However, improvements and construction of roads will be done progressively.</p>	Progressive	Sr Estate Manager Mill Manager
6	Boundary Encroachment/ Land Use Rights	Identification of Legal boundaries between the new parcels and community land prior to the land clearing	<ol style="list-style-type: none"> 1. Stakeholders were invited to participate as observers during the land surveys via a letter in January 2015. 2. A licensed surveyor was engaged by Genting Plantations to carry out the boundary surveys. 3. The survey commenced in March 2015 until June 2015. Representatives from Genting Plantations accompanied the surveyors during the survey at: <ul style="list-style-type: none"> -Parcel beside Division 3 by Supervisor En. Jamil and -Parcel towards Kg Malalin by Supervisor, En. Yazid 	Prior to land clearing	Sr Estate Manager Estate Management Team

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			<p>Representatives from the local villages present during the survey:</p> <p>Parcel towards Kg Malalin and Limau-Limau jointly by En. Rosli and En. Murduhan. Parcel beside Div 3 – no representatives from the local villages as the land is not bordering the community's land</p>		
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9.1.3 Management and Mitigation Measures for Environmental Impacts (PMM)

No.	Impact	Source of impact	Mitigation and Control Measures	Timing
1	Soil erosion	Land clearing	<ul style="list-style-type: none"> -Re-vegetation or planting of cover crops should be carried out in tandem with the field establishment works. This is to avoid prolonged and unnecessary exposure of bare ground to heavy rains. -Road networks within the site should be constructed with good drainage system. 	During land clearing
2	Water pollution	Land clearing and construction of road access	<ul style="list-style-type: none"> -Riparian reserves should be provided on all rivers and streams onsite in accordance to the requirement of the Department of Irrigation and Drainage (DID) under "Garis panduan JPS Bil.1 Tahun 2000" as well as "Seksyen 40 – Enakmen Sumber Air Negeri Sabah 1998" -All riparian reserves must be clearly marked on the ground with sign posts prior to the commencement of planting activities. -Regular water quality monitoring should be conducted once in every six (6) months throughout the project development at the tributary streams. -Use of agro-chemicals should strictly adhere to the rules and regulations as stipulated under the Pesticides Act 1974. 	Throughout the project
3	Waste generation	Throughout project	<ul style="list-style-type: none"> -Strictly comply with the Zero burning policy throughout the project activities. -Biomass waste should be properly stacked and left to decompose naturally onsite. -Dumping of biomass waste into the waterways is strictly prohibited. -No discharge of raw sewage is permitted into the existing waterways. -All solid waste generated onsite should be disposed off at the designated disposal site within the plantation. Recyclable items to be sent to the segregation centre. -All scheduled waste must be stored and disposed as per requirements of the Environmental Quality (Scheduled Waste) Regulations 2005 and its subsequent amendment, 2007. 	

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4	Ecological impact	Planting and maintenance	-Application of agro-chemicals should be prohibited and controlled within 100 m distance from the forest reserves boundary.	After planting
5	Socio-economic impact	Welfare and Employment	-Employment priority will be given to competent and eligible locals. -Employment of foreign workers should be through proper documentation and in compliance with regulations. -All new workers should be health screened prior to employment. -All complaints from the local communities regarding socio-economic impacts should be recorded and investigated/resolved according to company procedures.	Throughout project

9.2 Summary of Management and Mitigation Plans for HCV areas.

The monitoring period of the identified HCV sites defined by the company is to be conducted every 4 months to prevent any damage to these sites and to avoid degradation of the conservation attributes. During monitoring, any damages shall be reported to management and remedial measures shall be implemented accordingly.

The management and mitigation plan for the sole identified HCV area is summarized below as per Section 4.3 of the company's 'Assessment Summaries and Management Plans' document:

9.2.1 Management and Mitigation of HCV areas

HCV	Sub-HCV	Description	Possible threats	Management & Mitigation Action	Timing	Benchmark indicators	Monitoring	Person responsible
4	4.1 Watershed Protection	Sg Limau Sg Ginday	1.Stream bank erosion and sedimentation	1. Establish buffer zone as per Sabah Water Resource Enactment 1998. With the proposed riparian reserve of 5 m and 20 m width along each river bank. Sg Limau, the approx. total area is 1.55 hectares. Sg Ginday, the approx. total area is 0.93 hectares. 2.To map important water resource areas, and to place signboards, to provide protection/buffer to the location. 3.To inform stakeholders on importance of watershed protection.	Before any land clearing	- Good vegetation cover at the buffer zones -HCV information available on notice boards -All sprayers and general workers understand on the HCV requirement. - Socialization activity documented.	-Compare documents to actual condition at site -Interviews with stakeholders	Estate Management team

				<p>4. To install poles in red and white paint to show distance of buffer zone.</p> <p>5. To include the buffer zone and potential erosion area in the map</p> <p>6. Land or vegetation cover in the high potential erosion area should be well maintained, or should be improved if necessary.</p> <p>7. To avoid any weeding or manuring activities on palms within the buffer zone.</p> <p>8. To place signages informing stakeholders on HCV area</p> <p>9. To socialize the importance of conservation of buffer zone to sprayers and general workers.</p>				
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9.3 Summary of Management and Mitigation Plans for Soil Analysis

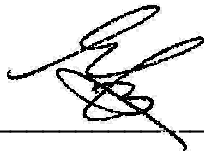
As there are no fragile and marginal soils, peat soils and highly sloped areas identified within the NPP area, soil erosion is the only potential environmental impact which is recommended for management and mitigation as described in the PMM report. The company’s plan for management and mitigation of soil erosion is as described under Section 10.1.3 above under table for ‘Management and Mitigation Measures for Environmental Impacts (PMM)’.

10 Verification Statement:

It is the opinion of the TUV Rheinland verifier that Genting SDC Sdn. Bhd. has demonstrated adherence to the RSPO New Planting Procedures for the proposed planting area of 496.56 ha at Jambongan Island, Beluran District, Sabah. The social and environmental assessments were detailed, comprehensive and professionally carried out. The company's management plans has incorporated the findings of the PMM report conducted by the Sabah EPD approved consultants as well as incorporating the HCV and SEIA assessments findings by consultants which were approved by the RSPO. The company has also completed their carbon stock assessment and LUC analysis in line with the NPP requirements, and results of the carbon stock assessment have incorporated into the company's management plans as well. The results of the carbon stock assessment and management plan will be submitted for review by the RSPO-ERWG.

TUV Rheinland confirms that the assessment and management plans are comprehensive, professional and compliant to RSPO New Planting Procedures as well as the RSPO principles, criteria and indicators for the new planting activities conducted by Genting SDC Sdn. Bhd.

**Signed on behalf of
TUV Rheinland Malaysia Sdn. Bhd.,
(approved RSPO auditing office of PT TUV Rheinland Indonesia)**



**Carol Ng
Lead Auditor
Date: 16 June 2016**

11 Internal Responsibility:

On behalf of the company, I acknowledge the responsibilities of the company to implement the management and mitigations plans.

Signed on behalf of Genting Plantations Berhad,



**Tang Hong Piau
Vice President Sabah Region 2
Date: 11 July 2016**

Appendices

Appendix 1: List of Abbreviations

ALS	Assessor Licensing Scheme
EIA	Environmental Impact Assessment
EPD	Environmental Protection Agency
ERWG	Emissions Reduction Working Group
GHG	Greenhouse Gas
GJBE	Genting Jambongan Estate
HCV	High Conservation Value
HCVRN	High Conservation Value Resource Network
LUC	Land Use Change
MEC	Malaysian Environmental Consultants
MOS	Memorandum of Sublease
MPOB	Malaysian Palm Oil Board
NPP	New Planting Procedures
PMM	Proposal for Mitigation Measure
RSPO	Roundtable on Sustainable Palm Oil
SEIA	Social & Environmental Impact Assessment