RSPO

Roundtable on Sustainable Palm Oil

RSPO NOTIFICATION OF PROPOSED NEW PLANTING

This notification shall be on the RSPO website for 30 days as required by the RSPO procedures for new plantings (http://www.rspo.org/?q=page/535 ***). It has also been posted on local on-site notice boards.***

Date of notification: **17 June 2020**

NAME OF GROWER	**:**	**PT Agrajaya Baktitama**
SUBSIDIARY (If any)	**:**	**Goodhope Asia Holdings, Ltd**
RSPO Membership Number	**:**	1-0175-14-000-00, December 2nd, 2014
Location of proposed new planting		
• Plantation address	:	Randau Village, Pendamar Indah Village, Alam Pakuan Village (District of Sandai), Lanjut Mekarsari Village (District of Sungai Laur), and Benua Kerio Village, (District of Hulu Sungai) Ketapang Regency, Province of West Kalimantan.
• Business Permit	:	No.149 year of 2011 Dated 18 May 2011, Issued by Regent of Ketapang, Province of West Kalimantan with area ± 11,065 Ha.
• Type of Business	:	Oil Palm Plantations.
• Size (ha)	:	9,331 Ha (According to Cadastral) No 015-14.07-2015 dated 13 March 2015
• Contact persons	:	Mr Abrar Ramlan
• Email address	:	abrarr@goodhope-id.com
• Geographical location	:	**Northern Block of PT AJB** North: PT Karunia Hutan Lestari (Logging Concession/HPT) South: PT Karunia Hutan Lestari (Logging Concession/HPT) East: PT Karunia Hutan Lestari (Logging Concession/HPT) West: PT Mulia Bakti Kahuripan (Oil Palm Plantation Concession) and Lanjut Mekarsari Village. **Southern Block of PT AJB** North: Other Landuse (APL), Protected Forest (HL), PT Karunia Hutan Lestari (Logging Concession)/HPT South: PT Sawit Makmur Sejahtera and Randau Jungkal Village East: Other Landuse (APL), PT Sawit Makmur Sejahtera, Benua Kerio Village

West: PT Batu Mas Sejahtera, Pendamar Indah Village, Randau Village, and Merimbang Jaya Village

- Spatial Reference (GPS Coordinates) : 110°31’43.34’’-110°43.31’’ East and 0°53’52’’-1°08’4.6’’ South
- Boundary map : See Figure 2
- Areas and time plan for new plantings : See Figure 3 and Table 1

Figure 1. Location Map of PT Agrajaya Baktitama

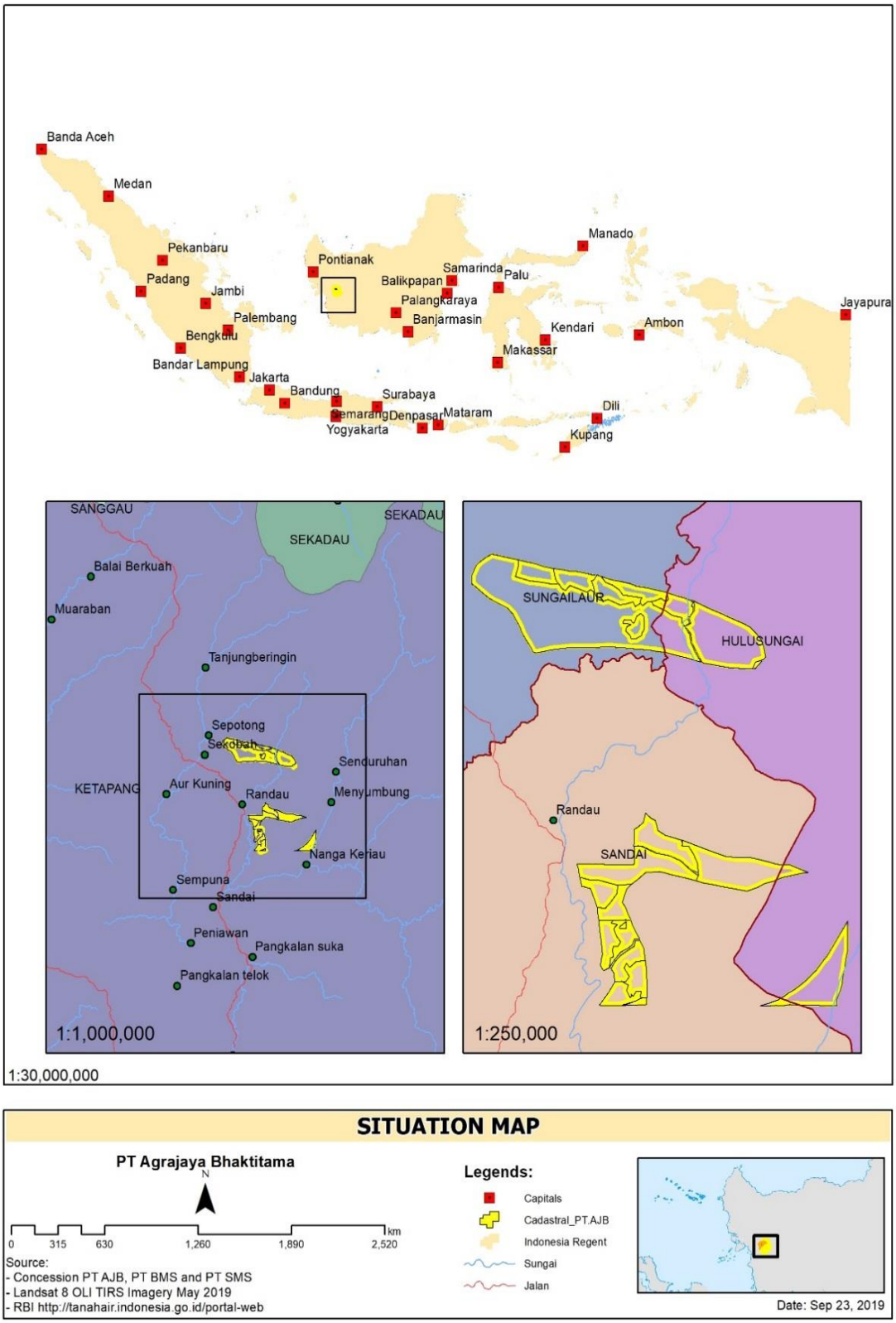


Figure 2. Concession Map of PT Agrajaya Baktitama

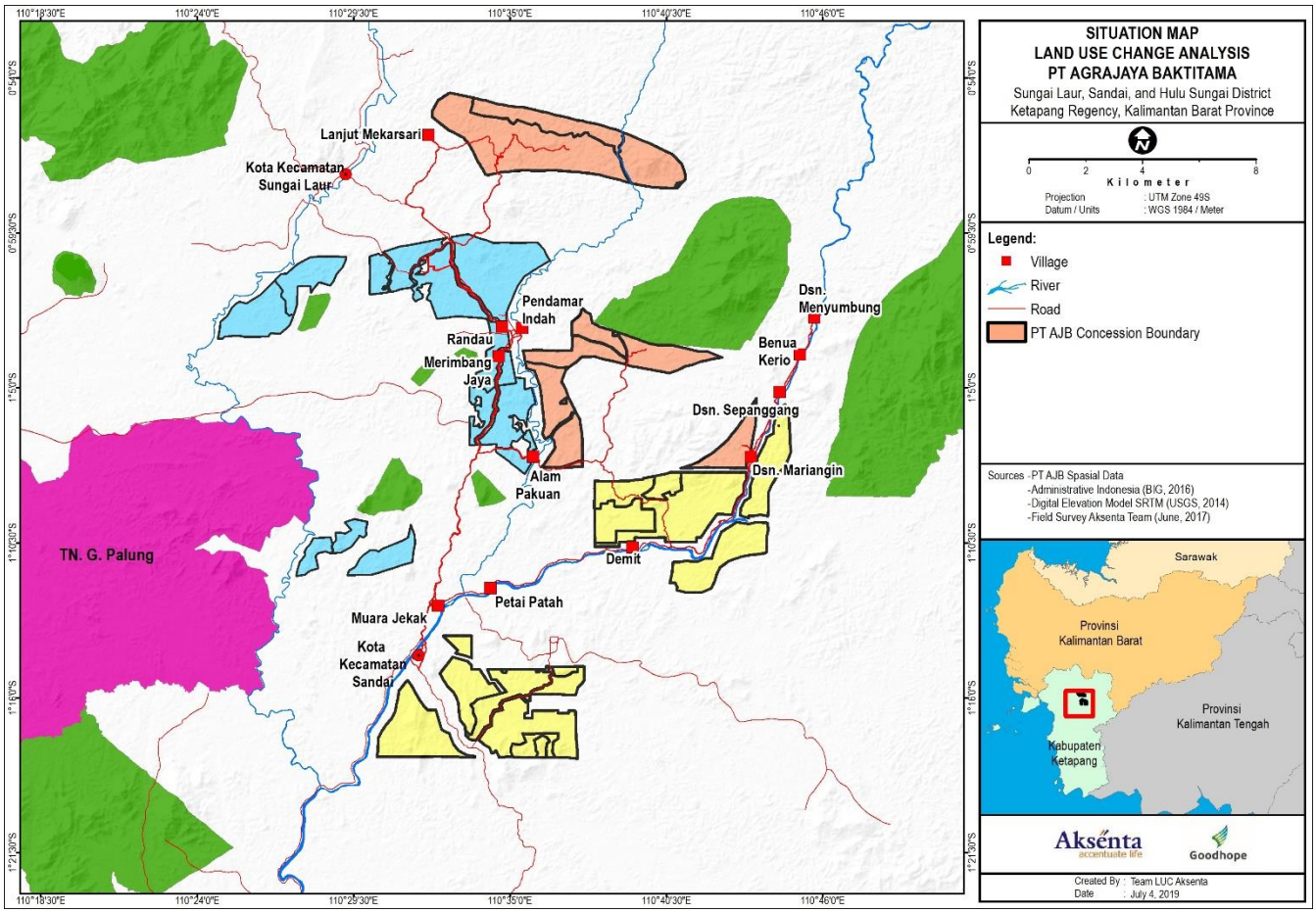


Figure 3. Planning Map of New Planting Area on Agro Jaya Estate (Part A)

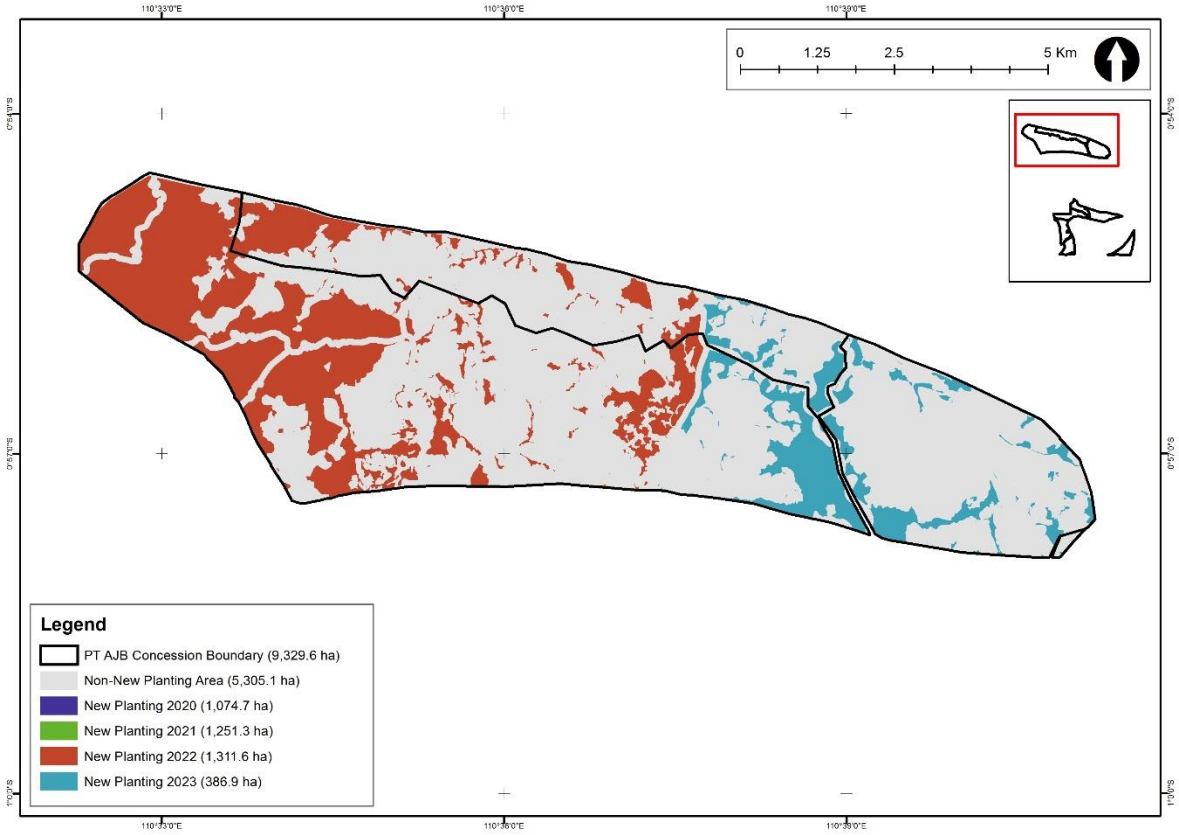


Figure 4. Planning Map of New Planting Area on Agro Bakti Estate (Part B)

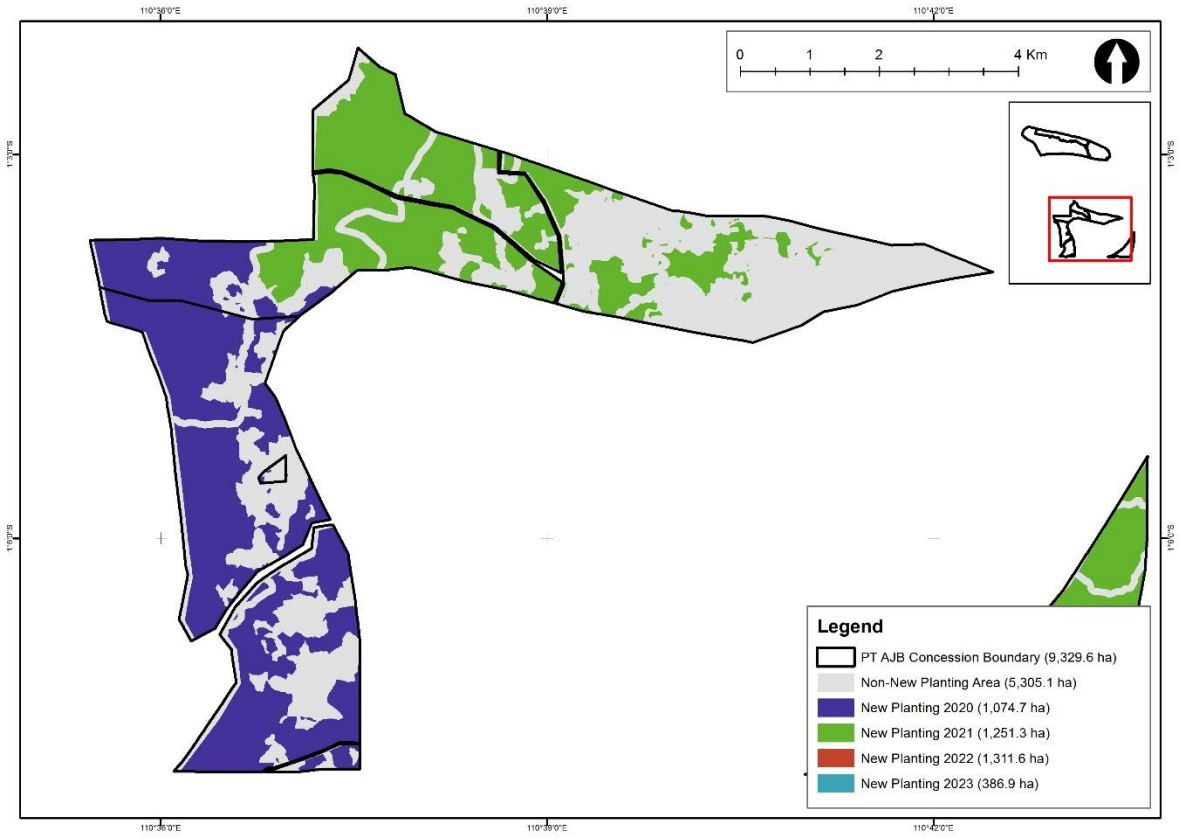


Figure 5. Planning Map of New Planting Area on Agro Bakti Estate (Part C)

Table 1. The summarized of area and time-plan for new plantings

Year	Area to be Developed (ha)
2020	1,074.7
2021	1,251.3
2022	1,311.6
2023	386.8
Total New Development Plan	4,024.5

STATEMENT OF ACCEPTANCE OF RESPONSIBILITY FOR NPP

Notes: The oil palm grower signs to confirm that the necessary assessments have been done and completed in accordance to the NPP.

Name of Grower	:	PT Agrajaya Baktitama Subsidiary of Goodhope Asia Holdings, Ltd
Name of Person Responsible	:	Edi Suhardi
Position	:	Director of Sustainability
Signed	:	
Date	:	18 November 2019

VERIFICATION STATEMENT BY CERTIFICATION BODY:

PT. Agrajaya Baktitama (here in after mentioned as PT AJB) for a document verification and field verifications to conduct the New Planting Procedure because PT AJB already open several part of the area for 3,353.20 Ha since October 2007 until April 2015 for oil palm planting, road access, nursery and infrastructure. PT AJB has had legal right to use the land which is location permit, Business Permit (IUP), land compensation, and Cadastral. Due to PT AJB has not gone through the NPP before the land had opened sanction for the management unit shall follow Remediation and Compensation Procedures (RaCP) 2014 and will not be able to trade the CPO and PK as CSPO and CSPK for the first 3 years after its certification. Four (4) Mutuagung Lestari auditors have conducted verification on field observation conducted at site on 11 & 13 September 2019 and desk study on Jakarta Head Office on 19 June 2019 and the auditor teams are: Trismadi Nurbayuto (Legal, FPIC, and Land Dispute), Satria Adi Putra (SIA and FPIC), Haikal Ramadhan Kharismansyah (SEIA & Soil Suitability) and Brigitta Prita (HCV, LUCA, and HCS).

PT AJB is administratively located in Sandai, Sungai Laur & Hulu Sungai Districts, Ketapang Regency, Province of Kalimantan Barat, it Borders with the other palm oil plantations and logging concessions. Before the presence of oil palm companies, the majority of local community worked as rubber and rice field farmer, as well as logger. However, most of them have turned to works in oil palm companies. Only few of them work as community gold miner, fisherman, worker, logger, trader and civil servant.

The new planting of PT Agrajaya Baktitama (own estate) will be planned on 2020 – 2023 for an area of 4,024.50 Ha. HCV Assessment was conduct from May to August 2017 and continued in October 2017 for additional visit. Goodhope contracted a full licensed HCV assessor from the Assessor Licensing Scheme (ALS) registered with HCVRN to conduct HCV assessments. The lead assessor, Mr Iwan Setiawan, was appointed with an assessment team from PT Gagas Dinamika Aksenta to conduct HCV assessments PT Agrajaya Baktitama.

With assessments still ongoing, the HCVRN unexpectedly revoked the license of the assessor Mr. Iwan Setiawan on August 23rd 2017. The loss of the license occurred in response to assessments conducted elsewhere. Having been informed on the licensing status of Mr. Iwan Setiawan, Goodhope sought further direction and advice from the RSPO Secretariat. Prompted by RSPO, the HCVRN issued guidelines on 'Next steps for companies when the license of a lead assessor of an ongoing assessment is revoked'.

Based on land system map (RePPProT, 1989), the dominant soil great group in the Assessment Area includes Tropodults (podsolic).In general, the soil texture is considered loam – Sandy Clay, erodibility 0.17 (low) with soil hydrologic group (SHG) B-C (Infiltration rate: high-medium). For this reason, soils under SHG C category have

surface runoff potential larger than that of others under SHG B category. There is no peat land in PT Agrajaya Baktitama.

GHG Assessment report was conducted according to RSPO GHG Assessment Procedure for New Development version 3, October 2016 and incorporated carbon stock assessment was based on the HCS Approach Toolkit Version 2.0: Putting No Deforestation into Practice on 3 May 2017 following the process of HCS Forest Patch Analysis Decision Tree described in the 2017 toolkit. Assessment of land cover carbon stock indentified 13 classes of land cover in AJB. Land cover areas with the highest carbon stock according to the assessment are (i) forest with 105.6 tonC/ha, (ii) young regenerating forest with (63.4 tonC/ha), and (iii) agroforest[1] with 57.3 tonC/ha. Table below presents biomass carbon contents in each land cover class in AJB.

Table 2. List of land biomass carbon content in AJB

Land Cover	Carbon Stock (tonC/ha)	Area (ha)
Forest (hutan)	105.6	839
Young regenerating forest/YRF (hutan muda)	63.4	402
Scrub/MAFL (semak belukar)	13.2	1,404
Agroforest/MAFH (kebun campuran tiggi)	57.3	1,862
Seasonal agricultural crop (pertanian musiman)	8.5	289
Paddy field (sawah)	2.0	31
Oil palm (kebun sawit)	20.9	3,294
Other company's oil palm (kebun sawit PT lain)	9.4	2
Community's oil palm (kebun sawit masyarakat)	9.4	20
Cleard land/LCIP (lahan telah dibuka belum ditanam)	2.5	331
Bare land (lahan terbuka)	2.5	819
Infrastructure and facilities (infrastruktur dan fasilitas lain)	5.0	5
Settlement (pemukiman)	5.0	4
Road (jalan)	-	24
Water body (badan air)	-	0
Total		**9.323**

Four new development scenarios were prepared based on differentiation of land use plan. Calculation of the emission projection considered only land use area that will potentially be cleared for the new development while setting aside several land use area that will not be converted to oil palm plantation. Table below presents details of land use areas that are potential to be cleared versus land use area that will not be converted.

Table 3. Details of land use potential to be converted versus land use will not be converted

Potential land use area to be converted		Land use area will not be converted	
Land Use	**Hectare**	**Land Use**	**Hectare**
Forest (hutan)	839	Paddy field (sawah)	31
Young regenerating forest/YRF (hutan muda)	402	Oil palm (kebun sawit)	3,294
Scrub/MAFL (semak belukar)	1,404	Other company's oil palm (kebun sawit PT lain)	2
Agroforest/MAFH (kebun campuran tiggi)	1,861	Community's oil palm (kebun sawit masyarakat)	20
Seasonal agricultural crop (pertanian musiman)	286	Infrastructure and facilities (infrastruktur dan fasilitas lain)	5
Cleard land/LCIP (lahan telah dibuka belum ditanam)	332	Settlement (pemukiman)	4
Bare land (lahan terbuka)	819	Road (jalan)	24
		Water body (badan air)	0
Total	**5,943**	**Total**	**3,380**

The first scenario assigns all of the potential land use area to be converted for new development, whereas the second, third, and four consider particular area for conservation. Table and figures below describe differentiation of each scenario.

Tabel 4. List of new development scenarios for AJB

Scenario	Description							
1	All unplanted area for new development							
2	Set aside HCV area with forest land cover from new development plan							
3	Set aside all HCV area from new development plan							
4	Set aside all HCV and HCS areas from new development plan							
Land cover	S1		S2		S3		S4	
	New dev	Cons	New dev	Cons	New dev	Cons	New dev	Cons
Forest	839	0	546	354.7	546.0	628	-	1,501
Young regenerating forest	402		340		340.0		-	
Scrub	1,404		1,404		1,310.0		1,310	
Agroforest	1,861		1,861		1,752.0		1,752	
Seasonal agr crop	286		286		273.0		273	
Cleared land	332		332		316.0		316	
Bare land	819		819		791.0		791	
Total	**5,943**	**0**	**5,588**	**354.7**	**5,328.0**	**628**	**4,442**	**1,501**

Differentiation of the proposed area for new development leads to variation of amount of the other GHG emission sources to be used in the new plantation management, such as fertilizer and fuel. The smaller the new development area, the lower the GHG emission emitted. Projections of GHG emission from each scenario are presented in table below.

Table 5. Projection of GHG emission from each new development scenario

No	Source of Emission	Projection of GHG Emission (tonCO2e/ha)			
		Scenario 1	Scenario 2	Scenario 3	Scenario 4
1	Land clearing	5.52	4.90	4.91	4.28
2	Crop sequestration	-9.36	-9.36	-9.36	-9.36
3	Fertilizer	0.32	0.32	0.32	0.32
4	N2O	0.25	0.25	0.25	0.25
5	Field fuel	0.00	0.00	0.00	0.00
6	Peat	0.00	0.00	0.00	0.00
7	Conservation credit	0.00	-0.21	-0.42	0.46
Total		**-3.27**	**-4.10**	**-4.30**	**-4.97**

The company is agreed to select the scenario 4, which is to set aside all of the HCV and HCS area for conservation. The selected scenario would decrease as much as 1.7 tonCO2e/ha compare to the baseline scenario. Details of new development plan and projection of GHG emission according to the selected scenario are presented in figures below.

The FPIC process of land compensation is using RSPO NPP guidance document for FPIC for Auditors (RSPO-GUI-T01-022 V1.0 ENG) was conducted by interviewing the surrounding communities. Interviews were conducted to five surrounding villages adjacent to company locations such as Randau Village, Pendamar Indah Village, Alam Pakuan Village, Benua Kerio Village and Lanjut Mekarsari Village. Interview process was conducted for one day by two auditors from 11 September 2019. From interviews it is known that the community has been involved since the preparation of AMDAL (2008), HCV Assessment (2017), Carbon Stock Assessment

(2017), Social Impact Assessment (2018). The surrounding community supports the existence of oil palm plantations and hopes that the opening of oil palm plantations can be done as soon as possible. The communities also said that the company never commit coercion in the process of land acquisition and has involved participatory identification to local people land in company location permit.

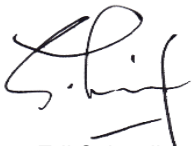
In addition to interviewing the surrounding community, field observations are made to ensure unplanted areas and HCV sites are in good condition. The field observation process was conducted for one day by two auditor. From field observations it is known that the condition of HCV is still well preserved, besides the location of NPP is still not yet embedded.

The SEIA (AMDAL) has conducted by the government approved consultants as well as the HCV and SIA assessments conducted by ALS accredited and approved assessors licensed. PT AJB has arranged the management plan to reduce the negative impact and increase positive impact from all risk and impact that are identified. PT AJB has adhered to RSPO New Planting Procedure and documented the assessments and plans are comprehensive and professionally carried out according to RSPO requirements and comply with the applicable RSPO Principles, Criteria and indicators for new plantings. PT Agrajaya Baktitama also has complied to Criterion 7.8 (High Carbon Stocks) of the P&C RSPO 2015. The calculation of High Carbon Stock (HCS) is conducted by calculating the carbon stock from satellite imagery and biomass.

Signed for, on behalf of,
Mutuagung Lestari

Trismadi Nurbayuto
Lead Auditor
17 June 2020

Director of Sustainability



Edi Suhardi
Director of Sustainability
17 June 2020