

**Summary Report of Planning and Management of
PT Agro Wana Lestari,
Kotawaringin Timur Regency, Central Kalimantan, Indonesia**

1. Executive Summary

PT Agro Wana Lestari (PT AWL) located in Kotawaringin Timur Regency (District: Bukit santuai, Mentaya Hulu, and Telaga Antang) of Central Kalimantan Province, is one of oil palm companies, which have start to adopt the sustainable management practices for oil palm plantation. The company is committed to comply with all applicable government policies, including oil palm production, environment and social-economy.

PT AWL plans to develop 15.936 ha of land for oil palm planting. The concession area is situated in 5 vilages at three Districts (Bukit Santuai, Mentaya Hulu, and Telaga Antang), Kotawaringin Timur regency, Central Kalimantan province. As part of sustainble oil palm management, PT AWL seeks to comply with RSPO's New Planting Procedures which was enforced on 1st January 2010. The plantation operational lisenca (Izin Usaha Perkebunan/IUP) was approved by Kotawaringin Timur Regent.

In November 2004, this company has obtained Location Permit of 10.000 ha from Bupati Kotawaringin Timur Regency, and revised its location permit in July 2010 to be 11.803,95 ha. In May 2010, PT AWL obtained another location permit adjacent to its current land holding with an area of 4.132,5 ha. Total Permit Location of PT AWL is 15.936 ha.

As part of its commitment PT AWL has enforced the RSPO New Planting Procedure with immediate effect. As part of the management of sustainable oil palm cultivation, PT AWL has made the identification of High Conservation Value (HCV), Social Impact Assessment (SIA) and Environment Impact Assessment/Analisis Mengenai Dampak Lingkungan (EIA/AMDAL). Identification of HCV and the SIA conducted in two stages: Stage 1 (one) conducted from 17 to 23 October 2009 and stage 2 (two) conducted from 9 to 15 June 2010. It asses by an RSPO approved assessors from HCV Team Forestry Faculty of Bogor Agricultural University (IPB). Environmental Impact Assesment was conducted in 2008 and then amended and re-issued to include the new concession area of ± 4,132,5 Ha in 2011. This EIA approved by Governor of Central Kalimantan Province decree No. 188.44/167/2011 in 20th May 2011.

Based on the HCV identification report, the condition of land cover in the PT AWL area location permit can be grouped into 5 (five) parts: Open area (0,95%), Secondary Forest (25,48%), Mixed Crops (33,79%), Shrubs (5,88), and Oil Palm (33,9%). This land cover condition due to exploitation of forest that has been done by previous company and the activities of Community Farming. Location permit of PT AWL is situated in a part of Mentaya watershed, it is include some of sub-watershed: Kuayan River, Keminting river, Tanah haluan River, and Penyahuan

River. In general the condition of geomorphology of the study area comprises of Flat (26,87%), Sloping (27,28%), Hilly (28,40%), rather steep (9,83%), steep (5,41%) and very steep (2,22%).

The results of the identification of HCV study showed that there are five types of HCV values, the HCV 1, HCV 2, HCV 3, HCV 4 and HCV 6 in PT AWL Location Permit. The total HCV identified is about 2.404,47 hectares. Important element of the existence of HCV 1, i.e. the existence of an important area as refugia for important species. The important element of HCV 2 is the existence of areas that contain representative populations of most naturally occurring species. The important of HCV 3 is the existence of rare or endangered ecosystem. The important element of HCV 4 is with respect to water catchment areas, water sources of rivers, flood control and erosion areas and firebreaks. The important element of HCV 6 is the sacred sites at which traditional ceremonies take place that have importance to local peoples.

Based on the land system in PT AWL, soil conditions of this area dominated by Honja land (56,09%), and the other are Juloh (11,63%), Pangkaluna (24,72%) and Runagankau (7,57%). There is no peat soils in this land system .

From the social impact study it can be concluded that there is potential and significant impacts by the presence of PT AWL towards social sustainability for local community. The immediate activity that will have an impact on social sustainability is the recruitment of workers for plantation development such as land clearing and nursery. As per the company's plans, the immediate impact of recruitments would be experienced by the 2.249 people and 605 households residing in the nearby villages. It is identified too that PT. AWL will give a positive impact to the surrounding community such as better village accessibility, business opportunity and employment opportunity.

From the Social Environmental Impact study conducted by CV Green Enviro Consultant, it can be concluded that there is potential impact by the presence of PT AWL towards the environmental impact to the area. The possible environmental impact that can occur in this project can be divided into 3 phases of its development namely, Pre-development, Land Development, Operational stage and Post development. These impact can be broadly summarized as reduction in air quality, increased in noise level, increased in surface run-off, increased in erosion and sedimentation, reduction in water quality, increased in soil fertility and finally potential for open burning.

2. Reference Documents

2.1. List of Reports

- a. Report of Social and Environmental Impact Assessment (AMDAL) of PT AWL by CV Green Enviro Consultant, 2010
- b. Report of RKL/RPL (Environmental Management and Environmental Monitoring Workplan Exercise) PT AWL by CV Green Enviro Consultant, 2010.
- c. Report of Identification and Analysis of High Conservation Value of PT AWL by HCV Team Faculty of Forestry IPB (Bogor Agriculture University).
- d. Report of Social Impact Assessment PT AWL by Faculty of Forestry IPB (Bogor Agriculture University).

2.2. List of legal documents, regulatory permits, and property deeds related to the area assessed

No	Permits	Remarks
1	Akta No. 41, Tgl 21 Januari 2006, Notaris: Nurita Zouhirany, SH. SK Menkumham No. C-12536 HT.01.01TH.2006 Tgl. 2 Mei 2006 SK Menkumham , No. AHU-63506. AH.01.02.TAHUN.2006 Tgl. 10 Nov 2006	Deed of Establishment Company PT AWL Limited Company Aproval Deeds Notification Receipt of Company Amandement of PT AWL
2	Decree of Kotawaringin Timur Regent, No. 414, dated 19 Juli 2010	Location Permit for PT Agro Wana Lestari, Mentaya Hulu with an area size of 11.803,95 hectare
3	Decree of Kotawaringin Timur Regent, No. 356, dated 27 Mei 2010	Location Permit for Additional Area of PT Agro Wana Lestari, Mentaya Hulu with an area size of 4.132,5 hectare
4	Decree of Kotawaringin Timur Regent, No. 1014, dated 26 June 2012	Extension of the Location Permit for PT AWL with an area size of 4.132,5 hectare
5	Taxpayer Identification Number (NPWP)	02.549.381.8-712.000
6	Plantation Busines Permits (Izin Usaha Perkebunan/IUP)	<ul style="list-style-type: none"> - IUP No. 525.26/418/VIII/ EK.SDA/2010, Agustus 2010, covers an area of 11.803,95 ha - IUP for Additional Area No. 525.26/272/VI/EK-SDA/2010, Juni 2010, covers an area 4.132,5 ha
7	Social Environmental Impact Assessment/ Analisa Mengenai Dampak Lingkungan (SEIA/AMDAL)	The first AMDAL was issued for the existing concessions in 2008 – this AMDAL was then amended and re-issued in 2011 to include the new expansion area. This AMDAL approval is dated 20th May 2011 by Governor of Central Kalimantan decree No. 188.44/167/2011.

2.3. Location maps

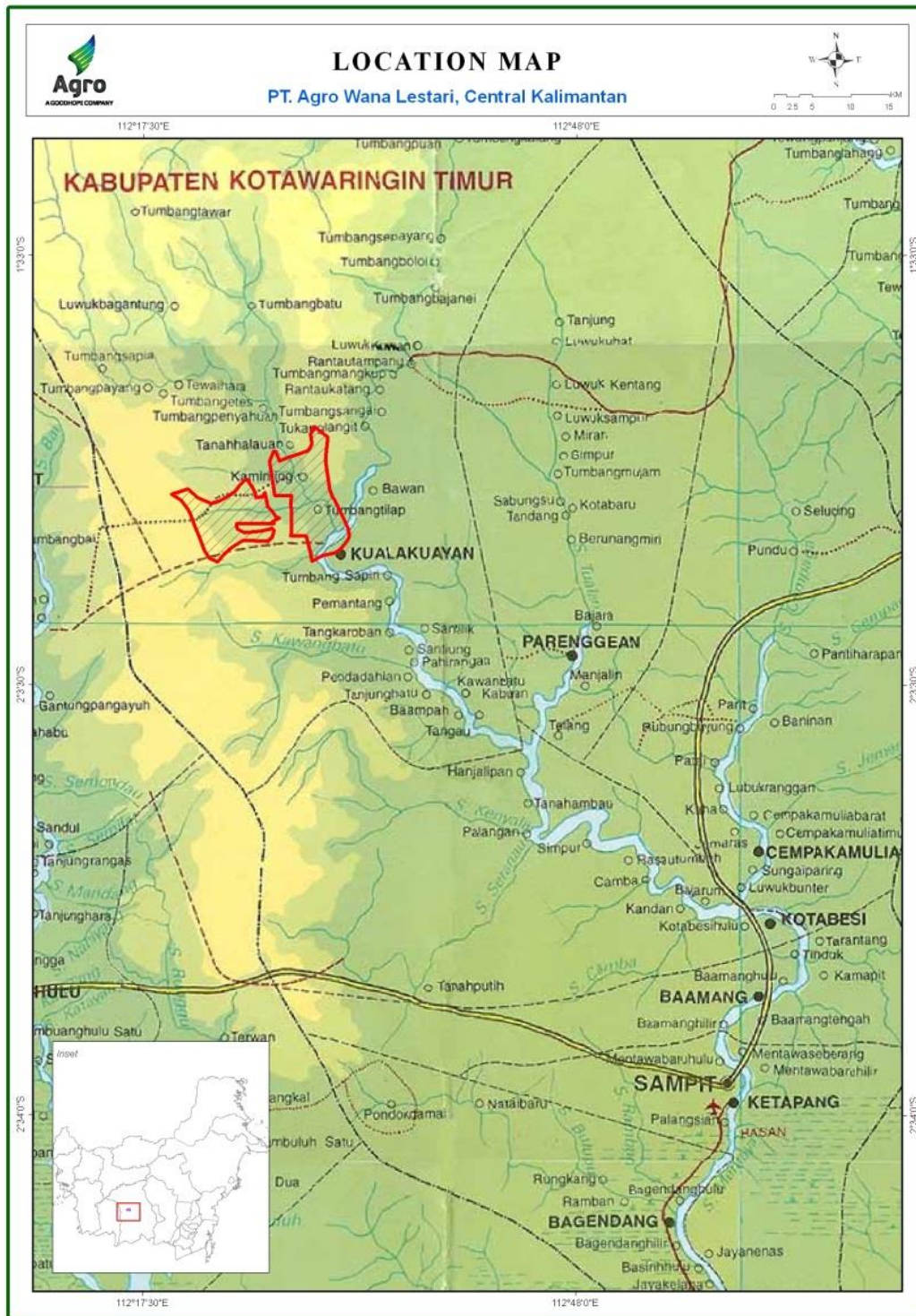


Figure 1. Location of PT Agro Wana Lestari in Kotawaringin Timur Regency, Central Kalimantan Province, Indonesia

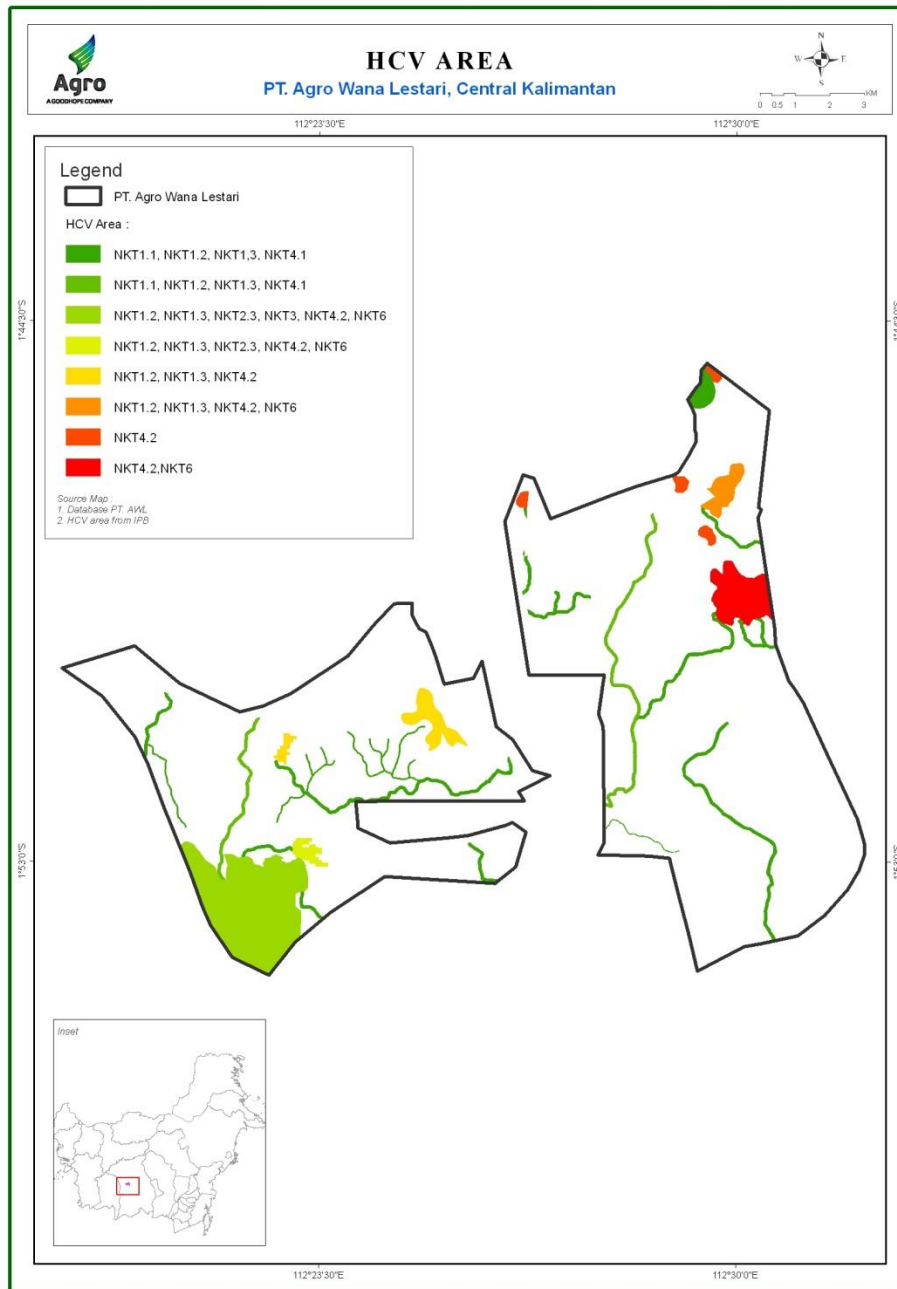


Figure 2. Location Map of HCV Area in PT AWL

2.4. Area of new plantings and time-plan for new plantings

PT AWL proposed new planting area in PT AWL location permits (15,936 ha) . In the time of this the company has been ongoing operational activities such as land clearing and planting. The company has already planted about 3947 ha for the 2008-2010 periods and for the new planting area planted after 2010 is 4798,2 ha and no HCV area being planted. The process of land

development and planting of oil palm following the procedures of RSPO New Planting Procedures (NPP). Activities undertaken are land acquisition or compensation to land owners in addition to the socialization of plantation development plan or Free Prior and Informed Consent (FPIC).

Table. PT. AWL Planted area before 2010

Year Planting (ha)		Amount (ha)
2008	2009	
805	3142	3947

Table. Time plan for New Planting in PT AWL

Year Planting (ha)					Amount (ha)
> 2010	2014	2015	2016	2017	
4798,2	396,1	950,6	627,4	340,7	7113

3. SEIA and HCV Management & Planning Personnel

3.1. Personnel Involved in planning and implementation of HCV and SEIA

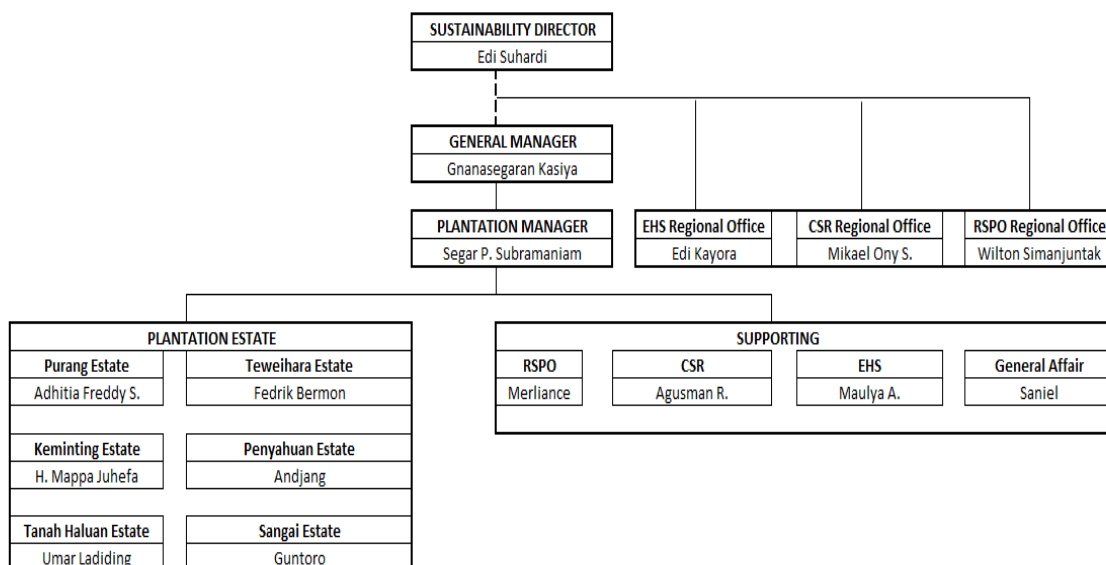


Figure 3. Personnel involved in planning and implementation in PT AWL

3.2. Contact Persons

Contacts details of the company are as follows:

Company name	: PT Agro Wana Lestari
Address	: Jl. Pangeran Antasari II No. 26, Sampit, Kalimantan Tengah, Indonesia
Location	: Regency: Kotawaringin Timur District: Bukit Santuai, Mentaya Hulu, and Telaga Antang Villages: Keminting, Tanah haluan, Tumbang Penyahuan, Tanjung Jaringau, Tumbang Sangai.
Contact Person	: Mr. Gnanasegaran Kasiya/ Wilton Simanjuntak
Telephone	: Phone: +62-21-52892260 Fax: +62-21-52892259
Email	: wiltons@goodhope-id.com
Deed in Corporation	: Akta No. 41, Tgl. 21 januari 2006, Notaris Nurita Zouharminy, SH SK Mekumham No. C-12536 HT.01.01.TH.2006 Tgl. 2 Mei 2006
Capital Status	: PMA (Penanaman Modal Asing)/ Foreign Investmen Company
Status Business Land	: Location Permit No. 356, Mei 2010, 4.132,5 ha and Location Permit No. 414, July 2010, 11.803,95 ha Issued by Kotawaringin Timur Regent
Total Area of Location Permit	: 15.936 ha

3.3. Stakeholder to be involved

The process of EIA, SIA and HCV developemnt and preparation of management and monitoring plan PT AWL involved the consultation with relevant stakeholder, such as: Plantation Office (Disbun), Forestry Office (Dishut), Environmental Office (BLH), Local Community, Local NGO, The Government Local Office (Village and District), and independent Consultant (IPB).

Stakeholder consultation for sharing information about EIA, HCV, and SIA management plan involving relevant stakeholder and respondents. The process of Stakeholder Consultation of EIA (AMDAL) was conducted in May-June 2008 and August 2010. The process of HCV and SIA stakeholder consultation was conducted in October 2009 and June 2011.

4. Summary of SEIA Management and Monitoring Plan

The assessment of EIA (Environmental Impact Assessment) in the executive summary of AMDAL, Environmental Management and Monitoring Plan (RKL/RPL), and SIA (Social Impact Assessment) studies identified negative and positive impacts on the environment and surrounding community of PT AWL. The summary of preparation and management plans on SEIA are as follows:

No	Program	Activity
1.	Land tenurial conflict mitigation	<ul style="list-style-type: none"> • Boundaries Demarcation • Socialization • SOP drafting for solving land compensation conflict • Precautionary Solving for land compensation conflict • Participatory land mapping • Socialization and Advocation • Facilitation for village boundaries decision with local government
2.	Improving family education quality for employee and local community	<ul style="list-style-type: none"> • Schooling and learning motivation inventory that affecting to the low educational level in the local community • Provide Scholarship for underprivileged and achievement students • Provide a non-formal education • Develop educational facility • Provide a honorary teacher for local school
3.	Improving employee and local community health quality	<ul style="list-style-type: none"> • Develop health facility for the employee and local community • Provide a medical personnel • Establish a clean water program • Environmental education • Provide an environmental sanitation facility
4.	Infrastructure	<ul style="list-style-type: none"> • Improvement the infrastructure of roads and bridges • Provide an electricity generator
5.	Community engagement	<ul style="list-style-type: none"> • Training and education of Agriculture, plantation, farm and fisheries cultivation • Develop an alternative livelihood • Local community agriculture intensification • Open a business opportunity for local community
6.	Environmental pollution management	<ul style="list-style-type: none"> • Water and soil conservation • Environmental education
7.	Smallholder	<ul style="list-style-type: none"> • Smallholder program realization
8.	Build communication and network with all related stakeholders	<ul style="list-style-type: none"> • Regular meeting with all stakeholders • Publication on local mass media about company social activities
9.	3 R Campaign (reuse-reduce-recycle)	<ul style="list-style-type: none"> • Campaigning, training and socialization about 3 R for employee and local community
10.	Employment improvement	<ul style="list-style-type: none"> • Improve employee understanding and knowledge about employment regulation • Establish a Labour Organization • Improve a safety work • Provide a Personal Protective Equipment Facility

5. Summary of HCV Management and Monitoring Plan

The results of the identification of HCV study showed that there are eight types of HCV values the HCV 1 (HCV 1.1., HCV 1.2, and HCV 1.3); HCV 2 (HCV 2.3); HCV 3, HCV 4 (HCV 4.1 and HCV 4.3), and HCV 6 in PT AWL location permits (15.936 ha). The total HCV identified is about 2.404,47 ha . The HCV location that managed by PT AWL are:

HCV's	Component	HCV exist	HCV Area	Area (ha)
HCV 1.1	Areas that Contain or Provide Biodiversity Support Function to Protection or Conservation Areas.	Present	Riparian: kelamaan Tanduk, Anak Setai, Randa, Pelambungan, Tapang mangku, Kelamaan, Beringin, Sub Tanah Haluan, Tanah haluan, Keminting, Pametahan, Pelanan, Sekutu, Keloma, Embung & KSMA	645,58
HCV 1.2	Critically Endangered Species	Present	Hills/Slopes: Santuai, Langgai, Lawas, Durian, and Kambe/Hantu. Riparian: Kelamaan Tanduk, Anak Setai, Randa, Pelambungan, Tapang mangku, Kelamaan, Beringin, Sub Tanah Haluan, Tanah Haluan, Keminting, Pametahan, Pelanan, Sekutu, kaloma, Danau KM33	2.015,62
HCV 1.3	Areas that Contain Habitat for Viable Populations of Endangered, Restricted Range or Protected Species	Present	Riparian: Kelamaan, Tapang mangku, Anak Satai, Randa, Pelambungan, Kelamaan Tanduk, Beringin, Sub Tanah haluan, Tanah Haluan, Keminting, Pametahan, Pelanan, Sekutu, Kaloma, Danau KM 33 Hills: Santuai, Langgai, Lawas, Hantu, Durian.	2.015,62
HCV 1.4	Areas that Contain Habitat of Temporary Use by Species or Congregations of Species	Absent		
HCV 2.1	Large Natural Landscapes with Capacity to Maintain Natural Ecological Processes and Dynamics	Absent		
HCV 2.2	Areas that Contain Two or More Contiguous Ecosystems	Absent		
HCV 2.3	Areas that Contain Representative Populations of Most Naturally Occurring Species	Present	Bukit Santuai and Bukit Langgai	1.137,27
HCV 3	Rare or Endangered Ecosystems	Present	Bukit Santuai	1.137,27
HCV 4.1	Areas or Ecosystems Important for the Provision of Water and Prevention of Floods for Downstream communities	Present	Riparian: Kelamaan Tanduk, Anak Setai, Randa, Pelambungan, Tapang Mangku, Kelamaan, Beringin, Sub Tanah Haluan, Tanah Haluan, Keminting, Pametahan, Pelanan, Sekutu, Kaloma, Danau KM 33, KSMA, Embung	645,58
HCV 4.2	Areas Important for the Prevention of Erosion and Sedimentation	Present	Hills/Slopes: Santua, langgai, Beringin, Tempilak, Lawas, Pelapis, Bukit A , Bukit B, Samulang, Durian, Kambe/Hantu	1.704,42
HCV 4.3	Areas that Function as Natural Barriers to the Spread of Forest or Ground Fire	Absent		
HCV 5	Natural Areas Critical for Meeting the Basic Needs of Local People	Absent		
HCV 6	Areas Critical for Maintaining the Cultural Identity of Local Communities	Present	Sacred and Culture sites, Hills: Santuai, Langgai, Lawas, Beringin	4
TOTAL HCV AREAS				2.404,47

The Summary of PT AWL HCV Management and Monitoring:

No	Program Plan	Activity
1.	HCV Area Management	<ul style="list-style-type: none"> • Inventory and Identification of HCV Area • Demarcation of HCV area boundaries • Boundaries pole maintenance • Flora and Fauna protection • Enrichment and rehabilitation • Socialization about HCV to local community • Employee training • Develop a SOP for HCV Area management • Build an organization structure for HCV Area management • Coordinate with all related stakeholder
2.	HCV Area Monitoring	<ul style="list-style-type: none"> • Disturbance intensity of HCV area including fire hazard potential • Recent condition and density plant species biodiversity include protected and endangered species • Recent condition and density of wildlife species biodiversity include protected and endangered species • Realization of rehabilitation activity and percentage of rehabilitation coverage area • Change the width of the river • River water quality

6. Internal Responsibility

We hereby sign off on the above Summary Report of Planning and Management. The above maybe amended and clarified for improvement during the development of the plantation but it will be compliance with RSPO Standards.

On behalf of PT Agro Wana Lestari



Wilton Simanjuntak

RSPO Manager

21 July 2014