

**Date of notification:** 30 Aug 2013

Tick whichever is appropriate

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

**COMPANY:** PT. Indo Sawit Kekal

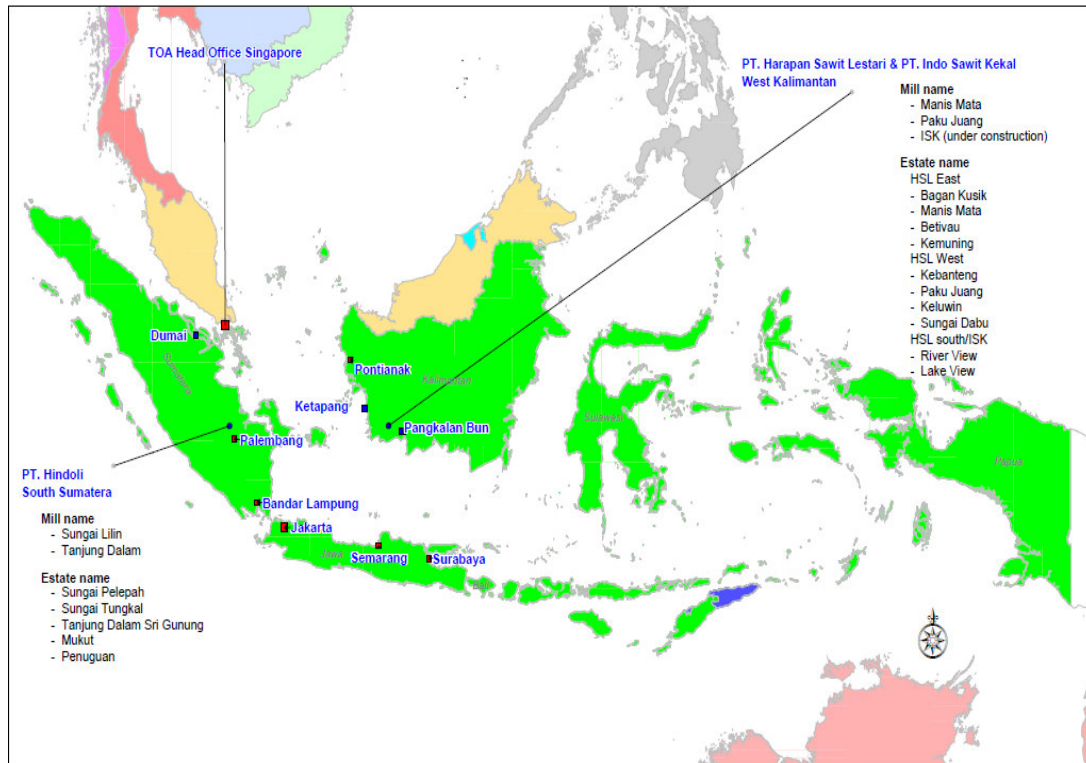
**SUBSIDIARY (If any):** Not Applicable

**RSPO Membership No :** PT Indo Sawit Kekal, Membership No: 1-0001-04-000-00, Member since 18.05.2004.

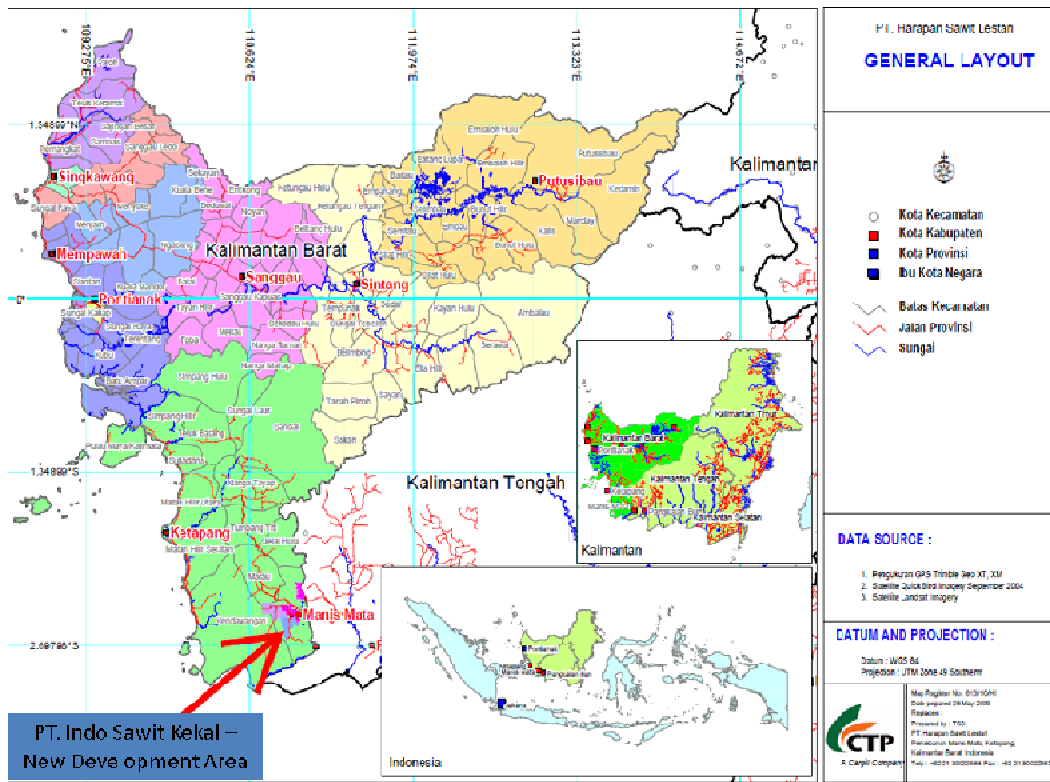
**Location of proposed new planting:**

Company Name	PT. Indo Sawit Kekal
Jenis Badan Hukum	Perseroan Terbatas
Company address	Danau Buntar village (Desa) Kendawangan Sub-District (Kecamatan) Ketapang District (Kabupaten) Kalimantan Barat Province Tel. No : (021) 30022988 Fax. No : (021) 30022987
Capital Status	Foreign Investment ( <i>Penanaman Modal Asing, PMA</i> )
Type of business	Oil palm plantation and processing
Status of business land	Permitted License Area by Regent of Ketapang, SK.No. 413/2010, dated 27 Juli 2010. DPPL (Environmental management and Monitoring Assessment) approved by Head of Regent of Ketapang SK No.410/2009, dated 5 November 2009
Contact Person	President Director – Nharong Somchit Email Address: <a href="mailto:Nharong_Somchit@cargill.com">Nharong_Somchit@cargill.com</a> Group Program Assurance Manager – Yunita Widiastuti Email Address: <a href="mailto:Yunita_Widiastuti@cargill.com">Yunita_Widiastuti@cargill.com</a>
Geographical Location	The concession area, extending from latitude 2°22' to 2°37' South and longitude 110°50' to 111°3' East
Region Boundaries	The concession occurs in an area that has been extensively exploited for timber extraction and palm oil production. To the northeast of ISK concession are two other palm oil plantations owned by CTP Holdings (PT Harapan Sawit Lestari and PT Ayu Sawit Lestari). ISK borders with Mitra Sawit Lestari on the eastern and southern boundaries, PT. Simpung on the south and the logging concession PT Inhutani III (ex PT Sinar West Kalimantan) on the western edge, with the Berais River delineating the western boundary. According to Forestry Decree No. 259/KPTSII/2000 regarding distribution of forest status in Ketapang Regency, the entire concession lies within areas designated as Other Land Use area or Areal Penggunaan Lain (APL).

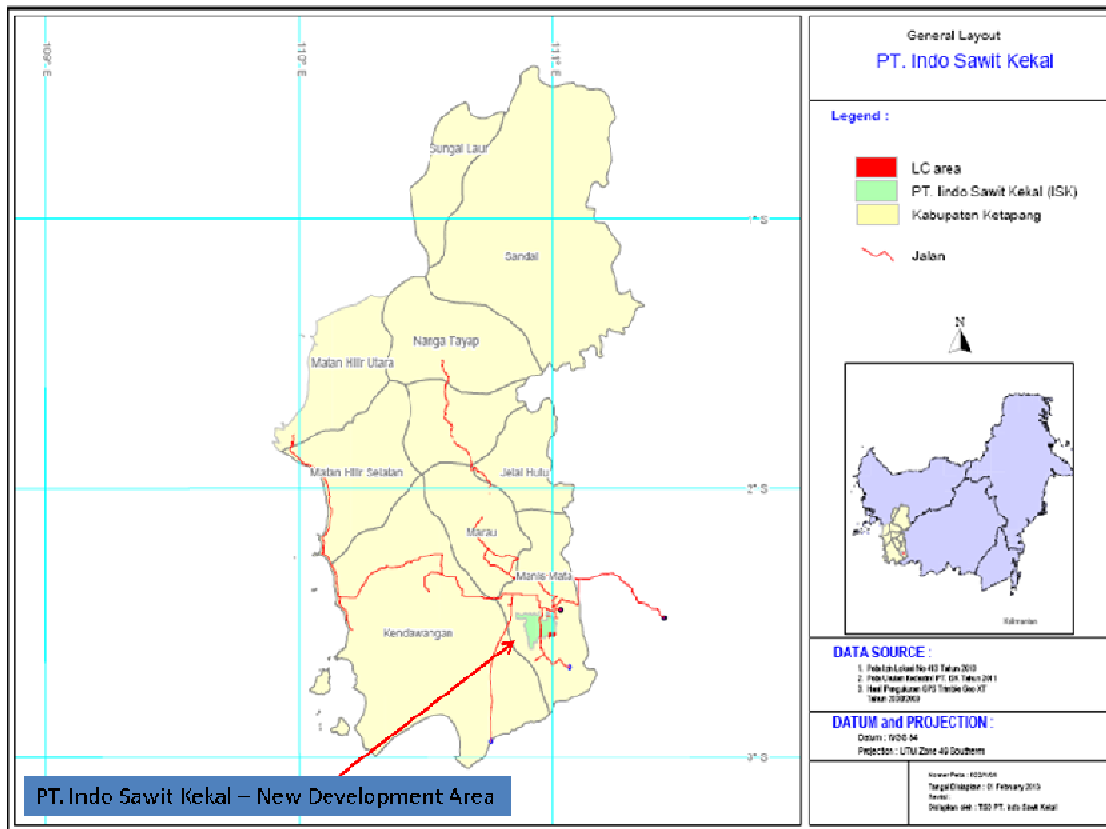
### Location maps



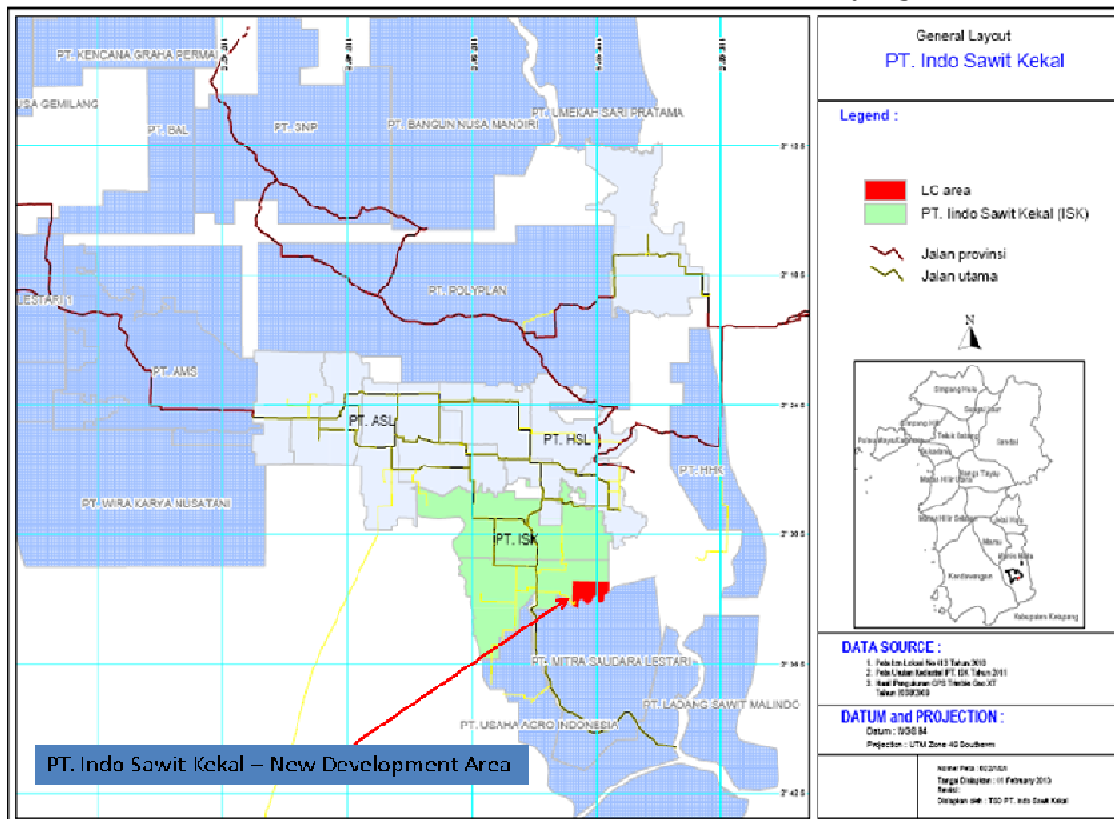
Picture 1 : Location of PT. Indo Sawit Kekal in Indonesia



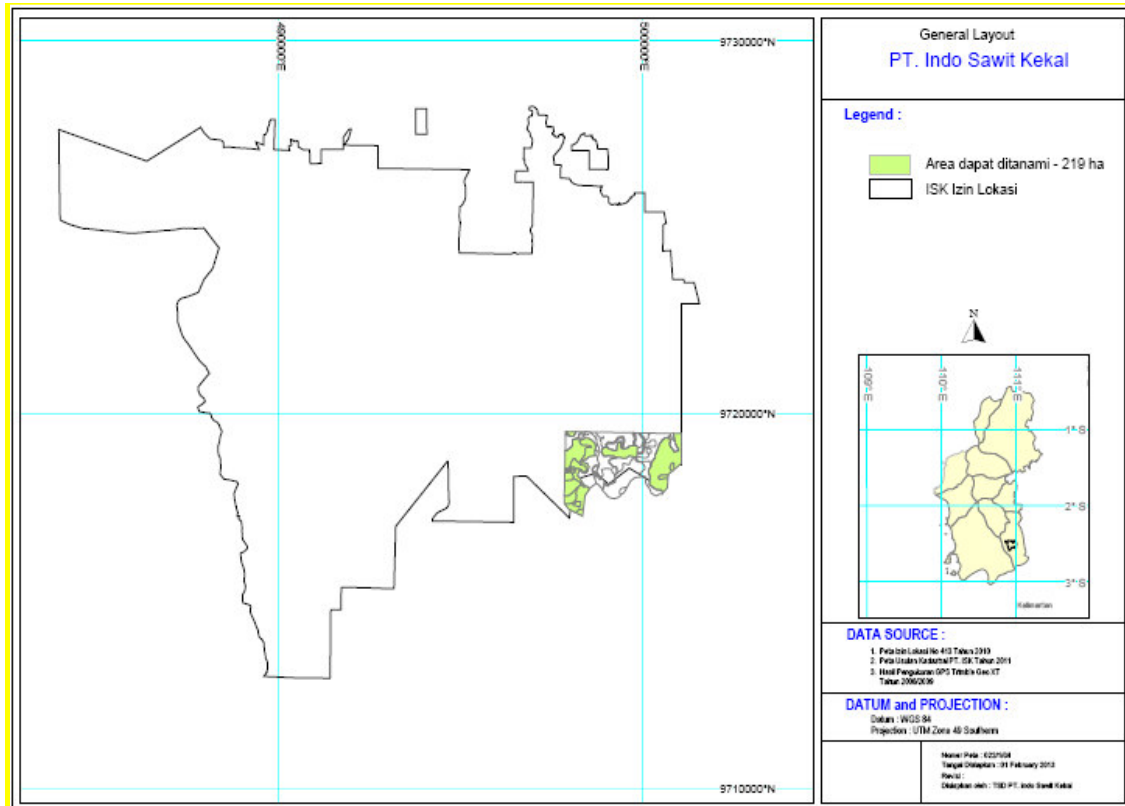
Picture 2 : Location of PT. Indo Sawit Kekal in West Kalimantan Province



**Picture 3 : Location of PT. Indo Sawit Kekal in Ketapang**



**Picture 4 : Location of PT. Indo Sawit Kekal and it's surrounding entities**



**Picture 5 : Location of PT. Indo Sawit Kekal showing plantable area**

**SUMMARY FROM SEI ASSESSMENTS:**

**Assessors and their credentials**

The Social Impact Assessment of PT Indo Sawit Kekal was carried out by PT.LINKS (Lingkar Komunitas Sawit) which is located at Jl. Sempur Kaler, No.24, Bogor, Indonesia-16129, Tel/Fax: 0251-8313265, Email: [info@komunitassawit.org](mailto:info@komunitassawit.org). Web: [www.komunitassawit.org](http://www.komunitassawit.org).

The key consultants conducting these assessments have been accredited and approved by RSPO. The team members are:

- **Edi Susanto** ([Sonof\\_king2002@yahoo.com](mailto:Sonof_king2002@yahoo.com)), He graduated from the “Veteran (National university, Yogyakarta) and major on Social & Politics. He attended several workshops / trainings like, A. Workshop Jurnalistik Lingkungan Kerjasama Walhi dengan Aliansi Jurnalis Independent (AJI), tahun 2006. B. Pelatihan Pemetaan Wilayah Kelola Rakyat dan Pemetaan Partisipatif di Kawasan Merapi , kerja sama Walhi Jojakarta dan Jaringan Pemetaan Pratisipatif, tahun 2006. C. Training Pendampingan Masyarakat “Menerapkan Konstruktivisme dan Appreciative Inquiry dalam community organizing” dilaksanakan oleh Jendela Ekologi, tahun 2008. D. Training “The Secret of Vibrant Communication Angkatan XIV” Inspirit Innovation Circle, Bali, tahun 2008. He has conducted several HCV and Social Impact Assessments in oil palm plantations in Indonesia with PSLH UGM and LINKS.
- **Feybe E.N Lumuru** ([thecapres@yahoo.com](mailto:thecapres@yahoo.com)), She graduated from the STIE Dua Lima Pohalaa Gorontalo and major on Management in 1999, further graduated from Sekolah Pasca Sarjana Universitas Gadjah Mada Jogjakarta and major on Magister Ilmu Sosiologi (M. Si) in 2004 and

finally graduated from Sekolah Pasca Sarjana Universitas Gadjah Mada Jogjakarta and major on Doktor Sosiologi (Dr) in 2008. She went through various trainings and workshops like, Environment Education, CBDRM Training (Community Base Disaster Risk Management), Pelatihan Jurnalistik, The Secret of Art Vibrant Communication, Environment Management Leader (EML) Program.

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

Scope of Social Impact Assessment includes the operational area of the PT Indo Sawit Kekal include the social cohesion of local people such as the people who live in community areas in the concession area and its surroundings. Implementation of the Social Impact Assessment on the ground reached by following the rules or principles as follows:

1. **Participative;** issues identification and information searching were done in participative way. This participative approach enabled of the participants as the subjects in mapping the social issues they are facing, expressing their opinions and ideas, as well as being involved in designing the administration and changing of the issues. (See **Appendix 1** for the list of stakeholders in participative process),
2. **Multiparty;** issues identification and information searching were done in multiparty way by involving related parties directly or indirectly in giving or receiving the impacts.
3. **Rapid and Ex-ante;** issues identification and information searching were done in rapidly and based on the forecast of the changes tendencies that occur rather than the factual and accurate data – as the solution to the Social Impact Assessment approach and time limitation,
4. **Appreciative;** issues identification and information searching were guided positively, not only to find out the gap on the location but also to collect the data about expectations, potentials, and ideas in order to find out solutions and social issues that happened,
5. **Social Learning Cycles;** the social impact assessment is not a linear process which is instantly created but a cycled process which functions as the social learning processes to respond the changes in the environment,

**The methods and techniques applied in the Social Impact Assessment were:**

1. **Literature Study;** this method was used for the purpose of gathering the understanding on the socio-context and environmental aspect of the location which was evaluated. It was carried out in the early phase-before going to the field and at the result analysis phase.
2. **Dialogue;** this method was used to identify the nature of the relevant parties, identify the potential issues to impact, gathering information about expectations, ideas, and opinions to bring the solutions for the actual issues. The process was carried out through the meetings both in formal and in non-formal sequence with definite topics (Focus Group Discussion),
3. **Field Observation;** this method was used to understand directly the actual facts which will be indicator of the issues and social impact happened,
4. **In-depth Interview;** it was used to get a deeper understanding about the issues. It was done in-depth by interviewing the key socialite who will act as respondents. The criteria of choosing the respondents were based on the knowledge possessed or their direct experience over the impact or impacts,
5. **Tri Angulations;** the above methods were carried out in integrated way to reciprocally verify the actual issues, opinions, and ideas,

**6. Social Learning Cycle;** the social impact assessment is not a linear process which is instantly created but a cycled process which functions as the social learning processes to respond the changes in the environment.

The findings obtained from the methods above were analyzed. The baseline of the analysis was based on RSPO criteria which relevant to sustainable social aspects. The recommendations also covered other issues which were not entailed in the RSPO criteria, in the form of ideas or aspirations as the result of the field analysis.

#### **Summary of assessment findings (for SEI assessments)**

The SEIA development and preparation of management and monitoring Plan for PT.Indo Sawit Kekal is prepared under the Cooperation Agreement between PT.Indo Sawit Kekal and AMDAL consultant and PT.LINKS. The preparation of such report refers to the result of identification and analysis of Social Impact Assessment in the area of PT. Indo Sawit Kekal, Ketapang Regency, West Kalimantan Province and the frame of reference of the agreed work.

The Management and Mitigation Plan as per SIA Assessment and DPPL document of PT.Indo Sawit Kekal is described as following:

1. The social management should be oriented to the management of social problems at local communities. Efforts to manage this social problem as well as answer the needs of the community management and development of cooperatives and farmers KKPA, increase revenue and unconditioned stability of income.
2. The social management should be oriented to social cohesion (social cohesion). In the case of the management has not develop an optimal social communication with the local community or the analysis related to the degree of proximity of the reactive (negative relationship patterns) between the management and the public, should used as a basis for evaluating and developing social cohesion improvements management of the community around the project. However the situation conducive social will ensure the smooth operation of the project ISK, and assist management in developing project management as well as social problems that exist.
3. Human resource oriented and strengthening the local economy. ISK Management need to respond to the needs of the local community to be able to work in the project through a special recruitment mechanism. Given that local people around this area and has a hard character and low competence in the work, before the hiring is done, companies need to develop an agreement on the terms of recruitment, training, problem solving and termination of employment that involves government officials and representatives of rural communities. This agreement by both parties to be your labor recruitment and resolution of employment issues that arise after the implementation of recruitment. In addition, community empowerment and strengthening local economies around the ISK project also could be developed through education scholarship assistance, social services and free medicine, training technical agriculture and industry as well as revolving credit to the SMEs.
4. Company in partnership with communities and governments around the village area gardens can also support joint advocacy agenda conveyed to the government districts and provinces, such as electricity, road improvement district and village, as well as construction of public facilities to gradually condition of quasi state was experiencing at this time be addressed.



**SUMMARY FROM HCV ASSESSMENT(S):**

The HCV assessment for 500 Ha which fall under izin lokasi of PT Indo Sawit Kekal carried out by the RSPO accredited assessors. The HCV assessment conducted on 8<sup>th</sup> April 2011 and carried by PT Hatfield Indonesia, GEDUNG LIPI, 3RD FLOOR, JL. IR. H. JUANDA NO. 18, BOGOR 16122, INDONESIA. Tel: 62.251.8324487 • Fax: 62.251.8340414 • [www.hatfieldgroup.com](http://www.hatfieldgroup.com).

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

**a) Kenichi Shono** - Mr. Shono has broad experience in forest ecology and management including project coordination, research and policy analysis. After holding research positions with CIFOR and the Smithsonian Tropical Research Institute, he joined FAO as Forestry Officer. In this capacity, Mr. Shono was involved in various projects and programmes related to promoting sustainable forest management in Asia-Pacific, covering topics such as forest restoration, biodiversity, climate change, forest financing, and forest policy and economics. Currently, as Senior Forestry Specialist at Hatfield, he coordinates and provides technical inputs to a range of projects related to forest management and conservation, biodiversity assessment, land rehabilitation, forest carbon, and studies on forest policy and industry. Mr. Shono is an accredited lead auditor for FSC forest certification with expertise in forest ecology and HCVF.

**b) Agus Salim** - Mr. Agus Salim is an expert in the application of GIS for natural resource management applications. He has considerable experience with all aspects of designing, implementing, analyzing and managing GIS projects. Mr. Salim has also managed several remote sensing imagery processing projects. With a background in forestry, he has strong experience in terrestrial GIS applications, including habitat assessment, carbon stock estimation, developing land cover change model and freshwater system analysis. Mr. Salim is also an expert in HCV assessment and has made important contribution to the HCV Assessment Toolkit for Indonesia.

**c) Ms. Soeminta** is an RSPO-approved HCV assessor, Discipline Specialist for hydrology and soils. She has more than 15 years of experience conducting environmental management system audits for various industries, as well as forest management assessments and audits. Ms. Soeminta is also a qualified auditor for International Sustainable and Carbon Certification (ISCC). She has conducted more than 20 RSPO certification assessments and gap assessments throughout Indonesia.

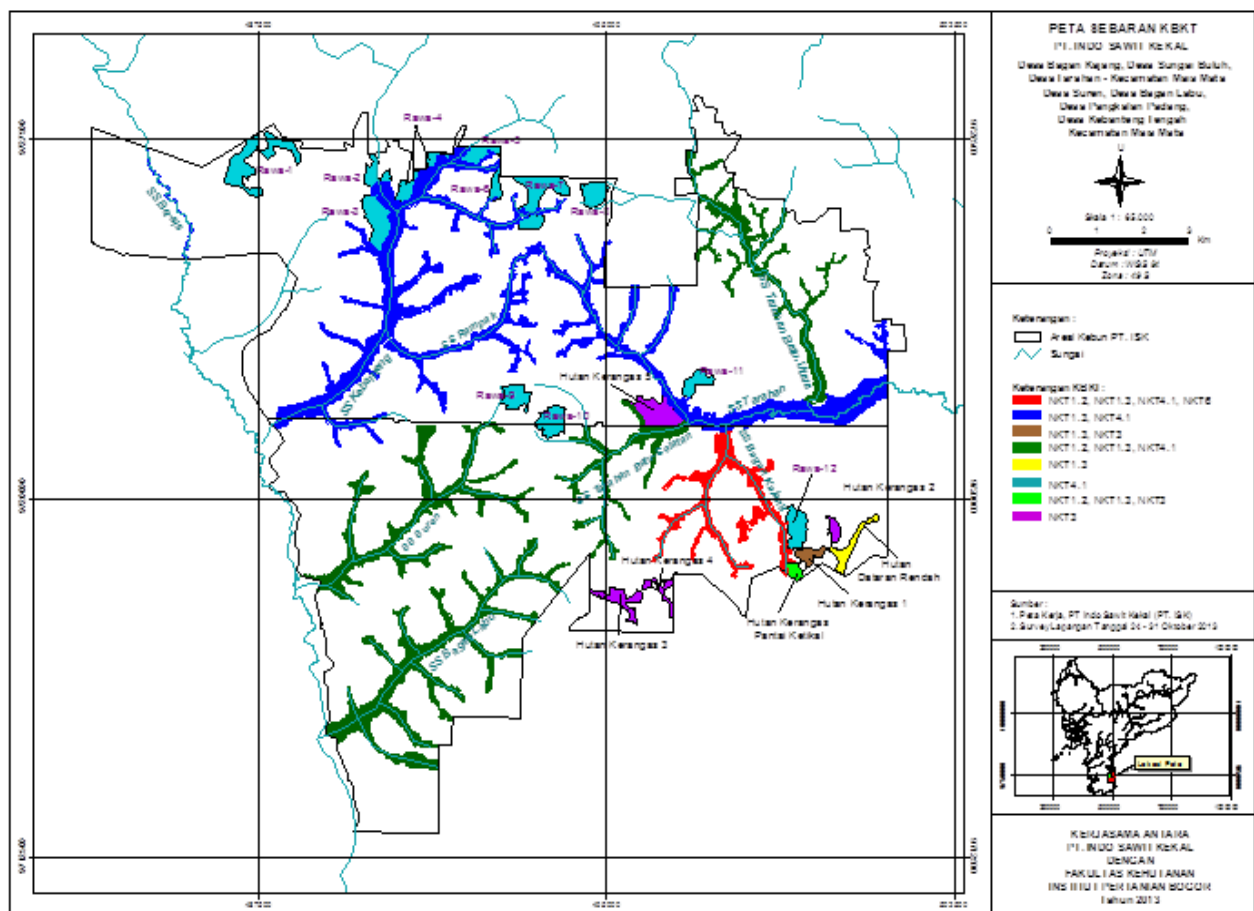
**d) Edi Permana** - Mr. Permana has over 20 years experience conducting forest surveys throughout Indonesia. His expertise is in vegetation assessment, forest biomass survey and forest restoration. Mr. Permana is a Forestry Specialist at Hatfield. Prior to joining Hatfield in 2007, Mr. Permana was a lecturer in Dendrology and Forest Ecology at the Faculty of Forestry, Bogor Agricultural University. He has also worked at the CIFOR as Research Coordinator, where he supervised the field implementation of several large forest research projects. Mr. Permana also has extensive experience conducting forest surveys and mapping in Kalimantan.

**e) Jarot Arisona** - Mr. Arisona is an expert in biodiversity and conservation, especially of fauna. Mr. Jarot has considerable experience in environmental monitoring and environmental impact assessment. Prior to joining PT Hatfield Indonesia, Mr. Jarot worked as lecturer in Biodiversity and Conservation at the Department of Biology, University of Indonesia. Mr. Jarot was also a primatologist at the Center for Biodiversity and Conservation Study, University of Indonesia, and Assistant to Vice President and Biodiversity Specialist at Conservation International Indonesia.

**f) SunuTantra** - Mr. Tantra is experienced in the design and implementation of socio-economic studies related to peace building and conflict prevention in Madagascar and Indonesia. He also has experience in community development programs, corporate social responsibility, training and facilitation, conflict management and analysis, crisis management, environmental public disputes and land acquisition. Mr. Tantra has considerable project experience in developing socio-economic assessments, designing social research, conducting interviews and in the collection and analysis of socio-economic data.

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

The HCV assessment for 500 Ha which fall under izinlokasi of PT Indo SawitKekal. The HCV assessment conducted on 8<sup>th</sup> April 2011. The survey area observations as per **Picture 6**



**Picture 6 : HCV assessment survey location of PT. Indo SawitKekal**

In the process, each observation team was accompanied by the field staff from the company and local representatives who familiar with the site. Besides field activities, the team also collected information from the local people through individualistic interviews, Focus Group Discussion (FGD), as well as public consultations (the list of stakeholders in the participative process is included **(Appendix 2 and Appendix 3)**). At the same time, confirmation and cross checking of the findings were carried out with the local people using the technique of purposive sampling – which included the socialites, the enclaves’ owners (if existed), and the related interest parties.



The understanding and scope of HCV for the oil palm plantation sector refers to the HCVF definitions which apply to the forestry sector. The Identification of High Conservation Value in Indonesia was developed by the *Konsorsium Revisi HCV Toolkit Indonesia (2008)* – the toolkit for the revision HCV consortium. Other references are such as IUCN, CITES, and other guidelines as well as the relevant laws of Indonesia were also subjects of consideration in HCV Assessment PT Indo Sawit Kekal.

### **HCV Assessment Process**

The HCV Assessment process comprised the following steps:

1. Review of previous HCV assessment report by FFI;
2. Compilation of secondary and available primary data, including preliminary stakeholder consultation;
3. Team formation and briefing on project scope;
4. Planning for fieldwork and agreement on field methods for primary data collection;
5. Fieldwork and primary data collection, including in-depth stakeholder consultation;
6. Public consultation of preliminary HCV findings and mapping;
7. Data analysis and interpretation;
8. Preparation of Draft Report including maps and management and monitoring recommendations;
9. Critical Review of Draft Report:
  - Internal discussion between assessment team and company;
  - External peer review by qualified expert.
10. Revise report based on critical review and public consultation (Final Draft);
11. Adoption by the company of formal HCV management and monitoring plan.

### **Stakeholders Consulted**

Stakeholder consultation is an integral part of HCVF assessments. The target area for this assessment was relatively small and potential impacts of palm oil development were limited. The area is wholly classified as non-forest by the government. Furthermore, HCV assessment for the rest of the concession has already been completed. For these reasons, stakeholder consultation focused directly on community members that may be affected by the development of this 500-ha land parcel. The list of stakeholders consulted in the assessment process is provided in **Appendix 2 & 3**.

### **Secondary Data Collection**

A large amount of secondary data was compiled during the pre-assessment of HCV at ISK. During the field survey, additional secondary data were collected.

Secondary data analyzed included the following:

- Land cover data:
  - Landsat TM imagery, November 2010;
  - IKONOS 2004 imagery; and
  - WWF HCVF mapping for West Kalimantan (2007).
- Soil type and topography;
- Hydrology (watershed mapping based on elevation data and mapping of rivers and swamps);
- Flora and fauna data through literature review;
- Fire hotspots (NOAA);
- HCV maps by ISK;
- HCV Assessment Report for ISK by FFI, 2008;
- Socio-economic data; and

- Landscape HCVF identification for West Kalimantan

### **Primary Data Collection**

Field assessment was conducted between 4 and 9 April 2011. Survey design was developed using compiled secondary data and updated land cover mapping to enable efficient verification of the presence and extent of HCVs.

### ***Field verification of land cover mapping***

A land cover map was created using Landsat TM imagery (November 2011), which was groundtruthed through field observation of vegetation types and condition. The land cover map distinguished 12 land cover classes consisting of: freshwater swamp forest, lowland forest, heath forest, palm oil plantation, shrubs and bushes, and open areas in various conditions.

### ***Field verification of soil type, slope and hydrology***

The accuracy of existing soil maps was assessed through physical inspection of soils at selected locations. Verification of hydrological processes was made through field verification of watershed mapping based on analysis of secondary data. Field observation included: topography (slope and elevation), extent of erosion especially in sandy areas, location and flow regime of rivers and streams, and location and condition of freshwater swamps.

### ***Vegetation survey and identification of ecosystem (forest) types***

Ecosystem types of forested areas were determined based on the species composition, structure and the soil type. Within each identified forest type, semiformal sampling was implemented. Semi-structured survey of plants, including trees of various stages, lianas, epiphytes and herbs, were made along transects simultaneously with the mammal survey. Observations also included non-forest areas such as abandoned agricultural plots and cleared areas. Priority was given to species of concern under HCV 1.2 and 1.3 for identification to species level (the previous HCV assessment only recorded three such species, *Shorea gibbosa*, *S.leprosula* and *S. ovalis* under HCV 1.3). The team included an experienced botanist with extensive experience in Kalimantan. A limited number of plant voucher specimen was collected for verification of species identification at the Herbarium Bogoriense.

### ***Mammal survey***

Survey of mammals and other vertebrates was conducted using a rapid assessment technique, combining: 1) structured interviews with local communities; 2) assessment of habitat quality and forest condition; and 3) direct (visual) and indirect (nests, footprints, calls, scat, fur, etc.) observations while undertaking habitat assessments. Community interviews were conducted at Bagan Kajang and Tarahan *dusun* (sub-village). Habitat descriptions of surveyed areas were made by noting the forest type, soil type, slope, forest structure, canopy cover, species composition (presence of food trees for mammals), and extent and nature of disturbance. These field survey data were combined with interview results and known geographic range and habitat requirements for individual species to assess the likelihood of presence for each species and population viability for a number of species. The mammal survey also focused on confirming the presence of those species identified under HCV 1.2 and 1.3 during the previous HCV assessment.

### ***Bird survey***

Bird survey methods included observations along transects, opportunistic observations during the field assessment, call playbacks, and interviews with local villagers. These techniques were combined to maximize completeness of the bird inventory and likelihood of locating rare or threatened species

in the short time available. Sampling was stratified across the various habitat/vegetation types present in the 500-ha area.

***Socio-economic and cultural survey***

Social-economic and cultural survey consisting of group discussions and individual interviews were conducted in Bagan Kajang and Tarahan *dusun*. These *dusun* were selected for their proximity to the 500-ha area (5-6 km away).

For the group discussions, questions were prepared to assess the dependency of villagers on natural ecosystems to meet their basic needs (HCV 5) and to identify any sites of cultural importance to local communities (HCV 6). All responses and comments made by villagers were recorded, and care was taken to ensure that each question was properly understood by the respondents and that the process

included key sub-groups of villages (e.g., poorest community members, hunters, traditional healers, and minority religious faith). Since the interviews and group discussions did not reveal the presence of HCV 5 & 6, participatory mapping was not conducted to identify locations of HCV 5 & 6 areas

**Data Limitations**

For the mammals, extensive field survey was not possible due to time constraints. This meant that confirming the presence of most mammal species through direct observation was not possible. Determination of mammal species presence depended highly on results of interview of local people and assessment of habitat quality, based on which the results of previous HCV assessment could be extrapolated. No mist nets were employed because of time constraints. This might have lead to omission of a few understorey bird species with concealed behavior (e.g. thrushes, babblers, flycatchers).

**Summary of assessment findings (For HCV assessments)**

Summary of HCV findings at PT Indo Sawit Kekal (ISK), Manis Mata Sub-District, Ketapang Regency, West Kalimantan, Indonesia.

A review of HCV entire 500 Ha of PT Indo Sawit Kekal, it can be concluded that:

1. There is no primary forest in the Izin lokasi of PT Indo Sawit Kekal.
2. There no peat swamp forests in Izin lokasi of PT Indo Sawit Kekal.
3. PT Indo Sawit Kekal Plantation area does not have a conservation area set by the government, and not directly in contact with nature conservation areas. Protected areas nearest are Muara Kendawangan Wildlife Sanctuary within  $\pm$  30 km, while an area of protected peat swamp forest is found 50 km to the southwest from PT Indo Sawit Kekal, **(Picture 7: Maps of protected area in the ISK Concession )**
4. In the study area were not found again the use of traditional natural resources, or related to local cultural traditions. Utilization of already existing commercial nature, such as growing vegetables and rubber, as well as hobby is fishing in the moat of plantation.



The activity of Management and Monitoring Plan of High Conservation Area of PT. Indo Sawit Kekal is conducted in line with the preparation for achieving the certificate of RSPO (*Roundtable on Sustainable Palm Oil*). The following is a summary of HCV management recommendations that are applicable for the whole ISK concession for the HCVs identified in the 500-ha area are:

1. Conduct forest rehabilitation and restoration. This includes remnant natural forests invaded by *Mucuna* cover crop, degraded natural forests, and grass/shrubland deemed unsuitable for oil palm.
2. Map riparian buffer zones and identify their conditions. Based on this mapping, develop a riparian restoration plan for areas planted with oil palm or where natural vegetation is in degraded condition.
3. Produce a detailed map which indicates ecotones. The mapping of ecotones can be completed easily using ground survey and handheld GPS units.
4. Implement active management of riparian buffer zones, which may include managing these areas as multi-use conservation zones in which native species acknowledged by community members as „useful trees“ are planted to signal active management. Species to be used may include illipe nut trees of *Shorea* spp., a wide variety of fruit trees and local medicinal plants.
5. Identify the extent, nature and locations of threats to the maintenance of HCVs (illegal logging, slash and burn agriculture, forest fires) and develop management steps to address these threats.
6. Adopt a landscape approach in maintaining/enhancing habitat value by connecting fragmented forests and restoring critical habitats and watershed forests.
7. Conduct awareness raising campaigns in communities within and surrounding the ISK concession, preferably in collaboration with NGOs with local presence. This should include prohibition of fire usage in or near heath forest areas. Company should provide signboards related to this prohibition.
8. Engage local communities and other stakeholders in a constructive dialogue to build a consensus on the importance of conserving natural areas for the long term.
9. Establish partnerships with NGOs, universities, local governments (BKSDA) in the management of protected species and habitats within the concession.
10. Establish data on forest resource use by communities (i.e., collection of medicinal plants, timber harvesting, and sand mining for construction) to ensure that these activities will not further degrade remaining forest areas at ISK.

#### **SUMMARY OF PLANS:**

##### **Personnel involved in planning and implementation**

The process of HCV and SIA development and preparation of management and monitoring plans for PT Indo Sawit Kekal was implemented in phases involving several parties: that is Estate Department, human resources, Program Assurance, Agronomy Service department, Legal & Plasma support service & Land acquisition Department and the whole process is in accordance with the plans facilitated by an independent consultants from PT. Hatfiled & LINKS. The details of the parties involved in the HCV and SIA development and preparation of management and monitoring plans are summarized in **Appendix 2 - List of stakeholders consulted during HCV Assessment**.

The implementation of the HCV and SIA management & monitoring plans in the field will be implemented by experienced personnel who possessed a high level of dedication of knowledge and special technical skills. Program assurance department, CSR department and human resources, stationed at the location, will provide support in these activities. The Estate Manager is directly responsible on the implementation of the plans of management and monitoring. In addition, the Senior Estate Manager is accountable in fulfilling of the requirements for the plan and as well as



responsible in analyzing the input results from the monitoring plans. The General Manager is accountable and responsible to ensure that the Overall Development Plan including the management of HCV and SIA is implemented according to the time plan and budget. The management team is supported and supervised by the COO and CEO. The detail of the responsibilities and roles of the HCV and SIA development and preparation of management plans and monitoring are summarized in the "Summary Report of SEIA and HCV Assessments PT Indo Sawit Kekal" document. The Head Office, Estate Department, Human resources, and Program Assurance Department will provide the overall support in the implementation of the development plan.

**Stakeholders to be involved:**

The process of the HCV and SIA development and preparation of management plans and monitoring PT Indo Sawit Kekal also involved relevant stakeholders such as governmental offices (Natural Resource Conservation Department-BKSDA) Ketapang district, The Plantation and Forestry Office Ketapang district, Environment Agency of Ketapang District, communities leader, The local NGOs, Head of Sub District, Head of Village.

Consultation with the relevant stakeholders to provide opportunities for communication and sharing the informations/opinion/suggestions between the company and the workers, contractors, suppliers, smallholders (plasma), consumers, government agencies and communities to move forward for the benefit and common progress. This is also part of the process of free, prior and informed consent procedures to ensure that there is a balance in the social and environmental harmony in the development of the oil palm planting project between PT Indo sawit kekal and other like the relevant government agencies, NGOs etc.

The Stakeholders' Consultation was held on 8<sup>th</sup> April 2011at Manis mata, Ketapang district, West Kalimantan. There were 16 (**Appendix 2**) participants present during this consultation meeting. The summary of the consultation with highlights of key suggestions from the consultation on HCV and SIA PT Indo Sawit Kekal with Stakeholder are as follow:

- a. Presentation from PT Hatfield (consultant accredited and approved by RSPO) regarding the results of the HCV (High Conservation Value Assessment) include the management and monitoring plan of HCV in PT Indo Sawit Kekal.
- b. Presentation from LINKS (consultant accredited and approved by RSPO) regarding the results of the SIA (social Impact Assessment) include the management and monitoring plan of SIA in PT Indo Sawit Kekal.

Key Issues raised for discussion during the Stakeholders' Meeting include:

Important issues that are related to sustainable development of oil palm plantations in PT Indo Sawit Kekal in stakeholder consultation activities, are:

- a. In principle, local communities in the around HGU PT Indo Sawit Kekal support the operational activities of PT Indo Sawit Kekal.
- b. The hope of the people in the villages around the concession of PT Indo Sawit Kekal, the availability of jobs and local employment.
- c. The existence of public expectations with the inclusion of the company will increase the price of land and access to land.

- d. River pollution concerns caused by agrochemical applications in oil palm plantations

### **Summary of Management and Mitigation Plans (SEIA)**

The SEIA development and preparation of management and monitoring Plan for PT.Indo Sawit Kekal is prepared under the Cooperation Agreement between PT.Indo Sawit Kekal and AMDAL consultant and PT.LINKS. The preparation of such report refers to the result of identification and analysis of Social Impact Assessment in the area of PT. Indo Sawit Kekal, Ketapang Regency, West Kalimantan Province and the frame of reference of the agreed work.

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- a. The social management should be oriented to the management of social problems at local communities. Efforts to manage this social problem as well as answer the needs of the community management and development of cooperatives and farmers KKPA, increase revenue and unconditioned stability of income.
- b. The social management should be oriented to social cohesion (social cohesion). In the case of the management has not develop an optimal social communication with the local community or the analysis related to the degree of proximity of the reactive (negative relationship patterns) between the management and the public, should used as a basis for evaluating and developing social cohesion improvements management of the community around the project. However the situation conducive social will ensure the smooth operation of the project ISK, and assist management in developing project management as well as social problems that exist.
- c. Human resource oriented and strengthening the local economy. ISK Management need to respond to the needs of the local community to be able to work in the project through a special recruitment mechanism. Given that local people around this area and has a hard character and low competence in the work, before the hiring is done, companies need to develop an agreement on the terms of recruitment, training, problem solving and termination of employment that involves government officials and representatives of rural communities. This agreement by both parties to be your labor recruitment and resolution of employment issues that arise after the implementation of recruitment. In addition, community empowerment and strengthening local economies around the ISK project also could be developed through education scholarship assistance, social services and free medicine, training technical agriculture and industry as well as revolving credit to the SMEs.
- d. Company in partnership with communities and governments around the village area gardens can also support joint advocacy agenda conveyed to the government districts and provinces, such as electricity, road improvement district and village, as well as construction of public facilities to gradually condition of quasi state was experiencing at this time be addressed.

### **Company Social Impact Management for Social sustainability of local communities**

- I. Impact to human capital
  - a. Job opportunities
    - Collecting data for the current type of livelihood
    - Provide the information for the job opportunities and short expected qualification for the vacancies viability.
    - Make job announcement that is easily accessible by all society levels.

- Give priority for local communities in filling available job vacancies in accordance with the qualifications or skill they have.
- Provide training to new labor according to the needs of each.
- b. Improvement on the level of community education
  - Collecting data for the number of available education facilities and infrastructure
  - Identify and record the highest number of level education received by the community.
  - Identify the number of people that received education and do not received formal education.
  - Identified the number of teachers and students go to school
  - Discuss and provide workable plan in supporting education program (repair school buildings, stationeries, sport facilities and others)
- c. Increased public awareness of good agricultural practice
  - Give training on “good agricultural practices” to the local communities especially who have oil palm who can become potential FFB suppliers to mill
  - Build a cooperative partnership with KUD or farmers to facilitate them to obtain agricultural inputs (fertilizers, pesticides, seeds, etc)
- d. Development of alternative income generating activities to safeguard their economic standing after post-development of the project
  - Identify the number of affected communities that can be absorbed by the plantation company
  - Identify potential areas that could be developed into other alternative economic development program
  - Plan a community development program the together monitor the progress to improve level of community economic.
- II. Impact to natural capital
  - e. Companies’ participation in managing water quality
    - Manage domestic and scheduled waste in a proper ways
    - Routine to monitor the quality of waste water discharge into rivers.
    - Communicates with community on technique of waste handling
    - Keep monitoring the possibility of natural hue of rivers
    - Socialized of manage the riparian areas of river with local community and village official.
  - f. Land acquisition through legal should also received community approval
    - Inventory of community land ownership
    - Survey with the related parties in definite delineation of land ownership for acquisition purpose.
    - Create a land acquisition agreement with their respective legal owner of the land without any pressure or coercion.
    - Relate parties or government should be involved for any lands acquisition problematic solving.

**Social Impact Management to social sustainability on internal estate communities**

1. Health and safety working site

The Corporate Environment, Health, and Safety (EHS) Department provides leadership and support for Cargill in environmental, occupational health and safety, process safety and risk management, and vehicle safety areas on a global basis.

Our goals are to anticipate, meet and exceed the expectations of our employees, customers, communities, shareholders and regulators for excellence in environment, health and safety.

2. Available tools for workers on freedom of association

- Facilitating worker to unite and unions
- Regular meeting with unions
- Training for improving union staff capacity
- Unions involved on worker problem solving

III. Provision of facilities for workers

- a. Available housing unit for worker which equipped with facilities and adequate electrical and water supply.
  - b. Clinic and doctor/paramedic is available in each location
  - c. Training of safeguard for housing and other supporting facilities, clean environment, housekeeping, zero burning and conservation of resource

**Summary of Management and Mitigation Plans (HCV)**

Summary of HCV findings at PT Indo Sawit Kekal (ISK), Manis Mata Sub-District, Ketapang Regency, West Kalimantan, Indonesia.HCV Management Plan

HCV areas by values	Area (ha)
HCV 1.2	66.42
HCV 1.3	273.49
HCV 2.2	8.03
HCV 3	273.49
HCV 4.1	66.42
HCV 4.2	158.29
HCV 4.3	66.42
<b>Total (with overlaps)</b>	<b>273.49</b>

**Table 1: HCV areas by values**

**Summary of HCV findings at PT Indo Sawit Kekal (ISK), Manis Mata Sub-District, Ketapang Regency, West Kalimantan, Indonesia.**

HCV	HCV Title	Findings	
		Present	Not or Unlikely Present
1.1	Areas that Contain or Provide Biodiversity Support Function to Protected or Conservation Areas		Not Present
1.2	Critically Endangered Species	Present	
1.3	Areas that Contain Habitat for Viable Populations of Endangered, Restricted Range or Protected Species	Present	
1.4	Areas that Contain Habitat of Temporary Use by Species or Congregations of Species		Not Present
2.1	Large Landscapes with Capacity to Maintain Natural Ecological Processes and Dynamics		Not Present
2.2	Areas that Contain Two or More Contiguous Ecosystems	Present	
2.3	Areas that Contain Populations of Most Naturally Occurring Species		Not Present
3	Rare or Endangered Ecosystems	Present	
4.1	Areas or Ecosystems Important for the Provision of Water and the Prevention of Floods for Downstream Communities	Present	
4.2	Areas Important for the Prevention of Erosion and Sedimentation	Present	
4.3	Areas that Function as Natural Barriers to the Spread of Destructive Fire	Present	
5	Natural Areas Critical for Meeting the Basic Needs of Local People		Not Present
6	Areas Critical for Maintaining the Cultural Identity of Local Communities		Not Present

**Table 2 : Summary of HCV findings**

The activity of Management and Monitoring Plan of High Conservation Area of PT. Indo Sawit Kekal is conducted in line with the preparation for achieving the certificate of RSPO (Roundtable on Sustainable Palm Oil). The following is a summary of HCV management recommendations that are applicable for the whole ISK concession for the HCVs identified in the 500-ha area are:

1. Conduct forest rehabilitation and restoration. This includes remnant natural forests invaded by Mucuna cover crop, degraded natural forests, and grass/shrubland deemed unsuitable for oil palm.
2. Map riparian buffer zones and identify their conditions. Based on this mapping, develop a riparian restoration plan for areas planted with oil palm or where natural vegetation is in degraded condition.
3. Produce a detailed map which indicates ecotones. The mapping of ecotones can be completed easily using ground survey and handheld GPS units.
4. Implement active management of riparian buffer zones, which may include managing these areas as multi-use conservation zones in which native species acknowledged by community members as „useful trees“ are planted to signal active management. Species to be used may include illipe nut trees of Shorea spp., a wide variety of fruit trees and local medicinal plants.
5. Identify the extent, nature and locations of threats to the maintenance of HCVs (illegal logging, slash and burn agriculture, forest fires) and develop management steps to address these threats.
6. Adopt a landscape approach in maintaining/enhancing habitat value by connecting
7. fragmented forests and restoring critical habitats and watershed forests.
8. Conduct awareness raising campaigns in communities within and surrounding the ISK concession, preferably in collaboration with NGOs with local presence. This should include prohibition of fire usage in or near heath forest areas. Company should provide signboards related to this prohibition.



9. Engage local communities and other stakeholders in a constructive dialogue to build a consensus on the importance of conserving natural areas for the long term.
10. Establish partnerships with NGOs, universities, local governments (BKSDA) in the management of protected species and habitats within the concession.
11. Establish data on forest resource use by communities (i.e., collection of medicinal plants, timber harvesting, and sand mining for construction) to ensure that these activities will not further degrade remaining forest areas at ISK.

**Key monitoring recommendations for HCV PT.ISK are as follows:**

1. Develop a matrix or a checklist to monitor implementation of HCV management activities.
2. Obtain and analyze high-resolution remote sensing imagery or aerial photography to monitor land cover changes and forest degradation.
3. Implement field surveys on ecological and environmental indicators related to the identified HCVs.
  - Extent, distribution and quality of various types of habitats (lowland dipterocarp forest, wetlands, riparian and swamp forests).
  - Status of natural vegetation (canopy cover, forest structure, species composition).
  - River water quality and flow pattern.
4. Establish a system for reporting any threats (e.g., hunting, fishing, logging, shifting cultivation, forest fires, etc.) to HCVs and conduct regular ground checks.
5. Establish partnerships with academic institutions and NGOs in carrying out monitoring activities.
6. Monitor implementation of community awareness raising, training and other engagement activities.
7. Monitor and evaluate community perception regarding the company's management and status of HCVs and relations.
8. Involve communities in monitoring activities (NGOs can often assist in adopting a model of community-based monitoring).

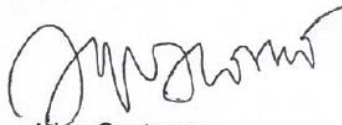
**VERIFICATION STATEMENT:**

PT Indo Sawit Kekal was proposed a document review of the RSPO New Planting Procedures Verification for proposed 500 ha in West Kalimantan – Indonesia area. Two (2) BSI's auditors were conducted desktop study and review relevant documents. Subsequently, ISK prepared and submitted the correction of documents by email for the verification purposes until completed by BSI on July 2013. The desk review was carried out by BSI lead auditor Aryo Gustomo accompanied with one auditor team Pratama Agung Sedayu.

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

BSI confirmed that the assessment and plans are comprehensive, professional and compliant of RSPO principles, criteria and indicators. It is the opinion of the BSI auditors that PT Indo Sawit Kekal has complied with the RSPO New Planting Procedures enforced on 1st January, 2010. This is a completely new development and stakeholders may submit comments.

Signed on behalf of BSI,



Aryo Gustomo  
Lead Auditor

Date : 30/07/2013

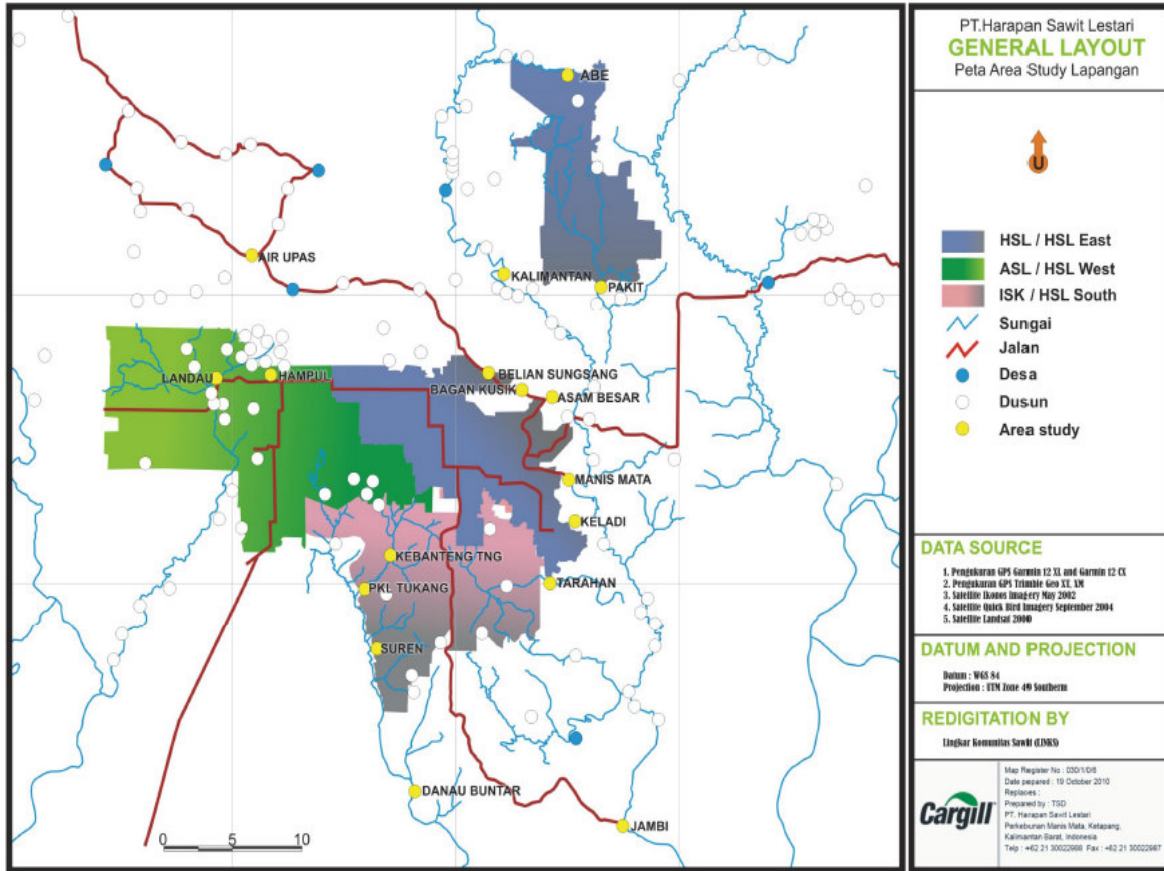
Signed on behalf of PT Indo Sawit Kekal



PT INDO SAWIT KEKAL  
Nharong Samchit,  
President Director, PT. Indo Sawit Kekal

Date: 26/07/2013

**Appendix 1 – Map of Social Impact Assessment (SIA) study area**



**Appendix 2- List of stakeholders consulted during HCV Assessment**

Date of Consultation : 5 – 8<sup>th</sup> April 2011.

**Outside Stakeholders participated :**

Village	Name	Position
Dusun Bagan Kajang	Samsidi	Chairman of KUD
Dusun Bagan Kajang	Rusdi	Chief of Dusun
Dusun Bagan Kajang	Akun	<i>Temenggung Adat</i>
Dusun Bagan Kajang	Nuam	Villager
Dusun Bagan Kajang	Kipas	Villager
Dusun Bagan Kajang	Cungkir	Villager
Dusun Bagan Kajang	Tilung	Villager
Dusun Bagan Kajang	Ujang	Villager
Dusun Bagan Kajang	Jemihit	Villager
Dusun Bagan Kajang	Hademi	Villager
Dusun Tarahan	Ikum	Chief of neighborhood
Dusun Tarahan	Opic	Community leader
Dusun Tarahan	Lampak	Community leader
Dusun Tarahan	Suryanto	WALHI (NGO)
Manis mata	Sairus	Chief of village
Tarahan	M.Munut	Kadus
Manis mata	Suhandi	Police sector
Manis mata	Samidi	Military sector


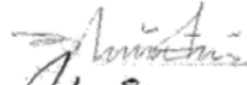
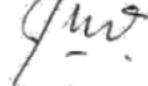
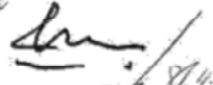

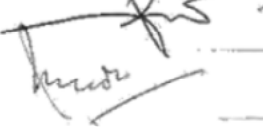



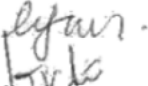






**PT Indo Sawit Kekal management representatives participated**

Name	Position
Nharong Somchit	President Director
Hussin Top	Senior Estate Manager
Taufik Muksin	Plasma support service manager
Tarmizi Lakoni	GIS
Faisal	Land Acquisition Assistant
Zulkarnean	Estate Manager
Victor Hutabarat	Program Assurance Coordinator
Ainul Yaqin	Land Acquisition Assistant
Riduan	Estate Assistant
Hendri Hairani	CR Manager
Volta Bone	Program Assurance Manager

**Appendix 3. Attendance Public Consultation HCV PT Indo Sawit Kekal 8 April 2011**

**DAFTAR HADIR**

Tempat : CLUB HOUSE PT. HSL / PT. ISK.  
 Date : 08/04/2011  
 Subject : Public consultation : HCV preliminary assessment results

No.	NAMA	JABATAN	ALAMAT	TANDA TANGAN
1	SAIRUS	Kades m-m.	M-MATA	
2	M. Murnut	KADUS Taraman	Taraman	
3	H. SUHANDI	KASIUBI POL-SEK M. MATA	M. MATA	
4	SAMI M.	wakil Dan Wakil	m. mata	
5	M. RIOWAN	Sm. BA. Lue	Lue.	
6	ABUL YASIN	LA. Ass.	ISK	
7	HENDRI HARAH	CR Manager	HRSK - KBK	
8	Tarmin Laton	AMIS & GIS	HSL - LSK	
9	Zulkarnaen	EM	LUE	
10	Ujang	tokoh masyarakat	Bayan Kagang	
11	VICTOR H.	PAO-S	KBK.	
12	Agus Selim	Hatfield	Bogor	
13	dantra	Hatfield	Bogor	
14	Kenichi Shara	Hatfield	Bogor	
15	Jant Arisona	Hatfield	Bogor	
16	FARISCE	LA. Ass.	ISK	
17				
18				
19				
20				