



Report number: 809028RSPONPPCUCRPT -2011-01-AS

RSPO New Planting Procedures Assessment Report

PUBLIC SUMMARY

PT Musim Mas Galing Sub-District, Teluk Keramat Sub-District, Sambas District, West Kalimantan Province, Indonesia

This public summary has been prepared in accordance with RSPO requirements and the information included is the result of a full RSPO assessment of the Mills and supply base as included in the scope of the certificate.

Report prepared by: Senniah Appalamy (Lead assessor).

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1. SCOPE OF THE ASSESSMENT.

1.1 Guidance Document used.

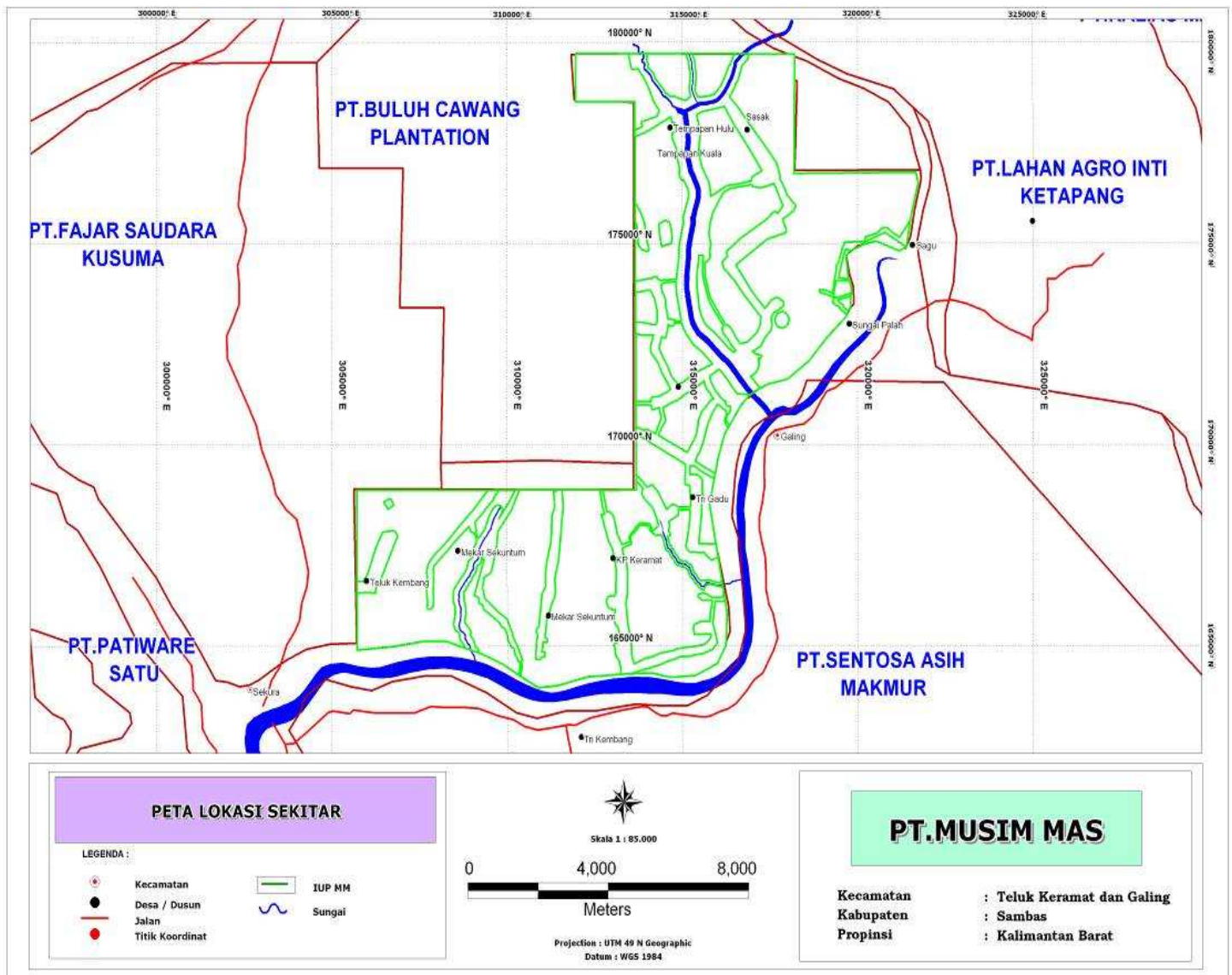
The proposed new planting of PT Musim Mas was assessed for compliance against the RSPO Procedures for New Oil Palm Planting (RSPO NPP) using the Guidance Document approved in September 2009 by the RSPO Executive Board for implementation from 1st January 2010.

1.2 Assessment type.

Assessment of legal documents, independent Social Environmental Impact Assessment Reports (SIA and AMDAL), High Conservation Value Assessment Report (HCV) and management and implementation plans of the proposed new planting.

1.3 Location maps.

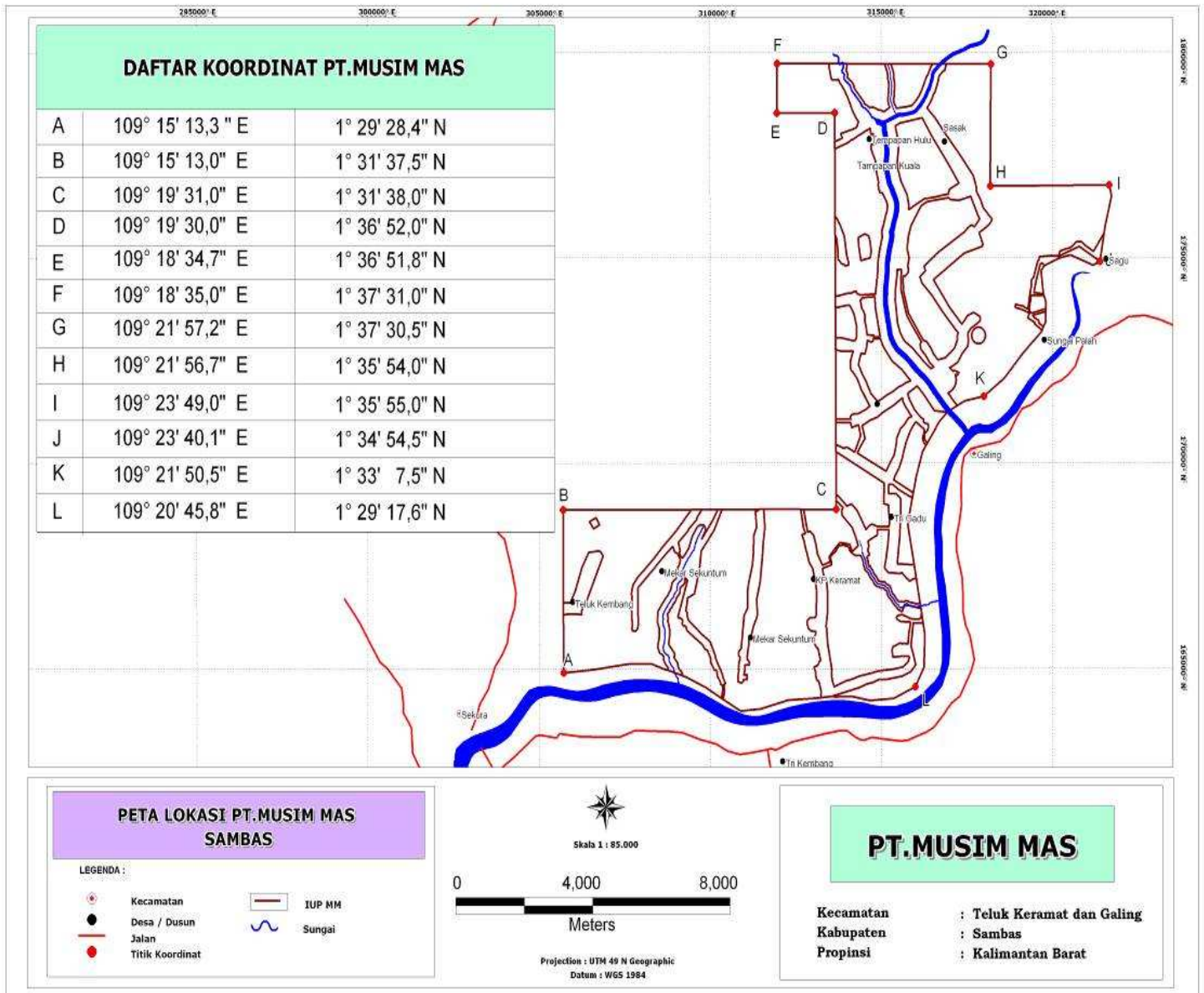
1.3.1 Map showing the location of the proposed new planting and neighbouring entity.





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1.3.2 Location Map of proposed new planting of PT Musim Mas with GPS Coordinates






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1.4 Location address of the proposed new planting.			
Name of the company	Location address	GPS reference	
		Longitude	Latitude
PT Musim Mas	Galing Sub-District and Teluk Keramat Sub-District, Sambas District, West Kalimantan Province, Indonesia.	As per in 1.3.2 above	

1.5 Description of the proposed new planting area.
The proposed New Planting area is located at Sub-District of Galing and Teluk keramat, Sambas District, West Kalimantan, Indonesia. Total area of 10,100 hectare was allocated with Permitted Area (Izin Lokasi No. 424 Year 2009 dated 31 December 2009) to PT Musim Mas. The new planting area of PT Musim Mas is located in area of Other Usage Area (Areal Penggunaan Lain – APL) as per letter from Balai Pemantapan Kawasan Hutan No. S.248/VII/BPKH-III/2010 dated on 26 April 2010 that the concession areas of PT Musim Mas is in area for other uses (Areal Penggunaan Lain, APL) and not a forest land. The boundaries and GPS reference are as per 1.3.2 above.

1.6 PT Musim Mas Contact person.	
Principle Contact person:	Dr. Gan Lian Tiong
Business address:	Jl. K.L. Yos Sudarso Km 7,8 Tanjung Mulia, Medan Deli, Medan, Sumatera Utara - 20241, Indonesia.
Group name if applicable:	PT Musim Mas
Office telephone:	+62 61 661 5511
Mobile telephone:	+62 811 632 831
Fax:	+62 61 661 7386
e-mail:	liantiong.gan@musimmas.com
Web site:	www.musimmas.com
RSPO Membership №	1-0073-04-000-00

1.7 Certification body contact details.	
Name of Client:	PT Musim Mas
Client number:	CU 809028
Final Report Date:	27 th July 2011
Issued by	Control Union Certifications
Address	Meeuwenlaan 4-6 8025 BS Zwolle
Telephone	0031 (0) 38 426 0100
Fax	0031 (0) 38 423 7040
Email	certification@controlunion.com
Website	www.controlunion.com/certification
Lead Auditor	Senniah Appalasamy
Signature	



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2. ASSESSMENT PROCESS.

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

2.2 Qualifications of the assessment team.		
2.2.1 Qualifications of the lead assessor. Senniah Appal Sammy		
REQUIREMENT	QUALIFICATIONS	Compliance
A minimum of post high school (post secondary school) training in either agriculture/forestry, environmental science or social sciences;	Post graduate qualification in human resource management with more than 10 years working experience in plantation.	Yes
At least 5 years professional experience in area of work relevant to the assessment (e.g., palm oil management; agriculture/forestry; ecology; social science);	More than 10 years working experience in plantation. Involved in RSPO auditing since April 2009. Fully trained in similar agriculture certification programmes such as RSPO SCCS, Global Gap, ISCC and GMP.	Yes
Training in the practical application of the RSPO criteria, and RSPO certification systems;	Involved in RSPO assessment since April 2009. Member of CUC RSPO audit team. Involved in audits conducted in Malaysia and Indonesia.	Yes
Successfully completion of an ISO 9000:19011 lead assessors course;	Completed ISO 9001:2008 lead auditor course in September 2009.	Yes
A supervised period of training in practical assessment against the RSPO criteria or similar sustainability standards, with a minimum of 15 days assessment experience and at least 3 assessments at different organisations.	Member of CUC RSPO audit team since April 2009. Involved in audits conducted in Malaysia and Indonesia since April 2009 in 8 different companies in Malaysia and Indonesia.	Yes

2.2.2 Qualifications of assessment team.			
RSPO REQUIREMENT	ASSESSOR	QUALIFICATIONS	Compliance
Fluent in main local languages and English.	Senniah Appal Sammy	Able to understand local language and English.	Yes
	Haeruddin	Fluent in local language and able to understand English.	Yes
Field working experience in the palm oil sector, or a demonstrable equivalent.	Senniah Appal Sammy	Working experience in palm oil plantation. Involved in RSPO audits since April 2009.	Yes
	Haerudin	FSC, Global Gap and Organic farming auditing experience. Involve in RSPO auditing since November 2010.	Yes
Good agricultural practices (GAP), integrated pest management (IPM), pesticide and fertilizer use.	Senniah Appal Sammy	Working experience in palm oil plantation. Involved in RSPO audits since April 2009.	Yes
	Haerudin	FSC, Global Gap and Organic farming auditing experience.	Yes
Health and Safety assessment on the farm and in processing facilities. (For example OHSAS	Senniah Appal Sammy	Working experience in palm oil plantation. Involved in RSPO audits since April 2009.	Yes



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18001 or occupational. Health and safety assurance system).	Haerudin	FSC, Global Gap and Organic farming auditing experience. Involve in RSPO auditing since November 2010	Yes
Workers welfare issues and social assessment experience. (For example with SA8000 or related social or ethical accountability codes).	Senniah Appalasamy	Working experience in palm oil plantation. Involved in RSPO audits since April 2009.	Yes
	Haerudin	FSC, Global Gap and Organic farming auditing experience. Involve in RSPO auditing since November 2010	Yes
Environmental and ecological assessment. (For example experience with organic agriculture, ISO 14001 or environmental management systems).	Senniah Appalasamy	Working experience in palm oil plantation. Involved in RSPO audits since April 2009.	Yes
	Haerudin	FSC, Global Gap and Organic farming auditing experience. Involve in RSPO auditing since November 2010	Yes
Economic issues.	Senniah Appalasamy	Working experience in palm oil plantation. Involved in RSPO audits since April 2009.	Yes
	Haerudin	FSC, Global Gap and Organic farming auditing experience. Involve in RSPO auditing since November 2010	Yes
Practical document assessment experience against the RSPO NPP requirement.	Senniah Appalasamy	Member of CUC RSPO NPP audit team since January 2010. Involved in NPP audits conducted in Indonesia.	Yes
	Haerudin	Member of CUC RSPO NPP audit team since January 2010. Involved in NPP audits conducted in Indonesia.	Yes

2.3 Assessment methodology.

2.3.1 General overview.

The assessment was carried out in conformity with the procedures as laid down in the RSPO Procedures for New Oil Palm Planting (RSPO NPP) using the Guidance Document approved in September 2009 by the RSPO Executive Board. During the assessment the qualified CUC assessors used the RSPO NPP and recorded their findings.

It was possible to carry out both pre verification review and head office document assessments of all relevant data and documents within the time frame without compromising the integrity of the assessments in anyway.

The company opted for a document audit. RSPO NPP formats as per recommended in the RSPO NPP guidance documents approved in May 2010 were checked and verified as well. Control Union Certifications auditors conducted pre verification review of the relevant RSPO NPP documents and verified all the related documents since 29th June 2011 – 24th July 2011. Two Control Union auditors were with the management team of PT Musim Mas at their head office in Medan on 25th – 27th July 2011 to verify further and finalise the findings and present the final report.



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2.4 Assessment agenda.		
Date	Location	Agenda
29 th June 2011 – 24 th July 2011	CUC office	Pre verification review and desk study of the Social Impact Assessment (SIA) Report, High Conservation Value (HCV) Report, AMDAL and Management plans and discussion with contact person.
9 th July 2011	Jakarta	Discussion with Management Contact person : Dr. Gan Lian Tiong
25 th – 27 th July 2011	Medan	Opening meeting. Presentation by Dr. Gan Lian Tiong Assessment agenda discussion.
		Inspect document and finalise the findings of the pre verification review and further discussion and verification conducted at the PT Musim Mas head office, Medan.
		<ul style="list-style-type: none">Closing meeting. Chaired by the assessment team leader. Welcome and introduction by the team leader. Presentation of findings by the assessment team. Questions and answers. Final summary by team leader.
Number of assessors participating: 2 Number of days spent for the assessment : Pre verification review 29 th June – 24 th July 2011. Discussion with contact person: 2 days. Final Document audit and closing meeting: 2.5 days. Total number of person days used for the assessment: 5 days plus pre verification review.		

3. ASSESSMENT FINDINGS.

3.1 Lead assessor's verification statement:

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

Control Union Certifications auditors conducted desk study and verified all the related documents since 29th June 2011. The company opted for a document audit. Two Control Union auditors were with the management team of PT Musim Mas at their head office in Medan on 25th – 27th July to finalise the findings of the pre-verification review and have further discussion and verification conducted.

It is the opinion of the Control Union Certifications auditors that PT Musim Mas has complied with the RSPO New Planting Procedures enforced on 1st January, 2010. Control Union Certifications confirmed that the assessment and plan are comprehensive, professional and compliant of RSPO principles, criteria and indicators.

Signed on behalf of Control Union Certifications

A handwritten signature in black ink, appearing to read 'Senniah Appalasamy'.

Mr Senniah Appalasamy
Lead Auditor
Date: 27th July, 2011



3.2 Summary of the findings:

3.2.1 Executive Summary

PT Musim Mas is situated in located at Galing Sub-District and Teluk keramat Sub-District, Sambas District, West Kalimantan, Indonesia. Total area of 10,100 hectare was allocated with Permitted Area (Izin Lokasi No. 424 Year 2009 dated 31 December 2009) to PT Musim Mas. The new planting area of PT Musim Mas is located in area of Other Usage Area (Areal Penggunaan Lain – APL) as per letter from Balai Pemantapan Kawasan Hutan No. S.248/VII/BPKH-III/2010 dated on 26 April 2010 that the concession areas of PT Musim Mas is in area for other uses (Areal Penggunaan Lain, APL) and not a forest land. The boundaries and GPS reference are as per 1.3.2 above.

PT Musim Mas is adhering to adopt sustainable palm oil practices based on the RSPO New Planting Procedures which was approved in September 2009 by the RSPO Executive Board for implementation from 1st January 2010. PT Musim Mas is ready to implement environmental and social management through the adoption of High Conservation Value (HCV) and Social Impact Assessment (SIA) based on the findings and recommendations of the Social Environment Impact Assessment (SEIA / AMDAL) and High Conservation Value Assessment by RSPO accredited assessors. The required legal documents, Consent License (Izin Prinsip), Permitted Area (Izin Lokasi), Social Environment Impact Assessment (AMDAL), SIA and HCV are available and checked during this document assessment. The HCV and SIA analysis were conducted in June 2010 by RSPO Accredited Assessors from Aksenta and the Social Environment Impact Assessment (AMDAL) was approved by the Head of Environmental Office of Sambas (Kepala Badan Lingkungan Hidup selaku Ketua Komisi Penilaian AMDAL) on 4th October 2010 (No 660.1/246/Komisi).

No primary forest was found within the legal boundary of PT Musim Mas in Aksenta's HCV assessment. In the Aksenta HCV assessment report, it is indicated that almost the entire area is covered with rubber and shrubs. The soil type based on the Report of Semi Detail Soil Survey and Palm Oil Suitability Assessment of PT Musim Mas 2010 by the independent consultant (JH – Agriculture Service) concluded that there is no peatland area in the Permitted Area. The dominant soil types are alluvium soil (99 %) and sandy soil (1 %).

Three types of HCVs were identified by Aksenta, i.e. HCV 1, HCV 4, and HCV 6 within the legal boundary of PT Musim Mas, with the total area of 539.55 Ha (5.34% of the total permitted areas). As a result of delineation by Plantation Permit (IUP), 292.55 ha fall outside the final IUP approved areas for PT Musim Mas. This has led to the reduction of the High Conservation Values areas identified by the HCV consultants from the original areas of 539.55 ha or 5.34 % of the total Permitted Area (Izin Lokasi) to 247 ha or 3.21 % of the total Plantation Permit (IUP). The HCV management plan has taken this reduction in areas into consideration and action plans are developed to manage and monitor the HCV areas within the IUP approved areas for PT Musim Mas. Within the Permitted Areas (Izin Lokasi), the important elements for HCV 1 are the existence of population and tracks of endangered species such as Mueller's Gibbon (*Hylobates muelleri*), Proboscis Monkey (*Nasalis larvatus*), Sarawak Leaf Monkey (*Presbytis chrysomelas*), Malayan Sun Bear (*Helarctos malayanus*), and Sunda Pangolin (*Manis javanica*). The important elements for HCV 4 are related to the potential damage from erosion, springs, and river riparian. The important elements for HCV 6 are related to the traditional and sacred graveyard. The HCV areas outside the IUP approved areas will be included in the monitoring and socialization plan with the local communities.

The SIA assessment by Aksenta highlighted that, in general, the existence of PT Musim Mas has a significant social impact to the basic requirement to the social sustainability of local community. The impact of the company presence with its plantation development plan towards social sustainability is discussed in the Summary of Assessment Findings for SEI Assessment. Those findings have defined how the company's business management influences the key issues in every component of the social sustainability of local community.

3.2.2 Scope of SEIA and HCV Assessment

a) General Data of the Company

Company Name	:	PT Musim Mas
Deed of Incorporation	:	Notary M. Sutan Nasution No : 40 dated on 21 June 1972
Capital Status	:	Domestic Investment (Penanaman Modal Dalam Negeri, PMDN)
Taxpayer Notification Number	:	01.100.016.3-092.000



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Company Address	:	Jl. K.L. Yos Sudarso Km 7.8, Tanjung Mulia, Medan Deli, Medan Sumatera Utara - 20241, Indonesia.		
Type of business	:	Oil Palm Plantation and Processing		
Status of business land	:	Consent License (Izin Prinsip) (No 582 / 79 / BPMPT-3 dated on 12 June 2009) (size ± 10.100 Ha) approved by Regent of Sambas (Bupati Sambas). Permitted Area (Izin Lokasi) (No.424 Year 2009 dated on 31 December 2009) (size ± 10.100 Ha) approved by Regent of Sambas (Bupati Sambas). SEIA (AMDAL) (No 660.1 / 246 / Komisi dated on 4 October 2010 approved by Head of Environmental Office of Sambas (Kepala Badan Lingkungan Hidup selaku Ketua Komisi Penilaian AMDAL) Environmental Permit (Izin Kelayakan Lingkungan) (No. 270/2010 dated on 13 October 2010) approved by Regent of Sambas (Bupati Sambas). Plantation Permit (Izin Usaha Perkebunan) (No 49 Year 2011) Dated on 17 February 2011 (size ± 7.700 Ha) approved by Regent of Sambas (Bupati Sambas).		
Location Size	:	± 7,700 Ha		
Contact person	:	Dr. Gan Lian Tiong		
Geographical Location	:	See 1.3.1 and 1.3.2 above.		
Region boundaries	:	North : PT Buluh Cawang Plant South : PT Sentosa Asih Makmur West : PT Fajar Saudara Kusuma and PT Buluh Cawang Plant East : PT Lahan Agro Inti Ketapang and PT Sentosa Asih Makmur		
<p>The scope of Social and Environment Impact Assessment of PT Musim Mas covers the local social entities within the Permitted Area (Izin Lokasi). Thus, the High Conservation Value assessment covers the Permitted Area. It is also expanded into villages and other areas which considerably important to the proposed surrounding plantation area.</p> <p>b) Legal Documents</p> <p>The permits that have been obtained by the company at the time of the HCV assessments and SIA carried out in June 2010 are Consent License (Izin Prinsip), Permitted Area (Izin Lokasi), Social Environment Impact Assessment (AMDAL) and the Plantation Permit (Izin Usaha Perkebunan). The followings are the list of the licenses and recommendations at the time of the assessment.</p>				
<p>Table 1. Types of permits and recommendations of PT Musim Mas.</p>				
No.	Licenses and recommendations	Issued by	Number and date	Note
1.	Consent License	Regent of Sambas District (Bupati Sambas)	No. 582/79/BPMPT-3 Date: 12 June 2009	± 10,100 Ha
2.	Permitted Area	Regent of Sambas (Bupati Sambas)	No. 424 Year 2009 Date: 31 December 2009	± 10,100 Ha
3.	AMDAL	Head of Environmental Office of Sambas (Kepala Badan Lingkungan Hidup selaku Ketua Komisi Penilaian AMDAL)	No. 660.1/246/Komisi dated 4 October 2010	Approved.



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4.	Environment Permit	Regent of Sambas (Bupati Sambas)	No. 270/2010 dated 13 October 2010	Approved.
5.	Plantation Permit (Izin Usaha Perkebunan)	Regent of Sambas (Bupati Sambas)	No. 49 Year 2011 Dated 17 February 2011	± 7,700 Ha including for Palm Oil Mill with capacity of 90mt/hr.

c) Area and time-plan for new plantings

The proposed new planting area by PT Musim Mas is within the Plantation Permit (IUP) which have been agreed by the owners of the land (Report on Process of FPIC – Free Prior Informed Consent of PT Musim Mas) and the area does not contain forests nor any high conservation values. In accordance with the operational management data of PT Musim Mas, the operation will commence in year 2011 with total estimated planting area of about 7,100 ha, which consists of about 5,680 ha of nucleus (*inti*) planting and about 1,420 ha of smallholder (*kemitraan*) scheme.

3.2.3 Assessment Process and Procedures

SEIA and HCV Assessment

Assessors and their credentials:

1. The social impact assessment of PT Musim Mas was carried out by an independent consultant from Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com. The team members consist of consultants accredited and approved by the RSPO includes:

a) Sigit Budi Setyanto (sigit@aksenta.com): He graduated from the Faculty of Agriculture of Universitas Negeri Jember and has been involved in research and has experiences in areas involved with growers and communities development since 1990. Since 2004 he has been active as the auditor for *CAFÉ Practice Program* in Indonesia and Papua New Guinea as well as an *Agriculture Marketing Specialist* for an international NGO for *Rural Agro-enterprise Development (RAeD)* program. He is experienced in national and international training on *Sustainable Organic*, *"SCS-Starbucks" CAFÉ Practice*, *"Rainforest Alliance" – Sustainable Agriculture, Forest Management and Chain of Custody*, as well as *"DOEN- Roundtable Sustainable Palm Oil*. In Aksenta, he has carried out assessments on *"Socio – Economic study on palm trees in West Pasaman and Sanggau"*, *"Social Impact Assessment"* and *"High Conservation Value Assessment"* for Indonesian Palm Oil Companies. In March, 2010, he obtained the accreditation from RSPO as the *Discipline Specialist* for Social Assessment on palm oil companies. His role in this Social Impact Assessment was as one of the team members focusing on the field of socio-economic and social development.

b) Miranti Magetsari (aget@aksenta.com): She graduated from the Physics Department, Faculty of Math and Natural Science (Matematika dan Ilmu Pengetahuan Alam), Institute of Technology Bandung. She has the relevant training on ISO 14001 (Environmental Management System) and OHSAS 18000 (Management of Health and Working Safety). She is experienced in developing management system for human resources and quality, and conduct assessment for management system certification. The assessments that she has been assigned by Aksenta were Social Impact Assessment and High Conservation Value Assessments for several palm oil companies in Indonesia. Her role in this Social Impact Assessment was as one of the team members focusing on the aspect of socio-economic and social development.

c) Sofyan Cholid (sofyan.cholid@aksenta.com): He obtained his Bachelor Degree from the Department of Social Welfare of the Faculty of Socio-Politic (Fakultas Ilmu Sosial dan Politik) and Master Degree of Geography from the Faculty of Math and Natural Science (Fakultas Matematika dan Ilmu Pengetahuan Alam), University of Indonesia (UI). He has been involved in the activities of NGOs focusing on social problems such as the abandoned children living on the streets, HIV/AIDS, and local prostitutes. With the Indonesia National Bureau of Land (Badan Pertanahan Nasional), he was involved in the survey of the land statistics in corporation with the National Planning and Development Department (Badan Perencanaan Pengembangan Nasional) and Indonesia Social Department. As a researcher from the Children Protection Assessment Center of UI (Pusat Kajian Perlindungan Anak, UI), he has carried out assessments on the system of protecting street children in Indonesia in collaboration with Columbia University funded by the UNICEF. His role in this Social Impact Assessment was as a team member focusing on socio-economic and social development.

2. The HCV assessment in the consent area of PT Musim Mas was carried by an independent consultant from Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com. The team members consist of consultants accredited and approved by



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the RSPO includes:

a) Wibowo A Djatmiko (bowie@aksenta.com): He has the capacity and experience in conservation research, wild life management, habitat and population study, wild life ecology (especially on birds and herpetofauna), and forest ecology (including forests resident) researches. He graduated from Bogor Agriculture University in Forestry majoring in the field of biodiversity conservation. He is also involved and attended courses such as Second Asian School for Conservation Biology (SEAMEO BIOTROP – Bogor) and International Training Course on Practical approach to Management of Biodiversity Conservation (Malayan Nature Society, in Kuala Lumpur). He completed his Master Degree in Biology Conservation at University of Indonesia. He is well experienced as an independent consultant with wild life ecology specialty, AMDAL-forestry analysis (the analysis of environment impact), mining and transmigration, and assessment of ecological certification for both commercial and traditional forests. He has conducted many HCV assessments for palm oil plantations since 2006. In this HCV assessment for PT Musim Mas, his role is to focus and identify the existence of HCV 1, 2, and 3. On 26th April 2010, he achieved the RSPO accreditation as the Discipline Specialist Biodiversity (for plants, mammals, avifauna, herpetofauna) and Social (participatory rural assessment; socioeconomic or cultural studies).

b) Yunus Arifin (yunus@aksenta.com): He has a good experience in field study and land mapping to improvement in an Oil Plantations in Sumatera, Kalimantan, and Papua, field study in a properness of transmigration land in Sumatera, Kalimantan, and study of lay-out area (RTRW) in some residence and city and lay-out about Free Trade Zone (FTZ) Bintan Island. He has an experience too in a study of satellite interpretation, AMDAL in agriculture, forest, and plantations society, land evaluation and monitoring about land rehabilitation, and research about agriculture and lay-out inventory. Not only as a research, he is an expert in water and land resources in Aksenta, too. He is a teacher of Statistik, Research Methode, Ekonometrika, Soil Science, Remote Sensing, and Land Prosperous, and teaching some courses to BPN and Forest Department. Some of his erudition has been publicated in many journal. Both of his field experiences and his knowledge has increasing his spatial analysis and in his inventory of water and land resources. In HCV Aksenta Team, he is doing identification and study of HCV 4. Finished his bachelor degree on Bogor Agricultural University at Faculty of Agriculture in major of Soil Science in expertise of Land and Water Conservation. Then he continued his Master's Degree in a Land Evaluation in the same university. At this time, he is finishing his PhD in an Inventory of Land in Bogor Agricultural University.

c) Nandang Mulyana (nandang@aksenta.com): He is the member of Aksenta team who is responsible for analyzing the Socioeconomic and CD/CSR aspects. Graduated from UMJ –Jakarta majoring in Economics and a Master Degree holder from Bogor Agriculture University focuses on Ilmu Perencanaan Pembangunan Wilayah (development and planning studies). He is experienced in the field of socio-environment. In this HCV identification, his role was to identify HCV 5 and 6. In March 2010 he achieved the RSPO accreditation as Discipline Specialist Social (Participatory rural assessment; socioeconomic or cultural studies; participatory mapping; conflict resolution).

d) F. Getsamany (getsam@aksenta.com): He is experienced in GIS and remote sensing techniques for biology conservation and issues related to land management by the local communities. He has also carried out research on radiation quantity in forest and energy management by the forest using GIS and Remote Sensing techniques. He is also experienced in the soil potential resource analysis, the analysis on water and conservation area.

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

Social Impact Assessment on the ground was carried out as follow:-

Participative: Issues identification and information searching were done in a participative way. This participative approach enabled the participants as the relevant subjects in mapping the social issues they are facing, expressing their opinions and ideas, as well as being involved in designing the management and mitigation of issues. (The list of stakeholders in participative process is presented in the SIA Report).

Multiparty: Issues identification and information searching were done in multiparty way by involving related parties directly or indirectly impacted by the development of oil palm plantation in the area.

Rapid and Extant: Issues identification and information searching were done in rapid way and based on the forecast of the impacts from changes that will take place from the feedback – as the approach to the Social Impact Assessment within the time allocation.

Appreciative: Issues identification and information searching were guided positively, not only to find out the gap at the location but also to collect the data on expectations, potentials problems, and ideas for identification of solutions and social issues that may arise.



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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:

Literature Study: This method was used for the purpose of gathering information 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. (This was described in the SIA report of PT Musim Mas July 2010 by Aksenta);

Dialogue: This method was used to identify the nature of the parties, identify the potential issues and impacts, gathering information about expectations, ideas, and opinions to enable identification of potential solutions to address these potential issues and impacts. The process was carried out through meetings both in formal and in non-formal sequence focusing on specific topics (Focus Group Discussion or FGD);

Field Observation: This method was used to understand directly the actual facts on the ground which serve as indicators of the issues and social impacts ;

In-depth Interview: This technique was used to get a deeper understanding about the issues. It was done in-depth by interviewing the key people who will be affected by the development of plantation. The criteria of choosing the respondents were based on the knowledge possessed or their direct experience over the impact or impacts.

Tri Angulations: This method was carried out in integrated way to reciprocally verify the actual issues, opinions and ideas.

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.

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

HCV Identifying Methods

The assessment covers the Permitted Area (Izin Lokasi) which is included into the company's project area. The assessment was also expanded into villages and other areas which are of considerably importance to the surrounding proposed plantation area. The field survey was conducted in June 2010. Final Report dated September 2010. The survey area covers 201 observation spots (location map of observation spots is presented in HCV report of PT Musim Mas September 2010 by Aksenta). In the process, each observation team was accompanied by the field staff from the company and local representatives who are familiar with the site. Besides field survey, the team also collected information from the local community through individualistic interviews, Focus Group Discussion (FGD), as well as public consultations (the list of stakeholders in the participative process is presented in HCV report of PT. Musim Mas September 2010 by Aksenta). At the same time, confirmation and cross checking of the findings were carried out with the local community using the technique of purposive sampling – which includes the communities, the enclaves' owners (where existed), and the related interested/affected parties.

The understanding and scope of HCV for the oil palm plantation is confined to the HCVF definitions which applicable to the forestry sector as adopted by the RSPO. The Identification of High Conservation Value in Indonesia was developed by the Indonesian HCV toolkit revision consortium [Konsorsium Revisi HCV Toolkit Indonesia (2008)]. Other references used include IUCN, CITES, and other guidelines as well as the relevant Laws of Indonesia were also taken into consideration. (The summary is presented in HCV report of PT Musim Mas September 2010 by Aksenta).

Identifying Methods for HVC 1, 2, and 3

The target for HCV 1, 2, and 3 identifying was to find out the areas which have important values in the biological context. Such areas are characterized by the location status, the origin of the communities, or the existence of the ecosystem of flora and fauna with high values. The significant values of flora and fauna refer to the status defined by the law, endemics (endemic, limited spread), and scarcity (scarce, facing extinction or almost extinct) was in accordance to the national and international law (IUCN and CITES) which protect such flora and fauna. The significance of the value of the wildlife as well as the habitat was also based on the ecology roles from the species and from the cultural and traditional point of view.



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The method of inventories was carried out using reconnaissance survey to analyze the existence of the important flora and fauna. The existence of fauna was recorded through:

- Direct observation, either through the identification of visual appearance or sound (for both diurnal and nocturnal animals),
- The existence of the marks or residual from the animals' activities in their former habitat (such as tracks, scars on trees, nest, scales, snake skin, bird feathers, or mammal hair, etc.).
- The finding of the residual of animals' body parts (skull, horn, skin, hair, tusk, scales, and other recognized part of the animals' body) which were possibly hunted or caught by the local people in the observed locations. Interviews were carried out to complement the information about the time and location of the hunting activities.
- The secondary information was the existence of the animals which were documented based on external information, such as local people information or the local authorities. The consistency of such information was monitored through cross checking (check and recheck) with other relevant parties as well as checking the validity of the description on every species of animals from the feedback from interviews with the local people. All information was then matched with the natural distribution and the history of the existence of such species in the locations. The data was then compared to the type and condition of the habitat at the time when the survey was done. Any mismatching between the description and their natural distribution zone and habitat, will result the existence of such species in doubt.

Identification Methods for HVC 4

In order to identify the existence of HVC 4 in area, two approaches were applied in the assessment. The first approach was through analysis to find out the interactions and correlations between the water system and the proposed plantation land in a wide context. The approach also covered the area outside the proposed plantation area. The second approach was an analysis to find out the significant values of such locations and their impacts to the proposed plantation's location. Based on both approaches, the phases of identifying HCV 4 were analysis of the secondary data, field survey, and the integrated data analysis of secondary data and the field survey. Identification of the HCV 4 areas was based on analyzing the area from the metrology point of view, the soil analysis, topography, watershed, and the field survey and interviews. The field observation was carried out in specific locations; i.e. springs, river, river condition, land clearing by existing area, land use in the area, and other locations representing the condition of the water management in the area.

Identification Methods for HVC 5 and HCV 6

The focus of the HCV 5 assessment was the area inside the proposed plantation which has significant values to fulfill the basic needs of the local community. The focus of the HCV 6 assessment was the area inside the proposed plantation which has the significant values for identification and sustainability of the tradition or cultural living of local community. The methods adopted in the assessment of HCV 5 and 6 are:

- Mapping participation of locations containing elements of HCV 5 and 6.
- Interview the local community, either with individual or Focus Group Discussions.
- Ground assessment and analysis.

The HCV Assessment Phases

The HCV assessment was carried out through a series of phases i.e. Desk Study, Field Survey, Data Analysis, Spatial Analysis of HCV area, and indicative HCV mapping as shown in HCV report of PT Musim Mas September 2010 by Aksenta.

3.2.4 Summary of SEI Assessment Findings

The finding from the AMDAL (SEIA) and SIA assessment identifies both positive and negative impacts from the proposed operational activities of PT Musim Mas. The key positive impacts of the activities identified are uplift of the local people's financial income, opening of more job opportunities and several others whilst the negative impacts that are possible to occur are the threats to the existence of the ecology as well as the potential conflict of workforce, socio-cultural disturbance, and others. The SIA study result by RSPO Accredited Assessors (Aksenta) stated that, in general, the existence of PT Musim Mas has a significant social impact to the basic requirement to the social sustainability of local community. Those findings have defined how the company's business management influences the key issues in the respective components of the social sustainability of local community (details in the SIA report of PT Musim Mas July 2010 by Aksenta).

The stakeholders mentioned in the context of Social Impact Assessment are those who may affect or being affected by the operation of the oil palm plantations and mills. The identification of those parties was carried out through a series of Focus Group Discussion (FGD) meetings within the management and local community as well as on site interviews. There is a detail stakeholders consulted during the assessments and this is presented in the SIA report of PT Musim Mas July 2010 by Aksenta.



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3.2.5 Summary of HCV Assessment Findings

The HCV assessments have revealed that no primary forest in the Permitted Area and recognized all local community land. This is consistent with the confirmation by Balai Pemantapan Kawasan Hutan No. S.248/VII/BPKH-III/2010 dated on 26 April 2010 that the concession areas of PT Musim Mas is area for other uses (Areal Penggunaan Lain, APL) and not a forest land. The Report of Semi Detail Soil Survey and Palm Oil Suitability Assessment of PT Musim Mas Sambas 2010 by independent consultant (JH – Agriculter Services) concluded that there is no peatland area in the Permitted Area of PT Musim Mas - Sambas.

HCV assessment report indicate that almost the entire area is covered with rubber and shrubs. As for potential HCV areas, three types of HCV were identified by Aksenta's RSPO Accredited Assessors; these are HCV 1, HCV 4, and HCV 6 within the Permitted Area of PT Musim Mas. The original HCV area identified was 539.55 ha or 5.34 % of the total Permitted Area in the assessments by Aksenta (The details of the HCV assessment is presented in the Report of High Conservation Value in PT Musim Mas. September 2010 by Aksenta). As a result of delineation by Plantation Permit (IUP), 292.55 ha fall outside the final IUP approved areas for PT Musim Mas. This has led to the reduction of the high conservation values areas identified by the HCV consultants from the original areas of 539.55 ha or 5.34 % of the total Permitted Area (Izin Lokasi) to 247 ha or 3.21 % of the total Plantation Permit (IUP). The HCV management plan has taken this reduction in areas into consideration and action plans are developed to manage and monitor the HCV areas within the IUP approved areas for PT Musim Mas. Within the Permitted Areas (Izin Lokasi), the important elements for HCV 1 are the existence of population and tracks of endangered species such as Mueller's Gibbon (*Hylobates muelleri*), Proboscis Monkey (*Nasalis larvatus*), Sarawak Leaf Monkey (*Presbytis chrysomelas*), Malayan Sun Bear (*Helarctos malayanus*), and Sunda Pangolin (*Manis javanica*). The important elements for HCV 4 are related to the potential damage from erosion, springs, and river riparian. The important elements for HCV 6 are related to the traditional and sacred graveyard. The HCV areas outside the IUP approved areas will be included in the monitoring and socialization plan with the local communities.

3.2.6 Summary of Plans:

Development of SEIA and HCV Management Plans

The findings by Aksenta on High Conservation Values (HCV) and Social Impacts Assessment (SIA), and the recommendations in SEIA (AMDAL) are incorporated in the HCV and SIA management plan. Development of the HCV and SIA management plans for PT Musim Mas was facilitated by Aksenta team through a workshop for the PT Musim Mas management and sustainability team conducted from 8 – 11 December 2010 in the company's head office in Medan, North Sumatra. The purpose of the workshop was to enable the management team to have a better understanding of the HCV and SIA findings and their related implications so as to provide reference points in developing the operational activities of the company related to the high conservation values, social management's synergy with the company's development of oil palm plantation.

Stakeholders' Consultation

The process of the HCV and SIA development and preparation of management plans and monitoring PT Musim Mas involved consultation with the relevant stakeholders such as governmental officers from Natural Resource Conservation Department (BKSDA, Plantation and Forestry Office (BP-DAS), the Officers from Environment Department (BLH), the local community, the government official of local village and Sub-District, Investment Agency and Integrated Licensing Service (BPMPT-Badan Penanaman Modal Dan Pelayanan Perizinan Terpadu), Health Department, Police Department (POLRES), Army Department (KORAMIL), the local NGOs, independent consultant (Aksenta) and the local existing plantation companies.

Consultation with the relevant stakeholders is to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT Musim Mas 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 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 Musim Mas and the local communities, the relevant government agencies, concerned stakeholders, NGOs etc.

The Stakeholders' Consultation was held on 6th June, 2011 in the Sambas District, West Kalimantan. This stakeholder consultation was held simultaneously with PT Mulia Indah's stakeholder consultation as most stakeholders are common to both PTs *albeit* different participants from villages around the respective PTs were present in the respective session that affect them. PT Mulia Indah is a separate management unit by PT Musim Mas and is also adhering to the RSPO New Planting Procedures. This PT is nearby PT Musim Mas. There were 79 participants present during this consultation meeting. The details of the Stakeholders' Consultation is presented in the Report of Stakeholders Consultation PT Musim Mas, June 2011

The summary of the stakeholders' consultation workshop is as follow:

1. Total of 79 participants has attended the stakeholder consultation workshop organized by PT Musim Mas on



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6 June 2011 in Sambas District, West Kalimantan as follow:

Organization	No. of participants
Government Agencies, are: Region III BKSDA West Kalimantan (2 participants), BLH Sambas District (2 participants), SETDA Sambas District (1 participant), BPMPT (1 participant), DISHUTBUN Sambas District (3 participants), Health Department (1 participant), KORAMIL (3 participants), Sambas Polres (3 participants), Polres Keramat Bay (1 participant), Galing Polsek (1 participant)	18
Representatives from villages around (subdistrict head, village head, socialite)	33
Non-Governmental Organization (NGO), consist of: Gemawan Agencies (1 participant), WWF Indonesia – Pontianak (1 participant), Wahana Visi (2 participant), MCF – Sambas (Mangrove Center Foundation, 2 participants), Kontak Borneo (1 participant).	7
Company around, such as PT Sentosa Asih Makmur Company of oil palm plantation	1
Religious Agencies	2
HCV / SIA Assessor	6
Management PT Musim Mas	12
Total	79

2. Presentation by various stakeholders and PT Musim Mas during the workshop were:-

- Roundtable on Sustainable Palm Oil Principles and Criteria (RSPO P&C) presented by Bp. Peron Sembiring (PT Musim Mas)

The presentation focused on the requirements of the RSPO Principles and Criteria and provides explanation on the how PT Musim Mas plans to implement the oil palm plantations development in a sustainable manner in accordance the requirements of the RSPO P&C. In the presentation the procedures in opening and operation of oil palm plantation company PT Musim Mas in accordance with the RSPO New Planting Procedures (NPP) was also provided.

- The Dimensions of Best Practice in Sustainable Development of Palm Oil (RSPO and Legally Binding) presented by Bp. Haryono from WWF Indonesia.

Explanations were on compliances with regulations that exist related to the development of oil palm plantations, NPP or the planting procedures in managing of new palm oil plantations in accordance to RSPO P&C requirements and its implementations in the field with the best practice and the report to related stakeholders.

- Smallholder Scheme in Plantation was presented by Bp. Dedi Budianto, Engineer from Sambas District Offices Forestry Plantations.

Smallholder Scheme in the fields of sustainable plantations that have similarities and are in conformity with the RSPO P&C, allocation of fields of oil in Sambas District and an explanation the Decree of the Minister of Agriculture (Peraturan Menteri Pertanian) No.7/Permentan/ OT.140/2/2009 regarding the effort of plantations guidelines.

- HCV Assessment in PT Musim Mas is presented by Wibowo A. Djatmiko (HCV Assessment Team, Aksenta).

The explanation of HCV Assessment in PT Musim Mas is about HCV typology identified in Permitted Area of PT Musim Mas, that are HCV 1.2, 1.3, 1.4, 4, and 6 with extensive in 539.55 ha. In that moment, presented too about HCV management plan in PT Musim Mas and its implementations.

- SIA Assessment in PT Musim Mas is presented by Sigit Budhi S (SIA Assessment Team, Aksenta)

In this SIA material, explained about the result of social impact assessment, its process, identification of the social issues related to environmental issues, welfare issues, health issues, education issues, and hand-over land issues and social issues along to management and monitoring plan of SIA as the effort of soacial impact assessment in PT Musim Mas.

3. The issues raised for discussion during the stakeholder's meeting were:

- a) The stakeholders urged that more socialization activity either in formal or informal meeting should be actively conducted to obtain mutual understanding and interest in the issues such as inter-village boundaries, identification of HCV area, and smallholder scheme.



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- b) Land acquisition (and compensation) procedure are to be carried out as per rules of consent and if there is a problem, the problem solving process is done either through discussion or deliberation,
- c) Expected that PT Musim Mas in Sambas to be manage in good way and in accordance with RSPO P&C as the sustainable palm oil plantation and management of HCV areas or areas that need protected such as river and water springs.

SIA Management Plan

The SIA development and preparation of management & monitoring plans for PT Musim Mas was based on the SIA Assessment findings conducted in July 2010 the RSPO Accredited Assessors from Aksenta and the AMDAL Assessment for PT Musim Mas which were approved on 4 October 2010 (by Head of Environmental Office of Sambas – Kepala Badan Lingkungan Hidup Selaku Ketua Komisi Penilaian AMDAL No.660.1/246/Komisi) and, in principle, referred to the related Laws in Indonesia. The steps taken in the HCV and SIA development and preparation of management & monitoring plans were:

1. Determining the strategic issues i.e. land acquisition for plantation, public facilities, environment condition, Health condition, welfare, and company's communications with the local people.
2. Determining the purposes and desired final condition of the project (vision, practical vision, end-state).
3. Determining targets and objectives to achieve, creating the strategy map to achieve the desired outcome.
4. Identifying the must-do initiatives to achieve the determined targets.
5. Identifying the competency reinforcement of human resources and the supply of the infrastructures so that the implementation of the process can be achieved effectively.
6. Determining effective monitoring activities to analyze the dynamic state of every indicator in order to assess the progress of target and achievement.

The scope of the development and preparation of management & monitoring plans includes the potential impacts by the proposed plantation activities. The development and preparation of management & monitoring plans guidelines include:

1. The Management Plans of PT Musim Mas , Strategic Issues on Land Acquisition

The scope for this management and monitoring plan includes the process of land acquisition which adhered to the principles of Free Prior Informed Consent (FPIC) such as:

- a) The policy and procedure for paying the compensation for the land acquisition through information sharing (socialization) and implementation,
- b) Administering the field survey with the participation of the local community,
- c) The policy of the company to respect and accommodate the local community's main professions which were based on the land management, and the settlement of legal documents which was under the actual related laws of the country.

There is a list of stakeholders who have been consulted by the Public Relation (HUMAS) Manager who the management representative is appointed to address the FPIC and land compensation matters. He is assisted by five field staff on site.

2. The Management Plans of PT Musim Mas, Strategic Issues on Infrastructures

The scope for this management and monitoring plan includes the participation of the company in building and developing the public facilities (infrastructures) such as health centers, schools, religious facilities, etc. as well as coordinating with local institutions and offices which are related to the proposed project to support the project itself.

3. The Management Plans of PT Musim Mas, Strategic Issues on Health Condition and increasing of education quality

The scope for this management and monitoring plan includes the uplifting of the level of the health quality of the local community and the distribution and maintenance of the assistance for health based on the outcome of the local community's participations and ideas.

4. The Management Plans of PT Musim Mas, Strategic Issues on People Welfare

The scope for this management and monitoring plan includes the opening of better job opportunities for the local community by information sharing (socializing) and informing the job vacancies available for them. The



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company is also actively involved in gaining the community's life skills in workforce by frequently conducting training programs based on the training need assessment.

5. The Management Plans of PT Musim Mas, Strategic Issues on Communication

The scope for this management and monitoring plan includes the storage of actual information and data for related parties concerning both policies and programs of the company in order to achieve positive acceptance and understanding of all stakeholders. These activities will be implemented by having regular meetings with the stakeholders and information sharing (socializing) of the policies of the company related to the stakeholders such as actual policies and land acquisition compensation procedures, and complaints and grievance procedure and management.

6. The Management Plans of PT Musim Mas, Strategic Issues on Environment

The scope for this management and monitoring plan includes the management and monitoring of both social and environment aspects which to be covered in the RKL (Rencana Pengelolaan Lingkungan – Environmental Management Plan) and RPL (Rencana Pemantauan Lingkungan – Environmental Monitoring Plan) documents of PT. Musim Mas. The main purpose of the activities was to achieve conservation of the environment as well management and mitigation of the negative impacts through the following activities:

- a) The Management and Monitoring of the Air Quality,
- b) The Management and Monitoring of the Water Quality,
- c) The Management and Monitoring of the Soil Quality,
- d) Administering regular surveys on local community's perceptions concerning the environment actual condition,
- e) The monitoring of the company's performance in administering the environment management.

HCV Management Plan

The HCV development and preparation of management and monitoring plans was based on the result of the HCV assessment report which was completed in September 2010 by the RSPO Accredited Assessors from Aksenta. The HCV management plan has been developed to manage and monitor the HCV areas within the developed areas approved by Plantation Permit (IUP). This process developed data and information related to the existence of the HCV area in the proposed area of PT Musim Mas in the Sambas District in West Kalimantan. The key elements of HCV and the actual condition include the potential threats, and the recommendation for the management.

The HCV development and preparation of management and monitoring plans was developed to provide guidelines for the company in planning and management of the HCV areas identified in its proposed developing area. The purpose was to identify available resources and be focused so as to be integrated in an effective manner in HCV management. The purposes of this management and monitoring document were:

1. To ensure that the identified and determined HCV areas are managed so that their HCV functions are preserved,
2. To effectively administer the management and monitoring plan to ensure that the process is coordinated systematically according to the legal procedures.

The process of the HCV preparation of management and monitoring plans for PT Musim Mas was based on the structure of strategy mapping which focused on three fields under the management and responsibility of the plantation management;

- 1) Stakeholders,
- 2) Operation, and
- 3) People & Resources.

Plan for HCV Monitoring and Regular Review of Data

The HCV monitoring and review plan is aimed to evaluate whether the activities implementation are as expected and whether the outputs of the process are as per targets; and whether the resources investments (human, fund, time) are as per plan.

Monitoring and review are aimed to a set of indicators as the key performance indicators and should be managed systematically, consistently, and well documented. The monitoring should be implemented regularly and it is



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dependent on the classifications of the activities and the target indicator to evaluate [the detail of such activities is presented in the Activities Plan Matrix (Matriks Rencana Kegiatan). The review should be conducted at the end of the management periodical plan, that is in the end of the third year (summative review) and every six months (formative review).

Management and mitigation plans for threats to HCV areas.

The identified basic activities which are planned in order to achieve the basic targets for the enhancement and maintenance of the HCV areas are:

1. Enhancing and rehabilitating the clinching areas with natural vegetations,
2. Soil and water conservation,
3. Protecting the sacred and cultural local sites,
4. Mitigating negative impact in the proposed new land openings,
5. Minimizing possible accidental fires,
6. Mitigating illegal hunting of protected animals,
7. Develop policies and procedures to minimize impacts on protected animals.

Management plans to enhance or maintain conservation values of identified HCV areas

The process of Strategy Mapping, the Practical Vision was adopted in defining the Basic Targets. Those Basic Targets included six items to be achieved through the efforts of HCV protection and management as follow:

1. The existing areas with key species in the proposed area are conserved.
2. The sustainability of the local habitats is reserved.
3. Conserve water catchments areas.
4. The river banks function as the hydrological buffer (the protection for water cycle), ecology.
5. Preserve the local graveyards and cultural sites.
6. Refuge condition of wildlife (refugum) are controlled and connectivity.

Development Plan:



PT Musim Mas's development plan has incorporated the findings from SEIA (AMDAL), HCV Assessments and Social Impact Assessments for implementing the operational plans. Management plans for HCV areas and management plans for handling social impacts have been drawn up. PT Musim Mas will implement the smallholder scheme system with a ratio of 20:80 (smallholder scheme:estate), that is the smallholder scheme (20%) and estate oil palm plantations (80%) and both will be managed by the PT Musim Mas Estate Management. The total area allocated in the Plantation Permit (Izin Usaha Perkebunan) is about 7,700 ha. HCV areas will be left out of planting. The net area for oil palm plantation development plan of PT Musim Mas, after excluding the HCV areas of 247 ha is about 7,100 ha (92.21 % from the Plantation Permit). Of this area, 5,680 ha is allocated for the estates and 1,420 ha for the smallholder schemes. In accordance with the operational management of PT Musim Mas land development will commence in year 2011.

Consultation with the relevant stakeholders to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT Musim Mas and the the affected stakeholders will continue to move forward for the benefit and common progress. The process of free, prior informed consent, procedures to ensure that there is participation in the social and environmental harmony in the development of the oil palm planting project by PT Musim Mas will continue. PT Musim Mas has established standard operating procedures for land acquisition and compensation procedures based on the principle of free prior informed consent. The company also has established the complaint and grievance procedures so that the problem solving process is done through discussion and mutual deliberation. PT Musim Mas will abide by the requirements in accordance of the Decree of the Minister of Forestry No: P.14/Menhut-II/2011, 10 March 2011 before commencing land clearing. The company will inform in writing to the Plantations and Forestry Department of Sambas District for assessment of the area on the requirements of the Wood Utilization Permit (Izin Pemanfaatan Kayu).



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4. Formal signing off of the Internal Responsibility

4.1 Signing off by the assessor of the certification body.	
Name	Senniah Appalasamy
Position	Lead Auditor
Signature	
Date	27 th July 2011
4.2 Acknowledgement of internal responsibility by PT Musim Mas.	
I the undersigned, being the legal representative of the inspected company, agree with the contents of this report.	
Comments: The CUC assessment findings and conclusion are acknowledged and accepted.	
Name:	Dr Gan Lian Tiong
Position:	Head, Sustainability Department
Signature:	
Date:	27 th July, 2011



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Abbreviation :

AMDAL	Analisis Mengenai DAmpek Lingkungan (Analysis on Environmental Impact)
BOD	Biological Oxygen Demand
BPN	Badan Pertanahan Nasional (National Land Body)
BRC	British Retail Consortium
CHRA	Chemical Health Risk Assessment
CoC	Chain of Custody
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
CU	Control Union
DPPL	Dokumen Pengelolaan dan Pemantauan Lingkungan (Environmental Management and Observation Document)
EFB	Empty Fruit Bunch
EUREPGAP	Euro-Retailer Produce Good Agricultural Practices
FFB	Fresh Fruit Bunch
FSC	Forest Stewardship Council
FSC FM	Forest Stewardship Council Forest Management
GGL	Green Gold Label
GMP	Good Manufacturing Practice
GTP	Good Trading Practice
GOTS	Global Organic Textile Standard
GPS	Global Positioning System
HACCP	Hazard Analysis and Critical Control Point
HCV	High Conservation Value
HCVF	High Conservation Value Forest
HGU	Hak Guna Usaha (Land Right)
IPM	Integrated Pest Management
Jamsostek	Jaminan Sosial Tenaga Kerja (Social Insurance for Employees)
MSDS	Material Safety Data Sheet
NC	Non Conformity
OE	Organic Exchange
OSH	Occupational Safety and Health
OSHAS	Occupational Safety and Health Assessment Scheme
P&C	Principle and Criteria
PEFC	Programme for the Endorsement of Forest Certification
PK	Palm Kernel
PKB	Perjanjian Kerja Bersama (Collective Agreement)
PKS	Pabrik Kelapa Sawit (Palm Oil Mill)
POD	Policy Document
POM	Palm Oil Mill
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
PT	Perseroan Terbatas (Limited Company)
R&D	Research and Development
RKL	Rencana Pengelolaan Lingkungan Hidup (Environmental Management Plan)
RPL	Rencana Pemantauan Lingkungan Hidup (Environmental Monitoring Plan)
RSPO	Roundtable on Sustainable Palm Oil
RSPO NI	Roundtable on Sustainable Palm Oil National Interpretation
SA8000	Social Accountability 8000
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
UKL	Upaya Pengelolaan Lingkungan Hidup (Environmental Management Effort)
UPL	Upaya Pemantauan Lingkungan Hidup (Environmental Monitoring Effort)
WHO	World Health Organizations