

RSPO New Planting Procedures

Summary Report of Planning & Management

PT. Borneo Surya Mining Jaya

**Report
prepared by:**

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RSPO NEW PLANTING PROCEDURES
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PT. Borneo Surya Mining Jaya

1. Executive Summary

The proposed new planting company, PT. Borneo Surya Mining Jaya (herein after refer to PT. BSMJ), is the legal entity of its holding company, First Resources Ltd. The holding company got RSPO membership number 1-0047-08-000-00 dated on March 11, 2008. PT. BSMJ 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.

PT. BSMJ was established by Act No. 4 dated on October 8, 2007 issued by Notary Yonsah Minanda, SH and legalized by Ministry of Law and Human Right No. AHU 10338.AH.01.01.TH.2008 dated on March 3, 2008 .

The proposed project has obtained *Ijin Lokasi* (Location Permit) through the Decree of Regent Kutai Barat No. 525.26/K.037/2010 dated on January 21, 2010 for PT Borneo Surya Mining Jaya with total area 11,210 ha located in Muara Nayan Village, Pentat Village, Lembonah Village, Ponak Village, and Kenyanyan Village; Siluq Ngurai and Jempang Sub Districts; Kutai Barat Regency, East Kalimantan Province, Indonesia. The current *Ijin Usaha Perkebunan* (Plantation Permit) was under the Decree of Regent Kutai Barat No. 525.26/K.935b/2010 dated on November 22, 2010 with total area 11,210 ha.

The social and environmental impact assesement (SEIA) was integrated study along with the *Analisis Mengenai Dampak Lingkungan/AMDAL* (Environmental Impact Assessment/EIA). High Conservation Value (HCV) report were available. These documents were prepared by Faculty of Forestry - Bogor Agricultural University (IPB) consultant, an RSPO approved consultant in May 2012

Mandatory document on environmental issues was *Analisis Mengenai Dampak Lingkungan/AMDAL* (Environmental Impact Assessment/EIA) document consist of *Kerangka Acuan* (Scope of Reference for EIA), *Analisis Dampak Lingkungan/ ANDAL* (Environmental Impact Assessment/EIA), and *Rencana Kelola Lingkungan dan Pemantauan Lingkungan/RKL-RPL* (Environmental Management and Monitoring Plan). All these documents approved and issued under the Decree of Head of Environmental Agency of Kutai Barat District No. 660.5/005/KA.ANDAL/BLH-KBR/V/2010 dated on May 18, 2010 and No. 660.5/009/AMDAL/BLH-KBR/VI/2010 dated on June 24, 2010. The documents were prepared by PT. Integral Multi Talenta, a government approved EIA consultant.

The TUV NORD assessor team has checked and verified that all required legal

documents as mentioned above were available and legally confirmed. The assessor team conclude that PT. BSMJ was ready to implement the recommended social and environmental management plan as specified in all documents above to comply with RSPO New Planting Procedure announcement.

2. Reference Documents

2.1 SEIA and HCV Assessment Report

The scope of the Social and Environmental Impact Assessment (SEIA) and the High Conservation Value (HCV) assessment of PT. BSMJ cover the local social and environmental aspect within the area under *Ijin Lokasi* (Location Permit), including villages and other surrounding areas.

As part of SEIA, there was the detailed environmental impact assessment which performed in *Analisis Dampak Lingkungan/ ANDAL* (Environmental Impact Assessment/EIA), and *Rencana Kelola Lingkungan dan Pemantauan Lingkungan/RKL-RPL* (Environmental Management and Monitoring Plan) document. It was included assessment of positive and negative on social and environmental impact. The scope of the study included the activities during land development, infrastructure, road access mill operations and transportation. It also assessed the suitability of soils, topography and drainage, and analysis of the land cover vegetation, and its impacts on natural ecosystems and water resources.

Through the SEIA and HCV assessment, it was found that there was no primary forest, no peat area, and no disputes with local people as the land resolution has been confirmed during free prior and informed consent.

a. SEIA assessment Report

As reported in SEIA document, the existence of PT. BSMJ will have significant social and environmental impacts. It was reported that several issues arise, including communication, land acquisition, labor, economic, education, health, accessibility, and environmental issues. These issues are listed below.

| Issues | Description |
|--|-------------|
| <p>Tenurial (Land acquisition) Issues</p> <ol style="list-style-type: none"> 1. unclear village boundaries, 2. land status (customary rights, inheritance rights and land utilization right), 3. mechanism of providing <i>tali asih</i> aid to the community needs to be improved, 4. the <i>tali asih</i> aid is still considered low, 5. small portion of land owned by the community are productive land (rubber plantations) and 6. land claim | |
| <p>Social and Economic Issues</p> | |

1. misleading community's perception due to the previous palm plantation management performance by other companies;
2. issues on the negative impacts generated by palm oil plantation;
3. lack of informations on the palm oil cultivation;
4. unclear partnership scheme;
5. potentials for social conflict in the process of land acquisition;
6. lack of clean water supply facility;
7. quality of public education is still low;
8. poor of public health facilities;
9. roads accesibility still poor
10. Many of *rumah lamin* (custom house) are broken
11. lack of employment and business opportunities for local people.

Environment Issues

According to the Focus Group Discussion (FGD), it was found that almost all of the village communities do not know the potential negative impacts that will be generated by the company's activities on the environment such as water pollution, ground water availability, air pollution due to dust and smell, and damage to roads.

b. HCV Assessment Report

Refer to HCV assessment there were four types of HCVs identified within the plantation permitted area of PT BSMJ, with the total HCV area is 379.21 ha consist of 142.9 ha are HCV 1, 247.8 ha are HCV 4, 130.46 ha are HCV 5 and 106.40 ha are HCV 6. However, some of HCV area are overlapping with other HCV area.

Elements for HCV 1 consist of:

- Riparian : Ohong river
- Local Conservation Forest: Lembonah, Batu Jilatan
- Protected vegetation and wildlife animals identified such as :

| No | Scientific Name | Local Name | Species Status | | |
|----|---|-----------------|----------------|---------|-------|
| | | | PP No. 7 | CITES | IUCN |
| 1 | <i>Aglaia tomentosa</i> T.et.B. | Bunyau/Konyan | TD | TT | LR/lc |
| 2 | <i>Agrostophyllum</i> sp. | Seligi Buntak | TD | App. II | TT |
| 3 | <i>Alangium javanicum</i> (Bl.) Wang. | Nenggerie Hutan | TD | TT | LR/lc |
| 4 | <i>Anisophyllea corneri</i> Ding Hou | Merbusung Putih | TD | TT | LR/lc |
| 5 | <i>Anisophyllea disticha</i> (Jack.) Baill. | Ribu-ribu | TD | TT | LR/lc |
| 6 | <i>Aquilaria malaccensis</i> Benth. | Gaharu | D | App. II | VU |
| 7 | <i>Cantleya corniculata</i> Howard. | Kemantan | TD | TT | VU |
| 8 | <i>Cratoxylon arborescens</i> Bl. | Irat | TD | TT | LR/lc |
| 9 | <i>Dryobalanops aromatica</i> Gaertn.f. | Kapur | TD | TT | CR |
| 10 | <i>Durio kutejensis</i> Becc. | Lai/Pekawai | TD | TT | VU |
| 11 | <i>Eusideroxylon zwageri</i> T. et. B | Ulin/Belian | TD | TT | VU |
| 12 | <i>Homalium foetidum</i> Benth. | Melinas | TD | TT | LR/lc |
| 13 | <i>Hopea mengerawan</i> Miq. | Merawan | TD | TT | CR |

| No | Scientific Name | Local Name | Species Status | | |
|----|--|-----------------|----------------|---------|-------|
| | | | PP No. 7 | CITES | IUCN |
| 14 | <i>Instia bijuga</i> O.Kt. | Merbau | TD | TT | VU |
| 15 | <i>Koompassia malaccensis</i> Maing. | Benggeris | TD | TT | LR/cd |
| 16 | <i>Mangifera indica</i> L. | Mangga | TD | TT | DD |
| 17 | <i>Mangifera macrocarpa</i> Blume | Mangga Hutan | TD | TT | VU |
| 18 | <i>Myristica iners</i> Blume | Pala Hutan | TD | TT | LR/lc |
| 19 | <i>Ochanostachys amentacea</i> Mast. | Petaling | TD | TT | DD |
| 20 | <i>Octomeles sumatrana</i> Miq. | Benuang | TD | TT | LR/lc |
| 21 | <i>Pentaspadon motleyi</i> Hook.f. | Pelajau | TD | TT | DD |
| 22 | <i>Santiria griffithii</i> (Hook.f.) Engl. | Kedondong Hutan | TD | TT | LR/lc |
| 23 | <i>Shorea kunstleri</i> King. | Meranti Merah | TD | TT | CR |
| 24 | <i>Shorea lamellata</i> Foxw. | Meranti Putih | TD | TT | CR |
| 25 | <i>Spathoglottis plicata</i> Blume | Anggrek Tanah | TD | App. II | TT |

Notes for Species Status :

| | | | |
|-----|----------------|-------|------------------------------------|
| TD | = Unprotected | LR/lc | = Low Risk/ Least Concern |
| D | = Protected | LR/cd | = Low Risk/ Conservation Dependent |
| TT | = Unregistered | DD | = Data Deficient |
| App | = Appendix | CR | = Critically Endangered |
| VU | = Vulnerable | | |

| No | Scientific Name | Local Name | Species Status | | |
|----------|---------------------------------|--------------|-----------------------------------|--------|---------------------|
| | | | IUCN | CITES | PP No. 7 Tahun 1999 |
| A | Mamalia | | | | |
| 1 | <i>Cervus unicolor</i> | Tekaya | VU A2cd+3cd+4cd ver 3.1 IUCN 2011 | | D |
| 2 | <i>Prionailurus bengalensis</i> | | LC ver3.1 IUCN 2011 | | D |
| 3 | <i>Helarctos malayanus</i> | | VU A2cd+3cd+4cd ver 3.1 IUCN 2011 | App I | D |
| 4 | <i>Hylobates muelleri</i> | Kelawet | EN A2cd ver3.1 IUCN 2011 | App II | D |
| 5 | <i>Hystrix crassispinis</i> | Tituq | LC ver3.1 IUCN 2011 | | D |
| 6 | <i>Macaca fascicularis</i> | Kode | LC ver3.1 IUCN 2011 | App II | |
| 7 | <i>Manis javanica</i> | Ayep | EN A2d+3d+4d ver3.1 2011 | App II | D |
| 8 | <i>Muntiacus muntjak</i> | Telaus | LC ver3.1 IUCN 2011 | | D |
| 9 | <i>Petinomys vordermanni</i> | Kuuq | VU A2c+A3c+A4c ver3.1 IUCN 2011 | | |
| 10 | <i>Trachypithecus cristatus</i> | Buus | NT ver 3.1 IUCN 2011 | App II | |
| 11 | <i>Tragulus napu</i> | Pelauk Layuk | LC ver3.1 IUCN 2011 | | D |
| B | Burung | | | | |
| 1 | <i>Aceros undulatus</i> | | LC ver3.1 IUCN 2011 | | D |
| 2 | <i>Aethophya siparaja</i> | Seset | LC ver3.1 IUCN 2011 | | D |
| 3 | <i>Alcedo meninting</i> | Silibinti | LC ver3.1 IUCN 2011 | | D |
| 4 | <i>Anhinga melanogaster</i> | Kojou | NT ver3.1 IUCN 2011 | | D |

| No | Scientific Name | Local Name | Species Status | | PP No. 7 Tahun 1999 |
|----------|----------------------------------|--------------|-------------------------------|--------|---------------------|
| | | | IUCN | CITIES | |
| 5 | <i>Anthracoseros malayanus</i> | | NT ver3.1 IUCN 2011 | App II | D |
| 6 | <i>Anthracoseros albirostris</i> | Moek | LC ver3.1 IUCN 2011 | App II | D |
| 7 | <i>Anthreptes singalensis</i> | Seset | LC ver3.1 IUCN 2011 | | D |
| 8 | <i>Argusianus argus</i> | Jue | NT ver3.1 IUCN 2011 | App II | D |
| 9 | <i>Buceros rhinoceros</i> | Tongaw | NT ver3.1 IUCN 2011 | App II | D |
| 10 | <i>Calyptomena viridis</i> | Danta | NT ver3.1 IUCN 2011 | | |
| 11 | <i>Ceyx rufidorsa</i> | Silibinti | LC ver3.1 IUCN 2011 | | D |
| 12 | <i>Pelargopsis capensis</i> | Pekaka | LC ver3.1 IUCN 2011 | | D |
| 13 | <i>Gracula religiosa</i> | Tiong/Tuak | LC ver3.1 IUCN 2011 | | D |
| 14 | <i>Halcyon coromanda</i> | Silibinti | LC ver3.1 IUCN 2011 | | D |
| 15 | <i>Haliastur indus</i> | Benia Bauq | LC ver3.1 IUCN 2011 | | D |
| 16 | <i>Ictinaetus malayensis</i> | Benia Tekali | LC ver3.1 IUCN 2011 | | D |
| 17 | <i>Lophura ignita</i> | Sakat | NT ver3.1 IUCN 2011 | | |
| 18 | <i>Megalaima rafflesii</i> | Teruak | NT ver3.1 IUCN 2011 | | |
| 19 | <i>Otus rufescens</i> | Buaq | NT ver3.1 IUCN 2011 | | |
| 20 | <i>Psittacula longicauda</i> | Terabik | NT ver3.1 IUCN 2011 | | |
| 21 | <i>Ptilocichla leucogrammica</i> | Bentit | VU A2c+3c+4c ver3.1 IUCN 2011 | | |
| 22 | <i>Rhipidura javanica</i> | Tanduk Bersi | LC ver3.1 IUCN 2011 | | D |
| 23 | <i>Todirhamphus chloris</i> | Silibinti | LC ver3.1 IUCN 2011 | | D |
| C | Reptil | | | | |
| 1 | <i>Naja sputatrix</i> | Leumiak | LC ver3.1 IUCN 2011 | App II | |
| 2 | <i>Python reticulatus</i> | Penganan | | App II | |
| 3 | <i>Varanus salvator</i> | Mia Arak | LC ver3.1 IUCN 2011 | App II | |

Notes for Species Status :

EN = Endangered
 NT = Near Threatened
 VU = Vulnerable

LC = Least Concern
 App = Appendix
 D = Protected

Element for HCV 4 consists of:

- Riparian: Kelawit, Nayan, and Ohong river
- Spring water: Gunung Eteq, Itiq Mantikng

Element for HCV 5 consists of:

Riparian : Ohong river

Spring water : Itiq Mantikng

Elements for HCV 6 consists of:

- Muara Tae Customary Conservation Forest,
- Cemetery of Jenggawan and public cemetery at Pentat, Lembong Muara Konot, Lembonah-1, Lembonah-2, and Lembong Bunut Naruy Village
- *Rumah lamin* at Lembonah Village

Based on information from SEIA and HCV assessment along with its stakeholder meeting, PT. BSMJ prepared a management plan deal with social and environmental aspects and impacts. And based on review and verification on all of above documents, TUV NORD assessor team confirmed that the assessment and management plan are comprehensive and compliant to the RSPO New Planting Procedure.

2.2 List of legal documents and regulatory permits

PT BSMJ has prepared all required legal documents and regulatory permits related to the areas assessed as listed below.

a. List of legal document

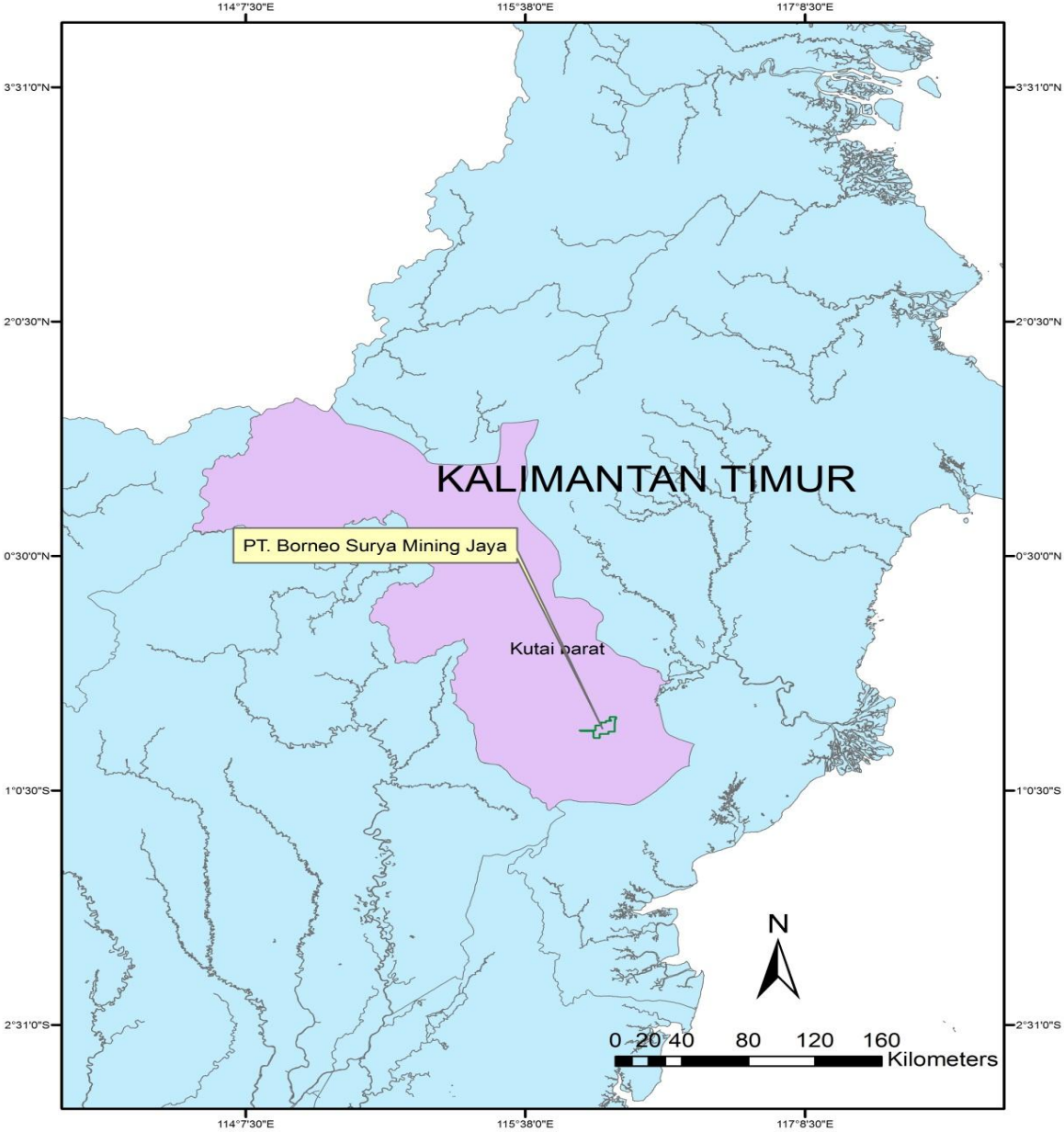
- SEIA Assessment
- HCV Assessment
- *Analisis Mengenai Dampak Lingkungan/AMDAL* (Environmental Impact Assessment/EIA), consist of *Kerangka Acuan ANDAL* (Scope of Reference for EIA), *Analisis Dampak Lingkungan/ ANDAL* (Environmental Impact Assessment/EIA), and *Rencana Kelola Lingkungan dan Pemantauan Lingkungan/RKL-RPL* (Environmental Managemen and Monitoring Plan)
- Land release and compensation records.
- Minutes of Meetings with Communities on Public awareness of the Project (FPIC-Free Prior and Informed Consent)
- The palm oil development plan

b. List of regulatory permit

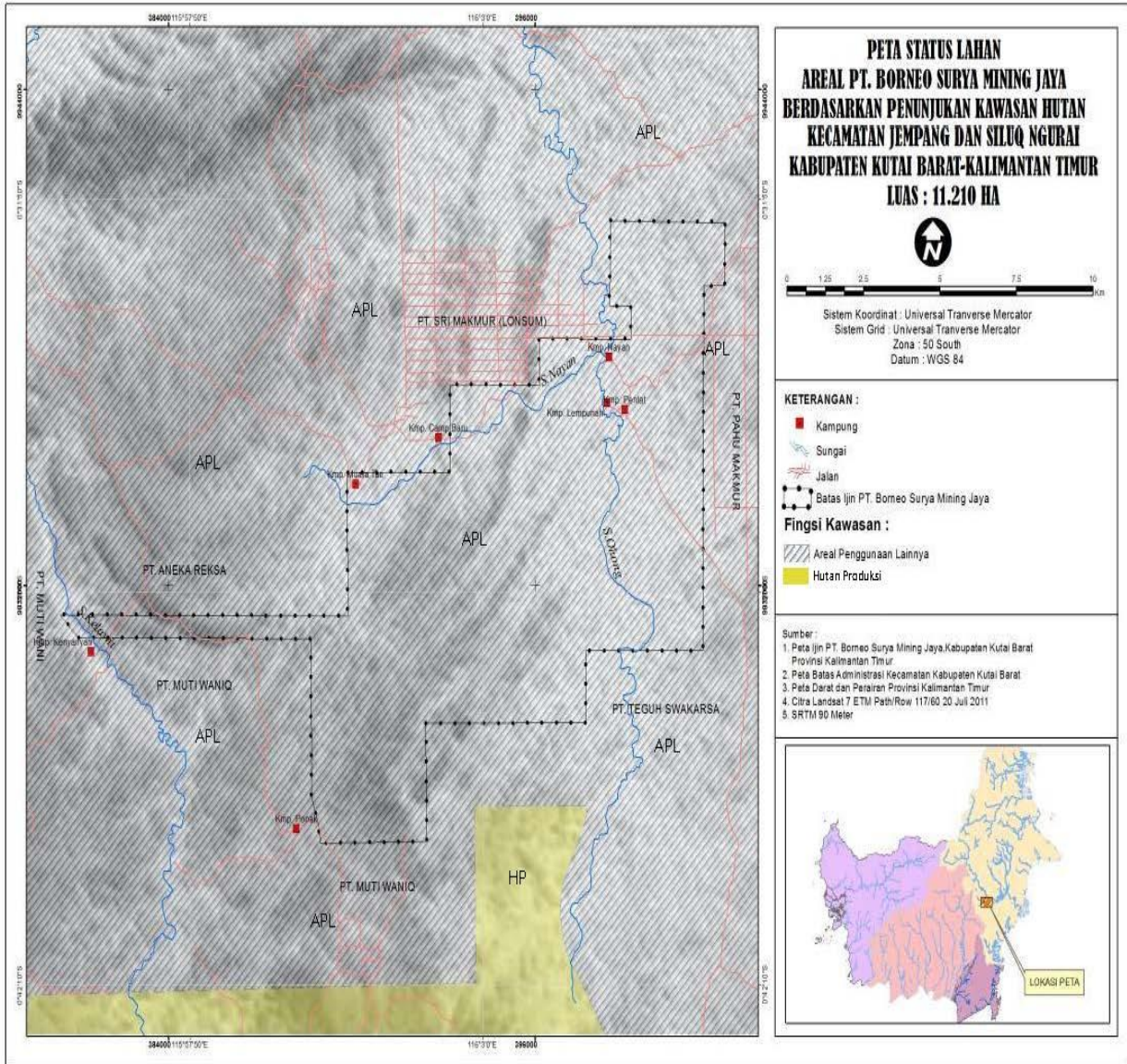
| No | Type of Licenses | Issued by | Number and Date |
|----|---|---|---|
| 1 | Act of Establishment | Yonsah Minanda | No. 04 dated on October 8, 2007 |
| 2 | Legalization Act of Establishment | Ministry of Law and Human Right of Republic | No. AHU-10338.AH.01.01.TH.2008 dated on March 3, 2008 |
| 3 | Location Permit | Regent of Kutai Barat | No. 525.26/K.037/2010 dated on January 21, 2010. |
| 4 | Plantation Permit | Regent of Kutai Barat | No.525.26/K.935b/2010 dated on November 22, 2010. |
| 5 | <i>Kerangka Acuan</i> (Scope of Reference for EIA) ANDAL | Head of Environmental Agency Kutai Barat | No. 660.5/005/KA.ANDAL/BLH-KBR/V/2010 dated on May 18, 2010 |
| 6 | <i>Analisis Dampak Lingkungan/ ANDAL</i> (Environmental Impact Assessment/EIA), and <i>Rencana Kelola Lingkungan dan Pemantauan Lingkungan/RKL-RPL</i> (Environmental Management and | Regent of Kutai Barat | No. 660.5/009/AMDAL/BLH-KBR/VI/2010 dated on June 24, 2010 |

2.3 Location map-both at landscape level and property level.

a. Maps of PT. BSMJ Location in East Kalimantan



b. Map of Land Use Area of PT. BSMJ in Kutai Barat Regency



2.4 Area of New Plantings and Time-plan for New Plantings.

The proposed new planting area of PT BSMJ was accordance with current *Ijin Usaha Perkebunan* (Plantation Permit) No. 525.26/K.939b/2010 dated on November 22, 2010 which cover around 11.210 ha. Among this area, estimated new planting area approximately **10,518** ha, consisted of **8,414** ha for *kebun inti* (nucleus estate) and **2,104** ha (around 20%) for *kebun plasma* (smallholders scheme) which will be dedicated for farmers or growers under estate management. The aim of smallholder scheme is to contribute income and maintain harmonious relationship with the local community.

The partnership program was developed in document *Naskah Kerjasama Pembangunan Perkebunan Kelapa Sawit Program Kemitraan* (Memorandum of Understanding on Palm Oil Development Partnership Program) dated on August 14, 2010. The proposed time-plan for new planting will commence in October 2012 and prior to the new planting date, PT BSMJ shall put notification in RSPO website to allow related parties have their comments to the plan. PT BSMJ has the time-plan for new planting area in detailed as listed below.

| Activity | 2012 (ha) | 2013 (ha) | 2014 (ha) | 2015 (ha) | 2016 (ha) | TOTAL (ha) |
|----------------------------|--------------|--------------|--------------|--------------|--------------|------------------|
| 1. Land Clearing | | | | | | |
| Inti (Nucleus Estates) | 575 | 2,400 | 2,400 | 2,400 | 639 | 8,414 |
| Plasma (Smallholders) | 144 | 600 | 600 | 600 | 160 | 2,104 |
| Total Land Clearing | 719 | 3,000 | 3,000 | 3,000 | 799 | 10,518 |
| 2. Nursery | 143,746 | 600,000 | 600,000 | 600,000 | 159,800 | 2,103,546 |
| 3. Planting | | | | | | |
| Inti (Nucleus Estates) | 575 | 2,400 | 2,400 | 2,400 | 639 | 8,414 |
| Plasma (Smallholders) | 144 | 600 | 600 | 600 | 160 | 2,104 |
| Total Planting | 719 | 3,000 | 3,000 | 3,000 | 799 | 10,518 |

Due to land release process, PT. BSMJ has established procedure Land Payment and Acquisiton (*Prosedur Pembayaran Tali Asih Pembebasan Lahan*) dated on January 18, 2010. The total compensated land area in Ponak Village as per September 2012 was 378.50 ha. For another villages still in progress of calculation and verification by independent team of community groups.

The TUV NORD assessor team has checked and verified related documents on land acquisiton and its calculation and concluded that PT. BSMJ has performed the land acquisition resolution through free prior and informed consent as reported in SEIA report and Minutes of Meetings with Communities on Public awareness of the project.

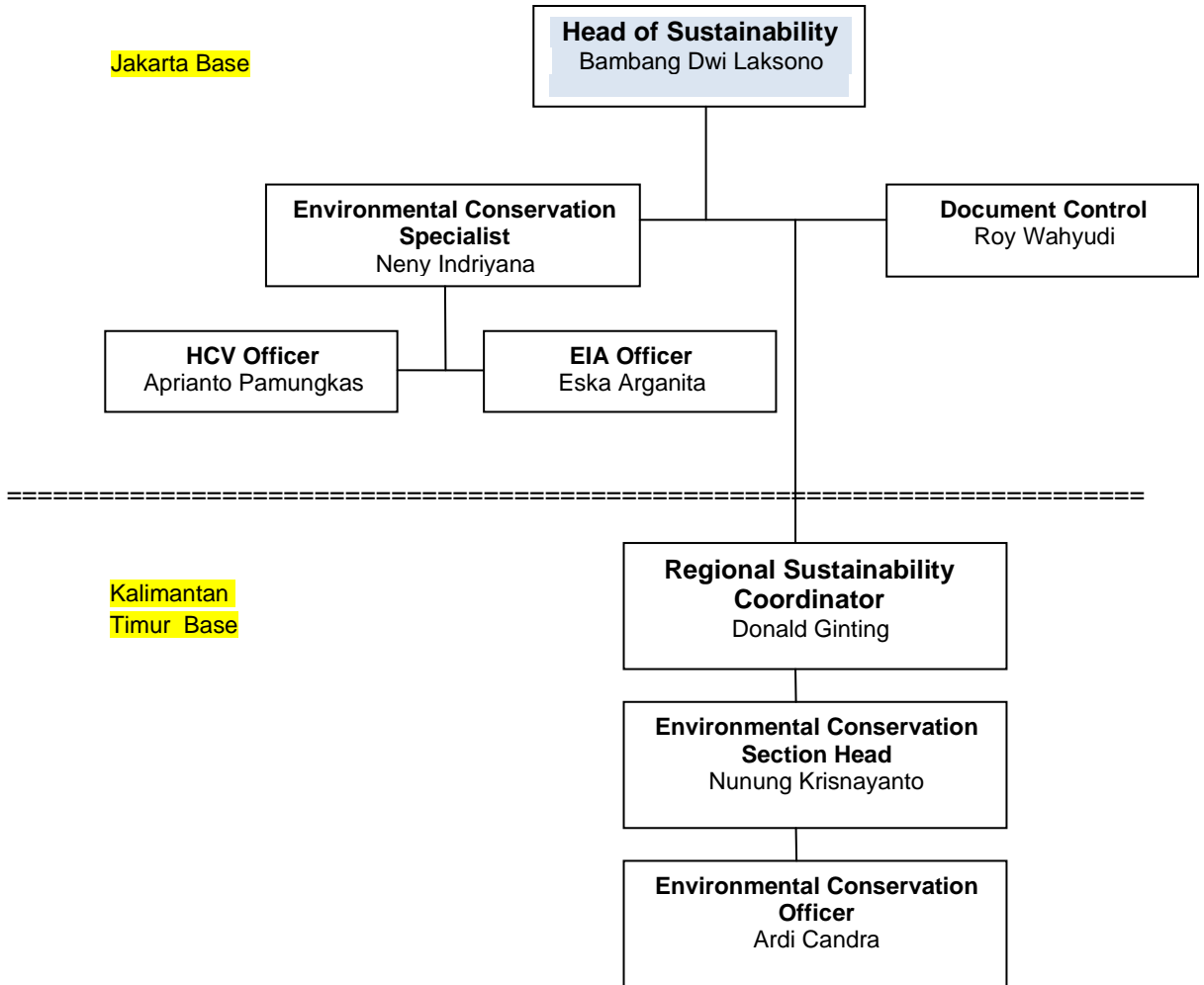
3. SEIA and HCV Management & Planning Personnel

3.1. Organisational information and contact persons

| | |
|-------------------------|--|
| Company Name | PT. Borneo Surya Mining jaya, a subsidiary of First Resources Ltd. |
| Capital Status | Domestic Investment Company (PMDN) |
| Act of Establishment | No. 4 dated on October 8, 2007 issued by Notary Yonsah Minanda, SH and legalized by Ministry of Law and Human Right No.AHU-10338.AH.01.01. dated on March 3, 2008 |
| Tax Notification Number | 02.663.368.5.2-031.000 |
| Company Address | APL Tower –Central Park, 28th Floor Podomoro City, Jl. Letjen. S.Parmar Kav.28, Grogol-Petamburan, Jakarta Barat Indonesia (Corporate Office) Jln.Jend.Sudirman Blok A 12 RT.007 Kel.Kelandangan Ilir-Balikpapan 73113 (Regional Office) |
| Type of Business | Oil Palm Plantation and Processing |
| Status of business land | Location Permit by Decree of Regent Kutai Barat No. 525.26/K.037/2010 dated on January 21, 2010, total area 11,210 ha Plantation Permit by Decree of Regent Kutai Barat No. 525.26/K.935b/2010 dated on November 22, 2010, total area 11,210 ha |
| Contact Person | Director – Azaria Yoga Prasetyanto Corporate Sustainability Head – Bambang Dwi Laksono Email Address: bambang.dwilaksono@first-resources.com |
| GPS | E : 115 ⁰ 55'39" – 116 ⁰ 07'13" S : 00 ⁰ 32'07" – 00 ⁰ 40'15" |
| Region Boundaries | |
| North side | PT. Sri Makmur |
| South side | PT. Munte Waniq Jaya Perkasa and PT. Teguh Swakarsa Sejahtera |
| West side | PT. Munte Waniq Jaya Perkasa and PT. Aneka Reksa |
| East side | PT. Pahu Makmur |

3.2 Personnel involved in planning and implementation.

Findings from HCV and SEIA assessment and recommendation are integrated within the operational management plan of the Group. The implementation of management and monitoring of the HCV and SEIA mitigation plan will be managed under the direction of Head of Sustainability in Jakarta Base which is supported by Controller SPO Document and Specialist Environment and Conservation, Officer HCV and Officer EIA. In East Kalimantan Base by Coordinator Regional Sustainability, supported by Head Environment & Conservation Section and Officer Environment & Conservation. The organization chart is shown below.



3.3 Stakeholders to be involved.

Stakeholders to be involved in SEIA and HCV management plan consist of local communities surrounding PT BSMJ and relevant government institutions, detailed as below.

- a. Local communities, the people who live at villages located inside and around the licensed area of PT.Borneo Surya Mining Jaya, such as the villagers of:
 - Muara Nayan
 - Pentat
 - Lembonah
 - Ponak
 - Kenyanyan
 - Tanjung Issuy
- b. The head of relevant villages
- c. District and subdistrict government agencies.

4a. Summary of Management and Mitigation Plans (SEIA)

PT BSMJ has prepared the SEIA report assessment, conducted by a government accredited EIA consultant PT. Integral Multi Talenta. The AMDAL document was approved on June 24, 2010 through the Decree of the Regent Kutai Barat No. 660.5/009/AMDAL/BLH-KBR/VI/2010

The Top management of PT. BSMJ committed to accomplish the environmental management plan and has issued decrees and policy such as:

- *Surat Keputusan Tentang Penetapan Kawasan HCV* (Decree of HCV Area Establishment of PT. BSMJ) through management decree No.013/SUSTAINABILITY-FR/P/VII/2012 dated July 1, 2012
- *Surat Keputusan tentang Pembukaan Lahan Yang Berwawasan Lingkungan dan Konservasi* (Decree of Environmental and Conservation Land Clearing) through management decree No : 009/SUSTAINABILITY-FR/P/II/2012, dated February 1, 2012
- *Surat Keputusan tentang Kebijakan Lingkungan dan K3* (Decree of Environmental, Health and Safety Policy) through management decree No: 001/SUSTAINABILITY_FR/P/IX/2011 dated September 20, 2012
- SOP of Identification, Management, and Monitoring of High Conservation Value No. 01/FR.EAC/IMM dated April 13, 2012

4a.1 Mitigation plan to minimise negative for socio-economic impacts.

PT. BSMJ has developed mitigation plan to minimize the negative impact of socio-economic aspects.

The potential negative impacts that has been identified such as :

- the increasing land conflicts/social conflict between peoples due to the increasing value of land during land acquisition process also during operational period.
- changing patterns of community livelihood

- social gap between local communities and the migrants.
- the increasing of consumerist behavior in line with increasing of community income

The mitigation plan:

- Identification and mapping of traditional land ownership, inheritance and claim in the area of PT. BSMJ. This verification process shall involved the village representatives and land owners on definitive land boundary and land ownership
- Social survey on the community characteristics and local wisdom
- Development of alternative income

4a.2 Management plans to enhance socio-economic contributions.

PT. BSMJ has developed management plan to enhance socio-economic contribution. Below are the step of management & monitoring plan:

- To improve regular communication and socialization to community groups, community leaders, traditional leaders, head of the vilagers, youth leaders, both at land acquisition as well as during the operational process
- Increasing personnel approach to the residents and community groups
- Comparative study to other locations, projects, or areas that already success in partnering with smallholder scheme (*plasma*)
- To develop and socialization of Standard Operating Procedure (SOP) of land acquisition, claims and disputes
- To facilitate the land cleaning and clearing process, especially with regard to the village boundaries
- To prepare and controll all legal documents (such as land release process, plantation licenses, land compensation and other documents)
- To develop education program, to encourage, cooperate and establish communication with the Education Office of West Kutai District and community, to build educational facilities, and provide scholarship program
- To create a community development program through a communication forum, increase local communities awareness of good agricultural practice (GAP), and aquaculture, and build communication network with stakeholders
- To develop public program for health, cooperate with public health or health center, establish health facilities such clinic, docter, and paramedic, and provide of clean water infrastructure
- To provide and repair the road accesibility
- To repair *rumah lamin* (custom house)
- To assess economic potential for the economic empowerment of society, such as paddy fields, rubber plantations, agriculture and aquaculture; prepare the institutional and community level organizations; encourage the development of agriculture and aquaculture; conduct relevant agriculture, aquaculture, and business opportunities training
- Cooperation with relevant agencies and other relevant parties, increase local capacity through training for the community,

- To develop smallholder mechanism (*plasma*) by giving 20% of land for communities with partnership scheme
- To facilitate the formation of cooperatives institution (*koperasi*) and conducting development and institutional capacity building to *koperasi*
- Comparative study to the other plantation

4a.3 Mitigation plan for negative environmental impact

The environmental issues in the study area is the potential reduction of river quality, decreasing of air quality, and increasing noise level. PT. BSMJ has developed mitigation plan to reduce negative environmental impacts, such as

- To conduct water and air quality as well noise measurement regularly as required by government regulation
- Pollution prevention of river, land, and air through application of environmentally technology palm oil plantation and mill when its operate

4a.4 Management plans to promote positive environmental effects

The presence of PT. BSMJ is expected by local community to have positive environmental effects, to provide clean water, and protect the water resources. Moreover improvement quality of community health and development environment conservation program.

The steps taken in the SEIA development and preparation of management & monitoring plans are:

- Conduct periodic training of handling waste in plantation area and mill
- Utilization of waste treatment technologies that are environmentally friendly
- Regular monitoring of waste water quality both at waste water treatment plant and the rivers (Ohong, Kelawit, and Nayan river)
- Conduct campaigns, training and socialization of the 3R (Reduce-Reuse-Recycle) to the community
- Increase the awareness and skills of employees and the community in sustainability principles

4b. Summary of Management and Mitigation Plans (HCV)

4b.1 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, the outputs of the process are as per targets; and the human and finance resources are adequate

4b.2 Management and mitigation plans for threats to HCV areas

Management and mitigation plans for HCV 1

- Issue management decree for HCV establishment area and SOP to manage and to monitor HCV area.
- Conduct awareness campaign to all plantation and surrounding community, about

the existence of the entire HCV

- Create a definitive map of HCV
- Provide map area and signboard of identified HCV, photograph of protected species, and sign warning of illegal hunting or fishing
- Provide riparian signboard of buffer zone surrounding the area of the identified HCV (50 m for river < 30 meter wide, 100 m for river > 30 m wide, and radius 200 m around spring water) protected from illegal hunting, fishing, and poisoning using electricity and/or explosive substances
- Prohibit to use agrochemicals along buffer zone, sign warning not to have plantation and build roads, canals and other infrastructures in HCV area
- Conduct regular monitoring of identified protected species
- Conduct enrichment planting and/or rehabilitation for HCV area which have low vegetation coverage.

4b.3 Management and Mitigation plan for HCV 4

- Define the water catchment area as water resources for local community.
- Provide riparian signboard of buffer zone surrounding the area of the identified HCV (50 m for river < 30 meter wide, 100 m for river > 30 m wide, and radius 200 m around spring water) protected from illegal hunting, fishing, and poisoning using electricity and/or explosive substances
- Prohibit to use agrochemicals along buffer zone, sign warning not to have plantation and build roads, canals and other infrastructures in HCV area
- Implement policies and/or SOP to regulate the use of agrochemical and waste management and conduct publication and awareness campaign on the SOP.
- Measurement and monitoring of the water quality regularly.
- Implement zero burning policy during land clearing activity
- Identify areas that are prone to fires and preserve fire barrier area
- Establish procedure of emergency responses and preparedness to land burning and provide fire extinguishers and facilities.

4b.4 Management and Mitigation plan for HCV 5

- Communicate with local community to utilize forest product in sustainable manner.
- Put up signboard identifying the types of HCV area with clear warning of consequences of illegal hunting and logging, and excessive harvesting of forest products.

4b.5 Management and Mitigation plan for HCV 6

- Provide map area and signboard of identified HCV and together with local community to protect the area
- Provide free access for local community towards the public cemetery area

4b.6 Management plan to enhance or maintain conservation values of identified HCV areas

The process of strategic 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 management as follow:

- To conserve the protected species in existing areas to the proposed area
- To reserve the sustainability of the local habitats
- To maintain the riparian and/or buffer zone as the hydrological and ecological buffer (the protection of water cycle and wildlife species)
- To manage and control of erosion and fire risk
- To conserve water catchments areas
- To preserve the local cemetery and cultural sites.

In general, management of HCV areas is classified into three approaches:

A. Technology Approach

a.1 Inventory and identification of land conditions

Inventory and identification of land will be conducted in the area of riparian, spring water, protected animals, traditional orchards, *rumah lamin*, cultural heritage

a.2 Marking boundaries

Marking boundary in the of HCV area and when there is changes of HCV area, it will be followed by changes the boundary

a.2 Provide of signboard

Provide signboard in the area of identified HCV, containing information of HCV areas and its contents, such as protected flora and fauna, ecosystems and habitat.

a.4. Rehabilitation and enrichment of species

B. Socio-Economic Approach

B.1 Community Awareness

Conducting regular education to the community about the importance of conservation and biodiversity HCV areas.

B.2 Training of employees

Improving the ability of employees of PT. BJSM, especially for the Environment & Conservation Section through the training of HCV management and biodiversity held by relevant agencies.

C. Institutional Approach

c.1 Development and Improvement of SOP

c.2 Capacity building in internal of PT BSMJ organization

c.3 Coordination with relevant agencies, such as community leaders, village heads, district, Government of West Kutai regency, East Kalimantan provincial government officer, and NGOs.

5. Internal responsibility

Formal signing off of management and mitigation plans.

INTERNAL RESPONSIBILITY
Formal Signing Off by Assessors and Company

This document is the summary of HCV (High Conservation Value) Assessment in **PT. Borneo Surya Mining Jaya** and has been approved by the Management of **PT. Borneo Surya Mining Jaya**

Bogor Agricultural University,



Dr. Ir. Nyoto Santoso, MS
Team Leader of SEIA Assessment
May 31, 2012

Management of PT. Borneo Surya Mining Jaya



Ir. Azaria Yoga Prasetyanto
Director
May 31, 2012

Statement of acceptance of responsibility for assessments

Assessment result document on HCV (High Conservation Value) Assessment of **PT. Borneo Surya Mining Jaya** by Faculty of Forestry - Bogor Agricultural University (IPB) will be applied as one of the guidelines in managing palm oil plantation in **PT. Borneo Surya Mining Jaya**

Management of PT. Borneo Surya Mining Jaya



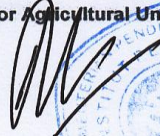
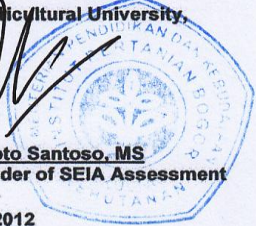
Ir. Azaria Yoga Prasetyanto
Director
May 31, 2012

INTERNAL RESPONSIBILITY

Formal Signing Off by Assessors and Company

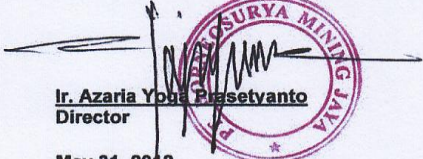

This document is the summary of SEIA (Social Environment Impact Assessment) in PT. Borneo Surya Mining Jaya and has been approved by the Management of PT. Borneo Surya Mining Jaya

Bogor Agricultural University,



Dr. Ir. Nyoto Santoso, MS
Team Leader of SEIA Assessment

May 31, 2012

Management of PT. Borneo Surya Mining Jaya



Ir. Azaria Yoga Prasetyanto
Director

May 31, 2012

Statement of acceptance of responsibility for assessments

Assessment result document on Social Environment Impact Assessment (SEIA) of PT. Borneo Surya Mining Jaya by Faculty of Forestry - Bogor Agricultural University (IPB) will be applied as one of the guidelines in managing palm oil plantation in PT. Borneo Surya Mining Jaya

Management of PT. Borneo Surya Mining Jaya



Ir. Azaria Yoga Prasetyanto
Director

May 31, 2012

ATTACHMENT

AMDAL Assessor

The AMDAL document of PT. Borneo Surya Mining Jaya was prepared by independent consultant PT. Integral Multi Talenta and approved by local government. The team members are :

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HCV Assessor

The HCV assessment was carried out by an independent consultant from Faculty of Forestry Bogor Agricultural University (IPB) in May 2012. The team members consist of consultant accredited and approved by the RSPO includes:

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