

# RSPO

## RSPO NOTIFICATION OF PROPOSED NEW PLANTING

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

**Date of notification: 13<sup>th</sup> December 2012**

Tick whichever is appropriate

This is a completely new development and stakeholders may submit comments.

**This is part of an ongoing planting and is meant for notification only.**

**COMPANY: PT Multipersada Gatramegah**

**RSPO Membership No.:** PT Agrowiratama 1-0054-08-000-00 [PT Multipersada Gatramegah is a subsidiary of PT Agrowiratama who is a member of RSPO]

**Location of proposed new planting:** description or maps and GPS coordinates.

Company Name : PT Multipersada Gatramegah

Company Address : Jl. Negara Muara Teweh-Puruk Cahu Km. 32  
Karamuan Village, Lahei Barat Sub-District, Barito  
Utara District, Central Kalimantan Province

Type of business : Oil Palm Plantation & Processing

Status of concession land : SEIA (AMDAL) no. 003/ANDAL/RKL - RPL/BA/I/  
1997 dated 22<sup>nd</sup> January 1997)

Release of Forest Area Permitted (Pelepasan Kawasan Hutan from Forestry Minister no. 193/Kpts-II/1996 date 1<sup>st</sup> May 1996, Size 9,987 ha, areal yang dilepaskan tersebut sesuai dengan Berita Acara Tata Batas tanggal 19 Januari 2006

Permanent Plantation Permitted (*Izin Tetap Usaha Budidaya Perkebunan/ ITUP*) no. 123/KB.120/SK/Dj Bun/12-97 date 4<sup>th</sup> December 1997 from Director General of Plantation , 8,350 ha

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		Land Title (HGU) No. 0002 date 25 <sup>th</sup> June 1997, 9,278 ha.
Contact Person	:	Dr Gan Lian Tiong email: <a href="mailto:liantiong.gan@musimmas.com">liantiong.gan@musimmas.com</a>
Location	:	Lahei Barat and Teweh Tengah Sub-District, Barito Utara District and Laung Tuhup Sub-District, Murung Raya District - Central Kalimantan Province (Detail map See picture 1, 2, 3, 4 & 5).
GPS References	:	114°39'14.3" E – 114°45'56.3" E 0°44'12.9" S – 0°49'14.9" S
	North	: Murung Raya District
	South	: State Land like other land use ( <i>Areal Penggunaan Lain/ APL</i> ) and KM 32 Village that is Pendreh Village
Surrounding Entities	West	: State Land like Production Forest
	East	: State Land like other land use ( <i>Areal Penggunaan Lain/ APL</i> )
	Southwest	: IUPHHK-HA PT Bina Mulia Alam Lestari

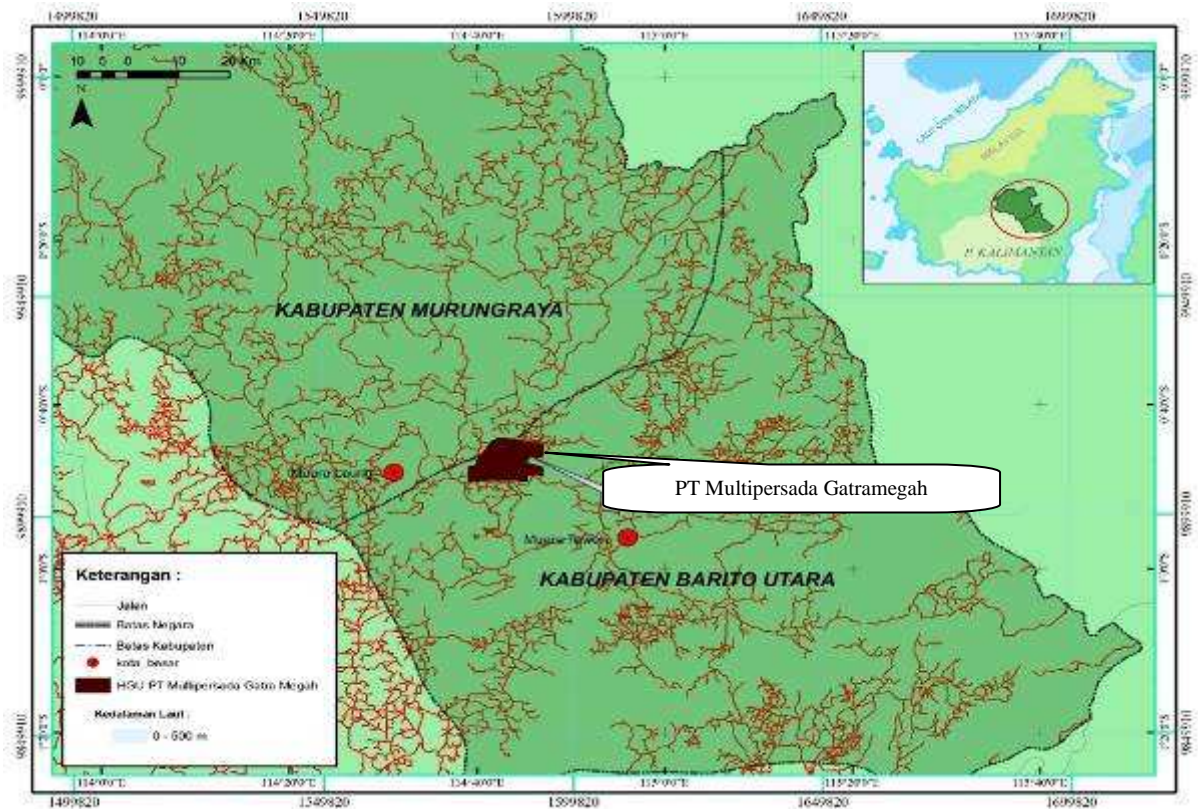


Picture 1. Location of PT Multipersada Gatramegah in Indonesia

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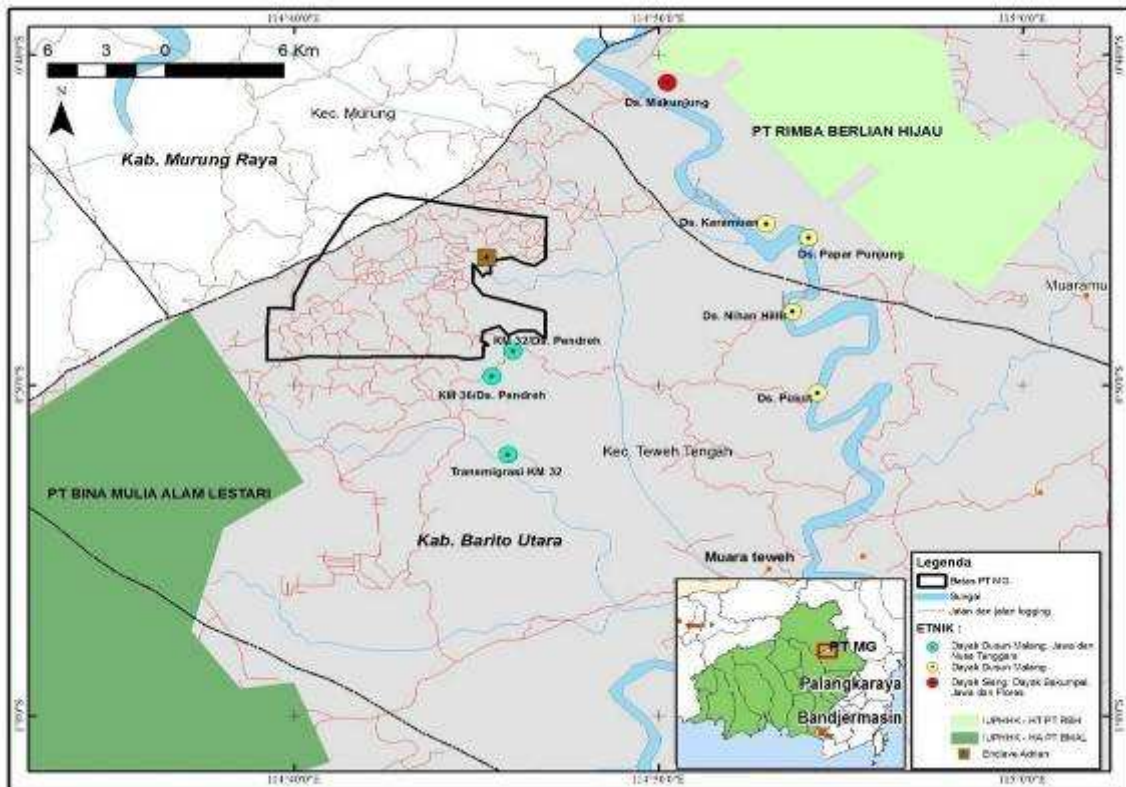


Picture 2. Location of PT Multipersada Gatamegah in Central Kalimantan Province

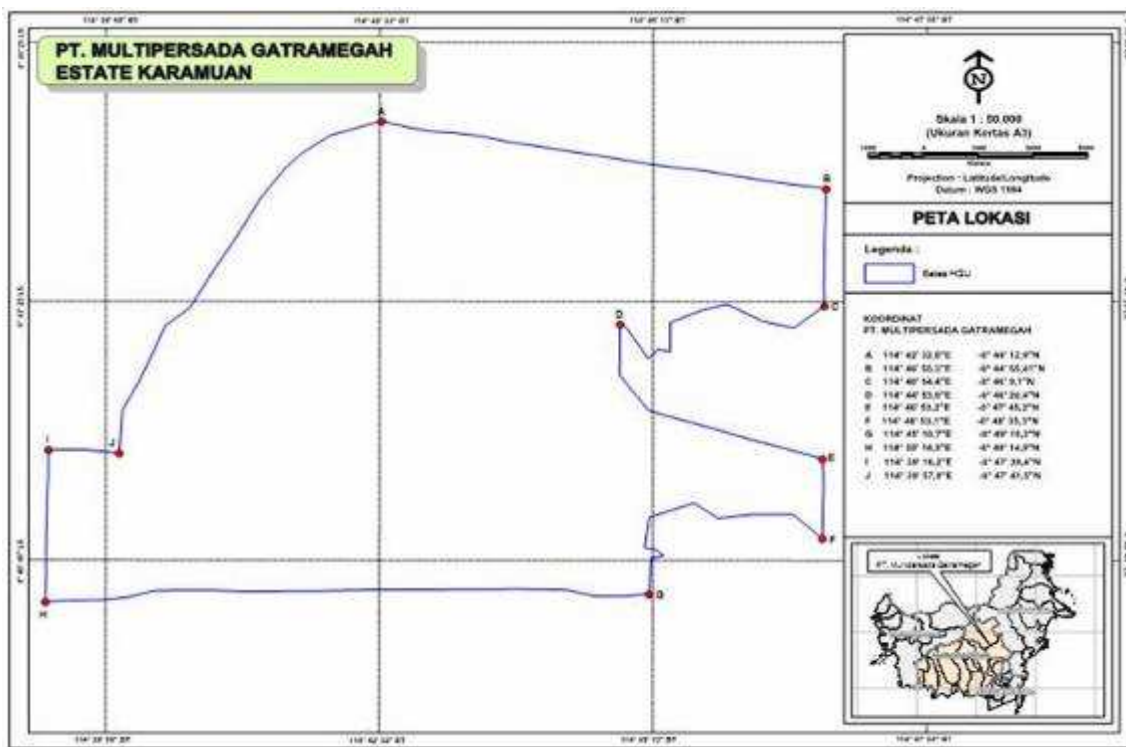


Picture 3. Location of PT Multipersada Gatamegah in Barito Utara and Murung Raya Districts

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Picture 4. Location of PT Multipersada Gatramegah and its surrounding entities



Picture 5 Location Map of PT Multipersada Gatramegah showing GPS Coordinates

## SUMMARY FROM SEI ASSESSMENTS:

### Assessors and their credentials:

The Social Impact Assessment of PT Multipersada Gatramegahwas carried out by Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: [aksenta@aksenta.com](mailto:aksenta@aksenta.com). The RSPO accredited assessors. The team members are:

- 1. Nandang Mulyana** ([nandang@aksenta.com](mailto:nandang@aksenta.com)), He graduated from the Faculty of Agriculture Graduated from UMJ (Jakarta Muhammadiyah University) – Jakarta majoring in Economics and a Master Degree holder from Bogor Agriculture University. He is experienced in the field of education, environment, socio-environment, and community development programme (CDCSR), collaborated with Unocal Geothermal of Indonesia Ltd and Chevron Geothermal Salak since 2000. Nandang Mulyana wrote a book on “*Membedah UMKM di Indonesia; Sebuah Kajian tentang Strategi Pemberdayaan dan Pengembangan UMKM Indonesia*” published by Lugas. He has conducted several HCV and Social Impact Assessments in oil palm plantations in Indonesia with Aksenta. In year 2010 achieved the RSPO accreditation as Discipline Specialist Social (Participatory rural assessment; socioeconomic or cultural studies; participatory mapping; conflict resolution). His role in this Social Impact Assessment is as The Team Leader focus on social economic and community development assessment.
- 2. Sigit B. Setyanto** ([sigit@aksenta.com](mailto:sigit@aksenta.com)) graduated from the Geology Department, Faculty of Agriculture of Jember University and has experience in areas involved with growers and communities development since 1990 (such as, Philip Morris Inc Marlboro cigarette manufacturers). Since 2004 he has been active as 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 on Sustainable Palm Oil*”. In 2010 obtained the accreditation from RSPO as the *Discipline Specialist* for Social Assessment on palm oil companies. His role in this Social Impact Assessment was one of the team members focusing on the field of socio-economic and social development.
- 3. Dyah Indrapati** ([dyah.indrapati@aksenta.com](mailto:dyah.indrapati@aksenta.com)) is a psychologist from the University of Indonesia. Having experience in Stakeholder Engagement, Participatory Processes and Change Management. She once worked as Corporate Communications Specialist who handles Reputation Management, Crisis Communication and CSR for Friesland Campina Indonesia / Frisian Flag Indonesia. Had also become Implementation Expert for HSP

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USAID and AIPMNH AusAid for program Mother, Neonate and Children under Five years old Health - District Team Problem Solving (2008-2009). She works as a Technical Advisor for LGSP USAID and Domestic Department (2007-2009) and CIVED UNDP and GRADE UNDP (2007-2008). She also has been a consultant of Sustainability & Stakeholder Engagement for mining and gas companies. Her role in the Social Impact Assessment as a member of the team with a focus on the socio-cultural studies and social relations.

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

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

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

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

1. **Literature Study;** this method was used for the purpose of gathering the understanding on the socio-context and environmental aspect of the location which was evaluated. It was carried out in the early phase-before going to the field and at the result analysis phase,

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2. **Dialogue;** this method was used to identify the nature of the relevant parties, identify the potential issues to impact, gathering information about expectations, ideas, and opinions to bring the solutions for the actual issues. The process was carried out through the meetings both in formal and in non-formal sequence with definite topics (Focus Group Discussion),
3. **Field Observation;** this method was used to understand directly the actual facts which will be indicator of the issues and social impact happened,
4. **In-depth Interview;** it was used to get a deeper understanding about the issues. It was done in-depth by interviewing the key socialite who will act as respondents. The criteria of choosing the respondents were based on the knowledge possessed or their direct experience over the impact or impacts,
5. **Tri Angulations;** the above methods were carried out in integrated way to reciprocally verify the actual issues, opinions, and ideas,
6. **Social Learning Cycle;** the social impact assessment is not a linear process which is instantly created but a cycled process which functions as the social learning processes to respond the changes in the environment.

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

## Summary of SEI Findings

The result of analysis of PT Multipersada Gatramegah presence and operational and its influences toward social sustainability are as follows:

1. In general, the company's presence and operation has significant and positive social impact towards local community's social sustainability. Its presence and operations in villages within the assessment's scope contribute significant impacts to the local communities' social change and sustainability.
2. PT Multipersada Gatramegah's presence and operations in general contribute positive social impact to economic condition and regional development. The direct impacts are local manpower absorption and new business opportunities. Improvements made to the development of settlements which are located around the company are acknowledged by the local communities and they started to bring significant impacts with the development of oil palm plantation.
3. Based on the assessment, land acquisitions for plantation area have been well executed. Land acquisitions are executed on mutual-agreement basis; which is entered into by the company and local communities. Despite of cases of one-sided land occupation by some communities within the HGU area, the company can manage them well through approaches and negotiation with the land occupier.
4. The result of assessment to areas which now have already turned into PT Multipersada Gatramegah's HGU does not indicate any traditional utilization rights exercised by the local communities in the area; such as customary forest or places communally utilised by the communities in traditional ways.
5. Company's policy and programme in Occupational Safety and Health (OSH) management must be improved to provide better, gradual and continuous improvement to its employees' welfare. This includes building facilities needed by the employees and their families living in the company's housing area.
6. The current negative social impact is related to the company's operations where it is concerned that the rivers which are used by the village communities are polluted by the company's activities.
7. Negative causes which may potentially have impact to the social relation between the company and the local communities are miscommunication that sometimes occur and the consistency in safeguarding and maintaining relation with the communities.



## SUMMARY FROM HCV ASSESSMENT(S):

### Assessors and their credentials

The HCV assessment in the HGU of PT Multipersada Gatramegah by the RSPO accredited assessors. The HCV assessment conducted from 12<sup>th</sup> – 21<sup>st</sup> April 2012 in the Permitted Area (Izin Lokasi) of PT Multipersada Gatramegah was carried by Aksenta, located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: [aksenta@aksenta.com](mailto:aksenta@aksenta.com). Key consultants from Aksenta have been accredited and approved by RSPO. The team members are:

- 1. Resit Sözer** ([resit@aksenta.com](mailto:resit@aksenta.com)), Master in Tropical Ecology at Universiteit van Amsterdam (UvA). Have expertise and experience in the field of wildlife management; habitat and population assessment, and mitigation of wildlife conflicts. Currently, in addition to being a consultant HCV, manage wildlife rescue center in Sukabumi. Competence in the assessment of HCV has been recognized by the RSPO and the entry in the list of RSPO HCV Accredited Team Leader, and a charge of identifying HCV 1, 2 and HCV 3.
- 2. Bambang Widyatmiko** ([bambang@aksenta.com](mailto:bambang@aksenta.com)), PhD in regional planning at the Bogor Agricultural University, after completing graduate school urban and regional planning, and geography scholar at the University of Gadjah Mada. Have expertise and experience in the field of hydrology, land resource management, geographic information systems and spatial planning. It has been listed in the RSPO HCV Accredited Assessor - Discipline Specialist HCV 4. In his assessment to identify HCV 4.
- 3. Muayat Ali Muhshi** ([muayat@aksenta.com](mailto:muayat@aksenta.com)), He graduated from Faculty of Forestry of Bogor Agriculture University, Department of Forest Resources Conservation (1985 – 1991). Experience as a researcher at Walhi. Experience as a Coordinator Forestry Program Pelangi Indonesia Foundation and carried out a study: “Integration Management Bina Village in order KPHP” supported by ODA – cooperate with Department of Forestry - UK Tropical Forestry Management Program, and study “Non Timber Forest Products in the framework of Community Based Forest Management” supported by NOVIB – Netherlands (1991 – 1997). Worked 6 years as the Coordinator of the Consortium of National Forest System Supporting Democracy (KpSHK. 1997 – 2003) and for 5 years as Executive Secretary of the Communication Forum for Community Forestry (FKKM, 2003 – 2008). Experience as a consultant in the project : Multi-stakeholder Consultation on Forestry Policy Paper which is supported by the World Bank (September – October, 2004); as Social Forestry Specialist for the ESP Program - USAID

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and carried out a study “Inisiative Community Forestry” (January – April, 2006). As the study team Aksenta SIA (Social Impact Assessment) and the study of HCV 5 and HCV 6.

- 4. Risa Desiana Syarif** ([risa@aksenta.com](mailto:risa@aksenta.com)), finished Bachelor programme in Bogor Agriculture University (IPB) of Forest Management Department. Her is experienced and had skill of Spatial, like Remote Sensing and Geografis Information Systems (GIS). In this assessment, as GIS Specialist, spatial analysist and mapping of HCV areas.

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

### **HCV Identifying Methods**

The assessment covers the HGU which has been approved as the company’s project area. Assessments also expanded into villages and other areas which could be considerably of relevant importance to the proposed plantation area. The field survey was conducted on 12<sup>th</sup> – 21<sup>st</sup> April 2012.

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

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

### **Identifying Methods for HCV 1, 2, and 3**

The target of HCV 1, 2, and 3 identifying was to find out the areas which have important values in the biological context. Such areas were marked 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. Moreover, the significance of the value of the wildlife as well as the habitat was

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also based on the ecology roles from the species and from the cultural and traditional point of view.

The method of inventories was done using reconnaissance survey to analyze the existence of the important flora and fauna. The existence of every 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 always 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 interviewed people. All information was then matched with the natural distribution and the history of the existence of such species in the locations (as mentioned in the literature references). 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 put the existence of such species in doubt.

## **HCV 4 Identification Methodology**

In order to identify the existence of HCV 4 in an oil palm plantation, two approaches were applied. The first approach was analysis to find out the interactions and correlations between the water system and the plantation land in a wide context. The approach also covered the area outside the plantation area. The second approach was another analysis to find out the significant values of such locations and their impacts to the plantation location. Thus, in this analysis, the perspective used was the inside area in the plantation. 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. The identification of the HCV 4 areas was done by analyzing the area from the metrology point of view, the soil analysis, topography, watershed, and the field survey and interviews. The field

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observation was carried out on the chosen locations; i.e. springs, river, river condition, land clearing, plantation in production, and other locations representing the condition of the water management in the plantation.

## **HCV 5 and HCV 6 Identification Methodology**

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

- Mapping participation of locations containing elements of HCV 5 and 6,
- Interview the local community, either with individual or Focus Group Discussion (FGD),
- Ground assesment and analysis.

## **Summary of HCV Findings**

The results of the HCV assessment shown that there is no primary forest and peat swamp forests, soil types throughout the area is mineral soil and not found any peat soil. In the study area were not found again the use of traditional natural resources, or related to local cultural traditions. Utilization of already existing commercial nature, such as growing vegetables and rubber, as well as hobby is fishing in the moat of plantation.

Types of HCV were identified in concession PT Multipersada Gatramegah is HCV 1 and HCV 4. The important elements for HCV 1 are the endangered species. The important elements for HCV 4 are related to the catchments area, and erosion control areas such as river border. The HCV area identified was  $\pm 1,240$  ha or 13.4 % of the total HGU PT Multipersada Gatramegah.

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## **SUMMARY OF PLANS:**

### **Development of HCV and SIA Management Plans**

PT Multipersada Gatramegah is located in Lahei Barat Sub-District and Teweh Tengah Sub-District, Barito Utara District and Laung Tuhup Sub-District Murung Raya District - Central Kalimantan Province. The total area based on Land Title (Hak Guna Usaha – HGU) No. 0002 dated on 25<sup>th</sup> June 1997 is 9,278 ha under on estate management (Karamuan Estate). PT Multipersada Gatramegah was a subsidiary of the Bakrie Sentosa Persada Group's. On the 18<sup>th</sup> April 2012 PT Agrowiratama acquired PT Multipersada Gatramegah. At the time of acquisition, a total of 4,117 ha or 44.4% of the total HGU area has been planted with oil palm. The unplanted areas in Karamuan Estate have been scheduled for planting and the RSPO New Planting Procedures which was enforced 1<sup>st</sup> January 2010 is being adhered to. This is part of an ongoing planting and this report is meant for notification only.

The Environmental Social Impact Assessment (AMDAL) was approved by Agriculture Minister Republic of Indonesia No. 003/ANDAL/RKL-RPL/BA/I/1997 dated on 22<sup>nd</sup> January 1997. Permanent Plantation Permitted (Izin Tetap Usaha Budidaya Perkebunan/ITUP) was approved by Directorate General of Plantation, Department of Agriculture No. 123/KB.120/SK/Dj Bun/12-97 date on 4<sup>th</sup> December 1997; the total area based on Permanent Plantation Permitted is 9,278 ha. Release of Forest Area Permitted (Izin Pelepasan Kawasan Hutan) approved by Minister of Forestry of Republic Indonesia No. 193/Kpts-II/1996 date on 1<sup>st</sup> May 1996 for forest located in the Karamuan River - Pendreh River District of Barito Utara to the area of 9,987 ha. Land Title issued by head of National Land Bureau Barito Utara District No. 0002 date on 25<sup>th</sup> June 1997 (size 9,278 ha).

The findings on both the HCV and SIA have been incorporated in the oil palm development plan of PT Multipersada Gatramegah which includes the HCV and SIA management and monitoring plans of PT Multipersada Gatramegah. Development of the HCV and SIA management and monitoring plans was facilitated by Aksenta team conducted from 9<sup>th</sup> – 11<sup>th</sup> November 2012. The purpose of the workshop on HCV - SIA management and monitoring program for PT Multipersada Gatramegah 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 HCV, social managements synergy with the company's development of oil palm plantation. The results of the assessment and the management plans are documented and presented and discussed in a stakeholders' consultation on 12<sup>th</sup> November 2012 in Muara Teweh. The feedback from this stakeholders' consultation have also been incorporated into the oil palm development plan as well as the HCV and SIA management plan.

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The implementation of the HCV and SIA management & monitoring plans in the field will be implemented by experienced personnel who possessed a high level of dedication of knowledge and special technical skills. Sustainability Staff, Audit & Certification (A&C) Staff, with the assistance of the Public Relation (Humas) Team, stationed at the location, will provide support in these activities. The Estate Manager is directly responsible on the implementation of the plans of management and monitoring. In addition, the Senior Estate Manager is accountable in fulfilling of the requirements for the plan and as well as responsible in analyzing the input results from the monitoring plans. The General Manager is accountable and responsible to ensure that the Overall Development Plan including the management of HCV and SIA is implemented according to the time plan and budget. The management team is supported and supervised by the Regional General Manger. The detail of the responsibilities and roles of the HCV and SIA development and preparation of management plans and monitoring are summarized in the “The Management & Monitoring Plans of HCV/SIA PT Multipersada Gatramegah” document. The Head Office Estate Department, Public Relation (Humas) Department, and Sustainability Department will provide the overall support in the implementation of the development plan.

## **Stakeholders to be involved**

The process of the HCV and SIA development and preparation of management plans and monitoring PT Multipersada Gatramegah also involved relevant stakeholders such as governmental offices (Natural Resource Conservation Department-BKSDA) Barito Utara District, The Plantation and Forestry Office Barito Utara District, Environment Agency of Barito Utara District, communities leader, The local NGOs, Head of Sub District, Head of Village, and Academic (Palangkaraya University).

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

The Stakeholders’ Consultation was held on 12<sup>th</sup> November, 2012 in Muara Teweh, Barito Utara District, Central Kalimantan. There were 36 participants present during this consultation meeting. The details of the Stakeholders Consultation is presented in the “Report of Stakeholders Consultation PT Multipersada Gatramegah 2012”. The summary of the

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consultation with highlights of key suggestions from the consultation on HCV and SIA PT Multipersada Gatramegah with Stakeholder are as follow:

1. The number of stakeholder consultation Participants that conduct by PT Multipersada Gatramegah at 12<sup>th</sup> November 2012 in Sampit, Kotawaringin Timur District - Central Kalimantan Province are 36 Participants, consisting of:

Organization	No. of participants
Government Agencies, are: BKSDA Barito Utara District (1 participant), BLH Barito Utara District (1 participant), Plantation and Forest Office Barito Utara District (1 participants).	3
Representatives from villages around (subdistrict head, village head, community leaders)	14
Non-Governmental Organization (NGO), consist of: BOSF (Borneo Orangutan Survival Foundation) 2 Participant, National Corruption Watch (1 Participant)	3
Academics : Department of Forestry, Faculty of Agricultural Palangkaraya University (2 Participant)	2
HCV / SIA Assessor	4
Management PT Multipersada Gatramegah	10
<b>Total</b>	<b>36</b>

2. The following subject matters were presented to the stakeholder during the Stakeholders' Meeting:
  - a) Presentation from the Environment Agency regarding the Barito Utara District related oil palm plantations are environmentally and sustainable based on the Law No. 32 Year 2011 on the Protection and Environmental Management including planning, utilization, control, maintenance, supervision, and enforcement.
  - b) BKSDA Conservation Section Region III Muara Teweh, explanations about The implementation of the system and attempt Sustainable Agribusiness Crop Oil / Roundtable of Sustainable Palm Oil (RSPO), which includes a background management practices for sustainable palm oil plantation, understanding HCV and outline SIA, Ministry of forestry standpoint; PHKA; BKSDA Central Kalimantan on Principles and RSPO criteria, and the role of Conservation of Natural Resources in Central Kalimantan.
  - c) Presentation from Aksenta (consultant accredited and approved by RSPO) regarding the results of the HCV (High Conservation Value Assessment) include the management and monitoring plan of HCV in PT Multipersada Gatramegah.

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d) Presentation from Aksenta (consultant accredited and approved by RSPO) regarding the results of the SIA (social Impact Assessment) include the management and monitoring plan of SIA in PT Multipersada Gatramegah.

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

Important issues that are related to sustainable development of oil palm plantations in PT Multipersada Gatramegah in stakeholder consultation activities, are:

- 1) In principle, local communities in the around HGU PT Multipersada Gatramegah support the operational activities of PT Multipersada Gatramegah.
- 2) The hope of the people in the villages around the concession of PT Multipersada Gatramegah, the availability of jobs and local employment.
- 3) The existence of public expectations with the inclusion of the company will increase the price of land and access to land.
- 4) River pollution concerns caused by agrochemical applications in oil palm plantations

Summary of the questions and answers during the stakeholder consultation process of PT Multipersada Gatramegah (PT MPG) are as follows:

No	Name	Agency/ Village	Suggestion/Question	Answer/Opinion
1.	Abdurrahman	Forest Agency (Dinas Kehutanan)	<ol style="list-style-type: none"> <li>a. How many species of flora and fauna are found based on the identification of HCV and how the management</li> <li>b. What is the total area HCV in PT MPG</li> <li>c. At SIA Identify, is there any intention of the community to become plasma (Smallholder Scheme)</li> </ol>	<p><b>Aksenta :</b></p> <ol style="list-style-type: none"> <li>a. There are 6 types of unique vegetation, 20 species of mammals, 11 species of reptiles and 36 types of birds. Management will be carried out on the species have been included in HCV Management and Monitoring Plan of PT MPG</li> <li>b. The total area of HCV is <math>\pm</math> 1,240 ha or 13.4% of the total area HGU</li> <li>c. There are some village wanted plasma around the HGU company. And this will be proposed to the management company</li> </ol> <p><b>Management PT MPG :</b> Based on Permentan No. 26 Year 2007 Pasal 11 stated that smallholders scheme minimum 20 % of the develop area for oil palm. However, Plantation Permitted of PT MPG issued before 2007, that are not</p>



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No	Name	Agency/ Village	Suggestion/Question	Answer/Opinion
				required for the development of plasma.
2.	Hendra Toni	UNPAR	Why not find HCV 5 and 6 on the HGU PT MPG	<b>Aksenta:</b> Based on the survey in the fields and interviews with communities around the company, the HGU area of PT MPG did not identify any areas as HCV 5 (areas fundamental to meeting the basic needs of local communities) and the areas which has spiritual or tradition culture.
3.	Horwin Toni	UNPAR	<p>a. The extent of community involvement around the HGU PT MPG in the process of HCV and SIA identification</p> <p>b. What are the types of protected species are found in the concession</p>	<b>Aksenta :</b> <p>a. In the HCV assessment activities at PT MPG, communities around the company is also involved in these activities, such as: local communities help the team assessors to survey in the ground, and information and history of the land collected from local communities.</p> <p>b. There are 6 protected vegetation, such as: anggrek tebu. The protected species found in the HCV area is Sun bears, Gibbons kelawat, Sunda Pangolin, Rhinoceros hornbill, King Kuau, Sambar Deer</p>
4.	Irinisius	Pendreh	<p>a. Suggest, conduct socialization to stakeholder s about companies that established a more harmonious relationship</p> <p>b. How did your company regarding the damage to the Suatu river, where the river water can not be consumed again</p>	<b>Management PT MPG :</b> <p>a. The socialization is not going to stop just to be here, but it will be continues and are included in the Management and Monitoring Plan of HCV / SIA</p> <p>b. PT Multipersada Gatramegah was a subsidiary of the Bakrie Sentosa Persada Group's. On the 18<sup>th</sup> April 2012 PT Agrowiratama acquired PT Multipersada Gatramegah. Previously there were palm trees in the riparian zone. For the next management, PT MPG already making plans for the management of riparian zone such as monitoring of river water quality, riparian revegetation, socialization and sign board, etc. Hopefully the management can help improve the function of riparian zone.</p>

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No	Name	Agency/ Village	Suggestion/Question	Answer/Opinion
5.	Kisar Odom	BOSF	Suggest that the management of HCV need to encourage cooperation with the relevant agencies concerned to identified HCV areas and animals can be maintained and enhanced, and riparian zone is not opened for planting oil palm, so riparian of could function as a wildlife corridor	<b>Management PT MPG :</b> Pretty good advice, management of HCV areas must work together with relevant parties. During this Management in managing the area were also HCV involve relevant stakeholders such as the cooperation with government agencies (BKSDA, Forestry, BPDAS, Etc), NGOs, etc. Related riparian zone management, the company already has a SOP to management the riparian zone.
6.	Agusminto	Karamuan	<p>a. What is the response related to the company's 20% for smallholder scheme</p> <p>b. Improvements to the road through the Karamuan village expected to be considered by the company</p> <p>c. Why no Public Relation for Karamuan Village</p> <p>d. We expect land acquisition activities previously approved by head of village</p>	<p><b>Management PT MPG :</b></p> <p>a. Based on Permentan No. 26 Year 2007 Pasal 11 stated that smallholders scheme minimum 20 % of the develop area for oil palm. However, Plantation Permitted PT MPG issued before 2007 that are not required for the development of plasma (smallholder scheme).</p> <p>b. Improving access road to the Karamuan village will planned future in the CSR program by looking at priorities.</p> <p>c. In general, Public Relation (Humas) is responsible for all areas of the company, there are no special relations to each village.</p> <p>d. The process of land compensation will be made in accordance with the procedure (SOP) and follow the rules of FPIC (Free, Prior and Informed Consent).</p>
7	Rayadi	Lahei Barat	KM 32 in north concession PT MPG whether belonging to Pendreh village or Karamuan village	<b>Management PT MPG</b> The company does not have the authority in the determination boundaries of the village. However, the company can facilitate for discussion with the government

# RSPO

## **SIA Management Plan**

PT Multipersada Gatramegah has developed the plans for the conservation impacts and social impacts as the operational efforts on social and conservation mitigation in the concession area. The SIA development and preparation of management & monitoring plans for PT Multipersada Gatramegah was mainly based on The Social Environmental Impact Assessment (AMDAL) PT Multipersada Gatramegah was approved by Social Environment Impact Assessment Commission of Ministry of Agriculture, Republic Indonesia No. 003/ANDAL/RKL-RPL/BA/I/1997 date on 22<sup>nd</sup> January 1997 and the SIA Assessment result administered in 12<sup>th</sup> – 21<sup>st</sup> April 2012, in corporate with the Aksenta; RSPO accredited and assessors and 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, the company's participation in the improvement of human resources in an enterprise environment, Company's participation in strengthening the local economy in an enterprise environment, Strengthening communication and relations with people in the company, Participation increased public health around the company, and Improved infrastructure and the environment.
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 for 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 – achievement.

Based on the SIA results for PT Multipersada Gatramegah by Aksenta and the Environmental Management & Monitoring Plans (*Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan*) of PT Multipersada Gatramegah document, the management for the Social and Environmental Impacts aimed to be managed consistently with appropriate work performance standards. The scope of the development and preparation of management & monitoring plans included all of the potential impacts by the plantation activities. The development and preparation of management & monitoring plans guidelines include:

## **1. Land Acquisition (and Compensation) Program Through Sustainable Communication & Relationships**

Based on the Social Impact Assessment has been carried out, the general social conditions PT Multipersada Gatramegah face social conditions were pretty good. Therefore the emphasis the company in land acquisition program is clear and clean. The scope for this management and monitoring included the process of land acquisition and land compensation which referred to the principles of Free, Prior and Informed Consent (FPIC) such as: socializing and communicating about activities involving the acquisition of land by the local government, verification of the legality of land ownership, land compensation in accordance with SOP and documenting activities.

## **2. Participation Program Improvement Companies in the Health, Education and Environmental Management Around Good Company**

- a. Health Sector: Generally, most people are very dependent on the quality of river water, given these conditions, the company designing health programs and infrastructure that relies on participation in activities for improved health in the community. Activities in the form of health education and fogging collaboration with the local health agency and participate in the provision of clean water.
- b. Education: The Company recognizes that communities around the company can be said to be prosperous, but because the location is remote to say the very lack of access to education and jobs that require higher education. As a result, the average level of education is relatively low. The scope for this management and monitoring included the participation of the company in increasing the human resource such as; a) encourage local people which is poor in economic for contionousing education until college with scholarship program, b) participated in increase the achieving of basic education (GN OTA) and c) giving the opportunity to senior High School of Vocational for (*Praktek Kerja Lapangan*).
- c. Field of Environmental Management: neighborhood improvement activities include: river water quality testing and socialization to maintain the condition of river border. Real form of activity in the form of management and monitoring of water quality, preparation and implementation of Environmental Management & Monitoring Plans (RKL & RPL).

## **3. The Management Plans of PT Multipersada Gatramegah, Participation of Company in Increasing Local Economic**

The scope for this management and monitoring included: a) receive local people as workers accord with the needed of the company, b). opening opportunity of corporation

for contractor and local supplier accord with standard and quality desirable of company,  
c) Participate in the development of local economy.

## **HCV Management Plan**

The HCV development and preparation of management & monitoring plans was based on the result of the HCV assessment which was administered in 12<sup>th</sup> – 21<sup>st</sup> April 2012 by independent consultants from Aksenta who has been accredited and approved by RSPO. The HCV development and preparation of management & monitoring plans was implemented with the aim to provide guideline for the company in planning and management of its programs or activities in managing the HCV present within the concession area. The purpose was to enable all the available resources to be focused, integrated and effective in order to achieve the HCV management outcome. The purposes of this management and monitoring document were:

- 1) To ensure that the identified and assigned HCV areas are under protection and in a well managed state so that their HCV functions are well preserved,
- 2) To enhance the administration of the management and monitoring in the sense that the process carried out is more systematically according to the legal procedures.

The process of the HCV preparation of management plans and monitoring for PT Multipersada Gatramegah was based on the structure of strategy mapping. In strategy map, the processes were all 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 basic programs and activities that fulfill the HCV management are in regular monitoring and review. The purpose of review is to measure the achievements, effectiveness, efficiencies, impacts, and sustainability of the programs. Thus, the purpose of monitoring is to evaluate whether the activities implemented as they are expected; whether the outputs of the process are as they were projected previously; and whether the resources investments (human, fund, time) are as they were planned.

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 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 to run in order to achieve the basic targets for the enhancement and maintenance of the HCV areas are:

1. Identification, documentation and recondition of baseline HCV elements and that threatents.
2. Socialization to local peoples and people around the HCV area about the existence and importance of protecting HCV areas.
3. Develop dialogue and facilitate people for make like-minded of HCV management.
4. Dialogue with stakeholders, especially government for increasing protecting HCV elements and areas.
5. Monitoring of land clearing activity.
6. Avoid/minimizing superficial of river with PT Multipersada Gatramegah (Group Agriculture Policy) which is land clearing until maintenance and harvesting.
7. Recondition and making the policy and procedure (SOP) which is supporting efectivity HCV management.

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

The process of strategy mapping, the practical vision is defined as the basic targets. Those basic targets include seven ideal states which are going to be achieved through the efforts of HCV protection and management. Those ideal states are:

1. The sustainability of the local habitats is reserved.
2. The existence of the key animals in the area is reserved.
3. Refuge condition of wildlife (refugum) is controlled.
4. The riparian zone function as the hydrological buffer (the protection for water cycle), ecology (the protection for wildlife species).
5. The erosion state is well minimized.
6. Spring water reserved.
7. Maximum water catchments areas.

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## **Development Plan:**

PT Multipersada Gatramegah development plan has incorporated the findings from SEIA (AMDAL), HCV Assessments and Social Impact Assessments. The total area located in PT Multipersada Gatramegah is 9,278 ha which of 4,117 ha or 44.4% of the total HGU area has been planted with oil palm. The unplanted areas in Karamuan Estate have been scheduled for planting and the RSPO New Planting Procedures which was enforced 1<sup>st</sup> January 2010 is adopted. This is part of an ongoing planting and this report is meant for notification only. The net area for cultivation of oil palm is  $\pm$  3,234 ha. The balance areas left out of oil palm planting are  $\pm$  1,240 ha of HCV areas, steep area are  $\pm$  486 ha and others (roads, drain, and nursery facilities, etc) of  $\pm$  201 ha. In accordance with the operational management of PT Multipersada Gatramegah land development and plantings will commence in year 2013.

As part of the process of free, prior and informed consent (FPIC), procedures to ensure that there is participation in the social and environmental harmony in the development of the oil palm planting project by PT Multipersada Gatramegah, consultation with the relevant stakeholders is to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT Multipersada Gatramegah and the affected stakeholders to move forward for the benefit and common progress. PT Multipersada Gatramegah has established standard operating procedures for land acquisition and compensation procedures based on the principle of free, prior and 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. Accordance of the Decree of the Minister of Forestry No: P.14/Menhut-II/2011, 10<sup>th</sup> March 2011, before commencing land clearing, PT Multipersada Gatramegah has been done Wood Utilization Permit (Izin Pemanfaatan Kayu) in HGU Area.

# RSPO

## VERIFICATION STATEMENT:

The company opted for a document audit. Control Union Certifications auditors conducted desk study, pre-assessment check, discussions with the management team including the Head of Sustainability, Regional General Manager, Public Relations (Humas) Manager before the main document audit. During the main document audit, two Control Union auditors were present with the management team of PT Multipersada Gatramegah at their head office in Medan on 12<sup>th</sup> – 13<sup>th</sup> December 2012 to verify and review the relevant documents including interviewing the management team members.

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

Control Union Certifications confirmed that the assessment and plans are comprehensive, professional and compliant of RSPO principles, criteria and indicators. It is the opinion of the Control Union Certifications auditors that PT Multipersada Gatramegah has complied with the RSPO New Planting Procedures enforced on 1<sup>st</sup> January, 2010. This is part of an ongoing planting and this report is meant for notification only.

Signed on behalf of Control Union Certifications



Haeruddin

Lead Auditor

Date: 13<sup>th</sup> December 2012

Signed on behalf of PT Multipersada Gatramegah



Dr Gan Lian Tiong

Head of Sustainability Department

Date: 13<sup>th</sup> December 2012