



Roundtable on Sustainable Palm Oil

## 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: 3 November 2015

Tick whichever is appropriate

<input checked="" type="checkbox"/>	This is a completely new development and stakeholders may submit comments.
<input type="checkbox"/>	This is part of an ongoing planting and is meant for notification only.

COMPANY : Smallholders Partnership Program of  
PT SAHABAT MEWAH dan MAKMUR

SUBSIDIARY (If any) : PT AUSTINDO NUSANTARA JAYA AGRICULTURE

RSPO Membership Number : 1-0032-07-000-00, 27 February 2007

Location of proposed new planting:

- Company name : Partnership Plantation of PT Sahabat Mewah dan Makmur
- Location :  
Ø Village of Dendang Sub-district of Dendang, Village of Simpang Tiga Sub-district of Simpang Renggang, Villages of Simpang Pesak and Tanjung Kelumpang Sub-district of Simpang Pesak, Village of Limbongan Sub-district of Gantung Province of Bangka Belitung, Indonesia.
- Geographical location :

Smallholders		Latitude	Longitude
Village	Cooperative		
Dendang	Koperasi Mitra Lestari	S 3° 03' 54" - 3° 05' 48"	E 107° 53' 48" - 107° 55' 08"
Simpang Tiga	Koperasi Mitra Anugerah	S 2° 52' 04" - 2° 52' 25"	E 107° 56' 16" - 107° 57' 13"
Simpang Pesak	Koperasi Sambar Jaya Makmur	S 3° 03' 22" - 3° 03' 53"	E 107° 59' 23" - 108° 00' 03"
Tanjung Kelumpang	Koperasi Berimpun	S 3° 11' 29" - 3° 12' 19"	E 108° 00' 19" - 108° 01' 17"
Limbongan	Koperasi Lindong Raya	S 3° 04' 41" - 3° 06' 03"	E 108° 05' 49" - 108° 07' 49"

- Surrounding Entities :

Smallholders		North	South	East	West
Village	Cooperative				
Dandang	Koperasi Mitra Lestari	PT Sahabat Mewah dan Makmur	Other Use Land (villagers plantation)	PT Sahabat Mewah dan Makmur	Protected Forest Area
Simpang Tiga	Koperasi Mitra Anugerah	Other Use Land (villagers plantation)	PT Sahabat Mewah dan Makmur	Other Use Land (villagers plantation)	Other Use Land (ex mining / kaolin)
Simpang Pesak	Koperasi Sambar Jaya Makmur	Production Forest	Local Community Sand Mining	Production Forest	Local Community Sand Mining
Tanjung Kelumpang	Koperasi Berimpun	Local Community Sand Mining	Other Use Land (villagers plantation)	Other Use Land (villagers plantation)	Other Use Land (villagers plantation)
Limbongan	Koperasi Lindong Raya	Other Use Land (villagers plantation)	Production Forest	Production Forest	Other Use Land (villagers plantation)

- New Planting Area : ± 599.5 Ha

Smallholders		Smallholders	Ha
Village	Cooperative		
Dandang	Koperasi Mitra Lestari	43	54,0
Simpang Tiga	Koperasi Mitra Anugerah	30	49,0
Simpang Pesak	Koperasi Sambar Jaya Makmur	34	66,5
Tanjung Kelumpang	Koperasi Berimpun	32	64,0
Limbongan	Koperasi Lindong Raya	183	366,0
Total		322	599,5

- Permit :

- Bupati (Head of Regency) Decree of Belitung Timur Regency No 188.45-260 Year 2015 about Calon Petani Calon Lahan (Prospective Farmers and Prospective Land) members of Palm Oil Plantation Partnership Program between Berimpun Farmers Group, Tanjung Kelumpang Village, Simpang Pesak District and PT. Sahabat Mewah dan Makmur, for area 64 Ha.
- Bupati (Head of Regency) Decree of Belitung Timur Regency No 188.45-104 Year 2015 about Calon Petani Calon Lahan (Prospective Farmers and Prospective Land) members of Palm Oil Plantation Partnership Program between Sambar Jaya Makmur Farmers Group, Simpang Pesak Village, Simpang Pesak District and PT. Sahabat Mewah dan Makmur, for area 70,5 Ha
- Bupati (Head of Regency) Decree of Belitung Timur Regency No 188.45-641 Year 2012 about Calon Petani Calon Lahan (Prospective Farmers and Prospective Land) members of Palm Oil

- Plantation Partnership Program between Farmers of Dendang Village, Dendang District and PT. Sahabat Mewah dan Makmur, for area 59,5 Ha)
- d. Bupati (Head of Regency) Decree of Belitung Timur Regency No 188.45-778 Year 2014 about Calon Petani Calon Lahan (Prospective Farmers and Prospective Land) members of Palm Oil Plantation Partnership Program between Farmers of Simpang Tiga Village, Simpang Renggang District and PT. Sahabat Mewah dan Makmur, for area 52 Ha.
  - e. Bupati (Head of Regency) Decree of Belitung Timur Regency No 188.45-108 Year 2015 about Calon Petani Calon Lahan (Prospective Farmers and Prospective Land) members of Palm Oil Plantation Partnership Program between Farmers of Limbongan Village, Gantung District and PT. Sahabat Mewah dan Makmur, for area 366 Ha.
  - f. Statement of Environmental Management and Monitoring Undertaking (Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup/SPPL) from 43 (forty tree) farmers of Dendang Village for area 54 Ha.
  - g. Statement of Environmental Management and Monitoring Undertaking (Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup/SPPL) from 30 (thirty) farmers of Simpang Tiga Village for area 49 Ha.
  - h. Statement of Environmental Management and Monitoring Undertaking (Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup/SPPL) from 34 (thirty four) farmers of Simpang Pesak Village for area 66,5 Ha.
  - i. Statement of Environmental Management and Monitoring Undertaking (Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup/SPPL) from 32 (thirty two) farmers of Tanjung Kelumpang Village for area 64 Ha.
  - j. Bupati (Head of Regency) Decree of Belitung Timur Regency No 503/018/IL/BPMPT/2015 Year 2015 about Environment Permit of Plantation Partnership Program, Limbongan Village, Gantung District, Belitung Timur Regency.
  - k. Statement of High Conservation Value Management and Monitoring Undertaking between Mitra Lestari Cooperative of Dendang Village and PT. SMM management.
  - l. Statement of High Conservation Value Management and Monitoring Undertaking between Mitra Anugrah Cooperative of Simpang Tiga Village and PT. SMM management.
  - m. Statement of High Conservation Value Management and Monitoring Undertaking between Sambar Jaya Makmur Cooperative of Simpang Pesak Village and PT. SMM management.
  - n. Statement of High Conservation Value Management and Monitoring Undertaking between Berimpun Raya Cooperative of Tanjung Kelumpang Village and PT. SMM management.
  - o. Statement of Social Impact Assessment Management and Monitoring Undertaking between Mitra Lestari Cooperative of Dendang Village and PT. SMM management.

- p. Statement of Social Impact Assessment Management and Monitoring Undertaking between Mitra Anugrah Cooperative of Simpang Tiga Village and PT. SMM management.
- q. Statement of Social Impact Assessment Management and Monitoring Undertaking between Sambar Jaya Makmur Cooperative of Simpang Pesak Village and PT. SMM management.
- r. Statement of Social Impact Assessment Management and Monitoring Undertaking between Berimpun Raya Cooperative of Tanjung Kelumpang Village and PT. SMM management.
- s. Social Environment Impact Assessment
  - o Letter of Ability for Environmental Management and Monitoring documents (SPPL/Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup) which approved by Belitung Timur District Environmental Agency.

Figure 1. Location Map of Plantation Partnership Program PT. Sahabat Mewah and Makmur

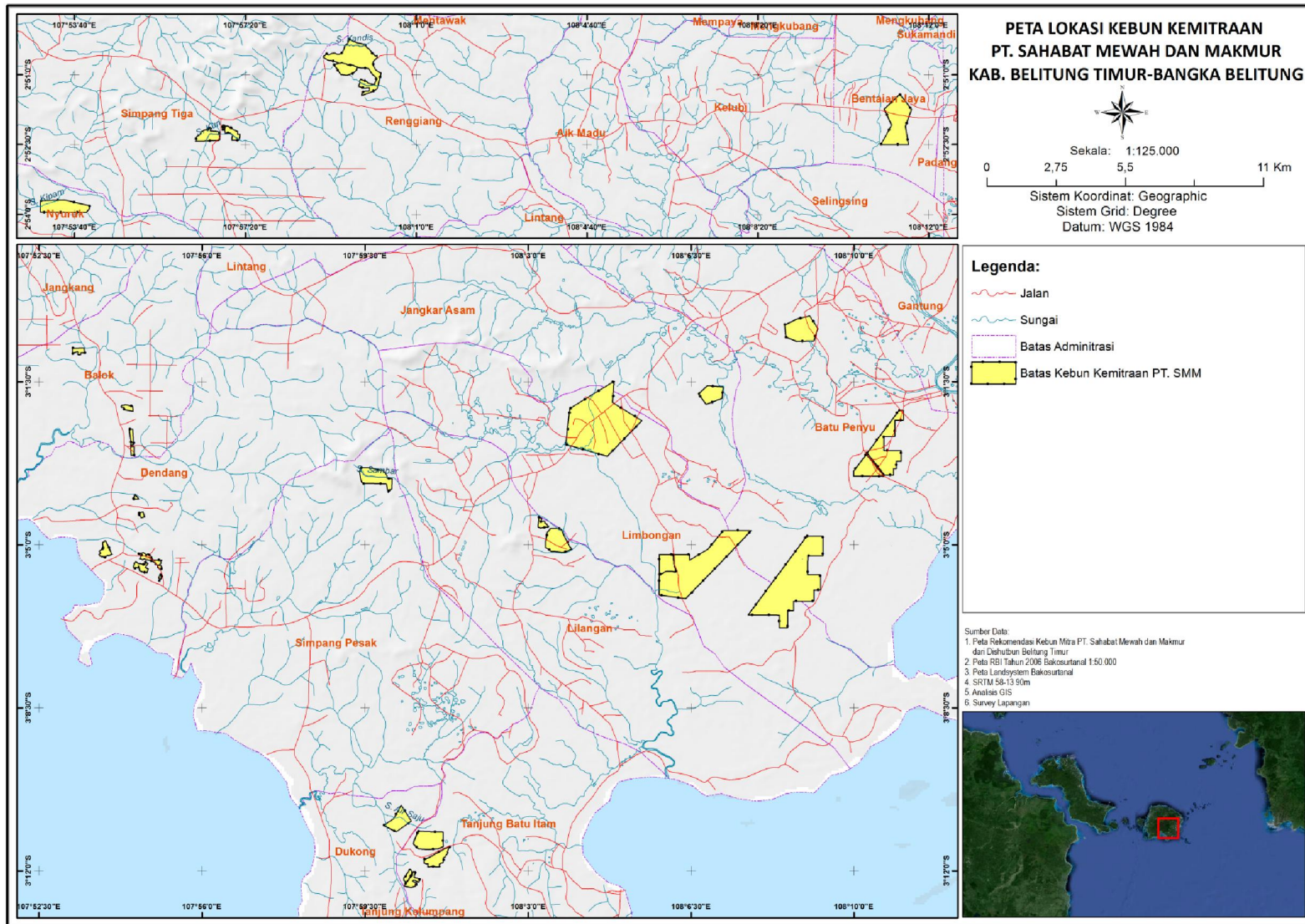
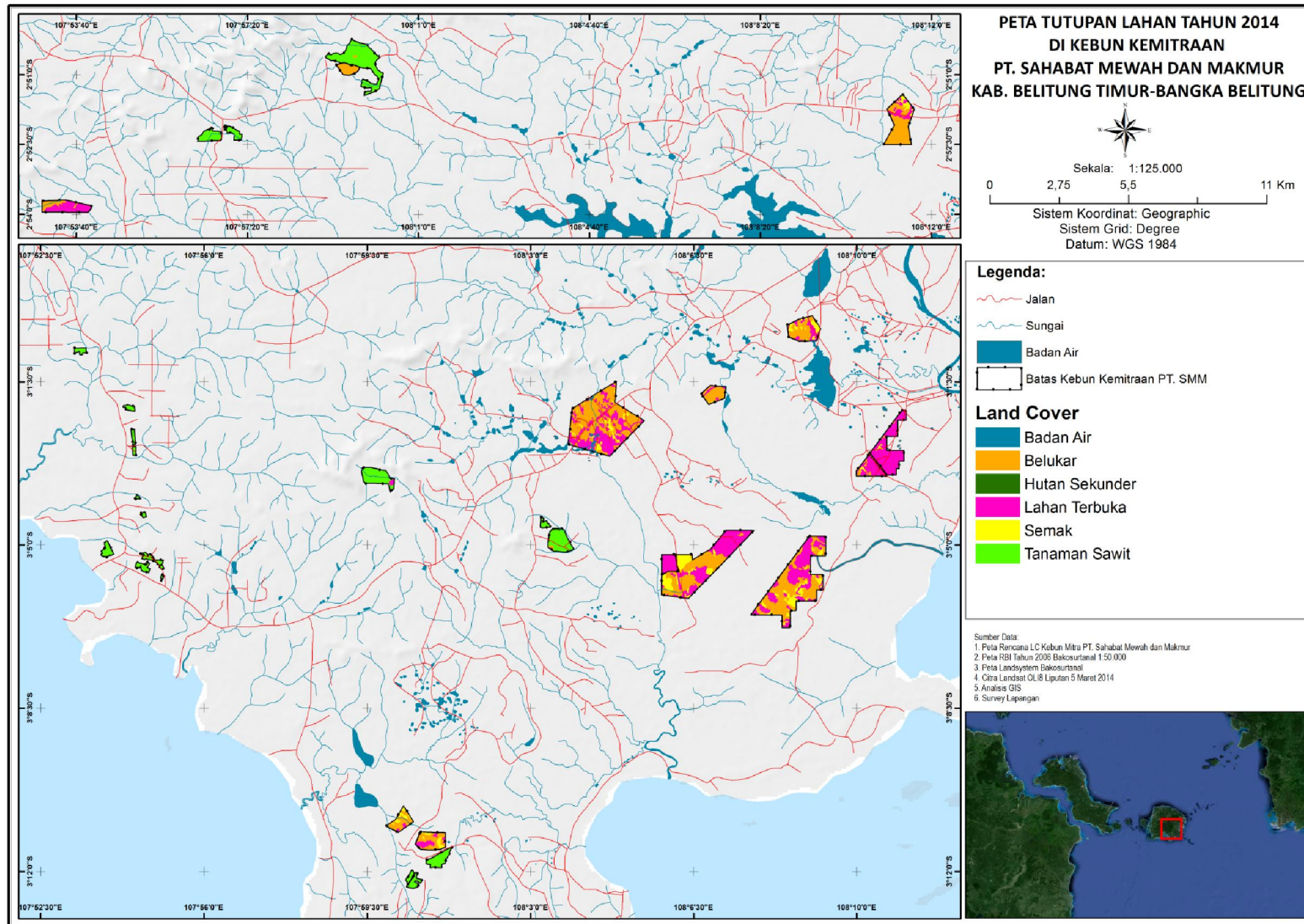


Figure 2. Land Cover Map of Plantation Partnership Program PT. SMM



## SUMMARY FROM SOCIAL ENVIRONMENTAL IMPACT ASSESSMENT

(SEIA):

A Participative Smallholders Scheme of PT Sahabat Mewah dan Makmur Social Environmental Impact Assessment (SEIA) has been conducted separately. The Social Impact Assessment (SIA) conducted by Dr. Ir. Nyoto Santoso, MS. (RSPO registered assessor dan SIA Indonesia Network), Rae Birumbo, S.Pi (SIA Indonesia Network), Yani Silfariani, SE, Msi, on November 2013.

Environment Permit of Plantation Partnership Program, Limbongan Village, Gantung District, Belitung Timur Regency (Lindong Jaya Cooperative) dated 4 September 2015 from Head of Regency (Bupati) Decree of Belitung Timur Regency No 503/018/IL/BPMPT/2015 Year 2015

The Letter of Ability for Environmental Management and Monitoring documents (SPPL/Surat Pernyataan Kesanggupan Pengelolaan dan Pemantauan Lingkungan Hidup) which approved by Belitung Timur District Environmental Agency gradually:

- Mitra Lestari Cooperative, Village of Dendang dated 13 May 2015
- Mitra Anugrah Cooperative, Village of Simpang Tiga dated 26 June 2015
- Sambar Jaya Makmur Cooperative, Village of Simpang Pesaak dated 14 July 2015
- Berimpung Cooperative, Village of Tanjung Kelumpang dated 19 August 2015

SPPL has informed the environmental and social potential impact from the plantation activities such as

- Odor impact from Empty Fruit Bunch application
- Work opportunities
- High run-off potential
- A decrease in water quality due to chemical applications of the use of fertilizers and poisons
- Reduced water catchment area
- Occupational Health and Safety
- Positive and negative perceptions and social envy
- The potential for forest fires

The ability of management by landowners, among others:

- Zero burning
- Preserving historic sites
- Application of fertilizers in accordance with the provisions and manages the packaging properly
- Not applied chemicals around the border river
- Patrol fires in the dry season
- Preparation of a buffer zone on the border river
- Regular monitoring of surface water quality as a result of runoff and erosion
- PPE use
- Environment Management and Monitoring

The SEIA main issue studied in the assessment is company profile and general condition of the project covering demographic data, economic, Socio-Cultural Aspect as well as Environmental Aspect. The assessment is also conducted to identify the demand of legal compliance as well as applicable law (principal 2) stated in RSPO P&C, land availability, community perception upon project.

The SEIA covered a review of documentary sources are collected through Focus Group Discussion (FGD), in-depth interview and village profile data; besides, the assessment also covered field observation and public consultation meetings for the villages within the project area and for affected landowners of surrounding communities. Summaries and findings of the interviews and public consultation meetings are included in the SIA report

## SUMMARY FROM HCV ASSESSMENT(S):

HCV assessment of Smallholders Scheme of PT Sahabat Mewah dan Makmur project area conducted on 3-6 November 2014 by the RSPO approved Assessor License Scheme; Dr. Nyoto Santoso (Team leader), Berry Lira Rafiu, S. Hut (Discipline Specialist on Fauna), Domi Suryadi, S.Hut (Discipline Specialist on Flora), Jimmy Syahrasyid (Discipline Specialist on GIS), Yani Silfariani, SE, M.Si (Discipline Specialist on social, economic and culture), Rae Birumbo, S.Pi (Discipline Specialist on social, economic and culture). The HCV assessment is peer reviewed by De. Jarwadi B. Hernowo on December 2014.

The assessment included satellite imaginary analysis, extensive field surveys, and public consultations with the communities living in the project area (Villages of Dendang, Balok, Nyuruk, Jangkang, Jangkar Asam, Lilangan, Limbongan, Batu Penyu, Tanjung Kelumpang, Simpang Pesak, Dukong, Simpang Tiga, Renggiang and Kelubi). The HCV assessment report included recommendations for the management and improvement of the HCV found within the project area.

The HCV identified in the Smallholders Scheme of PT Sahabat Mewah dan Makmur project area clearly mapped. Based on identification and analysis of HCV presence in the area there are found HCV 1.2, HCV 4.1 and HCV 6 with total area coverage of 8.52 ha. No area supporting HCV 2, HCV 3 and HCV 5 are identified. Location Plan and the area will be opening new land was not in the area of primary forest, however on the Other Use Land (APL/ Area Penggunaan Lain)

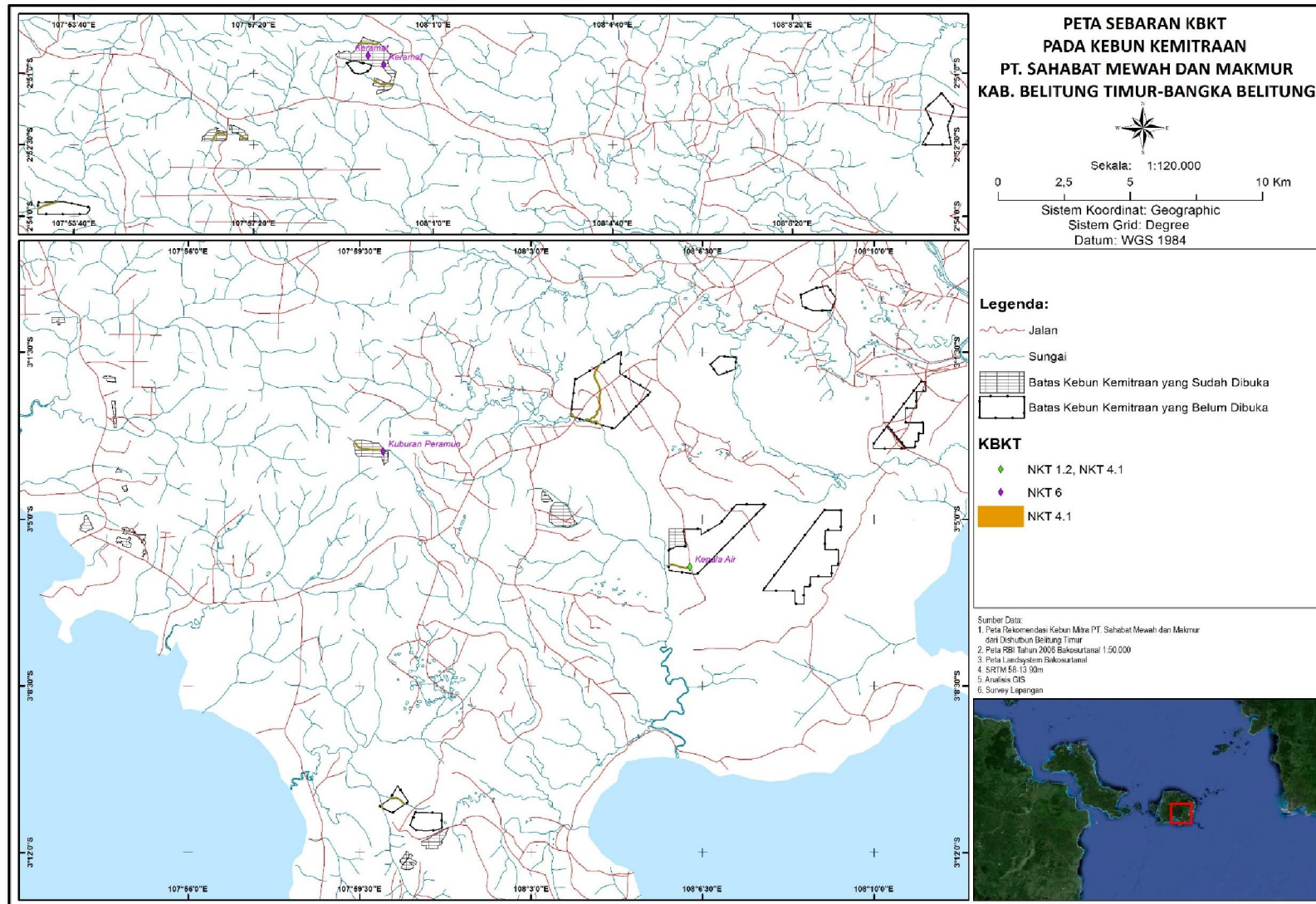
Table 1. Identification and Analysis of HCVs Presence (HCV1-6) in the Area of Scheme of PT Sahabat Mewah dan Makmur project area.

No	Location Name	HCV Area	Area (Ha)	Area per HCVA (ha)		
				HCV 1.2	HCV4.1	HCV 6
1	Head Water of Sembulu River	1.2, 4.1, 6	0.50	0.50		
2	Riparian of Sambar River	4.1	2.20		2.20	
3	Riparian of Kuri River	4.1	0.66		0.66	
4	Riparian of Aik Ruak River	4.1	1.45		1.45	
5	Riparian of Anak Kandis River	4.1	1.21		1.21	
6	Riparian of Sembulu River	4.1	1.75		1.74	
7	Liring (A) Forest Sacred	6	0.20			0.20
8	Liring (B) Forest Sacred	6	0.03			0.03
9	Paramun Graves	6	0.02			0.02
10	Sembulu Head Water	6	0.50			0,50
TOTAL of HCV AREA			8.52	0.50	7.27	0.75
% HCVA equal to Location Permit Area			1.42			

Note: Area coverage of each HCV did not describe the total area of identified HCV. Since there were overlapping areas of the identified HCV on the same block/grid



Figure 3. HCV Map of Plantation Partnership Program PT. SMM



## DOCUMENTATION OF FREE, PRIOR AND INFORMED CONSENT.

Available socialization records in beginning for offering the partnership program by PT Sahabat Mewah dan Makmur, for examples:

1. Air Ruak Hamlet, Village of Simpang Tiga on 21 June 2012 support by the attendant list documentation which followed by 14 villagers.
2. Village of Lilangan Tiga on 29 August 2012 support by the attendant list documentation which followed by 17 villagers.
3. Village of Tanjung Kelumpang on 25 October 2012 support by the attendant list documentation which followed by 33 villagers.
4. Village of Nyuruk on 18 February 2014 support by the attendant list documentation which followed by 16 villagers.

## SUMMARY OF PLANS:

The management plan of Partnership plantation PT Sahabat Mewah dan Makmur has incorporated the findings from SEIA (SPPL), Social Impact Assessment (SIA) and HCV assessment for implementing the operational plans. Recommendations and also conclusion as result of SEIA and HCV has integrated in the management plan and consistent with RSPO P&C for New Plantings.

Personnel involved in planning and implementation:

- Jerileva Purba (General Manager of PT. Sahabat Mewah dan Makmur)
- Sonny Sunjaya Sukada (Sustainability Director of Austindo Nusantara Jaya)

Stakeholders involved during implementation:

- Agriculture Agency
- Balai Konservasi Sumber Daya Alam (BKSDA)
- Local Government (Province, Regency, District and Villages)
- Partnership Members
- Company employees
- Local community leader

#### 4.a. Summary of Management and Mitigation Plan (SIA)

Program	Activity	Challenge	Opportunity	Strategy	Output	Time Frame
Tenurial	Identification and Mapping of land ownership at Partnership Plantation Area of PT. SMM, Problem identification that happened and the solution	<ul style="list-style-type: none"> <li>Tenurial is a fragile problem.</li> <li>Community Land don't have clear border on site.</li> <li>Not All community land have legal document such as SKT or CPCL</li> <li>Village border that is not clear</li> <li>Potential problem of overlapping land ownership</li> <li>The Land that cooperating to mostly are fragile land (ex mining)</li> </ul>	<ul style="list-style-type: none"> <li>Most community support partnership program</li> <li>Company already has Standard Operation Procedure for Sustainable Palm Oil</li> <li>No cases of overlapping land ownership</li> <li>No conflict between Company and Community, and the conflict category is low</li> </ul>	<ul style="list-style-type: none"> <li>Build a psychological approaches with the community for example sport, attend a celebration of the people, etc.</li> <li>The identification process involves representatives of each village community, which means that the company formed a team identification and verification of land that comes from each village.</li> <li>Identify beginning of lands that have been submitted by a group of farmers / landowners.</li> <li>Prior to the identification and mapping prior to disseminate to the public related to the presence and action plans partnership PT. Sahabat Mewah and Makmur.</li> <li>Once mapped, the results should be agreed upon by the landowners and the government known to the village concerned.</li> <li>Conducting study visits to locations or areas that have been successful in partnership with representatives of participants</li> </ul>	Map of land ownership in the area of partnership PT. Sahabat Mewah dan Makmur	2015-2018
	SOP compilation is clear and unequivocal in the completion of land acquisition	<ul style="list-style-type: none"> <li>Not all of the land boundary between the public are clearly</li> </ul>	<ul style="list-style-type: none"> <li>The company has a high importance to the settlement of the land quickly and on target.</li> <li>Completion of the land can be done by deliberation</li> <li>There were no cases of overlapping</li> </ul>	<ul style="list-style-type: none"> <li>Before doing the land acquisition should first perform socialization to the public related to the compensation pattern, the pattern of partnership and benefit the partnership program PT. SMM</li> <li>The approach and implementation in a transparent and participatory settlement</li> <li>The involvement of team identification, verification and village level land acquisition.</li> </ul>	<ul style="list-style-type: none"> <li>SOP document completion of land acquisition</li> </ul>	2015-2016
	Forming team Identification, Verification and land acquisition.	<ul style="list-style-type: none"> <li>Not all of the land boundary between the public are clearly.</li> <li>Potential for double claims</li> <li>There is a clearance of land mines in the area of partnership PT.</li> </ul>	<ul style="list-style-type: none"> <li>The village and sub-district, and district support partnership activities PT. SMM</li> <li>Village government wants the land acquisition process through the village or representing the</li> </ul>	<ul style="list-style-type: none"> <li>Making this team as an extension of the company to promote the company's activities to the community and participate in maintaining the security of the company's activities.</li> <li>Establishment of team identification, verification and land acquisition carried out in each village composed of representatives of the village administration, religious leaders (lebay), traditional (shaman), BPD,</li> </ul>	<ul style="list-style-type: none"> <li>Completion of the formation of teams of identification, verification and village land acquisition</li> </ul>	2015-2016

Program	Activity	Challenge	Opportunity	Strategy	Output	Time Frame
		SMM.	village, so it will clearly documented and socialization is done in rural areas related <ul style="list-style-type: none"> <li>Community support partnership activities PT. SMM.</li> </ul>	and other community leaders.		
	Facilitation of inter-village boundary measurements in the area of partnership Program	<ul style="list-style-type: none"> <li>There is no agreement about the village boundary, regard to the area of partnership program</li> <li>Potential emergence of land claims by the relevant village</li> </ul>	<ul style="list-style-type: none"> <li>Each party is willing to negotiate about rural village boundary.</li> </ul>	<ul style="list-style-type: none"> <li>The process of setting boundaries between villages according to provisions of Regulation Belitung Timur</li> <li>The company's role is only to facilitate the measurement field and encourage governments (districts and villages linked) to complete the advance of the village boundary.</li> <li>In the measurement of inter-village boundary should involve community leaders in each village and sub-district muspika.</li> </ul>	<ul style="list-style-type: none"> <li>Agreement on the boundaries of the village.</li> </ul>	2015-2016
	Documentation of the processes carried out by the company	<ul style="list-style-type: none"> <li>Maintaining area of partnership that is recognized by all parties</li> </ul>	<ul style="list-style-type: none"> <li>Based on the government program of East Belitung regent</li> </ul>	<ul style="list-style-type: none"> <li>Develop and archive all area release process, plantations, and other documents related to the legality</li> <li>Continuing the existing system and develop it if there are weaknesses</li> </ul>	<ul style="list-style-type: none"> <li>Documentation of all documents and legality partnership partnership PT. SMM</li> </ul>	2015-2024
Build communication and networking with stakeholders related to partnership program PT. SMM	Conduct regular meetings with stakeholders and coordinating with village officials, community leaders, traditional leaders (shaman), religion (lebay) and other	<ul style="list-style-type: none"> <li>The type and characteristics of the diverse stakeholders</li> <li>Interest and willingness of each stakeholder quite varied</li> </ul>	<ul style="list-style-type: none"> <li>Communication between the company and stakeholders has been established</li> <li>All stakeholders support the existence of a partnership program PT. SMM</li> </ul>	<ul style="list-style-type: none"> <li>Creating a regular schedule</li> <li>Deciding on a theme for each meeting</li> <li>Documenting the results of the meeting</li> <li>Conduct follow-up results of the meeting</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of communication and coordination between the company and stakeholders</li> <li>Establishment of a common vision and understanding between companies and stakeholders</li> </ul>	Twice a Year 2015-2024

Program	Activity	Challenge	Opportunity	Strategy	Output	Time Frame
	figures					
	Socialization to the land owners	<ul style="list-style-type: none"> <li>Not all people get the explanation of the concept of partnership development will be carried out by the company (boundaries, the pattern of results, and a partnership)</li> </ul>	<ul style="list-style-type: none"> <li>The public expects more profound socialization and continuous.</li> <li>The community has willingness to discussions with the company</li> </ul>	<ul style="list-style-type: none"> <li>Socialization to villagers should as an open discussion meeting.</li> <li>In the socialization can involve team of identification, verification and land acquisition programs to convey to the public the company's activities.</li> <li>Socialization or regular meetings, especially with the village administration, community leaders and land owners</li> </ul>	Mutual Agreement between the Company	2015-2016
Improving the quality of public education	Creating educational development plan in accordance with the needs of society and the needs of companies	<ul style="list-style-type: none"> <li>Elementary School facilities are already available, but the teachers are still relatively poor in terms of both quality and quantity.</li> <li>Public interest in education is quite varied</li> <li>School fees are deemed to be expensive.</li> </ul>	<ul style="list-style-type: none"> <li>The company's commitment is high enough</li> <li>There are people who have the motivation and the potential to continue their education to a higher level</li> <li>It is a national program</li> <li>educational facilities already exist, but the teachers are limited</li> </ul>	<ul style="list-style-type: none"> <li>Encouraging, cooperation and establish communication with the District Education Office in East Belitung Mainly related shortage of teachers.</li> <li>Establish educational facilities in the area of companies that can be utilized by the local community.</li> <li>Creating a scholarship program for outstanding children.</li> <li>Increase of teachers by increasing the provision of teachers' incentives</li> </ul>	<ul style="list-style-type: none"> <li>Document of the education development for the community</li> </ul>	2015-2022
	Provide scholarships to outstanding students	<ul style="list-style-type: none"> <li>How did the scholarship can be effective and targeted</li> </ul>	<ul style="list-style-type: none"> <li>There are students who have potential and a strong motivation to continue education</li> </ul>	<ul style="list-style-type: none"> <li>Make a plan scholarships</li> <li>Make a selection with the involvement of stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Increasing the quality of public education</li> </ul>	Start at 2014
Improving the quality of public health	Identification of health infrastructure in villages around PT. SMM	<ul style="list-style-type: none"> <li>awareness and public knowledge about the health and environmental sanitation still needs to be improved.</li> <li>Limitations of medical personnel in the health center (sub) each</li> </ul>	<ul style="list-style-type: none"> <li>Facilities and enterprise networks in public health are adequate</li> </ul>	<ul style="list-style-type: none"> <li>In collaboration with the Health Department / Community Health Center / sub / poskesdes and other third parties</li> <li>Establish health facilities in rural areas / partnerships, which can be accessed by the public.</li> <li>Optimizing the company's health officer</li> </ul>	<ul style="list-style-type: none"> <li>Continuing and Increasing the levels of public health.</li> </ul>	2015-2022

Program	Activity	Challenge	Opportunity	Strategy	Output	Time Frame
		village.				
	Do health and sanitation counseling, and treatment to communities	<ul style="list-style-type: none"> <li>Awareness and knowledge of public health still needs to be improved.</li> <li>Limited medical personnel</li> <li>Lack of adequate clean water, especially during the dry season</li> </ul>	<ul style="list-style-type: none"> <li>The company has the adequate attention and capabilities in the health sector.</li> <li>There are many partners can be invited to cooperate</li> </ul>	<ul style="list-style-type: none"> <li>Determine socialization materials most needed by the community</li> <li>Conducting activities in cooperation with local health office</li> <li>ooperating with local medical personnel, such as TBAs or other village shaman.</li> </ul>	<ul style="list-style-type: none"> <li>Continuing and increasing knowledge of society against dangerous diseases and good environmental sanitation.</li> <li>Increasing the quality of public health</li> </ul>	Start at 2015
	The provision of clean water infrastructure	<ul style="list-style-type: none"> <li>The quality of river water is considered unfit for drinking water.</li> <li>Communities create water reserves from the former tin mining area / sand</li> </ul>	<ul style="list-style-type: none"> <li>In the villages around the area of partnership allows the company to make wells or boreholes.</li> <li>Some communities already have their own toilet facilities at home</li> </ul>	<ul style="list-style-type: none"> <li>Providing assistance dug wells or boreholes and other water supply facilities (the pipe) is performed based on priority scale and financial capacity of the company</li> <li>Cooperation and coordination of other companies that are around the village to create a joint program (eg by mining, rubber, or other palm plantations)</li> </ul>	<ul style="list-style-type: none"> <li>The availability of clean water for the surrounding communities</li> </ul>	Start at 2016
	Activation of health facilities	<ul style="list-style-type: none"> <li>Awareness and knowledge of public health remains low</li> <li>The cost of treatment is quite expensive.</li> <li>Limitations of medical personnel in the village.</li> </ul>	<ul style="list-style-type: none"> <li>The company has the adequate attention and capabilities in the health sector</li> <li>There are many partners can be invited to cooperate</li> </ul>	<ul style="list-style-type: none"> <li>Activation Polyclinic in rural areas / partnerships, and recruit medical personnel</li> <li>Polyclinic in the estate can also be used for the community, provided conditions apply.</li> <li>existing Polyclinic is equipped with enough medicines</li> </ul>	<ul style="list-style-type: none"> <li>Health facilities and it's equipments</li> </ul>	2015-2020
Improved the quality of Accessibility	Improvement of village roads	<ul style="list-style-type: none"> <li>infrastructure and costs required quite expensive.</li> <li>The ability of people in road maintenance is very poor</li> </ul>	<ul style="list-style-type: none"> <li>The company has the sufficient attention and capabilities</li> <li>The road is also used by the company's activities.</li> <li>People do not ask to be on the tarmac but quite done hardening and care</li> </ul>	<ul style="list-style-type: none"> <li>Helping on roads maintenance according to the ability of the company.</li> <li>Cooperation and coordination with local government to create a joint program</li> </ul>	<ul style="list-style-type: none"> <li>Better society accessibility</li> </ul>	Start at 2015

Program	Activity	Challenge	Opportunity	Strategy	Output	Time Frame
Economic empowerment	Conducting of economic potential analysis	<ul style="list-style-type: none"> <li>• Required depth study</li> <li>• Required the study of various aspects</li> </ul>	<ul style="list-style-type: none"> <li>• The economic potential is quite large, especially in agriculture (pepper, rubber, fruits)</li> <li>• The company's commitment is big enough</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting discussions and interviews to the community facilitated by the company, to explore the economic potential that can be developed</li> <li>• Conduct a study involving a consultant of community economic development</li> </ul>	<ul style="list-style-type: none"> <li>• Documentation of the economic potential that can be developed by communities in partnership program PT. SMM</li> </ul>	2015-2016
	Encourage the development of agriculture and intensive oil palm plantations.	<ul style="list-style-type: none"> <li>• It needs intensive training and infrastructure supporting</li> </ul>	<ul style="list-style-type: none"> <li>• Market opportunities at the local level is quite open</li> <li>• Full fill the basic needs of society</li> <li>• The main revenue source community</li> <li>• The availability of land are wide enough</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare institutions and organizations at the community level</li> <li>• Conduct training on the development of intensive cultivation.</li> <li>• Continual assistance</li> <li>• Seed providing for community</li> <li>• Marketing Cooperation</li> </ul>	<ul style="list-style-type: none"> <li>• The creation of an optimal source of income for the community</li> </ul>	2016-2025
	Counseling and training in order to create business opportunities and alternative business opportunities in accordance with the potential of the community	<ul style="list-style-type: none"> <li>• The knowledge and skills of people in entrepreneurship still lacking</li> <li>• Creating a business field based on potential local community</li> </ul>	<ul style="list-style-type: none"> <li>• Potential for agricultural businesses is large enough</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting training for entrepreneurship</li> <li>• Facilitating capital and business equipment</li> <li>• ongoing mentoring activities both in terms of production and marketing</li> <li>• Cooperation with relevant agencies and other relevant parties.</li> </ul>	<ul style="list-style-type: none"> <li>• Documentation in business development plan for community</li> <li>• The creation of alternative income opportunities for the community.</li> </ul>	2016-2020
	Acceptance of the local workforce	<ul style="list-style-type: none"> <li>• Knowledge, education and skills of the community in the activities of oil palm plantations is still limited</li> <li>• The all community are</li> </ul>	<ul style="list-style-type: none"> <li>• People in productive age is large enough</li> <li>• People really look forward to partnering and working in the company PT. SMM.</li> </ul>	<ul style="list-style-type: none"> <li>• Placing the local workforce in accordance with his ability</li> <li>• Increased local capacity through training for the community</li> </ul>	<ul style="list-style-type: none"> <li>• Acceptance of the local workforce</li> <li>• Improved work ethic of the local workforce</li> </ul>	2015-2022

Program	Activity	Challenge	Opportunity	Strategy	Output	Time Frame
		not used to working with a regular pattern and discipline				
	Development and maintenance of the plantation partnerships program	<ul style="list-style-type: none"> <li>Community understanding of the concept of partnership still vary.</li> <li>People do not know best practices of oil palm cultivation and the non-certified palm oil seed for their plantation</li> </ul>	<ul style="list-style-type: none"> <li>Partnership activities have the support of all parties.</li> <li>There have been many successful plantation partnership schemes</li> <li>Perusahaan has had a policy of partnership development.</li> </ul>	<ul style="list-style-type: none"> <li>Conduct intensive meetings to socialize information about the pattern of partnership cooperation / partnership especially with respect to area, the rules and requirements necessary</li> <li>Involve the public, community leaders, village governments and other stakeholders.</li> <li>Facilitate the formation of cooperatives (Koperasi) and Conducting development and institutional capacity building of Cooperative (koperasi)</li> <li>Comparative study</li> </ul>	<ul style="list-style-type: none"> <li>The occurrence of understanding and agreement between the company and society (koperasi) relating to the partnership program</li> <li>Documentation of the location, area and land status candidate plantation partnerships and partnership development plan</li> </ul>	Start at 2015
Environmental Improvement Program	Mitigation of quality changes potential in river water	<ul style="list-style-type: none"> <li>Changes in river water quality is affected by a variety of activities in the upstream (mainly mining)</li> </ul>	<ul style="list-style-type: none"> <li>The Company has adopted the principles of sustainable development of oil palm plantations</li> <li>The company has been providing river banks in accordance with the national regulations</li> </ul>	<ul style="list-style-type: none"> <li>Conduct periodic training of waste management (nucleus, partnerships and factory)</li> <li>Utilization of waste treatment technologies that are environmentally friendly</li> <li>Monitoring the quality of waste water at the outlet WWTP</li> <li>Monitoring the quality of the river on a regular basis, especially at the inlet and outlet</li> </ul>	<ul style="list-style-type: none"> <li>Liquid waste that meet water quality standards</li> <li>Management and environmental monitoring report</li> </ul>	During corporate and partnership operations
	Mitigation in increasing of surface erosion potential	<ul style="list-style-type: none"> <li>Increasing the rate of erosion are affected by slope and the lack of ground cover vegetation</li> </ul>	<ul style="list-style-type: none"> <li>Principles of soil and water conservation has been strictly implemented in land clearing and plantation operation</li> </ul>	<ul style="list-style-type: none"> <li>Planting land cover vegetation or LCC (Legume Cover Crop) on newly cleared land and oil palm plantations that young age, as well as efforts to prevent deterioration of the quality / soil fertility</li> <li>Making the terracing and building "rorak" to reduce</li> </ul>	<ul style="list-style-type: none"> <li>The rate of surface erosion decreases, low sedimentation and soil fertility</li> </ul>	During the company operates



<b>Program</b>	<b>Activity</b>	<b>Challenge</b>	<b>Opportunity</b>	<b>Strategy</b>	<b>Output</b>	<b>Time Frame</b>
			<b>management</b>	<b>the rate of surface erosion</b>	<b>can be maintained</b>	
	<b>Campaigning, training and socialization of 3R (Reduce-Reuse-Recycle) to the community and employees</b>	<ul style="list-style-type: none"> <li>• <b>Public awareness of 3R is still minimal</b></li> <li>• <b>To change behavior is quite hard to do</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>The company's commitment to the principles of sustainability</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Increase the awareness and skills of employees and the community in implementation of sustainability principles</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>The implementation of sustainability principles that synergies with community development efforts</b></li> </ul>	<b>During corporate and partnership operations</b>

Management and mitigation plans for threats to HCV area

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

1. Identification and documentation of HCV element and threats
2. Socialization of HCV area to the management, worker, contractor and local communities
3. Monitoring of land clearing activities

The monitoring process will be described in the table below

4.b. Summary HCVA Management Plan and **HCV Monitoring Plan in Partnership Plantation Area of PT. Sahabat Mewah dan Makmur**

HCV Management Plan at Partnership Plantation Area of PT. Sahabat mewah dan Makmur

No	Name of HCV	HCV	Inventory and Identification of the dry land cover conditions in the Area of KBKT (Ha)	KBKT Areal Boundary Marking (Ha)	Boundary Sign and maintenance (Ha)	Protection Area, Flora and Fauna					Enriched (Ha)	Outreach to the Community	Employee Training	The Arrangement/Repaired of SOP	Organizational	Consultations with Stakeholder
						Name Plate	The Ban on Hunting	The Board on Damaging Flora and Fauna	Maintenance	Patrol (Ha)						
1	Boundary Creek Sandis River	HCV 4.1	1.21	1.21	1.21	2	2	2	6	1.21	1.21	Renggian & Simpang Pesak and Limbongan Villages	Environmental Monitoring Management Section of The KBKT Field Division	Environmental Division of PT. SMM	Environmental Division of PT. SMM	Drafting MoU regarding Management of KBKT with relevant agencies (BKSDA, Dept. of Forestry, NGO)
2	Boundary Creek Sembulu River	HCV 4.1	1.75	1.75	1.75	2	2	2	6	1.75	1.75					
3	Border of Sambar River	HCV 4.1	2.20	2.20	2.20	2	2	2	6	2.20	2.20					
4	Border of Kuri River	HCV 4.1	0.66	0.66	0.66	2	2	2	6	0.66	0.66					
5	Border of Aik Ruak River	HCV 4.1	1.45	1.45	1.45	2	2	2	6	1.45	1.45					
6	Headwater of Sembulu River	HCV 1.2, 4.1, 6	0.50	0.50	0.50	2	2	2	6	0.50	0.50					
7	Liring A Forest Sacred	HCV 6	0.03	0.03	0.03	1	1	1	3	0.03	0.03					
8	Liring B Forest Sacred	HCV 6	0.20	0.20	0.20	1	1	1	3	0.20	0.20					
9	Paramun Graves	HCV 6	0.02	0.02	0.02	1	-	-	1	Enclave	0.02					
10	Sembulu Head Water	HCV 6	0.50	0.50	0.50	1	-	1	1	0.50	0.50					
<b>Total of KBKT</b>			<b>8.52</b>	<b>8.52</b>	<b>8.52</b>					<b>8.52</b>	<b>8.52</b>					
<b>Period and Time Management of KBKT</b>			<b>Each Year the Start of RKAP 2015</b>	<b>Once on RKAP 2015</b>	<b>Each Year the Start of RKAP 2015</b>	<b>Start RKAP 2015</b>	<b>Start RKAP 2015</b>	<b>Start RKAP 2015</b>	<b>Each Year the Start of RKAP 2015</b>	<b>Twice/Month, Start RKAP 2015</b>	<b>-</b>	<b>Every 6 Months, Start RKAP 2015</b>	<b>Every Year, Start RKAP 2015</b>	<b>Once, at RKAP 2015</b>	<b>Once, at RKAP 2015</b>	<b>Once/Month</b>

HCV Monitoring Plan of Partnership Plantation Area of PT. Sahabat Mewah dan Makmur

HCV Type	Location	Activity	Indicator	Purposed	Criteria of Measurement	Monitoring Method	
						Collecting and Analyzing Data	Monitoring period
NKT 1.2. Near Extinct Species	<ul style="list-style-type: none"> <li>Sempadan Anak Sungai Sembulu</li> </ul>	<ul style="list-style-type: none"> <li>Inventory, distribution &amp; composition type of flora</li> <li>Monitoring of Disturbance intensity</li> </ul>	<ul style="list-style-type: none"> <li>The amount and composition of wildlife species (mammal, reptile and aves) and flora in each location having HCV 1.2</li> <li>Distribution and abundance of species in each location having HCV 1.2</li> <li>Disturbance intensity to the species in each location having HCV 1.2</li> <li>Species intensity condition of the almost extinct flora species</li> </ul>	<ul style="list-style-type: none"> <li>Knowing the amount and species composition, wildlife and flora in each location having HCV 1.2 periodically</li> <li>Knowing the distribution improvement and abundance species of each location having HCV 1.2 periodically</li> <li>Knowing the disturbance level or pressure of species in each location having HCV 1.2 periodically</li> <li>Knowing the species intensity which are almost extinct.</li> </ul>	<p>Good : The wildlife diversity and flora species intensity (including protected and RTE) in location having stable or increase.</p> <p>Medium : The wildlife diversity and flora species intensity (including protected and RTE) in location decrease &lt;50%.</p> <p>Bad : The wildlife diversity and flora species intensity (including protected and RTE) in location decrease &gt;50%.</p>	<ul style="list-style-type: none"> <li>Tools and materials : work map, GPS, camera, compass, binocular, tally sheet, meter ruler, plastic rope and writing tools</li> <li>Measuring Method : direct observation in area HCV 1.2</li> <li>Data Analysis Method : describe and quantitative analysis from each observation period</li> <li>Conclusion Method : if the indicator value earned from monitoring is included medium and bad, so the management activity undergoing in area having HCV1.2 needs to be improved</li> </ul>	For the disturbance activity is done once a month, while for the other monitoring indicators are done once a year and would begin at RKAP 2015
HCV 4.1 is and area or an essential ecosystem as water supply and flood control for the community who living in the river banks	<ul style="list-style-type: none"> <li>Riparian of Anak Kandis River</li> <li>Riparian of Sembuluh River</li> <li>Riparian of Sambar River</li> <li>Riparian of Kuri River</li> <li>Riparian of Air Ruak River</li> </ul>	<ul style="list-style-type: none"> <li>Inventory of biology, physic and chemical of riparian</li> <li>Monitoring of disturbance intensity</li> </ul>	<ul style="list-style-type: none"> <li>The disturbance intensity to the mangrove area, including the danger of fire</li> <li>The diversity and floral tightening species condition within the area</li> <li>The wildlife species diversity and abundance condition</li> <li>Knowing the activity realization and the land cover percentage in rehabilitation activity, also monitor and secure the area</li> <li>The change of river width</li> </ul>	<ul style="list-style-type: none"> <li>Knowing the disturbance intensity in the area and also the change of water quality in each location having HCV 4.1</li> <li>Knowing the diversity and floral tightening condition within the area</li> <li>Knowing the activity, realization and land cover condition, also monitoring and securing the area</li> <li>Knowing the change of river width</li> </ul>	<p>Good : no disturbance and water quality is good, no pollution</p> <p>Medium : the disturbance in HCV 4.1 starts to appear, water quality decrease and pollution is start</p> <p>Bad : the disturbance in HCV 4.1 rises, water quality is poor and pollution begins</p>	<ul style="list-style-type: none"> <li>Tools and Materials : work map, GPS, camera, compass, binocular, tally sheet, meter ruler, plastic rope and writing tools</li> <li>Measuring Method : direct observation in area HCV 4.1</li> <li>Data Analysis Method : describe and quantitative analysis from each observation period</li> <li>Conclusion Method : if the indicator value earned from monitoring is included medium and bad, so the management activity undergoing in area having HCV 4.1 needs to be improved</li> </ul>	For disturbance intensity is once in 6 month. Other indicator is measured once a year.
HCV 6 area having an	<ul style="list-style-type: none"> <li>Liring A Forest Sacred</li> </ul>	<ul style="list-style-type: none"> <li>Monitoring of disturbance/destructi</li> </ul>	<ul style="list-style-type: none"> <li>The disturbance/destructio</li> </ul>	<ul style="list-style-type: none"> <li>Knowing the disturbance/ destruction</li> </ul>	<p>Good : no destruction and no disturbance to</p>	<ul style="list-style-type: none"> <li>Tools and Materials : work map, GPS, camera, compass,</li> </ul>	For disturbance activity is done

<p><b>essential function for local community culture</b></p>	<ul style="list-style-type: none"> <li>• <b>Liring B Forest Sacred</b></li> <li>• <b>Peramun Graves</b></li> <li>• <b>Head Water of Sembulu</b></li> </ul>	<p><b>on level</b></p>	<p><b>n level that occurred to the sacred place</b></p> <ul style="list-style-type: none"> <li>• <b>Interaction intensity of the community to the area</b></li> </ul>	<p><b>level that occurred to the sacred area</b></p> <ul style="list-style-type: none"> <li>• <b>Knowing the interaction of the community to the area</b></li> </ul>	<p><b>the sacred area.</b>  <b>Medium : sacred destruction area is &lt;25% or low level of disturbance</b>  <b>Low : sacred destruction area is &gt;50% or high level of disturbance</b></p>	<p><b>binocular, tally sheet, meter ruler, plastic rope and writing tools</b></p> <ul style="list-style-type: none"> <li>• <b>Measuring Method : direct observation in area HCV 6</b></li> <li>• <b>Data Analysis Method : describe and quantitative analysis from each observation period</b></li> <li>• <b>Conclusion Method : if the indicator value earned from monitoring is included medium and bad, so the management activity undergoing in area having HCV 6 needs to be improved</b></li> </ul>	<p><b>once in a month. Other indicator is measured once a year.</b></p>

## VERIFICATION STATEMENT:

PT Sahabat Mewah dan Makmur for planning the partnership plantation with smallholders opted for a document verification and field observation to conduct the New Planting Procedure. Mutuagung Lestari auditors have conducted desk study and discussions with sustainability officers during the desk audit. Two Mutuagung Lestari auditors (Octo HPN Nainggolan and Bukti bagja) were conducted the documentation audit at PT Sahabat Mewah dan Makmur office in Belitung on 9 June 2015 to interview with the management representatives and verify the relevant document such as: Head of Regency Decree of Prospective Farmers and Prospective Land, SEIA documents (SIA and SPPL), HCV assessment report, HCV and SIA Summary Report and Management Plan. Field observation and interviews with the smallholders was conducted on 10-11 June 2015, however during the verification there were several documents still not complete shown to the auditors and the auditor continue with the next verification of Land Use Change Analysis and Carbon Stock Assessment documents on 9 October 2015. After all the verification conducted the auditor confirmed the oil palm development is new planting.

The SEIA (SPPL) has issued by the Environmental Agency and the smallholders has signed the Statement of Environmental Management and Monitoring Undertaking as well as the HCV and SIA assessments conducted by RSPO approved Assessor License Scheme, which all of this assessment has been done prior the land preparation. Partnership Plantation PT Sahabat Mewah dan Makmur has adhered to RSPO New Planting Procedure and documented the assessments and plans are comprehensive and professionally carried out according to RSPO requirements and comply with the applicable RSPO Principles, Criteria and indicators for new plantings.

Partnership plantation PT Sahabat Mewah dan Makmur also has complied to Criterion 7.8 (High Carbon Stocks) of the P&C RSPO 2013. The calculation of High Carbon Stock (HCS) is conducted with tier 2 from IPCC (2006) method. Location Plan and the area will be opening new oil palm planting was not in the area of primary forest, however the land cover are shrub, oil palm and open land. The Land Use Change Analysis in propose new planting have been conducted and explain on the Summary of HCV and SIA Report.

Several areas were already developed and planted by Partnership Plantation of PT. Sahabat Mewah dan Makmur before the HCV assessment conducted, however it was not in the HCV area.

This public notification will notified 30-days, if any party wishing to dispute the verification may pursue through the relevant RSPO Complaints and disputes procedures.

Signed for, on behalf of,  
Mutuagung Lestari



Octo HPN Nainggolan  
Lead Auditor

PT Sahabat Mewah dan Makmur

A handwritten signature in black ink.

Sonny Sunjaya Sukada  
Sustainability Director of ANJ