

# **RSPO New Planting Procedures**

## **Summary Report of Planning and Management**

**PT. ANUGRAH SURYA MANDIRI  
BERAU DISTRICT  
EAST KALIMANTAN PROVINCE  
INDONESIA**

**Summary Report of Planning and Management of SEIA and HCV in  
PT Anugrah Surya Mandiri**

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## Summary Report of Planning and Management of SEIA and HCV in PT Anugrah Surya Mandiri

### 1. Executive Summary

PT Anugrah Surya Mandiri (PT. ASM) , a subsidiary of KLK Berhad, is an oil palm company located in the Berau District, East Kalimantan Province.

PT ASM has conducted Environment Impact Assessment (AMDAL) , High Conservation Value (HCV) Assessment and Social Impact Assessment (SIA) in compliance with RSPO Criteria 7.1 and 7.3 on new planting.

The area of PT ASM undergoing New Planting Procedure is 3,700 Ha, as indicated in Location Permit (Izin Lokasi), No.101 dated 6th March 2008 and renewed Location Permit , No.759 dated 27th December 2010. It is situated in subdistrict of Batu Putih, Berau District. . In addition, the company has also obtained Plantation Business Permit (IUP) from the Regent of Berau (No.760 dated 27th December 2011) stating that the acquired area is 2,786 ha for parent company and 666 ha for smallholder scheme (Plasma).

The geographical location of PT. ASM is 118°14'41"-118°20'06" East and 1°12'03"-1°14' 19" North in the subdistrict of Batu Putih. The letter from Ministry of Forestry No.S.927/BPKH IV-3/2011 dated 12th October indicated that area of PT ASM is under Other Usage Area (Areal Penggunaan Lain, APL) and thus outside the forest area (Kawasan Hutan). According to HCV assessment, the concession area does not have any peat soil.

The northern and eastern parts of PT. ASM is surrounded by PT Jabontara Eka Karsa, another subsidiary of KLK while the western and southern areas are bordered by PT Umaq Tukung Mandiri Utama & PT Hanurata Coy Ltd, both of which are also oil palm plantations.

The EIA report was conducted by PT Poligon Kaltim and approved by Regent of Berau based on a letter No.64 dated 17th February whereas HCV and SIA were conducted in April 2011 by Aksenta whose team members are RSPO-approved HCV and SIA assessors. A comprehensive and participative assessment involves both internal and external stakeholders whose feedbacks are incorporated into the planning and management of PT ASM.

HCV assessment clearly indicated that :

- There is no primary forest.
- There is no peat soil
- It is not a protected area

The results of HCV study showed that there are three types of HCV found in PT ASM concession area which are HCV 1, HCV 3 and HCV 4. The total HCV area identified is 326.38 ha or 8.82% of the total area of 3700 Ha. Important element of HCV 1 is the presence of threatened species such as Muller's Borneon gibbon (*Hyllobates muelleri*) and Malayan pangolin (*Manis javanica*) , the presence of Borneo's endemic species of the gibbon and the existence of an important area as refugia for endangered species. The presence of forest on the limestone hill is a rare ecosystem and constitutes the presence of HCV 3. HCV 4 is related to water catchment areas, water sources of rivers, flood control, erosion control and spring water areas.

There are no HCV 2, HCV 5 and HCV 6 found in the concession area.

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From the social impact study it can be concluded that there is potential and significant impacts by the presence of PT ASM towards social sustainability for local community. The immediate activity that will have an impact on social sustainability is the recruitment of workers for plantation development such as land clearing and nursery. One of the negative social impacts cited in the study is the potential influx of workers from other parts of Indonesia to work in the plantation. Another potential social impact is related to scarcity of timber as a result of development of PT ASM.

From the Environmental Impact Assessment (EIA) study conducted, it can be concluded that there is potential impact by the presence of PT ASM towards the environmental impact to the area. The possible environmental and social impacts that can occur in this project can be divided into 4 phases of its development namely, Pre-development, Land Development, Operational stage and Post development. These potential impacts can be broadly summarized as follow: reduction in water and air quality; increase in noise level; increase in surface run-off; increase in erosion and sedimentation.

### 2. Reference Documents

#### 2.1 List of Reports

(i) Report of Social Environmental Impact Assessment (AMDAL) for PT Anugrah Surya Mandiri by PT Poligon, Kaltim was approved by Regent of Berau: No.64/2011 dated 21st February 2011

(ii) Report of HCV Assessment for PT Anugrah Surya Mandiri by Aksenta dated April 2011

(iii) Report of SIA for PT Anugrah Surya Mandiri by Aksenta dated April 2011

#### 2.2 List of Legal Documents, Regulatory Permits and Property Deeds

No.	Document	Issued By	No. and Date	Note
1	Location Permit (Izin Lokasi)	Regent of Berau ±3.700Ha	No.101 dated 6 March 2008	Renewed Permit: No.759/2011 dated 27 Dec 2011
2	Plantation Business Licence (Izin Usaha Perkebunan)	Regent of Berau	No.760 dated 27 Dec 2011	PT ASM:2786 ha Plasma:666 ha
3	AMDAL	Regent of Berau	No.64 dated 21st Feb 2011	
4	Company Registration	Dinas	TDP	

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		Perindustrian, Perdagangan dan Koperasi Kota Balikpapan	170515103185  28 September 2005	
5	Taxpayer Notification No.	02.465.142.4- 721.000	-	-
6	Notary  Tuan Abdul Halim Nazar	No.03 dated 1/4/2005 (Akta Pendirian Perseroan Terbatas ASM	No. 18 dated 16/6/2008  Pemegang Saham ASM	No.20 dated 3/8/2012  Pernyataan keputusan Pemegang Saham

### 2.3 Location Map of ASM

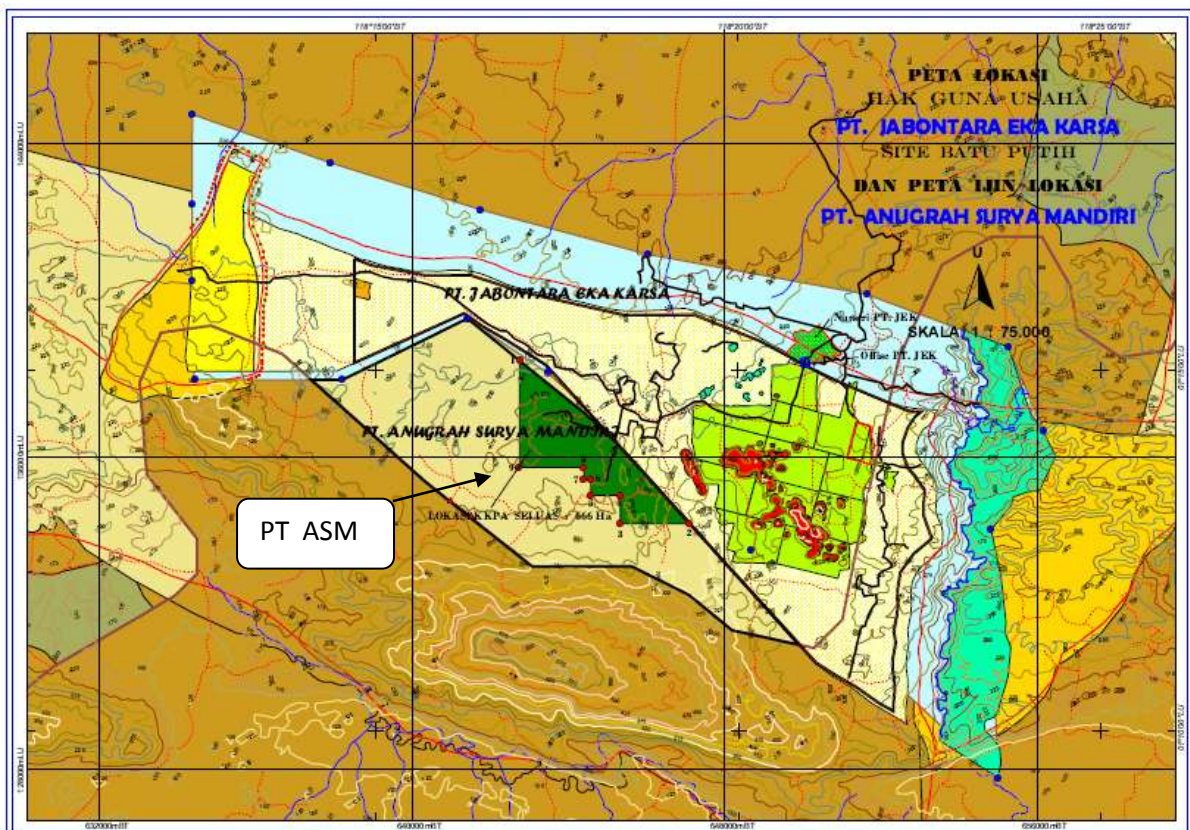


Figure 1. Location Map of ASM – Project Area

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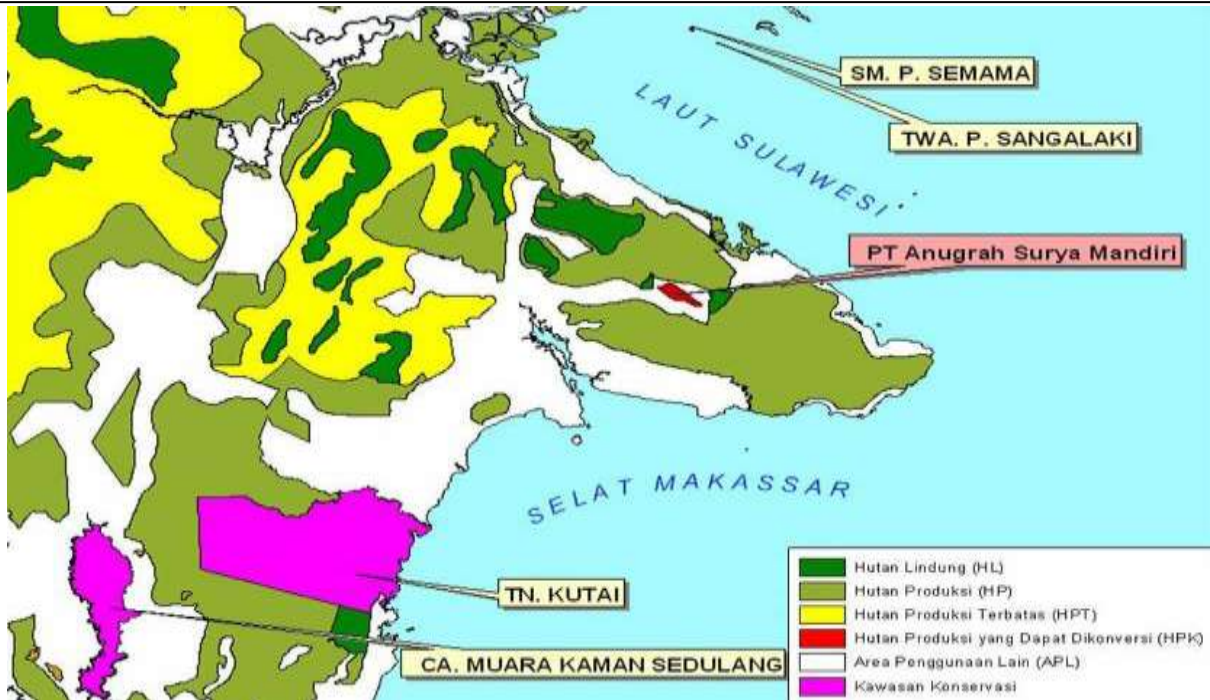


Figure 2. Landscape Map of ASM –Project Area

### 2.4 Area of New Plantings and Time-Plan for New Plantings

The development plan of PT ASM has incorporated the findings from SEIA (AMDAL) conducted by PT Poligon Kaltim, and HCV Assessments and Social Impact Assessments by Aksenta when implementing the operational plans. Management plans for HCV areas and Social impacts have been drawn up and are covered in this report.

The total area allocated in the Plantation Permit is  $\pm$  3352 ha, of which 2786 ha will be developed by the company and 666 ha for smallholder scheme.

After the New Planting Procedure has been approved by RSPO Secretariat, land clearing and planting will commence in 2013 and is programmed to be completed by end of 2014.

## 3. SIA and HCV Management & Planning Personnel

### 3.1 Organisational Information and Contact Person

Company Name	PT Anugrah Surya Mandiri
Parent Company	Kuala Lumpur Kepong Bhd
Address	Jl.Marsma Iswahyudi, RT 8 Kel. Rinding, Kec.Teluk Bayur, Kabupaten Berau-Kalimantan Timur
Office Contact No.	0554-2027064
RSPO Membership No.	1-0014-04-000-0
Person-In-Charge	H.Bakri Jamaluddin
Email	bakri.j@klk.com.my
Position	Production Director

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Capital Status	PMA (Foreign Investment Company)
Taxpayer No.	02.465.142.4-721.000
Status Concession Area	Izin Lokasi; IUP; AMDAL
New Planting Area	2,786 ha

### 3.2 Personnel involved in Planning and Management of SEIA and HCV

Those involved in the planning and implementation will be the Production Director, Estate Manager, Human Resources and Sustainability personnel.

### 3.3 Stakeholders to be involved

Stakeholders to be involved are local communities who will be affected by the development of PT ASM as identified in the Social Impact Assessment report. Relevant government departments, land-clearing contractors, HCV & SIA assessors and Management of PT ASM will also be involved. In fact PT ASM has conducted a round of public consultation/socialisation on 19 July 2008 with the local community of Batu Putih.

## 4. Summary of Management and Mitigation Plans

### 4.1 Summary of Social Impact Assessment Management and Mitigation Plan

Results of the SIA study concluded that there are potential and existing social impacts on local community due to the development of PT ASM. Various issues highlighted and management and mitigation plan are summarised in Table 1.

Table 1. Management and Mitigation Plans of SEIA for PT ASM

No.	Issues	Management Activities	Person(s) Responsible
1.	Potential conflicts on land acquisition between PT ASM and local community	1. Boundary survey on PT.ASM has been conducted by Land Survey Department. All in, 68 points have been pegged. 2. Boundary pegs will be verified annually.	1. Production Director 2. Manager, PT ASM
2.	Priority on intakes of local workers	1. Where deemed necessary, local workers, staff and executives will be given priority over outsiders. 2. Continuous socialisation on this matter between the company and local community will be conducted on an annually basis.	1. Manager, PT ASM 2. Human Resource Manager
3.	Concern over increased water and air pollution, soil erosion and	1. To comply with requirements of AMDAL, HCV and Best Agricultural Practices at all times. 2. To conduct water, air and noise	1. Manager, PT ASM 2. Staff, Sustainability



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	sedimentation during development	tests as required by regulations. 3.To monitor water, air and noise test results and take remedial measures if necessary.	Team
4.	1.Concern over shortage of timber as a result of land clearing 2.Conflicts among villages over the usage of timber because of poor demarcation of boundary.	1.The company will comply with requirements stated in Permit on Usage of Timber (IPK). 2.Demarcation of boundary of PT ASM has been done. 3.Timber usage will be closely monitored especially during land clearing period.	1.Production Director 2.Manager, PT ASM
5.	PT ASM has not develop smallholder scheme (plasma)	The scheme (666ha) has been approved by local authority	1.Production Director 2.Manager, PT ASM
6.	Lack of facilities like clinics, schools,workers housing and electricity supply	1.To improve on these facilities over the next 2-3 years 1.Refer to Development Program of PT ASM 2.Refer to Corporate Social Responsibility (CSR) program	1.Production Director 2.Manager, PT ASM

#### 4.2 Summary of HCV Management and Mitigation Plan

The development of HCV management and mitigation plan is based on results of HCV assessment by Aksenta and is summarised in Table 2. The HCV location map is shown in Figure 3 below.

Table 2. Management and Mitigation Plan of HCV for PT.ASM

No.	Objective	HCV Location	Management Activity	Person(s) Responsible
1	Management of Limestone Hill, Steep Hill & Forest surrounding Limestone Hill (HCV 1.2, 1.3, 3, 4.1 & 4.2 )	Index 2,3,4 & 5	1.No land clearing 2.No hunting & trapping of endangered animals 3.No illegal logging is allowed 4.Delineation of limestone hills has been done in March 2013 5.Ensure no open burning 6.Monitoring on the above will be conducted on a monthly basis using checklist.	1.Manager, PT ASM 2.Staff Sustainability Team
			7.Socialisation to workers on protection of endangered species of flora & fauna in HCV areas will be conducted on a	Human Resource Manager



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			annual basis.	
2.	Management of River Keruh (HCV 4.1 & 4.2)	Index 1	1.Establish, before land clearing, riparian of width 30 m.	1.Manager, PT ASM 2.Staff Sustainability
			2.Ensure no activities in riparian area including open burning	1.Manager, PT ASM 2.Staff Sustainability
			3.Enrich riparian area by planting of jungle trees	1.Manager, PT ASM 2.Staff Sustainability
			4.No poisoning of fish in the river.	Manager,PT ASM
			5.Conduct regular water test as per the regulation	1.Manager, PT ASM 2.Staff Sustainability
			6.No human activity in water catchment area	1.Manager, PT ASM 2.Staff Sustainability
			7.To delineate riparian - Done in March 2013	1.Manager, PT ASM 2.Staff Sustainability

Note: For index number, refer to Figure 3 below

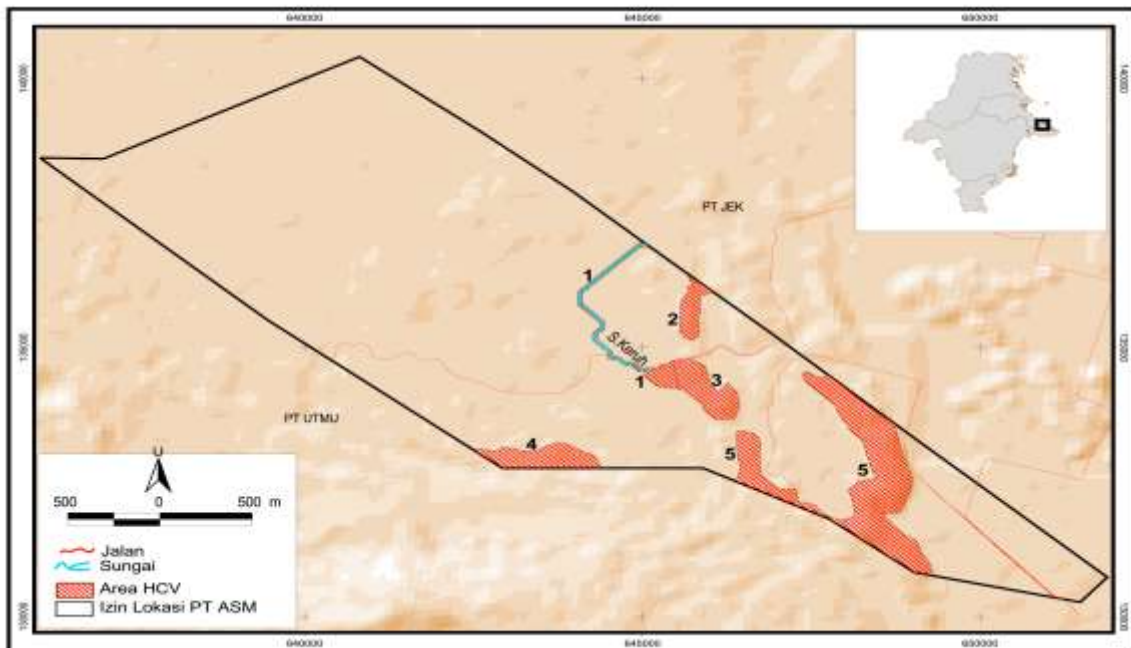


Figure 3. Location map of HCV of PT ASM

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**5. Internal Responsibility**

This document is the Summary Report of Planning and Management of SEIA and HCV conducted by Aksenta on PT. Anugrah Surya Mandiri (ASM)

Aksenta

Management of PT  
Anugrah Surya Mandiri



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Sujatnika  
Managing Director

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Haji Bakri Jamal  
Production Director