

# **NEW PLANTING PROCEDURES**

## **Summary Report of SEIA, SIA and HCV Assessments**

**PT Surya Sawit Sejati**

**Kumai, Pangkalan Banteng, Pangkalan Lada  
and South Arut District  
West Kotawaringin, Central Kalimantan  
Indonesia**

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## 1. Executive Summary

### 1.1 SIA Summary

PT Surya Sawit Sejati (PT SSS) is a Company strongly committed to social and environmental friendly plantation management. Such commitment materialised by engaging Aksenta for conducting Social Impact Assessment (SIA) in the Company's Location Permit concession being its expansion area. Location expansion planned for plasma plantation development and conservation area is located in Kumai, Pangkalan Banteng, Pangkalan Lada and South Arut Sub-District, West Kotawaringin, Central Kalimantan. This SIA activity aims to identify social impacts of the plantation and mill operations. Thus activity's output is made an input to social management and monitoring plan, serving as an inseparable part to the company's entire sustainable palm oil production management.

SIA is conducted under the frame of social sustainability approach. The influence of the company's presence, along with its plantation and mill is observed against community's social life sustainability. Components constituting the basic capital in community social livelihood sustainability are known as the 'pentagon capital' consisting of 1) human capital; 2) natural capital; 3) financial capital; 4) social capital; and 5) physical capital.

SIA approaches are 1) participatory, where stakeholders are actively engaged in impact identification process; 2) consultation, in which stakeholders' representatives are actively involved to explore aspirations or ideas of impact management; 3) triangulation, where field assessment is carried out by combining observation interview verification techniques; and 4) rapid, meaning that activities run rapidly to explore issues and their substances.

The SIA activity was carried out in 9 days (16-23 May 2014) by an assessment team consisting of Muayat Ali Muhshi, Sigit Budi Setyanto and Teuku Ade Fachlevi. The activity ran in villages around PT SSS Location Permit concession. The assessment process was performed with field observation, interview, Focus Group Discussion (FGD) and desktop study. The SIA phases are 1) dissemination of information on SIA to the company management and staffs; 2) data and information exploration and collecting; 3) consultation and triangulation; 4) desktop study; and 5) communication on the non-final output points to the management work unit heads for clarification and additional input.

PT SSS oil palm presence and operation significantly impacts on the community livelihood, i.e. 1) absorb local manpower and allow new businesses development; 2) generate additional income from plasma/partnership scheme plantations; and 3) rise and growth of new business opportunities. The negative impacts are skin irritation and poisoned that may potentially be suffered from by spraying and fertiliser application workers due to the absent of sanitation facility and lack of workers' discipline in wearing Personal Protective Equipment (PPE).

Risks in the form of reducing size of the location permit concession may potentially occur if community cultivating lands within the concession demands high land price or is unwilling to

release their lands. Risks are also found against the plasma plantation development success due to the crisis of leadership in and trust towards village government and plasma/partnership scheme cooperative.

In order to manage social impacts, risks and issues, it is advisable to the company to determine its management in strategic and systematic way. Social risks cannot be addressed with reactive, sporadically and short-termed measures. But rather, it requires a fundamental, systematic and with long-termed perspective in the context of sustainability (sustainable to both the company and community). For this reason, the major recommendation from this assessment is that the company should immediately be preparing a social management plan for further integration into its entire plantation management.

Nonetheless, several steps need to be made immediately to particularly build trust from and better relationship to the community. It is advisable to the company to strengthen the capacity of its staffs (PR and CSR) in establishing relation to the community and develop plasma/partnership scheme plantations for Sungai Sekonyer, Sungai Pulau and Kumai Hulu Villages. In addition the company also need to pay due attention to its health, productivity and well-being by, among others, recruiting Permanent Daily Employee (KHT) workers for harvest and providing housing facilities, sanitation facilities as well as ensuring the employees' usage of PPE for spraying and fertiliser application workers.

## 1.2 HCV summary

United Plantations Berhad (UP) is committed to achieve sustainable oil palm plantation management practices. As a form of this commitment, the company will strengthen its environmental and social management through High Conservation Value (HCV). As the first steps of this HCVA management, an HCVA presence identification/assessment was conducted from 13 May to 22 May 2014. This assessment was done in PT Surya Sawit Sejati Location Permit covering 3,157.29 ha, as well as in the proposed community plantation expansion that will be done in in collaboration through the partnership scheme covering 87.7 ha<sup>1</sup> located outside of PT SSS Location Permit.

The stages of this assessment include pre-assessment as preliminary observations, field survey to obtain findings and indications of HCVAs, public consultation, analysis and synthesis, and determination of HCVAs. This HCVA assessment included the entire PT Surya Sawit Sejati Location Permit area and villages surrounding the assessment area, and is a complete assessment that comprises all HCVA types (HCVA 1.1-1.4, HCVA 2, HCVA 3, HCVA 4.1-4.3, HCVA 5, and HCVA 6).

This HCVA assessment was conducted done using *The High Conservation Values Forest Toolkit* (ProForest, 2003) and *Good Practice Guidelines for High Conservation Value Assessment: a Practical Guide for Practitioners and Auditors* (ProForest, 2008) as guidelines. *Panduan Identifikasi Kawasan Bernilai Konservasi Tinggi di Indonesia* (Indonesian HCV Toolkit Revision Consortium, 2008) was used as additional reference.

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<sup>1</sup> Area based on calculations using GPS

This HCVA assessment report contains HCVA identification results, including: (i) presence of HCVA and its key constituting attributes or elements, (ii) HCVA distribution map, (iii) landscape context, (iv) current status of HCVA and their key attributes and elements, (v) threats to its sustainability, and (vi) interim recommendations for protection, management, and monitoring. This report does not include HCVA management and monitoring. HCVA management and monitoring are the company's domain and responsibility.

PT SSS Location Permit is located in South Arut Sub-district (Medang Sari Village), Pangkalan Lada Sub-district (Kadipi Atas and Sumber Agung Villages), Pangkalan Banteng Sub-district (Sungai Pulau Village), and Kumai Sub-district (Kumai Hulu non-autonomous village), which are all located in West Kotawaringin District administrative area, Central Kalimantan Province. Based on its area, the assessment area was divided into Arut Estate and Kumai Estate.

In both assessment areas, **primary forests** or undisturbed forests **were not found**. Large-scale forest and land fires have occurred in and around the assessment area in 1997/1998. Dominant land cover in Arut Estate is oil palm planted since 2007/2008. In Kumai Estate are several land cover in addition to oil palm, including secondary forests in swamp areas (peat and freshwater), grasslands and shrubs.

No protected area was found in the assessment area, whether within or directly bordering PT SSS Location Permit. The nearest protected area is Tanjung Puting National Park located approximately 1 km to the east of Kumai Estate boundary. The assessment area is not located in primary forest and peatland moratorium area. The closest moratorium area is a peat land located around 3 km west and 3 km northeast of Arut Estate of primary mangrove forest surrounding Kumai River.

At least 35 mammal species, 20 reptile species, 9 amphibian species, and 90 bird species were recorded in PT Surya Sawit Sejati Location Permit. Key species identified as HCVA 1 elements in PT SSS Location Permit included, among others, Orangutan (*Pongo pygmaeus*) and Bornean White-bearded Gibbon (*Hylobates albibarbis*) that are listed as Endangered and are protected by national regulations; Marbled Cat (*Felis marmorata*), Horsfield's Tarsier (*Tarsius bancanus*), Sun Bear (*Helarctos malayanus*) and Lesser Adjutant (*Leptoptilos javanicus*) listed as Vulnerable and protected under national regulations; and Great Slaty Woodpecker (*Mulleripicus pulverulentus*) is listed as Vulnerable. In addition, a number of Borneo endemic bird species were found in the assessment area, such as Bornean Bristlehead (*Pityriasis gymnocephala*) and the Bornean Crestless Fireback sub-species (*Lophura erythrophthalma pyronota*). All HCV areas in Kumai Estate function as wildlife corridor and potentially support connectivity between wildlife species in mangrove forest to the west and Tanjung Puting National Park to the east.

Fluvial processes in the area have formed backswamps comprising freshwater swamps and peat swamps which are located in the topographical depression. Based on measurements results, peat area in the assessment area is deep peat (>3 m) with peat depth profile that is increasingly shallow approaching rivers or land (*natai*).<sup>2</sup> Peat forest with important value as HCVA are only peat land

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<sup>2</sup> Local language meaning land that is never inundated. In several areas *natai* is located in the middle of the swamp therefore its area is similar to an island.

with natural vegetation (secondary forest) that still has its ecological and hydrological functions found in Kumai Estate.

The main rivers located in the area are Arut River, Kumai River, and Sekonyer River.<sup>3</sup> The three rivers are located outside the assessment area. Therefore, the rivers flowing through PT SSS Location Permit are tributaries of these three rivers. All the rivers in this area are affected by tide, whether seawater tide downstream or freshwater tide upstream.

The land's flat slope leads to low erosion level in both assessment areas. The average land erosion level in Arut Estate is 2.9 tonnes/ha/year, and 1.3 tonnes/ha/year in Kumai Estate. Both are categorised as very low Erosion Danger Level (which means smaller than 15 tonnes/ha/year).

The native community living in and around the assessment area are Banjar Tribe or sometimes referred to as the Dayak Melayu, who mostly resides in Kumai Hulu Non-Autonomous Village and Sungai Sekonyer River. These people converted to Islam since the age of the Kotawaringin Empire, thus their customs and traditions have been influenced by Islamic teachings. Intensity of natural resources use in the assessment area tends to be low and is now rarely done by the native community. This is due to the community's focus on oil palm and/or rubber plantation as their source of livelihood to meet their basic needs.

The PT SSS Location Permit area utilisation which plays an important function for the cultural identity of the local (native) community is the ancestral burial grounds complex in Block 60 in Arut Estate. The complex is often called the "*Kuburan Dayak*" and is believed to have been around since early 20<sup>th</sup> century. The history and the people buried in Dayak ancestral burial grounds are not known, because stories of the burial grounds were passed down orally through generations. However, the Dayak cemetery is regarded as important to the native community, the Dayak Melayu (Banjar) tribe, and is considered as part of the Dayak Melayu (Banjar) ancestors' history for those residing around the assessment area or those who now live in other parts of Central Kalimantan, such as Pangkalan Bun, Sampit, and Palangkaraya. The local people still visit and clean the clean the burial grounds every year after the Eid holiday.

Four HCVA types were found in PT SSS Location Permit based on field survey and data analysis: HCVA 1 (globally, regionally, or nationally important biodiversity), HCVA 3 (rare or threatened ecosystems), HCVA 4 (natural ecosystem services), and HCVA 6 (areas critical to local communities' cultural and traditional identity). HCVA 1 and HCVA 3 were only recorded in Kumai Estate, while HCVA 4 was found in both assessment areas, and HCVA 6 was found in Arut Estate. HCVA 2 (area which is or forms part of a large globally, regionally, or nationally important landscape, that are habitat inhabited by wildlife and plant species) and HCVA 5 (sources for meeting basic needs of local communities) were not found in both assessment areas.

Based on area typology, the H CV areas found in PT SSS Location Permit were categorised into four types: (i) Freshwater Swamp Forest, (ii) Peat Swamp Forest, (iii) Rivers and Riparian Buffers, and (iv) Dayak ancestral burial grounds. These four HCVA typologies were divided into 11 index numbers with a total indicative HCVA area of 1,121.2 ha or 35.5% of the total PT SSS Location

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<sup>3</sup> Written as Sikunir River in the Indonesian Atlas (Geospatial Information Body, 1998)

Permit area. The indicative sizes and short description of each HCVA are presented in **Table 1** and **Table 2**, and HCVA distribution (locations) is presented in **Figures 1** and **2**.

**Table 1.** Indicative HCVA 4 area descriptions and sizes in PT SSS

ID	Area Name	Description	HCVA Type	Size (ha)
1	Dayak ancestral burial grounds in Arut Estate, Block 60	Consist of three graves surrounded by ironwood fence and approximately six needlewood trees ( <i>Schima waliichii</i> ). These ancestral burial grounds are still visited by devotees and cleaned every year after the Eid holiday by the Dayak Melayu (Banjar) community.	6	0.006
2	Arut River tributary and riparian buffer in Arut Estate	Water source, natural drainage, flood control area erosion and sedimentation control area	4.1, 4.2	0.5
3	Peat Swamp Forest and Freshwater Swamp Forest in the Siapak River Headwaters, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Siapak River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	11.6
4	Peat Swamp Forest and Freshwater Swamp Forest in the Siapak River Headwaters, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Siapak River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	14.2
5	Peat Swamp Forest in Benaning River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Benaning River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	382.0
6	Peat Swamp Forest in Pengeruingan River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Pengeruingan River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	302.1
7	Peat Swamp Forest and Freshwater Peat Swamp in Tengkawang River	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Tengkawang River water catchment area, flood	1.2, 1.3, 1.4, 3,	4.9

<b>ID</b>	<b>Area Name</b>	<b>Description</b>	<b>HCV A Type</b>	<b>Size (ha)</b>
	Headwaters, Kumai Estate	control and natural firebreaks were found.	4.1, 4.3	
8	Peat Swamp Forest and Freshwater Peat Swamp in Kampak River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Kampak River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	146.8
9	Peat Swamp Forest and Freshwater Swamp in Sekonyer River Tributary catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Sekonyer River tributary water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	14.7
10	Peat Swamp Forest and Freshwater Peat Swamp in Sekonyer River Tributary catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Sekonyer River tributary water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	22.9
11	Peat Swamp Forest and Freshwater Peat Swamp in Sekonyer River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Sekonyer River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	221.5
Total HCVA area in PT SSS Location Permit (ha)				<b>1,121.2</b>
Total area of PT SSS Location Permit (ha)				<b>3,157.29</b>
Proportion of HCVA area in PT SSS Location Permit (%)				<b>35.5</b>

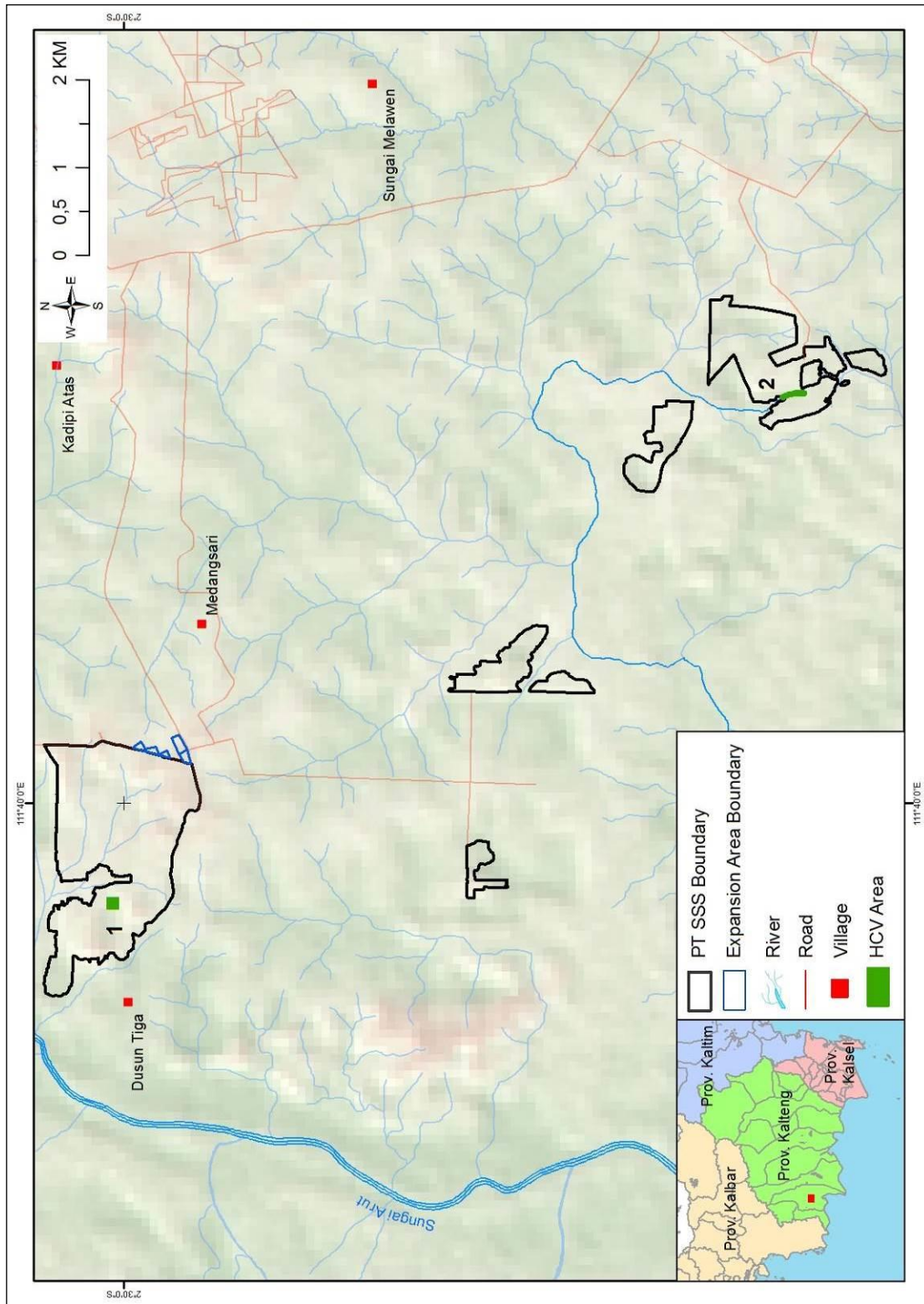


**Table 2.** Indicative HCVA 4 areas and descriptions in proposed community partnership plantation expansion area

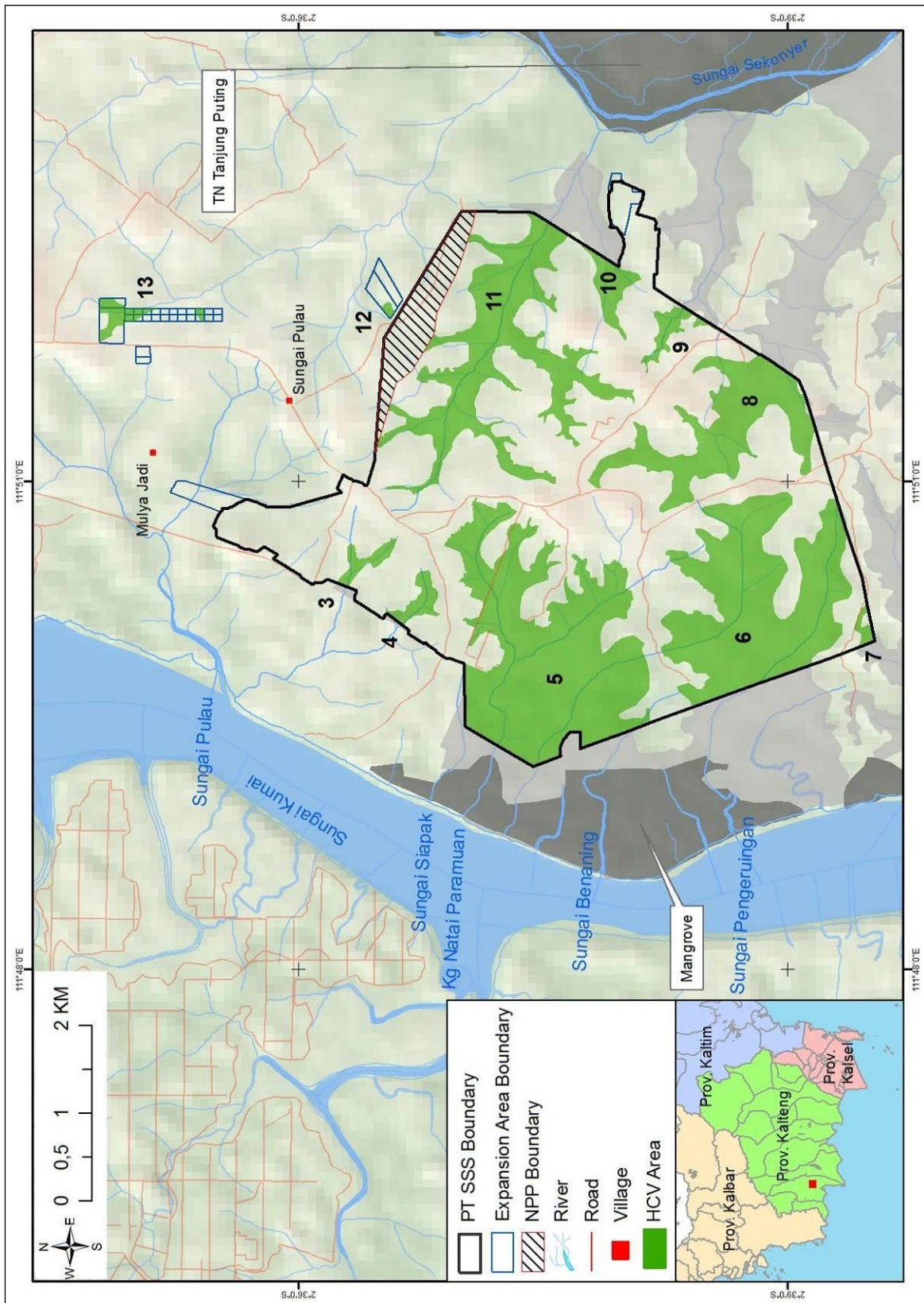
<b>ID</b>	<b>Area Name</b>	<b>Description</b>	<b>HCY Type</b>	<b>Size (ha)</b>
12	Peat swamp area in Sekonyer River tributary, Kumai Estate	Sekonyer River tributary water catchment area, flood control and natural firebreak	4.1	1.6
13	Peat swamp area in Sekonyer River tributary, Kumai Estate	Sekonyer River tributary water catchment area, flood control and natural firebreak	4.1	13.3
Total HCVA area in PT SSS Location Permit (ha)				<b>14.9</b>
Total area of PT SSS Location Permit (ha)				<b>87.7</b>
Proportion of HCVA area in PT SSS Location Permit (%)				<b>17.0</b>

Remarks: \*Area based on calculations using GIS

Presence of these HCVs provides two strategic roles for the company. *First* is as a management instrument in maintaining the balance between environmental and social components to ensure company sustainability. *Second* is as the company's concrete contribution to environmental conservation issues in the local, regional, even international scale. Therefore these areas must be seriously managed to protect against threats that can disturb or remove HCVA functions. To ensure HCVA presence and functions, the following are two main and urgent recommendations: (i) delineate and mark HCVA map on the ground, as well as conduct socialisation with all staff, employees, and plantation management stakeholders on HCVA purpose and objectives; (ii) immediately develop HCVA Management and Monitoring Plans.



**Figure 1.** HCVA distribution in Arut Estate in PT SSS Location Permit



**Figure 2.** HCVA distribution in Kumai Estate in PT SSS license and smallholders areas

## 2. Scope of SEIA and HCV Assessments

### 2.1 Organisation Information and Contact Person

<b>Company Name</b>	PT Surya Sawit Sejati
<b>Parent Company</b>	United Plantations Berhad
<b>Business Office Address</b>	Sungai Rangit Jaya Village (SP. 06), Pangkalan Lada Sub-District. PO Box 1017 – Pangkalan Bun, Central Kalimantan 74101
<b>Business Office Contact No.</b>	Tel: +62 811 520 84801/2 Fax: +62 811 520 153
<b>Representative Office Address</b>	Wisma Nugra Santana 16 <sup>th</sup> Floor. Jl. Jend. Sudirman Kav. 7-8 Jakarta 10220
<b>Representative Office Contact No.</b>	Tel: +62 21 251 0720 Fax: +62 21 251 0719
<b>United Plantations Berhad RSPO Membership No.</b>	1-0004-04-000-00
<b>Person-In Charge</b>	Edward R. Daniels
<b>Email</b>	<a href="mailto:edptsss@yahoo.com">edptsss@yahoo.com</a>
<b>Position</b>	President Director
<b>Capital Status</b>	PMA (Foreign Investment Company)
<b>Taxpayer No.</b>	02.225.205.0-713.000
<b>Status Concession Area</b>	Izin Lokasi, IUP-B, IUP, AMDAL, UKL-UPL
<b>New Planting Area</b>	3157.29 ha (Plantable = 1092.49ha)

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

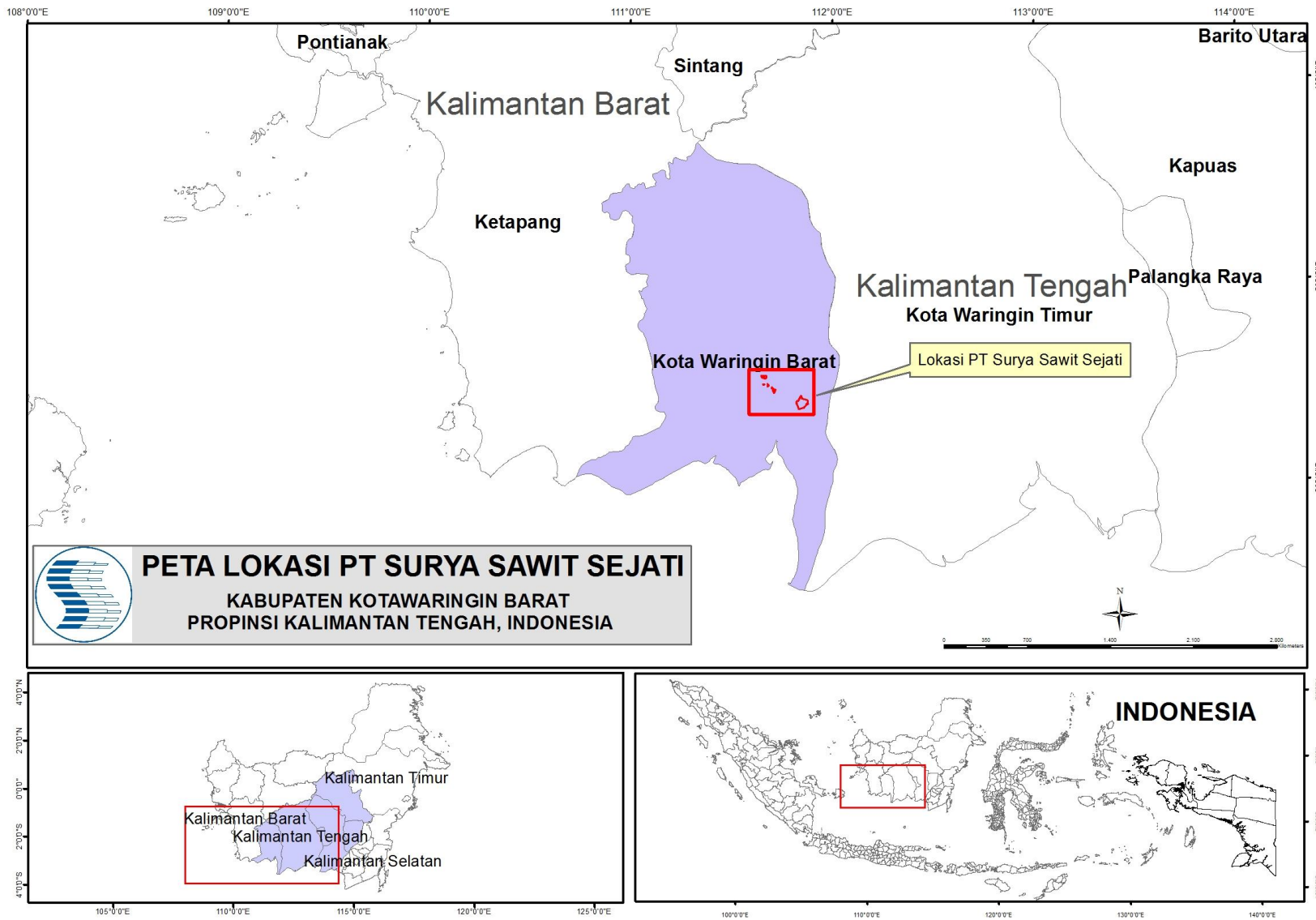
PT Surya Sawit Sejati operation's legal basis is West Kotawaringin District Head Decree No. 525/102/XI/2013 on Granting of Location Permit to PT Surya Sawit Sejati planned for plasma plantation development and conservation area, taking effect from the date of 14 November 2013 to 2016. The Location Permit concession area according to the decree is 3,157.29 hectares.

Chronology of PT SSS Location Permit concession's legal status in West Kotawaringin District

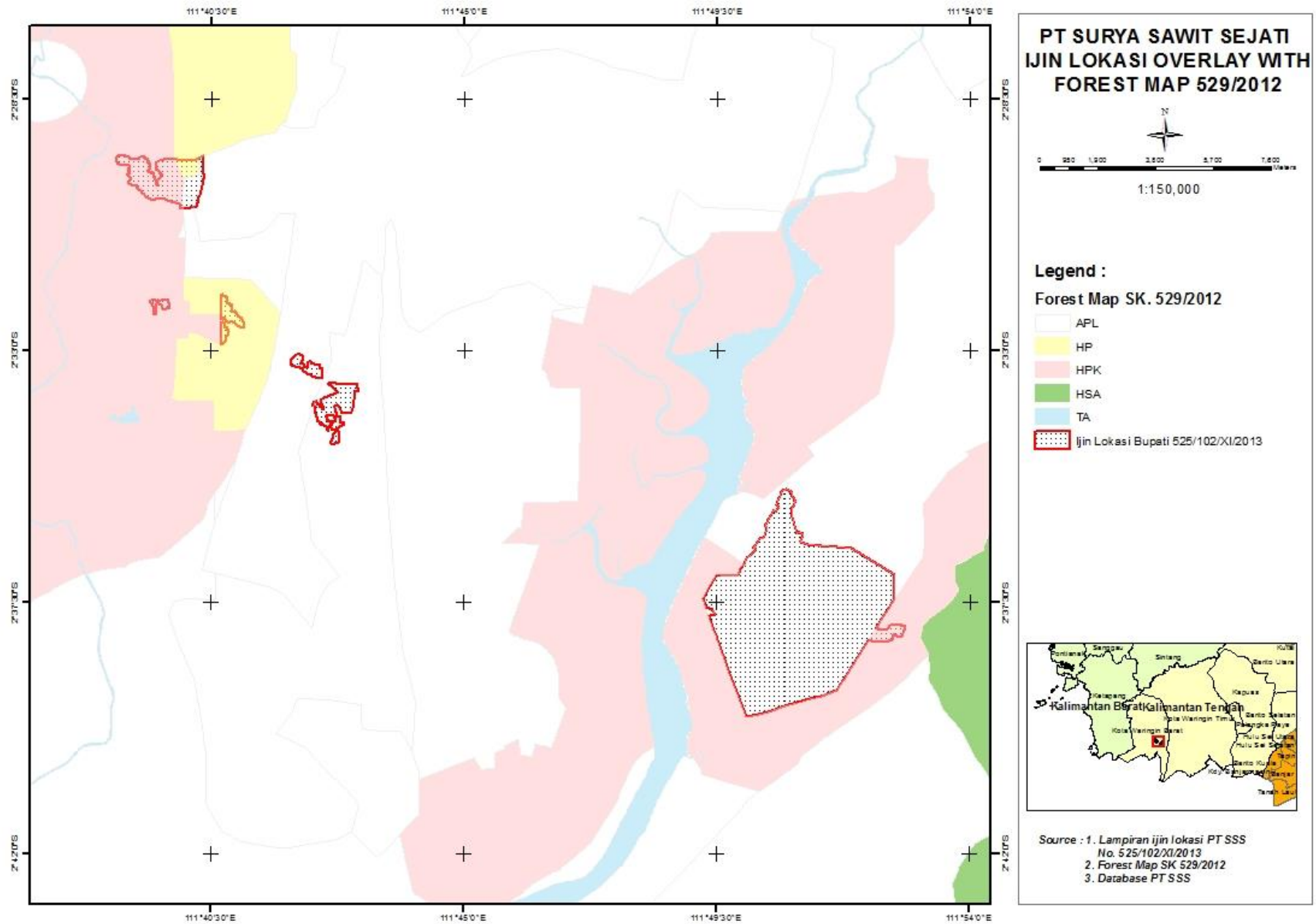
No.	Decree No.	On	Decree Issuance Date	Validity Period	Issued by
1	525/102/XI/2013	Location Permit PT. Surya Sawit Sejati in Arut Selatan, Pangkalan Lada, Pangkalan Banteng and Kumai Sub-District	14 November 2013	2013 – 2016	Bupati
2	525/0327/Ek	Governor's recommendation on issuing of the Plantation Business License (IUP) as one of the requirements to complete the application for the release of the forest area in the Ministry of Forestry of the Republic of Indonesia	26 Maret 2014	-	Governor
3	525/017/Ek	Plantation Business Permit (IUP) PT. Surya Sawit Sejati to release forests	18 Juni 2014	-	Bupati
4	525/018/Ek	Cultivation Plantation Business Permit (IUP-B) PT. Surya Sawit Sejati	18 Juli 2014	-	Bupati
5	522/50/Pem-V/2014	Recommendations by the proposed release HPK area.	9 Mei 2014	-	Bupati
6	522/48/Pem-V/2014	Letters of Recommendation regarding the exchange of forest production in the name of PT. Surya Sawit Sejati seluas ±77,8 ha	9 Mei 2014	2014 – 2015	Bupati
7	660/19/BLH/XII/2013	Environmental Permit for Arut and Kumai Estate	23 Desember 2013	-	Bupati
8	660/15/BLH.III/VI/2014	Environmental Permit for Arut and Kumai Estate	11 Juni 2014	-	Bupati

## 2.3 Location Map of PT Surya Sawit Sejati – Landscape & Project Levels

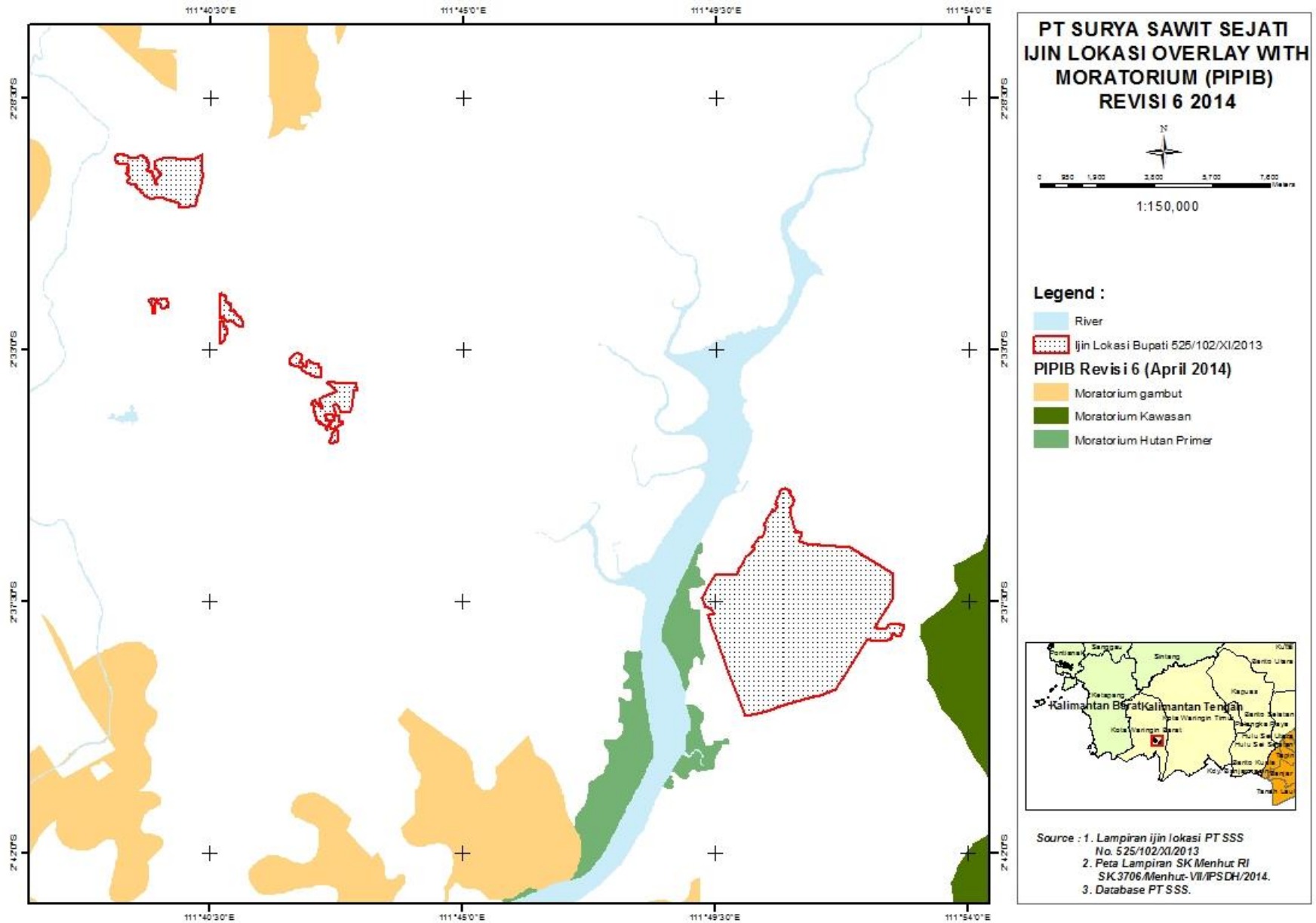
### Location maps – both at landscape level and property level



## Overlay Map between “Izin Lokasi” or Location Permit and Forest Areas

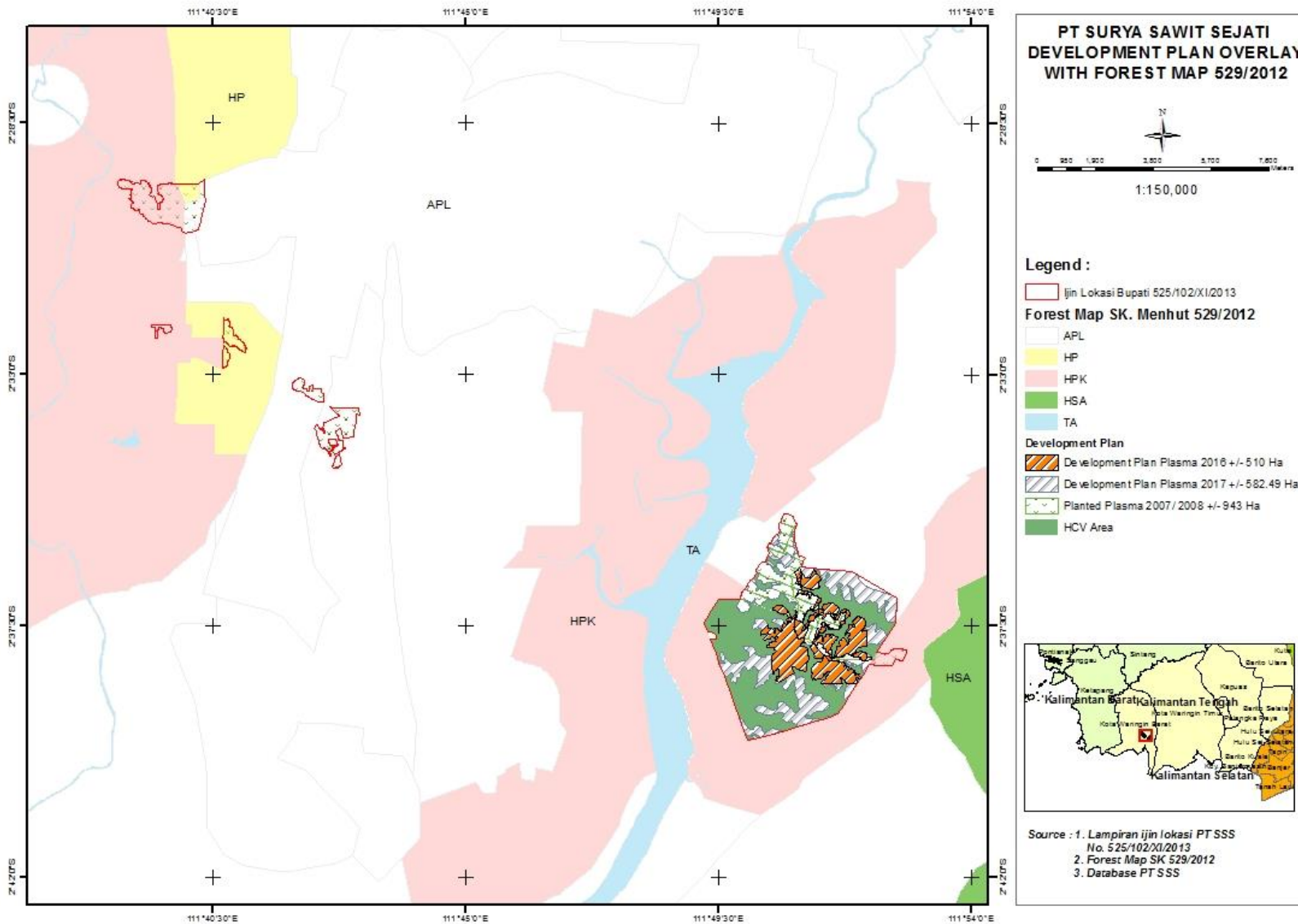


**Overlay Map between “Izin Lokasi” or Location Permit and Moratorium areas**





**Area of new plantings and time-plan for new plantings**



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

PT Surya Sawit Sejati has incorporated the findings from SEIA (AMDAL) conducted by Edutama Envirocare, HCV Assessment and Social Impact Assessment conducted by Aksenta, HCS Assessment by Daemeter and on going FPIC fulfillments by LINKS. This plan has been drawn up and is covered under Summary Report of Planning and Management of new plantings.

The total area allocated in the Plantation Business Permit is 3157.29 ha of which 2036.09ha will be allocated as the smallholders scheme (plasma) and 1121.20 ha is allocated as conservation. 2036.09ha for smallholder's scheme consist of 943.60ha as planted area and 1092.49ha of new proposed planting area [Refer Figure 1 & 2].

After the New Planting Procedures has been approved by RSPO, land clearing and planting will commence in 2016 and they are programmed to be completed by Financial Year 2017/18 as shown in Table 1 and Figure 3.

Table 1 Program of Land Clearing and Planting in PT SSS

No.	Financial Year	Land Clearing (ha)	Planting (ha)	Remarks
1	2016/17	510	510	Plasma
2	2017/18	582.49	582.49	Plasma
	Total	1092.49	1092.49	

### 3. Assessment process and procedures

#### 3.1 HCV and SIA Assessors and their Credentials

##### 3.1.1 HCV Assessors and their Credentials

**Resit Sözer (Lead Assesor)** obtained his Master's degree in Tropical Ecology from Universiteit van Amsterdam (UvA). His expertise and experiences are wildlife management, habitat and population assessment, and wildlife conflict mitigation. Today, in addition of his position as HCVA consultant, he manages a wildlife rescue centre in Sukabumi, West Java, Indonesia. His competency in assessing HCVA has been acknowledged by RSPO and he is listed as an RSPO Accredited HCVA Team Leader, focusing on identification of HCVAs 1, 2, and 3. Contact: [resit@aksenta.com](mailto:resit@aksenta.com).

**Fersely Getsemani Feliggi** is a Bachelors graduate of Geophysics and Meteorology, Faculty of Natural Sciences and Mathematics, Bogor Agricultural University. He is experienced in assessments in the fields of meteorology, hydrology, natural resource management, water resource management, and watershed management. He has conducted numerous HCVA assessments in palm oil plantations throughout Indonesia since 2010 and registered as an RSPO Approved HCVA Assessor – Discipline Specialist in Environmental Services. In this assessment he focused on HCVA 4. Contact: [getsa@aksenta.com](mailto:getsa@aksenta.com)

**Budi Harlend** completed his Bachelor's degree in economy from Faculty of Economics, University of Indonesia, specialising in Natural Resource and Environmental Economy. He has work experiences in conducting economic valuation and developing economic policy implementation models in several government agencies. He also has worked in an international strategic communications consultant as Project Manager and Economic Risk Analyst. Since early 2013, he began working on HCVA assessments and Social Impact Assessment (SIA) in palm oil plantations throughout Indonesia. He is also registered as RSPO Approved HCVA Assessor – Discipline Specialist in Social issues. In this particular assessment he assessed HCVAs 5 and 6. Contact: [harlend@aksenta.com](mailto:harlend@aksenta.com)

**Muhammad Juan Ardha** has Bachelor's degree of forestry, Faculty of Forestry, Bogor Agricultural University. His skills and experiences include spatial data analysis (Remote Sensing and Geographic Information System – GIS) for application in forestry, hydrology, and natural resources management. He is the GIS specialist of the team, conducting spatial analysis and HCVA mapping. Contact: [mjardha@gmail.com](mailto:mjardha@gmail.com)

### 3.1.2 SIA Assessment-Assessors and their Credentials

**Muayat Ali Muhshi** graduated from Bogor Agricultural University (IPB) Faculty of Forestry, majoring Forest Resources Conservation (1985-1991). He is experienced as a researcher and member of the Drafting Team WALHI book “*Peran HPH dalam Pembangunan Ekonomi Regional Kaltim*” (Roles of HPH Concession in East Kalimantan Regional Economic Development) (Walhi and World Resource Institute, 1990-1991). He was Forestry Programme Coordinator in Pelangi Indonesia Foundation running a study of “Village Development Integration under KPHP Management System” supported by ODA, a cooperation between Indonesian Ministry of Forestry and UK Tropical Forestry Management Programme; and a study “Non-Timber Forest Products for Community-Based Forest Management” supported by NOVIB-Netherlands (1991-1997). In addition he was also involved in Consortium for Supporting Community Forest System (KpSHK) for six years (1997-2003) as national coordinator and in Communication Forum for Community Forest (FKKM, 2003-2008) as executive secretary. He also has experience as consultant in Multistakeholder Consultation Project for Forest White Paper supported by the World Bank (September-October 2004); as social forestry specialist for ESP-USAID Programme; and in running study “Community Forestry Initiative for Supporting Rehabilitation Programmes in Java Island” (January-April 2006). In Aksenta teams, Muayat runs a variety of oil palm plantation social studies, HCV 5 and 6 assessments and replanting studies. His role in this SIA is as a team leader. Contact: [muayat@aksenta.com](mailto:muayat@aksenta.com).

**Sigit Budhi Setyanto** graduated from State University of Jember Faculty of Agriculture, majoring geology. He is experienced in ‘Tobacco Growers Community Development’ since 1990, among others for Phillip Morris, Inc., Marlboro cigarette producer. Since 2004 he has actively participated as an auditor to CAFÉ Practice Programme in Indonesia and Papua New Guinea, in addition to an agricultural marketing specialist to International NGO for Rural Agro-enterprise Development (RAeD). Sigit has attended national and international trainings for Sustainable Organic, SCS-Starbucks CAFÉ Practice, Rainforest Alliance for Sustainable Agriculture, Forest Management and Chain of Custody, and from DOEN for Roundtable on Sustainable Palm Oil (RSPO). With Aksenta he has conducted assessments such as ‘Socio-Economic Assessment on Oil Palm in West Pasaman and Sanggau’, and SIA and High Conservation Value (HCV) Assessments for several Indonesian oil palm companies. In 2010 he obtained RSPO accreditation as a Discipline Specialist for HCV assessment in oil palm plantation. His role in this SIA is as a team member, focusing on socio-ecologic capital and sustainable livelihood. Contact: [sigit@aksenta.com](mailto:sigit@aksenta.com).

**T. Ade Fachlevi** graduated from Syiah Kuala University Agricultural Faculty in 2011. In his college he held position of Nature Lovers Student Organisation (Mapala) Leuser of Syiah Kuala University (2010). He was also involved in Aceh Karst Areas Inventorying initiated by Aceh-Nias Reconstruction and Rehabilitation Institution in 2007 and once involved in Central Aceh District disaster mitigation programme planning team funded by UNDP (2010-2011). Currently he continues

his postgraduate study at IPB Postgraduate Centre for Resource and Environmental Economics, focusing on mineral economics.

In 2012 he worked for PT Gemacitra Objek Lestasi as assistant to area planning and economic sector expert in drafting Integrated Village Area Development Master Plan for the Ministry of Underdeveloped Village Development and in 2013 worked for PT Surveyor Indonesia as assistant to socio-economic expert in the study of Calculating Banda Aceh City Tax Potential. He joined Aksenta SIA team in 2014, assessing several oil palm plantations in Indonesia, focusing on socio-economic sector. Contact: [adhefachlevi@hotmail.com](mailto:adhefachlevi@hotmail.com).

### *3.2 Assessment Methods (Data sources, data collection, dates, program, place visited)*

#### *3.2.1 Methods used in HCV Assessment*

The stages of this assessment include pre-assessment as preliminary observations, field survey to obtain findings and indications of HCVAs, public consultation, analysis and synthesis, and determination of HCVAs. This HCVA assessment included the entire PT Surya Sawit Sejati Location Permit area and villages surrounding the assessment area, and is a complete assessment that comprises all HCVA types (HCVA 1.1-1.4, HCVA 2, HCVA 3, HCVA 4.1-4.3, HCVA 5, and HCVA 6).

#### *3.2.2 Methods used in Social Impact Assessment (SIA)*

##### 3.2.2.1 Method

###### A.) Approach

SIA implementation in the field is carried out following these rules or principles.

1. **Participatory.** Issues are identified and information explored in participatory ways. Such approach puts participants as subjects to map social issues they experience, express their opinions and aspirations, and participate in designing management and change.
2. **Multi-stakeholder.** Issue identification and information exploration are conducted using multi-stakeholder approach, involving stakeholders that give or take direct or indirect impacts.
3. **Rapid and Ex-ante.** Issue identification and information exploration is conducted rapidly and more based on forecast towards changes' tendency rather than on accurate factual data. This is a solution to SIA approach and time limitedness.
4. **Appreciative.** Issue identification and information exploration is positively guided and is not limited only to identify the gap, but also to explore expectations, potentials and ideas to search for solution to social issues found.
5. **Social-Learning Cycle.** SIA is not a one-off linear process; but rather, it is a cycled process serving as social learning process to respond environmental changes.

## B.) SIA Phases

The following are phases of SIA field activities.

1. *Opening Meeting*. Meeting with the company represented by the plantation and mill management. This meeting involves field activity presentation, SIA information dissemination, multi-stakeholder analysis, scheduling, and field technical preparation.
2. *Stakeholder Mapping and Field Scoping* to obtain preliminary data on key stakeholders according to operation executives' perception.
3. *Field Observation*. Carried out to locations in which social issues or impacts emerge or occur, in addition to other locations deemed important to field fact finding being indication of changes, including image capture.
4. *In-depth Interview*. This is carried out to company operation officers, community informal and formal leaders, local government officials (village, sub-district and district) and community members from a wide range of profession and social classes around the company operational area.
5. *Focus Group Discussion (FGD)*. With employees from estate unit and mill's entire station.
6. *Document Review*. Carried out to documents available in the company and other documents from other relevant sources available in the location to help with understanding on the social and environmental context.
7. *Closing Meeting*. This is to communicate early findings to the company management, clarify the findings, ask feedback and provide interim recommendations.

## C.) Scoping

Scoping is limited to the highlighted impacts, whose measurement rationale takes into account the number of population taking impacts, impact distribution area, periods of impacts, impact intensity, and number of Pentagon Asset components impacted. The assessment scope is, therefore, the company operational area-surrounding villages taking the highlighted impacts from its presence and operational activities.

## D.) Field Data Collection

Data collection technique includes the following.

1. **Desk Review**. This method is used for obtaining record on plantation and mill implementation and management condition by the company, in addition to obtain village demographic data to represent local community's social life.
2. **Dialogue**. This method aims to identify stakeholders, explore issues constituting impacts, explores expectations, ideas and aspiration to make solution for the issues. This is carried out through formal and informal meetings with guided topics (Focus Group Discussion).
3. **Field Observation**. This method is employed to directly comprehend field facts indicating social issues and impacts that occur.
4. **In-Depth Interview**. This aims at exploring and obtaining in-depth understanding on emerging

issues. In-depth interview is carried out involving selected key stakeholders for becoming the informant, where their choice is made based on their knowledge, or stakeholders/actors having directly taken an impact.

5. **Triangulation.** This is a combination of the above methods, carried out in integrated manner to mutually verify issues, opinions and ideas captured.

#### E.) Data Analysis

The collected field findings are then analysed to allow better comprehension on the contexts and reciprocal relationship, for further synthesis and drawing conclusions.

The result analysis frame is made using RSPO Criteria relevant to social sustainability aspects and changes on pentagon asset elements. Also, impact analysis is carried out by taking into account the guidance on highlighted impact measurement. Conditions of each relevantly significant issue are described, along with their impacts on pentagon asset's elements.

### 3.3 Stakeholders' Consultation

Another round of public consultation was conducted by Aksenta on 22/05/2014 and were attended by 53 stakeholders which included employees of PT SSS, community leaders, village chiefs, district representatives, government agencies and NGOs. In addition to that, three follow up sosialisasi events carried out and briefed on NPP, HCV, HCS, FPIC and SEIA in three kantor desas on 15/12/2014-18/12/2014 (Desa Medang Sari, Desa Sungai Pulau and Desa Kumai). During this event, masyarakat from Desa Kadipi, Desa Sumber Agung, Desa Medang Sari, Desa Sungai Pulau, Desa Sekonyer and Desa Kumai with the presents of various Dinas and Bupati's representatives attended.

#### 4.1. *Summary of assessment findings (for SIAssessments)*

- PT SSS oil palm plantation development and operation has provided positive impacts in the form of local workforce absorption and developing new business opportunities
- Scheme/plasma plantation development will provide additional income to community.
- The absence of sanitation facilities and indiscipline employees spraying and fertilization in the use of Personal Protective Equipment (PPE) may in the long term have impacts on skin irritation and poisoning suffered from by the workers and their families.
- Community members having cultivation lands with the location permit clear right base legality within the location permit concession may potentially demand land compensation, or even may get the location permit concession area reduced if the demanded land price is so high that the company cannot accommodate.
- Crisis of leadership and trust on village institutions and plasma cooperative presents threats to plasma plantation development success.

#### 4.2. Summary of assessment findings (For HCV assessments)

Overall HCV identification and proposed measures to maintain and enhance those identified Documentation showing the Obtained Free, Prior and Informed Consent of any indigenous peoples affected by the development of the concession (part of RSPO requirements)  
Data sources and quality

##### **Which HCV toolkits employed**

This HCVA assessment was conducted done using *The High Conservation Values Forest Toolkit* (ProForest, 2003) and *Good Practice Guidelines for High Conservation Value Assessment: a Practical Guide for Practitioners and Auditors* (ProForest, 2008) as guidelines. *Panduan Identifikasi Kawasan Bernilai Konservasi Tinggi di Indonesia* (Indonesian HCV Toolkit Revision Consortium, 2008) was used as additional reference.

##### **Decisions on HCV status and related mapping**

In both assessment areas, **primary forests** or undisturbed forests **were not found**. Large-scale forest and land fires have occurred in and around the assessment area in 1997/1998. Dominant land cover in Arut Estate is oil palm planted since 2007/2008. In Kumai Estate are several land cover in addition to oil palm, including secondary forests in swamp areas (peat and freshwater), grasslands and shrubs. **No protected area** was found in the assessment area, whether within or directly bordering PT SSS Location Permit. The assessment area is **not located in primary forest and peatland moratorium area**. At least 35 mammal species, 20 reptile species, 9 amphibian species, and 90 bird species were recorded in PT Surya Sawit Sejati Location Permit. Key species identified as HCVA 1 elements in PT SSS Location Permit included, among others, Orangutan (*Pongo pygmaeus*) and Bornean White-bearded Gibbon (*Hylobates albibarbis*) that are listed as Endangered and are protected by national regulations; Marbled Cat (*Felis marmorata*), Horsfield's Tarsier (*Tarsius bancanus*), Sun Bear (*Helarctos malayanus*) and Lesser Adjutant (*Leptoptilos javanicus*) listed as Vulnerable and protected under national regulations; and Great Slaty Woodpecker (*Mulleripicus pulverulentus*) is listed as Vulnerable. In addition, a number of Borneo endemic bird species were found in the assessment area, such as Bornean Bristlehead (*Pityriasis gymnocephala*) and the Bornean Crestless Fireback sub-species (*Lophura erythrophthalma pyronota*). Fluvial processes in the area have formed backswamps comprising freshwater swamps and peat swamps which are located in the topographical depression. Based on measurements results, peat area in the assessment area is deep peat (>3 m) with peat depth profile that is increasingly shallow approaching rivers or land (*natai*). Peat forest with important value as HCVA are only peat land with natural vegetation (secondary forest) that still has its ecological and hydrological functions found in Kumai Estate. The PT SSS Location Permit area utilisation which plays an important function for the cultural identity of the local (native) community is the ancestral burial grounds complex in Block 60 in Arut Estate. The complex is often called the "*Kuburan Dayak*" and is believed to have been around since early

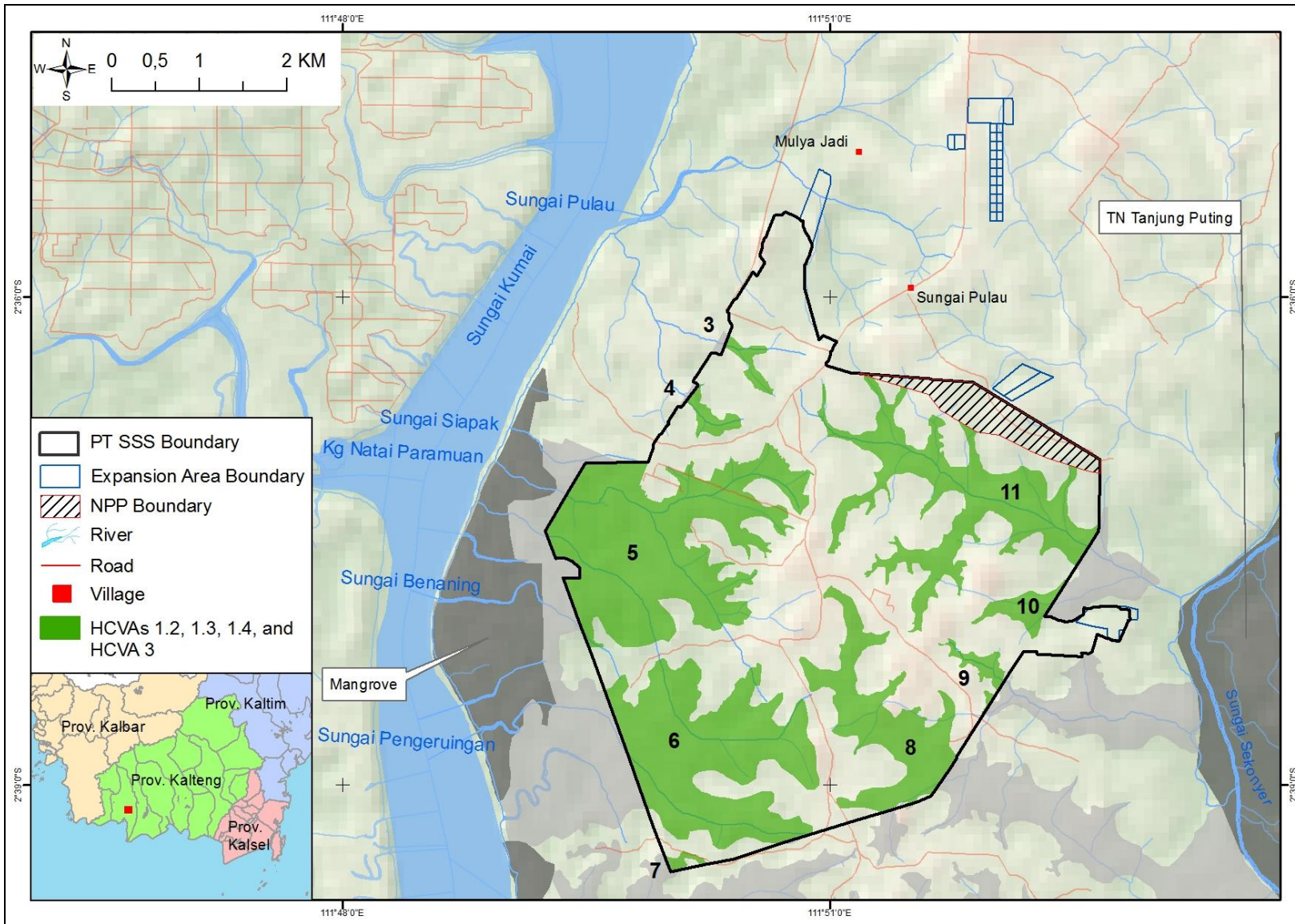


20<sup>th</sup> century. The local people still visit and clean the clean the burial grounds every year after the Eid holiday.

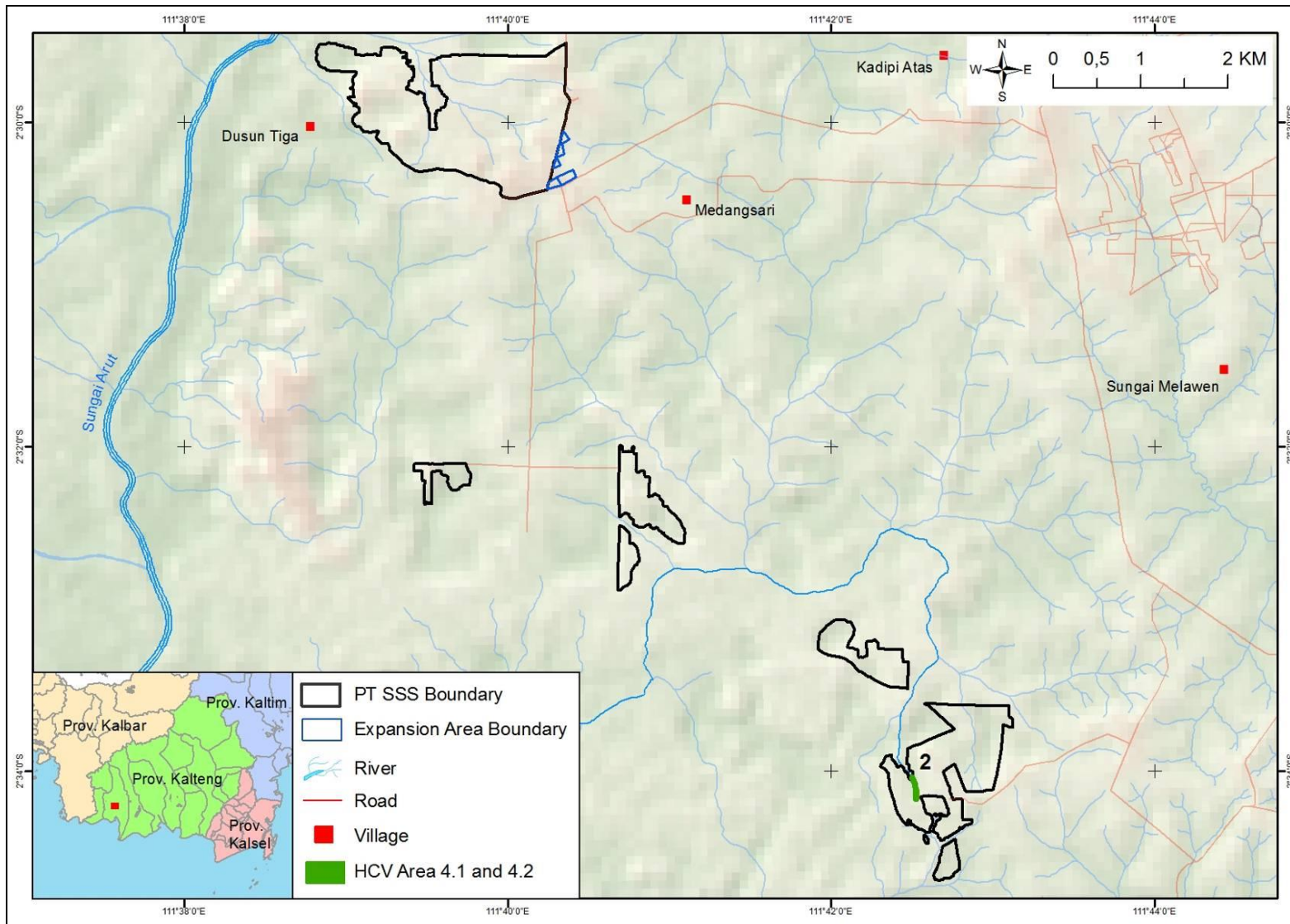
Four HCVA types were found in PT SSS Location Permit based on field survey and data analysis: HCVA 1 (globally, regionally, or nationally important biodiversity), HCVA 3 (rare or threatened ecosystems), HCVA 4 (natural ecosystem services), and HCVA 6 (areas critical to local communities' cultural and traditional identity). HCVA 1 and HCVA 3 were only recorded in Kumai Estate, while HCVA 4 was found in both assessment areas, and HCVA 6 was found in Arut Estate.

ID	Area Name	Description	HCVA Type	Size (ha)
1	Dayak ancestral burial grounds in Arut Estate, Block 60	Consist of three graves surrounded by ironwood fence and approximately six needlewood trees ( <i>Schima waliichii</i> ). These ancestral burial grounds are still visited by devotees and cleaned every year after the Eid holiday by the Dayak Melayu (Banjar) community.	6	0.006
2	Arut River tributary and riparian buffer in Arut Estate	Water source, natural drainage, flood control area erosion and sedimentation control area	4.1, 4.2	0.5
3	Peat Swamp Forest and Freshwater Swamp Forest in the Siapak River Headwaters, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Siapak River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	11.6
4	Peat Swamp Forest and Freshwater Swamp Forest in the Siapak River Headwaters, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Siapak River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	14.2
5	Peat Swamp Forest in Benaning River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Benaning River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	382.0
6	Peat Swamp Forest in Pengeruingan River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Pengeruingan River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	302.1

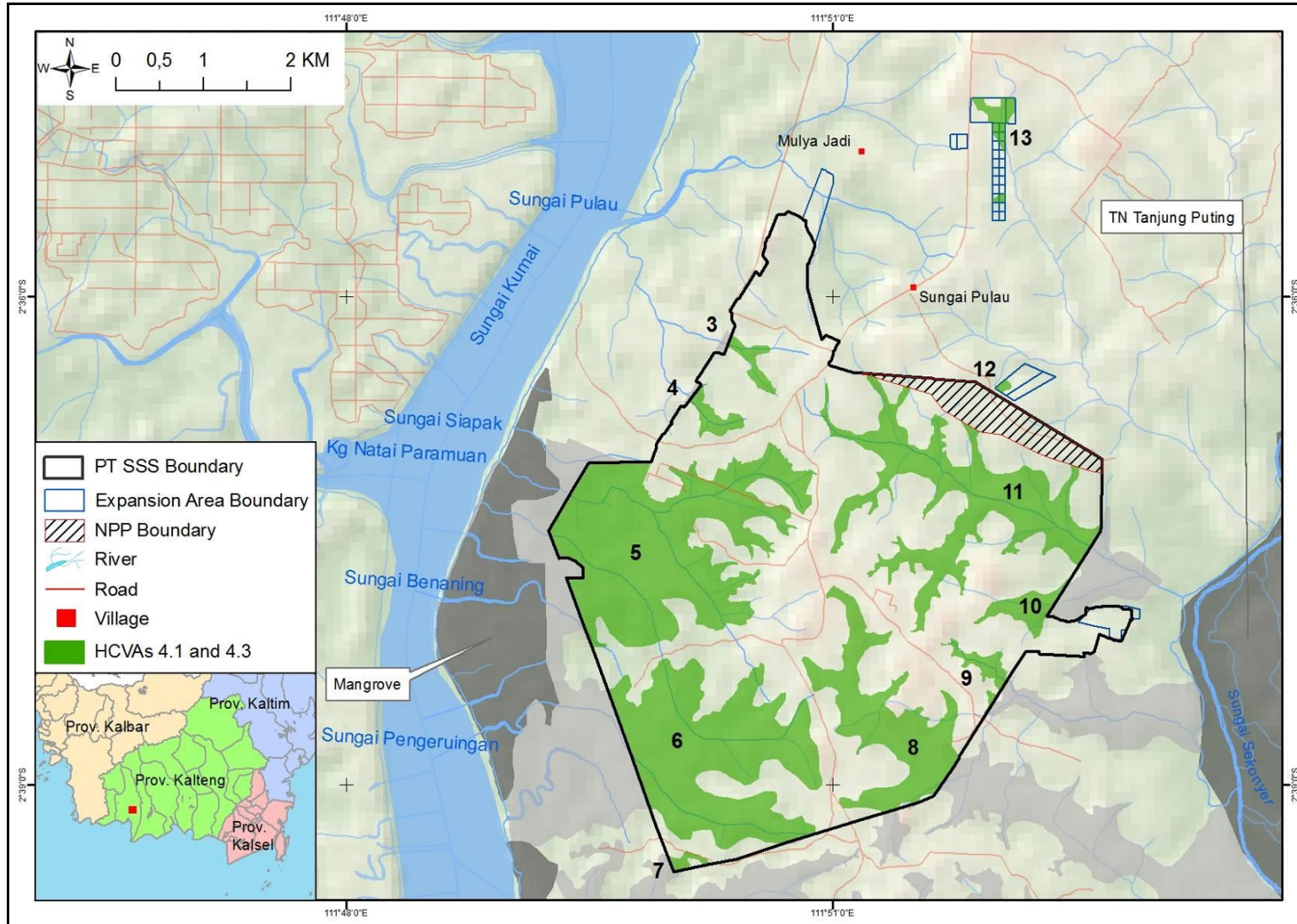
<b>ID</b>	<b>Area Name</b>	<b>Description</b>	<b>HCVA Type</b>	<b>Size (ha)</b>
7	Peat Swamp Forest and Freshwater Peat Swamp in Tengkwang River Headwaters, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Tengkwang River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	4.9
8	Peat Swamp Forest and Freshwater Peat Swamp in Kampak River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Kampak River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	146.8
9	Peat Swamp Forest and Freshwater Swamp in Sekonyer River Tributary catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Sekonyer River tributary water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	14.7
10	Peat Swamp Forest and Freshwater Peat Swamp in Sekonyer River Tributary catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Sekonyer River tributary water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	22.9
11	Peat Swamp Forest and Freshwater Peat Swamp in Sekonyer River catchment area, Kumai Estate	Rare species, endemic species, and wildlife passages; unique and threatened ecosystems; Sekonyer River water catchment area, flood control and natural firebreaks were found.	1.2, 1.3, 1.4, 3, 4.1, 4.3	221.5
<b>Total HCVA area in PT SSS Location Permit (ha)</b>				<b>1,121.2</b>
<b>Total area of PT SSS Location Permit (ha)</b>				<b>3,157.29</b>
<b>Proportion of HCVA area in PT SSS Location Permit (%)</b>				<b>35.5</b>



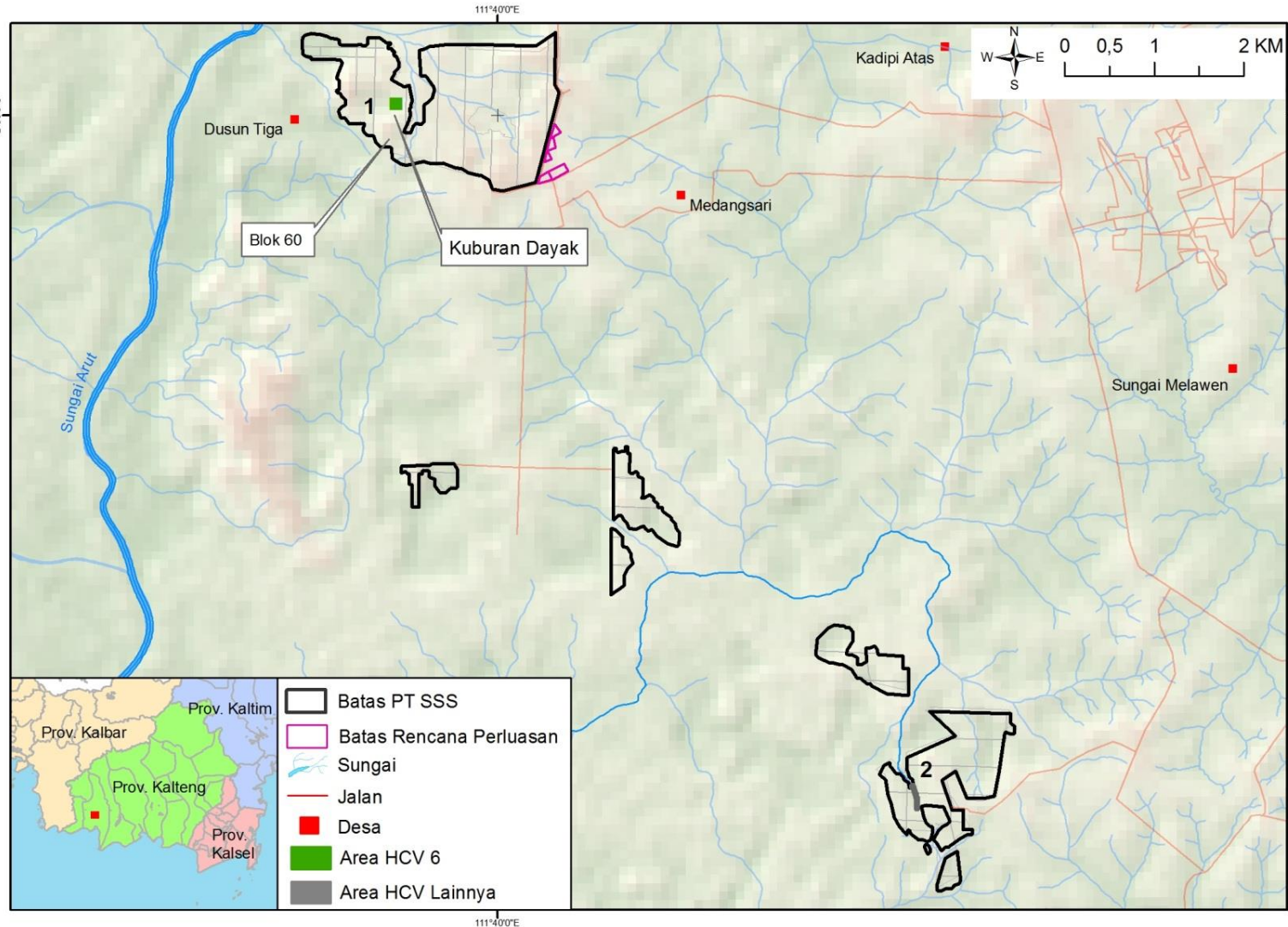
**HCVA 1 and HCVA 3 in PT Surya Sawit Sejati Location Permit**



**HCV 4 distribution in Arut Estate in PT SSS Location Permit**



**HCV 4 distribution in Kumai Estate in PT SSS Location Permit**



**Location of HCVA 6 in PT SSS Location Permit concession located in Arut Estate Block 60**

Summary Report of SEIA, SIA and HCV Assessments of PT Surya Sawit Sejati

### 4.3. Summary of assessment findings (SEIA)

Research paper as a basis for management;

1. Components chemical geophysical
  - A) **Micro climate (temperature and air humidity)** – to open in stages and preserve the conservation area
  - B) **Air Quality** – control vehicles speed and to do road watering to control the dust
  - C) **Noise** – to avoid engines being operated during workers rest hours
  - D) **River Water Discharge** – to do land clearing to be done in stages , plant LCC and keep conservation buffer to maintain the condition of the river water discharge
  - E) **River Water Quality** – to do land clearing in stages, use minimal pesticide usage and adopt efficient manuring.
  - F) **The Nature of physics, Chemistry and Soil Fertility** – to plan LCC, land application on Inorganic waste from the Mill.
  - G) **Erosion** – to plant LCC and to do terracing in land with (>8%) slope.
  - H) **The potential for forest fires** – to prepare adequate equipment to prevent fire
  - I) **Roads Physical Quality** – usage of appropriate vehicle for the road
2. Component Biology
  - A) **Flora and Fauna** – to rehab conservation sites
  - B) **Aquatic Biota** - to monitoring the ecosystem of micro and macro
3. Components Social, Economic, Cultural and Public Health
  - A) **Employment and Business Opportunities** – locals to be given priority for recruitment of labour
  - B) **Income Families** – to provide job opportunity during development stage and
  - C) **Public Unrest** – to conduct proper land compensation method, enclave if necessary and locals to be given priority for recruitment of labour
  - D) **Attitudes and Public Perception** – to conduct sosialisasi programs and involve the Masyarakat in Company projects.
4. Components of Public Health
  - A) **The prevalence and incidence of disease** – to avoid fire in conservation site and fields and regular medical checkups.
  - B) **Infrastructure Health** – to prepare medical facilities and personals for medical inspection.
  - C) **Potential Traffic Accidents** – all drivers to follow the road laws

## 5. Internal responsibility

Formal signing off by assessors and company

Statement of acceptance of responsibility for assessments.

This document is the Summary Report of High Conservation Value (HCV) , Social Environmental Impacts Assessment (SEIA) and Social Impact Assessment (SIA) on PT Surya Sawit Sejati (PT TI).

The HCV and SIA are conducted by Aksenta.

Aksenta

Management of

(PT Gagas Dinamiga Aksenta)

PT Surya Sawit Sejati

The image shows a handwritten signature in blue ink over the Aksenta logo. The logo consists of the word "Aksenta" in a bold, blue, sans-serif font, with the tagline "accentuate the life" in a smaller, lighter blue font below it. The signature is a fluid, cursive script that overlaps the top of the logo.

SUJATNIKA  
Managing Director

The image shows a handwritten signature in black ink over a circular stamp. The stamp is red and contains the text "PT SURYA SAWIT SEJATI" around the perimeter and "AN BUN" at the bottom. The signature is a complex, cursive script that overlaps the stamp.

AMRIK SINGH  
Head of BUSINESS UNIT