



PT. PERMATA PUTERA MANDIRI
(Member of Austindo Nusantara Jaya)
South Sorong Regency, West Papua Province
Indonesia

Summary of SIA dan HCV Report

Sept 2014

Summary of SIA and HCV Assessment Report

1. Executive Summary

PT PERMATA PUTERA MANDIRI (PT PPM) has obtained an “Peta Kadastral” (Peta Bidang Tanah) Nomor 012-33.05-2014, date March 26 2014, signed by National Land Body , covering area of 32,025.14 Ha, PT PPM located in Kokoda utara, Kais and Metamani distric, South Sorong Regency, West PapuaProvince.

Scope area of this SIA Assessment is covering some villages such as Benawa Satu, Sumano, Puragi, Atori, Karirif, Udagaga, Kayu biru, Adona, Bubuko and Benawa Dua villages. This assessment conducted to identify the socio-economy condition of the community, issue, problems and the impact of company existence in their area.

In 2013 PT PPM hired Remark Asia lead by Wibowo A Djatmiko, a RSPO approved HCV Lead Assessor to conduct SIA Assessment with a team of experts and in 2011 and 2014 PT. PPM hired Faculty of Forestry Bogor Agriculture Institute Lead by Dr. Ir Nyoto Santoso MSi a RSPO approved HCV Lead Assessor to conduct HCV assessment with a team of experts.

Based on the result of HCV Assessment, there is no primary forest found in the area of PT PPM. The forests that still exist are in the form of secondary forest, underbrush, swamp forest and saga. In general, founded on the HCV Assessments, **HCV 1** (HCV1.2 area of 52.9 Ha, HCV 1.3 area of 401.75 Ha, and **HCV 2** (HCV 2.3 area of 28.33 Ha), **HCV 3** (HCV 3 area of 2,945.46 Ha), **HCV 4** (HCV4.1 area of 1,156.06 Ha), **HCV 5** area of 1,099.26 Ha and **HCV 6** area of 3.047 Ha. Some area has been found to contain more than one HCV.

Area of PT PPM consists of 3 (three) Genus soil type, that is *Inceptisol*, *Entisol*, and *Histosol*. Description of the detail soil type is presented in Table.1:

Table.1 : Soil type of PT PERMATA PUTERA MANDIRI Area

No	Clasification	%	Area (Ha)
1	Aeric Endoaquepts	2,49	796,95
2	Aeric Endoaquepts, Aquic Dystrudepts	14,62	4.683,11
3	Aeric Endoaquepts, Aquic Eutrudepts	9,05	2.898,56
4	Aeric Endoaquepts, Aquic Dystrudepts	11,27	3.609,54
5	Aquic Dystrudepts, Typic Dystrudepts	9,94	3.184,57

No	Classification	%	Area (Ha)
6	Typic Endoaquepts	1,21	386,49
7	Typic Endoaquepts, Aeric Endoaquepts	5,74	1.837,96
8	Typic Endoaquepts, Histic Endoaquepts	0,18	58,05
9	Typic Endoaquepts, Typic Psammaquepts	0,88	280,37
10	Typic Endoaquepts, Typic Sulfaquepts	0,76	242,84
11	Typic Eutrudepts	1,28	409,28
12	Typic Eutrudepts, Aquic Destrudepts	3,41	1.091,62
13	Typic Haplofibrists, Typic Sulfaquepts	8,38	2.682,38
14	Typic Haplohemists	5,60	1.792,65
15	Typic Haplosapristis, Typic Endoaquepts	25,20	8.070,77
Jumlah		100,00	32.025,14

2. Scope of The HCV & SIA Assessment

Company Information and Contact Person

Company Name : PT Permata Putera Mandiri
RSPO Membership Number : 1-0113-11-000-00 (registered as PT. Permata Putera Mandiri)
Capital Status : Foreign Investment
Project Address :Kokoda Utara, Matemani and Kais Sub District, South Sorong Regency, West Papua Province
Head Office Address : Gedung Atrium Mulia, Jl HR. Rasuna Said, Kav B 10-11, Kuningan, Jakarta 12910
Telephone : (021) 2965177
Type of Business : Oil Palm Plantation and Mill
Contact Person : Indra Pangasian Hutabarat (indra.pangasian@anj-group.com)

List of Legal Documents PT. PPM

No.	Type of Document	Issued by	Number and date
	Deed of Establishment	Notaris Darbi, SH (Pejabat Pembuat Akta Tanah), Jakarta	Number 7 June 14 2007
	Limited Company Approval Deeds	Ministry of Law and Human Rights Republic of Indonesia	W7-07403 HT.1-Year .2007
	Deed of Shareholder Resolution of PT Permata Putera Mandiri	Desman, SH, M.Hum, Jakarta Utara (Notaris), Jakarta	Nomor 137 June 27, 2014
	Notification Receipt of Company Data Changes PT Permata Putera Mandiri	Ministry of Law and Human Rights Republic of Indonesia	AHU-20469.40.22.2014, July 17, 2014
	Taxes Number	Ministry of Finance Directorate General of Taxation	02.626.497.8-951.001
	Company Registration	Department of Cooperatives, Micro, Small and Medium Enterprises, and Trade of Jakarta	09.03.1.01.87202, November 7, 2013
	Location Permit	Regent of South Sorong	No.83/2010, April 30 2010, jo No. 522.2/118/BSS/ August 2010, August 11, 2010
	Plantation Permit	Governor of West Papua	No.95 Year 2010, June 28 2010 jo No. 132 Tahun 2010, August 13, 2010
	Environmental Permit On Feasibility Environment Activities on Palm Oil Plantations Processing in North Kokoda District, and Metamani District and Kais District in South Sorong Regency, West Papua Province	Regent of South Sorong	No.525/76/BSS/IV/2011 TAHUN 2011, April 25, 2011
	Forest Release Recommendations for oil palm plantations	Governor of South Sorong	No. 525/620/GPB/2010, June 21, 2010 jo No. 525/895/GPB/2010, August 12, 2010

No.	Type of Document	Issued by	Number and date
	Principle Approval for backup area on Converted Production Forest to cultivate oil palm plantation	Ministry of Forestry	No. S.669/ Menhut-II/2010, December 29, 2010
	Approval of the release converted Production Forest area for oil palm plantations	Ministry of Forestry	No. 731/MENHUT-II/2011
	Cadastral Map	National Land Body of Republic Indonesia	No. 021-33.05-2014, March 26, 2014
	Investment Principles License	BKPM Investment Coordination Body	No. 222/1/IP//PMA/2010, October 25, 2010 jo No. 659/1/IP/III/PMA/2012, December 14, 2012
	Company Domicile Certificate	Provincial Government of Jakarta, South Jakarta Administration City, district. Setia Budi	No. 291/-1.824.7/2014, June17, 2014

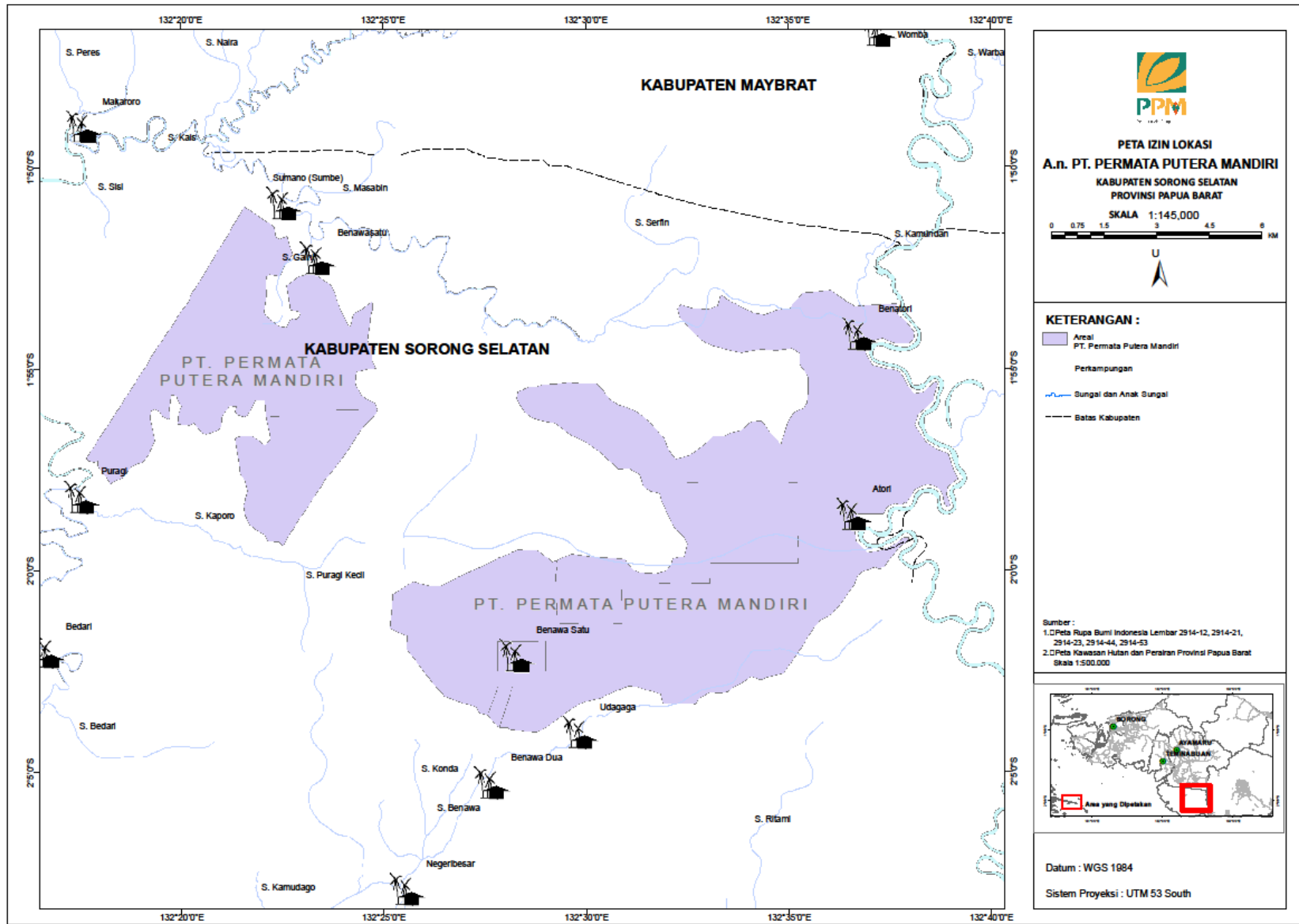


Figure 1. Location permit map of PT PERMATA PUTERA MANDIRI

Planting development of PT. PPM will be begin in 2014, detail planting development PT. Permata Putera Mandiri described in table 2 bellow

Table 2. Planting Development of PT. Permata Putera Mandiri

No	Year of planting development	Area(Ha)
1	2014	1.000
2	2015	4.000
3	2016	4.800
4	2017	5.300
5	2018	6.400
Total planting area		21.500

3. Assessment Process and Procedure

HCV Assessor Team, which involved experts in Biodiversity, Environmental Service, Social and Culture and supported by GIS expert, has conduct field data collection began on September 25th – October 5th 2011 and August 7th – 11th 2014. Data collection was facilitated by the staff of PT PPM and assisted by village community. The SIA Assessment conducts field data collection began on November 15th – 30th 2013 which involved experts in Social Economi, Community development, Antropology and Culture.

The HCV and SEIA Assessment of PT PPM lead by Dr. Ir. Nyoto Santoso, MS. He is a RSPO approved HCV Assessor with capacity as a Team Leader. His expertise is in Biodiversity Management and Conservation. He was assisted by HCV experts from Bogor Agriculture Institute and SIA Assessment of PT PPM lead by Sutji Rahaju Shinto, Her expertise is in Social culture assessment, Antropology and community development, She was assisted by SIA experts from Remark Asia. The HCV Assessment Methodology is described in Table 3, below:

Table.3 HCV Assessment Process, Methodology, and Data Achievement

Assessment Process	Methodology	Data Achievement
Mapping and Landscape	Field data collection to verify secondary data and	Mapping all data and information found into a map

	information such as protected/conservation area, road, river, boundaries, soil types and classes, topography, and; to conduct a comprehensive overview of the area.	and conducting analyses on it.
Fauna (Wildlife) Aspect	Qualitative field assessment (<i>rapid assessment</i>). Direct field observation; interview and discussion with stakeholder, such as local community, staffs of the company and other related parties.	Qualitative condition of the habitat; endangered, critical and protected wildlife species within the list of IUCN and the prevailing regulation and its distribution; location of wildlife species encounter; reduced wildlife habitat
Flora Aspect	Interview and direct field survey; initial mapping of ecosystem distribution; observation on forest structure, species density or dominance on each type of ecosystem	Data of flora with particular status, species protected by the Indonesia government or assumed to be endangered in the IUCN list. Threat and opportunity to maintain the area.
Social, Economic, and Cultural Aspect	Interview and field visit using FGD (<i>Focus Group Discussion</i>) and list of structured questions.; collection data on the village's demography, custom, culture and community's relation with forest.	Traditionally protected area, level of dependency toward the area, environmental services related to the assessed area.

SIA Assessment used 3 (three) methods, namely:

1. Secondary Data Collection, achieved from relevant parties, to establish the identification and analysis of SIA document PT PPM.
2. Field Observation, to achieve information through direct field monitoring about anything related to social economy condition within and around PT PPM.
3. Interview, to deeply know about problems appropriate with expertise and authority of each key respondent.

HCV Consultation Public held on August 8th, 2014 at Teminabuan, South Sorong Regency. This Consultation Public was conducted to obtain feedback toward HCV findings from related parties. The process of Public Consultation, and the feedback and commentary from the participants was documented to provide inputs in finalization of HCV and SIA Report. Public Consultation was attended by the Faculty of forestry Bogor Agriculture Institute, PT PPM employee, Head of Custom, head of District and Local Government of South Sorong Regency.

4.a. Summary of SIA Findings

Demography. The location permit of PT PPM located in Kokoda utara, Metamani and Kais distric (South Sorong Regency), West PapuaProvince, with the total population of 5.441 peoples. Ethnicity, the population dominated by IMEKO, and in majority Christian Protestant. Community primary livelihoods are Hunter, Fisher, Sago Farmer, the education levels of community around PT PPM are Elementary school graduated. The health facilities provided are Puskesmas.

Economy. The main income for Community is a saga farmer and Fisher with average income per month in 2013 based on sampling data is about Rp. 1.500.000,- up to Rp. 9.000.000,-.

Socio-Cultural Aspect. Community around PT PPM are open to accept the village development programs by government, community also make relationship/communication and cooperation with the outsider/immigrant such as PT. PPM workers. The communities still maintain local culture such as religious day and custom ceremony.

Environmental Aspect. At the moments, communities feel there is no significant impact of company activities, the community still can get a clear water from some river that exist

around their villages both in dry and rain season. But the community aware for company waste in the future.

Strategic Issues. Unclear information about land boundary between villages, Communities wish during the land clearing company do not cut any custom trees such as agathis and also considers with local custom such as hak ulayat during the land acquisitions. In project implementation FPIC must be certainly ongoing finely, Community Development and Corporate Social Responsibility Program should be synergize with the social development program plan by local government in order that program will be supporting each other. Partnership program between community and PT PPM must be create and socialize finely to the entire related community element.

4.b. Summary of HCV Findings

Plantation area of PT PPM is covering of 32.025,14 Ha. HCV Assessment Report showed that identified HCV Area are **HCV 1** (HCV1.2 area of 52.9 Ha, HCV 1.3 area of 401.75 Ha, and **HCV 2** (HCV 2.3 area of 28.33 Ha), **HCV 3** (HCV 3 area of 2,945.46 Ha), **HCV 4** (HCV4.1 area of 1,156.06 Ha), **HCV 5** area of 1,099.26 Ha and **HCV 6** area of 3.047 Ha. Some areas have been found to contain more than one HCV. This Assessment used the Indonesia HCV Identification Toolkit version June 2nd, 2008 and High Conservation Value Area Development and Monitoring Project Draft issued by HCV RSPO Indonesia Working Group on August 2009.

As some areas have been found to contain more than one HCV, the total HCV are identified in PT PPM is 5,025.14 Ha or 15.77% of the “Izin Lokasi”, that provide in Table. 3:

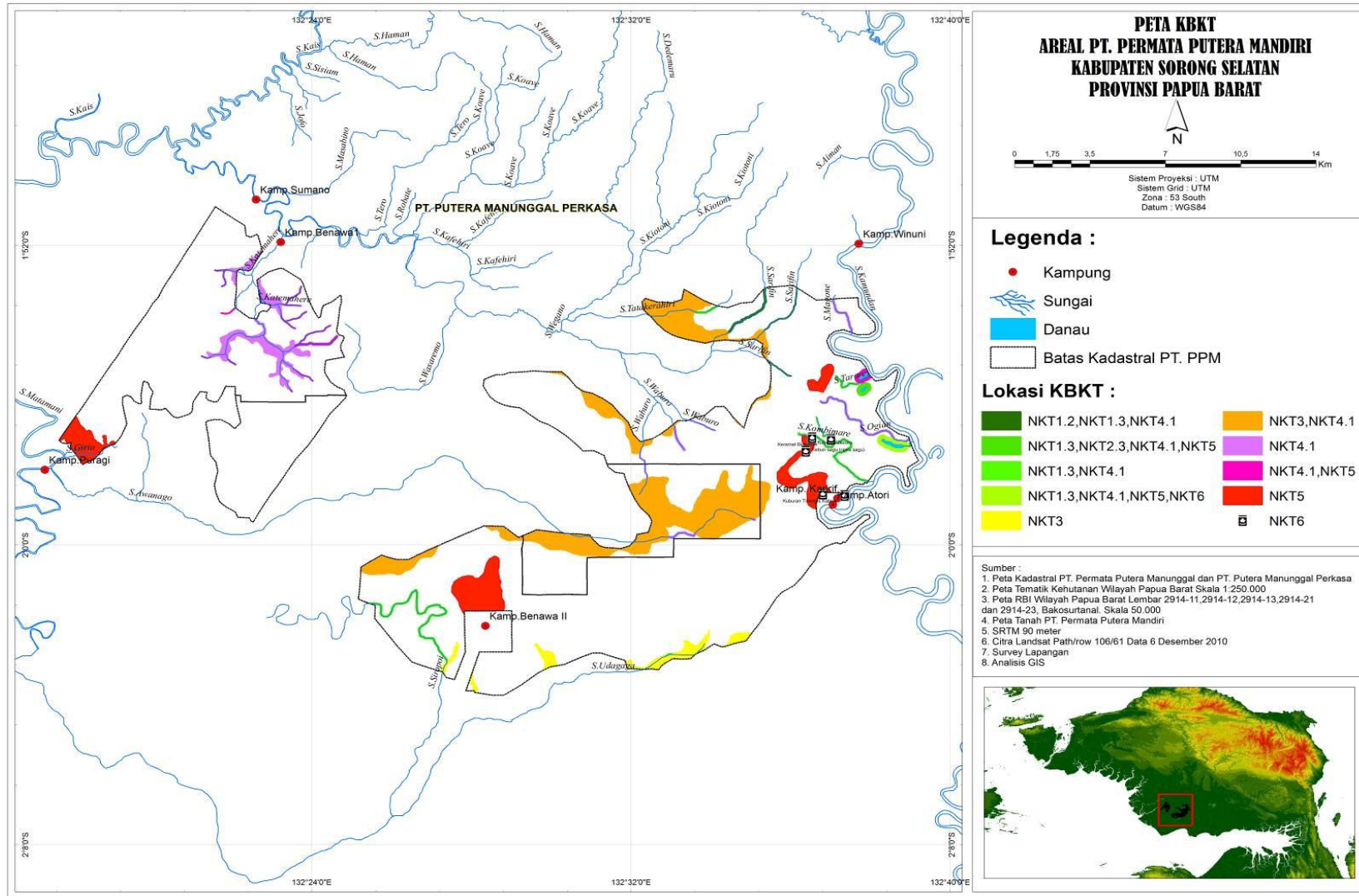
Table 4. List of HCV in PT PPM
Location Permit Area (ha): ± 32,025.14 ha

No	Location Name	HCV Area	Area (Ha)	Area per HCVA (ha)						
				NKT 1.2	NKT 1.3	NKT 2.3	NKT 3	NKT 4.1	NKT 5	NKT 6
1	Riparian of Sarifin	NKT1.2, NKT1.3, NKT4.1	52,9	52,9	52,9			52,9		
2	Riparian of Aitarokana	NKT1.3, NKT4.1	3,04		3,04			3,04	3,04	3,04
3	Riparian of Didirowage	NKT1.3, NKT4.1	8,3		8,3			8,3		
4	Riparian Hopipo	NKT1.3, NKT4.1	9,62		9,62			9,62		
5	Riparian of Kobimare	NKT1.3, NKT4.1	62,35		62,35			62,35		
6	Riparian of Siropoi	NKT1.3, NKT4.1	107,37		107,37			107,37		
7	Roparian of Tarare	NKT1.3, NKT4.1	15,85		15,85			15,85	15,85	
8	Riparian Tatakerahiri	NKT1.3, NKT4.1	11,15		11,15			11,15		
9	Riparian of Udagaga	NKT1.3, NKT4.1	32,59		32,59			32,59		
10	Aitorakana Lake	NKT1.3, NKT4.1	60,33		60,33			60,33		

11	Kaupiae Bubuk Lake	NKT1.3, NKT2.3, NKT4.1	28,33		28,33	28,33		28,33	28,33	
12	Peat	NKT3	2.660,87				2.660,87			
13	Asam Sulfat area	NKT3	284,59				284,59			
14	Riparian of Girio	NKT4.1	9,62					9,62		
15	Riparian of Gigito	NKT 4.1	12,15					12,15		
16	Riparian of Awanago	NKT 4.1	27,42					27,42		
17	Riparian of Katemahere	NKT 4.1	102,59					102,59	102,59	
18	Riparian Kobimare	NKT 4.1	62,35					62,35		
19	Riparian of Magone	NKT 4.1	20,43					20,43		
20	Riparian of Agian	NKT 4.1	55,62					55,62		
21	Riparian of Waburo	NKT 4.1	29,24					29,24		
22	Tikane bubuk Lake	NKT 4.1	29,63					29,63	29,63	
23	Pudle area	NKT 4.1	414,86					414,86		
24	Atori saga forest	NKT 5	257,58						257,58	
25	Puragi saga forest	NKT 5	239,44						239,44	
26	Benawa dua saga forest	NKT 5	422,57						422,57	
27	Moyang sibau sacred	NKT 6	0,001							0,001
28	Moyang Arina	NKT 6	0,001							0,001
29	Moyang Zezero	NKT 6	0,001							0,001
30	Biakoriye Sacred	NKT 6	0,001							0,001
31	Timotius Kabiye grave	NKT 6	0,001							0,001
32	Gong/Didiro	NKT 6	0,001							0,001
33	Kaamorao grave	NKT 6	0,001							0,001
TOTAL HCV AREA			5,051,35	52,9	391,83	28,33	2945,46	1155,74	1099,03	3,047
% HCVA equal to Location Permit Area			15.77							

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 2. HCV Map of PT PERMATA PUTERA MANDIRI



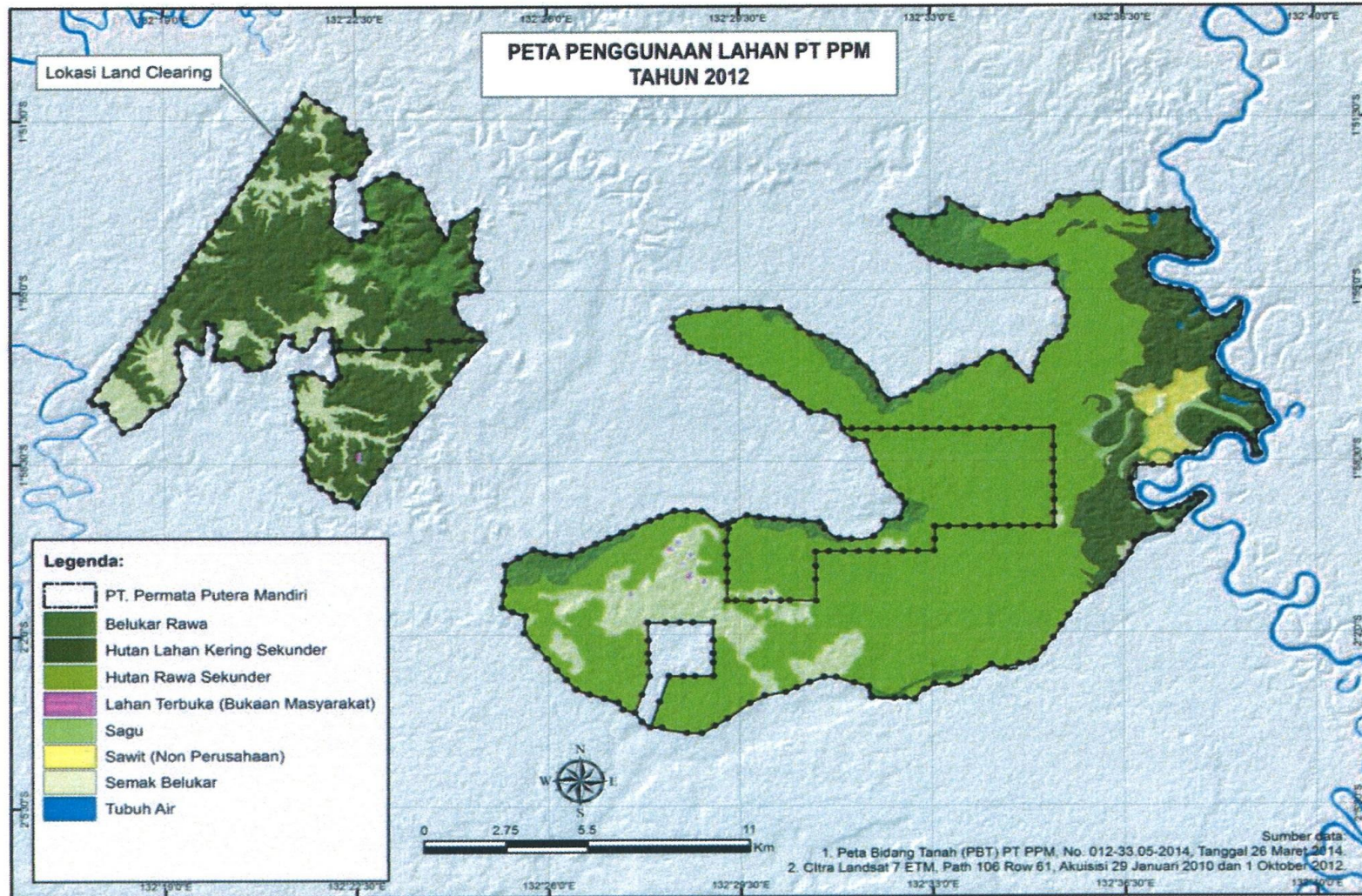
Land Use Change (LUC) Analysis of PT. PPM

Land Use Change (LUC) Analysis of PT. PPM area already done, and the analysis are include in HCV Identification Report. The LUC Analysis was done by Landsat 7 interpretation (path/row : 106/61) which the acquisition date are on October 1st, 2012. The land cover of the area are classified as 8 (eight) land cover classes, which are Swamp Shrub, Secondary Dry Land Forest, Secondary Swamp Forest, Open Land, Sago, Palm Oil (non company), Shrub and Rivers. The table of the Land Cover can be seen on table below.

Tabel 5. Land Cover in the Area of PT. Putera Permata Mandiri

No	Land Use	Area (Ha)	%
1	Swamp shrub	2,785.15	8.70%
2	secondary Dry Land forest	8,997.77	28.10%
3	Secondary swamp forest	15,324.63	47.85%
4	open land	27.26	0.09%
5	Sago	196.19	0.61%
6	Palm oil	417.08	1.30%
7	Shrub	4,242.44	13.25%
8	Rivers	34.64	0.11%
Jumlah		32,025.14	100.00%

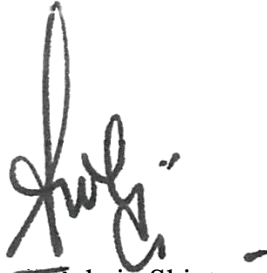
Figure 3. Land Cover Map of PT. Permata Putera Mandiri



5. Internal Responsibility

Formal Sign-off by Assessor and Company

This document is the Summary of SIA (Social and Environmental Impact Assessment) and HCV (High Conservation Values) Assessment of PT PPM.



Sutji Rahaju Shinto

Team Leader SIA

Remark Asia



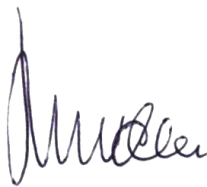
Dr. Ir. Nyoto Santoso, MS

Team Leader HCV

FAHUTAN IPB

Statement of Responsibility Acceptance for Assessments.

The Assessment result of the Social Impact Assessment (SIA) and High Conservation Value (HCV) Assessment of PT PERMATA PUTERA MANDIRI by Remark Asia and Faculty of Forestry Bogor Agriculture Institute will be applied as part of the guidelines in developing and managing PT PERMATA PUTERA MANDIRI.



Akhir bin Man

Head Region PT. PPM



Indra P. Hutabarat

Head of Sustainability Department