

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: 19 August 2013

Tick whichever is appropriate

	This is a completely new development and stakeholders may submit comments.
✓	This is part of an ongoing planting and is meant for notification only.

COMPANY : **GOLDEN AGRI RESOURCES Ltd**
SUBSIDIARY (if any) : **PT AGROLESTARI MANDIRI**
RSPO Membership Number : **1-0096-11-000-00**
Dated 31 March 2011

Location of proposed new planting

- Company Name : PT Agrolestari Mandiri
- Location : Villages of Pangkalan Teluk, Sungai Kelik, Siantau Raya, Nanga Tayap, Simpang Tiga Sembelangan, Tajuk Kayong, Sub-District of Nanga Tayap, District of Ketapang, Province of West Kalimantan, **INDONESIA**
- Geographical location : 110°22'18.767" - 110°36'42.062" E and 1°28'5.470" - 1°38'45.907" S
- Surrounding Entities
 - a. North : Oil Palm Plantation (PT Ladang Sawit Mas)
 - b. East : Oil Palm Plantation (PT Ketapang Agri Pribumi)
 - c. West : Oil Palm Plantation (PT G.I Plantation)
 - d. South : Oil Palm Plantation (PT Duta Sumber Nabati and PT Agro Palma Lestari)
- New Planting Area (planted) : 2,184.31 ha
- New Planting area (remaining land) : 12,300.32 ha
- Permit :
 - a. **Location Permit:** Regent of Ketapang Decree No. 39 of 2009 dated 6 February 2009 for a total area 19,000 ha (valid for 1 year).

- b. **Cultivation Plantation Business License:** Regent of Ketapang Decree No. 231 / DISBUN-D/2012 dated 7 May 2012 for a total area of 17,890 ha.
- c. **Land Title:** In process with the relevant agency. The following legal documents have been submitted:
1. Letter requesting Location Permit for PT Agrolestari Mandiri to Forestry Monitoring Agency of Area III, Forestry Department of Forestry Planology Agency dated 15 December 2008 (Letter No. 43/D&L7/JKTO/XII/08).
 2. Letter requesting Land Use Permit dated 23 December 2008 to Provincial National Land Agency.
 3. Letter requesting Location Permit for PT Agrolestari Mandiri to Provincial Forestry Office of West Kalimantan dated 19 November 2009 (Letter No. 012/AMNL/DL/XI/09).
 4. Letter from Forestry Monitoring Agency of Area III, Forestry Department of Forestry Planology Agency dated 5 February 2009 (Letter No. S.52/VII/BPHK-III/2009) regarding Technical Identification of Palm Plantation Area on behalf of PT Agrolestari Mandiri of Ketapang District, Province of West Kalimantan. The map is attached in this document. Based on the technical identification, an area of ± 127 ha is found in the location requested by PT Agrolestari Mandiri as a Conservation Forest at Bukit Batu Menangis, whereas other remaining areas covering 18.716 ha are used for other different purposes. (APL)
 5. Map of Land based on cadastral survey by the National Land Agency of Indonesia (BPN) dated 19 October 2009 (Map No. 60-14.06-2009). Based on the measurement, the proposed area of 18,338.34 ha was identified (by using the Forest Conservation Area of Bukit Batu Menangis of ± 127 ha).
 6. Letter of Status requesting Land Title for the area of PT Agrolestari Mandiri in the District of Ketapang from the Provincial Forestry Office of West Kalimantan dated 25 January 2010 (Letter No. 129/Dishut-II/Ppk/2010). The letter contains the following conditions:
 - a. Status/Area function of 18,338.34 ha is for APL/KBNK other purposes of land.
 - b. Area of 18,338.34 ha (based on BPN measurement) shown in Map of Land No. 60-14.06-2009 is under the extended permit for PT Agrolestari Mandiri's plantation (in accordance with Head of Ketapang District No. 39 of 2009 dated 6 February 2009), and free from other overlapping forestry regulations.
 7. Summary of Land Survey "B" No. 12/HGU-HTPT/BPN/2010 dated 6 October 2010. In the document it is declared that the requested total area (18,338.34 ha) includes 4,227.69 ha of private land for which the owners have received compensation from PT Agrolestari Mandiri, and 4,227.69 ha of state-owned land.
 8. Letter of BPN Province of West Kalimantan regarding Land Use Permit request on behalf of PT Agrolestari Mandiri covering 18,338.34 ha in Pangkalan Teluk, Sungai Kelik, Siantau Raya, Nanga Tayab, Simpang Tiga Sembelangan and Tajuk Kayong villages, Sub-District of Nanga Tayab, District of Ketapang, Province of West Kalimantan. The letter was addressed to the Head of the National Land Agency of Indonesia.

- Location Maps : Figure 1, Figure 2 and Figure 3

Figure 1. Location Map of PT Agrolestari Mandiri in the District of Ketapang

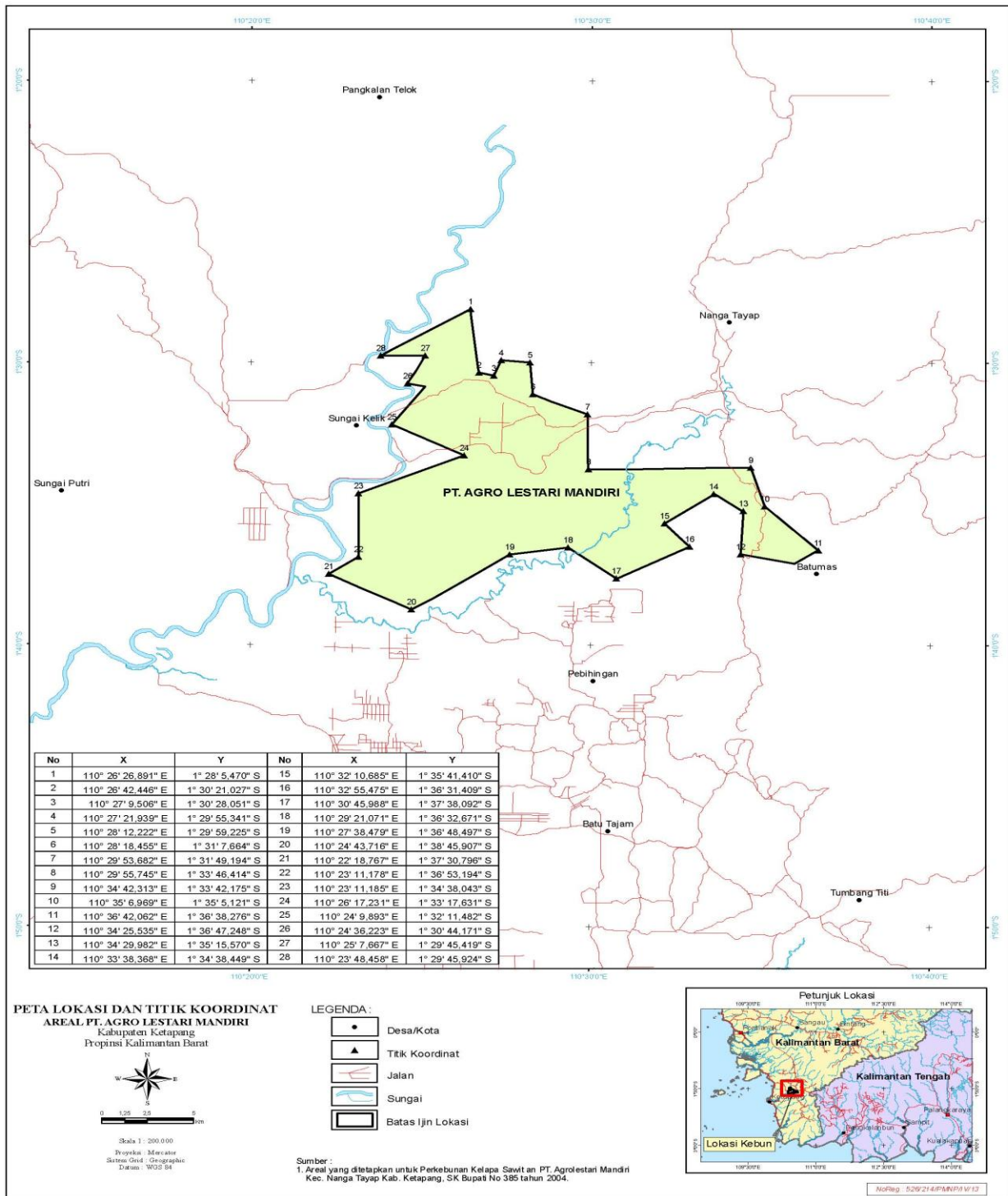
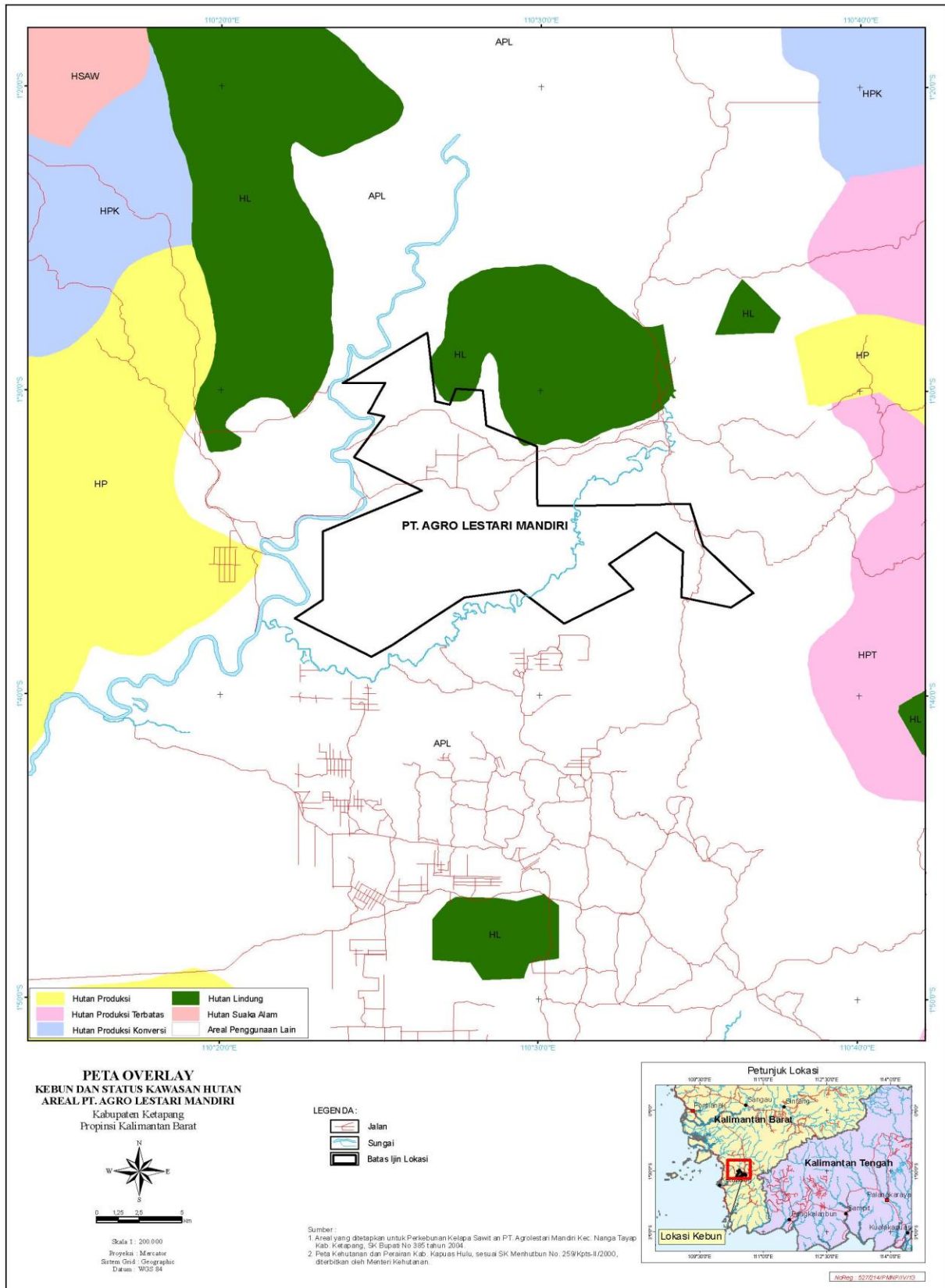


Figure 2. Overlay Map of Plantation and status of Forest Area of PT Agro Lestari Mandiri (related to the process of obtaining Land Use Permit)



SUMMARY OF SEI ASSESSMENT

An Environmental Impact Assessment was done by the government-accredited Research Centre for Environmental Impacts of the University of Tanjungpura Pontianak. The EIA documents were approved by the Governor of West Kalimantan through Decree No. 1064 of 2007 dated 27 December 2007 regarding the Environmental Feasibility of Plantation Activities (factory capacity of 60 tons FFB/hour) by PT Agrolestari Mandiri in Nanga Tayab Sub-District, District of Ketapang, Province of West Kalimantan. Besides the EIA, the company also has a Social Impact Assessment (SIA) conducted by an internal team from PT Smart, led by RSPO-approved social impact management specialist Bpk. Yosaphat Ardhilla Renato in February 2013. The EIA and palm plantation management of PT Agrolestari Mandiri address geophysical-chemical, biological, socio-economic, cultural and public health components.

The methods used in collecting and analysing EIA data were as follows:

- a. Secondary data collecting by referring to relevant literature
- b. Observation and field survey/orientation
- c. Observation
- d. Laboratory analysis
- e. Public hearing and focus group discussion

The SIA data collection and analysis was conducted by referring to related literature such as the EIA studies, high conservation value (HCV) identification studies and supporting government data such as local government websites.

The SIA findings for PT Agrolestari Mandiri are as follows:

No.	Social Impacts	Social issues
1.	Economy	Since the Company was established, members of the community have been earning regular and increasing incomes.
		The Company provides facilities to support staff and workers' welfare.
		The Company uses contractors on a sustainable, regular basis.
		The Company meets its obligations to support staff and worker's welfare, improve their competence and protect their rights.
		Small businesses like food stalls and shops selling daily necessities are emerging as the local economy becomes more dynamic.
2.	Social Unrest	Local staff recruitment should be prioritised to meet the

No.	Social Impacts	Social issues
		<p>Company's immediate needs.</p> <p>Disputes over land ownership should be anticipated, particularly in terms of compensation. This problem can be minimised by effective communication with the relevant parties. It is also necessary to deal with certain land needs being compensated. If an individual or group is unwilling to release their land, it is crucial to offer 'enclave' by giving access rights to them.</p> <p>Management and monitoring of water quality is a priority.</p>
3.	Community Health	<p>Waste resulting from the Company's operations is reused properly. Waste classified as B3 should be managed in cooperation with a third party.</p> <p>Poor sanitation triggers disease. The company should conduct training programmes relating to sanitation and a healthy environment. Through occupational health and safety management, the Company is expected to control certain epidemics internally and to cooperate with health services to prevent any epidemics in the study area.</p> <p>Delivery of FFB to the factory often creates dust and pollution that may cause respiratory disease. The Company needs to minimise such pollution.</p>
4.	Social Development	<p>The Company provides health and medical support to affected villages and can extend this assistance to the Sub-District level.</p> <p>The increasing number of higher education graduates in the study area is an indicator of the Company's contribution to the local community.</p> <p>the local community receives social support from the Company, which strengthens relations.</p>

SUMMARY OF HCV ASSESSMENT

The HCV assessment covered 23,377.14 ha (based on GIS) including the concession area (19,000 ha) at Nanga Tayap Village, Kelik River, Lembah Hijau I, Lembah Hijau II, Sintau Raya, Tajok Kayong, and SP3 Sembelangan, Nanga Tayap Sub-District, Ketapang District, West Kalimantan Province. The assessment was conducted over 9 months from June 2010-April 2011 by RSPO-approved HCV assessors from the Forestry Faculty of Bogor Agriculture Institute (IPB).

A public consultation on the HCV findings was held on 25 June 2010 at the Nanga Tayap Sub-District Office, attended by local informal leaders, Muspika leaders, military commander, customary leaders (Demang), the Sub-District Head and heads/assistant heads of the villages of Nanga Tayap, Sungai Kelik, Siantau Raya, Sembelangan, Tajok Kayong, Lembah Hijau I and Lembah Hijau II. The HCV assessment was peer reviewed by independent consultant Resit Sozer in October 2010.

The methods of HCV identification were in accordance with the Guidance to Identification of High Conservation Value in Indonesia (2008) and Principles & Criteria of RSPO and National Interpretation of RSPO Principles and Criteria. The methods involved collecting secondary data and field verification, field quantitative monitoring, interviews and field survey through focus group discussion, participatory rural appraisal and questionnaires.

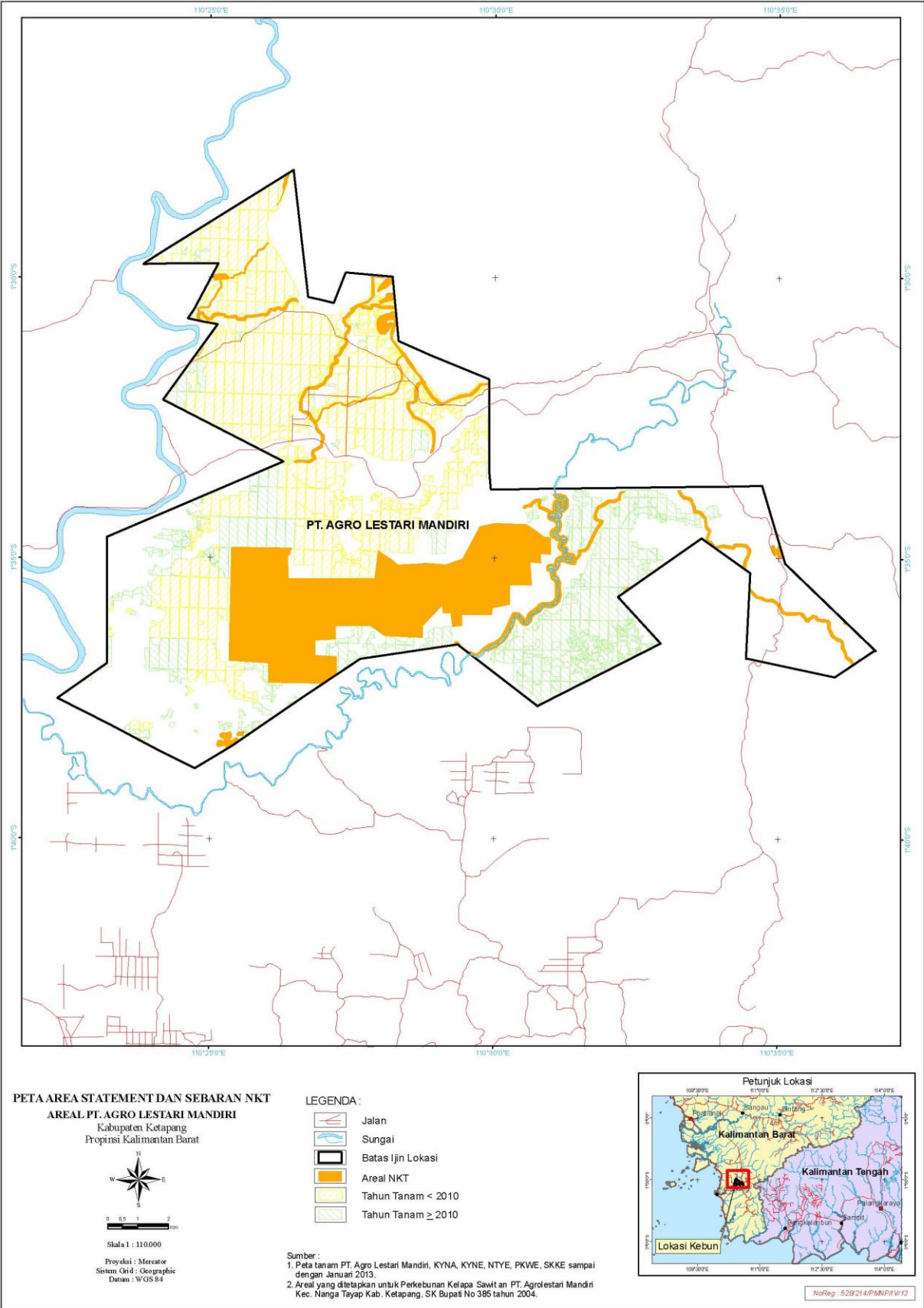
The physical field condition of the documented HCV areas is Schmidt Type of Climate and Fergusson Type 1 Climate A. The area is dominated by slope, with 73% of the land area or 17,235.57 ha classified as flat to sharp, A (0-5%), and 74.25 ha (0.32%) classified as very steep with gradient >40%. The type of soil is sedimentary and tertiary volcanic rock, with hydrology that includes the watershed of Pawan River and Kayung River. No peat land was identified.

Eight types of HCV were identified in the 23,377.14 ha concession area of PT Agrolestari Mandiri, namely HCV 1 (HCV 1.1, HCV 1.2 and HCV 1.3), HCV2 (HCV 2.3), HCV4 (HCV 4.1, HCV4.2 and HCV4.3) and HCV 6.

No.	Element of HCV	Description
1.	HCV 1.1. Area with essentially varied biological resources	Identified at riparian area, area around lake, hill, buffer zone HL, Batu Menangis hill, and conservation forest.
2.	HCV 1.2. Area with endangered species and sub-species.	Identified at Sempadan River, lake, hill, conservation forest, cemetery O-8 and Ulin Keramat (sacred area).
3.	HCV 1.3: Area serving as habitat of endangered species with limited spread or protected species that are still able to survive	Identified at riparian area, lake, hill, buffer zone of Batu Menangis Conservation Forest and other conservation forest
4	HCV 2.3. Area with population of natural species representation that are still	Identified at riparian area, lake, hill, buffer zone of Batu Menangis Conservation Forest and other conservation forest.

	able survive	
5	HCV 4.1. Area providing natural environmental services	Identified at riparian area, lake, hill and conservation forest.
6	HCV 4.2 Essential area for controlling erosion and sediment	Identified at hill and buffer zone of conservation forest
7	HCV 4.3 Area serving as natural shield to prevent extensive forest and land fires	Identified at buffer zone of Batu Menangis Conservation Forest
8	HCV 6 Area serving essential function of local cultures or community	Identified at cemetery Block O-8, Ulin Keramat, Batu Puja and Keramat Tengkuayung

Figure 3. Identification of HCV and project plan area on PT Agro Lestari Mandiri



DOCUMENTATION OF FREE, PRIOR AND INFORMED CONSENT

In accordance with RSPO requirements, the Company obtained free, prior and informed consent from the local community that would be affected by the development of the concession area or land that would be opened. This is documented as follows:

1. The EIA documentation shows evidence of community involvement and information disclosure.
2. Documentation shows that in obtaining its Land Use Permit, the Company conducted identification of land rights and has paid compensation for land acquisition in 2007, 2008 and 2009.

SUMMARY OF PLAN

PT Agrolestari Mandiri has an HCV management and monitoring plan for the period 2011–2013. The plan is for each HCV location and in accordance with the RSPO Principles & Criteria for New Plantings using technological, socio-economic and institutional approaches.

The Company also has an Environmental Management and Monitoring Plan issued in December 2007, derived from the EIA of the factory and plantation activities. This is supported by the social impact management plan compiled in March 2013.

These three documents guide the Company in managing the environmental and social impacts in accordance with RSPO Principles & Criteria for New Plantings.

VERIFICATION STATEMENT:

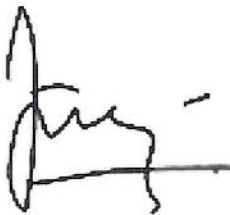
PT Agrolestari Mandiri opted for a document audit. Two auditors from Mutuagung Lestari conducted a desk study and assessment of relevant documents at the audit at head office in Jakarta from 12 to 13 April 2013 and also held interviews with the management representatives of PT Agrolestari Mandiri (Head of Sustainability, Environmental Department staff and Legal Department staff) during the assessment.

The SEIA (AMDAL) was conducted by the government-accredited consultant, while the SIA and HCV assessments were conducted by RSPO-approved assessors. Therefore PT Agrolestari Mandiri has adhered to RSPO New Planting Procedures. Documentation of the assessments and plans is comprehensive, professionally carried out in accordance with RSPO requirements and complies with RSPO Principles and Criteria for new plantings.

This is part of an ongoing planting, and this report is meant for notification only.

Signed on behalf of

MUTUAGUNG LESTARI



Taufik Margani
Lead Auditor
5 August 2013

PT AGROLESTARI MANDIRI



Dr Haskarlianus Pasang
Division Head of Sustainability
5 August 2013