

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 MITRAKARYA AGROINDO**
RSPO Membership Number : **1-0096-11-000-00**
Dated 31 March 2011

LOCATION OF PROPOSED NEW PLANTING

- Company Name : PT Mitrakarya Agroindo
- Location : Mugi Panyuhu, Ayawan, Sukamandang, Teluk Bayur, Gantung Pengayuh, Derawa, Sebabi, Durian Kait Kalang and Sandul villages in Seruyan Tengah Sub-District; Desa Tanjung Rangas, Tanjung Paring and Tanjung Hara villages in Hanau Sub-District, District of Seruyan, Province of Central Kalimantan, INDONESIA
- Geographical Location : 112°9'33.5339" - 112°17'35.5923" E and 2°4'54.728" - 2°22'19.279" S
: 112°12'15.0957" - 112 15' 9.7151" E and 2°12'8.5722" - 2°16'32.1725" S
- Surrounding Entities :
 - a. North : Ayawan River
 - b. East : Oil Palm Plantation and Transmigration Site
 - c. West : Seruyan River and Local People Settlement
 - d. South : Inter-road Sampit – Pangkalan Bun
- New Planting Area (Planted) : **1,889.21 ha**
- New Planting area (Remaining area) : **8,918.07 ha**

- Permit
 - a. Location Permit: Decree of Seruyan Regent No. 80 of 2004 dated 22 June 2004 for a total area of $\pm 20,000$ ha.
 - b. Location Permit: Decree of Seruyan Regent No. 194 of 2005 dated 22 December 2005 for a total area of $\pm 5,252$ ha.
 - c. Extension of Location Permit (Revised Location Permit): Decree of Seruyan Regent No. 55 of 2006 dated 15 February 2006 for a total area of $\pm 17,885.45$ ha.
 - d. Plantation Business Licence: Decree of Seruyan Regent No. 525/077/EK/2005 dated 11 April 2005 for a total area of $\pm 20,000$ ha.
 - e. Letter of Request for Revision of Plantation Permit covering an area of 5,252 ha, in accordance with Letter No. 03/D&L-MKA/JKTO/IV/2013 dated 10 April 2013. This letter is adjusted to the effective location permit.
 - f. Land Use Permit: In process with the relevant authorities. The process involves the following documents:
 - Committee Summary B No. 105/PPTB/XI/2006 dated 22 November 2006 for the requested area of 17,759.336 ha.
 - Cadastral Map showing area of 17,759.336 ha and 5,252 ha.
 - Request Letter of Location Permit for PT Mitrakarya Agroindo covering 5,252 ha to the Seruyan Regent No. 06a/MKA-D&L/JKTO/X/11, dated 14 October 2011 (as legal basis for land ownership during the process of obtaining the Land Use Permit)
 - Request Letter of Location Permit for PT Mitrakarya Agroindo according to Cadastral Map covering an area of 17,759.34 ha, submitted to Seruyan Regent, No. 05/MKA-D&L/JKTO/IX/12 dated 17 September 2012 (as legal basis for land ownership during the process of obtaining the Land Use Permit)

- Location Map : Figure 1a, 1b, Figure 2a, 2b and Figure 3a, 3b

Figure 1a. Location Map of PT Mitrakarya Agroindo (Nucleus)

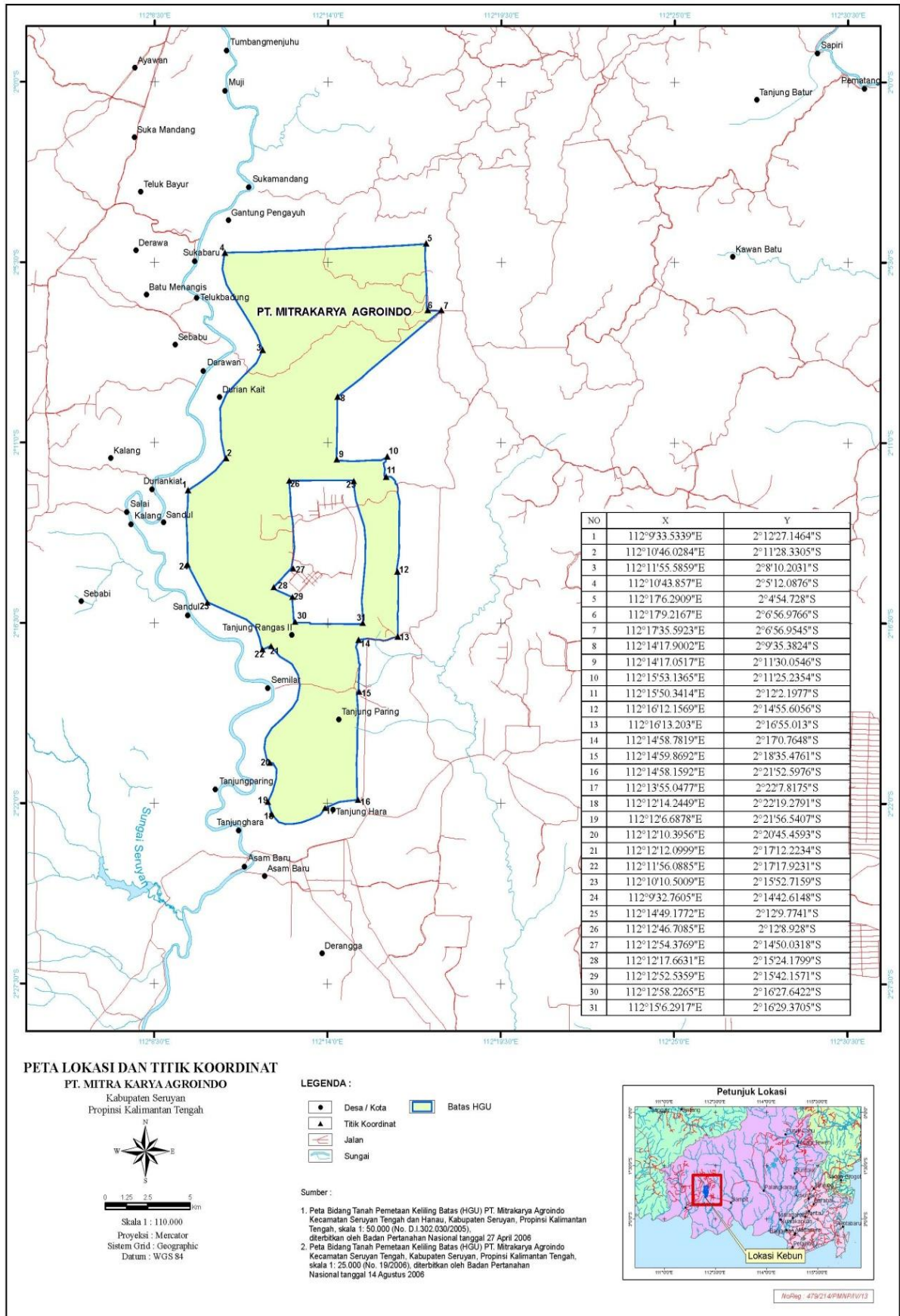


Figure1b. Location Map of PT Mitrakarya Agroindo (Plasma)

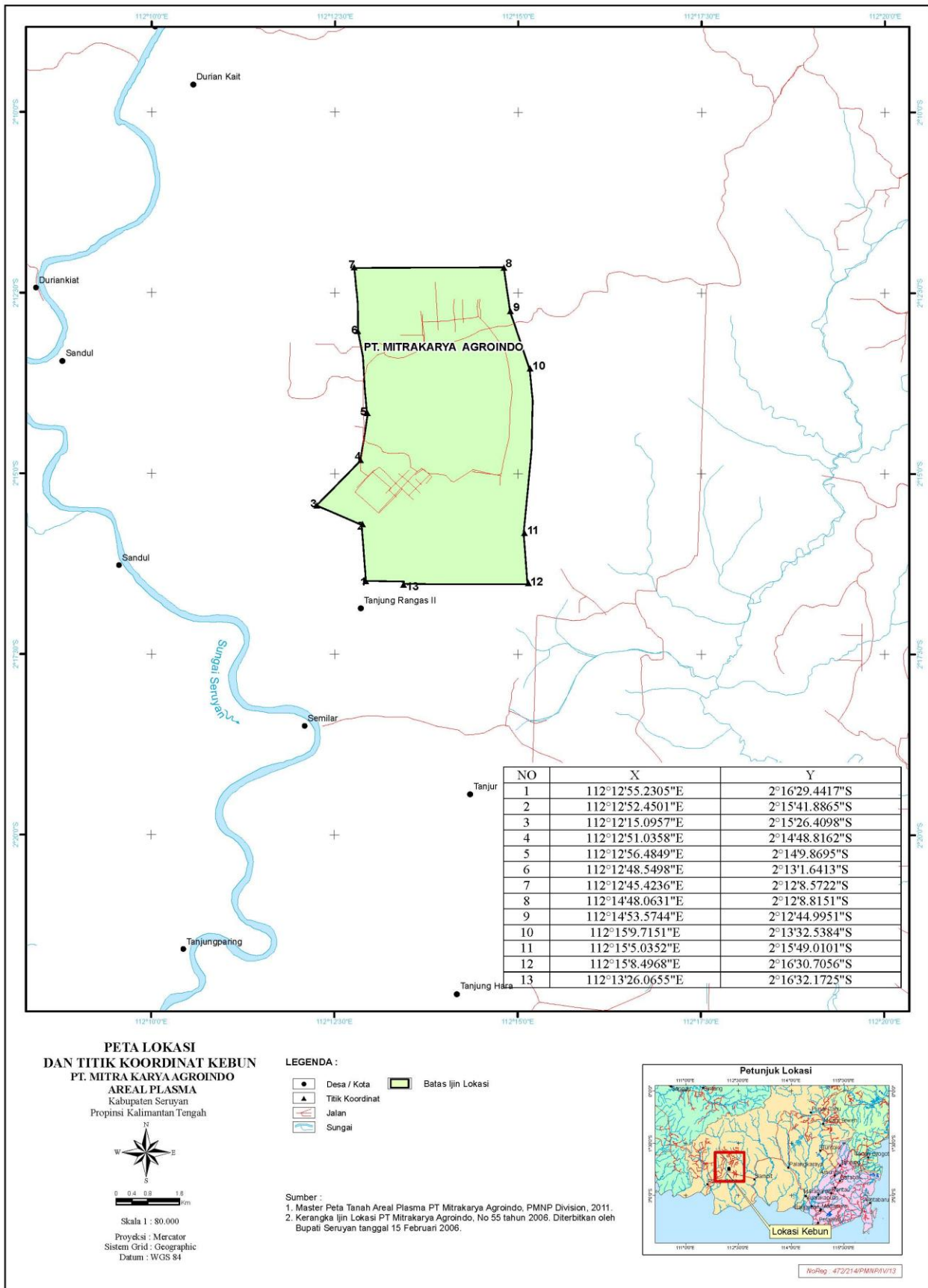


Figure 2a. Overlay Map of Plantation and Status of Forest Area of PT Mitrakarya Agroindo (related to the process of obtaining Land Use Permit)

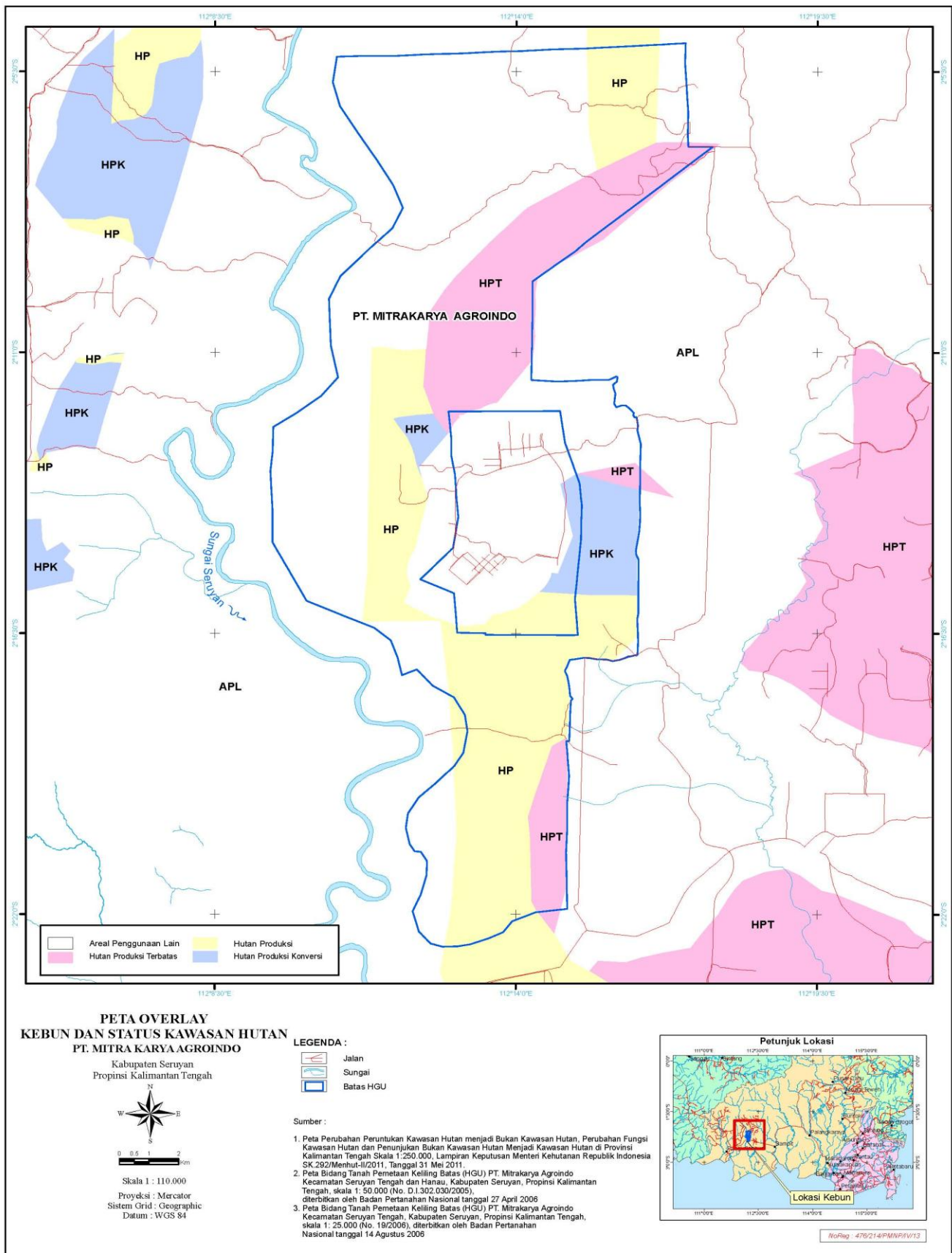
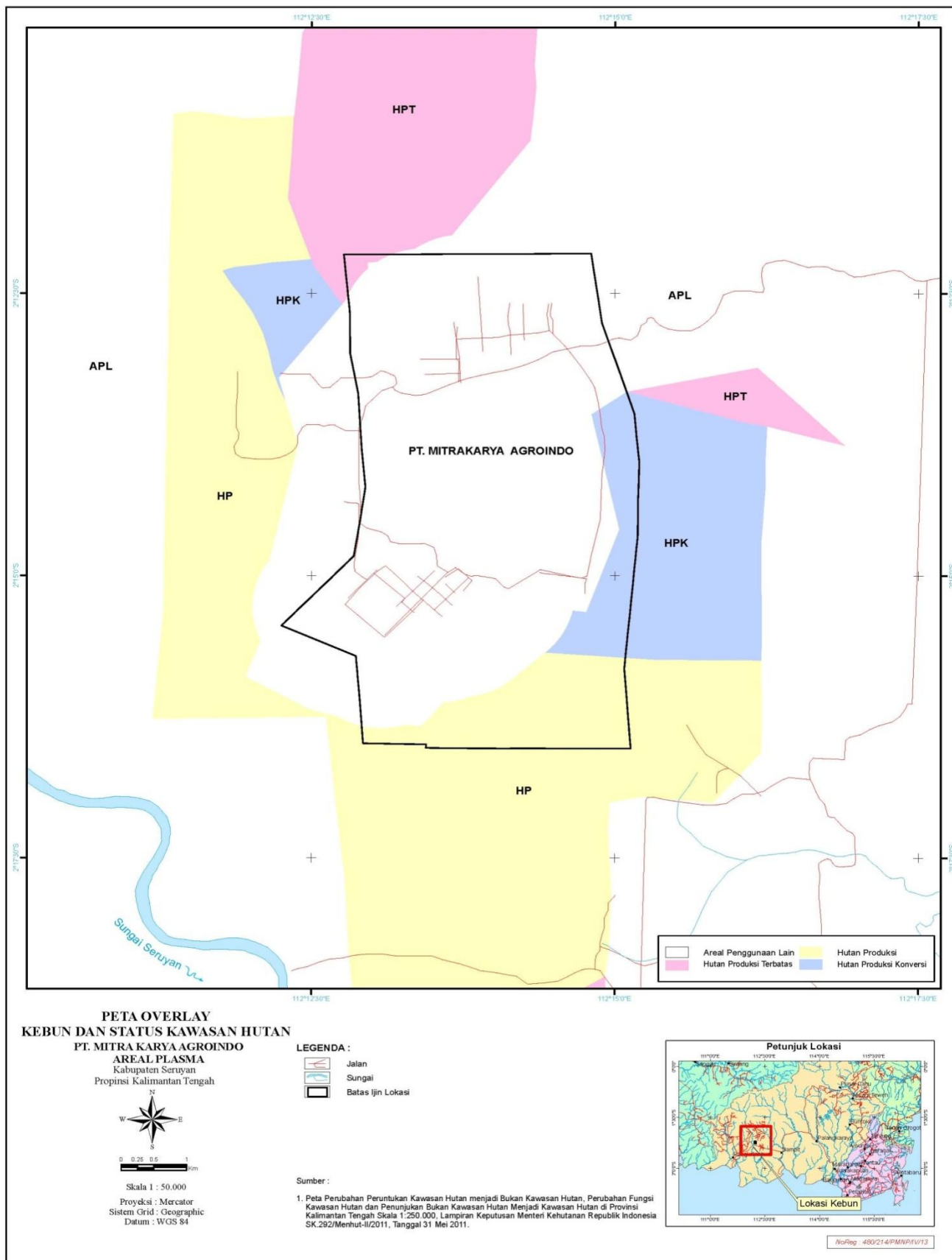


Figure 2b. Overlay Map of Plantation and Status of Forest Area of PT Mitrakarya Agroindo (related to the process of obtaining Land Use Permit)



SUMMARY OF SEI ASSESSMENT

An Environmental Impact Assessment (EIA) was conducted by government-accredited consultant PT Geo Dinamika Utama. The EIA document was approved by the Governor of Central Kalimantan's Decree No. 188.44/185/2007 dated 10 May 2007 on the Environmental Sustainability of Plantation Activities and Palm Processing Plant of PT Mitrakarya Agroindo in Seruyan District, Province of Central Kalimantan. Besides the EIA document, the company also has a Social Impact Assessment (SIA) conducted by an internal team from PT SMART, led by RSPO-approved social impact management expert Bpk. Yosaphat Ardhilla Renato in February 2013. The assessments covered geophysical-chemical, biological, socio-cultural, public health and other impacts.

The methods used in the EIA were as follows :

- a. Secondary data collection through literature review
- b. Observation and field survey
- c. Monitoring
- d. Laboratory analyses
- e. Public consultation and focus group discussion

The methods for the SIA involved seeking information from literature including the EIA, High Conservation Value (HCV) identification and government sources such as local government websites.

The findings of the SIA of PT Mitrakarya Agroindo are as follows:

No.	Social Impacts	Social Issues
1.	Community Attitudes and Perception	The participation of government, traditional leaders and traditional entities in each activity of land transfer or acquisition and at the pre-construction stage.
		Land acquisition might create unrest or disputes because of disagreement or misunderstanding over the land price.
		Clear information on well-planned plasma and corporate social responsibility programmes,
2.	Social Unrest	The labour quota should be in accordance with the Company's needs.
		Land acquisition might create unrest or disputes because of disagreement or misunderstanding over the land price.
3.	Employment and Business Opportunities	Incomes have increased since the Company began development in the area, as the community earns a regular income from the Company's operations.
		The Company provides facilities to improve staff and workers' welfare.

No.	Social Impacts	Social Issues
		<p>The Company uses appointed contractors on a sustainable and regular basis.</p> <p>The Company implements occupational health and safety (OHS) programmes to meet its obligations concerning staff/worker welfare, competence and rights.</p> <p>Small businesses like food stalls and shops selling daily necessities are emerging as the local economy becomes more dynamic.</p>
4.	Social Jealousy	The gap between the number of local and migrant workers.
5.	Community Health	<p>Waste resulting from the Company's operations is reused properly. Waste classified as B3 is managed in cooperation with a third party.</p> <p>Diseases are triggered by poor sanitation. Therefore the Company should conduct training programmes addressing sanitation and healthy environment. The Company, through OHS management, is expected to control certain epidemics internally and to cooperate with health services to prevent epidemics in the study area.</p> <p>Delivery of FFB to the factory often creates dust and pollution that might cause respiratory diseases. The Company has to minimise such pollution.</p>
6.	Community Welfare and Regional Development	<p>The Company consistently complies with tax regulations.</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 support from the Company for social and cultural activities.</p>

SUMMARY OF HCV ASSESSMENT

The HCV assessment covered 23,878.36 ha (based on GIS) in Seruyan Tengah and Hanau Sub-Districts, Seruyan District, Central Kalimantan Province. The assessment was carried out from 23 June to 6 July 2010 by a team of RSPO-approved HCV assessors from the Research Centre for Biotechnology Resources, Research Institute of Community Services, Bogor Agriculture Institute (IPB).

A public consultation was conducted on 5 July 2010 in Sukamandang Village, Seruyan Sub-District, Seruyan District, Central Kalimantan Province. Some 48 participants attended including the Sub-District Head, Village Head and staff, local military commander, local police chief, customary leaders, religious leaders, plantation operator, university, local NGOs, and other stakeholders. The HCV assessment was peer reviewed by independent consultant Resit Sozer in March 2011.

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

The field conditions as stated in the HCV documentation reveal climate type A(Q= 0-14.3 %). There are five land categories, namely mineral land (67.5%), mineral swamp (16.6%), peat of depth 60-150 cm (3.2%), peat of depth 150-300 cm (5.5%) and peat of depth >300 cm (7.1%). Seven HCV types were identified in the concession area of PT Mitrakarya Agroindo, namely HCV 1.1., HCV1.3, HCV 1.4, HCV 2.3, HCV 3, HCV 4.1 and HCV 6, covering a total area of 5,166.4 ha (21.64%) .

No.	HCV Element	Area (ha)	Description
1.	1.1	2,743.1	Total of 2,743.1 ha comprising 312.46 ha of riparian area (Kuang, Sahabu, Supiang, Semudung and Sekutai rivers) and 2,428.6 ha of peat Land Conservation Area in Ketayan Estates (KTYE), Sulin Estates (SLNE), Nahiyang Estates (NHYE).
2.	1.3	599.90	Peat Land Conservation Area in Block NHYE and KTYE and Sahabu River riparian.
3.	1.4	3,974.2	Secondary forest in NHYE covering 3,433 ha and palm area in block 41-51. L 41-51 covering 541.2 ha.
4	2.3	-	Ecosystem of secondary forest of mineral land and peat swamp in NHYE and KTYE.
5	3	1,389.89	Peat swamp forest distributed over three estates (KTYE, SLNE and NHYE) and occupying a total area of 1,389.89 ha
6	4.1	2,743.10	Riparian Area (Kuwang, Supiang, Semudung, Sekutai and Sahabu rivers) and Area of Inner Peat.
7	6	0.5	Old cemetery in Block 69 E in NHYE.

Figure 3a. Identification of HCV and Plan of Project Area PT Mitrakarya Agroindo (Nucleus)

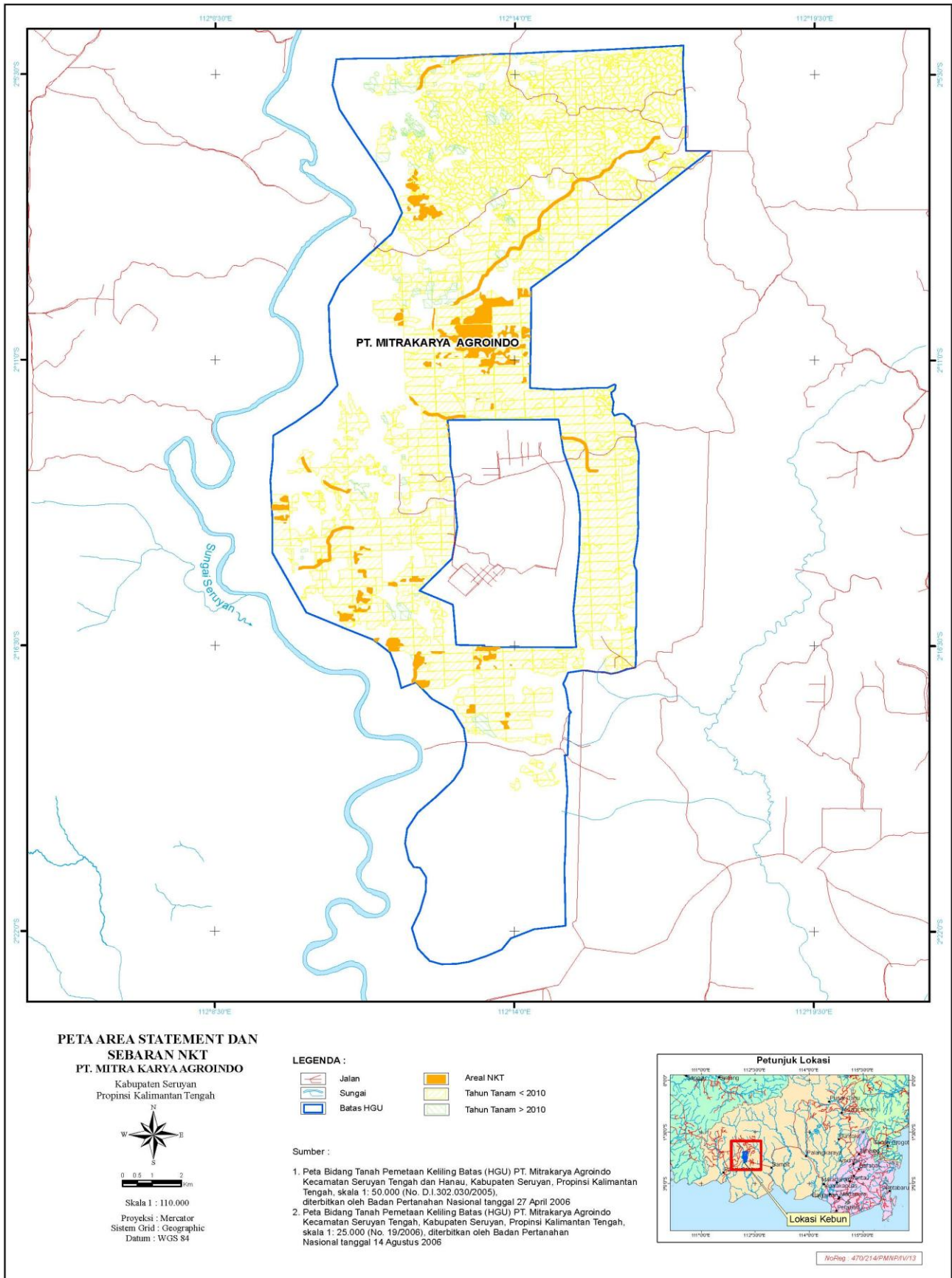
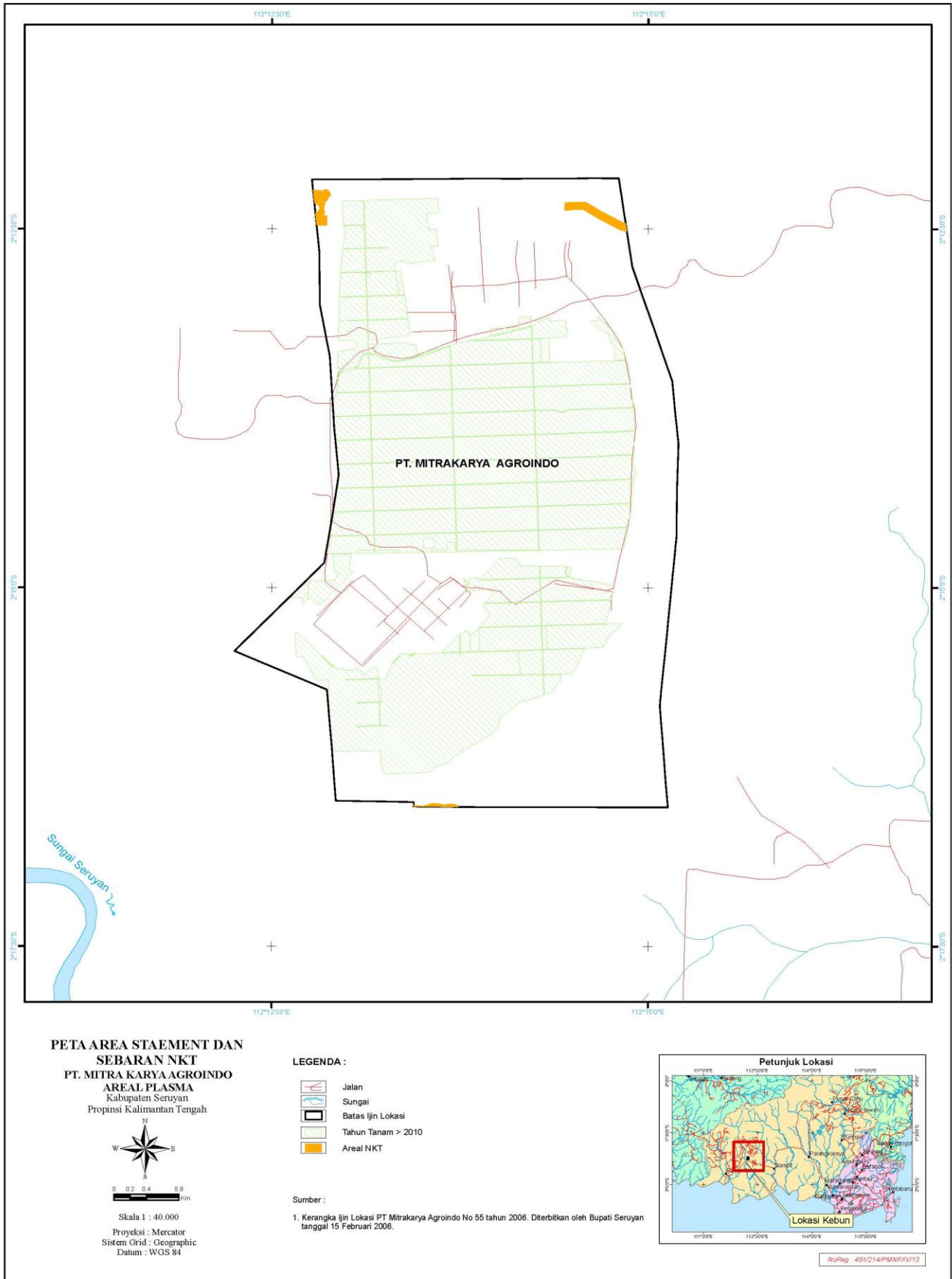


Figure 3b. Identification of HCV and Plan of Project Area PT Mitrakarya Agroindo (Plasma)



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.

SUMMARY OF PLAN

PT Mitrakarya Agroindo has a master plan for HCV management in Kebun Nusa Estate, Ketayan Estate, Sulin Estate and Nahiyang Estate for the years 2011-2013. The HCV management plan identifies programmes, targets, stages of activity, indicators, locations, schedules, teams/committees in charge, operator, supporting party and other relevant aspects in accordance with the RSPO Principles and Criteria for New Plantings.

The Company also has an Environmental Management and Monitoring Plan issued in September 2007, describing measurements, schedules, environmental impacts of factory processing and plantation operations. It also has a social impact management plan supported by the SIA issued in February 2013.

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

VERIFICATION STATEMENT:

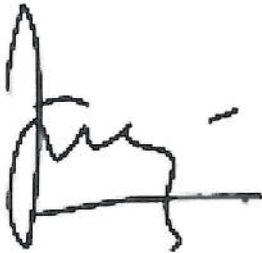
PT Mitrakarya Agroindo opted for a document audit. Three auditors from Mutuagung Lestari conducted a desk study and assessment of relevant documents at the audit at the head office in Jakarta from 12 to 13 April 2013 and also held interviews with the management representatives of PT Mitrakarya Agroindo (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. PT Mitrakarya Agroindo has adhered to the RSPO New Planting Procedures. Documentation of the assessments and plans is comprehensive, professionally carried out in accordance with RSPO requirements, and comply 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 MITRAKARYA AGROINDO



Dr Haskarlianus Pasang
Division Head of Sustainability
5 August 2013