

## 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

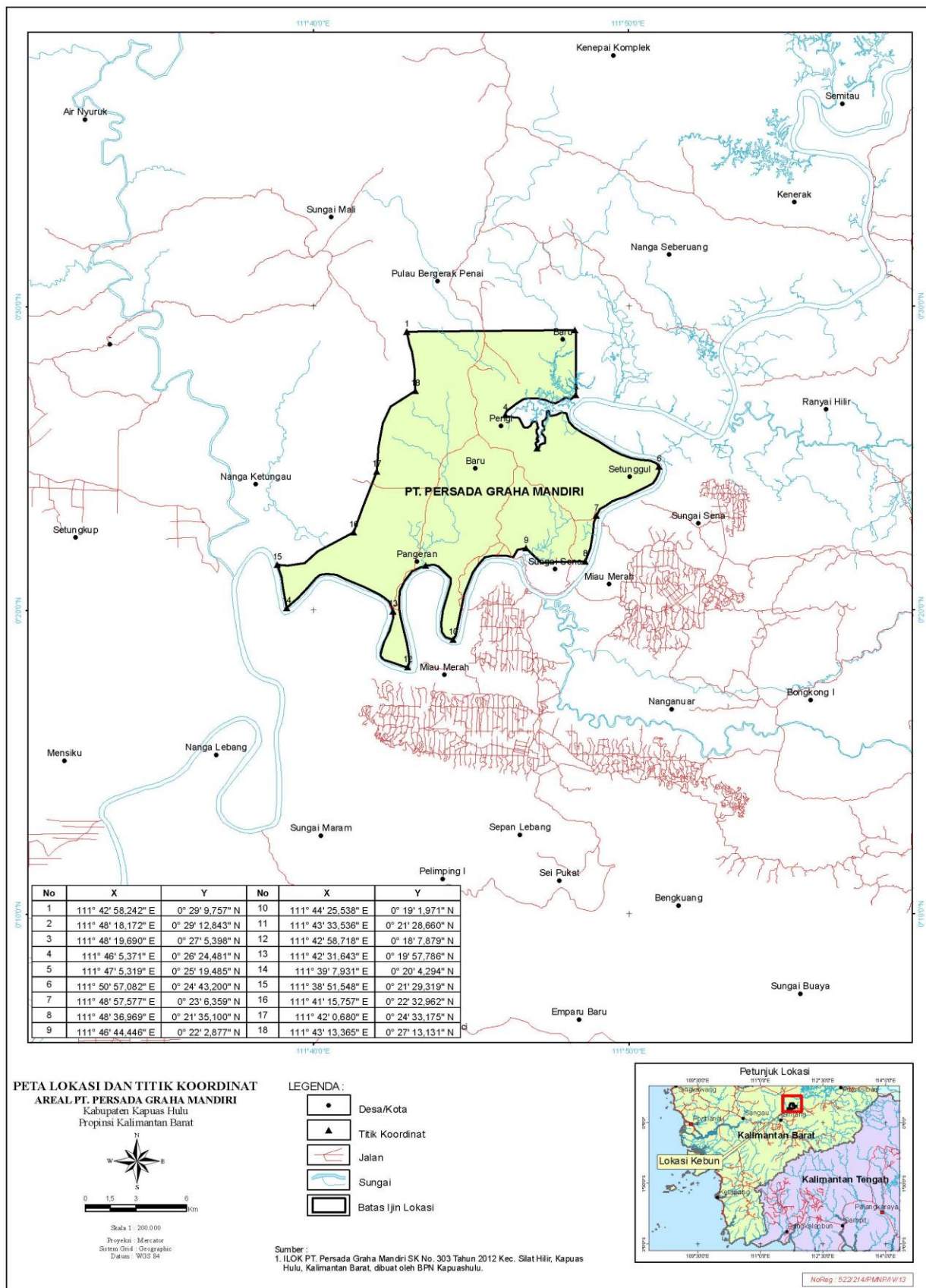
	This is a completely new development and stakeholders may submit comments.
√	This is part of an ongoing planting and is meant for notification only.

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

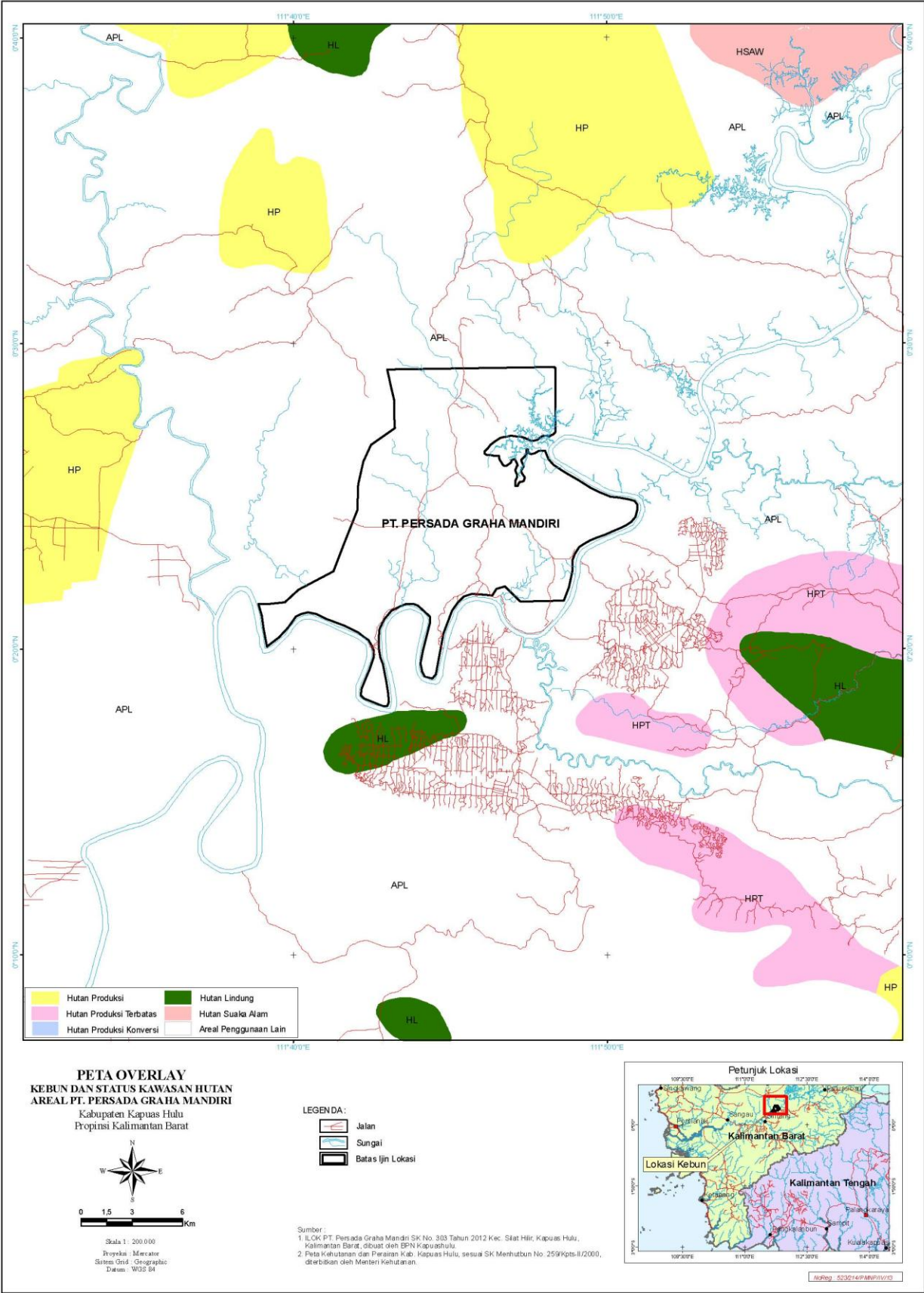
### LOCATION OF PROPOSED NEW PLANTING

- Company Name : PT Persada Graha Mandiri
- Location : Silat Hilir Sub-District, Kapuas Hulu District, West Kalimantan Province
- Geographic : 111°38'51" – 111°50'57" E and 0°18'7" – 0°29'12" N
- Around the Area
  - a. North :
  - b. East :
  - c. West :
  - d. South :
- New Planting Area (tertanam) : 2,837.58
- New Planting area (Sisa area) : 9,005.09
- Permit :
  - a. Renewal of the location permit based on Kapuas Hulu Regent Decree No. 303 dated 1 October 2012, valid until 1 October 2013 and covering an area of 18,868 ha.
  - b. Plantation Business Permit (IUP): Kapuas Hulu Regent Decree No. 241 of 2012 dated 12 July 2012 for oil palm plantations covering 19,750 ha and palm oil mill capacity of 80 tons FFB/hour.
  - c. Land Use Title (HGU): In process with relevant institutions
- Location Map : Figure 1, Figure 2 and Figure 3

**Figure 1. Location Map of PT Persada Graha Mandiri in Kapuas Hulu District & Recommended Land Use Title.**



**Figure 2. Overlay Map of PT Persada Graha Mandiri Plantation and Forest Area Status in Kapuas Hulu.**



## SUMMARY OF SEI ASSESSMENT

PT Persada Graha Mandiri has an Environmental Impact Assessment (EIA) of 20,000 ha. The EIA was conducted by government-accredited assessors CV. IMAGE INTERGRAHA PERSADA, of Jl. M.H. Thamrin Komp UNTAN No. P 42 Pontianak, West Kalimantan Tel. (0561) 745286. The EIA was prepared in 2008. The team comprised leader Ir. H. Fahrizal, MP (Agriculture and Forestry Expert, EIA EIA A and B), physical chemistry experts DR. Farah Diba, S.Hut. and Tanti Erningtyas, S.Hut, M.Sc (EIA A), Tim M., biology expert Sofwan Anwari, S.Si. M.Si (Biologist, EIA A), and sociology experts Tri Rosdiana, S.Hut, Tim Sosekbud Rhido Ismail, S. Sos (Social Expert).

A Social Impact Assessment (SIA) of PT Persada Graha Mandiri was done in February in 2013 by an internal team from PT SMART' led by Renato Ardhilla Yosaphat S.Ant. (corporate social responsibility (CSR) officer, social and cultural anthropology expert), with members Lawrence Vita Baskara S.Sos. (staff from the CSR Department, expert in social development and community well-being), May Veranita S.Ant Pratama. (staff from the CSR Department, expert in social and cultural anthropology), Suma Nugraha SE (staff from the CSR Department, expert in social political economy) and Widodo C Yowono (Social Impact Assessment & Grievance Section Head).

Methods used in collecting and analysing data for the EIA were:

- a. Secondary data collection through literature
- b. Data collection through observation and field orientation
- c. Data collection through observation
- d. Data collection through laboratory analysis
- e. Data and information collection through public hearing and focus group discussion

Methods used to obtain the data of social, economic and cultural conditions around the plantation and plant of PT Persada Graha Mandiri were a social survey with questionnaires, in-depth interviews, focus group discussion and activities. Primary data were collected through field visit. Secondary data collection was done indirectly by reviewing material such as the EIA study, High Conservation Value (HCV) identification studies and government data.

**Table 1.** Environmental impacts in the concession area of PT Persada Graha Mandiri

No.	IMPACT	MANAGEMENT	MONITORING
1	Decrease in air quality and increase in noise level	<ul style="list-style-type: none"> <li>- Use of land clearing technology which can reduce noise and dust</li> <li>- Spraying /-watering before physical work</li> <li>- Cultivation of LCC</li> <li>- Use of protective equipment (e.g. masks, ear plugs)</li> <li>- Install chimneys</li> <li>- Conduct health checks</li> </ul>	Measurement of air quality and noise parameters with reference to PP 41 of 1999, Decree No. MenLH. 48 of 1996 and Decree No. MenLH. KEP-45/MENLH/10/1997
2	Increasing rate of erosion	<ul style="list-style-type: none"> <li>- Semi-mechanical land clearing</li> <li>- Planting of trees to reduce surface flow</li> </ul>	Measurement of rate of erosion

		<ul style="list-style-type: none"> <li>- Planting of LCC</li> <li>- Terracing of steep areas</li> <li>- Creation and maintenance of drainage channels</li> <li>- Maintenance of roads</li> </ul>	
3	Increased potential for forest fires	<ul style="list-style-type: none"> <li>- Zero burning for land clearing</li> <li>- Construction of fire towers</li> </ul>	Measurement of fire hazard level
4	Decrease in water quality	<ul style="list-style-type: none"> <li>- Maintenance of green belt</li> <li>- Prohibiting logging</li> </ul>	Measurement of river water quality (TSS, TDS, BOD, COD)
5	Disruption to flora and fauna	<ul style="list-style-type: none"> <li>- Clearing land gradually</li> <li>- Signboards prohibiting disturbing flora and fauna</li> <li>- Public education and counselling</li> </ul>	Measurement of diversity and population
6	Public health problems	<ul style="list-style-type: none"> <li>- Implementing water filtration</li> <li>- Post signs along the way</li> <li>- Providing health care</li> <li>- Conducting outreach and implementing occupational health and safety</li> </ul>	Monitoring sanitary conditions in the community
7	The emergence of social worries	<ul style="list-style-type: none"> <li>- Public outreach and education</li> <li>- Inventory of community land and proper implementation of the settlement process</li> <li>- Doing definitive arrangement limits</li> </ul>	Measuring the number of people who experience anxiety
8	Increase of social income	<ul style="list-style-type: none"> <li>- Encouraging the growth of local enterprise</li> <li>- Training of entrepreneurs</li> <li>- Training of manpower</li> </ul>	Measurement of income levels
9	Land tenure conflicts	<ul style="list-style-type: none"> <li>- Public outreach and socialisation</li> <li>- Inventory of community land and proper implementation of settlement process</li> <li>- Doing definitive limits arrangement</li> </ul>	Measuring level of public perception

Table 2. Results of the SIA of PT Persada Graha Mandiri

No	SOCIAL IMPACT	SOCIAL ISSUE
1	Increase in job opportunities and community income levels	Increase in income levels and stability within the community as a result of the Company's activities.
		The Company engages local contractors according to its needs.
		The emergence of stalls, kiosks and increasing sources of livelihood due to economic activity increasing.
		Plasma programme implemented by the company and community.
2	Social anxiety and conflict	Local worker quotas need to be considered and adjusted to the needs of the local workforce.
		Vagueness of the Company's investment plans and management patterns.
		Clarity of plasma programme and planned CSR programme.
		Involvement of government, community leaders and traditional institutions in every land acquisition and at pre-construction.
3	Public health problems	Waste generated by the Company's operations is responsibly reused, and waste classified as B3 (hazardous) is managed in cooperation with third parties.
		Management and monitoring of water quality because the water sources are the main water supply for the study area.
		Delivery of FFB to the factory often creates dust and pollution that can cause respiratory disease. The Company makes an effort to reduce such pollution.
4	Contribution to regional development	In all its operations, the Company obeys regulations, for example paying taxes.
		The continuing increase in higher education graduates in the study area, shows the Company's contribution to the community in the study area.
		The local community surrounding the Company receives social and cultural support.

## SUMMARY OF HCV ASSESSMENT

Identification and Analysis of HCV was conducted by the Research Centre for Biotechnology and Biodiversity Data Sources, Institute of Research and Community Services, Bogor Agricultural University (IPB) from March to April of 2010. The team consisted of eight RSPO-approved HCV assessors, each an expert in a specific field.

In the process of preparing the HCV Assessment, team members were accompanied by a team of observers representing the Company and local community representatives familiar with the condition of the area. In addition to the field survey, the team also collected information from the local community through interviews, focus group discussions and public consultation. The HCV Assessment identified seven HCV types in the concession area of PT Persada Graha Mandiri, namely HCV 1 (HCV 1.1, 1.2 and 1.3), HCV 2 (HCV 2.3), HCV 4 (HCV 4.1), HCV 5 and HCV 6.

**Table 3. Results HCV Identification in the concession area of PT Persada Graha Mandiri**

No	HCV Type	Specifics	Area (ha)
1	1.1	Riparian areas at the following rivers: Beran / Putat, Bungo, Entimut, Keladan, Top Biting, Sentabai, Tepuak, Penyengat Bawah; around the following springs: Beran / Putat, Penyengat Bawah; swamps and surrounding areas: Sentabai Swamp and Penyengat Swamp. Most of these areas are still forested and home to endangered plants and/or wildlife. They therefore play a central role in supporting biodiversity within or outside the permit area. The area can serve as a temporary wildlife refuge.	1,054.45
2	1.2	There are plant species that are protected under PP. 7 of 1999 and/or included in CITES Appendix II and/or classified as Vulnerable (susceptible) or Critically Endangered (CR) according to the IUCN. They are: Tengkawang anjen ( <i>Shorea beccariana</i> Burck), Tengkawang Tukul ( <i>Shorea stenoptera</i> Burck), Tengkawang ( <i>Shorea pinanga</i> Scheff), Mentuyut ( <i>Nepenthes andamana</i> ), Gaharu ( <i>Aquilaria malaccensis</i> Lamk.), Kawi ( <i>Shorea balangeran</i> (Korth.) Burck), Entuyut ( <i>Nepenthes mirabilis</i> (Lour.) Druce), Tekam ( <i>Shorea foxythyl</i> ), Emang/Melawan ( <i>Hopea mengerawan</i> Miquel), Tekam Penyau ( <i>Hopea sangal</i> Korth.), Meranti Batu ( <i>Shorea pallidifolia</i> ), Merkayong ( <i>Hopea parchycarpa</i> (F.Heiim) Symington) and Ulin ( <i>Eusyderoxylon zwageri</i> T. & B.).	

		There are also species of wildlife protected under PP. 7 of 1999 or ministerial decree 301/Kpts-II/1991 and/or included in CITES Appendix II and/or classified as Vulnerable (susceptible) or Endangered (threatened/critical) according to the IUCN. These are: Forest Cat ( <i>Felis bengalensis</i> ), muncak ( <i>Muntiacus muntjak</i> ), deer ( <i>Rusa unicolor</i> ), mouse-deer / deer ( <i>Tragulus javanicus</i> ), Eagle striated ( <i>Accipiter virgatus</i> ), Brahminy Kite ( <i>Haliastur indus</i> ) and False Gharial ( <i>Tomistoma schlegelii</i> ).	1128,45
3	1.3	There are plant species protected under PP. 7 of 1999 and/or included in CITES Appendix II and/or classified as Vulnerable (susceptible) or Critically Endangered (CR) according to the IUCN, namely: Tengawang anjen ( <i>Shorea beccariana</i> Burck), Tengawang hammer ( <i>Shorea stenoptera</i> Burck), Tengawang ( <i>Shorea pinanga</i> Scheff), Mentuyut ( <i>Nepenthes andamana</i> ) and Agarwood.	
		There are species of fauna protected under PP. 7 of 1999 or ministerial decree 301/Kpts-II/1991 and/or included in CITES Appendix II and/or classified as Vulnerable (susceptible) or Endangered (threatened / critical) according to the IUCN. They are: Forest Cat ( <i>Felis bengalensis</i> ), muncak ( <i>Muntiacus muntjak</i> ), deer ( <i>Rusa unicolor</i> ), mouse-deer/deer ( <i>Tragulus javanicus</i> ) and Striated Eagle ( <i>Accipiter virgatus</i> ).	520,51
4	2.3	There is a region shown to contain a high predator population that continues to reproduce and is viable.	No area given???
5	4.1	There are areas that serve as flood control and water supply for the community, in the form of river banks near streams and freshwater marsh. Some locals use the rivers to meet their daily needs for water, sanitation, protein (fish) and transport, specifically the following rivers: Burak Air, Penyengat Atas, Sentabai, Keladan, Beran/Putat, Tepuak and Bungo.	<i>Overlaps with HCV 1.1</i>
6			
7	5	There are areas that are important for the community to meet their need for clean water and other daily needs (riparian area of Burak Air, Penyengat Atas, Sentabai, Keladan, Beran/Putat, Tepuak, Bungo and Penyengat Bawah rivers).	<i>Overlaps with HCV 1.1</i>
8	6	There are sacred places, among others: Tembawang / gupung including Beran/Putat, Bungo, Bura Air, Gupung Sepan Perahu (Forest	



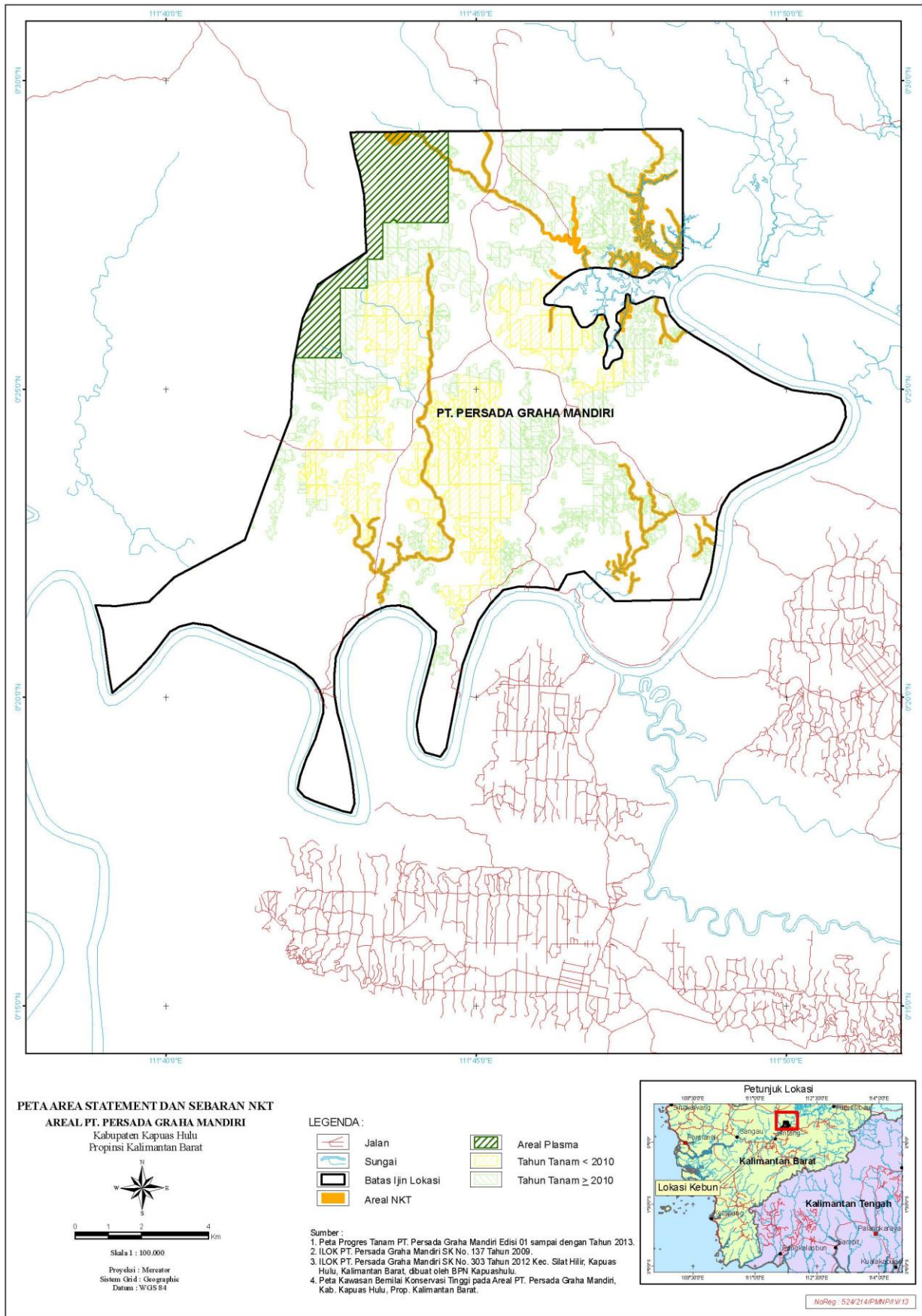
	Heath), Gupung Pendam Besar, Gupung and Tembawang Buaya, Tembawang Lubuk Pun Tengawang, Fruit of Tembawang in Block 35 .	118,55
<b>Total</b>		<b>1.172,95</b>

The total area of High Conservation Value in the concession area of PT Persada Graha Mandiri is 1,172.95 ha or 5.94% of the total area (19,750 ha).

Table 4 : Extent of HCV Areas in the Permit Area of PT Persada Graha Mandiri

No	HCV Area	Width (m)	Area (ha)	Percentage (%)
1	Riparian areas	50	640.71	3.24
2	Area surrounding springs	150		0.04
3	Swamp	-	406.14	2.06
4	Gupung / Mungguk / Tembawang / cemetery	-	118.55	0.60
Total HCV area			<b>1,172.95</b>	<b>5.94</b>
Plantation permit of PT Persada Graha Mandiri Plantation			<b>19,750.00</b>	<b>100.00</b>
Productive plantation area			<b>18,577.05</b>	<b>94.06</b>

Figure 3. Area Map of HCV Areas in PT Persada Graha Nusantara



## **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. The Company publicly disseminated information about the development plan, land clearing and land compensation in 2010, 2011 and 2012. Documentation of the land acquisition is available.

## **SUMMARY OF PLAN**

PT Persada Graha Mandiri has an HCV Management and Monitoring Plan that aims to formulate efforts to increase and maintain HCV and oppose human activities that disrupt and damage HCV areas.

PT Persada Graha Mandiri has been equipped with the Management and Monitoring Plan. There is also a Management Plan and Social Impact Monitoring Plan.

These documents are a guide for PT PGM in managing environmental and social impacts in accordance with the RSPO Principles & Criteria for New Plantings.

## VERIFICATION STATEMENT

PT Persada Graha Mandiri opted for a document audit. Two auditors from Mutuagung Lestari conducted a desk study and assessment of relevant documents at the audit at the head office in Jakarta from 15 to 16 April 2013 and also held interviews with the management representatives of PT Persada Graha Mandiri (Head of Sustainability, Environmental Department staff and Legal Department staff) during the assessment.

The EIA (AMDAL) was conducted by the government-accredited consultant whereas the SIA and HCV assessments were conducted by RSPO-approved assessors. PT Persada Graha 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 complying 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

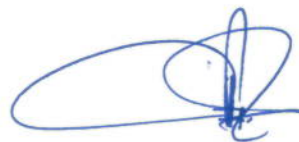
**MUTUAGUNG LESTARI**



**Oktovianus Rusmin**

Lead Auditor  
5 August 2013

**PT PERSADA GRAHA MANDIRI**



**Dr Haskarlianus Pasang**

Division Head of Sustainability  
5 August 2013