

RSPO

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: 21.10.13

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.

1. COMPANY: NBPOL

SUBSIDIARY: RAIL (Ramu Agri Industries Limited)

RSPO Membership No.: 060-04 (O)

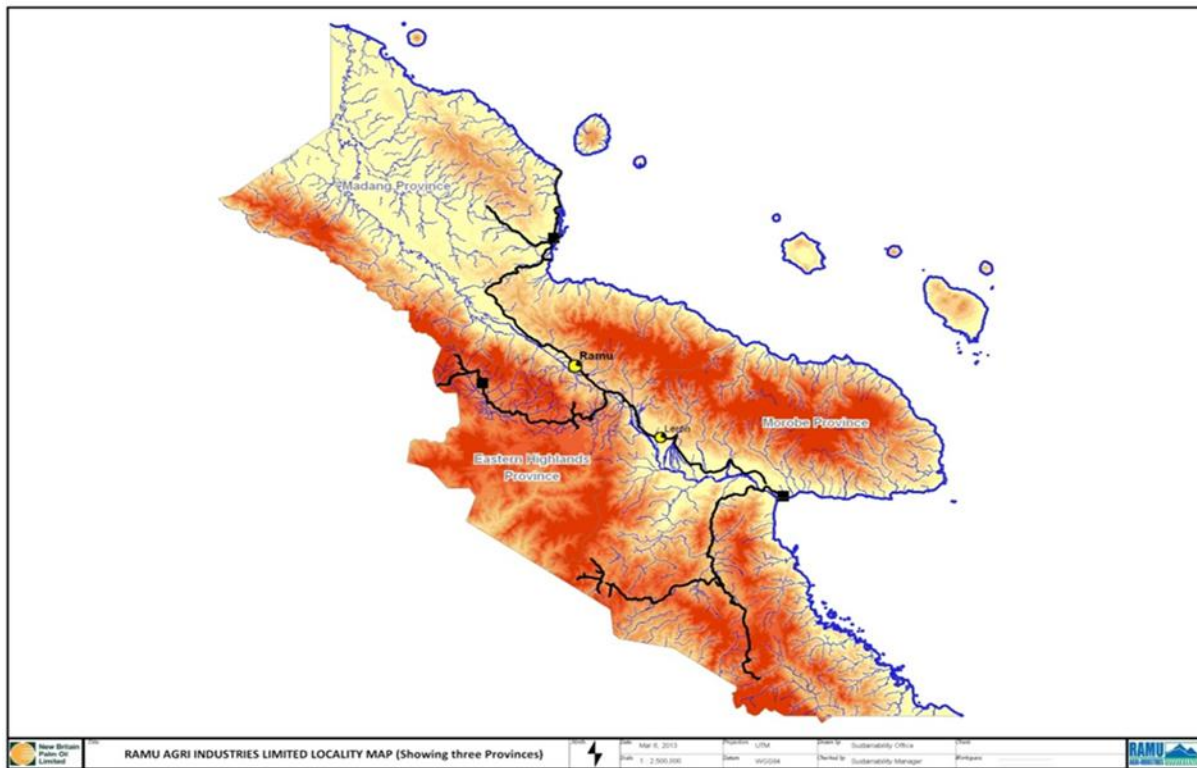
Location of proposed new planting: J Section, RAIL Morobe Province PNG.

See attached Maps

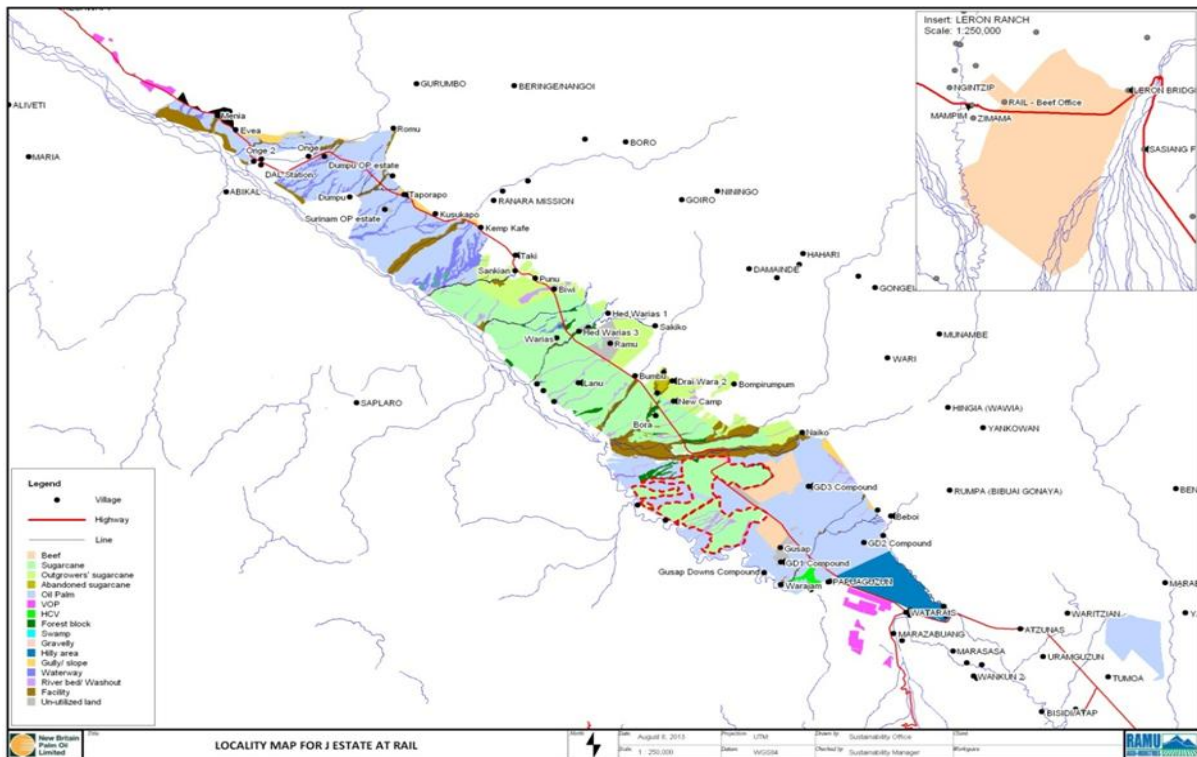
2. Permits required

- **Environmental permit**
- **Have existing State lease from 1979**

3 Location Maps



Map 1 Locality of RAIL Conversion areas



Map 2 Location of proposed new planting/crop conversion: description or maps and GPS coordinates.

4a SUMMARY FROM SEI ASSESSMENTS:

The SEIA was undertaken by Mr. Narua Lovai who is a local PNG assessor. This was undertaken in May 2013 and report issued in June 2013.

This is a conversion from existing Sugar Cane to Oil Palm.

RAIL completed an SEIA for the development/conversion in addition to the Environmental Plan. They have also completed a Social and Environmental Impact Assessment for these developments to comply with RSPO P&C. The SEIA included consultation with local stakeholders and included reports of the outcomes of these meetings.

As this is a conversion from sugar cane to oil palm RAIL already has in place an existing lease. J Estate is therefore part of the state agricultural lease held by RAIL. The lease is recognised and uncontested by all stakeholders including the original landowners of J Estate.

Only a few concerns were raised by the closest village – Marasasa with regards to the conversion and these including the villagers have expressed a desire to have first preference for employment and small business contracts during the preparation, planting and management of J Section.

In awareness sessions the villages also agreed their people may not be willing to accept jobs offered and may lack the capacity to fulfil contract requirements.

The villages have also stated that they have land in other areas to plant subsistence gardens, harvest sago and collect traditional building materials.

4b SUMMARY FROM HCV ASSESSMENT(S):

Extract from new planting Principle- Information on the presence, or absence, of HCVs is integrated with the SEIA required by 7.1. This criterion applies to forests and other natural vegetation types. It is recognised that land under previous

commercial agricultural production or livestock grazing (e.g. coconut, cocoa or beef) is sometimes less likely to contain HCVs or be required to maintain or enhance such values. If the SEIA shows credible evidence that this is the case then a full HCV assessment may not be required. Further HCV are not required under PNG Criterion 7.3 for crop conversion and the SEIA did not identify any potential HCVs.

A full HCV assessment was completed for all the activities of RAIL in May 2009 by Envirologic Consulting by an RSPO approved assessor (Dr. S. Kumaran). This HCV assessment and current assessment identified no HCV areas although 5 areas of interest were highlighted in the report. With regards to the above criteria a full HCV assessment was not required on the occasion of this crop conversion from sugar cane to oil palm.

The total area is 2261 ha of which 2191 ha will be converted from Sugar cane with conservation area as below.

Areas highlighted for protection (some is outside new area but within existing Oil Palm estates):

- Ramu riparian buffer 122.1 ha
- Grass habitat reserve 27.7 ha
- WW 2 Heritage site (former underground hospital US) 6 ha
- J South Swamp 85.4ha
- Gusap riparian buffer 23.4 ha
- 70 ha – within new planting area

A follow up assessment was carried out by the company and a report completed 4th October 2013. This was signed off by the Senior Management of the company and by the SEIA assessor.

SUMMARY OF PLANS:

A number of conclusions were made as a result of the SEIA as well as recommendations which are reviewed and accepted by RAIL.

An Environmental and Social plan has been developed which includes all the provisions for control of all affected areas during the new development stage. This is the Environment Management and Monitoring Plan. This is extensive and includes all aspects of the development, the impacts and control measures in place. There is a time line for monitoring each aspect with responsibilities outlined in the plan. This plan has incorporated the findings from the SEIA and local HCV into the above mentioned management plan.

VERIFICATION STATEMENT:

The assessment and the plans submitted are comprehensive, professional and compliant of RSPO principles, criteria and indicators. This review was undertaken by Mr Allan Thomas (an approved BSI RSPO lead auditor) as desk top review on the 16th of October 2013. The new planting involved is a crop conversion (Sugar to Oil Palm) and the lead Auditor visited the area during the most recent RSPO assessment in May 2013.

Signed for on behalf of

BSi Group Singapore Pte Ltd



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Mr Allan Thomas

Lead Auditor

Date of review: 16.10.13

Date of adjustment: 30.10.2013