PT DWIE WARNA KARYA
KAPUAS REGENCY
CENTRAL KALIMANTAN PROVINCE
INDONESIA

SUMMARY OF HCV AND SEIA REPORTS

MAY 2014
1. Executive Summary

PT Dwie Karya Utama (PT DWK) has obtained a licence area for oil palm plantations covering an area of 12,500 ha through the Location Permit No. 377 dated 9th September 2006 and extended with No. 772 dated 31st August 2007 located in Kapuas Hulu District, Kapuas Regency, Indonesia.

After obtaining the licence area, PT DWK had commissioned Environmental Management & Monitoring Pty Ltd of Australia (EM & M) to conduct an SEIA which involved environmental and socio-economic aspects and impacts plus an ecological (HCVF) assessment study. The ecological assessment of HCVF was led by Mr Jarwadi B. Hernowo of the Dept. of Forestry Resources Conservation, Faculty of Forestry, Bogor Agricultural University (IPB) whilst the Social Impacts Assessment was conducted by Mr Iman K. Nawireja. The EM & M report was published in December 2007.

Subsequently, PT DWK hired a team from the Faculty of Agriculture Palangkaraya University Indonesia led by Ir. Bismart Ferry Ibie (of Palangkaraya University), to conduct an assessment of the flora, fauna and HCV at PT DWK. This report was published in October 2008. In 2009, PT DWK commissioned a collaborative team from the Faculty of Agriculture Palangkaraya University and Yayasan Kelapa Sawit Berkelanjutan Indonesia (YASBI) led by Ir. Bismart Ferry Ibie, to conduct a final HCV assessment. This report, peer reviewed by YASBI, was published in September 2009.

Based on the result of the final HCV assessment, there no longer exists any primary forest in the area. The entire licence area of PT DWK consists of 7 landsystems (RePPProT, 1987) dominated by flat to undulating areas. Slope classes are mainly at 2 – 15 % with a minority classified in the 15 – 40 % slope class. The soil types throughout the area are Red Yellow Podsolik, Regosol and Alluvial soils.

The AMDAL (Socio-environmental impact assessment), Izin Lingkungan (Environmental Permit), IUP (Plantation Operational Licence) have been obtained.

The final HCV assessment identified a total area covering 1227.27 ha of the total concession area, consisting of HCV 1, HCV 2, HCV 4, HCV 5 and HCV 6 (overlap), details of which are shown in the summary of HCV Assessment findings below. Some areas have been found to contain more than one HCV.
A HCV public consultation, took place on 12th September 2009 at the District office of Kapuas Hulu in Sei Hanyu village, Kapuas Tengah district, Kapuas Regency. Public consultation was conducted to obtain feedback of the HCV findings from the related parties. The process of public consultation, and the feedback and commentary from the participants were documented to provide inputs before finalization of the HCV report.

The public consultation was attended by 41 participants: Assessor team, PT DWK employees, community and traditional leaders, Head of Villages and local government representatives.

2. Scope of HCV Assessment and SEIA

- **Company**  
  PT Dwie Warna Karya

- **Location**  
  Kapuas Hulu District, Kapuas Regency, Central Kalimantan Province.

- **Geographical Location**  
  Latitude 113°58’37.7724” to 114°11’57.2316”  
  Longitude 0°44’39.5158” to 0°52’42.8230

- **Surrounding Area**  
  a. North : Production Forest and Oil Palm Plantation  
  b. East : APL and Oil Palm Plantations  
  c. West : APL  
  d. South : Production Forest

- **Permits**  
  a. Location Permit: a licence area for oil palm plantations covering an area of 12,500 ha through the Location Permit No. 377 dated 9th September 2006 and extended with No. 772 dated 31st August 2007 located in Kapuas Hulu District, Kapuas Regency.  

- **Location Map**  
  Figure 1 below.
Figure 1. Location map of PT Dwie Warna Karya
3. Assessment Methodology

a. HCV Assessment

The HCV assessor team consisted of experts in Biodiversity, Environmental Services, Social and Culture and supported by GIS expert. Data collection was facilitated by the staff of the company and assisted by the village community as part of the supporting team.

HCV Team Leader: Ir Bismart Ferri Ibie
HCV Reviewer Ir Purwo Susanto (YASBI)
Members:
   Penyang (Forestry)
   Antonius Triyadi (Forest Ecology)
   Yusuf Aguswan (GIS Specialist)
   Hendratoni (Biodiversity Specialist)
   Doni (Dendrology-Biodiversity Specialist)
   Jhony Hartly (Social Economic and Community Welfare Specialist)
   Evu Novitasari (Social Politic Specialist)
   Berson (Social and Cultural Specialist)
   Juli Chandra Taruna (Environmental Services Specialist)
   Yeni Haryati (Agroforestry)

Table 1. HCV assessment process, methodology, and data achievement

<table>
<thead>
<tr>
<th>Assessment Process</th>
<th>Methodology</th>
<th>Data achievement</th>
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<tbody>
<tr>
<td>Mapping and landscape</td>
<td>Field data collection to verify secondary data and information such as protected/conservation areas, road system, river system, boundaries, soil types and classes, topography, and; to conduct a comprehensive overview of the area.</td>
<td>Mapping all data and information found into a map and conducting analyses on it.</td>
</tr>
<tr>
<td>Fauna (wildlife) aspect</td>
<td>Qualitative field assessment <em>(rapid assessment)</em>. Direct field observation; interview and discussion with stakeholders, such as local community, staffs of the company, and other related parties.</td>
<td>Qualitative condition of the habitat; endangered, critical, and protected wildlife species within the list of IUCN and the prevailing regulation and its distribution; qualitative condition of wildlife species’ population (number and status of reproduction); location of wildlife species encounter; species hunted by the community; benefit and disturbance of wildlife species; level of threat and survival opportunity of wildlife species.</td>
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**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 Indonesian 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 (Focus Group Discussion), PRA (Participatory Rural Appraisal) and list of structured questions. Collection of 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. |

**b. SEI Assessment**

The SEI assessment was conducted in three stages. The first stage was a desktop study to collect existing data from public sources. Further collection of data was also conducted in the villages, sub-district and district administration offices, The information collected includes data on public health, villages/sub-district and districts monographies.

The second stage was the field work, which included in-depth interviews, as well as Focus Groups Discussions (FGD) and direct observations. The field work was conducted over ten days in the field, in the villages interacting with PT DWK.

The third stage was an analysis of the data and preparation of the report. The report was submitted to PT DWK for review and comments before being finalised.

**3. Summary**

**a. HCV Assessment Findings**

The licence area of PT DWK covers an area of 12,500 ha. The HCV assessment identified 1227.27 ha which consists of HCV 1, HCV 2, HCV 4, HCV 5 and HCV 6 (overlap). Some areas have been found to contain more than one HCV (see Table 3 below).

**Table 2. Summary of HCV assessment findings at PT Dwie Warna Karya**

<table>
<thead>
<tr>
<th>No.</th>
<th>Blok Number</th>
<th>Ha</th>
<th>Note</th>
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<tr>
<td>1.2</td>
<td>L3, M3, M4, N3, N4, N5, O5, O6, O7, O8, N8, P8, N9, O9, P9, N10, P10, Q10, N11, Q11, N12, Q12, R12, N13, M13, Q13, M14, Q14, R14, M15, N15, Q15, R15, M16, N16, R16, M17, N17, R17, T17, M18, R18, R19, S19, S20, N21, T21, T22, T23, T24, O24, U25, R11, O7, O5, T17, H14, H20, I22 &amp; H22</td>
<td>30.64</td>
<td>Overlap with HCVA 1.1 &amp; 1.2.</td>
</tr>
<tr>
<td>1.4</td>
<td>L2, L3, M3, N4, N5, O5, O6, O7, O8, N8, P8, N9, O9, P9, N10, P10, Q10, N11, Q11, N12, Q12, R12, N13, M13, Q13, M14, Q14, R14, M15, N15, Q15, R15, M16, N16, R16, M17, N17, R17, T17, M18, R18, R19, S19, S20, N21, T21, T22, T23, T24, O24, U25,</td>
<td>240.48</td>
<td>Overlap with HCVA 1.1 &amp; 4.1.</td>
</tr>
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</table>

**Total area of HCV 1**

| 864.30 |

**Total area of HCV 2**

852.60 Overlap with HCVA 1.1, 1.2, 1.4. and 4.1.

**Total area of HCV 4**

823.28 Overlap with HCVA 1.1. & 1.4.

**Total area of HCV 5**

345.82 Overlap with HCVA 1.1.

**Total HCV area**

1,159.35 Overlap with HCVA 1.1.

5. R11, O7, O5, T17, H14, H20, I22 & H22 12.00 Overlap with HCV 1.1.


1227.27
b. SEIA Findings

Demography/Social issues.

PT DWK is located in the Kapuas Hulu District, Kapuas Regency, Central Kalimantan. The villages associated with the area are Supang, Harung Tabengan, Ruhung Bungai, Tangirang, Sei Hanyu, Bulau Ngandung, Tumbang Puruh, Katanjung, Hurung Tampang, Baronang II, Tumbang Bokoi, Karetau Mantas, Lawang Tamang, Masaha, Sei Pinang, Tumbang Manyarung and Tumbang Tihis. The total population in these villages amounted to 14,130 inhabitants.
The majority of the people who lived in these villages are Dayaks, mixed with some from the Banjar and Javanese ethnic groups. The population is relatively sufficient to meet the needs of the workforce at PT DWK. A large number of manpower available in the village also became social issues associated with employment opportunities that exist in the company. They are likely to contribute a large part of the workforce in PT DWK.

**Ethnic Groups**

About 80% of the people who lived around the area come from the Dayak ethnic group. The rest of the population is made up of Banjars (15%) and ethnic Javanese (5%). A large part of the Dayak communities still practise their traditional belief (Kaharingan). However, a number of the residents have already begun to turn to Islam or Christianity. While the general population of the Banjar people and the Javanese have adopted Islam as their religion.

**Education**

The lack of educational facilities at the village level in particular primary education became one of the causes of the low quality of education amongst the inhabitants who settled around the area of plantations of PT DWK. Higher level education at the junior and high school education level can only be obtained at the towns, in Kapuas city and Palangkaraya which is located more than 200 km from the villages. In addition to the distance, the cost of higher levels of education is also an obstacle for the continuity of the childrens’ education.

**Health**

Like other infrastructure which is described previously, the health infrastructure at the village level is also very minimal both in the facilities and human resources related to the health facility. The lack of such infrastructure puts the local communities at risk of the diseases that can spread quickly such as through the use of unhygienic water.

**Economy**

The economic life of the people who living around PT DWK is relatively low in terms of income obtained from small-scale rice farming, mining, illegal fishing and logging activities. At the village level, the availability of public infrastructure and public services are also minimal. Although the access road has already been constructed, other important facilities such as clean water for consumption, power supply and telecommunications are not yet available.
Potential positive and negative developments.

The oil palm development would bring economic development to these relatively isolated rural communities besides the opportunity for employment, training, improved infrastructure and spin-off businesses. On balance, the environmental and social benefits of the proposed oil palm development are considered to outweigh the negative impact. Given the senior management team’s experience in successful oil palm development and transparent dealings with local communities, the implementation of the oil palm development at PT DWK is likely to achieve sustainable development outcomes for the stakeholders.

Land Acquisition

The concession area has an appropriate government planning classification for the development of oil palm. Local Dayaks have used the land without holding certificates of title and have access to the natural resources through customary rights. However, PT DWK needs to ensure that all dealings with the local people on compensation and land acquisition issues are transparent and well documented in order to avoid possible future disputes.

5. Internal Responsibility

Formal sign-off by Assessors and Company.

This document is the Summary of HCV and SEIA (Social and Environment Impact Assessment) of PT Dwie Warna Karya.

Faculty of Agricultural, Palangkaraya University
Yayasan Kelapa Sawit Berkelanjutan Indonesia
Environmental Management & Monitoring Pty Ltd

Ir. Bismart Ferry Ibie, M.Si  Imam K. Nawireja
Team Leader HCV  Team Coordinator SEIA
Statement of Acceptance of Responsibility for Assessments.

The assessment results of the HCV and Social and Environment Impact Assessments (SEIA) of PT Dwie Warna Karya by Faculty of Agriculture Palangkaraya University and Environmental Management & Monitoring Pty Ltd will be applied as part of the guidelines in developing and managing PT Dwie Warna Karya.

Prepared By

Dr. Faizal Amri Amran
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Approved By

Salim Bin Abdul Rahim
Director