

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: 26 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 BINASAWIT ABADIPRATAMA**
RSPO Membership Number : **1-0096-11-000-00, Dated 31 March 2011**

LOCATION OF PROPOSED NEW PLANTING

Company Name : PT Binasawit Abadipratama
Location : Terawan Village, Danauh Sembuluh Sub-District,
Seruyan District, Province of Central Kalimantan
Geographical Location : 112° 20' 12,090" E - 112° 26' 25,62
2° 14' 3,497" S - 2° 20' 15,753" S

Surrounding Entities

- North : Stated road Sampit – Pangkalan Bun
- East : Stated road Sampit – Pangkalan Bun
- West : PT Agro Sawitnesia
- South : PT Agro Indomas

New Planting Area (planted) : **417 ha**
New Planting area (remaining) : **1,512.70 ha**

Permit

- Location Permit
 - District Head of East Kotawaringin Decree No. 30. 460. 42. dated 22 November 1996, concerning a location permit for an oil palm plantation in the name of PT Agromandiri Perdana (the predecessor of PT Binasawit Abadipratama) covering an area of ± 15,000 ha in Sebungsu Village, Mirah Village and Luwuk Sampun Village. Parenggean District, Regional II District of East Kotawaringin.
 - Proceedings B No. 90/PPTB/IX/2006, dated 12 September 2006 for an area of 17,221 ha, proposing to the National Land Agency (BPN) of the Republic of Indonesia processing of the land use permit (HGU). This was proposed by BPN Kanwil Province of Central Kalimantan to the National Land Agency in letter No. 803.540.42.2006 dated 3 November 2016.

b. Extension of Location Permit

Seruyan Regent Decree No. 03 of 2006 dated 7 January 2006 revising Decree No. 153 of 2004 regarding the location permit for palm plantation covering an area of ±17,600 ha in the name of PT Agromandiri Perdana in Terawan Village, Danau Sembuluh Sub-District, Seruyan District.

c. Plantation Business License

- Seruyan Regent Decree No.525/14F/EK/2005 dated 11 May 2005 on Plantation Business License for PT Agromandiri Perdana; NPWP No. 01.696.390.2-712.001; plant species (oil palm) for an area of ±15,000 ha in Terawan village, Danau Sembuluh Sub-District, Seruyan District.
- Seruyan Regent Decree No, 525/481/EK/2006 dated 20 December 2006 regarding a Plantation Business License for PT Agromandiri Perdana; NPWP No. 01.696.390.2- 712.001, plant species (oil palm), for an area of ±17,221 ha in Terawan Village, Danau Sembuluh Sub-District, Seruyan District.

d. Land Use Permit (HGU)

PT Binasawit Abadipratama is still in the process of obtaining the HGU from the authorities. Details of progress are as follows:

1. In 2004, PT Binasawit Abadipratama requested the HGU. The request was responded by committee B to check the requested area refer to Perda No 8 of 2003
2. Based on Perda No 8 of 2003, the 15,000 ha previously described as a Production Forest Area became an Area for development and therefore does not require a forest release decree from the Forestry Ministry.
3. Document of proceedings B No. 90/PPTB/IX/2006, dated 12 September 2006. In point 5 conclusion of proceedings B stated that committee B suggested that the HGU covering 17,221 ha could be issued to PT Binasawit Abadipratama.
4. The HGU request has been stop to be certificate due to certificate proposed, based on decree of Forestry Ministry Number S.575/Menhut-II/2006 withdraw Decree of Planology Forest and Plantation Agency No 778 year 2000 and required all company that refer to Baplan No.778 could re-propose application for primary forest released
5. Based on Forestry Ministry Decree No. 292 of 2011, the majority of PT Binasawit Abadipratama's land area is Limited Production Forest (HPT) and other uses (APL) (see Figure 2). Referring to Government Regulation No. 60 of 2012 that amends Government Regulation No. 10 of 2010 regarding Procedure of change provision and forest functions section 51B,so that plantation activities that permits was issues by regional government based on RTRW/K before Statue 26 year 2007 valid, however according to Statue 41 on forestry that Fixed production forest area and limited production forest, permits's holder must propose application of exchange forest area to Forestry Ministry
6. Regarding the condition above, until NPP assessment, PT Binasawit Abadipratama did not have yet the Land Use Title (HGU), however there is an effort to comply government regulation 60 year 2012, as follow

- Looking for land replacement (tukar menukar kawasan hutan) to forest area and the company have time periode for 2 years since PP 60/2012 is valid to get land replacement
 - There is request letter of completion of forest area release/ exchange of forest area in line with PP 60 year 2012 Number 41/CDL-BAP6/XI/2012 dated November 13th, 2012.
7. Based on Forestry Ministry Decree No. SK.292/Menhut-II/2011, dated 3 May 2011, most of PT Binasawit Abadipratama's concession is Hutan Produksi Terbatas (HPT) dan Hutan Produksi (HP) and therefore needs a completion of forest area release from the Forestry Ministry.
 8. The Forestry Ministry has responded through letter No. S. 52/Menhut-VII/KUH/2013 dated 11 January 2013, explaining that the completion process PP 60 will be done by exchange. Because the area did not match with data, the Company submitted a revision letter to the Forestry Ministry No. 06/CDL-BAP6/IV/2013, dated 11 April 2013
- Location Map : Figure 1, Figure 2 and Figure 3

Figure 1. Location Map of PT Binasawit Abadipratama in the District of Seruyan

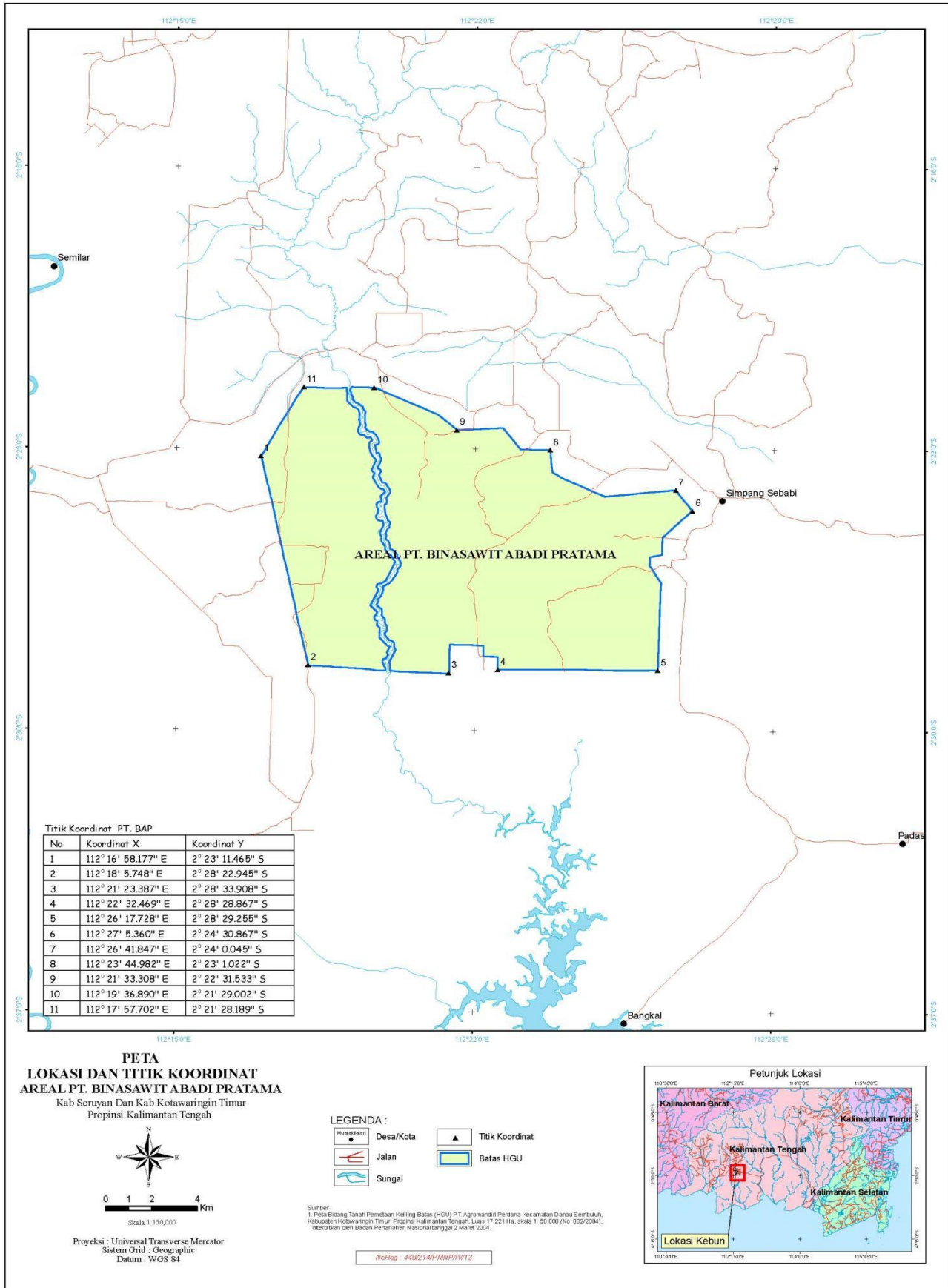
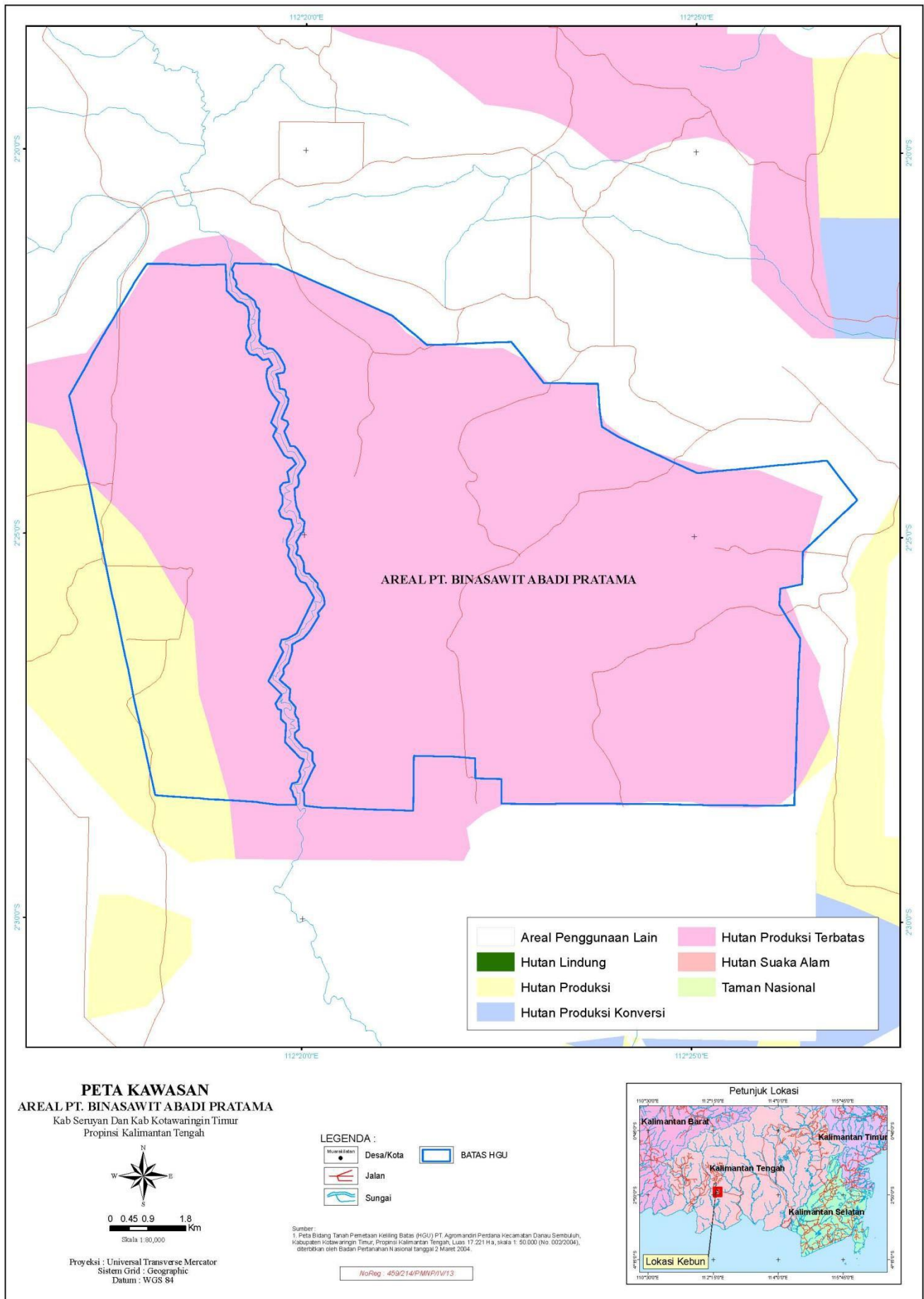


Figure 2. Overlay Map of Plantation and status of Forest Area of PT Binasawit Abadipratama (as part of legal process of HGU).



SUMMARY FROM SEI ASSESSMENT

PT Binasawit Abadipratama (under the name of its predecessor PT Agromandiri Perdana) has conducted an Environmental Impact Assessment as required by Environment Ministry Regulation No.11 of 2006 for plantations exceeding 3,000 ha. The EIA was approved by the Governor of West Kalimantan through Decree No. 431 of 2006 dated 21 December 2006. The scope of the EIA covers 15,000 ha and a palm oil mill with capacity of 80 tons of FFB/hour. The Environmental Impact Assessment was conducted by CV. Mitra Karya Prima of Jl. Sangabuana II Selatan 065, Palangkaraya.

The Company has also conducted a Social Impact Assessment (SIA) that includes the company profile, history of location permit, demographic data, social, economic and cultural considerations.

The methods used in collecting and analysing the SIA data included a review of literature such as EIA, HCV identification study and supporting literature such as the local government website. Primary data collection was through a social survey with questionnaire, in-depth interviews and focus group discussion.

Results of the SIA of PT Binasawit Abadipratama are as follows:

No.	Social Impact	Social Issue
1.	Community Perception	Proactive approach and intensive socialisation to community, Government, community leaders as stakeholders.
		Land acquisition may trigger conflict because of disagreement over land acquisition price.
		Involvement of village officials in every step of land acquisition and at the pre-construction stage.
		Recruitment needs to consider local labour quotas and adapt to the labour market.
		Clarity on planned CSR programme.
3.	Opportunities for Work and Business	Increase in community income.
		Provide supporting facilities and improve quality life of employees.
		The Company uses particular contractors on an ongoing basis as needed.
		The Company is responsible for personnel welfare, competence and rights through its occupational health and safety programme.
		Emergence of stalls, kiosks and increasing income sources is a result of increasing economic activity in the
3.	Public Health	Residual waste from the Company's operations is responsibly reused to support the Company operations; waste classified as B3 is managed properly and in collaboration with third parties.

No.	Social Impact	Social Issue
		<p data-bbox="694 203 1358 232">Sustainability of flora and fauna in the surrounding area.</p> <p data-bbox="694 248 1445 320">Adverse environmental sanitation in the community is due to degradation of environmental quality after land clearing.</p> <p data-bbox="694 353 1449 499">The Company control disease through its occupational health and safety management system, and coordinates with health infrastructure in the surrounding area to prevent epidemics.</p> <p data-bbox="694 506 1449 600">FFB delivery to the factory often generates dust and Pollution that can cause upper respiratory tract diseases. The Company makes an effort to reduce such pollution.</p>

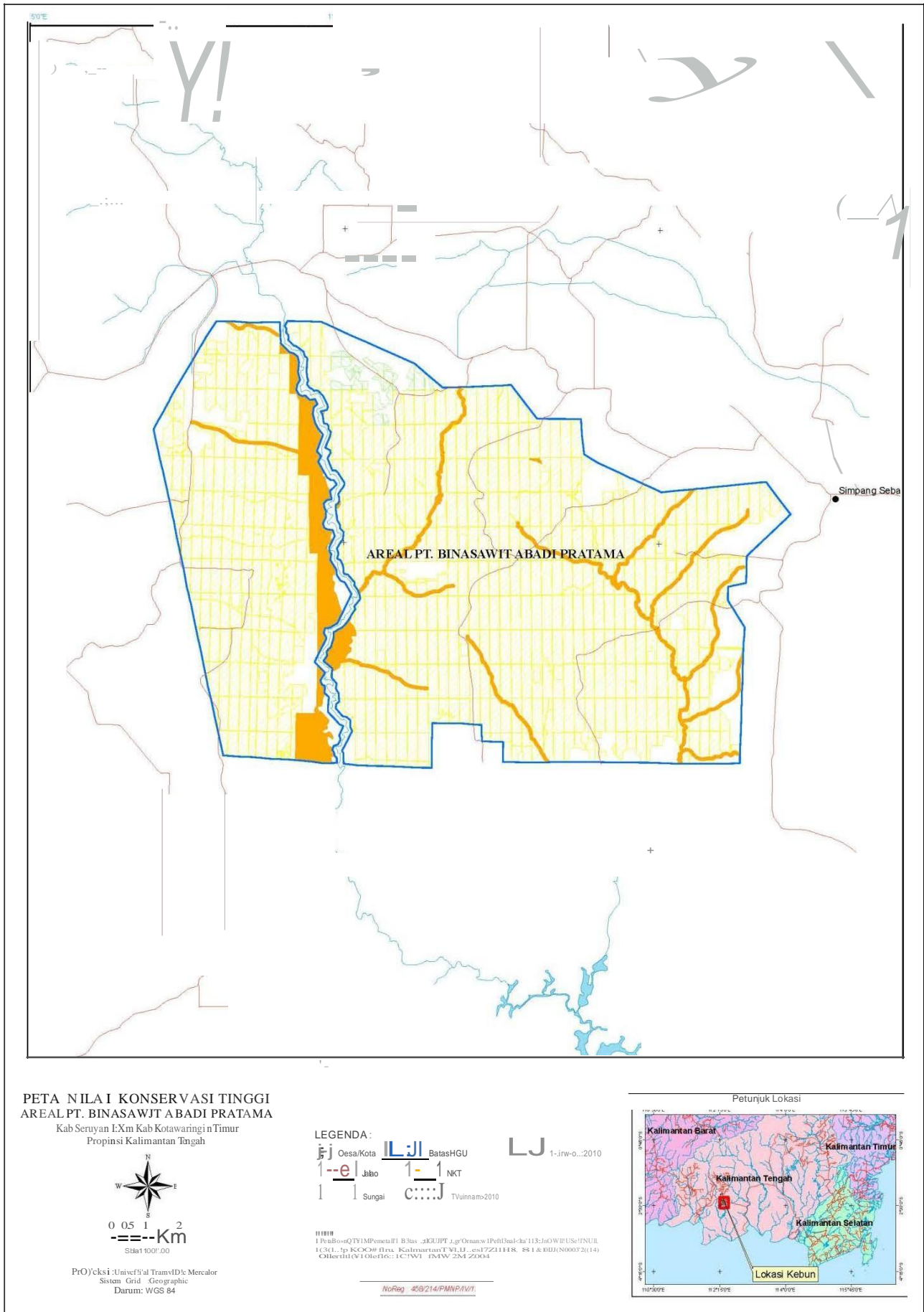
SUMMARY OF HCV ASSESSMENT

A High Conservation Value (HCV) identification was conducted for PT Binasawit Abadipratama by the Environment Department of PT SMART, Tbk from July 2011 to February 2012. The team comprised:

- a. Norman Farid Mustakim (RSPO-approved HCV Assessor), habitat ecology expert and team leader;
- b. Dede M Nasir (RSPO-approved HCV Assessor), animal ecology and mapping (GIS) expert;
- c. Febia Arisnagara (RSPO -approved HCV Assessor), flora and fauna expert;
- d. Ridho Farianto, flora and environmental services expert;
- e. Firmansyah: bio-ecology expert; and
- f. Yosaphat A. Renato (RSPO-approved HCV Assessor), social and cultural expert.

The study included four estates: Perdana Estate (PRDE), Semandau Estate (SMNE), Lenggana Estate (LGGE) and Muara Dua Estate (MDUE) covering 17,234.38 ha, of which 9.26% or 1,595.50 ha was identified as HCV areas. The study found HCV 1 (HCV 1.1, HCV 1.2, HCV 1.3 and HCV 1.4), HCV 2 (HCV 2.3), HCV 4 (HCV 4.1) and HCV 6.

Figure 3. Identification of HCV areas and the project plan at PT Binasawit Abadipratama



DOCUMENTATION OF FREE, PRIOR AND INFORMED CONSENT

Based on explanation in Proceedings B No. 90/PPTB/IX/2006, dated 12 September 2006, stated the requested land of 17,221 ha consisted of:

- State land covering 10,996 ha; and
- State land under the control of villagers from Terawan and Asam Baru who manage land in Terawan Village, They have been given compensation amounting to Rp 2,969,752,699 for 794 fields covering 6,222 ha (964.5 ha of planted land and 5,275.5 ha of unplanted land).

The compensation documents are compensation on behalf of Juansyah for an area of 10 ha (Persil No 612) dated 4 January 4 2006 and paid Rp 5,375,000. Documents of land acquisition and compensation paid No. 603/BAK-PRDE/I/2006 were signed by Juansyah (farmer) and Janri Munthe (company representative), and known by the Head of Danau Sembuluh Sub-District and the head of Terawan Village.

There is also evidence of socialisation of for the land clearing plans, as explained in the EIA documents.

SUMMARY OF PLAN

The HCV management plan covers identification activity, socialisation, HCV management and HCV protection. The social impact management plan sets out the type of social impact, resources, social impact management action, benchmarks, management, location, period (one year), executive and supervisor.

VERIFICATION STATEMENT

PT Binasawit Abadipratama opted for a document audit. Three Mutuagung Lestari auditors conducted a desk study and audit of relevant documents at the Head office of Sinarmas in Jakarta on 8-9 April 2013 and interviewed management representatives of PT Binasawit Abadipratama (Head of Sustainability Division, Conservation and Biodiversity Division, Certification Officer, Legal & Monitoring Section) during the audit.

Results of the assessment of New Planting

Procedure are as follows:

1. PT Binasawit Abadipratama has conducted HCV and SEIA identification by RSPO-approved HCV Assessors.
2. PT Binasawit Abadipratama has an HCV Management Plan.
3. PT Binasawit Abadipratama has a Social Impact Management and Monitoring Plan
4. Based on the EIA documents, there is no peat land in the planned oil palm development.
5. PT Binasawit Abadipratama (through its predecessor PT Agromandiri Perdana) has conducted an EIA as required by the Environment Ministry Regulation No. 11 of 2006,

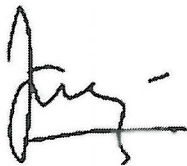
which was approved by the Governor of Central Kalimantan through Decree No. 431 of 2006 dated 21 December 2006. The approved EIA covers the palm oil plantation of 15,000 ha and a palm oil mill with capacity of 80 tons FFB/hour.

6. PT Binasawit Abadipratama has a Location Permit based on Seruyan Regent Decree No. 03 of 2006 dated 7 January 2006 revised Decree No. 153 of 2004 regarding the location permit for an oil palm plantation in the name of PT Agromandiri Perdana in Terawan Village, Danau Sembuluh Sub-District, Seruyan District covering an area of ±17,600 ha
7. PT Binasawit Abadipratama has a Plantation Business Permit pursuant to:
 - Seruyan Regent Decree No. 525/14F/EK/2005 dated 11 May 2005 regarding a Plantation Business License for PT Agromandiri Perdana; NPWP No. 01.696.390.2-712.001; plant species (oil palm), for an area of ±15,000 ha in Terawan Village, Danau Sembuluh Sub-District, Seruyan District.
 - Seruyan Regent Decree No. 525/481/EK/2006 dated 20 December 2006 regarding a Plantation Business License for PT Agromandiri Perdana; NPWP No. 01.696.390.2-712.001, plant species (oil palm), for an area of ±17,221 ha in Terawan Village, Danau Sembuluh Sub-District, Seruyan District.

PT Binasawit Abadipratama has implemented the RSPO New Planting Procedure. Documentation of assessment and planning has been done completely and professionally in accordance with RSPO requirements and complies with the RSPO Principles and Criteria for New Planting. This is part of an ongoing planting and this report is meant for notification only.

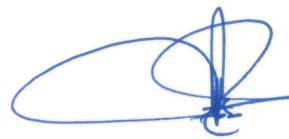
Signed on behalf of:

PT.MUTUAGUNG LESTARI



Taufik Margani
Lead Auditor
20 June 2013

PT BINASAWIT ABADI PRATAMA



Dr. Haskarlianus Pasang
Sustainability Division Head
20 June 2013