

## 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 BUMI SAWIT PERMAI**  
**RSPO Membership Number** : **1-0096-11-000-00**  
**Dated 31 March 2011**

### LOCATION OF PROPOSED NEW PLANTING

- Company Name : PT Bumi Sawit Permai
- Location : Suka Merindu Village, Gunung Raja Village, and Jiwabaru village, Sub District of Lubai, District of Muara Enim, Province of South Sumatera, **INDONESIA**
- Geographical Location : 104°18'53.4293" - 104°26'39.1679" East and 3°29'58.5523" - 3°37'18.7674 South
- Surrounding Entities
  - a. North : Plantation area with LUP No. 01 GS No. 03/OKI/1990
  - b. East : Land has not been registered
  - c. West : Land has not been registered
  - d. South : Land has not been registered
- New Planting Area (planted) : **216,48 Ha**
- New Planting Area : **3.598,04 Ha**  
(remaining)
- Permit :

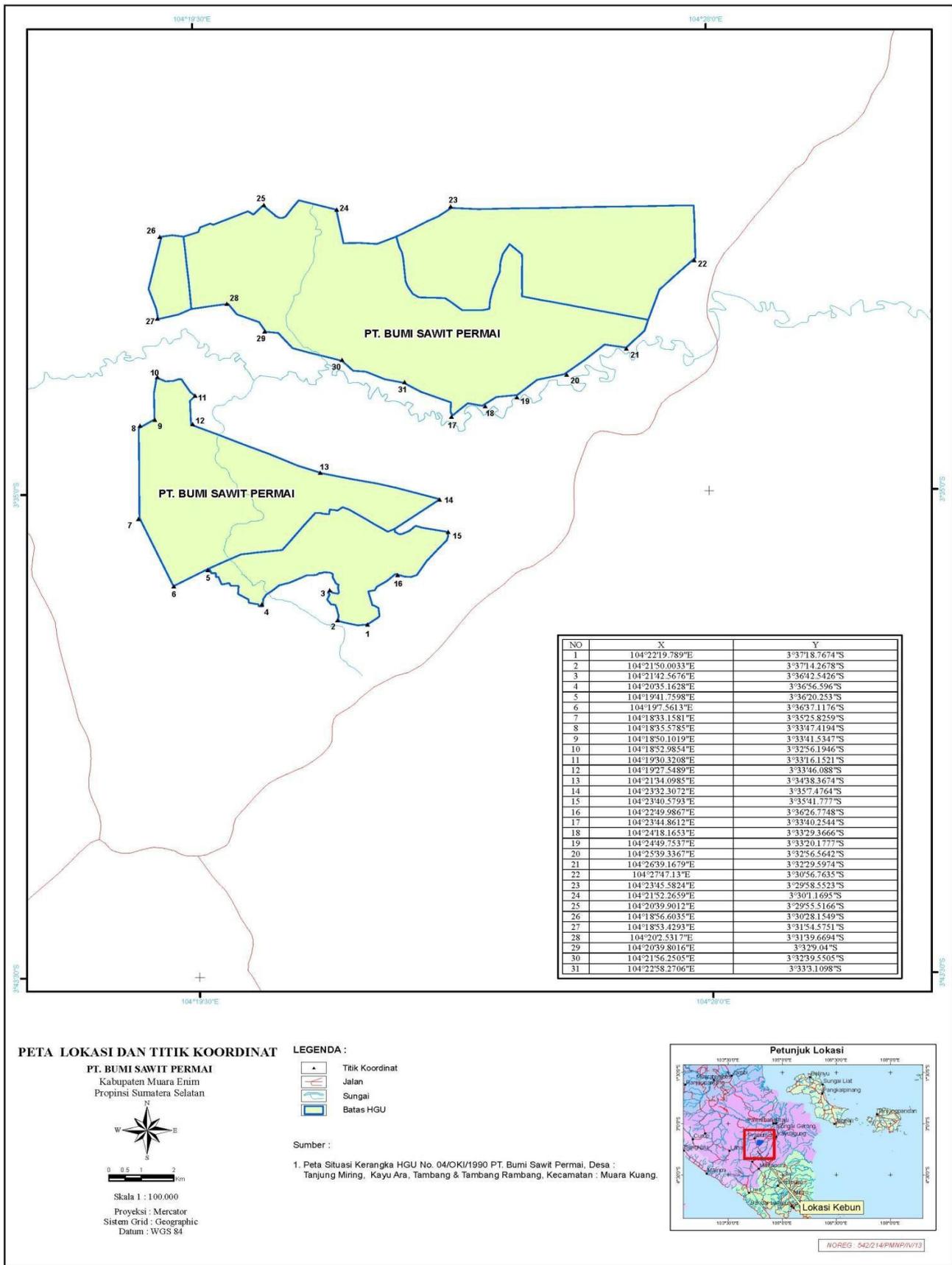
The total area of PT Bumi Sawit Permai plantation is **11.579,90 Ha**, consists of:

- a. 7,579.90 ha for which the Head of National Land Agency Decree No. 16/HGU/1990 Year 1990 granted a Land Use Permit to PT Bumi Sawit Permai, located in Rambang Kuang Sub-District, Ogan Ilir District; and

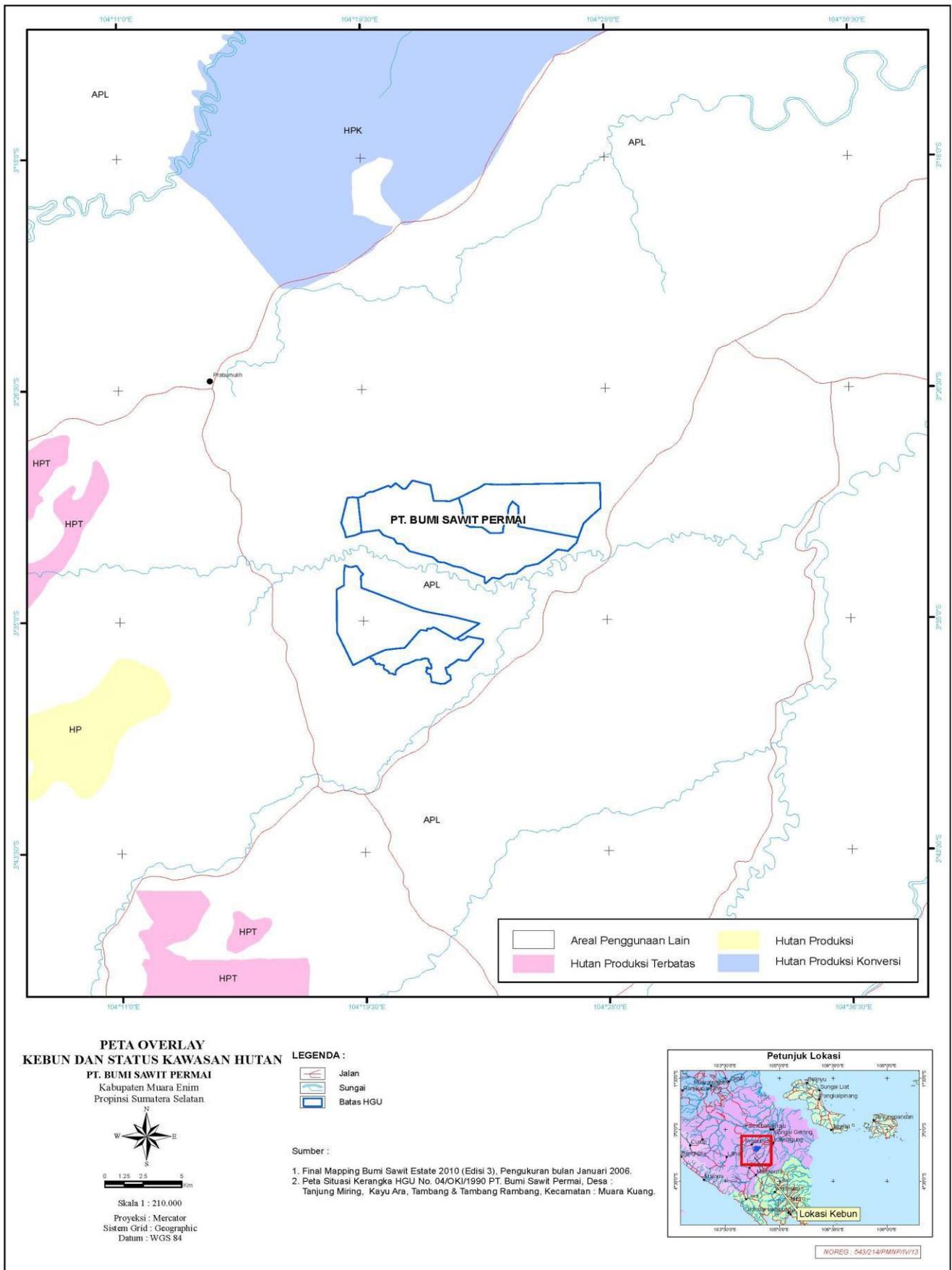
- b. 4,000 ha comprising 2,000 ha of nuclei plantation and 1,500 ha of plasma plantation, located in Lubai Sub-District, Muara Enim District (based on location permit No. 943/KPTS/PERTANAHAN/2005 dated 12 October 2005).
- RSPO New Planting Procedures Assessment was aimed at the area located in Sub-District of Lubai, District of Muara Enim which area of 4,000 ha comprising 2,500 ha of nuclei and 1,500 ha of plasma plantation. Therefore, the company licensing was aimed only at area located in Sub-District of Lubai, District of Muara Enim.
  - Location Permit: Head of District of Muara Enim National Land Office Decree No.008/SK-II/MAE/1998 dated 14 December 1998 for  $\pm$  4,500 ha comprising  $\pm$  3,000 ha of nuclei plantation and  $\pm$ 1,500 ha of plasma plantation.
  - Extension of Location Permit:Head of Muara Enim District Decree No. 943/KPTS/PERTANAHAN/2005 dated 12 October 2005 for  $\pm$  4,000 ha comprising  $\pm$  2,500 ha of nuclei plantation and  $\pm$  1,500 ha of plasma plantation.
  - Cultivation Plantation Business License: Governor of South Sumatra Decree No.172/KPTS/DISBUN/2008 dated 18 March 2008 for 11,579.90 ha (comprising 10,079.90 ha of nuclei plantation and 1,500 ha of plasma plantation).
  - Land Use Permit: Head of National Land Agency Decree No.97/HGU/BPN.RI/2009 dated 10 July 2009 for 1,244 ha (valid for 35 years), and Certificate for Land Use Permit No. 05 dated 13 November 2009 for 1,244 ha published by Head of District/City of Muara Enim Land Office.
- c. Total area managed by PT Bumi Sawit Permai in line with the Land Use Permit was 8,823 ha (No. 16/HGU/1990 of 1990 for 7,579.90 ha and Land Use Permit No.05 dated 13 November 2009 for 1,244 ha).

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

Figure 1. Location Map of PT Bumi Sawit Permai in District of Muara Enim



**Figure 2. Overlay Map for Plantation and Status of PT Bumi Sawit Permai's Forest Area (related to process to obtain land use permit).**



## SUMMARY OF SEI ASSESSMENT

An Environmental Impact Assessment (EIA) was carried out in collaboration with the Environmental Research Centre of Sriwijaya University Research Institute, located at Jl. Palembang-Prabumulih Km 32, Indralaya, OI, South Sumatra. Assessment on EIA was conducted in 2007 by a team consisting of the following members:

- Chairman: Ir. M. Idris Naning (expertise in EIA A and B)
- Ir. Dr. Ir. Muhammad Said, MSc (EIA A, Chemical Engineering)
- Ir. Agus Hermawan, MT (EIA A, Agriculture and Environmental Engineering)
- Drs. Endri Junaidi, Msi (Basic of EIA, Biology)
- Ir. Nasrun Aziz, Msi (EIA A, Social Economics).

Methods used to collect and analyse EIA data for PT Bumi Sawit Permai were:

- a. Secondary data collection through literature review
- 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

A Social Impact Assessment (SIA) was also done by an internal team from PT SMART's Corporate Social Responsibility (CSR) Department. The methods used to collect and analyse SIA data were: literature study using the reading materials such as EIA study, High Conservation Value (HCV) identification study, and supporting literature such as the local government website.

Results from the SIA of PT Bumi Sawit Permai:

No.	Social Impact	Social Issues
1.	Community Perceptions	Land acquisition activities may trigger conflict because of disagreement over the price and clarity about compensation for destroyed crops
		Support and involvement of the government, community leaders, and traditional institutions in every stage of plantation development
		Increase in community income compared to the before the project
		Company employment, primarily of labour from local community
		Clarity on plasma programme and planned CSR Programme
		Panel result causes jealousy between companies,

No.	Social Impact	Social Issues
		plasma communities, and ordinary people
2.	Community Health	<p>Waste from the Company's operations is reused; B3 (hazardous) waste is managed properly and in collaboration with third parties</p> <p>Adverse environmental sanitation in the community is due to degradation of the environment after land clearing</p> <p>Fresh fruit bunch delivery to the factory generates dust and pollution which can cause health problems</p> <p>Smoke blown in by the wind affects residential settlements</p>
3.	Increase in Community Income	<p>The Company uses particular contractors on a regular basis</p> <p>Stalls and kiosks selling daily necessities are emerging as a result of increasing economic activity in the community</p>

## SUMMARY OF HCV ASSESSMENT

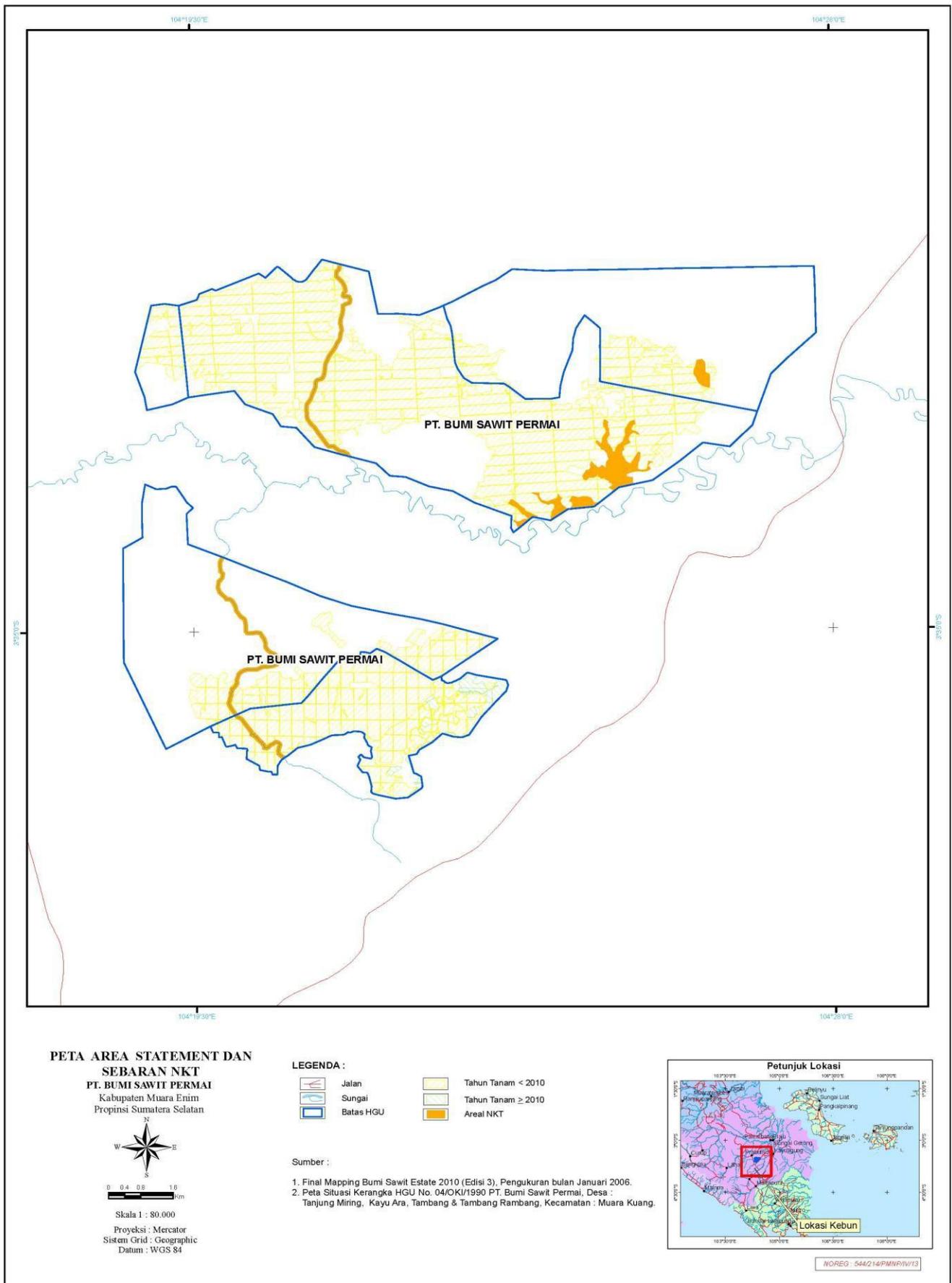
HCV identification was done in June 2010 using the toolkit 'Identification of High Conservation Values Area' (2008). The area covered was the working area of PT Bumi Sawit Permai, Bumi Sawit Estates, with an area of 10,079.90 ha. The HCV Assessment was done by staff from the Environment Department of PT SMART Tbk, who were RSPO-approved HCV assessors with expertise in habitat ecology, environmental services, socio-economics and culture. Their findings were peer reviewed by an independent consultant in December 2010 as a part of the HCV assessment process.

A public consultation was held on 17 April 2013 at Bumi Sawit Permai Estate Office, and was attended by stakeholders including the village secretary, village head, security officials, community leaders, sub-district officials, etc.

Results of the HCV identification in the concession area of PT Bumi Sawit Permai are as follows:

No	HCV Type	Description	Area with HCV (ha)
1	HCV 1.1 and 4.1	Watershed of Bunyian River	60.88
		Watershed of Suban River	91.28
2	HCV 1.2	Cattle Heron ( <i>Bubulcus ibis</i> )	-
		Grey Heron ( <i>Ardea cinerea</i> )	
		Black Eagle ( <i>Ictinaetus malayensis</i> )	
		White-throated Kingfisher ( <i>Halcyon smyrnensis</i> )	
		Fishing Tiger ( <i>Felis Viverrinus</i> )	
		Sumatran Surilii ( <i>Presbytis melalopsos</i> )	
		Pitcher Plants ( <i>Nepenthes sp</i> )	
3	HCV 4.1	Swamp Area Division 3	173.42
<b>Total Area with HCV</b>			<b>325.58</b>

**Figure 3. Identification of HCV Areas and Project Area of PT Bumi Sawit Permai**



## **DOCUMENTATION OF FREE, PRIOR AND INFORMED CONSENT**

The RSPO requires the free, prior and informed consent (FPIC) of the local community which influenced the development of the concession area or area that had been or would be opened. The Head of National Land Agency (BPN) Decree No. 97/HGU/BPN.RI/2009 granting the concession to PT Bumi Sawit Permai District of Muara Enim, South Sumatra Province, stated that the Company had the relevant FPIC documentation. The decree stated that the land area of 1,244 ha, consisting of 928.40 ha of oil palm plantation, 224.36 ha of cleared land, 50 ha of road, 21.24 ha of swamp, and 20 ha of settlement, was land over which there was no objection from any other party. It also acknowledged that 855.05 ha was state land that had been cultivated by Kosasih bin Arsar and released by him.

## **SUMMARY OF PLANS**

PT Bumi Sawit Permai has an HCV management master plan for Bumi Sawit Estates (BSWE) for the period 2013-2015. The HCV management plan describes programmes, targets, stages of activities, indicators, HCV locations, timeframes, people in charge, implementers, supporters and the forms of supporting evidence relevant to the programmes.

The Company also has an Environmental Management and Monitoring Plan which was drawn up in April 2007 and contains plans for the management and monitoring of:

- 1) Water quality
- 2) Soil erosion
- 3) Aquatic biota
- 4) Community health
- 5) Community perception

As a follow-up to the SIA, there are plans for management and monitoring of the social impact, drawn up in February 2013.

These three documents guide PT Bumi Sawit Permai in managing its environmental and social impacts in accordance with the RSPO Principles and Criteria for New Plantings.

## VERIFICATION STATEMENT

PT Bumi Sawit Permai opted for a document audit. Three auditors from Mutuagung Lestari reviewed and audited the relevant documents. The audit was conducted at the head office of Sinarmas in Jakarta on 16 April 2013. In addition, interviews were done with management representatives of PT Bumi Sawit Permai, namely the division head for Sustainability, Conservation and Biodiversity, Certification Officer, Legal and Supervisory officers.

The Social and Environmental Impact Assessment) was conducted by the Environmental Research Centre of Sriwijaya University Research Institute, by personnel qualified in their respective fields.

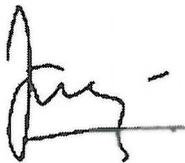
The Social Impact Assessment was conducted by an internal team from PT SMART's CSR Department, consisting of team members competent in their respective fields including one RSPO-approved expert.

The HCV Assessment was conducted by RSPO-approved assessors from the Environment Department of PT SMART.

PT Bumi Sawit Permai has applied the 'RSPO New Planting Procedure while documentation of assessment and planning was conducted thoroughly and professionally in accordance with RSPO requirements and the RSPO Principles and Criteria for New Planting. This is part of an ongoing planting and this report is meant for notification only.

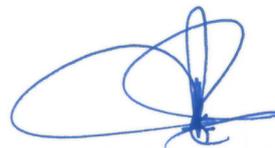
Signed on behalf of

**MUTUAGUNG LESTARI**



**Taufik Margani**  
Lead Auditor  
13 May 2013

**PT BUMISAWIT PERMAI**



**Dr Haskarlianus Pasang**  
Division Head of Sustainability  
13 May 2013