

**Summary Report of Planning & Management on PT Bumi Sawit Permai  
Rambang Kuang District of Ogan Ilir Regency and Lubai District of Muara  
Enim Regency, South Sumatra Province**

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**Executive Summary**

PT Bumi Sawit Permai (hereinafter referred to as “**PT BSP**”) is located in Rambang Kuang District of Ogan Ilir Regency and Lubai District of Muara Enim Regency, South Sumatra and has obtained the Right of Cultivation (“**HGU**”) Certificate No. 16/HGU/1990 covering an area of 7,579.90 hectares and the HGU Certificate No. 05 dated 13 November 2009 covering an area of 1,244 hectares.

PT BSP’s Environmental Impact Assessment (“**EIA**”) was carried out in association with Environmental Studies Research Centre of Universitas Sriwijaya Research Institute, having its address at Jl. Palembang-Prabumulih Km 32, Indralaya, Ogan Ilir, South Sumatera. The EIA/EIA document was prepared in 2007. PT BSP has obtained environmental assessment authorisation to its plantation development and oil palm processing mill by virtue of South Sumatera Governor Decree No. 479/KPTS/BAPEDALDA/2007 dated 25 July 2007.

In addition to EIA, PT BSP already has Social Impact Assessment (“**SIA**”) document and social impact management plan which was prepared by PT SMART, Tbk.’s internal team (CSR Department). Necessary data were collected using indirect collecting system method. This was carried out by means of desktop review on particular documents such as EIA, HCV Assessment Report, and additional government data available on local government’s website.

High Conservation Value (“**HCV**”) assessment was carried out in June 2010 over PT BSP’s Bumi Sawit Estates (BSWE) Unit pursuant to the with area of 10,079.90 hectares according to the location permit using HCV Area Assessment Toolkit Version 2008. The HCV assessment was run by PT SMART, Tbk.’s Environmental Department staffs consisting of specialists in habitat ecology and environmental service, as well as social, economic and cultural aspects. The team members consisted of RSPO Approved HCV Assessors. As part of the whole process, peer review on the HCV assessment was

performed by independent consultant in December 2010. The assessment findings indicate that no primary forest found within PT BSP's concession. The HCVs identified are HCV 1.1, 1.2 and 4.1 with a total area of 325.58 hectares.

PT BSP holds BSWE HCV management master plan for period of 2013-2015, in which all programmes, targets, operating phases, indicators, HCV areas, schedules, team coordinator, implementer, supports and related supporting evidences under the ongoing programme are elaborated.

Environmental Management Plan (“**RKL**”) and Environmental Monitoring Plan (“**RPL**”) documents were prepared in April 2007. The two contain environmental management and monitoring plan on the following:

- 1) water quality;
- 2) land erosion;
- 3) aquatic biota;
- 4) community's health; and
- 5) community's perception.

Social Impact Management Plan following up the SIA has been prepared by PT SMART, Tbk.'s internal team and already consulted with relevant stakeholders on 17 April 2013 at BSWE Headquarter, attended by village head and secretary, public figures, government office section heads, district secretary, district military commander and local police staffs. These documents serve as guidelines to PT BSP's management unit in managing its socio-environmental aspects.

### **Reference Documents**

Reference documents are as follow:

1. EIA document authorised by South Sumatera Governor through Decree No. 479/KPTS/BAPEDALDA/2007, dated July 2007.

2. PT BSP's HCV Assessment Report over areas in Ogan Ilir District and Lubai District, Muara Enim Regency, South Sumatera. PT SMART, Tbk. Jakarta. 2011.
3. SIA document prepared by PT SMART's internal team, February 2013
4. RKL and RPL documents, July 2007
5. Social impact management and monitoring plan document, February 2013
6. HCV Management Master Plan Period 2013-2015

**Brief summary of the said documents is:**

RKL-RPL documents were submitted to Provincial Environmental Monitoring Agency (BAPEDALDA) of South Sumatera, Regency Mining, Energy and Environment Office of Ogan Ilir, Regency Environmental Monitoring Agency of Muara Enim, Regency Health Office of Ogan Ilir and Muara Enim, Regency Manpower Office of Ogan Ilir and Muara Enim, and Fire Department. Environmental components monitoring is carried out on a regular basis. PT BSP's presence has also brought about positive impacts on the neighbouring community's social conditions. Increase of community's income is one example of such positive impacts. On the other hand, the negative impacts are community's perception and its declining health quality.

Several HCVs identified are HCV 1.1, 1.2 and 4.1, constituting a total area of 325.58 hectares. Stakeholder Consultation was held with the community living in the neighbouring villages and PT BSP management unit concession on 17 April 2013. PT BSP's HCV Assessment Report and HCV Area Management and Monitoring Plan document were reviewed by Resit Sozer (independent consultant) in December 2010, output of which was used further as materials to rectify HCV Report and HCV Management and Monitoring Plan.

**SEIA and HCV Management Planning Personnel**

**a. Company's Data and Contact person**

- Company name : PT Bumi Sawit Permai

- Location : Suka Merindu, Gunung Raja and Jiwa Baru Villages of Lubai District, Muara Enim Regency, South Sumatera
- Geographic site : (104°18'53.4293" - 104°26'39.1679" E) and (3°29'58.5523" - 3°37'18.7674 S)
- Bordering areas
  - a. North : Plantation Area with HGU Certificate No. 01 GS No. 03/OKI/1990
  - b. East : Unregistered land area
  - c. West : Unregistered land area
  - d. South : Unregistered land area
- Permits
  1. HGU Certificate No. 16/HGU/1990 on Granting of HGU to PT BSP in Rambang Kuang District, Ogan Ilir Regency, covering an area of 7,579.90 hectares, issued by National Land Agency Head.
  2. HGU Certificate No. 5 for an area of 1,244 hectares issued by Regency/City Land Office of Muara Enim, dated 13 November 2009.

Those involved in PT BSP's HCV document and management and monitoring plan document preparation are the management unit and the HCV Assessment Team, supported by information from relevant parties such as village heads and secretary, public figures, and local government staffs. They were present in public consultancy held on 17 April 2013. Peer Review on HCV Assessment Report was performed by Resit Sozer (independent consultant) in December 2010.

Those involved in SIA document preparation and social impact management and monitoring plan execution are village heads, Village Consultative Board (BPD) Head, community representatives, district staffs, district heads, district military

commander and local police staffs, and PT BSP's management. Management and monitoring plan has been consulted with the stakeholders once more on 17 April 2013.

### **Summary of Planning and Management (SEIA)**

PT BSP has obtained Environmental Feasibility authorisation for its plantation and oil palm processing mill development by virtue of South Sumatra Governor Decree No.479/KPTS/BAPEDALDA/2007, dated 25 July 2007.

In addition to EIA, PT BSP also already has SIA document and social impact management plan which has been prepared by PT SMART, Tbk.'s internal team (CSR Department). Necessary data was collected using indirect collecting system method. This was carried out by means of literature review on certain documents such as EIA, HCV Assessment Report, and additional government data available on local government's website.

The assessment findings and social impact management plan have been consulted with relevant stakeholders on 17 April 2013 at BMSE's Meeting Room. Public consultation participants consisted of, among others, village heads and secretary, public figures, government office section heads, district secretary, district military commander and local police staffs.

General recommendations based on SIA Analysis:

#### **1. The Community's Perception**

According to socialisation during the investment phase, PT BSP would be built in the assessment area as provided in EIA document. Land acquisition and compensation were done under FPIC process and method. Socialisation and FPIC has helped the company explain and pave the way to investment of oil palm plantation operated by PT BSP.

Area determination process in the beginning of land compensation payment by the company under cooperation with the local community is a crucial process which may be useful to anticipate future problems over the land already

compensated. This is according to the procedure already applied by PT BSP on land compensation process.

In addition, the company needs to confirm and further explain its plasma programme implementation. This will become an important point when the company is to carry out CSR programme. So long as the CSR programme is in place, the plasma programme will be useful in reducing civil unrest and minimise conflict potentials.

## **2. Community's Health**

According to socialisation during the investment phase, PT BSP would be built in the assessment area as provided in EIA/EIA document. Water body's declining quality will impact on the community's health, concerning that currently local community in the neighbouring villages greatly depends on rivers, either as fresh water source or as a place for daily bathing, washing, and toilet.

PT BSP needs to proactively communicate with its stakeholders in the assessment area, socialisation and strict monitoring over its contractors in order to perform environmental and health control. It needs to socialise and strictly monitor its contractors to control the environment in their operational activities, apply best practice on oil palm residue/waste and hazardous and toxic waste materials (B3), and report social and environmental impact monitoring to relevant institution. These are a series of the PT BSP's endeavours in managing essential negative impacts, namely social apprehension and the community's health problem.

## **3. Increase of Community's Income**

The company has prepared a five-year CSR strategic plan consisting of infrastructural development and empowerment programmes. The objective is to improve education enterprise by embracing achieving students under scholarship programme and supporting customary activities including several

traditional ceremonies held in the assessment area. The company's compliance in paying taxes indirectly helps or contributes to the local development. Plasma plantation programme still serves as the primary in increasing the neighbouring community's income.

**Summary of PT BSP's Environmental Management and Monitoring Plan**

No.	Environmental parameter Component (operating phase)	Source of Impact	Environmental Parameter	Data collection and analysis methods	Location	Monitoring Period and Location	RKL
a.	Water quality	Waste from processing activities	South Sumatera Governor Decree No. 16/2005 on Water Allocation and River Water Quality Standards	Sample water at sampling points to proceed with lab test to compare the change and quality levels against the existing quality standards	Processing mill	Semi annually	<ul style="list-style-type: none"> <li>- Operate and maintain Wastewater Processing Installation (IPAL);</li> <li>- apply Land Application (LA);</li> <li>- monitor and maintain the waste processing system;</li> <li>- fertilise the plants using appropriate dosage, types and schedule to optimise them and reduce water body contamination;</li> <li>- control plant pest and disease in integrated manner by prioritising bio-control measures;</li> <li>- involve the community in periodically controlling liquid waste treatment output quality;</li> <li>- involve public figures in reducing pollution; and</li> <li>- collaborate with local plantation office, universities and NGOs in liquid waste management to prevent the effluent from contaminating environment.</li> </ul>



**Summary of PT BSP's Environmental Management and Monitoring Plan**

No.	Environmental parameter Component (operating phase)	Source of Impact	Environmental Parameter	Data collection and analysis methods	Location	Monitoring Period and Location	RKL
b.	Community's health	Plantation maintenance and yield processing	Zero health problem due to plantation maintenance and yield processing operation	Collect secondary data at community health centres or other medical services agency and then observe community members being ill, and compare the result against the preliminary data.	Tanjung Miring, Kayu Ara, and Tambangan Rambang Villages of Rambang Kuang District, Ogan Ilir Regency, and Gunung Raja and Jiwa Baru Villages of Lubai District, Muara Enim Regency.	Annually	<ul style="list-style-type: none"> <li>- Propose ideas to the community to use dug well to meet its needs of clean water and toilet facility;</li> <li>- provide medical service facility for workers that is also accessible to the local community;</li> <li>- periodically perform medical checks for staffs and employees;</li> <li>- cooperate with Regency Public Health Office of Ogan Ilir and Muara Enim to monitor health condition and provide health facilities</li> </ul>
c.	Community's perception	Yield harvesting	Complaint from the community relating to the yield harvesting.	In-depth and structured interviews with the community members	Tanjung Miring, Kayu Ara, and Tambangan Rambang Villages of Rambang Kuang	Annually	<ul style="list-style-type: none"> <li>- respect the customary law and norms practiced by the neighbouring community;</li> <li>- establish a communication forum to build relationship;</li> <li>- prioritise local workforce according to the company's specifications and</li> </ul>

**Summary of PT BSP's Environmental Management and Monitoring Plan**

<b>No.</b>	<b>Environmental parameter Component (operating phase)</b>	<b>Source of Impact</b>	<b>Environmental Parameter</b>	<b>Data collection and analysis methods</b>	<b>Location</b>	<b>Monitoring Period and Location</b>	<b>RKL</b>
					District, Ogan Ilir Regency, and Gunung Raja and Jiwa Baru Villages of Lubai District, Muara Enim Regency.		requirements; - properly manage all community's grievance; - implement Community Development programmes such as public facility and infrastructures construction; and - cooperate with local manpower office and health office.

## **Summary of Planning and Management (HCV)**

### **Management recommendations:**

Management plan on HCV areas in PT BSP's concession in South Sumatera includes management of HCV area in the form of riverbanks and swamp areas. Aiming at sustaining and enhancing the HCV, such HCV area management activities include following.

- Delineating and managing the HCV areas borders.
- Installation of notice boards (announcement, call for preservation and warning) on the presence of HCV area.
- Gradual revegetation/restoration to riverbank areas identified as HCV 1.1 area, especially those already planted with oil palm.
- Socialisation to the community on importance of protected and/or threatened wildlife preservation.
- Protection of riparian ecosystem in the riverbank area by setting space of 50 metres width along both sides of river having width of less than 30 metres.
- Prevention from use of synthetic chemicals (fertilisers and pesticides) for plants along the riverbanks, as this may contaminate the river and endanger fresh water supply that the neighbouring community consumes.
- Mapping of riverbank areas which area still forested as basis to vegetation enrichment activity plan.

### **Monitoring Recommendations:**

Indicators were monitored based on the HCV category found in each location. HCVs assessed in PT BSP's concession are HCV 1.1, HCV 1.2 and HCV 4.1. The monitoring plan will be directed to HCV management in each individual location.

HCV area monitoring activities include the following issues:

- Problem intensity in HCV area, including fire hazards.

- Land cover condition development.
- Flora species diversity and density (including the protected and RTE (Rare/Threatened/Endangered) status) in the HCV areas.
- Fauna species diversity and density (including the protected and RTE status) in the HCV areas.
- Realisation of operational implementation life percentage of plant cultivated during the rehabilitation in HCV area.
- River width transformation.
- River water quality.
- Aquatic biota in rivers and swamps.

#### **Plan for HCV Monitoring and Regular Data Review**

PT BSP's HCV Assessment Report and HCV Area Management and Monitoring Plan documents were reviewed by Resit Sozer (independent consultant) in December 2010, output of which was made input to rectify both documents.

#### **Management and mitigation plans for threats to HCV areas.**

##### HCV 1.1

- Establish protected areas border management system.
- Make warning and notice signboards on presence of the HCV areas.
- Make socialisation to the company's employees and neighbouring community to maintain and preserve protected areas.
- Establish buffer zone/riverbanks of 50 metres width along both sides of river bordering the concession.
- Perform step-by-step revegetation in area already planted with oil palm.
- Cultivate erosion prevention plants.

#### HCV 1.2

- Install notice signboards on hunting prohibition in the HCV areas.
- Socialise HCV importance to the employees, and the neighbouring community.

#### HCV 4.1

- Establish a buffer zone of 50 metres width along both sides of river.
- Install border marks in HCV areas.
- Control waste coming out from plantation and oil palm waste processing mill operation.
- Apply eco-friendly cultivation method (e.g. use of slow release fertilisers, use of organic wastes, and PHT application).
- Establish complete and adequate signboards to protect riverbank areas.
- Plant erosion-prevention plants

#### **Management plans to enhance or maintain conservation values of the HCV areas already identified**

1. Determine riverbanks and swamp areas' width, mark their borders, and maintain the border marks.
2. Inventory and identify condition of the land cover in the HCV areas.
3. Passively and actively protect HCV.
4. Deliver public counselling.
5. Train employees to build their human resources capacity.
6. Prepare SOP.
7. Carry out rehabilitation and/or restoration.

8. Maintain and develop communication and coordination with relevant stakeholders, especially prior to land clearing.
9. Perform periodic treatment.
10. Prepare management and monitoring plans.

### **Internal Responsibility**

We hereby sign off on the above Summary Report of Planning and Management, The above may be amended and clarified for improvement during the development of the plantation but it will remain in accordance with RSPO Standards and Principles.

On behalf of the Management of **PT Bumi Sawit Permai**,



Dr. Haskarlianus Pasang

Head of Sustainability Division

Date: June 4<sup>th</sup>, 2013