

# 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: 9 April 2015**

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: PT Unggul Lestari

Subsidiary : -

RSPO Membership No. : 1-0100-11-000-00

#### Location of proposed new planting : Description, maps and GPS coordinates.

Company Name : PT Unggul Lestari

Company Address : Spring Tower 04 – 44 Jl. K.L Yos Sudarso, Tanjung Mulia, Medan Deli, Medan, Sumatera Utara – 20241

Type of business : Oil Palm Plantation & Processing

Contact person : Dr. Gan Lian Tiong  
email: [liantiong.gan@musimmas.com](mailto:liantiong.gan@musimmas.com)

Location : Tumbang Boloji Village, Tumbang Sepayang Village, Sei Hanya Village, and Bukit Indah Village, Antang Kalang Sub District, Kotawaringin Timur District, Central Kalimantan Province  
See Picture 1, Picture 2, Picture 3, and Picture 4, Picture 5

GPS References : 112°27'9.84" E – 112°37'22.24" E  
1°31'20.55" S – 1°40'24.44" S

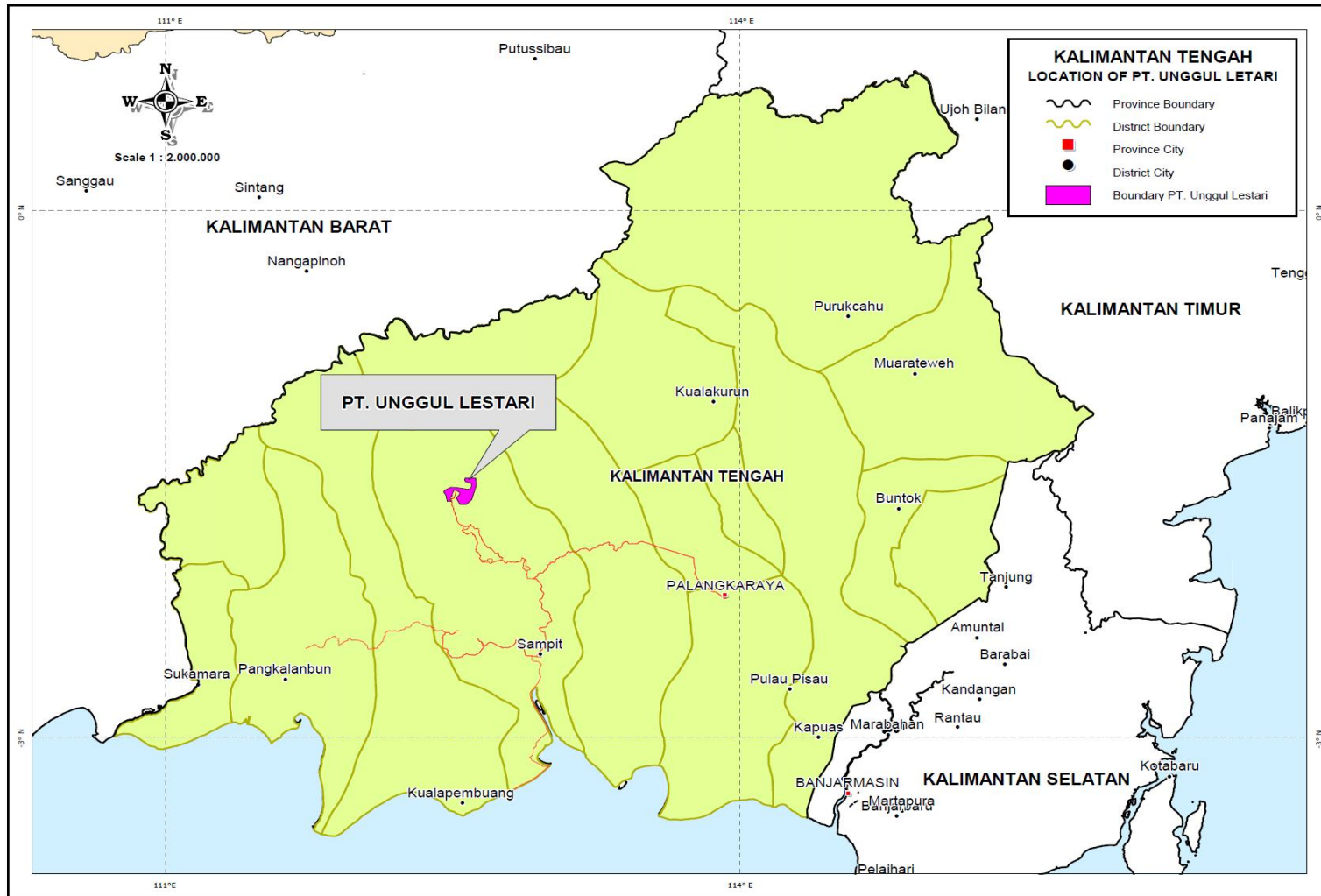
Surrounding Entities : PT. UL's direct borders are with Bukit Indah Village, Sei Hanya Village, Tumbang Sepayang Village, and Tumbang Boloji Village. PT. UL plantation borders with other entities: PT. Karya Makmur Palm Oil Plantation, PT. Buana Adhitama Palm Oil Plantation, and Cooperation Efforts.

# RSPO



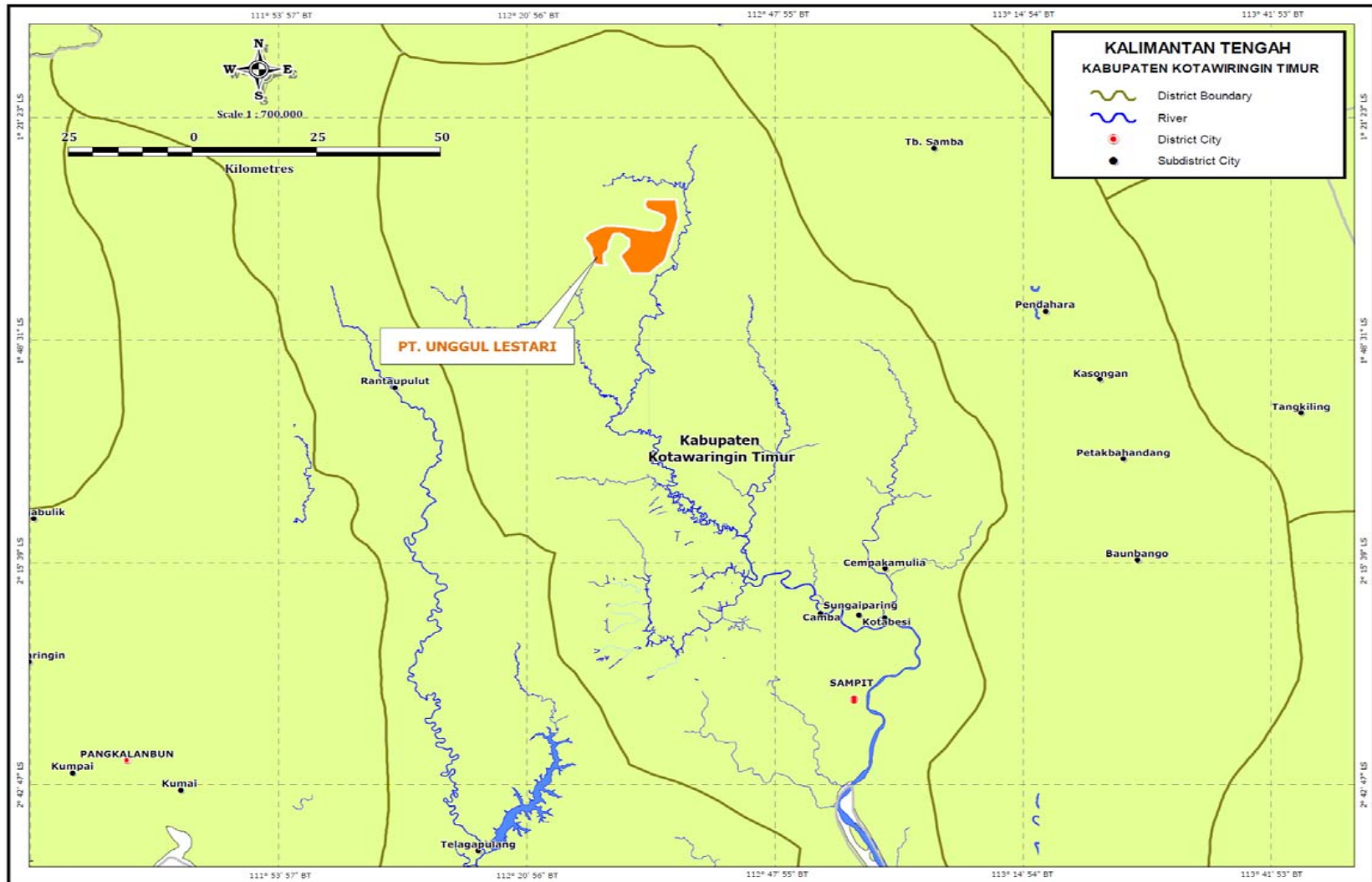
Picture 1 Location of PT Unggul Lestari in Indonesia

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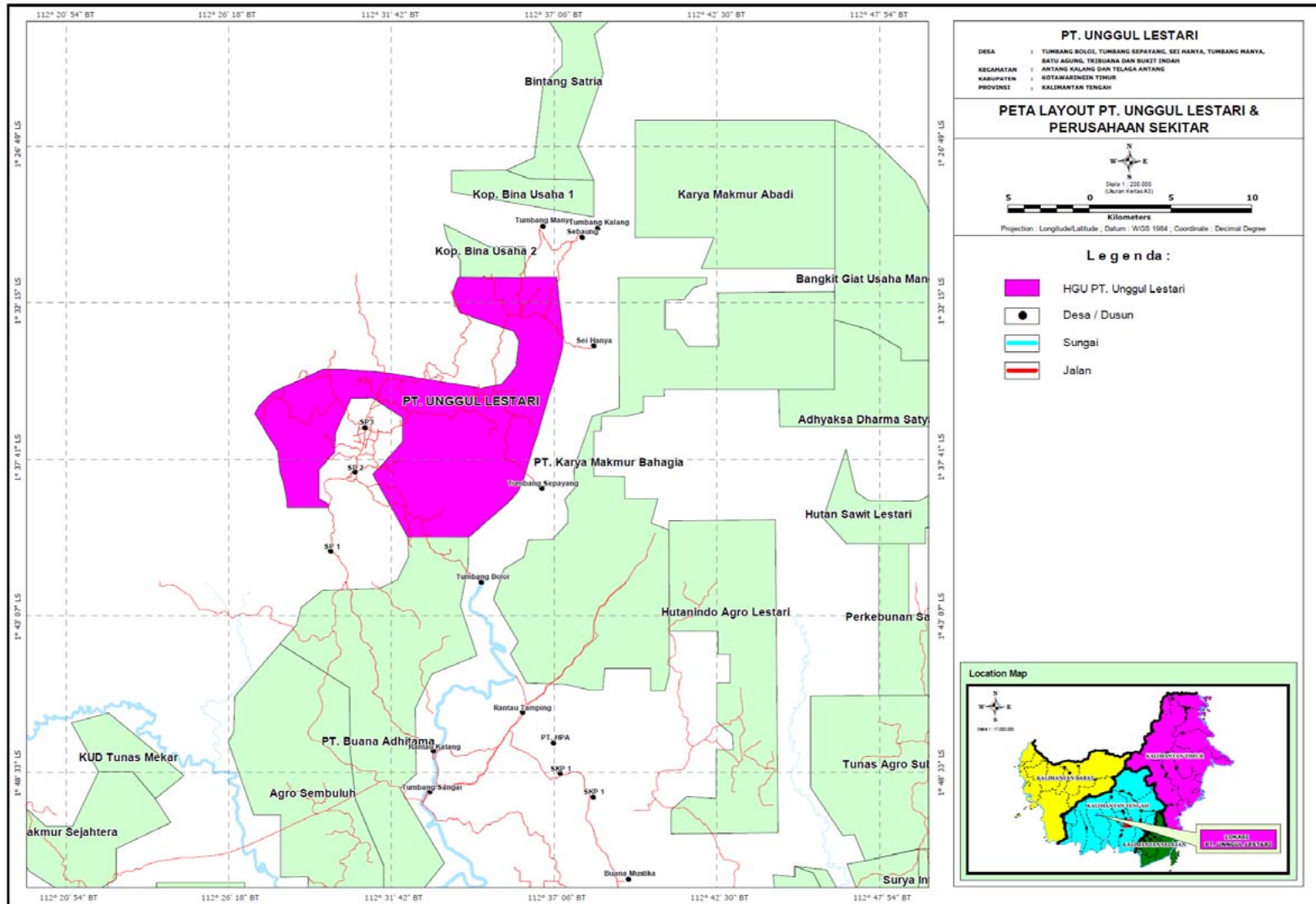
Picture 2 Location of PT Unggul Lestari in Central Kalimantan Province

# RSPO



Picture 3 Location of PT Unggul Lestari in Kotawaringin Timur District

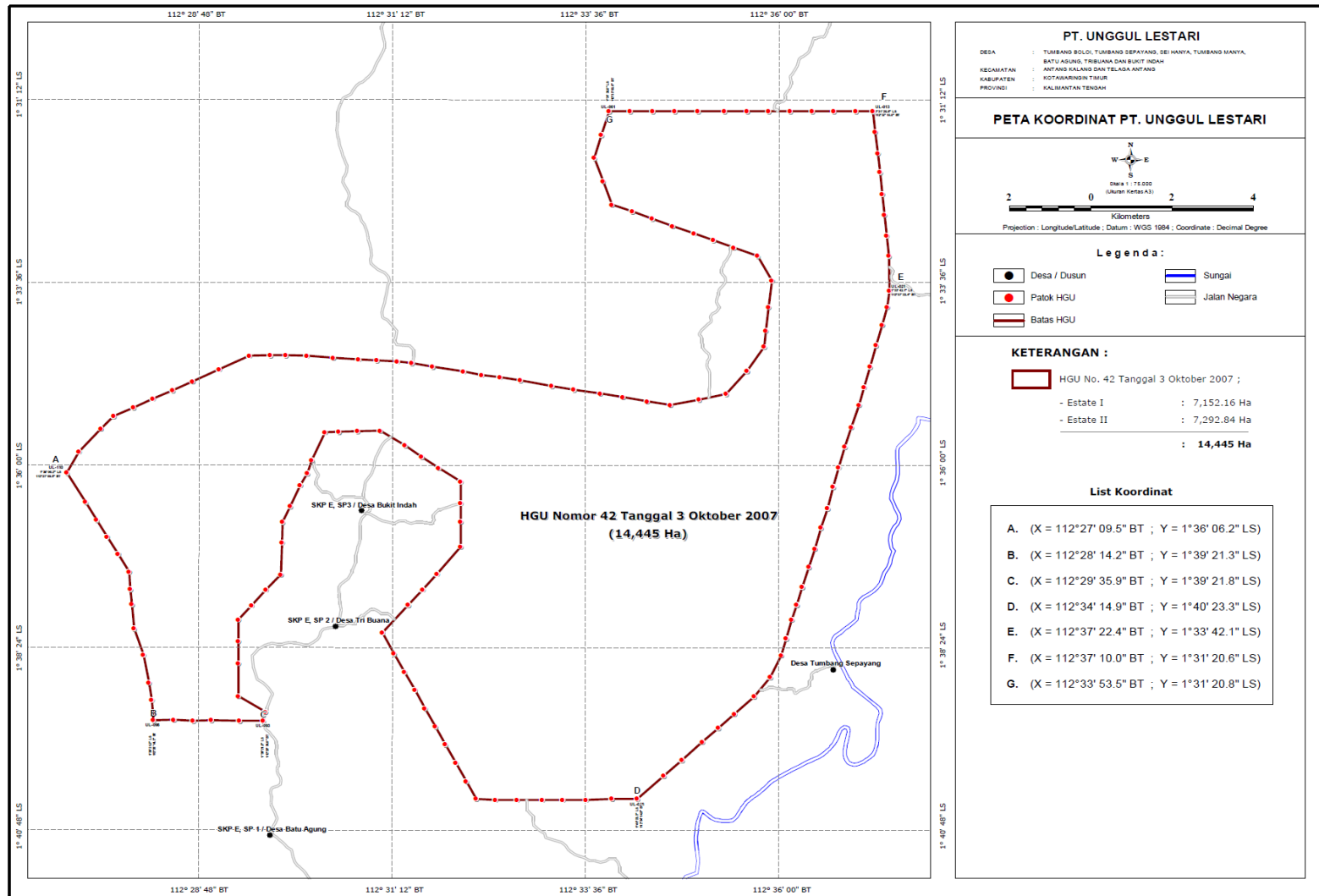
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Picture 4 Location of PT Unggul Lestari and its surrounding entities



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Picture 5 Location Map of PT Unggul Lestari with GPS references

## SUMMARY FROM SEI ASSESSMENTS:

### a. SEI Assessment

#### Assessors and their credentials:

The Social Impact Assessment of PT Unggul Lestari was carried out by Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: [aksenta@aksenta.com](mailto:aksenta@aksenta.com). The team members are:

Name	Expertise	Social Impact Assessment
Dwi R. Muhtaman	Forest and timber product certification, RSPO certification, coffee certification, social strategy.	Team leader, social auditor, certification
Agus E. Munoraharjo	Cultural anthropology, community based information and communication facilitator, community development tourism, and peace studies.	Socio-cultural
Sujatnika	Social relations, human resource management, collaboration management, training facilitator.	Employment issues, social relations, process facilitation.

#### Assessment Methods (data sources, collection, dates, program, and visited places)

Social Impact Assessment on the ground was carried out as bellows:

#### Data and information collection method

Methods used to collect data and information were:

- a. **Document review.** Conducted for documents available with the company and other documents obtained from other important stakeholders.
- b. **Observation.** Conducted for condition, utilization, and management of land and natural resources, and the community livelihoods.
- c. **Semi-structured interviews.** Conducted for plantation management, staffs, employees, formal and informal leaders, and members of the community.
- d. **FGD (Focus Group Discussion).** Community FGD was conducted in Sei Hanya and Tumbang Sepayang Villages. Another FGD was conducted with employee and staff representatives.

- e. **Workshop.** Inter-village workshop (attended by representatives from 5 villages) was held in Sei Hanya Village.

## **Methods of Data and Information Analysis**

- Analysis is focus on key stakeholders who are can most succeed or fail and/or parties who receive the greatest impact, whether in intensity or magnitude. This analysis included: 1) identification of key stakeholders and their relations with the existence (establishment and operations) of PT Unggul Lestari; 2) identification of each stakeholder's position, orientation, interest, and concerns; and 3) mapping of the relationship tendencies of each stakeholder with PT Unggul Lestari and among stakeholders.
- To better understand the position, orientation, interests, and concerns of each key stakeholder, analysis was conducted for stakeholders' roles, including: responsibilities, rights, and (expected) benefits received by the relevant stakeholders, and relationships with other stakeholders
- Cause-effect analysis. Mapping the relationships between causing factors and effect indications. This map illustrates the implications or consequences from a choice of action (may be activities, attitudes, behaviors) whether direct or indirect toward the community (including company employees). Indications of the effects (implications/consequences) focused on points related with the five key elements of the community' lives.

Activities conducted in the social impact assessment include:

1. Collect preliminary information: This includes data and information collection before the team conducted field visit. Data was collected from the company and other resources.
2. Study design: A meeting was held by the Assessment Team to discuss preliminary data and information, identification of data and information needed before field assessment, design field study method and techniques, and determine assessment schedule.
3. Field assessment: Field assessment was conducted to collect data and information, record opinions and situations, identify key issues, and begin to analyze situations occurring in the study site. Field activities were conducted through the following steps:
  - Opening meeting. Meeting was conducted between study team and company to discuss the study team's activities while in the field, determine company counterparts, agree on schedule, and discuss items regarding team transportation and logistics.



# RSPO

- Document review. Data and information were collected from company documents and other supporting documents in the company.
  - Field activities. Collecting field data and information, obtained directly through observations and indirectly, through meetings with the community, company management, or company employees.
  - Closing meeting. This meeting was held between the study team and the company. The study team presented the assessment findings, and together discussed and clarified key issues, and field assessment follow-up activities, whether from the study team as well as the company.
4. Analysis. All data and information, whether from document review, interviews, observations, FGD, or study team's notes on field finding and key issues, were compiled and analyzed to understand the occurring situations and predict the social impacts.
  5. Reporting. A step to reconstruct the situation, develop analytical frame, understand cause-effect and feedback relationships, and develop social impact frame, in a systematical report.

The findings obtained from the methods above were analyzed. The baseline of the analysis was based on RSPO P&C criteria which relevant to sustainable social aspects. The recommendations also covered other issues which were not entailed in the RSPO P&C, in the form of ideas or aspirations as the result of the field analysis.

## **Summary of SEI Findings**

Based on stakeholders profiling and confirmed from information collected through interviews with village officials and community and focus group discussion, the communities are from seven villages around the concession of PT Unggul Lestari and those operating in the concession as enclaves with mixed rubber and agriculture crops. The villages are: Bukit Indah, Tumbang Manya, Tumbang Kalang, Sei Hanya, Sungai Sepayang, Batu Agung Village, and Tumbang Boloji Villages. Based on the villages' origin, and related to the dominant ethnic groups of the villagers, the five villages are categorized as "indigenous villages" and two others are categorized as "transmigrant villages". The characteristics of the "indigenous" villagers include: dominated by Dayak tribe; practices shifting cultivation; main source of livelihood is from farming, rubber tapping, and rattan harvest; river provides source of clean water and transportation. Characteristics of the "transmigrant" villagers include: dominated by Javanese and few Sundanese, main source of livelihood is farming.

The results of the Social Impact Assessments (SIA) indicated that in general, the company's presence and operation has positive social force towards local community's social sustainability. Its presence and operations in villages within the assessment's scope contribute significant impacts to the local communities' social change and sustainability. PT UL's presence and operations in general contribute positive social impact to economic condition and regional development such as: land acquisitions for plantation area have been well executed. The direct impacts are local manpower absorption and new business opportunities. The potential negative social impact is related to the company's operations such as, the rivers which are used by the village communities may be polluted by the company's activities. Causes which may have impact on the social relation between the company and the local communities are miscommunication, if not carried out adequately and the consistency in safeguarding and maintaining relation with the communities.

## **SUMMARY FROM HCV ASSESSMENT(S):**

### **Assessors and their credentials**

The HCV assessment in the Land Use Title (HGU No 42) of PT Unggul Lestari by Aksenta located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: [aksenta@aksenta.com](mailto:aksenta@aksenta.com). The team members are:

1. **Pupung F. Nurwatha.** In this HCV Assessment, responsible for identification of HCV 1, 2, and 3. Education: BSc in Biology. Has great expertise and experience in wildlife management, habitat and population assessment, as well as wildlife conflict mitigation and wildlife rescue. Contact: [pupung@aksenta.com](mailto:pupung@aksenta.com)
2. **Bambang Widyatmiko,** Team member from Aksenta responsible for identification of HCV Currently working on his doctorate degree in spatial planning. Has extensive expertise and experience in water and land management as well as spatial analysis. Contact: [bambang@aksenta.com](mailto:bambang@aksenta.com)
3. **Ganip Gunawan,** team member from Aksenta responsible for identification of HCV 5 and 6. Education: MSc in Geography. Has extensive expertise and experience in socio-environmental studies, and in social management related to the environment.
4. **Dwi R Muhtaman,** team leader from Aksenta. Education: MSc in Public Administration. Field of expertise: Certification and social auditor. Has extensive expertise and

experience in research and assessment for certification system for forest management as well as forestry and plantation products including oil palm and coffee.

## **Assessment Methods (Data sources, data collection, dates, program, and visited places)**

### **HCV Identifying Methods**

The assessment covers the Land Use Title (HGU) which has been approved as the company's project area. Assessments also expanded into villages and other areas which could be considerably of relevant importance to the proposed plantation area. The field survey was conducted on 26 March – 2 April 2009.

In the process, each observation team was accompanied by the field staff from the company and local representatives who familiar with the site. Besides field activities, the team also collected information from the local people through individualistic interviews, as well as public consultations. At the same time, confirmation and cross checking of the findings with the local people using the technique of purposive sampling – which included the socialites, the enclaves' owners (if existed), and the related interest parties.

### **Identifying Methods for HCV 1, 2, and 3**

The target of identification of HCV 1, 2, and 3 is to find important biodiversity areas. These important areas are distinguished by the status of area, the authenticity of the community or ecosystem, as well as presence of important flora and fauna species. The importance of the species refers to the legal and endangered status of the species (rare, endangered, or critically endangered) in accordance with national as well as international regulations (IUCN and CITES) flora and fauna conservation. In addition, importance values of wildlife and habitat can also be based on the ecological roles of the species in the tradition and culture of the indigenous peoples.

Reconnaissance survey was conducted to rapidly survey the presence of important flora and fauna species. The presence of a species was recorded through:

- Direct observation, whether through visual observation or calls (diurnal or nocturnal species),
- Indirect observation such as evidence of wildlife activities in its habitat (such as prints, trails, scratch marks on tree trunks, nests, scales, snake skin, bird feather or mammal hair, and such),

- Wildlife parts (skull, horn, skin, feather/hair, teeth, scales, and other recognizable body parts) hunted or caught by the community in the surveyed areas. Interviews were conducted to complete the information on the location, hunting time or time of the wildlife capture,
- Secondary information, or the presence of wildlife based on the community's information, including locals or field staff. Secondary information was always verified to check the reliability of the information through additional sources. All collected secondary information was then validated by comparing with natural history and distribution of the species in the location (through literature review) as well as comparing with the habitat condition and type during the survey. Any discrepancies between the wildlife description with its natural distribution or current habitat condition of the species determined as absent in the study site.

All field findings were analyzed and presented as a species checklist with a short description and spatial distribution.

#### **HCV 4 Identification Methodology**

In order to identify the existence of HCV 4 in an oil palm plantation, two approaches were applied. The first approach was analysis to find out the interactions and correlations between the water system and the plantation land in a wide context. The approach also covered the area outside the plantation area. The second approach was another analysis to find out the significant values of such locations and their impacts to the plantation location. Thus, in this analysis, the perspective used was the inside area in the plantation. Based on both approaches, the phases of identifying HCV 4 were analysis of the secondary data, field survey, and the integrated data analysis of secondary data and the field survey. The identification of the HCV 4 areas was done by analyzing the area from the metrology point of view, the soil analysis, topography, watershed, and the field survey and interviews. The field observation was carried out on the chosen locations; i.e. springs, river, river condition, land clearing, plantation in production, and other locations representing the condition of the water management in the plantation.

#### **HCV 5 and HCV 6 Identification Methodology**

The focus of HCV 5 is an area or site within a concession with important values in provision of the needs of the local community. There are three aspects to consider in the assessment:

# RSPO

1. Importance value. A site or area is categorized as HCV 5 if its importance values cannot be replaced by its owners or users.
2. Basic needs. A site or area is categorized as HCV 5 if it contains one or more functions in basic need provision for its owners or users as: main source of carbohydrates, main source of animal proteins, main source of potable water and water for daily needs, main source of building/housing and household materials, main source of energy for light or cooking, main source of medicines, main source of basic childhood education.
3. Owners, users, or beneficiaries. An area or site categorized as HCV 5 if is the source of basic needs provisions for its owner or users. Owners, users, or beneficiaries may be households, groups, or local communities, including plantation communities (company staff and their families who live in the plantation vicinity).

HCV 6 focuses on sites or areas inside a concession of important tradition/cultural identity for the local community. There are two points assessed:

1. Importance value. A site or area is categorized as HCV 6 if its importance values cannot be replaced by indigenous peoples or the tradition/culture of the local community.
2. Tradition/cultural identity and continuity. An area or site is categorized as HCV 6 if it contains one or more of the following functions:
  - Historical functions; such as presence of a historical site or artifact;
  - Spiritual functions; such as sacred or forbidden areas;
  - Customary/traditional functions, such as the presence of plants, animals, or other materials used for traditional ceremonies/rituals, including purification baths;
  - Areas or sites recognized by the government as traditionally protected sites; such as one site in Musi Rawas Regency designated to protect the Anak Dalam Tribe.

## **The HCV Assessment Phases**

This HCV identification assessment was conducted following the steps below:

1. Literature review, to develop HCV methods for oil palm plantation adapted from ProForest and supplemented with field survey, and to collect information on the company, including site and land use maps.
2. Conducted opening meeting, to present the aim and objective as well as overview of the HCV identification and management processes, as well as the scope of work and reporting. During the opening meeting, additional information was collected on the company profile; documents including available maps, as well as planned field survey schedule along with field assistance, accommodations and logistics. Opening meeting was conducted on 27 March 2008 in Bukit Indah Estate and attended by company staff.
3. Field survey, conducted consecutively from all estates. Reconnaissance survey was conducted from 28 to 30 March and 1 April to study the areas in need of re-checking (sites surveyed attached). In addition to conducting direct field observations, information was collected from employees, field staff, as well as the farming community.
4. Participatory mapping, or mapping based on the participation of field staff, LC field assistant, and field survey assistant, Human Resources Assistant, and Survey Assistant from each estate. This workshop was conducted on 31 March in Estate Office. The map included land cover, wildlife distribution, river system, swamps, water sources, fire prone areas, hills, shelters, villages, and sacred sites.
5. Results of field survey conducted by the Aksenta team with the company field assistants were then analyzed using the basic HCV map to produce initial indicative HCV areas. These initial findings were then discussed with the company during the Closing meeting to clarify and submit the immediate necessary actions for the company to conduct in relevance to these initial findings.
6. Further analysis of the field findings and discussion results of the closing meeting will be presented as a full report.



## **Summary of HCV Findings**

Rapid assessment of HCV in PT Unggul Lestari (PT. UL) was conducted to identify potential HCV areas that are present in the concession of PT. UL. The assessment was conducted in June-July 2007 to evaluate the land covers in the concession of PT. UL as well as to conduct a rapid assessment on the potential of HCV areas. The objective of this assessment was to map out any land cover with potential HCV areas or primary forests in PT. UL so as to provide information to the management in land development planning. The assessment of potential HCV areas conducted by rapid assessment using the guidelines developed from HCV Toolkit 2003 ([www.hcvnetwork.org](http://www.hcvnetwork.org)) showed that no primary forest and in PT. UL there are presence of HCV 1, HCV 4, and HCV 6. The presence of these HCVs in this rapid assessment was reconfirmed with more details survey and comprehensive study.

Based on HCV Assessment by Aksenta in 26 March – 2 April, 2009 confirm that, within the PT UL concession are found four out of six high conservation values (or HCV) areas, namely HCV 1, HCV 4, HCV 5, and HCV 6. The important element of HCV 1 is the existing Agile Gibbon (*Hylobates agilis*) populations as well as other wildlife species that falls under HCV 1 category, such as Malayan Sun Bears and indications of Orangutan corridors. HCV 4 area relates to erosion, springs, and river banks. HCV 5 is identified based on utilization of land by the community which usually marked by plantations and houses. HCV 6 is identified by places designated as sacred by the community which are found scattered within the concession. The HCV area identified was  $\pm 1,821$  ha or  $\pm 12.6$  % of the total Land Use Title in the assessments by Aksenta. Total HCV 1 & 4 is 1,221.06 ha, HCV 4 is 578.06 ha and HCV 5 is 22 ha. Potential areas for oil palm plantings as corporate social responsibility (CSR) projects in villages in the vicinity outside of the HGU do not contain primary forest and the general land covers are cultivated area and shrub mixed with tree crops.

## **SUMMARY OF PLANS:**

### **Development of HCV and SIA Management Plans**

The process of HCV and SIA development and preparation of management and monitoring plans for PT UL was implemented in phases involving several parties: that is Estate Department, the Public Relation (Humas Department) and Sustainability Department. The implementation of the HCV and SIA management & monitoring plans in the field will be implemented by experienced personnel who possessed the relevant knowledge and technical

skills. Sustainability Staff, Audit & Certification (A&C) Staff, with the assistance of the Public Relation (Humas) Team, stationed at the location, will provide support in these activities. The Estate Manager is directly responsible on the implementation of the plans of management and monitoring. In addition, the Senior Estate Manager is accountable in fulfilling of the requirements for the plan and as well as responsible in analyzing the input results from the monitoring plans. The General Manager is accountable and responsible to ensure that the Overall Development Plan including the management of HCV and SIA is implemented according to the time plan and budget. The management team is supported and supervised by the Regional General Manger. The detail of the responsibilities and roles of the HCV and SIA development and preparation of management plans and monitoring are summarized in the “The Management & Monitoring Plans of HCV/SIA PT UL” document. The Head Office Estate Department, Public Relation (Humas) Department, and Sustainability Department will provide the overall support in the implementation of the development plan.

### **Stakeholders to be involved**

The process of the HCV and SIA development and preparation of management plans and monitoring PT UL also involved relevant stakeholders such as governmental offices, The Plantation and Forestry Office, The Office for River Management-BPDAS, local communities, the government of local village and Sub-District, and other company’s (private sector) of Forestry and Plantation include peer review HCV Management & Monitoring by expertise.

Consultation with the relevant stakeholders to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT UL and the workers, contractors, suppliers, consumers, government agencies and communities to move forward for the benefit and common progress. This is also part of the process of free, prior and informed consent procedures to ensure that there is a balance in the social and environmental harmony in the development of the oil palm planting project between PT UL and the local communities, the relevant government agencies, concerned stakeholders, NGOs etc. In regularly basis, the process of stakeholder consultation of HCV and SIA management & monitoring plan conducted at each village around the concession of PT Unggul Lestari. The latest stakeholder consultation held in Tribuana village was at 15 April 2014, Batu Agung village was at 16 April 2014, Tumbang Manya village was at 21 April 2014, Tumbang Sepayang village was at 22 April 2014, Sungai Hanya village was at 23 April 2014, Tumbang Kalang village was at 24 April 2014 and Tumbang Boloi a was t 25 April 2014.

## **SIA Management Plan**

Based on the SIA results for PT UL by Aksenta and the Environmental Management & Monitoring Plans (*Rencana Pengelolaan Lingkungan / Rencana Pemantauan Lingkungan*) of PT UL document, the management for the Social and Environmental Impacts aimed to be managed consistently with appropriate work performance standards. The scope of the development and preparation of management & monitoring plans included all of the potential impacts by the plantation activities. The development and preparation of management & monitoring plans guidelines include:

### **1. Land Acquisition (and Compensation) Program Through Sustainable Communication & Relationships**

Based on the Social Impact Assessment has been carried out, the general social conditions PT UL were pretty good. Therefore the emphasis the company in land acquisition program is clear and transparent. The scope for this management and monitoring included the process of land acquisition and land compensation which referred to the principles of Free, Prior and Informed Consent (FPIC) such as: socializing and communicating regarding the activities involving the acquisition of land by the local government, verification of the legality of land ownership, land compensation in accordance with SOP and documenting activities.

### **2. Participation Program Improvement Companies in the Health, Education and Environmental Management Around Good Company**

- a. Health Sector: Generally, most people are very dependent on the quality of river water, given these conditions, the company designing health programs and infrastructure that relies on participation in activities for improved health in the community. Activities in the form of health education and fogging collaboration with the local health agency and participate in the provision of clean water.
- b. Education: The Company recognizes that communities around the company can be said to be prosperous, but because the location is remote to say the very lack of access to education and jobs that require higher education. As a result, the average level of education is relatively low. The scope for this management and monitoring included the participation of the company in increasing the human resource such as; a) encourage local people who are poor financially to enable continuous education until college with scholarship program, b) participate in increasing the level basic education (*Peduli Pendidikan*) and c) giving opportunity to pursue High School of Vocational for (*Praktek Kerja Lapangan*).

- c. Field of Environmental Management: neighborhood improvement activities include: river water quality testing and socialization to maintain the condition of river border. Focus of activity in the form of management and monitoring of water quality, preparation and implementation of Environmental Management & Monitoring Plans (RKL & RPL).

### 3. **The Management Plans of PT Unggul Lestari, Participation of Company in Increasing Local Economic**

The scope for this management and monitoring included: a) recruit local people as workers accord with the needed of the company, b). opening opportunity of cooperation for contractor and local supplier accord with standard and quality requirements of the company, c) Participate in the development of local economy and CSR projects such as village oil palm development, d) organize trainings for communities for capacity building and enhancing capabilities, knowledge and skills to promote local economic growth ( sewing, rubber cultivation), e) developing education scholarship program covering wide scope of the communities including elementary to higher education

### **HCV Management Plan**

The HCV development and preparation of management & monitoring plans was based on the recommendations by independent consultants from Aksenta. This process provides data and information related to the presence of the HCV areas in the Land Use Title (HGU), the key HCV elements, the actual conditions included the potential threats, and the recommendations for the management.

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

The basic programs and activities that fulfill the HCV management are in regular monitoring and review. The purpose of review is to measure the achievements, effectiveness, efficiencies, impacts, and sustainability of the programs. Thus, the purpose of monitoring is to evaluate whether the activities run as they are expected; whether the outputs of the process are as they were projected previously; and whether the resources investments (human, fund, time) are as they were planned.

Monitoring and review are aimed to a set of indicators as the key performance indicators and should be managed systematically, consistently, and well documented. The monitoring should be implemented regularly and it is dependent on the classifications of the activities and the target indicator to evaluate [the detail of such activities is presented in the Activities Plan Matrix (*Matriks Rencana Kegiatan*). The review should be conducted at the end of the

management periodical plan, that is in the end of the third years (summative review) and every six months (formative review).

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

The identified basic activities which are planned to run in order to achieve the basic targets for the enhancement and maintenance of the HCV areas are:

1. Identification, documentation and recondition of baseline HCV elements and that threats.
2. Socialization to local peoples and people around the HCV area about the existence and importance of protecting HCV areas.
3. Socialization about the existence and importance of protecting HCV areas to employees
4. Dialogue with stakeholders, especially government for increasing protecting HCV elements and areas.
5. Recondition and making the policy and procedure (SOP) which is supporting efectivity HCV management.

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

The process of strategy mapping, the practical vision is defined as the basic targets. Those basic targets include eight ideal states which are going to be achieved through the efforts of HCV protection and management. Those ideal states are:

1. Habitat in HCV area is reserved.
2. The existence of the key animals in the area is reserved.
3. Refuge condition of wildlife (refuge) is controlled.
4. The river banks function as the hydrological buffer (the protection for water cycle), ecology (the protection for wildlife species).
5. The erosion state is well minimized.
6. Spring water reserved.
7. Maximum water catchments areas.
8. The existence of the local spiritual sites is well preserved.

## Development Plan

The total area in the HGU No 42 of PT UL is 14,445 ha. Total planted area in PT UL is 10,932.2 ha and the HCV areas comprised of 1,821 ha and HCV management plan has been developed for these areas and implementation is on-going. PT UL has been certified by RSPO on 04<sup>th</sup> September 2012. The expansion of oil palm areas in PT UL is an on-going development within the location of the Land Use Title (HGU) No 42. These are enclave land of 1,108.13 ha which the land owners will be negotiated for land acquisition and compensation to the land owners through Free, Prior and Informed Consent Process. Potential areas for oil palm plantings as corporate social responsibility (CSR) projects in villages in the vicinity outside of the HGU will be included. The enclaves' areas and areas in the vicinity outside the HGU with potential for CSR oil palm development do not contain primary forest and the general land covers are cultivated area and shrub mixed with tree crops. The process of land development and palm oil planting adheres to the procedures of RSPO New Planting Procedures (NPP) for on-going development for notification. The detail of area statements and time-plan for new plantings are presented in report "Development plan of PT Unggul Lestari 2015", and summarized in bellow.

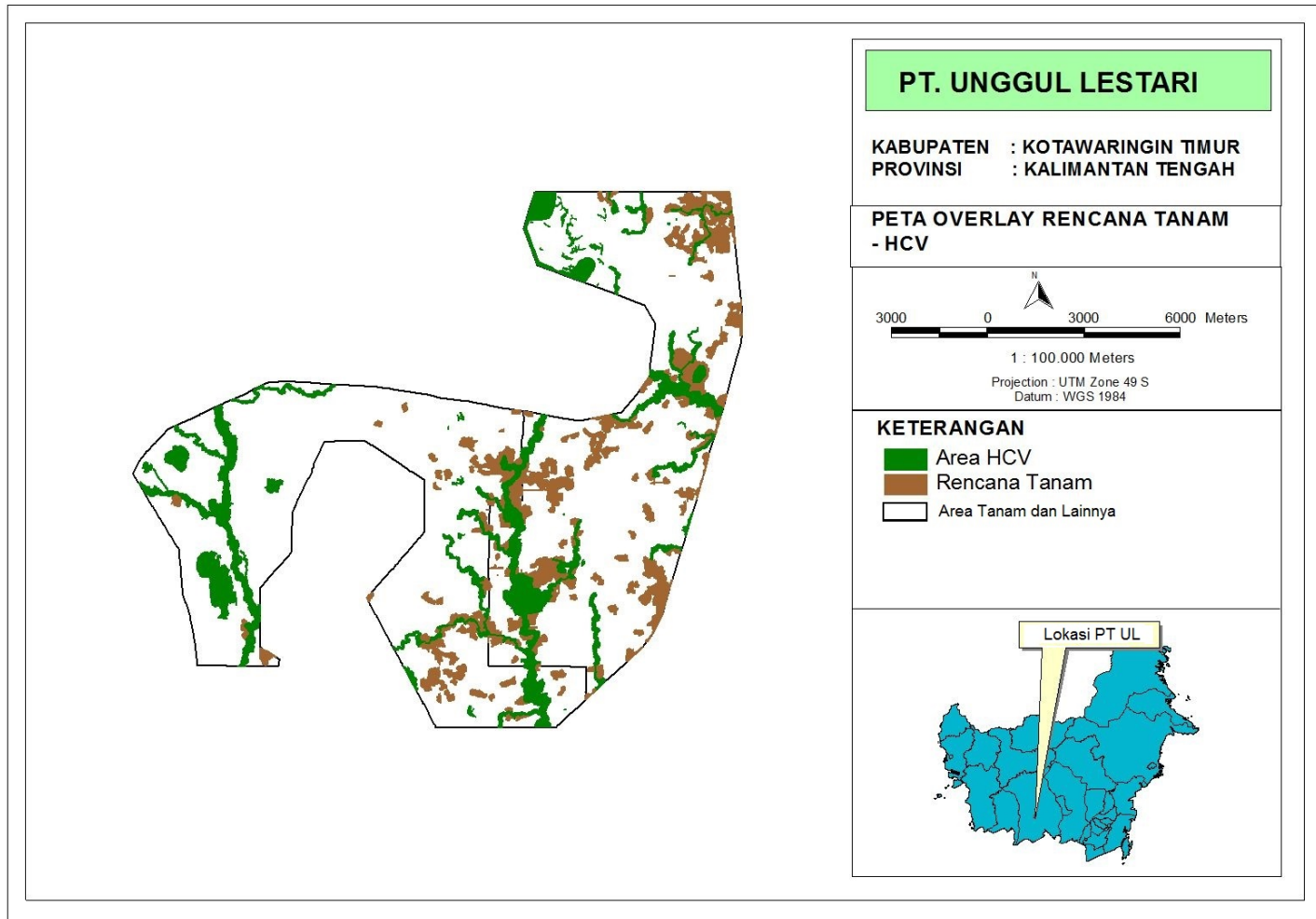
Table Proposed expansion of oil palm area

Total HGU (ha)	Planted area (ha)	Proposed expansion of oil palm area (Ha)								
		2015	2016	2017	2018	2019	2020	2021	2022	Total
14,445	10,932.2	30.77	230.90	142.52	124.86	136.26	115.10	152.85	174.87	1,108.13

The proposed expansion area along with HCV area is presented in picture 6.



# RSPO



Picture 6 Location of HCV & HCV-MA and planned planting area within PT Unggul Lestari.

## VERIFICATION STATEMENT:

The company opted for a desk-top audit against the relevant documents required by the RSPO NPP. A pre-audit review was carried out and during the document audit, four Control Union auditors were present with the management team of PT Unggul Lestari at their head office in Medan on 8-9 April 2015 to verify and review the relevant documents including interviewing the management team members. Control Union Certifications confirmed the oil palm expansion/new planting plan is part of going planting and is meant for notification only.

PT Unggul Lestari has adhered to the RSPO New Planting Procedures and has documented the assessments and plans according to the RSPO templates issued in May, 2010. The social and environmental assessments were detail, comprehensive and professionally carried out. The management plan has included the findings of the SEIA (AMDAL) conducted by the government approved consultants as well as incorporating the HCV and SIA assessments findings by independent consultants. PT Unggul Lestari has also adhered to the requirements of the RSPO P&C 2013 on analysis of land use change, estimation of carbon stock and calculation of potential GHG emissions using the RSPO Carbon Assessment Tool for New Oil Palm Planting dated December 2014. The latter report is submitted to the RSPO Emission Reduction Working Group separately as per RSPO requirements.

Control Union Certifications confirmed that the assessment and plans are comprehensive, professional and compliant of RSPO principles, criteria and indicators. It is the opinion of the Control Union Certifications auditors that PT Unggul Lestari has complied with the RSPO New Planting Procedures enforced on 1<sup>st</sup> January, 2010 and requirements of criterion 7.8 of the RSPO P&C 2013.

Signed on behalf of Control Union Certifications



Mohd Rizal Kassim  
Lead Auditor  
Date: 9<sup>th</sup> April 2015



Nor Atiqah Saipul Bahri  
Auditor

Signed on behalf of PT Unggul Lestari



Dr Gan Lian Tiong  
Head of Sustainability Department  
Date: 9<sup>th</sup> April 2015