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23rd Meeting of RSPO BHCV Working Group

Date	20 January 2014 – 21 January 2014 (9AM – 1PM)		
Venue	Best Western Premier Dua Sentral, Kuala Lumpur		
1	Olivier Tichit (OT)	Societe Internationale de Plantations et de Finance (SIPEF)	Co-Chair
2	Anne Rosenbarger (AR)	World Resources Institute (WRI)	Co-Chair
3	Simon Siburat (SiS)	WILMAR	Member
4	Dr. Gan Lian Tiong (GLT)	Musim Mas Group (MM)	Member
5	Peter Heng (PH)	Golden Agri Resources (GAR)	Member
6	Chong Wei Kwang	Golden Agri Resources (GAR)	Alternate member
7	Richard Kan (RK)	Golden Agri Resources (GAR)	Alternate member
8	Anders Lindhe (AL)	High Conservation Value Resource Network (HCV RN)	Member
9	Dwi R. Muhtaman (DM)	Re Mark Asia (Chairman of Jaringan NKT Indonesia)	Member
10	Sophie Persey (SP)	REA Holdings (REA)	Member
11	Laura Darcy (LD)	Zoological Society of London (ZSL)	Member
12	Michal Zrust (MZ)	Zoological Society of London (ZSL)	Member
13	Tan Hao Jin (THJ)	WWF Malaysia	Member
14	Melissa Yeoh (MY)	WWF Malaysia	Member
15	Norazam Abdul Hameed (NAH)	Felda Global Ventures (FGV)	Member
16	Alexandra Booth (AB)	Olam International	Member
17	Tang Meng Kon (TMK)	Sime Darby Plantation (SDP)	Invited
18	Holly Barclay (HoB)	Monash University Malaysia (MUM)	Consultant
19	John Payne (JP)	Borneo Rhino Alliance (BORA)	Invited
20	Bambang Dwilaksono (BD)	First Resources	Invited
21	Neny Indriyama (NI)	First Resources	Invited
22	Riswan Zein (RZ)	PT Perkebunan Nusantara III (PT PN3)	Invited
23	Tio Handoko (TH)	PT Perkebunan Nusantara III (PT PN3)	Invited
24	Marisi Butar Butar (MBB)	PT Perkebunan Nusantara III (PT PN3)	Invited
25	Yokyok Hadiprakarsa	ReMark Asia	Invited
26	Oi Soo Chin (OSC)	RSPO Secretariat	Secretariat
27	Salahudin Yaacob (SY)	RSPO Secretariat	Secretariat
28	Amalia Prameswari (AP)	RSPO Secretariat	Secretariat
	Absent with apologies:	Henry Barlow (HB) Independent Adam Harrison (AH) WWF Dr. Reza Azmi (RA) Wild Asia Glen Reynolds (GR) SEARRP	Member Member Member Invited

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Agenda	20 January 2014 1. Welcoming remarks 2. Riparian management guidelines presentation 3. Knowledge sharing on riparian management 4. FR compensation proposal for PT BSMJ 5. Review of previous meeting 6. Nomination of Simplified HCV Smallholder sub-group 7. Wilmar's compensation proposal for PT Wilmar Nabati Indonesia (WINA) 8. PT Perkebunan Nusantara III (PN)'s compensation proposal for Muara Ampolu and Upu Plantations 9. GAR's remediation proposal update 21 January 2014 10. Opening meeting 11. HCV licensing scheme update by HCV RN 12. Smallholders Acceleration and REDD programme (SHARP) presentation by HCV RN 13. HCV 5&6 monitoring presentation by ZSL 14. BHCVWG work plan proposal by ZSL and HCV RN 15. Follow-up discussion on BHCV revised TOR

Day 1: 20th January 2014

1. Welcoming remarks

1.1 The co-chair (OT) opened the meeting by welcoming all BHCV members and participants. He then presented the agenda and highlighted the compensation proposals scheduled for the meeting. He also briefly updated the members on the current status of the compensation mechanism.

1.2 SY welcomed the participants. He reminded members about their important role of this WG. He then highlighted the main discussions for the meeting. He also updated members on the current status of the compensation mechanism and its effect on the current Malaysian National Interpretation (MYNI) process.

1.3 SiS announced that he was representing WILMAR rather than Malaysian Palm Oil Associations (MPOA) and he will be presenting the compensation proposal as scheduled in the agenda.

1.4 No MPOA representatives were present at the meeting.

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2. Riparian management guidelines presentation

2.1 Dr. Holly Barclay introduced herself to the participants and presented the riparian management guidelines. The main objectives of the presentation were to present the draft and obtained feedback from members. **See Annex 1** for presentation.

2.2 **Action:**
HoB to circulate revised draft with inputs from the BHCVWG members by end of week.

3. Knowledge sharing on riparian management by Dr. Gan Lian Tiong

3.1 Dr. Gan shared his experience on riparian management in oil palm concession. The area involved first generation palms on the estate. He stressed that most of the questions raised in Dr. Holly Barclay's research were answered in the knowledge sharing session. Presentation could not be shared due to the sensitive nature of the information.

4. First Resources' compensation proposal for PT Borneo Surya Mining Jaya (BSMJ)

4.1 BD introduced himself and his team from First Resources. He then presented background information on PT BSMJ.

4.2 DR provided information on ReMark Asia's involvement in PT BMSJ's complaint case. The company was appointed by RSPO to review PT BSMJ's High Conservation Values (HCV) assessment and conduct land use change analysis (LUC). He also presented the methodology applied in the peer review process.

4.3 YP presented the peer review findings and results of the LUC analysis. Land clearing was undertaken between October to December 2011. The HCV and Social & Environmental Impact (SEI) assessments were done between April and May 2012 by consultants attached to *Institut Pertanian Bogor* (IPB). He had concluded that the HCV areas (379.21 ha) identified by the consultant were inadequate and proposed to extend the total HCV area to 722.2 ha. In addition, they have also found that the HCV assessment done lacked adequate spatial data. This could be observed in the river network data. He also suggested that further delineation is needed for Muara Tae's customary forest. From the LUC analysis, land clearing from 2012-2013 (before Jan 25th) had impacted 25 ha of Muara Tae's customary forest. **See Annex 2** for presentation.

4.4 AR commented that from the concession maps presented, it could be observed that there was other forested areas (e.g. northern section) loss during land clearing activities. She asked YP why the presentation only focused on the central section of the whole concession. YP explained that the whole exercise focused on the disputed area (Muara

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Tae), which is the central section of the overall concession. AR asked YP whether the total hectare reported was for the whole concession; YP replied that the area reported was for the disputed area only.

4.5 BD commented that the company had tried their best in making necessary corrections based on recommendations from the complaints panel. After receiving the peer review results on 29th June 2013, the Group CEO had accepted the findings and had committed to set aside the newly proposed HCV areas as recommended in the peer review exercise.

4.6 AR commented that they were dealing with two issues. The first was the HCV peer review exercise, which was outside the scope of the compensation panel. The second issue was that the compensation panel only deals with total HCV area loss in an operating unit. The panel would be interested in the LUC analysis based on the compensation coefficients and the Nov 2005 cut-off date. She commented that the presentation was on the HCV assessment peer review and the LUC findings and asked whether other HCV areas cleared in the operating unit were covered in both exercises.

4.7 OT agreed with AR's comment and appreciated the company's effort in the peer review exercise and the LUC analysis. He then highlighted that the compensation panel was interested in the total HCV area lost from 2005 to the date when the HCV assessment was undertaken.

4.8 **Action**

i. OSC to request for official letter from the complaints panel explaining the nature of the case together with actions requested from BHCVWG.

ii. First Resources to come back with a comprehensive LUC analysis for the whole concession (PT BMSJ) to show the HCV area loss from Nov 2005.

5. Review of previous meeting

5.1 The BHCVWG members reviewed the previous meeting minutes.

5.2 Note: PH informed members a meeting was held sometime back with AH, SY and Darrel Webber to discuss GAR's remediation proposal. Based on the discussion, it was agreed that GAR was allowed to harvest the palms in the riparian areas for one cycle.

6. Nomination of Simplified HCV Toolkit sub-group

6.1 DM, MZ, NAH and AL volunteered to discuss the Simplified HCV Toolkit with representatives from the Smallholder Working Group (SHWG).

6.2 **Action**

OSC to find who are the representatives involved in the discussion from SHWG.

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7. Wilmar's compensation proposal for PT Wilmar Nabati Indonesia (WINA) (formerly known as PT Mekar Bumi Andalas)

7.1 SiS presented the background information on PT WINA and the nature of the complaint case. He also presented a chronology of events for PT WINA from the approval of permits to development of the area. He stressed that the developed area is not a plantation establishment but a palm oil refinery with bulking station and dispatch.

7.2 SiS presented the HCV assessment findings for the refinery with maps of identified HCV areas. He then provided the LUC analysis from 1998 to 2013. **See Annex 3** for presentation.

7.3 **Action:**

i. **To circulate the presentation to members so that comments can be received before the next meeting.**
ii. **OSC to request for official/referral letter from the complaints panel with background information on the complaints, and actions required from the compensation panel.**
iii. **The BHCVWG to prepare a template for reporting LUC for complaints and disclosure cases.**

8. PT Perkebunan Nusantara III (PN)'s compensation proposal for Muara Ampolu and Upu Plantations

8.1 RZ presented the background information for the affected unit, Muara Ampolu and Upu. Chronology of events related to both oil palm estates were presented and this was followed by a LUC analysis for year 2009 and 2011 showing HCV areas loss. The company had reported that approximately 66 ha of deep peat swamp forest had been cleared and planted. PT PN3 had decided to compensate the area loss and made several proposals for the area. **See Annex 4** for detailed presentation.

8.2 OT commented that there were two questions needed to be answered for PT PN3's case. First being the additional information required to move forward and second, the suspension status for other operating units which are not directly involved with Sei Sisimut mill.

8.3 Decision by BHCVWG members:

The BHCVWG acknowledged that PT PN 3 had entered the compensation process and certification suspension for other units, which are not part of the Sei Sisimut supply base, would be lifted. With that, Sei Sisimut would be the only unit not allowed to continue with the certification process. The decision made was on the condition that the company continues with the compensation process.

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The information provided by PT PN3 was considered insufficient and the company was requested to come back to the BHCVWG with detailed information on the LUC analysis showing liability of the unit.

8.4 **Action:**

i. **PT PN3 to provide more information on the LUC analysis from Nov 2005 to present and a summary note on the case. Compensation proposal must be based on the procedures' guidance.**

ii. **GLT commented that based on RSPO P&C 2007 criteria 7.3, disputed area/parcel should be excluded from the certification process and the operating unit can still continue with certification exercise. He then suggested that the Secretariat revisit the RSPO P&C Indonesian Interpretation (INANI) specifically Criterion 7.3 and confirm this. SiS responded that based on the RSPO P&C INANI, partial certification is not allowed for planting after Nov 2007.**

iii. **The co-chairs to draft recommendation letter to the RSPO to inform the decision made by BHCVWG members on PT PN3's case.**

9. GAR's remediation proposal update

9.1 PH updated the BHCVWG members on the collaboration progress with SEARRP and ZSL. He informed members that GAR has decided not to have experimental areas for non-harvesting of palms in the riparian areas. Thus, there was no collaboration progress with SEARRP and ZSL. GR had responded to GAR's feedback on no non-harvesting experiment (NHE) and PH needs to go back to the management for comments.

9.2 PH reminded members again about the meeting with the RSPO secretariat on the proposal of continuing harvesting for one cycle in the riparian areas, which had been agreed.

9.3 LD responded that the 5 year agreement and non-harvesting of riparian areas was made between GAR, ZSL and SEARRP. BHCVWG members had proposed the collaboration. She added that from a technical point of view, harvesting was not considered as a remediation effort and would affect the restoration of the areas. On further discussion, they had decided to come up with a technical approach that could allow GAR to continue to harvest, while restoring the area and addressing issues raised, such as potential encroachment and social conflict by looking at a 5-year plan.

9.4 AR suggested that one of the means to move forward was for GAR to present the compensation package as a whole rather than just on remediation proposal.

9.5 Peter highlighted the conditions set out in Glen's email of 18 Jan 2014 for discussion on 20 Jan 2014 (Day 1 of the WG meeting). There were no objections raised when Peter summarized the discussion on 21 Jan 2014 (Day 2 of the WG meeting) that SEARRP and ZSL

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can proceed to draft the TOR for landscape assessment excluding the river riparian area subject to mutual agreement by the three parties.

9.6 **Action:**

i. **GAR to update BHCVWG on their management response to GR's comments.**
ii. **GAR to continue develop TOR on HCV remediation with SEARRP and ZSL. The collaboration will not cover riparian remediation.**
iii. **GAR to present the LUC analysis and compensation proposal for all concessions.**
iv. **BHCVWG to assign compensation panel to GAR.**

Day 2: 21st January 2014 (AM)

10. Opening meeting

10.1 OT opened the meeting and welcomed the participants. OT presented the draft concept note developed for compensation procedures. The concept note serves as a simple form, which provides basic information of a unit entering compensation process. **See Annex 5** for concept note. A sub-group was formed to further enhance the concept note. The sub-group comprised of MZ, SP and PH.

10.2 OT presented the revised LUC for Sipef as an example using the draft concept note developed.

10.3 **Action:**

i. Sub-group to enhance the concept note developed by OT.

10.4 Members highlighted the importance of having experts in the compensation panel and acknowledged the lack of social experts in the current BHCVWG's composition.

11. HCV licensing scheme update by HCV RN

11.1 AL presented the progress report for HCV licensing scheme developed by HCV Resource Network. **See Annex 6** for presentation.

12. Smallholders Acceleration and REDD programme (SHARP) presentation by HCV RN

12.1 AL presented the SHARP programme to members. **See Annex 7** for presentation.

13. HCV 5&6 monitoring presentation by ZSL

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13.1 MZ presented the HCV monitoring system and proposal for trial to members. **See Annex 8** for detailed presentation.

14. BHCVWG work plan proposal by ZSL and HCV RN

14.1 MZ presented the BHCVWG work plan proposal to members for comments. **See Annex 9** for detailed presentation.

14.2 **Action:**
MZ and AL to develop the work plan further with more clarification and timeline. MZ will present the revised work plan at the next meeting.

15. Follow-up discussion on BHCV revised TOR

15.1 The working group edited and finalised the proposed termination clause in the TOR.

15.2 **Action:**
OSC to check whether other RSPO WGs have termination clause to ensure consistency and that the proposed clause does not conflict with any existing termination clause in the RSPO.

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Attendance sheet

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20th- 21st January 2014
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No.	Name	Organisation	Signature 20/1/2014	Signature 21/1/2014
1.	Annie Rosenbarger	WRI		
2.	Salahudin Yaacob	RSPO		
3.	Amalia Prameswari	RSPO		
4.	SOPHIE PERSEM	REA Holdings		
5.	LAURA D'ARCY	ZSL		
6.	Alexandra Booth	OLAM INT'L		
7.	SIMON SIBURAT	WILMAR CNT.		
8.	Chong Wei Kwang	GAR		
9.	O. TICHIT	SIPEF		
10.	Gan Lian Tiny	PT Musim Mas		
11.	NORASRAN ABDUL HAMEED	FGV		
12.	Tan Hao Jin	WWF - Malaysia		
13.	John Payne	BORA		
14.	Dwi R. Muhtaman	Remark Asia		
15.	ANDERS LINDHE	HCV RN		
16.	HOLLY BARCLAY	RSPO/MONASH UNI		
17.	Bambang Dwi Laksono	First Resources		
18.	NENY INDRIYAMA	FIRST RESOURCES		
19.	MICHAL ZRUST	ZSL		

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No.	Name	Organisation	Signature 20/1/2014	Signature 21/1/2014
20.	Richard Kan	GOL		
21.	Peav Heng	GOL		
22.	J. Payne	BCRA		
23.	~~Chong Wei Kuang~~	~~GAR~~		
24.	SOPHIE PERSEY	REA Holdings		
25.	M. ZRUST	ZSL		
26.				
27.	Tang Men Kon	Sime Darby Plantation.		
28.	Melissa Yeoh	WWF-M'sia		
29.	Rizwan Zein	PT PN 3		
30.	Tio Hardoko	PT PN3		
31.	Marisi Butar Butar	PT PN3		
32.				
33.				
34.				
35.				

ANNEX 1

RSPO Guidance on BMPs for management and conservation of riparian reserves

Holly Barclay
holly.barclay@monash.edu

Guidance document has now been (mostly!) written and will be sent round for review by BHCV WG and other interested RSPO members from RT11

1. INTRODUCTION

Definition of riparian habitats
Key benefits of conserving natural riparian habitats within plantations
Water quality protection
Bank stabilisation and flooding
Conservation of biodiversity within plantation landscapes:
Aquatic wildlife
Terrestrial wildlife
Benefits for plantation managers
(1) Compliance with legal/industry standards – could include 'threat' of compensation mechanism here but I haven't currently
(2) Carbon storage/sequestration – only counts if beyond minimum legal requirements
(3) Positive publicity and ecotourism
(4) Biological pest control in neighbouring plantation areas
(5) No more harvesting on marginal (e.g. flooded) areas – more efficient production (??)

1. INTRODUCTION (cont)

Legal requirements for riparian habitats within plantations

Original plan was to include national regulations as an Appendix at the back.

Country regs I have tracked down so far: Malaysia (PM and Sabah), Indonesia, PNG, Solomon Islands, Cambodia, Ghana, Ivory Coast.

I am unsure whether this is useful – concerned it might be better for plantations to talk to local forestry/water management depts to get up-to-date and location specific guidance.

On the other hand, negotiating these laws can be confusing and maybe managers will be more likely to act if the information is close to hand. I like the idea of it all being in one place if possible.

If in doubt, default minimum sizes are set out in RSPO P&Cs…

1. INTRODUCTION (cont)

All permanent watercourses, wetlands and water bodies shall have naturally occurring local vegetation on both (all) banks. Minimum riparian reserve widths should be determined as follows:

River width (m)	Width of riparian reserve (m)
1-5	5
5-10	10
10-20	20
20-40	40
40-50	50
>50	100
All other permanent water bodies	100

2. MANAGEMENT OF RIPARIAN RESERVES WITHIN PLANTATIONS

Identify which areas of an estate or concession should contain a riparian reserve and generate maps outlining the area these should cover

Which waterways require a riparian reserve?

Natural waterways only;

Strongly encourage protection of small permanent waterways where feasible (i.e. even if <1m width), possibly by maintaining understory vegetation rather than keep forest along such small water channels;

Less need to protect intermittent streams;

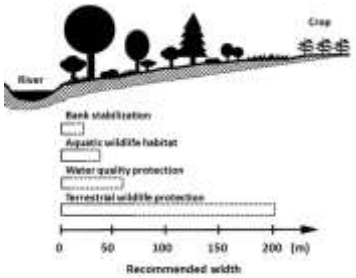
No official requirement to protect artificial drainage channels although BMPs to reduce eroded sediments entering waterways are strongly encouraged – leaving shrubs and grasses to grow alongside drainage channels may be an option for doing this.

Identify which areas of an estate or concession should contain a riparian reserve and generate maps outlining the area these should cover

2.3 RECOMMENDATIONS FOR RIPARIAN RESERVE WIDTH

Minimum width requirements based on national or, if none available, RSPO width recommendations.

But – there may be additional management considerations where wider buffers could confer additional environmental benefits:



Vegetation type – native and local tree species.

Suggested protocol from North America is to plant (or leave to grow) shrubs and grasses behind buffer (i.e. next to oil palm) to help spread out water flow and maximize buffer effectiveness.

Is this a helpful suggestion or does it overcomplicate things? Can also apparently help stop orangutans encroaching into plantations. Would have to be additional to forested buffer width so maybe not very popular.

Strategic placement of fruit trees is advised to minimise encroachment into areas which are important for wildlife, particularly species which are threatened by hunting.

For example, planting of fruit trees along reserve edges near roads and living quarters can provide food and income for local people but planting of fruit species which are palatable to humans deeper within a reserve might lead to increased encroachment and incidental hunting of wildlife.

SMALLHOLDERS – same advice or different?

Option 1: full compliance with legal minimum requirements [but, for smallholders alongside large rivers this is likely to be a significant loss in income in some places – may lead to reduce uptake of RSPO certification amongst small holders?].

Option 2: full compliance with legal minimum requirements with some kind of compensation payment for lost revenue [could RSPO compensation money be used to fund this sort of initiative? And/or eNGOs in key strategic areas].

Option 3: full compliance with legal minimum requirements with guidance from RSPO on planting alternative crops, e.g. fruit/timber trees, which don't require much in the way of chemical application and/or soil disturbance (so maybe not timber species) along rivers -> alternative source of revenue to compensate for lost oil palm profits.

Option 4: national/RSPO riparian width requirements applied but instead of requiring natural forest just designate these areas as unsuitable for chemical application while oil palm growth/harvest is permitted to continue. [this option doesn't really stand up to environmental arguments, e.g. interruption of wildlife corridors but may present an intermediate solution].

Option 5: set reduced width requirements for smallholders – perhaps cap maximum buffer requirements at 20-30m?

3. SURVEYS TO DETERMINE CURRENT EXTENT AND STATUS OF RIPARIAN HABITATS

Remote sensing and on the ground mapping using GPS (is this practical for most estates – e.g. who will help smallholders? Is this SOP for other purposes already so straightforward to achieve in smaller companies?)

Direct measures of baseline riparian habitat status

Is it helpful to have recommended methods for assessing riparian habitat quality here? There are various guidelines online for HCV assessment already and many companies seem to have their own SOPs for this?

Parameters I was intending to recommend are:

Demarcation of reserve edge (and checking this regularly); Canopy cover; Tree Basal Area at key locations

River channel width, Bank stability

Water quality

Biodiversity – I think this is complicated although camera trapping seems popular and is a nice option for public/worker engagemenet because you get nice pictures. There is already a lot of guidance about biodiversity monitoring so I was planning to redirect people and/or suggest coordinating with eNGOs who will know what to look out for

3. IDENTIFYING AND MANAGING THREATS TO INTACT RIPARIAN HABITATS

- Unclear boundaries may mean planting in the wrong place
- ENCROACHMENT BY LOCAL COMMUNITIES

ENCROACHMENT BY LOCAL COMMUNITIES

Management guidance based mostly on ZSL HCV monitoring/threat prevention guidelines. I am worried this is all a bit common sense and managers will feel patronized! But here are my suggestions:

Communicating the importance of riparian habitats (signboards, outreach activities…)

Regular (weekly) monitoring to detect early signs of encroachment

Possibly to include: joint patrols with local forestry/wildlife departments; training of company staff by local forestry/wildlife depts. [but is this popular with companies?? Seems to be setting up potential conflict issues]; involvement of local communities in patrols and/or monitoring activities

Identify drivers of encroachment i.e. ask what the issue is and attempt to resolve it e.g. by giving communities somewhere else to grow their vegetables etc.

ENCROACHMENT BY LOCAL COMMUNITIES

Final suggestion from me but open to debate:

Record instances of encroachment and show clearly the steps that have been taken to minimise the issue

If the problem continues despite regular patrols, repeated reports to the relevant authorities, and genuine attempts to engage with the people responsible then managers should keep records describing the actions they have taken to reduce encroachment (and dates) so that RSPO auditors can confirm that steps have been taken to reduce encroachment, that these have been ineffective but should not be penalised as lack of compliance.

Activities which are prohibited within riparian zones include:

- Roads (as far as possible)
- Application of chemicals and fertilisers (except where needed for restoration);
- Waste disposal (domestic and commercial)
- Mining
- Housing and other construction activities
- Agriculture (except planting of native trees and shrubs which can supply food to local communities providing these can be grown without application of chemicals and with minimal soil disturbance).
- Hunting and fishing (or - ? fishing OK as long as it's controlled).

Identifying threats and then protecting existing riparian habitats should be priority number 1 for managers.

In sites without any intact natural riparian habitat -> rehabilitation or restoration.

General guidance – start by trying natural regeneration under oil palm and/or enrichment planting.

If no success -> replanting of key areas with native species – minimum 10 species - which can seed outwards.

Basic restoration protocol – Natural (and/or assisted) regeneration

- Immediately stop application of chemicals (pesticides and fertilisers). Manual clearance of paths and oil palm circles can continue for as long as it is economically feasible to continue harvesting the existing palms.
- Once it is no longer economically feasible to continue harvesting, the palms can be poisoned (to reduce problems with pests feeding on the unharvested fruits) but left standing (to prevent soil disturbance).
- Vegetation regrowth should be monitoring regularly – approximately 4 times per year to identify whether natural regeneration of tree seedlings is occurring and to identify threats to this early regrowth.

e.g. If tree seedlings are being outcompeted by cover crops and other weeds, it may be necessary to manually clear a small circle around the seedlings, especially during the early stages of regeneration. If livestock are kept within the plantation it may be necessary to create temporary fencing around the riparian habitat to enable regeneration to proceed, until saplings are tall enough (>1.5m approx.) to survive livestock grazing.

Basic restoration protocol – Replanting

- Stop chemical application but continue harvesting until uneconomical to do so.
- Poison oil palms.
- Native tree seedlings – I have not provided any species suggestions because this manual is global and I don't want to specify species which will get planted in the wrong place.
- Recommended BMP is to consult local forestry or eNGO for species selection and planting procedure.
- How likely is it for a company to be left without help on this? Should I also provide suggestions on going to local forested areas and taking seedlings for planting if no one can supply any?

Newly planted areas should be monitored (growth and survival of different species) and adaptively managed.

Species selection may be adjusted in severely degraded areas planting of some non-native (but not invasive) species may be permitted, e.g. fast growing species to stabilize banks; fruit trees which can be particularly beneficial for small wildlife populations?

Or do we just insist on native species only?

Who pays the cost of replanting on smallholder estates? Or do we just suggest natural regeneration for now?

Final sections:
Monitoring and adaptive management

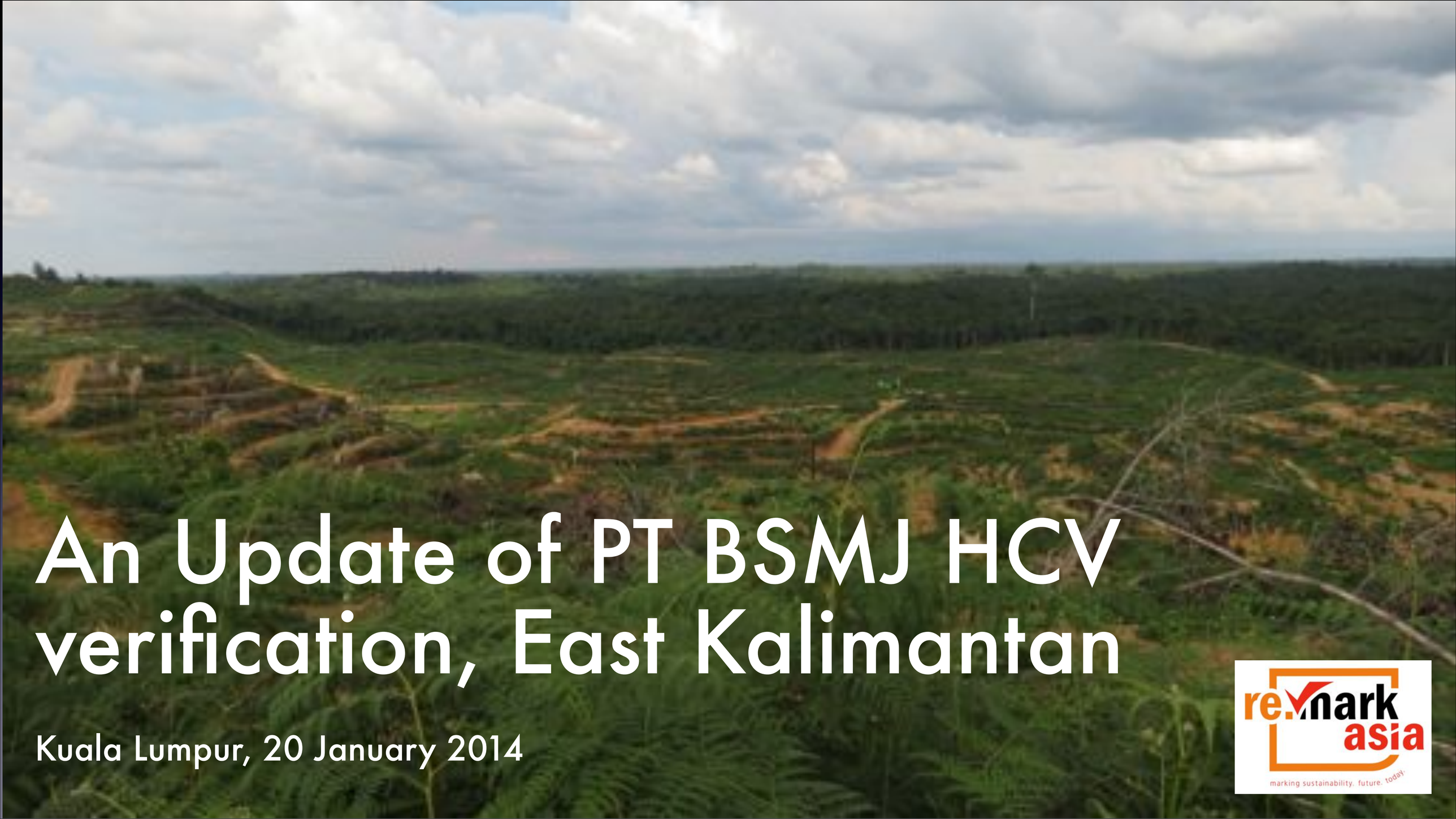
Importance of BMPs to minimize soil erosion and reduce chemical application too.

Would it be helpful to have an additional section about minimizing bank erosion (technically this is still a riparian habitat) using alternative techniques such as coir rolls? Is there already good guidance about this?

I will be sending out the draft manual later this week, hopefully incorporating comments given to me today.

I'm also looking for photos I can use to illustrate the manual – particularly aerial photos of riparian reserves within oil palm to show what they should look like.

holly.barclay@monash.edu



An Update of PT BSMJ HCV verification, East Kalimantan

Kuala Lumpur, 20 January 2014

remark asia
marking sustainability. future. today.

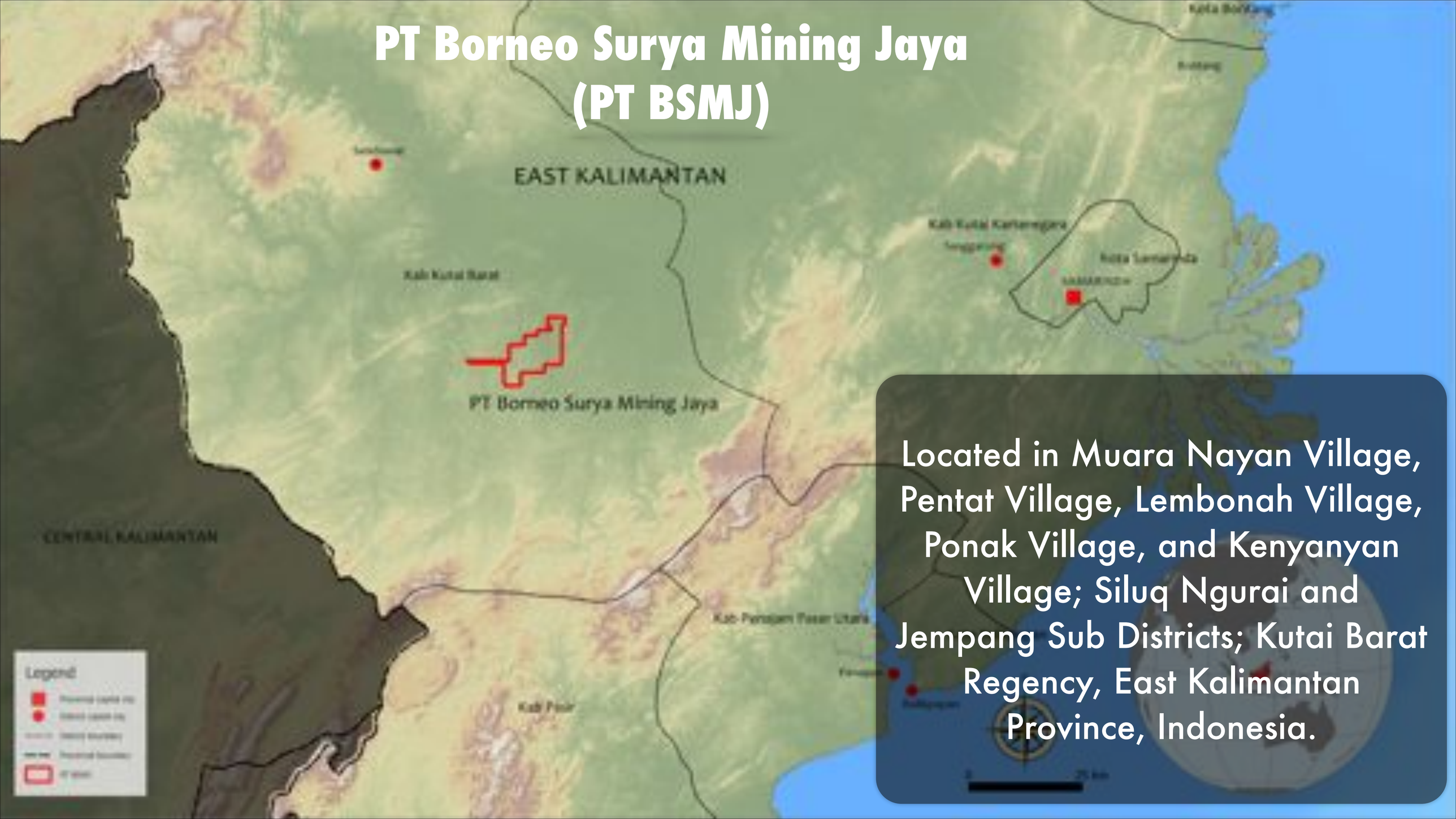
Objectives

1. To review HCV assessment conducted by IPB 2013
2. To conduct land use change analyses

Team Composition

1. **Dwi R. Muhtaman,** team leader, general NKT, focus on social aspects and certification
2. **Yokyok Hadiprakarsa,** landscape ecologist, GIS, NKT 1-4, conservation issues
3. **Wibowo A. Djatmiko,** ecologist, NKT 1-3, conservation issues

PT Borneo Surya Mining Jaya (PT BSMJ)



Located in Muara Nayan Village, Pentat Village, Lembonah Village, Ponak Village, and Kenyanyan Village; Siluq Ngurai and Jempang Sub Districts; Kutai Barat Regency, East Kalimantan Province, Indonesia.

PT Borneo Surya Mining Jaya (PT BSMJ)

1. Legal entity established ini October, 2007 by Notary and certified under the Ministry of Law and Human Rights Republic of Indonesia dated March 3, 2008.
2. Out of 11,210 ha: estimated new planting area approximately 10,518 ha, consisted of 8,414 ha for kebun inti (nucleus estate) and 2,104 ha (around 20%) for kebun plasma (smallholders scheme)

Legal Chronology

October 2007 — Act of Establishment

March 2008 — Legal Act of Establishment

Jan 2010 — Location Permit

June 2010 — ANDAL, RLK, RPL

Aug 2010 — MOU Kemitraan

Nov 2010 — Plantation Permit

Development Chronology

2011

Land clearing conducted

Oct - Dec

2012

HCV & SEIA Assessment (IPB)

Apr - May

Sept

NPP Review (TUV Nord)

NPP Public summary released to public

Sept - Oct

Oct

A complain letter received by RSPO secretariat from Environmental Investigation Agency - UK (EIA)

2013

Jan

the RSPO Secretariat followed up the complaint through the Grievance Panel , established a Third Party Verification Team (VT) to review the points

Feb - Mar

Document review and field verification by VT

Apr

RSPO review VT report and request FR to follow up

May

ReMark Asia assigned by RSPO as verifier

Jun

Field verification conducted and report submitted by ReMark Asia

Nov

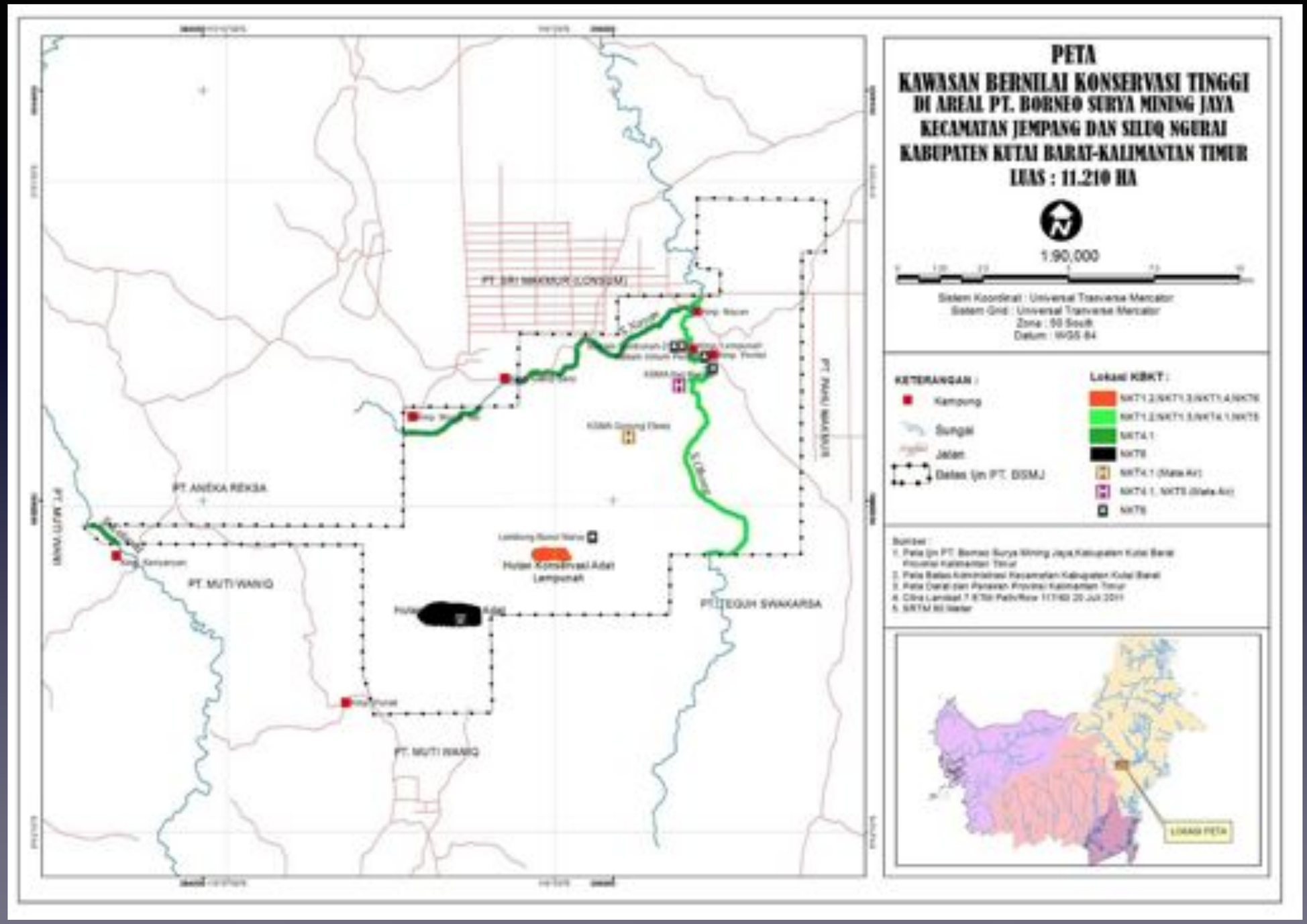
Feedback received from RSPO

HCV Areas in PT BSMJ

IPB, 2012

HCV assessment results

HCV	Size (Ha)
1	142.9
2	-
3	-
4	129.9
5	**
6	106.4
Total	379.2
%	3.38%



Objectives #1

To review HCV assessment conducted by IPB 2012

Objectives #1

To review HCV assessment conducted by IPB 2012

A. Area of Lembonah Conservation Forest (LCF) as HCV 1 is considered inappropriate (25 ha vs 340 ha) according to the existing land cover and important ecological function

Land cover changes in LCF areas

1994 2005 2009 2013

Open areas Secondary dry land forest Shrub land Plantation HCV Area - LCF

Forest edge with disturb area
PT. Borneo Surya Mining Jaya - Forest Resource
Muara Tae,.Indonesia
0°35'46.51" S 116°4'21.7" E

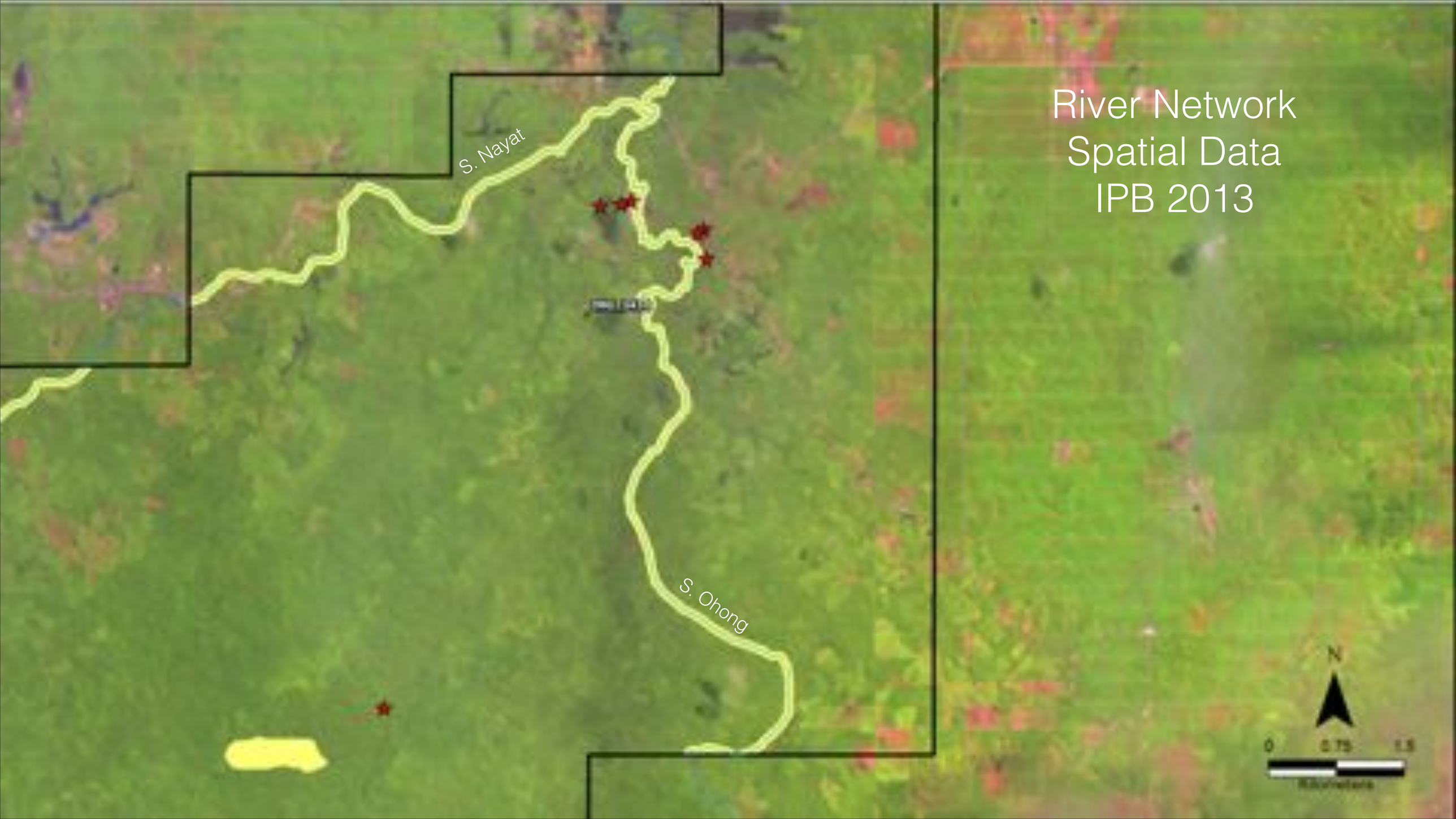

Secondary forest interior
PT. Borneo Surya Mining Jaya - Forest Resource
Muara Tae., Indonesia
0°35'47.21" S 116°4'15.75" E
©Y. Hadiprakarsa/ReMark Asia 2012

Objectives #1

To review HCV assessment conducted by IPB 2012

C. Lack of spatial data on river network in PT BSMJ

D. Revision to riparian areas of Ohong river was based on actual GPS tracking with accuracy maintained < 6 meter. (117.90 Ha vs 146 Ha)

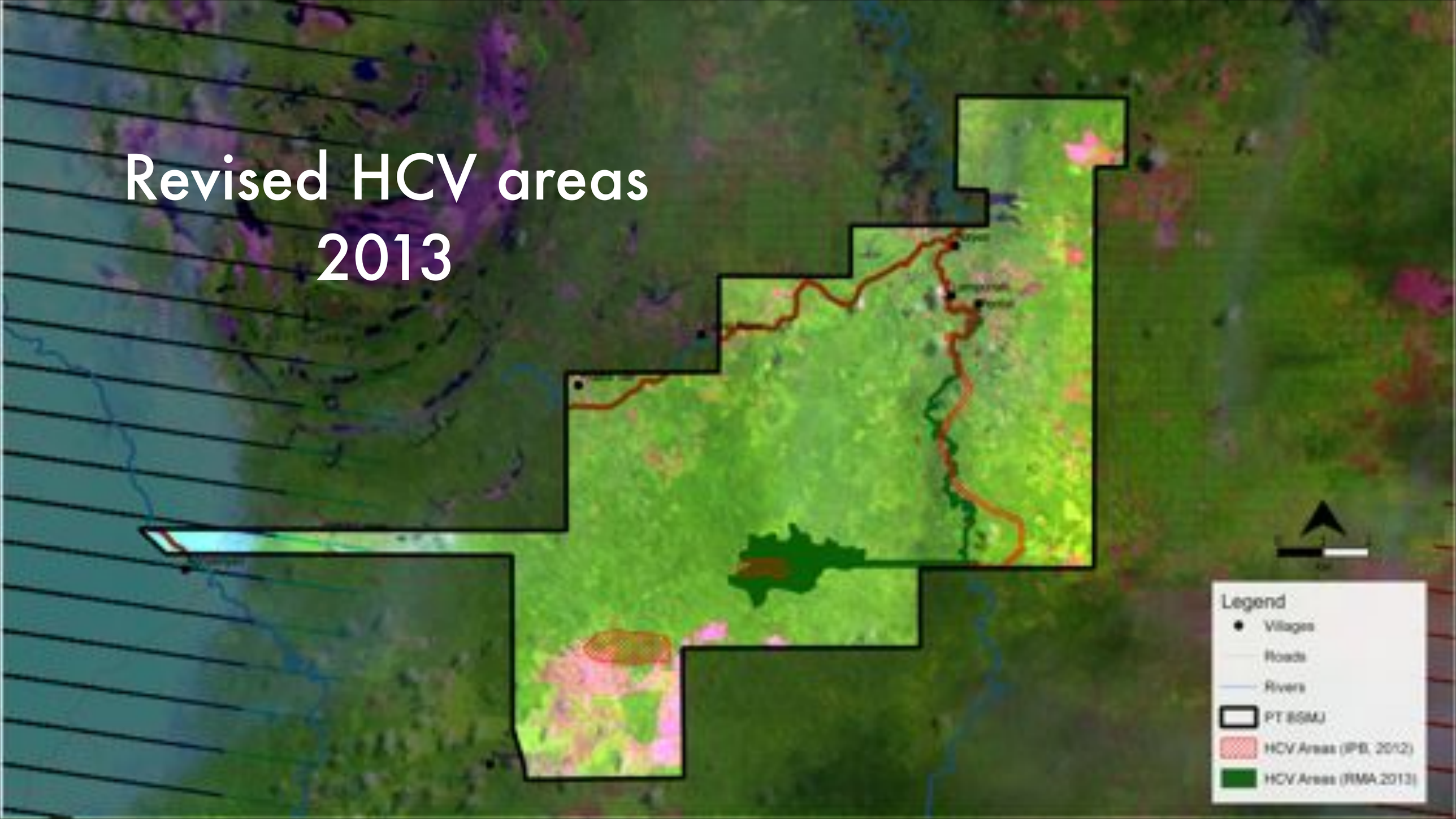


River Network
Spatial Data
IPB 2013

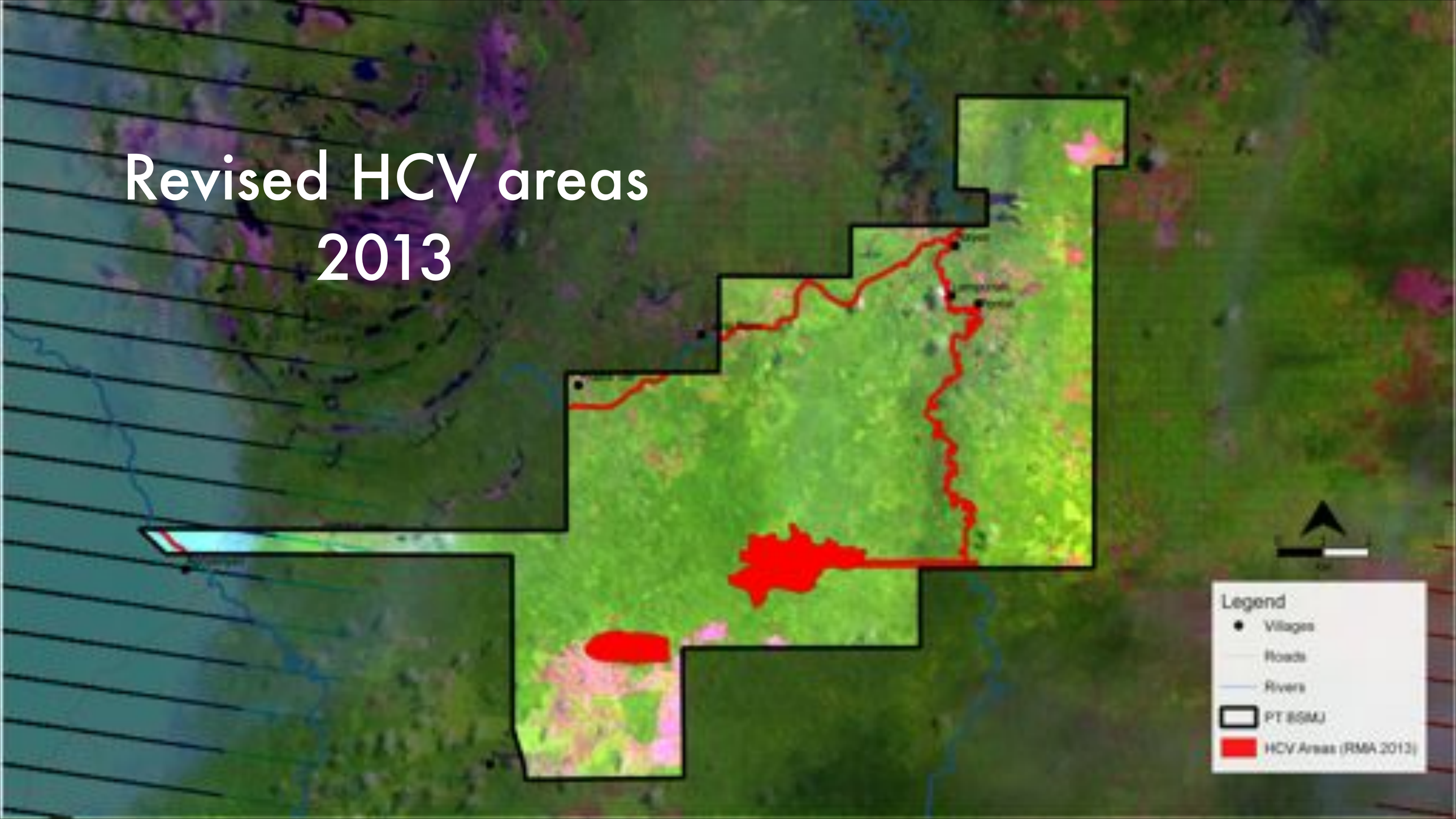
River Network - S. Ohong from GPS Tracking

Riparian condition in Ohong river
PT. Borneo Surya Mining Jaya - Forest Resource
Muara Tae,.Indonesia
0°37'27.37" S 116°5'20.92" E

Revised HCV areas 2013



Revised HCV areas 2013



Objectives #2

To conduct land use change analysis

Land Cover and Used Changes Analysis

1994 - 2013

Land Cover and Land Use Change Analysis

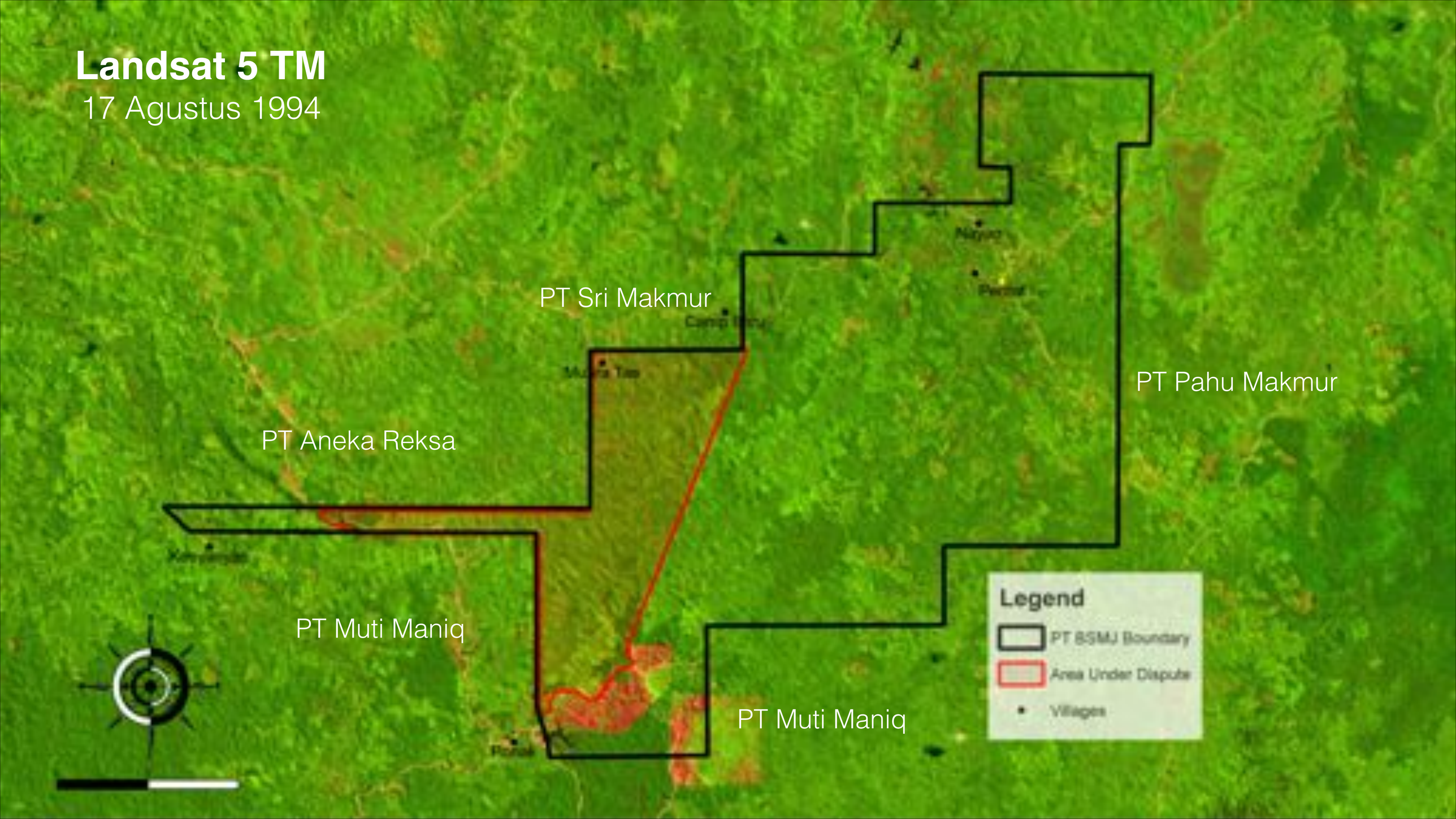
Methods

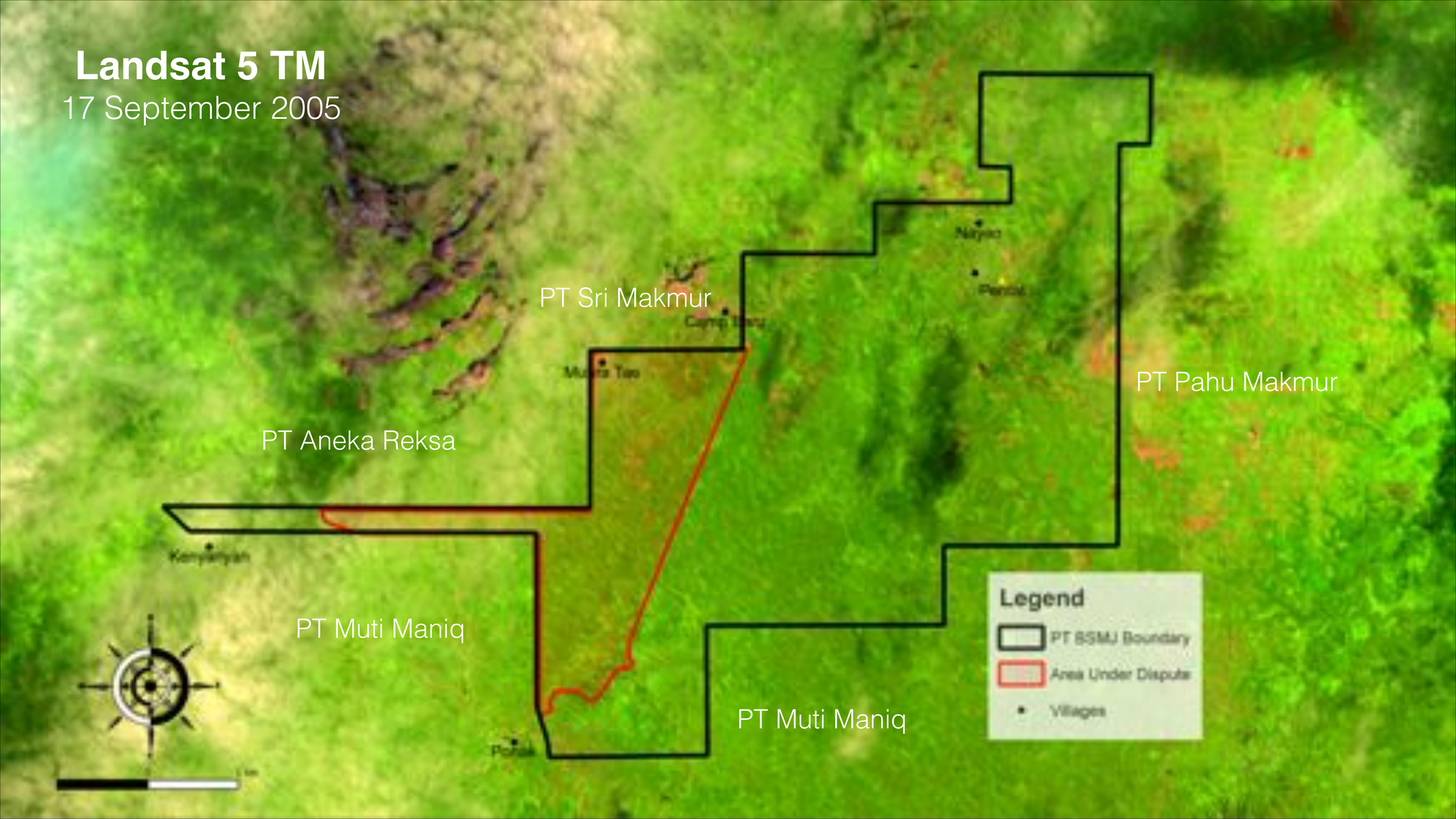
- Landsat 5 TM and 7 ETM+, 1994 - 2005 - 2009 - 2013
- Cloud cover over AOI < 30%
- Geometric reference using Topographic maps
- Unsupervised classification + visual interpretation

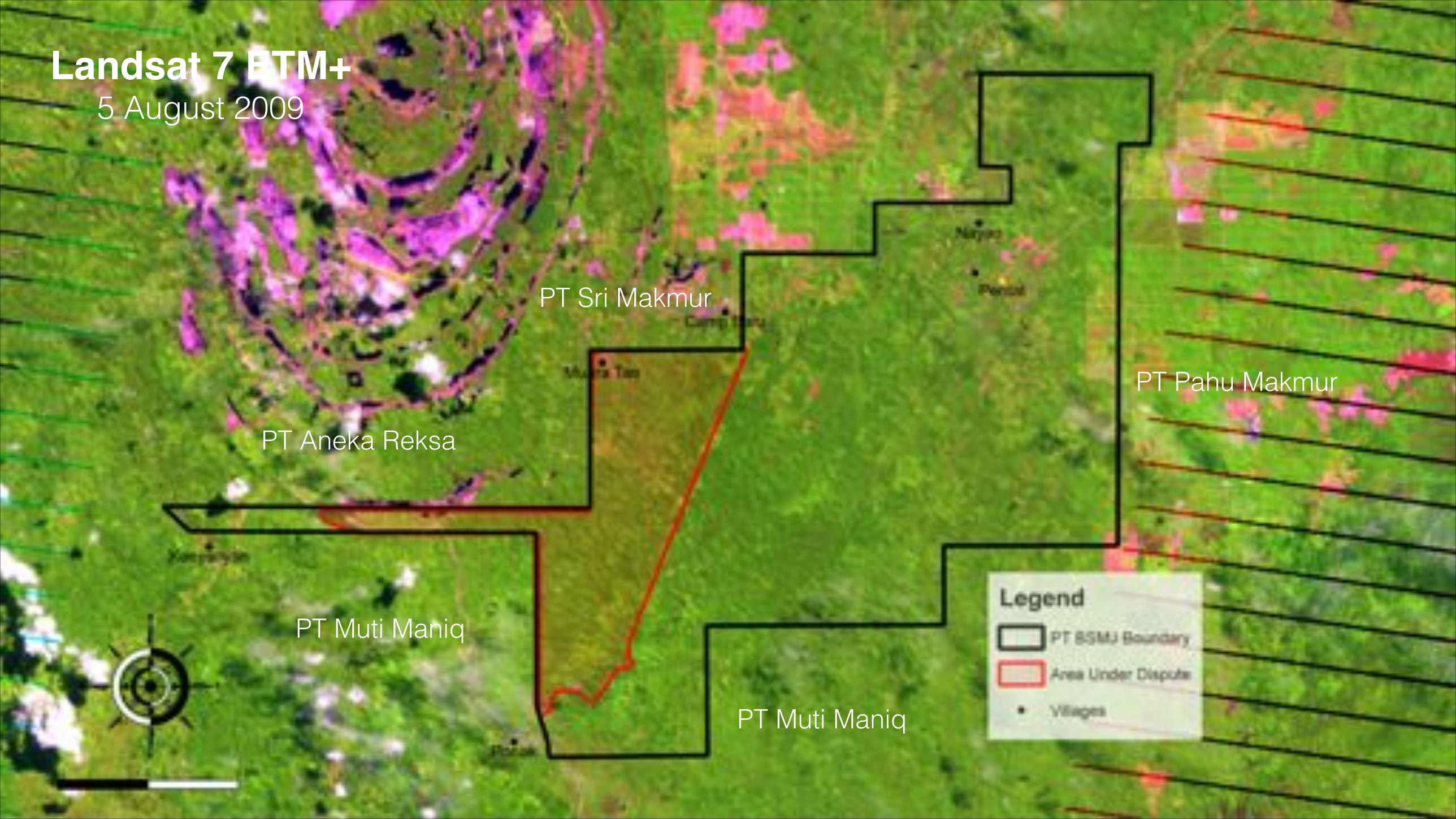
Land Cover and Land Use Change Analysis

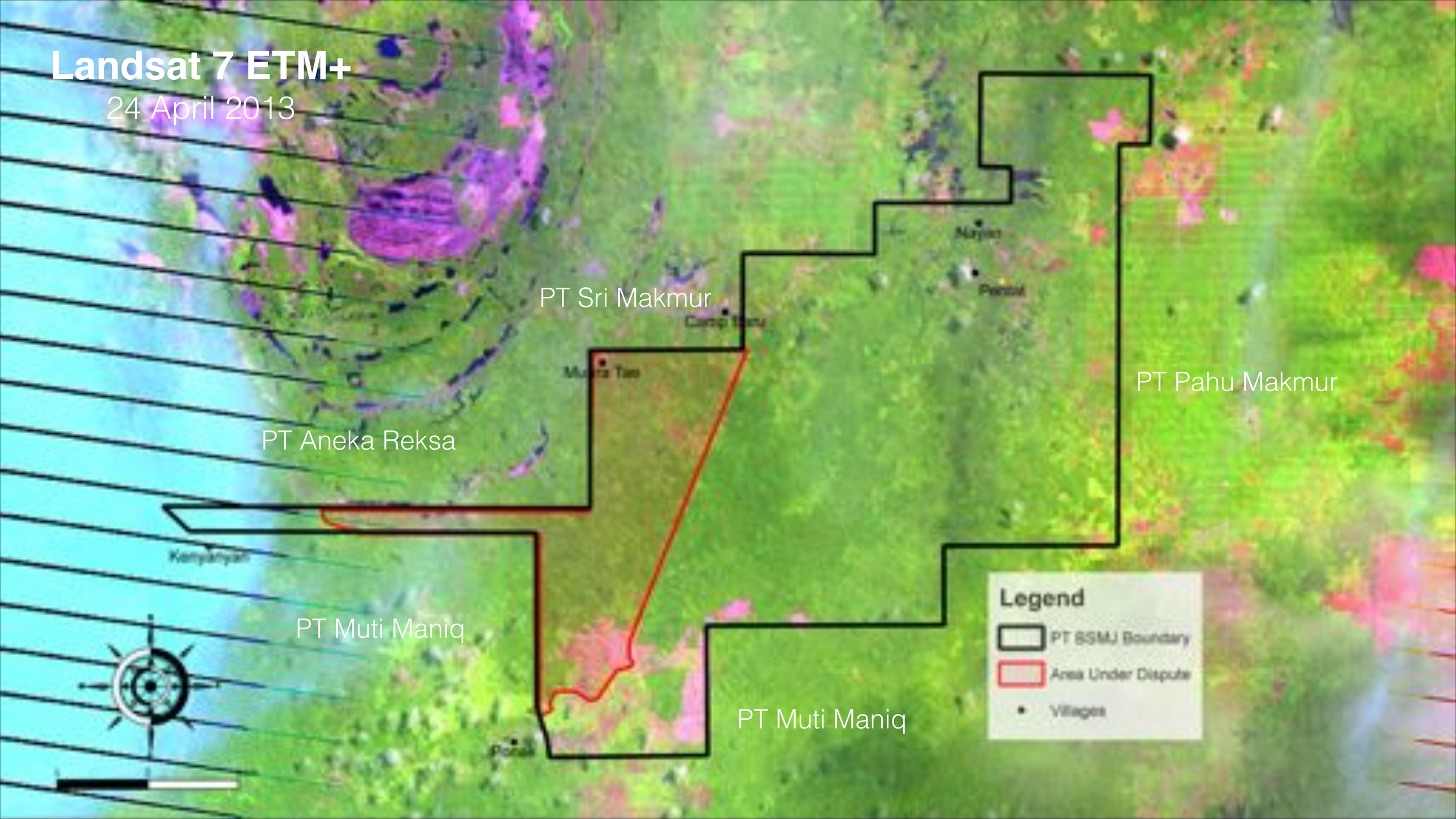
Methods

- Ground check with 68 random points
- Accuracy analysis used kappa coefficient method, k (Cohen 1960)
- Classification accuracy performances: 92%

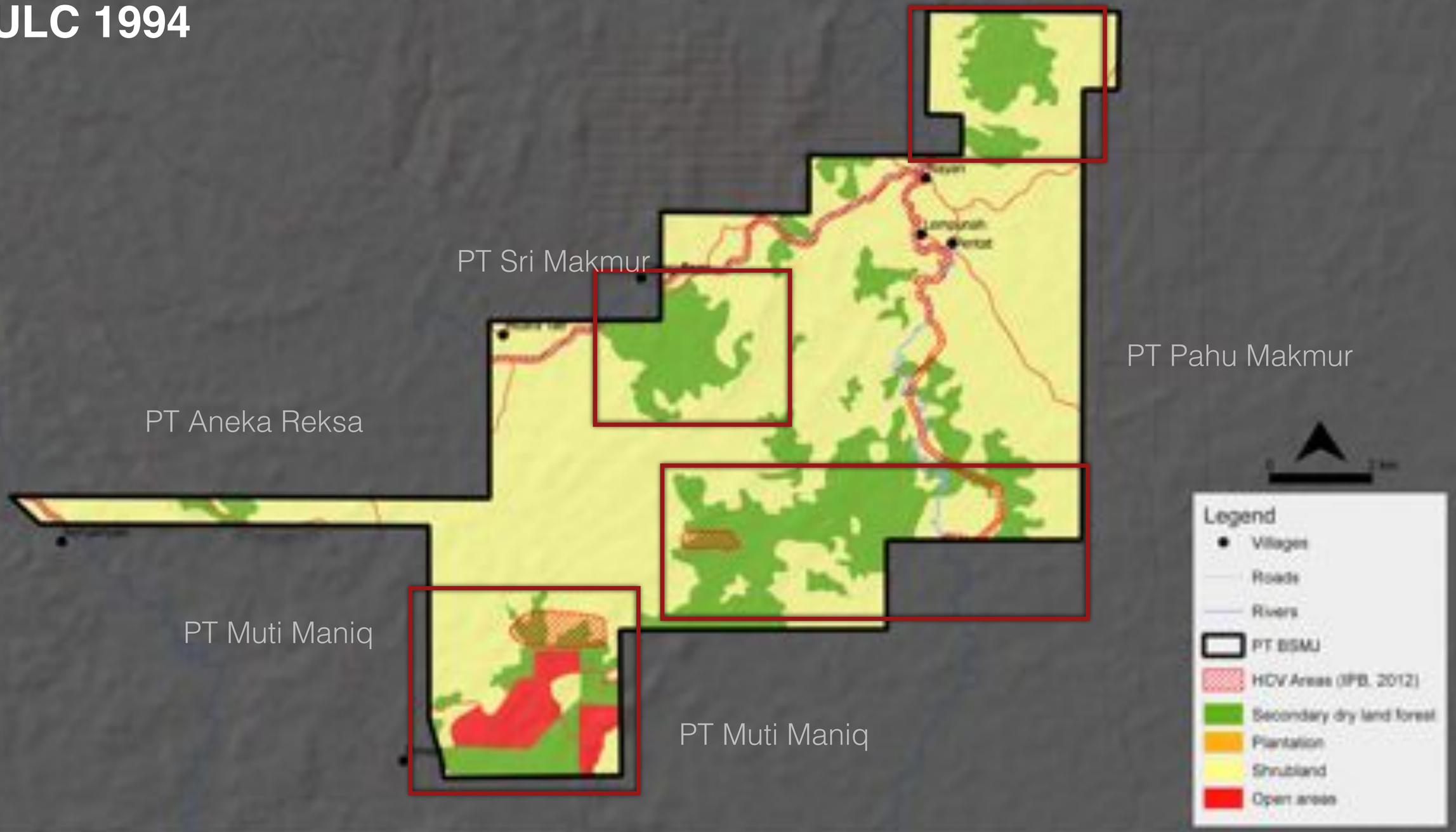

Landsat 5 TM
17 Agustus 1994
PT Sri Makmur
PT Aneka Reksa
PT Muti Maniq
PT Pahu Makmur
PT Muti Maniq
Legend
PT BSMJ Boundary
Area Under Dispute
Villages


Landsat 5 TM
17 September 2005
PT Sri Makmur
PT Aneka Reksa
PT Pahu Makmur
PT Muti Maniq
PT Muti Maniq
Legend
PT BSMJ Boundary
Area Under Dispute
Villages

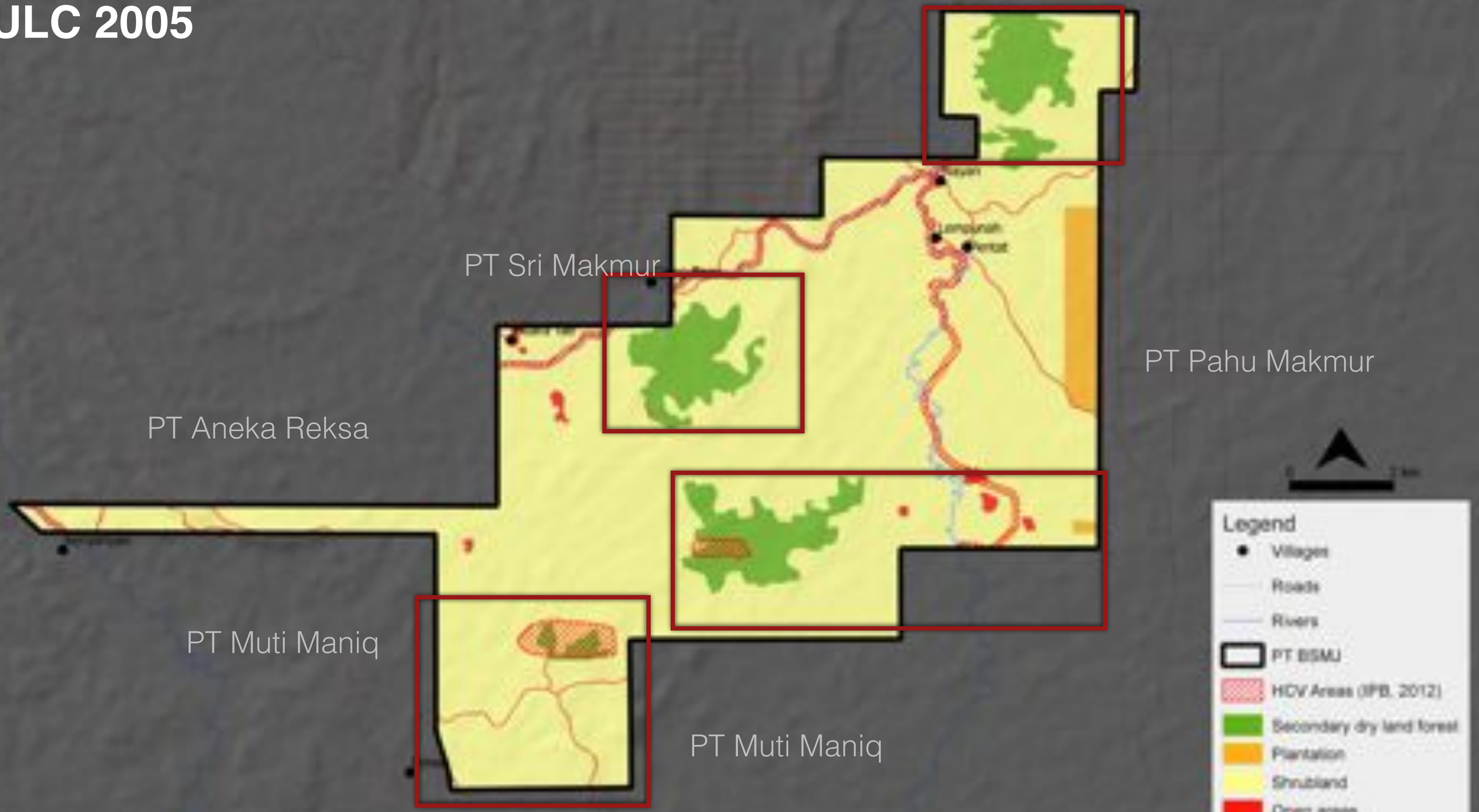

Landsat 7 ETM+
5 August 2009
PT Sri Makmur
PT Aneka Reksa
PT Pahu Makmur
PT Muti Maniq
PT Muti Maniq
Legend
PT BSMJ Boundary
Area Under Dispute
Villages


Landsat 7 ETM+
24 April 2013
PT Sri Makmur
PT Aneka Reksa
PT Pahu Makmur
PT Muti Maniq
PT Muti Maniq
Legend
PT BSMJ Boundary
Area Under Dispute
Villages

LULC 1994


PT Sri Makmur
PT Pahu Makmur
PT Aneka Reksa
PT Muti Maniq
PT Muti Maniq
Legend
Villages
Roads
Rivers
PT BSMU
HCV Areas (IPB, 2012)
Secondary dry land forest
Plantation
Shrubland
Open areas

LULC 2005


PT Sri Makmur
PT Pahu Makmur
PT Aneka Reksa
PT Muti Maniq
PT Muti Maniq
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Villages
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Secondary dry land forest
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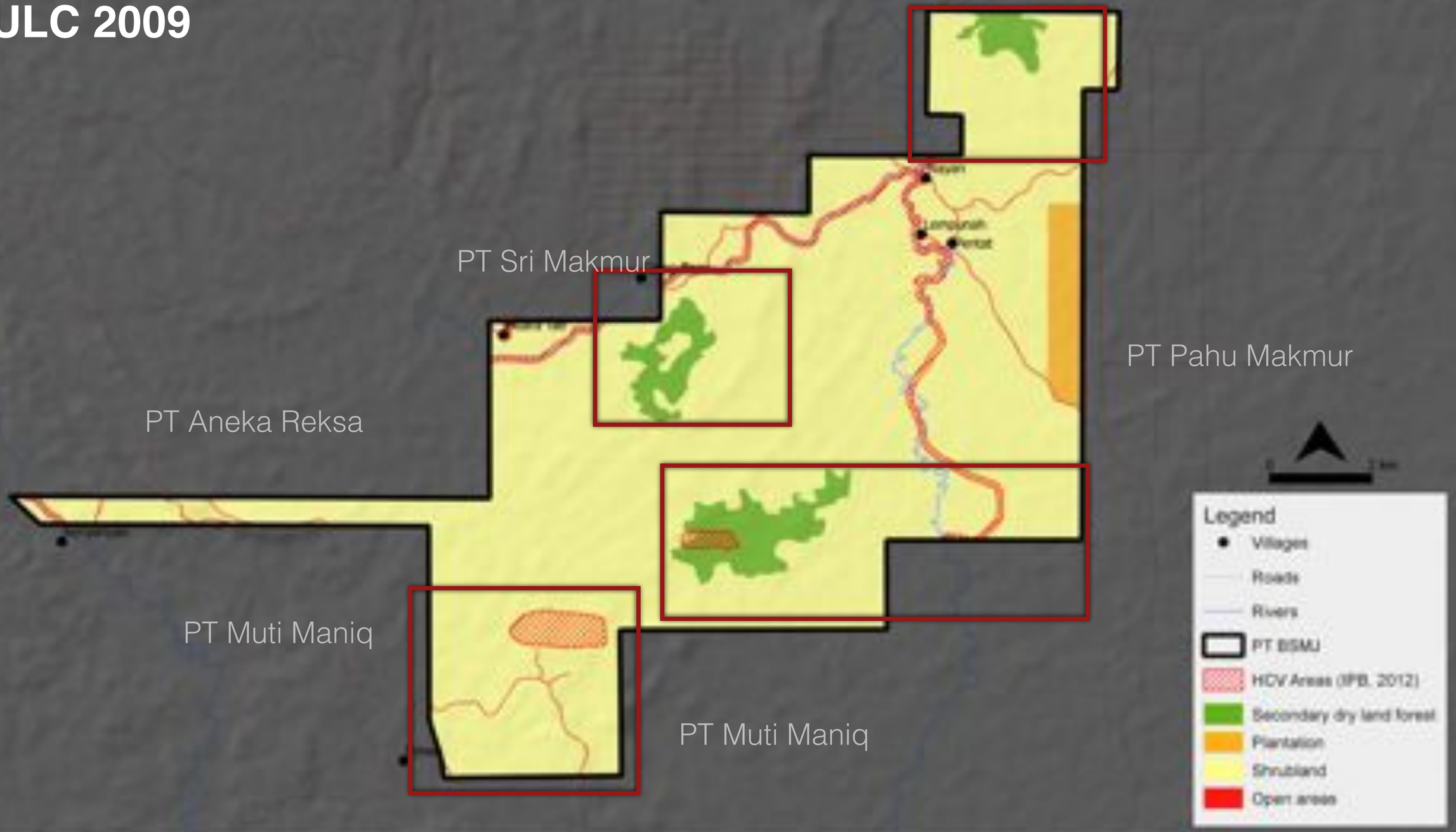
LULC 2009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PT Pahu Makmur
PT Aneka Reksa
PT Muti Maniq
PT Muti Maniq
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Secondary dry land forest
Plantation
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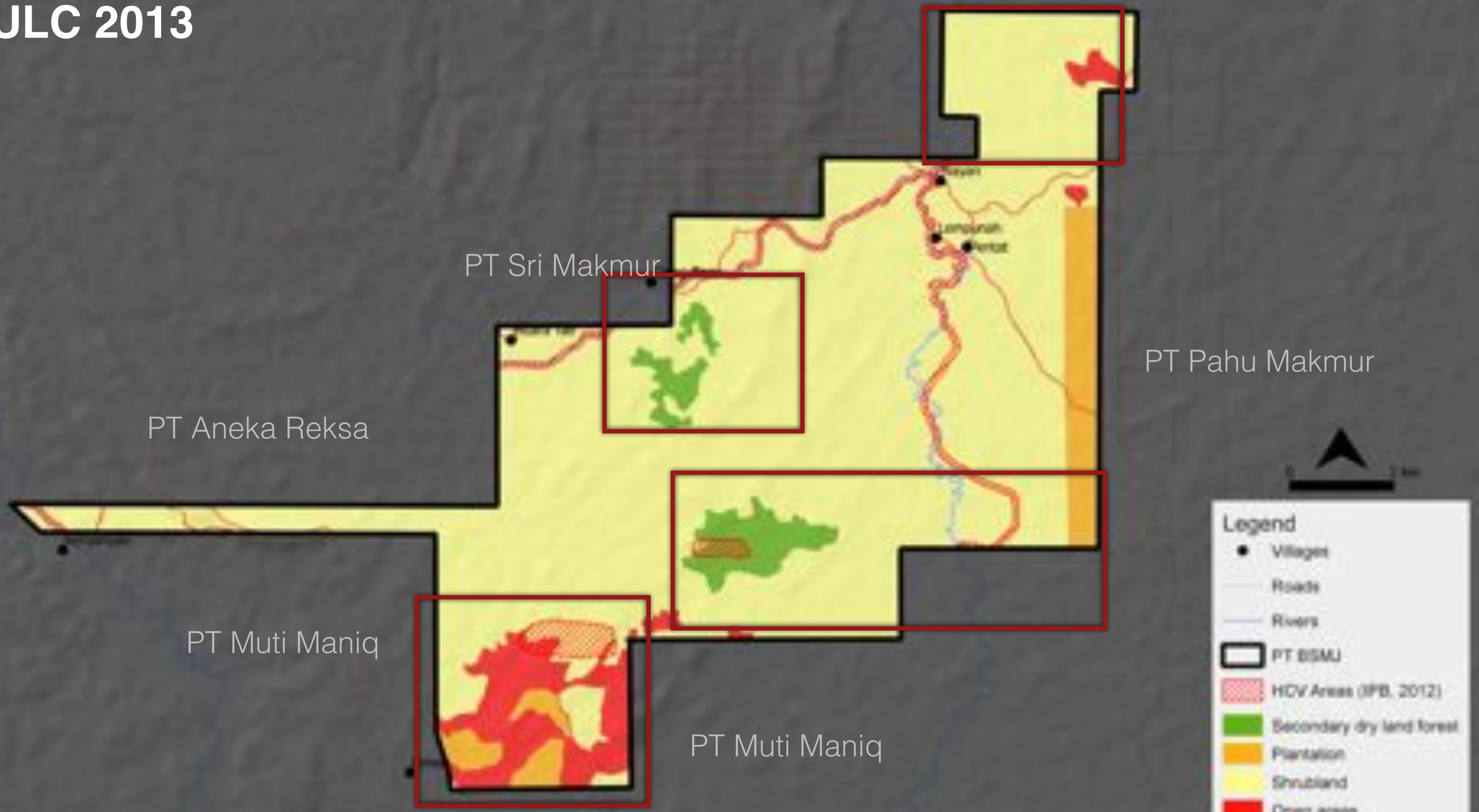
Open areas

LULC 2013


PT Sri Makmur
PT Pahu Makmur
PT Aneka Reksa
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PT Muti Maniq
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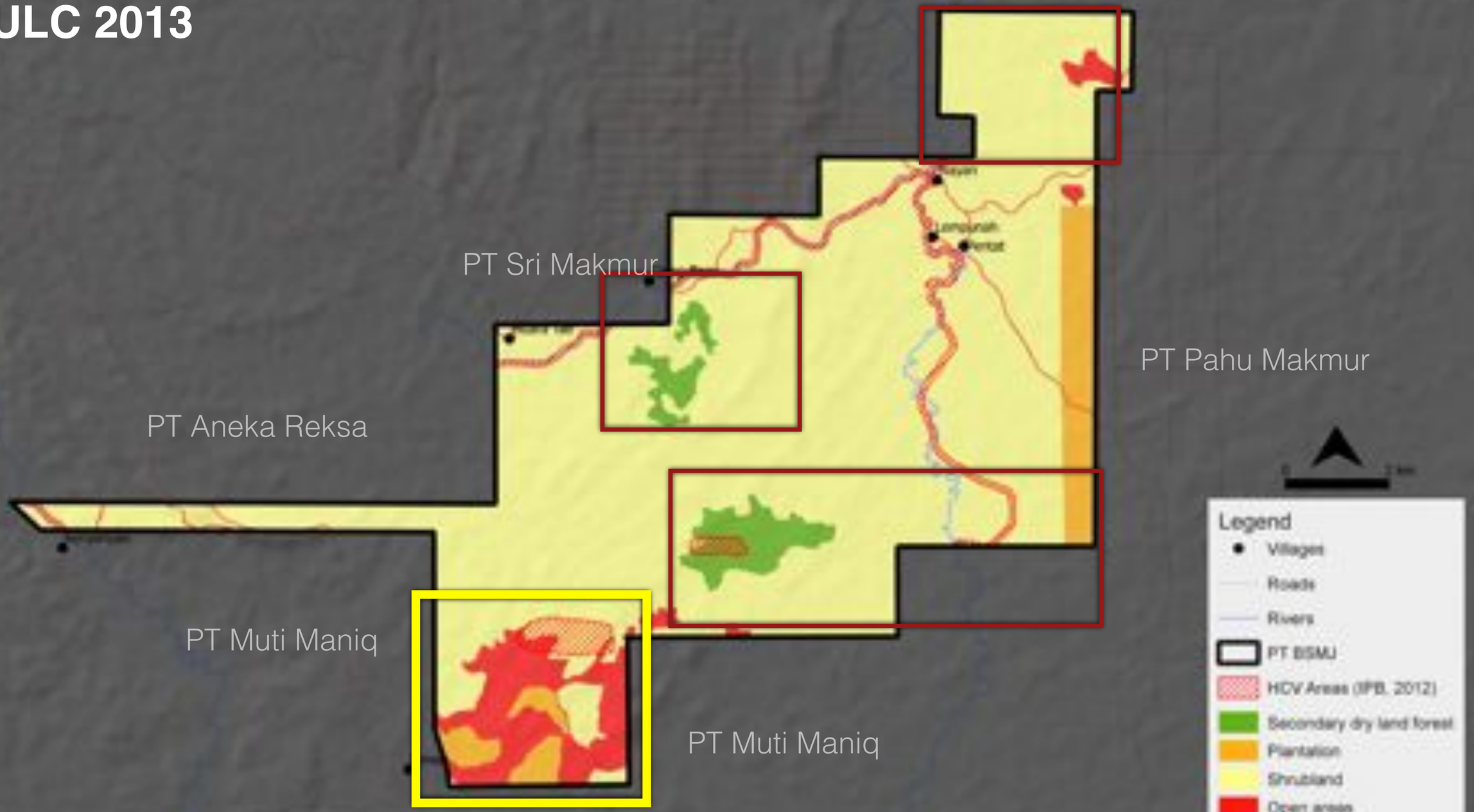
LULC 2013


PT Sri Makmur
PT Pahu Makmur
PT Aneka Reksa
PT Muti Maniq
PT Muti Maniq
Legend
Villages
Roads
Rivers
PT BSMU
HCV Areas (IPB, 2012)
Secondary dry land forest
Plantation
Shrubland
Open areas

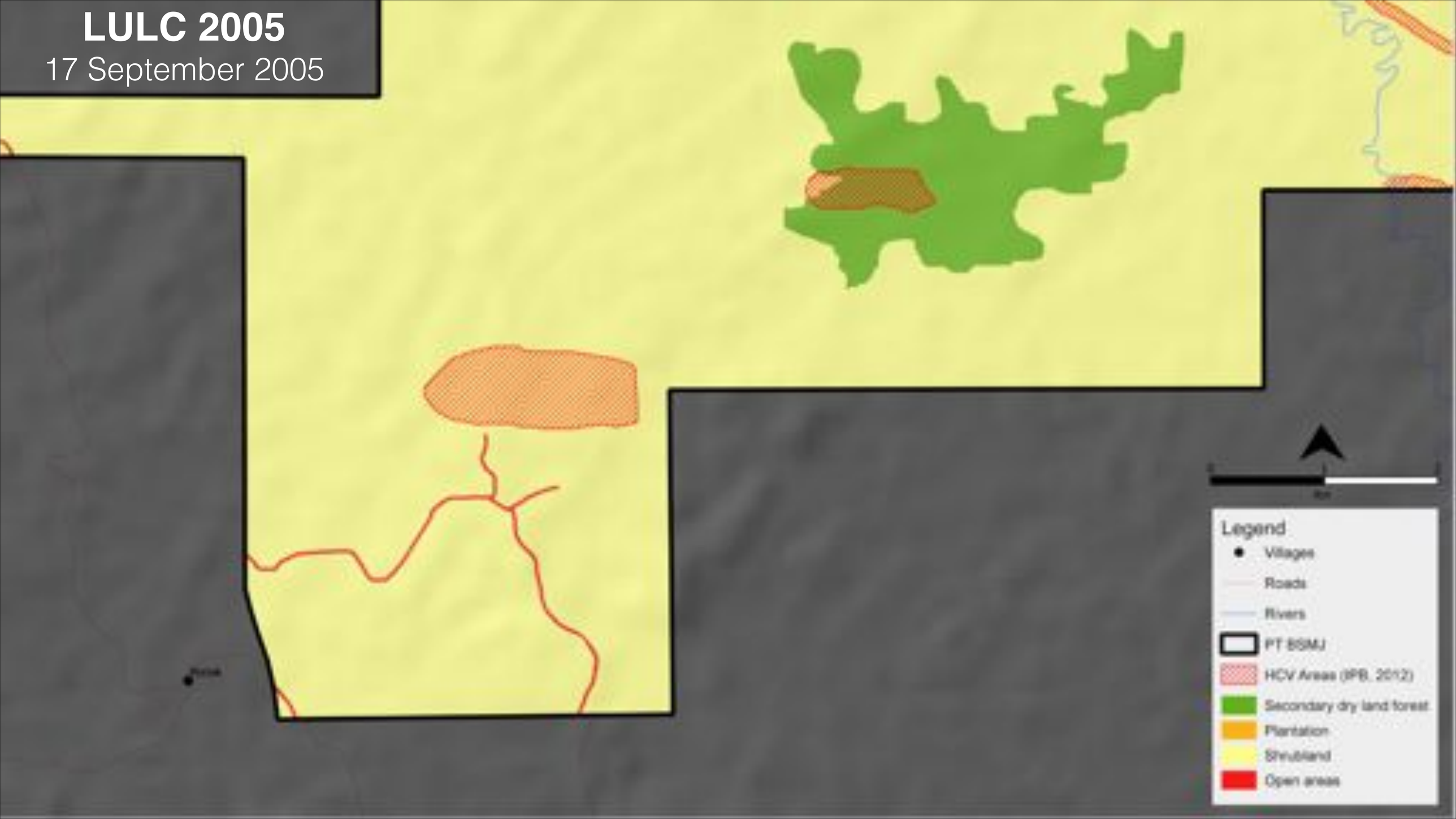
HCV areas impacted by land clearing 2011 - 2012 ?

LULC 1994

17 Agustus 1994

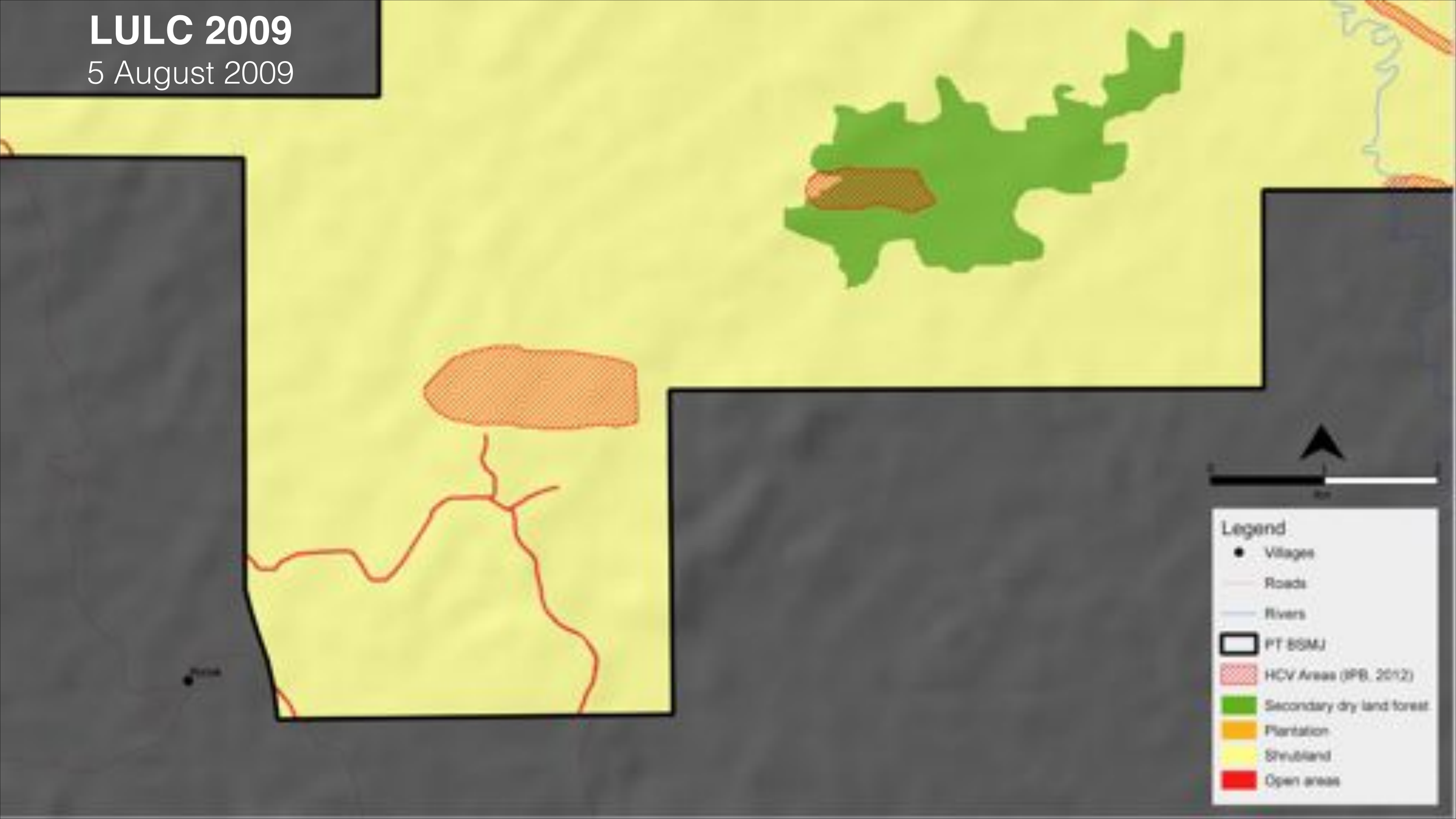
LULC 2005

17 September 2005



LULC 2009

5 August 2009



LULC 2013

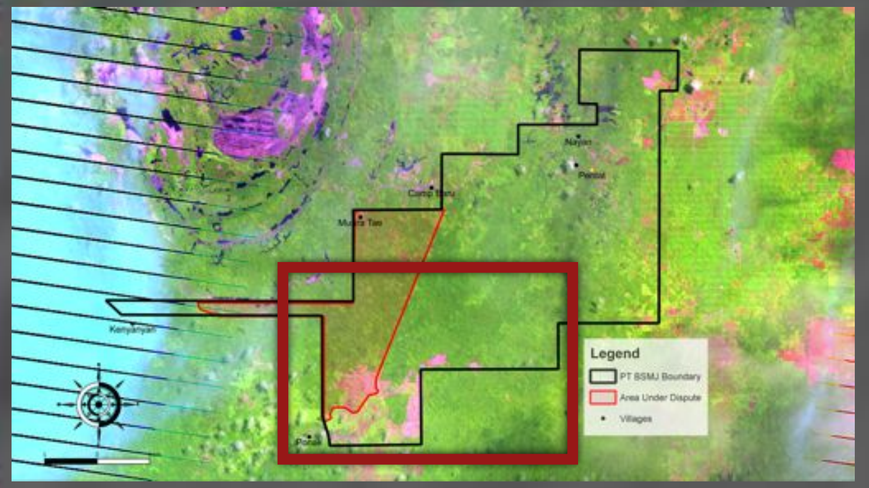
24 April 2013

Total LC

788.4 Ha

Planted

22.8%



Legend

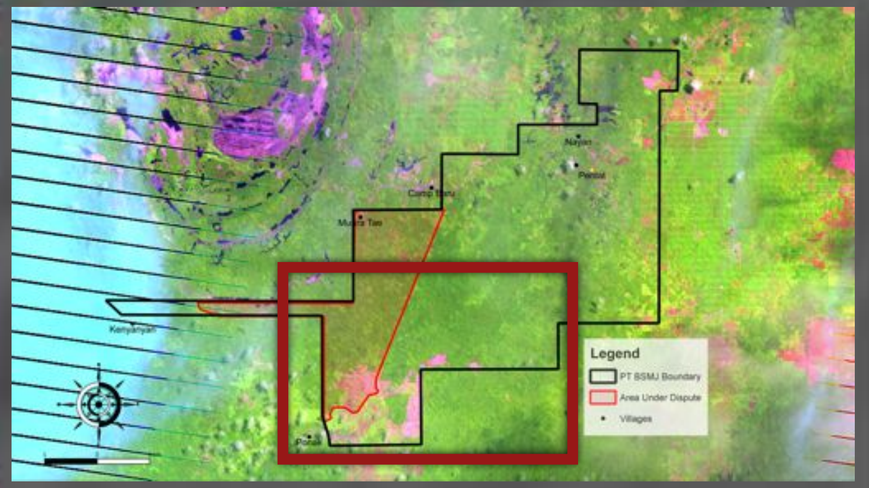
- Villages
- Roads
- Rivers
- PT BSMJ
- HCV Areas (IPB, 2012)
- Secondary dry land forest
- Plantation
- Shrubland
- Open areas

Landsat 7 ETM+

24 April 2013

2011

(284.3 Ha)



Legend

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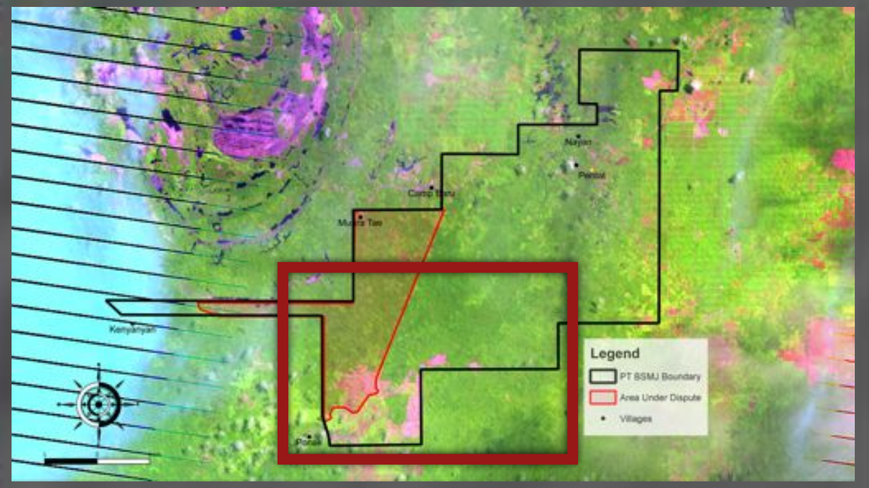
- Plantation
- Shrubland
- Open areas
- Land clearing 2011 (284.29 Ha)
- Land clearing 2012 (337.8 Ha)
- Pembibitan

Landsat 7 ETM+

24 April 2013

2012
(337.8 Ha)

2011
(284.3 Ha)



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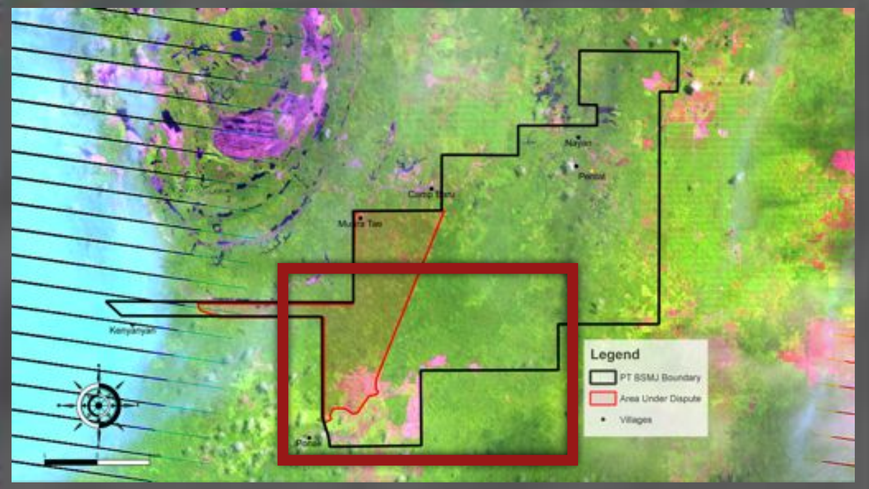
Landsat 7 ETM+

24 April 2013

2012
(337.8 Ha)

2011
(284.3 Ha)

2013
(166.4 Ha)
< Jan 25



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Landsat 7 ETM+

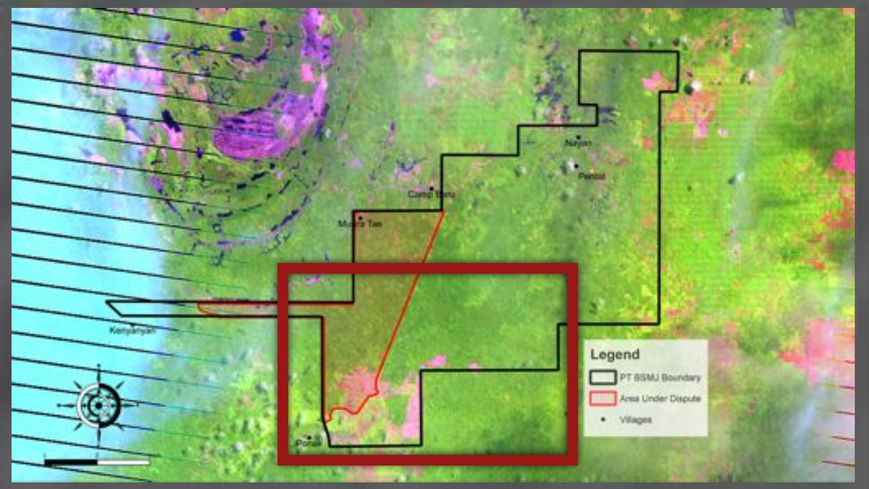
24 April 2013

HCV Loss

2012
(337.8 Ha)

2011
(284.3 Ha)

2013
(166.4 Ha)
< Jan 25



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Landsat 7 ETM+

24 April 2013

HCV Loss

2012
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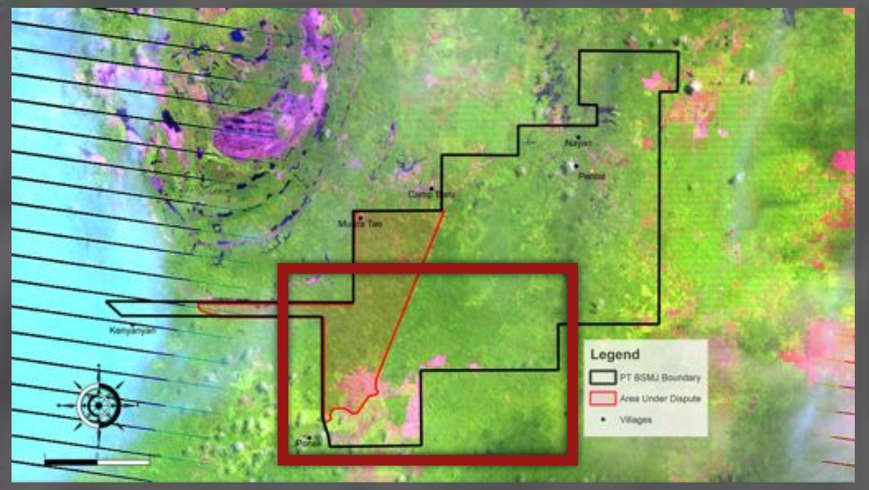

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- Plantation
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- Open areas
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- Pembibitan

The 2012 planted area inside HCV Area of Hutan Adat Muara Tae
PT. Borneo Surya Mining Jaya - Forest Resource
Muara Tae., Indonesia
0°38'40.82" S, 116°1'14.71" E

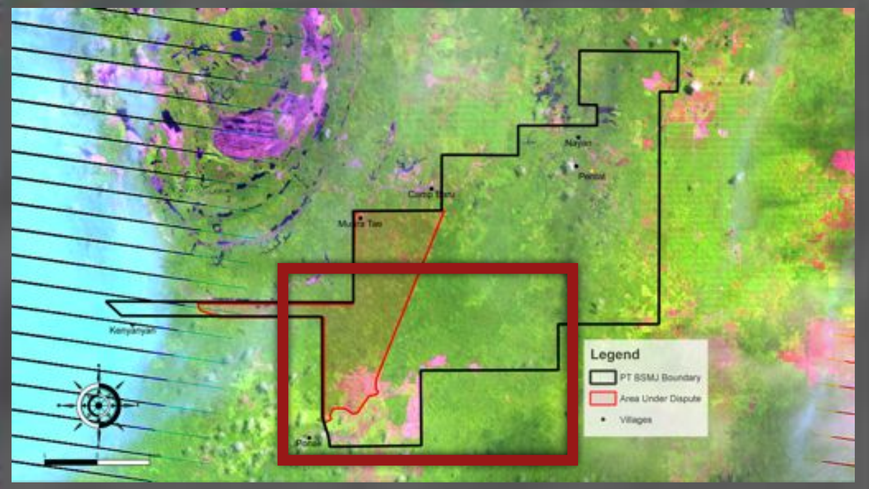
Landsat 7 ETM+

24 April 2013

2012
(337.8 Ha)

2011
(284.3 Ha)

2013
(166.4 Ha)
< Jan 25



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Landsat 7 ETM+

24 April 2013

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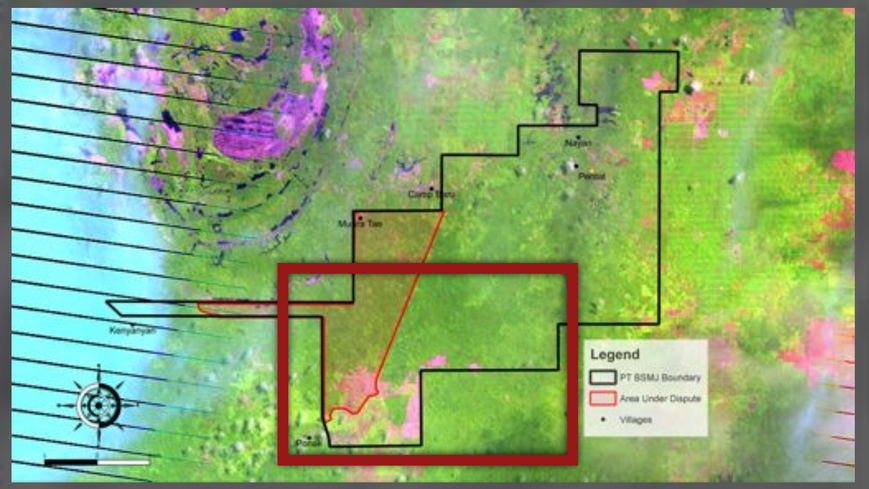
(337.8 Ha)

2011
(284.3 Ha)

2013
(166.4 Ha)
< Jan 25



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Land clearing area in boundary of HCV area Hutan Adat Muara tae
PT. Borneo Surya Mining Jaya - Forest Resource
Muara Tae,,Indonesia
0°38'42.85" S ,116°1'46.16" E

Landsat 7 ETM+

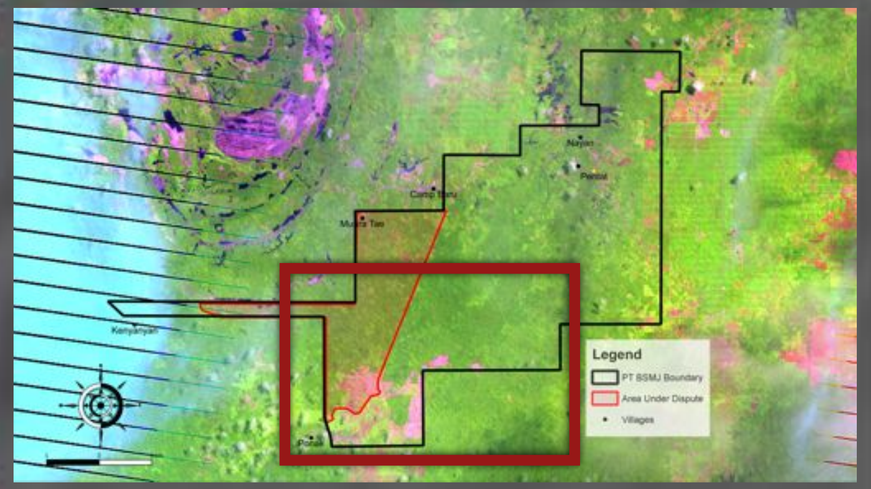
24 April 2013

HCV Loss
25 Ha

2012
(337.8 Ha)

2013
(166.4 Ha)
< Jan 25

2011
(284.3 Ha)



Legend
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- Rivers
- PT BSMJ
- HCV Areas (IPB, 2012)
- Secondary dry land forest
- Plantation
- Shrubland
- Open areas
- Land clearing 2011 (284.29 Ha)
- Land clearing 2012 (337.8 Ha)
- Pembibitan

HCV in land clearing 2011 ?

Elevation

(SRTM v.4 90m)

Legend

PT BSMJ

Pembukaan lahan 2011 (284.29 Ha)

Villages

Rivers

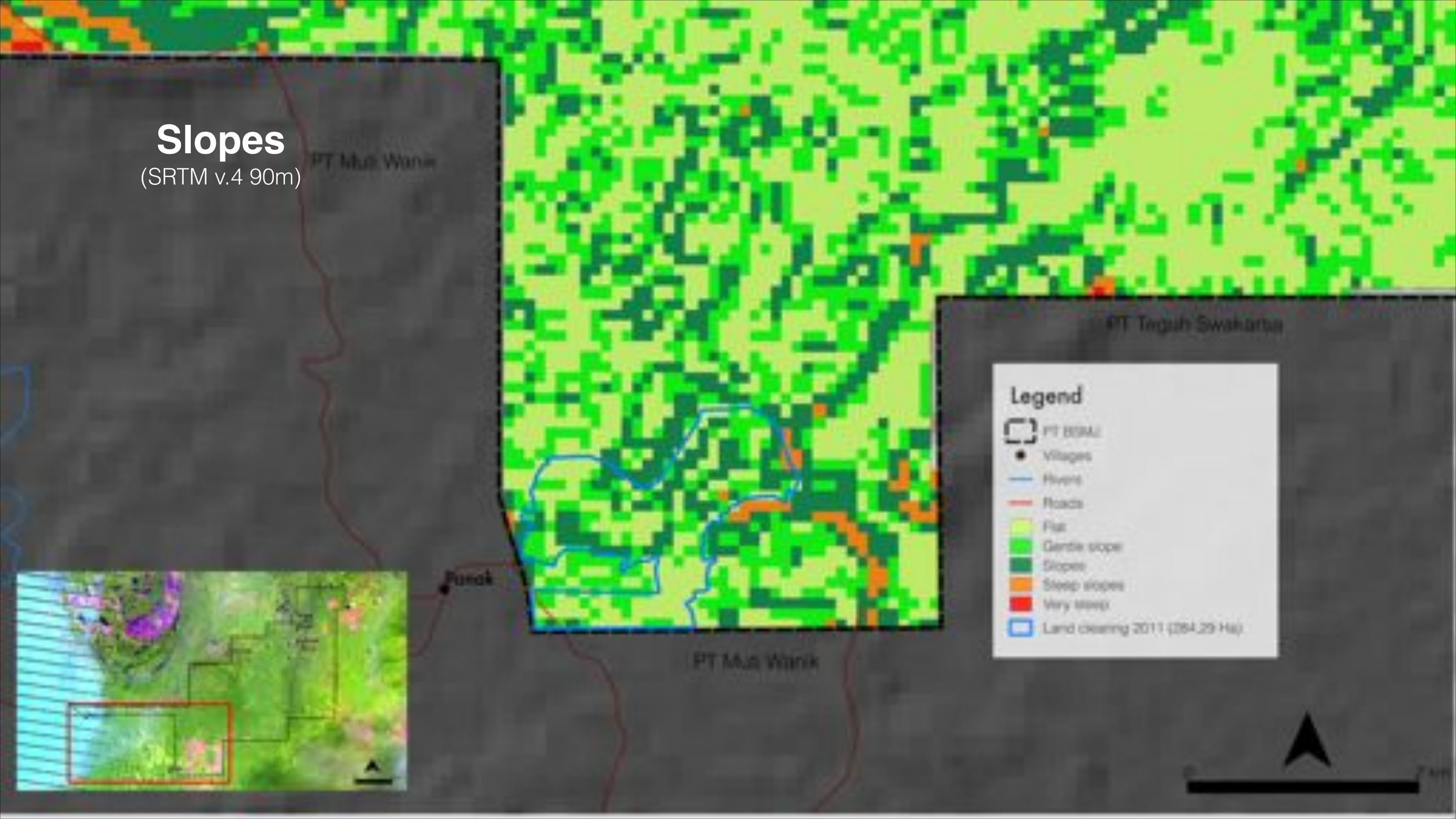
Roads

8 78

m asl

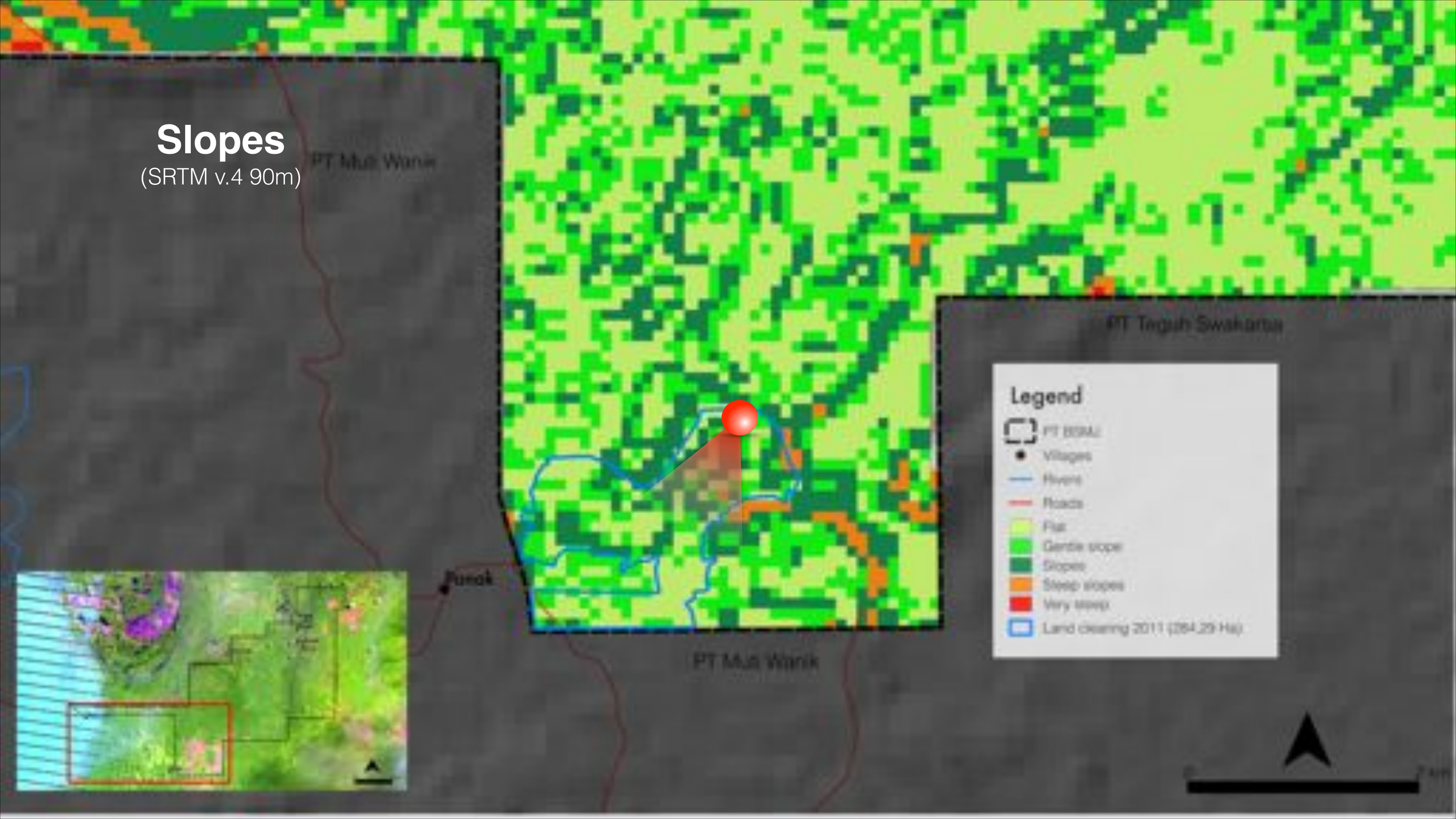
Slopes

(SRTM v.4 90m)



Slopes

(SRTM v.4 90m)




2 years old oil palm in 2011 land clearing area
PT. Borneo Surya Mining Jaya - Forest Resource
Muara Tae, Indonesia
0°39'34.1" S 116°0'43.76" E
© Y. Hadiprakarsa/ReMark Asia 2012

HCV in land clearing 2011 ?

1994 2005 2009 2013

Open areas Secondary dry land forest Shrub land Plantation HCV Area LC 2011

HCV Verification over 2011 land clearing areas

Component	Potential presence
Biodiversity	
Topographic	
Enviromental Services	
Social & Culture	

Conclusion

Conclusion

1. **To review HCV assessment conducted by IPB 2013**
    A. Based on satellite imagery studies and field visits to relatively close locations, the LFC is estimated to be a part of the 266.4 hectares of intact secondary forest patch that surrounds the area. This forest is suggested to become an HCV 1.3 area, as an expansion from the 25 hectares of LCF land.

Conclusion

1. **To review HCV assessment conducted by IPB 2013**
   B. Lack of spatial data on river network in PT BSMJ
   C. Revision to riparian areas of Ohong river was based on actual GPS tracking with accuracy maintained < 6 meter. (117.90 Ha vs 146 Ha)
   D. Need further delineation of Muara Tae Customary Forest

Conclusion

2. To conduct land change analysis

A. Since 1994 the PT BSMJ dominated by shurblands, remnant Secondary forest 2,814.4 Ha

B. In Sept 17, 2005 - only 1,098.7 Ha forest remnant

C. Land clearing in 2012 and 2013 (< 25 Jan) have impacted **25 Ha** of HCV Area Muara Tae Customary Forest

Revised HCV Areas in PT BSMJ

No.	HCV Area	Total Areas (Ha)		HCV Type	Description
		IPB, 2012	RMA, 2013		
1	Muara Tae Customary Forest	100.0	100.0	HCV 6	No changes (Need field verification)
2	Lembonah Conservation Forest	25.0	340.0	HCV 1	Core area of 266.4 ha, with additional stepping stone areas of approximately 50-80 ha; requires further delineation
3	Riparian buffer zone of Kelawit River	9.6	9.6	HCV 4	No changes
4	Riparian buffer zone of Nayan River	95.2	95.2	HCV 4	No changes; recalculation required
5	Riparian buffer zone of Ohong River	117.9	146.0	HCV1, HCV 4, HCV 5	In accordance with river tracking and satellite imagery

Revised HCV Areas in PT BSMJ

No.	HCV Area	Total Areas (Ha)		HCV Type	Description
		IPB, 2012	RMA, 2013		
6	Itiq Mantikang Spring	12.56	12.56	HCV 4	No changes
7	Gn Eteq Spring	12.56	12.55	HCV 4	No changes
8	HCV 6 (several locations)	6.41	6.41	HCV 6	No changes
9	Bumut Menjamatan	n.a.	1.0	HCV 6	Estimated area, requires delineation
10	Bumut Prau	n.a.	0.3	HCV 6	Estimated area, requires delineation
	Total	**379.21**	**722.2**		
	Licensed areas	**11,210.00**			
	Percentage	**3.38**	**6.4**		

Thank You // Terima Kasih

ANNEX 3

Presentations on PT Mekar Bumi Andalas Complaint

Simon Siburat

For the things we have to learn before we can do them, we learn by doing them. "

Presentation to
Compensation Task Force
Best Western Premier Dua Sentral Hotel
20 January 2014.

wilmar
We Invest • You Harvest

Announcement on PT Mekar Bumi Andalas/Wilmar International 5 Feb 2013

RSPO has received complaints from various NGO's

i) Friends of Borneo,
ii) SAVE Wildlife Conservation Fund ,
iii) Jakarta Animal Aid Network and others)

Issue on the proposed development of a Crude Palm Oil processing plant in Kelurahan Kariangau, Kota Madya Balikpapan, East Kalimantan by PT Mekar Bumi Andalas a subsidiary of Wilmar International

Specific Complaint :

i. have failed to provide adequate information to other stakeholders on environmental, social and legal issues relevant to the RSPO Criteria;
ii. have not complied with all applicable local, national and ratified international laws and regulations;
iii. have not mitigated the environmental impact of the development
iv. have breached parts of the RSPO Code of Conduct

Introduction to PT Mekar Bumi Andalas

- A Palm Oil Refinery with Bulking Station and Dispatched.
- This is not a plantations
- Obtained an Izin Lokasi from the local government dated 30th October 2006 for 50 Ha.
- Izin lokasi was issued based on site inspection visit by government official dated 27 June 2005 and was found to be in line with Land and Spatial Planning 2005-2015.
- Got the approval for the EIA on 26th October 2007
- Received the permit (Izin Mendirikan Bangunan) for building construction on 1st December 2007.
- Received approval to Operate Bulking Station on 17th July 2009
- Received Approval for business permit (Izin Usaha Perdangangan) in 2 March 2010.

No	Allegations	Explanations
1	Have failed to provide adequate information to other stakeholders on environmental, social and legal issues relevant to the RSPO Criteria	Perhaps the level of engagement by the PIC based on site could have been improved. But today, this stakeholder engagement was improved by conducting a HCV assessment using an RSPO approved consultant. Local NGOs, and local communities were consulted in the process
2	Have not complied with all applicable local, national and ratified international laws and regulations. The law they are referring to are : i. Surat Keputusan Bersama Menteri Pertanian dan Menteri Kehutanan No. KB.550/264/Kpts/4/1984, which defines the zone of protected mangroves to be 200 m. ii) Surat Edaran No. 507/IV-BPHH/1990, which defines the protected green belt to be 200 m along the coast and 50 m along rivers.	The various Permits were issued based on site visit by the relevant authorities in June 2005. At that time, there was already an on going work to revise the RTRWP (2005-2015) as quoted in the izin lokasi As of 2nd November 2012, the Previous RTRWP (2005-2012) is no longer valid. Based on the current Spatial planning map, the area has been designated as Large Industry. The protected areas is now revised to 100 m from the edge of Coast.and not 200 m as alleged.

No	Allegations	Explanations
2	ii) Keputusam Presiden No. 32 tahun 1990 tentang Pengelolaan Kawasan Lindung, which defines the minimum belt of the protected area to be 100 m from the line of the highest tide (which means outside of the mangrove forest) or, based on local conditions, 130 times the difference Iv) Perda No. 5 2006 Kota Balikpapan tentang Rencana Tata Ruang Wilayah Kota Balikpapan Tahun 2005-2015 (the district spatial plan for the period 2005-2015, which was valid at the time when Wilmar converted the mangrove forest into industrial use; this spatial plan allocated the area as 'kawasan mangrove' and it classified all 'kawasan mangrove' as 'kawasan lindung').	This law does not apply to the current status of land. Perda no. 6/2012 specify the riparian belt based on depth of the river/stream Depth <3m - Belt is 10 m on either side Depth > 3m – Belt is 15 m on either side River – 50 m on either side. As stated in section 122 (i) of the Perda No. 12/2012 Kota Balikpapan, the previous Perda no.5/2006 quoted by the complainant is no longer valid.

No	Allegations	Explanations
2	iv) UU No. 27/2007 tentang Pengelolaan Wilayah Pesisir dan Pulau Pulau Kecil, which prohibits cutting protected mangrove forest for the purpose of industry (Pasal 35 huruf i)	This law does not apply to the current status of land.
	vi) UU No. 5/1990 tentang Konservasi Sumber Daya Alam Hayati dan Ekosistemnya (which should protect the mangrove forest per se, and also as a habitat of proboscis monkeys and other protected wildlife	Based on the current RTRWP no. 12/2012, the status of the land is large industry.

TENTANG

MBERIAN IZIN LOKASI / PERUNTUKAN PENGGUNAAN TANAH UNTUK PEMBANGUNAN PABRIK PENGOLAHAN INTI SAWIT, TANGKI TIMBUN DAN FASILITAS PENUNJANG SELUAS ± 50 HEKTAR DI TELUK BALIKPAPAN/SUNGAI BERENGA KELURAHAN KARIANGAU KECAMATAN BALIKPAPAN BARAT ATAS NAMA PT. MEKAR BUMI ANDALAS

WALIKOTA BALIKPAPAN,

a. bahwa perkembangan dan pembangunan wilayah Kota Balikpapan memerlukan pengaturan yang sebaik-baiknya, melalui langkah-langkah kebijaksanaan dalam pelaksanaan RTRW secara keseluruhan sesuai dengan prosedur dan peraturan perundang-undangan yang berlaku ;

b. bahwa Sdr. Hendri Saksti selaku Presiden Direktur PT. Mekar Bumi Andalas, dalam Surat Permohonan Izin Lokasi tanggal 3 April 2006, merencanakan akan membangun Pabrik Pengolahan Inti Sawit, Tangki Timbun dan Fasilitas Penunjang, diatas tanah seluas ± 50 (lima puluh) Hektar , yang berlokasi di Teluk Balikpapan/Sungai Berenga Kelurahan Kariangau Kecamatan Balikpapan Barat ;

c. bahwa berdasarkan hasil pembahasan dan peninjauan lapangan oleh Tim izin lokasi Pemerintah Kota Balikpapan dan unsur lembaga teknis, dinas dan unit kerja terkait lainnya pada tanggal 28 Juni 2005, permohonan pada butir b tersebut diatas, dipandang telah sesuai dengan RTRW Kota Balikpapan serta telah memenuhi persyaratan administrasi dan teknis lainnya, sehingga kepada Saudara Hendri Saksti (Presiden Direktur PT. Mekar Bumi Andalas) dapat diberikan izin lokasi/peruntukan penggunaan tanah sebagai syarat untuk mengurus perizinan kegiatan pembangunan

Pasal 89

Ketentuan umum peraturan zonasi untuk kawasan peruntukan industri sebagaimana dimaksud dalam Pasal 83 huruf f, meliputi:

a. tidak diperbolehkan kegiatan pertanian;
b. tidak diperbolehkan kegiatan perikanan;
c. tidak diperbolehkan kegiatan peternakan;
d. diperbolehkan terbatas kegiatan bidang kehutanan;
e. diperbolehkan terbatas kegiatan perdagangan jasa KDB maksimal 50%;
f. diperbolehkan kegiatan perkantoran terbatas KDB maksimal 50%;
g. diperbolehkan variasi kegiatan industri sesuai jenis dan klasifikasinya dengan syarat dan peraturan yang berlaku;
h. diperbolehkan terbatas kegiatan perumahan vertikal KDB maksimal 60%;
i. diperbolehkan pengembangan kawasan terbangun dengan KDB maksimal 60%;
j. diperbolehkan terbatas kegiatan pariwisata khusus kawasan wisata alam;
k. diperbolehkan terbatas kegiatan eksplorasi dengan syarat KDB maksimal 30%;

KDB
Koefisien Dasar Bangunan, yaitu angka persentase perbandingan luas bangunan yang bisa dibangun terhadap luas tanah yang tersedia, sesuai rencana tata kota. Misalnya, KDB 50%, luas lahan 1000 meter persegi. Berarti luas lahan yang dapat dibangun hanya 500 meter persegi, sisanya digunakan untuk ruang terbuka hijau dan resapan air.

No.	Stan's recommendation	Ha
1	Coastal Belt – 200 m buffer	11.0
2	Riverside forest buffer belt – 50 m	6.3
3	Land between protected zones	9.8
	Total	27.1

PERATURAN DAERAH KOTA BALIKPAPAN

NOMOR 12 TAHUN 2012

TENTANG

RENCANA TATA RUANG WILAYAH KOTA BALIKPAPAN TAHUN 2012-2032

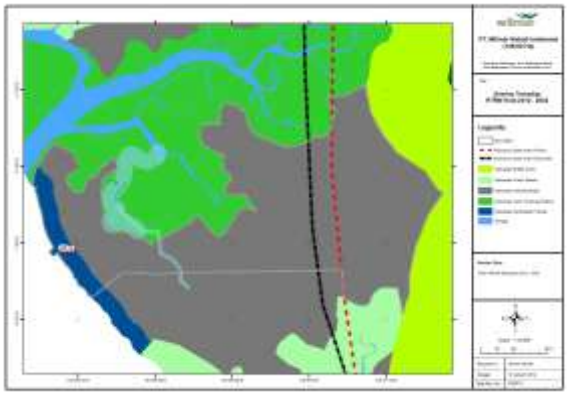
DENGAN RAHMAT TUHAN YANG MAHA ESA

WALIKOTA BALIKPAPAN,

WALIKOTA BALIKPAPAN,

M. RIZAL EFFENDI

SATIB MS FADLI



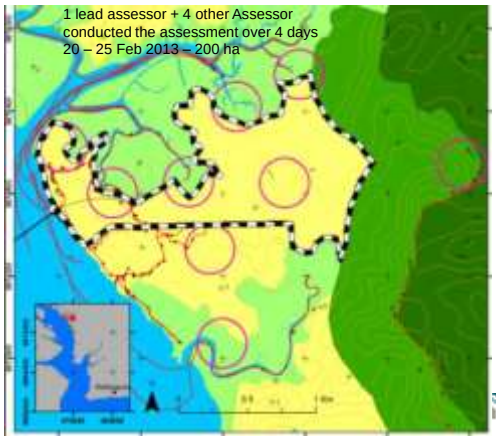
Analysis of Change of Land Cover from 1998 to 2006

Vegetations	1998	%	2006	%
Secondary mangrove	146.5	98	17.3	12
Swamp	0	0	13.7	9
Shrub	0	0	95.2	64
Pond	0	0	23.6	16
Dry Forest	3.3	2	0	0
Total	149.8	100	149.8	

Analysis of Change of Land Cover from 2006 to 2013

	2006		2013	
Land use/Vegetation	Ha	%	Ha	%
Shrub	95	64	114	76
Secondary Mangrove	17.3	12	13.9	9
Aquaculture	23.6	16	2.4	2
Swamp	13.7	9	0	0
Developed land	0	0	19.3	13
Total	149.6	100	149.6	100

1 lead assessor + 4 other Assessor conducted the assessment over 4 days 20 – 25 Feb 2013 – 200 ha



Public Consultations – 4 -5 April 13

Attended by NGOs, Local communities and Government officials- 17 people

Responded met at field site – 47 people

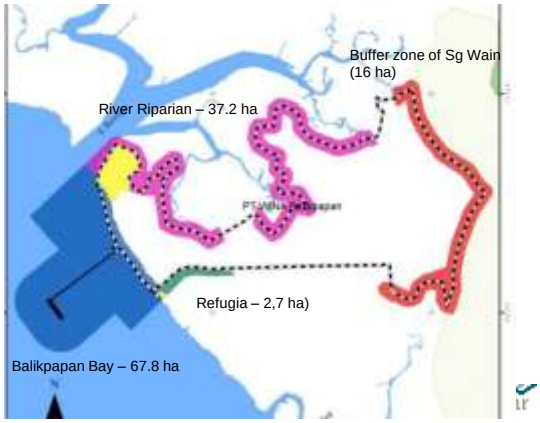
HCV Findings over 149 ha – 22.7 Ha of HCV (15%)

HCV Identified	Size of Area	Remark
1.1 Areas that Contain or Provide Biodiversity Support Function to Protection or Conservation Areas	9.2 ha. Part of riparian of Sg. Berenga	The area of interest shares a boundary with the riparian zone of Sg Berenga and also adjacent to the Buffer zone of Sg. Wain Forest Reserve.
1.3 Areas that Contain Habitat for Viable Populations of Endangered, Restricted Range or Protected Species	15.02 ha	There are 14 species of birds and nine species of mammals protected under Indonesian law found in the surrounding areas. Of these, two Endangered under IUCN, namely Probocis and Grey Gibbon; the other two important species are Freshwater Dolphin and Dugong
1.4 Areas that Contain Habitat of Temporary Use by Species or Congregations of Species	22.7	A number of migratory bird species (Lesser Adjutant) that uses the nearby mangrove habitat during certain time of the year, In the sea around the jetty you have freshwater Dolphin.
2.3 Areas that Contain Representative Populations of Most Naturally Occurring Species	Same as 1.4	Presence of Crested hawk Eagle a top predator,

Map of High Conservation Value Area – PT WIINA (149 ha)

HCV Management Areas (123 ha)

No	Area	Sections	Coverage
1	Balikapapan Bay	a.Mangrove ecosystem along the coast b.Management of the Wildlife Refugia area c.Mangrove Offset d.Jetty Area	67.8 ha
2	River Riparian/Mangrove Ecosystem	a.Mangrove Ecosystem in Brenga River b.Mangrove Ecosystem in Sungai Tengah	37.2 ha
3	Buffer zone of Sg Wain Conservation Area.	A strip of forest within the Boundaries of PT WINA that share a common boundary with the Buffer zone of Sg Wain Protected area.	16 ha
4	Wildlife Refugia	A steep hill which has a fairly good vegetation cover. Nesting place for some birds	2.7 ha



Areas of about 3.4 ha of Mangrove Reclaimed in 2007

Satellite Images – Mac 2011

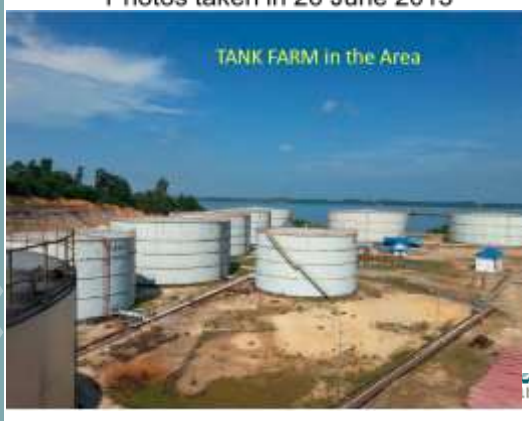
Part of 3.4 ha of Mangrove Reclaimed in 2007

Photos taken in 26 June 2013

Photos taken in 26 June 2013

Photos taken in 26 June 2013

Photos taken in 26 June 2013



Proposed Offset area – 7 ha

Proposed Offset area – part of the 7 ha

The consultant - through their field assessment - believes that the reclamation of 7 ha will act as a corridor to connect the mangrove ecosystem between Brenga River and Sungai Tengah River systems. At the upper part of the Brenga River harbour a wild population of Proboscis Monkey, Gibbons and some species of protected birds some of which are endangered. The rehabilitation work here will help to enhance and expedite the establishment of the regenerating mangrove in these areas and connect Brenga River to Sungai Tengah

Connect the two River System (Sg Berenga) and Sg Tengah

ANNEX 4

I. GENERAL CONDITION

AFDELING AMPOLU RIANIATE DAN AFDELING MUARA UPU

LANDCOVER MAPS 2011 (Derivated from WV imagery)

LAND TENURE and LAND UTILIZATION CHRONOLOGIES

AMPOLU (548.33 Ha)

- March 2nd, 2010 BUY OUT FROM ALI HASAN ARIFIN (PERSONAL PROPERTY) LOCATED IN HUTARAJA / AMPOLU MUARA UPU VILLAGE SUB DISTRICT Muara Batang Toru (CERTIFICATED).
- INITIAL CONDITIONS:

  VEGETATION : Already opened with mostly shrub and grass landcover type. On tree stage dominated by ARTOCARPUS ELASTICUS & HEVEA BRASILIENSIS; On pole stage dominated by ALSTONIA SP & PARKIA SPECIOSA; On sapling stage dominated by PETUNGAH Spp. (Rubiaceae) and on seed stage dominated by MACARANGA SP.

  FAUNA : Protected Wildlife: Trenggiling (Manis Javanica), Landak (Hystrix Brachyura), KUCING AKAR (Felis bengalensis), Harimau (Panthera Tigris Sumatrae, BURUNG KUAO (Argusianus argus)

  SOIL : 70% SHALLOW PEATLAND (Depth 1-2 M, 30% Mix of Clay-Sand-Ash)
- May 14th, 2010 Land Clearing began for 402.90 Ha

KRONOLOGIS PENGUASAAN DAN PEMANFAATAN AREAL

AREAL MUARA UPU (775.98 HA)

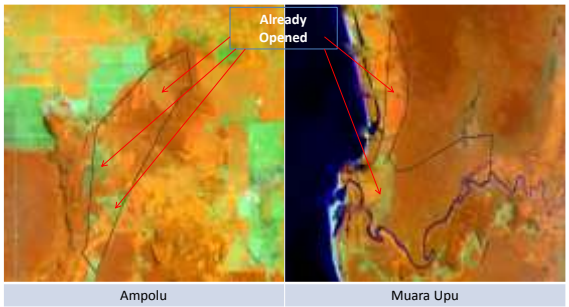
- **2010, 24TH FEBRUARY,** buy out from KOPERASI SAWIT SEJAHTERA **(Community Group Property)** Located in MUARA UPU Village (Certificated).
- INITIAL CONDITIONS:

  VEGETATION : Already opened with mostly shrub and grass landcover type. On tree stage dominated by ARTOCARPUS ELASTICUS & HEVEA BRASILIENSIS; On pole stage dominated by ALSTONIA SP & PARKIA SPECIOSA; On sapling stage dominated by PETUNGAH Spp. (Rubiaceae) and on seed stage dominated by MACARANGA SP.

  FAUNA : Protected Wildlife: Trenggiling (Manis Javanica), Landak (Hystrix Brachyura), KUCING AKAR (Felis bengalensis), Harimau (Panthera Tigris Sumatrae, BURUNG KUAO (Argusianus argus)

  SOIL : 70% SHALLOW PEATLAND (Depth 1-2 M, 30% Mix of Clay-Sand-Ash)
- May 14th, 2010 Land Clearing for about 510.85 Ha

SATTELLITE IMAGERY BEFORE BUY OUT



Ampolu | Muara Upu

Landsat ETM 7 slc-off filled Year 2009




ESTABLISHMENT BACKGROUND

- ENVIRONMENT IMPACT ASSESSMENT: UKL & UPL No.: 660/478/KLH-TS/2010, Authorized by Head of Regional Environmental Agency (TAPANULI SELATAN) on 8 OCTOBER 2010.

  LEGISLATION BASIS of EIA :

  1. Ministry of Environment Decree NO. 86 TAHUN 2002: PEDOMAN PELAKSANAAN UKL/UPL (Guidelines for EIA Implementation)
  2. Ministry of Environment Regulation No. 11 TAHUN 2006: JENIS USAHA/KEGIATAN YANG WAJIB AMDAL (Type of Business/Activities Required to EIA/AMDAL)

- FEASIBILTY STUDY : 26 OCTOBER 2009
  - Study conducted by : SUCOFINDO
  - Recommendation : Feasible Physically and Economically to Developt the Area

- PTPN 3 OPERATIONAL MANAGEMENT HAS NO FULLY UNDERSTANDING OF NPP

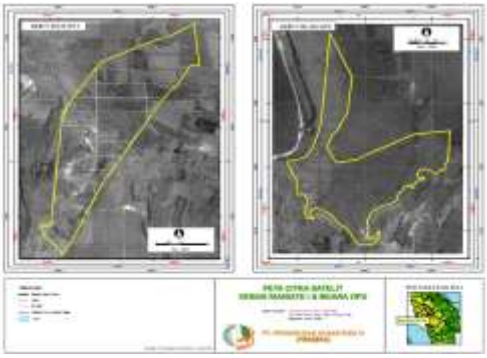
II. HCV MUARA UPU AND AMPOLU

HCV IDENTIFICATION RESULTS IN MUARA UPU AND AMPOLU AREA

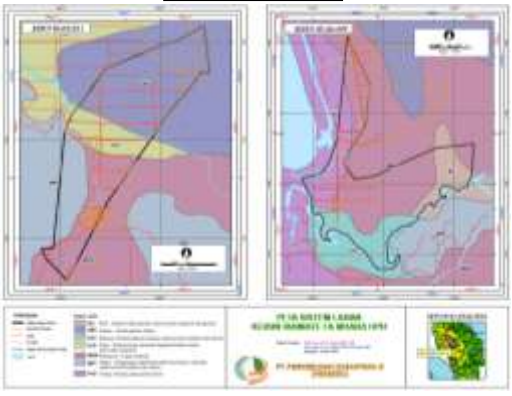
Conducted by PPSHB-LPPM IPB-BOGOR on APRIL 2012

No	Location	Area	Type HCV	HCV State
Ampolu				
1.	Bukit Simulak Anjing	78,08	1.2, 1.3, 4.1, 4.2	Good condition
2.	Bukit Simulak Anjing (Nephentes)	0,50	1.3	Good condition
3.	Sempadan Parit Aek Sibirong (Rivers Bank)	3,59	1.3, 4.1	Good condition
4.	**Deep Pearland Areas (GBT)**	**66,33**	**4.1**	**Lost HCV and already converted to palm oil**
Total Luas KBKT di Ampolu		**146,5**		
Muara Upu				
1.	Sempadan Sungai Batang Toru (Rivers Bank)	0,55	1.3, 4.1	Good condition
2.	Sempadan Parit Blok D (Rivers Bank)	3,28	1.3, 4.1	Good condition
3.	Areal Rawa Blok D+E (BLI)-Swamp	36,69	1.3, 4.1	Good condition
Total Luas KBKT di Muara Upu		**40,53**		

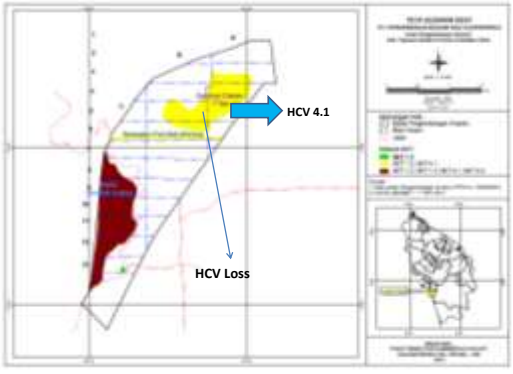
SATTELLITE IMAGERY 2011



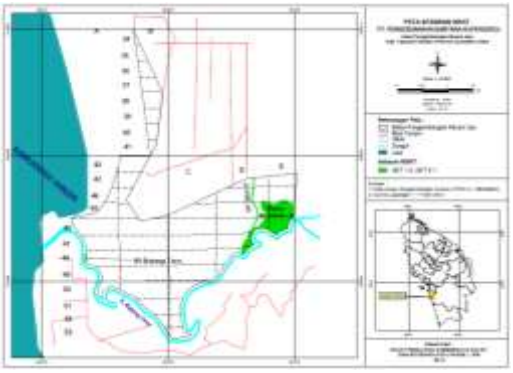
LANDSYSTEM MAP



HCV DISTRIBUTION
AMPOLU

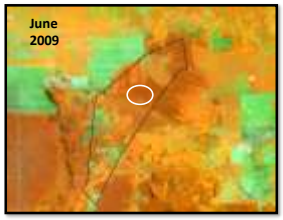


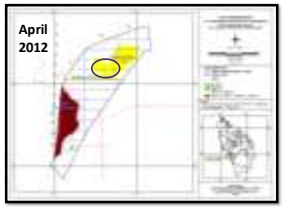
HCV DISTRIBUTION
MUARA UPU



PPSHB-LPPMIPB-BOGOR:

BASED ON THE HCV IDENTIFICATION, THERE IS ONE OF HCV (HCV 4.1) HAVE LOST DUE TO LANDCLEARING, NAMELY DEEP PEATLAND TYPE (GBT: according to Landsystem Type) covering an area of 66.33 Ha WHICH IS IN AMPOLU DEVELOPMENT AREA





Part of the lost HCV actually has been opened before
(in the approximate area of the circle is cleared by PN3)

UNDER THE TERMS OF RSPO, SOLUTION FOR SUCH PROBLEMS/CASES CAN BE MADE IN THE TWO OPTIONS:

1) **RESTORATION**
2) **COMPESATION PAYMENT: Pay compensation of the hcv who has lost due to land clearing, which is allocated to another area located outside the concession**

III. ISSUES AND FOLLOW UP

INITIAL ISSUES

SUCOFINDO FINDING (2 December 2011)

1. Land clearing is done before the HCV identification at AMPOLU and MUARA UPU area (P&C 7.3)
2. Suspicion that HCV has been loss at that area

FINDING VERIFICATION AND NPP AUDIT

IN ORDER TO CONTINUING RSPO CERTIFICATION FOR SISUMUT MILL AND SUPPLY CHAIN, on 10-12 DESEMBER 2012 PT. SUCOFINDO (CB) VERIFIED AUDIT FINDING RELATED TO NPP IN MUARA UPU & AMPOLU. CB FOUND THAT :

- THERE IS NO MANAGEMENT PLAN AVAILABLE RELATED TO COMPENSATION ACCORDING TO HCV ASSESSOR RECOMMENDATION
- CB (SUCOFINDO) REQUEST TO PTPN3 TO SUBMIT A COMPESATION PROPOSAL TO WG FOR CONTINUATION OF RSPO CERTIFICATION PROCESS. AS LONG AS THE COMPESATION PROPOSAL HAS NO APPROVAL, CB WILL PENDING SISUMUT MILL CERTIFICATION AND ALSO BARUHUR MILL CERTIFICATION EVENTOUGHT BARUHUR HAS NO SUPPLY CHAIN WITH BATANGTORU UNIT
- ONCE COMPESATION PROPOSAL APPROVED BY RSPO, CB WILL CONTINUE THE CERTIFICATION PROCESS. (Need a prove)

FOLLOW UP
PT. PERKEBUNAN NUSANTARA III

- BASED ON MULTI-PARTY MEETING BETWEEN PT. PERKEBUNAN NUSANTARA III, TIM HCV PPSHB-LPPM-IPB, RILO, PT. TUV RHEINLAND AND PT. SUCOFINDO ON 6 AUGUST 2012 IN JAKARTA, MANAGEMENT PT. PERKEBUNAN NUSANTARA III DECIDED TO IMPLEMENT THE OPTION "PAY COMPESATION WORTH OF THE LOST HCV AREA"
- COMPESATION PLAN HAS BEEN MADE AND SUBMITTED TO RILO/RSPO.
- COMPESATION PLAN PROPOSAL NEED TO BE APPROVED BY RSPO/BHCV WG AND SHOULD BE OBTAINED BY CB FOR SISUMUT AND BARUHUR MILLS CERTIFICATION PROCESS

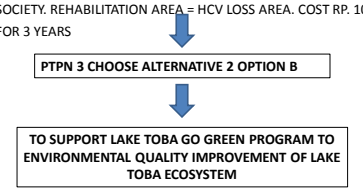
IV. RECOMMENDATION AND SOLUTION

COMPESATION PROPOSAL FROM HCV ASSESSOR

1. PARTICIPATION IN FLOOD CONTROLLING IN DOWNSTREAM REGION OF PLANTATION. OPTION :
   A. FUNDING FOR REHABILITATION OF DEGRADED AREA IN DOWNSTREAM REGION OF PLANTATION. COMPESATION COST RP. 10.500.000/HA FOR 3 YEARS.
   B. TECHNICAL ASSISTANCE SUPPORTING AND TRAINING TO THE COMMUNITY. COMPESATION COST RP. 200.000/PERSON & RP. 100.000.000 FOR FLOOD CONTROL.
   C. FINANCING FOR SEEDLING PROCUREMENT TO SUPPORT REHABILITATION PROGRAM. Area to be rehabilitated is 2.5 x HCV loss area. COST RP. 4.000.000/HA.

COMPESATION PROPOSAL FROM HCV ASSESSOR

2. PARTICIPATION WATER QUALITY IMPROVEMENT FOR THE COMMUNITY AROUND THE MANAGEMENT UNIT LOCATION. THERE ARE 2 OPTION:
   A. FINANCING WATER QUALITY IMPROVEMENT FOR THE AFFECTED COMMUNITY. COST RP. 50.000.000/HA HCV 4.1
   B. FUNDING FOR THE REHABILITATION OF AREA THAT SIGNIFICANT TO SUPPORT WATERSHED AND OTHER WETLANDS IN PROVIDING WATER TO SOCIETY. REHABILITATION AREA = HCV LOSS AREA. COST RP. 10.500.000/HA FOR 3 YEARS



THE BASIS OF SELECTION COMPESATION OPTION

- DANAU TOBA ECOSYSTEM IS PROTECTED AREA ACCORDING TO PRESIDENTIAL DECREE No 32 TAHUN 1990 Chapter III article 3 & 5 and Chapter IV Article 17.
- DANAU TOBA ECOSYSTEM IS NATIONAL STRATEGIC AREA AS STATED IN GOVERNMENT REGULATION NO 26/2008 on National Spatial Plan
- DANAU TOBA ECOSYSTEM HAS IMPORTANT HYDROLOGICAL FUNCTION, RARE WETLAND ECOSYSTEM AND SPECIFIC HERRITAGE IN NORTH SUMATRA WHICH IS CONTAIN HIGH CONSERVATION VALUE
- HCV COMPENSATION MECHANISM IS STILL NOT FINAL YET (UNDEFINED)

BUDGET PLAN FOR COMPESATION PROGRAM IMPLEMENTATION

As recommended in HCV M&M in Muara Upu and Ampolu

PT. Perkebunan Nusantara III has chosen an option to make compesation payment worth of HCV Loss Area due to land clearing. Cost for compesation estimated as Rp. 10.000.000,-/Ha including seedling cost and maintenance until 3 years.

GOAL AND TARGET REFORESTRATION "TOBA GO GREEN" PROGRAM AS COMPENSATION OF THE LOST HCV AREA

GOALS

To compensate land clearing over HCV area in Muara Upu and Ampolu in Year 2010 that was not preceded by the HCV identification NKT/HCV stage and resulting in the loss of area which is considered as an HCV area

TARGET

To implement re-forestration program in Danau Toba ecosystem to replace the hydrological function of lost HCV areas due to land clearing

PTPN III 'S CSR SUPPORT TO HELP DANAU TOBA ECOSYSTEM REHABILITATION

- FINANCIAL : RP. 244.300.000 IN 2012 FOR GO GREEN RE-FORESTRATION MOVEMENT.
- PHYSIC AL: 200 HA IN SIMALUNGUN REGENCY

HCV MANAGEMENT PLAN IMPLEMENTATION DI AMPOLU DAN MUARA UPU

- Protecting/remediation of riparian area by vegetation enrichment activity at HCV area Bukit Simulak Anjing, Batang Toru rivers bank and Aek Sibirong.
- Water management (CANAL BLOCKING and WEIRS, SUBSIDENCE MONITORING, WATER LEVEL MANAGEMENT)

CSR REALISATION PT. PERKEBUNAN NUSANTARA III (PERSERO) IN MUARA AMPOLU DAN MUARA UPU

YEARS 2010 :

- FINANCIAL ASSISTANCE FOR PEANUT CULTIVATION IN MUARA UPU VILLAGE (LOCAL COMMUNITY) WORTH OF RP. 79.825.317,-
- FINANCIAL ASSISTANCE FOR SCHOOLS ESTABLISHMENT IN MUARA UPU VILLAGE (LOCAL COMMUNITY) WORTH OF RP. 136.240.000,-

YEARS 2011 :

- FINANCIAL ASSISTANCE FOR ROAD ACCESS DEVELOPMENT AND BRIDGE CONSTRUCTION IN MUARA AMPOLU WORTH OF RP. 7.980.000.000,-


"GO GREEN"

ANNEX 5

RSPO - COMPENSATION MECHANISM - CONCEPT NOTE

date of submission	

box 01.1 - RPSO member		box 01.2 - RSPO member number	
box 01.3 - date of joining RSPO			
box 01.4 - subsidiary/management unit		box 01.5 - country	
		box 01.6 - location within country	

COMPENSATION CASE

box 02.1 - volunteered	Y/N	box 02.2 - reported or referred	Y/N
		box 02.3 - by	

box 03.1 - cause of liability	

box 04.1 - time period of liability			
box 04.2 - date of beginning of control of management unit by company		box 04.3 - explain date of end of liability	
box 04.4 - other units certified ?	Y/N	box 04.5 - date of first certification within group of companies	

LAND-USE CHANGE

box 05.1 - total project area (ha)		box 05.2 - use coefficient of 1 ?	Y/N
box 05.3 - total raw liability (ha)		**box 05.4 - final liability (ha)**	

	box 05.5 - LUC (raw, all in ha)			
	nov.2005 to end nov.2007	dec.2007 to end dec.2009	jan.2010 to Comp.Mech.	after Comp.Mech.
coef. 1.0				
coef. 0.7				
coef. 0.4				

box 05.6 - any non-commercial LC ?	Y/N	box 05.7 - specific circumstances	
box 05.8 - LUC analysis internal ?	Y/N		

SOCIAL ASPECTS

box 06.1 - social liabilities ?	Y/N

REMEDIATION PROPOSAL

box 07.1 - Environment remediation plan (with schedule)		box 07.2 - Social remediation plan (with schedule)	

COMPENSATION PROPOSAL

box 08.1 - Environment compensation plan (with schedule)		box 08.2 - Social compensation plan (with schedule)	

CHANGE OF COMPANY SOP

box 09.1 - SOP changed/introduced	

HCV HIGH CONSERVATION VALUE resource network

ANNEX 6

www.hcvnetwork.org

HCV HIGH CONSERVATION VALUE resource network

HCV RN Assessor Licensing Scheme – progress report

BHCV WG Kuala Lumpur, January 2014

www.hcvnetwork.org

Objectives

- Promote consistent, high quality HCV assessments
- Provide an independent mechanism for evaluating the competence of HCV assessors and for monitoring their performance
- Create a firewall between assessors and certification schemes to protect their brand

Scope

- RN Assessor Licensing Scheme is a service open to use by any voluntary standards scheme
- The ALS will take over the function of approving RSPO HCV assessors
- The ALS is designed to cover its own costs but not to generate profit
- The ALS targets lead assessors – other team members will not need a license

Application route A: Experienced assessors

- Experienced assessors (e.g. many currently RSPO-approved assessors) may apply for license by:
  1. verifying that they meet the ALS competence criteria; *and*
  2. submit a recent HCV assessment report conducted as lead assessor
- Credentials and reports are reviewed by the RN Quality Manager
- Applicants that meet the requirements get licensed
- Doubtful cases are referred to the RN Quality Control Panel for a second opinion

Application route B: Inexperienced applicants

- Applicant 'auditors' without experience as HCV lead assessors my be *provisionally licensed* provided that they successfully complete an HCV Assessor Training Course
- Provisionally licensed assessors may only lead 'high risk' assessments if supervised / mentored and reviewed by a licensed assessor
- Provisionally licensed assessors submitting reports that meet the requirements get (fully) licensed
- Doubtful cases are referred to the RN Quality Control Panel for a second opinion

Obligations of Licenced Assessors

- Follow normative RN HCV assessment procedures as outlined in the RN Licensed Assessors Manual (building on Common Guidance part 1 and 2)
- Structure and format reports in accordance with the RN Licensed Assessor Reporting Template
- Submit to the RN Secretariat a confidential (full) copy of all their HCV assessments
- Pay the associated RN review fee

Sources of Revenue

- Important to avoid barriers - low costs in absence of clients
- *Annual registration fee* (will include RN supportership)
- *Report review fee* when a report is submitted to the RN – based on scale and complexity of the HCV assessment.
- Information on review fees will be available on the RN website so that assessors may include them in contracts with clients

Quality control of licensed assessors

RN Quality Manager / Quality Control Panel review (a sample of) submitted HCV reports

A. Assessor performance *fully in line* with the ALS Manual and Reporting Template. Feedback on any minor weaknesses. The assessor *maintains the license.*

B. Assessor performance *not fully in line* with ALS procedures and reporting. Major weaknesses, but not severe enough for de-licensing. The assessor loses full license and is down-graded to *provisionally licensed*.

C. Assessor performance *falls far short* of the requirements. Major, grave weaknesses. *The license is revoked.* (Assessors who have lost their licence may apply for a provisional licence after one year).

Validity

- Assessors mainitain their licenses as long as they submit reports that meet the ALS requirements
- Licenses automatically expire three years after the last report

Complaints procedures

- Stakeholders may contest the performance of licenced assessors by submitting a completed Complaints Form to the RN Quality Control Panel.
- Stakeholders may contest decisions of the Quality Control Panel by appealing to the RN Management Committee (MC). The MC may consult independent expertise before passing final judgement.
- Similarly, assessors and applicants may contest down-grading / revoking of licenses by appealing to the RN MC. The MC may consult independent expertise before passing final judgement.

Next steps and timeline

- On-going work:
  - Competence criteria
  - Training course syllabus
  - Assessor manual and reporting template;
  - Review procedures and guidelines,
  - Complaints procedures
- Plan to take first batch of (experienced) applicants by mid 2014
- Aim for (course providers) to start givin training courses second half of 2014

HCV HIGH CONSERVATION VALUE *resource network*

Thank you

www.hcvnetwork.org

HCV resource network

ANNEX 7

www.hcvnetwork.org

HCV resource network

SHARP – Smallholder Acceleration and REDD Programme

BHCV WG KL January 2014

www.hcvnetwork.org

Objectives

- Supporting smallholders by supporting companies to achive:
  - Sustainable livelhoods
  - Increased yields
  - Environmental benefits
  - Smallholder empowerment
  - Market integration

Structure and governance

- SHARP builds on an initiative by Sime Darby
- Partnership funded by NORAD, IDH (the Sustainable Trade Initiative), Sime Darby Bhd and Proforest
- Executive Board with Sime Darby, Olam, Solidaridad, IDH and FFI

Partners and supporters

3 main programmes

- Identify and inform about succesful models for linking smallholders and companies
- Promote smallholder access to responsible supply chains (recognising responsible smallholder production)
- Identify incentives and promote tools to avoid smallholder deforestation (including maintaining HCVs and high carbon stocks)

Specific HCV RN – SHARP focus

- Helping companies to:
  - explain and motivate the HCV concept to their smallholder suppliers
  - assist smallholder suppliers with identification, management and monitoring of HCVs

Synergies with RSPO guidance for smallholders

- SHARP and RSPO objectives have a lot of overlap
- Through SHARP, the HCV Resource Network has earmarked funding for addressing smallholders and HCVs
- SHARP and the HCV RN offers to help coordinate finalising the RSPO guidance on HCV for smallholders guidance in cooperation with the joint BHCV WG - Smallholder WG 'taskforce'

Suggested next steps

1. Interviews with company reperesentatives to identify various ways of interacting with smallholder suppliers, roles and responsibilities, problems and needs (materials, training etc)
2. A summary of the results are presented to the smallholder WG for discussion and adding specific smallholder perspectives and concerns
3. The RN develops a next version of the smallholder guidelines based on the interviews and Adam Keatt's draft
4. This is circulated to the BHCV WG – Smallholder taskforce and discussed in a physical one day meeting (piggybacked)
5. The draft guidelines are amended to reflect the input from the taskforce discussions and circulated for consultation
6. Input from the consultation is consolidated and a final version is prepared for adoption by RSPO

Invitation

- Company BHCV WG members: please supply names and contact details of staff 'smallholder resource persons' that we may interview!

HCV HIGH CONSERVATION VALUE *resource network*

Thank you

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ANNEX 8

HCV 5&6 monitoring system
Field Trial Proposal

Background

- In 2012, ZSL developed a Environmental Monitoring System for the oil palm industry
- In 2013, ZSL formed a project partnership with FPP to develop specific HCV 5&6 monitoring protocols
- Consultations in Cameroon and Indonesia
- Final draft available
- Field testing required

What is proposed

- A simple to use and low-cost system
- Monitoring of targeted indicators that inform management
- One place to store, analyse and report data
- An informative and easy-to-produce reporting standard
- Easily verifiable data
- No reliance on high levels of training and/or education

The ZSL project - Objectives

- Facilitate better HCV 5&6 monitoring
- Ensure practicality of developed monitoring protocol
- Facilitate implementation of monitoring with training and training materials
- Provide means for impact verification
- Initiate evidence-based discussion on the potential conflicts and solutions between environmental and social HCVs

Activities

- Engage four companies across Liberia and Indonesia
- Conduct situation analysis
- Develop draft data model drawing on current protocol
- Socialisation of activities
- Company and community basic training
- Field trials
- Protocol and data model amendments

Activities cont.

- Integration into Spatial Monitoring and Reporting Tool (SMART)
- Development of BMP guidelines for HCV 5&6
- Development of training materials
- Company and community training at four sites
- Project impact and awareness activities

Outputs

- An integrated Environmental and Social Monitoring System
- Fully integrated SMART software for the oil palm industry
- Implementation of environmental and social monitoring at four sites
- Training material freely available online
- Best practice guidelines for HCV 5&6 management and monitoring


Thank you

ANNEX 9

Workplan development proposal

M. Zrust & A. Lindhe

Objectives

- Provide clear and transparent prioritisation process for environmental and social issues
- Develop a process for project proposal submission, evaluation, monitoring and integration into BMPs
- Demonstrate efficient progress of the group
- Facilitate the engagement of a wide group of experts
- Provide RSPO value for money

Proposed process

- Working Group develops an annual list of key priority knowledge gap and activity themes
- Proposals are accepted from the publishing of priorities until first annual meeting
- Secretariat compiles and sends proposals to Group members
- Members become spokespeople for proposals and present to the group
- Full proposals are sought on a consensus-led agreement
- Group advises RSPO on the level of support to be afforded to projects

Proposed process

- Project implementers are accountable to the RSPO BHCV WG
- All materials to be available publically

Proposed Themes

Plantation management

- To what extent do plantations function as natural habitats within the **landscape matrix** as buffer zones and/or as corridors.
- Alternative **plantation management schemes** for combined improved environmental benefit functions with production

HCV Assessment

- Review of the HCV **assessment procedures and reporting template**
- HCV assessor **licensing scheme** (review of standards, timelines, update)
- Simplified assessment for non-affiliated **smallholders**

Proposed process

HCV Management

- **Review** of current HCV management issues, gaps and failings
- **Riparian zones and remediation** – how best to set aside riparian zones, how to manage, restore and remediate
- **Management of illegal activities** in set asides
- **Function of fragments** of natural vegetation (related to size, isolation and the above function of plantations in the landscape matrix) – decisions of what fragments need management activities, which can be considered a priority and which can be considered as something that can be let go. Realistic size of fragments and how to manage them.

Proposed process

Environmental Monitoring

- **Smallholder** environmental monitoring toolkit
- Monitoring of **social values**
- Development of a **reporting framework** for the RSPO certification standard on environmental performance.

Audit Process

- Review of the **auditor assessment** conducted for the RSPO

Proposed process

HCV in Africa

- **Review** of HCV issues in Africa
- Benefits and pitfalls of the standard **HCV approach in Africa**
- Encapsulating **landscape approaches** in African palm oil development

Support of CTF

- Development and analysis of the **riparian zone experiment**

Thank you

Annex 10

Disclosure of land cleared prior to conducting an HCV assessment

Name of RSPO Grower member:

RSPO membership No:

Date of RSPO membership:

Date of RSPO certificate:

Name of Management Unit:	**1.) eg. PT. Sawit Indonesia**	**2.)**	**3.)**
Date of acquisition:	eg. October 2005		
Date of first land clearing	eg. July 2007		
Date HCV assessment completed:	eg. November 2009		
Hectares cleared prior to HCV assessment between:			
Nov 2005 - Nov 2007	800 Ha		
Dec 2007 - Dec 2009	3,500 Ha		
Jan 2010 - Present	0 Ha		
Total	4,300Ha		
HCV management areas cleared after HCV assessment completed between:			
Nov 2005 - Nov 2007	0Ha		
Dec 2007 - Dec 2009	0Ha		
Jan 2010 - Present	50Ha		
Total	50Ha		