



Roundtable on Sustainable Palm Oil

## 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:** 19 August 2013

Tick whichever is appropriate

	This is a completely new development and stakeholders may submit comments.
✓	This is part of an ongoing planting and is meant for notification only.

**COMPANY** : GOLDEN AGRI RESOURCES Ltd  
**SUBSIDIARY (if any)** : PT AGROKARYA PRIMALESTARI  
**RSPO Membership Number** : 1-0096-11-000-00

**Dated 31 March 2011**

### LOCATION OF PROPOSED NEW PLANTING

- Company Name : PT Agrokarya Primalestari
- Location : Kapok Hamlet, Tajur Beras Village, Kawan Batu Village, , Sub-District of Mentaya Hulu, East Kotawaringin District, Province of Central Kalimantan, Indonesia
- Geographical Location : 112°15'26.328" -112°29'42.511"  
1°55'29.523" - 2°6'47.578"
- Surrounding Entities
  - a. North : PT Karya Makmur Sejahtera
  - b. East : PT Karya Makmur Sejahtera
  - c. West : PT Karya Makmur Sejahtera
  - d. South : PT Kridatama lancar
- New Planting Area (planted) : **3,903.16 ha**
- New Planting Area (remaining) : **3,346.11 ha**
- Permit :
- a. Location Permit
  - Decree of the Regent of East Kotawaringin No 613.460.42 dated 3 September 20014 in Sampit covering ± 20,000 ha
  - Decree of the Regent of East Kotawaringin No. 393.400.9.62.02/VII/2010 dated 7 July 2010 regarding location permit for palm oil development in Kapok Village, Tajur Beras Village,

Kawan Batu Village, Sub-District of Mentaya Hulu, East Kotawaringin District, Province of Central Kalimantan covering 2,300 ha including with the distribution of 500 ha for plasma

b. Location Permit Extension

Decree of the Governor of Central Kalimantan No. 188.44/130/2007 dated 23 March 2007 in Palangka Raya for palm oil development covering an area of ± 20,000 ha (valid for 3 years)

c. Plantation Business Licence

Decree of the Governor of Central Kalimantan No. 188.44/130/2007 dated 23 March 2007 covering an area of 20,000 ha in Mentaya Hulu Sub-District, East Kotawaringin District and Central Seruyah Sub-District, Seruyan District, Province of Central Kalimantan

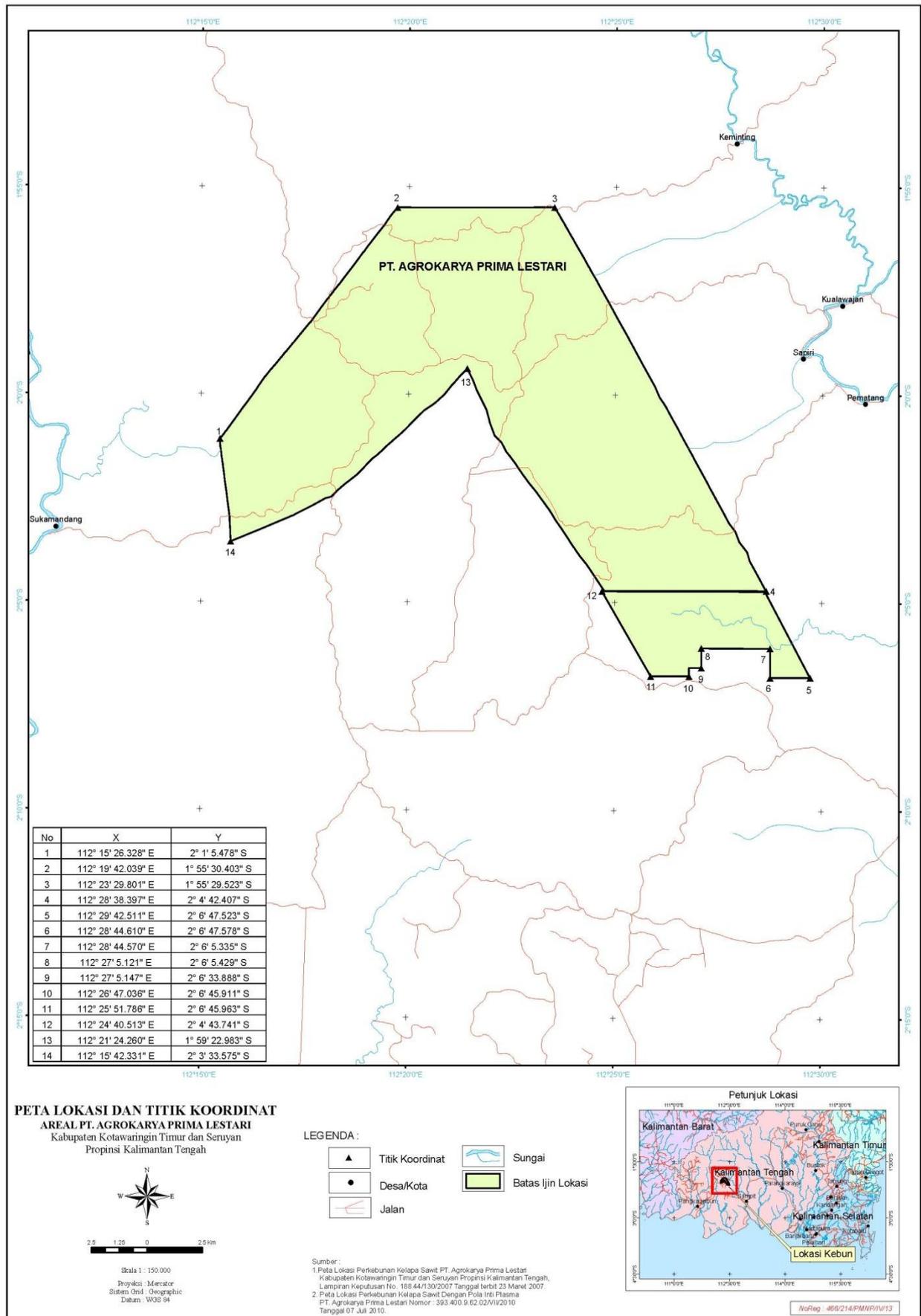
d. Land Use Permit

PT Agrokarya Primalestari is in the process of obtaining the Land Use Permit from the authorities. Evidence of progress includes the Company's extension of its location permit in support of the Land Use Permit application to the Seruyan Regent, East Kotawaringin District by

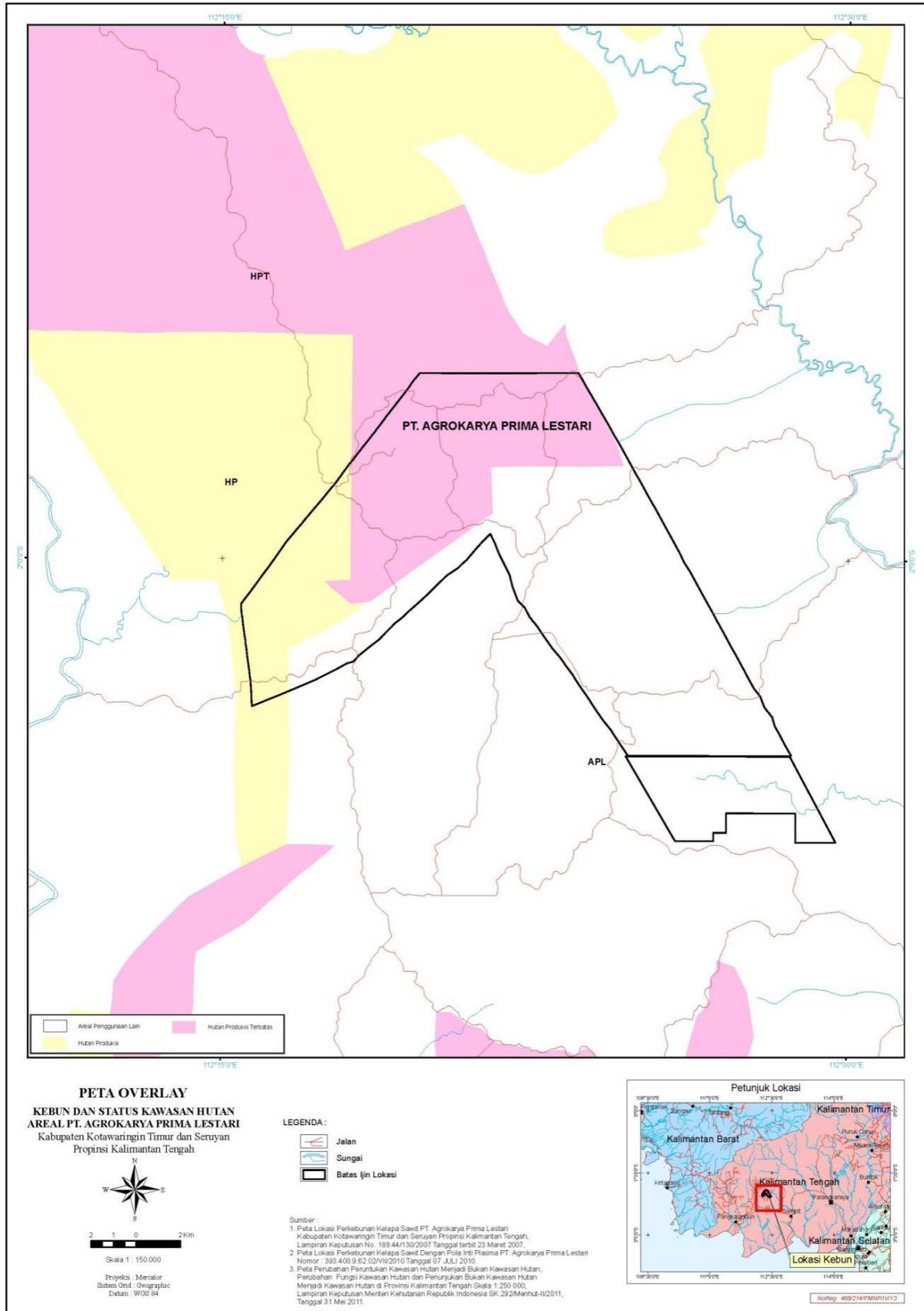
- Application to the Regent of Seruyan No. 08/D&L-AKPL/X/2012 dated 9 October 2012
- Application to the Regent of East Kotawaringin No. 07/D&L-AKPL/X/2012 dated 9 October 2012

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

**Figure 1. Location Map of PT Agrokarya Primalestari in the Districts of Seruyan and East Kotawaringin**



**Figure 2. Overlay Map of PT Agrokarya Primalestari Plantation and Status of Forest Area (regarding legal process of Land Use Permit)**



## SUMMARY OF SEI ASSESSMENT

The Environmental Impact Assessment (EIA) was prepared by PT Geo Dinamika Utama Palangkaraya and approved by Decree of the Governor of Central Kalimantan No. 188.44/184/2007 dated 10 May 2007, concerning the development of a palm oil plantation and processing plant in Mentaya Hulu Sub-District, East Kotawaringin District, Province of Central Kalimantan.

The following methods were used to collect and analyse data:

- a. Reference studies for secondary data collection
- b. Observation and field surveys
- c. Monitoring
- d. Laboratory analyses
- e. Public hearing and focus group discussion

Summary of EIA:

- a. The EIA for the development of palm oil plantation and processing plant was approved by Decree of the Governor of Central Kalimantan No. 188.4/184/2007 dated 10 May 2007, located in Mentaya Hulu Sub-District, East Kotawaringin district, Province of Central Kalimantan. The location permit was issued by Decree of the Regent of East Waringin No. 613.460.42 dated 3 September 2004 for a capacity of 90 tons FFB/hour.
- b. The EIA was prepared by PT Geo Dinamika Utama Palangkaraya of Jl. Suprpto No 7 Palangka Raya with the following team members:
  - Chairman : Drs. Seth Renteng ( EIA A, B, C)
  - Geophysical chemistry expert : Ir. Yansen Noki ( EIA A, C)
  - Biology expert : Anwar Fauzi S.Pi
  - Social, cultural and health expert : Ir. Rajudinnor M,Si (EIA A)
- c. Public consultations were held on 29 July 2006 at the residence of the Penda Durian Village Head and on 28 July 2006 at the residence of the Santiung Village Head and Santilik Village Head.
- d. Terms of Reference for the EIA
- e. The Environmental Management Plan for development of the palm oil plantation and processing plant was approved by Decree of the Governor of Central Kalimantan (Mr. Suparman Sh MSM) No. 188.4/184/2007 dated 10 May 2007.
- f. The executive summary of development of the palm oil plantation and processing plant was approved by Decree of the Governor of Central Kalimantan No. 188.4/184/2007 dated 10 May 2007.
- g. An extension of 2,300 ha including with the distribution of 500 ha for plasma was approved by Decree of the Regent of East Kotawaringin No. 393.400.9.62.02/VII/2010 dated 7 July 2010 covering areas in the villages of Kapok, Tajur Beras and Kawan Batu, Sub-District of Mentaya Hulu, East Kotawaringin District, Province of Central Kalimantan. Land clearing and planting have taken place on 1,610.94 ha, while 689.06 ha remains unplanted. An EIA is not required for unplanted areas but the company must comply with the Document of Environmental Management based on letter No. 660/471/BLH-ADL/VII/2011 dated 10 August 2011.

- h. The Palm Oil Environmental Management Document was approved by the Head of the Environment Agency of East Kotawaringin District by Decree No. 660/04/Rkm/DPLH/BLH/IX/2011 dated 30 September 2011.

The Social Impact Assessment (SIA) for the Company was prepared by an internal team from PT SMART led by sociology expert and RSPO-approved High Conservation Value (HCV) Assessor Yosaphat Ardhilla Renato with the assistance of four other team members.

The methods used in collecting and analysing SIA data included literature review of materials such as the EIA study, HCV identification study and supporting literature such as data from local government websites.

Areas of social impact identified are the villages of Ayawan, Kapok, Tumpang Sapiri, Tumbang Keminting and Pemantang, East Kotawaringin District, Province of Central Kalimantan.

Results of the SEI Assessment for PT Agrokarya Primalestari are below:

No.	Social Impact	Social Issues
1.	Community Perceptions	Involvement of the government, community leaders, and traditional institutions in every activity of land acquisition and at the pre-construction stage.
		Land acquisition activities may trigger a conflict or polemic because of disagreement on land acquisition price.
		Clarity on plasma programme and planned corporate social responsibility programme.
2.	Social Anxieties	Recruitment by companies with respect to local labour quotas should be considered and adapted to the needs of the labour.
		Activities of land acquisition may trigger social conflicts particularly when pricing is different from previously negotiated as well as when ownership of the land is disputed.
3.	Opportunities for Work and Business	Increase in community income compared with before the Company's infrastructure development, whereby the community earns a fixed income through the Company's operations.
		Provide supporting facilities to improve quality life for staff/workers.
		The Company uses particular contractors on a regular basis.
		The company fulfils its responsibilities for employee welfare, competence, rights, etc., through its Occupational Health and Safety programme.
		Emergence of stalls, kiosks and other economic activity

No.	Social Impact	Social Issues
		has increased community income.
4.	Social Unrest	Difference between the number of local and migrant workers hired by the company.
5.	Community Health Disorders	<p>Waste generated by the Company's operations is responsibly reused. Waste classified as B3 is managed properly and in collaboration with third parties.</p> <p>Poor sanitation in the community is due to degradation of environmental quality after land clearing.</p> <p>FFB delivery to the factory often creates dust and pollution which can cause diseases of the upper respiratory tract. The Company makes an effort to reduce such pollution.</p>
6.	Regional Income and Community Income	<p>The Company complies with regulations regarding taxes and licensing.</p> <p>The number of graduates of higher education is increasing, showing the Company's contribution to the community in the study area.</p> <p>The Company provides support for cultural and social activities</p>

## SUMMARY OF HCV ASSESSMENT

HCV identification was conducted by the Research Centre for Bioresources and Biotechnology of the Institute of Research and Community Services, Bogor Agricultural Institute (IPB), from 23 June to 6 July 2010 in the concession area of PT Agrokarya Primalestari. The assessment team consisted of 6 members, of whom three are RSPO-approved HCV Assessors.

Methods of HCV identification followed the reference toolkit for High Conservation Values Area Version 2008. Generally, the HCV assessment and methodology were as follows:

- Mapping and landscape with survey and secondary information
- For flora, interviews, survey and mapping of ecosystems, observation of forest structure, species density or dominance in each ecosystem
- For fauna, rapid assessment, observation, interviews and discussions with stakeholders
- Socio-economic and cultural aspects were covered by interviews, the focus group discussion, Participatory Rural Appraisal, questionnaire, and monographs on customs, culture and relations between community and forest.

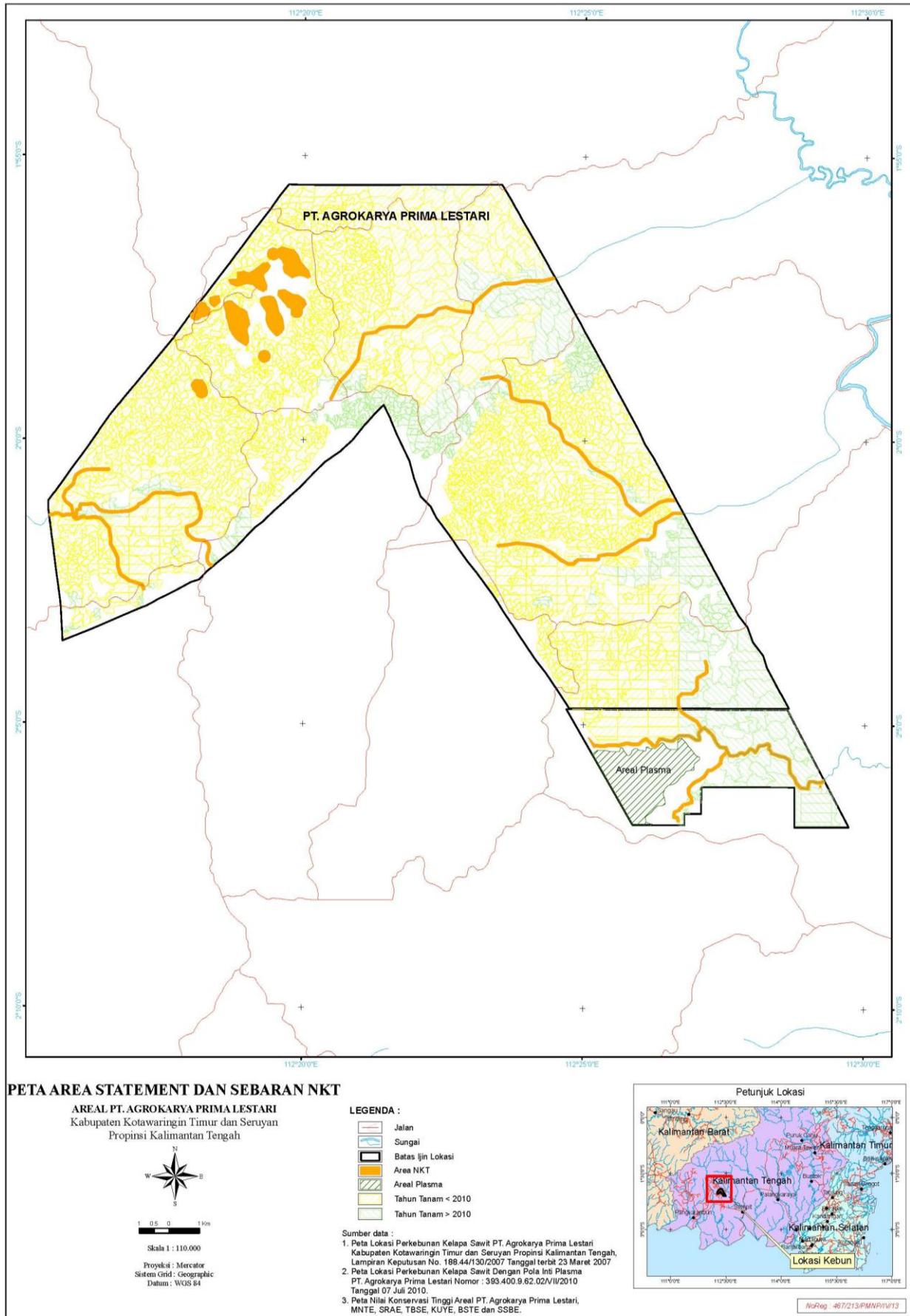
A public consultation held on 5 July 2010 at Sukamandang Village, Central Seruyan Sub-District, Seruyan District, Central Kalimantan, was attended by 48 participants consisting of the Sub-District Head, Village Head, Danramil, police chief, community leaders, religious leaders, estate unit, university representatives, local NGOs and other stakeholders. A peer review of the HCV reports was conducted by independent consultant Resit Sozer in April 2011

Results of the HCV identification in PT Agrokarya Prima Lestari's area are as follows:

No.	KBKT	HCV Attribute	Area (ha)	Description
1	Riparian areas	1.1; 1.3; 1.4; 2.3; 4.1;	106.7	Sekawanbatu River
		1.1; 4.1	34.5	Muarasimpangan River
		1.1; 4.1	125.9	Pemain River
		1.1; 4.1	89.2	Sapiri River
		1.1; 4.1	95.0	Tilep River
		1.1; 1.3; 4.1	33.0	Rege River
		1.1; 4.1	27.8	Ipoh River
		1.1; 4.1	70.2	Sambun River
	<i>Sub-total</i>		582.3	
2	Area with slopes > 40%; Erosion & Sedimentation Control	1.1; 4.2	309.07	Bukit Kemeluh Complex
		1.1; 4.2	29.96	Bukit Susu Complex
		1.1; 4.2	8.67	Bukit Batu
		<i>Sub-total</i>	347.7	
3	Watershed area	1.1; 4.2	1,074.3	Bukit Kemeluh
		1.1; 4.2	80.2	Bukit Batu
		1.1; 4.2	72.2	Bukit Susu
		<i>Sub-total</i>	1,226.6	
4	Spring Water	1.1; 4.1	12.6	Bukit Batu spring
		1.1; 4.1	37.7	Bukit Kemeluh spring
		1.1; 4.1	12.6	Bukit Susu spring

No.	KBKT	HCV Attribute	Area (ha)	Description
	<i>Sub-total</i>		62.8	
5	Tomb	6	0.5	Ipuh Village
	<i>Su- total</i>		0.5	
	<b>Total KBKT</b>		<b>993.3</b>	

**Figure 3. Identification of HCV and Project Plan Area of PT Agrokarya Primaestari**



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

Documentation shows that the Company obtained free, prior and informed consent from the local community that was affected by the development of concession area or the area that has been opened and will be opened (as part of RSPO requirements).

The EIA explained socialisation of community involvement, information and disclosure of information in accordance with the regulations Kep BAPEDAL No 8 of 2000 such as invitation and attendance lists, photographs, minutes and community perceptions. Documentary evidence of all the land acquisition was also made available.

## **SUMMARY OF PLAN**

In addition to the SIA, PT Agrokarya Primalestari has an HCV management master plan for 2010 – 2014. The HCV management plan describes programmes, targets, stages of activities, indicators, HCV location, timeframes, people in charge, executors, supporters and the forms of supporting evidence related to the programmes.

The Environmental Management and Monitoring Plan derived from the EIA explains time-bound measurement of environmental impact against factory and plantation activities. The Company has also prepared a social impact and monitoring plan that identifies social impact type, resource impact, management actions, benchmark, location in the surrounding villages affected, implementation period, executive (PT Agrokarya Primalestari) and supervisor (Mentaya District upstream).

Those three documents are guidance for the management of PT Agrokarya Primalestari in managing the environmental and social aspects in accordance with RSPO Principles & Criteria on New Plantings.

## VERIFICATION STATEMENT

PT Agrokarya Primalestari opted for a document audit. Two auditors from Mutuagung Lestari conducted a desk study and assessment of relevant documents at the audit at the head office in Jakarta from 8 to 9 April 2013 and also held interviews with the management representatives of PT Agrokarya Primalestari (Head of Sustainability, Environmental Department staff and Legal Department staff) during the assessment.

The SEIA (AMDAL) was conducted by the government-accredited consultant, while the SIA and HCV assessments were conducted by RSPO-approved assessors. PT Agrokarya Primalestari has adhered to RSPO New Planting Procedures. Documentation of the assessments and plans is comprehensive and professionally carried out in accordance with RSPO requirements and complies with RSPO Principles and Criteria for new plantings.

This is part of an ongoing planting, and this report is meant for notification only.

Signed on behalf of

**MUTUAGUNG LESTARI**

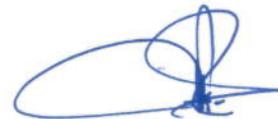


**Oktovianus Rusmin**

Lead Auditor

5 August 2013

**PT AGROKARYA PRIMALESTARI**



**Dr Haskarlianus Pasang**

Division Head of Sustainability

5 August 2013