

# RSPO

## RSPO NOTIFICATION OF PROPOSED NEW PLANTING

*This notification shall be on the RSPO website for 30 days as required by the RSPO procedures for new plantings (<http://www.rspo.org/?q=page/535>). It has also been posted on local on-site notice boards.*

**Date of notification: 21<sup>st</sup> March, 2011**

Tick whichever is appropriate

This is a completely new development and stakeholders may submit comments.

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

**COMPANY: PT Mentari Pratama**

**RSPO Membership No.: 1-0101-11-000-00**

**Location of proposed new planting:** description or maps and GPS coordinates.

Company Name : PT Mentari Pratama

Company Address : Spring tower 01 – 15, Jl. KL. Yos Sudarso, Tanjung Mulia, Medan Deli Kota Medan 20241, Sumatera Utara - Indonesia

Type of business : Oil Palm Plantation & Processing

Status of business land : Consent License (Izin Prinsip) (No 525 / 33 / DPU-TR dated 15<sup>th</sup> January 2010) (size ± 17,700 Ha)

Permitted Area (Izin Lokasi) (No.74 Year 2010 dated 10<sup>th</sup> February 2010) (size ± 17,700 Ha)

AMDAL (SEIA) (Nomor : 93/BLHD/2012 dated 12<sup>th</sup> January 2012)

Environmental Permit (Izin Kelayakan Lingkungan) (No. 93/BLHD/2012, dated 12<sup>th</sup> January 2012)

Plantation Permit (Izin Usaha Perkebunan) (No. 82/DISBUN-D/2012, dated 24<sup>th</sup> February 2012) (size ± 3,954 Ha)

Contact person : Dr. Gan Lian Tiong

# RSPO

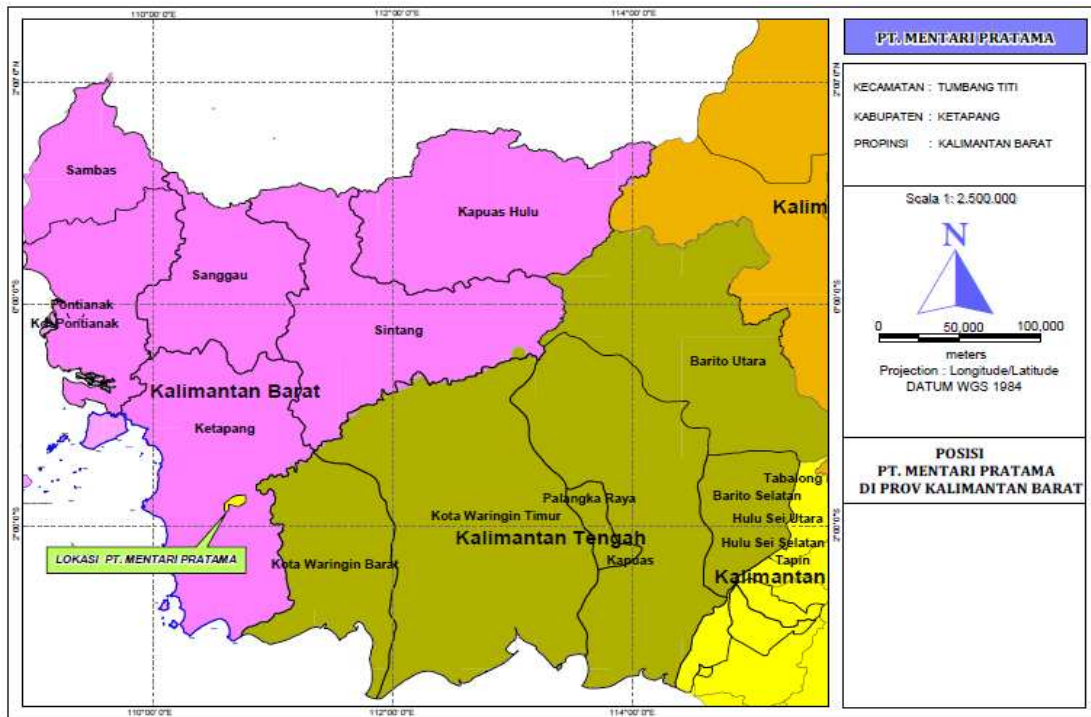
email: [dr\\_ganlt@yahoo.com](mailto:dr_ganlt@yahoo.com)

Location	: Tumbang titi Sub-District Ketapang District West Kalimantan Province See Figure 1, Figure 2, Figure 3, and Figure 4, Figure 5
GPS Reference	: 110°35'17.54" E – 110°42'42.73" E 01°46'51.46" S – 01°52'04.34" S
Region boundaries	North : Limited Production Forest (HPT) and PT Lestari Abadi Perkasa South : Limited Production Forest (HPT) , PT Bekatik Lestari and PT ARRTU Plantation West : PT Lestari Abadi Perkasa and PT Bangun Maya Indah East : Limited Production Forest (HPT)

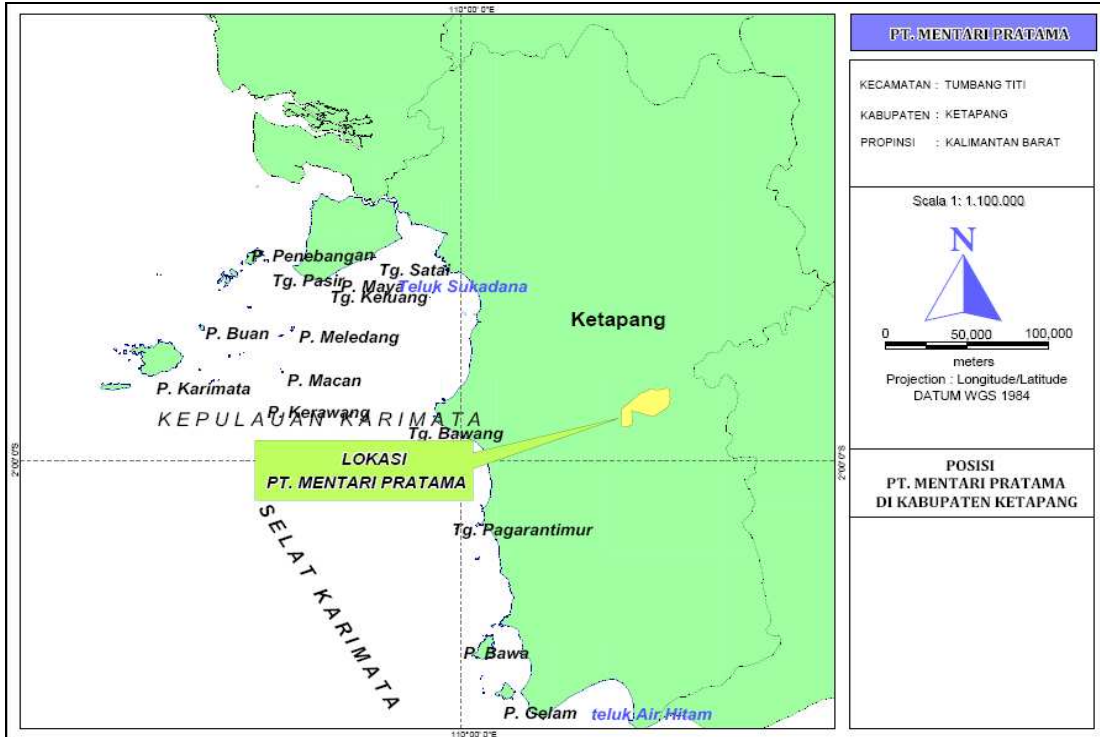


Picture 1. Location of PT Mentari Pratama in Indonesia.

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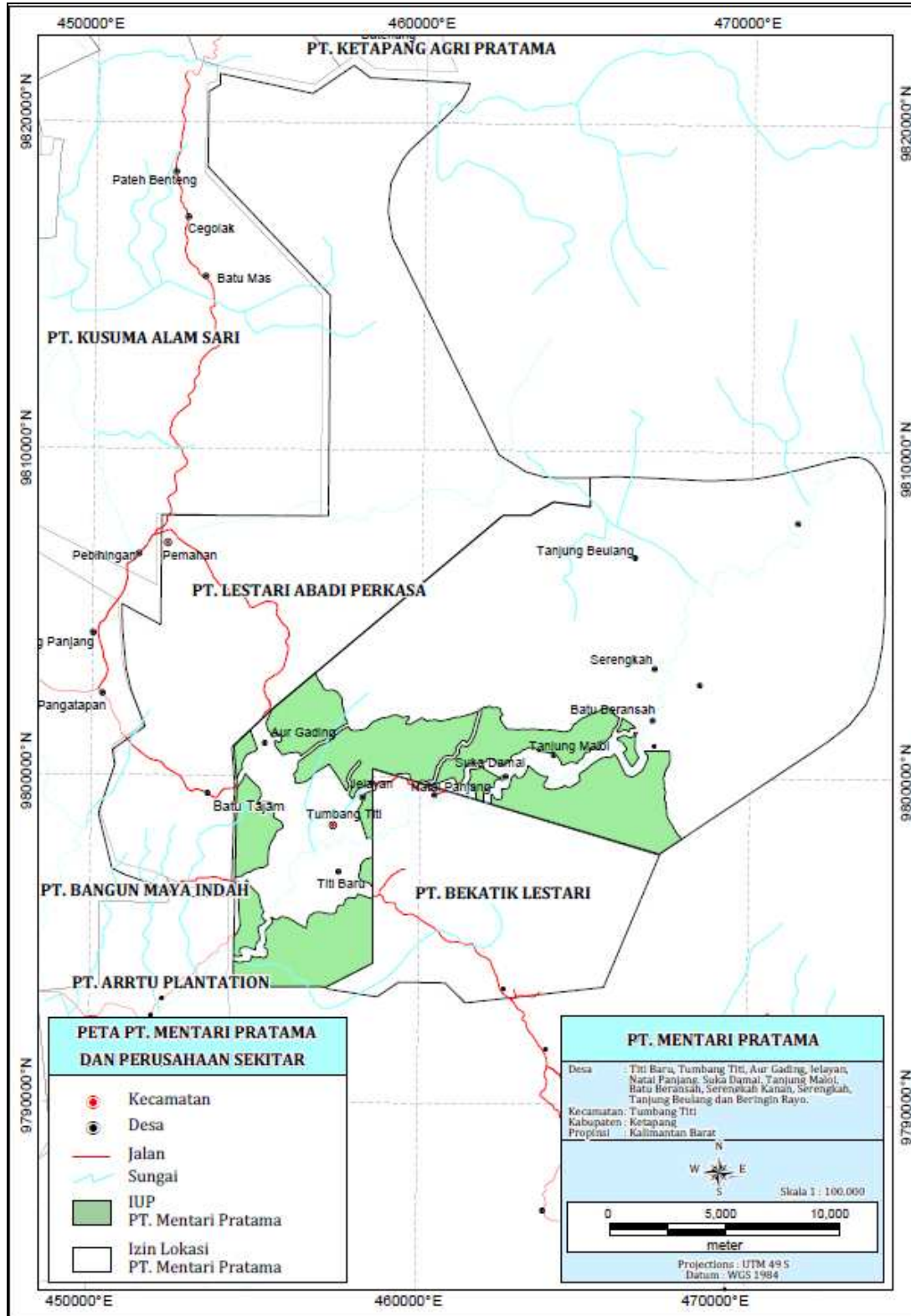


Picture 2. Location of PT Mentari Pratama in West Kalimantan Province



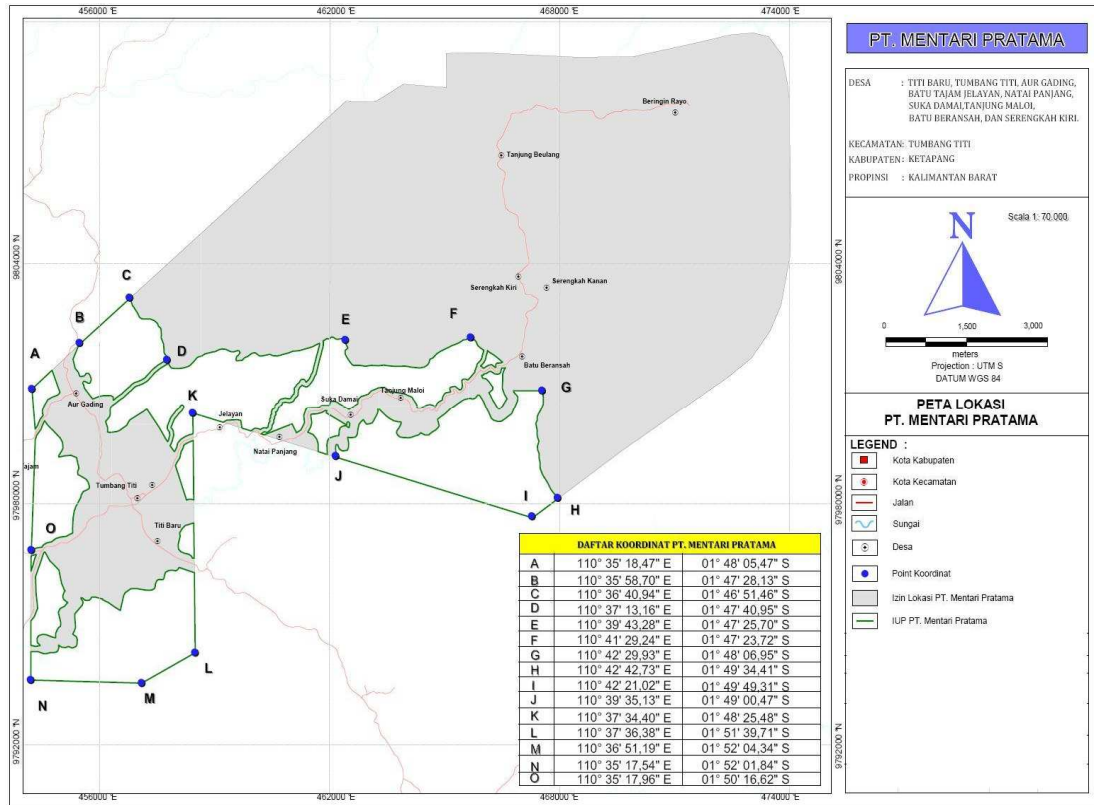
Picture 3. Location of PT Mentari Pratama in Ketapang District

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Picture 4. Location of PT Mentari Pratama and its surrounding entities

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Picture 5. Location Map of PT Mentari Pratama with GPS references

## SUMMARY FROM SEI ASSESSMENTS:

### Assessors and their credentials:

The Social Impact Assessment of PT Mentari Pratama was carried out by Aksenta which is located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: [aksenta@aksenta.com](mailto:aksenta@aksenta.com). The key consultants conducting these assessments have been accredited and approved by RSPO. The team members are:

1. **Dwi R. Muhtaman** ([dwirm@aksenta.com](mailto:dwirm@aksenta.com)), finished his Master Degree in Auburn University, USA. He is now working as the Strategic Social and Environmental Auditor in Aksenta. He has ever been as the consultant in the Center for International Forestry Research (CIFOR) in the project of *Levelling the Playing Field: Fair Partnership for Local Development to Improve the Forest Sustainability in Southeast Asia*. He has ever been worked too as the Technique Adviser for *The Sustainable Supply Chain Linkages Program* in the International Finance Cooperation (IFC), Program for Eastern Indonesia SME Assistance (2005-2006). He is experienced to embrace the issues of forestry policies in the same manner as Chain of Custody (*Lacak balak*) to forest products and done the research in more than 20 wood industry. He has joined in more than 20 assessment's certification between 1996 – 2005 in 17 management of forest concession as the social auditor. Since this last year, he has become the independent auditor to baseline appraisal in some companies that joined into the Nusa Hijau, WWF's programme. At this time, he is active in doing the palm oil assessment (RSPO standards, social and environmental audit) and High Conservation Values areas (HCVF). He is the verifier too to the Café Practice verification program, Scof palm oil. In this activities, He became the team leader to High Conservation Values and Social Impact Assessment.
2. **Sigit Budhi Setyanto** ([sigit@aksenta.com](mailto:sigit@aksenta.com)), He graduated from the Faculty of Agriculture of Universitas Negeri Jember and has been involved in research and has experiences in areas involved with growers and communities development since 1990 (such as, PT Rajawali Corporation Group, PT Bentoel and Philip Morris Inc, Marlboro cigarette product). Sigit become local partner on processing certification Lembaga Ekolabel Indonesia for *Communities Forest Supply Chains Unit* project which is funded from PT Kutai Timber Indonesia (Sumitomo Group), as well as an *Agriculture Marketing Specialist* for an international NGO for *Rural Agro-enterprise Development (RAeD)* program. Since 2004 he has been active as the auditor for *CAFÉ Practice Program* in Indonesia and Papua New Guinea as well as. He is experienced in national and international training on *Sustainable Organic*, "*SCS-Starbucks*" *CAFÉ Practice*, "*Rainforest Alliance*" – *Sustainable Agriculture, Forest Management and Chain of Custody*, as well as "*DOEN- Roundtable Sustainable Palm Oil*. His role in this Social Impact Assessment was as one of the team members focusing on the field of socio-

economic and social development. In Aksenta, he has carried out assessments on “*Socio – Economic study on palm trees in West Pasaman and Sanggau*”, “*Social Impact Assessment*” and “*High Conservation Value Assessment*” for Indonesian Palm Oil Companies. In March, 2010, He obtained the accreditation and approved from RSPO as the *Discipline Specialist* for Social Assessment on palm oil companies. His role in this Social Impact Assessment was as one of the team members focusing on the field of socio-economic and social development. In Aksenta, he has carried out assessments on “*Socio – Economic study on palm trees in West Pasaman and Sanggau*”, “*Social Impact Assessment*” and “*High Conservation Value Assessment*” for Indonesian Palm Oil Companies.

3. **Andri Novi** ([andri.novi@aksenta.com](mailto:andri.novi@aksenta.com)), Graduated from the Arts, with knowledge of culture, arts and linguistics. Specialist on *Participatory Action Research* and *Community Development* and as consultant for *Capacity Building & Regional Development Training Expert* for *Capaciting Community National Programme / Program Nasional Pemberdayaan Masyarakat (PNPM)*. He has done Social Impact Assessment in some corporations palm oil in Indonesia and on year 2010, obtained the accreditation from RSPO as the *Discipline Specialist* for High Conservation Value on social and cultural. Andri Novi participate on process of writing book “*Panduan Menakar Otonomi Komunitas*” which is publish Yappika and writing article with the title is “*Tata Kehutanan Majemuk; Redistribusi Kekayaan Alam Nusantara*” for *Community Forestry Journal*. Else, translating book *Seni Membangun Kapasitas Pelatihan dalam Pengembangan Komuniti Forestry* which is publish RECOFTC. His role in this Social Impact Assessment was as focusing on the field of cultural and social relation, as well as coordination all of activity on the field.
4. **Erizal** ([erizal.bogor@hotmail.com](mailto:erizal.bogor@hotmail.com)), is graduated from Forest Resources Conservation Department, Faculty of Forestry, Bogor Agricultural University. He has the good experienced of work in agriculture, forestry, and the research of biodiversity and social capacity. His activity’s concern is “Bina Desa” with the main activity as the emergence of Kader Pelopor in the Village in “*Pelatihan Tokoh Pelopor Desa*”. This time, he is participating in the social development and he has ever been the trainer related to the business, the development of bamboo handicraft, such as, working together with Non-Timber Forest Product Indonesia Programme, Forest Department of West Java, DPRD of Bogor Regency, and Cirebon City, DPRD of South Sumatera, UKM Ternate and Bogor Agricultural University. Since 2010, He joined in the Social Impact Assessment Team of PT Gagas Dinamiga Aksenta.

## Assessment Methods (Data Sources, Collection, dates, program, and visited places)

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

1. **Participative;** issues identification and information searching were done in participative way. This participative approach enabled of the participants as the subjects in mapping the social issues they are facing, expressing their opinions and ideas, as well as being involved in designing the administration and changing of the issues,
2. **Multiparty;** issues identification and information searching were done in multiparty way by involving related parties directly or indirectly in giving or receiving the impacts,
3. **Rapid and Ex-ante;** issues identification and information searching were done in rapidly and based on the forecast of the changes tendencies that occur rather than the factual and accurate data – as the solution to the Social Impact Assessment approach and time limitation,
4. **Appreciative;** issues identification and information searching were guided positively, not only to find out the gap on the location but also to collect the data about expectations, potentials, and ideas in order to find out solutions and social issues that happened,
5. **Social Learning Cycles;** the social impact assessment is not a linear process which is instantly created but a cycled process which functions as the social learning processes to respond the changes in the environment.

The methods and techniques applied in the Social Impact Assessment were:

1. **Literature Study;** this method was used for the purpose of gathering the understanding on the socio-context and environmental aspect of the location which was evaluated. It was carried out in the early phase-before going to the field and at the result analysis phase (This was described in the SIA report of PT Mentari Pratama, January 2011 by Aksenta),
2. **Dialogue;** this method was used to identify the nature of the relevant parties, identify the potential issues to impact, gathering information about expectations, ideas, and opinions to bring the solutions for the actual issues. The process was carried out through the meetings both in formal and in non-formal sequence with definite topics (Focus Group Discussion),
3. **Field Observation;** this method was used to understand directly the actual facts which will be indicator of the issues and social impact happened,
4. **In-depth Interview;** it was used to get a deeper understanding about the issues. It was done in-depth by interviewing the key socialite who will act as respondents. The criteria



of choosing the respondents were based on the knowledge possessed or their direct experience over the impact or impacts,

5. **Tri Angulations;** the above methods were carried out in integrated way to reciprocally verify the actual issues, opinions, and ideas,
6. **Social Learning Cycle;** the social impact assessment is not a linear process which is instantly created but a cycled process which functions as the social learning processes to respond the changes in the environment.

## **Summary of SEI Findings**

The findings from the AMDAL assessment and SIA study identified both positive and negative impacts from the proposed operational activities of PT Mentari Pratama. The positive impacts of the activities are; the uplift of the local people's financial income, the opening of more job opportunities, and several others whilst the negative impacts that are possible to occur are the threats to the existence of the ecology as well as the potential conflict of workforce, socio-cultural disturbance, and others. The SIA study result by independent consultants from Aksenta who has been accredited and approved by RSPO stated that, in general, the existence of PT Mentari Pratama has a significant social impact to the basic requirement to the social sustainability of local community. Those findings have defined how the company's business management influences the key issues in the respective components of the social sustainability of local community (detail in the SIA report of PT Mentari Pratama Ketapang January 2011 by Aksenta).

The stakeholders mentioned in the context of social impact assessment are those who may affect or being affected by the operation of the oil palm plantations and mills. The Identification of those parties was carried out through a series of Focus Group Discussion (FGD) meetings within the management and local community as well as on site interviews. There is a detail stakeholders consulted during the assessments and this is presented in the report on SIA report of PT Mentari Pratama January 2011 by Aksenta, **Appendix 4**.

## SUMMARY FROM HCV ASSESSMENT(S):

### Assessors and their credentials

The HCV assessment conducted from 6<sup>th</sup> – 15<sup>th</sup> October 2010 in the Permitted Area (Izin Lokasi) of PT Mentari Pratama was carried by Aksenta, located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: [aksenta@aksenta.com](mailto:aksenta@aksenta.com). Key consultants from Aksenta have been accredited and approved by RSPO. The team members are:

- 1. Dwi R. Muhtaman** ([dwirm@aksenta.com](mailto:dwirm@aksenta.com)), finished his Master Degree in Auburn University, USA. He is now working as the Strategic Social and Environmental Auditor in Aksenta. He has ever been as the consultant in the Center for International Forestry Research (CIFOR) in the project of *Levelling the Playing Field: Fair Partnership for Local Development to Improve the Forest Sustainability in Southeast Asia*. He has ever been worked too as the Technique Adviser for *The Sustainable Supply Chain Linkages Program* in the International Finance Cooperation (IFC), Program for Eastern Indonesia SME Assistance (2005-2006). He is experienced to embrace the issues of forestry policies in the same manner as Chain of Custody (*Lacak balak*) to forest products and done the research in more than 20 wood industry. He has joined in more than 20 assessment's certification between 1996 – 2005 in 17 management of forest concession as the social auditor. Since this last year, he has become the independent auditor to baseline x appraisal in some companies that joined into the Nusa Hijau, WWF's programme. At this time, he is active in doing the palm oil assessment (RSPO standards, social and environmental audit) and High Conservation Values areas (HCVF). He is the verifier too to the Café Practice verification program, Scof palm oil. In this activities, Dwi become the team leader to High Conservation Values and Social Impact Assessment.
- 2. Wibowo A Djatmiko** ([bowie@aksenta.com](mailto:bowie@aksenta.com)), He has the capacity and experience in conservation research, wild life management, habitat and population study, wild life ecology (especially on birds and herpetofauna), and forest ecology (including forests resident) researches. He graduated from Bogor Agriculture University in Forestry majoring in the field of biodiversity conservation. He is also involved and attended courses such as Second Asian School for Conservation Biology (SEAMEO BIOTROP – Bogor) and International Training Course on Practical approach to Management of Biodiversity Conservation (Malayan Nature Society, in Kuala Lumpur). He completed his Master Degree in Biology Conservation at Indonesia University. He is well-experienced as an independent consultant: with wild life ecology specialty, AMDAL-forestry analysis (the analysis of environment impact), mining and transmigration, and assessment of eco-global certification for both commercial and traditional forests. He has conducted many HCV assessments for palm oil plantations since 2006, he achieved the RSPO accreditation as *RSPO approved HCV assessor for biodiversity discipline specialist*. In

this HCV assessment for PT Mentari Pratama, his role is to focus and identify the existence of HCV 1, 2, and 3.

3. **Robert H. Sinaga** ([rohansinaga@aksenta.com](mailto:rohansinaga@aksenta.com)), Experience in GIS dan Remote Sensing technic for Conservation Biology and land use issues. Has conducts his research in the quantity of radiation in the forest and energy using by forest with GIS and Remote Sensing technique. He has experience in analysis of land resources and water management. Robert has considerable study of HCV in five palm oil plantations companies in Borneo. In this assesment, he identified for HCV 4 and mapping of HCV areas.
4. **Yunus Bahar** ([yunus\\_bahar@aksenta.com](mailto:yunus_bahar@aksenta.com)), after finished Bachelor proramme in Bogor Agriculture University (IPB) of Meteorology, he believed as teacher of Diploma specialist programme Bogor Agriculture University on Klimatology lecture. Else, he be responsibility of practical work on IPB scholar programme for Meteorology Analystist lecture. The present active become S-2 of Study of Information Technology for Natural Resource Management in Bogor Agriculture University (IPB) which is the only international programme in IPB. In this HCV assessment for PT Mentari Pratama, his role is to focus GIS and mapping, and for analysist of special analysist and HCV mapping.

## **Assessment Methods (Data Sources, Collection, dates, program, and visited places)**

### **HCV Identifying Methods**

The assessment covers the permitted plantation area or the formal area which has already included into the company's project area. It also expanded into villages and other areas which considerably important to the surrounding proposed plantation area. The field survey was conducted in 6<sup>th</sup> – 15<sup>th</sup> October 2010 to check the necessary observed locations (location map of observation spots is presented in HCV report of PT Mentari Pratama Ketapang February 2011 by Aksenta – Figure 2.5 page 2-15). In the process, each observation team was accompanied by the filed staff from the company and local representatives who are familiar with the site. Besides field activities, the team also collected information from the local people through individualistic interviews, Focus Group Discussion (FGD), as well as public consultations (the list of stakeholders in the participative process is presented in HCV report of PT Mentari Pratama Ketapang February 2011 by Aksenta by Aksenta in Appendix 1.c). At the same time, confirmation and cross checking of the findings were carried out with the local people using the technique of purposive sampling – which included the socialites, the enclaves' owners (where existed), and the related interest parties.

The understanding and scope of HCV for the oil palm plantation sector are still referring to the HCVF definitions which apply to the forestry sector. The Identification of High

Conservation Value in Indonesia was developed by the Konsorsium Revisi HCV Toolkit Indonesia (2008) - the toolkit for the revision HCV consortium. Other references are such as IUCN, CITES, and other guidelines as well as the relevant laws of Indonesia were also subjects of consideration. (The summary is presented in HCV report of PT Mentari Pratama Ketapang February 2012 by Aksenta in Appendix 3).

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

The target for HCV 1, 2, and 3 identifying was to find out the areas which have important values in the biological context. Such areas were marked by the location status, the origin of the communities, or the existence of the ecosystem of flora and fauna with high values. The significant values of flora and fauna refer to the status defined by the law, endemics (endemic, limited spread), and scarcity (scarce, facing extinction or almost extinct) was in accordance to the national and international law (IUCN and CITES) which protect such flora and fauna. Moreover, the significance of the value of the wildlife as well as the habitat was also based on the ecology roles from the species and from the cultural and traditional point of view.

The method of inventories was done using reconnaissance survey to analyze the existence of the important flora and fauna. The existence of every fauna was recorded through:

- Direct observation, either through the identification of visual appearance or sound (for both diurnal and nocturnal animals),
- The existence of the marks or residual from the animals' activities in their former habitat (such as tracks, scars on trees, nest, scales, snake skin, bird feathers, or mammal hair, etc.),
- The finding of the residual of animals' body parts (skull, horn, skin, hair, tusk, scales, and other recognized part of the animals' body) which were possibly hunted or caught by the local people in the observed locations. Interviews were carried out to complement the information about the time and location of the hunting activities,
- The secondary information was the existence of the animals which were documented based on external information, such as local people information or the local authorities. The consistency of such information was always monitored through cross checking (check and recheck) with other relevant parties as well as checking the validity of the description on every species of animals from the interviewed people. All information was then matched with the natural distribution and the history of the existence of such species in the locations (as mentioned in the literature references). The data was then compared to the type and condition of the habitat at the time when the survey was done. Any mismatching between the description and their natural distribution zone and habitat, will put the existence of such species in doubt.

## **HVC 4 Identification Methodology**

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

## **HVC 5 and HVC 6 Identification Methodology**

The focus of the HVC 5 assessment was the area inside the plantation which has significant values to fulfill the basic needs of the local community. The focus of the HVC 6 assessment was the area inside the plantation which has the significant values for identification and sustainability of the tradition or culture living of local community. The methods adopted in the assessment of HVC 5 or 6 are:

- Mapping participation of locations containing elements of HVC 5 and 6.
- Interview the local community, either with individual or Focus Group Discussions.
- Ground assesment and analysis.

## **The HCV Assessment Phases**

This HCV assessment is generally carried out through a series of phases such as: Desk Study, Field Survey, Data Analysis, Spatial Analysis of HCV area, and indicative HCV mapping as shown in HCV report of PT Mentari Pratama Ketapang February 2011 by Aksenta in Figure 2.1 page 2-10)

## Summary of HCV Findings

The results of the HCV assessment by independent consultants from Aksenta who has been accredited and approved by RSPO have shown that there is no primary forest in the Permitted Area (Izin Lokasi) of PT Mentari Pratama. The vegetation's cover dominated by the rubber (*Hevea brasiliensis*), agroforestry and paddyfield. Based on The Report of Semi Detail Soil Survey and Palm Oil Suitability Assessment of PT Mentari Pratama 2011 by the consultant (JH – Agriculture Service), indicated that no peatland was found in the Permitted Area (Izin Lokasi).

As for potential HCV areas, five types of HCV were identified by Aksenta; these are HCV 1, HCV 3, HCV 4, HCV 5 and HCV 6 within the Permitted Area (Izin Lokasi) of PT Mentari Pratama. The original HCV area identified was  $\pm 4,642.25$  ha or  $\pm 26.23$  % of the total Permitted Area (Izin Lokasi) in the assessments by Aksenta. The important elements for HCV 1 are the existence of population and tracks of endangered species such as Bornean Agile Gibbon (*Hylobates albibarbis*), Sunda Pangolin (*Manis javanica*), Otter Civet (*Cynogale bennettii*), Bornean Clouded Leopard (*Neofelis diardi* ssp. *borneensis*) and Malayan Sun Bear (*Helarctos malayanus*). The important elements for HCV 3 are Hill Dipterocarp Forest. The important elements for HCV 4 are related to the potential damage from springs, river riparian, firebreaks, and water for agriculture and catchments area. The important elements for HCV 5 are related to basic needs of local communities or the main asset of society. The important elements for HCV 6 are related to the traditional and sacred graveyard. The HCV areas outside the IUP approved areas will be included in the monitoring and socialization plan with the local communities.

## **SUMMARY OF PLANS:**

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

The Consent License (Izin Prinsip) for PT Mentari Pratama was approved on 15<sup>th</sup> January 2010 by the Ketapang Regent decree (Surat Keputusan Bupati Ketapang) No. 525 / 33 / DPU-TR; the total area based on Consent License is  $\pm$  17,700 ha. The Permitted Area (Izin Lokasi) was approved on 10<sup>th</sup> February 2010 by the Ketapang Regent decree (Surat Keputusan Bupati Ketapang) No. 74 Year 2010; the total area based on Permitted Area is  $\pm$  17,700 ha. The Social Environment Impact Assessment (AMDAL) was approved by AMDAL Commission of West Kalimantan Province No. 93/BLHD/2012 dated on 12<sup>th</sup> January 2012, the Environmental Permit (Izin Kelayakan Lingkungan) was approved by Governor of West Kalimantan Province (Surat Keputusan Gubernur Kalimantan Barat) No. 93/BLHD/2012 dated on 12<sup>th</sup> January 2012. The Plantation Permit (Izin Usaha Perkebunan, IUP) was approved on 24<sup>th</sup> February 2012 by the Ketapang Regent decree (Surat Keputusan Bupati) Nomor : 82/DISBUN-D/2012; the total area is  $\pm$  3,954 ha. PT Mentari Pratama will not cultivate these areas in accordance to the wishes of the communities and in accordance with the areas allocated in the IUP. Hence, the company will only carry out the development within the area of IUP.

The findings on both the HCV and SIA by independent consultants from Aksenta who has been accredited and approved by RSPO have been incorporated in the oil palm development plan of PT Mentari Pratama which includes the HCV and SIA management and monitoring plans of PT Mentari Pratama. Development of the HCV and SIA management and monitoring plans was facilitated by Aksenta team through a workshop for the PT Mentari Pratama management and sustainability team conducted from 16<sup>th</sup> - 17<sup>th</sup> January 2012 in PT Agrowiratama - Office Sambas, West Kalimantan. The purpose of the workshop on HCV - SIA management and monitoring program for PT Mentari Pratama was to enable the management team to have a better understanding of the HCV and SIA findings and their related implications so as to provide reference points in developing the operational activities of the company related to the HCV, social managements synergy with the company's development of oil palm plantation. The results of the assessment and the management plans are documented and presented and discussed in a stakeholders' consultation on 19<sup>th</sup> January, 2012 in Ketapang. The feedback from this stakeholders' consultation have also been incorporated into the oil palm development plan as well as the HCV and SIA management plan.

The implementation of the HCV and SIA management & monitoring plans in the field will be implemented by experienced personnel who possessed a high level of dedication of knowledge and special technical skills. Sustainability Staff, Audit & Certification (A&C) Staff, with the assistance of the Public Relation (Humas) Team, stationed at the location, will provide support in these activities. The Estate Manager is directly responsible on the

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

### **Stakeholders to be involved**

The process of the HCV and SIA development and preparation of management plans and monitoring PT Mentari Pratama also involved relevant stakeholders such as governmental offices (Natural Resource Conservation Department - BKSDA), The Plantation Office, The Forestry Office, The Office for Environment - BLH), local communities, the government of local village and Sub-District, Army Department (KORAMIL), The local NGOs and the local existed companies.

Consultation with the relevant stakeholders to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT Mentari Pratama and the workers, contractors, suppliers, smallholders (plasma), consumers, government agencies and communities to move forward for the benefit and common progress. This is also part of the process of free, prior and informed consent procedures to ensure that there is a balance in the social and environmental harmony in the development of the oil palm planting project between PT Mentari Pratama and the local communities, the relevant government agencies, concerned stakeholders, NGOs etc.

The Stakeholders’ Consultation was held on 19<sup>th</sup> January, 2012 in the Ketapang District, West Kalimantan (agenda consultative meeting are presented in **Appendix 1**). This stakeholder consultation was held simultaneously with PT Lestari Abadi Perkasa’s stakeholder consultation as most stakeholders are common to both PTs *al beit* different participants from villages around the respective PTs were present in the respective session that affect them. Both PT Mentari Pratama and PT Lestari Abadi Perkasa are managed by same GM and adhere to the RSPO New Planting Procedures. There were 71 participants present during this consultation meeting. The details of the Stakeholders’ Consultation is presented in the Report of Stakeholders Consultation PT Mentari Pratama, January 2012. The summary of the consultation with highlights of key suggestions from the consultation on HCV, SIA, and RSPO P&C are as follow:



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1. The number of stakeholder consultation participants that conduct by PT Mentari Pratama at 19<sup>th</sup> January, 2012 in Ketapang District - West Kalimantan Province are 71 participants, consisting of:

<b>Organization</b>	<b>No. of participants</b>
Government Agencies, are: Region I BKSDA West Kalimantan (2 participants), KLH Ketapang District (1 participants), DISHUT Ketapang District (2 participants), DISBUN Ketapang District (2 participants), BP-DAS Kapuas (1 participant), KORAMIL (1 participants), DANRAMIL (1 participants), Polhut (1 participant), Tumbang Titi Polek (1 participant).	12
Representatives from villages around (subdistrict head, village head, community leaders)	34
Non-Governmental Organization (NGO), consist of: Forum Hutan Desa (4 participant), Ketapang SKU Demokratis (1 participant), Flora Fauna Indonesia (2 participant), Yayasan International Animal Rescue Indonesia (1 participant), USAID IFACS / The U.S. Agency for International Development Indonesian Forest and Climate Support (1 participant), Yayasan Palung (1 participant)	10
Company around, such as PT Sinarmas and PT Poliplant (Both Company of oil palm plantation)	2
Mass Media, such as Pontianak Post (1 participant) and kalbar-online.com (1 participant)	2
HCV / SIA Assessor	5
Management PT Mentari Pratama	6
<b>Total</b>	<b>71</b>

2. The following subject matters were presented to the stakeholder during the Stakeholders' Meeting:
- a) BKSDA Seksi Konservasi Wil. I Ketapang District, explanations about government policy concerned with management of conservation area. Explanations about government policies with management of conservation area, such as UU No. 5 Year 1990 about Natural Resources of Conservation and Ecosystem, Region Regulation, Common Law / local wisdom and International regulation.
  - b) Kantor Lingkungan Hidup Ketapang District, government regulation about Social Environment Impact Assessment (AMDAL). Explanations about environment policy and information about The Letter from Regent of Ketapang No. 660/0769/KLH-B about implementation oil palm plantation with sustainable and environment development concept on dated 29<sup>th</sup> March 2011.
  - c) BP-DAS Kapuas, government policy and regulation about management of rivers area and border of beach. Explanation of fundamental laws management of rivers area and border of beach, understanding of DAS and border of beach and land suitable for oil palm plantation.

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d) Explanation from consultant Aksenta about HCV and SIA Identification in PT Mentari Pratama. Size of HCV and social issues and then management and monitoring plan HCV and SIA in PT Mentari Pratama.

3. Key Issues raised for discussion during the Stakeholders' Meeting include:

Important issues that are related to sustainable development of oil palm plantations in Mentari Pratama, Ketapang District, West Kalimantan Province in stakeholder consultation activities, are:

- 1) Socialization activity need to be continuously carried out in transparent way, so that local communities are aware of the overall development plan of PT Mentari Pratama.
- 2) Land acquisition (and compensation) procedure are to be carried out with FPIC, When any problems occur, it must be settled with agreement of parties concerned.
- 3) Local community in Permitted Area of PT Mentari Pratama hoped that the development of palm oil plantation will bring positive impacts and minimize negative impacts from palm oil plantation on development of environment (HCV), social (SIA) and AMDAL aspects.
- 4) Village community in Permitted Area of PT Mentari Pratama hoped that the company be managed in good way and in accordance with RSPO P&C as the sustainable palm oil plantation and maintain good coordination among the stakeholders (company, community, NGO and government).

Summary of the questions and answers during the stakeholder consultation process are as follows (**Table 5**):

**Table 5** Stakeholder Consultations – PT Mentari Pratama (PT MP), Aston Hotel - Ketapang, Thursday, 19<sup>th</sup> January, 2012.

No.	Participant's Name	Agency / Village	Suggestion/Question	Answer/Opinion
1.	Yulita S	Head of Village Batu Mas	Need to carry out socialization by authority regarding wild life protection law to the local community. This is because the local community only realize the above mentioned law after this stakeholder consultation	<b>BKSDA Reg. I Ketapang-District :</b> a. We had carried out socialization on wildlife protection law and regulation by radio broadcasting; cooperate with NGO FFI (Flora Fauna Indonesia) to carry out socialization in some sub-districts. BKSDA will continue to carry to carry out the socialization to village

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				<p>level with other media such as literature and leaflet.</p> <p>b. Village authority hoped that the villages heads will contribute in socialize the above-mentioned law to the villagers.</p>
			The company is required to look into the wisdom of local community during the process of SEIA compliance.	<p><b>PT MP:</b> The company committed in managing and monitoring environment and social issue according to SEIA report and HCV &amp; SIA identification reports by independent consultant (Aksenta).</p>
2.	S. Angkah	DAD – Dayak Custom of Council (Dewan Adat Dayak), Pemahan Sub-District	Need to carry out socialization about palm oil plantation; whether will bring harmony to the local community.	<p><b>PT MP:</b> The company will intensify the socialization activity.</p>
3.	B. Icat	Head of Batu Beransah Sub-Village	To hope that the company will intensify the socialization activity and land release will be carried out with the approval of the land owner.	<p><b>PT MP:</b> The company will intensify the socialization activity.</p>
4.	Alipius, S.E	Head of DAD – Dayak Custom of Council (Dewan Adat Dayak), Tumbang Titi	Concerning HCV (high conservation value) area which was called by local community as ‘village’s forest’ (hutan desa) to be managed in synergy manner.	<p><b>BKSDA Reg. I Ketapang- District:</b> The company should carry out HCV and SEIA management activity in the ‘Village’s forest’ (hutan desa) in synergy manner.</p>
5.	Y. Jatnur Poyong	Head of Tanjung Beulang Village	HCV management by the company was evaluated not effective. Because he worried the HCV area will be developed into oil palm plantation in long term.	<p><b>BKSDA Reg. I Ketapang- District:</b> If HCV area which managed by the company has caused the extinction of certain species, the RSPO and ISPO certificate will be cancelled internationally</p>

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				and nationally. This will create negative impact to the company economically.
			Why can the oil palm company obtain the permit from the government?	<b>KLH Ketapang-District:</b> Palm Oil is a commodity and investment which can create new job opportunity to the locals. Palm oil is also a more profitable stock community compared to others.
6.	Leo Y. Akock B	Member of FHD – Village Forest Forum, Ketapang	Has all village heads within the Permitted Area can accepted with 80:20 small holders system?	<b>Antonius A – Head of Serengkah Kanan Village:</b> Serengkah Kanan Village were not ready to accept the company during their last meeting.
7.	N. Erpan	Socialite of Serengkah Kanan Village	Concerning the law of DAS management, palm oil plantations normally will not pay attention on sub-river existence.	<b>BP-DAS Kapuas:</b> Every company is obliged to adhere the law in their management system.
			Explain the meaning of “based on the survey result by Aksenta, there are acceptances obtained from local community.” The reasons of refusal by local community Serengkah Kanan Village were not baseless but were the result of prior discussion.	<b>Andri Novi – Aksenta:</b> The meaning of acceptance was actually referring to acceptance of local community to carry out the survey activity by Aksenta instead of acceptance to release the land by local community.

## **SIA Management Plan**

PT Mentari Pratama has developed the plans for the conservation impacts and social impacts as the operational efforts on social and conservation mitigation. The SIA development and preparation of management & monitoring plans for PT Mentari Pratama was mainly based on the SIA Assessment result administered in 6<sup>th</sup> – 15<sup>th</sup> October 2010, in corporate with the Aksenta; consultant accredited and approved by RSPO and the Social Environment Impact Assessment (AMDAL) was approved by AMDAL Commission of West Kalimantan Province, No 93/BLHD/2012 dated on 12<sup>th</sup> January 2012, in principle, referred to the related laws in Indonesia.

The steps taken in the HCV and SIA development and preparation of management & monitoring plans were:

1. Determining the strategic issues i.e. land acquisition for plantation, public facilities, environment condition, Health condition, welfare, and company's communications with the local people,
2. Determining the purposes and desired final condition of the project (vision, practical vision, end-state),
3. Determining targets and objectives to achieve, creating the strategy map to achieve the desired outcome,
4. Identifying the must-do initiatives to achieve the determined targets,
5. Identifying the competency reinforcement for human resources and the supply of the infrastructures so that the implementation of the process can be achieved effectively,
6. Determining effective monitoring activities to analyze the dynamic state of every indicator in order to assess the progress of target – achievement.

The steps taken in the HCV and SIA development and preparation of management & monitoring plans were:

1. Determining the strategic issues i.e. land acquisition for plantation, public facilities, environment condition, Health condition, welfare, and company's communications with the local people,
2. Determining the purposes and desired final condition of the project (vision, practical vision, end-state),
3. Determining targets and objectives to achieve, creating the strategy map to achieve the desired outcome,
4. Identifying the must-do initiatives to achieve the determined targets,

5. Identifying the competency reinforcement for human resources and the supply of the infrastructures so that the implementation of the process can be achieved effectively,
6. Determining effective monitoring activities to analyze the dynamic state of every indicator in order to assess the progress of target – achievement.

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

**1. The Management Plans of PT Mentari Pratama, Land Acquisition (and Compensation) Program**

The scope for this management and monitoring included the process of land acquisition and land compensation which referred to the principles of Free, Prior and Informed Consent (FPIC) such as: a) The policy and procedure for land acquisition and compensation in socialization and implementation, b) Partner system of development palm oil and land acquisition procedure is socialized.

**2. The Management Plans of PT Mentari Pratama, Participation on Human Resource increasing in Company**

The scope for this management and monitoring included the participation of the company in increasing the human resource such as; a) encourage local people which is poor in economic for continuing education until college with scholarship program, b) participated in increase the achieving of basic education and c) giving the opportunity to senior High School of Vocational for (*Praktek Kerja Lapangan*).

**3. The Management Plans of PT Mentari Pratama, Participation of Company in Increasing Local Economic**

The scope for this management and monitoring included: a) build smallholder scheme, b) receive local people as workers accord with the needed of the company, and c) opening opportunity of corporation for contractor and local supplier accord with standard and quality desirable of company.

**4. The Management Plans of PT Mentari Pratama, Reinforcement of Communication and Social Relation of Company**

The scope for this management and monitoring included interlacing of harmonic communication with people in a continuous manner.

**5. The Management Plans of PT Mentari Pratama, Participation of Company in Increasing Health People Quality**

The scope for this management and monitoring included the corporation with official concerned which is maintenance and increasing environment quality.

**6. The Management Plans of PT Mentari Pratama, Increasing Infrastructure and Environment**

The scope for this management and monitoring included: a) participation of increasing public facility which is giving easy of company and peoples, b) management and monitoring of the water quality, soil and air, c) arranging of environmental management & monitoring plans (*Rencana Pengelolaan Lingkungan, RKL – Rencana Pemantauan Lingkungan, RPL*) and d) survey of people perception with environment condition.

## **HCV Management Plan**

The HCV development and preparation of management & monitoring plans was based on the result of the HCV assessment which was administered in 6<sup>th</sup> – 15<sup>th</sup> October 2010 by independent consultants from Aksenta who has been accredited and approved by RSPO. The HCV development and preparation of management & monitoring plans was implemented with the aim to provide guideline for the company in planning and management of its programs or activities in managing the HCV present within the concession area. The purpose was to enable all the available resources to be focused, integrated and effective in order to achieve the HCV management outcome. The purposes of this management and monitoring document were:

- 1) To ensure that the identified and assigned HCV areas are under protection and in a well managed state so that their HCV functions are well preserved.
- 2) To enhance the administration of the management and monitoring in the sense that the process carried out is more systematically according to the legal procedures.

The process of the HCV preparation of management plans and monitoring for PT Mentari Pratama was based on the structure of strategy mapping (**Picture 6**). In strategy map, the processes were all focused on three fields under the management and responsibility of the plantation management 1) Stakeholders, 2) Operation, 3) People & Resources.

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

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

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



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

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

1. Identification, documentation and recondition of baseline HCV elements and that threats.
2. Socialization to local peoples and people around the HCV area about the existence and importance of protecting HCV areas.
3. Develop dialogue and facilitate people for make like-minded of HCV management.
4. Dialogue with stakeholders, especially government for increasing protecting HCV elements and areas.
5. Monitoring of land clearing activity.
6. Measuring fluctuation activity of water level on rainy season and dry season as *baseline* in rivers which has the important function as the catchment areas.
7. Avoid/minimizing superficial of river with GAP (Group Agriculture Policy) which is land clearing until maintenance and harvesting.
8. Recondition and making the policy and procedure (SOP) which is supporting efectivity HCV management.

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

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

1. The sustainability of the local habitats is reserved.
2. The existence of the key animals in the area is reserved.
3. Refuge condition of wildlife (refugum) are controlled and connectivity.
4. The river banks function as the hydrological buffer (the protection for water cycle), ecology (the protection for wildlife species).
5. The erosion state is well minimized.
6. Spring water reserved.
7. Conserve water catchments areas.
8. The reverence of the human rights.
9. The existence of the local spiritual sites are well preserved.

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PT Mentari Pratama's development plan has incorporated the findings from SEIA (AMDAL), HCV Assessments and Social Impact Assessments by Aksenta as described above when implementing the operational plans. Management plans for HCV areas and management plans for handling social impacts have been drawn up. The total area located in the Plantation Permit (Izin Usaha Perkebunan, IUP) of PT Mentari Pratama is  $\pm 3,954$  ha. The HCV management plan has been developed for these areas. The net area for cultivation of oil palm is  $\pm 3,000$  ha. The balance areas left out of oil palm planting are  $\pm 491$  ha of HCV areas and others (enclave, building, nursery, etc) is  $\pm 463$  ha. Of the total planted area of  $\pm 3,000$  ha, 20 % of the land (or  $\pm 600$  ha) will be allocated to development of smallholder cooperative scheme. The other 80 % of planted areas (or  $\pm 2,400$  ha) will be under the estates or *inti*. In accordance with the operational management of PT Mentari Pratama land development will commence in year 2012.

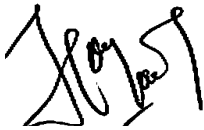
As part of the process of free, prior and informed consent (FPIC), procedures to ensure that there is participation in the social and environmental harmony in the development of the oil palm planting project by PT Mentari Pratama, consultation with the relevant stakeholders is to provide opportunities for communication and sharing the informations/opinion/suggestions between the PT Mentari Pratama and the the affected stakeholders to move forward for the benefit and common progress. PT Mentari Pratama has established standard operating procedures for land acquisition and compensation procedures based on the principle of free, prior and informed consent. The company also has established the complaint and grievance procedures so that the problem solving process is done through discussion and mutual deliberation. PT Mentari Pratama will abide by the requirements in accordance of the Decree of the Minister of Forestry No: P.14/Menhut-II/2011, 10<sup>th</sup> March 2011 before commencing land clearing. The company will inform in writing to the Forestry Department of Ketapang District for assessment of the area on the requirements of the Wood Utilization Permit (Izin Pemanfaatan Kayu).

## VERIFICATION STATEMENT:

The company opted for a document audit. Control Union Certifications auditors conducted desk study, pre-assessment check, discussions with the management team including the Head of Sustainability, Regional General Manager, Public Relations (Humas) Manager before the main document audit. During the main document audit, two Control Union auditors were present with the management team of PT Mentari Pratama at their head office in Medan on 20<sup>th</sup> – 21<sup>st</sup> March 2012 to verify and review the relevant documents including interviewing the management team members. PT Mentari Pratama has adhered to the RSPO New Planting Procedures and has documented the assessments and plans according to the RSPO templates issued in May, 2010. The social and environmental assessments were detail, comprehensive and professionally carried out. The management plan has included the findings of the SEIA (AMDAL) conducted by the government approved consultants as well as incorporating the HCV and SIA assessments findings by consultants accredited and approved by the RSPO.

Control Union Certifications confirmed that the assessment and plans are comprehensive, professional and compliant of RSPO principles, criteria and indicators. It is the opinion of the Control Union Certifications auditors that PT Mentari Pratama has complied with the RSPO New Planting Procedures enforced on 1<sup>st</sup> January, 2010.

Signed on behalf of Control Union Certifications



Haeruddin  
Lead Auditor  
Date: 21<sup>st</sup> March 2012

Signed on behalf of PT Mentari Pratama



Dr Gan Lian Tiong  
Head of Sustainability Department  
Date: 21<sup>st</sup> March 2012