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Summary Report of SEIA and HCV Assessments PT Sukajadi Sawit Mekar Kotawaringin Timur District, Central Kalimantan Province

Executive Summary

This Executive Summary fulfills the RSPO New Planting Procedures Format “Summary Report of SEIA and HCV Assessment” (RSPO latest revision of 5th May 2010).

PT Sukajadi Sawit Mekar (PT SSM) is an oil palm plantation situated in Sebabi Village, Tanah Putih Village, and Kenyala Village, Kota Besi Sub District, Kotawaringin Timur District, Central Kalimantan Province. PT SSM which has been registered as RSPO member, committed to develop a sustainable palm oil management system. The total area of 19,802.344 ha based on The Land Use Title (Hak Guna Usaha) Number 12 dated on 16 October 1999 (7,416.074 ha) and Number 27 dated on 28 April 2005 (12,386.27 ha). The Permitted Area (Izin Lokasi) was approved by the National Land Bureau (Kantor Pertanahan) Kotawaringin Timur District No 1068.460.42 dated on 10 October 1994 (size ±15,000 ha) and Kotawaringin Timur Regent Decree No 193.460.42 dated on 12 March 2004 (size ± 16,300 ha). Plantation Business Permit (SPUP) was approved by Directorate General of Plantation-Department of Agriculture (Dirjen Bina Produksi Perkebunan Departemenen Pertanian) No. HK.350/70/DJ.BUN.5/II/2002 dated 18 February 2002 for size area 7,416.074 ha and Plantation Business Permit (IUP) for area 12,386.27 ha was approved by Kotawaringin Timur Regent Decree (Surat Keputusan Bupati Kotawaringin Timur) No 525.26/38/I/EKBANG/2005 dated on 19 January 2005.

PT SSM is committed to develop a sustainable palm oil management system and was RSPO certified on 28th August 2010. As part of a sustainable palm oil management, PT SSM has conducted the Social Environment Impact Assessment (AMDAL), High Conservation Value (HCV) identification and Social Impact Assessment (SIA). HCV assessment in PT SSM was conducted in June/July 2007 using HCV Toolkit 2003, and more details survey and comprehensive HCV Assessment was conducted by Aksenta in May 2008 and in February 2015 reassessment HCV including land use change analysis (LUCA) was conducted by aksenta, the team leader from Aksenta have been licensed by the HCV Assessor Licensing Scheme (Provisional ALS15026PN). In addition, land cover and planting assessment was conducted in June/July 2007 using satellite data, field assessment and verification with the FPIC document for land use right compensation. The land use change and green house gases emission (GHG) analysis is updated using RSPO Carbon Assessment Tool for New Oil Palm

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Planting dated December 2014. The latter report will be submitted to the RSPO Emission Reduction Working Group separately as per RSPO requirements.

Based on HCV and land cover assessments and land use change analysis there was no primary forest in the HGU of PT SSM based on 2005 Landsat satellite imagery. Almost the entire land consisted of previously cultivated, shrub land and open land areas. The summary of results from HCV assessments within the PT SSM concession by HCV Assessor Licensing Scheme (Provisional ALS15026PN) showed four out of six high conservation values (or HCV) areas, namely HCV 1, HCV 3, HCV 4, HCV 6 are present in PT SSM concession. The important element of HCV 1 is significant concentrations of species RTE (*Orlitia borneensis*, *Amyda cartialginea* and *Cuora amboninensi*) at regional level and corridor of Sun Bear (*Helarctos malayanus*). The important element of HCV 3 is ecosystem of peat swap forest. The HCV 4 related with basic ecosystem for significant erosion control area. Lastly, HCV 6 is identified by places designated as sacred by the community which are found scattered within the concession.

In general, the positive impact created by the presence of the company also has consequent social negative impacts. The direct impacts are local manpower absorption and new business opportunities. The indirect positive impacts are: job opportunities, improved education facilities and health services resulting in better education and health quality. The potential negative social impact is related to the company's operations such as, the rivers which are used by the village communities may be polluted by the company's activities. Nevertheless, the outcomes of Social Impact Assessment are aimed at supporting the functions of production sustainability. The social circumstances in which the operations of company are related to stakeholders have been interpreted as part of integration and the success of company in has contributed and there is mechanism of control over possible impacts.

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Scope of SEIA and HCV Assessment

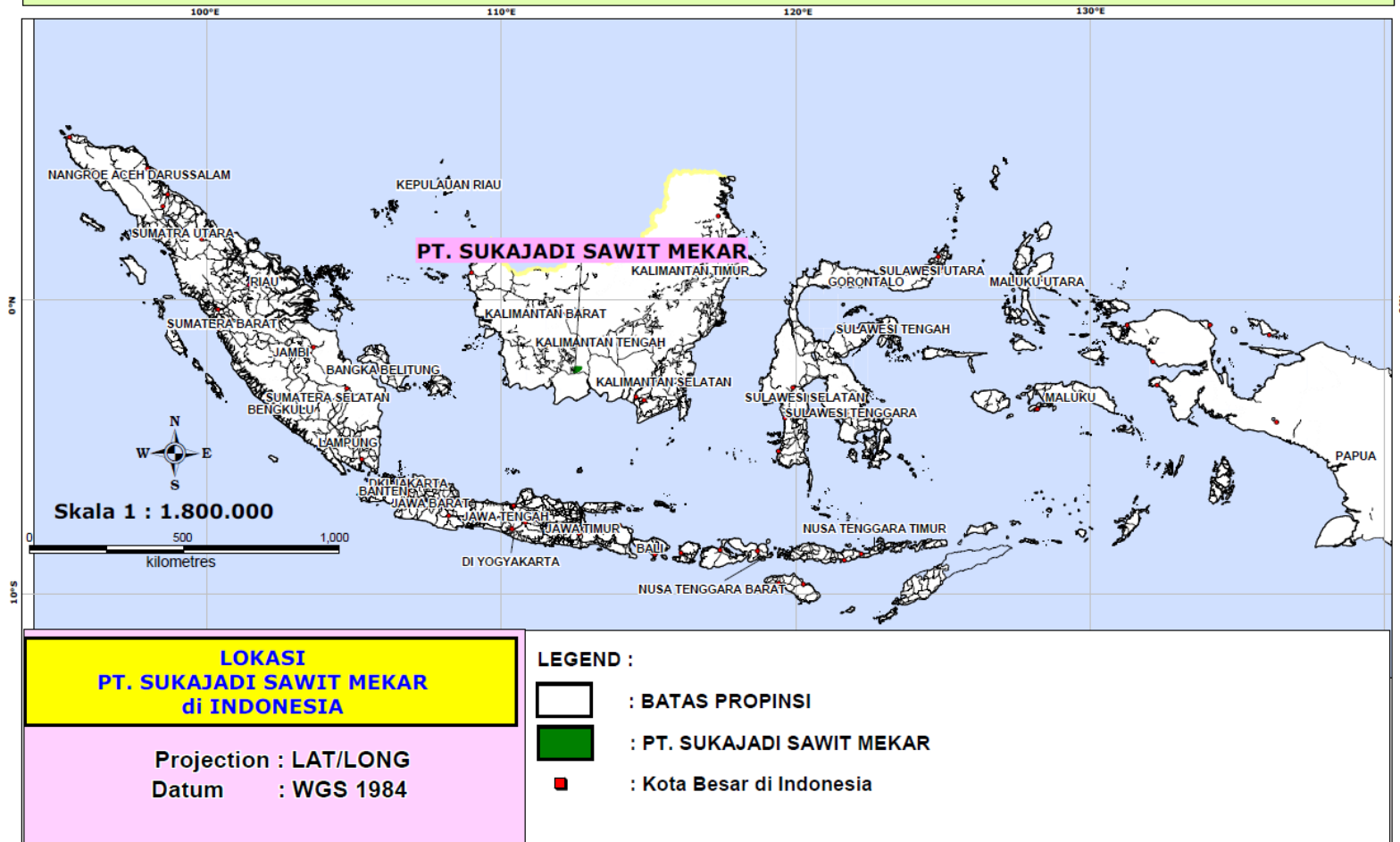
General Data of the Company

Company Name	:	PT Sukajadi Sawit Mekar
Deed of Establishment	:	No 108 date on 25 January 1994 (Notary H. Asmawel Amin, SH)
Deed of Minutes Meeting	:	No 12 date on 4 th July 2009 (Notary Eddy Simin, SH)
Capital Status	:	Foreign Investment (<i>Penanaman Modal Asing</i> , PMA)
Taxpayer Notification Number	:	01.576.555.5-123.000
Company Address	:	Spring Tower 06 - 62, Jl. K. L. Yos Sudarso Km. 7.8 Tanjung Mulia, Medan Deli Medan 20241 Sumatera Utara
Type of business	:	Oil Palm Plantation & Processing
Status of concession land	:	Plantation Business Permit (SPUP No HK.350/70/DJ.BUN.5/II/2002 dated on 18 February 2002, size 7,416.074 ha; new permit: 188.45/292/Hul.Ek.SDA/2014 Dated on 25 July 2014). Plantation Business Permit (IUP No 525.26/38/I/EKBANG/2005 dated on 19 January 2005, size 12,386.27 ha: new permit: 188.45/294/Huk.Ek.SDA/2014 Dated on 25 July 2014) Land Use Title (HGU) No 12 dated on 16 October 1999, size 7,416.074 ha and HGU No 27 dated on 28 April 2005 size 12,386.27 ha SEIA (AMDAL) No. 42/Komisi-Kotim/X/2005 dated on 28 October 2005
Contact person	:	Venu Gopal (General Manager)
Geographical Location	:	See Picture 1, Picture 2, Picture 3 and Picture 4
Surrounding Entities	:	PT. SSM plantation borders with other entities: Golden Mines (PETI), PT. Feron (Mining), PT. Mustika Sembuluh, PT. Maju Aneka Sawit, PT. Bumi Palm, PT. Karunia Kencana Permai Sejati, and KUD. Sinar Intan. The land use around PT. SSM is dominated by palm oil plantations and mining company.

The scope of Social and Environment Impact Assessment of PT SSM covers the local social entities within total area of 19,802.344 ha based on The Land Use Title (Hak Guna Usaha) Number 12 dated on 16 October 1999 (7,416.074 ha) and Number 27 dated on 28 April 2005 (12,386.27 ha). Thus, the High Conservation Value assessment covers the total area 19,802.344 ha or formal area boundary into an area of corporate governance. The HCV assessment also covers landscape level including areas outside the HGU expanded into villages and surrounding areas which is of considerable importance for assessment of HCV values. Potential areas for oil palm plantings as corporate social responsibility (CSR) projects in villages in the vicinity outside of the HGU when opportunity arises are included.

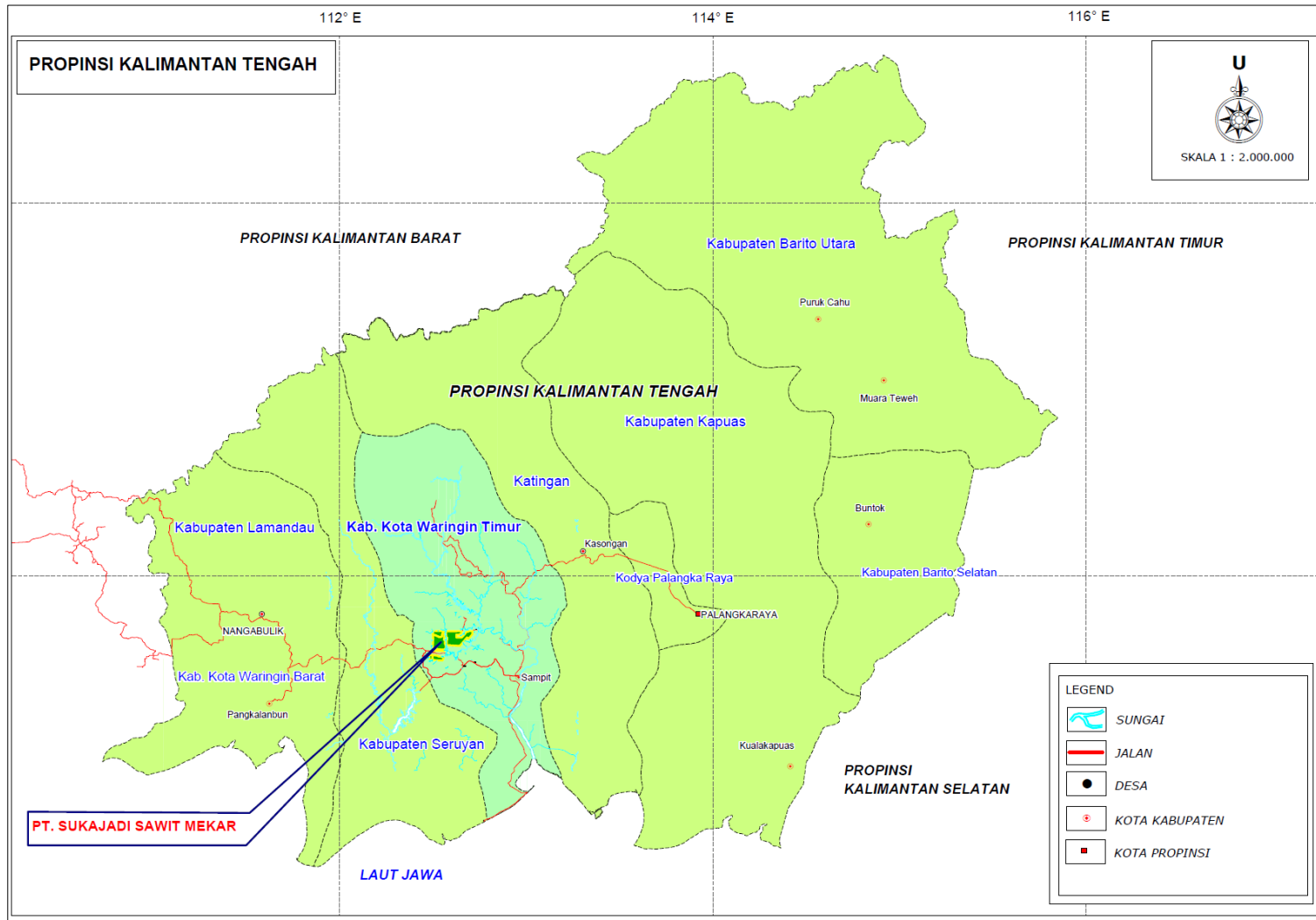
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LOKASI PT. SUKAJADI SAWIT MEKAR DALAM PETA INDONESIA



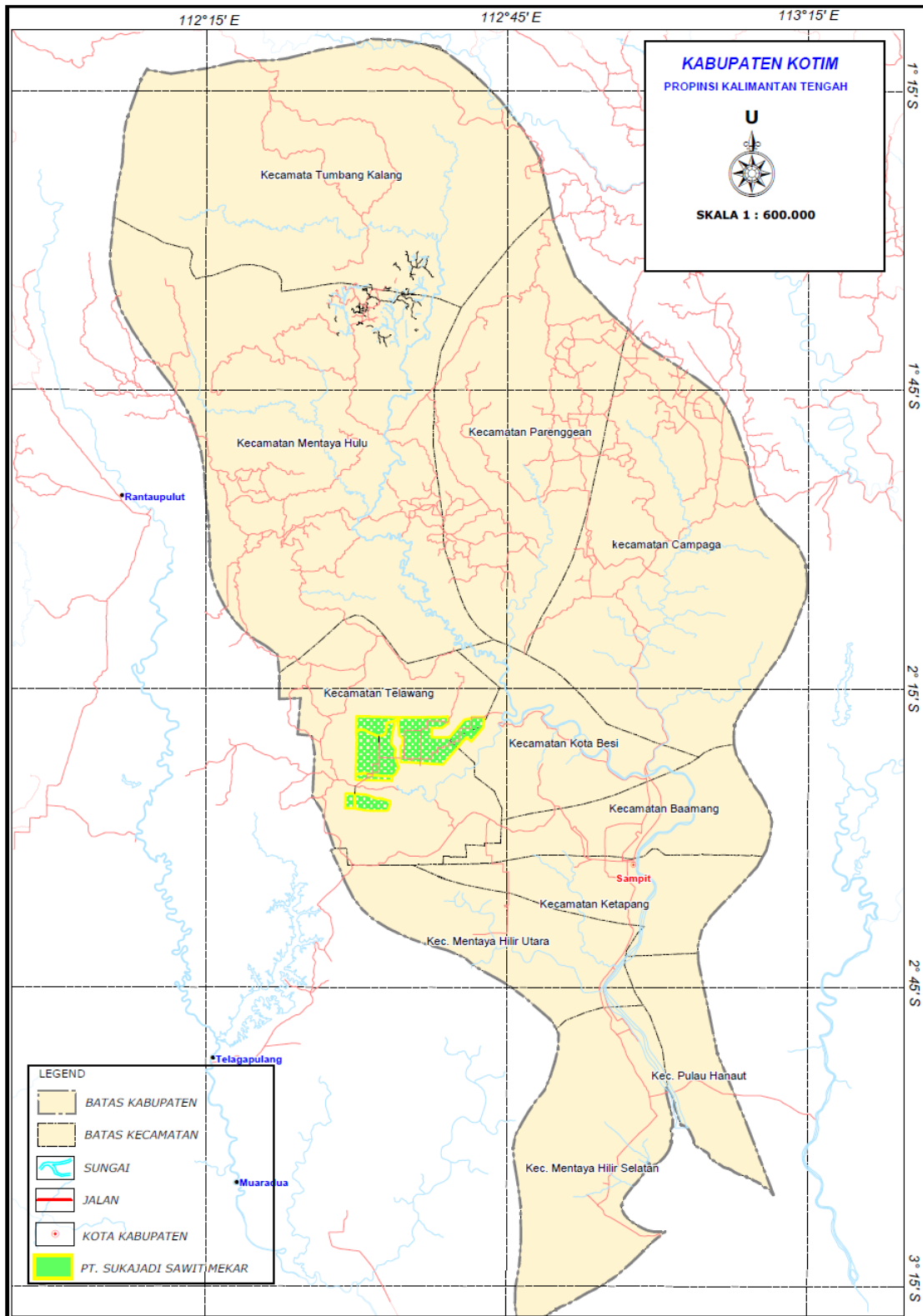
Picture 1 Location of PT SSM in Indonesia

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Picture 2 Location of PT SSM in Central Kalimantan

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Picture 3 Location of PT SSM in Kotawaringin Timur District

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Permits

The permits that have been obtained by the company are inclusive of, Social Environment Impact Assessment (AMDAL), the Plantation Permit (Izin Usaha Perkebunan), Land Title (HGU). The followings are the list of the licenses and recommendations:

Table 1 Types of permits and recommendations PT Sukajadi Sawit Mekar

No	Licenses and recommendations	Issued by	Number and date	Note
1.	Deed of Establishment	Notary Eddy Simin, SH	No 108 Dated on 25 January 1994	
2.	Taxpayer Notification Number	Ministry of Finance Directorate General of Taxation	01.576.555.5-123.000	
3	Permitted Area	Kantor Pertanahan Kabupaten Kotawaringin Timur	No: 1068.460.42 Dated on 10 October 1994 New permit: No: 1020.460.42 Dated on 20 October 1995	15,000 Ha
		Regent of Kotawaringin Timur (Bupati Kotawaringin Timur)	No: 193.460.42 Dated 12 March 2004	16,300 Ha
4.	AMDAL	Bapedalda Kabupaten Kotawaringin Timur	No. 42/Komisi-Kotim/X/2005 Dated on 28 October 2005	
4.	Plantation Business Permit (IUP)	Dirjen Bina Produksi Perkebunan (Departemen Pertanian)	SPUP Nomor: HK.350/70/DJ.BUN.5/II/2002 Dated on 18 February 2002	7,416.074 Ha
		Regent of Kotawaringin Timur (Bupati Kotawaringin Timur)	New permit: 188.45/292/Hul.Ek.SDA/2014 Dated on 25 July 2014	
		Regent of Kotawaringin Timur (Bupati Kotawaringin Timur)	Nomor: 525.26/38/I/EKBANG/2005 Dated on 19 January 2005	12,386.27 Ha
		Regent of Kotawaringin Timur (Bupati Kotawaringin Timur)	New permit: 188.45/294/Huk.Ek.SDA/2014 Dated on 25 July 2014	
6	Land Use Title (HGU)	National Land Bureau (BPN) Agency Kotawaringin Timur	Nomor: 12 Dated on 16 October 1999	7.416,074 Ha
		National Land Bureau (BPN) Agency Kotawaringin Timur	Nomor: 27 Dated on 28 April 2005	12.386,27 Ha

Area and time-plan for new plantings

The proposed new planting area by PT SSM is from the balance of unplanted non-HCV areas and mineral soil area in the HGU which will seek agreement by the owners of the

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land through the FPIC (free, prior and informed consent) process. Development of oil palm plantings as CSR projects in the vicinity outside of the HGU, when opportunity arises, is included. Land development and planting of oil palm are following the procedures of RSPO New Planting Procedures. This is part of an ongoing planting and the NPP documents are meant for notification only. Activities that will be undertaken are land acquisition or compensation to the land owners through the Free Prior and Informed Consent (FPIC) process. Socialisation and engagement with the communities on village oil palm development plan will also be undertaken. HCV management and monitoring activities that have been put in place will continue to be enforced.

Assessment Process and Procedures

a. SEI Assessment

Assessors and their credentials:

The Social Impact Assessment of PT SSM 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. The Aksenta team for the Social Impact Assessment consists of members with multi-discipline in the social/economic aspects and professional in social assessment, resource economy and social relationships. The team members are:

Name	Expertise	Social Impact Assessment
Agus E. Munoraharjo	Cultural anthropology, community based information and communication facilitator, community development tourism, and peace studies.	Socio-cultural
Dwi R. Muhtaman	Forest and timber product certification, RSPO certification, coffee certification, social strategy.	Team leader, social auditor, certification
Ganip Gunawan	Social relation, trainer, facilitator	Social
Sigit B. Setyanto	Coffee certification, sustainable agriculture, Organic, RSPO certification and social strategy.	Social

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

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

Data and information collection method

Methods used to collect data and information were:

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

Methods of Data and Information Analysis

The SIA for PT SSM is conducted using two combined methodology namely; stakeholder analysis and social impact assessment employing sustainable livelihood framework. Data are compiled through literature study, observation, interview and focus group discussion, thus several important points may be concluded in the latter part. In the focus group discussion, the respondents expressed their opinions of important issues are compiled in the framework of sustainable livelihood with the form of asset thus it produces specific impact assessment in the social aspect of communities. Five aspects related to sustainable livelihood, namely human, physical, social, financial and natural assets using the identified components and displayed in matrix table, analyzed and scored qualitatively and quantitatively.

The steps in SIA implementation include the following, although there are several modifications in the assessment activity:

- Identifying and describe activities leading to scoping
- Predicting (or analyzing) impact trend and identifying how the parties make their responses
- Formulating recommendation and necessary action plan

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- Assessing the process and preparing recommendations for compensation (financial or non financial)
- Describing potential for skill development and capacity building for communities
- Recommending institutions and coordination among parties
- Planning implementation and program monitoring.

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

b. HCV Assessment

Assessors and their credentials

The HCV assessment in the Land Use Title (HGU) of PT SSM by Aksenta located at Jl. Gandaria VIII/10, Kebayoran Baru, Jakarta 12130; Telephone/fax: +62 21 739-6518, E-mail: aksenta@aksenta.com. The team leader from Aksenta has been licensed by the HCV Assessor Licensing Scheme (Provisional ALS15026PN). The team members are:

Name	ALS License	Institution	Role	Expertise
Pupung F Nurwatha pupung@aksenta.com	Provisional (ALS15026PN)	Aksenta	Team Leader, Biodiversity Assessment (HCV 1, HCV 2 and HCV 3)	Research and wild animal survey, ornithologist, facilitator of community biodiversity assessment, participative mapping, conduct HCV assessment since 2007
Yanto Ardiyanto yanto@aksenta.com	N/A	Aksenta	Team Member, Environmental Assessment	Hydrologist, soil conservation, spatial analysis and remote sensing, water management system, conduct HCV assessment since 2010
Nandang Mulyana nandang@aksenta.com	N/A	Aksenta	Team Member, socio-cultural Assessment (HCV 5 HCV 6)	Regional Planning and Village Development, Community empowerment, Management of Conflict, Participative Mapping, conduct HCV assessment since 2009
Reza Abdillah reza@aksenta.com	N/A	Aksenta	Team Member, GIS Specialist	Experience with GIS since 2013, remote sensing for biological conservation and land use issue

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

HCV Identifying Methods

The assessment covers of the total area 19,802.344 ha based on The Land Use Title (Hak Guna Usaha) No 12 and HGU No 27. It is also expanded into villages and other areas which is of considerable importance to the proposed surrounding plantation area. HCV reassessment was conducted in February 2015, the assessment consists of three main activities: desk-based study (conducted on 2 – 4 February 2015 in Jakarta), field work (conducted on 6 – 13 February 2015) and stakeholder consultation (conducted on 13 February 2015). Please refer to table 2.

Table 2 Schedule of HCV Assessment in PT SSM

Activities	Time	Location
Pre-assessment & Preparation	2-4 Feb2015	Aksenta Office, Jakarta
Opening meeting	6 Feb 2015	PT SSM
Participatory mapping	6 Feb 2015	PT SSM
Field Survey	6-12 Feb2015	Land Use Title Area of PT SSM and its surrounding landscape, includes 4 estates as follow : Sebabi, Seranau, Bukit Linang, Bukit Limas and the surrounding villages
Public Consultation	13 Feb 2015	Training Centre
Closing meeting & interim report	13 Feb 2015	PT SSM

The HCV assessment was conducted based on step-wise screening that harmonizes the required information to the scale reference (see guidance on HCVRN, 2013). The scale reference used for the assessment of HCV 1-3 covers the global, regional and national levels, before ground truthing is conducted. Whilst, the assessment of HCV 4-6 focuses on landscape assessment or local level before ground truthing is conducted. The process of HCV assessment begins with pre-assessment, data collection from the site and public consultation. The collected data and information will be analyzed further and the discovered HCV will be mapped out.

Pre-assessment

Pre-assessment is the initial process of HCV identification. Pre-assessment covers activities as follow: (i) collect the data and information on the development and the

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management of the existing estate and management planning, (ii) collect the secondary data and information from various sources (report, journal, book, statistic data, basic map), including information on biodiversity aspect and issue (global, regional, national, even local level), environment (especially on soil and water conservation) and socio-cultural, and (iii) analyze and validate the collected data and information and spatial analysis of basic map.

Data collection

Data collection in the field focuses on the area potentially classified as HCV area based on pre-assessment result. The collection of data and information is focused on the HCV element and attribute by using the methods as follow:

- 1) Participatory mapping
- 2) Ground truthing

Ground truthing is the field verification of the land cover from the interpretation of landsat satellite that is conducted during pre-assessment. At the same time when ground truthing is conducted, the collection of data and information also being conducted on site. The activity is being done by HCV assessor, either being done as a group per location or parallel for each section of assessment. This depends on the area potentially classified as HCV area.

- 3) Data collection on site

The collection of data on site is being done simultaneously with ground truthing. The purpose of this activity is to verify the existence of HCV element and attribute, in which it will be the basic to determine whether there is HCV in that particular area.

- 4) Interview with the community in the assessment area

Interview with the community or the company worker is being conducted to gain information about the existence of HCV element and attribute.

Public Consultation

Public consultation is a face-to-face meeting with key stakeholders in the assessment area, such as local community, village government, regency government, relevant institutions in the regency and companies operating around the assessment area.

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Data analysis and HCV mapping

The data collected on site will be compiled and tabulated based on the area of assessment. Initially, the data collected on site will be compiled and tabulated separately in accordance with each section assessed (biodiversity, environmental service, and socio-cultural). For each section, the HCV element and attribute found on site is listed. Furthermore, analysis will be conducted to justify the existence or non-existence of HCV elements and to determine the boundary of HCV area.

References

The sources of information collected and analysed during pre-assessment (Table 3) and being used for HCV assessment in PT SSM are tabulated below:

Table 3 Data and Information collected and analyzed during HCV pre-assessment

HCV	Main Sources
1, 2, 3	<ul style="list-style-type: none"> • Land use title map of PT SSM in Kotawaringin Timur District, Central Kalimantan (source : PT SSM) • Peta Penunjukan Kawasan hutan dan Perairan Provinsi Kalimantan Tengah (Dirjen Planologi Kehutanan, Departemen Kehutanan, Tahun 2001) • Conservation map of Central Kalimantan Province (BKSDA Kalteng, 2009). • Rencana Tata Ruang Wilayah (RTRW) Kabupaten Kotawaringin Timur (2012) • Peta Indikatif Penundaan Pemberian Izin Baru (PPIB) Pemanfaatan Hutan, Penggunaan Kawasan hutan dan Perubahan Peruntukan Kawasan Hutan dan Areal Penggunaan Lain versi 6 (2013) • Peatland map, the area and the carbon content in Kalimantan. (Wetland International-Indonesia Program. 2004) • Land covers from landsat satellite imagery 8 (USGS, September 2014). • The Ecology of Kalimantan. Periplus Edition, HK. (MacKinnon, et al., 2006). • Field Guide to The Mammals of Borneo (Payne dkk. 2000) • Birds in Sumatera, Jawa, Bali and Kalimantan (MacKinnon, et al. 2000) • Indonesian and Papua New Guinea Turtoise and Crocodile (Iskandar, 2000) • IUCN Red List of Threatened Species. www.iucnredlist.org • Endemic Bird Area Factsheet: Borneo (BirdLife International, 2012). • Appendices I, II and III, valid from 14 April 2014 (CITES, 2014). • Important Bird Areas in Asia: Key Sites for Conservation (Birdlife International, 2004) • Ramsar area in Indonesia, source: http://www.ramsar.org • Kajian Ekosistem Pulau Kalimantan (Prihatna/WWF Indonesia, 2009) • Rapid Assessment HCV in PT SSM, June 2007 • HCV Identification Report of PT Sukajadi Sawit Mekar 2008 (Aksenta, 2008)

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HCV	Main Sources
	<ul style="list-style-type: none"> • Management & Monitoring Plan of HCV PT SSM • Report of implementation management and monitoring plan PT SSM
4	<ul style="list-style-type: none"> • Land use title map of PT SSM in Kotawaringin Timur District, Central Kalimantan (source : PT SSM) • Landsat satellite imagery 8 (USGS, 2014) • Data digital Shuttle Radar Topography Mission Elevation Data (USGS, 2004) • Land System Map (RePPPProt, 1991). • Peta Ketinggian Tempat (hasil pengolahan berdasarkan data SRTM). • Elevation map (hasil pengolahan berdasarkan data DEM SRTM). • Land cover map (hasil pengolahan berdasarkan citra Landsat 8, 2014). • Rapid Assessment HCV in PT SSM, June 2007 • HCV Identification Report of PT Sukajadi Sawit Mekar 2008 (Aksenta, 2008) • Management & Monitoring Plan of HCV PT SSM • Report of implementation management and monitoring plan PT SSM
5, 6	<ul style="list-style-type: none"> • Land use title map of PT SSM in Kotawaringin Timur District, Central Kalimantan (source : PT SSM) • Kotawaringin Timur Regency in 2013 (BPS Kabupaten Kotawaringin Timur, 2014) • Telawang sub-district in 2013 (BPS Kabupaten Kotawaringin Timur, 2014) • Village map in sub-district, regent of Kotawaringin Timur. (Sumber: RBI) • Landsat satellite imagery 8 (Landsat 8, September 2014) • Rapid Assessment HCV in PT SSM, June 2007 • HCV Identification Report of PT Sukajadi Sawit Mekar 2008 (Aksenta, 2008) • Management & Monitoring Plan of HCV PT SSM • Report of implementation management and monitoring plan PT SSM Status review of HCV 5 on land that has been released by the owner in PT SSM Concession (Aksenta, 2014).

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Summary of Assessment Findings

a. SEI Assessment

The SIA for PT SSM is conducted using two combined methodology namely; stakeholders analysis and social impact assessment employing sustainable livelihood framework. Data are compiled through literature study, observation, interview and focus group discussion, thus several important points may be concluded in the latter part. In the focus group discussion, the respondents expressed their opinions of important issues are compiled in the framework of sustainable livelihood with the form of asset thus it produces specific impact assessment in the social aspect of communities. Five aspects related to sustainable livelihood, namely human, physical, social, financial and natural assets using the identified components and displayed in matrix table, analyzed and scored qualitatively and quantitatively.

Based on stakeholders profiling and confirmed from information collected through interviews with village officials and community and focus group discussion, the communities are from four villages around the concession of PT Sukajadi Sawit Mekar and those operating in the concession as enclaves with mixed rubber and agriculture crops. The villages are: Tanah Putih, Palangan, Sebaby, and Kenyala. These villages are dominated by Dayak tribe; practices shifting cultivation; main source of livelihood is from farming and rubber tapping.

The existence of PT Sukajadi Sawit Mekar developing its oil palm plantation has not changed the cultivation system of the farmers. Before the existence of the oil palm plantation, communities were familiar with agricultural activities such as cultivation and gardening including rattan cultivation. After the entry of PT Sukajadi Sawit Mekar, the cultivation system was carried out more intensively and communities began planting the remaining lands with rubber trees. For rattan, the types mostly cultivated are *taman* and *bulu*.

In general, the positive impact created by the presence of the company also has consequent social negative impacts. The direct impacts are local manpower absorption and new business opportunities. The indirect positive impacts are: job opportunities, improved education facilities and health services resulting in better education and health quality. The potential negative social impact is related to the company's operations such as, the rivers which are used by the village communities may be polluted by the company's activities. Nevertheless, the outcomes of Social Impact Assessment are aimed at supporting the functions of production sustainability. The social circumstances in which the operations of company are related to stakeholders have been interpreted as

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part of integration and the success of company in has contributed and there is mechanism of control over possible impacts.

However, it should be carefully noted that the presence of PT SSM is not the only factor causing social changes as illustrated above, in Kotawaringin Timur District, especially Telawang Sub District, there are other plantations companies, forestry companies, community's rubber plantation and community's mining which also bear impact on social changes. In addition, the previous social factors before the existence of the company also affect the present social system.

General Recommendations of social impact management:

Based on discussion and conclusion, there are some recommendations for PT SSM as an important and influential party in social changes in Kecamatan Baru Telawang, Kotawaringin Timur District, Central Kalimantan Province. In general the recommended action divided into two; namely for the company, and the surrounding communities. It is expected that the implementation of recommended action will improve the sustainable livelihood and quality of standard living of the communities around the company at the location.

However, one important matter to which company must pay attention is the implementation of the recommendations which may affect other stakeholders such as government, other companies, and non-governmental organizations (NGO). To assure sustainable livelihood and improve the quality of community's living. The general recommendations for company are:

1. Management unit of PT SSM establish clear and measured strategy in the social management.
2. This strategy is the main foundation to establish social management program.
3. Implement participative approach for activities relevant to social aspects: from planning, implementation, monitoring/evaluation.
4. Involvement of communities is also included in the preparation of the vision, mission, and social strategy of the company.
5. In adopting the approach to the communities to develop the company's image, it can use traditional events so that the company will play the role in preserving and revitalizing the inheritance of local culture.

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b. HCV assessments

Based on landsat satellite imagery in September 2014, the assessment area does not have natural forest. Land Use Change Analysis report shows that since November 2005 the assessment area does not contain primary forest. The current land cover in the assessment area is dominated by oil palm. Whilst, according to Peta Indikatif Penundaan Izin Lokasi Baru (PIPIB) revision VI/2014 by the Ministry of Forestry, there is no area occupied by primary forest within and around the assessment area. The area outside the assessment area is indicated as peatland area. The peatland area is situated in the southern east of Bukit Linang and Bukit Limas Estate following the Stream of Seranau River.

The assessment area is situated in the area with low biodiversity, outside the Important Bird Area, Heart of Borneo, and Ramsar Area. There is no area determined or recommended as conservation area within the landscape of the assessment area. The closest conservation areas are TN Tanjung Puting, located approximately 47 km in the Southwest and TN Sebangau, located approximately 77 km in the Southeast. Between the concession and the conservation area lies oil palm plantation and agriculture land and there is no corridor connecting the concession to the conservation area.

The summary of results from HCV assessments within the PT SSM concession showed four out of six high conservation values (or HCV) areas, namely HCV 1, HCV 3, HCV 4, HCV 6 are present in PT SSM concession. The important element of HCV 1 is significant concentrations of species RTE (*Orlitia borneensis*, *Amyda cartialginea* and *Cuora amboninensi*) at regional level and corridor of Sun Beer (*Helarctos malayanus*). The important element of HCV 3 is ecosystem of peat swap forest. The HCV 4 related with basic ecosystem for significant erosion control area. Lastly, HCV 6 is identified by places designated as sacred by the community which are found scattered within the concession. The total areas identified as HCV and Management Area (HCV-MA) is 1,048 ha. The summary of HCV area in HGU PT SSM is in table 4 and picture 5.

The summary of HCV area in HGU PT SSM is in picture 5 & 6; the type of HCV is indicated by ID Number in the map (reference to the respective ID number presented in table 4 & 5. The HCV area and proposed expansion of oil palm area in PT SSM shown in Picture 7.

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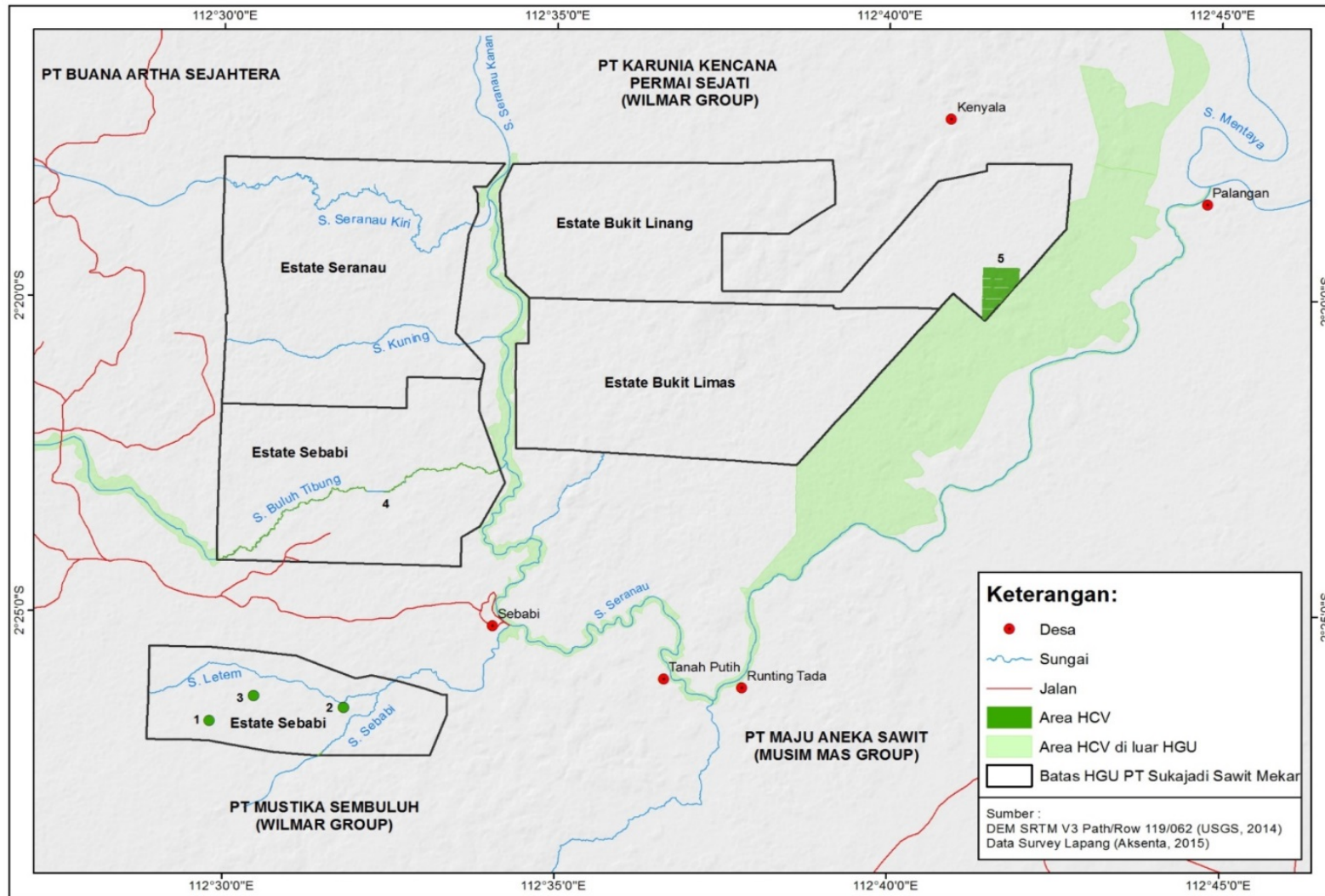
Table 4 Location and area of HCV in the assessment area

Estate	ID	HCV	Description	Location	Area (Ha)
Sebabi	1	6	Grave	Blok B54	0.01
Sebabi	2	6	Grave (Sandung)	Blok D51	0.01
Sebabi	3	6	Grave	Blok F52	0.01
Sebabi	4	4	BuluhTibung River	Blok K28-29, J28, I28-30, H30-31, G30-31, F30-32, E32-36, D36-37	37.49
Bukit Linang	5	3, 4	Secondary forest and peatland	Blok X9-X13	99.59
Total Area of HCV					137.11

Table 5 Location of HCV-MA in the assessment area

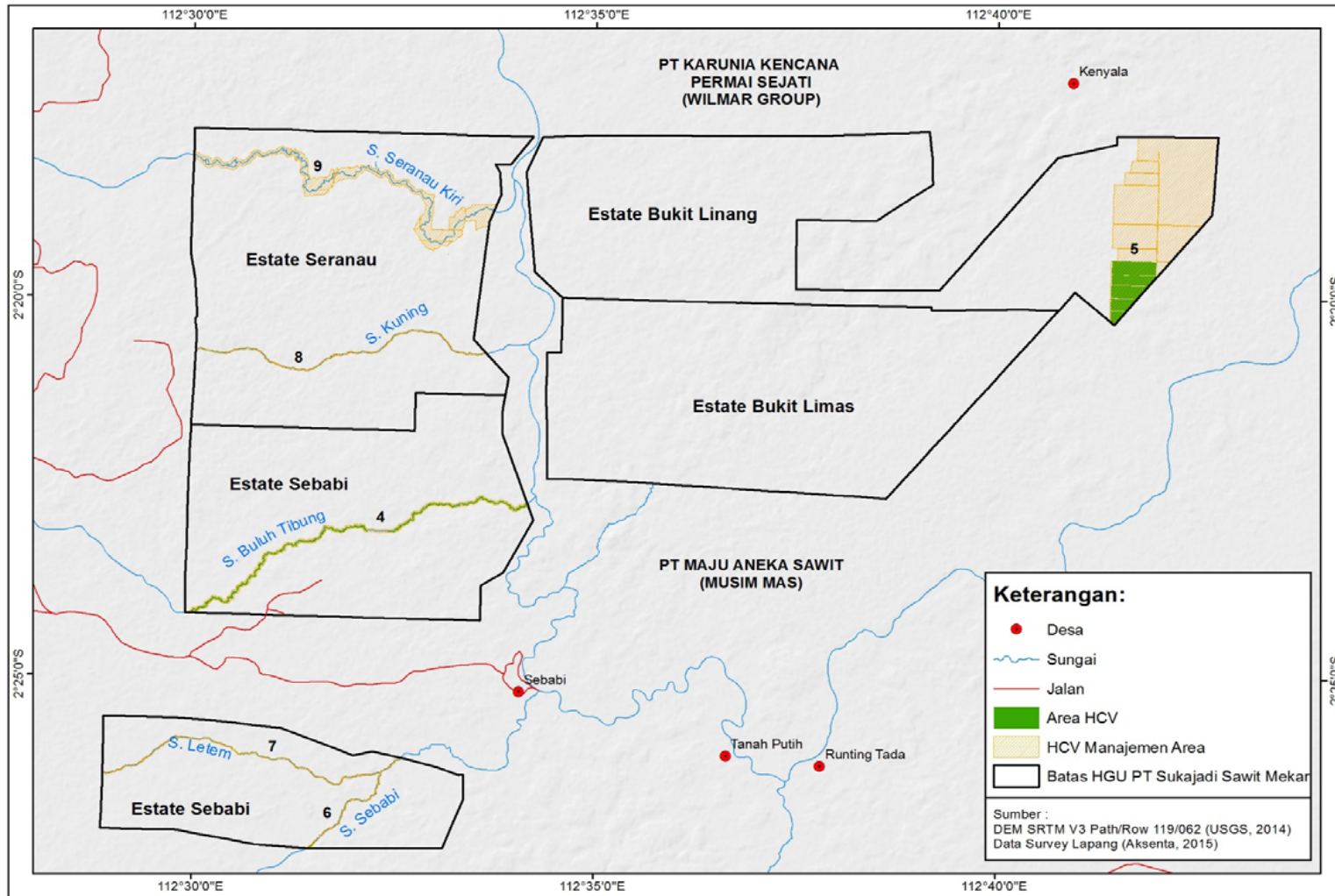
Estate	ID	Description	Location	Area (ha)
Sebabi	4	S.Buluh Tibung and its riparian zone	Blok	42.17
Bukit Linang	5	Secondary forest and peatland	Blok X0-X13, Y0-Y10, Z0-Z5	586.15
Sebabi	6	Sebabi river danits riparian zone	Blok H50, G51-53, F53-56, E57	13.10
Sebabi	7	Letem river and its riparian zone	Blok G51-52, F51-52, E50-51, D49-50, C58, B48-50, A50-51	24.82
Seranau	8	Kuning river and its riparian zone	Blok J16, I15-16, H15-16, G16-17, F17-18, E16-18, D16-17	25.65
Seranau	9	Seranau Kiri river and its riparian zone	Blok J5-6, I5-8, I4A-18A, H2-4, G2-3, F1-4, E1-2, D1-2	219.14
Total area of HCV-MA				911.03

RSPO



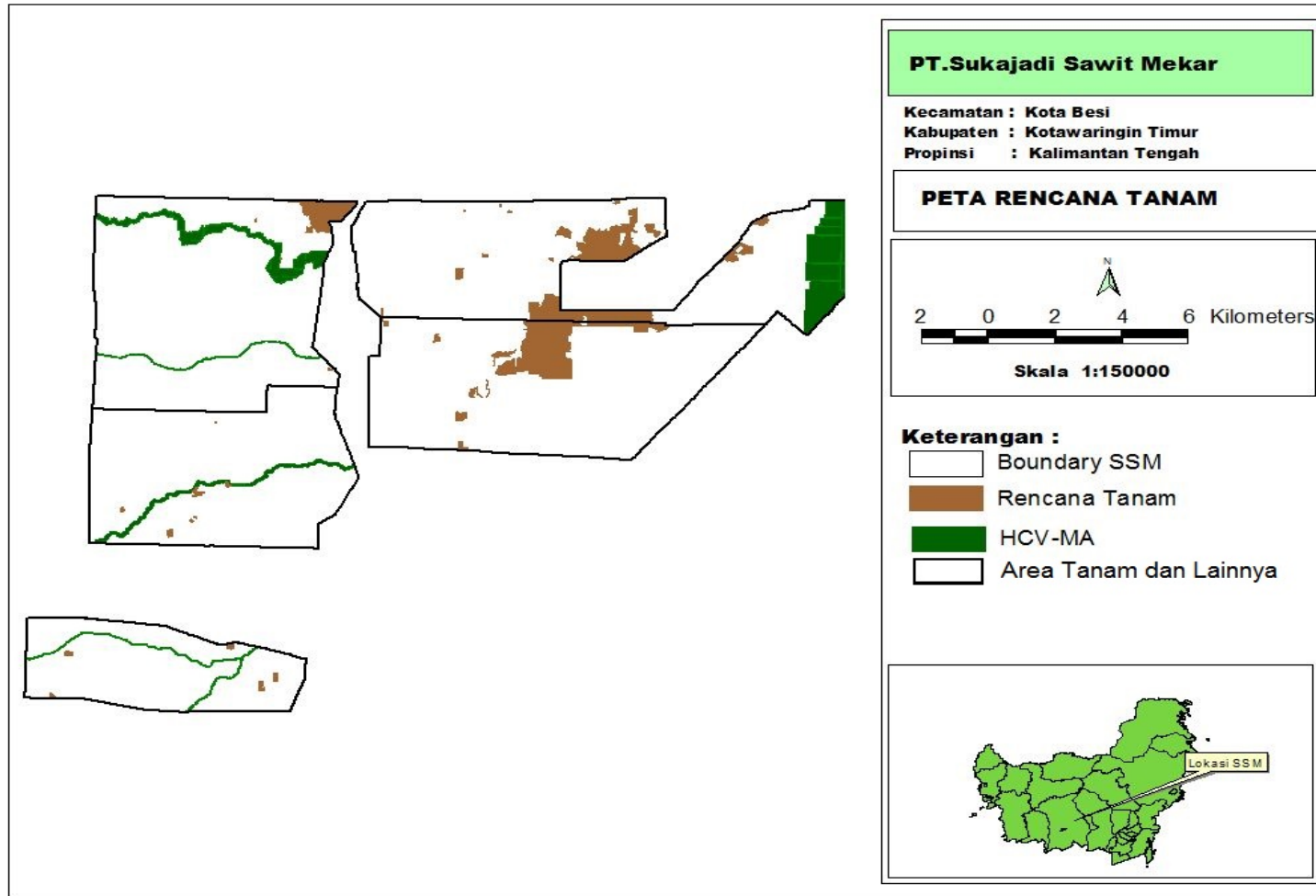
Picture 5 HCV Area in PT Sukajadi Sawit Mekar HGU, Kotawaringin Timur District, Central Kalimantan

RSPO



Picture 6 Location of HCV & HCV-MA in PT Sukajadi Sawit Mekar HGU, Kotawaringin Timur District, Central Kalimantan.

RSPO



Picture 7 Location of HCV & HCV-MA and planned planting area within PT Sukajadi Sawit Mekar

RSPO

Several issues which might threaten the HCV areas were identified:

Potential threat analysis on the existences of HCV in PT SSM is conducted. Based on the assessment conducted to identify the threat to the presence of HCV in the concession, HCV 1 and HCV 4 are seriously threatened. This is mainly due to the rivers in the concession that has not been protected from the mining activity, especially in Seranau Kiri River and small Seranau River Seranau that course along the plantation without proper riparian buffer zone protecting the river.

General Recommendations for HCV Management

Several general recommendation are made, which can be immediately followed up to protect and manage the HCV areas: Delineation HCV area, verify the extent of indicative HCV area, and to determine the end result as definitive HCV Area Map PT SSM, socialize the presence of HCV area in PT SSM, develop management & monitoring plan, capacity building of HCV management & monitoring.

RSPO

Internal responsibility

Formal signing off by assessors and company

This document is the summary of assessment result on High Conservation Value (HCV) and Social Impact Assessment (SIA) in PT Sukajadi Sawit Mekar (PT SSM) by Aksenta and has been approved by the Management of PT SSM.

Aksenta,



Pupung Firman Nurwatha
Team Leader
Date: 31 March 2015

Management PT SSM



Venu Gopal
General Manager PT SSM
Date: 31 March 2015

Statement of acceptance of responsibility for assessment

Assessment result document on High Conservation Value (HCV) and Social Impact Assessment (SIA) of PT SSM by Aksenta, will be applied as one of the guidelines in managing palm oil plantation in PT SSM



Venu Gopal
General Manager PT SSM
Date: 31 March 2015