

RSPO

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: ~~October 13th, 2022~~ October 13th, 2022

NAME OF GROWER	:	PT Umekah Saripratama
SUBSIDIARY (If any)	:	First Resources Limited
RSPO Membership Number	:	1-0047-08-000-00 dated March 10 2008
Location of proposed new planting		
• Plantation address	:	District of Manis Mata and Jelai Hulu; Ketapang Regency, Kalimantan Barat Province, Indonesia
• Business Permit	:	No. 551.31/09006/DISBUN-C dated May 03, 2005, from Regent of Ketapang
• Type of Business	:	Oil Palm Plantations.
• Size (ha)	:	16,517.50 Ha
• Contact persons	:	Ardi Candra Yunianto
• Email address	:	ardi.yunianto@first-resources.com
• Geographical location	:	North : IUPHHK PT Agra Primera Plantation South : Selabak river and PT Harapan Sawit Lestari West : Jelai river and PT Falcon Agri Plantation East : IUPHHK PT Agra Primera Plantation
• Spatial Reference (GPS Coordinates)	:	2° 2' 10.805" – 2° 12' 15.701" SL 111° 1' 43.980" – 110° 58' 46.632" ES
• Boundary map	:	See Figure 2
• Areas and time plan for new plantings	:	See Table 1 and Figure 3

Figure 1. Location map of PT Umekah Saripratama

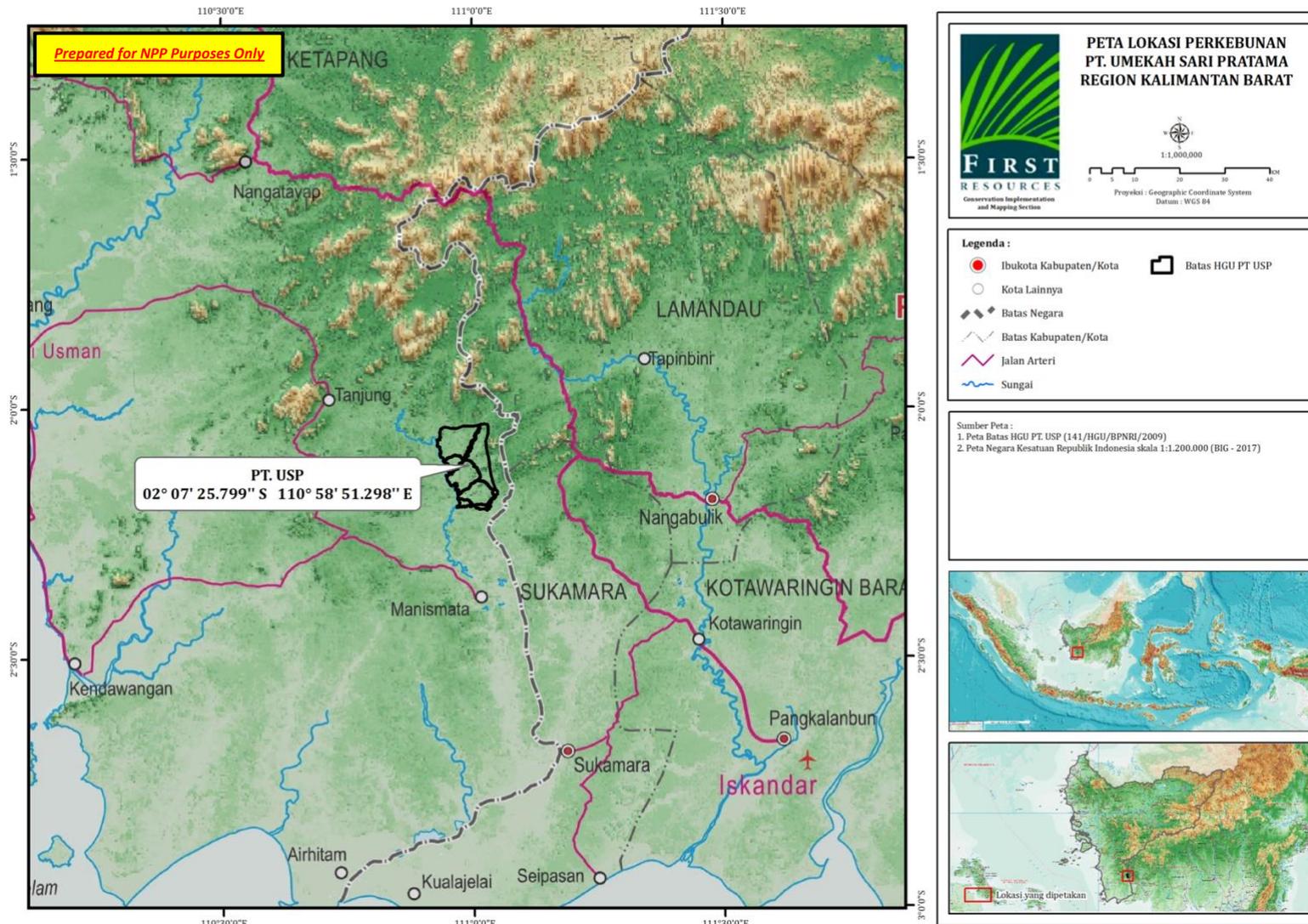


Figure 2. Concession map of PT Umekah Saripratama

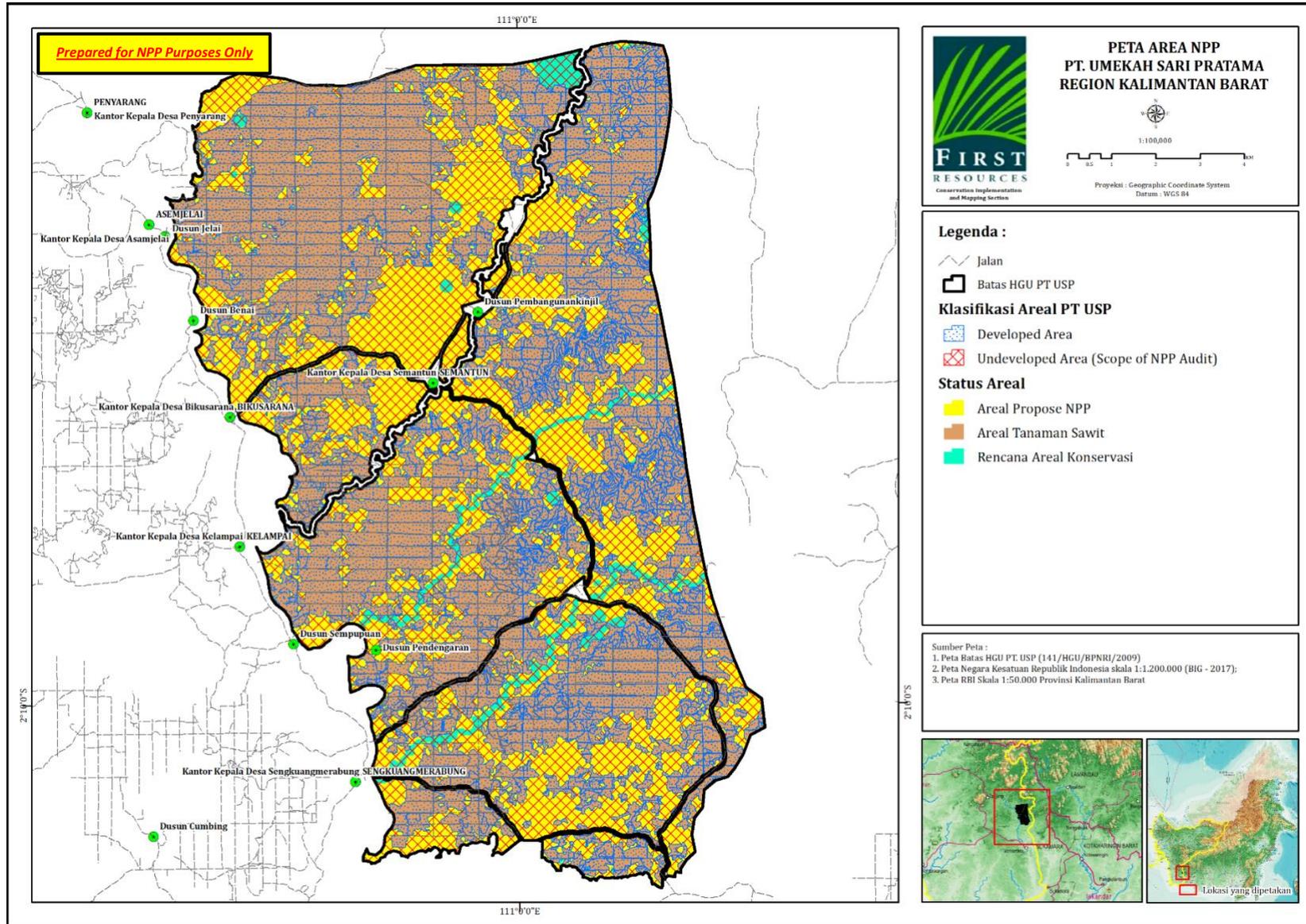
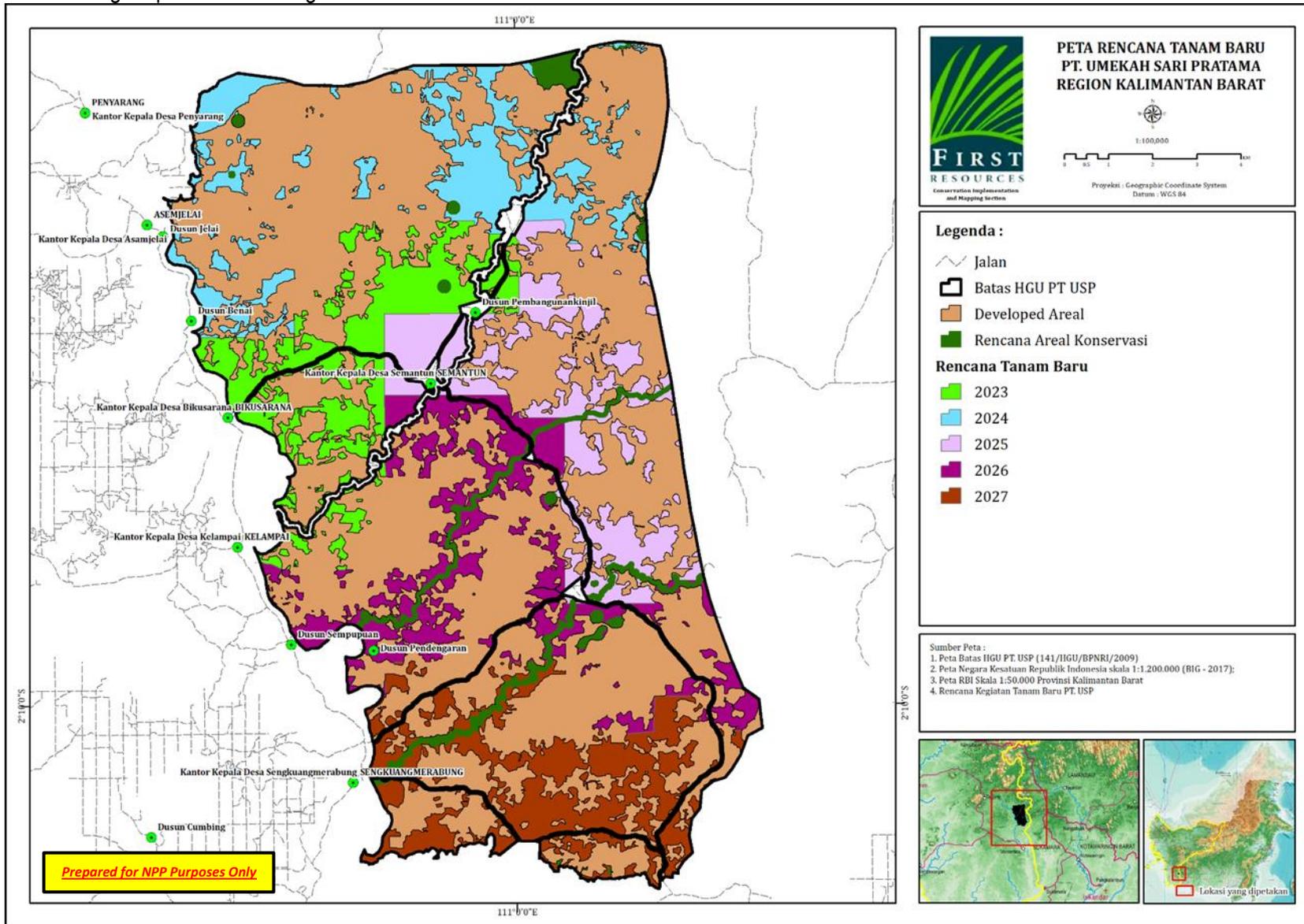


Table 1. The summarized of area and time-plan for new plantings

Planting Year Plan	Area (Ha)
2023	1.187,31
2024	1.154,08
2025	1.230,15
2026	1.239,44
2027	1.304,32
Sub Total	6.115,30

Figure 3. Planning Map of New Planting Area



STATEMENT OF ACCEPTANCE OF RESPONSIBILITY FOR NPP

Notes: The oil palm grower signs to confirm that the necessary assessments have been done and completed in accordance to the NPP.

Name of Grower : PT Umekah Saripratama
Name of Person Responsible : Ardi Candra Yunianto
Position : Strategic Sustainability & Stakeholder
Engagement Manager
Signed : 
Date : October 13th, 2022

VERIFICATION STATEMENT BY CERTIFICATION BODY:

PT Umekah Saripratama (hereinafter referred to as "PT USP") is a legal entity domiciled in Ketapang Regency, Kalimantan Barat Province, duly established as per Deed No. 99 dated December 11, 1993. PT USP planned to develop the rest of the concession area for Palm Oil Plantation for its own estate and scheme smallholders. To ensure that all the process complies with RSPO Principle and Criteria, the PT USP must be assessed through the new planting procedures (NPP) required by the RSPO prior to land-clearing activities. The proposed new planting is located in the PT USP permits area.

Mutuagung Lestari auditors conducted a desk study on 10 – 11 February 2022 and field observation on 24 – 25 May 2022. The auditors are Moh Arif Yusni (Legal, FPIC, Soil & topography) and Asystasya Aishah Silalahi (HCV, SEIA, Land Use Change and Carbon Assessment). The auditors use the RSPO NPP guidance document for FPIC for auditors (RSPO-GUI-T01-022 V1.0 ENG)

PT USP has obtained Plantation Business Permit (*Ijin Usaha Perkebunan-IUP*) No. 551.31/09006/DISBUN-C dated May 03, 2005, covering 16,517.5 Ha issued by the Regent of Ketapang. In addition, PT USP holds Location Permit (*Ijin Lokasi*) from the Regent of Ketapang No 126 year of 2005 on May 13, 2005, covering an area of ±19,000 Ha. Furthermore, following obtained a location permit in 2005, PT USP holds a Right to Cultivation ("HGU") as per National Land Agency Head Decree No. 141/HGU/BPN RI/ 2009 dated October 15, 2009, with the total concession area being 16,517.5 Ha.

Based on the West Kalimantan Province's forest and water designated area map issued by the Ministry of Forestry (Ref No.SK.733/Menhut-II/2014, 02 September 2014), the entire PT USP concession area constitutes Other Land Uses (APL). Based on the Indicative Termination Map 2021 2nd Period is an attachment of the Forestry Ministerial Decree of The Republic of Indonesia Number: SK.5446/MENLHK-PKTL/IPSDH/PLA.1/8/2021, the entire concession areas of PT USP not in the area as classification of Primary Forest or Peat Area. Furthermore, according to interviews with the Plantation Agency, Environmental Agency and the National Land Agency of Ketapang Regency, PT USP permits and land legality documents are fully completed, belong to the Other Land Uses (APL), and have no peat area.

Since the report was made, 9.948,47 Ha has been developed (9.494,50 Ha planted area & 453,98 Ha infrastructure) over 16,517.5 Ha (GIS data 16.497,09 Ha) of the total concession area. There are still areas with the potential for new planting covering 6.115,30 Ha outside of HCV-HCS. The detail of the proposed new planting area is shown in the following table:

Table 2. utilization area of PT USP

PT USP	Hectarage
Planted Area*	9.494,50
HCV / HCS Area	433,31
Proposed New Planting Area	6.115,30
Infrastructure*	453,98
Total Land use	16.497,09

*) The area planted without NPP are subject to sanction as per RSPO Announcement

The Land Use Change Analysis (LUCA) assessment was conducted on January 2020. The LUC analysis covered the proposed new development HGU area of PT USP. The analysis period used included: a) between November 2005 - November 2007, b) between November 2007 - December 2009, c) between January 2010 - May 2014 d) after May 2014. Based on the LUCA assessment's results, from the initial period (2005) to the end of the required period (2019), it is found that the PT USP area has two categories of vegetation coefficient: coefficient of 0,7, which describes disturbed forest, and a coefficient of 0,0 which describes non-forest. During November 2005 – 2007, land use changes were made by the surrounding community (non-corporate) for cultivation activities in the forest and non-forest areas. The land use changes are reflected in the land cover condition in that period where the area of community cultivation, such as rubber plantations (RPL), increased. An increase also occurred in the shrub area (SCH), which shows the former fields left by the land-owning community. The same thing also happened again from December 2007 to 2009. The area of rubber plantations increased because people shifted their commodities from seasonal field commodities to rubber. Moreover, the opening of new areas and areas of formerly abandoned fields are also carried out by planting rubber. The activity is reflected by the reduced area of shrubs and the increase in open land in 2009. Changes in land use patterns (from farming to gardening) continue. In this period, the plantation commodities that were cultivated were not only rubber plants but also oil palm plants which began to be noticed by the community. Based on the monitoring of land cover conditions from January 2010 – May 2014, some land areas (DCL) have been converted into smallholder oil palm plantations. Also, some people (rubber owners) shift their plantation commodities from rubber to palm oil. While some other communities clear land in forest areas and other non-forest areas (former shrubs). The land clearing process by the company was carried out after the first HCV assessment was carried out (2010). Land clearing is carried out on Non-HCV areas that have been compensated (fields, former fields and community rubber land) and clearly, the areas the company is developing are non-HCV areas.

Integrated HCV-HCS assessments were conducted in PT USP using the integrated HCV-HCS assessment approach. The assessment was held for 13 (thirteen) months, from October 2019 to November 2020. A licensed HCVRN assessor led the HCV-HCS report and was qualified to conduct integrated HCV-HCS assessment. The HCV areas identified in the concession area are 432,20 Ha (GIS data 433,31 Ha). HCV report has been submitted to HCVRN and declared **Satisfactory**.

PT USP has conducted Social and Environmental Impact Assessment (SEIA) was issued in June 2007. Social and Environmental impacts were identified, and mitigation plans to reduce negative impacts and promote the positive impacts were detailed in the documents - *Rencana Pengelolaan Lingkungan (RKL)* and *Rencana Pemantauan Lingkungan (RPL)* – management and monitoring of social & environmental plan. In addition, the company has conducted Social Impact Assessment (SIA) in 2013 and updated in 2019. The SIA assessment of PT USP covers seven villages spread over two districts in Ketapang Regency. The company defines its commitment into Social Management Plan (RKS), the company will contribute to improve community welfare through the program such as infrastructure development, religion, education support and smallholder scheme program. PT USP has arranged the management plan of SEIA to reduce the negative impact and increase the positive impact from all identified risks and impacts. The company define their commitment into Social management Plan (*Rencana Kelola Sosial-RKS*), the company will contribute to improving community welfare through a program such as infrastructure development, religion, education support and a smallholder program.

The FPIC process of land compensation is done by compensation documents verification and interviews with the surrounding communities. Interviews were conducted in the village adjacent to PT USP locations. Based on the interview with the previous land-owner, government agency, and customary leader (Dewan Adat), it was found that the company had implemented the FPIC process, including providing initial information regarding the company's plans. The negotiation and land acquisition processes were carried out without coercion and were not represented. Stakeholders around PT USP are land owners and rulers such as the Village Head, Village Secretary, BPD, LPM, RT Chair, Traditional Leaders, Youth Leaders, Women Leaders, Land Owners, Villagers, Representatives of Community Leaders, and management or members of Mitra Karya Perkasa and Bumi Sentosa Jaya Cooperative. In the Free Prior Informed Concerned (FPIC) process, particularly in preparing plantation development. The FPIC assessment from stage 1 to stage 5 summarized the key points, including: 1) The current working group to facilitate the land acquisition process, namely the Village Task Force consisting of the Village Government, Traditional Leaders and Representatives of Community Leaders, needs to be maintained; 2) Participatory mapping was carried out to identify important areas associated with social HCVs (HCV 4, HCV 5 & HCV 6) and information on land ownership, land use/use, and indicative village administrative boundaries; 3) Preparation of the company's work plan after the participatory mapping and discussions with community residents, such as socialization and realization of the GRTT process, involvement of residents in HCV management monitoring, regular socialization related to scheme smallholder plantation management plans, CSR program plans for communities, and others.; 4) Prepare a plan for a joint agreement or decision related to the management and monitoring plan for conservation areas (HCV-HCS) and scheme smallholder plantations by involving traditional leaders and 5) Process of discussion by the community and let them determine the result for themselves, whether they agree to carry out the development of the company or not. The agreement reached between PT USP with the community includes land compensation, plantation development, and scheme smallholder plantation development plans. The community understands the GRTT (plantation and growth compensation) process carried out by PT USP management, the land owner and the Village Task Force agreed on the steps taken by the company, including area measurement, ownership data collection, data collection on boundaries and the determination of plant growth prices that have been previously agreed upon.

PT USP also has complied with Criterion 7.10 (Carbon Stocks) of the P&C RSPO 2018. Carbon Stock Analysis (CSA) and Green House Gas (GHG) assessments were conducted from December 2019 – August 2020. The carbon stock and GHG assessment activities in the PT USP Oil Palm Area follow the RSPO GHG assessment procedure guidelines for new plantings. The RSPO GHG assessment procedure for new plantings has four key stages, namely (1) Carbon Stock Assessment, (2) GHG Emissions Assessment for new plantings, (3) GHG Emissions Management and Mitigation Plan and (4) GHG Assessment Reporting for New Plantings. The carbon stock assessment methodology has a step-by-step process consisting of two key steps. The first step is preparing land cover maps from satellite imagery and the second is estimating the existing carbon stock in the new development area. Carbon stock estimation using these two key steps can then be used to estimate RSPO GHG emissions from land use change for new development areas. The required carbon stock estimate must include carbon stored in (1) Above-ground biomass, (2) Below-ground biomass (roots) and (3) Peat soil – if any. Therefore, the total carbon stock at the assessment site is the sum of the carbon stock in the estimated above and below-ground biomass with the estimated peat soil carbon stock.

The proposed area for NPP covering 6.115.30 Ha is in the concession of the Right to Cultivation ("HGU"). For the proposed area, based on document verifications, it was known some areas had not been compensated, and the compensation process will be carried out in line with the planting schedule. Based on the public consultation with stakeholders, all community generally has been well informed regarding the palm oil plantation projects, including the positive and negative impacts that may occur. Some of the respondents raise a few concerns regarding plantation operations. With regard to the HCV-HCS areas on community land that have not been compensated, some of the respondents wish they could still manage the land. The company responded that the HCV-HCS area would not be developed into oil palm plantations. Hence, technically uncompensated HCV-HCS areas still belong to the community. As with any HCV-HCS area within the concession, the company will continue to engage the community to mutually protect the HCV-HCS area. Some of the respondents also feel they need more information regarding scheme smallholder program and expects regular socialization. The company has conducted several meetings with relevant parties, i.e., scheme smallholder cooperative representatives and communities to address the concern and enhance communication. Some of the respondents expect the company to enhance communication with customary elder/"*Tetua Adat*" regarding customary culture, especially Dayak Tribes' values. The company responded that they will always comply with applicable laws and regulations in its operations, and at the same time, respect the "Adat" and prioritize mediation in customary order to resolve community-related issues within its proximity which is embedded in company's Sustainability Policy. The company believe comprehensive approaches and good communication will bring all solutions on the table. The latter concern is related to the compensation process. The FPIC documents confirm community acceptance of the upcoming program as part of palm oil plantation development in that area. In addition, the community confirmed that the company had provided information regarding the Location Permits and shown maps of how the project impacted their areas. The community also confirmed that they had held meetings with the company, discussing communication procedures, land release/ submission procedures (land acquisition process), land mapping, and compensation measurement procedures. Some respondents wish the following proper approach should be continued in anticipating potential concern may raised in the future. Furthermore, the company noted the above concern in the company's social management plan programs.

Based on interviews, they also stated if the entire managing area of the PT USP has been compensated. The compensation process based on consultation and negotiations is transparent in meeting the demands for social justice. The community stated that they are aware of how the community representatives participate in the land acquisition/submission process, including mapping, negotiations, and compensation payment processes. The measurements were carried out with participatory maps witnessed by the land-owner, GIS officers, company representatives, and adjacent land-owners. All documents related to the information are available in Indonesian so the parties can understand well, including maps, agreements, notes, and others. The compensation process involves all communities and is known by the village head, Customary Leader, and District Head. Based on the explanation above, there is no issue regarding land acquisition and compensation. The company has endeavored to comply with the FPIC process where the communities have freely, without coercion, to hand over their lands for palm oil plantation projects. PT USP/First Resources committed to complying with the FPIC process as accommodated in Procedure No EAC.FPC dated 17 June 2013 for areas that haven't been compensated. First Resources' Sustainability Policy on 01 July 2015 states that the company recognizes indigenous and local communities' legal and customary land rights. Moreover, it respects the community's decision to give or withhold their free, prior and informed consent (FPIC) for the development or conservation of land to which they hold such rights.

In conclusion, interviewing the surrounding community and field observations are conducted to ensure that the whole area of NPP scope has not been cleared and the HCV/HCS area is in good condition. The field observation and interview with the community process were conducted for three days by auditors. Field observations show that the condition of the HCV/HCS area is still well preserved, and the location of NPP is still not yet embedded. PT USP adheres to the RSPO New Planting Procedure content and the NPP assessment. The planting plans are comprehensive, professionally qualified and comply with relevant RSPO P&C. In addition, NPP document and carbon stock assessments have been made appropriately, conforming to C7.8, and these assessments have been submitted to the ERWG.

Signed for, on behalf of,
Mutuagung Lestari



Moh Arif Yusni
Lead Auditor

Management Representative
of PT Umekah Saripratama



Ardi Candra Yuniarto
Strategic Sustainability & Stakeholder
Engagement Manager