



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 posed on local on-site notice boards.

Date of notification: 30 January 2012

Tick whichever is appropriate

<input checked="" type="checkbox"/>	This is a completely new development and stakeholders may submit comments.
<input type="checkbox"/>	This is part of an ongoing planting and is meant for notification only.

COMPANY: Olam International Ltd.

SUBSIDIARY (If any): Olam Palm, Gabon

RSPO Membership No.: 2-0209-11-000-00

Location of proposed new planting: Oil Palm Nursery Site Mouila, Gabon

GPS Reference: S 01°46.715', E 010°58.906' (Site 3)

LOCATION OF THE PROPOSED NEW PLANTING

The Olam Palm Gabon, the subsidiary company of the Olam International Ltd., has been granted by the Gabon Government with a concession covering an area of 35,354 ha located between approximately 60 km west of Waka National Park and 140 km east of the Moukalaba Doudou National Park. The concession however, does not overlap or border with any national or international Protected Area.

A High Conservation Value (HCV) Assessment which included internal and external stakeholders were completed by Proforest, RSPO approved assessor and Ecosphere SARL, a local Gabonese consultant was appointed to conduct a comprehensive and participatory independent Social and Environmental Impact Assessment (SEIA) respectively. The results for both assessments have been incorporated into operational

management planning to develop the new planting. The independent assessments by the approved assessors have recognized the following:

- There is no primary forest in the proposed location;
- All areas required to maintain or enhance one or more HCV and conservation area identified;
- There is peat soil identified and proposed for conservation; and
- All local peoples land recognized.

Location maps are prepared and presented in the SEIA and HCV assessment reports to include all the above findings and recommendation from the assessors. A location map showing the project location and HCV is shown in Figure 1 below.



Figure 1: Location of the 35,354 ha concession area of which the 25 ha oil palm nursery is established

SUMMARY FROM SOCIAL AND ENVIRONMENTAL IMPACT ASSESSMENT (SEIA)

Olam Palm Gabon has prepared Social and Environmental Impact Assessment (SEIA) for the proposed a 25 ha new planting area. The SEIA is conducted on September to October 2011 by Ecosphere SARL, a local Gabonese consultant in compliance with the RSPO P&C requirements for New Plantings.

The SEIA covers the development of the proposed plantation and mill and the impact to the environmental stakeholders. It involved primary and secondary data collection, field environmental sampling and survey with purposive proportional sampling, terrestrial studies, stakeholder interview, land use and impact to surrounding community, socio-economic study, health and cultural aspects data collection and reference was made to the national, sector and regional regulations. The assessors conducted field assessment

and inspections, consultations with stakeholders and desk studies. The result of the assessment was used as a guidance to develop the environmental and social monitoring plan. The details of outcomes of the assessment findings and consultation meeting with stakeholders are reported in the SEIA report. The SEIA identified and considered all major impacts of the new planting and made recommendation for mitigation of the potential negative impacts and enhancement of positive impacts. The SEIA also indicated that the project has the potential to provide employment and business opportunities and improvement of the basic infrastructure in the new planting and its surrounding areas.

SUMMARY FROM HCV ASSESSMENT

The Olam Palm Gabon has engaged Proforest, the RSPO approved HCV assessors to assess and prepare the HCV Assessment focusing on a 25 ha of new planting area, within the 35,354 ha of Olam Palm's concession area located in Northwest of Mouila town. The assessment conducted to identify the present of environmental and social HCVs within the concession and at the adjacent areas that could be negatively affected by the new planting. HCV assessment was conducted on August to September 2011, comprising field investigation, desk-based research and consultations. The assessment team considered the various ecological, flora, fauna, landscape and cultural elements on the concession including the issues with regard to land use and customary lands of the local communities.

The HCV assessment conducted by systematically evaluating the conservation value of the ecological, biodiversity and cultural elements at the proposed new planting area. The assessment included field investigation, desk-based and consultation with local communities. The assessment findings was consolidated into one report and appropriate recommendations were developed appropriate to the scale and size of the new planting area. The HCV report concluded that biodiversity and social values found within the potential nursery sites or their immediate surroundings do not qualify as High Conservation Values in the Gabonese context. Nevertheless, the absence of the HCV attributes within the nursery site does not rule out appropriate steps to consider and manage biodiversity as well as social consideration of local communities. The report highlighted two key issues for the siting of the nursery i.e. soil volume requirements for nursery, and water quality/pollution prevention that includes the following brief summary of management recommendations for mitigating any potential impacts on biodiversity and local people:

- **Soil volume requirements for nursery:**
Analysis of soil samples revealed that soils are rich in clay and iron and the surface horizon (humus) is shallow, measuring approximately 15 cm. In site 1 soil scientists estimated that there is approximately 30,000 m³ of soil available for filling seedling bags. This volume is too low for the quantity of seedlings which would be produced in the nursery and would therefore require additional soil from the surrounding (forested) area. The assessors recommended against harvesting soil from forest areas before there the results of the full forest inventory are analysed and hence recommend to choose site 3 that has an estimated soil volume of 74,000m³ which is sufficient for seedling bags.
- **Water quality/pollution prevention:**
Oil palm nurseries are high intensity chemical use zones, with risk of ground water and stream pollution from fertilizer and pesticide applications. Nursery sites therefore

require mitigation measures to protect rivers, streams and groundwater. The draft Gabon HCV Interpretation states that a 50 – 100 m buffer zone should be left along rivers and that a narrower buffer zone should be implemented for streams. However, this was written specifically with forestry in mind, rather than the greater disturbance of plantations. For plantation purposes, as a precautionary measure, savannah vegetation will not be transformed within 150 m of a permanent stream, if any is discovered, and any riparian forest vegetation near the sites will not be converted. Given that there will be earth disturbance and vehicle movement, soil erosion and sedimentation needs to be managed through the use of grading, appropriate drainage and silting ponds.

Water quality and aquatic life should be sampled over time to monitor whether harmful pollution is occurring. Fish species such as *Mormyridae* depend on high water quality and could be important indicator species for water quality over time as chemical inputs are used in the nursery and plantation.

In addition, the report also highlighted a summary of management recommendations for mitigating any potential impacts on biodiversity and local people as follows:

Biodiversity and Social Considerations	Management Recommendations
Forest loss and cutting of protected or endemic tree species	The 25 ha nursery site should be developed in savannah. In order to avoid accidental damage to notable species identified in Annex 1, or notable forest ecosystems as yet to be identified (through the concession-wide ecosystem classification currently underway), no forest whatsoever should be cut during Phase I of Nursery development (except for small patches of scrubby regeneration within the savannah)
Water quality and aquatic life	No pollution of water catchments (rivers, streams, etc). No forest areas will be cut, and a buffer zone of at least 150 m from any permanent water courses will be left as natural vegetation (savannah or forest). All use of agrochemicals including pesticides, herbicides and fertilisers should be carefully controlled to avoid excessive environmental loads, avoidance of spraying into buffer zones, avoidance of accidental spillages, safe handling and cleaning of spraying equipment and controlled disposal of waste water, and safe storage and disposal of chemical containers. These measures need to be developed into Standard Operating Procedures and staff need adequate training and supervision to ensure compliance.
Decline in wildlife species	Olam Palm should implement a strict “No Hunting” policy for all employees. If Olam is to hire migrant workers, their accommodation (temporary or permanent) should be located in areas where the migrant workers will not increase hunting pressure on local fauna.

	No hunting or transport of bushmeat in company vehicles
Access rights of local people to fishing camps along the rivers	Olam should ensure that the nursery does not impede legitimate access by fishermen to traditional fishing camps (e.g. by allowing free passage if required).
Human-Elephant conflict	Field visits and village discussions reveal that elephants are present in the area. It is important to understand this management issue in the nursery and young oil palm plantation. An elephant management strategy is required.

SUMMARY OF PLANS

Olam Palm Gabon, a subsidiary company to Olam International Limited is committed to the sustainable production of palm in all its plantations and therefore is submitting notice of New Planting to the RSPO in order to develop a 25 hectare pre nursery within its 35,354 hectare concession in region of Mouila, Ngounié province, Gabon. The plan to develop a new planting area is in accordance to the process of RSPO New Planting Procedure. The new planting documents were developed based on the RSPO requirement for new planting and in compliance to the Gabon rules and regulation.

Olam has investigated and identified 5 potential 25 hectare pre-nursery plots and out of which has selected one of the plots i.e. Site 3, Ngounié, after completing the SEIA and HCV assessments. Site 3 is chosen for having the most suitable characteristic for pre-nursery development with regard to agronomic, social and environmental considerations. The development of the 25 hectare pre-nursery is anticipated to begin in the end of February 2012 subject to the completion of the public consultation. By March the SEIA and HCV reports for the entire concession will be completed and submitted for NPP Public Consultation. Therefore, nursery plantation development, respecting HCV areas and relevant environmental and social considerations, will begin in late March/early April 2012. Table below shows a complete time frame for the establishment and development of nursery in the concession.

VERIFICATION STATEMENT

The HCV, SEIA reports prepared by Proforest and Ecosphere respectively, and the Summary Report of Planning and Management for a Pre-Nursery in the Municipality of Mouila, Gabon prepared by Olam Palm Gabon was checked and verified by SGS (M) Sdn. Bhd. auditors desktop study, document assessment and verification. The SEIA and HCV Assessment are comprehensive, professional and comply with the applicable RSPO Principle, Criteria and Indicators for new planting.

Sign on behalf of:

SGS (M) Sdn. Bhd.

SGS (MALAYSIA) SDN. BHD. (10871-T)

System & Services Certification

No. 26, Jalan Anggerik Vanilla 31/93,

Kota Kemuning, 40460 Shah Alam, Selangor.

Tel: +6(03) 5121 2320 Fax: +6(03) 5122 5927

www.sgs.com

Abdul Haya Semail

Manager – Natural Resources

Date: 27 January 2012

Sign on behalf of:

OLAM International Limited


.....


Alexandra Booth

Manager – Sustainability (Palm Division)

Date: 27 January 2012