



PUBLIC SUMMARY REPORT
NEW PLANTINGS ASSESSMENT

PT MUKOMUKO AGRO SAJAHTERA
BENGGULU, Indonesia

Report Author

Allan Thomas – October 2010

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1. Executive Summary

The assessments have recognized the following

- There was no primary forest identified
- All areas required to maintain or enhance one of more High Conservation Values (HCV's)
- all areas of peat soils
- all local peoples' land

Maps have been prepared and presented to identify all of the above findings.

2. Scope of the SEIA and HCV Assessments

Organisational information and contact persons

PT MUKOMUKO AGRO SEJAHTERA is based in Bengkulu Province, Indonesia.

Contact Person: Olivier Tichit
Environment & Conservation General Manager

Phone:

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Email: oliviertichit@tolantiga.co.id

Legal Documents

Amdal – not yet approved by local Bupati

Evidence of Land Tenure

Maps and Boundary markers

HGU Hak Guna Usaha

Izin Princip

Local People Involved

1. Sub district official staff: from MukoMuko

2. Head of all villages in PT MukoMuko Agro Sejahtera area (Villages :

Talang Petai
Talang Sakti
Talang Sepakat
Lalang Luas
Lubuk Cabau
Kota Praja
Tirta Makmur
Tirta Mulya
Manjuntto Jaya
Talang Arah
Talang Baru

Lubuk Talang
Air Merah
Air Buluh
Pulau Baru

3. Communities in each village (the team conducting census and interview with almost all village members)
4. Adat head (Customary head)
5. BPN (National Land Authority)
6. Other stakeholders

GOVERNMENT DEPARTMENTS

- Forestry District Officer
- Plantation District Officer
- Local Police Chief
- Local Army
- Local Government
- Bupati

HCV/SIA ASSESSOR

Both HCV and SIA were completed under the direction of coordinator Purwo Susanto and a diverse team which is included in section 3 of this report.

Location maps – both at landscape level and property level including area of new plantings. Prior to development at each new concession preliminary assessments were undertaken and soil types recorded with a view for long term suitability. Preliminary maps of soil types for new planting areas are used in HCV identification process. Topographic information is also incorporated in these maps.

Preliminary maps of the expansion areas have been recently prepared and were sighted (copies attached) they include a guide for drainage plans, roads, fields and blocks. This map includes all relevant topographic information.

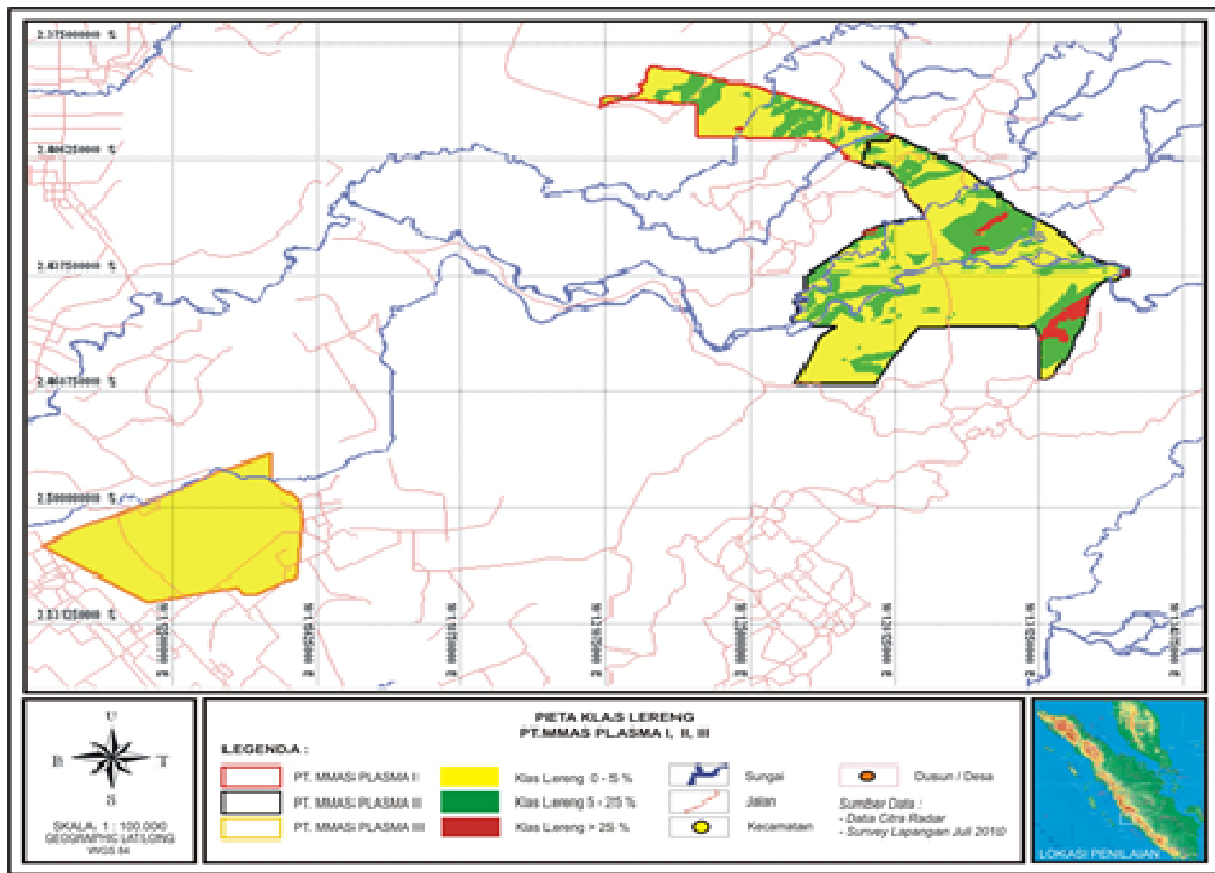
Detailed soil survey has been since completed and all soil maps were viewed in relation to these areas. There are peat soils in the new area to be developed and peat over three metres will not be developed. Others area of peat will be developed and a water management plan will be put in place.

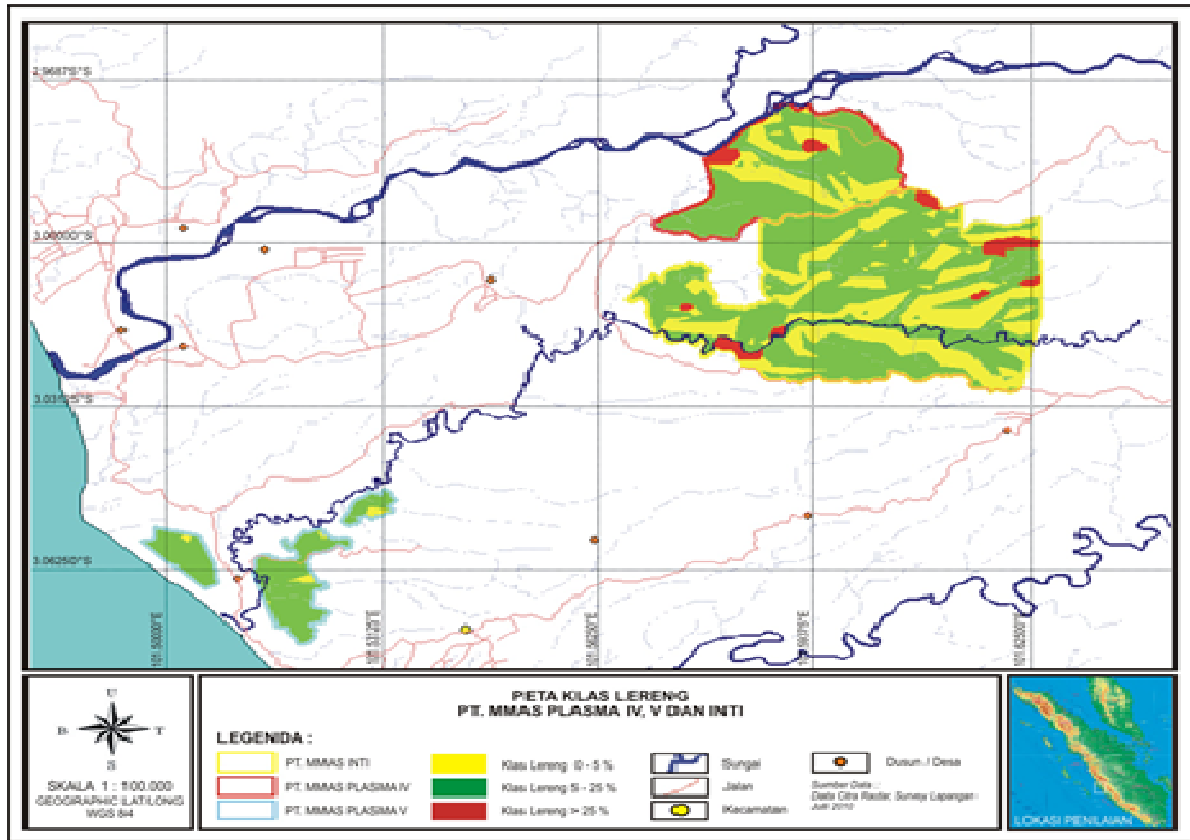
See attached maps

Time plan for new plantings

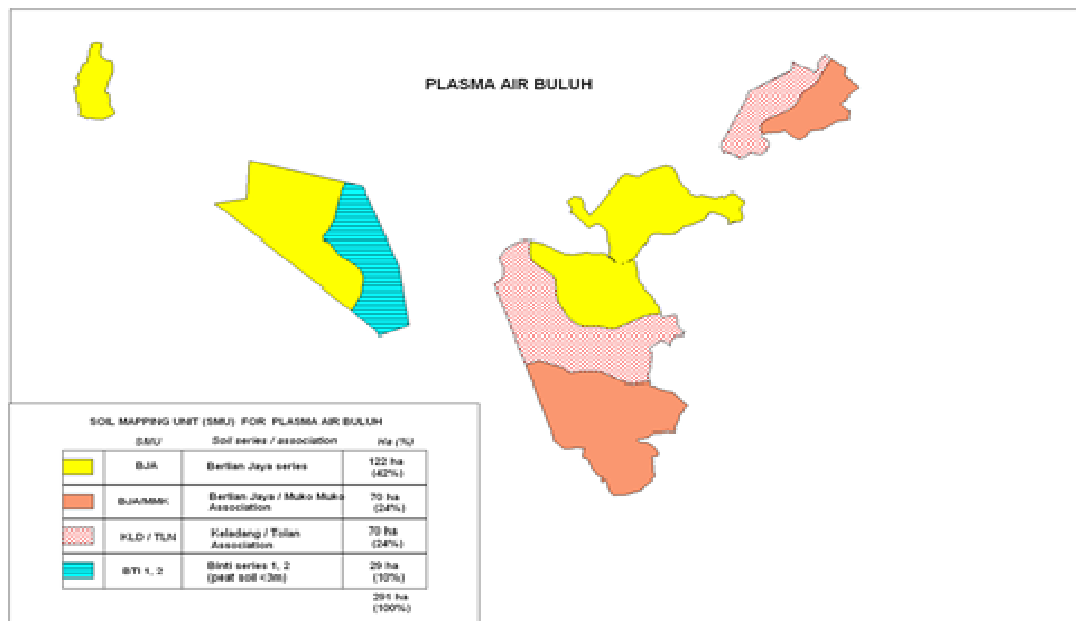
New plantings will commence once Amdal is approved and 30 days have passed since this assessment is made available to all stakeholders

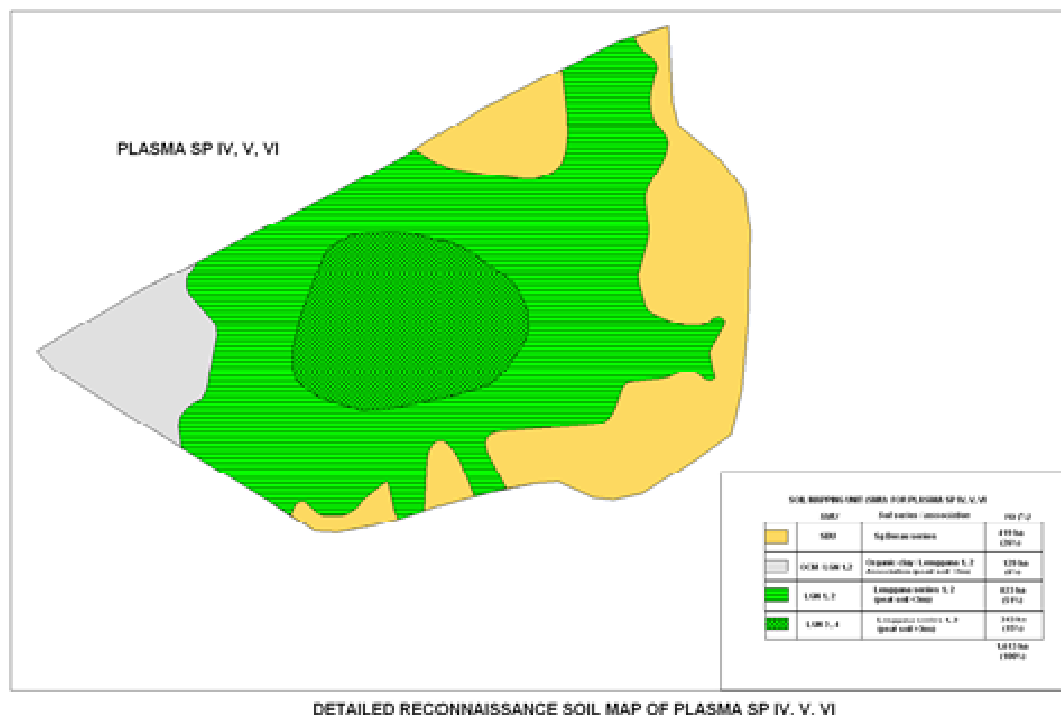
MAP 1 PT. MMAS PLASMA I,II DAN III





MAP 2 PT. MMAS PLASMA IV,V AND INTI





MAPS 3 & 4 MAPS SHOWING PLASMAS WITH PEAT AND EXTENT OF PEAT

3. Assessment process and procedures

HCV/SIA ASSESSMENT TEAM

Ir. Purwo Susanto, selaku koordinator tim. Alumni Fakultas Pertanian Universitas Islam Sumatera Utara-Medan, sekarang menjadi Direktur Eksekutif Yayasan Kelapa Sawit Berkelanjutan Indonesia (YASBI) dan Wakil Ketua HCV-RIWG (*RSPO Indonesia Working Group*) untuk menyusun Pedoman Manajemen dan Evaluasi HCV di Perkebunan Kelapa Sawit di Indonesia. Anggota *HCVF Network* Indonesia dan duduk sebagai salah satu *Executive Board RSPO* (2007-2008). Mantan Koordinator Nasional *Forest Conversion Program* Yayasan *World Wide Fund for Nature* (WWF) Indonesia, memberikan pertimbangan dan dukungan pada *Best Management Practices* (BMP's) dan *High Conservation Value Forest* (HCVF) di perkebunan Kelapa Sawit di Indonesia (2003-2009). Mendapat pendidikan dan pelatihan tentang konservasi dari dalam dan luar negeri. Terlibat dengan RSPO sejak awal berdiri. Telah memberikan pelatihan HCVF ke sekitar 50 perusahaan perkebunan kelapa sawit di Indonesia sejak 2005.

DR. Kunkun Jaka Gurmaya, Bidang Biodiversity aspek Flora dan Fauna. Doctor of Science Faculty of Science, Kyoto University, Japan bidang Ekologi, Sosiologi dan Ethologi Primata. Staf Peneliti Lembaga Penelitian Universitas Padjadjaran (UNPAD) dan Dosen (Ekologi, Sosiologi, Ethologi Satwa Liar) Jurusan Biologi FMIPA Universitas Padjadjaran Bandung. Menjadi anggota Panel Pakar *HCV Management and Monitoring Toolkit* bagi Perkebunan Kelapa sawit di Indonesia bidang Ekologi Satwa. Salah satu *International Assessor* penilaian NKT RSPO. Anggota Kehormatan (*Honorary member*) *Indonesian Primatological Association/Assosiasi/Peminat* dan Ahli Primatologi Indonesia (IPA/APAPI), Pendiri dan Ketua APAPI, *Coordinator for Asia of the IUCN - Species Survival Commission Primate Specialist Group*. Pendiri dan anggota dari *The Indonesian Wildlife Society*. Pendiri dan anggota dari *The ASEAN Wildlife Society*. Anggota dari Persatuan Biologi Indonesia/PBI. Pengurus PBI Cabang Bandung. Sekretaris PBI Kantor Cabang Universitas Padjadjaran Bandung. Pendiri dan Pengurus Konsorsium Taman Nasional Gunung Gede – Pangrango – Halimun. *Studbook keeper of The Javan Gibbon*. *Member and official of the inter-university Japan-Indonesia Scientific joint work, coordinated by IPB-Bogor*. Lebih dari 40 publikasi telah dihasilkan di dalam dan di luar negeri.

Gurnita, S.Si. Bidang *Biodiversity* ,Lulusan Sarjana BIOLOGI Fakultas MIPA Institut Teknologi Bandung. Pernah menjadi Staf Pemantauan Lingkungan di perusahaan PT Shorea Barito Wisata, sebagai staf yang menangani Pemantauan dan Pengelolaan Lingkungan yang merupakan implementasi dari dokumen ANDAL. Pernah mengikuti Pelatihan Pengembangan dan Pelestarian Hutan *Mangrove* pada tahun 1996. Sejak tahun 2002, berpengalaman bekerja sebagai konsultan dalam penyusunan ANDAL sampai sekarang. Sekarang bekerja sebagai kurator di herbarium “Bandungense” Institut Teknologi Bandung, juga sebagai staf pengajar (dosen luar biasa) pada Mata Kuliah Morfologi dan Sistematika Tumbuhan Phanerogamae di Universitas Pasundan Bandung dan Universitas Garut.

Drs. Bambang Suseno, Ahli Aspek Sosial Ekonomi dan Budaya. Alumni Jurusan Antropologi di Fakultas Ilmu Sosial dan Politik Universitas Padjadjaran (UNPAD), Bandung. Sejak tahun 1989, telah aktif sebagai tenaga ahli sosial ekonomi budaya dan pemberdayaan masyarakat pada proyek-proyek pemerintah dan perencanaan pengembangan baik fisik lingkungan maupun social ekonomi. Dalam beberapa proyek yang telah dilaksanakan bertugas mulai dari tahapan identifikasi, sosialisasi proyek, menampung aspirasi masyarakat/persepsi masyarakat terhadap proyek yang ada disekitar wilayah proyek serta memberikan masukan rekomendasi kepada pihak proyek terhadap kondisi sosial ekonomi dan budaya masyarakat sekitar.

Ir. Imam Subagyo. Aspek Sosial Ekonomi dan Jasa Lingkungan. Alumni Fakultas Pertanian Institut Pertanian Bogor jurusan Sosial Ekonomi Pertanian. Sejak Tahun 1990, sebagai Ahli Pengelolaan dan Konservasi Lahan Rawa, serta telah melakukan banyak kajian dan perencanaan, baik fisik-lingkungan maupun sosial ekonomi di berbagai wilayah pengembangan rawa dan transmigrasi di Indonesia.

Arto Seto, ST Bidang *Geographical Information System (GIS)*. Alumni Jurusan Informatika Sekolah Tinggi Sains dan Teknologi Indonesia (ST.INTEN) Bandung. Sejak Tahun 1995 telah banyak berkecimpung dalam kegiatan proyek Pemetaan Digital dan Pembangunan Aplikasi GIS, terlibat dalam pengembangan Software GIS sebagai Development Advisor di Digital Information Centre Bandung (DIC). Telah banyak menangani proyek baik di Perusahaan Internasional maupun Instansi Pemerintah seperti Bappedal

untuk royek pengolahan citra dan penyusunan database spasial hutan mangrove di Kepulauan Riau, Propinsi Banten untuk Proyek FS dan pemetaan potensi energy terbarukan.

Asep Ridwan Anasribowo S.Si. Bidang *Biodiversity*, Lulusan Sarjana BIOLOGI Fakultas MIPA Universitas Padjadjaran Bandung. Pernah menjadi asisten dosen untuk mata kuliah Ekologi Hewan dan Taksonomi Tumbuhan Tingkat Rendah (Kriptogamae). Banyak melakukan pekerjaan lapangan, menjadi asisten ahli untuk bidang Marine Biodiversity dalam tim Amdal di Banten dan Cirebon. Aktif dalam komunitas Padjadjaran diving club. Mengikuti beberapa pelatihan tentang *reef check* dan keanekaan jenis ikan karang di pulau Pramuka, kepulauan Seribu. Pernah juga menjadi asisten ahli di laboratorium Balai Besar Pulp dan Kertas. Mengikuti pelatihan jenis-jenis satwa liar yang dilindungi oleh BKSDA JABAR I dan KONUS di Bandung. Tim ekologi tumbuhan di lembaga ekologi UNPAD untuk penelitian jalur hijau jalan kota Bandung, Tim biodiversity HCV di Bengkulu, Kalimantan Barat dan Palembang.

Abdillah Luhur Nuratmaja S.Si. Bidang *Biodiversity*. Lulusan Jurusan Biologi Fakultas MIPA Universitas Padjadjaran Bandung dengan tema Skripsi '*Studi Keberadaan Macan Tutul di Gunung Malabar*'. Pernah menjadi *Team Leader* Proyek *Biodiversity Assessment* di Gunung Malabar, Kab. Bandung, Jawa Barat atas kerjasama Jurusan Biologi dan PT.STAR ENERGY. Mengerjakan Analisis Vegetasi Hutan di daerah Panaruban, Kabupaten Subang, Jawa Barat untuk Jurusan Biologi Unpad. Pernah menjadi asisten dosen Biologi Unpad di mata kuliah Ekologi Hewan dan Struktur Hewan. Aktif dalam berbagai kegiatan Himpunan Mahasiswa Biologi (HIMBIO) Unpad. Tutor tetap Divisi *Mammalogy* HIMBIO Unpad dan aktif diundang menjadi pengisi acara/materi berbagai Penerimaan Mahasiswa Baru (PMB) di lingkungan Unpad. Tim Biodiversity HCV di Bengkulu, Kalimantan Barat dan Palembang.

Assessment collected Data and identified data sources, data collection, dates, programme and all places visited.

Within Social Impact assessment are details of all people/stakeholders contacted including names, locations and dates of any meetings

List of Legal, regulatory and other guidance referenced includes

Copy of Amdal (not yet completed – SMS AMDAL approved by District Head but full document was not available on site yet)

4a. Summary of assessment findings (for SEI assessments)

PT MMAS prepared an SIA for the development in addition to the Environmental Plan. They have also completed a full Social and Environmental Impact Assessment for these developments to comply with RSPO P&C. The SIA included consultation with local stakeholders and included reports of the outcomes of these meetings.

The SIA identified all major impacts of all activities. These included impacts of roads and other infrastructure.

A comprehensive Social and Environmental impact Assessment has been conducted in relation to the areas of the proposed expansions. There were three SIA's completed by reputable organisation. These assessments were completed and report submitted by for all concession areas. This assessment includes a comparison of existing situation and impacts as a result of expansion. The impacts included both positive and negative issues. The SIA's also reported on the aspirations of the local people and took into consideration their needs which were prioritised. These included education, health, availability of local gardens and employment opportunities amongst many others

This also included details of impacts and risks including the significance of the impacts/risks.

A Social Improvement plan has been prepared with regards to each concession which has allocated targets and time frames for achieving objectives. These will continue to be monitored.

Awareness and socialization sessions were held by the company in villages and with other stakeholders on stakeholder related matters (dispute settling, environmental issues etc.). Hereby the customary traditions were recognized by involving the communities' representatives and village leaders including village heads, hamlet heads and customary heads. Other meetings are to be held to further publicise to new plantings in any areas where awareness needs to be improved.

Files are available showing the involved discussion process, decision making process and if needed a settlement process and the consent process of involved stakeholders. Of the meetings already held ample records are provided indicating who were present and their title. The minutes also outline what was discussed.

A Registered surveyor established boundaries and these are marked physically by pegs and on maps. This was witnessed at the expansion which was visited during this review – boundary pegs were in place and boundaries well marked as well as GPS'd.

All the stakeholders are informed with regards to ongoing negotiations in regards to the proposed development of the expansion areas.

Records indicate that presentations were made to the local villages throughout the expansion areas as these areas came under consideration. This is included for all areas which will be part of the New Plantings and will be ongoing until all negotiations are completed.

There are records of meetings and includes participants from the company and community representatives for each area. There are also records of the history of communication on the proposed development and all meetings held with local people and their representatives. At one meeting some villages were not happy with the meetings outcomes and therefore other meetings are planned to explain even more the expected outcomes of this new development.

A large number of awareness sessions were held with various Land Groups over the last six months or so. Altogether many members of the local communities and villages attended these sessions. Both the benefits and negative impacts were discussed at each of these meetings. All attendance registers were completed and available for each session. Minutes of all meetings held were viewed and indicated

widespread attendance and included all the agenda items discussed.

All Landowners can demonstrate ownership of land being developed through history of tenure.

Boundaries are normally natural such as Roads, Rivers and Customary land. Boundary pegs are now to be put in place and identified and are to be located and marked via GPS and also included in maps for all areas involved in the expansion.

There is proof where disputes have been resolved or are being resolved and ongoing disputes are being monitored. The company have established a system to negotiate with the parties in dispute before legal means. Dispute resolution mechanisms are established through open and consensual agreements with relevant affected parties using either legal means or negotiation with the party in dispute. If required the other bodies such as Police, Army and Village heads are brought in to act as independent arbiters.

Due to previous experiences with other Oil palm development one village chief was unsure of the benefits to them of the development. This will need to be explained to ensure they all benefit from the new plantings. All other desa in the areas have raised no objections to the new development. The main issue is slow development and in other words most Desa would like to programme to be speeded up.

PT MMAS have a participatory conflict resolution method by first talking to involved parties and also recording minutes of these meetings as per 2.2.4 The Company tries to implement the conflict resolution process by the involvement of the Sub District Officers dealing with complaints of the communities.

PT MMAS have appointed a Lands Compensation/Public Relations manager to deal with any issues arising from land compensation issues and disputes.

The "Izin prinsip" for the project has been received by PT MMAS.

Social Impacts are identified via each completed SIA for each new concession area

A SIA has been completed for the proposed new development areas. Some areas for improvement have been highlighted and have now been integrated into an improvement plan / mitigation plan. For a social impact register to be effective mitigation plans will be in place.

The independent social reviewer addressed the overall matters in the SIA.

The PT'S maintain records of attendance at any assessments of any adverse social impacts with all parties were involved. Participation by stakeholders is adequate and continually improving. There will be more meetings as the scheme progresses to show progress in development and explaining the process to the concerned villages.

An action plan has been suggested in each SIA and actions will be taken, time frames and responsibilities and records in relation to any changes to procedures or implementation will be maintained. There is a financial forecast that covers social components like housing and others under The PT'S Continuous Improvement Plan that is annually revised and updated.

A number of conclusions were made as a result of the SIA as well as recommendations which are reviewed and accepted by PT MMAS.

4b. Summary of assessment findings (For HCV assessments)

Amdal has not yet been approved however Location permits have been issued for each new development and these are dated. IUP's have also been approved for each new concession.

An assessment of HCV's has been completed in relation to the new developments and which areas could be negatively affected. There is also an assessment of the local and adjacent natural ecosystems. All watercourses have been identified and including recommendations of measures to be taken to maintain the quality of these water resources including the maintaining of riparian – buffer zones alongside all water courses.

Reputable Ecologists from the RSPO Register of HCV assessors have been carried out an assessment of the presence of HCVs within each Expansion and adjacent to the new concessions. The ecologists used the Toolkit for Identification of High Conservation Value in Indonesia version 2 – June 2008 and prepared a report on their findings.

Within the planned expansion estates some areas will not be planted and these habitats have been identified as fragile due to the slopes and the requirement of exclusion of the gully areas from planting due to the slopes in these areas. These are highlighted in regards to each separate concession as to the status. These are riparian areas and come under HCV 1.1

The assessment determined that there are some HCV forest with regards to endangered flora in the areas and that there were also areas of cultural significance within the proposed expansion area.

The HCV assessors did identify any rare, threatened or endangered species of fauna within the each concession Expansion or adjacent areas. These species at risk and their status are identified throughout each report for both flora and fauna. This also includes the reason for the status of each area identified. These areas will not be developed and of the total area of the proposed development of around 9,000 ha over 1,100 ha will not be developed. This is further identified with regards to each of the 5 plasma areas.

At this point of time the adjacent areas are still well intact with local hilly areas left as buffer zones within each expansion area.

Maps are available showing the extent of the three new concessions. Maps are available which indicate the extent of recognised user rights and there are copies available of negotiated agreements (which have been made so far) detailing the process of consent in relation to the state land that was compensated by the client.

PT MMAS is in the process of negotiating with customary landowners to acquire land for plantation expansion. This process commenced in 2009 and agreements are in the process of being negotiated then will be finalised. The FPIC component has been integrated into the land acquisition process

(the description of the awareness session on both positive and negative aspects of development), with cooperation of an independent neutral parties including Sub District Officers, Local Police and Army units. The minutes of meetings are kept and are a tool to follow up on the awareness that is forwarded and to check the FPIC component. This indicates that these agreements are entered into voluntarily as minutes of any meetings are recorded. This information is recorded in Bahasa.

Since early 2010 PT MMAS has commenced work on the land acquisition process. The Lands Compensation Officer and CSR Manager meet with the landowners and inspect the land to ensure it is suitable for oil palm cultivation and then negotiate with the landowners with regards to compensation. Awareness sessions have been held with the landowners in the village or at a suitable location where all interested parties may attend. A number of Government representatives are invited to attend the awareness sessions to verify that FPIC is followed and also to explain possible negative environmental and social impacts to the landowners. Awareness sessions are held in each concession area. These awareness sessions will be ongoing as each area is further developed.

At this stage each concession have been formalised and all blocks in the proposed expansion have been surveyed.

SEIA and HCV forest evaluations have been completed prior to any development and in particular SIA was conducted for each area to determine the needs and expectations of the effected stakeholders.

Maps showing potential areas for Lease have been produced.

PT MMAS are aware about the FPIC and transparency in relation to dealings with customary landowners and has incorporated this in its procedures.

They have developed systems for handling compensation claims and have integrated the FPIC principle in all negotiations. The communities are represented by Local Administrators of each community group including Village Head, Hamlet head and customary chiefs. Also the communities have given their consent based on a full understanding of the matter/proposal and sufficient information is provided. Land acquisition is ongoing.

The area has appointed spokesperson to address these issues and to discuss on behalf of the each village and community within the new concessions

All documents are in Bahasa

- The Indonesian HCV toolkit was employed
- Decisions on HCV status and related mapping are identified in the HCV assessment along with maps indicating status of all land to be included or affected by the “new plantings”.

5. Internal Responsibility

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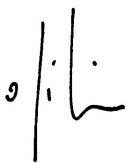
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Signed for on behalf of
BSI Group Singapore Pte Ltd



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Mr Allan Thomas
Lead Auditor
Date: 7.10.2010

Signed for on behalf of
PT Muko Muko Indonesia



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Mr Olivier Tichit
Environment and Conservation General Manager
Date: 10.10.2010