



Roundtable on Sustainable Palm Oil

RSPO NOTIFICATION OF ON GOING 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: 27th February 2014

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.

EXPLANATORY STATEMENT

PT. Bumi Sawit Sejahtera (PT. BSS) has held area permit since September 24, 2007, which was issued by Bupati Ketapang (SK No. 364/2007, 11.000 ha). Approval for principle reserve of forest area has been issued on October 15, 2009 by Ministry of Forestry - *Persetujuan Prinsip Pencandangan Kawasan Hutan*, (SK No.852/Menhut-II/2009, ± 10.140 ha). In addition, the company has also obtained Plantation Business Permit (Ijin Usaha Perkebunan-IUP) on May 25, 2009 from the Bupati Ketapang (SK No. 215/2009, for 11.000 ha and mill capacity: 45 ton FFB/hour). Organization has conducted meeting and consultation with surrounding communities (Village head, BPD and community representative) to disseminate land development plan for oil palm, the event was has been conducted in village office of Natai Kuini on October 18, 2009 and its result showed that the community of Natai Kuini agreed and supported the oil palm development plan of PT. Bumi Sawit Sejahtera (PT. BSS). Clarification of ongoing NPP has been discussed with RSPO Technical Director during RSPO RT11, November 12, 2013. Some activities and business status showed that this is a part of an ongoing planting and is meant for notification only.

First verification of the NPP procedure for PT BSS has been conducted by SGS Malaysia on 27 September – October 01, 2010. It was covered group of Sawit Nabati Agro (SNA Group), and PT. BSS is a part of this verification. SGS report indicated that:

- Social Impact Assessment and HCV Assessment have been conducted by an independent party and registered assessor.
- PT. BSS EIA's is under pending for approval.
- PT. BSS has finished the stage 1 of NPP.

DETAIL INFORMATION

Company Name	: PT. Bumi Sawit Sejahtera
Subsidiary	: IOI Group
RSPO Membership	: 010-04(O)
Address	: Head Office: Level 8, Two IOI Square IOI Resort, 62502 Putrajaya Malaysia. Regional and Site Office : Jln. Raya Pasir Panjang No.6A Kec. Arut Selatan, Kotawaringin Barat, Pangkalan Bun, Central Kalimantan, Indonesia
Site Location	: Natai Kuini Village, Kendawangan District, Ketapang Regency, West Kalimantan Province
Geographical location	: 110.42.20°BT- 110.55.05°BT – 2.47.00°LS – 2.57.20°LS
Surrounding Entities	: North: Production Forest Area and Protection Forest Area of Peat land. East: Conversion production forest area and plantation concession of PT. Kalimantan Prima Agro Mandiri. West: Conversion Production Forest Area. South: Conversion Production Forest Area, Gelinggang Lake, Jelai River and Central Kalimantan Province.
License of Establishment/ Deed in Corporation	: Notaris Surjadi, SH. No. 34 date on 12 March 2007 and also change of license of establishment Notaris Titik Krisna Murti, SH. No. 40 date on 28 December 2007
Capital Status	: Foreign Investment (Penanaman Modal Asing, PMA) Letter of approval of status change from Non Foreign Investment (NON PMDN/PMA) to be Foreign Investment (PMA), No. 259/V/PMA/2007, issued date on 19 December 2007 by Badan Koordinasi Pemanaman Modal.
Company Registration (Tanda Daftar Perusahaan)	: 1405.101.00097, until 10 November 2018 by Cooperation, Trading and Industrial Department of Ketapang Regency, West Kalimantan.
Status Business Land	: <ul style="list-style-type: none"> • On 2007, License of Establishment/ Deed in Corporation, No. 34 by Notaris Surjadi, SH date on 12 March 2007 and also change of license of establishment No. 40 by Notaris Titik Krisna Murti, SH date on 28 December 2007 • Taxpayer Notification Number, No. 02.596.768.8 – 703.000 • Company Registration (Tanda Daftar Perusahaan-TDP), No 1405.101.00097 • On 24 September 2007, Permitted Area-<i>Izin Lokasi</i> , SK No. 364/2007 by Bupati Ketapang (11.000 ha) • On 15 October 2009, Approval in principle reserves of forest area – <i>Persetujuan Prinsip Pencandangan Kawasan Hutan</i>, SK No.852/Menhut-II/2009 by Ministry of Forestry (± 10.140 ha) • On 25 May 2009, Plantation Business Permit – <i>Izin Usaha Perkebunan</i>, SK No. 215/2009, by Bupati Ketapang (± 11.000 ha and mill capacity : 45 ton FFB/hour) • On 12 January 2010, Technical consideration of land

	<p>clearing dispensation of Conversion Production Forest Area – <i>Pertimbangan teknis pemberian dispensasi pembukaan lahan areal kawasan hutan produksi yang dapat dikonversi</i>, SK No. 51/Dishut-II/Ppk/2010 by Forestry Department of West Kalimantan.</p> <ul style="list-style-type: none"> • On 7 July 2010, Extension of permitted area – <i>Perpanjangan Ijin Lokasi</i>, SK No. 417/2010 by Bupati Ketapang (± 11.000 ha) • On 20 July 2012, Release of Forest Area- <i>Surat Pelepasan Kawasan Hutan</i>, No SK.351/Menhut-II/2012 by Ministry of Forestry (10.067,21 ha) • On 29 May 2013, Environmental Permit – <i>Ijin lingkungan atas kegiatan perkebunan</i>, SK No.263/BLHD/2013 by West Kalimantan Governor
New Planting Area	<p>: Based on area suitability analysis (taken into consideration HCV assessment, semi detail soil survey and land compensation), PT BSS plan to develop 8.568,03 ha of oil palm plantation from 10.067,21 ha of concession (SK Menhut No.SK351/Menhut-II/2012- Permitted release of conversion production forest), new planting area including:</p> <ul style="list-style-type: none"> - SPT 1 : Mineral soil (argillaceous sand) ± 478 Ha. - SPT 2 : Inundated mineral soil with peat under 1 meter depth ± 6.861,53 ha - SPT 3, SPT 4 & SPT 5 : Peat land of 1-2 meters depth ± 611, 74 Ha. - SPT 6 : Coastal alluvium soil ± 376,75 Ha, - There was ± 240, 01 ha area outside soil semi detail survey. (See Appendix 5)
Person-In-Charge	: GOH HOCK SIN
Position	: DIRECTOR
Phone number	: 0532-224933
Email	: snagroup11@gmail.com ,
Verification date	: 3 – 4 th and 14 th February 2014 (desk study) and on 6 th February 2014 (field observation)

INTRODUCTION

SAI Global conducted NPP verification audit of PT. Bumi Sawit Sejahtera (PT.BSS) on 3 – 4 February and on 14 February 2014 for desk study. And also field observation conducted on 6 February 2014. The objective of this audit is to verify on going progress of plantation development of PT.BSS, against the requirements of the Roundtable on Sustainable Palm Oil (RSPO) and New Planting Procedure (NPP) and RSPO principle 7 of new planting and its criteria.

SAI Global audits are carried out within the requirements of SAI Global procedures that also reflect the requirements and guidance provided in the international standards relating to audit practice such as ISO/IEC 17021, ISO 19011 and other normative criteria. SAI Global Auditors are assigned to audits according to industry, standard or technical competencies appropriate to

the organization being audited. Details of such experience and competency are maintained in our records.

This report has been prepared by SAI Global Limited (SAI Global) in respect of a Client's application for assessment by SAI Global. The purpose of the report is to comment upon evidence of the Client's compliance with the standards or other criteria specified. The content of this report applies only to matters, which were evident to SAI Global at the time of the audit within the audit scope. SAI Global does not warrant or otherwise comment upon the suitability of the contents of the report or the certificate for any particular purpose or use. SAI Global accepts no liability whatsoever for consequences to, or actions taken by, third parties as a result of or in reliance upon information contained in this report or certificate.

Please note that this report is subject to independent review and approval. Should changes to the outcomes of this report be necessary as a result of the review, a revised report will be issued and will supersede this report.

Assessment team

The audit team compromise of the following personnel of SAI Global:

Ria Gloria – Team Leader

She was graduated with Bachelor of Chemical Engineering degree from Bandung Institute of Technology in 1994. She has working experience as Environmental Consultant for many years. She has completed ISO 14001 (1995), ISO 9001 (2004), RSPO P&C (2009) lead auditor training courses, RSPO SCCS (2010) and ISPO (2012) lead auditor training courses. For the last 9 years she has been involved in quality (ISO 9001) and environmental (ISO 14001) management system audits for very broad industrial and in the palm oil sector since 2003 for several plantations and mills. She has received training for good agricultural practices including integrated pest management and high conservation value (2008-2009).

Anwarsyah Harahap – Team Member

He was graduated with Bachelor of Natural Forest Resource Conservation from Bogor Agriculture Institute in 2004. He has working experience as biodiversity researcher at palm oil plantation on 2007. Since 2008 to 2013, He has work experiences in palm oil plantation on Sumatra as a team member of sustainable certification task force (such as: Biodiversity and HCV management, RSPO, ISCC, ISO 14001 and ISPO) and his last position as a sustainable and Environment Officer. He was also completed ISO 9001 (2013), RSPO (2013) and ISPO (2013) lead auditor training courses, ISO 14001 (2013) and SMK3 auditor training courses.

M. Sayidina Ali – GIS Specialist

He was graduated with Diploma of Ecotourism from Bogor Agriculture Institute in 2005. He has working experience as HCV assessor at HTI, HPH since 2006 and also for palm oil plantation since 2008. He is a RSPO accredited as an assessor in 2012 with expertise in planning and GIS.

Assessment methodology and plan

SAI auditors conducted desk study (main document audit), discussions with the PT.BSS team and field verification. During the main document audit, 2 (two) SAI's auditors conducted desk review and discussions with the PT BSS's management to verify and review the relevant NPP documents from 3 – 4 February 2014 and 1 (one) auditor on 14 February 2014. And also 1 (one) auditor and 1 (one) GIS specialist conducted field observation on 6 February 2014 in PT.BSS project area to verify Land clearing activities against:

- HCV identified, management and its monitoring of HCV,
- Peat land management, and
- FPIC processes for compensation of customary right and any progress of land development.

Certification body

PT. SAI Global Indonesia

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located around the world, our clients include large global corporations as well as single site organizations.

LOCATION OF PROPOSED NEW PLANTING

PT. Bumi Sawit Sejahtera is a company operating oil palm plantation in the area West Kalimantan Province. PT. BSS plan's only develop 8.568,03 ha of land for company from 10.067,21 concessions (SK Menhut No.SK351/Menhut-II/2012- Permitted release of conversion forest product). It was based on suitable area analyses (HCV assessment, semi detail soil survey and land compensation). Concession area was located in Natai Kuini Village, Kendawang District, Ketapang Regency, West Kalimantan Province (Figure 1).

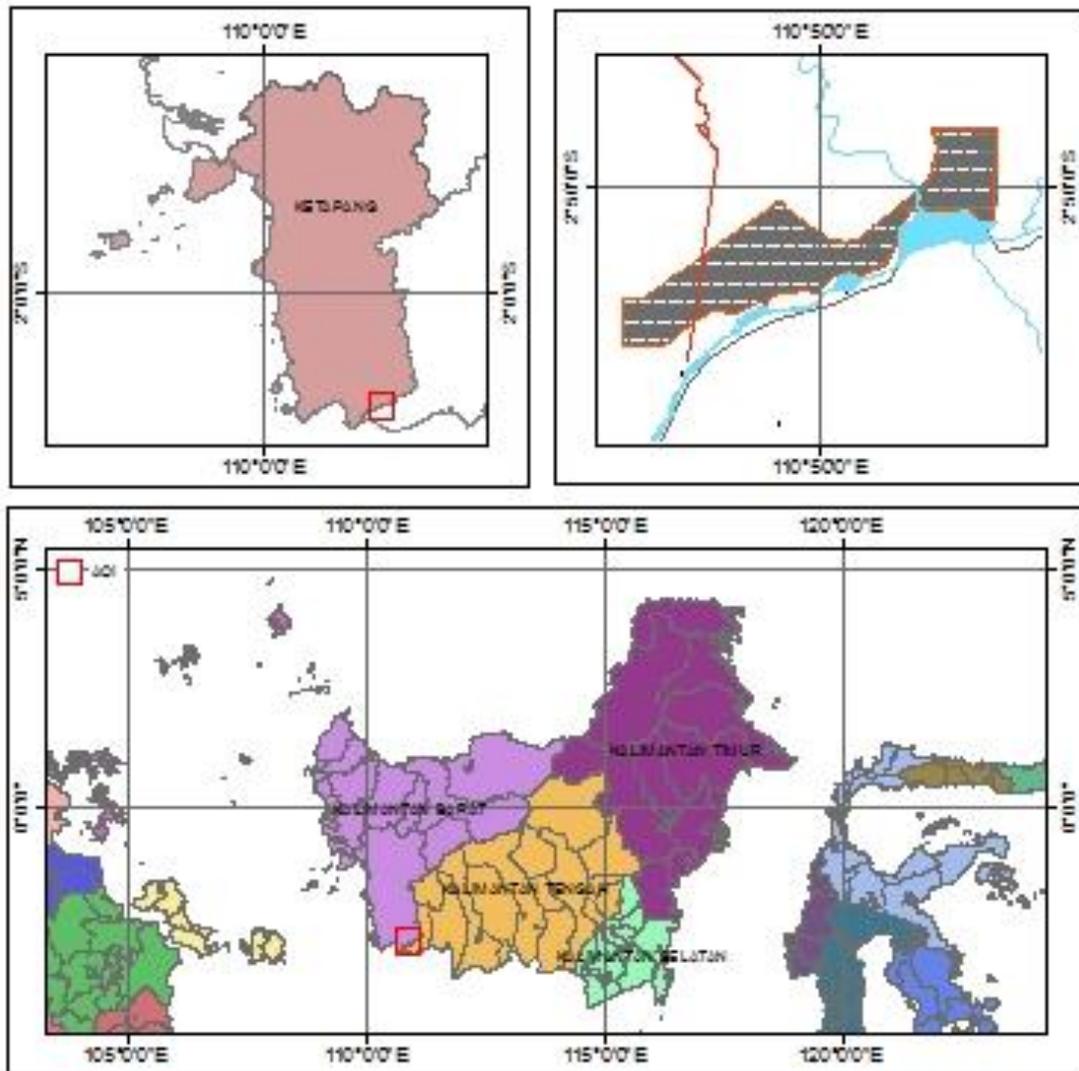


Figure 1. Location Map

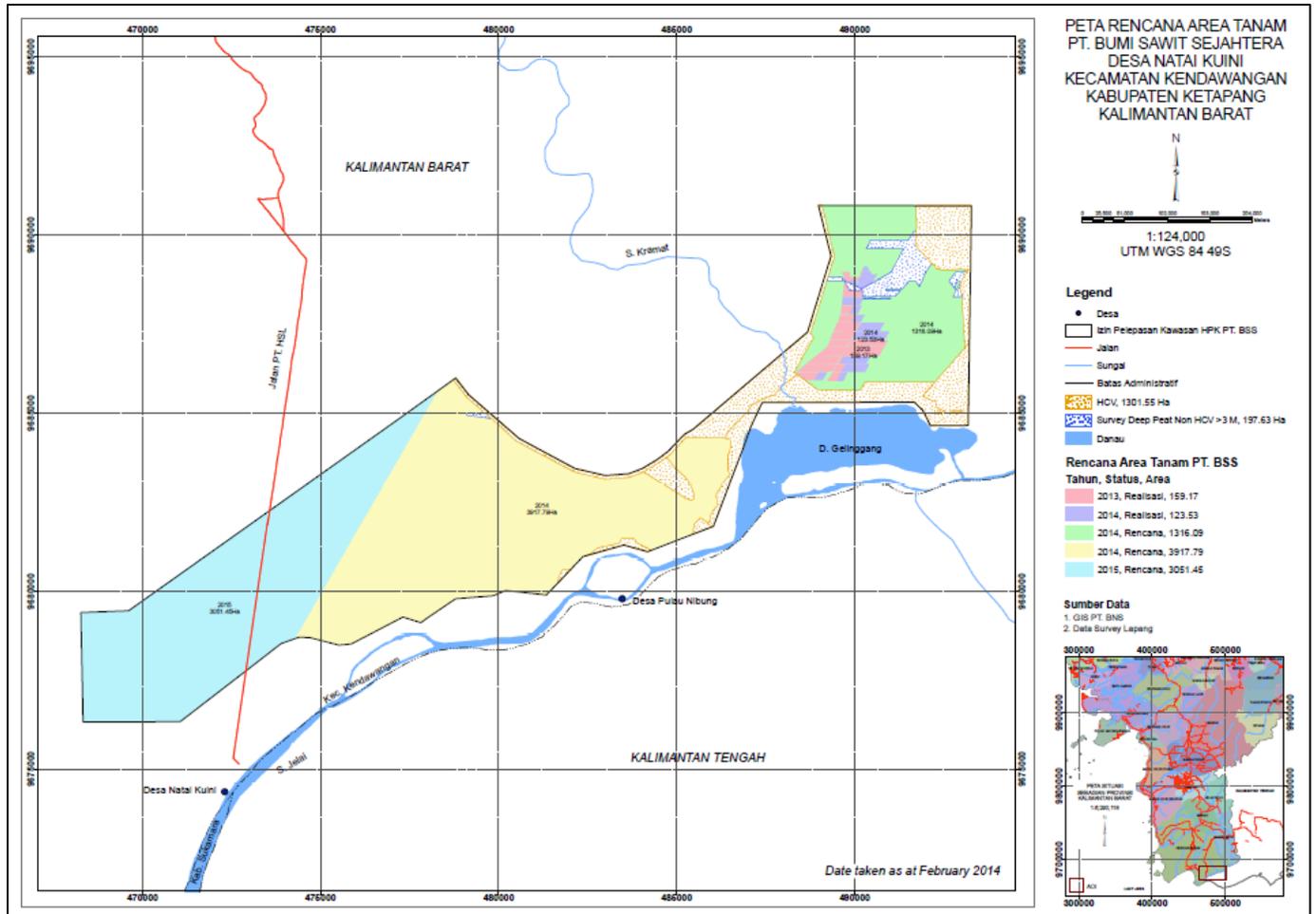


Figure 2. Map of Proposed new planting area

SUMMARY FROM SEIA ASSESSMENT

Social Environmental Impact Assessment (SEIA)

A Participative SEIA (AMDAL) has been conducted by PT. Global Estetika. AMDAL document has been approved by EIA Assessor Commission of West Kalimantan Province (Environmental Feasibility of Oil Palm Plantation Development Plan (10.067,21 ha) and Processing (Mill capacity 45 ton FFB/hour) – *Izin Kelayakan Lingkungan atas pengembangan perkebunan (10.067,21 ha) dan pabrik pengolahannya (kapasitas pabrik 45 ton FFB/jam)*, No. 200/BLHD/2013, dated of issued on 14th March 2013 by West Kalimantan Governor)

SEIA (AMDAL) was conducted in according to SEIA framework document –*Dokumen Kerangka Acuan ANDAL* which has been approved by West Kalimantan Governor on 8 June 2009 (Approval No.714/ 2009). The SEIA scope of studies considered significant impact and potential spread of environmental impact based on spatial approach taken into account project perimeter, ecological, social as well as administrative boundaries. The SEIA studies analysed four main project phases: pre construction, construction, operation and post operation. For each project phase, the SEIA studies identified potential environmental impact of the following environmental

component: geophysics – geochemistry, biology, socio-economic and culture, also public health (Table 1).

Potential environmental impacts were identified and assessed for its significance based on study of literature, stakeholder involvement through interview as well as questionnaire, discussion and based on related regulation.

Table 1. Identified Potential Significant Impact in each Construction Stage

No	Environmental Component	Impact Source
A. Pre Construction Stage		
Social, economic and culture component		
1	Community behavior and perception	Project dissemination
2	Potential of social conflict	Project dissemination
		Making of boundary and land release
B. Construction Stage		
Physic and chemical component		
1	Decrease of air quality	Mobilization of heavy equipment and material Infrastructure construction Land clearing Mill and Waste Water Treatment Plant construction
2	Increase of noise	Mobilization of heavy equipment and material Infrastructure construction Land clearing Mill and Waste Water Treatment Plant construction
3	Decrease of surface water quality	Land clearing
4	Increase of erosion and sedimentation rate	Land clearing
5	Decrease of road access	Mill and Waste Water Treatment Plant construction
6	Peat land subsidence	Infrastructure construction
7	Disturbance of forest area	Land clearing
Biological component		
1	Decrease of flora diversity	Nursery and oil palm planting
2	Decrease of fauna diversity	Nursery and oil palm planting
3	Decrease of water biota diversity	Land clearing
Social, economic and culture component		
1	Community behavior and perception	Recruitment of worker Mobilization of heavy equipment and material Mill and Waste Water Treatment Plant construction
2	Work opportunity	Recruitment of worker
3	Business opportunity	Recruitment of worker Infrastructure construction
4	Increase community income	Infrastructure construction

No	Environmental Component	Impact Source
		Immature upkeep
		Mill and Waste Water Treatment Plant construction
5	Potential of social conflict	Recruitment of worker
6	Change of community behavior	Recruitment of worker
Community environmental health component		
1	Decrease of sanitation and increase of diseases	Infrastructure construction
2	Decrease of community health level	Mobilization of heavy equipment and material
		Infrastructure construction
C. Operation Stage		
Physic and chemical component		
1	Decrease of air quality	Mobilization of FFB transportation and heavy equipment
		FFB processing
2	Increase of noise	Mobilization of FFB transportation and heavy equipment
		FFB processing
3	Decrease of surface water quality	FFB processing
		Waste water treatment plant
Social, economic and culture component		
1	Community behavior and perception	FFB processing
		Waste water treatment plant
		Replanting
2	Work opportunity	Harvesting and FFB transportation
3	Increase community income	Mature upkeep
		FFB transportation
		FFB processing
		Replanting
Community environmental health component		
1	Decrease of community health level	Harvesting and FFB transportation
		FFB processing
		Waste water treatment plant
D. Post Operation Stage		
Physic and chemical component		
1	Increase of surface water quality	Reforestation and re-vegetation of land
Community attitude and perception		
1	Community behavior and perception	Reforestation and re-vegetation of land
		Release of worker
2	Decrease of community income	Release of worker
Environmental health component		
1	Decrease of community health level	Equipment demobilization

Social Impact Assessment (SIA)

The Social Impact Assessment (SIA) was conducted by a group of independent team from Aksenta on 1-9 April 2010 covered villages around BSS's concession including Kelurahan Kuala Jelai, Pulau Nibung Village in Central Kalimantan Province and Natai Kuini Village including Dusun Maju, Natai Baru and Tanjung Pal in West Kalimantan Province. There was 3 (three) assessor conducted assessment consist of 1) Agus E. Munoraharjo, 2) Gena Lysistrata (RSPO-Approved HCV assessor) and 3) Ganip Gunawan (RSPO-Approved HCV assessor).

The social impact document covered the key elements of assets, namely the assets of nature, human financial, physical, social and entitlements, followed by the identification of negative and positive impact and key issues that can affected or benefit to the community, principles of free prior informed consent (FPIC) of community participatory needs, assessment and resource sharing.

Summaries including key issue of the assessment and public consultation meetings were included in the SIA report. Public Consultation was conducted on 8th April 2010 in Natai Kuini, 42 participants attended this consultation meeting. Consultation with the relevant stakeholders was conducted to provide opportunities for communication and sharing the informations/opinion/suggestions. Inputs from the public consultation are documented as evidence in the final SIA reports.

In conclusion, social key issues identified during SIA classified to 3 (three) issues including:

1. Human resource development of local community including infrastructure development (clean water, health infrastructure)
2. Land compensation (compensation mechanism and its payment) and
3. Plantation development for local community (20 % per total concession area) including: partnership scheme, member criteria of partnership, partnership rights for every grower, rights and obligations partnership scheme of community with company and distribution of profits and losses mechanism.

SUMMARY FROM HCV ASSESSMENT

HCV Assessment of PT. BSS was conducted by Aksenta on 1-9 April 2010 covered area of location permit (11.000 ha) based on Decision letter No 364/2007 on 25th September 2007 by Bupati Ketapang. The team of assessors who conducted the study has been approved by the RSPO consists of 1) Resit Sozer, 2) Robert H. Sinaga, 3) Idung Rudiyanto and 4) Nandang Mulyana. HCV Assessment report has been reviewed by Dr. Ir. Tonny Soehartono, MSc. And Dr. Widyatmiko, Msi.

Final Report of HCV assessment has been adjusted on 30 January 2014 for changes of land status of BSS's concession area based on release of conversion production forest for palm oil development of PT.BSS (Decision letter No. SK.351/Menhut-II/2012, date on 22 July 2012, [10.067, 21 ha]). At present, land status of PT. BSS concession is an APL (Areal Peruntukan Lain).

The HCV assessment of PT. BSS has identified 8 (eight) types of HCVs: HCV 1.1, 1.2, 1.3, HCV 2.2, HCV 3, HCV 4.1, 4.2, HCV 4.4 and HCV 6. The HCV area is identified in 7 locations. The identified indicative of HCV area was $\pm 1.301,5$ ha or ± 13 % of the total Forest Released area (Pelepasan Kawasan Hutan) of PT. BSS. HCV Assessment report shown that there is no primary forest in PT BSS concession. Description of the HCV location is summarized in table 2.

Table 2. Description and indicative area of HCV within PT BSS concession

Index	Type HCV	HCV Element	Location (ha)
1a, 1b & 1 c	1.2, 4.1, 4.2	Part of Jelai River Bonder. It is a wildlife mobilization area such as <i>Nasalis</i> and <i>Pongo</i>	40,9
4	1.1, 4.1, 4.2, 4.4	Buffer of protected forest which immediately adjacent with PT.BSS	375,9
2	1.2	Pocket of natural vegetation in line with Peat protection forest. Important as refuge for <i>Pongo</i> and other wildlife.	71,3
3	1.4, 2.2, 4.1, 4.2, 4.4, 6	Buffer of Gelinggang Like. It is mobilization area special for key species such as <i>Nasalis</i> and <i>Pongo</i> . It is also part of the unique landscape in Jelai River.	381,9
5	1.2, 3	Secondary peat swamp forest as a habitat of <i>Helarctos</i> .	135,4
6	1.4	Secondary heterogeneous peat swamp forest. There are opened Natai in some location. Important for wildlife mobilization	38,9
7	1.2, 3	Secondary peat swamp as a habitat of <i>Pongo</i> , <i>Helarctos</i> and other wildlife.	257,2
Total		Proportion of HCV area is 13 % from concession of PT BSS totally (Released of Production Forest area converted to oil palm plantations)	1.301,5

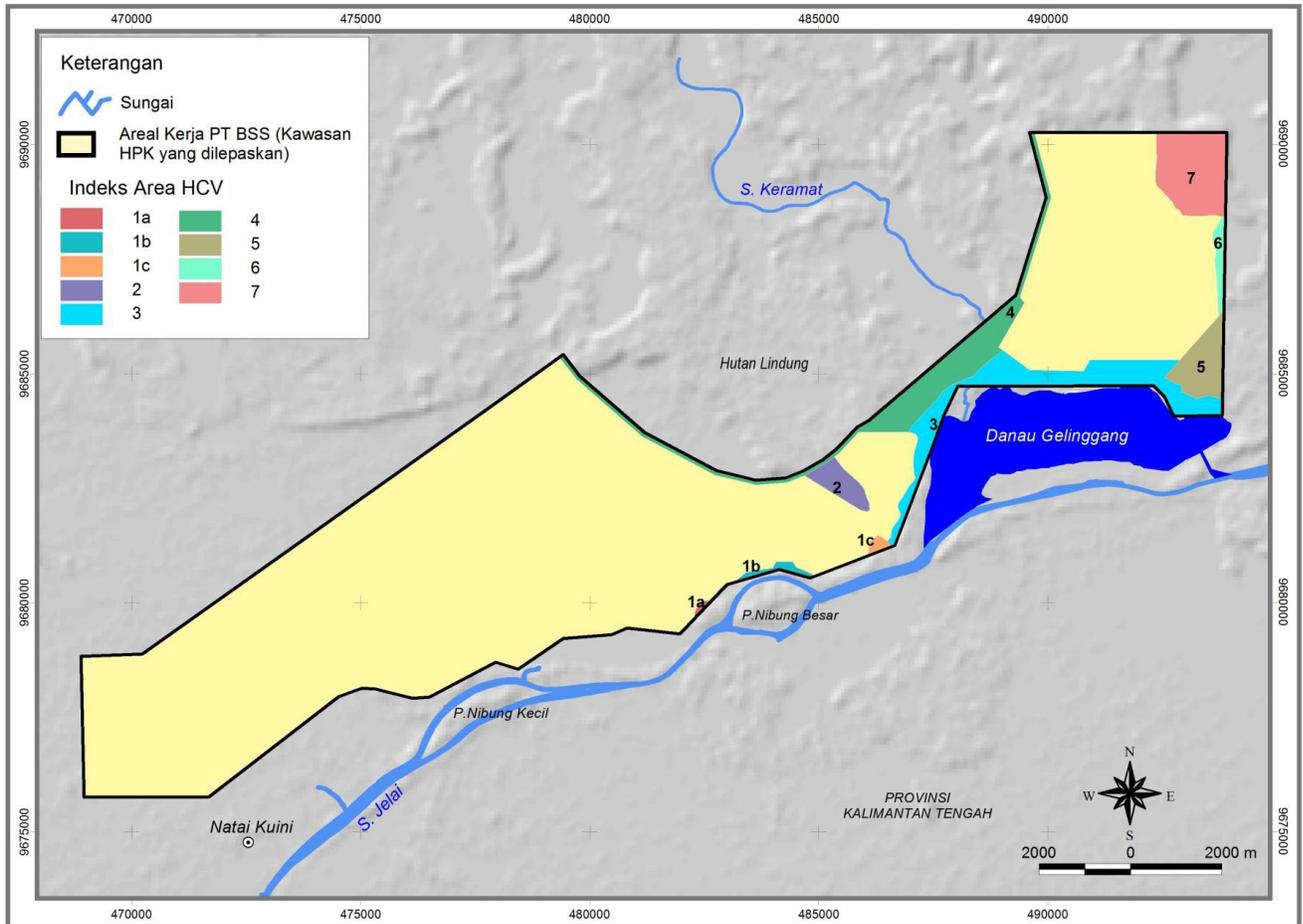


Figure 3 Indicative Map of HCV Area in PT Bumi Sawit Sejati

Summary Development of SEIA and HCV Management Plans

PT. BSS development plan has incorporated the findings from SEIA (AMDAL), HCV Assessments and Social Impact Assessments (SIA). Social and environment management, mitigation and monitoring plan (RKL-RPL) prepared based on SEIA (AMDAL) under cooperation of accredited assessor of PT Global Estetika and it has been approved by EIA Assessor Commission on 26 February 2013 (SK No.200/BLHD/2013). HCV and SIA management and mitigation plans of PT.BSS were prepared by EHS supervisor in according to HCV assessment and SIA result.

Stakeholders involved

Consultation with the relevant stakeholders to provide opportunities for communication and sharing of the informations/ opinion/ suggestions between the PT.BSS and stakeholders was carried out. Public consultation was carried out on 8th April 2010 in Natai Kuini at the time of HCV and SIA assessment attended by respondents (the workers and Village head, community leader BPD-Badan Pemerintahan Desa (Village of Natai Kuini, Tanjung Pal, Natai Baru, Pulau Nibung), and community representative including embankment farmer), 42 participants attended

this consultation meeting. Result of public consultation used as a one of bases data to arrange the HCV and SIA management and monitoring plan.

Management and monitoring plan is collaborated with NGO (such as: Orangutan Foundation or Borneo orangutan Survival) and government (Balai Konservasi Sumber Daya Hutan-BKSDH) to manage and monitor HCV area and key species (*Pongo*, *Helarctos*, *Nasalis*, etc.). Communication and consultation to manage and monitor the social issue is done with district agency (such as: Manpower agency, forest and plantation agency) and sub district agency (Such as: Camat, BPD, Head of village, Community leader).

SEIA Management and Mitigation Plan

SEIA management and mitigation was described in Environment management and monitoring plan (RKL-RPL) which has been approved by West Kalimantan Governor. Generally, the Management and Mitigation Plan as per SIA Assessment and SEIA (AMDAL) document of PT.BSS was conducted using 3 (three) approaches consist of: technology, social-economy and institutional and is described in table below.

Table 3. Management and Mitigation Plan as per SIA Assessment and SEIA (AMDAL) of PT. Bumi Sawit Sejahtera

No	Management and mitigation approach	General program to minimize, reduce and overcome of natural resource damage and negative impact of socio-culture
1	Technology approach It is an application of technology to reduce, minimize and mitigate of negative impact and develop positive impact.	<ul style="list-style-type: none"> - Land clearing conducted only for suitable area for palm oil and outside of protected area by zero burning, semi manual and mechanic and stacking in according topography to minimize and reduce soil erosion; - Intensively monitoring of potential pollutant source; - Waste management; - Increase the health services to around community - Build/repair public infrastructure. - Re-vegetation of HCV area, riparian zone and other protected area
2	Socio – economic approach. It is conducted by participatory coaching including economic empowerment to increase their capacity and independence	<ul style="list-style-type: none"> - Identification of customary right and other community area as a base for land compensation. - Compensation conducted by FPIC mechanism. - Development 20% per total planted area for around community by plasma scheme. - Building partnerships with surrounding communities to manage and protect key biodiversity, HCV area and other protected area outside HCV area and also socio issue. - Develop and increase community economic in collaboration with local government. - Local community prioritized for employee recruitment. - And also communicate the complaint mechanism to community leader and internal (worker). - Create the health and comfortable of work and social environment

No	Management and mitigation approach	General program to minimize, reduce and overcome of natural resource damage and negative impact of socio-culture
3	Institutional approach	<ul style="list-style-type: none"> - Institution mechanism including collaborates with related instance/agency to manage the environment, HCV and social issue such as: local environmental agency (BLHD), local forestry agency, local plantation agency and also local social and manpower agency. - Report social and environment management result to related agency is as a part of control.

To increase the social economy contribution and to minimize negative for socio-economic impacts PT.BSS has arranged the Corporate Social Responsibility (CSR) program for the first period (2014-2016). There are nine objects of program conducted for the first period and it was described in table 4.

Table 4 Corporate Social Responsibility Program of PT. Bumi Sawit Sejahtera (2014-2016) as part of management plan to enhance socio-economic contributions.

Exp	Program	Item	Time	Importance Level	2014/2015	2015/2016	2016/2017
1 Building Relationship and Communication					TIMELINE		
1	Meeting with villager	a. Monthly meeting with Village forums (including socialization of plasma, land burning, RSPO, etc		4 High			
		b. Participatory Rural Assesment	Ad hoc	High			
2	Meeting with Government	a. Provincial Agency (such as Bappeda, Dishutbun, Diknas, DinKes, BPLHD, Govenor). ad hoc once every 6 months		2 High			
		b. District Agency (such as Bappeda, Dishutbun, Diknas, DinKes, Dinsos, Disnaker, Bapedalda). ad hoc ever		3 High			
		c. Subdistrict Agency such as Camat, kepala desa, and other related stakeholder		4 High			
3	Meeting with Media:	sending company publication to media, press tour to plantation. Ad hoc	Ad hoc	Low			
4	Meeting with NGO	Sharing and coordination regarding HCV, Indengious Spesies, etc	Ad hoc	Low			
5	Event Banner	Support local publication with event banner	Ad hoc	Low			
2 Education for Community							
1	Scholarship program	Reward for achieve students	Continously	Medium			
2	Books support for school	Support lack of textbook for school	2	Medium			
3 Capacity Building for Community							
1	Vocational training	Support Community with liffe skill & Capacity Building training	Ad hoc	High			
2	Sport Equipment support for Community	support sport activity for youth		1 Low			
4 HEALTH							
		1.TB Treatment (Based on Medical Assesment)	Continues	High			
		2. Health activity					
		a. Supporting Health treatment of villager by running free medical services	Monthly	High			
		b. Health campaign with local partner	Ad Hoc	Low			
		3. Posyandu (Extra Nutrition)	mothly	High			
		5. Mass Circumsission		1 Medium			
5 PUBLIC FACILITY/ INFRA STRUCTURE							
		1. Village Public Infrastructure	Ad Hoc	Medium			
		2. Clean water	Ad Hoc	High			
		3. Road development and Maintenance	Ad Hoc	High			
6 ECONOMY EMPOWERMENT							
	Local business development	based on Musrebangdes and suggestion from Pemda to anticipate plasma issues	Ad Hoc	High			
7 Religious & Culture							
		1. Religious events (Idul Fitri, Christmas, Maulid Nabi, etc)	Ad Hoc	Medium			
		2. Idhul Adha (providing cow)	Ad Hoc	Medium			
		3. Local culture	Ad Hoc	High			
8 National Celebration							
		Independence Day	August	High			
9 Gift and Gratuity / Donations							
		1. Sponsorship	Ad Hoc	Medium			
		2. Donation support for external party	Ad Hoc	High			
10 Initiative							
		1. Awareness training program on fire, illegal logging,etc	Ad Hoc	High			

HCV Management and Mitigation Plan

Development of HCV management and mitigation plan was prepared based on HCV assessment result. The purpose of program to provide guideline for the company in planning and management in managing the HCV present within the concession area. Detail program of management and monitoring of HCV describes in table 5.

Table 5 Matrix of HCV management and mitigation plan

HCV	Description of location	Objective	Program
1.1; 1.2; 1.4; 2.2 & 3	Important areas which have authenticity of the community/ecosystem and also protected, threatened, endangered and endemic species (flora & fauna)	Function and extent of key habitat still preserved and safeguarded	<ul style="list-style-type: none"> • Posting/Setting up sign of HCV area on strategic location in according to HCV identified • Posting/Setting up sign of wildlife crossing paths • In collaboration with the third parties within management and protection of endangered or threatened species such as collaborate with Orangutan Foundation International (OFI), Borneo Orangutan Survival (BOS and government (BKSDA) • Communicate/report the HCV management and monitoring report or other information to local agency, such as local environment agency. • Communicate HCV area and its protection to worker • Monitoring/patrol of HCV area • Prepare procedure of HCV management • Educate and communicate regarding environment and HCV to students around village • Discipline and law enforcement against violation of HCV area. • Develop fire extinguishers procedure • Construct/build the fire watchtower (12 meters) • Create/set up drainase system as a firebreaks • Provide fire-fighting equipment • Evaluate monitoring result
HCV 4.1, 4.2, dan 4.4	River there in Concession and or other swamp area which have function as a controller soil erosion, sedimentation, or flooding and also as a fish	Minimize threat, maintain and increase function of HCV area	<ul style="list-style-type: none"> • Posting/Setting up sign of HCV area on strategic location (Buffer zone of Gelinggang Lake and riparian zone of Keramat River) in according to HCV identified. • Disseminate and communicate to surrounding community about HCV and its function as a their livelihood • In collaboration with third parties to protect and manage HCV area, such as: BKSDA • Communicate HCV management and monitoring report or other information to local

HCV	Description of location	Objective	Program
	sanctuary.		agency, such as local environment agency. <ul style="list-style-type: none"> • Communicate HCV area and its protection to worker • Monitoring patrol of HCV area • Prepare procedure of HCV management • Education and dissemination about environment and HCV to students around village • Law enforcement against violation of HCV area. • Evaluation of monitoring result
HCV 6	Cemetery in Keramat River and also as a buffer of Gelinggang Lake	Preserve and maintain culture value of local community	<ul style="list-style-type: none"> • Communicate cemetery protection to around community of Natai Kuini & Pulau Nibung • Post/Set up sign board of HCV 6 • Monitor HCV area

VERIFICATION STATEMENT:

During field observation, it was observed that the boundary of HCV area has been clearly demarcated by PT. Bumi Sawit Sejahtera to prevent any possible encroachment during the oil palm plantation development (Appendix 1).

Semi detail soil survey result also shown that there is no primary forest in PT BSS concession. The summary of land status prior to development base on soil semi detail survey describes in table below.

Table 6. Land cover in principle reserves of forest area of PT Bumi Sawit Sejahtera

No	Land cover	Area	
		Ha	%
1	Shrub swamp	1.126,54	11,19
2	Degraded swamp forest	4.700	42,99
3	Secondary degraded swamp forest	1.666	15,21
4	Tertiary degraded swamp forest	3.823	34,9
5	Grassland and ferns	393	3,58
6	Open space	363	3,32

Based on semi detail soil survey, there was estimated 1,047 ha peat land and 711 ha from the total peat area are more than 3 m. HCV assessment indicated 431.5 ha peat land that have high conservation value, the area was identified as a secondary peat swamp forest.

Other than HCV area, PT BSS's development plan has defined that peat land of more than 3 meters as a protected area/conservation area. So that there are 1.499,13 ha protected area totally in PT.BSS concession, including 1.301,5 ha of HCV area and 197,63 ha of peat land (protected area outside the HCV area) (Appendix 2).

PT BSS's development plan indicated that peat land less than 3 meters deep will be developed according to procedure and or guidance of palm oil cultivation management and planting technique in peat and sandy land. Planting technic guidance describes mechanism and planting technic at sandy and peat land area. Procedure of peat land management describes drainage system, maintain of drainage, water management (water level control, water gate) and zoning system, access road infrastructure and land clearing (Zero Burning System).

Land development and planting of oil palm has been conducted since October 2013 after the environmental permit has been issued and land compensation has been settled. Although that HCV assessment indicated that there was no customary right, the organization has anticipated any future claim of customary right within the land concession. Claims of the concession area has been handled through consultation process between organization, community representative, religion leader, community leader, Badan Pemerintahan Desa (BPD) and the village head. Land compensation was conducted based on Regency Head of Ketapang Decree No. 6/2006 about Compensation requirement in Ketapang Regency (Pengaturan Harga Dasar Ganti Rugi Tanam Tumbuh Di Kabupaten Ketapang). Since 2010, there was 6.724,22 ha have been compensated consist of customary right (5.722,22 ha, scale map 1: 40.000) and farm community (1.002 ha, scale map 1: 20.000).

Minutes of meeting of PT BSS's oil palm plantation development dissemination attended by relevant regulatory bodies, village head, community representative (105 participants) on 4 May 2010, indicated the commitment of PT BSS to develop 20 % from total planted area for Natai Kuini community (plasma scheme). This was a part of the process of free, prior and informed consent (FPIC).

Based on the objective evidence reviewed during desk study as well as field observation we concluded that:

1. PT BSS has conducted Social Environmental Impact Assessment (SEIA as part of AMDAL studies) has been submitted and approved by the authority.
2. Environment management and monitoring plan (RKL-RPL) has been developed and approved by the authority.
3. PT BSS has conducted Social Impact Assessment by an independent party. The assessment were conducted in detail and professionally.
4. PT BSS has conducted HCV assessment by RSPO approved assessor. The HCV assessment report has been peer reviewed by independent party.
5. PT BSS's SEIA, SIA and HCV assessment has been done in comprehensive and professional manner and in line with RSPO NPP.
6. PT BSS has established development and management plan of the new plantings taken into account result of SEIA, SIA and HCV assessment. It was confirmed that the plan:
 - a. Based on the free, prior and informed consent of any local peoples whose lands are affected
 - b. Provides maintenance of all identified HCVs
 - c. Provides appropriate management of peat
 - d. Includes management and monitoring plan of identified environmental and social impact.

Therefore, we concluded that the assessment (SEIA, SIA and HCV) and also management and mitigation plan were in line with the RSPO Principles, Criteria and Indicators.

7. However during field observation we found that peat area of more than 3 meters deep outside of HCV identified has been opened on Block O5a (Longitude: 110⁰ 54,33' East & Latitude: 2⁰ 48,95' South) and Block P5a (Longitude: 110⁰ 54,77' East & Latitude: 02⁰ 48,96' South) – see appendix 3. The opening of deep peat in the new plantings area was found not in accordance with PT BSS's development and management plan and RSPO Principle and Criteria especially criterion 7.3 indicator major 1 and criterion 7.4 indicator minor 2. SAI Global noted that PT. BSS has established restoration program started in 2014 up to 2016 (Appendix 4). At present, delineation against restoration area has been conducted (Appendix 5).

It is acknowledge that the assessment cited in this report have been carried out as stipulated and we confirmed the assessment report content including the findings.

Signed for and on behalf of

PT. SAI Global Indonesia

A handwritten signature in black ink, appearing to read 'Hugoni', is written on a light blue rectangular background.

Technical Manager

PT. Bumi Sawit Sejahtera

A handwritten signature in black ink, consisting of several overlapping strokes, is written on a white background.

Director

Appendix 1. Boundary of new planting area with HCV identified

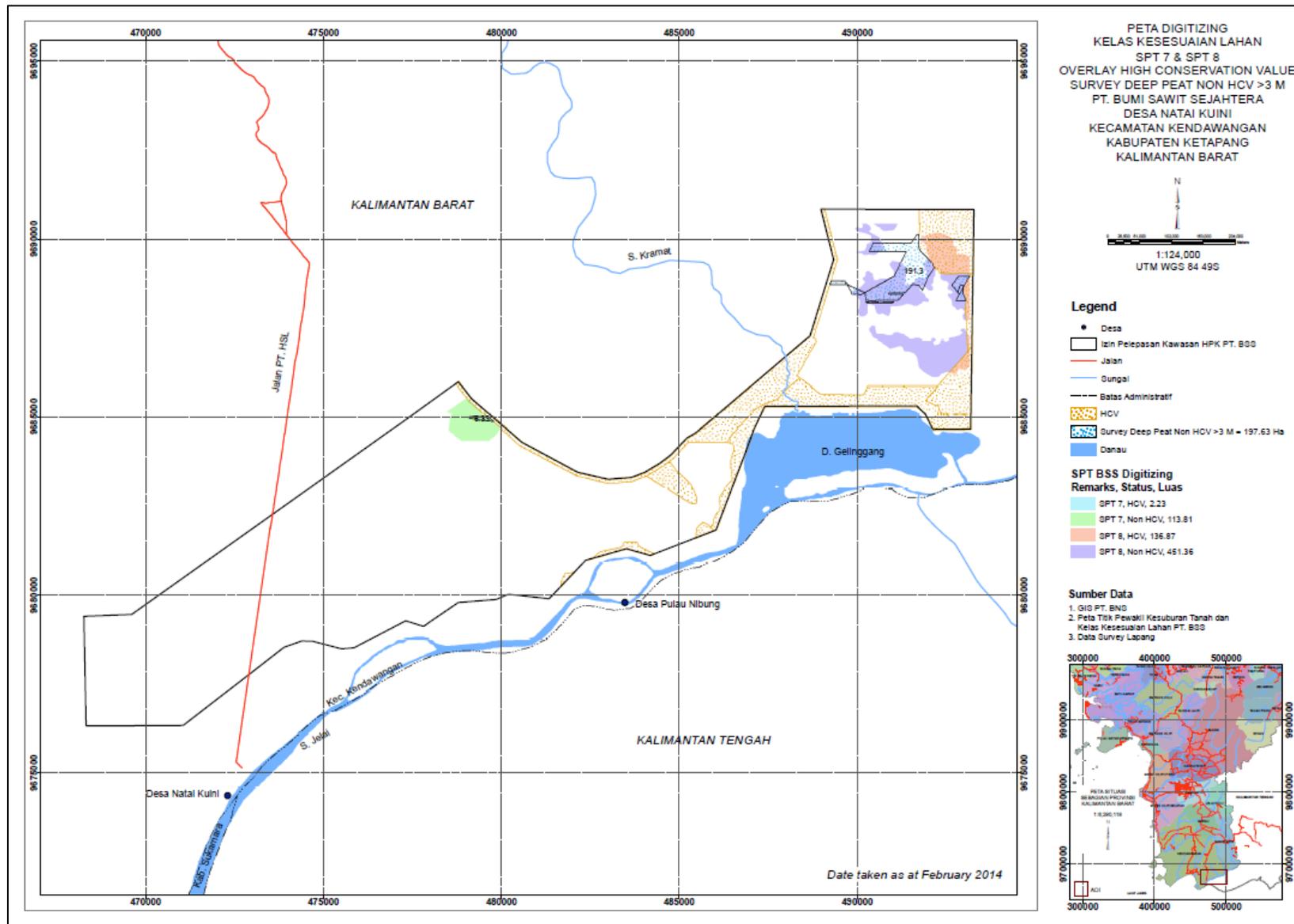


Figure 4 Boundary of new planting area with HCV area (Pocket of natural vegetation in line with Peat protection forest)



Figure 5 Boundary of HCV area (Buffer of peat land protected area) with new planting

Appendix 2. Map of protected area (peat land of more 3 meters depth) out-side of identified HCV area (197,63 ha)

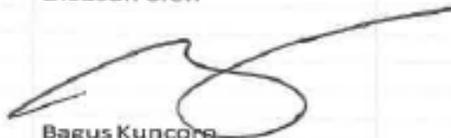


Appendix 3. Peat land of more than 3 meters which has been opened/cleared.



Figure 6 Peat land of more than 3 meters condition in the Block O5a (East Longitude: 110°54,33' & South Latitude: 2°48,95')

Appendix 3. Restoration program for Peat Land of more than 3 meters has been opened/ cleared

PT. Bumi Sawit Sejahtera									
Rencana Restorasi Areal Gambut >3m				luas	141.00 Ha				
No	Kegiatan	Tujuan	Jml (Ha)	Tahun			Keterangan		
				2014	2015	2016			
1	Pemasangan Sign Board	Penandaan area gambut dalam yang akan dilakukan reklamasi/restorasi	141.00 Ha	X			Pemasangan berdasarkan hasil delineasi area berdasarkan pada peta delineasi (spot)		
2	Melakukan pembatasan	Melakukan pembatasan area yang telah dilakukan delineasi	141.00 Ha	X			Pembatasan dengan pembuatan parit.		
3	Pengkayaan vegetasi	Penanaman vegetasi yang memiliki pola tumbuh yang cepat seperti pohon jenis perepat, punak, guna percepatan pengembalian kondisi lahan.	141.00 Ha	X			Jenis-jenis tumbuhan yang masih tersedia di area sekitar.		
4	Monitoring dan Evaluasi pengkayaan vegetasi	Pendataan jenis tumbuhan asal yang tidak terdegradasi, atau tunas tumbuhan asal yang baru	141.00 Ha	X	X	X	melakukan penandaan tumbuhan asli gambut yang tersisa.(Spot)		
5	Peningkatan Biodevirity	Pengkayaan areal untuk pengembalian ke kondisi awal	141.00 Ha			X			
6	Monitoring dan Evaluasi Kegiatan Restorasi	Pemantauan dan Evaluasi kegiatan restorasi areal gambut > 3m	141.00 Ha	X	X	X			
Pangkalan bun 30 Januari 2014 Disusun oleh									
 Bagus Kuncoro Sr. Environment Health & Safety									

Appendix 5 Restoration area of peat land which has been opened

