

Dispute between IOI Pelita Plantations and Community of Long Teran Kanan, Sarawak

Report to the Roundtable on Sustainable Palm Oil on Stage 1 of a mediation process

12 December 2011

Purpose

To report to the Roundtable on Sustainable Palm Oil on the outcome of “Stage 1: Conflict Assessment and Agreement to Participate in a Mediation” in relation to the dispute between IOI Pelita Plantations and Community of Long Teran Kanan, Sarawak.

Background

In response to complaints brought to the Roundtable on Sustainable Palm Oil by Migros, Friends of the Earth, Grassroots and the community of Long Teran Kanan, in April 2011 the RSPO Grievance Panel concluded that IOI Corporation Bhd had breached two core membership mandates and obligations:

1. RSPO’s Code of Conduct 2.3: members will commit to open and transparent engagement with interested parties, and actively seek resolution of conflict, and
2. RSPO’s Certification Systems 4.2.4 (c): Organisations with more than one management unit and/or that have a controlling holding in more than one autonomous company will be permitted to certify individual management units and/or subsidiary companies only if there are not significant land conflicts, no replacement of primary forest or any area containing HCVs since November 2005, no labour disputes that are not being resolved through an agreed process and no evidence of non-compliance with law in any of the non-certified holdings.

As a result of its findings, the RSPO Grievance Panel decided that, in accordance with the RSPO Grievance Procedure:

1. The current and ongoing certification process of all IOI Group’s activities will be suspended with immediate effect
2. IOI Group will be given a period of 28 days (from formal notification of the panel’s decision) to revert with an acceptable solution to these matters, which preferably should be mutually agreed by the parties involved.
3. IOI Group is expected to with immediate effect and agreed in advance with RSPO, issue a public statement on their corporate website indicating the two measures stated above.

In the IOI Group solution plan provided to the RSPO in response to the Grievance Panel's findings, IOI Group made a number of commitments towards seeking resolution of the dispute with the Long Teran Kanan (LTK) communities, which in summary included:

- Continuing to actively engage with the LTK communities
- Fairly resourcing the efforts towards seeking resolution
- Working with RSPO and third parties, including an external facilitator
- Withdrawing their appeal against the March 2010 decision of the High Court in Sabah and Sarawak at Miri (Suit no. 22-59-97 (MR)) as soon as settlement of the dispute is reached and seeking a deferment of the hearing of the appeal while seeking to resolve the dispute through a third-party facilitator, and
- Proceeding with a mediation process under the auspices of the RSPO Dispute Settlement Facility and agreeing to the appointment of the facilitator suggested by RSPO.

Pax Populus was engaged by the RSPO to undertake the first stage of a two-part dispute resolution process. This first stage was an intake and conflict assessment process. In the event that the parties were willing to enter into mediation (which, in accordance with the RSPO DSF and good mediation practice, must be voluntary), their willingness to do so would be recorded in an Agreement to Enter Into a Mediation, which would mark the end of the first stage. The second stage was the mediation proper.

IOI Group agreed to pay RSPO the cost of Pax Populus' fees and expenses for Stage 1. Pax Populus Director Timothy Offor undertook the role of lead mediator for Stage 1.

The terms of reference of Pax Populus' engagement by RSPO included the following activities in Stage 1:

- Review by the mediation team of documentation relevant to the dispute
- Separate meetings with the community of LTK and IOI Pelita Plantations to discuss the proposed process and gain an understanding of the issues requiring resolution
- Meetings with other stakeholders as necessary
- Prepare a final report on Stage 1 for RSPO that includes:
 - The parties to the dispute
 - The willingness of the parties to enter into mediation
 - Who will represent the parties in mediation
 - The initial list of issues requiring resolution
 - The terms of the mediation (e.g. transparency arrangements, external reporting, timeframe, participants, arrangements for mediator remuneration, note taking etc.

- An interim ‘holding agreement’ covering commitments from all parties to ensure the conflict in the field does not escalate while the mediation process is underway
- Details of any additional parties or substantial interests in the subject of the mediation who should be represented in the mediation.
- Preparation of an Agreement to Participate in a Mediation, which would be signed by the parties if they agreed to participate.

Stage 1 assessment process

In consulting with the parties and stakeholders so as to understand the conflict, determine its suitability for mediation and try to develop an Agreement to Participate in a Mediation, I undertook the following activities:

- Initial visit to Kuala Lumpur to discuss the dispute with RSPO and IOI
- Extensive document review (legal, reports, maps, letters)
- Prepared a proposal for conduct of a mediation in accordance with the RSPO DSF
- Numerous email and telephone/Skype conversations with parties and stakeholders
- Meetings with the parties in Kuala Lumpur, Long Teran Kanan and Miri as follows:
 - 13/10: IOI in Kuala Lumpur
 - 15/10: LTK representatives (approx. 15 Kayan and Kenyah present at the Kayan longhouse) in Long Teran Kanan
 - 16/10: Pelita in Miri
 - 21/10: IOI in Kuala Lumpur
 - 22/10: LTK representatives (approx. 80 Kayan and Kenyah present at the Kayan longhouse) in Long Teran Kanan
 - 28/10: LTK and IOI Pelita representatives in Miri (approx. 50 present, including IOI, Pelita, Kenyah, Kayan)
- Preparation of an Agreement to Participate in a Mediation (including a number of drafts of the document) in consultation with the parties, which incorporated a Holding Agreement (responding to the RSPO Grievance Panel’s recommendations for avoiding escalating conflict while the mediation is underway) and detailing the basis on which a mediation would be undertaken. (Attachment One).
- Preparation of an interim public report on progress with the Stage 1 process

The scope of the dispute

The scope of the dispute was challenging to define, as the parties each viewed the scope differently, and the grievance was broadly defined in the RSPO formal correspondence with IOI Group as “land dispute over native customary land leased by IOI for palm oil production in Sarawak”. The IOI Group solution plan referred to the scope of the conflict resolution process as including “the land conflicts related to the

plantation, irrespective of their inclusion in the legal processes” and this broad scope definition was taken as the starting point for Stage 1 discussions.

The parties to the dispute

Through document review and initial discussions, the parties to the dispute initially appeared to be the community of Long Teran Kanan (both Kayan and Kenyah communities, which live separately but apparently quite cooperatively within LTK), IOI Group and Pelita (Land Custody and Development Authority).

Following a number of meetings with LTK community representatives, it became apparent that the Kayan members of LTK were not a unified group in relation to the dispute, and that there were members of the Kayan who held strongly differing opinions about the matters being discussed and therefore the Kayan members of LTK would need to be considered as more than one party.

Furthermore, IOI Group mentioned in their solution plan and in interview that they considered that the Berawan community, which pre-dated the Kayan and Kenyah in the area, had interests that needed to be taken into account during any mediation. My view at this time was that, while the Berawan appeared to have an interest in area, and had made prior claims for land, there did not appear to be an active dispute over native customary land involving the Berawan, and therefore the Stage 1 assessment should concentrate on the Kenyah and Kayan interests as they were clearly identified through the existing legal actions. This was also a pragmatic decision for the purposes of clarifying the dispute so that a scope and initial parties could be identified to allow a mediation to begin. I concluded that the most appropriate way to preserve the interests of the Berawan was to ensure that they could be brought into the mediation if they wished to be included once it had begun.

In addition to the parties discussed above, a number of organisations (e.g. SADIA, Aidenvironment) had been and were still supporting the LTK community and could be included in the mediation as observers or advisers, subject to the agreement of the parties.

In summary, the parties to the dispute who would need to be represented in the mediation appear to be:

- Kenyah of LTK
- Kayan of LTK (a large group led by Lah Anyie Ngau)
- Kayan of LTK (a smaller group led by Lawai Anyi)
- IOI Group
- Pelita

Willingness of the parties to participate in a mediation

Following a number of meetings with IOI Group, Pelita and Kayan and Kenyah of LTK (combined meetings) there appeared to be sufficient willingness to participate in mediation for a draft Agreement to Participate in a Mediation to be prepared.

The terms of this draft Agreement were negotiated between IOI Pelita Plantations and representatives of LTK through a series of one-on-one sessions with the Stage 1 mediator (including two open community meetings at LTK at which the draft Agreement was read out twice to the attendees by a LTK leader) and a joint meeting in Miri, which included approximately 50 LTK (Kayan and Kenyah) and IOI Pelita participants.

The Agreement incorporated a Holding Agreement, which was intended to create a supportive environment within which the mediation could be conducted and would address concerns expressed by both sides that the dispute not escalate while the mediation was underway.

This Holding Agreement in summary included postponing the legal actions (High Court appeal and injunction relating to harvesting) brought by IOI Pelita, monthly payments of money to the LTK community, and a number of other measures to support the LTK community such as road repair and student transport. In return, the Agreement allowed IOI Pelita to re-commence harvesting and plantation maintenance for a three-month period while the mediation was underway.

It was agreed at the Miri meeting that the Agreement to Participate in a Mediation should be signed by the head of all families, as that was the best way to ensure the whole community was behind the process.

The LTK community convened a meeting at LTK to explain the agreement and seek community endorsement through signing. The majority of the Long Teran Kanan community (both Kayan and Kenyah) signed the Agreement.

However, a minority of the LTK community did not sign and subsequently delivered a letter to the IOI Pelita plantation manager outlining their concerns, which included a requirement for compensation to be paid before IOI Pelita could be allowed access to the plantation, and the requirement that IOI Pelita negotiate with all four plaintiffs in the High Court case rather than just with the lead plaintiff, Lah Anyie Ngau. This last point was instructive, as up to this stage it had not been clear that there were substantial disagreements within LTK over the proposal to enter into a mediation that might stop it from proceeding.

Access back into the plantation by IOI Pelita, which was included in the Holding Agreement at IOI Pelita's request, is clearly the key issue here. The community was observed to be very active in harvesting the plantation and this harvest is clearly bringing substantial revenue to the community members, so the requirement to stop harvesting for the duration of the mediation process was contentious for some. It would appear that the money and in-kind support offered by IOI Pelita in return for access was seen as too little incentive to stop harvesting.

In summary, at the time the Agreement to Participate in a Mediation was presented to the LTK community for signing, it appears that the majority of the Kayan and Kenyah members of LTK, IOI Group and Pelita were willing to participate in a mediation, but a smaller group of Kayan were not.

Implications of not all parties being willing to participate

IOI Pelita has expressed its view that it is only willing to re-enter the plantation if the whole of the LTK community agrees to allow it to do so. Consequently, partial agreement - as achieved through the Agreement to Participate in a Mediation - is not sufficient for the mediation to proceed.

Irrespective of IOI Pelita's views, there may also be practical issues with partial community agreement to mediate, as there would be ongoing potential for friction in the estate due to lack of definition over what lands were or were not being claimed by the LTK members who were harvesting.

Option of proceeding without a holding agreement

Because of the impasse over the Agreement to Participate in a Mediation, I presented to the parties the option of proceeding to mediation without the Holding Agreement (in which case harvesting, and possibly the legal actions, would continue while the mediation progressed), but this has not been acceptable to the parties and has not progressed.

Issues that require resolution in a mediation

Important issues for the parties raised during Stage 1, and which would need to be included in mediation discussions, include (but are not limited to) the following. Note, the inclusion of an issue in this list does not indicate that there is shared support for it being discussed, just that it is important to at least one of the parties.

- Community access to land (temuda) - land access for subsistence and other land uses is a high priority issue for the LTK community
- Location of community lands (mapping) - individual land claims are presently supported by maps, but these would need re-confirming in a mediation
- Company access to plantation for harvest - this is a high priority issue for IOI Pelita
- Payment of compensation to LTK for operating plantations on NCR land - this issue is a clear requirement of the High Court decision
- Harmonious relationship between IOI Pelita and LTK - LTK representatives and IOI Pelita have both expressed concern that the current conflict not continue
- Recognition of NCR land status by IOI Pelita - this is an important issue for the LTK community arising from the Miri High Court decision
- Employment of local people in the plantation - this appears to be a common aspiration
- Payment of the community's legal fees

- Repair and maintenance of the road into LTK
- Support for re-building the Kenyah longhouse
- Community water supply - LTK community raised concerns about the lack of a reliable water supply for the community as they are presently relying on tank water.

Conclusion

It is clear that the majority of the LTK community as well as IOI Pelita are agreeable to seeking resolution of the current conflict through mediation. But, my conclusion is that there is insufficient practical agreement to proceed to mediate the core issues at this point. This is primarily because of the failure to achieve unanimous support within LTK to stop harvesting while the mediation is underway.

Suitability of the dispute for mediation

The conflict is inherently suitable for mediation as there are numerous parties and complex issues and the need for an enduring agreement that allows LTK and IOI Pelita to operate alongside without friction. Mediation can achieve this far better than a legal solution.

However, for mediation to succeed and a strong agreement to result, the mediation needs to be voluntary, have clear representatives of the parties who have authority to make decisions, and for the parties to be committed to trying to reach an outcome. At present, the second and third of these conditions are not satisfied.

Ability to negotiate a holding agreement

The issues presented by the parties for inclusion in the holding agreement (which have effectively become pre-conditions for entering into a mediation) are too substantial to be able to be resolved effectively through pre-mediation negotiations and a holding agreement has not been achievable.

This has been further complicated by the emergence of the smaller group of Kayan, including three of the four plaintiffs in the High Court action, who have made new claims that they require to be addressed before they would agree to mediate.

The issues raised as pre-conditions (plantation access, harvesting, compensation etc.) are large and complex issues that require a proper mediation process where representatives of all parties are present around the one table for as much time as it takes to reach good agreements. This has not been achieved in the Stage 1 process and the Stage 1 process was not conceived to be able to resolve these issues, but rather to get agreement to participate in a mediation process that could resolve these issues.

Issues that would need to be addressed for a mediation to proceed

For a mediation to proceed, the following matters would firstly need to be addressed:

- Community representation - the LTK community needs to decide and confirm who can represent them in negotiations (that is, who their leaders should be), and this

needs to be put in writing and signed by representatives of all LTK families. These must be people who they trust and, as there are some divisions within the community, there will need to be separate representatives of Kenyah and Kayan (including separate representatives of the two groups within the Kayan). LTK leaders should have an obligation to keep all members of their community equally informed about the progress of discussions.

- Understanding of the legal situation - there are very differing opinions about how the March 2010 High Court decision should be interpreted, and these are contributing to the on-going dispute. Some groups within LTK (as well as some of their advisers) believe that the court has granted them rights of access to occupy and harvest the plantations on the lands identified as NCR by the court. On the other hand, IOI Pelita understands that, while the court found that the lands were NCR, the leases that they hold are valid and they must pay compensation and damages but are not required to return the lands to the LTK community. Trusted legal advisers (or just well-informed advisers) need to clearly explain to the whole community what the court decision and injunctions mean for them, specifically, which prayers were supported by the court (and what they mean) and which prayers were not. This could potentially be achieved through IOI Pelita's and LTK's legal advisers agreeing an interpretation of the High Court decision that can form a common understanding of the parties' legal rights and jointly delivering that interpretation to LTK and IOI Pelita. Hopefully, this would help to clarify the scope of the issues that need to be negotiated, and the status of the current plantation occupation by the community as it relates to the legal decision.
- Role of advisers - some of the LTK community's advisers appear to not be supportive of the mediation process proposed and do not appear to be recommending it to the community. The community cannot be expected to be committed to resolving the conflict through mediation if their advisers are not and I would encourage LTK's legal and NGO advisers to discuss amongst themselves what role they wish to play in helping to resolve the dispute. If they reach a decision that a mediated solution is one that they support, I would encourage them to work with the LTK community towards that end.
- Harvesting - IOI Pelita stopped harvesting the plantation in March 2011 in response to what was describe by LTK leaders as "a community action" to occupy and harvest the plantation so as to bring the issue to a head (that is, negotiations over compensation arising from the High Court decision). When I was last in the plantation in October 2011, there were many community people harvesting the palm fruit and loading these into their trucks, and it was reported to me that people from outside LTK were also harvesting. While this harvesting by the community continues - without judging whether the harvest is "right" or legal - there is a lot of financial reason for people to keep harvesting, and little reason for the large majority of the LTK community to participate in a mediation, which is what is needed for a mediation to work. Therefore, a successful mediation is unlikely until the community can agree to stop harvesting, if only for an agreed period of time while the mediation was underway.
- Legal actions - IOI Pelita has twice deferred hearings of the injunction against members of the LTK community (relating to harvesting of the plantation) to allow the Stage 1 discussions to continue without the interference of the court action. As

there is not an effective Agreement to enter into a mediation in place, and the latest deferral date of the injunction is imminent, IOI Pelita will need to decide whether to allow the injunction process to proceed or to defer it further. Some LTK people named in the court injunction signed the Agreement and have expressed their hope that they be removed from the injunction, as a result. This is a matter for IOI Pelita to consider when deciding how or whether to proceed with the injunction hearings.

Next steps

In summary, the following actions by parties, and RSPO, will help to stop the dispute getting worse, and should help it move to a point where a mediation is possible.

1. RSPO convene a meeting of interested NGOs and legal advisers to discuss their role in helping to resolve the conflict from this point on. If these advisers are supportive of a mediated outcome, they should communicate this to the LTK community.
2. IOI Pelita and LTK's legal advisers seek to establish an agreed interpretation of the High Court decision and jointly present this to LTK and IOI Pelita as a shared basis for scoping the issues to be resolved and clarifying the status of the current plantation occupation and harvest by the community.
3. LTK hold village meetings to discuss who should represent them in any further negotiations. These representatives should be available, have authority and the support of the community and be able to represent all the LTK members. I would encourage the community to consider nominating some female representatives, also.
4. If, having done the above listed actions, LTK and IOI Pelita are willing to meet again to discuss moving to a mediation, a meeting involving LTK (all groups) and IOI Pelita should be held at Long Teran Kanan to discuss going to mediation. It will be important that as many as possible of the Kayan and Kenyah of LTK participate in this meeting and that LTK's legal representative(s) be present. I would be happy to convene and facilitate this meeting (with an independent translator) if that was acceptable to the parties.
5. Following the meeting in LTK, and if the parties wish to proceed to mediation, a second meeting of the smaller group (LTK representatives and IOI Pelita representatives) should be convened straight after to see if the Agreement to Enter into a Mediation can be finalised and signed.

Please contact me if you require any further information or clarification regarding the Stage 1 process and my recommendations.

Sincerely,



Timothy Offor
Stage 1 Lead Mediator
Director, Pax Populus

Attachment One

Agreement to Participate in a Mediation

The following agreement was signed by a majority of the LTK community.

AGREEMENT TO ENTER INTO A MEDIATION

THIS AGREEMENT is made on the day of 2011

B E T W E E N:

IOI Pelita Plantation Sdn Bhd

-and-

Lah Anyie Ngau and the community of Long Teran Kenan, Sarawak

("the Parties")

IT IS AGREED:

Intent to enter into a mediation

The Parties listed above have signed this Agreement to record their commitment to settling by mediation a dispute between them following the High Court decision dated 31 March 2010 in respect of Suit No. 22-59-97 (MR) associated with the palm oil plantation at Tanjong Teran, Sungai Mesau and Sungei Metegai, Tinjar, Baram, Miri Division, Sarawak.

Holding Agreement

The parties make the following commitments, which shall constitute a Holding Agreement while the mediation is occurring:

1. IOI Pelita Plantation will request of the High Court at Sabah and Sarawak at Miri, that the injunction against Lah Anyie Ngau and others, being Suit no. MR-22-9-2011 with a hearing fixed from 26 to 28 October 2011, be deferred for three months.

To effect this deferral, IOI Pelita Plantation will instruct its lawyers, Messrs. Kadir, Wong Lin & Co., to advise the court of IOI Pelita Plantation's request for a deferral on the basis that the parties have mutually agreed to commence mediation. IOI Pelita Plantation's request to the court for deferral will be copied to Lah Anyie Ngau.

IOI Pelita Plantation's appeal against the judgement of the High Court at Sabah and Sarawak at Miri of 31 March 2010, being suit no. 22-57-97 which has been deferred when it came up for hearing on 23 August 2011, will continue to be deferred and IOI Pelita Plantation will not take any further action on this matter while the mediation is underway.

The period for deferring these legal actions may be extended by agreement of the Parties.

2. IOI Pelita Plantation is willing to transfer an existing employee from Sejab Estate to replace one of the two named employees. The other employee will be counselled to make more effort to have a good relationship with Long Teran Kenan. IOI wishes to discuss the long-term relationship with Long Teran Kenan in the mediation so that a good relationship can be created for the future.
3. That IOI Pelita Plantation will put in more effort to grade and compact the road into Long Teran Kenan to maintain access, but this will not include gravelling the road.
4. IOI Pelita Plantation will pay the Long Teran Kenan community an amount of RM100,000 per month. The funds will be paid into a bank account(s) nominated by the Long Teran Kenan community. These funds will be allocated as follows:

RM..... to the Kayan

RM..... to the Kenyah

The first payment will be made within two weeks of the signing of this Agreement, with the following payments to be made at 30-day intervals.

5. IOI Pelita will provide transportation for children to SMK Lapok and SK LTK schools.
6. The community of Long Teran Kenan will from the date of this Agreement stop harvesting the plantation and allow IOI Pelita Plantation access to the plantation for the purposes of upkeep and harvesting and will ensure that no members of the community threaten, intimidate or disturb the IOI Pelita Plantation staff and workers.

If people continue to harvest the plantation, IOI should meet with the LTK community leaders through the JKK to see if the problem can be resolved. If the harvesting continues, the LTK JKK and IOI Pelita will jointly take the matter to the police.

IOI Pelita will pay six members of the LTK JKK RM300/month each for helping to prevent community harvesting (a security role).

Note: IOI Pelita subsequently asked to have the following clarifying clause inserted:

If all the above efforts fail and thus prevent IOI Pelita from effectively carrying out harvesting, then this Agreement will be void and payment of the RM 100,000 per month will cease.

This Holding Agreement will last for **three months** from the date that both parties have signed this Agreement.

Basis of participation

The Parties acknowledge that they understand the meaning of this Agreement and are entering into this Agreement of their own free will.

Ability to include additional parties

The Parties may agree to include additional participants as parties in the mediation.

Preliminary scope of issues for discussion

A recommended draft list of issues for discussion will be provided to the parties by the Stage 1 mediator, Tim Offor, in his report on discussions held during Stage 1. This draft list of issues will be discussed and modified at the first mediation meeting to ensure it represents the issues of importance to the parties that need to be resolved through the mediation.

Appointment of Mediator

The Parties accept the appointment of Tim Offor, the Mediator provided by the Round Table on Sustainable Palm Oil under its Dispute Settlement Facility, to mediate in accordance with the terms of this Agreement the dispute between them.

Payment of the Mediator's fees will be subject to a separate agreement between the Parties and the Round Table on Sustainable Palm oil.

Role of Mediator

The Parties accept that the Mediator will be neutral and impartial and will help them to resolve the dispute but will not make decisions or impose decisions on the Parties.

The Mediator will not give professional advice to any party nor accept an appointment in relation to any proceedings concerning the dispute.

The Mediator may meet with the Parties together or separately.

Observers/advisers to mediation

The Parties have requested that the observers and advisers described in item 1 of the Schedule be present at the mediation.

The Parties shall prior to the commencement of the mediation ensure that each of the observers and advisers signs a Confidentiality Agreement in the form annexed to this agreement.

Co-operation by the Parties

The Parties agree to negotiate with each other in good faith and work hard to settle the dispute between them.

At the mediation, each party may have one or more other persons, including legally qualified persons to assist and advise them.

Communication with other people

The Mediator will help the parties to develop a progress statement at the end of each mediation meeting. This statement will be made available to interested people outside the mediation as the formal record of the mediation as it progresses. Communication with outside people by the Mediator in accordance with RSPO requirements will be undertaken without breaching confidentiality of the mediation content.

Confidentiality of the mediation

The Parties and the Mediator will not disclose to anyone not involved in the mediation any information or document given to them during the mediation unless required by law to make such a disclosure or unless all Parties and the Mediator agree to make this information publicly available.

Starting time of the mediation

The parties agree to begin the mediation process as soon as possible after the signing of this agreement.

Termination of the mediation

A Party may terminate the mediation at any time after consultation with the Mediator.

The Mediator may terminate the Mediator's involvement in the mediation if, after consultation with the Parties, the Mediator feels unable to assist the Parties to achieve resolution of the dispute.

Settlement of Dispute

If settlement is reached at the mediation, the terms of settlement must be written down and signed by the parties before they leave the mediation.

The settlement will include, among other matters, the arrangements for peaceful occupation of the plantation and the compensation to be paid to the community, and will be inclusive of the interest of all relevant stakeholders, including all native groups who assert rights over the plantation.

Location and timing of mediation meetings

Mediation meetings will be held in Miri at a venue agreeable to the Parties. Meetings will be organised by the Mediator with timing discussed with the Parties in advance so that a program of mediation meetings can be developed and planned for.

Costs associated with conduct of mediation

Each Party will pay their own costs associated with travel, accommodation or advice for participating in the mediation.

Term of this Agreement

The Parties agree to try to settle the dispute within **three months** of the signing of this agreement. In the event that an agreement has not been reached within three months, the Parties may by mutual consent agree to extend the term of this Agreement.

EXECUTED AS AN AGREEMENT

All Parties signing this Agreement understand and will abide by the terms and conditions outlined in this document:

IOI Pelita Plantation Sdn Bhd

..... (name of representative) (signature) (date)
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Community of Long Teran Kenan

..... (name of representative) (signature) (date)
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..... (name of representative) (signature) (date)
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.....
(name of representative)

.....
(signature)

.....
(date)

SCHEDULE

1. List of observers/advisers to be present at the mediation

The following people have been accepted by the Parties to act as observers/advisers at the mediation and have signed a confidentiality deed (Item 2 of the Schedule):

(Note, this list can be added to following signing of this Agreement provided a representative of each Party initials after each name).

.....

(name of adviser/observer)

.....

(name of adviser/observer)

.....

(name of adviser/observer)

.....

(name of adviser/observer)

.....

(name of adviser/observer)

.....

(name of adviser/observer)

SCHEDULE

2. Confidentiality Agreement

(A Confidentiality Agreement in this form is to be signed by each observer/adviser present at the mediation)

I
(Name observer/adviser)

UNDERTAKE to the parties to the mediation that, in exchange for being permitted by them to be present at the mediation:

- I will not disclose to anyone any information received by me during the mediation, unless required by law to make such a disclosure.
- I will not disclose to anyone involved in the mediation any information received by me during the mediation from a party to the mediation unless expressly authorised by the disclosing party to do so.

..... Date:
(Signature of observer/adviser)