Sustainable Palm Oil
Multi-stakeholder Collaboration

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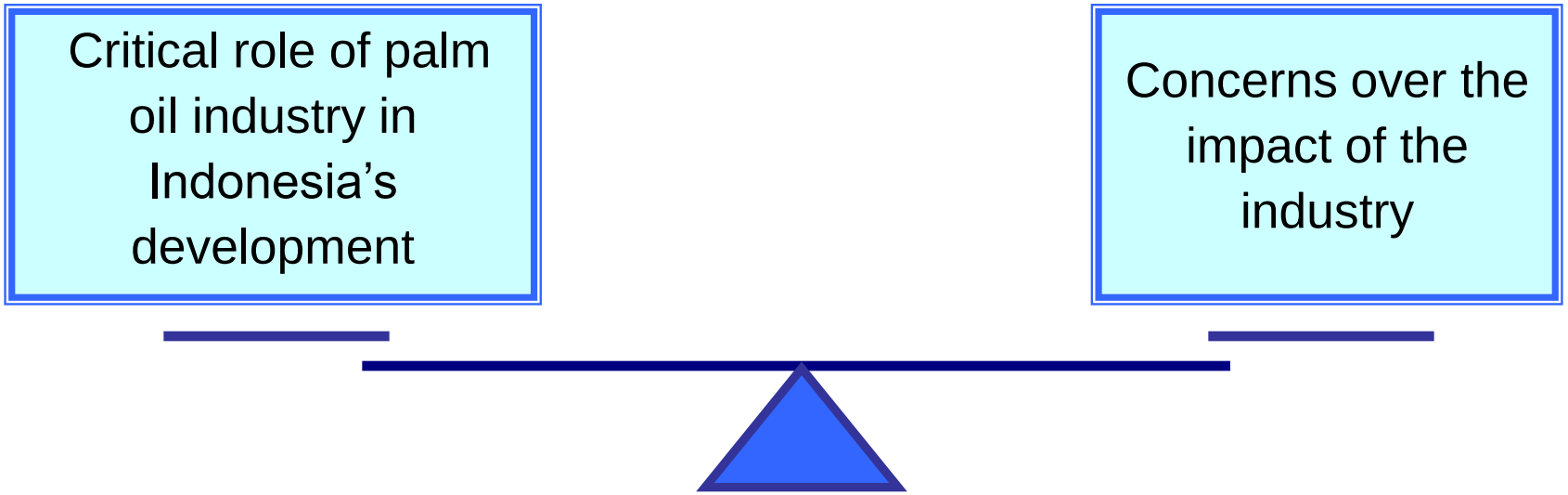
Agenda

1. Introduction
2. Summary of HCS forest study findings
3. Strata descriptions and photographs
4. Conservation of HCS areas
5. Conclusion

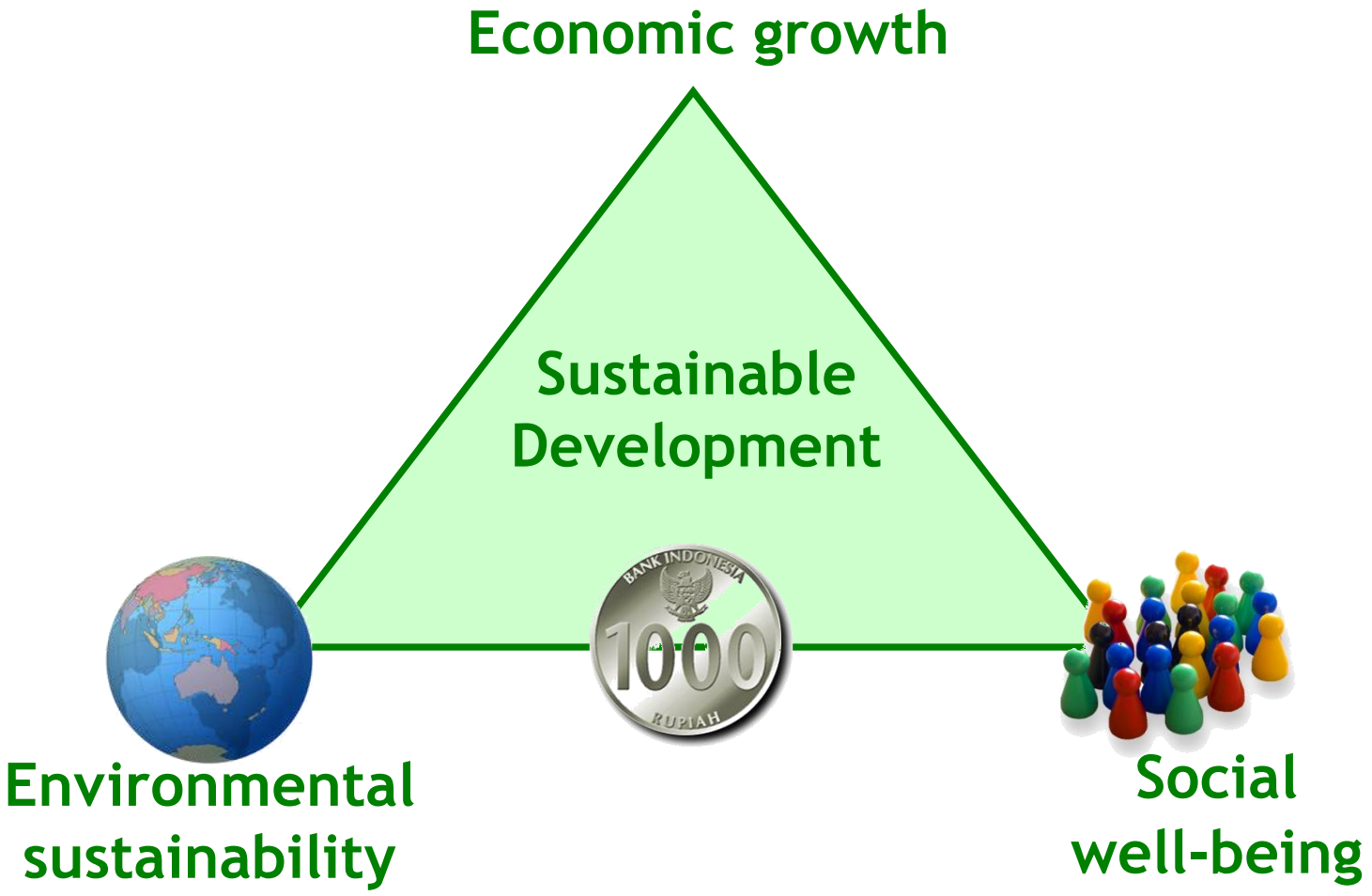
Introduction

Strategic importance of palm oil to Indonesia



Focus on working with multi-stakeholders to find solutions to sustainable palm oil production.

People, planet and profits

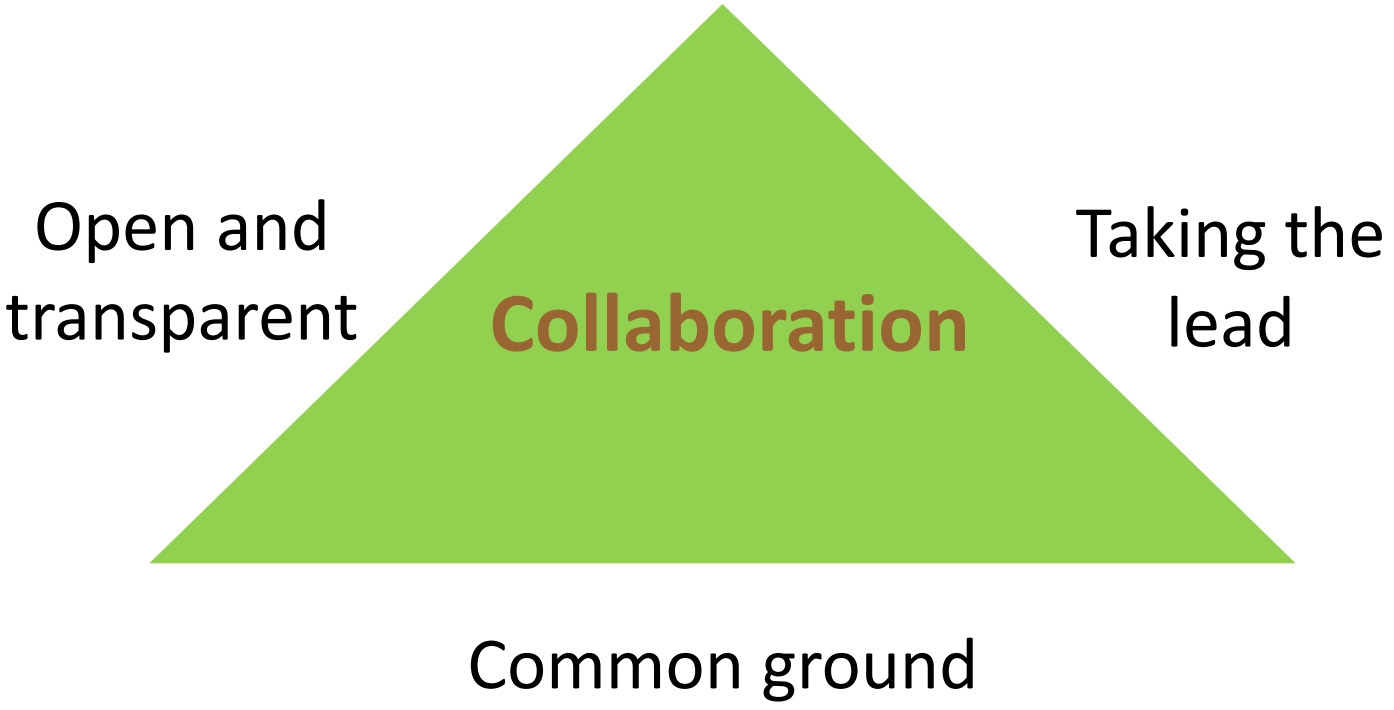


Multi-stakeholder collaboration

Golden Agri-Resources believes that multi-stakeholder collaboration is the only way to achieving solutions for sustainable palm oil production.




Multi-stakeholder collaboration



GAR Forest Conservation Policy

- Builds on GAR's pre-existing commitments.
- GAR's FCP in collaboration with The Forest Trust (TFT) to ensure that GAR has a no deforestation footprint. Various stakeholders including Greenpeace have provided inputs.
- FCP focuses on

No development on peat and high conservation value forest areas	No development on high carbon stock forests	Free prior informed consent	Comply all relevant laws and international certification P&C

GAR Forest Conservation Policy

- Holistic approach: Implemented Social and Community Engagement Policy (SCEP) and Yield Improvement Policy (YIP) in collaboration with TFT and other stakeholders.

- Ultimately, the conserved High Carbon Stock (HCS) area can revert to its natural ecological function as a forest.

- Applicable to all the plantations that GAR owns, manages or invests in regardless of the stake.




HCS Forest Study Report

- The HCS Forest Study Report was published following the completion of the HCS forest fieldwork conducted under GAR's Forest Conservation Policy.
- The report was presented at the REDD+ Task Force Seminar on 5 June 2012 in Jakarta

http://www.goldenagri.com.sg/pdfs/misc/High_Carbon_Stock_Forest_Study_Report.pdf.

Summary of HCS forest study findings

Summary of HCS forest study findings

The findings of HCS forest study indicate that vegetation cover can be used to:

- Estimate the level of carbon stocks.
- Stratify into different classes to broadly represent different carbon stocks.

They also indicate that:

- This is a practical and robust method to identify HCS in GAR's concessions in Kalimantan.
- However, it needs further testing and field work as a reliable predictive tool for HCS forest across Indonesia.

Results: Weighted average carbon stock

- Indicate that carbon stock declines correspondingly to a decline in vegetation canopy density.

- Support the use of vegetation canopy cover to estimate the average carbon stock and therefore as a useful way to define and map HCS.

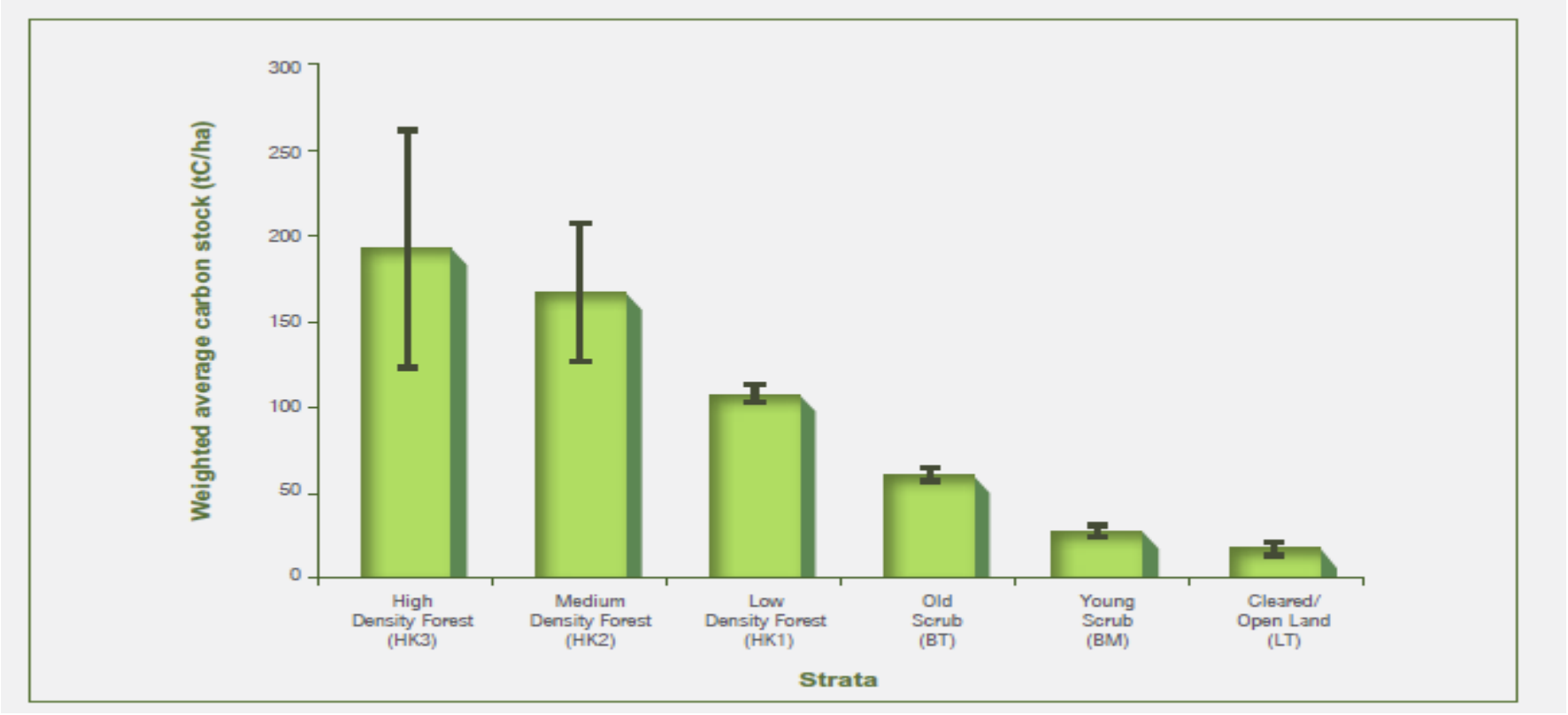
In addition, results indicate:

- Similarities in the carbon stock of strata across the different concessions.

- Differences in the carbon stock between strata.

Results: Weighted average carbon stock

By plotting the weighted average carbon stock of the various strata, we noticed that some of the strata's carbon values overlap.



Weighted average carbon stock of the various strata

Results: Analysis of variance

Conducted analysis of variance:

- There are no significant differences between HK3 and HK2.
- There are no significant differences between BM and LT.
- Other pairs of strata are significantly different from each other, such as between HK1 and BT, and between BM and HK3.

Strata descriptions and photographs

Strata descriptions

The following are qualitative descriptions that have been developed by the technical team.

- **HK3** – Remnant forest or advanced secondary forest close to primary condition;
- **HK2** – Remnant forest but more disturbed than High Density Forest;
- **HK1 -** Appears to be remnant forest but highly disturbed and recovering (may contain plantation/mixed garden);
- **BT** – Mostly young re-growth forest, but with occasional patches of older forest within the stratum;
- **BM** – Recently cleared areas, some woody re-growth and grass-like ground cover;
- **LT** – Very recently cleared land with mostly grass or crops, few woody plants.

High Density Forest: HK3






Medium Density Forest: HK2






Low Density Forest: HK1






Old Scrub: BT






Young Scrub: BM






Cleared/Open Land: LT






Limitations of study

- Not all AGB measured.
- Not a full biological survey.
- Limited to areas permitted by communities.
- Quality of satellite images.
- Human error in interpreting images.
- Insufficient ground truthing.

Conservation of HCS areas

Conservation of HCS areas: patches and isolated HCS areas

- Found patches of varying size and degree of isolation for the different strata throughout the concessions.
- Studies indicate that the size, shape, connectivity, and quality of these forest patches affect viability of these patches to regenerate into an ecologically functioning natural forest.
- Key principles to guide the analysis and patch selection process and to provide on-going monitoring and management.
- Maximise the overall size of a patch.
- Maximise the “core area” of a patch (area of forests relatively unaffected by “edge” effects).
- Maximise the degree of connectedness between patches and create corridors and linkages between patches.

Conservation of HCS areas: Broader social and management issues

- Determining the legal status of HCS conservation areas.

- Managing the impact of the HCS conservation areas on oil palm plantation design and management.

- Obtaining FPIC from local communities.
- Local communities' support and involvement is vital.

- Using oil palm plantation design to support inter-rotation connectivity between patches of conserved HCS forests to facilitate movement of animals.

Conclusion

Conclusion

HCS Findings:	1. Facilitate GAR's commitment to ensure no deforestation footprint.
2. Indicate a practical and robust method to identify HCS in GAR's concessions in Kalimantan.	3. Further testing and fieldwork would be required for the methodology to be used as a reliable predictive tool for HCS forests across Indonesia.

Achieving success: Multi-stakeholder collaboration

Communities

Value and protect HCS land

Industry

Support and adopt HCS policy

Government

Policies to protect HCS land and implement land swap

Thank you