

Executive summary of field visit as part of grievance handling based on RAN Report on PT Laot Bangko

A. Background

In April 2018, Rainforest Action Network (RAN) published a report highlighting forest clearing activities in the Singkil Bengkung Area, a part of the Leuser Ecosystem (KEL). Based on the report, the land clearing contravenes the Aceh Governor's land clearing moratorium that signed on October 25, 2016.

The land clearing highlighted in the report is located in PT Laot Bangko (PT LB) concession. RAN reported that between May and December 2017, 13 hectares of land had been cleared. In January 2018, land clearing stopped, but the activities resumed in February to April 2018.

RAN mentioned several Palm Oil Mills at high risk of sourcing Fresh Fruit Bunches (FFB) from PT Laot Bangko, including:

1. PT. Indomas Mitra Teknik (PT IMT)
2. PT. Samudera Sawit Nabati (PT SSS)
3. PT. Bangun Sempurna Lestari (PT BSL)
4. PT. Global Sawit Semesta (PT GSS)
5. PT. Runding Putra Persada (PT RPP)
6. PT. Nafasindo
7. PT. Ensem Lestari (PT EL)
8. PT. Perkebunan Lembah Bakti (PT PLB)

The eight mills are in GAR's supply chain. In accordance with the GAR Social and Environmental Policy (GSEP), GAR and TFT conducted a grievance handling process by performing a risk analysis of the eight suppliers using spatial and non-spatial data. Subsequently, field visits were conducted.

B. Period of site visits and Team composition

The field visits were conducted on 5-9 November 2018. The team members are:

1. Resta Ekapradistya (GAR)
2. Hirasman Tanjung (GAR)
3. Ansari (GAR)
4. Wyda Swestika Mayasari (TFT)

C. Result

Based on the results of the field visits and review of the suppliers' FFB purchase documents, there were no indications of active FFB supply from PT Laot Bangko to the eight GAR suppliers during the alleged 2018 deforestation period till the date of the site visits. PT LB did supply to two of the eight palm oil mills mentioned, namely PT GSS, but the supply of FFB from PT LB stopped in February 2017. In addition, PT LB also supplied PT BSL, but only till August 2018.



Reviewing FFB Purchase Documents in one of the mills

D. Corrective Action Plan

1. In accordance with the time-bound action plan that was agreed upon on the previous visit (November 13-18 2017), the seven mills (plus PT PLB) must reach 100% TTP by the end of February 2019. https://goldenagri.com.sg/sustainability-dashboard/files/file_docs/xprRQreport_on_verification_of_grievance_pt_isp.pdf
2. To accelerate 100% TTP, GAR has continued to help build their capacity in traceability through one-on-one training and at larger events.
3. GAR is working with several stakeholders to carry out a landscape sustainability initiative in the Singkil area. This initiative was carried out to promote sustainability efforts surrounding Leuser Ecosystem despite the fact that GAR does not have mills or plantations in Aceh.

E. REFERENCES

1. GAR Social and Environmental Policy (GSEP) http://goldenagri.com.sg/wp-content/uploads/2016/09/GAR_Social_and_Environmental_Policy-2.pdf
2. Rainforest Action Network's article https://www.ran.org/leuser-watch/deforestation_and_fires_continue_to_destroy_precious_indonesian_rainforests/
3. GAR's mill list <https://goldenagri.com.sg/sustainability-dashboard/supply-chain-map>
4. Other internal/external sources