



Multi-Stakeholder Collaboration: The GAR Journey

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Golden Agri-Resources Ltd



- Golden Agri-Resources Ltd (GAR) is the second largest palm oil plantation company in the world.
- Listed on the Singapore Exchange since 1999, market capitalisation of US\$5.3 billion as at 31 July 2013.
- Parent company of PT SMART Tbk which is listed on the Indonesia Stock Exchange since 1992.
- Integrated operations in China.
- Focused on sustainable palm oil production through multi-stakeholder collaboration.

Multi-stakeholder collaboration

GAR believes that multi-stakeholder collaboration is the best way to achieving solutions for sustainable palm oil production.



Milestones 1997 - 2011

1997

First palm oil producer to establish a zero burning policy

November 2007

Greenpeace released a report titled: 'Cooking the Climate' and began campaign against the palm oil industry

December 2009

Unilever decided to suspend all future purchases of palm oil from SMART

February 2010

No development on peat land regardless of depth

April 2010

Nestlé stopped all purchases of palm oil from SMART

August 2010

SMART presented Independent Verification Exercise (IVEX) report in an open and transparent manner

Q4 2010

GAR formalised collaboration with The Forest Trust (TFT)

February 2011

GAR initiated industry engagement for forest conservation through a Forest Conservation Policy

April 2011

GAR received RSPO membership

May 2011

GAR published inaugural sustainability report

June 2011

GAR invited to present at Oslo REDD+ Exchange 2011

September 2011

Nestlé resumed palm oil purchases from SMART

September 2011

SMART received RSPO certification

October 2011

Unilever returned to SMART

November 2011

GAR launched Social and Community Engagement Policy

November 2011

GAR invited to present at the 9th Annual Roundtable Meeting on Sustainable Palm Oil

Milestones 2012 -2013

January 2012

GAR's subsidiaries received RSPO certification

February 2012

GAR and SMART launched Yield Improvement Policy

February 2012

GAR's subsidiary IMT and its subsidiaries received International Sustainability and Carbon Certification (ISCC)

June 2012

GAR and SMART collaborated with TFT and Greenpeace (the Team) to publish the HCS Forest Study Report

June 2012

The Team presented HCS Forest Study findings at the Indonesia REDD+ Task Force seminar in Jakarta

June 2012

GAR invited to present at "The Path to Zero Deforestation", a workshop organised by Greenpeace prior to Rio+20 Conference

June 2012

GAR published second sustainability report

November 2012

GAR invited to present at the 10th Annual Roundtable Meeting on Sustainable Palm Oil

December 2012

Franky Widjaja, Chairman and CEO, GAR, recognised for multi-stakeholder collaboration, received The Gold Standard Award for Communicator of the Year

March 2013

GAR and SMART implemented pilot on High Carbon Stock forest conservation

June 2013

GAR joined Palm Oil Innovation Group

From conflict to collaboration: Multi-stakeholder engagement

**Chancing
your arm**

**Common
ground**

**Open and
transparent**

**Taking
the lead**

GAR Forest Conservation Policy (FCP)

- Builds on GAR's pre-existing commitments.
- GAR's FCP is developed in collaboration with The Forest Trust (TFT) to ensure that GAR has 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

- 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 by GAR/SMART in collaboration with TFT and Greenpeace following the completion of the HCS forest fieldwork conducted under GAR's FCP.
- The Report was presented by GAR/SMART, TFT and Greenpeace (the Team) at the REDD+ Task Force seminar on 5 Jun 2012 in Jakarta.

Greenpeace blog

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GAR sets the bar high in Indonesian deforestation

Blogpost by **Bustar Maitar** - June 6, 2012 at 17:04

 1 comment

What seemed unthinkable for some people two years ago is now happening. Golden Agri-Resources (GAR) is leading the way in what could be the starting point for the palm oil industry to phase out deforestation. And instead of hanging banners at its offices, we are collaborating with the company in what is an unprecedented, serious effort towards what GAR describes as a “no deforestation footprint” for palm oil.

Right now, lets take some time to say ‘great work’. It doesn’t happen every day that such an unconventional partnership bears fruit. GAR’s commitment and their progress so far clearly shows that industry and civil society can work together to implement solutions that safeguard the environment, the livelihoods of communities and continued economic growth.

<http://www.greenpeace.org/international/en/news/Blogs/makingwaves/gar-sets-the-bar-high-in-indonesian-deforesta/blog/40823/>

Summary of HCS Forest Study findings

The findings 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

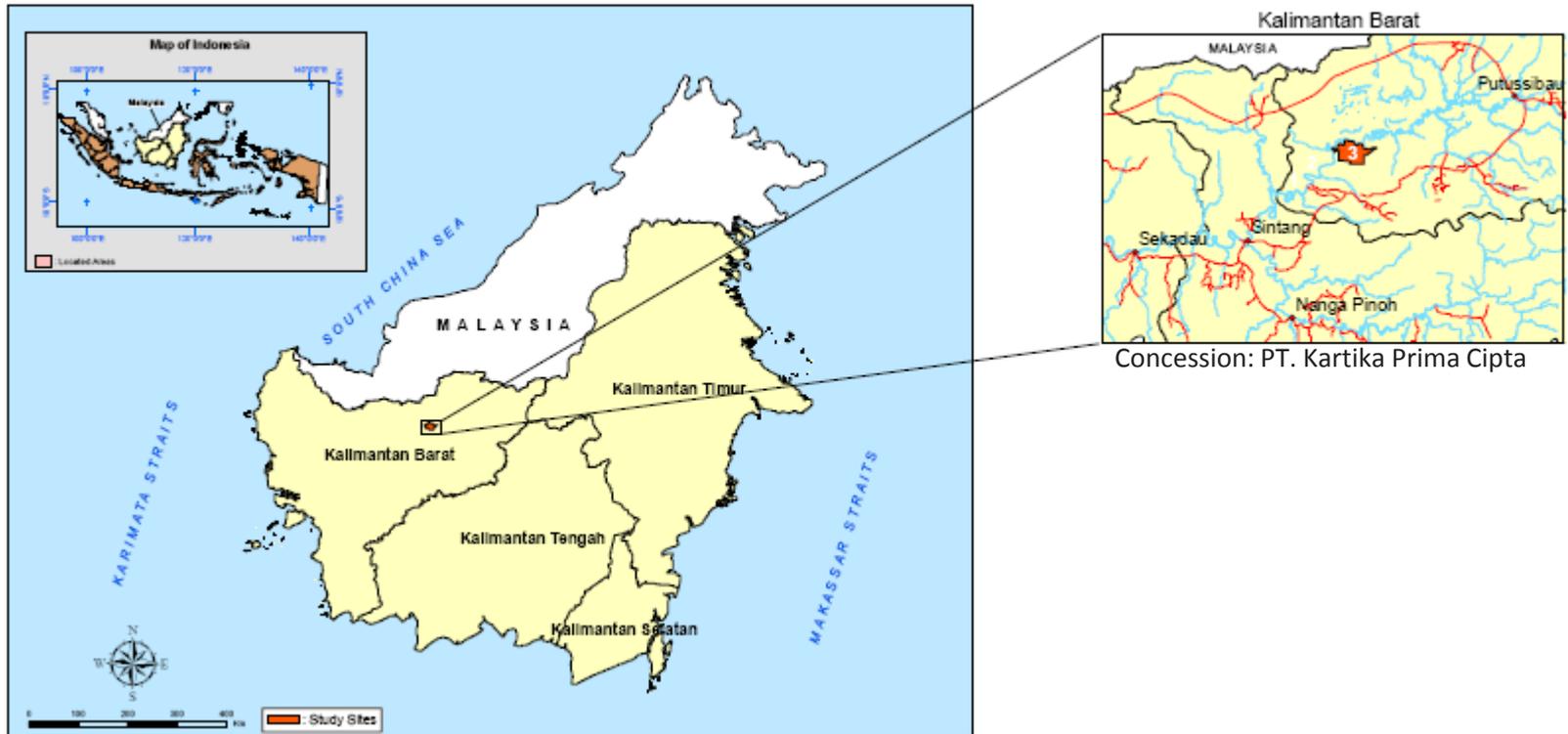
- A practical and robust method to identify HCS in GAR's concessions in Kalimantan
- Needs further testing and field work as a reliable predictive tool for HCS forest across Indonesia

Summary of HCS Forest Study findings

Six strata can be identified

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

Pilot project in PT KPC



- For the purpose of the pilot, HCS is defined as comprising BT, HK1, HK2 and HK3 areas.
- The pilot to take 12 months.
- Besides PT KPC, HCS forests in seven other concessions will also be conserved.

Purpose of the pilot

1. To address challenges such as the current legal framework for successful HCS forest conservation.
2. To develop solutions involving communities, government and industry to conserve HCS land.
3. To be catalyst for multi-stakeholder engagement process to establish a framework for successful HCS forest conservation by the broader palm oil industry.

Achieving success: multi-stakeholder collaboration

Communities

Value and protect HCS land

Industry

Support and adopt HCS policy

Government

Legal framework and policies to enable HCS conservation

Thank you

