

HIGH CARBON STOCK APPROACH

HCSA PEER REVIEW REPORT

Company Name: PT Maju Aneka Sawit

HCS Assessment Area: 19,551 ha

Date Published: 19 November 2018

Background information:

a) Did a Registered Practitioner Organisation lead the HCS assessment? If not, has the organisation which led the assessment started the process of registration?

Jules Crawshaw who led the HCS assessment is an independent assessor listed as Registered Practitioner Organisation on the [HCSA website](#).

b) Was the HCS Team Leader a Registered Practitioner?

Yes, Jules Crawshaw is the HCS Team Leader who is an independent assessor listed as Registered Practitioner Organisation on the [HCSA website](#).

c) Were at least two (2) HCS team members Registered Practitioners?

Yes, both Jules Crawshaw and Indrawan Suryadi are Registered Practitioners. Indrawan Suryadi is a Registered Individual under the Registered Practitioner Organisation of Daemeter Consulting.

d) Was the HCV assessment judged ‘satisfactory’ (highest rating) by the HCV Resource Network (HCVRN) Assessor Licensing Scheme (ALS)? (See <https://www.hcvnetwork.org/als/public-summaries>).

Satisfactory 2 - Report is Satisfactory at first resubmission, the case is closed and the Public Summary is published.

103	High Conservation Value Full Assessment PT Maju Aneka Sawit Kabupaten Kotawaringin Timur, Central Kalimantan	PT Maju Aneka Sawit	RSPO 5.2	Jules Crawshaw Fully licensed	09/02/2018	Satisfactory 2	Click here	15/10/2018
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Questions for peer reviewers

(Peer Review Panel: Alex Thorpe, Cynthia Chin)

1. Peer Review Summary

1.1. What are the major findings and recommendations from the peer review?

Finding:

There is almost no forest remaining in the MAS concession. The potential HCS area identified is 157 ha (Section 6.5). The final HCS area is 56 ha (Table 16, Section 8.3).

The report doesn't follow the template in many parts, but its reviewer's opinion it isn't necessary to rewrite the report apart from the recommendations below.

The number of inventory plots measured is low. Assessors explained reasons for this in the report. The peer reviewer understands the reasons given, but still probably more plots could have been measured.

There are significant gaps in data submitted, so it has been difficult for peer reviewers to carry out technical reviews (particularly related to GIS and inventory). E.g. lack of data related to patch analysis process (i.e. how 175 ha was reduced to 56 ha).

Reviewers Recommendation:

Given the very lack of forest available to conserve, the finalisation process required is limited to adding some further justification of findings, and submission of a more complete data set. Key requirements are as follows (see more detail under individual questions):

(2.2) Could the assessor team mention whether there is a need for a separate tenure study and if not, why?

(2.6) Give more mention to the communities being made to understand of their right to consent or refuse proposed development.

(4.1 & 4.3) Revise the landscape boundary to match toolkit and carry out quality control on land cover stratification in buffer areas (sufficient to map forest/non-forest in buffer).

(6.2 & 6.3) Need to describe in more detail the patch analysis process, results and discussion of conclusions. Need to submit complete shp of patch analysis workings – patch core area, patch area, connectivity, risk analysis, final patch class, recommendation.

Company Responses:

Responses are provided in the original sections.

Final Reviewers Comments:

All of the reviewer's responses and recommendations have been addressed. There is still a lack of clarity on patch analysis workings, but this is not a significant issue.

1.2. Did the HCS assessment team include or have adequate access to relevant expertise to undertake the HCS assessment?

Finding:

Yes.

Reviewers Recommendation:

None.

- 1.3. What elements of the HCS Approach still need to be completed in order to create a final land use and conservation plan? Are there aspects which you feel need to be re-done?

Finding:

There is nothing that needs to be redone. However, the company needs to ensure community buy-in into the proposed land use plan.

Reviewers Recommendation:

Identify and consult with individual land owners as well as communities impacted by the conservation plan, and seek buy in. Incentives may be required. Community members should be included in regular monitoring activities.

Company Responses:

The company has set up management structures that involves collaboration and communication with the community under the Fire Free Village (*Desa Bebas Api*) Programme. It is recommended within the HCV assessment that PT MAS extends this already successful programme to include socialisation and seeking buy-in from the community regarding the conservation plan. The conservation plan largely centres around (1) creating corridors within the landscape where natural areas still exist and (2) allowing highly depleted natural resources to recover, through limiting resource extraction.

Final Reviewers Comments:

No further comment.

2. Social Issues

- 2.1. Does the summary provided in Section 3.1 adequately represent and explain the community engagement, FPIC processes, and participatory mapping activities carried out?

Finding:

The SIA was first conducted in 2009 but goes through regular annual reviews. There is a focus on RSPO Principles and Criteria compliance as well. The SIA report also mentions that the communities did not require village level land titles prior to compensation being paid and also that there was a perception from the community that they must sell their land, even though the company has procedures that acknowledge that communities have the right to reject offers of purchase (page 21 of the Summary Report). FPIC and participatory mapping are parked in Section 4.

Reviewers Recommendation:

None.

Company Responses:

None.

2.2. Has a tenure study been completed and has it been vetted by independent social experts?

Finding:

No independent tenure study vetted by social experts was mentioned. The land acquisition process and associated disputes appeared to be difficult for the communities to deal with because the local system does not guide disputes with third parties or government. The company has put in place FPIC procedures to improve communications and reduce risk of disputes.

Reviewers Recommendation:

Considering the potential disputes and lack of a local system to deal with third party issues, could the assessor team mention whether there is a need for a separate tenure study and if not, why?

Company Responses:

From the HCSA Social guidance step 1.4 the purpose of a tenure study is described as “using their [the communities’] knowledge of their lands and resources, and explain the underlying system they use to control, own, manage and transfer lands and resources.” It was deemed that such a study was not relevant. The reasons are (1) the company owns all the land within the concession (based on purchasing land outright “wall-to-wall”). (2) There are no plasma areas within the assessment area. (3) Part of the participatory mapping that was done was to determine whether the community used any natural resources within the concession; the result shows that the community did not use any natural resources within the concession.

Final Reviewers Comments:

No further comment.

- 2.3. Is there a participatory land use map and does it contain the key components of community land use including the minimum requirement of 0.5 ha per person for future garden areas?

Finding:

Figure 7 (page 34) details the results of the participatory mapping. Most of the area being cultivated by communities are located outside the concession boundaries. Data comparison of available area for gardens versus population trends show that no area within the concession has to be set for gardens under the POIG requirement.

Reviewers Recommendation:

None.

- 2.4. Is there a record of consultation with affected communities and FPIC processes on the proposed development, the HCS Approach and issues/concerns they raised? Did the community nominate their own representatives?

Finding:

The appendices of the SIA and HCV reports detail the consultation processes. Village representatives were made up of village heads and leadership. Comments and concerns are listed there. These are summarised in Table 7 of the HCS review report.

Reviewers Recommendation:

None.

- 2.5. Were their views addressed and reflected in the plans and implementation of the plantation? Is there specific reference to the customary owners being made aware that they can say no to the development and they have the right to independent legal representation with regard to their agreements before they sign (to meet the 'prior informed' test)?

Finding:

Table 7 details the consultations held, events, villages, representatives, topics discussed and comments by the participants. The only reference made to the communities being made known of their right to reject the proposed development was a mention of the company's policy that communities have the right to reject an offer to purchase their land (p. 21 of the HCS review report).

Reviewers Recommendation:

None.

2.6. What recommendations do you have for any improvements regarding community consultation and negotiation of Free, Prior and Informed Consent?

Finding:

Key principles, regular review and feedback were given due diligence, though it was somewhat concerning to learn that the SIA report points out that there was a perception from the community that they had to sell their land (p. 21 of the HCS review report).

Reviewers Recommendation:

None.

Company Responses:

PT MAS has a SOP that clearly states that the community have the right to refuse an offer of purchase at any stage and that refusal must be respected by company operatives. PT MAS regularly conduct socialization of the SOPs to the community during stakeholder consultation meeting to ensure that community understand their rights to consent or refuse proposed development. During the land compensation process, there is a document signed by the sellers, stating that they were willing sellers and had not been forced to sell and this document is endorsed by the relevant local government official.

Final Reviewers Comments:

From this response, the assessor concludes that a lot of the claims made in the SIA were unsubstantiated.

3. Ecological and Conservation Values

3.1. Does the summary provided in Section 4.1 of the Summary Report adequately represent the findings of the HCV study?

Finding:

The HCV section is found in Section 5 of the Summary Report. Table 10 gives a summary of HCV findings and HCVAs. All HCVs were assessed to be present except for HCV 2. A link to the public summary was given.

Reviewers Recommendation:

Include the justification for why HCV 2 was deemed not present in Table 10.

Company Responses:

The following statement has been added to Table 10 – “There is no intersection between the assessment area with intact forested landscapes, nor are there any significant forested areas within or nearby PT. MAS.”

Final Reviewers Comments:

No further comment.

- 3.2. If the HCV assessment was not judged satisfactory (highest rating) by the ALS scheme of the HCVRN (as noted in the introductory information from the HCS Secretariat – please see page one of this document), please do a cursory review of the HCV report as it relates to HCVs 1-4. Do you have any general comments on the quality of the site description, the analysis of the landscape and national or regional context, or the methods used to undertake the HCV study? Were the determinations of the absence/presence and extent of HCVs 1-4 well-justified? Are the HCV management and monitoring maps accurate?

Finding:

Site narratives are clear, with accompanying maps. The methods of assessment are standard and done with HCV guidance and toolkits. HCVs 1-4 were assessed and given due justification of their presence and absence. Threats were assessed based on the assessors' past experience, and discussions with local communities, company staff and other stakeholders. Management and monitoring recommendations were in line with addressing the threats identified. Figure 54 shows a synthesis of the HCVs identified.

Reviewers Recommendation:

None.

- 3.3. Please review Section 9.2 of the Summary Report. Was the methodology used for the Pre-RBA and the Rapid Biodiversity Assessments (if any) satisfactory? Did the RBA(s) reveal any significant biodiversity values that should have been captured in either the HCV assessment but were not, or warrant protection?

Finding:

Pre-RBA and RBA results are found in Section 8.2 of the HCS summary report. Patch delineation is shown in Figure 21. Questions for pre-RBA were asked in accordance to relevant priority considerations and were shown to be 'indicative conserve'. RBA for the relevant patches were shown to be 'indicative develop'.

Reviewers Recommendation:

None.

3.4. Are the forest conservation management and monitoring activities outlined in Section 10.3 adequate? Do they take into account forests and protected areas outside the concession?

Finding:

This is Section 9.1 of the HCS summary report. Table 17 details the HCV threats, management and monitoring recommendations that reflect those listed in the HCV assessment full report and public summary. The recommendations are adequate in relation to the threats identified.

Reviewers Recommendation:

None.

4. Image Analysis

4.1. Please review Section 6.1 of the Summary Report. Was the Area of Interest correctly identified?

Finding:

No. The AOI is generated using a 1 km buffer around the outside. The toolkit stipulates the landscape should include a minimum 5 km wide external buffer.

Reviewers Recommendation:

Revise the landscape boundary to match toolkit.

Company Responses:

A map (Figure 24) has been added to the summary report which shows the landscape surrounding the concession is largely deforested (Hansen 2015 data is used to demonstrate this). The only scattered fragments are along the Sebangau and Mentaya Rivers. The conservation areas of PT MAS and PT SSM (sister concession) are shown to demonstrate how the assessor has tried to make linking corridors between the concession and these fragmented forest areas.

Final Reviewers Comments:

The AOI using a 5 km buffer is shown in Map P. 68. No further comment.

4.2. Please review Section 6.2 of the Summary Report. Were the images used of adequate quality, including resolution and date?

Finding:

Yes, imagery is adequate. Sentinel imagery (October 2016 and February 2017) & Landsat 8 Imagery (31 August 2017).

Reviewers Recommendation:

None.

- 4.3. Please do a quality check using the images provided in 6.3. Was the initial vegetation classification done properly? Do the land cover areas in the tables in Section 6 look reasonable? Are there any obvious errors in classification?

Finding:

No shp of concession boundary provided.

Most of the area is already planted (palm oil covers 84% of area). In general stratification looks satisfactory but there are a few small errors in stratification in the buffer zone (less important in the big picture).

Reviewers Recommendation:

Need to provide shp of concession boundary, not just landscape.

Need to carry out quality control on land cover stratification in buffer areas (sufficient to map forest/non-forest in buffer).

Company Responses:

The concession boundary is provided.

Figure 24 in the summary report, maps Hansen (Forest / Non-forest) with conservation areas. Any areas that have even fragmented forest are proposed as conservation areas within the ICLUP. Areas that may have been missed as HCS are picked up as HCV or peat and become set asides anyhow. The assessor suggests that further verification of landcover would be unnecessary as the areas are set asides anyhow.

Final Reviewers Comments:

Requested data supplied (Figure 24 P.71). No further comment.

5. Forest Inventory

- 5.1. Please review Sections 7.1 and 7.2 of the Summary Report. Were the sample plots selected, set up, and measured properly? Please check the inventory plot layout for adequacy.

Finding:

Although limited information provided, the plots appear to have been selected, set up, and measured properly.

The number of plots measured is low. Assessors explained in the report that due to the lack of contiguous forest patches, and the presence of smallholder rubber scattered through forest areas, they struggled to find suitable sampling points. The peer reviewer understands this difficulty, but probably more plots could have been measured.

No shp file of plot location and plot numbers provided, but there is a map in the report.

Reviewers Recommendation:

Need to provide shp of inventory plot locations.

Company Responses:

A shape file of plot locations has been provided.

Final Reviewers Comments:

Requested data provided. No further comment.

5.2. Please review Section 7.3 of the Summary Report. Was the forest inventory team qualified?

Finding:

No explanation of inventory team provided but assume same as for PT SSM.

Reviewers Recommendation:

Need to provide explanation of inventory team.

Company Responses:

The following sentence has been added to Section 2.1 of the summary report “The Inventory team consisted of Jules Crawshaw who did the plot locations, recording and training. Kursani Sumantri who did the species identification and PT MAS staff who did the measurements.”

Final Reviewers Comments:

The following sentence has been added to Section 2.1 of the summary report “The Inventory team consisted of Jules Crawshaw who did the plot locations, recording and training. Kursani Sumantri who did the species identification and PT MAS staff who did the measurements.” (P. 21)

No further comment.

5.3. Please review Section 7.4 of the Summary Report. Was the allometric chosen adequate?

Finding:

Yes.

Reviewers Recommendation:

None.

- 5.4. Please review Sections 7.5, 7.6, 7.7 and 7.8 of the Summary Report, and do a cursory review of the forestry data and statistical analysis. Are there any obvious errors in the raw forestry data? Are there any flags where a result does not seem consistent with your rough interpretation of the land cover image? Do the final carbon classes seem accurate given what is known about other forests in the region?

Finding:

The small number of plots measured basically precludes any meaningful analysis of variance or Scheffe's test. Assessor states this in the report. Nevertheless, average carbon stock per ha figures appear to be in the correct ball park for the strata described except for open swamp. Also see comments re land cover stratification in 4.3.

Reviewers Recommendation:

See comments re land cover stratification in 4.3.
Check carbon stock for open swamp (potential error in spreadsheet?).

Company Responses:

See assessor's response in 4.3.
Error in Open swamp fixed carbon stock is 17.8 tC/ha not 42.8 tC/ha.

Final Reviewers Comments:

No further comment.

6. Land use planning

- 6.1. Please review Section 8.1 of the Summary Report. Was the initial vegetation classification map adequately calibrated and adjusted to take into account forest inventory results?

Finding:

Impossible to judge given the limited inventory exercise. Assessor states major adjustments were made to land cover stratification post the field visit, primarily due to existence of rubber in areas originally identified as forest.

Reviewers Recommendation:

None.

- 6.2. Please review Section 9 of the Summary Report. Was participatory mapping data used in step one to identify community lands that should be enclaved? Were patches merged correctly? Was the core area correctly identified? Was the connectivity analysis done correctly?

Finding:

Discussion of PM findings is in Section 4.2 and 4.3. A schedule of participatory mapping is found in the annexes. The analysis results indicate no further enclaves needed.

Only limited patch analysis working files provided, so it is not possible to carry out checks.

Reviewers Recommendation:

Need to submit complete shp of patch analysis workings – patch core area, patch area, connectivity, risk analysis, final patch class, recommendation.

Company Responses:

A shapefile has been provided which includes patch core area, patch area. Connectivity is not relevant because there are no HPP. At step 7 all patches are deemed to be high risk because they are all close to the intensive oil palm roading network. The final result is provided in Appendix 3 of the summary report.

Final Reviewers Comments:

Reviewer understands the Company Responses. However with the additional data provided it is still unclear how the potential HCS area 157 ha is reduced to 56 ha and why the residual 101 ha was excluded.

Final Company Responses:

It seems like the above is a typo and should read *“Reviewer understands the Company Responses. However with the additional data provided it is still unclear how the potential HCS area **1057** ha is reduced to 56 ha and why the residual **1001** ha was excluded”* . Based on Table 15 from the full HCS Report, the 1001 ha have not been excluded from HCS, rather they are outside the concession. Being outside the concession, within the Management Recommendations section these areas are earmarked for company-community conservation efforts.

- 6.3. Please review Section 9 of the Summary Report, and select a few sample patches to test that the Decision Tree was used correctly. Were the patches correctly identified as High, Medium, or Low Priority? Was the Patch Analysis done according to the HCS Approach Decision Tree?

Finding:

Only limited patch analysis shp working files provided, so it is not possible to carry out GIS based checking.

There is a patch map and list of patches provided in Annex 3 of the report, but the link to the potential HCS area is 157 ha (as set out in Section 6.5), as well as the final HCS area of 56 ha (Table 16, Section 8.3) is not clear.

Notes under Fig 23 need to be revised – area figures are wrong?

Reviewers Recommendation:

Need to describe in more detail the patch analysis process, results and discussion of conclusions.

Company Responses:

The patch analysis process is discussed in a step by step basis in the full report in Section 5.4.

Notes in Fig 23 – the areas have been corrected.

Final Reviewers Comments:

See comment in 6.2.

Final Company Responses:

As explained in 6.2.

- 6.4. Please review Sections 10.1 and 10.2 of the Summary Report. Were the final integrated conservation and land use planning steps completed to maximize the ecological and social viability of the conservation areas (HCV, HCS, peatland, riparian zones, customary forest, etc)? Were the results of the final ground verification (if any) adequately incorporated into the land use plan and final HCS map?

Finding:

Only limited patch analysis working files provided, so it is not possible to carry out checks.

Reviewers Recommendation:

See recommendation in 6.2 and 6.3.

Final Company Responses:

As explained in 6.2.