

# Mighty Earth Rapid Response Report 7

Indonesian companies:

PT Internusa Jaya Sejahtera, PT Kusuma Alam Sari, PT Palem Segar Lestari, PT Sawit Mandiri Lestari, and PT Kartika Cipta Pratama

> Malaysian company: BLD Plantation

## August 2018

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## PT Internusa Jaya Sejahtera

PT Internusa Jaya Sejahtera is located in the province of Papua. The concession covers an area of 25,395 hectares<sup>1</sup>. (Long 140°48'22.6"E, Lat 7°19'30.0"S)



## Deforestation

Report	Deforestation (ha)	Peat development (ha)	Peat forest clearance (ha)	Clearance prep/ stacking lines (ha)	Time period
Report 7	502	-	-	168	March 9 – July 28, 2018

Satellite imagery (see below) shows that between March 9 to July 28, 2018, a total of 502 hectares of forest were cleared and 168 hectares opened through stacking lines in PT Internusa Jaya Sejahtera concession (Imagery © 2017 Planet imagery Basemap, 2018 Sentinel 2 & Landsat 8)





Date: Mar 9, 2018



Date: July 28, 2018



#### **Ownership Information**

#### Group: Indonusa Agromulia/Indonusa Group

PT Internusa Jaya Sejahtera is owned by Rosna Tjuatja (99.87%), who controls Indonusa Agromulia - commonly known as Indonusa Group. Rosna Tjuatja sits as commissioner in Indonusa Agromulia<sup>2</sup>.

Identity	Ownership	Position
Rosna Tjuatja	99.87%	Commissioner



# **Supply Chain Information**

Traders:

Supply chain links:	Apical	Bunge LC	Louis Dreyfus
PT Internusa Jaya Sejahtera			
Indonusa Group	Х	x	х

Consumer Brands:

Supply chain links:	PZ Cussons	Reckitt Benckiser
PT Internusa Jaya Sejahtera		
Indonusa Group	х	х



## PT Kusuma Alam Sari

PT Kusuma Alam Sari is located in Kubu Raya Regency, West Kalimantan. The concession covers an area of 12,860 hectares<sup>3</sup>. (Long 109°49'17.9"E, Lat 0°11'15.0"S)



#### Deforestation

Report	Deforestation (ha)	Peat development (ha)	Peat forest clearance (ha)	Clearance prep/ stacking lines (ha)	Time period
Report 7	-	-	129	-	May 6 – August 12, 2018

Satellite imagery (see below) shows that between May 6 to August 12, 2018, a total of 129 hectares of peat forest were cleared in PT Kusuma Alam Sari concession (Imagery © 2018 Planet Labs Inc.)





Date: May 6, 2018



Date: Aug 12, 2018



## **Ownership Information**

#### **Group: Alas Kusuma Group**

PT Kusuma Alam Sari is part of Alas Kusuma Group. Mr. Jacub Husin is the President Director of Alas Kusuma Group and Mr. Budijuwono Hanjaja is the Vice President.<sup>4</sup>

Identity	Ownership	Position
Jacub Husin	-	President Director
Mr. Budijuwono Hanjaja	2%	Vice President
Hariantara	-	Director
Roesman Nilam	-	Director
Iwan Susanto	12%	President Commissioner
Amin Susanto	12%	Commissioner
Budiman Tandianus	-	Commissioner
Suhadi	31%	-

# **Supply Chain Information**

No supply chain information available.



<sup>&</sup>lt;sup>4</sup> Notary Act – Alas Kusuma grup and Kusuma Alam Sari

#### **PT Palem Segar Lestari**

PT Palem Segar Lestari is located in Nunukan Regency, East Kalimantan. The concession covers an area of 12,582 hectares<sup>5</sup>. (Long 117°36'41.9"E, Lat 3°51'02.0"S)



#### **Peat development**

Report	Deforestation (ha)	Peat development (ha)	Peat forest clearance (ha)	Clearance prep/ stacking lines (ha)	Time period
Report 5	-	-	143	-	April 7 – June 14, 2018
Report 7	-	91	-	-	June 14 – August 9, 2018

Satellite imagery (see below) shows that between June 14 to August 9, 2018, a total of 91 hectares of peat were developed in PT Palem Segar Lestari concession (Imagery © 2018 Planet Labs Inc.)







Date: June 14, 2018



Date: Aug 9, 2018



#### **Ownership Information**

Group: Henan Jiujiu Chemical Co. Ltd.

PT Palem Segar Lestari is owned by Henan Jiujiu Chemical Co. Ltd (90%) and by PT Citra Makmur Sentosa (10%). Henan Jiujiu Chemical Co. Ltd is a China-registered company specializing in fatty acids and derivative products.

Mr. Tjia Ke Seng (alias 'Dachlan'), a Chinese citizen, is the President Director of PT Palem Segar Lestari<sup>6</sup>. He is also the Director of PT Sebaung Sawit Plantation, also located in North Kalimantan.

Identity	Ownership	Position
Mao Chunning	-	President Commissioner
Tjia Ke Seng/Dachlan	-	President Director

# **Supply Chain Information**

No supply chain information available.



## PT Sawit Mandiri Lestari

PT Sawit Mandiri Lestari is located in Lamandau Regency, Central Kalimantan. The concession covers an area of 19,635 hectares<sup>7</sup>. (Long 111°10'42.9"E, Lat 1°52'57.3"S)



## Deforestation

Report	Deforestation (ha)	Peat development (ha)	Peat forest clearance (ha)	Clearance prep/ stacking lines (ha)	Time period
Report 3	5,600	-	-	-	March 8, 2016 – December 12, 2017
Report 7	761	-	-	-	May 22 – August 2, 2018 (A) and May 22 – August 13, 2018 (B)

Satellite imagery (see below) shows that between May 22 to August 2, 2018 (Site A) and between May 22 to August 13, 2018 (Site B), a total of 761 hectares of forest were cleared in PT Sawit Mandiri Lestari concession (Imagery © 2018 Planet Labs Inc.)





<sup>7</sup> Ijin Usaha Perkebunan Tahun 2014

Date: May 22, 2018 A



Date: May 22, 2018 B





Date: Aug 13, 2018 B







## **Ownership Information**

#### Group: PT Metro Lestari Jaya

Up until December 2015, PT Sawit Mandiri Lestari was a subsidiary of Sawit Sumbermas Sarana (SSMS), part of the Citra Borneo Indah Group. PT Sawit Mandiri Lestari is now owned by Rinawati (60%) and Hamidi Mukhdar Said (40%) through PT Metro Lestari Jaya<sup>8</sup>.

Identity	Ownership	Position
Rinawati	60%	-
Hamidi Mukhdar Said	40%	-
Afrian Fanani	-	Director
Dona Malindo	-	Commissioner

## **Supply Chain Information**

No supply chain information available.



<sup>8</sup> Notary Act – Sawit Mandiri Lestari & Mitra Jaya Lestari

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#### PT Kartika Cipta Pratama

PT Kartika Cipta Pratama is located in Boven Digoel Regency, West Kalimantan. The concession covers an area of 40,882 hectares<sup>9</sup>. (Long 140°12'31.6"E, Lat 6°20'26.6"S)



## Deforestation

Report	Deforestation (ha)	Peat Development (ha)	Peat forest clearance (ha)	Clearance prep/ stacking lines (ha)	Time period
Report 5	322	-	-	-	March 31 – May 31, 2018
Report 7	828	-	-	-	May 30 – August 13, 2018

Satellite imagery (see below) shows that between May 30 to August 13, 2018, a total of 828 hectares of forest were cleared in PT Kartika Cipta Pratama concession (Imagery © 2018 Planet Labs Inc.)





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<sup>9</sup> Dinas Perkebunan Papua 2015
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Date: May 30, 2018



#### Date: Aug 13, 2018



#### **Ownership Information**

#### **Group: HSA Group**

In 2012, four UAE holding companies (Prestige Holding Ltd., Malindo Investments Ltd, Crescent Investments Ltd, and Green Resources Ltd) believed to be affiliated with the Yemen-based HSA Group each purchased an 80% stake in each of these four companies in the Boven Digoel district of West Papua, Indonesia: PT Megakarya Jaya Raya, PT Kartika Cipta Pratama, PT Graha Kencana Mulia and PT Energi Samudera Kencana. PT Megakarya Jaya Raya and PT Kartika Cipta Pratama are two of the concessions included in the Tanah Merah project in Boven Digoel Regency. These concessions in the Tanah Merah area cover a combined 155,330 hectares. Since January 2014, around 5,000 hectares of forest have been cleared in PT Megakarya Jaya Raya and PT Kartika Cipta Pratama.

Up until June 5, 2018, the four plantation companies had Fouad Hayel Saeed Anam listed as their President Commissioner on their Notary Acts. Fouad Hayel Saeed is the HSA Group's subsidiary Pacific Inter-Link's Managing Director & the Regional Director-Malaysia for HSA Group. The Acts also listed Salah Ahmed Hayel Saeed as the Commissioner of PT Energi Samudera Kencana & PT Megakarya Jaya Raya and the President Director of PT Graha Kencana Mulia & PT Kartika Cipta Pratama. Hayel Saeed is the Director of Pacific Inter-Link's refining division PT Pacific Palmindo Industri. Recent Notary Acts confirm that on June 5, 2018, Fouad Hayel Saeed ceased to be President Commissioner of PT Megakarya Jaya Raya and PT Kartika Cipta Pratama, and Salah Ahmed Hayel Saeed is no longer Commissioner of PT Megakarya Jaya Raya and the President Director of PT Kartika Cipta Pratama. Nakul Rastogi also disappears from PT Kartika Cipta Pratama's Notary Acts.

However, the June 5, 2018 Notary Acts show that there is no change in the shareholders of PT Megakarya Jaya Raya, PT Kartika Cipta Pratama, PT Graha Kencana Mulia and PT Energi Samudera Kencana. Hence, it is assumed that these companies remain affiliated with the HSA Group. Little is known about the new directors of the two concessions, except they include some notable individuals in Indonesian politics and business. Mr. Alwi Abdurrahman Shihab has become the president commissioner of PT MJR. He is a former Foreign Minister of Indonesia. Dr. Tommy Sagiman is now the commissioner of PT KCP. He is an ex-Inspector General of the police. Nata Singh Gurdev Singh became director of PT MJR in June 2018. Until April 2018, he worked for Sime Darby. Alwi Abdurrahman Shihab is the Indonesian President's special envoy to the Middle East and the Organisation of Islamic Cooperation.



The HSA Group is one of the oldest business conglomerates in the Middle East, founded in 1938 by Al Haj Hayel Saeed Anam and his brothers Mohamed, Abdo and Gazern. The Group is today headed by Abdul Gabbar Hayel Saeed, its Chairman and CEO. The HSA Group is involved in the palm oil industry through its subsidiaries PT Pacific Palmindo Industri, PT Pacific Medan Industry, PT Pacific Indomas, PT Pacific Indopalm Industries, Pacific Oil & Fats Industries and Pacific Inter-Link, which are all members of the RSPO.

#### **Supply Chain Information**

Pacific Inter-Link used to trade with IOI and Nestlé<sup>10</sup>, however both companies have suspended trade with the company due to concerns over its involvement in deforestation. Unilever has suspended Pacific Inter-link from placement of new orders but Pacific Inter-link is still supplying Unilever until current binding contracts run out. It is unclear where Pacific Inter-Link now sells its palm oil, but being a Middle Eastern company, it most likely has an alternative market in this region and in East Africa.



<sup>10</sup> https://www.nestle.com/csv/raw-materials/palm-oil

## **BLD Plantation**

BLD Plantation Bhd is located in Sarawak, Malaysia. The concession covers an area of 20,158 hectares<sup>11</sup>.

(Long 111°47'22.67"E, Lat 2°35'49.80"N)



#### Deforestation

Report	Deforestation (ha)	Peat development (ha)	Peat forest development (ha)	Clearance Prep/Stacking lines (ha)	Time Period
Report 4	-	-	904	-	March 9 – May 22, 2018
Report 5	-	-	221	-	May 22 – June 23, 2018
Report 6	-	-	78	-	June 14 – July 9, 2018
Report 7	-	-	836	-	July 9 – August 26, 2018

Satellite imagery (see below) shows that between July 9 to August 26, 2018, a total of 836 hectares of peat forest were cleared in the BLD Plantation concession (Imagery © 2018 Planet Labs Inc)



Maps Overview

<sup>&</sup>lt;sup>11</sup> Global Forest Watch Logging Concession 2010

Date: Jul 9, 2018



Date: Jul 19, 2018





Date: Aug 26, 2018



Date: Jul 9, 2018





Date: Aug 19, 2018





## **Ownership Information**

#### **Group: BLD Plantation Bhd**

BLD Plantation Bhd is part of a group of companies controlled by the Lau family and their relatives, as well as the Wan Hamid family. Dato Henry Lau Lee Kong is the Executive Chairman of BLD Plantation, while Mr. Haji Wan Abdillah bin Wan Hamid is the group's Executive Director. Lau is also the Honorary Secretary of the Sarawak Timber Association (STA)<sup>12</sup>.

Identity	Ownership	Position
Dato Henry Lau Lee Kong	-	Executive Chairman
Haji Wan Abdillah bin Wan Hamid	-	Executive Director
Datuk Haji Hamden bin Haji Ahmad	-	Independent Non-Executive Director
Robert Lau Hui Yew	-	Non-Executive Director

#### **Supply Chain Information**

Traders:

Supply chain links:	AAK	Bunge LC	Cargill	Fuji Oil	IOI	Louis Dreyfus
BLD Plantation Berhad	х	x	х	Х	Х	х

Consumer Brands:

Supply chain links:	Mondelez	Reckitt Benckiser	
BLD Plantation Berhad	X (via Cargill, IOI)	Х	



<sup>12</sup> Rapid Response 6

## Sources for supply chain information:

The supply chain information included in this Rapid Response report is based on the following publicly disclosed sources. Mighty Earth encourages companies to send updated versions of mill disclosures as soon as they become available and any decision to terminate supplies with a given company listed in those mill disclosures; please send to rapidresponse@mightyearth.org.

Companies	Source	Link	Date
ААК	Mill disclosure	bit.ly/2uRN6KL	May 2018
ADM	Mill disclosure	bit.ly/2wuPNIm	December 2017
Apical	Mill disclosure	bit.ly/2MPakLT	June 2018
Bunge/Bunge Loders Croklaan	Mill disclosure	bit.ly/2v3tT8j	March 2018
Cargill	Mill disclosure	bit.ly/2MCYC7S	March 2018
Iffco (PT SON)	Financial report SSMS page 106	bit.ly/2LmM2UC	March 2018
Fuji Oil	Mill disclosure	bit.ly/2AcVtFN	June 2018
General Mills	Mill disclosure	bit.ly/2v7hFvn	
Global Tradewell Pte. Ltd	Financial report SSMS page 106	bit.ly/2LmM2UC	March 2018
IOI	Mill disclosure	bit.ly/2Pl19jM Total IOI Full Mill list	2018
Louis Dreyfus	Mill disclosure	bit.ly/2LFY7IL	December 2017
Mars	Mill disclosure	bit.ly/2KBcYDT	February 2018
Mondelez	Mill disclosure	bit.ly/20h8voJ	March 2018
Nestlé	Mill disclosure	bit.ly/2AbVHgh	February 2018
PepsiCo	Mill disclosure	bit.ly/2NLzGad	2017
PZ Cussons	Mill disclosure	bit.ly/2MxQjds	March 2018
Reckitt Benckiser	Mill disclosure	bit.ly/2LopMyw	2017
Sime Darby	Mill disclosure	bit.ly/2oeYAEy	March 2018
Tunas Baru Lampung	Financial report SSMS page 106	bit.ly/2LmM2UC	March 2018

