



MIGHTY EARTH



# RAPID RESPONSE Palm Oil Report

Report 33

April 2021



Prepared with

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**Waxman**

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## Cases identified using Landsat and Planet imagery

### Indonesian Companies

#### *New Cases*

PT Agincourt Resources Tbk: Astra International Tbk	3
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### Supply chain information:

Supply chain information included in Rapid Response reports is based on the latest public versions of mill disclosures, recent export data, and grievance logs. Mighty Earth encourages companies to send updated versions of mill disclosures as soon as they become available and to share any decision to suspend relations with a given group/company listed in those mill disclosures with [rapidresponse@mightyearth.org](mailto:rapidresponse@mightyearth.org).

Mighty Earth is now including biofuel companies in the supply chain tables of Rapid Response reports, as these companies have both direct and indirect trading relationships with groups highlighted in these reports and should be filing grievances on these cases. These biofuel companies are listed in the "Supply Chain Information" tables.

# New Case

## Group: Astra International Tbk

PT Agincourt Resources Tbk

Mine location: 1.512029, 99.060910

### Deforestation and/or peat development

Report	Tree Cover Loss (ha)	Peat development (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 33	~60	-	-	-	2016-2018
	~40				2019-2020

Between January 2016 and December 2018, there were ~60 hectares of tree cover loss within the Martabe Mine area of PT Agincourt Resources Tbk.

Between January 2019 and December 2020, there were ~41 hectares of tree cover loss within the Martabe Mine area of PT Agincourt Resources Tbk.

Tree cover loss data, accessed through Global Forest Watch, correlates with Planet-based deforestation imagery, as demonstrated on pages 7 and 8 of this report.

(Source of tree cover loss data: Hansen/UMD/Google/USGS/NASA, accessed through Global Forest Watch)

### Supply Chain Information

Company/Group	Traders	Biofuel / other manufacturers	Consumer Brands
Astra International Tbk through Astra Agro Lestari.	AAK, ADM, Apical, Bunge, Cargill, Fuji Oil, GAR, IFFCO, ISF, Itochu, KLK,, Mewah, Musim Mas, Olam, Pacific Interlink, Sime Darby, Wilmar	BASF, Lipsa, Neste, Oleon	Colgate-Palmolive, Danone, Friesland Campina, General Mills, Hershey, Johnson & Johnson, Kellogg's, Mondelēz, Nestlé, P&G, PepsiCo, PZ Cussons, Reckitt Benckiser, Upfield, Unilever, Vandemoortele

# Group Ownership Information

Astra International Tbk is a subsidiary (50.11%) of Jardine Cycle and Carriage Ltd, a holding company of Jardine Matheson Holdings Ltd which is registered in Bermuda, a British tax-haven.<sup>1</sup>

Neither Astra Group, nor its parent company, Jardine Matheson Group, currently have a public group-wide 'No Deforestation, No Peat, No Exploitation' (NDPE) commitment, a 'forest conservation policy' nor a policy to protect High Conservation Values (HCVs). Only Astra's palm oil division, Astra Agro Lestari Tbk, which accounts for a mere 6% of Astra's business portfolio in 2020,<sup>2</sup> has thus far adopted an [NDPE commitment](#) (i.e. a divisional NDPE policy).

In December 2018, Astra Group acquired shares of PT Agincourt Resources Tbk through Astra's subsidiary, United Tractors Tbk. As of the end of 2020, Astra Group controls 56.52% of PT Agincourt Resources Tbk (Astra's gold mining company) and 79.68% of Astra Agro Lestari Tbk (Astra's palm oil division). See Astra Group's corporate structure below.<sup>3</sup>



OTOMOTIF	JASA KEUANGAN	ALAT BERAT, PERTAMBANGAN, KONSTRUKSI DAN ENERGI	AGRIBISNIS	INFRASTRUKTUR & LOGISTIK	INFORMASI TEKNOLOGI	PROPERTI
<b>Kendaraan Roda Empat</b> <ul style="list-style-type: none"> <li>PT Astra Daihatsu Motor (31,87%)</li> <li>PT Isuzu Astra Motor Indonesia (50% dimiliki anak perusahaan)</li> <li>PT Toyota Astra Motor (50%)</li> </ul> <b>Kendaraan Roda Dua</b> <ul style="list-style-type: none"> <li>PT Astra Honda Motor (50%)</li> </ul> <b>Komponen</b> <ul style="list-style-type: none"> <li>PT Astra Otoparts Tbk* (80%)</li> </ul>	<b>Pembiayaan Mobil</b> <ul style="list-style-type: none"> <li>PT Astra Sedaya Finance* (100%)</li> <li>PT Toyota Astra Financial Services* (50%)</li> </ul> <b>Pembiayaan Sepeda Motor</b> <ul style="list-style-type: none"> <li>PT Federal International Finance* (100%)</li> </ul> <b>Pembiayaan Alat Berat</b> <ul style="list-style-type: none"> <li>PT Komatsu Astra Finance (50% dimiliki anak perusahaan)</li> <li>PT Surya Artha Nusantara Finance* (60% dimiliki anak perusahaan)</li> </ul> <b>Asuransi Umum</b> <ul style="list-style-type: none"> <li>PT Asuransi Astra Buana (95,7% dimiliki anak perusahaan)</li> </ul> <b>Asuransi Jiwa</b> <ul style="list-style-type: none"> <li>PT Asuransi Jiwa Astra (99,99%)</li> </ul> <b>Mobile Lending Fintech</b> <ul style="list-style-type: none"> <li>PT Astra Welab Digital Arta (60% dimiliki oleh anak perusahaan)</li> </ul>	<b>Mesin Konstruksi</b> <ul style="list-style-type: none"> <li>PT United Tractors Tbk* (59,5%)</li> <li>PT Traktor Nusantara (50%)</li> </ul> <b>Kontraktor Penambangan</b> <ul style="list-style-type: none"> <li>PT Pamapersada Nusantara (100% dimiliki anak perusahaan)</li> </ul> <b>Pertambangan</b> <ul style="list-style-type: none"> <li>PT Agincourt Resources (95% dimiliki oleh anak perusahaan)</li> <li>PT Tuah Turangga Agung (100% dimiliki anak perusahaan)</li> </ul> <b>Industri Konstruksi</b> <ul style="list-style-type: none"> <li>PT Acset Indonusa Tbk* (50,10% dimiliki anak perusahaan)</li> </ul>	<b>Perkebunan Kelapa Sawit</b> <ul style="list-style-type: none"> <li>PT Astra Agro Lestari Tbk (79,68%)</li> </ul>	<b>Infrastruktur Umum</b> <ul style="list-style-type: none"> <li>PT Astra Tol Nusantara (dahulu PT Astratel Nusantara) (100%)</li> <li>PT Astra Nusa Perdana (dahulu PT Intertel Nusa Perdana) (100%)</li> </ul> <b>Logistik</b> <ul style="list-style-type: none"> <li>PT Serasi Autoraya* (100%)</li> </ul> <b>Jalan Tol</b> <ul style="list-style-type: none"> <li>PT Lintas Marga Sedaya (55% dimiliki anak perusahaan)</li> <li>PT Marga Harjaya Infrastruktur (100% dimiliki anak perusahaan)</li> <li>PT Marga Mandalasakti (79,31% dimiliki anak perusahaan)</li> <li>PT Marga Trans Nusantara (40% dimiliki anak perusahaan)</li> <li>PT Trans Marga Jateng (40% dimiliki anak perusahaan)</li> </ul> <b>Pelabuhan</b> <ul style="list-style-type: none"> <li>PT Pelabuhan Penajam Benua Taka (100% dimiliki anak perusahaan)</li> </ul>	<b>Solusi Dokumen</b> <ul style="list-style-type: none"> <li>PT Astra Graphia Tbk* (76,87%)</li> <li>PT Astragraphia Xprins Indonesia (100% dimiliki anak perusahaan)</li> </ul> <b>Solusi Teknologi Informasi dan Komunikasi</b> <ul style="list-style-type: none"> <li>PT Astra Graphia Information Technology (100% dimiliki anak perusahaan)</li> </ul>	<b>Properti Komersial</b> <ul style="list-style-type: none"> <li>PT Menara Astra (100%)</li> </ul> <b>Perdagangan Properti</b> <ul style="list-style-type: none"> <li>PT Astra Land Indonesia (50% dimiliki anak perusahaan)</li> <li>PT Astra Modern Land (67% dimiliki anak perusahaan)</li> <li>PT Brahmayasa Bahtera (60%)</li> </ul>

1. Jardine Matheson Holdings Ltd, Annual Report 2020, [www.bsx.com/CompanyDocuments/130/JMH%20Annual%20Report%202020.pdf](http://www.bsx.com/CompanyDocuments/130/JMH%20Annual%20Report%202020.pdf); Jardine Cycle & Carriage Ltd, Annual Report 2020, [www.jcclgroup.com/sites/jccl-group/files/jccl/annual-report-2020/documents/JCC\\_AR20.pdf](http://www.jcclgroup.com/sites/jccl-group/files/jccl/annual-report-2020/documents/JCC_AR20.pdf)  
 2, 3. Astra International Tbk Annual Report 2020, [www.astra.co.id/Public/Annual-Report/2020-Annual-Report.pdf](http://www.astra.co.id/Public/Annual-Report/2020-Annual-Report.pdf).

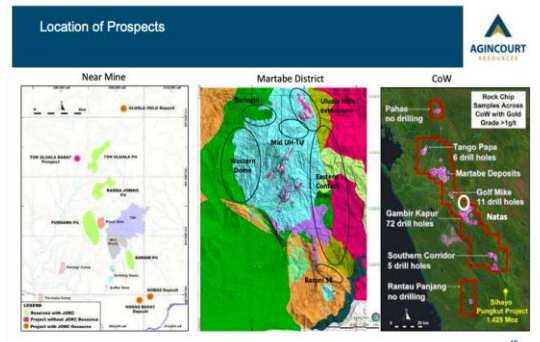
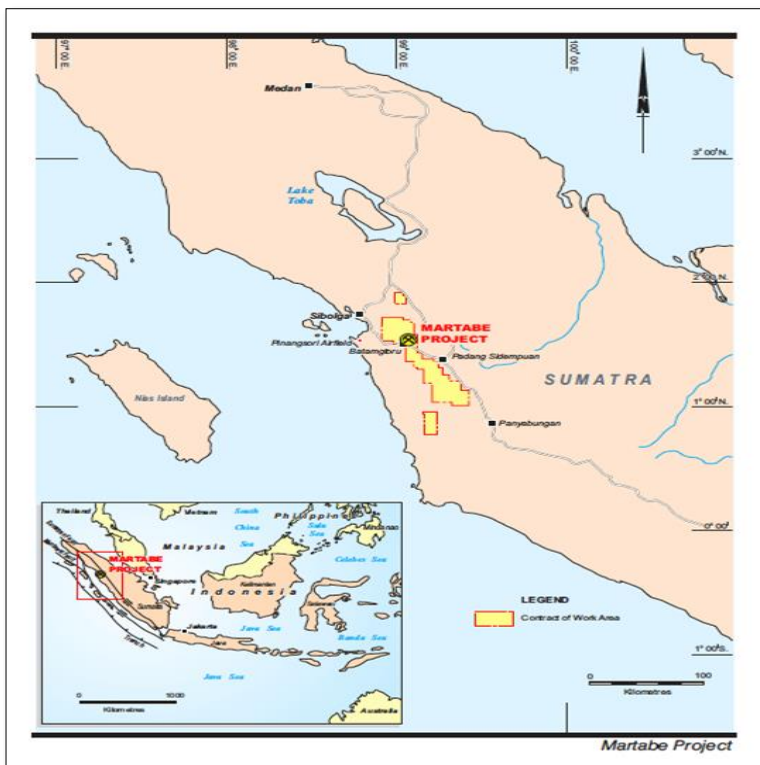
## Case Notes

PT Agincourt Resources Tbk (PT AR) holds a mining concession in North Sumatra covering 130,252 hectares. There are currently four operational areas within the concession: South Tapanuli, Central Tapanuli, North Tapanuli, and Mandailing Natal.<sup>4</sup>

The Martabe Gold Mine in South Tapanuli, featured in this report, covers 479 hectares with an operating capacity exceeding 6 million tonnes of ore per year.<sup>5</sup>

The company states that the Martabe Gold Mine has a “remaining Life-Of-Mine (LOM) of 14 years” and, as of June 2020, contained an estimated 7.6 million ounces of gold and 66 million ounces of silver listed as “Mineral Resources”.<sup>6</sup> Based on average 2020 “gold price after hedges” of US\$1,467 per ounce,<sup>7</sup> the extracted gold alone would have a market value amounting to around US\$11 billion.

The maps below show the location of the PT AR concession (based on the “Contract of Works” concession area of 163,900 ha, before the area was reduced to 130,252 ha).<sup>8</sup>



4-7, Agincourt Resources Tbk Annual Report (2020), [www.agincourtresources.com/wp-content/uploads/2021/03/Annual-Report-2020.pdf](http://www.agincourtresources.com/wp-content/uploads/2021/03/Annual-Report-2020.pdf) (

8. Behre Dolbear Australia Pty Ltd (2009). Independent Technical Review – Martabe Gold-Silver Project. <https://bit.ly/3xle9wx>

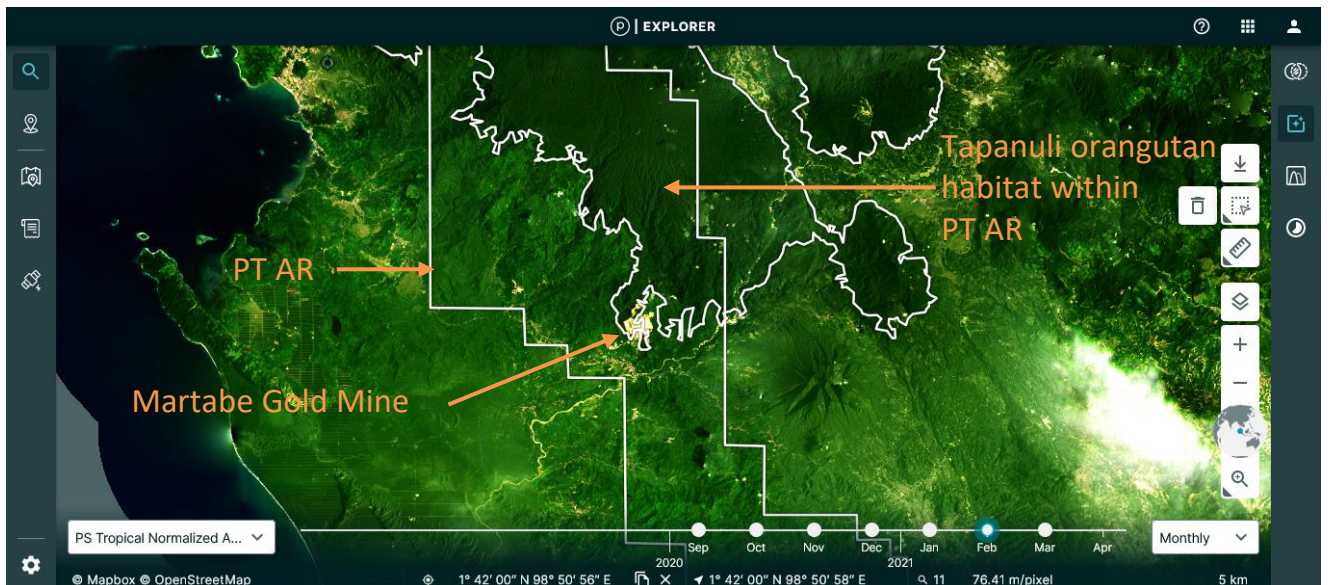
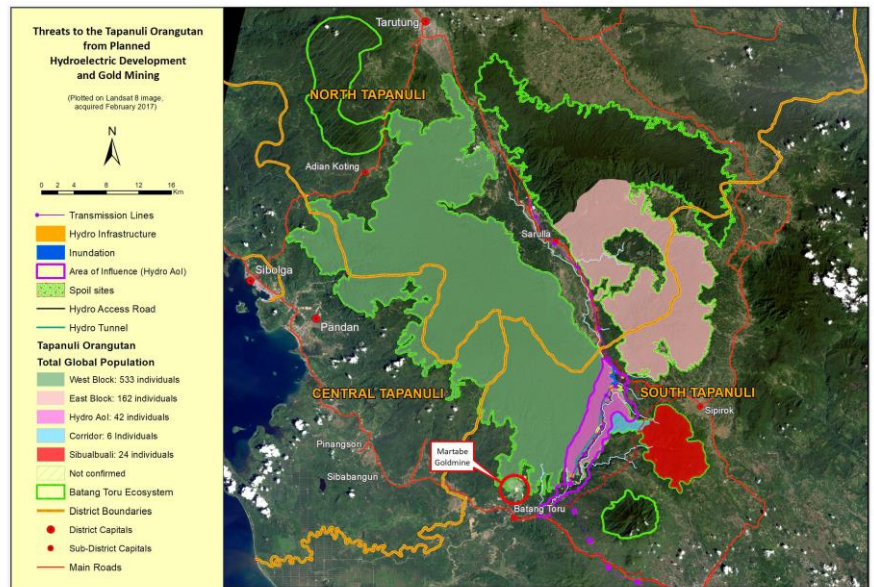


## Case Notes (cont.)

The northern sections of the PT AR concession overlap with the forest habitat of the Tapanuli orangutan (*Pongo tapanuliensis*). The IUCN Red List classifies the species as “critically endangered” as there is an “extremely high risk of extinction in the wild in the immediate future”.

Based on extensive surveys conducted between 2000 and 2012, it was estimated that there were 767 individual Tapanuli orangutans within three main forest blocks.<sup>9</sup> The maps below show that the West Block of forest, where over 75% of the Tapanuli orangutan were identified,<sup>10</sup> overlaps significantly with the northern part of the PT AR concession, which is where the Martabe Gold Mine Project is based (Imagery: 2021 Planet Labs Inc.).

The area in purple shows the ‘area of impact’ of the planned Bantang Toru hydro project. In 2020, the Bank of China (the main funder of the project) abandoned its planned support for the dam following international pressure.<sup>10</sup>



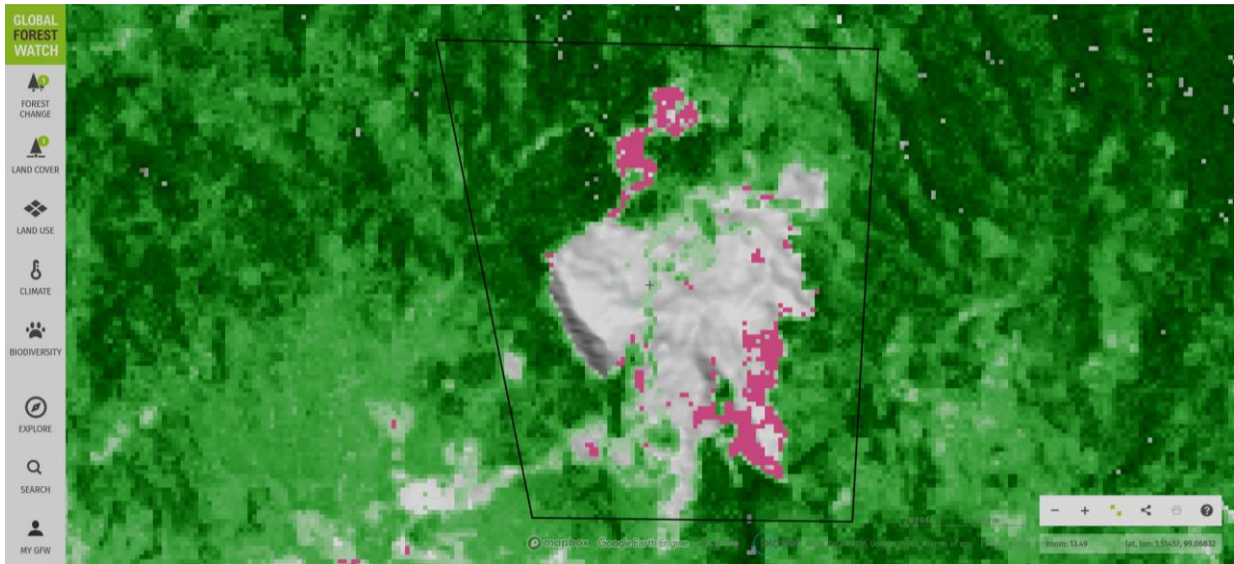
9. Wich et al. 2019. The Tapanuli orangutan: Status, threats and steps for improved conservation. <https://conbio.onlinelibrary.wiley.com/doi/full/10.1111/csp2.33>

10. Science Magazine (2020), Dam threatening world's rarest great ape faces delays, [www.sciencemag.org/news/2020/12/dam-threatening-world-s-rarest-great-ape-faces-delays](http://www.sciencemag.org/news/2020/12/dam-threatening-world-s-rarest-great-ape-faces-delays)

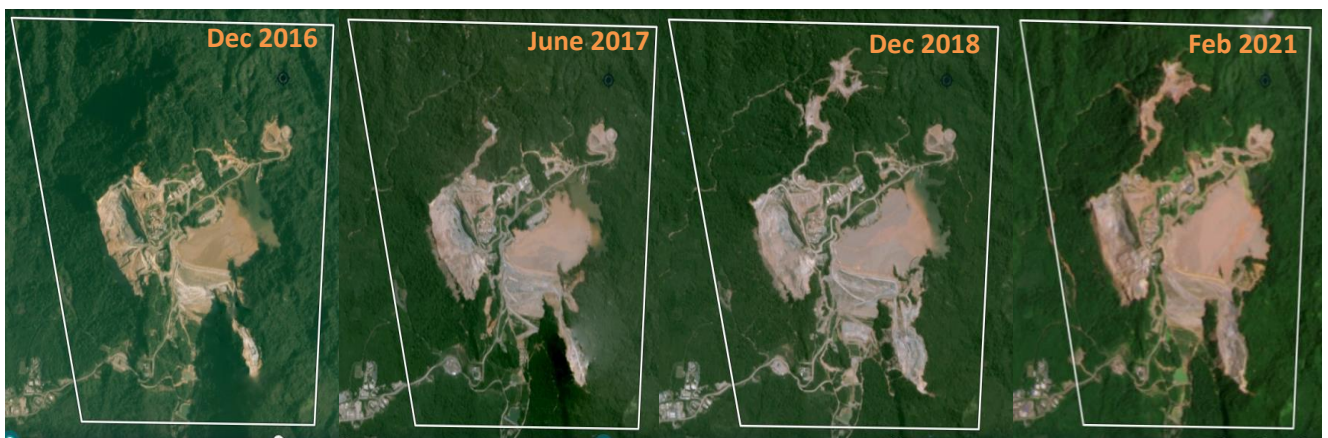
## Mapping analysis

As mentioned above, there was around 60 hectares of tree cover loss between January 2016 and December 2018 and around 41 hectares of tree cover loss between January 2019 and December 2020, within the Martabe Mine area of PT Agincourt Resources Tbk.

The maps below shows the areas of tree cover loss between January 2016 and December 2020, which largely correlate with the deforestation imagery in the Planet-based imagery below. (Source: Hansen/UMD/Google/USGS/NASA, accessed through Global Forest Watch)



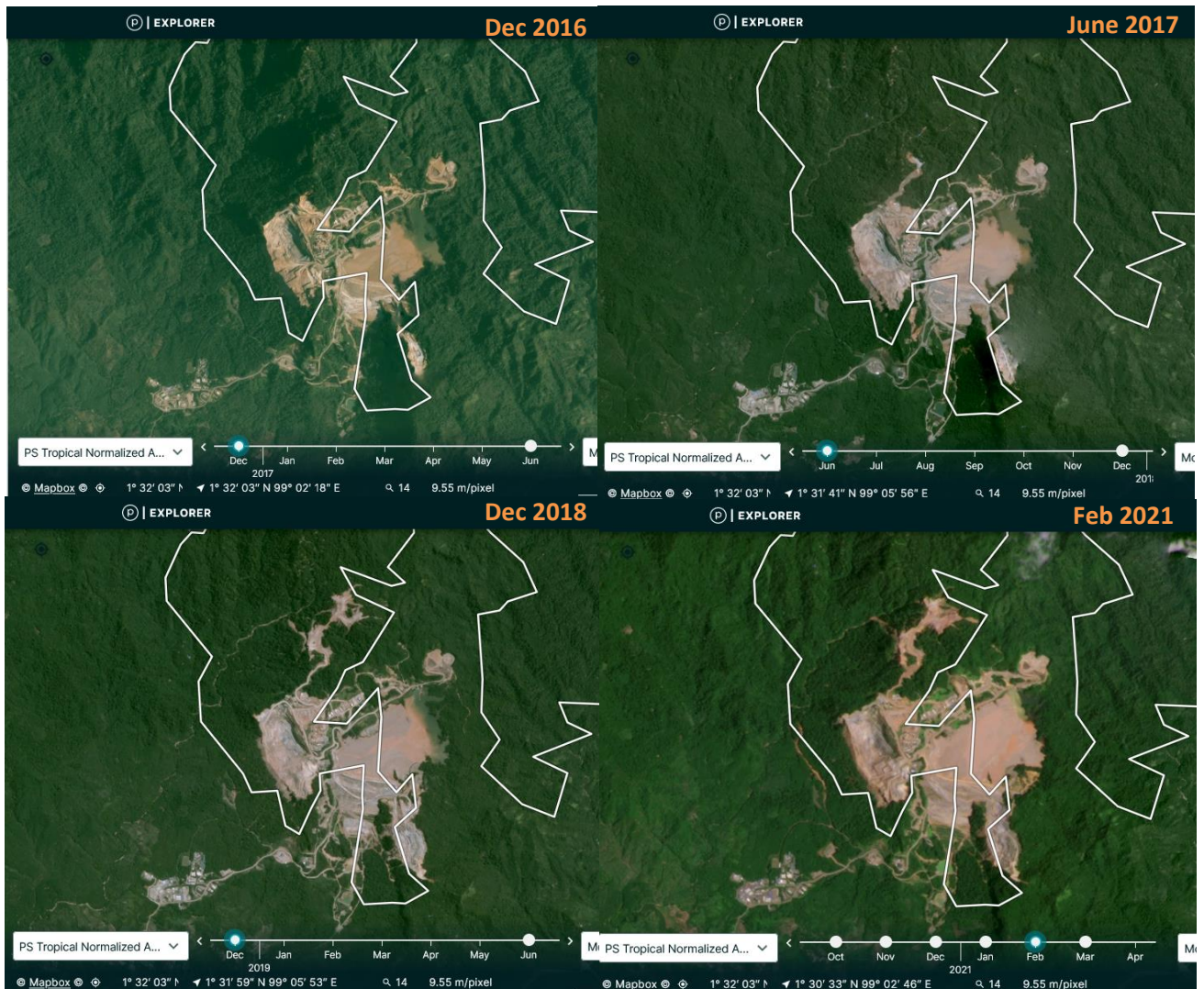
The series of maps below show the development of the mine and associated deforestation - particularly from infrastructure expansion in the north of the image series - between Dec 2016 and Dec 2018 (when Astra took over the ownership of the mine) and up until Feb 2021 (Imagery: 2016-2021 Planet Labs Inc.)





## Mapping analysis (cont.)

The maps below show the same series of Planet image-based maps above, but with a closer view of the area that overlaps with forest habitat of the Tapanuli orangutan (source: [IUCN](#)), which is demarcated by the white boundary (Imagery: 2016-2021 Planet Labs Inc.)





# New Case

## Group: Asam Jawa/Musirawas

PT Uni Primacom

Concession location: -1.805705, 112.691677

### Deforestation and/or peat development

Report	Deforestation (ha)	Peat development (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 33	52	-	-	-	October 2020 - March 2021

Satellite imagery shows that, between October 2020 and March 2021, a total of 52 hectares of forest were cleared in the PT Uni Primacom concession. (Imagery: 2020-2021 Planet Labs Inc.)

### Supply Chain Information

Company/Group	Traders	Biofuel / other manufacturers	Consumer Brands
PT Uni Primacom			Nestlé, Upfield
Asam Jawa	AAK, Fuji Oil, Musim Mas, Pacific Interlink, Wilmar	-	General Mills, Hershey, Johnson & Johnson, Kellogg's, PepsiCo, PZ Cussons, Reckitt Benckiser, Upfield
Musirawas	-		Danone, Johnson & Johnson, Kellogg's, Mondelēz, PepsiCo, PZ Cussons

### Supply Chain Suspensions

According to the latest public grievance logs, a number of companies have suspended Asam Jawa and/or Musirawas as detailed below:

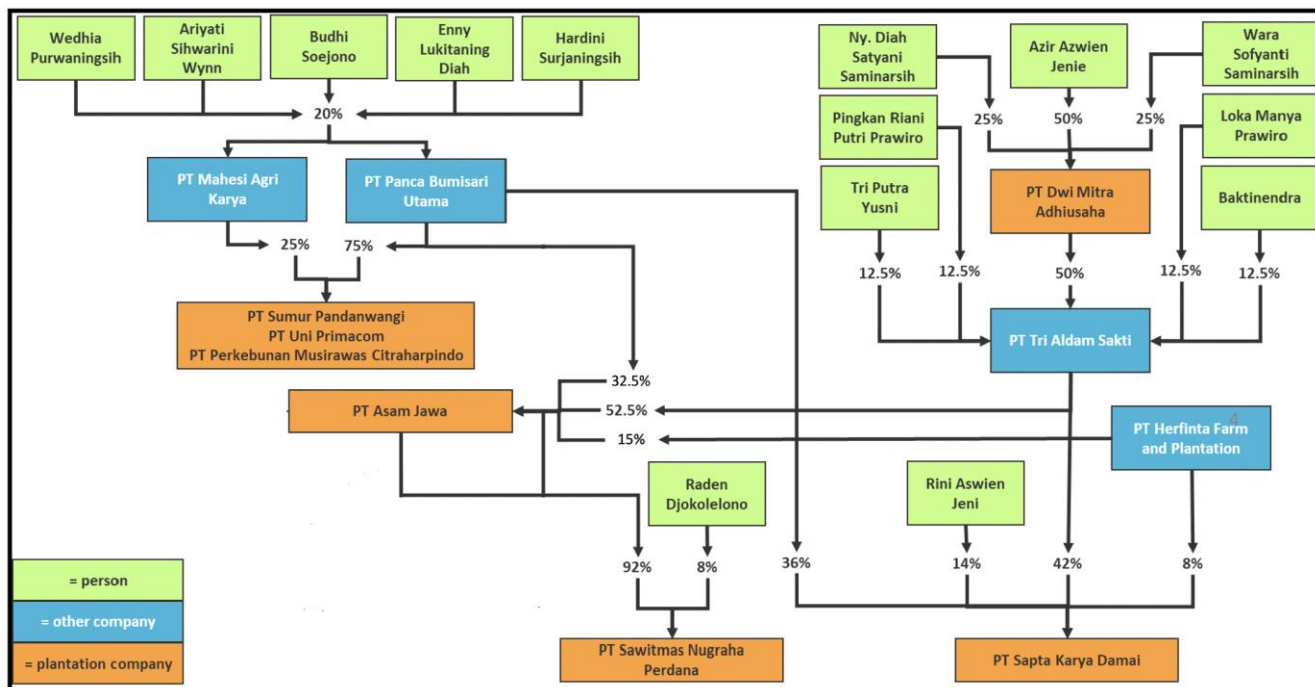
AAK (Musirawas), ADM (Musirawas), Apical (Asam Jawa), Cargill (Asam Jawa), Fuji Oil (Musirawas), Mewah (Musirawas) and Wilmar (Musirawas). Sime Darby claims that its relevant Tier 1 supplier has suspended both Musirawas and Asam Jawa.

## Group Ownership Information

PT Uni Primacom is 75% owned by PT Panca Bumisari Utama (part of Musirawas), which owns 36% of PT Sapta Karya Damai (part of Asam Jawa) and 32.5% of PT Asam Jawa (part of Asam Jawa), which in turn owns 95% of PT Sawitmas Nugraha Perdana – see ownership structure below.<sup>11</sup>

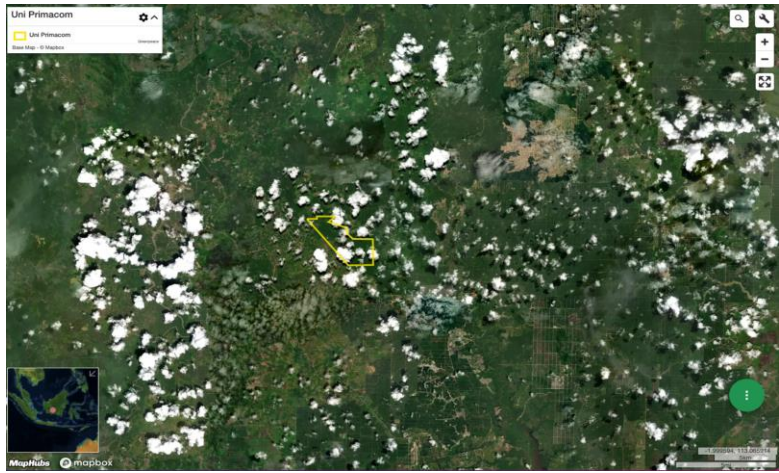
The revised [RSPO definitions for a 'Group'](#) states: "Where entities are owned or controlled by the same beneficial owner, such entities shall be deemed to be part of a Group [whereby] the beneficial owner is the individual or individuals who effectively owns or controls a legal entity. This ownership or control can be exercised in a variety of ways: for example, holding a controlling ownership interest (defined as 25 per cent or more) of a legal entity."

Hence, the five beneficial owners of PT Panca Bumisari Utama hold a controlling ownership interest (25 per cent or more) in PT Uni Primacom, PT Sapta Karya Damai, PT Asam Jawa and PT Sawitmas Nugraha Perdana and therefore, under the RSPO definitions, these "entities shall be deemed to be part of a Group."



11. Ownership information is based on Notary Deeds for each PT company listed

# Mapping analysis

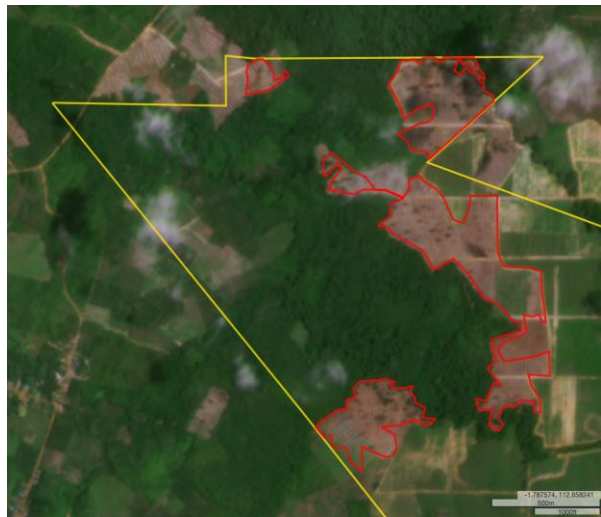
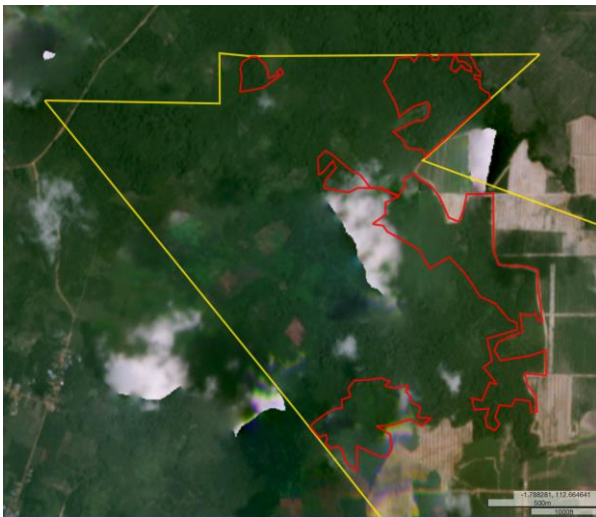


## Alert Imagery (before and after satellite images)

Clearance location: (1.799766, 112.675734)

Date: October 2020

Date: March 2021





# New Case

## Group: Bumi Gading Prima (BGP)

PT Bumi Agro

Concession location: -1.422243, 113.948801

### Deforestation and/or peat development

Report	Deforestation (ha)	Peat development (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 33	25	-	-	-	October 2020 - March 2021

Satellite imagery shows that, between October 2020 and March 2021, a total of 25 hectares of forest were cleared within the PT Bumi Agro concession. (Imagery: 2020-2021 Planet Labs Inc.)

### Supply Chain Information

Company/Group	Traders	Biofuel / other manufacturers	Consumer Brands
PT Bumi Agro			
Bumi Gading Prima (BGP)	AAK, ADM, Apical, Bunge, Cargill, Fuji Oil, GAR, Musim Mas, Sime Darby, Wilmar	BASF, Neste, Oleon	Friesland Campina, General Mills, Hershey, Johnson & Johnson, Nestle, P&G, PZ Cussons, Reckitt Benckiser

### Group Ownership Information

PT Bumi Agra is 99% owned by PT Bumi Gading Prima (BGP Group).<sup>12</sup>

12. Ownership is based on Notary Deeds for each PT company listed

# Mapping analysis



## Alert Imagery (before and after satellite images)

Clearance location: (-1.417970, 113.947310)

Date: October 2020

Date: March 2021

