



Report 44 May 2024







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Cases identified using Planet and other spatial imagery

Indonesian Companies

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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/or company 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.

Mighty Earth is now including biofuel companies and other manufacturers 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 companies are listed in the "Supply Chain Information" tables.



New Case

Group: PT Abdi Budi Mulia (ABM Group)

PT Kalimantan Hamparan Sawit

Concession location: (-1.380177° 113.284094)

Deforestation and/or peat development

Report	Forest Loss/Clearance Preparation (ha)	Peat development inc forest areas (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 44	Tree Cover Loss (TCL) = 11,630				Jan 1, 2019 and Dec 31, 2023
	Integrated Deforestation Alerts = 113		-	-	Dec 31, 2023 and April 22, 2024.

During the period between January 1, 2019 and December 31, 2023, there was 11,630 ha of Tree Cover Loss in the PT Kalimantan Hamparan Sawit concession. *Source: Global Forest Watch website*.

During the period between December 31, 2023 and April 22, 2024, there was 113 ha of Integrated Deforestation Alerts. *Source: Global Forest Watch website.*

Background information on Ownership, the Concession and other relevant issues.

PT Kalimantan Hamparan Sawit is 74.1% owned by PT Abdi Budi Mulia (ABM Group) which has 2 mills in Sumatra.

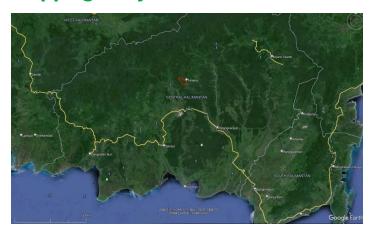
The <u>2022 Annual Report</u> of PT Sumber Tani Agung Resources Tbk (STA) shows that PT Kalimantan Hamparan Sawit was a third-party supplier of STA in 2021 and 2022, with Rp 3.2 billion recorded in sales for the year 2022. Mighty Earth assumes that this was for the trade in Fresh Fruit Bunches (FFB) of palm oil.

STA's 2023 <u>Annual Report</u> shows no recorded sales in 2023. No data is published for the first quarter of 2024. As STA does not have a public grievance log, it is unclear if STA has now suspended buying FFB from PT Kalimantan Hamparan Sawit.



Supply Chain Information					
Company/Group	Trader	Biofuel / other manufacturer Consumer Brand			
PT Abdi Budi Mulia (ABM Group)	ADM, Cargill, GAR, KA O, KLK, Louis Dreyfus, Olam, Oleon, Sime Darby, Wilmar	Avril, Barry Callebaut, BASF, Biesterfeld, KAO, Nisshin Oillio, Olenex, Permata Hijau, Symrise	Avon, General Mills, Grupo Bimbo, Hershey, Kellogg, Mondelez, Nestle, , P&G, Pepsi, PZ Cussons, Reckitt Benckiser, Unilever, Upfield, Vandemoortele		
PT Sumber Tani Agung Resources Tbk (STA) (FFB link to PT Kalimantan Hamparan Sawit)	COFCO Int, Cargill, Itochu, Musim Mas, Olam, Oleon, Wilmar	BASF, Biesterfeld, Indorama, Innospec, KAO, Lipidos, Nikko Chemicals, Nisshin Oillio, OFI, Permata Hijau, Sstearenerie Dubois, Symrise	Royal Friesland CampinaAvon, Danone, Friesland Campina, General Mills, Grupo Bimbo, Hershey, Johnson & Johnson, Mondalez, PZ Cussons, Reckitt		



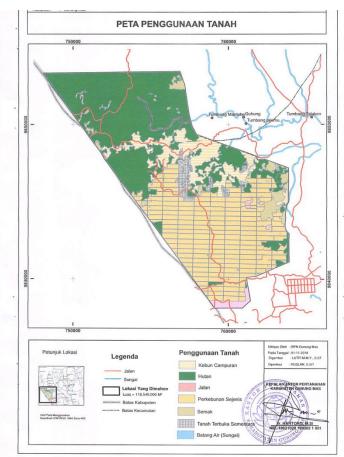


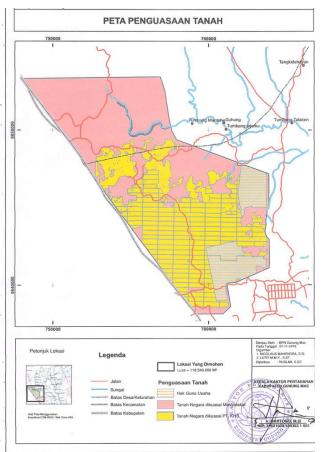
No HCSA assessment for PT Kalimantan Hamparan Sawit has been published on the HCSA website.

The image on the left is an Indonesian National Land Agency (BPN) map showing a November 2018 'Land Use Map' based on the interpretation of Landsat imagery and SPOT imagery. The map shows that BPN classified 41.2% of the PT Kalimantan Hamparan Sawit concession as forest.

The image on the right is a BPN map which classifies the yellow areas as 'State Land controlled by PT KHS' and the pink areas as 'State Land controlled by the community'.

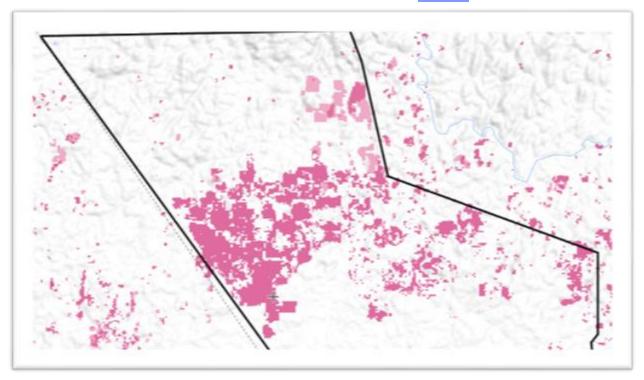
As demonstrated on the following pages, plantation development has taken place in the areas marked as forests when the map was produced.



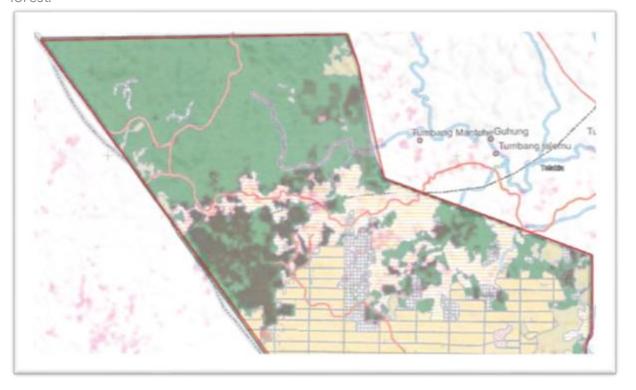




The graphic below shows Tree Cover Loss (TCL) data (>75% canopy) for the period January 2019 to December 2023 combined with Integrated Deforestation Alerts for the period December 31, 2023 to May 17, 2024. The total TCL data is 11,630 ha and the Integrated Deforestation Alerts total 113 ha. *Source: Global Forest Watch website*.



The graphic below shows TCL data combined with Integrated Deforestation Alerts and overlaid with the forest map from the previous page. Most of the combined TCL and Integrated Deforestation Alerts (shown by the red/grey patches) overlaps with the areas classified as forest.



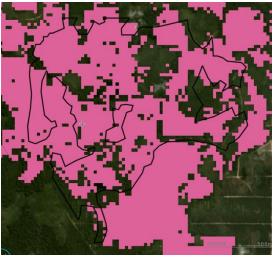


The high-resolution Google image below (from the period Jan 2019 and Dec 2023) shows the land cover of an impacted area classified as forest within the area marked as 'State Land controlled by PT KHS'.

The land cover is mostly a mixed area of dense closed canopy forest with areas of vegetation regrowth.



The map on the rights shows Tree Cover Loss (TCL) data within the impacted areas marked above. The total Tree Cover Loss is 242 ha.

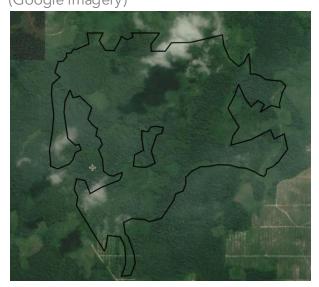




Alert Imagery (before and after satellite images)

Clearance location: (-1.380177° 113.284094)

Date: Approx June-Nov 2019 (Google imagery)



Date: April 2023 (Planet imagery)



New Case

Group: Provident Group

PT Banyan Tumbuh Lestari

Concession location: (0.703382, 121.468345)

Deforestation and/or peat development

Report	Forest Loss (ha)	Peat development (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 41	~1,900 (impacted area)	-	-	~2,600 impacted area)	Dec 2021- March 2024

Satellite imagery (see below) shows that between December 2021 and March 2024 there was a total of \sim 1,900 ha of forest loss and \sim 2,600 ha of clearance preparation in the PT Banyan Tumbuh Lestari concession. See satellite imagery analysis on pages 18-19. (Source: Planet Inc. 2021-2024)

Supply Chain Information

Company/Group possibly linked to company	Trader	Biofuel / other manufacturers	Consumer Brand
PT Banyan Tumbuh Lestari	-	-	-
Provident Group (wood pellets)	Non identified	Hanwa Co Ltd (Japan)	Non identified
Provident Group (palm oil) - see conclusions	ADM, Fuji Oil, Wilmar	Biesterfeld, Indorama, OFI, Stearinerie Dubois, Symrise, Zschimmer & Schwarz	Avon, Colgate, Danone, General Mills, Hershey, Kellogg, Mondalez, PZ Cussons



In 2019, Provident Group sold its shares in PT Banyan Tumbuh Lestari and PT Inti Global Laksana to a company owned by two Indonesian lawyers

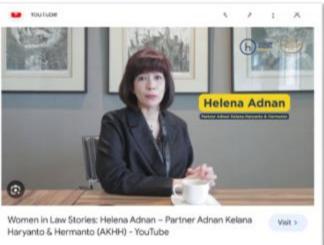
According to the <u>Provident Capital Partners website</u>, the Provident Group founded Provident Agro in 2006, Provident Biofuels in 2011 and Merdeka Copper Gold in 2012.

Between 2014 and 2021, <u>Provident Agro Tbk</u> claimed to have sold to 'third parties' all its companies (11 in total) in the oil palm sector. In July 2019, <u>Provident Agro</u> claimed to have divested of PT Banyan Tumbuh Lestari and PT Inti Global Laksana, which hold two largely undeveloped oil palm concessions covering <u>27,800 hectares</u> (ha) located in Gorontalo province, Sulawesi.

Provident Agro sold PT Banyan Tumbuh Lestari and PT Inti Global Laksana to PT Buana Pratama Cipta, which is 1% owned by Mr Heru Purnomo and 99% owned by PT Reka Varia Tara.

PT Reka Varia Tara is 87.5% owned by Mr Andy Kelana and 12.5% by Ms Helena Adnan, two legal partners from the Jakarta-based law firm, Adnan Kelana Haryanto & Hermanto (AKHH).¹





PT Banyan Tumbuh Lestari and PT Inti Global Laksana - plantation development

In 2021, PT Banyan Tumbuh Lestari started clearing forest to develop plantations and begin building a timber processing plant in the concession - not a palm oil mill as indicated in the latest corporate profile downloaded from the <u>AHU website</u> (see page 11).

In January 2022, PT Banyan Tumbuh Lestari and PT Inti Global Laksana were included in a <u>list of nearly 200 companies</u> targeted in a mass cancellation of concession permits by the Indonesian Ministry of Environment and Forestry.

However, since January 2022, PT Banyan Tumbuh Lestari has continued to clear areas of forest to establish plantations.

See satellite imagery analysis on pages 17-18.

1. As of February 24, 2024, the shareholder data for PT Buana Pratama Cipta, PT Inti Global Laksana and PT Banyan Tumbuh Lestari remained the same as above. As of May 18, 2024 the shareholder profile for PT Reka Varia Tara was not available on the Indonesia government <u>AHU website</u>.



PT Banyan Tumbuh Lestari and PT Inti Global Laksana - plantation development (cont.)

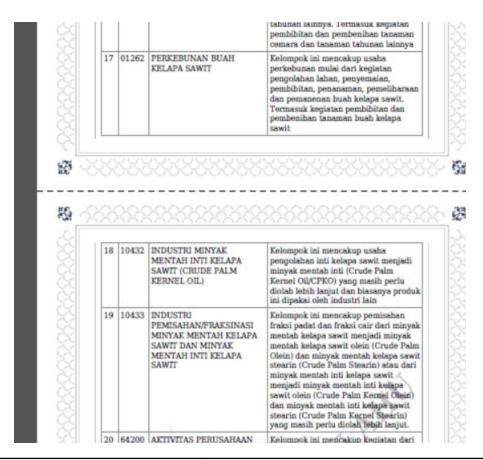
The most recently available corporate profile for PT Banyan Tumbuh Lestari includes several business categories involving palm oil - see image below - i.e:

- 'This group includes plantation businesses starting from land processing activities, sowing, seeding, planting, maintaining and harvesting oil palm fruit.'
- This group includes businesses processing palm kernel kernels into crude palm oil..'
- This group includes the separation of solid fractions and liquid fractions from crude palm oil into crude palm olein (Crude Palm Olein) and crude palm stearin (Crude Palm Stearin) or from crude palm kernel oil into crude palm kernel olein (Crude Palm Kernel Olein) and crude palm kernel oil stearin (Crude Palm Kernel Stearin) which still need further processing.

The corporate profile does not include any business category related to the processing of timber.

The corporate profile for PT Inti Global Laksana does not reference business activities involving palm oil, nor building of a wood pellet mill processing of timber or building of a wood pellet mill.

It's unclear if PT Banyan Tumbuh Lestari still intends to develop parts of the concession into oil palm plantation and/or building a palm oil mill.



AKHH clients with investments in the plantation sector have included Provident Capital and Samling Group companies

The AKHH <u>website</u> states that the law firm provide 'legal advice across the mining, oil and gas, forestry and plantation, renewables, and power and energy industries.'

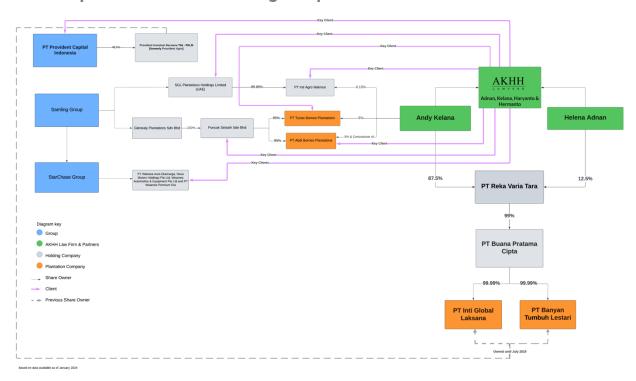
The total paid-up share capital (the amount of money a company has received from shareholders in exchange for shares) of PT Banyan Tumbuh Lestari and PT Inti Global Laksana together was Rp 277 billion (US\$17.8 million).

Given the size of this capital investment, Mighty Earth believes that Andy Kelana and Helana Adnan are unlikely to be personally financing the share capital of PT Banyan Tumbuh Lestari and PT Inti Global Laksana and/or the current development of the PT Banyan Tumbuh Lestari concession – i.e. they are more likely to holding the shares (i.e. acting as nominee shareholders) for one or more of AKHH's clients in the plantation sector.

AKHH's known clients with investments in the plantations sector have included and five Samling Group companies² and <u>Provident Capital</u> (the parent company of Provident Agro, which is now called Provident Investasi Bersama Tbk).

PT Provident Capital Indonesia is 36.89% owned by Provident Agro's founder Mr Winato Kartono. Mr Kartono holds 45.54% shares in PT Provident Capital Indonesia and a further 5% shares directly in Provident Investasi Bersama Tbk.²

Diagram showing Andy Kelana's relationships with PT Banyan Tumbuh Lestari, PT Inti Global, Provident Capital Indonesia and Samling Group



2. Up until around 18 January 2024, the <u>legal500.com website named</u> five Samling Group companies in Indonesia as key clients of AKHH: PT Abdi Borneo Plantations, PT Tunas Borneo Plantations, PT Inti Agro Makmur, SGL Plantations Holding Limited (an offshore shell company in the United Arab Emirates) and Puncak Selasih Sdn Bhd (a Samling holding company).



The timber processing facility in the PT Banyan Tumbuh Lestari concession is owned by a separate company called PT Biomass Jaya Abadi.

According to the <u>PT Biomass Jaya Abadi website</u>, the company is part of the Inti Global Group - the group name assumed to be taken from PT Inti Global Laksana. the neighbouring concession of PT Banyan Tumbuh Lestari.

The high-resolution Planet image below shows the timber processing plant (@ Planet Inc. 2024)



The PT Biomass Jaya Abadi website includes a photograph of the facility.



Ultimate shareholders of PT Biomass Jaya Abadi

The ownership structure of PT Biomass Jaya Abadi shows that the largest ultimate shareholders are

- 1. Winato Kartono holds **32.81%** of shares though Provident Biofuels Pte Ltd and PT Provident Capital Partners
- 2. Hanwa Co Ltd (Japan)* holds 20%
- 3. Edwin Soeryadjaya (Saratoga Group) holds 8.577%
- 4. Garibaldi Thohir (Thohir Group) holds 4.92%
- 5. Andy Kelana holds 3.69%

Winato Kartono, Edwin Soeryadjaya and Garibaldi Thohir investments in Provident Investasi Bersama Tbk

Three of the above shareholders in PT Biomass Jaya Abadi (i.e. Winato Kartono, Edwin Soeryadjaya and Garibaldi Thohir) are named as controlling shareholders in **Provident Investasi Bersama Tbk**:

- Winato Kartono, whois the founder and largest shareholder of the company, holds 36.878% of the shares.
- Edwin Soeryadjaya holds 23.29% of the shares
- Garibaldi Thohir holds 12.5% of the shares

Further, <u>Provident Investasi's website</u> states that the company is 'backed by strong majority shareholders such as Provident Group, Saratoga Group, and Thohir Group.'

Garibaldi Thohir investments in coal and palm oil

Garibaldi Thohir, who is the CEO and one of the <u>four ultimate beneficial owners of PT Adaro Energy</u> Indonesia Tbk (AEI) has interests in coal and palm oil.

Adaro Energy's website doesn't disclose much information about its palm oil business; however, it states that its subsidiary PT Agri Multi Lestari (AML) 'manages the operations and sells Fresh Fruit Bunches (FFB) of the oil palm plantation of AEI's subsidiary PT Alam Tri Abadi', which appears to suggest that it sells FFB to other companies.



^{*}Provident Group <u>website</u> states that it has developed a 'biofuels partnership' with Hanwa.

Adaro's' website shows an image of a palm oil mill surrounded by oil palm plantations.



Saratoga Investama Sedaya Tbk (Saratoga Group) <u>holds 8.2% shares in Adaro Energy</u>, and Edwin Soeryadjaya holds 3.288% shares in Adaro Energy.

Triputra Group (PT Triputra Investindo Arya) also holds 13.17% shares in Adaro Energy and its founder, Theodore Permadi Rachmat, holds 2.54% shares. Triputra Group owns Triputra Agro Persada (TAP), which has 23 oil palm plantations covering 160,000 ha and 18 palm oil mills.

Winato Kartono, Edwin Soeryadjaya and Garibaldi Thohir investments in Merdaka Copper Gold Tbk

Three of the controlling shareholders in PT Biomass Jaya Abadi Winato Kartono (i.e. Edwin Soeryadjaya and Garibaldi Thohir) are also significant shareholders in <u>Merdeka Copper Gold Tbk</u>, which owns a nickel mine in Sulawesi which is involved in deforestation.

The Merdeka Copper Gold Tbk <u>2023 Annual Report</u> states that the company's 'ultimate beneficiaries are Mr Edwin Soeryadjaya [Saratoga Group] and Mr Winato Kartono.' Garibaldi Thohir is also a minority shareholder of Merdeka Copper Gold through in Provident Investasi Bersama Tbk.

Conclusions

According to the <u>Provident Capital Partners website</u>, the **Provident Group** includes, but not limited to, Provident Agro [now called Provident Investasi Bersama Tbk], Provident Biofuels and Provident Capital Partners.

In July 2019, <u>Provident Agro</u> claimed to have 'sold the entire ownership of PT Inti Global Laksana and PT Banyan Tumbuh Lestari shares to **third parties**'. This would assume that the shares were to sold to parties which were not 'related parties' of the Provident Group.

Provident Agro transferred the shares to companies held by Andy Kelana and Helena Adnan, two legal partners from the Jakarta-based law firm, Adnan Kelana Haryanto & Hermanto (AKHH).

Mighty Earth believes that Andy Kelana and Helana Adnan are unlikely to be the beneficial owners of PT Banyan Tumbuh Lestari and PT Inti Global Laksana.

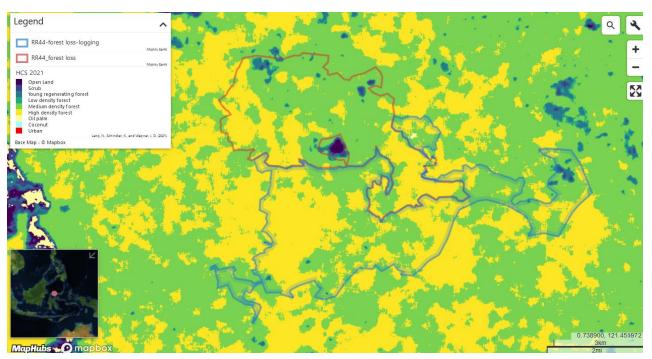
Based on the evidence above, it would appear that Provident Agro 'sold the entire ownership of PT Inti Global Laksana and PT Banyan Tumbuh Lestari shares' to Andy Kelana and Helana Adnan, who are holding the shares on behalf, and acting on behalf, of the controlling shareholders of Provident Investasi Bersama Tbk - i.e. Winato Kartono, Edwin Soeryadjaya and Garibaldi Thohir: hence, Provident Agro sold PT Inti Global Laksana and PT Banyan Tumbuh Lestari to other parts of the **Provident Group**.

Mighty Earth has not established whether Provident Agro also sold some of other 9 oil palm companies to themselves (i.e to Provident Group companies held by Winato Kartono, Edwin Soeryadjaya and/or Garibaldi Thohir). Hence, we have included Provident Agro's name in the supply chain section of this report (page 9), based on the latest published mill lists, pending further investigation and/or grievance evaluations.



High Carbon Stock (HCS) forest land cover

The map below shows that areas of development within the concession are likely to be High Carbon Stock (HCS) forest, based on the indicative map published by <u>Lang et al. 2021</u>.



Mapping analysis (cont.)

Alert Imagery (before and after satellite images)

Clearance location (red outlined area): (0.703382, 121.468345)

Date: December 2021 Date: March 2024





Alert Imagery (before and after satellite images)

Clearance preparation location (blue outlined area): (0.703382, 121.468345)

Date: December 2021 Date: March 2024



