



MIGHTY EARTH



RAPID RESPONSE

Palm Oil Report

Report 24

January 2020



Prepared with

MapHubs

Waxman

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Sources for 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; please send to rapidresponse@mightyearth.org.

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Group: Agrosubur Group

PT Karya Dewi Putra

Concession location: (-1.452, 112.906)

Deforestation and/or peat development

Report	Deforestation (ha)	Peat development (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 24	108	-	-	22	November 15, 2019 - January 13, 2020

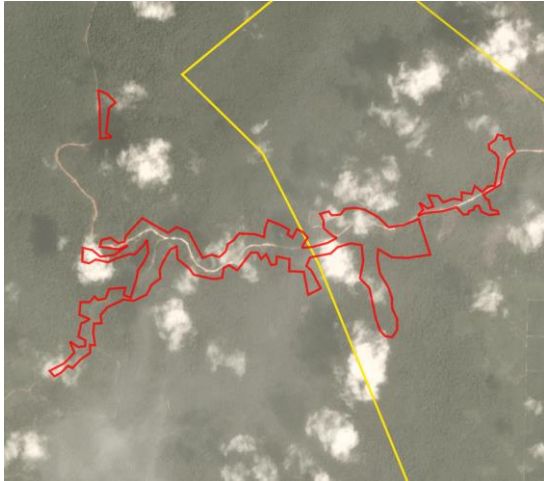
Satellite imagery (see below) shows that between August 22, 2019 and December 24, 2019 a total of 102 hectares of forest were cleared and 22 hectares prepare for clearing/stacking lines in the PT Karya Dewi Putra concession. (Imagery © 2019 Planet Labs Inc.)



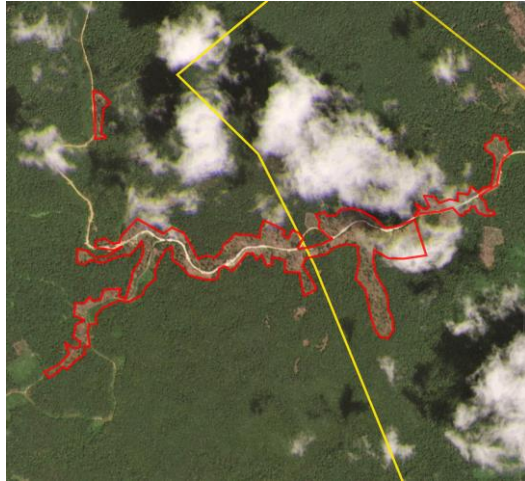
Alert Imagery (before and after satellite images)

Clearance location: (-1.389, 112.817)

Date: November 15, 2019

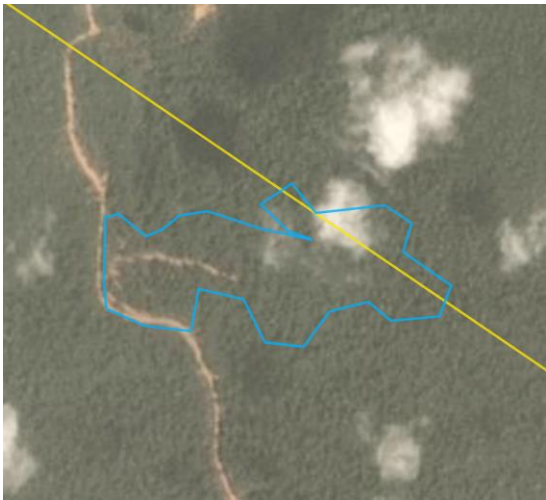


Date: January 13, 2020



Clearance location: (-1.359, 112.811)

Date: November 15, 2019



Date: January 13, 2020



Ownership Information

PT Karya Dewi Putra is part of the Agrosibur Group.¹

1. e.g., Fuji Oil mill list; Linked-In profile, <https://id.linkedin.com/in/andi-irawan-852457a8>; company profile, <https://ecc.co.id/employer/site/view/1807/profil-pt-karya-dewi-putra-agrosibur>

Supply Chain Information

Supply Chain Links: Traders	Apical	Fuji Oil	KLK
PT Karya Dewi Putra	x	x	x
Agrosubur Group	x	x	x

Supply Chain Links: Consumer Brands	Avon	Hershey	Johnson & Johnson	Mars	Nestle
PT Karya Dewi Putra	x	x	x	x	x
Agrosubur Group	x	x	x	x	x

Supply Chain Links: Consumer Brands	P&G	PZ Cussons	Reckitt Benckiser
PT Karya Dewi Putra	x	x	x
Agrosubur Group	x	x	x

Group: Anglo-Eastern Plantations PLC

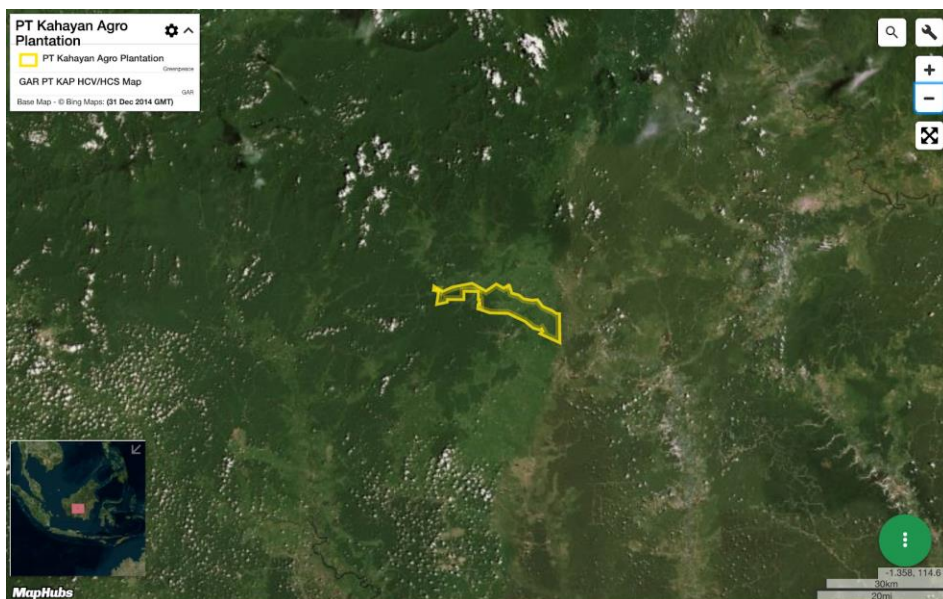
PT Kahayan Agro Plantation

Concession location: (-0.948, 113.497)

Deforestation and/or peat development

Report	Deforestation (ha)	Peat development (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 1	420	-	-	-	Dec 2016-Aug 2017
Report 14	189	-	-	-	May 18, 2018-April 1, 2019
Report 15	40	-	-	-	April 1-May 2, 2019
Report 18	19 (via GLAD)	-	-	-	June 15-July 25, 2019
Report 19	22 (via GLAD)	-	-	-	July 15-August 15, 2019
Report 20	27 (via GLAD)	-	-	-	August 15-September 15, 2019
Report 23	37 (via GLAD)	-	-	-	November 15-December 6, 2019
Report 24	11	-	-	-	December 15, 2019 - January 13, 2020

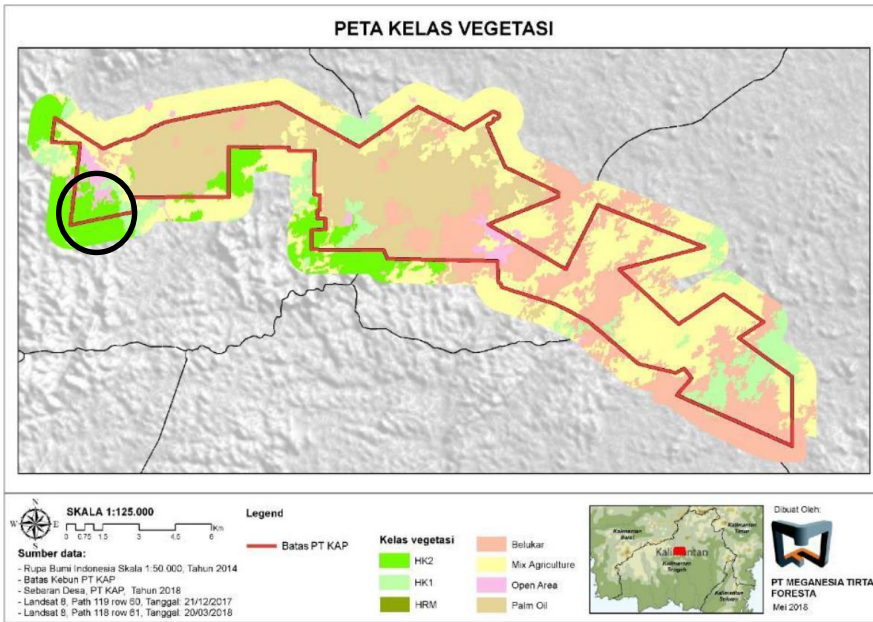
Satellite imagery (see below) shows that between December 15, 2019 and January 13, 2020 a total of 11 hectares of forest (HK2/HCS) were cleared in the PT Kahayan Agro Plantation concession. (Imagery © 2019 Planet Labs Inc.)



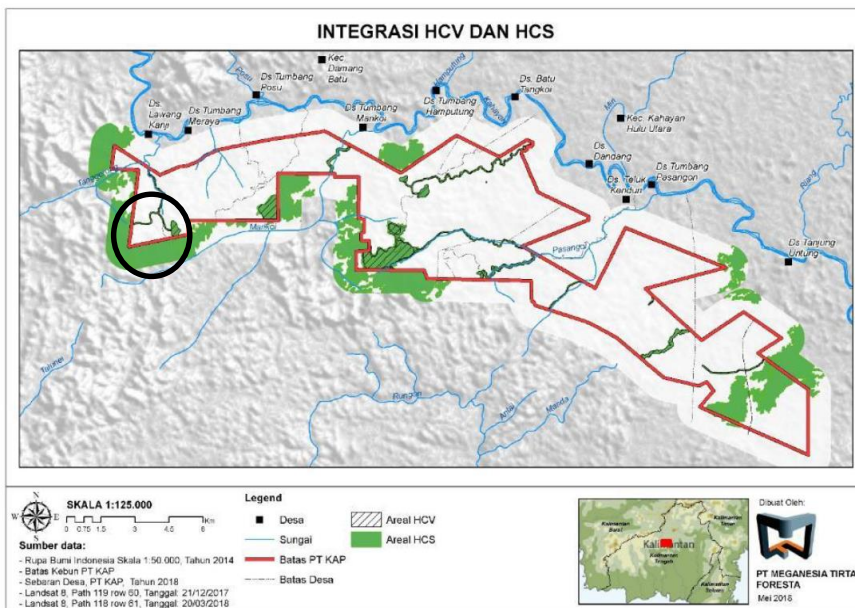
Case Notes

These notes are of significant relevance for HCSA members who are buying from Anglo-Eastern Plantations.

The draft HCSA report² for PT Kahayan Agro Plantation identified an area of HK2 forest in the far west of the concession, which is part of a larger area of HK2 forest (Medium Density Forest) outside of the concession boundary (see area within the circle in map below).



However, this HK2 forest area was excluded from the proposed integrated HCV and HCS conservation areas (see area within the circle in map below).



2. HCSA Report for PT KAP, <http://highcarbonstock.org/wp-content/uploads/2019/12/HCSA-Assessment-Report-PT-KAP-Final-271119.pdf>

Case Notes (continued)

As a result of grievances filed by several traders sourcing from Anglo-Eastern Plantations, the company imposed a moratorium on further clearing of this HK2 area while it commissioned a peer review process.

The HCSA peer review report³ confirms that: *‘In the initial classification of the map there was forest (HK2) of 225 hectares in the west of [the] southern [area] .. and that area has connection with forest landscape that lies outside the concession, but this area become non HCS after patch analysis is being conducted.’*

In January 2020, Mighty Earth’s Rapid Response deforestation monitoring program identified that Anglo Eastern Plantations had started further land clearing in the areas classified as HK2 after 15 December 2019. Mighty Earth requested that the company re-instate the moratorium in this area until this dispute is resolved and recommended that the company contacted the HCSA Secretariat to seek guidance on resolving this dispute.

Further, Mighty Earth contacted the Chair of the HCSA Quality Assurance Working Group to seek guidance on how the HCSA Toolkit 2.0 should be applied to this case. We were informed by the Chair on 29 January 2020 of the following (emphasis added):

“Because the [HK2] forest area was classified as a Medium Priority Patch, it can be used in the ‘give and take’ process – i.e. it can be cleared (taken) if new forest areas are ‘given’ (infilled) such that there [is] at least zero change in total forest area, as well as conservation benefits. The peer review indicates this: ‘If the community/ cooperation remains in the area, then the company can offer ‘take and give’ as a substitute for the HCS area of the same size. Please add the ‘take and give’ analysis to the area and after that update the map in Figure 28.’

However, the company has not offered a proper analysis of the give and take area. Based on the guidance provided in the box on page 35, this would include: (a) a hectare-by-hectare analysis that the ‘give’ area is at least as large as the ‘take’ area and (b) a discussion of the conservation benefit of taking the area in question and in-filling the other area. As far as I can see, Kahayan Agro has not since provided any of these things.

‘I recommend that Kahayan Agro immediately stop developing in this area and, as per the peer review report, provide a full analysis (including of hectareage and conservation implications) of the take and give areas. HCSA members should be asking them to do this. HCSA members should decide if the new analysis meets the Toolkit requirements. Alternatively, Kahayan Agro could pay HCSA to do a review of the give and take analysis and add this to the peer review process report on the HCSA website.’

The way the HCSA QA [Quality Assurance] process works is that after the HCSA peer review, the grower is supposed to update the land use plan accordingly, and their buyers should check that they followed the peer review recommendation.”

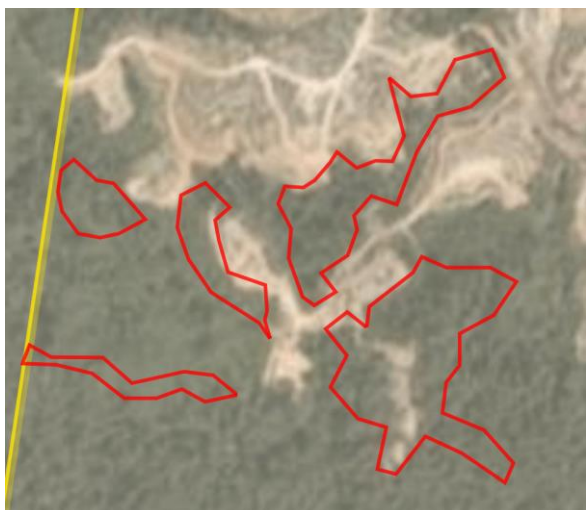
At the time of publication of this report, Mighty Earth is still engaging with the Chair of the HCSA Quality Assurance Working Group regarding this case.

3. HCSA Peer Review report for PT KAP, <http://highcarbonstock.org/wp-content/uploads/2019/12/HCSA-Peer-Review-Report-PT-KAP-Final-Response-271119.pdf>

Alert Imagery (before and after satellite images)

Clearance location: (-0.939, 113.367)

Date: December 15, 2019



Date: January 13, 2020



Ownership Information

PT Kahayan Agro Plantation is part of Anglo-Eastern Plantations PLC.⁴

4. p. 98 Anglo-Eastern Plantations Annual Report (2018), www.angloeastern.co.uk/~media/Files/A/Anglo-Eastern/reports-and-documents/Anglo-Eastern%20AR2018.pdf

Supply Chain Information

Supply Chain Links: Traders	AAK	ADM	Apical	Bunge	Cargill
PT Kahayan Agro Plantation					
Anglo-Eastern Plantations	x	x	x	x	x

Supply Chain Links: Traders	Fuji Oil	GAR	Itochu	KLK	Musim Mas	Olam
PT Kahayan Agro Plantation						
Anglo-Eastern Plantations	x	x	x	x	x	x

Supply Chain Links: Traders	Pacific Inter-Link (via AAA, Indopalm, and ICOF)	Sime Darby	Wilmar
PT Kahayan Agro Plantation			
Anglo-Eastern Plantations	x	x	x

Supply Chain Links: Consumer Brands	Avon	Colgate-Palmolive	FrieslandCampina	General Mills	Hershey
PT Kahayan Agro Plantation					
Anglo-Eastern Plantations	x	x	x	x	x

Supply Chain Information (continued)

Supply Chain Links: Consumer Brands	Johnson & Johnson	Kellogg's	Mars	Neste Oil	Nestle
PT Kahayan Agro Plantation					
Anglo-Eastern Plantations	x	x	x	x	x

Supply Chain Links: Consumer Brands	P&G	PepsiCo	PZ Cussons	Reckitt Benckiser	Unilever
PT Kahayan Agro Plantation					
Anglo-Eastern Plantations	x	x	x	x	x

Group: Samling

LPF 0008/Marudi & Batu Belah

Concession location: (4.096, 114.493)

Deforestation and/or peat development

Report	Deforestation (ha)	Peat development (ha)	Peat forest development (ha)	Clearance prep/Stacking lines (ha)	Time period
Report 13	44	-	-	-	January 7-February 16, 2019
Report 17	12 (GLAD alerts)	-	-	-	May 19-June 20, 2019
Report 19	13 (GLAD alerts)	-	-	-	July 15-August 15, 2019
Report 20	166 (GLAD alerts)	-	-	-	August 15-September 15, 2019
Report 21	9 (GLAD alerts)	-	-	-	September 16-October 15, 2019
Report 24	359	-	-	-	February 18, 2019 - January 7, 2020

Satellite imagery (see below) shows that between February 18, 2019 and January 7, 2020 a total of 359 hectares of forest were cleared in the LPF 0008/Marudi & Batu Belah concession. (Imagery © 2019 Planet Labs Inc.)



Palm oil traders continue to turn a blind eye to Samling's large-scale deforestation

The map below indicates that between 2014 and 2018, **there was a total of 4,560 hectares of 'tree cover loss with >75% tree canopy density' inside this concession.**⁵ Based on Planet imagery analysis, there was an additional 403 ha of deforestation within the concession in 2019.

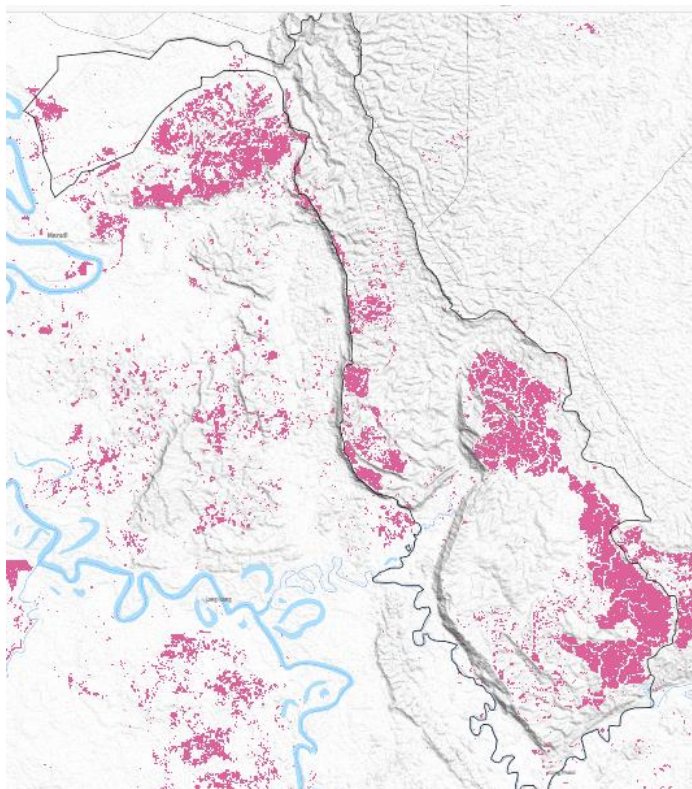
This repeat case is included in this report because many palm oil traders continue to have the Samling Group within their supply chain, despite the group's continued involvement in large-scale deforestation in Sarawak and, in particular, within the LPF 0008/Marudi & Batu Belah concession bordering Brunei.

Mighty Earth argues that any trader that continues to source Samling palm oil is financially supporting ongoing deforestation (albeit indirectly). **Most traders have failed to address this egregious case of deforestation in Sarawak in their grievance systems, under the guise that this deforestation is not for oil palm and therefore they can turn a blind eye to this deforestation.**

One of the main traders that is still sourcing direct from Samling is Wilmar, whose NDPE policy came into effect in December 2013. However, the company has continued to source from Samling over the last six years, despite the large-scale deforestation.

As mentioned below, two palm oil traders have acted on the evidence published by NGOs and have severed their commercial relationship with the Samling Group from their supply chains (via trading partners) due to NDPE non-compliance issues.

Between 2014-18, there was a total of 4,560 hectares of 'tree cover loss with >75% tree canopy density' inside this concession



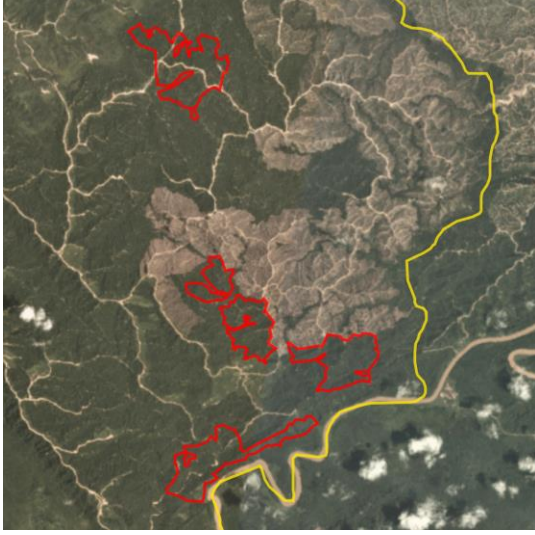
Hansen/UMD/Google/USGS/NASA, accessed through Global Forest Watch

5. Hansen, M. C., P. V. Potapov, R. Moore, M. Hancher, S. A. Turubanova, A. Tyukavina, D. Thau, S. V. Stehman, S. J. Goetz, T. R. Loveland, A. Kommareddy, A. Egorov, L. Chini, C. O. Justice, and J. R. G. Townshend. 2013. "High-Resolution Global Maps of 21st-Century Forest Cover Change." *Science* 342 (15 November): 850–53. Data available on-line from: <http://earthenginepartners.appspot.com/science-2013-global-forest>. Accessed through Global Forest Watch on January 28, 2020. www.globalforestwatch.org

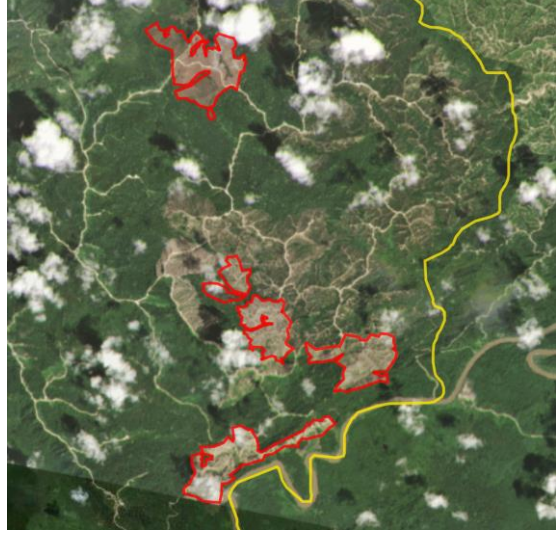
Alert Imagery (before and after satellite images)

Clearance location: (3.966, 114.551)

Date: February 18, 2019



Date: January 7, 2020



Ownership Information

LPF/0008 Marudi & Batu Belah was issued to Samling Reforestation (Bintulu) Sdn Bhd – a subsidiary of Syarikat Samling Timber Sdn Bhd (SST) in Sarawak, Malaysia and a member of Samling Group.⁶

6. Samling website, www.samling.com/images/marudi/Lo8_Proposed_MTCS_Area_MAP_5-4_rev1.jpg

Supply Chain Information

Two palm oil traders have suspended the Samling Group from their supply chain (via trading partners) due to NDPE non-compliance issues:

Bunge's grievance logs⁷ shows that the company suspended Samling from its supply chain (via its trading partners, including Wilmar) in June 2018, based on cases highlighted by Burmese civil society groups and Mighty Earth's Rapid Response reports.

Louis Dreyfus' grievance log⁸ shows that the company suspended Samling from its supply chain (via IOI and Genting) in 2019.

Supply Chain Links: Traders	AAK	ADM	BLD	Cargill	Fuji Oil	IOI
LPF 0008/Marudi & Batu Belah						
Samling	x	x	x	x	x	x

Supply Chain Links: Traders	Itochu	KLK	Sarawak Oil Palms	Sime Darby	Wilmar
LPF 0008/Marudi & Batu Belah					
Samling	x	x	x	x	x

Supply Chain Links: Consumer Brands	Avon	BLD	Colgate-Palmolive	FrieslandCampina	General Mills
LPF 0008/Marudi & Batu Belah					
Samling	x	x	x	x	x

7. Bunge's grievance log,

http://europe.bungeloders.com/images/applications/Bunge_and_Bunge_Loders_Croklaan_Integrated_Grievance_List_Update_January_2020.pdf

8. LDC's grievance log, http://www ldc.com/files/8615/7651/2202/Grievances_master_updated_15.12.19_to_post.pdf

Supply Chain Information (continued)

Supply Chain Links: Consumer Brands	Hershey	ISF	Johnson & Johnson	Kellogg's	Mars	Mondelez	Neste Oil
LPF 0008/Marudi & Batu Belah							
Samling	x	x	x	x	x	x	x

Supply Chain Links: Consumer Brands	Nestle	P&G	PepsiCo	PZ Cussons	Reckitt Benckiser	Unilever
LPF 0008/Marudi & Batu Belah						
Samling	x	x	x	x	x	x

Additional cases identified using screened GLAD alerts

The following cases have been identified through screened GLAD alerts (see methodology below). As these cases are either repeat cases from previous Rapid Response reports or where Mighty Earth did not determine any supply chain links for these concessions/Groups, no Planet image analysis was conducted for these cases to save resources.

Mighty Earth expects that palm oil traders conduct their own due diligence to determine if they are exposed to such companies/Groups. Further, traders without supply chain links to these cases should put them on their ‘no buy’ lists.

Methodology:

For Indonesia, GLAD alerts are screened using the Indonesia Ministry of Forestry and the Environment land cover dataset for 2017 which classifies existing palm oil plantations and primary and secondary forest. Hence, only GLAD alerts in primary and secondary forest according to that dataset are included.

For Malaysia, GLAD alerts are screened to exclude known plantation areas using the Global Forest Watch (GFW) plantations dataset. This automatically eliminates the most common false positives, i.e. the replanting of palm that existed prior to the year 2000.

New Cases				
Concession/ license area	Group ownership	Area covered by screened GLAD alerts (ha)	Time period	Supply chain connection identified
PT Toba Indah (Block B)	Unknown Group	~4	December 15, 2019-January 15, 2020	None

Repeat Cases

Concession license area	Group/ownership	Area covered by screened GLAD alerts (ha)	Time period	Rapid Response reports related to each case*
PT Mulia Inti Perkasa	Widya Corporation Group	~151	December 15, 2019-January 15, 2020	Reports 6, 15, 16, 20, 21, 22, 23
PT Marita Makmur Jaya	Unknown	~131	December 15, 2019-January 15, 2020	Reports 12, 15, 17, 19, 22
PT Malindo Jaya Diraja	Mariya Family	~51	December 15, 2019-January 15, 2020	Reports 13, 15, 19, 21
PT Permata Sawit Mandiri	Genting Plantations	~40	December 15, 2019-January 15, 2020	Reports 15, 16, 17, 19, 20, 23
PT Tri Investama	Green Yield Pte Ltd	~36	December 15, 2019-January 15, 2020	Reports 20, 21, 22, 23
PT Ichiko Agro Lestari	Unknown	~31	December 15, 2019-January 15, 2020	Reports 14, 16, 17, 19, 20, 21, 23
Koperasi Usaha Mandiri	Unknown	~24	December 15, 2019-January 15, 2020	Reports 17, 19, 20, 21, 22, 23
PT Usaha Sawit Unggul	Asian Agri (RGE)	~19	December 15, 2019-January 15, 2020	Reports 17, 18, 20
PT Bina Sarana Sawit Utama	Samuel International Group	~19	December 15, 2019-January 15, 2020	Reports 19 and 20
PT Global Primatama Mandiri	Palma Serasih Group	~19	December 15, 2019-January 15, 2020	Reports 13, 21, 22
PT Persada Era Agro Kencana	Mulia Sawit Group	~14	December 15, 2019-January 15, 2020	Reports 9, 10, 11, 12, 15, 16, 17, 18, 19, 20, 22, 23
PT Agro Lintas Nusantara	Gama	~7	December 15, 2019-January 15, 2020	Reports 17 and 18
PT Sentosa Sukses Utama	Wings Group	~5	December 15, 2019-January 15, 2020	Reports 12, 20, 21

*Rapid Response reports available on Mighty Earth's Rapid Response website page, [linked here](#).

Repeat Cases

Concession license area	Group/ownership	Area covered by screened GLAD alerts (ha)	Time period	Rapid Response reports related to each case*
PT Sanggam Harapan Sejahtera	Venture Resources Pte. Ltd	~4	December 15, 2019-January 15, 2020	Reports 8 and 22
Koperasi Berkat Mumpa Bersatu	Unknown	~3	December 15, 2019-January 15, 2020	Reports 17, 19, 20, 21, 22, 23
PT Laot Bangko	Unknown	~3	December 15, 2019-January 15, 2020	Reports 16, 17, 23
PT Persada Era Agro Kencana	Mulia Sawit Group	~3	December 15, 2019-January 15, 2020	Reports 9, 10, 11, 12, 15, 16, 17, 18, 19, 20, 22, 23
PT Agro Lintas Nusantara	Gama	~3	December 15, 2019-January 15, 2020	Reports 17 and 18
PT Citra Sawit Cemerlang	Genting Plantations	~3	December 15, 2019-January 15, 2020	Reports 14, 15, 16, 17, 19, 23
PT Tirta Madu Sawit Jaya	Fangiono Family	~3	December 15, 2019-January 15, 2020	Report 22
PT Triomas Forestry Development Indonesia	Unknown Group	~3	December 15, 2019-January 15, 2020	Reports 17, 22, 23

*Rapid Response reports available on Mighty Earth's Rapid Response website page, [linked here](#).

The work of Mighty Earth is supported by Waxman Strategies. Waxman Strategies' work on forest conservation is funded in part by Aidenvironment. Waxman is required under 22 U.S.C. § 614 to disclose that this material is distributed on behalf of the aforementioned organization, working under grant from the Norwegian Agency for Development Cooperation. Additional information is on file with the Department of Justice, Washington, D.C.