



18<sup>th</sup> September 2019

## Re. Mighty Earth Palm Oil Rapid Response Report 19: Allegation of Deforestation by PT Sumber Hasil Prima

### 1. Case Summary

In the Mighty Earth [Palm Oil Rapid Response Report 19](#), published 10<sup>th</sup> September 2019, PT Sumber Hasil Prima (PT SHP), a subsidiary of Goodhope, is reported as a new case of deforestation.

According to the report, a total of 35 ha forest was cleared in the PT Sumber Hasil Prima (SHP) concession area during the period from 17<sup>th</sup> May to 4<sup>th</sup> August 2019 (see Annex 1).

Following publication of the report on 10<sup>th</sup> September 2019, the allegation has been investigated by verification of the land clearance locations. The verification confirms that the areas of clearance identified in the report are community-owned land located outside of the concession area and have been cleared by local communities for agricultural purposes (see Figure 1).

### 2. Background

The concession of PT SHP is located in Serawai District and Ambalau District, Sintang Regency, West Kalimantan Province, Indonesia (coordinates 112°21'55,3"-112°44'49,7" East and 0°21'56,1"-0°12'47,9" South). It is one of two concession areas managed by Goodhope in the region, the other being PT Sinar Sawit Andalan (SSA).

Neither PT SHP nor PT SSA has commenced any new development since its self-imposed moratorium since November 2016. The companies commit to apply the RSPO New Planting Procedures for the responsible development of plantations consistent with RSPO P&C 2018.

### 3. Verification of Land Clearance Locations

Coordinates identified in the report (-0.238, 112.549 and -0.216, 112.661) were found to be outside company concession areas (Table 1).

Field verification of the land clearance locations was conducted by a team comprising PT SHP-SSA employees (HUMAS, EHS, GPS, GIS) and local community members / landowners. The ground-truthing confirmed clearance of areas is located outside the concessions of PT SHP and conducted by local communities for farming -slash and burn- practices.

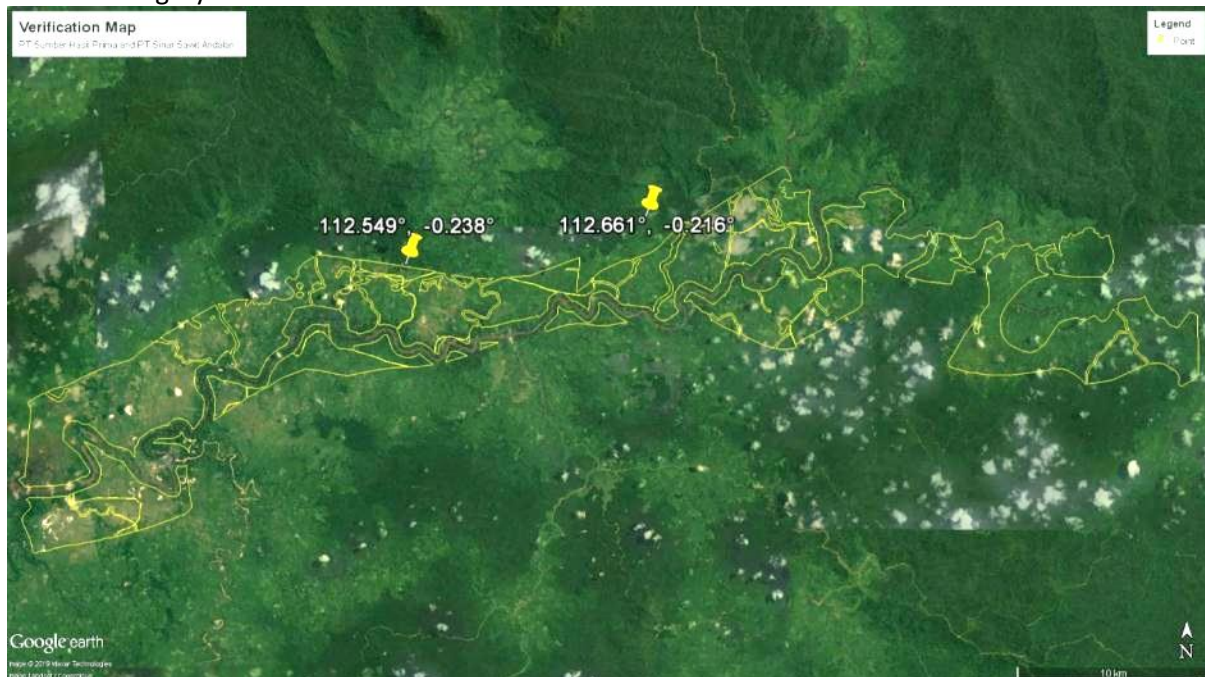
The land clearance locations identified are owned and managed by members of the local communities. This is acknowledged and confirmed by Serawai local government by signed letter (Annex 2) stating:

1. According to the results of the field survey at the locations identified (in the area of Talian Sahabun village and Sabang Landan village) land clearing by the community has been undertaken for farming (rice planting) in a manner that has been occurring for generations.
2. The land clearance is not caused by the company's operational activities.

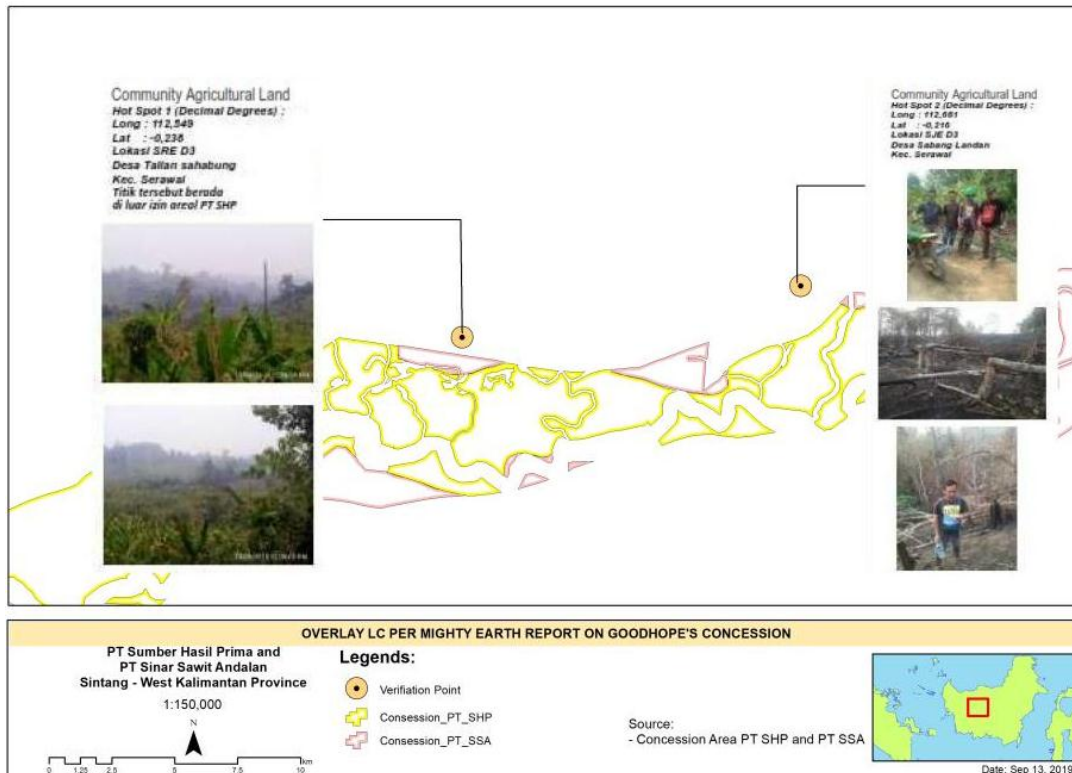
Table 1.

Coordinate	Distance from the boundary of PT SHP-SSA Land Location Permit	Village
-0.238, 112.549	~90m	Talian Sahabun
-0.216, 112.661	~1,800 m	Sabang Landan

#### Satellite Imagery



**Figure 1. Field Verification Findings**



#### 4. Conclusions

Both the satellite imagery interpretation and field verification (ground truthing) demonstrate that the land clearing of the particular spots reported in the Mighty Earth Rapid Response 19 were taking place in areas owned by local community located outside the concessions of PT SHP for shifting cultivation, slash and burn, practices.

The practice of land clearing for shifting cultivation is still common in the areas surrounding PT SHP and SSA concessions. Historical records show that hotspots and fires frequent, particularly in the years 1997 and 2015. The government and company are not able to prevent land clearing and slash and burn practices due to the facts that legally –as per local ordinances- they are allowed to practice this customary farming method.

With the dry weather and the high risk of fire this year, PT SHP and SSA have been on high alert to respond to any hotspots detected through our monitoring systems. The company has dedicated resources (including equipment and personnel) for fire prevention, surveillance, and emergency response purposes.

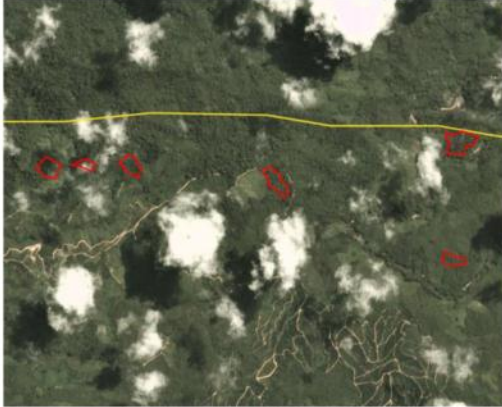
Sincerely yours,

Edi Suhardi  
Director Sustainability

**Annex 1**

**Alert Imagery (before and after satellite images)**

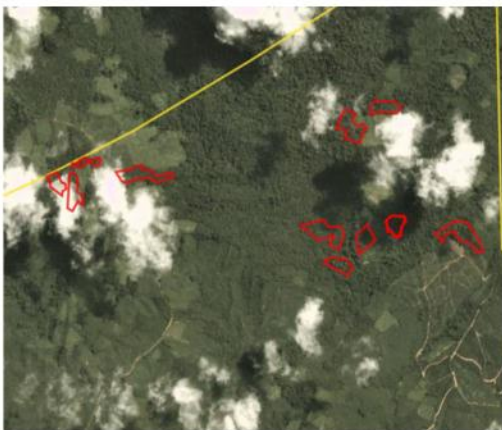
Date: May 27, 2019 (for all images below)



Clearance location: (-0.238, 112.549)



Clearance location: (-0.238, 112.549)



Clearance location: (-0.216, 112.661)

Date: August 4, 2019 (for all images below)





**PEMERINTAH KABUPATEN SINTANG**  
**KECAMATAN SERAWAI**

Jl. Kalimantan Nanga Serawai Kode Pos 78683

**SURAT KETERANGAN**

Nomor : 153/BA/2019

Yang bertanda tangan dibawah ini:

Nama : **Oktavianus Harsumpeda, S.Sos, M.Si**

Jabatan : Camat Serawai

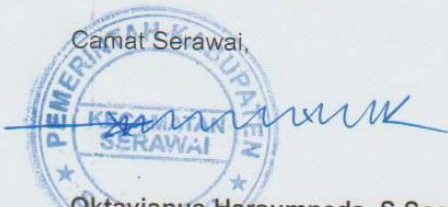
Dengan ini menerangkan bahwa:

1. Sesuai hasil survey lapangan pada titik *ordinat hotspot* dan atau pembukaan lahan di wilayah **Desa Talian Sahabung dan Desa Sabang Landan**, adalah pembukaan lahan oleh masyarakat untuk berladang (bercocok tanam padi) yang secara turun temurun dilakukan oleh masyarakat setempat setiap tahunnya.
2. Bahwa kegiatan pembukaan lahan oleh masyarakat tersebut tidak ada kaitannya dengan kegiatan operasional perusahaan.

Demikian Keterangan ini kami sampaikan untuk diketahui bersama dan dipergunakan sebagaimana mestinya.

Dikeluarkan di : **SERAWAI**  
Pada Tanggal : **14 SEPTEMBER 2019**

Camat Serawai,



**Oktavianus Harsumpeda, S.Sos, M.Si.**

NIP: 197310281999031005