MONTHLY UPDATE – PROGRESS MADE UP TO 15TH MAY 2017
Sustainability Journey

Further to a series of reports on Goodhope operations in Nabire province and the latest RSPO’s Precautionary Measures (Stop-Work Order) issued on 28th April 2017, Goodhope has been working on a number of initiatives and programs to address all concerns and issues raised.

We would like to share the updates on various initiatives in response to all concerns:

1. Goodhope has announced the release of its sustainability policy which will be implemented without exception from the 5th May 2017. This policy has been drafted in collaboration with multi-stakeholders which include NGOs, buyers and consultants.

2. Goodhope will implement policies and practices consistent with or exceeding the leading industry sustainability standards on No Deforestation, No Peat Development, No Human Exploitation, and supply chain traceability.

3. As highlighted before we have halted all of our land development activities since November 2015, however we have continued housing development for workers and some road development work. In light of this new sustainability commitment we have instructed the locations to halt all activities since February 2017.

4. Goodhope is committed to applying the best management practices in relation to conservation of High Carbon Stock (HCS) forests, High Conservation Value (HCV) areas, and peat land within its supply chain. Goodhope has been working with credible independent consultants to carry out all necessary assessments and corrective actions. Below is the highlights of the progress updates on the assessments and activities in the new development areas in Nabire and West Kalimantan.


b. Ata-Marie and Ekologika are to perform assessment of HCS, conduct Land Use Change Analysis (LUCA) and redo assessment of HCV of PT Nabire Baru (NB) and PT Sariwana Adi Perkasa (SAP) in Nabire, Papua. The field assessment will commence end of May 2017, while the reports are expected to complete in September 2017. The itinerary of a comprehensive assessments for two companies in Nabire is shown below.
c. Ata-Marie and Ekologika are to perform assessment of HCS, conduct Land Use Change Analysis (LUCA) and redo assessment of HCV of PT Agrajaya Baktitama (AJB), PT Batu Mas Sejahtera (BMS) and PT Sawit Makmur Sejahtera (SMS) in Ketapang. The field assessment will commence in the second week of July 2017 (after Eid Mubarak festivities), while the reports are expected to complete by November 2017. The time-bound plan for the assessments in Ketapang is to be prepared awaiting finalization of work agreement.

d. Daemeter is going to conduct assessment of HCS, Land Use Change Analysis (LUCA) and redo assessment of HCV of PT Sumber Hasil Prima (SHP) and PT Sinar Sawit Andalan (SSA) in Sintang, West Kalimantan. The consultant is only available to commence the field assessment in July 2017 with the final report will only be completed in November 2017. The time-bound plan for the assessments in Sintang is to be prepared awaiting finalization of work agreement.

e. With regards to the issue on peat soil in PT Nabire Baru, the soil survey was already completed in March 2017. The final report is expected to complete in June 2017. Ata-Marie team is going to review and carry out field verification of soil survey. The review report is expected to complete in August 2017.

f. Aidenvision has agreed to carry out review of legal compliance and conformity to NPP procedures of PT Nabire Baru. The review will commence on 22nd of May 2017 and expected for completion end of July 2017.

Goodhope has been trying to expedite the works to meet all necessary requirements as set by the RSPO. However, due to some challenges in the availability of credible partners and the religious festivities of Ramadhan and Eid Mubarak in June the completion of necessary reports and documents will have to take longer time. Goodhope is going to meet and discuss with RSPO team on 26th May 2017 to amend the time-bound plan to adjust with the field reality.

5. Following a series of negotiations with and thorough deliberations before the police and local government agencies, finally we reached an agreement on the relocation of BRIMOB out of Goodhope’s concessions area. On 2nd May 2017 BRIMOBs vacated the plantations.

6. To demonstrate our commitment, Goodhope is assessing the viability and offering the High Carbon Stock Approach (HCSA) Steering Committee to designate PT Nabire Baru and PT Sariwana Adi Perkasa in Nabire as a pilot project for the implementation of HCSA in highly forested area of Papua. We are also seeking the opportunity to be admitted to join in the HCSA membership.

7. Goodhope will create a fully transparent and traceable supply chain down to the level of plantation and inclusive of smallholders. The company commits to demonstrate full traceability for all commodities to the mill and plantation level, including from all subsidiaries, associates and third party suppliers before 4th May 2019. Detailed plan of action is being prepared and will be shared in our next update.
8. Goodhope has come to an agreement with Yayasan Pusaka and the Yeresiam local communities in Nabire that we are going to settle the dispute through the Dispute Settlement Facility (DSF) process in RSPO to find the fairest solutions for all parties. It is noted that Yayasan Pusaka requested for some time to consult Yeresiam community to agree on the RSPO-nominated facilitator. Taking into account the nature of the issue and complex decision making within the complainant, particularly local community, the works of DSF will only be started in July 2017, while the completion may take months.

9. Goodhope continues to engage various stakeholders in the efforts to amicably resolve the complaints to RSPO by FPP and Yayasan Pusaka. We are going to meet with FPP and Yayasan Pusaka on 18th May 2017 at Goodhope’s office to discuss. We are also trying our level best to engage Greenpeace in addressing issues and concerns, particularly related to Nabire.

In the spirit of openness, transparency and constructive engagement, Goodhope remains open to key stakeholders providing their input to all initiatives in addressing the above concerns.

Thank you,
Yours Sincerely,

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