

Annex 4: Remediation and Compensation Concept Note format

This template is designed to guide companies through the completion of a remediation and compensation concept note. Concept notes can be submitted separately for each management unit or collectively for all the management units. Example text (in green) is provided for guidance purposes only and provides an example of 3 possible compensation scenarios.

Name of RSPO member	<i>Umpama Teladan Holdings Berhad</i>
RSPO Membership number	<i>1-0123-77-111-22</i>
Membership category	<i>Ordinary member</i>
Date of joining RSPO	<i>31 Aug 2008</i>
Date of first RSPO certification*	<i>21 Apr 2011</i>
Total number of certified management units*	<i>2</i>

Remediation and Social Compensation

Remediation and social compensation (per management unit)	
Name of management unit	<i>PT Turutan</i>
Location (country, province and district)	<i>West Sumatra, Sumatra, Indonesia</i>
Total area of management unit (ha)	<i>9,216</i>
Description of impacts requiring remediation (e.g. riparian zones, steep slopes, areas prohibited by country-specific legislation)	
<ul style="list-style-type: none"> <i>Forty-two (42) ha of riparian zone was cleared and planted in 2011.</i> <i>The area is shaded in map 1, attached in annex 1</i> 	
Description of remediation activity to address impacts	
<ul style="list-style-type: none"> <i>SOPs have been revised to ensure that there can be no future planting of riparian zones.</i> <i>Riparian buffers have been clearly demarcated</i> <i>Intensive cultivation of palms will end in riparian zones (i.e. fertilizer and herbicides will no longer be applied)</i> <i>Native tree species which can survive in riverside zones will be planted, beneath the palms, to restore the riparian zone to natural vegetation cover.</i> 	
Description of potential impacts (impacts on HCVs 4, 5 & 6)	
<ul style="list-style-type: none"> <i>There are at least 3 desa (villages) which are found around the management unit.</i> 	
Description of proposed activities to address impacts	
<ul style="list-style-type: none"> <i>Interview the communities in the 3 desa to assess if there were any impacts on loss of social HCVs.</i> <i>Develop an action plan through an FPIC process to address and/or mitigate any impacts.</i> <i>Certification body to verify impact on loss of social HCV at stage one of the audit.</i> 	
Remediation and social compensation (per management unit)	
Name of management unit	<i>Syarikat Contoh Berhad</i>
Location (country, province and district)	<i>Johor, Malaysia</i>
Total area of management unit (ha)	<i>4,615</i>
Description of impacts requiring remediation (e.g. riparian zones, steep slopes, areas prohibited by country-specific legislation)	
<ul style="list-style-type: none"> <i>Clearing and planting on steep slopes (>25 °) over an area of 10 ha.</i> 	
Description of remediation activity to address impacts	
<ul style="list-style-type: none"> <i>Areas will be managed with best management practices to reduce erosion</i> <i>SOP will be revised to ensure that there is no further planting of areas of >25 °.</i> <i>SOP will include erosion monitoring</i> 	

<ul style="list-style-type: none"> <i>Intensive cultivation of palms will end on steep slopes (i.e. fertilizer and herbicides will not be applied)</i> <i>Native tree species will be planted, beneath the palms, to restore steep areas to natural vegetation cover.</i>
Description of potential impacts (impacts on HCVs 4, 5 & 6)
<ul style="list-style-type: none"> <i>No communities are present in the area.</i>
Description of proposed activities to address impacts
<ul style="list-style-type: none"> <i>None, no communities affected.</i>

*where applicable

Conservation Compensation

Compensation example 1

Liability being compensated per individual management unit	√	Liability being compensated collectively across two or more management units
Area- based compensation	√	Monetary equivalent compensation
Summary of final compensation liability (per management unit or collectively)		
<ul style="list-style-type: none"> <i>Total conservation compensation liability for the group of management units are 725 ha.</i> 		
Outline of proposed conservation compensation activities & outcomes [Maximum 200 words]		
<ul style="list-style-type: none"> <i>The company is opting to invest the total amount of US\$1,812,500 (US\$2,500 per ha) in a orang utan release programme which is being managed by [X] NGO in Kalimantan, Indonesia</i> <i>This option was selected as all our management units are surrounded by existing mature plantations and there is no longer any forest available for new protection or restoration projects</i> 		
How do the compensation outcomes address the following key criteria:		
<ul style="list-style-type: none"> Additionally [Max 100 words] <i>The orang utan release programme was selected from the list of RSPO approved projects</i> <i>The goal of this project is to contribute to the long-term conservation of orang utan</i> 		
<ul style="list-style-type: none"> Long-lasting [Max 100 words] <i>The NGO which has been operating successfully in Kalimantan for over 20 years</i> <i>The release programme will proceed over a period of at least 25 years and be continually monitored during this period</i> 		
<ul style="list-style-type: none"> Equitable [Max 100 words] <i>The NGO involved promotes equitable sharing of benefits via a community sharing mechanism.</i> <i>This benefit sharing mechanism is established and is being managed by a joint committee between the NGO and local communities.</i> <i>The benefit sharing mechanism is being independently monitored and evaluated by a civil society organisation which is familiar with the situation on the ground.</i> 		
<ul style="list-style-type: none"> Knowledge-based [Max 100 words] <i>Independent assessments for the indicate that the release and monitoring programme for orang utan in the area is resource limited</i> <i>Published research indicates that the areas involved provides suitable habitat for orang utan</i> 		
What organisation(s) will be managing/delivering the remediation & compensation project?		
<ul style="list-style-type: none"> <i>The remediation will be managed and delivered by the sustainability unit of our company</i> <i>The compensation project will be managed and delivered by [X] NGO Kalimantan</i> 		
Please indicate a proposed timeline for delivery of a) remediation and b) compensation activities		
<ul style="list-style-type: none"> <i>Proposed remediation for PT Turutan and Syarikat Contoh Berhad will be completed within 5 years from 2016; and</i> <i>Proposed compensation project will be delivered and monitored over a 25 year period</i> 		
Contact person in your	<i>Mr. Grover Sama</i>	

organisation	gsama@gmail.com <address><tel no.>
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Compensation example 2

	Liability being compensated per individual management unit	√	Liability being compensated collectively across two or more management units
√	Area- based compensation		Monetary equivalent compensation
Summary of final compensation liability (per management unit or collectively)			
<ul style="list-style-type: none"> <i>Total conservation compensation liability for the group of management units are 1,725 ha.</i> 			
Outline of proposed conservation compensation activities & outcomes [Maximum 200 words]			
<ul style="list-style-type: none"> <i>Our company proposes to extend our HCV area from 12,575 ha to 14,575 ha, effectively extending our HCV area by 2,000 ha to compensate for our compensation liability.</i> <i>The additional areas are marked in the map attached (map 2).</i> <i>The management and monitoring of the extended area will be incorporated into the existing HCV management plan</i> 			
How do the compensation outcomes address the following key criteria:			
<ul style="list-style-type: none"> Additionally [Max 100 words] 			
<ul style="list-style-type: none"> <i>The proposed compensation area is a new extension of the current existing HCV area and is not currently protected</i> <i>This area was previously zoned as plantable but planting has not taken place and the area consists mostly of degraded forest and old scrub.</i> <i>Actions will be taken to restore and enhance the biodiversity of the area through forest restoration activities.</i> 			
<ul style="list-style-type: none"> Long-lasting (Max 100 words) 			
<ul style="list-style-type: none"> <i>This area is within our management unit, which operates under a XX year lease.</i> 			
<ul style="list-style-type: none"> Equitable [Max 100 words] 			
<ul style="list-style-type: none"> <i>Most of the compensation liability relates to the loss of lowland dipterocarp forests, which would be similar to the ecosystem found in the area proposed for conservation and restoration area</i> <i>No communities are present in the area</i> 			
<ul style="list-style-type: none"> Knowledge-based [Max 100 words] 			
<ul style="list-style-type: none"> <i>HCV assessments and studies by University X have shown that the buffer area proposed for conservation and restoration functions as buffer to the existing HCV area</i> 			
What organisation(s) will be managing/delivering the remediation & compensation project?			
<ul style="list-style-type: none"> <i>The remediation and compensation components will be managed and delivered by the sustainability unit of our company</i> 			
Please indicate a proposed timeline for delivery of a) remediation and b) compensation activities			
<ul style="list-style-type: none"> <i>Proposed remediation for PT Turutan and Syarikat Contoh Berhad will be completed within 5 years from 2016; and</i> <i>Proposed compensation project will involve active restoration over a 5+ year period, with monitoring over a 25 year period</i> 			
Contact person in your organisation	Mr. Grover Sama gsama@gmail.com <address><tel no.>		

Compensation example 3

	Liability being compensated per individual management unit	√	Liability being compensated collectively across two or more management units
√	Area- based compensation		Monetary equivalent compensation
Name of management unit		PT Turutan	
Location (country, province and district)		West Sumatra, Sumatra, Indonesia	
Total area of management unit (ha)		9,216	
Summary of final compensation liability (per management unit or collectively)			
<ul style="list-style-type: none"> Final net conservation compensation liability for this management unit is 435 ha. 			
Outline of proposed conservation compensation activities & outcomes [Maximum 100 words]			
<ul style="list-style-type: none"> Our company will support the protection of a buffer zone of about 500 ha to the existing Tanjung Aru National Park (map 1), which is adjacent to our management unit in Sumatra. Funding will provided to support the active protection of the area, including: <ul style="list-style-type: none"> Provision of survey teams in demarcating the buffer zone boundaries; Support to the patrol teams to patrol the buffer zones which borders the National Park. 			
How do the compensation outcomes address the following key criteria:			
<ul style="list-style-type: none"> Additionally [Max 100 words] The buffer zone has been proposed for incorporation into the Tanjung Aru National Park since 2005, but this plan has, to date, not been implemented due to a lack of resources. The support provided by PT Turutan will enable new park boundaries to be established, marked and patrols on the ground initiated to secure the protection of the extension area. 			
<ul style="list-style-type: none"> Long-lasting [Max 100 words] About 361 ha of the buffer zone is currently classified as Hutan Produksi (HP) while 139 ha is classified as Areal Pengguna Lain (APL). Through this support, the Tanjung Aru National Park will apply for the buffer zone to be incorporated into the park. 			
<ul style="list-style-type: none"> Equitable [Max 100 words] FPIC process will be initiated with the communities living around the buffer zone area. The patrol staff who will be hired will be from local communities. 			
<ul style="list-style-type: none"> Knowledge-based [Max 100 words] The National Park management plan have recommended the extension of the park to include a buffer zone of approximately 500 ha since 2005. Studies support the establishment of buffer zones to help maintain the integrity of the core area of the National Park. 			
What organisation(s) will be managing/delivering the compensation project?			
<ul style="list-style-type: none"> Implementation will be via a joint committee consisting of the management of the National Park, PT Turutan, government agencies, representatives of local communities and NGOs This joint committee will also provide monitoring and oversight. 			
Please indicate a proposed timeline for delivery of a) remediation and b) compensation activities			
<ul style="list-style-type: none"> The investment from our company would be over a 25 year period. 			
Contact person in your organisation		Mr. Grover Sama gsama@gmail.com <address><tel no.>	