

ASTRA AGRO LESTARI ACTION PLAN AS FOLLOW UP ON THIRD PARTY VERIFICATION REPORT**Background on Action Plan**

Astra Agro Lestari (AAL), as a leading palm oil producer in Indonesia that manages >285,000 ha of oil palm estates, 32 mills and 3 refineries, is committed to sustainable development of oil palm in line with its [NDPE policy](#). This commitment extends to responsible land use, respect for local and customary rights, fair labor practices and good waste management practices, among others.

Since late 2020, AAL has received reports from civil society, in particular WALHI and Friends of the Earth US (FoE) regarding the operations of three of its subsidiaries in Sulawesi: PT Mamuang, PT Lestari Tani Teladan (LTT) and PT Agro Nusa Abadi (ANA). The reports have described a number of alleged issues that affect the three subsidiaries, such as lack of permits, land disputes, criminalization of community members, an absence of FPIC, encroachment upon village residential areas, environmental pollution and others. These culminated in the preliminary field verification on the highlighted issues by EcoNusantara (ENS) in Aug 2022, which was deemed inadequate and lacked in-depth factual context. In response, with the support of its stakeholders and value chain partners, AAL engaged with ENS and appointed the organization to lead a more comprehensive and holistic verification in March 2023, as part of AAL's commitment to resolving the outstanding issues in a mutually acceptable manner.

The [verification report](#) was completed and shared to key stakeholders in Oct 2023 for comments. The final report was published on November 27th and comments from stakeholders were published two days after. The report successfully addressed its two main objectives, namely the holistic analysis and investigation of the grievances raised against the three subsidiaries and the subsequent development of the recommendations for all parties, including AAL, to consider as part of the grievance resolution process. In early 2024, after extensive consultation with stakeholders and careful consideration of feedback, AAL and ENS jointly devised a 3-year action plan to implement the aforementioned recommendations on all three subsidiaries.

Separately, AAL has also acknowledged civil society concerns regarding implementing FPIC (Free, Prior and Informed Consent) in the 3 subsidiaries and across broader operations. When the plantations in question were established, AAL adhered to the best practices defined in Indonesia at the time. This included community consultation and engagement processes closely aligned with current FPIC principles. Aligning to international frameworks, AAL recognises FPIC as an ongoing process, particularly when considering any form of grievance or remediation. AAL has an FPIC SOP in place and is committed to improve its implementation by studying the input from our stakeholders and referring to leading frameworks such as the RSPO FPIC Guide and AFi.

Additionally, the action plan will be conducted transparently, respecting the rights of involved individuals/institutions, and in accordance with the applicable laws in Indonesia. A whistleblowing/grievance channel has also been established [here](#), which can be utilized by stakeholders and local communities to express their concerns and opposition to the implementation of the action plan securely and free from repercussions. This action plan serves as a guide for the implementation of the recommendations listed in the verification report. The plan of activities might change to suit the dynamics/situation changing on the ground.

The Action Plan is divided into three (3) companies including :

1. PT Mamuang
2. PT Lestari Tani Teladan
3. PT Agro Nusa Abadi

AAL is committed to continuing its stakeholder engagement initiatives and constructive collaboration, which became its top priority in 2018 and continues to be upheld for its 5-Year Action Plan. This includes engagement with members of academia and independent experts with a strong understanding of the local context. In addition to the existing channels of engagement, our company will also seriously consider holding periodic focus-group discussions (FGDs) with our key stakeholders from the industry and civil society. AAL and ENS actively invite feedback as we navigate this journey together, striving to not only rectify proven past grievances but also to foster sustainable oil palm development in Sulawesi.

1. PT MAMUANG

No.	Key Issues	Verification Results	Recommendation	Target	Milestones	Proposed Activities	Timeline		
							2024	2025	2026
1.	Hemsi's Claim on Block C26, PT Mamuang	1. Herman Rantetondok (Hemsi's father) and 6 (six) of his colleagues are believed to have cultivated land in the disputed object (Block C26 HGU PT Mamuang) covering an area of 14 ha with a SPORADIK land title issued by the Head of Martasari Village 2. Since 2019, the object of the dispute, Block C26, covering an area of 45.13 Ha, has been fully controlled by Hemsi. The objects and grounds of rights put forward by Hemsi are in the form of 22 land handover documents and 9 (nine) SHM, obtained in 2017/2019, which after being traced and analyzed turned out to be outside the object of the dispute (Block C26 HGU PT Mamuang)	Hemsi's land claim in Block C26 has been clearly discussed in the verification report. It is recommended that improvements to the relationship between PT Mamuang and Hemsi be carried out using a peaceful approach.	To seek a peaceful resolution of the disagreement over control of land in Block C26 between PT Mamuang and the individual concerned.	The parties are willing to discuss resolving the land conflict over Block C26.	1. Build constructive engagement with Hemsi by involving local stakeholders including the village head and community leaders.			
						2. Building constructive engagement with (seven) SPORADIK owners of 14 Ha of land. in Block C26 by involving local stakeholders including the village head, community leaders, and Muspika Rio Pakava.			
						3. Building constructive engagement with Walhi.			
						4. Initiate multi-party dialogue as an effort to resolve the Block C26 land conflict.			
						5. Facilitate focus group discussions (FGDs) between relevant agencies and the communities in order to provide clarity on land status.			
2.	Land claim on Block C22, PT Mamuang by the Sinar Rio Jaya Farmers Group (KT-SRJ)	The land claim by the Sinario Jaya Farmer Group (KT-SRJ) covering an area of 172 ha is based on (a) transmigration reserve land, (b) a copy of a letter from PT LTT (c) a Land Certificate (SKT) issued in 2004 - all of which cannot be proven.	It is recommended that PT Mamuang can establish a good relationship with KT-SRJ through more intensive program approaches.	To establish constructive support for and cooperation with the farmer group enabling empowerment and capacity building.	KT-SRJ's capacity has increased and strengthened, thus they can develop a sustainable work plan and grow.	1. Building a constructive dialogue with KT-SRJ by involving the village head of Rio Mukti/Lalundu, and community leaders, including from the sub-district.			
						2. Engagement and discussions with members of KT SRJ related to the land claims (interview and availability of documents) in a supportive and participative manner, to obtain additional supporting data where possible. A mutually-acceptable and competent party may also be appointed to mediate the process, in line with the wishes of the communities and AAL.			
						3. Building interactive and participatory dialogue by involving village heads and historical actors to explore possible concrete and constructive solutions according to the facts and needs of KT SRJ members. A mutually-acceptable and competent party may also be appointed to mediate the process, in line with the wishes of the communities and AAL.			

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						4. Socialization of the smallholder inclusion program. 5. Facilitate institutional strengthening of farmer groups, both through training and comparative studies.			
3.	Land Claims by Parties on behalf of the Tado Kabuyu Indigenous Community	Complaints regarding PT Mamuang's encroachment of 2,302 ha of Tado Kabuyu Indigenous community land could not be verified by the ENS Team because there was no more detailed and accurate data. Based on the results of searching available data and interviews with sources, it is known that the Tado Kabuyu village covering an area of approximately 250 ha was never part of PT Mamuang's HGU. Currently there are around 113 families (300 people) of the Tado Indigenous Community in Kabuyu Hamlet, they still follow customary rules. They live by farming along the Pasangkayu river. From interviews and field evidence it is known that the Tado tribe has lived in this area for a long time. Currently, most of the indigenous Tado Kabuyu people no longer own land because there have been buying and selling transactions with migrant communities from Bali and Bugis.	Regarding complaints about land confiscation of the Tado Kabuyu Indigenous Community, it is hoped that interested parties will be able to provide more detailed and accurate data to ensure the object of the claim referred to. PT Mamuang is advised to continue and intensify programs that can improve the welfare of the Tado Kabuyu Indigenous Community so that they get the same opportunities as other Indonesian people.	PT MMG to contribute to the Tado community's livelihoods through effective empowerment and welfare programs.	Assessment of needs of the Tado indigenous community and the subsequent delivery of welfare programs.	1. Conduct a needs assessment covering social and economic issues of the Tado Kabuyu indigenous community. 2. Evaluate the ongoing CSR program for the Tado Kabuyu indigenous community. 3. Coordinate with related agencies to speed up access to public services (PKH, KIS and KIP). 4. Capacity building for the Tado Kabuyu indigenous community based on the needs assessment. 5. Develop community empowerment programs that can support their long-term livelihoods and development based on the results of needs assessment. 6. Communicate program developments to the public.			
4.	Allegations that PT Mamuang has repeatedly criminalized farmers in Panca Mukti Village	Regarding allegations of criminalization, the ENS Team noted that Hemsid had been detained 3 (three) times by the Pasangkayu and North Mamuju Police, based on reports from PT Mamuang employees. However, with limited data and authority, the ENS Team did not find any facts to support that there had been criminalization acts systematically carried out by PT Mamuang without any legal basis or reasons or rational reasons as a basis.	n/a	To enable PT MMG to implement the Company's overarching Human Rights Strategy (Comprehensive Human Rights Strategy throughout the Company)	PT MMG has sufficient and qualified human resources to implement The Company's overarching Human Rights Strategy	1. Capacity Building for PT MMG employees, focusing on the topic of greater understanding of human rights, community relations, and de-escalation. 2. Socialization of company-wide overarching human rights strategy to key stakeholders.			
5.	Intensifying programs to improve community welfare, especially	n/a	Intensify programs to improve community welfare, especially in Pancamukti village	To achieve PT MMG's integration of community empowerment program plans with	Establishment of a collaborative village development	1. Review ongoing CSR programs. 2. Review the village development plan. 3. Strengthen village consultations.			

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	in Pancamukti Village			the development plans of the Pancamukti Village government	planning dialogue forum	4. Develop village development plans collaboratively. 5. Monitoring and evaluating the implementation of village development plans. 6. Capacity building for PT MMG, PT LTT and PT ANA employees regarding community engagement			

2. PT LESTARI TANI TELADAN

No.	Key Issues	Verification Results	Recommendation	Target	Milestones	Activity	Timeline		
							2024	2025	2026
1.	PT LTT confiscated 100 ha of farmers' land in Rio Mukti Village and Towiora Village.	The accusation was not proven, the people of Towiora Village only asked for 4 ha of land for TPU (public cemetery) and 10 ha for a residential reserve area.	It is recommended that PT LTT explore ways to accommodate the community's request for 14 ha of land for burial and residential areas, in collaboration with village officials and the local government.	To enable PT LTT to facilitate the purchase of the patch of land and its subsequent handover to the communities (based on the requested provisions of the local communities).	Location and land legality verified. Handover of the patch of land to the relevant community members.	1. The company to purchase a patch of land for the public cemetery, as per the requested provisions of the local communities. 2. Preparation of the public cemetery (TPU) infrastructure and relevant materials 3. Preparation of the TPU infrastructure and relevant materials. 4. Exploration of the communities' housing needs by involving the related parties, especially the Regional Government			
2.	PT LTT illegally claimed 1,505 hectares of community land and operated outside the 321 hectare HGU permit.	There is a discrepancy between the documents claimed by Walhi/FoE US with the PT LTT HGU permit data published by BPN.	It is recommended that FoE/Walhi provide further supporting evidence.	To share the HGU documentation with Walhi and FoE US in order to cross-reference with those utilized in their previous reports	Walhi opens communication channel to PT AAL and/or independent third parties appointed by PT AAL.	1. ENS to make formal and informal efforts to share and update verification results and follow-up plans. 2. AAL to initiate a meeting of 3 parties (Walhi, AAL, and BPN), witnessed by ENS.			
3.	Community demands for plasma plantations are 20% of the HGU area.	PT LTT's HGU permit was issued before the obligation to facilitate the development of plasma plantations for communities around the HGU came into effect. PT LTT only has this obligation after the HGU expires and will apply for an extension while still referring to the applicable laws and regulations when extending the HGU.	n/a	To ensure that PT LTT facilitates the development of community plantations, at the time of extending the HGU permit and referring to the laws and	The Regent is aware of the plan to facilitate the development of community plantations during the HGU extension process.	1. Socialization regarding the facilitation of community plantations during HGU extension. 2. Engage with local government and key stakeholders. 3. Carry out social mapping. 4. Identify the potential of plasma areas.			

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				regulations in force at that time		5. Oversee the process of submitting a list of prospective Plasma Farmers based on Village Government recommendations.			
4.	Well water pollution and sewage odor.	There are differences in the results of laboratory tests on the well water of Towiora Village residents by the Environmental Service (DLH), Donggala Regency, Central Sulawesi Province No. FPP/7.8.2 dated 20 November 2020 with laboratory test results on 6 (six) samples from PT LTT monitoring wells issued by BBIHP Makassar, South Sulawesi in Semester I and II 2020	PT LTT is advised to be proactive in ensuring that these complaints are handled properly at the field level. The involvement of key parties, experts, relevant governments and the community in responding to these complaints is very important so that the results can be accepted and accounted for.	To ensure that complaints regarding well water pollution and waste odors are addressed by PT LTT.	PT LTT has sufficient and qualified human resources to handle grievances effectively.	1. Socialization of the waste management process carried out by PT LTT to the community, including regarding grievance mechanisms.			
						2. Monitoring of the wastewater treatment (IPAL) and reporting the results to the relevant authority regularly.			
						3. Expert discussion to formulate appropriate methods that can be implemented to minimize waste odors.			

3. PT AGRO NUSA ABADI

No.	Key Issues	Verification Results	Recommendation	Target	Milestones	Activity	Timeline		
							2024	2025	2026
1.	PT ANA operates without an HGU permit and only based on a location permit.	PT ANA's HGU processing first started in 2007 and is currently still in the process of waiting for the publication of Committee B Minutes and Recommendations from the Central Sulawesi Provincial BPN Regional Office regarding the issuance of the HGU Decree. verification carried out PT ANA does not yet have an HGU. Bearing in mind that HGU can only be issued if all land disputes have been resolved. The complexity of this problem is also shown by the results of validation and verification of land objects which are different each time it is carried out as well as the lack of clarity regarding land boundaries and markers.	1. PT ANA and AAL, after ensuring that the permit area is clear and clean and referring to the applicable laws and regulations, it would be very good to immediately complete the processing of Cultivation Rights (HGU) 2. Regarding overlapping objects claimed by fellow communities, both individually in groups or individually, the role of government as a mediator is strategic. Every group or individual whose land claims overlap needs to exercise restraint in order to avoid horizontal conflict and be able to find solutions together.	To ensure that PT ANA completes the HGU application process in an accurate way while resolving land conflicts in each village.	The status of the land submitted to obtain an HGU permit is clear and clean.	1. Accelerate applications for HGU permits for areas (villages) that are free from land conflicts.			
						2. Establish active communication with the Provincial Government, Regency Government, District Government, and Village Government to encourage the revalidation process of the overlapping land claims.			
						3. Communicate obstacles to processing HGU permits to the Provincial Government and related stakeholders			

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2.	PT ANA has confiscated farmers' land in the villages of Molino, Bungintimbe, Tompira and Bunta covering an area of approximately 5,000 hectares	1. There are 28 community members who claim to own land in the PT ANA oil palm plantation area with a total area of 1,695.27 Ha, spread across; - Bungintimbe Village (992.24 Ha), - Bunta Village (614.30 Ha), - Tompira Village (75.52 Ha), and - Towara Village (13.21 Ha). 2. Identified 795.13 hectares of land from the total claim land area, which is land that still overlaps between communities (claimers)	PT ANA and AAL in resolving the land conflicts that occur need to continue to strive to involve key parties including the government, community, and NGOs/assistant groups, so as to produce a resolution that is acceptable to all parties. The involvement of observers and independent mediators can be an option to increase public acceptance of the resolution that will be produced.	PT ANA has additional options to settle the land claims in plantation areas where HGU permits will be applied for.	Establishment of a multi-stakeholder forum as a platform to find solutions to settle land claims in the PT ANA plantation area.	1. Strengthen the role and function of the provincial Reveral (verification and validation) team to facilitate the outstanding land claims. 2. Together with the provincial and district governments, clarify the follow-up plans for letters of recommendation and circular letters from the Governor of Central Sulawesi as well as letters from the Regent of North Morowali.			

Note : timeline could not be presented on a monthly as the process of implementation is more on engagement, the result is unpredictable

Glossary Terms

Constructive engagement Constructive engagement is the process of “building a mature relationship between two naturally opposable parties. (<https://www.e-participatoryaudit.org/module-03/constructive-engagement.php#:~:text=Constructive%20engagement%20is%20the%20process,ANSA%2DEAP%2C%202013>)

Constructive relations are interpreted as a process of building relationships between several sectors: (1) State - which in this case is represented by the government at all levels, (2) Private - Business actors and (3) Civil society to be able to collaborate to achieve common goals, namely social justice and positive change in society. (<https://binadesa.org/constructive-engagement-usaha-mencapai-besar-bersama/>)

Milestones

A milestone is a point in a project that marks an important milestone or important stage that must be achieved to ensure the progress and success of the project. Milestones serve as markers in the project flow that provide an overview of how far the project has progressed and what needs to be done next. Milestones should reflect important milestones in the project and relate directly to the project goals.

Milestones are milestones or significant points of achievement in a project or business.

(<https://majoo.id/Solusi/detail/milestone-definiti-dan-pengaturan-target>)