



7 October 2015

October Progress Update on Re-Engagement by TFT on GAR’s Upstream Plantation Operations

Following the suspension of TFT’s work with GAR on its upstream operations, announced on May 19th 2015, the two organisations agreed on a series of time bound conditions which both TFT and GAR hope will see a return to full collaboration within the coming months. This document represents a public summary of the progress that GAR has made towards the completion of the criteria.

No	Strategic Conditions	GAR’s Progress
1	New Sustainability/Forest Conservation Policy (FCP) implementation team in place reporting at the highest level, with a re- energised commitment to working with TFT in a spirit of sharing and collaboration.	GAR is continuing to strengthen its Social and Environmental team both at Headquarters level and with planning and recruitment progressing well in the field.
2	GAR’s Forest Conservation Policy (FCP) has been reviewed and enhanced to adopt a leading edge industry position (to be published by the end of July 2015).	GAR has built upon the previous FCP with a new enhanced Social and Environmental Policy which is now operational. A more high profile public launch is pending.
3	All development/planting must be in line with this new and enhanced FCP.	GAR will ensure all development / planting is in line with GAR’s new Social and Environmental Policy.
4	Engage key stakeholders to discuss the establishment of a conservation and restoration initiative to address legacy issues.	GAR is exploring options for a funding mechanism to address legacy issues. Pending details on its scope, structure and projects, GAR is focused on cross-industry initiatives to support such conservation and restoration initiatives. Discussions have been held with TFT and other stakeholders and are continuing.
5	Continue KADIN/IPOP communications/engagement (along with other related institutions) to support advocacy for a pro-conservation regulatory environment.	GAR continues to participate in communication with various stakeholders to support advocacy for a pro-conservation regulatory environment.
6	Work with TFT to ensure all third party suppliers are brought into line with the requirements of the enhanced FCP and that a process is in place to address non-compliant suppliers which is strongly adhered to.	GAR continues to work closely with TFT to ensure full traceability to mills by the end of December 2015 and progress to date is available on GAR’s online dashboard. A grievance mechanism, as well as up to date information on GAR’s engagement with non-compliant suppliers are also available on the dashboard.



7	Take part in a pilot assessment for TFT's Grassroots Initiative, thereby supporting the building of capacity in Indonesian civil society to monitor company's impacts on the physical and social environment.	GAR has confirmed it will support TFT's Grassroots Initiative.
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No	Operational Conditions	GAR's Progress
1	Conservation Maps are reviewed for all PTs to agree areas for active conservation.	Indicative HCS areas have been finalized, and the final conservation maps are pending inputs from participatory mapping, HCV (High Conservation Value) assessment, and the final phase of the HCS (High Carbon Stock) decision tree in consultation with other stakeholders. Conservation maps will be completed for seven of the 18 PTs by the end of December 2015. One of the seven maps will be final, and six of the seven will be indicative. A final conservation map for one of the companies will be delayed as the communities have requested GAR to fulfil its plasma commitment prior to conservation. To come up with the final conservation map, GAR will follow the operational guidance that has been developed together with TFT where conservation together with the community remains the highest priority.
2	Progress to close the gaps from the TFT Risk Assessments and Due Diligence work plans and Corrective Action Requests (CARs).	GAR's goal is to close out 79% of gaps from 12 PTs by the end of December 2015. As per a desk review TFT conducted in July 2015 and a field verification in August to September 2015, GAR had closed out 67% of the gaps (versus 62% in August 2015) and PT. CNG, BNM, and AKPL have all reached the December target. Further monitoring will be conducted.
3	Restoration for HCS breaches and riparian zones.	Phase 1 of work by advisors MEC, a social and biophysical baseline study, has been completed and a final presentation on results is awaited.
4	Forest Peoples Programme (FPP)/ Roundtable on Sustainable Palm Oil (RSPO) issues are being addressed.	GAR is still in on-going discussion with RSPO and FPP. An Initial FPIC (Free, Prior & Informed Consent) consultation meeting was conducted in September in PT KPC and plasma consultation meetings were conducted in September in both PT KPC and PIP. FPP participated as an observer of the

		<p>FPIC consultation in Mantan village (PT. KPC). A Stop Work Order for plasma planting has been lifted by the RSPO to enable GAR to fulfil its plasma commitment to the community.</p>
5	<p>No breaches in conservation areas by GAR based on indicative conservation maps.</p>	<p>GAR continues to uphold the GAR's new Social and Environmental Policy including no clearance in conservation areas by GAR.</p>