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<b>LAND ACQUISITION</b>			

## A. OBJECTIVE

This SOP is prepared and established as a standard procedure used to ensure that decisions, steps, or actions in the process of land acquisition for the benefit of the oil palm plantation industry are carried out correctly in accordance with applicable laws and regulations, and meet the ISPO principles and criteria, HCVF and FPIC especially for land related to community interests and ulayat/adat land.

## B. SCOPE

This procedure applies throughout AEP operations.

## C. DEFINISI

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## D. PROCEDURE

The acquired land is land which administratively has been handed over by the previous owner of land rights to the company. And before the implementation of land acquisition, special steps are taken, such as:

### 1. Information about land acquisition plans must be submitted.

The company must give accurate, correct, and transparent information about the land acquisition strategy to be carried out through presentations and/or socialization forums, where:

- 1.1. Information on the land acquisition plan is conveyed to relevant parties including the Regional Government, Community Social Institutions, Customary Institutions and related customary law community leaders.
- 1.2. Presentation and/or socialization of the land acquisition plan to be developed is carried out :
  - ✓ At the right place and time, and using understandable language.
  - ✓ The information submitted includes land acquisition plans, land acquisition procedures, forms of compensation provided, and delivered in a short, clear and precise manner and by using language that is easy to understand, either in written or oral form.


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## 2. Inventory and Field Research.

- 2.1. Conducting an inventory and identification of the location of the land to be acquired by means of special coordination with Indigenous community leaders/Village Community Leaders, as well as with the Dusun/Village/Sub-district Government.
- 2.2. Ensure that the land is within the scope of the area/land as referred to in the land acquisition document.
- 2.3. Ensure that the land to be acquired is a series of interconnected and/or uninterrupted locations of land or materials, as well as that land boundaries are clear, by referring to the mixed map created during the land handover process and carried out with the participation of all necessary parties.

## 3. Agricultural Legal & Administrative Aspects.

- 3.1. Re-examine the legality documents/administrative documents of land transfer, as well as conduct field evidence with the appropriate parties, to confirm the location of the land to be acquired, where the documents comprise, among other things :
  - a. Proof of Land/Land Ownership, and/or Statement Letter of Release of Land/Land Rights that are known by the Dusun head, Village Head, Customary Chief and Camat.
  - b. Memorandum/Letter of agreement/deliberation for consensus between the company and the owner/controller of land rights.
  - c. Memorandum/Letter of Handover of Land either for land with Ulayat (Collective) status from the owner and ruler of ulayat land to the company (Investor) either directly or through the Government of the Republic of Indonesia c/q the Regent of the Head of the Region where the land is located.
- 3.2. Reviewing the agreement document between the land owner and the company regarding:
  - a. Compensation price for land and plant compensation.
  - b. The composition of the use or use of land for the Plasma nucleus partnership plantation pattern as stipulated in the Decree of the Regent concerning Plantation Business Location Permits.
4. Researching Field Facts on Land to be Acquired.
  - 4.1. Guide the Pre-Survey Report on Reserved Land approved by the Regional Government Technical Agency Service, which describes the origin of the land, land suitability and other data related to the status of land rights and the potential feasibility of land.
  - 4.2. Guide the Map of the measurement results of the land to be acquired as referred to in the land acquisition document.
  - 4.3. Ensure agreement on land boundaries between sub-districts, between villages or between hamlets within the plantation business location permit area as determined by the government.
  - 4.4. Not acquiring land in a Forest Area, a High Conservation Value Forest (HCVF), or a Watershed that meets with the provisions of the status of Forest Area, HCVF, or Watershed (DAS).
5. Provision of Compensation and/or Payment of Land Compensation.
  - 5.1. The Company's land acquisition procedure involves offering and/or paying a form of compensation to parties who have previously had land rights, such as the worth of the land,


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the value of growing plantings on the land to be acquired, or the replacement of land clearing costs, where:

- a. Compensation from the company to the customary law community or village (if the land is customary land or village land) where the compensation fund or compensation fund is prioritized for social interests or the construction of village facilities and infrastructure according to the agreed agreement.
  - b. Provision of compensation for growing planting for lands cultivated by farmer groups or individual residents.
- 5.2.** Compensation is only made on the area/land used for the purposes of :
- a. The company's nucleus estate is located within the area as referred to in the location permit, which in accordance with the applicable laws and regulations is processed into the status of Hak Guna Usaha (HGU) and/or with land with the status of Hak Guna Bangunan (HGB) on behalf of the company.
  - b. The main road to the plantation business location, either inside the location permit area or outside the location permit.
  - c. Land for the benefit of the company's operational facilities, whether in the area within the location permit area or outside the location permit.
- 5.3.** Payment of Compensation/Indemnity from the company to the parties entitled to the land handed over for the plantation development program is regulated by the following policies:
- a. Compensation from the company to the Customary Law Community or Village (if the land is customary land or village land) where the compensation funds or compensation funds are prioritized for social interests or the construction of village facilities and infrastructure according to the agreement stipulated for that.
  - b. Provision of compensation for growing plantings for land cultivated by farmer groups or individual residents and for land acquired by the company with a compensation system or payment of compensation for growing planting will be used as the company's core plantation land.
  - c. Compensation is made for and for the land as well as for growing crops or in the form of compensation for costs for the land clearing process that has been carried out by the previous land owner.

#### **E. K3 AND ENVIRONMENTAL PROVISIONS.**

- The implementation of land acquisition for plantation business land must be carried out by considering environmental management aspects where land that is included in the forest area category and contains elements as referred to in the ISPO and HCVF principles and criteria is not included in the acquired land, even though the land is in a reserved area/ the location permit for the plantation business, as well as the process carried out must always consider the interests of the socio-cultural aspects of the local community.
- Land acquisition activities that do not adhere to the principles of good and proper environmental management, as well as the OHS management system, must be stopped.

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- The implementation of land acquisition must take into account aspects of environmental order and security, so that the location of the land intended for plantation business does not cause chaos or disruption of environmental order and security, both within the Company's internal environment and outside it.

## F. REFERENCE

- ISPO Principles and Criteria
- UU Nomor 5 Tahun 1960 tentang Peraturan Dasar Pokok-pokok Agraria (Lembaran Negara RI Tahun 1960 No.104, tambahan Lembaran Negara No. 2043)
- UU No. 24 tahun 1992 tentang Penataan Ruang (Lembaran Negara RI Tahun 1992 No. 115 tambahan Lembaran Negara No. 3501)
- Keputusan Presiden RI No. 34 Tahun 2003 tentang Kebijakan Nasional di Bidang Pertanahan
- Peraturan Menteri Negara Agraria/Kepala Badan Pertanahan Nasional tentang Tata Cara memperoleh ijin Lokasi dan Hak atas Tanah bagi perusahaan dalam rangka Penanaman Modal