



Royal Lestari Utama  
Natural Rubber

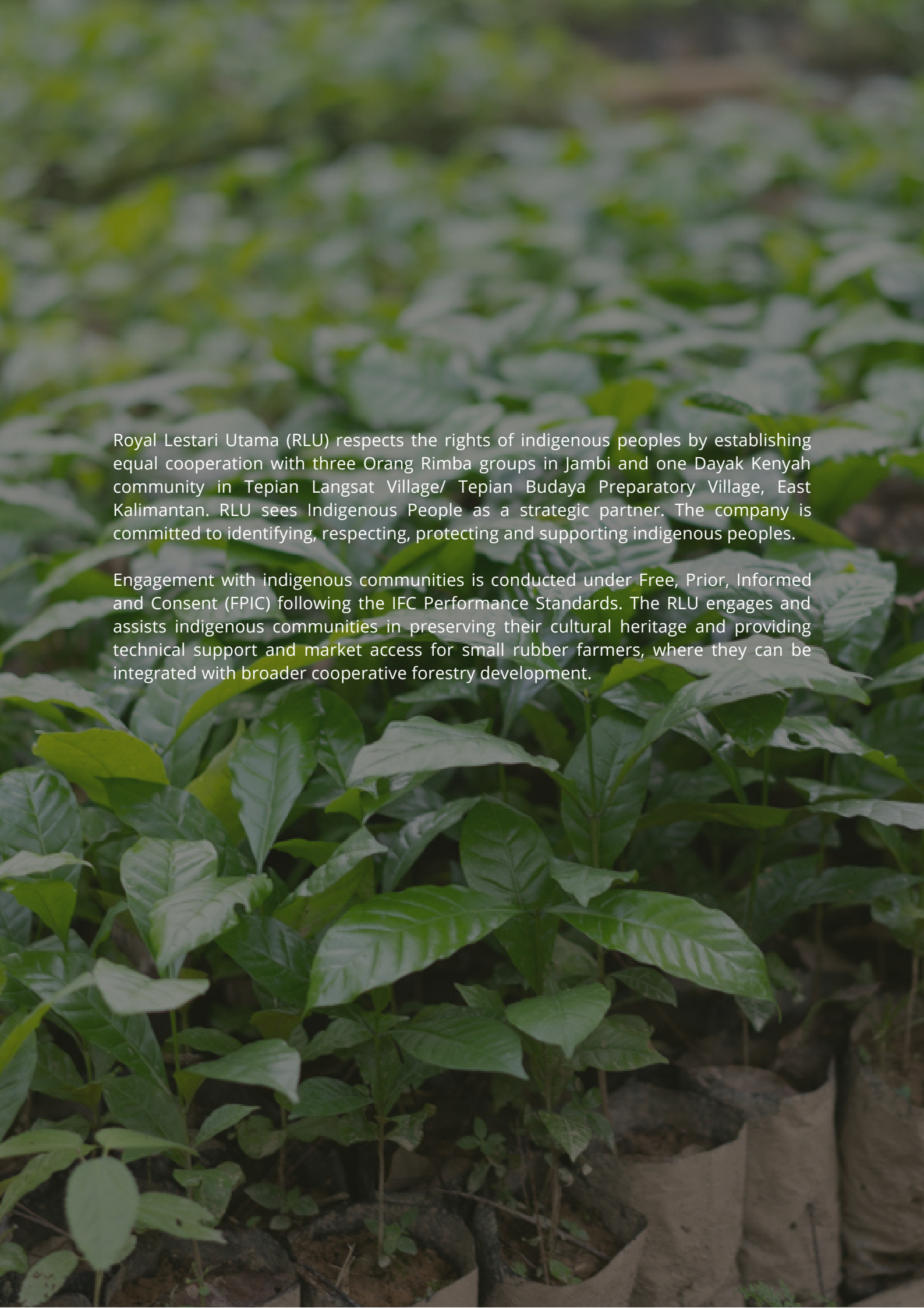
# INDIGENOUS PEOPLE ENGAGEMENT FRAMEWORK AND 2022 MILESTONE



Lestari Asli Jaya  
Pembibitan Tanaman Kehidupan  
Orang Rimba

---

Nama Lokal : Pinang  
Species : Areca Catechu

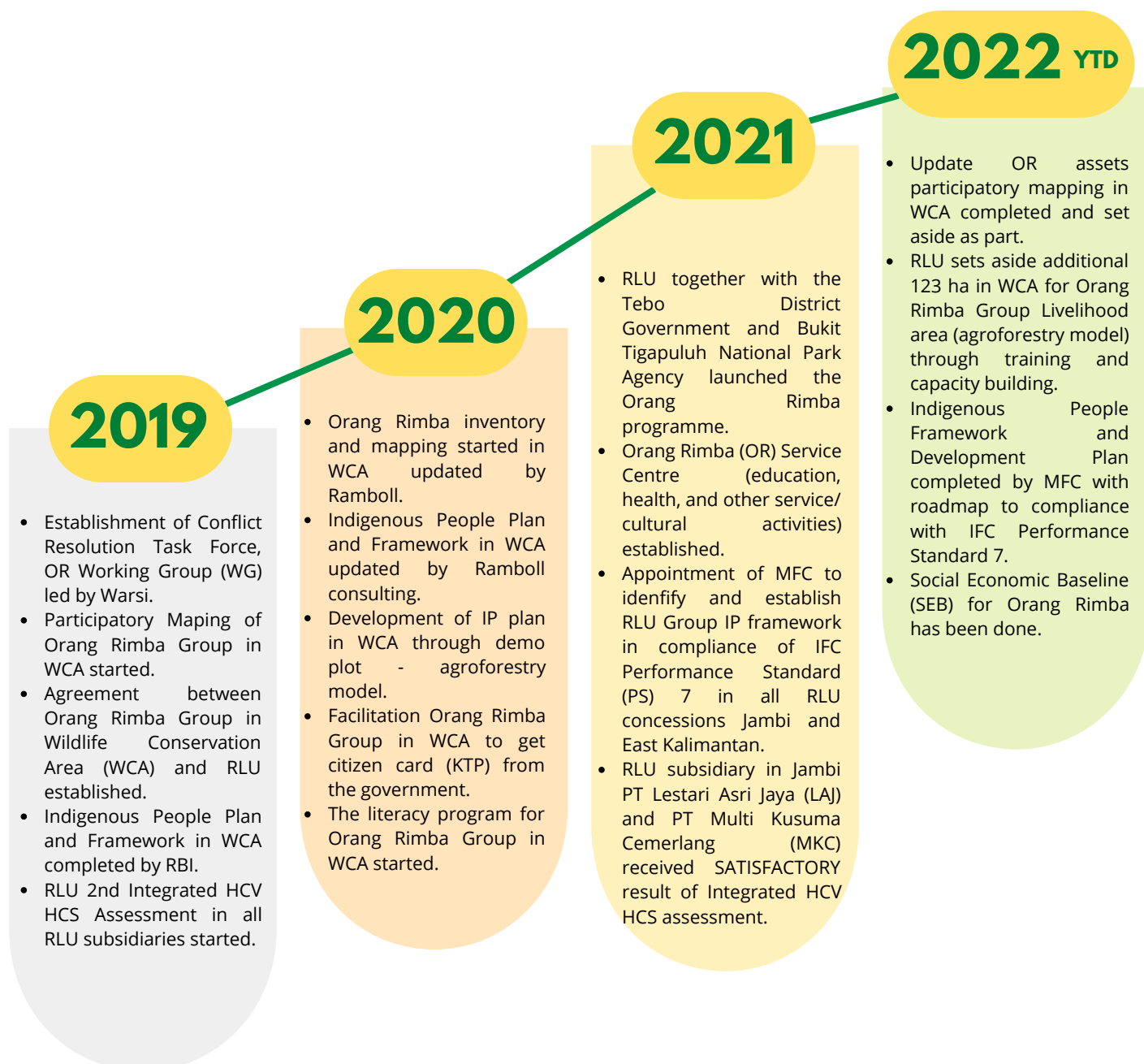


Royal Lestari Utama (RLU) respects the rights of indigenous peoples by establishing equal cooperation with three Orang Rimba groups in Jambi and one Dayak Kenyah community in Tepian Langsung Village/ Tepian Budaya Preparatory Village, East Kalimantan. RLU sees Indigenous People as a strategic partner. The company is committed to identifying, respecting, protecting and supporting indigenous peoples.

Engagement with indigenous communities is conducted under Free, Prior, Informed and Consent (FPIC) following the IFC Performance Standards. The RLU engages and assists indigenous communities in preserving their cultural heritage and providing technical support and market access for small rubber farmers, where they can be integrated with broader cooperative forestry development.



# Roadmap of Indigenous People Development Plan and Framework



RLU focuses on the continuous improvement, in this regards the key documents and system related to RLU Indigenous People Framework has been strengthened:

- Indigenous People Framework and Plan in WCA by Rimba Bungaron Indonesia (RBI), 2019
- Indigenous People Framework and Plan in WCA and roadmap for the complete IP plan by Ramboll consulting, 2020
- Version Indigenous People Framework, Plan and Roadmap to meet compliance of IFC PS 7 RLU Group by MFC, 2022
- Social Economic Baseline by CSRA +, 2022

# Social Impact Assessment (SIA): Indigenous People Assessments

A desktop indicative assessment based on available data is undertaken by MFC in 2021- 2022 in response to the requirements set within IFC's Performance Standard (PS) 7. Thoroughly identifying impacts on all indigenous peoples (IP) communities constitutes the necessary first step towards designing strategies and plans to avoid or mitigate adverse impacts as well as reinforce positive impacts.

The main objectives of this indicative SIA are:

- To systematically identify actual or potential impacts of PT RLU's operations on IP groups, based on information available.
- To flag the highest risks for negative impact, so that PT RLU can adopt a precautionary approach and decide on the best course of action (avoidance or mitigation) while implementing the Roadmap towards compliance with IFC PS 7.
- To achieve compliance over time, building on the strengths while progressively closing the gaps.
- Cover one geographical area at a time:
  1. Wildlife Conservation Area, PT LAJ.
  2. Rest of PT LAJ and PT WMW; including the Project Area of Influence which would include IPs outside of the RLU concessions.
  3. PT MKC.
- To identify resources needed to undertake this initiative.

The IFC Performance Standards describe an IP collective as “a distinct social and cultural group possessing the following characteristics in varying degrees:

- Self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- Collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories;
- Customary cultural, economic, social, or political institutions that are separate from those of mainstream society or culture; or
- A distinct language or dialect, often different from the official language or languages of the country or region in which they reside.





# Indigenous People Profile in RLU

The Indicative ESIA will be periodically updated by PT RLU with present-day IP and impact data, as it becomes available through the implementation of the Roadmap towards compliance with PS 7. The end goal is to have a complete and confirmed ESIA document, based on which PT RLU can engage each IP group to:

- Transparently disclose impacts; and
- Discuss how to design best-suited Indigenous Peoples (Development) Plans. The development of IP(D)Ps shall follow an FPIC approach as detailed in the Roadmap towards compliance with PS 7. The process must ensure that the IP groups feel ownership of the IP(D)Ps.

In Jambi, RLU has already planned/implemented several initiatives to support some of the Orang Rimba groups. These include health programs, education programs, livelihood strengthening programs, and programs to raise awareness on sustainable natural resources management. RLU is also seeking to integrate several Orang Rimba groups in the various WCA management activities through programs to build capacity on forest fire prevention, joint patrols for monitoring and protecting areas from new land claims and elephant damage, planting of indigenous tree species, management of human-elephant conflict, and bee cultivation to establish an elephant bee fence. In addition to these, RLU has facilitated the issuance of Personal Identification Card (E-KTP) for some Orang Rimba, as well as created employment opportunities through direct employment.

In order to support the Orang Rimba groups, prior to the implementation of these programs the company will ensure:

- Relevance to the identified impacts.
- Culturally appropriate, aligned and be driven by the Orang Rimba's aspirations for the future. This also applies to the IP(D)Ps that might be put in place for the Talang Mamak and East Kalimantan groups based on the impacts to be identified.

As part of its recognition and respect to Indigenous People rights as has been outlined in the Sustainability Policy and commitment to IFC PS RLU when conducting operational activities will avoid any risks and or action that involve IPs resettlement, displacement, destruction of cultural heritage sites, and further clearing of forested areas still actively used by the IP groups for livelihood purposes. The process will be conducted in accordance to the Free Prior Informed Consent (FPIC) principles as we understand also the importance of fair process of negotiations agreements reached between the IP groups and PT RLU.



## JAMBI

PT RLU has identified several Orang Rimba groups within and adjacent to PT LAJ/PT WMW's concession, and Talang Mamak group/s also in the vicinity of the company area.



## EAST KALIMANTAN

The home range of the Kutai Basap and potentially other groups is known to be in/around PT MKC, in East Kalimantan.



# Commitment and Engagement regarding the Indigenous People

RLU seeks to identify, respect, protect and support indigenous communities, both those that continue to follow traditional livelihood strategies and those in transition adopting some aspects of modern culture. RLU play a constructive role in engage the Indigenous People and helping Indigenous People livelihoods that allow them to retain their cultural heritage. RLU's main role will be based in providing technical support and market access for smallholder rubber agro-forestry production, integrated with the wider forestry partnership development. RLU commitment regarding respecting and engagement with the Indigenous People described in RLU [Sustainability Policy](#). Fully implementing those principles in the field presents a number of challenges and will require innovation, support and time.

To drive continuous progress across its operations, RLU will:

- Develop its own action plan;
- Engage with relevant stakeholders and partners to innovate and overcome the challenges that will arise along the implementation journey;
- Provide transparency of its operation and appointing an independent third party to annually verify that the policy commitments.

As part of the realization plan of the Sustainability Policy in particular related the Indigenous People engagement topic. The progress against Indigenous People Framework and Development Plan will be audited in the Environment Social Governance (ESG) audit performed in annual basis by Independent ESG Auditor.

## Key Principles of Indigenous People Engagement

RLU set Guiding Principles in building Indigenous People engagement and development program:

1. Conduct identification of Indigenous People Group within and surround its concessions.
2. Recognize and respect the rights of Indigenous People.
3. Build respectful relationship with Indigenous People and to effectively apply the principles of Free Prior Informed Consent (FPIC).
4. Engage in prior and in meaningful consultation with Indigenous People about RLU projects and activities through processes that seek to achieve early engagement based on the prior disclosure based on accessible information using relevant local language in a timeframe that enabling their critical role and inputs being considered.
5. Facilitate access to resources for the food security and livelihood.
6. To pay attention of the challenges faced by Indigenous People women and girls and to promote their participation in tackling these challenges.
7. Committed to empower the Indigenous People including the Indigenous People women group through facilitation of health and education access, capacity building and technical expertise and livelihood improvement.
8. Implement an accessible Grievance Mechanism.
9. Committed to free from any forms of harassment, coercion, discrimination and intimidations.
10. Identification and protection of Indigenous People cultural heritage.



This is a shared responsibility of all RLU's management units and employees in all of its concessions and we will conduct business in a manner that reflects the above principles. RLU also has allocated its resources to ensure the above principles are taken into account and also develop a framework and specific workplan to different Indigenous People group.



*Indigenous People Center*



*Literacy and numeracy teaching program for Orang Rimba children*



*Agroforestry area and nursery centre*





*Provision of basic needs for Orang Rimba*



*Regular health check activity*



*One of agroforestry training - dragon blood cultivation training*



*Human-Wildlife Conflict Mitigation training*





# Grievance Mechanism

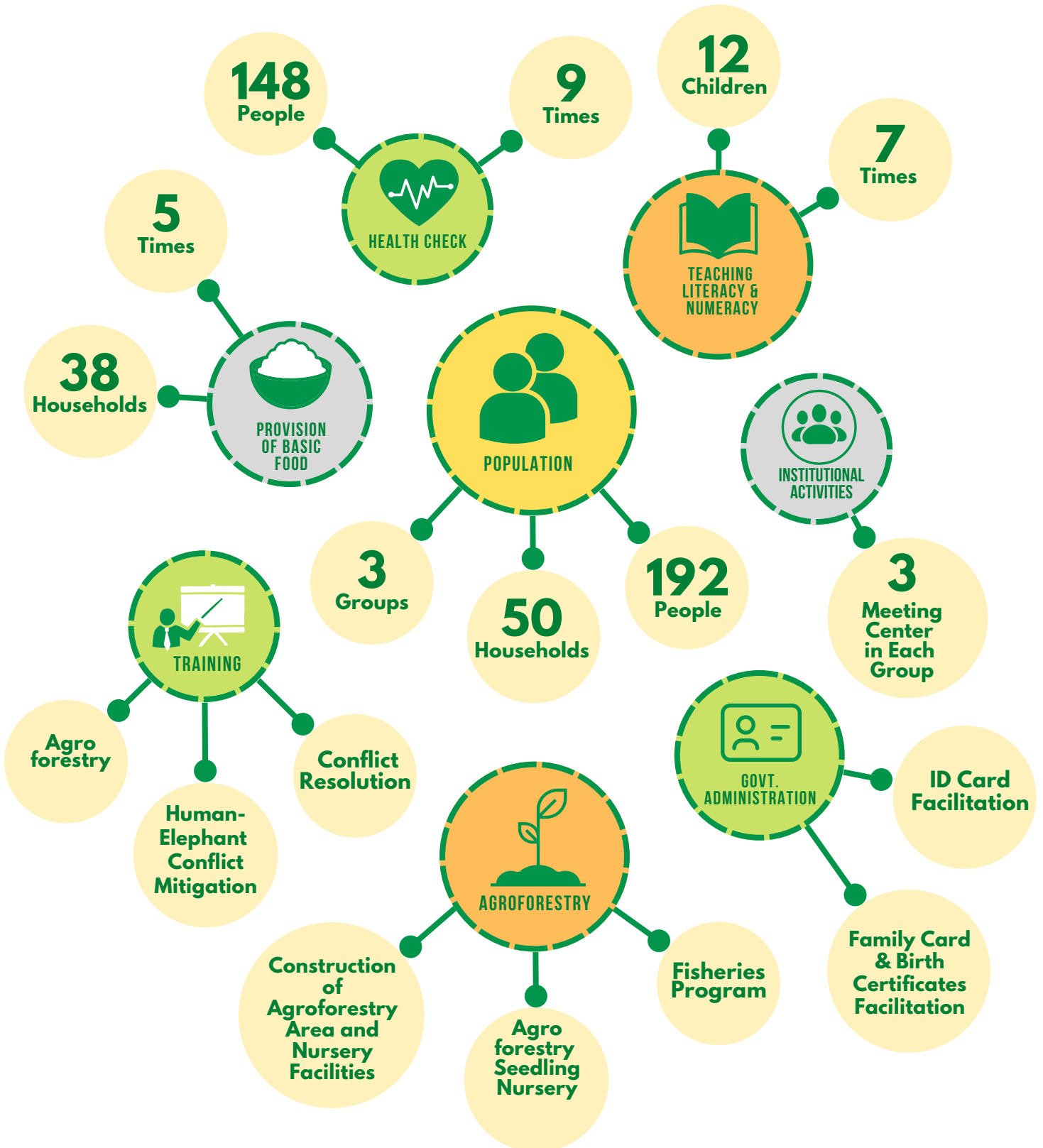
RLU has established Grievance Mechanism procedure to ensure that relevant stakeholders including the Indigenous People can raise their complaints related to the project and as way to find responsible solutions in immediate basis for any grievances that may arise. The grievance mechanism is utilized as last resort. It is in best efforts for any differences to be settled by customary negotiation and consensus reached in alignment with the local wisdom. Necessary elements of grievance include:

- Company recognize and respect the rights of Indigenous People and vulnerable groups as integral part element of communities.
- The engagement with Indigenous people should be aligned with the local wisdom and using language and/or illustration that can be understood by the Indigenous People.
- Grievances can be lodged into several ways such as: directly through face to face meeting, email/letter or facilitated by third party
- When the resolution is could not meet the grievance will be escalated to the independent mediators that is accepted by both parties using alternative dispute resolution (ADR) approach.

## Process for Community Grievance Submission



# Indigenous People Impact Result YTD 2022



\*The key result are being tracked and reported in RLU ESG Report and RLU Sustainability Report in annual basis by an Independent Auditor more about it please visit our [Sustainability Report](#).





Royal Lestari Utama  
Natural Rubber

RLU INDIGENOUS PEOPLE ENGAGEMENT FRAMEWORK AND 2022 MILESTONE