

# PT Permata Sawit Mandiri

## OWNER

Ikhsanudin (individual)

## LOCATION

Nanga Tayap/Sandai, Ketapang

## SIZE

16,680 ha

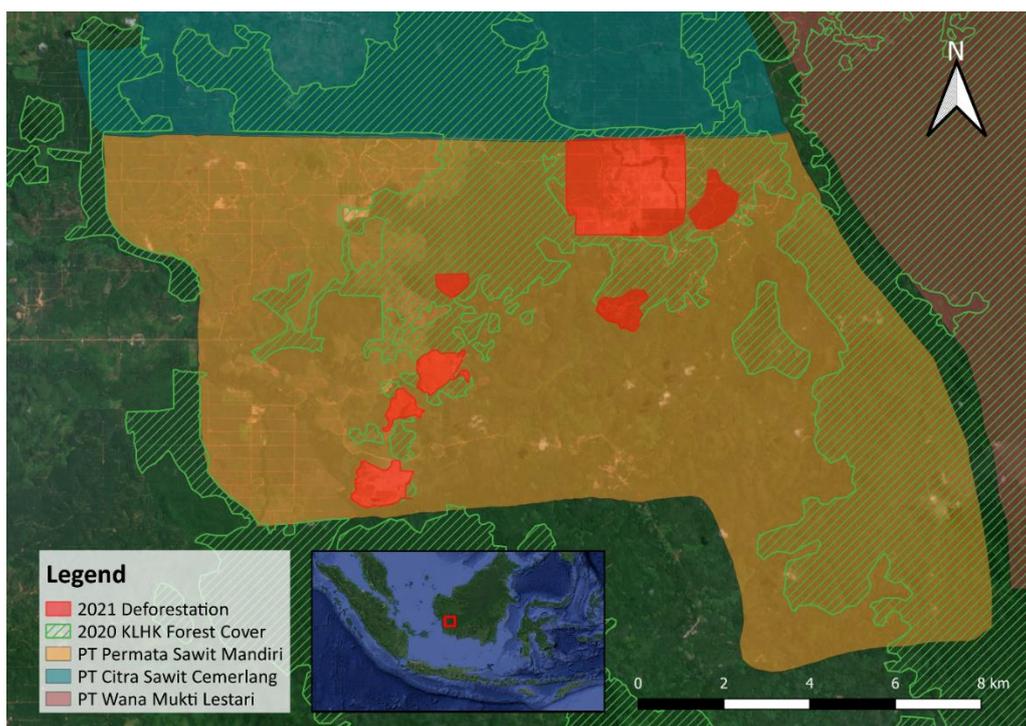
## CONCESSION LANDSCAPE

PT Permata Sawit Mandiri is a 16,680 ha oil palm concession owned by an individual named Ikhsanudin. It shares a border with another oil palm concession, the 14,800 ha PT Citra Sawit Cemerlang, [owned](#) by Genting Plantation Group. It is located adjacent to the 40,482 ha logging concession PT Wana Mukti Lestari, which is owned by two individuals, Aswan Wiyono and Ellen Wiyono.

## CONCESSION HISTORY

PT Permata Sawit Mandiri was operated by the Malaysian palm oil company Genting Plantations Berhad. Genting Plantation have a No Deforestation, No Peat, No Exploitation (NDPE) policy, and as such couldn't develop the entire concession without facing sanction from their buyers with NDPE sourcing policies. During discussions with civil society representatives and NGOs, Genting Plantation proposed dividing the concession between 2,000 ha for plasma smallholders, 5,000 ha for conservation, and 8,000 ha for oil palm trees. This proposal would have required the clearing of some areas of HCS forest, which would inevitably trigger supply chain suspensions. Should the company not clear any such forest, then there would be too little plantable land bank for the concession to be viable. Genting Plantations ultimately decided to sell its stake in PT Permata Sawit Mandiri.

In January 2017, Genting Plantations sold 95% equity interest to PT Suryaborneo Mandiri, a subsidiary of the company Bintang Harapan Desa. Soon after the sale, land clearing on PT Permata Sawit Mandiri began. From the 6th June to the 24th of July 2017, PT Permata Sawit Mandiri cleared some 60 ha of forest, probably to establish a nursery. Several NDPE traders/refiners engaged the company during this time, to try and stop further land clearing. In September 2017, Bintang Harapan Desa sold its shares in PT Permata Sawit Mandiri to PT Mulia Agro Investama and indicated to NDPE buyers that it was no longer associated with the concession. However, PT Mulia Agro Investama's beneficial owner is Kurni Samsudin, a former director and then current employee of Bintang Harapan Desa. It is likely that this was an example of a company transferring ownership of a concession to hide it from NDPE buyers. It's a method that is sometimes referred to '[shadow companies](#)'



**Figure 1:** PT Permata Sawit Mandiri and the surrounding landscape. In 2021 alone, 651 ha of forested orangutan habitat has been destroyed.

In November 2018, PT Permata Sawit Mandiri was sold again to an individual known only as Ikhsanudin. Little is known about Ikhsanudin except that his registered address is in Ketapang, West Kalimantan. Land clearing on PT Permata Sawit Mandiri has [continued](#), and it is consistently among the largest deforesters in Indonesia. As PT PSM now operates outside of the NDPE market, attempts by conservationists and the private sector to pressure the concession to stop deforestation have not been successful.

PT Permata Sawit Mandiri is already producing fresh fruit bunches. However, there is little information about who is buying PT Permata Sawit Mandiri’s products. In early 2022, the Indonesian palm oil company Goodhope confirmed that it used to buy fresh fruit bunches from PT Permata Sawit Mandiri, but suspended purchases on January 27, 2022, with immediate effect.

### LAND-USE CHANGE

PT Permata Sawit Mandiri contains 5,487 ha of secondary dryland forest, of which 5,032 ha is determined to be orangutan habitat. Between the introduction of Perda no. 6 2018 and 2022, there has been 3,064 ha of deforestation within this concession. Between January 2021 and April 2022 alone, there has been deforestation amounting to 1,040 ha within PT Permata Sawit Mandiri, of which 651 ha was orangutan habitat. It appears the company are actively clearing and according to their non-certified [High Conservation Value \(HCV\) assessment](#), only a small amount of forest is expected to remain untouched, on the eastern side of the concession.

Concession Area	IUP Area*	Forest Cover 2014	Forest Cover 2018	Forest Cover 2022	Peatland within concession	Number of fire alerts 2015-2021
16,680 ha	15,823 ha*	10,172 ha	9,578 ha	6,514 ha	0 ha	161

\*Izin Usaha Perkebunan/Plantation Business Permit



Figure 2: Approximately 3,200 ha of clearing within PT Permata Sawit Mandiri between 2016 and 2020. PT Permata Sawit Mandiri was acquired by Ikhsanudin in February 2017.

Vegetated Area (ha) According to Indonesia's MoEF* 2009-2020										
2006	2009	2011	2012	2013	2014	2015	2016	2017	2018	2020
13.106	12.390	12.390	12.390	12.016	11.998	11.998	11.996	11.886	11.861	8.281

\* Ministry of Environment and Forestry

### SUSTAINABILITY CHALLENGES

Genting Plantations conducted an HCV assessment and Social Environmental Impact Assessment (SEIA) in March 2014. Only a summary of their [HCV report](#) can be found online. The HCV assessment conducted by Genting Plantations states that the forest within PT Permata Sawit Mandiri is all secondary forest that has been turned into rubber plantations. It does identify HCV areas, but only amounting to [1,455 ha](#) for the whole concession. However, whilst conducting monitoring of Wilmar's NDPE policy implementation in 2014, the NGO Greenomics questioned the accuracy of PT Permata Sawit Mandiri's HCV assessment. Using forest cover data from the Indonesian Ministry of Forestry and Environment and orangutan distribution maps from the IUCN, Greenomics demonstrated that 7,706 ha of PT Permata Sawit Mandiri was classified as High Carbon Stock secondary forest and that most of this was also orangutan habitat. According to the 2017 Orangutan Population, Habitat and Viability Assessment ([PHVA](#)) there are between 25-30 orangutans within the boundaries of PT Permata Sawit Mandiri. This is supported by our own analysis in 2022, which determines that there is still 5,032 ha of forested orangutan habitat within PT Permata Sawit Mandiri. We have geo-referenced this HCV assessment and overlaid it with our own data to demonstrate the discrepancies between the two assessments (Figure 4).

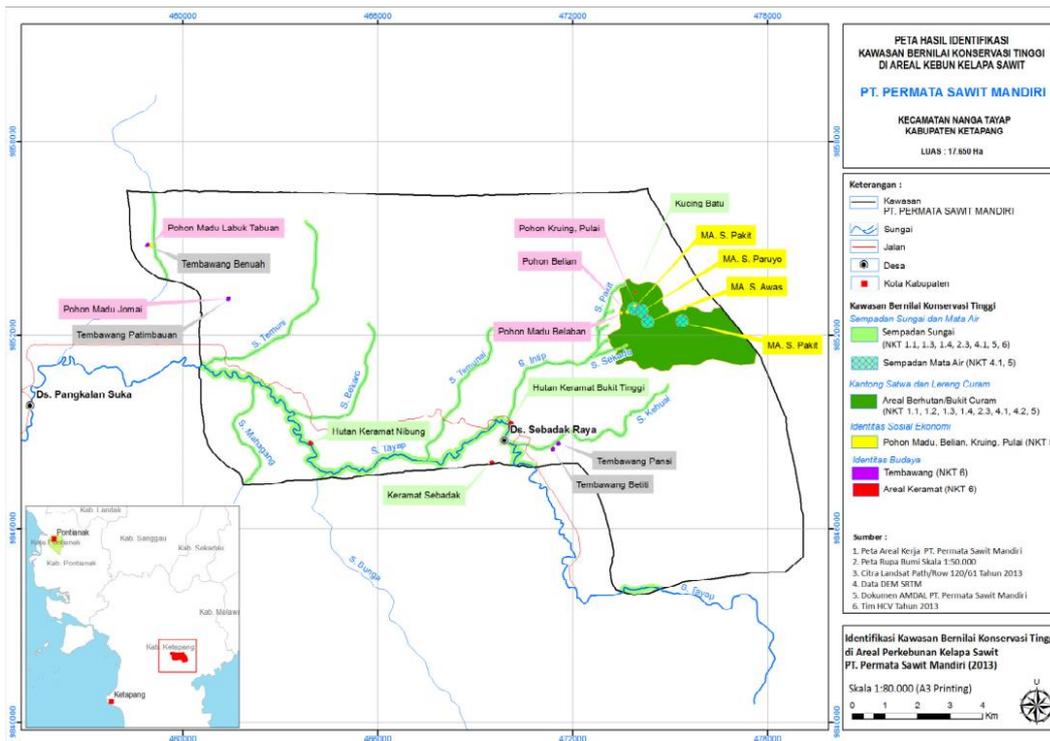
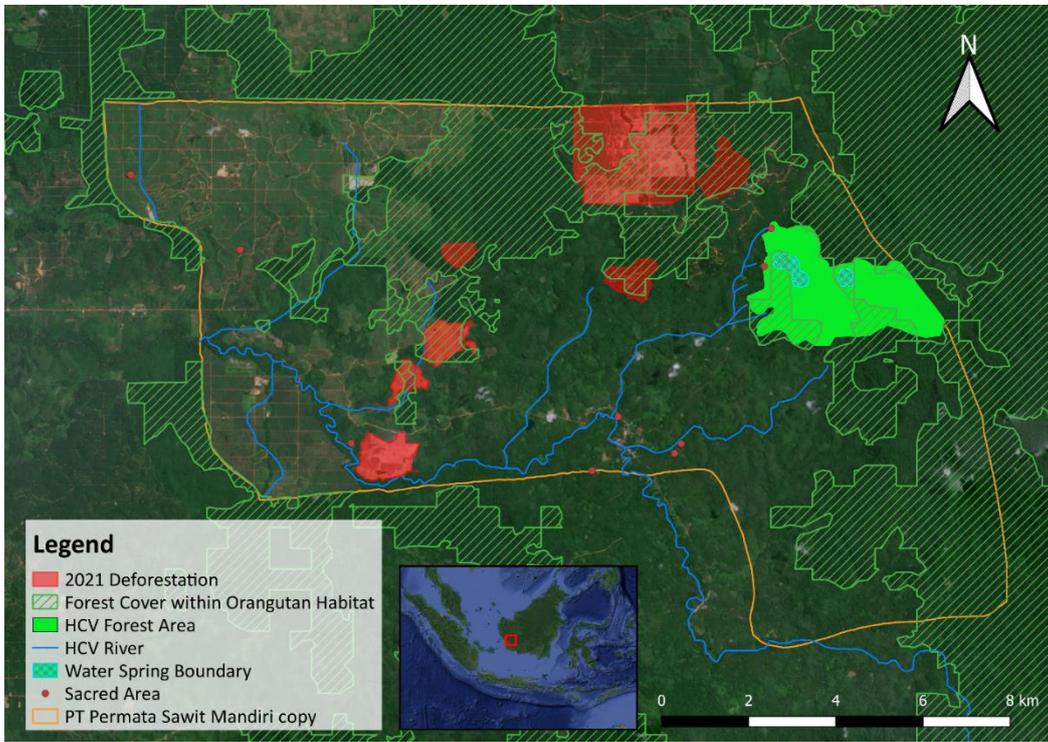


Figure 3: Area indicated in green is the HCV forest within this concession as assessed in 2014 as part of their HCV assessment.



**Figure 4:** AidEnvironment’s analysis in 2022. Eight years after the initial HCV assessment, there is still 5,032 ha of forested orangutan habitat remaining within the concession. This was not considered to be HCV forest in the initial assessment.