



Mr. Lim Hariyanto Wijaya Sarwono
Ultimate beneficiary of the Harita Group

Mr. Lim Gunawan Hariyanto
CEO of the Harita Group and Executive Chairman and Chief Executive of Bumitama Agri Limited.

February 16th, 2023

Re: Harita Group's response regards with its timber logging operations of PT. Rodamas Tbr Kalimantan (RTK) and PT. Kemakmuran Berkah Timber (KBT).

Dear Mr. Lim Hariyanto Wijaya Sarwono and Mr. Lim Gunawan Hariyanto,

Thank you for providing a response to Rainforest Action Network's 'Opportunity to comment letter regarding the Harita Group's failure to respect the rights of the Long Isun community to say no to development on their customary lands.' We have endeavored to reflect relevant comments received in our published materials. RAN has published a report titled "*Keep Forests Standing: How community resistance is saving the last rainforests of Borneo*"¹ which presents evidence, including testimonials, which demonstrate that the Harita Group has failed to respect the objection of the Indigenous Dayak Bahau of Long Isun (the Long Isun community) to proposed logging operations of PT. Kemakmuran Berkah Timber (PT. KBT) and PT. Roda Mas Tbr Kalimantan (PT. RMTK) on their customary lands in the Mahakam Ulu district, in East Kalimantan, Indonesia.

Our review of the response received indicates that Mr. Lim Hariyanto Wijaya Sarwono—the ultimate beneficiary of the group—and PT. Kemakmuran Berkah Timber (PT. KBT) and PT. Roda Mas Tbr Kalimantan (PT. RMTK) have not committed to permanently cancel proposed logging operations and excise the customary lands of the Long Isun community from their concessions. If this is not the case, we respectfully request that the Harita Group communicates this decision to the Mahakam Ulu district government and the Long Isun community, through their chosen representatives and customary proceedings.

The decisions made by the Forest Stewardship Council (FSC), in relation to complaints raised, show inadequacies in the Harita Group's policies and procedures for ensuring respect for Indigenous Rights and the rights of Indigenous and traditional communities to object to development on their customary lands.² Two relevant decisions are:

- In 2017, the FSC revoked PT. KBT's Responsible Forest Management certificate over the land conflict in Long Isun, confirming violations against its standards.³

¹ Rainforest Action Network. [Keep Forests Standing: How community resistance is saving the last rainforests of Borneo](#). February 2023.

² Forest Stewardship Council. [Roda Mas of the Harita Group](#). Forest Stewardship Council.

³ Forests People Programme. "[FSC to investigate renewed complaints of human rights violations by Roda Mas Group](#)". Forests People Programme June 2020

- On February 7th, 2023, the FSC announced that it will not pursue an alternative dispute resolution process with the Harita Group after its corporate group member and FSC certificate holder, PT. RMTK, self-terminated their FSC certificate.⁴

The termination of PT. KBT's certificate was based on an independent assessment that determined that the mapping process was not participative. The assessment found "at the time the 2014 operations were implemented the FME knew that Long Isun was claiming customary use rights on the contested area, therefore, they were required to get FPIC from Long Isun prior to initiating the operation".⁵ Statements from Mr. Wayan Sujana, a Roda Mas Group representative, which deny existence of Indigenous Peoples in the concession area, also demonstrate that Roda Mas did not enter mediations in good faith. The Assurance Services International (ASI) assessment conducted in 2022 also found systemic problems in PT. RMTK's operations, which resulted in PT. RMTK's certification body suspending their FSC certification.⁶

We invite the Harita Group to provide evidence of the consultations referred to in its statement regarding '*numerous rounds of consultations with wide stakeholders audience, working with contracted indigenous community experts, to ensure that all local concerns are identified and addressed before any development is done.*', including the details of the indigenous community expert and their findings.

Our report outlines inadequacies in the '*process of participatory delineation of village boundaries between the communities and the Long Pahangai sub-district and Kutai Barat district government, facilitated by The Nature Conservancy (TNC)*'. We invite the Harita Group to provide the letter, dated 4th August 2011, addressed to the Kutai Barat district, that your company claims states that the '*leaders of Long Isun handed over the process of determination of the village boundaries to the government and pledged to obey and comply with the decision*'. Once the letter is received, we will verify the content of the letter, and that signatures of community leaders have not been falsified. It is our understanding from statements issued since 2014 that the Indigenous chief and head of the Village Deliberation Agency did not sign the letter, the Long Isun community has consistently refuted the 2011 decree on the boundaries of the Long Pahangai sub-district No.136.146.3/K.917/2011, and continue to call for recognition of the boundary of their customary territory from the 1966 Boven Mahakam Agreement.

Our report states that PT. KBT ceased logging after the agreement was reached between PT. KBT, Naha Aruq, and Long Isun in 2018. Regarding the Harita Group's claim that it '*has changed its RKUPHHK work plans (2010-2019 & 2019-2028), removing any of the Long Isun community areas from it.*' As stated above, we are seeking confirmation that PT. KBT has agreed to permanently cancel proposed logging operations on the customary lands of the Long Isun community. During reviews of PT. RMTK's work plan⁷, there appears to be future plans for PT. RMTK to exploit its concession which overlaps Long Isun's lands, as early as 2024. We are seeking confirmation that PT. RMTK has agreed to permanently cancel proposed logging operations on the customary lands of the Long Isun community.

⁴ Forest Stewardship Council. FSC will not pursue alternative dispute resolution with Harita Group. Forest Stewardship Council. Feb 7th 2023

⁵ Rainforest Alliance, 2017.

⁶ Forest Stewardship Council. FSC will not pursue alternative dispute resolution with Harita Group. Forest Stewardship Council. Feb 7th 2023

⁷ RMTK's RKT work plan accessed at <https://web.archive.org/web/20220128231400/http://www.rodamastimber.co.id/>

Regarding the statement that the *'oil palm operations of Bumitama Agri Ltd. (BAL) are managed separately from the rest of the Harita Group, with its own team of professional managers.'* Our review of the corporate structures and governance of companies within the timber and palm oil divisions of the Harita Group, demonstrates these are under common control per the definition of 'corporate group' in the Accountability Framework initiative, and definitions recently adopted by the FSC.⁸ It remains our view that the Harita Group is controlled by the Lim family, with Mr. Lim Hariyanto Wijaya Sarwono, and his wife and children, as its ultimate beneficiaries. This view is supported by evidence showing that members of the Lim family sit on the board of both Roda Mas Group and Bumitama Agri Limited companies and occupy key management positions in both subgroups. We would welcome any evidence to the contrary should our assessment be incorrect.

Lastly, we encourage Bumitama Agri Limited and the Harita Group to revise all published policies to state that is fully adheres to the High Carbon Stock Approach⁹, including the HCSA social requirements, across all operations of the corporate group, and requires all suppliers to do the same. We will publish all responses received from the Harita Group on our website.¹⁰

Sincerely,



Ginger Cassady
Executive Director
Rainforest Action Network

⁸ Accountability Framework initiative. [Definitions](#). Accountability Framework initiative. Forest Stewardship Council. [FSC introduces a updated Policy for Association](#). Forest Stewardship Council

⁹ High Carbon Stock Approach. [High Carbon Stock Approach Toolkit](#).
High Carbon Stock Approach. [High Carbon Stock Approach Toolkit Social Requirements](#).

¹⁰ Responses from the Harita Group are published on <https://www.ran.org/publications/long-isun/>