

FOREST FRONTLINES

Royal Golden Eagle Group Receiving Billions in Sustainability Loans Despite Ongoing Links to Deforestation Across Its Business

July 2024

The Evidence: Deforestation in RGE's palm oil operations in Indonesia

Given the weakening of RGE Group and Asian Agri's published policies, RAN undertook satellite analysis of natural forest loss inside the palm oil concessions of Asian Agri from 2015-2023. It reveals that there has been persistent deforestation after the cut-off date of December 2015 stipulated in RGE's No Deforestation, No Peatland, No Exploitation (NDPE) policy. Over 1,475 hectares of forest was lost across the Asian Agri concessions from 2016-23.

Methodology

RAN commissioned an analysis which utilized Planet satellite imagery, forest loss data by Hansen *et al* Global Forest Change Dataset, the peatland map and land cover data from the Indonesian Ministry and Forestry (KLHK), GLAD Alerts and burned area data from MODIS -GFW and MODIS USGS NASA. The 2014 KLHK land cover map is used as a baseline to determine the forest area. RAN used an internal database on palm oil concessions which includes publicly available dataset on the boundaries of Asian Agri's concessions that were provided to the Roundtable on Sustainable Palm Oil (RSPO) and shown in Plantation Business Licence Permits (IUP) and location permits.

While 11 of 16 concessions saw no or minimal (<10ha) conversion from 2016, deforestation has persisted across five concessions in Jambi and Riau provinces. This means that total annual rates of deforestation across Asian Agri concessions and concessions of suppliers to Apical has, in fact, been *increasing* since 2019. **This demonstrates a persistent failure to implement its NDPE policy.**

In total, 448 ha natural forests were cleared in Asian Agri concessions after December 2020, which is the cut off day for the new European Union Deforestation Free Regulation (EUDR), which aims to prevent the import of commodities that resulted in deforestation, into the EU market. **As such, the documented clearance indicates likely non-compliance with EUDR, affecting market access for RGE palm oil products.**

December 2020 is also the deforestation cut-off date for FSC Full Forest Management certification. This deforestation across the RGE corporate group should prohibit the reassociation of RGE (through APRIL and Toba Pulp Lestari) with the FSC. Further evidence of deforestation by Toba Pulp Lestari can be found [here](#).

Deforestation in Asian Agri Palm Oil Concessions (2015-2023)

(Area rounded to the nearest whole number) white = Asian Agri Plantation / yellow = Apical supplier

Concession	Province	District	Deforestation (ha)												
			2015	2016	2017	2018	2019	2020	2021	2022	2023	2015-23	2016-23	2021-23	
PT DASA ANUGERAH SEJATI	Jambi	Tanjung Jabung Barat	0	0	0	0	0	0	0	0	0	20	20	20	20
PT GUNUNG MELAYU	Sumatera Utara	Asahan	0	0	0	0	0	0	0	0	0	0	0	0	0
PT INTI INDOSAWIT SUBUR	Jambi	Batanghari	73	45	47	25	20	41	105	100	81	536	463	286	
PT INTI INDOSAWIT SUBUR	Jambi	Tanjung Jabung Barat	0	0	0	0	0	0	0	0	6	6	6	6	
PT INTI INDOSAWIT SUBUR	Riau	Indragiri Hulu	0	0	0	0	0	0	0	0	0	0	0	0	
PT INTI INDOSAWIT SUBUR	Riau	Pelalawan	0	1	0	0	0	0	0	0	2	2	2	2	
PT INTI INDOSAWIT SUBUR	Riau	Siak	0	0	0	0	0	0	0	0	0	0	0	0	
PT MITRA UNGGUL PUSAKA	Riau	Pelalawan	7	46	38	79	24	20	12	29	49	303	296	90	
PT PUSAKAMEGAH BUMINUSANTARA	Riau	Pelalawan	0	0	0	0	0	0	0	0	0	0	0	0	
PT PUSAKAMEGAH BUMINUSANTARA	Riau	Siak	0	0	0	0	0	0	0	0	0	0	0	0	
PT RIGUNAS AGRI UTAMA	Riau	Indragiri Hulu	29	34	32	7	3	11	16	21	6	159	130	43	
PT SAUDARA SEJATI	Sumatera	Asahan	0	0	0	0	0	0	0	0	0	0	0	0	

LUHUR	Utara													
PT SAWIT JAMBI LESTARI	Jambi	Batanghari	0	0	403	131	17	4	0	0	0	556	556	0
PT SUPRA MATRA ABADI	Sumatera Utara	Labuhanbatu	0	0	0	0	0	0	0	0	0	0	0	0
PT SUPRA MATRA ABADI	Sumatera Utara	Labuhanbatu Selatan	0	0	0	0	0	0	0	0	0	0	0	0
PT TUNGGUL YUNUS ESTATE	Riau	Kampar	0	0	0	0	0	0	0	0	0	0	0	0
			108	126	520	242	64	76	133	150	165	1583	1475	448

Map of Deforestation in Asian Agri Concessions (2016-2023) and Two Suppliers to Apical



Deforestation in Asian Agri concessions and Two Suppliers to Apical by DISTRICT (2016-23)

Plantation Company	Province	District
PT. INTI INDOSAWIT SUBUR	Jambi	Batanghari
Deforestation (2016-23) : 463 ha		Deforestation (2021-23): 286 ha
<p>In response to RAN’s findings, RGE:</p> <ul style="list-style-type: none"> ● Confirmed PT. Inti Indosawit Subur is part of Asian Agri Group ● Claims that the natural forest loss identified below took place outside of their concession boundaries. RAN’s analysis used boundaries from public dataset provided to the Roundtable on Responsible Palm Oil (RSPO) and included in company’s Plantation Business Licenses (IUP). ● Declined to provide spatial data to prove revisions to PT. Inti Indosawit Subur’s plantation boundaries, claiming that sharing of such data is against the law. 		

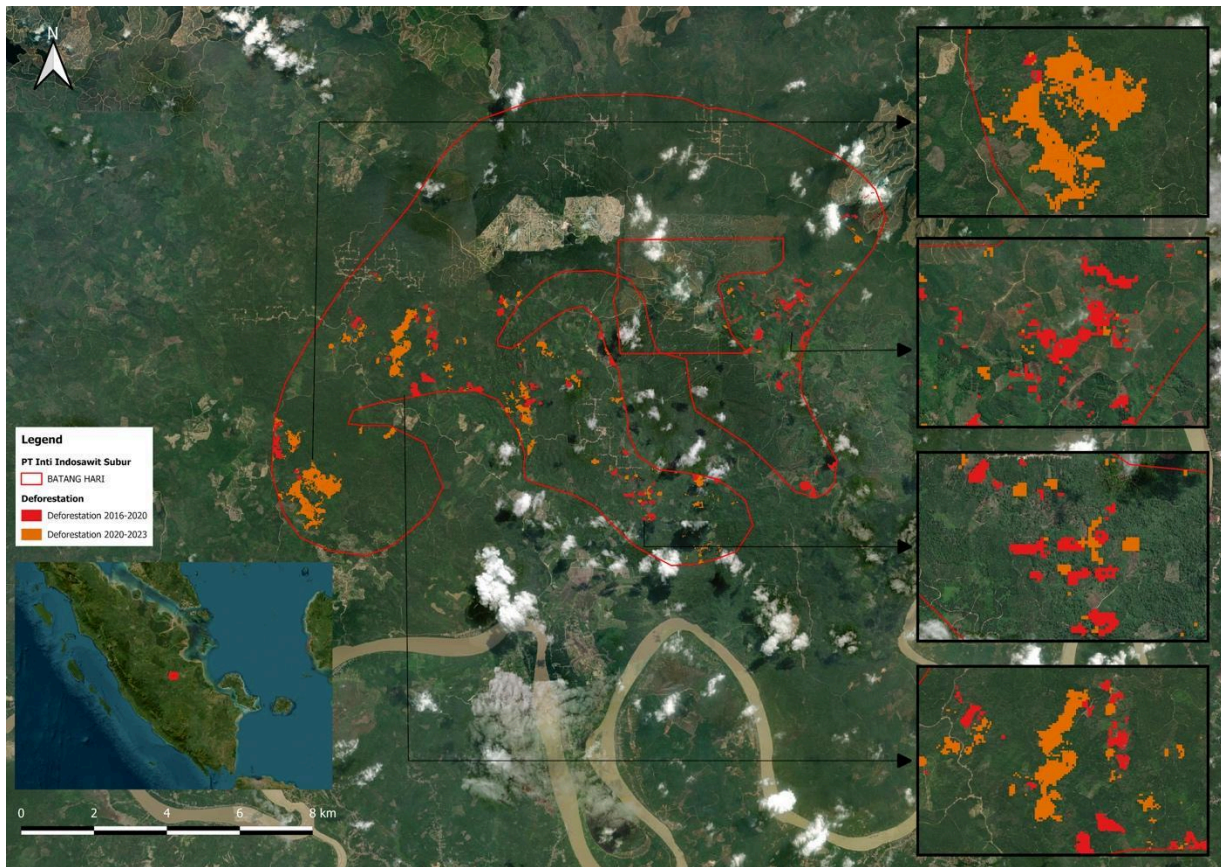


Figure 1 - Forest Loss PT. IIS 2016-23

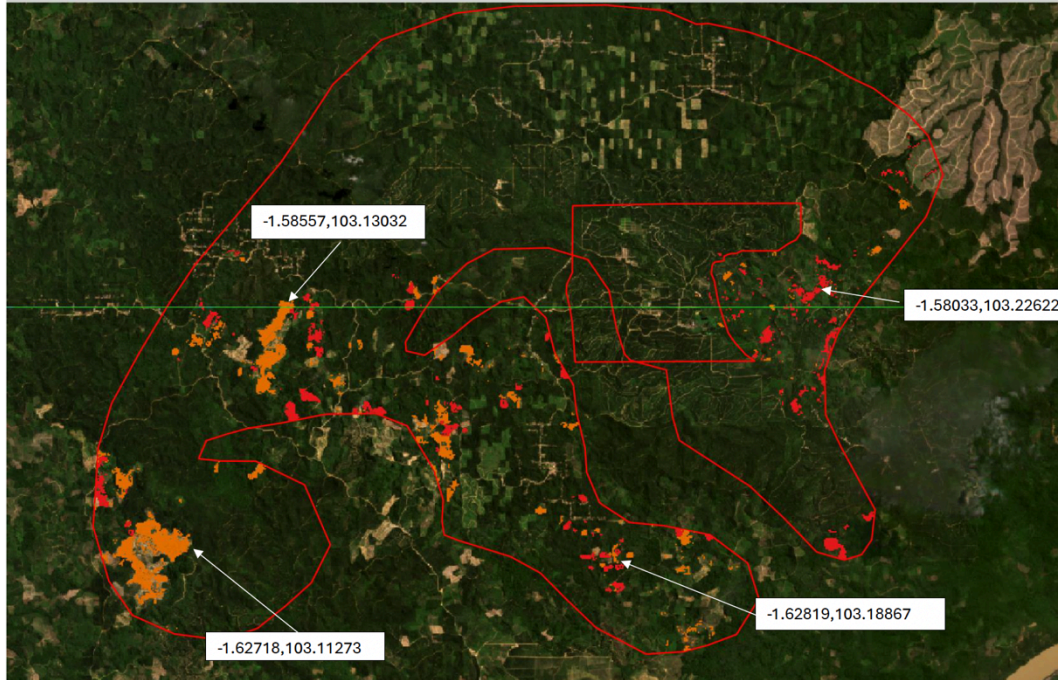
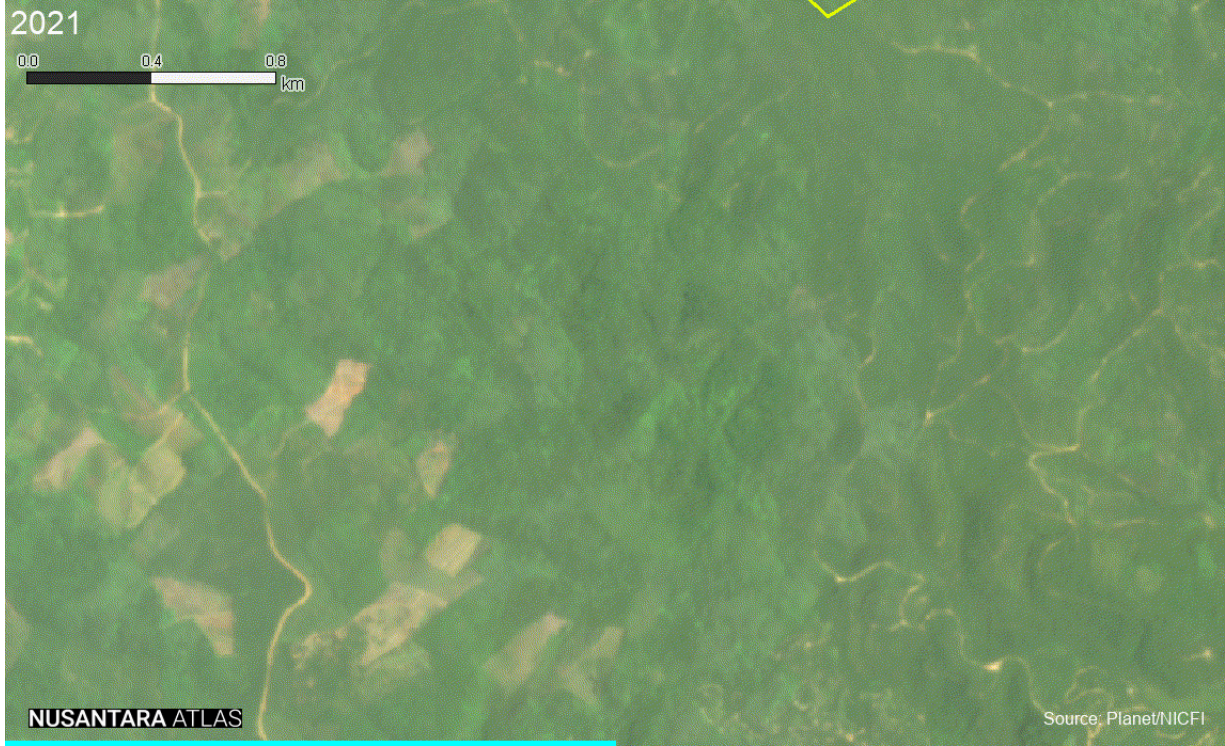


Figure 2- Coordinates of Forest Loss PT. IIS

GPS coordinates of largest areas of deforestation

Satellite images time sequence (2020-2023) of deforestation at -1.62718,103.11273



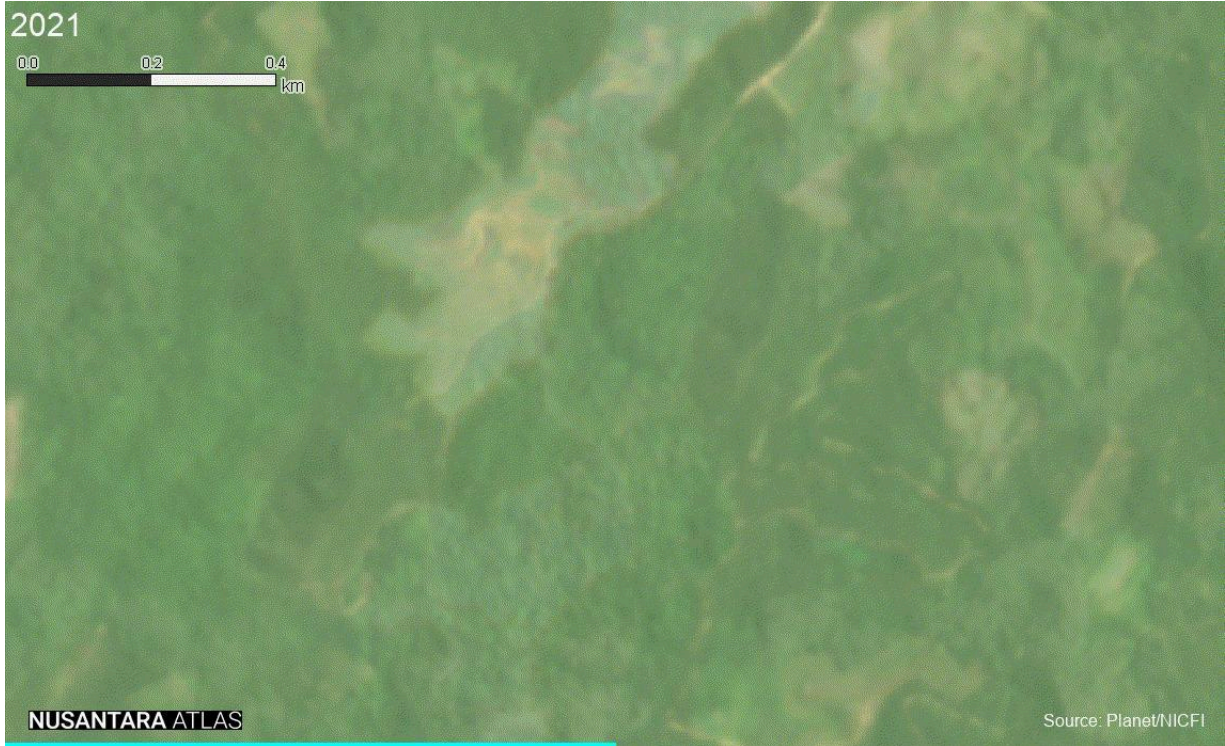




Satellite images time sequence (2020-2023) of deforestation at -1.58557,103.13032



2021



NUSANTARA ATLAS

Source: Planet/NICFI

2022



NUSANTARA ATLAS

Source: Planet/NICFI

2023



NUSANTARA ATLAS

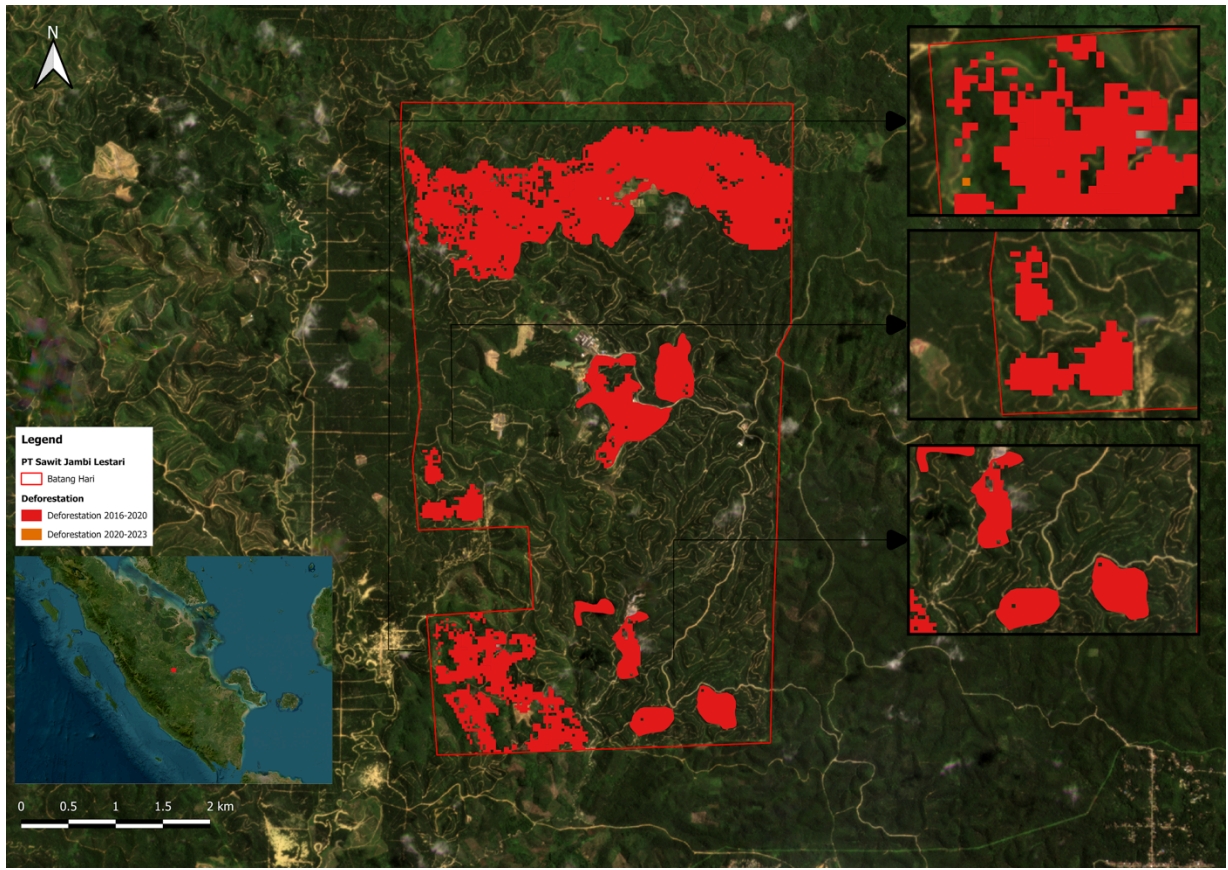
Source: Planet/NICFI

Plantation Company	Province	District
PT SAWIT JAMBI LESTARI	Jambi	Batanghari

Deforestation (2016-23) : 556 ha Deforestation (2021-23): 0 ha

In response to RAN’s findings, RGE:

- Denied PT. Sawit Jambi Lestari is part of Asian Agri Group but confirmed that it is a supplier to Apical, its palm oil trading arm
- Claimed that their analysis shows forest clearance occurred here in 1993-1994 and that “land cover in 2015/2015 was old oil palm trees which was neglected by the previous ownership”.
- In response to RAN’s assessment that the location was “secondary dryland forest in 2014 according to the Indonesian Ministry of Environment and Forestry (KLHK). It has been around 20 years since 1993-1994, the period when RGE believes these areas were cleared. As such, there has been sufficient time for secondary forest growth and for these areas to be identified as High Carbon Stock forests.”, RGE stated that “there was no secondary dryland forest or other indicative HCS areas at the coordinates mentioned by RAN”



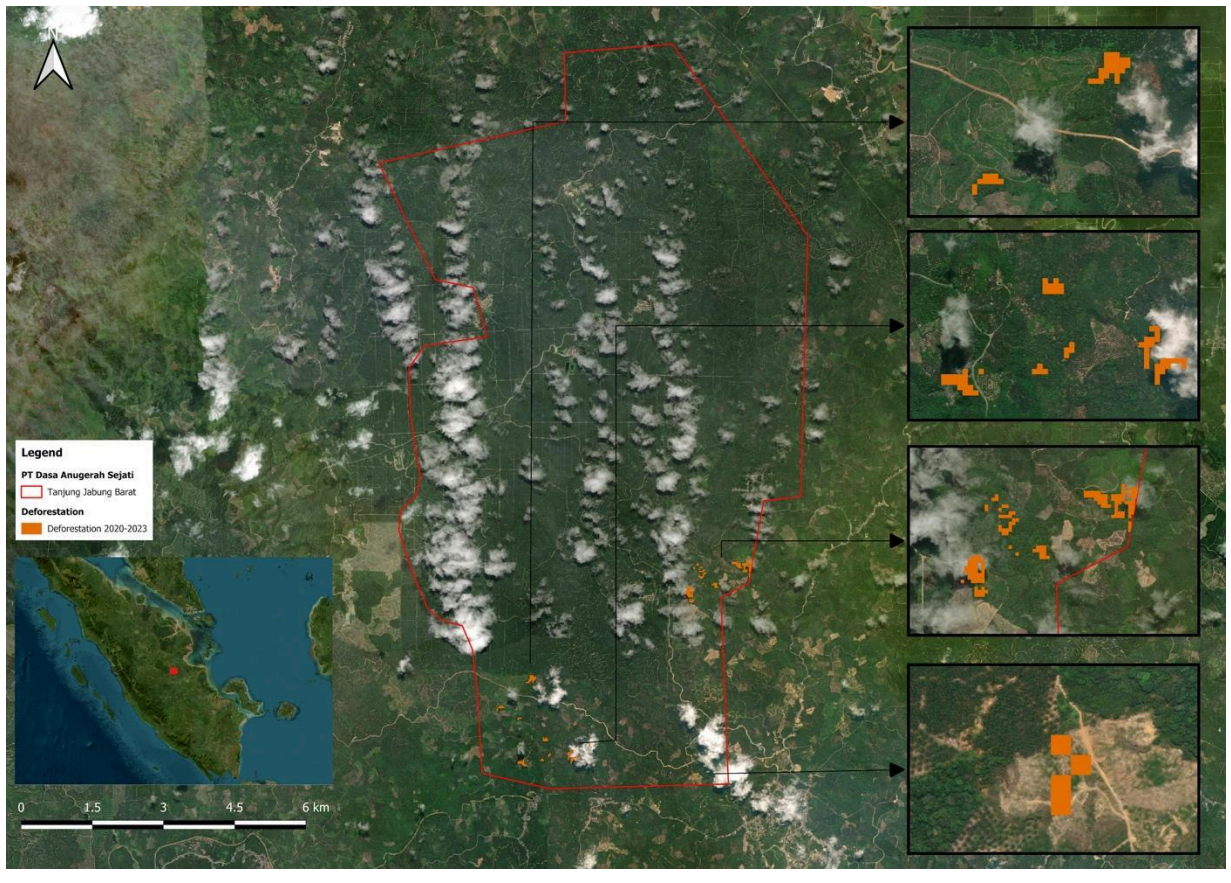
Plantation Company	Province	District
PT DASA ANUGERAH SEJATI	Jambi	Tanjung Jabung Barat

Deforestation (2016-23) : 0 ha

Deforestation (2021-23): 20 ha

In response to RAN’s findings, RGE:

- Confirmed PT. Dasa Anugerah Sejati is part of Asian Agri Group
- Claims that the natural forest loss identified below took place outside of their concession boundaries. RAN’s analysis used boundaries from public dataset provided to the Roundtable on Responsible Palm Oil (RSPO) and included in company’s Plantation Business Licenses (IUP).
- Declined to provide spatial data to prove revisions to PT. Dasa Anugerah Sejati plantation boundaries, claiming that sharing of such data is against the law.



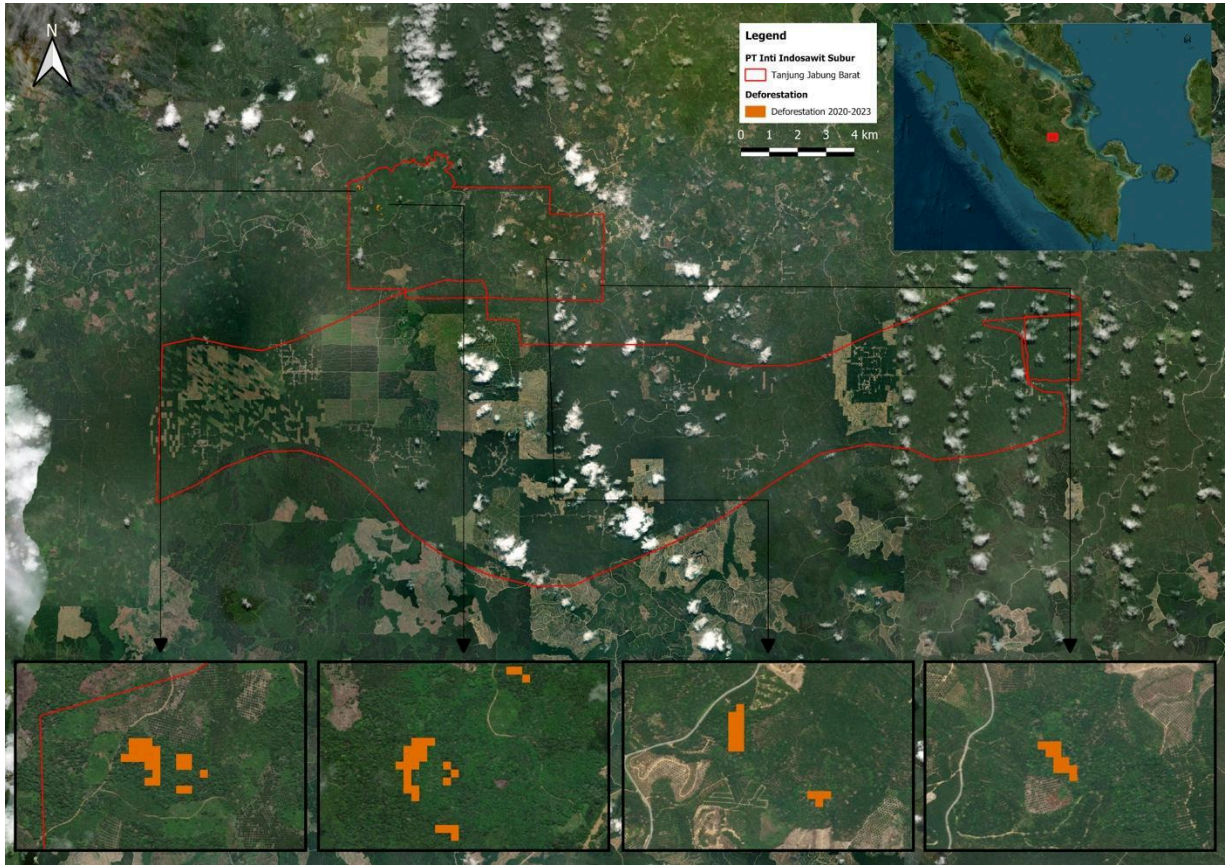
Plantation Company	Province	District
PT INTI INDOSAWIT SUBUR	Jambi	Tanjung Jabung Barat

Deforestation (2016-23) : 0 ha

Deforestation (2021-23): 6 ha

In response to RAN’s findings, RGE:

- Confirmed PT. Inti Indosawit Subur is part of Asian Agri Group
- Claims that the natural forest loss identified below took place outside of their concession boundaries. RAN’s analysis used boundaries from public dataset provided to the Roundtable on Responsible Palm Oil (RSPO) and included in company’s Plantation Business Licenses (IUP).
- Declined to provide spatial data to prove revisions to PT. Inti Indosawit Subur’s plantation boundaries, claiming that sharing of such data is against the law.



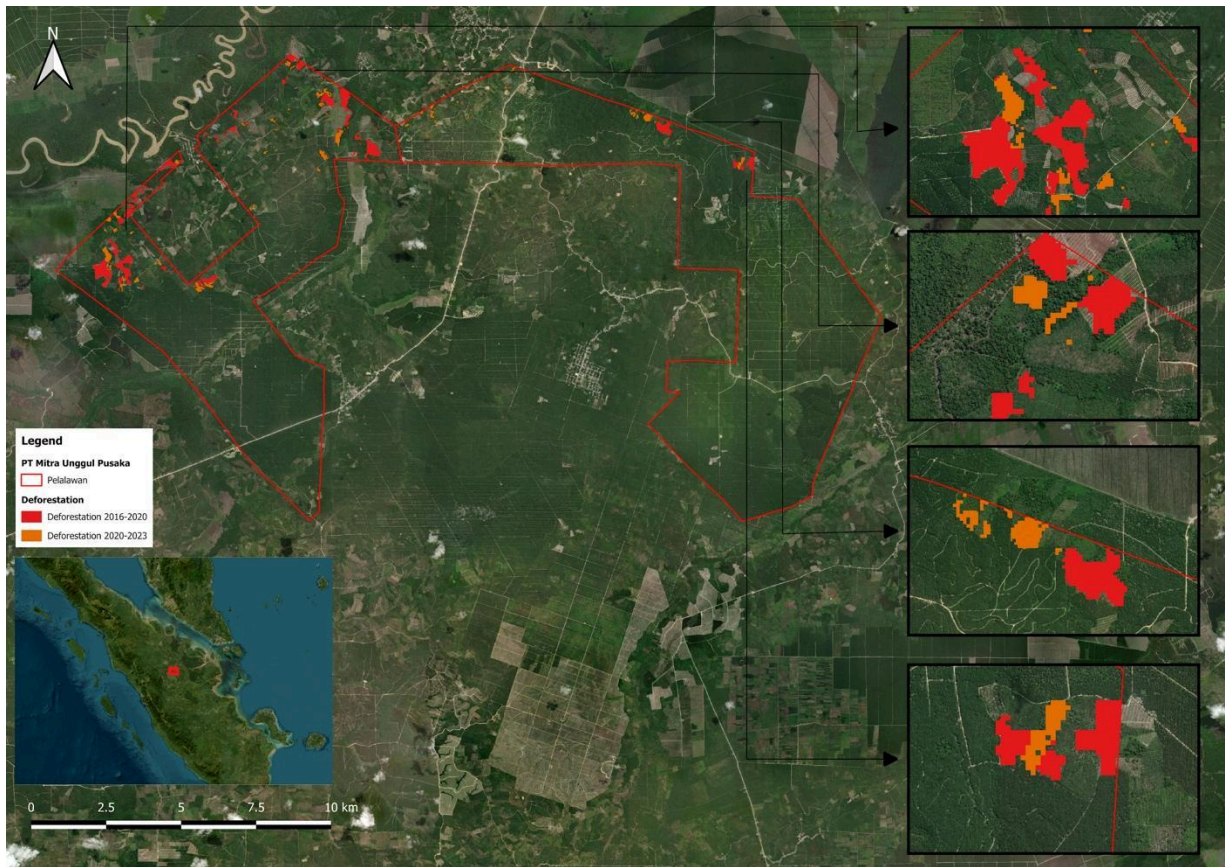
Plantation Company	Province	District
PT MITRA UNGGUL PUSAKA	Riau	Pelalawan

Deforestation (2016-23) : 296 ha

Deforestation (2021-23): 90 ha

In response to RAN’s findings, RGE:

- Confirmed PT. Mitra Unggul Pusaka is managed by Asian Agri Group
- Claimed that the forest loss highlighted “was occupied and cleared by the local communities. This was declared in the RSPO audit report”
- The link provided by RGE did not provide any evidence to support their conclusion.
- When asked to provide a copy of the cited audit report, RGE failed to do so.



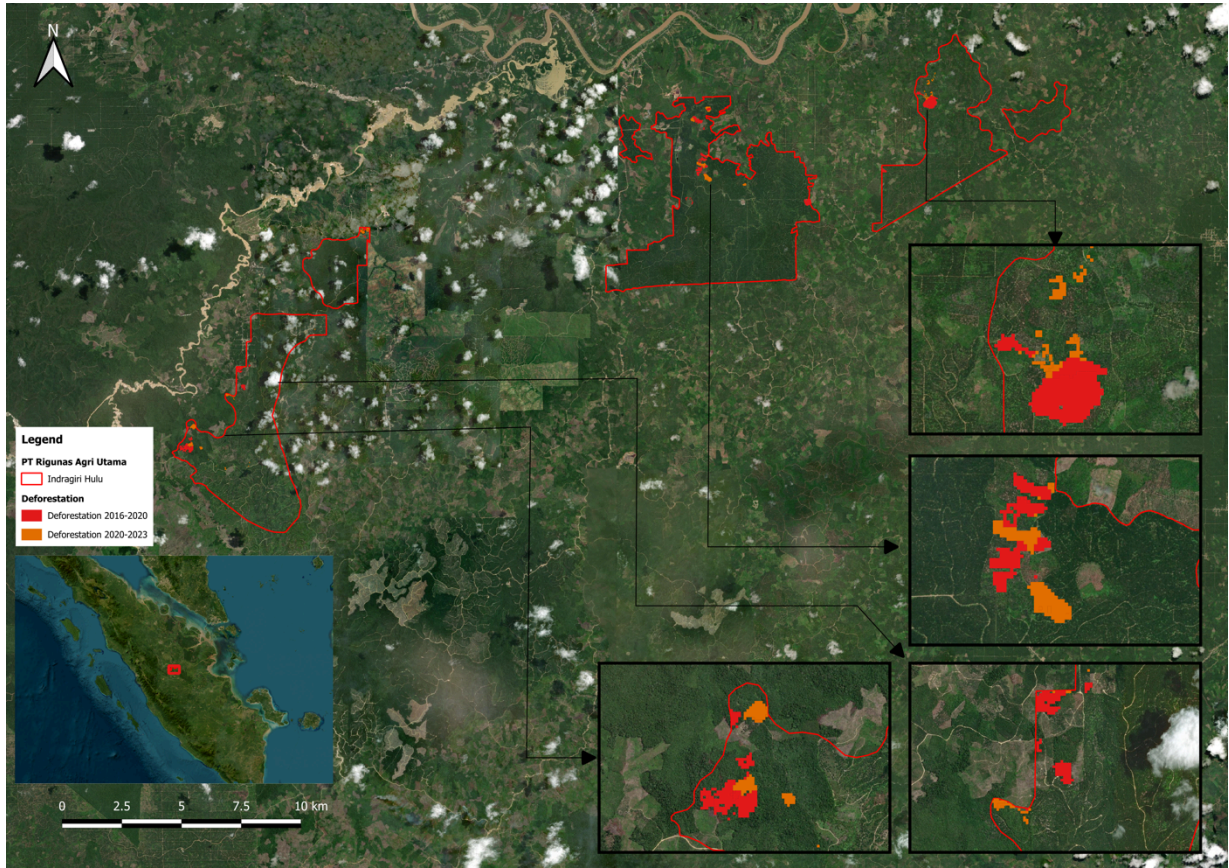
Plantation Company	Province	District
PT RIGUNAS AGRI UTAMA	Riau	Indragiri Hulu

Deforestation (2016-23) : 130 ha

Deforestation (2021-23): 43 ha

In response to RAN’s findings, RGE:

- Confirmed PT. Rigunas Agri Utama is managed by Asian Agri Group
- Claimed that the forest loss highlighted “was occupied and cleared by the local communities. This was declared in the RSPO audit report”
- The link provided by RGE did not provide any evidence to support their conclusion.
- When asked to provide a copy of the cited audit report, RGE failed to do so.



Conflict Palm Oil in Apical Supply Chain

Apical was recently [exposed](#) for supplying global brands with Conflict Palm Oil that was produced illegally inside the nationally protected Rawa Singkil Wildlife Reserve, in the Leuser Ecosystem. This case built on numerous reports published by RAN in [2020](#), [2021](#) that have shown Apical's failure to enforce its [sustainability policy](#) that prohibits deforestation after the cut-off date of December 31, 2015. Due to its ongoing [sourcing](#) from mills in Aceh such as PT. Global Sawit Semesta and PT. Delima Makmur, Apical continues to drive the expansion of Conflict Palm Oil into the most important rainforests in the Leuser Ecosystem that are the Orangutan Capital of the World. Apical's ties to [palm oil suppliers](#) and [shadow companies](#) in the pulp sector that are responsible for [deforestation](#) on the island of Borneo have also been exposed. Apical remains a high risk client, joint venture partner or supplier of palm oil.