

Report on full High Conservation Values Assessment of Presco's Obaretin Oil Palm plantation

Edo State, Nigeria

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About Proforest

Proforest is an independent organisation working with natural resource management and specialising in practical approaches to sustainability. Our expertise covers all aspects of the natural resources sector, from sustainable forestry and agricultural commodities production to responsible sourcing, supply chain management and investment.

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Proforest Ghana leads on delivery of Proforest activities in West and Central Africa including direct support to companies implementing responsible production, sourcing and investment for agricultural and forest commodities together with long-term programmes to support capacity building and multi-stakeholder initiatives in the region. Proforest also has offices in Brazil, Malaysia and the UK.

Our team comprises specialists in forest management, agricultural commodities such as palm oil, conservation and sustainability initiatives and certification. We have extensive experience in Africa and internationally and can work in English, French and Portuguese.

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Assessment location:	Obaretin Ikpoba-Okha Local Government Areas, Edo State, Nigeria
Dates of assessment:	Nov, 2016 – Dec 2016
Size of assessment area:	6,462 ha
Total number of hectares as HCV management areas:	33.1 ha
Planned land use:	Existing Oil Palm Plantation
ALS Tier Rating:	Tier 2
Certification scheme:	RSPO

1 Introduction and background

1.1 Purpose of HCV assessment

This is a report of a full High Conservation Value (HCV) assessment commissioned by Presco Plc (Presco) for the company's existing 6,264 ha oil palm plantations at Obaretin in the Ikpoba-Okha Local Government Area of Edo State, Nigeria. As a subsidiary of a member of the Roundtable on Sustainable Palm Oil (RSPO) production, the HCV assessment is part of Presco's commitments under RSPO and its own environmental and social responsibility best practice requirement, including compliance with statutory legal requirements in Nigeria at both the Federal and State levels.

The purpose of this HCV assessment, which was carried out within the context of the RSPO certification, is to undertake a comprehensive and participatory assessment of HCVs in the existing Obaretin oil palm plantation, with a view to identifying any area(s) required to maintain or enhance one or more of the six categories of HCVs and local people's land that may be located within the plantation. The main objective of this HCV assessment was to identify and document the HCVs within the established Cowan oil palm plantations and to provide management recommendations to the company for the maintenance and/or enhancement of the HCVs.

Specific objectives of this HCV assessment were to:

- i. identify all HCVs and potential HCVs in the plantation and the adjoining landscape that could be impacted by all activities associated with the management of an existing oil palm plantation. The assessment was carried out in consultation with all relevant stakeholders
- ii. identify existing or potential threats to the identified HCVs in the plantation
- iii. map all localised HCVs and their management areas
- iv. provide recommendations for the management, monitoring and protection of the identified HCVs in the plantation and the adjoining landscape.

The above objectives collectively aim at demonstrating compliance with RSPO's requirements on HCVs in existing plantations (criterion 5.2) and also assist the company to implement best practices for the management of conservation values within the plantation blocks under the scope of this assessment. The process steps and activities carried out during this HCV assessment were in line with the requirements of RSPO's requirements on HCVs and those of the HCV Resource Network Assessor Licensing Scheme.

About Presco

Presco Plc is one of the subsidiaries of SIAT Group, a Belgian agro-industrial company specialized in industrial as well as smallholder plantations of tree crops, mainly oil palm and rubber, and allied processing industries such as palm oil mills, palm oil refining / fractionation, soap making and crumb rubber factories. The company was incorporated as a limited liability company in Nigeria on September 24, 1991, and with its head office at Obaretin Estate in the Edo State of Nigeria. Presco was listed on the Nigeria stock exchange in 2002 following a successful Initial Public Offering.

It operates oil palm estates at Obaretin (total plantation area of 6,462 ha) and Ologbo (total plantation area of 12,560 ha of which 8,429 ha is planted) in Edo State; with Cowan (2,822 ha) in Delta State, Nigeria. The Cowan and Obaretin Estates were existing plantations established by the State government that the company inherited while the Ologbo plantation was established by Presco in a former forest reserve land. In 2015, Presco Plc produced 176,477 tons of fresh fruit bunches, 39,328 tons of crude palm and 29,159 tons of refined oil. As of April 2016, employee strength stood at 4,027 persons, comprising 428 and 3,599 permanent and contract staff respectively.

As a subsidiary of a member of RSPO, Presco intends to ensure the development of the newly acquired plantation meets the RSPO New Planting Procedure and thus requested Proforest to undertake a HCV assessment in line with the RSPO Principle 7, the NPP and the HCV RN ALS requirements prior to land conversion.

RSPO requirements on HCVs

The RSPO Principles and Criteria (P&C) contain a set of mandatory requirements for existing oil palm plantations which aspire to be certified under the RSPO certification scheme. **Principle 5** (Environmental Responsibility and Conservation of Natural Resources and Biodiversity) consists of a set of assessments and verification activities to be conducted by growers and certification bodies (CB) that specifically provides for maintaining biodiversity and supporting local livelihoods in and around the plantation. Criterion 5.2 of the RSPO Principles and Criteria specifically states that "the status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced".

Although all HCV assessments conducted from 1 January 2015 are required to be led by an independent HCV Resource Network licensed assessor, RSPO requirements allows growers to conduct HCV assessments for existing plantations.

HCV overview and references used

High Conservation Values (HCVs) refer to biological, ecological, social or cultural values considered outstandingly significant or critically important at the national, regional or global level and which require special measures for their maintenance and/or enhancement. The HCV concept aims to identify whether these values are present and to develop appropriate management and monitoring strategies to maintain and/or enhance the values. The concept was originally developed in 1999 by the Forest Stewardship Council (FSC) and has since been widely used in the context of FSC certification for sustainable forestry. The HCV approach was adopted by the RSPO and incorporated into the RSPO's first P&Cs in 2005. The six categories of HCVs and their definitions are listed in Box 1 (© HCV Resource Network 2005–2017).

Box 1: Summary of the 6 HCV categories

HCV1: Concentrations of biological diversity including endemic species, and rare, threatened or endangered species, that are significant at global, regional or national levels.

HCV2: Intact Forest Landscapes (IFLs) and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.

HCV3: Rare, threatened, or endangered ecosystems, habitats or refugia.

HCV4: Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.

HCV5: Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (e.g. for livelihoods, health, nutrition, water), identified through engagement with these communities or indigenous peoples.

HCV6: Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, identified through engagement with these local communities or indigenous peoples.

There is currently no HCV National Interpretation (NI) for Nigeria. There are NIs for Ghana and Gabon, which could be useful for regional comparison; however, these are yet to be updated following update of the Generic Guidance document. Therefore, the process to identify HCVs and subsequent analysis and reporting has relied heavily on the following guidance documents:

- Brown, E., N. Dudley, A. Lindhe, D.R. Muhtaman, C. Stewart, and T. Synnott (eds.). 2013 (October). Common Guidance for the identification of High Conservation Values. HCV Resource Network.
<https://www.hcvnetwork.org/resources/cg-identification-sep-2014-english>
- Brown, E. and M.J.M. Senior. 2014 (September). Common Guidance for the Management and Monitoring of HCVs. HCV Resource Network.
<https://www.hcvnetwork.org/resources/cg-management-and-monitoring-2014-english>
- The HCV Assessment Manual prepared by Proforest for the HCV-RN.

Several other information sources have been used (see references) including the relatively recent reference: ZSL's Guide (ZSL, 2013) to Conserving HCV Species and Habitats in West African Oil Palm Landscapes. Others include an interpretation of global HCVF toolkit for use in Ghana published by WWF (Rayden et. al., 2006) and a similar version for Gabon (Stewart and Rayden, 2008).

EXTRACT

Table 2 The HCV assessment timelines

Process steps	Main activities	Timeline					
		Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017
Pre-assessment	Review of data and information from Presco and other sources						
	Scoping study						
	Analysis of information including feedback to client						
	Preparation of Full HCV assessment proposal and contracting						
Field assessment	Fauna survey including ecosystem typing						
	Participatory mapping and identification of social HCVs						
Communities and stakeholder consultations	Communities consultations						
	Consultations with state and local government agencies, experts and NGOs						
Analysis drafting of report	Analysis of field data and drafting of report						
Client Review of report	Presco review						
Finalization of report	Finalization and submission of report						

Table 3 HCV Assessment Tier Rating

Indicators of potential Risk	The assessment is Tier 1 if the response to any of the following is YES	Finding	Details
Rating			
Scale of project: the overall area (ha) affected by production activities.	Will the operation cover or affect more than 50,000 ha?	NO	The project is an existing oil palm plantation of 6,462 ha
Intensity			

¹<https://www.hcvnetwork.org/als/tier-assessment>

<p>Conversion of natural ecosystem or habitat: a change from the natural ecosystem or habitat composition and structure to forestry plantation, agriculture or other land cover/ land use.</p>	<p>Is conversion of more than 500 ha of natural ecosystem or habitat planned?</p>	<p>NO</p>	<p>Developed land is 6,462 ha of oil palm trees and very few patches of wetland vegetation</p>
<p>Risk</p>			
<p>Experience level of HCV assessor: while an assessor holds a provisional licence, a peer review is required as an additional means of quality assurance.</p>	<p>Does the assessor hold a provisional HCV license</p>	<p>NO</p>	<p>The assessor holds a Full ALS HCV license, and is among the first generation of fully-licensed HCV assessors. The assessor has vast HCV assessment experience.</p>
<p>Threats to biodiversity: production activities that may disturb or damage a national or international priority biodiversity area.</p>	<p>Does the project area contain, border or overlap with any priority biodiversity areas?</p>	<p>NO</p>	<p>The Obaretin old oil palm plantation neither borders nor overlap with any priority biodiversity area</p>
<p>Local and indigenous people: populations of people that overlap and/or use resources in the project area</p>	<p>Are there local or indigenous peoples living in/using the area who have claims to land, water and or natural resources in the project area?</p>	<p>NO</p>	<p>There are local communities within the plantation apart from the workers quarters. However, nearby communities access wetlands within the plantation for fishing and for collection of NTFPs.</p>
<p>Within certification schemes. If used outside of a widely-recognised certification scheme, there is a higher risk that complementary safeguards may be lacking.</p>	<p>Is the HCV assessment taking place outside of a recognised certification scheme?</p>	<p>NO</p>	<p>Presco's parent organisation, SIAT Group, is an RSPO member. The HCV assessment also forms part of the company's own commitment to protecting biodiversity conservation values for meeting RSPO requirements.</p>
<p>Result</p>		<p>Tier 2</p>	

Table 4: Summary of HCV assessment findings

HCV	Definition	Present	Potentially present	Absent
1	Species diversity. Concentrations of biological diversity including endemic species, and rare, threatened or endangered (RTE) species that are significant at global, regional or national levels.	Present		
2	Landscape-level ecosystems and mosaics. Intact Forest Landscapes (IFL) and large landscape-level ecosystems and ecosystem mosaics that are significant at global, regional or national levels, and that contain viable populations of the great majority of the naturally occurring species in natural patterns of distribution and abundance.			Absent
3	Ecosystems and habitats. Rare, threatened, or endangered ecosystems, habitats or refugia.	Present		
4	Ecosystem services. Basic ecosystem services in critical situations, including protection of water catchments and control of erosion of vulnerable soils and slopes.			Absent
5	Community needs. Sites and resources fundamental for satisfying the basic necessities of local communities or indigenous peoples (e.g. for livelihoods, health, nutrition, water), identified through engagement with these communities or indigenous peoples.			Absent
6	Cultural values. Sites, resources, habitats and landscapes of global or national cultural, archaeological or historical significance, and/or of critical cultural, ecological, economic or religious/sacred importance for the traditional cultures of local communities or indigenous peoples, identified through engagement with these local communities or indigenous peoples.	Present		

6.2 HCV Management Recommendations

This section presents recommendations for managing the identified high conservation values in the plantation. Table 9 below provides an outline of HCV management and monitoring recommendations that Presco must adopt and implement. A recommended implementation plan is outlined in Annex 5.

Table 9 HCV management recommendations for Obaretin plantation

HCV ref	Threats	Management recommendations	Monitoring recommendations
1	<ul style="list-style-type: none"> Pressure from hunting on species listed nationally as RTEs fauna species Destruction of the wetland forest which is important habitats for the rare, threatened and endangered species 	<ul style="list-style-type: none"> Conservation and sustainable management of the wetland forests Presco should ensure the wetland forest is appropriately mapped and the management area maintained over time Presco should collaborate with local communities and appropriate authorities to implement measures to reduce or address hunting of the rare, threatened and endangered fauna species. 	<ul style="list-style-type: none"> Regular monitoring of the wetland forest management area and A regular monitoring system needs to be established to ensure that forest cover is maintained and hunting pressure is kept at a minimal level in the wetland forest areas
3	<ul style="list-style-type: none"> Conversion of the Essain swamp forest Pollution of the swamp 	<p>Clearly demarcate the Essain swamp and its management area to avoid being mistakenly converted by land preparation team. Exclude the swamp area from all conversion activities and ensure it is adequately buffered.</p> <p>Presco to develop appropriate SOPs for effective management of the swamp area.</p> <p>Education and sensitization of field workers on the importance of the swamp and the need to stay away from the swamp area.</p>	<ul style="list-style-type: none"> Swamp area demarcated and regular monitoring of the area Avoid application of agrochemicals close to the swamp and their buffer Ensure yearly review of effectiveness of SOPs Periodic review of effectiveness of workers' sensitization and awareness of the swamp
6	<ul style="list-style-type: none"> Clearing of Essain shrine site 	<ul style="list-style-type: none"> Prepare SOPs that includes the HCV 6 area in the plantation. 	<p>A simplified HCV monitoring system/protocols in collaboration with the local communities.</p>

7 Synthesis

7.1 HCV management areas

The total HCV management areas for all HCVs is approximately 33.1 ha. These areas have been recommended as set-aside areas within the Presco existing plantation at Obaretin (Figure 17).

HCV 3: The Essain swamp forest measures approximately 33.1 ha. The set-aside of this pocket of forest is recommended to support the continued services it provides for the local people. Therefore, the total HCV 3 area in the plantation is approximately 33.1 ha.

HCV 6: As indicated in Section 5.6.3, the Essain shrine is located in the Essain swamp forest (HCV3) area; therefore the HCV 6 areas overlap with the HCV 3. This HCV 6 with a management area approximately covering 33.1 ha must be protected and maintained.

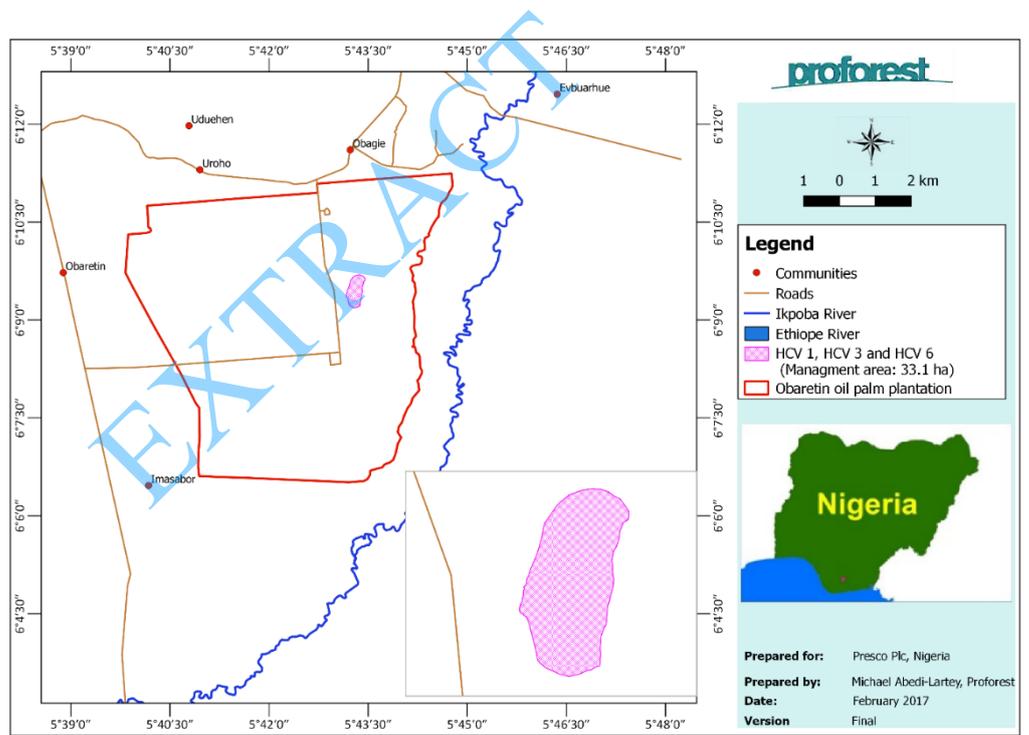


Figure 17 Map showing HCV management area in the Obaretin Estate. Total area is about 33.1 ha).

7.2 Cross-cutting management recommendations

SOPs for HCV management and monitoring

It is extremely important and considered best practice for simplified check-lists to be provided for general plantation operations to ensure ease of reference by operational staff and field workers. Similarly, training on management of HCV

management areas and monitoring protocols should be developed provided to all field workers and supervisors including providing them with checklists for their use.

Community engagement

Presco must strengthen its community engagement and consultations including engaging with all communities in a way that allows free flow and exchange of information. This must include regular meetings with the local population aimed at addressing their specific concerns particularly those relating to the land compensation to the affected families.

Training and capacity building

In order to ensure the identified HCVs are appropriately managed, Presco needs to ensure its staff and field workers have the adequate capacity to ensure effective management and monitoring of HCV management areas with the objective to maintain and/or enhance their continual existence. The capacity development effort must particularly focus on geospatial data for subsequent analysis and continued monitoring of the status of HCVs over time.

8 References

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