



Executive Summary: **Rapid Human Rights Impact** **Assessment** **Palm Oil in Merauke, Indonesia**

Prepared for PT Bio Inti Agrindo

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Background

LRQA was engaged by PT Bio Inti Agrindo (BIA) to in May 2025 conduct a rapid independent human rights impact assessment (HRIA) of BIA's palm oil supply chain in Merauke, Indonesia. The purpose of LRQA's assessment was to identify actual and potential adverse human rights impacts arising from BIA's palm oil supply chain in Merauke, identify actually or potentially adversely affected rights holders, and assess the saliency of identified actual or potential adverse human rights impacts. This executive summary details the high-level findings of the HRIA.

Methodology

The scope of LRQA's assessment encompassed BIA's own operations in its palm oil supply chain in Merauke as well as smallholder supplier sites. At the time of LRQA's assessment these include three crude palm oil mills, and approximately 26,000 hectares of planted areas – including centrally managed plantations and smallholder (plasma scheme) areas. LRQA's HRIA was conducted through a combination of desk research, interviews with independent experts, onsite visits to BIA's plantations and production facilities, and focus group discussions and interviews with local communities living in and around BIA's facilities in Merauke.

The HRIA was conducted in accordance with LRQA's proprietary human rights impact assessment framework. This framework seeks to understand the experiences of rights holders in relation to 10 core human rights themes which align with key international human rights defined under the International Bill of Human Rights, ILO Core Conventions, and UN Guiding Principles on Business and Human Rights, as defined below.

No.	Thematic Area	Scope
1.	Child Labour	Impacts on or violations of internationally recognised standards on child labour as defined under the ILO Minimum Age Convention (C.138) and Worst Forms of Child Labour Convention (C.182), UN Convention on the Rights of the Child, and/or violations of Indonesian child labour laws.
2.	Discrimination	Impacts on or violations of internationally recognised rights to equal treatment and protection under the law and to be free from discrimination in hiring and employment, including under the following instruments as well as under Indonesian law: <ul style="list-style-type: none">• International Covenant on Civil and Political Rights• Convention on the Elimination of All forms of Racial Discrimination• Convention on the Elimination of All forms of Discrimination against Women• Convention on the Rights of Persons with Disabilities• ILO Equal Remuneration Convention (C.110)• ILO Discrimination (Employment and Occupation) Convention (C.111)
3.	Forced Labour	Impacts on or violations of internationally recognised rights to be free from forced labour or servitude, as defined under the ILO Forced Labour Convention 1930 (C.29) as well as under Indonesian law.
4.	Freedom of Association	Impacts on or violations of internationally recognised rights to freedom of association and organisation, and collective bargaining, including under the ILO Freedom of Association and Protection of the Right to Organise Convention (C.87),

		Right to Organise and Collective Bargaining Convention (C.98), and under Indonesian law.
5.	Decent Work	Impacts on or violations of internationally recognised labour standards including under the ILO Declaration of Fundamental Principles and Rights at Work and ILO Fundamental Instruments, as well as Indonesian labour laws and standards.
6.	Health & Safety	Impacts on or violations of internationally recognised occupational health and safety standards including under the ILO Occupational Safety and Health Convention (C.155), Indonesian labour laws and standards, as well as prevailing industry standards in the palm oil industry relating to occupational health and safety management systems and practices.
7.	Indigenous Peoples' and Local Community Rights	Impacts on or violations of internationally recognised Indigenous peoples' and local community rights including but not limited to the right to free, prior, and informed consent, as set out in the UN Declaration on the Rights of Indigenous People and the ILO Convention on Indigenous and Tribal People (C.169), as well as under Indonesian law.
8.	Civil and Political Rights	Impacts on or violations of internationally recognised civil and political rights, as set out in the Universal Declaration of Human Rights, International Covenant on Civil and Political Rights and under Indonesian law.
9.	Violence & Harassment	Impacts on or violations on internationally recognised rights to be free from violence and harassment (physical or verbal) at work, including as set out in the ILO Violence and Harassment Convention (C.190) and under Indonesian law.
10.	Access to Remedy	Impacts on or violations on the right to an effective remedy, as set out in The Universal Declaration of Human Rights, International Covenant on Civil and Political Rights, and the UN Guiding Principles on Business and Human Rights.

LRQA collated data gathered from the onsite visits, contextual research and conducted an analysis to identify salient human rights issues, grouped into the 10 thematic areas above. Salient human rights issues are topics that pose the most significant impacts through a company's activities and business relationships. Saliency can be determined by identifying the severity and likelihood of each issue:

Severity reflects how grave and widespread the negative human rights impact would be on people (not on the business) and how difficult it would be to remediate the resulting harm. In alignment with the UNGPs, three factors inform severity:

- **Scale** of the impact: How serious is the impact as an infringement on people's human rights?
- **Scope**: How many people would be impacted?
- **Irremediability**: If the impact occurred, would it be possible to reverse the harm done, and how quickly?

Likelihood considers the potential for the human rights impact to occur in the future, recognizing that these are often, though not limited to, impacts that have occurred in the past. Likelihood is informed by two factors:

- **Operating context**: The geography, area and associated potential impact on human rights.
- **Business relationships**: Degree connection to the issue through the value chain (e.g., through supplier or other business relationships).

For this assessment, impacts were given a high likelihood score if they were identified in any of the site visits and supported by evidence from stakeholder interviews and/or desktop research. Issues that were identified as general geographic, industry, or sectoral risks through desktop research or stakeholder interviews but were not identified or reported by interviewees during site visits were assigned a lower likelihood rating. Severity and likelihood scores were then combined by LRQA to determine overall saliency, as outlined below.

Saliency Assessment

Based on the outcomes of the HRIA exercise, LRQA mapped the saliency of each of the 10 human rights thematic areas, as summarised below.



Thematic Areas	Affected Rights Holder(s)	Saliency
Child Labour	Children of plantation workers and in local communities	Less Salient
Discrimination	BIA employees	Less Salient
Forced Labour	BIA employees	Salient
Freedom of Association	BIA employees	Less Salient
Decent Work	BIA employees	Salient
Health & Safety	BIA employees	Less Salient
Indigenous Peoples' and Local Community Rights	Indigenous peoples and local communities in and around BIA plantations	Most Salient
Civil and Political Rights	Indigenous peoples and local communities	Less Salient
Violence & Harassment	BIA employees	Less Salient
Access to Remedy	BIA employees, Indigenous peoples and local communities	Less Salient