



PUBLIC SUMMARY REPORT

RSPO ANNUAL SURVEILLANCE ASSESSMENT (ASA1)

GUADALCANAL PLAINS PALM OIL LTD (GPPOL)

HONIARA SOLOMON ISLANDS

Report Author

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SUMMARY

BSI has conducted a certification assessment of the GPPOL operations comprising 1 mill, supply base, support services and infrastructure. BSI concludes that GPPOL operations comply with the requirements of RSPO Principles & Criteria: 2007 and SI NIWG Indicators and Guidance August 2010 for the following scope:

Sustainable production of palm oil (31,592 tonnes CPO and 8,332 PK).

BSI RECOMMENDS THAT GPPOL BE APPROVED AS A PRODUCER OF RSPO CERTIFIED SUSTAINABLE PALM OIL.

ABBREVIATIONS USED

BOD	Biological Oxygen Demand
CDC	Commonwealth Development Corporation
CIP	Continuous Improvement Plan
CLUA	Customary Land Usage Agreement
COP	Code of Practice
CPO	Crude Palm Oil
CTP	Cargills Plantations
CWS	Central Vehicle Workshop
DEC	Department of Environment & Conservation
DOH	Dept. of Health
EFB	Empty Fruit Bunch
EMS	Environmental Management System
FFB	Fresh Fruit Bunch
FPIC	Free, Prior and Informed Consent
GCLC	GPPOL Community Liaison Committee
GHG	Green House Gas
GPPOL	Guadalcanal Plains Palm Oil Ltd
GPPOWA	Guadalcanal Plains Palm Oil Worker's Association
GPRDA	Guadalcanal Plains Resource Development Association
HACCP	Hazard Analysis of Critical Control Points
HCV	High Conservation Value
HCVF	High Conservation Value Forests
IE	Independent Estate (a class of Smallholder)
ILG	Incorporated Land Group
IPM	Integrated Pest Management
IRCA	International Registration of Certified Auditors
ISO	International Standards Organisation
LLB	Lease-Lease Back
LSS	Land Settlement Scheme (a class of Smallholder)
LTI	Lost Time Injuries
MG	Management Guidelines
MSDS	Material Safety Data Sheets
NARI	National Agriculture Research Institute (PNG)
NBPOL	New Britain Palm Oil Limited
NLDD	Native Land Dealing Document
OHS	Occupational Health & Safety
OPRA	Oil Palm Research Association (PNG)

PCD	Pollution Control Device
PMP	Pest Management Plan
QLQ	Quad Labour Quarters
SI NIWG	Solomon Island National Interpretation Working Group
POME	Palm Oil Mill Effluent
POPA	Palm Oil Producers Association (PNG)
PPE	Personal Protective Equipment
RAB-QSA	Internal Auditor Accreditation Body
RFI	Request for Information
SADP	Smallholder Agriculture Development Project (PNG)
SABL	Special Agriculture Business Lease
SEIA	Social and Environmental Impact Assessment
SG	Smallholder Grower
SIA	Social Impact Assessment
SM	Company Sustainability Manager
SOP	Standard Operating Procedure
TRP	Timber Rights Purchase
VOP	Village Oil Palm (a class of Smallholder)

1.0 SCOPE OF CERTIFICATION ASSESSMENT**1.1 National Interpretation Used**

The operations of the mill and the supply bases of FFB were assessed against the SI NIWG:August 2010 of the RSPO Principles and Criteria: 2007.

1.2 Certification Scope

This certification assessment includes the production from ONE (1) Palm Oil Mill and 3 company owned Estates and Small holders.

Table 1: Mill GPS Location

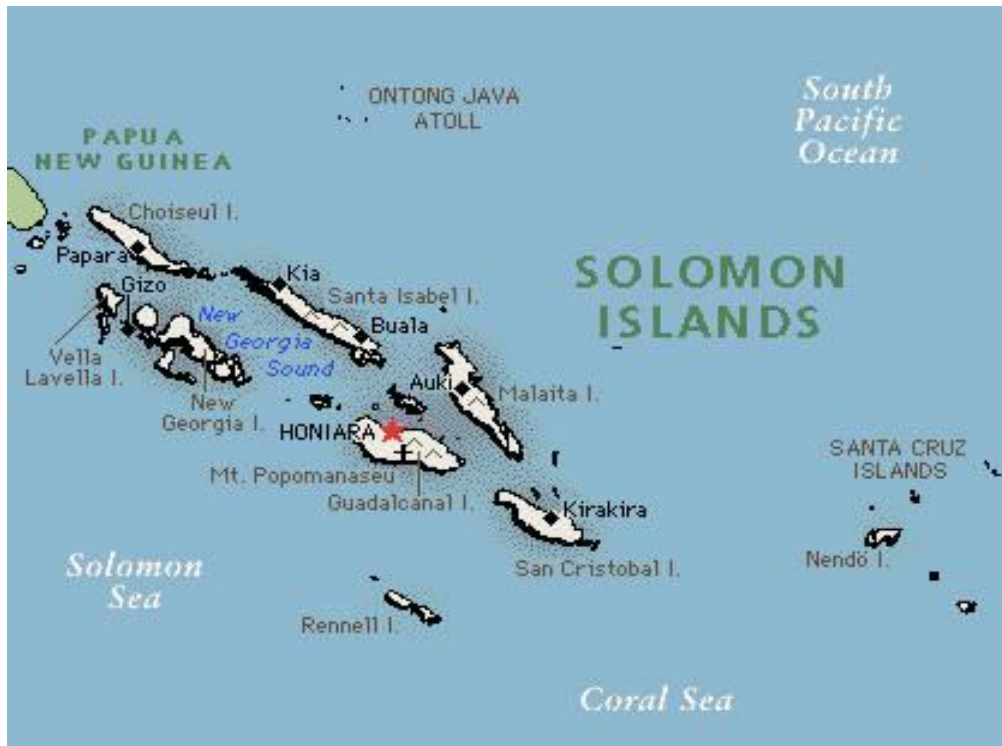
MILL	EASTINGS	SOUTHING
Tetere	160°13.107	09° .26.588

1.3 Table 2: Estates FFB Production (2011)

Estates	FFB (tonnes)
Ngalimbiu	43823
Tetere	33662
Mbalisuna	52813
TOTAL	130297

The Tetere palm oil mill and estates are located in Guadalcanal, Solomon Islands

The GPS location of the mill is shown in Table 1.



Map 1: Location of GPPOL in relation to Solomon Islands

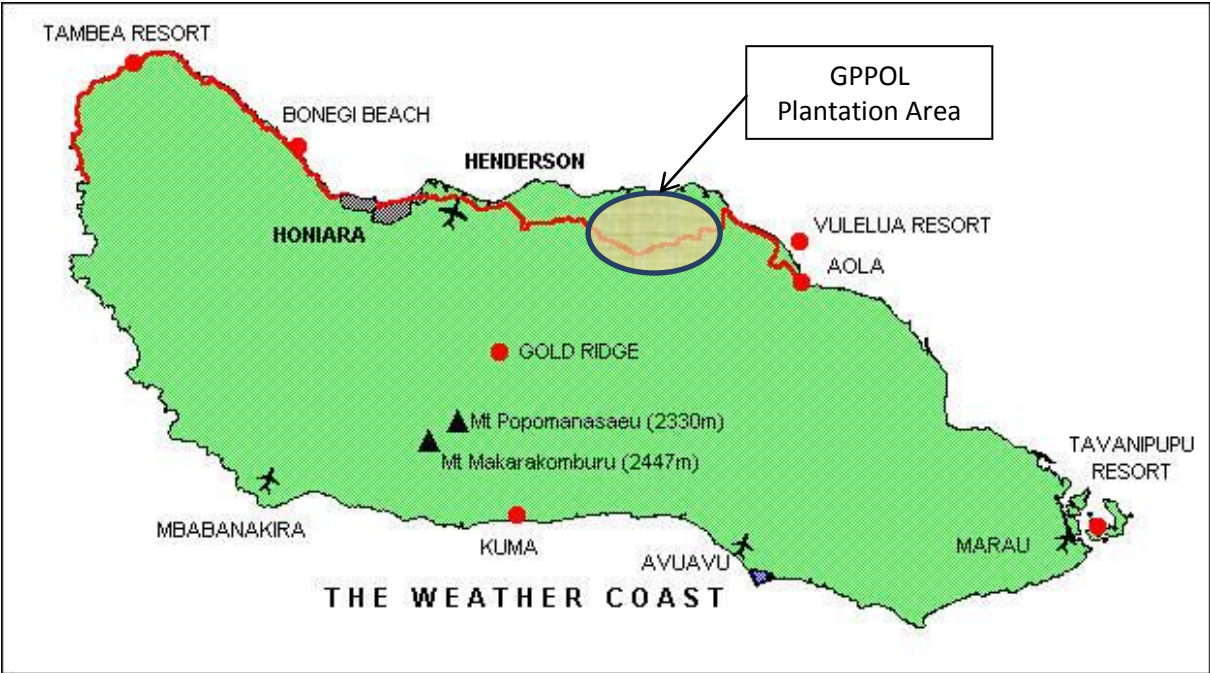
Star represents location of estates in relation to Solomon Islands



Map 2: Location of Solomon Islands

Map 3: Location of GPPOL Plantation Area

Only Main Road on Guadalcanal



1.4 Description of Supply Base

Oil palm fruit is sourced from company managed Estates and from Small holders.

Operations designated as Estates are company owned and managed oil palm that has been planted on State Agricultural Leases held by GPPOL. The areas and FFB production from Estates are listed in Table 2.

Smallholder Growers (SG's) supply approximately 10% of oil palm fruit processed by the Mill.

GPPOL has held comprehensive discussions with the SG's on RSPO implementation. GPPOL has stated its commitment to continue to work with the SG's on the implementation of the RSPO P&C with the aim of achieving certification.

The SG's comprise small holdings of oil palm that were developed on customary land. The Small Holder Oil Palm was developed independently of the company. The SG's manage all aspects of their small holdings of oil palm, including harvesting. FFB production is shown in Table 3.

Table 3: Small holders and FFB Production

Small holders (Total No)	FFB (tonnes)
246	14217

1.5 Date of Plantings and Cycle

The company owned Estates have been rehabilitated 2005 (following acquisition from CDC). The age profile of the palms on Estates is detailed following ethnic tensions which resulted in the Estates and mills being abandoned from 1999). The age profile of the palms on Estates is detailed in Table 4.

Table 4: Age Profile of Company Estate Planted Palms

Year	Age	Ha	%
1983	27	25.6	0.41
1984	26	339.8	5.38
1985	25	376.49	5.96
1986	24	609.7	9.65
1987	23	390.7	6.18
1988	22	121.5	1.92
1989	21	112.9	1.79
1990	20	29.8	0.47
1991	19	131.8	2.09
1992	18	0	0.00
1993	17	570.95	9.04
1994	16	147.7	2.34
1995	15	0	0.00

1996	14	242.9	3.84
1998	12	12.6	0.20
1999	11	1061.71	16.80
2006	4	894.6	14.16
2007	3	278.09	4.40
2008	2	222.5	3.52
2010	1	380.63	6.02
2011	0	368.2	5.83
Total		6,318.17	100.0%

1.6 Other Certifications Held

GPPOL holds no other certification although they have made a commitment in the MOU with the Solomon Islands Government to implement an ISO 14001:2004 system.

1.7 Organisational Information / Contact Person

GUADALCANAL PLAINS PALM OIL LTD
PO Box 2001,
HONIARA, SOLOMON ISLANDS

Contact Person: Mr. Andrew Kerr
Sustainability Manager
Phone/Fax: 677 21003

Email: akerr@gppol.com.sb

1.8 Time Bound Plan for Other Management Units

GPPOL is part of a group owned by New Britain Palm Oil (NBPOL). NBPOL estates and mills in West New Britain were certified to PNG National Interpretation of the RSPO in 2008 and recertified in 2009. NBPOL Group certification time bound plan states that GPPOL will be audited in December 2010 and that their other holding (in PNG -RAIL were assessed in April 2010 and are awarded certification in August 2010.

Guadalcanal Plains Palm Oil Limited (GPPOL) comprises of a mill and approximately 6000 ha planted to palms, in the Solomon Islands. GPPOL has advised BSI that there are no land disputes, legal noncompliance's or litigations at its Solomon Island operations. In addition GPPOL has not developed on HCVF as all the holdings are on previously existing Estates. GPPOL has been assessed in using the Solomon Island National Interpretation 2010.

There is a plan to have all operations certified to RSPO by November 2012. With Poliamba planned for November 2011 (certification audit conducted awaiting

review), Milne Bay Estates for July 2012 and Higaturu planned for November 2012.

There has been no replacement of primary forests or any areas identified as HCV with regards to uncertified management units including Milne Bay and Higaturu.

There are no known land conflicts within any uncertified management units.

NBPOL has advised that there are no labour disputes and there are no known legal compliances at its non-certified oil palm operations.

NBPOL has submitted to BSI a time-bound plan to achieve RSPO Certification for all current operations. BSI considers this to conform to the RSPO requirements for partial certification.

1.9 Area of Estates

The areas of planted palms at company owned and managed Estates are listed in Tables 5& 6.

Table 5: Estates Hectare Statement

<i>Estates</i>	<i>Mature (ha)</i>	<i>Immature (ha)</i>
Ngalimbiu	1537	784
Tetere	1413	188
Mbalisuna	2396	0
TOTAL	5346	972

The areas of Small holders planted palms listed in Table 6.

Table 6: Small holders Planted Area

<i>Mature (ha)</i>	<i>Immature (ha)</i>
706	305

1.10 Approximate Tonnages Certified

Table 7: Approximate Tonnages Certified – Tetere Mill

<i>Year</i>	<i>CPO</i>	<i>PK</i>	<i>PKO</i>
2010 Estates	26063	6859	2912
2010 SH	2556	673	286
2011 Estates	28496	7515	3190
2011 SH	3096	817	367
2012 Estates (P)	27782	6945	2948
2012 SH	3087	772	328

1.11 Date Certificate Issued and Scope of Certificate

Scope

Scope of the Certificate is for the production from the single palm oil mill and its supply base (refer Table 7 for tonnages).

Certificate details are included as Appendix A. The Certificate issue date will be the date of the RSPO approval of the Assessment Report.

Inclusion of Small holders

During the audit of GPPOL operations, the audit team was aware of the continuing efforts and resources that GPPOL had committed to the RSPO implementation for its Small Holders. In particular, GPPOL has conducted RSPO awareness for smallholders since last assessment in 2010 through Solomon Islands National Interpretation Working Group (SINIWG) process and worked with the local GPPOL smallholder representatives. GPPOL continue to work closely with the Smallholder representatives in the management of the “Planting Approval Form” which is used for environmental screening of SG applications for development of new areas of land to oil palm. The SI NIWG submitted the “Planting Approval Form” along with the NI to the RSPO, EB and the public review process. Since late 2009, no new Small holders have been accepted without being subjected to a field assessment in accordance with the “Planting Approval Form”.

Small holders

The SI NIWG had previously established the status of the SG’s as “independent” and this was endorsed by the RSPO EB. All Small holders at GPPOL fall under this classification.

The auditor used a questionnaire to assess the knowledge of 20 Block holders on the Principles and Criteria relating to the Round Table for Sustainable Palm Oil (RSPO); inspected the blocks and asked for feedback from the Out growers on the their perception of the performance and interaction between the company GPPOL and themselves. This feedback was conducted in a confidential manner.

The auditor also held a meeting with Eliam Tangirongo, CSI, Chairman of the Public Service Commission and the non-executive director of the Guadalcanal Plains Land Owners Association. NGO groups were also contacted but showed little interest in the audit¹.

The audit was conducted in a pleasant atmosphere and with the utmost cooperation from the Out growers and staff of GPPOL.

Smallholders are not under any obligation or contract to supply to the mill but are associated to the company through geography and logistics. There is no Government National extension service yet present in Solomon Islands. GPPOL has therefore included Small holders in the company wide awareness programs, compliance surveys and other RSPO related work.

GPPOL has a defined list of all their smallholders and ascertained each of their location and status. This is compiled into a Company database. GPPOL has agreed to collect the fruit from these defined independent Small holders.

GPPOL operates an Out Grower's Department that is dedicated to support the small holders who supply fruit to the company's mill. The smallholders' land has been mapped and GPPOL is assisting in the verification of their rights to the land. GPPOL supplies oil palm seedlings to the smallholders and assists them by coordinating pest and disease surveys and treatment of pest outbreaks. GPPOL also provides loans to its smallholders for purchase of seedlings, tools and fertiliser, for which it charges no interest.

GPPOL has provided training of Small holders via Field Days on the RSPO P&C, (the latest was at a workshop in November 2011). GPPOL has completed a baseline survey of Small holders determining their compliance with the RSPO guidelines for Independent Small holders. The survey process involved the physical inspection of all smallholder blocks and interview of each block holder to assess their understanding of sustainable practices and conformance with the relevant RSPO P&Cs.

In consideration of GPPOL's close involvement with the individual smallholders, they can be regarded as being "Associated" with GPPOL. On the basis of this conclusion, GPPOL has complied with its commitment to achieve certification of its "Associated" smallholders within three years from the date of Initial Certification.

In consideration of the above information, the audit team concluded that it is appropriate for the continued inclusion of the smallholders in the GPPOL Certificate.

BSi examined in detail the smallholder survey database and concluded that the information showed the great majority of smallholders met conformance with the relevant Indicators of the SI NIWG (September 2009). The validity of the small holder survey results was tested by selecting a sample of 22 Small holders that were representative of a range of conditions and subjecting these to field audits. This figure is in excess of the RSPO sampling guidelines for smallholders. BSi also interviewed Smallholder representatives who had been involved in the baseline survey and confirmed their knowledge of the relevant RSPO P&C's.

BSi concluded that the survey results for 246 Small holders plus the physical audits and the interviews of the smallholder representatives provided substantive evidence of conformance with the RSPO P&C.

2.0 ASSESSMENT PROCESS

2.1 Certification Body

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BSc is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSc Standards is the UK's National Standards Body. BSc Management Systems provides independent, third-party certification of management systems. BSc has a Regional Office in Singapore and an Office in Kuala Lumpur.

2.2 Qualifications of the Lead Assessor and Assessment Team

Allan Thomas Lead Assessor

Allan Thomas holds a tertiary qualification in commerce and accounting from Wollongong University in 1973 and has more than 18 years' experience in systems management and auditing of large organisations in construction, forestry, agriculture, manufacturing and in private and Government sectors both in Australia, South East Asia and the South Pacific. During the past 15 years, he has been the Manager of a large certification body based in Australia with responsibilities throughout SE Asia. He has performed over 100 comprehensive audits of management systems throughout the Palm Oil industry including Occupational Health and Safety, Environmental and Quality Management Systems. He has also advised companies on the implementation of OHS in the Oil Palm Industry. He has worked in Indonesia, Malaysia and SI in the Oil Palm industry. Allan has conducted over 2000 system audits in the last 12 years and controlled over 50 auditors when Certification Manager of SGS-ICS.

He is a Lead Environmental Auditor (ISO 14001) with IRCA, A Lead OHS Auditor (OHSAS 18001 & AS 4801) with IRCA, a Lead Quality Auditor (ISO 9001:2008) with RABQSA and also an accredited Heavy Vehicle Auditor. He has also implemented strategies for implementing and maintaining SA 8000. Allan has also been appointed a Federal Safety Officer by the Australian Commonwealth Government.

He has conducted Integrated Management assessments of a large number of palm and kernel oil mills and many oil palm plantations in Indonesia, Malaysia and Papua New Guinea. He has worked closely with RSPO in developing an audit checklist for the Principles and

Criteria and developed an audit methodology. This was carried out at the instigation of Dr. Simon Lord – in 2005 prior to RT3. Dr. Lord is a former member of the Executive Board – this audit checklist was bought by RSPO in early 2006. He also performed the first base line assessment of the applications of the P&C. He is a strong advocate of environmental, safety and social accountability.

Tom Diwais – Technical Expert- Small Holders& HCV

Tom Diwai Vigus holds a tertiary qualification in Forestry, graduating from the University of Wales (Bangor) in 1970. He has 39 years' experience in the areas of forestry, environment, conservation and socio-economics in the Pacific Islands, particularly Papua New Guinea and the Solomon Islands as well as the Northern Territory of Australia. In 2003/4 he was Field Team leader/Professional Forest in the most extensive audit of existing large scale logging operations in SI, the Independent Review of Existing Logging Projects, completing 14 in depth reports and contributing to the final report which contained recommendations for all stakeholders to improve the sustainability of SI the Forestry Sector.

Since 2003 he has been the environment and social advisor to the World Bank during the preparation of the Smallholder Agriculture Development Project, which aims at improving the livelihoods of oil palm growers, both in Land Settlement Schemes and Village Oil Palm, as well as providing capacity building and funding support to Ward Development Committees, CBOs and Local Level Governments in small scale infrastructure projects.

More recently he has been working for the Oil Palm Research Association (OPRA) in identifying areas with High Conservation Values in numerous proposed Mini-Estates, as an independent consultant but in association with the Worldwide Fund for nature (WWF).

Tom is fluent in Tok-Pisin

Mike Finlayson - Technical Expert Social

Mike has 20 years' experience as a development specialist in Australia, Asia and the Pacific and has worked in SI since 1985. Mike focuses on the social impact assessment (SIA) of large-scale resource projects and has recent experience in Australia, Papua New Guinea, China and the Philippines:

In 2009 Mike conducted a SIA of an expansion of oil palm for Hargy Oil Palms Limited, in West New Britain;

In 2008 Mike provided advice and participated in the conduct of an SIA for the development of a large bauxite mine on traditionally-owned land in the Cape York area of northern Australia;

Between 2007 and 2009 Mike led a team conducting a SIA of an oil & gas project in Gulf and Central Provinces of SI;

Since mid-2008 Mike has worked with Ok Tedi Mining Limited to prepare socio-economic data for mine-impacted communities, prepare a social and economic report (as an attachment to the 2009 mine closure plan), and provide advice on social and economic monitoring;

In early 2009 Mike provided advice to the University of Inner Mongolia (China) on the design and conduct of a SIA to examine the impact of mining and petroleum operations on traditional herding activities; and

In 2007 Mike conducted an economic analysis of the proposed Tampakan copper and gold mine in the Southern Philippines.

Mike aims to maximize sustainable development through the promotion of effective and practical solutions in large-scale resource industries by working with local consultants and local organizations while ensuring high quality outcomes in line with current international best practice. Mike is a member of the International Association for Impact Assessment (IAIA) and is familiar with, and has conducted studies in accordance with the Equator Principles and Global Reporting Initiative.

Mike is also a director of Project Design & Management Pty Ltd (PDM), a company specializing in development assistance and humanitarian aid, with a long history in SI. Mike is fluent in Tok-Pisin

2.3 Assessment Methodology, Programme, Site Visits

A pre-audit assessment was conducted from 26 – 30 October 2009.

A further precertification assessment was conducted from the 10th to 15th of May 2010 in anticipation of approval of the SI RSPO Interpretation.

This certification assessment was conducted from 2-7 December 2010.

This initial surveillance assessment (ASI 1) was conducted from 4-7 December 2011.

The single mill and its supply base including Small holders is a single certification unit as defined by RSPO. Therefore the mill was audited together with the Estates and Small holders as they represented 100% of its supply base. The 2010 SI National Interpretation of the RSPO Principles and Criteria (as found on the RSPO website) was used throughout and all Principles were assessed. The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families, review of documentation and monitoring data. Checklists and questionnaires were used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment.

Smallholders were also included in this audit. A total of 22 blocks were audited out of the 246 smallholder blocks.

After the interview with each small holder was concluded the auditor inspected each block with the block holder and in the absence of any officers from GPPOL in order to gain an understanding of any issues of concern that the block holder wished to raise about the oil palm company (GPPOL).

2.4 Stakeholder Consultation and List of Stakeholders Contacted

Stakeholder consultation involved external and internal stakeholders. External stakeholders were notified of this audit, its timing and purpose by placing an invitation to comment on the RSPO, BSI and GPPOL websites and an advertisement in each of the SI national newspapers.

Letters were written to individual stakeholders and telephone calls were made to arrange meetings. Within the audit process itself, meetings were held with stakeholders to seek their views on the performance of the company with respect to the sustainability practices outlined in the RSPO and aspects where improvements could be made.

Stakeholders included those immediately linked with the operation of the company such as employees; Small holders, contractors and the research staff of the Oil Palm Research Association.

A specific point was made to interview representatives of the GPPOL Oil Palm Workers Union during the course of this assessment.

External stakeholders included organizations such as Provincial Government, NGOs and Civil Societies, who have an interest in the Guadalcanal area and resident communities in and around GPPOL.

Stakeholder consultation took place in the form of meetings and interviews. Meetings with government agencies and NGOs were held in their respective premises.

In all the interviews and meetings the purpose of the audit was clarified at the outset followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded in accordance with relevant RSPO principles, criteria and indicators. Apart from the environmental Go's, all of the stakeholders agreed with its objectives and expressed their willingness to collaborate in the promotion of sustainable palm oil in the Solomon Islands. In a number of interviews and meetings where company representatives were present this did not restrict discussion of both the positive and negative aspects of GPPOL's operations. Although company representative were present they were on the periphery and did not influence the process.

The company representatives only introduced the team and where requested to leave during meeting with stakeholders. For internal stakeholders the same procedure was followed and company representatives left once the consultations started (this was the

occurred with senior management. Employees are involved in consultation and committees).

List of Stakeholders Contacted

In addition to the management of GPPOL the following people were consulted (some managers are included below to indicate membership of various committees):

- Baddley Tabiru, Lands Officer and GCLC secretary
- Roger Benzie, General Manager
- Andrew Kerr, Sustainability Manager
- Greenta Tome, Sustainability Counsellor
- Barbara Nuabi, Financial Manager and member of the Tetera Women's Group
- Grace Tuimaka, Personnel Officer and member of the Tetera Women's Group
- Mesach Boge, Ngalimbiu Plantation
- Dominic Thor, Mill Manager
- Craig Gibsone, Mbalisuna Manager
- Nichol Pilosi, Okea Plantation
- Residents of
- Ngalimbiu
- Okea
- Tetera
- Mbalasinu
- Others:
- John Saki, local contractor and Executive for Sape Creek Landholders Association
- Andrew Te'e, Senior reconciliation leader for Sycamore Tree Association
- Dominica Kilokilo, Member of the Tetera Women's Group
- David Pukena, Tetera Housing Compound Supervisor
- Charity Sagia, Mbalasuna Housing Compound Supervisor
- Willie Talu, Ngalimbu Housing Compound Supervisor
- Joyce Halu, Nursing Officer – Ngalimbu Clinic
- Judy Denny, Nurse Aid – Tetera
- Mary Apo, Tetera Senior Nurse GPPOL
- Gabriel Kibo, Chairman – Guadalcanal Plains Palm Oil Worker's Association
- Henry Saea, Executive Loka Mamata Smallholders Association Alfred Maeke, Treasurer – GPRDA

- Shadrack Galaga, Member – GPRDA
- Benedict Garimane, Member – GPRDA
- Enoch Pegoa, Member – GPRDA
- John Sekatala, Member – GPRDA
- Alfred Thugea, tribal chief and GCLC member
- Lino Papari Maeke, Chairman – Kautogha Land Purchase Cooperative Society and GCLC member
- Timothy Vuria, village elder and GCLC member

In addition, meetings were held with the Out growers Association, many additional GPPOL staff and some residents of the Tetera and Ngalimbu housing compounds.

In addition, meetings were held with the Out growers Association, various GPPOL staff and some residents of the Tetera and Ngalimbu housing compounds.

2.5 Date of Next Surveillance Visit

December 2-7 2012..

3.0 ASSESSMENT FINDINGS

3.1 Summary of Findings

As outlined in Section 2.3, objective evidence was obtained separately for each of the RSPO Indicators for the Mill and the Estates. The results for each indicator from each of these operational areas have been aggregated to provide an assessment of overall conformance of the Company's operations with each Criterion. A statement is provided for each of the Indicators to support the finding of the assessment team.

Two (2) Non Conformities were assigned against Major Compliance Indicators

Three(3) Nonconformities were assigned against Minor Compliance Indicators.

GPPOL has prepared a Corrective Action Plan (Appendix D) for addressing the identified nonconformities that was reviewed and accepted by BSc.

Fifteen(15) Observations/Opportunities for Improvement were identified. Details of the Nonconformities and Observations are given in Section 3.2.

BSi's assessment of GPPOL operations, comprising one palm oil mill, estates, Small holders, infrastructure and support services, concludes that GPPOL operations comply with the requirements of RSPO Principles & Criteria : 2007 and SI-NIWG Indicators and Guidance : 2010.

BSc recommends that GPPOL be approved as a producer of RSPO Certified Sustainable Palm Oil.

Criterion 1.1: Oil palm growers and millers provide adequate information to other stakeholders on environmental, social and legal issues relevant to RSPO Criteria, in appropriate languages & forms to allow for effective participation in decision making.

Records of requests and responses and being maintained. This includes a record of all requests for information which are received either written or verbal. GPPOL therefore ensures that any requests for information or assistance or grievances are recorded and makes records of informal requests and telephone enquiries. Requestors name, address and contact details and specifics of the request are recorded. There is a record kept of the action taken including timeliness or where requests are denied.

This process is described and is in the form of a request, grievance and complaints register. This includes a definition of the types and categories of requests for information and what cannot be considered genuine requests due to privacy and other issues.

There are also details on who can be considered as genuinely requesting information. There is in place a 4 step process with timelines to which requests for information must be actioned. Records of requests and responses are maintained. Responses are in English and if required GPPOL will provide interpretation.

All requests are to be recorded in the register. Within the process there is also an escalation process if the line manager cannot answer the request if it is outside of his/her authority. Time limits for extending timelines can only be approved by the General Manager.

Requests for information are recorded by the relevant department and if information cannot be made available the reason for this decision is also recorded and explained to the relevant stake holders.

Where document requests were denied the audit found these to be mainly of a confidential financial nature.

The large block of smallholders near Tetera which decided not to enter into a lease back arrangement with GPPOL have their landholdings covered by a Commissioner of Lands Fixed Term Estate Register, parcel number 192-013-18. which covers 502.67 Ha and has been subdivided into 75 smallholder blocks by agreement, growers are members of the Ghaubata Tribe and associated under the "Loka Mamata Association". The other smallholder blocks have been individually set up using a form of Clan Land Usage Agreement.

The fires that destroyed the GPPOL office in 2009 resulted in the loss of paperwork relating to title holding which requires rectification. More recent plantings had the required evidence of ownership rights.

1.1.1 Observation, the guidance notes state that “independent smallholders (and large Out growers) can make documents available demonstrating their rights in land such as land title, user rights and maps (if available)”; and under Principle 2, quote “independent smallholders can demonstrate their rights to their land holdings and there is no evidence of major land disputes”.

Criterion 1.2: Management documents are publicly available, except where this is prevented by commercial confidentiality or where disclosure of information would result in negative environmental or social outcomes.

A large number of relevant documents are available through the relevant Government authorities. A number of documents are not available due to commercial confidentiality or at the discretion of the GM.

Documents will be able to be viewed free of charge however a charge may be made for copies of documents There is a register available of all documents to be made publicly available which has been approved by top management.

Most of required policies are published and are widely available in the Group Sustainability Handbook (www.nbpol.com.pg).

The list of documents that can be made available on request includes:

1. Land titles/Leases
2. Maps of lease areas
3. Annual Reports
4. Sustainability Reports
5. GPPOL Policies and Guidelines
6. Environmental Policies
7. Equal Employment Opportunity
8. Water Management Plans
9. Sexual Harassment Policy
10. Environment Plans & Environment Permits
11. Copies of Government laws, regulations, Code of Practices.
12. DEC compliance Monitoring Reports
13. Waste Management Plans
14. Production Reports
15. FFB Pricing Information
16. Financial report
17. Employee Training.

Documents pertaining to financial information can only be shared upon the discretion of the GPPOL General Manager.

Land Titles will be made available on request if appropriate. Land Titles are in the public domain and are readily available through Provincial Government offices.

Group Policies such as OHS, Environmental, HIV-Aids, Equal Employment Opportunities and Sexual

Harassment Policies are all available. GPPOL has separate policies for the following: Health and Safety, HIV/AIDS, Sexual Harassment, Malaria and Domestic violence amongst others. These are also widely available in all operational areas.

1.2.6 Observation: The malaria policy is in the present time being reviewed and re-issued for the NBPOL GROUP.

The GPPOLOHS Plan will be made available on request. All managers also have a copy of the OHS Plan. It is also made available on the company's web site. During the assessment it was sighted in many areas including the mill and field offices and other areas such as workshops, stores and clinics.

The Documented system for access to customary land and negotiation procedures for settling disputes is available on request.

There is a Continuous Improvement Plan (CIP), available for all operations including the mill and estates as well as all other ancillary operations. This includes: Housing, Medical, Workers welfare, EMS, OHS, Social Issues, Health, and Communication with stakeholders, Free Prior and Informed Consent (FPIC).

Criterion 2.1 – There is compliance with all applicable local, national and ratified international laws and regulations.

Evidence that all applicable legal and regulatory requirements are implemented as prescribed - There is register of SI legal and regulatory requirements including codes of practices such as logging COP - copies of legal & other requirements are kept on site.

It appears that all applicable local, national and ratified international laws and regulations have been identified. This includes areas such as: land rights, labour laws, chemical use, environmental regulations, storage etc.

All legal documents are maintained by the external company lawyer.

There is evidence with regards to the compliance of laws and regulatory requirements. This is demonstrated through evidence such as Permits, Licences and Certificates which are obtained in a number of areas to show compliance to laws.

There is no evidence of chronic noncompliance.

There is now a mechanism for ensuring that SI laws are being implemented – there is a documented system in place for tracking any changes to the law.

There is in place a documented system which includes the process for ensuring that legal requirements are known and documented. This information is passed on to the relevant areas of operations to ensure that all involved are aware of any changes to laws or any new laws introduced.

It appears that all applicable local, national and ratified international laws and regulations have been identified. This includes areas such as: land rights, labour laws, chemical use, environmental regulations, storage etc.

There is evidence that all Permits, Licences and Certificates have been obtained and are up-to-date.

2.1.3 Observation: The procedure for managing changes in laws and getting the information to staff does not give enough details of the process and how it is implemented from a practical viewpoint.

The company has engaged the use of an independent solicitor based in the capital Honiara to ensure that all legislation is updated on a regular basis for local and national laws.

All respondents show awareness of relevant customary, local and national laws. The Solomon Islands has undergone a period of upheaval over land and the Commission of Inquiry into land matters, mentioned in the 2010 audit has been suspended.

Criterion 2.2 – The right to use the land can be demonstrated and is not legitimately contested by local communities with demonstrable rights.

Documents indicate legal ownership or lease of land and External legal advice maintains all original leases and land titles with copies available in Head Office.

There are documents in place showing legal ownership or lease and a history of land tenure and the actual legal use of the land and include records of any transfers of deeds.

A number of leases were viewed and landowners are paid royalties as per the lease agreement which is ratified under the Department of Lands. Landowners were interviewed as part of this assessment and confirmed that payments were as the agreement with GPPOL.

Therefore these Documents indicate legal ownership or lease of land and all original leases and land titles are available in Head Office as well as any copies in operational areas.

There is evidence that legal boundaries can be clearly identified. Boundaries are marked on maps and with titles - most are marked with boundary pegs or bounded by roads as natural boundaries. A large number of pegs were sighted in all estates during this assessment. All boundaries have also been previously surveyed.

During the audit sightings of maps for all estates were made. Maps of boundaries identified the position of boundary pegs and this was confirmed during field inspections.

There are no operations outside the legal boundaries of the Estates as far as GPPOL is aware.

There is proof where disputes have been resolved or are being resolved – any ongoing disputes are monitored – there are none at present.

GPPOL Use either legal means or negotiation with the party in dispute including village elders. Records of all resolutions are maintained in land title office under each parcel.

The requirements for acceptable conflict resolution processes in place and accepted by all parties however

There are no significant land conflicts at the moment.

The company is independent of internal land disputes however help to arbitrate to determine the rightful owner.

Dispute resolution mechanisms are in place and the question of how to deal with new plantings should be resolved according to legislation and the ongoing reconciliation process.

Only one block holder was engaged in a dispute over his block and the issue was under mediation.

Criterion 2.3 – Use of the land for oil palm does not diminish the legal rights of other users without their free, prior and informed consent.

Maps are available that indicate the extent of recognised customary rights and there are copies available of negotiated agreements detailing process of consent. This indicates that these agreements are entered into voluntarily as minutes of any meetings are recorded. This information is recorded in English and can be translated if desired.

Current maps are available) showing occupied state land and include tenure. There is no customary land within GPPOL boundaries. There are no operations on alienated land.

All Land Titles are in place.

Maps are available in appropriate scale showing extent of lease-lease back areas.

There are copies of negotiated agreements available detailing processes of consent - Copies of negotiated agreements are available in Land Title Officer Office and with company lawyer.

Sketch maps for Small Holders developments were absent at the pre-audit but have now been completed.

There are copies of negotiated agreements available detailing processes of consent - Copies of negotiated

agreements are available in Land Title Officer Office and with a contracted private lawyer.

Criterion 3.1: There is an implemented management plan that aims to achieve long-term economic and financial viability.

All requirements of this indicator have been met.

The management of GPPOL can demonstrate commitment to long term economic and financial viability through long term planning.

Annual replanting programme is in place.

There is a five year business plan for GPPOL. It is available from the General Manager. There are business plans in place that take into account crop projection, mill extraction rates, costs of production, annual replanting programmes, forecasts and financial indicators. The auditor sighted crop projections for all estates and associated SG's. All mill extraction rates are documented.

The cost of production is reviewed and compared against expenditure each year with projects in place for future years. This includes costs per tonne.

Forecasts are in place for the next 5 years on a rolling basis.

The Five Year plan is reviewed on, at least, a yearly basis with the CEO of the Group. The latest review and update was completed in April 2011.

Criterion 4.1: Operating procedures are appropriately documented and consistently implemented and monitored.

GPPOL defines its Standard Operating Procedures in what it terms Management Guidelines (MG's).MGs are used as the framework for all operations. GPPOL refers to MG's and the Recognised Industry Field Handbooks for guidance. Other publications are used for reference only.

These documents are available for Mill, Estates, Honiara Bulk Terminal, Transport, Construction departments, Clinics and all operational areas.

Standard Operating Procedures (SOP) are in place for each station in the process of palm oil production from weighbridge to storage.

The mill has in place work instructions for all mill activities. They are available in the mill and at the area of operations. Mill SOP's have been compiled into a mill operational manual. Adequate document control in the form of issue date and approval is to be put in place. Many current SOP's were sighted throughout operational areas.

4.1.1. Observation: The SOP was not in place for the new steriliser in the vicinity of the operations (rectified during this assessment).

There have been many improvements in the control of the mill with regards to isolating conveyers although as can be seen from a previous incident more work as yet to be done in getting workers to isolate potentially dangerous and hazardous conditions effectively. The steps, walkways and guard rails continue to be well managed..

For the mill there is in place a mechanism for monitoring effectiveness of procedures. The shift supervisors check that all log books are completed for all SOP's and operations when required. This is done by completing each required inspection and signing the log book, a copy of which is kept by mill management and also includes planned scheduled inspections. The operators at the mill had completed the required log sheets at each station on the required timetable from the areas sampled. These log sheets are collected and reviewed on a daily basis. The log sheets are used to identify breakdowns and cases of wear and tear where breakdowns may be imminent.

The SOP's are supported by routine regular scheduled preventive maintenance. This is planned and carried out under the Mechanical and Electrical Engineering divisions. Any deviation from standard procedures is reported and followed up to ensure documented practices are being followed.

The EMS/OHS system requires that records of monitoring are kept. E.g. drain and PCD's as well as use of PPE etc. - any actions taken such as cleaning needs to be recorded. This also needs to include action taken for any OHS breaches.

Also with regards to Estates a monthly inspection is undertaken by the Estate Manager. Records of all inspections are maintained with copies with actions being given to the respective Divisional Managers. Areas of noncompliance are reported and followed up by the Estate Manager. These are supplemented by 3 monthly inspections by the NBPOL Group Field Managers. These inspections occur monthly and include each division in each estate. The inspections are scored to indicate areas for improvement and record if improvements have been made since the previous inspection. This is a more far reaching inspection to ensure product quality is maintained and correct practices are being followed.

There are also SOP's in place for all mill workshops, Central Vehicle Workshop and Stores – these are all available and in place near the areas of operations.

National Codes of Practice are referenced within each SOP or Management Guidelines if applicable to that particular operation. Although National Codes of Practice in the Solomon Islands are very rare. There is Code of Practice (COP), for Oil Palm Processing. This document is referenced in the legal register, SOP's and MGs. There are also Codes of Practices for Hydrocarbon and the Central Vehicle Workshop (CWS) these are again referenced in the MG's. Other COP's which affect estates

are referenced in documentation and include Logging and Landfill.

Criterion 4.2: Practices maintain soil fertility at, or where possible improve soil fertility, to a level that ensures optimal and sustained yield.

Fertiliser use is being recorded and monitored. Fertiliser inputs are recorded for each estate - including recommendation and application against recommendations.

Records indicate type of fertiliser used and block numbers of areas where it is applied.

There is evidence of periodic tissue analysis including 2007, 2008 & 2009 – and GPPOL have now received the results of the tissue analysis completed for 2011.

Tissue analysis completed by external testing body and includes the location of estates and the monitoring unit – in this case Hill Laboratories in New Zealand.

Soil sampling and analysis takes place every 5 years. There is evidence of soil sampling available and this took place in 2010 and results have been received.

GPPOL has soil maps in place - includes difference types of soils. These were updated following the 2010 Soil Survey however there were few changes identified since 2005 in this analysis.

There is a nutrient strategy in place - EFB, Frond Stacking, Palm residues are used at replant. Use of fibre and grit to reduce use of fossil fuels in furnace which assists in power generation.

There is also a strategy for returning EFB to the field.

The nutrient efficiency of the soil takes into account the age of Estates and local soil conditions.

Fronds are also used to prevent erosion following pruning and after harvesting of FFB.

4.2.3 Observation: It was noted that a number of fronds are a not properly stacked and are in drains and streams with the potential to cause damaged to culverts and bridges in wet conditions.

Most of the smallholder blocks visited showed knowledge of agronomic management. All block holders were recycling palm fronds by laying them between rows of palms to allow for composting, household vegetable waste was also used to improve fertility. Growers have all been issued with the required fertilisers and understand the techniques of maintaining soil fertility such as planting leguminous cover crops and lining cut fronds along the rows between the palms. Some growers suggested that GPPOL should spread EFB on their palms for them

There has therefore been a great deal of improvement in the use of cover crops and fertilisers to maintain soil fertility. GPPOL has a programme of workshops to ensure that all smallholders are aware of the RSPO requirements; cost benefit analysis of fertiliser use should be incorporated into these programmes.

Criterion 4.3: Practices minimise and control erosion and degradation of soils.

There are no slopes over 25° - therefore no planting takes place on steep slopes.

There is no planting on slopes over 9°.

GPPOL also supposed to place palm fronds in position to reduce erosion in the form of boxing, direction of rainfall run off via construction of strategically placed drains. (see observation 4.2.3)

As most areas are not prone to major erosion issues due to the general flatness of the land there is not much requirement for a risk assessment for each block. However a map is required to indicate any blocks which could be prone to erosion. Seasonal factors are considered such as wet and dry seasons however due to flat land there are no extreme conditions.

Techniques to prevent erosion as there are no steep planted areas include the following: Ensure adequate ground cover (still recovering from restoration work to bring the Estates up to standard), avoid over spraying of herbicides, road design and maintenance.

There is a plan in the form of scuppers and drains to help keep roads free as possible of erosion. There are no areas of high erosion risk in either GPPOL or with Small Holders.

After felling the old stands, retaining residue where soil erosion risk is significant it is GPPOL practice to use old stand as nutrients in all areas and cover crop is planted.

Riparian areas are maintained on riverbanks as well as buffer zones being in place. At this stage because of previous practices a number of buffer zones are not in line with local requirements and GPPOL will re-establish buffer zones at replanting near streams and rivers as specified in SI codes of practice.

There is a Management Guideline in place for Road Maintenance.

4.3.5 Minor NCR: The Road maintenance plans provided do not indicate clearly what roads are planned for upkeep and whether the targets have been achieved. Therefore the effectiveness of the Road Maintenance Plan is not recorded.

There are Road Maintenance plans in place for each estate indicating priority of grading and which roads are to be included within each level of priority. Priority is 1, 2 or 3 with 1 being higher priority. The grader is allocated to each estate on a weekly basis. This includes management of rainfall run off. It was noted that during this assessment that the road grader has been broken down for some 3 months affecting the road maintenance plan.

There are no known fragile or problems soils at GPPOL.

There is no peat at GPPOL.

Smallholder plantings at GPPOL are under four years old and already producing. There are a few blocks which need further drainage. GPPOL has programs to dig drains where required once the rainy season is over in 2012.

Practices designed to minimise soil erosion, such as placing fronds between collecting rows and use of cover crops were clearly demonstrated.

All blocks visited were on level ground and there was no erosion noted.

Criterion 4.4: Practices maintain the quality and availability of surface and groundwater.

Water courses and wetlands are protected. GPPOL will maintain and restore appropriate riparian buffer zones along all bodies of water at replanting. - as per the SI logging code of practice.

A water management plan has now been documented and is being implemented and updated. It includes action plans and dates for action to be completed. It has been amended to show where actions have been delayed for whatever reason.

BOD levels of discharges are monitored – but do not yet have 2 years records due to the fact there is no discharge due to ponds being originally built for 60 tonne mill and at present it is a 30 tonne mill.

GPPOL are monitoring mill water use per tonne of FFB – however only have records going back to July 2009 when a water meter was installed.

GPPOL will take action to ensure use of water does not have an adverse effect on downstream users by checking water quality in the lab including checking for e.Coli, Ph and Oil and Grease in all streams/rivers/water courses which pass through GPPOL property into downstream users. There is no evidence of GPPOL affecting water for downstream users as there has been no discharge.

GPPOL are testing surface water in all areas where rivers and streams enter and leave GPPOL property and are

testing all areas that could impact on other users. This is included in the Water Management Plan. Water sampling both upstream and downstream of the operation commenced on local streams and rivers in July 2011. There are 21 monitoring points over the operation covering all major watercourse running through the plantations and smallholder blocks. This is a requirement of the Development Consent issued by SIG and is conducted monthly.

Water contamination is avoided for both surface and ground water during normal conditions – during abnormal conditions (that is very heavy rain) it is not possible to avoid all contamination.

Hazardous Chemicals are prevented from entering water via good management practices including: Pre-mixing of pesticides in dedicated areas, use of secure storage, use of bunding – no mixing of chemicals etc. is carried out in proximity to water courses.

GPPOL have put in place a controlled centralised pesticide pit for disposal of all containers and other pesticide waste, are keeping records of containers destroyed and sent to pesticide pit, they also ensure correct dilution of fertiliser is used for field application, monitor ground water to ensure no contamination from septic. The Pesticide pit complies with the Environmental Act.

Control also includes correct storage of bulk chemicals and fertiliser, control of hydrocarbons to prevent contamination - provision of bunds, spill kits and drip trays – are adequately controlled.

When the lab is recording results they should include reference to allowable limits to determine quickly that they are within tolerance.

Extensive training takes place to ensure that workers are aware of the proper disposal of any chemical wastes including pesticides etc.

Growers interviewed show clear understanding of the requirements and the techniques required to maintain the quality and availability of surface and ground water, however more awareness on buffer zone requirements recommended particular for new growers.

Smallholders are aware of the need to maintain the quality and availability of surface waters, particularly for drinking purposes, with evidence shown of wells in Villages segregated by use, one for drinking and another for washing.

Although there was no permanent ground water noted on blocks inspected, the growers are fully cognisant of the need to protect surface and ground water. This was one of the reasons why so few growers use chemical poisons for weed control.

Criterion 4.5: Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management (IPM) techniques.

GPPOL are now monitoring pesticide toxicity units (a.i. x LD 50 / tonne of FFB). This is recorded back to January 2007. The trend analysis indicates use of Glyphosate in the early period indicated a tendency to increase and has recently started to fall. There is a plan throughout NBPOL including GPPOL to stop using paraquat which will come into effect from 1st April 2012.

An IPM Program is now documented for relevant pests that set out techniques, chemicals to be used, locations and timeframe for implementation.

Records also include the use of a rodenticide against an outbreak of rats. Use of chemical was recorded until the problem was controlled and use of rodenticide stopped.

4.5.2 Minor NCR: Estates are not monitoring the IPM with regards to rat control and a records of census is not being maintained to allow control to be introduced when infestation reaches 20% and preventive measures are to be introduced as per the IPM.

A record of training for handlers of pesticides is in place and includes techniques such as PPE used and spraying control.

The use of all chemicals is justified and a plan to reduce usage has been presented. This includes chemicals used, dosages, and frequency of use. GPPOL are recording where pesticides are being used, quantities and against what target pest. The plan includes insecticides, herbicides, fungicides and rodenticides.

There was an outbreak of bagworm in 2009 and a strategy was put in place to stop any further infestation. Charles Dewhurst from OPRA visited and suggested a strategy for controlling and eventually eliminating bagworm. This was successful and the bagworm outbreak was successfully controlled.

A policy of minimal use of pesticides (herbicides in particular) is in place. Growers are aware of PPE requirements for sprayers. Currently there a few insect pests in the oil palm at GPPOL (e.g. no Sexava infestation).

Respondents reported little or no use of chemicals such as glyphosate on their oil palm blocks and very little insect infestation. However, some growers plant vegetable crops for food and additional income and some people were observed spraying these crops without PPE.

More awareness on the need for PPE should be provided.

Also the policy of minimal use of pesticides (herbicides in particular) is encouraged by GPPOL.

Criterion 4.6: Agrochemicals are used in a way that does not endanger health or the environment. There is no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines. Where agrochemicals are used that are categorised as World Health Organisation Type 1A or 1B, or are listed by the Stockholm or Rotterdam Conventions, growers are actively seeking to identify alternatives and this is documented.

There is in place with regards to GPPOL documented justification for all Agrochemical use. There is a register which records product use, when required, amounts to be used and frequency of use. This is documented within the management guideline specific for pesticide usage which attempts to ensure that the most effective and least harmful chemicals are always first choice and there is avoidance prophylactic and indiscriminate spraying.

The SOP has documented what chemicals are used and where and in what situation. It stipulates the maximum dose possible for each application. There are also plans in place to gradually reduce the use of Agrochemicals. There are time frames in place in the IPM whereby chemical use is reduced. There are records of pesticide use and they include active ingredients used, area treated, amount applied per hectare and number of applications.

Paraquat is used in the nurseries and on immature areas. It is also used for selective spraying of volunteer oil palm seedlings and if continuous rain precludes use of alternatives. Use is being slowly reduced with complete of programme for no use by 1st April 2012..

No suitable alternative to paraquat has been identified by the RSPO at this time. It is GPPOL policy not to supply paraquat or any other pesticides to any smallholders. This policy is strictly monitored.

All chemicals have to have top management approval prior to use and only chemicals listed for use by SI Government are used.

Pesticides are selected to minimise risks to health and environment. This is outlined in the Pesticide Usage Management Guidelines. However due to the fact that very few pesticide types are available pesticides are not routinely rotated to reduce the possibility of resistance.

There is in place an ongoing IPM which is controlled via the management guideline with regards to the use of WHO Type 1A or 1B chemicals. GPPOL is able to demonstrate that Type 1A & 1B chemicals are not used by application records and purchasing records/stock control.

There is no aerial spraying of pesticides in oil palm Estates.

Records of training are kept in each estate for the following:

- Pesticide Mixers
- Pesticide Sprayers

The training data is also maintained to show the nature and content of the training covered.

PPE is specified in SOP's for pesticide workers and generally it is now being used by operators on all occasions as was witnessed during this inspection. The sprayers use overalls which are exchanged daily and washed at the pesticide shed and not taken home.

Only trained persons are allowed to handle application of pesticide but records are not always available of all training however records are incomplete.

Material Data Safety Sheets (MSDS) are obtained for all chemicals used and are available at the areas of mixing. No concentrates are taken into the field as all spray solutions are pre-mixed in a designated area. MSDS follow all requirements of regulation 13 Safety Act.

Storage of chemicals is in especially locked areas with limited access. All areas where chemicals are stored appear to be adequately ventilated through cross flow ventilation. All chemicals containers are triple rinsed and pierced prior to being placed in the designated pesticide waste pit (landfill). Records of containers disposed are kept including numbers sent to landfill.

Methods of storage and disposal of chemicals (pesticides) are included in training provided.

GPPOL policy is not to use either pregnant or breast feeding mothers to work with pesticides. None were sighted.

Health checks are conducted for pesticide operators. This is carried out by a medical officer on a twice yearly basis and records of these checks are kept in the relevant clinic. All pesticide operators/handlers had been screened in by October 2011 and the company clinics maintain records of screening and schedule. Workers were randomly selected for interview in the field and no problems were reported.

GPPOL do not use organophosphates except for orthene.

There has been no request for CPO residue testing from the supply chain.

Chemicals are only applied by trained persons in accordance with the product label.

GPPOL has instituted a training program for smallholders but there is a requirement for increased staffing and budget support for training.

There is little evidence of pesticide use on the smallholder blocks but many oil palm growers also grow vegetables for the Honiara market. It is recommended

that GPPOL provides further training on the importance of correct use of chemicals and the need for protective clothing during use (PPE).

Criterion 4.7: An occupational health and safety plan is documented, effectively communicated and implemented.

There is an OHS Plan in place in all the following areas:

- Estates
- Mill
- Bulk Terminal
- Workshops
- Clinics
- Stores

GPPOL has in place a health and safety policy which has been implemented and is being monitored. The policy is widely available to all workers, visitors and contractors. The policy is publically displayed on notice boards and within documentation.

The management and control of OHS matters has improved considerably since the RSPO pre-certification and certification audits.

Hazards and Risks have been identified for all operations and in all areas. This also includes the degree of risk as well as the controls in place. Procedures and plans are in place to address all operations. These have been distributed to all areas and to the respective managers and supervisors. There are regular documented inspections taking place which ensure that OHS Policy is being implemented. These are carried out at least 3 monthly and more often in higher risk areas.

4.7.2 Observation: Since the last audit there has been a reduction in the amount of workplace inspections taking place and a routine is not being following. Previously inspection where completed each quarter now it is more random and therefore it is unsure if all hazards and risks are controlled. Furthermore when some inspections are taking place the reports indicate no matters when this is not always the case.

All work areas did have available a copy of the health and safety risks for their operations although do required regular updating.

MSDS presented now appear to be more compliant with central stores now being responsible for obtaining, managing and distributing them.

GPPOL has provided the required PPE appropriate to the task after the hazard has been identified and the risk assessed. The level of proper use of PPE has increased for both workers and contractors in all areas including mill, workshops, estates etc. A very positive outcome was the absence of the use of incorrectly marked containers holding hazardous substances. In fact all areas of Safety Management have improved greatly since the pre-audit.

Indicator 4.7.3 requires that appropriate PPE is available to labourers for harvesting. Palm nail injuries affecting harvesters are by far the main cause of Lost Time Injuries at GPPOL. GPPOL will issue safety boots for harvesters in January 2012. A decision to delay the issue of boots until January 2012 has been made due to the prediction that a large number of field staff will leave in December, as occurred in late 2010.

4.7.3 Observation Correct footwear should be issued to all harvesters in January 2012. In addition, this should be documented in both the health and safety plan and continuous improvement plan.

4.7.3 Observation: Contractors constructing the new storage tank at the mill do not appear to have a safety plan in place and a number of hazards and risk were not adequately controlled. For example use of damaged electrical leads, not hanging up leads and other issues.

There is evidence in place that all workers(not contractors) have been adequately trained in safe working practices as complete records are in place for all training including pesticide workers.

PPE is available for all workers in regards to pesticide applications and use of other hazardous areas such as the mill and is being used correctly in most cases.

Workers involved in areas of high risk are being trained in work practices – this includes pesticide operations, fire fighting, construction safety and plant repair and service. Records of training are being maintained.

Signage largely supports the use of PPE addressing when and what type of PPE is to be used and under what circumstances. Sign management and placement has improved and is now better controlled.

Accident and Emergency procedures are in place for a number of items such as evacuation but areas such as vehicles accidents, felling accidents etc. not formalised and have not been simulated. Therefore GPPOL are required to show evidence of testing of emergency drills such as evacuations, spill control, vehicle accidents.

Records of accident/emergency drills appear to take place in all areas and the records are adequate and therefore effectiveness of any such drills is now apparent.

Fire Hose reels are now available and in place and the fire pump were tested and started immediately.

An overall company OHS Manager has been appointed for GPPOL who coordinates the implementation and management of the OHS policy. An OHS representative has been appointed in all the following operations areas:

- Mill

- Bulk Terminal
- Estates
- Motor Vehicle Workshop
- Stores

All areas have regular meetings (although these are not all held routinely every 3 months as previously) to discuss OHS matters and therefore meetings are at time random rather than routine. Each now has a standardised agenda which is followed when they have meetings. Some areas are also holding Tool Box talks to disperse current or topical information or to reinforce safety issues such as use of PPE and Safety Alerts etc. All these department meetings observations and issues feed into a combined meeting which covers all operations for GPPOL which is chaired by the company OHS Manager.

A first aid clinic, staffed by a qualified health worker is now provided by each Estate division (accessible by the mill). Workers trained in first aid with a first aid kit are now present in the mill and all estate offices as well as the provision of mobile first aid kits.

There are first aid posts in each clinic and Tetere estate caters for the mill. Workers are trained and first aid kits provided. Records of worker First Aid Training are in place and displayed on the OHS Notice boards.

There are therefore records kept by Administration of First Aiders training including copies of certificates awarded and expiry dates.

GPPOL monitors a number of Safety performance indicators such as lost time injuries and regularly reviews all incidents. All accident records are kept and reviewed. The information is reviewed by Management during company safety meetings to ensure objectives are being achieved and all incidents fully investigated. This was verified during the audit.

There are records in place for all incidents, injuries and also near misses. There is now consistency in the completion of the injury forms and this has been standardised throughout the company.

All departments provide details of LTA's which are then centralised into a report for the whole company and are reported at the main GPPOL OHS Committee meetings and then to the Group and finally to the Board of Directors. Records indicate that levels of LTA's is below acceptable maximum and rates and frequency are reducing.

GPPOL should provide further emphasis on the need for harvesters in particular, to use PPE such as adequate footwear and gloves. Many growers have a cavalier attitude to self-protection and claimed to use their personal clothes such as shirts to protect themselves from the sharp palm fruit bunch spikes and frond spikes.

There were no reports of serious injuries occurring on the smallholder blocks, common sense tends to prevail.

GPPOL has action plans to ensure that safe practices are carried out.

Criterion 4.8: All staff, workers, Small holders and contractors are appropriately trained.

Training needs are generally identified by section managers (mill manager, plantation managers, workshop managers, etc). While GPPOL has a training policy document² and an overall training plan, the plan does not include any assessment of training needs, and provides little information on the training to be undertaken. The training plan for 2012 (titled 'GPPOL annual training plan – all departments, 2012), for example, presents very little information on the intended number of trainees, the duration of training, or the training provider.

In future (starting with 2012), GPPOL should compile an overall training program that includes:

- A summary of training needs assessments (i.e. identification of key training priorities) for all staff (including managers and supervisors, field and mill workers, construction staff, office staff, health and other staff), out growers and contractors; and
- Details on the training to be provided over the next year, including a brief description of each training activity, the number of staff/out growers (and potentially contractors) to be trained, the training provider, and the timing and duration.

Consideration may also be given to the inclusion of training and awareness activities in the training program for each of the compounds. This may include, for example, general awareness on company policies/regulations, health and hygiene awareness, and financial literacy training.

It may also be beneficial to document the training achievements each year, to demonstrate continuous improvement in human resource capacity, both within and outside the Company.

4.8.1 Observation: Training (4.8.1) GPPOL have not compiled an overall training program, initially for 2012, that includes:

- **A summary of training needs assessments for all staff, out growers and contractors; and**
- **Details on the training to be provided over the next year, including a brief description of**

² Refer GPPOL, A Guide to Training and Development of Employees, Version 2.

each training activity, the number of staff/out growers (and potentially contractors) to be trained, the training provider, and the timing and duration.

Consideration may also be given to the inclusion of training and awareness activities in the training program for each of the compounds

The training program focuses on the provision of short courses, but does not include all training-related support provided by GPPOL (e.g. apprenticeships, educational support for the dependents of employees).

Specialised training courses are also planned as the need arises and this includes group or in house training. Some training is carried out on demand.

There are formal training records for all supervisory staff up to the level of Senior management. This includes recording of external course attended or skills attained – these records are maintained by the Administration department.

There are training records in place at each operational site recording skills and training and these were sighted at a number of operational areas during the audit although these do not always appear to be complete

Some of the records are in the form of training attendance registers recording field training as well as more formal skills courses such as plant operators, driver's licenses, boiler operators and Red Cross First Aid training.

Training of smallholders is being implemented by GPPOL and this will be completed over the next two years. This training is done through field days, awareness sessions and the company newsletter. The names of all Small holders who undertake training are recorded and a register is kept by GPPOL. Records of small holder training are available including topics, who delivered training, where this was held and who attended.

Small holder training from GPPOL, with regards to block management, is passed on to family members. GPPOL has adopted a continuous training programme for Small holders, in the absence of a Government extension service.

GPPOL is currently undertaking training of smallholders and encourages this training to be passed on to anyone working on their blocks. There is a strong tradition of training by family members who attend field days provided by GPPOL.

Criterion 5.1: Aspects of plantation and mill management, including replanting, that have environmental impacts are identified and plans to mitigate the negative impacts and promote the positive

ones are made, implemented and monitored to demonstrate continuous improvement.

An Environmental Aspects and impacts register has been developed and is reviewed and updated at least bi-annually the last update being in July 2010. The register is comprehensive and clearly identifies significant environmental aspects and also nominates any legal requirements or restriction classed within the aspects. This register covers all operations impacted upon by GPPOL. This register also needs to include occasional operations such as housing construction and any other projects.

5.1.1. Observation: The register was due for a further review by 1st July 2011. This review was not carried out as scheduled and was only recently undertaken – this is due at least every 12 months. Further the revised aspects register did not indicate any changes to the aspects.

All environmental impact assessments have been carried when and where appropriate. All departments visited did have current Environmental Impacts and assessments available although these were only complete recently not in line with the programmed 12 months review.

An environmental improvement plan has been developed and has now been rolled. The plan includes assessment of impacts including soil and water resources, air quality (see criterion 5.6), biodiversity and ecosystems, and people's amenity (see criterion 6.1 for social impacts), both on and off-site.

Road base is extracted from a river in one estate and GPPOL have an agreement for extraction with the customary owners. A copy of this agreement and royalty payments was sighted.

There are improvement plans in place for all activities to reduce impacts of the GPPOL operations.

The Environmental Improvement plan has been updated recently to show progress since September 2009 and therefore current status of any improvements is now known although aspects register was not updated as scheduled in July 2011.

During the audit it was noted that all small holder audited have changed practices from widespread use of fire as carried out traditionally, to minimal use of small fires for gardens and no fires used for clearing, prior to planting or replanting.

The first smallholder blocks were established in January 2007. The area has been subject to considerable environmental degradation for at least the past 100 years yet all blocks visited have incorporated relevant environmental criteria such as buffer zones in their establishment.

All current smallholder blocks are established in areas of disturbed vegetation. The growers showed an understanding of the need to protect any natural vegetation that existed near their blocks for the benefit of future generations.

For existing smallholders, where establishment is taking place in highly disturbed environments, or where the blocks were established some time ago, the real problem will occur when replanting needs to take place and some buffer zones need to be re-established. There was good understanding of this need exhibited during the audit.

Criterion 5.2: The status of rare, threatened or endangered species and 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 their conservation taken into account in management plans and operations.

Ecologists have carried out an assessment of the presence of HCVs within and adjacent to the GPPOL plantations. The ecologists used the SI National Interpretation of the HCV Toolkit and prepared a report on their findings. All of the land within the Estates has previously been used for other agricultural purposes and had previously been extensively logged.

Identification of high conservation value habitats and protected areas, such as rare and threatened ecosystems that could be significantly affected by the grower or miller has taken place. A renowned ecologist has confirmed that there are no HCV within GPPOL operations or in the near vicinity.

The HCV assessment is broad overview of the state of the environment of the GPPOL existing plantations and smallholder blocks and an excellent baseline for improving these and for any future expansion of oil palm plantings. The report highlights some measures that are required to improve the current areas under planting, this being mainly associated with the drainage systems and rehabilitation of riparian buffer zones. The report recognises that both the current area of Estates and the potential future area for expansion are highly modified environments.

HCV assessor has mapped potential areas of High Conservation Value that will need to be more thoroughly assessed prior to entering into any agreements with landowners for expansion of oil palm plantings. There are extensive areas to the east of the current estate and smallholder Estates which will require HCVF assessment prior to GPPOL entering into any agreements with the customary owners. The report highlights the potential for establishing wildlife corridors from the coast to the hills through current and future native species plantings, along watercourses.

At the initial stage of the FPIC process, An Environmental Awareness Programme was carried out by the relevant provincial and national departmental officers, jointly with or assisted by GPPOL covering aspects of the need to protect existing areas of high conservation value, including any remaining intact forests and the potential to enhance biodiversity values by planting native tree species in refuge³. Aspects such as protection of water quality could be covered by the health department, and the Principles and criteria of RSPO should be covered.

GPPOL have established the conservation status (e.g. IUCN status), legal protection, and population status and habitat requirements of rare, threatened or endangered species that could be significantly affected by the grower or miller. There are no identified rare, threatened or endangered species in the GPPOL operational area and bordering on GPPOL operations.

Buffer zones have been established along all watercourses and signs erected. Although it does not appear that any illegal hunting or fishing is taking place however if any arise protection is to be in place. Inspection during this assessment confirmed there was no inappropriate hunting, fishing or collecting activities in the GPPOL areas noted. GPPOL is discouraging people to encroach into the buffers.

Signs are in place to discourage any illegal hunting of fishing in and around the estates.

Staff is now aware of the requirements with regards buffer zones and all observed were found to be within the required limits depending on the width of the waterway.

All HCVF and "Refugia" areas that have been identified and mapped. HCVF, Refugia and Buffer Zones have been clearly marked and native trees are being planted to expand and protect them. Many species of trees found in lowland rainforest were noted in the refugia and this indicates that the refugia are indeed remnant vegetation and valuable HCV areas. Local people are growing native species for GPPOL. GPPOL pay these people for these trees which they then intend to plant in buffer zones.

The HCV Assessment report contained many recommendations for basically continuing the good work that has been carried out by GPPOL since taking commencing to re-establish the original CDC estates.

As far as possible GPPOL is attempting to avoid damaged to habitats by putting in place correct buffer zones and

³GPPOL has already began working with schools in the areas of their estates to establish forest tree nurseries which will eventually be used to enhance the existing Riverine buffer zones within the estates and areas identified in the Dekker report.

declaring habitats such as reserves and wet lands to be free from any activities which may deteriorate the habitat.

Company employees are prohibited from the hunting and taking of fauna from the Estates and adjacent land. Sign boards have been posted adjacent to buffer zones and other conservation set aside advising of the protected area. Any legal requirements within any areas are applied and enforced by GPPOL management.

GPPOL have provided gardening areas for use by workers adjacent to their housing to discourage worker encroachment into buffer zones and protected areas.

All block holders had cleared most of their blocks well before the adoption of RSPO and prior to 2005. The smallholders demonstrated an awareness of the impact of development of oil palm on surrounding natural areas. This has been further emphasised through the planting approval process (controlled by GPPOL) where the requirements for independent smallholders have been explained as well as through repeated RSPO awareness sessions.

There was a general understanding of the conservation value of birds such as the Torresian Crow (Kotkot) which feeds on insect pests such as Sexava. There was also a common assertion that native animals that entered blocks were not killed.

GPPOL leaseback estates and small holders are located in areas of considerable previous habitat destruction through agricultural development, logging and market gardening. There is a need for GPPOL to continue to develop an environmental awareness program on the benefits of following RSPO principals and criteria with respect to high conservation value habitats, rare, threatened and endangered species.

Criterion 5.3: Waste is reduced recycled, re-used and disposed of in an environmentally and socially responsible manner.

The waste management plan has been prepared and includes pesticide contaminated waste. The waste management plan is up to date and in place for all operations. There are plans in place to recycle where possible. Including batteries, aluminium, waste oil, chemical containers, half drum used for spill kits and rubbish bins. Old tyres are used as landfill and buffer zone markers.

Waste is recycled wherever possible. Examples of recycling strategies include identification of the types of wastes, prohibited wastes guidelines, re-use of waste containing nutrients, management of effluent ponds, increasing the efficiency mill extraction.

The company's aspects register formally identifies all sources of pollution and waste and states their impacts and required mitigation measures. This register is updated at least annually or when new waste sources become apparent.

Waste control at present is now compliant with much household waste now being better controlled with all areas identified at the audit being addressed and all compounds now appears to be free of rubbish and litter. This is therefore much improved. All dwellings have access to a waste bin and recycle bin in front of their houses. At the moment domestic waste is being recycled.

GPPOL has in place treatment system for POME in the form of effluent ponds. Management of POME includes a SOP and this is being updated to include use of POME as a nutrient and for land application.

The following waste streams have been identified and are controlled through the Environmental Management system in operation at GPPOL.

- Mill Effluent – through effluent ponds and land application no discharge at present.
- EFB other by products – Recycled to the field
- Fibre by-product – Fuel for furnace.
- Oils and Hydrocarbons (including containers) to Hydrocarbon pit or recycled
- Hydrocarbon spills treated with sawdust then Burnt in boiler.
- Used oil – recycled.
- Pesticides (including containers which are triple rinsed, punctured and to pesticide pit.
- Pesticide spills – cleaned with spill kits with used kits sent to pesticide pit.
- Office Waste –segregated, recycled where possible with rest to the landfill.
- Household waste – segregated, recycled where possible with the rest to the landfill.
- Human waste – Septic and soak a-ways.

Landfill sites are in place for all areas. All the landfill sites at each estate are well managed and sign posted.

The collection of household waste is well controlled. There are formal rubbish collections in all areas at least weekly. This is monitored regularly. The garbage collection system in each staffing compound includes separate bins for green waste and other household garbage. The green waste is recycled and utilised for agriculture. The remaining household garbage is buried in land fill sites which are adequately fenced and managed. There is no evidence of windblown waste or bad odour in these areas.

There is no evidence of burning or putting green waste in landfills although there were unsubstantiated reports made following the audit that the land fill at Ngalmibiu which will need to be followed up. What???

All landfills are GPS and mapped and recorded are kept of start and finish dates. All landfill sites are well away from waterways and residential areas – over 1 kilometre

in all cases. Landfill operators now fill from one end and compact as they go with regards to general waste.

Also there is a hydrocarbon pit - waste oil is collected.

A trap which was required with regards to vehicle wash bay at the MVW has been constructed and appears to be effective.

There is an inspection of all areas in which is carried out monthly. Each compound now has a compound clerk who is in charge of all compounds to ensure they remain clean and tidy.

- The following areas waste control have improved since the pre-audit:
 - a) Control of waste within company compounds.
 - b) The control of waste in the mill.
 - c) The mill stormwater interceptor trap has been repaired.
 - d) There have been improvements with regards the management of the bulk terminal in Honiara.
 - e) A number of bunds are required to control bulk hydrocarbon tanks in estate and mills have now been provided.
 - f) Drips trays are being used to prevent spills.
 - g) Improvement management of land fill site by more efficient use of space.
 - h) Landfills do not include green waste.
 - i) Hydrocarbon spills/ Pesticide waste.

GPPOL ensures that the quantity of pesticide waste recycled or sent to land fill is recorded.

Medical waste records include disposal of sharps and contaminated medical waste, giving amounts destroyed and where transported from with dates. All clinics send their waste to the main clinic at Head Office where incineration occurs. The clinics also record the return of expired ointments and drugs. The medical waste is collected from each clinic and records of its destruction are kept – this includes needles, syringes and contaminated bandages.

Therefore the audit concluded that the waste management plan has been effectively implemented.

The growers under the Loka Mata Association do not reside on their blocks and these blocks are meticulously maintained. Other growers have rubbish pits for domestic waste.

In general there was very little evidence of burning of refuse. GPPOL emphatically discourages) the use of fire on smallholder blocks and provides training in the safe disposal of waste materials and containers. Wildfires occasionally damage blocks and the use of green cover crop and firebreaks should be further encouraged.

Criterion 5.4: Efficiency of energy use and use of renewable energy is maximised.

GPPOL uses fibre to power the boiler which produces steam which drives the turbine which electrify - the use of renewable energy in this case would be almost 100% under normal operating conditions, GPPOL provides records of both monitoring of kilowatt hours per tonne of palm product and Kilogram of steam per tonne FFB.

A number of sheds including pesticide and fertilisers stores are relying on natural light (translucent roof panels) and therefore use of electricity for lighting is reduced.

GPPOL provides records of both monitoring of kilowatt hours per tonne of palm product and Kilogram of steam per tonne FFB.

GPPOL monitors the use of non-renewable energy (diesel) and this is monitored in the form of data which records use of diesel per tonne of FFB. GPPOL only started keeping records when mill was brought back into production approx. 2007.

The fuel used for all operations is measured and monitored with a view to reducing use of non-renewable energy.

5.4.2 Observation: GPPOL have not included all fuel used by contractors, transport and other operations with regards to use of non-renewable energy sources.

Criterion 5.5: Use of fire for waste disposal and for preparing land for replanting is avoided except in specific situation, as identified in the ASEAN guidelines or other regional best practice.

5.5.1 Major NC: It appears that fire has been extensively used during the re-plant at Okea – this use of fire was in many rows and did appear to be systematic. It was reported by staff that they had seen the smoke some 10 days prior to it being reported during this audit and it was started by vandals – whatever the case the fire should have been put out and incident reports completed immediately – this did not happen.

There has not been any sanitary burning at GPPOL at this stage but GPPOL will record any areas of sanitary burning for example the most effective way of destroying rotten FFB. This only happens in extreme cases.

Burning of domestic waste is against company policy and has been mostly eradicated. It is very rare to sight evidence of the burning of domestic waste by workers and families of GPPOL. However as reported earlier there was an unsubstantiated report made after the audit was completed that one landfill was a light for 5 days. As this was reported as the audit team was departing the country it could not be verified.

The incineration of all medical wastes such as sharps, used bandages and gloves is permitted. Records are maintained of the amounts destroyed. This is carried out using a specially designed and constructed incinerator.

The smallholders are disposing of their waste in a responsible manner by mixing the organic waste with the pruned fronds and using a pit disposal method for other household waste. GPPOL has a strong “No Fire” Policy throughout its operations and those of Small holders. Therefore GPPOL continues to encourage minimal use of fires on smallholders’ blocks through its awareness program. All growers understood the RSPO rules for use of fire sparingly.

Criterion 5.6: Plans to reduce pollution and emissions, including greenhouse gases are developed, implemented and monitored.

Assessments have been carried out on all recognised polluting activities and include gas and smoke emissions, particulate and soot emissions, effluent control, treatment and discharge. Any significant pollutants and emissions have been identified. There is a plan in place to reduce pollution –this is included in the aspects/impacts register and in the Continual Improvement Plan.

Stack emissions are being measured by either the Ringlemann method or with readers that show emissions levels. The reader/meter is now functioning correctly.

Evidence of Ringlemann measurement/observation is now in place. GPPOL record smoke emissions with meaningful data which accurately rates emission levels and does not give false readings which indicate pollution when this does not appear to be the case. Smoke level records indicate that level emitted are below allowable limits.

GPPOL are therefore keeping adequate records of mill emissions and effluent including critical data such as Smoke emissions, BOD levels, Total Suspended Solids and Oil & grease as required by the relevant environmental permits. This is now a much improved practice over what was seen during the previous pre audit. Records are now in place for over twelve months of these readings.

Significant pollutants and emissions have been identified within the Environmental Impacts register and plans are in place to reduce impacts via the Environmental Improvement Plan

5.6.2 Minor NCR however if the use of fire reported earlier in this report was caused by vandals it was not put out immediately and was not in fact eradicated until reported during the assessment and therefore a significant pollutant was identified and there were no immediate plans to reduce them.

Plans indicate allowable waste levels and systems such as segregation and recycling have been introduced.

The treatment methodology of POME is recorded in effluent pond management plans however GPPOL is not discharging POME at this stage.

.All drains within the mill and other areas are monitored and interceptors are in place to prevent storm water pollution. Records are in place to recorded inspection, cleaning and effectiveness of these PCD's. Recently a number of these traps have had their capacity increased and are now more effective.

Criterion 6.1: Aspects of plantation and mill management, including replanting, that have social impacts are identified in a participatory way and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continuous improvement.

A Social Impact Assessment (SIA) was conducted in July/August 2009.⁴ This was used as the basis for preparing an initial Social Improvement Plan. There were a number of shortcomings with the Social Impact Assessment:

- Inadequate attention had been given to the potential social and economic impacts of oil palm development on out growers and local communities, as the study focused primarily on employees and their families (yet clearly, the landowners and surrounding communities are central to oil palm operations and should be central in any discussion of social impacts);
- The social impact assessment focused on the negative impacts associated with oil palm development and gave little attention to the benefits of development (it is therefore not a balanced account of the social impacts); and
- Inadequate attention had been given to the baseline social and economic conditions of impacted stakeholders, thus it would be difficult to measure improvements over time.

Furthermore, the initial SIA was not prepared in a participatory process. The P&C for the Solomon Islands is very clear on what a participatory process involves: *"participation means that affected parties are able to express their views during the identification of impacts, reviewing findings and plans for mitigation, and monitoring the success of implemented plans"*.

A GPPOL Community Liaison Committee (GCLC) was established in late 2010 to discuss social impacts and possible mitigation strategies with representatives from the workforce and local communities. The Social Improvement Plan was subsequently updated, including additional details on the timeframe for implementing mitigation strategies and responsibility for implementation.

⁴ Refer Wild Asia (Malaysia), May 2010.

Although the GCLC no longer meets, alternative mechanisms have been established to communicate with workers and their dependents and the local communities. As discussed below, this will potentially be a more effective way of identifying and addressing social issues within the compounds and will potentially lead to more productive and stronger relationship between GPPOL and local communities.

The most frequent social issues raised during the audit related to housing and pay levels. These are discussed further under Criterion 6.5.

An initial Social Improvement Plan had been prepared, but was based on an SIA that had a number of major shortcomings, including a lack of consultation with both internal and external stakeholders. During the initial audit in December 2010, the initial Social Improvement Plan was identified as not conforming to the requirements of Indicator 6.1.3 due to the following:

- It focused on employees and their families and gave inadequate consideration to landowners, out growers and local communities;
- It was not prepared on a consultative basis with key stakeholders;
- Very few people, either within or outside GPPOL, were aware of the document or its purpose;
- There was no evidence that any consultation would occur during the monitoring of social impacts or updating the document; and
- The document did not identify who was responsible for implementing and monitoring mitigation strategies, and the format as a whole was not user friendly.

Additional work was subsequently undertaken by GPPOL to establish a process in which social impacts resulting from the development of oil palm would more effectively be identified and managed. This included:

- The establishment of a consultative committee to directly involve a wide range of stakeholders in the identification and management of social impacts;
- Utilising the committee to identify and prioritise social impacts;
- Preparing a new Social Impact Improvement Plan – which lists the main social impacts and proposed mitigation strategies); and
- Initiating a process in which action plans will be prepared (describing in detail the mitigation strategies) and progress in implementing action plans will be monitored, and the Social Impact Improvement Plan updated and revised accordingly.

A new Social Impact Improvement Plan was prepared following the second GCLC meeting. The new Social Impact Improvement Plan focuses on the following priority areas:

1. Substance abuse (alcohol and drugs);
2. GPPOL housing;
3. Community policing;
4. Education;
5. Environment; and
6. Infrastructure.

The Social Impact Improvement Plan contains possible mitigation strategies, the identification of responsible parties, and timeframes for implementation, for specific issues within each of the above priority areas.

GPPOL has a process for identifying and managing social impacts in consultation with both internal and external stakeholders. The internal stakeholders include employees and their families, while external stakeholders include out growers, those people leasing land to GPPOL, other people from local communities, the provincial government and other local organisations.

It is important to note that some issues have been identified by the GCLC, and included in the Social Impact Management Plan, which are not the responsibility of GPPOL. Some mitigation strategies may include partnerships between GPPOL and other organisations, while other mitigation strategies may involve lobbying government agencies to improve services or infrastructure in the local area. There can therefore be no guarantee of success in addressing all social issues. However, success will be more likely if stakeholders work together on a cooperative basis to identify issues and prepare strategies for their management.

Criterion 6.2: There are open and transparent methods for communication and consultation between growers and/or millers, local communities and other affected or interested parties.

GPPOL has identified its stakeholders and has a number of strategies and processes for communicating with various parties (e.g. the landowner association and the worker's union). However, it appears information is not always trickling down to landowners or employees or the families of employees.

The formation of the GCLC has helped to ensure a greater flow of information both to and from GPPOL, and the Social Impact Improvement Plan is updated on a regular basis, as proposed by GPPOL, it remains relevant and up to date, and provide a more systematic approach to the Company's communication strategy.

Since the engagement of the Sustainability Manager (late 2010) and Sustainability Counsellor (early 2011) a more direct form of engagement has occurred with local communities. Importantly, there appears to be both recognition and appreciation of the more direct and personal method of communication. This is establishing

a base for a stronger, more robust relationship with local communities.

The Sustainability Counsellor has also established compound committees to discuss and try to resolve social issues and problems. This provides a more culturally sensitive mechanism for compound residents to raise problems, and provides a direct link between compound residents and estate/mill managers.

There is also regular correspondence and communication between GPPOL management and union representatives, which represents the majority of GPPOL employees, as discussed under Criterion 6.6, and regular communication with various government and non-government organisations.

GPPOL appears to have an effective process for communicating with its staff, but the policy document describing its communication strategies with its stakeholders is relatively weak and could be improved.

A documented procedure is in place and records of communication and consultation with communities is maintained. However, decisions that the growers or mills are planning to make should be made clear, so that local communities and other interested parties understand the purpose of the communication and/or consultation.

There is excellent feedback from local organisations and communities. An excellent example was provided in November 2010, when representatives from the Tina River Hydro Project met with GPPOL because external agencies had praised the approach adopted by GPPOL in managing landowner relationships and coordinating landowner benefits.

Communication and consultation mechanisms have been designed in collaboration with local communities and other affected or interested parties. These consider the use of existing local mechanisms and languages.

Consideration is given with regards to the use of third parties including community groups, NGO's and Government agencies. Records of all communications and actions taken in response to input from stakeholders need to be recorded.

A list of stakeholders has been maintained and is kept by the GM GPPOL.

Criterion 6.3: There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all parties.

A formal grievance process has been established and appears to be operating effectively.

There is a documented system aimed to resolve disputes. A grievance book is kept in all estate and mill office. Items are dealt with on a local level unless cannot be resolved and then referred to GM for further consideration. These have already been used in some areas.

The system is available to all parties.

When grievances/enquiries are made or received by GPPOL they now include date received, outcome, date resolved for all instances to determine that any issues are resolved within the set time frame.

GPPOL has a grievance mechanism with grievance registers maintained in each operating centre (mill, estates and head office). The registers are currently used to record both grievances and incidents. It may be more appropriate to maintain a separate register for incidents, which typically include property damage, theft, etc. Attention should also be given to the design of the grievance register so that it is easy to confirm that a grievance has been dealt with in an effective, timely and appropriate manner.

6.3.1 Observation: It appears that some stakeholders are not aware of the grievance mechanism and/or have some reluctance to use the mechanism for fear of recrimination. A simply description of the grievance mechanism is not yet prepared by GPPOL and translated in simple Solomon Islands Pijin and displayed at appropriate locations including, notice boards in each compound and at the clinics, and notices displayed at the Union Store, at Tetere, and at the GPRDA office, also at Tetere.

There is a grievance mechanism in place and is working well at the moment with most grievances handled by the smallholder affairs departmental head, James Samu. There is a demand for new plantings and the system needs to be put into an electronic data base.

Any grievances which cannot be resolved in the local office are escalated to an appropriate level until the grievance can be resolved.

Criterion 6.4: Any negotiations concerning compensation for loss of legal or customary rights are dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their views through their own representative institutions.

Landowner representatives negotiated with GPPOL for the re-commencement of oil palm production. The resulting agreement includes lease payments and royalties and other benefits and is outlined in a Memorandum of Understanding. While the landowner

representatives are fully aware of the MOU, there is some evidence that some community members are not aware of the contents of the MOU, for example, how the royalties are managed (particularly the 50% that is invested) and the Community Development Fund (which is a grant paid to the Guadalcanal Provincial Government and distributed among each ward). It may be beneficial to conduct further awareness on the MOU to help reduce the risk of discontent among landowners and other local communities who may not be fully aware of the benefits resulting from oil palm production.

Landowner representatives negotiated with GPPOL for the re-commencement of oil palm production. The resulting agreement includes lease payments and royalties and other benefits and is outlined in a Memorandum of Understanding. The MOU will be reviewed in 2012.

Some communities have expressed uncertainty over the contents of the MOU or the benefits provided (as noted in the audit report in 2010). The review may provide an opportunity to raise the level of awareness of the MOU and its implementation. It may be appropriate to record some activities, outlined in the MOU, in the Social Impact Improvement and Continuous Improvement Plans.

There are several growers associations which are operating on a voluntary basis and working well. With the Memorandum of Understanding between the landowners, the Solomon Islands Government and GPPOL to be reviewed shortly, it is an opportune time for GPPOL to assist the various growers associations to consolidate their roles.

Criterion 6.5: Pay and conditions for employees and for employees of contractors always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.

The minimum wage paid by GPPOL is SI \$3.80/hour, which is 19% above the minimum agricultural wage rate in the Solomon Islands (SI \$3.20/hour). GPPOL also provides a range of other benefits including housing, electricity, water, medical assistance, holiday loading, leave fares and superannuation. Despite this, high living costs were regularly cited during the audit as one of the main social problems facing workers and compound residents.

While pay rates exceed the minimum wage there is a need to clarify whether wage payments allow a decent standard of living for employees.

6.5.1 Observation: There is a need to clarify whether wage payments allow a decent standard of living for

employees. A study to assess the cost of living for families in the compounds was initially scheduled for late 2010 and is now scheduled for 2012. The study should be undertaken as a priority, but will need to be well thought out and adequately resourced. External expertise may be required, and the independence may be beneficial in terms of gaining acceptance by workers and their representatives.

All employees receive a written offer and work agreement which varies depending upon their level. Employees receive a forth nightly pay slip.

Contractors complete a declaration that they have agreed to meet legal terms as required. Evidence is in place in the form of the completed declaration which identifies areas of compliance required by the contractor.

Housing needs attention. GPPOL has had to construct housing for all staff in the last 5 years, and at present, around 80% of its approx 1700 employees are accommodated in the housing compounds. Many of the QLQ houses, which accommodate the general workers, are significantly over-crowded. Each family should have a two-room house, along with a shower, toilet and shared kitchen and washing facilities. However, many families are living in a single room due to the shortage of available housing, and are therefore forced to share shower, toiler and other facilities.

The QLQ houses are also poorly ventilated and can be very hot.

Over-crowding

Over-crowding remains a major problem in the compounds, particularly at Ngalmibiu but also at Tetera and Mbalisuna. Many families are living in a single room, and some families are sharing a single room. Apart from the basic right of a family to have some privacy, over-crowding has a number of affects:

- The occupants will find it harder to sleep (due to the cramped conditions and additional noise);
- The occupants will be more prone to malaria and a range of communicable diseases;
- While sharing a veranda and wash basin and external kitchen, the occupants are less likely to take responsibility for keeping the area clean and tidy, which can reduce the cleanliness of the living area and pose hygiene problems;
- There is little room to store personal affects and little incentive to buy furniture or permanent items; and

- Sharing accommodation with other families and/or single men can lead to jealousy, arguments and fighting.

The combination of the above factors will contribute to the high workforce turnover and will reduce the productivity of workers and school children, due both to a lack of sleep and increased health/hygiene risks.

As discussed above, further work is required to quantify the actual number of houses required to address the existing shortage. This is complicated by high workforce turnover and limited information on both the number of general labourers who reside in nearby villages, and the number of families in the compounds that contain two or more GPPOL employees. For each compound, estimates could be made of the number of workers residing in nearby villages, and the number of families residing in the compound that contain two, three or more company employees. This will allow an estimate of the current housing shortfall.

The existing housing plan could then be updated by showing how many additional houses will be constructed each year before adequate housing is available to enable general workers and their families to have accommodation with two rooms, and for employees of Grade 3 and above to have access to appropriate houses (JG, IA or IB as appropriate). The housing plan would be costed and included in an approved capital expenditure budget for GPPOL. The current capex budget for 2012 includes only 4 DLQs, which is considered to be well below the number of houses required to address the problem of over-crowding.

Other housing issues

Progress has been made in terms of the provision of power points in DLQs in Tetera and Mbalisuna, however power points have not been installed at Ngalmibiu, and are not included in the DLQs being built at Okea. Although the designs of the houses at Okea were finalised before the decision to install power points in DLQs, their omission (in houses that are still under construction) is a backward step for GPPOL. Although the DLQs at Okea are made of Alpha panel, a composite material that appears to be cooler than the wooden DLQs in other compounds, the windows are small and there are concerns that water from the shower or rainwater on the veranda could leak inside the main rooms.

While waist-high walls have been constructed on existing DLQs to provide additional living space, many occupants have stated that water can be trapped inside the verandas. As a result many families have attached sheets of plastic to help keep out the rain and provide additional privacy. More effort is required in terms of

improving housing, drainage and the compounds in general. The compound committees may be able to play a key role in devising strategies to improve living conditions in the existing compounds (and Okea compound in the near future).

The Social Impact Improvement Plan does identify over-crowding as one of the priority issues to be addressed.

6.5.6 Minor NCR: A timeframe for the provision of housing for general workers (so that each family has adequate facilities) should be made known for those families currently sharing facilities. Indicator 6.5.6: Over the past year satisfactory progress has not been made. Over-crowding remains a serious problem in the compounds, particularly at Ngalimbiu but also at Tetere and Mbalisuna. To demonstrate a systematic approach to the provision of adequate housing, as required by RSPO, further work is needed to quantify the actual number of houses required to address the existing shortage, and a schedule prepared for the provision of houses to address the shortage. This task is complicated by high workforce turnover and limited information on both the number of general labourers who reside in nearby villages, and the number of families in the compounds that contain two or more GPPOL employees. Therefore this NC has been re-categorised as a Major NC.

All smallholders expressed that labour costs were a big issue during harvesting and transporting FFB to pick points. All growers purported to pay at least the minimum wage with many paying well above, as a result of piece work arrangements.

The growers have an agreed rate for all types of activities where they use outside workers (i.e. other than family members). The rates used are generously above the minimum wage and well above the rates paid by GPPOL on their estates.

Criterion 6.6: The employer respects the right of all personnel to form and join trade unions of their choice and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, the employer facilitates parallel means of independent and free association and bargaining for all such personnel.

GPPOL has a policy in support of freedom of association and collective bargaining. During the audit 1,089 GPPOL employees (representing 61% of the workforce) were members of the Guadalcanal Plains Palm Oil Workers Association (GPPOWA). This union was established in May 2007 and has had regular meetings with their members and with senior management. The union runs a trade store that allows members to buy goods on credit and have the cost deducted from subsequent wage payments. The union also operates a credit union

to provide members loans for school fees and other needs. Around 50% of members have savings accounts.

The union regards the main priorities as wage rates, housing and PPE. The issue of wage rates will be addressed, as a starting point, by completing the cost of living study (described under Criterion 6.5). Housing has also been described under Criterion 6.5, while the need for more PPE has been covered, in part, by the plan to issue safety boots to harvesters, as described under Criterion 4.7.

6.6.2 Observation Although GPPOL has a policy supporting freedom of association and collective bargaining, it is recommended that the policy is stated simply, translated in simple Solomon Islands *Pijin*, and both notices are displayed at appropriate locations.

Criterion 6.7: Children are not employed or exploited. Work by children is acceptable on family farms, under adult supervision and when not interfering with education programmes. Children are not exposed to hazardous working conditions.

GPPOL do not knowingly employ workers under the national legal age limit.

The PF 30 - company employment for records their ages of all workers and any under legal age are rejected.

No underage workers were sighted during this assessment.

All Small holders were very clear that school-aged children belonging to the blocks family were always sent to school and carried out light work only during school holidays and weekends. Out growers in the older blocks do not live on their blocks and do not use children for working on the blocks except for school holidays.

All small holders expressed the view that children's education was a paramount objective of owning the blocks.

Growers therefore showed a clear understanding of these requirements and only use school aged children during the longer school holidays, and not weekends.

Criterion 6.8: Any form of discrimination based on race, caste, national origin, religion, disability, gender, sexual orientation, union membership, political affiliation or age is prohibited.

The Equal Opportunities Policy is published. Interview of male and female workers did not identify any cases or forms of discrimination. The Policy is available to the public and includes SI constitutional requirements.

The EEO policy is displayed in all work areas and on notice boards. It may be beneficial to prepare a simple description of the policy and translate it into simple Solomon Islands *Pijin*

Criterion 6.9: A Policy to prevent sexual harassment and all other forms of violence against women and to protect their reproductive rights is developed and applied.

GPPOL has policies against sexual harassment and domestic violence and these are displayed at its offices and the clinics. Domestic violence remains a serious issue.

GPPOL appointed the Sustainability Counsellor early in 2010 and intends to build an additional office in early 2012. The office will contain training facilities and offices for the Sustainability Team, including an office for the Sustainability Counsellor. The Sustainability Counsellor has a number of duties, including community consultation and various support, coordination and counselling roles, with the latter focusing on domestic violence. The office will provide improved access to the Counsellor, and much greater privacy for those people seeking advice, support or counselling.

The Sustainability Counsellor has established compound committees, as discussed earlier, and plays a key role in the GPPOL Women Friendly Support Group. The Group was established in 2009 and continues to meet every quarter. The Group includes representatives from each compound (excluding Okea), and records Minutes from each meeting and forwards these to relevant managers. The Group appears to be having success in raising the awareness on the rights of women among managers, workers and the broader population, and appears to be strengthening the role and recognition that women have within GPPOL and the compounds.

GPPOL also organised and held a function on International Women's Day to recognise women in the workplace and allow them an opportunity to share their thoughts. It was well attended with approximately 1500 people in attendance and had representation by Senior and professional career women from around the district and Honiara. This was recognised by a number of senior people and the Government as being a first for the Guadalcanal Plains and a first for the country with a private sector company hosting such a day. This will be an ongoing event and will only grow in stature attracting women from a broader area.

GPPOL also utilise the services of the Anglican Christian Care Centre Women's shelter at Red Beach. GPPOL also support this service by providing emergency transport at night should it be required by the Centre and staff members in their own time have provided maintenance as well as generously donating to the centre.

6.9.1 Observation As noted above, all sexual harassment and domestic violence policies and translate them in simple Solomon Islands Pijin and display all notices at appropriate locations, including notice boards in each compound, at the Union Store at Tetere, and at the GPRDA office, also at Tetere. The same could be done to further promote maternity leave and breastfeeding entitlements.

Criterion 6.10: Growers and mills deal fairly and transparently with Small holders and other local businesses.

The industry has established a formula for calculating the price that small holders in the Solomon Islands receive for FFB. The formula is based on the formula used in PNG (although obviously not deducting fees and levies for industry bodies that exist in PNG). While the formula and calculations appear fair and are publically displayed on notice boards, the formula is difficult to understand. Several smallholders queried the FFB price during the audit.

6.10.1 Observation, Growers and mills deal fairly with smallholders and other local businesses; 6.10.2, states that "pricing mechanisms for FFB inputs/services shall be documented (where these are under control of the mill or plantation)".

The current pricing formula for FFB is not clearly understood by Out growers.

More recently, NBPOL has prepared a poster to help explain how the FFB price is calculated for small holders in West New Britain, PNG, and why price variations occur. The poster should be finalised and adapted as necessary for use in the Solomon Islands.

GPPOL makes a substantial contribution to the local economy. Immediately prior to the audit, payments to out growers averaged around SI \$1 million per month, with an additional SI \$200,000 being paid to local contractors each month. Contractors were employing locally, further boosting local wage payments. Dealings with contractors appear to be fair and transparent.

GPPOL supports a range of local businesses, in particular, construction and transport contractors. This is generating employment and promoting a more diversified local economy. Dealings with contractors appear to be fair and transparent.

GPPOL is to be commended for this. Some other businessmen queried the support provided to them, however, citing inadequate housing and less than adequate work spaces. While the housing shortage is understandable at present, other requests or grievances need to be dealt with promptly, as discussed under Criterion 6.2 and 6.3.

Interview of contractors confirmed the Terms and Conditions of Contracts are explained to contractors before the Agreement is signed as well as during the induction process. Records are held of contractor inductions and include environment, health and safety performance requirements. The company uses a standard Contract prepared by its Legal Department.

Criterion 6.11: Growers and millers contribute to local sustainable development wherever appropriate.

GPPOL has and continues to make many development contributions to the local area. Some contributions stem from the original negotiations with landowners and government. Contributions to the provincial government are subsequently distributed among 21 local wards, but limited information is available on how the funds are utilised. It may be possible, in the future, to allocate some of the contributions made to landowners and/or the provincial government, according to priorities specified in the Social Impact Improvement Plan. GPPOL also provides assistance in response to requests as they occur. It may be beneficial, to ensure support is allocated to priority activities, if requests for assistance are considered against the priorities included in the Social Impact Improvement Plan. This would then serve to demonstrate the Company's contributions to local sustainable development and continuous improvement.

GPPOL is therefore contributing substantially to the local economy (as noted above) and the local community. A wide range of support is provided, including for example, scholarships, grading farm access roads and cutting grass at local schools. However, the assistance provided is poorly documented at present. Clearer documentation would be useful to demonstrate the support provided, which may be useful ahead of the forthcoming review of the MOU with the local landowners.

Criterion 7.1 A comprehensive and participatory social and environmental impact assessment is undertaken prior to establishing new plantings or operations, or expanding existing ones, and the results incorporated into planning, management and operations.

Although outside the scope of the current audit, GPPOL plans to establish new plantings in the future and will need to give significantly more attention to the conduct of any future social impact assessment. While RSPO does not provide a clear definition of social impact assessment, the international literature is well founded and very clear on what constitutes a social impact assessment. It is therefore reasonable to assume that a social impact assessment should follow standard international practice, and should therefore:

- Describe and quantify the change that is being assessed (e.g. the location and area of oil palm, the location of housing compounds, roads, other facilities, increases in production and employees, the area of land to be leased from local communities, the area of village oil palm, etc.);
- Define and describe the impacted population and stakeholders;
- Estimate the current population and expected change in population resulting from higher employment and associated in-migration;
- Describe the current standard of living of the impacted population;
- Outline the positive impacts and quantify when possible;
- Outline the negative impacts and quantify when possible;
- Develop recommendations to enhance positive impacts and minimise negative impacts, and suggest indicators with baseline data against which impacts can be monitored over time; and
- Actively involve stakeholders during the identification of impacts, the review of key findings and the preparation of plans for mitigation and monitoring.

To ensure that all key social impacts are identified and understood, including those that contributed to the tensions, which and to some extent remain today, it is recommended that local consultants are utilised during the social impact assessment, either as the lead consultants (which would be preferable), or failing the identification of suitable expertise, for the design and conduct of field work and facilitation of stakeholder inputs and subsequent discussion.

GPPOL also therefore needs to be acutely aware of the outcomes of the Commission of Inquiry into Land and Dealings on Guadalcanal and abandoned properties, which is ongoing.

The Out growers selection form has been adapted from those used in Papua New Guinea, where it is called the Planting Approval Form (PAF).

Criterion 7.2 Soil surveys and topographic information are used for site planning in the establishment of new plantings, and the results are incorporated into plans and operations.

Detail soil surveys and soil analysis will be carried out for all new land intended for development with the view of

improving management of these soils. Soils survey reports for areas already developed are available.

All existing smallholder blocks are located in areas of highly disturbed vegetation (logged over many times and gardened) and where there is any vacant land it tends to be covered by the feral mulberry tree.

It is recommended however that the Out growers selection form be updated to include a statement on the exclusion of any HCV areas from new plantings.

Criterion 7.3 New plantings since November 2005 have not replaced primary forest or any area containing one or more high Conservation Values.

New Plantings have not replaced primary forest or any areas of HCV. Management plans for identified HCV sites are being developed and work in some areas have started especially in re-habilitating the HCVs and natural corridors (along creeks/streams).

The Rapid Conservation Assessment Report by Dekker has established a baseline upon which local consultants will be able to carry out a more detailed assessment for new areas, particularly to the east of the current estates.

Criterion 7.4 Extensive plantings on steep terrain, and/or on marginal and fragile soils, are avoided.

Oil palm has not been planted on marginal or fragile soils or on steep terrain. Some areas contain gullies and these will be considered for planting of trees to improve biodiversity.

There is considerable interest and potential for expansion of smallholder blocks. However once again the Out growers selection form should be updated to include a section discussing the competing land uses of the potential new block.

Growers claimed that oil palm was their principal and regular income earning enterprise but some had vegetable gardens for food and sale.

Criterion 7.5 No new plantings are established on local peoples' land without their free, prior and informed consent, dealt with through a documented system that enables indigenous peoples, local communities and other stakeholders to express their own representative institutions.

FPIC is not specifically defined in the RSPO Principles and Criteria. As there is considerable scope for different interpretations of FPIC, and particularly what "informed" consent means in the Solomon Islands, it is recommended that GPPOL or NBPOL prepares its own definition of FPIC and clarifies for all stakeholders exactly what this means.

Some of the social problems or tensions in West New Britain (PNG) have occurred because people could not possibly foresee the enormous changes that have occurred as a result of oil palm development. Substantial

in-migration and population growth have resulted in land shortages in some areas and tensions between migrants and local people. Tensions have occurred as a result of a range of issues, including illegal access to customary land and illegal harvesting of customary resources, jobs going to migrants, and changing social habits resulting from increased incomes (including problems relating to drinking and gambling). In addition, some of the perceived benefits of lease-lease back arrangements have not materialised, in some cases due to poor management of the funds paid to the customary landowners.

It is recommended that relevant GPPOL staff is made aware of the social problems experienced in West New Britain and lessons learned by NBPOL. This may help GPPOL develop strategies to maximise the benefits which landowners and local communities receive and avoid or circumvent the same social problems experienced in West New Britain.

Criterion 7.6 Local people are compensated for any agreed land acquisitions and relinquishment of rights, subject to their free, prior and informed consent and negotiated agreements.

GPPOL will ensure that local people are compensated for any land acquisitions and are fully informed – see above 7.1.

Criterion 7.7 Use of fire in the preparation of new plantings is avoided other than in specific situations as identified in the ASEAN guidelines or other regional best practices.

Fire is not used by the company in new developments. Fire is used by the community in existing areas outside of the Estates as part of their culture for hunting and subsistence farming. The company will need to exert influence on external stakeholders if this is to be controlled.

Criterion 8.1: Growers and millers regularly monitor and review their activities and develop and implement action plans that allow demonstrable continuous improvement in key operations.

The company has prepared a Continuous Improvement Plan.

Objectives and Targets have been developed and an improvement plan prepared. The focus of continual improvement includes:

- Reduction in the use of certain pesticides (criterion 4.6).
- Environmental impacts (criterion 5.1).
- Waste reduction
- Pollution and emissions (criterion 5.6).
- Social impacts (6.1).

As discussed under Criterion 6.1, the Social Impact Improvement Plan should be the basis for assessing continuous improvement in regard to social impacts.

As discussed under Criterion 4.8, training achievements should also be documented each year to demonstrate continuous improvement in human resource capacity, both within and outside the Company.

A Continuous Improvement Plan is attached as Appendix C.

Indicator 8.1.2 calls for a timely response to all RSPO audit findings. In addition to responding to the main issues discussed above, a number of issues were raised during the audit that may require a response or some follow-up by GPPOL management. This includes queries or complaints raised during stakeholder meetings. While not the responsibility of the audit team, what is considered to be the main queries or complaints are documented below so that GPPOL management can respond as appropriate (refer Section 3.4). It is acknowledged that many of the queries or complaints raised with the audit team will have also been raised with GPPOL management through compound committees, the GPPOWA, the Tetera women's group, the GLC and other mechanisms.

A Continuous Improvement Plan is attached. Appendix C.

3.2 Detailed Identified Nonconformities, Corrective Actions and Auditor Conclusions (Also included as Appendix D)

MAJOR NONCONFORMITIES

There were two major non-conformities raised as a result of this assessment

5.5.1 Major NC: It appears that fire has been extensively used during the re-plant at Okea – this use of fire was in many rows and did appear to be systematic. It was reported by staff that they had seen the smoke some 10 days prior to it being reported during this audit and it was started by vandals – whatever the case the fire should have been put out and incident reports completed immediately – this did not happen.

GPPOL has prepared a Corrective Action Plan (Appendix D) that has been reviewed and accepted by BSc. Progress on Corrective Action will be checked during the Surveillance Audit.

6.5.6 Major NCR: A timeframe for the provision of housing for general workers (so that each family has adequate facilities) should be made known for those

families currently sharing facilities. Indicator 6.5.6: Over the past year satisfactory progress has not been made. Over-crowding remains a serious problem in the compounds, particularly at Ngalimbiu but also at Tetera and Mbalisuna. To demonstrate a systematic approach to the provision of adequate housing, as required by RSPO, further work is needed to quantify the actual number of houses required to address the existing shortage, and a schedule prepared for the provision of houses to address the shortage. This task is complicated by high workforce turnover and limited information on both the number of general labourers who reside in nearby villages, and the number of families in the compounds that contain two or more GPPOL employees. Therefore this NC has been re-categorised as a Major NC.

GPPOL has prepared a Corrective Action Plan (Appendix D) that has been reviewed and accepted by BSc. Progress on Corrective Action will be checked during the Surveillance Audit.

MINOR NONCONFORMITIES

Three (3) Nonconformities were assigned against Minor Compliance Indicators. Details of these Nonconformities are provided below:

4.3.5 Minor NCR: The Road maintenance plans provided do not indicate clearly what roads are planned for upkeep and whether the targets have been achieved. Therefore the effectiveness of the Road Maintenance Plan is not recorded.

4.5.2 Minor NCR: Estates are not monitoring the IPM with regards to rat control and a record of census is not being maintained to allow control to be introduced when infestation reaches 20% and preventive measures are to be introduced as per the IPM.

5.6.2 Minor NCR however if the use of fire reported earlier in this report was caused by vandals it was not put out immediately and was not in fact eradicated until reported during the assessment and therefore a significant pollutant was identified and there were no immediate plans to reduce them.

GPPOL has prepared a Corrective Action Plan (Appendix D) that has been reviewed and accepted by BSc. Progress on Corrective Action will be checked during the Surveillance Audit.

OBSERVATIONS / OPPORTUNITIES FOR IMPROVEMENT

The assessment identified sixteen (16) Observations/Opportunities for Improvement. The progress with the Observations/Opportunities for Improvement will be checked during the next Surveillance Assessment visit scheduled for twelve months after certification date.

1.1.1 Observation, the guidance notes state that “independent smallholders (and large Out growers) can make documents available demonstrating their rights in land such as land title, user rights and maps (if available)”; and under Principle 2, quote “independent smallholders can demonstrate their rights to their land holdings and there is no evidence of major land disputes”:

1.2.6 Observation: The malaria policy is in the present time being reviewed and re-issued for the NBPOL GROUP.

2.1.3 Observation: The procedure for managing changes in laws and getting the information to staff does give enough details of the process and how it is implemented from a practical viewpoint.

4.1.1. Observation: The SOP was not in place for the new steriliser in the vicinity of the operations (rectified during this assessment).

4.2.3 Observation: It was noted that a number of fronds are not properly stacked and are in drains and streams with the potential to cause damage to culverts and bridges in wet conditions.

4.7.2 Observation: Since the last audit there has been a reduction in the amount of workplace inspections taking place and a routine is not being following. Previously inspection were completed each quarter now it is more random and therefore it is unsure if all hazards and risks are controlled. Furthermore when some inspections are taking place the reports indicate no matters when this is not always the case.

4.7.3 Observation Correct footwear should be issued to all harvesters in January 2012. In addition, this should be documented in both the health and safety plan and continuous improvement plan

4.7.3 Observation: Contractors constructing the new storage tank at the mill do not appear to have a safety plan in place and a number of hazards and risk were not adequately controlled. For example use of damaged electrical leads, not hanging up leads and other issues.

4.8.1 Observation: Training (4.8.1) GPPOL have not compiled an overall training program, initially for 2012, that includes:

- A summary of training needs assessments for all staff, out growers and contractors; and
- Details on the training to be provided over the next year, including a brief description of each training activity, the number of staff/out growers (and potentially contractors) to be trained, the training provider, and the timing and duration.

Consideration may also be given to the inclusion of training and awareness activities in the training program for each of the compounds

5.1.1. Observation: The register was due for a further review by 1st July 2011. This review was not carried out as scheduled and was only recently undertaken – this is due at least every 12 months. Further the revised aspects register did not indicate any changes to the aspects.

5.4.2 Observation: GPPOL have not included all fuel used by contractors, transport and other operations with regards to use of non-renewable energy sources.

6.3.1 Observation: It appears that some stakeholders are not aware of the grievance mechanism and/or have some reluctance to use the mechanism for fear of recrimination. A simple description of the grievance mechanism is not yet prepared by GPPOL and translated in simple Solomon Islands *Pijin* and displayed at appropriate locations including, notice boards in each compound and at the clinics, and notices displayed at the Union Store, at Tetere, and at the GPRDA office, also at Tetere.

6.5.1 Observation: There is a need to clarify whether wage payments allow a decent standard of living for employees. A study to assess the cost of living for families in the compounds was initially scheduled for late 2010 and is now scheduled for 2012. The study should be undertaken as a priority, but will need to be well thought out and adequately resourced. External expertise may be required, and the independence may be beneficial in terms of gaining acceptance by workers and their representatives.

6.6.2 Observation Although GPPOL has a policy supporting freedom of association and collective bargaining, it is recommended that the policy is stated simply, translated in simple Solomon Islands *Pijin*, and both notices are displayed at appropriate locations.

6.9.1 Observation As noted above, All sexual harassment and domestic violence policies and translate them in simple Solomon Islands *Pijin* and display all notices at appropriate locations, including

notice boards in each compound, at the Union Store at Tetere, and at the GPRDA office, also at Tetere. The same could be done to further promote maternity leave and breastfeeding entitlements.

6.10.1 Observation, Growers and mills deal fairly with smallholders and other local businesses; 6.10.2, states that “pricing mechanisms for FFB inputs/services shall be documented (where these are under control of the mill or plantation”.

The current pricing formula for FFB is not clearly understood by Out growers.

3.3 Noteworthy Positive Components

- All waste oil that had built up for six years was removed from site and disposed of in Australia after negotiations with local mining Company. Ongoing waste oil will now be disposed via agent in Honiara.
- GPPOL hosted its first International Women’s Day Celebration and was a first as it was the first major event of its kind ever hosted outside of Honiara by a private company.
- Independence Day Celebrations was also hosted at GPPOL for the first time ever on The Plains.
- Further initiatives to PPE saw the introduction of specialised gloves and reducing palm nail accidents in the hand by 95%.
- GPPOL facilitated a multiple denominational church service incorporating the Australian Army and RAMSI with all local churches having representation.
- Much more open and friendlier relationships are now occurring between Management and the local community.
- Locum Doctor engaged to overview medical facilities and to provide on the job training for staff.

3.4 Issues Raised By Stakeholders and Findings with Respect To Each Issue

Out growers:

- Need to address double or triple handling of FFB.
- The price of seedlings has escalated to such a high price that it is becoming a deterrent to new growers, one wonders whether there

could not be a subsidy from the company in order to encourage new and expanded plantings. There is certainly potential for an increase in smallholder plantings with the area to date now reaching the 1000 Ha landmark and potential for support (additional staff) for the SHA officer. (the company held the price of seedlings at the 2010 level for 2011, approx. a 17% subsidy)

- GPPOL response: Roads cover 50% of the affected areas and as more roads and access are completed this issue will be resolved.
- Auditor’s comments: This will resolve the issue as infrastructure improves.

GPRDA:

- Assistance needed in terms of financial literacy training for people to help improve the effectiveness in which cash payments are utilised.
- GPPOL response: Some business skills training will be conducted over the upcoming year for affected people. Limited in 2011 due to lack of facilitators, ongoing in 2012.
- Auditors Comments: This demonstrates long term commitment to the community.
- Raised the tax exempt status of the Association (due to its ownership in GPPOL) in regard to the import of tractors. (the company no longer has any duty or Goods Tax exemptions since April 2011)
- GPPOL response: The association will be mentored in how to apply for this status.
- Auditors Comments: Shows cooperation with the association.
- Water supply in local villages is of poor quality.
- GPRDA has commenced installing bores and tank systems in a number of villages and will continue through 2012/2013.

3.5 Acknowledgement of Internal Responsibility and Formal Sign-off of Assessment Findings

Please sign below to acknowledge receipt of the assessment visit described in this report and confirm the acceptance of the assessment report contents including assessment findings.

Signed for on behalf of
GPPOL

.....Andrew Kerr.....
Andrew Kerr
Sustainability Manager
Date:7.12.11

Signed for on behalf of
BSi Group Singapore Pte Ltd



.....
Mr Allan Thomas
Lead Auditor
Date:7.12.11

Appendix “A”

RSPO Certificate Details

GUADALCANAL PLAINS PALM OIL LTD
PO Box 2001,
HONIARASOLOMON ISLANDS

Contact Person: Mr. Roger Benzie
General Manager
Phone/Fax: 677 21003

RSPO No. 555359

Website:

Applicable Standards: RSPO Principles & Criteria: 2007; SI National Interpretation : 2010

Name	Tetere Mill & Supply Base
Location	Guadalcanal Plains Palm Oil Limited
Address	P.O. Box 2001, Honiara, Solomon Islands
GPS	09° 26.588' S 160° 13.107' E
CPO Tonnage	31592
PKO Tonnage	3637
Plantations FFB Tonnage	130297
Small holders FFB Tonnage	14210

Appendix “B”

Certification Audit Programme

GPPOL RSPO Program

Sunday 4th December 2011

- Allan & Mike arrive at 1400 – meet and pick up at airport
- Travel direct to Hotel for check in and initial discussions.

Monday 5th December 2011

Time	Activity	Allan	Tom	Mike
8:00am – 10:30noon	Opening Meeting Head Office	X	X	X
10:30am – 12:00 am	Inspect Mbalisuna	X		
10:30am – 12:00 am	Inspect Housing Mbalisuna, Clinic			X
10:30am – 11:15am	Inspect Vehicle Workshop (David Taylor)	X		
11:15am – 12:00noon	Inspect Central Store & Chemical store (Simon)	X		
9:00am – 12:00noon	Review Lewie Decker (Environmental) and Wild Asia (Social) Reports		X	
12:00noon – 1:00pm	Lunch	X	X	X
1:00pm – 3:15pm	Inspect Mill and Bulking Station (Dom)	X		
1:00pm – 2:45pm	Inspect Tetere Environment – river, beach, streams (Baddley & Roger)		X	
3:30pm –4:30pm	Meet with NGO Representative in Honiara	X	X	X

Tuesday 6th December 2011

Time	Activity	Allan	Tom	Mike
All day	Small Holders		X	
8:00am – 10:30noon	Inspect Ngalimbiu/Okea	X		
8:00am – 10:30noon	Inspect area Ngalimbiu/Okea incl. villages & environment			X
8:00am – 10:30noon	Housing and clinics Ngalimbiu			X
11:00am – 12:00noon	Meet with Growers Association representatives (Greenta)			X
10:30am – 12:00noon	Continue review of RSPO documentation	X		
12:00noon – 1:00pm	Lunch	X	X	
1:00pm – 3:00pm	Continue review of documentation	X		
1:00pm – 3:00pm	Inspect area around Tetere incl. VOP/smallholders (Greenta and James)		X	X
3:00 – 4:00 pm	Discussions with GPPOWA			X
3:00pm – 4:30pm	Continue review of RSPO documentation	X		

Wednesday 7th December 2011

Time	Activity	Allan	Tom	Mike
8:00am – 10:00noon	Tetere Estate	X		
8:00am – 10:00noon	Inspect area around Tetere (Baddley)		X	X
11:00am – 12:00noon	Inspect Tetere Estates incl. office, landfill, housing and clinic	X	X	
11:00am – 12:00noon	Inspect Clinic meet with locum			X
12:00noon – 1:00pm	Lunch	X	X	
1:00pm – 2:00pm	Meet with representative women's group (Greenta)			X
1:00pm –4:30pm	Review records of land title, leases, etc. (Baddley)		X	
2:30 – 3:30 pm	Meet with community reps re reconciliation programs			X
1:00pm – 3:00pm	Complete review of RSPO documentation	X		
3:00pm –4:30pm	Commence report preparation	X	X	

Thursday 8th December 2011

Time	Activity	Allan	Tom	Mike
8:00am – 11:00am	Finalise report, check any outstanding details	X	X	X
11:00am – 12:00noon	Final exit meeting with senior staff	X	X	X
12:30pm	Depart for airport to catch flight IE700 at 2:45pm	X	X	X

Appendix "C"

CONTINUOUS IMPROVEMENT PLAN

GUADALCANAL PLAINS PALM OIL LTD

CONTINUOUS

IMPROVEMENT PLAN

2011-2012

Action Plan for Continual Improvement in Sustainable Performance

Introduction

This Action Plan for Continual Improvement identifies the planned actions that GPPOL will take in order to further improve its performance in the key areas of:

- Minimising the use of Certain Pesticides;
- Reducing negative and enhancing positive Environmental Impacts;
- Waste reduction;
- Pollution and emissions, and;
- Social Impacts.

GPPOL commits to maintaining and reporting on progress implementing this improvement plan commencing November, 2009 and reviewing it annually. By following this plan, GPPOL will continually improve its performance.

This plan provides guidance on how the sustainability principles to which GPPOL subscribes are implemented in a practical manner to provide operational, social and environmental benefits for all stakeholders.

These sustainability principles are defined in the following locations:

- RSPO Principles and Criteria (Solomon Islands National Interpretation)
- ISO 14001 Environmental Management Systems – Requirements with Guidance for Use
- The Company Sustainability Handbook
- OHSAS 18001 Occupational Health and Safety Management Systems - Requirements

Aim

The aim of this plan is to provide a blueprint for continually improving the sustainable performance of GPPOL whilst ensuring that it prospers and, by doing so, improves the lives of all stakeholders.

Objectives

The objectives for this plan are measurable annual improvements in the sustainable performance of the Company, particularly against measures of the main social and environmental impacts and improvement opportunities for both plantation and milling operations.

The timeframe for realising Objectives can be split into short term (1 to 2 years), medium term (3 to 8 years) and long term (greater than 8 years). Generally, the short term objectives are readily achievable, provide limited returns but have low risk of failure.

The medium term objectives bring greater returns but are harder to achieve and are likely to require revision and modification along the way. The long term objectives are those that will really shape the Company's sustainable future. They require vision and strategic thinking and a long term commitment to bring them into reality.

Scope

This plan for continual improvement in the sustainable performance of GPPOL applies to all aspects of the Company's operations including plantation and milling activities. It considers all sustainability criteria including performance in the fields of social, environmental and commercial performance.

Overview

Initiatives in various areas of activity are identified according to the nature of the improvement to be achieved and the timeframe in which it is intended to develop and implement it.

Importantly, the expected indicators of success are identified to provide the basis for performance measurement in the future.

The plan is presented in tabular form with commentary provided to assist understanding of the rationale for the planned activity.

Each activity will be monitored on an ongoing basis by the person responsible for its implementation and reported, where significant events have occurred, at regular management meetings. Periodically the Company will prepare and publish as Sustainability Report that will report on progress in the implementation of this plan for improvement.

Implementation

The start date of this plan is November 2009. It endeavours to cover a time span of 25 years as that is approximately the re-plant cycle of Oil Palm Plantations and some environmental improvements will only be implemented at the time of re-planting.

Having said that though, it must be recognised that this plan will not identify all sustainability initiatives to be actioned over the 25 year period to 2034 and it is expected that many additional sustainability improvements will be identified and actioned within that period. For that reason, the plan is reviewed annually.

The review will not just review progress on previously identified activities but will identify and incorporate additional improvement activities that have arisen because of need, technological, social or environmental change or for other reasons. Within the life of the plan, it is expected that environmental, social, political and commercial requirements and expectations will evolve and the plan will respond in dynamic fashion to ensure continued relevance.

Planned activities are identified on the following pages. They are grouped according to area of endeavour and time-frame. The tables provide information on the expected benefits to be achieved.

1. Pesticides

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
1.1	Improve sprayer training to reduce spraying of non-target areas	4.7.3	Reduced Herbicide use, reduced ground cover damage	12/2012 Ongoing due to turnover	Training records,	Plantation Mgrs
1.2	Establish Chemical store and mixing area at Okea	4.6.10	Reduced crowding at Ngalimbiu, reduced risk of spillage whilst travelling from Ngalimbiu to Okea	03/2012	Facility Under construction	General Manager
1.3	Cease Usage of Paraquat	4.6.3, 4.6.5	Phase out Paraquat when current stocks are exhausted	04/2012	Zero use of Paraquat throughout GPPOL operations	Sustainability Manager
1.4	Review pesticide and herbicide registration requirements in the Solomon Islands and confirm compliance. If necessary, work with Government and suppliers to clarify this issue.	4.6.11	Increased compliance level with Solomon Islands registration requirements	04/2011 Complete	All chemicals used have evidence of SI registration	Sustainability Manager
1.5	Extend training on the information contained in MSDS to increase understanding and awareness of their importance	4.6.8	More responsible usage of chemicals and improved ability to respond effectively to accidents.	12/2012 Ongoing due to turnover	Improved application practices, improved emergency readiness.	Plantation Mgrs /Sustainability Manager
1.6	Review Smallholder chemical use and training to ensure RSPO requirements are complied with	4.6.6	No smallholders to use chemicals	04/2011	No smallholders to use chemicals	Sustainability Manager/Lands Officer

2. Environment

Environmental impacts of GPPOL operations are both positive and negative. The continual improvement plan is built into the environmental aspects list. This list is reviewed every twelve (12) months or more often if significant changes in the Company's operations or in the operating environment (including the regulatory environment) occur.

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
2.1	Progressive replacement of bridges and culverts in the field by fords where required and topography permits to reduce erosion and choke points.	4.3.5	Reduced erosion of roads and reduced siltation of water courses.	December 2012 Ongoing review and installation following flooding in 2011	Absence of evidence of erosion.	Plantation Mgrs
2.2	Progressive removal of unharvestable palms overhanging watercourses to reduce the quantity of fruit and fronds that cause pollution.	5.6.2, 4.7.2	Fewer harvester accidents, reduced pollution of waterways.	Dec 2012	Harvesters working on even ground, fruit and fronds kept out of drains and waterways.	Plantation Mgrs
2.3	Completion of the construction and commissioning of the Tertiary Treatment Plant for POME to reduce the load on the treatment ponds as mill throughput increases so that when pond discharge commences, effluent will be low in BOD and other controlled parameters.	4.4.1	Reduced load on POME treatment ponds, improved effluent quality	June 2011 Commissioning Nov 2011	Plant completed and operational	Mill Manager
2.4	Education of staff and smallholders on the need to reduce burning and to ensure rubbish is segregated and correctly placed in landfill sites.	4.8.2	Improved Smallholder understanding, commitment and compliance	June 2011	Discussed at smallholder meetings	Sustainability Manager

2.5	Construct a weir in the main mill and Tetere compound stormwater drain to capture polluted runoff and pump the runoff into the POME treatment ponds for control. Weir to be sized so that it will overflow after the first flush is captured in period of heavy rain to prevent flooding and to allow unpolluted water to escape.	4.4.1	Improved downstream water quality, reduction in risk of complaints from downstream communities.	December 2011	Completion of weir construction. Completed and operational	Mill Manager
2.6	Reduction in the quantity of water used in compounds through prompt repair of leaks and reduction of wastage.	4.4.1, 5.3.1	Reduced water consumption, reduced mosquito population with resultant malaria reduction.	February 2011 and ongoing	Absence of leaks and water logging in compounds	Sustainability Manager
2.7	Develop and implement an ISO14001 compliant Environmental Management System and obtain certification	MOU RSPO Principle 5	Improved control over environmental aspects by establishing a formalised framework subject to external audit	March 2013	Achievement of external certification	General Manager/Sustainability Manager
2.8	Reinstate buffer zones along waterways in accordance with the Logging Code of Practice. Former plantings by GPPOL predecessor Company frequently failed to maintain the required buffer zones. GPPOL will progressively re-establish buffer zones when estate blocks are replanted or earlier if resources permit.	4.4.2	Less riverine erosion, creation of wildlife corridors, trapping and filtering of plantation run-off.	Progressive to 2020	Established buffer zones along all waterways within and alongside plantation areas.	Sustainability Manager/Plantation Mgrs
2.9	Main Creek behind compound/office./mill, reinstate buffer zone prior to re-plant.	4.4.2	Cleaner water for local people downstream, re-establishing native vegetation	October 2012	Established buffer zones	Sustainability Manager
2.10	Conduct monthly water sampling of freshwater streams as per Development Consent. If after 6-9 months water quality results are consistent then review sample period with Dept. Environment.		Meeting legislative requirements for operations.	August 2011	Underway. Results available	Sustainability Manager
2.11	Identify potential areas of expansion and map streams to commence baseline water surveys		Understanding of current water quality to include in development consent	August 2012	Water results and sample location map	Sustainability Manager

3. Waste Reduction

Waste reduction is being achieved in accordance with the Waste Management Plan. Waste reduction provides for reduced generation of waste as well as increased use of re-use and recycling processes to reduce the amount of actual waste that is generated.

Refer to the Waste Management plan for further details.

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
3.1	Refer to waste management plan					
3.2						
3.3						
3.4						
3.5						
3.6						

4. Pollution and Emissions

Pollution and emissions are identified in the Environmental Aspects listing. Plans to reduce these are provided in the list.

Control of rubbish and litter is seen as the biggest single issue in pollution control. It will be controlled through a mixture of education, increased collection, greater emphasis on recycling and greater supervisory intervention. (December 2010)

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
4.1	Connect Tetera mill and housing compound to Solomon Island electricity Authority (SIEA) supply with ability to draw energy from the supply when the mill is not running and to feed-in to the Utility supply when the mill is running and there is excess energy available.		Whilst this will reduce hydrocarbon use at the mill, it will increase usage by the utility. The increase will be less than the saving due to greater efficiencies in the plant used by the utility. Other benefits to the mill will include reduced noise and reduced waste generation (Filters, waste oil, etc.) Some reduced fuel usage by the utility due to feed in from Company operations.	December 2012. Realistically not looking possible until 2015 if at all.	Completion of Project	Sustainability Manager
4.2						
4.3						
4.4						
4.5						
4.6						

5. Social Impacts

Continued improvement in the social impacts of GPPOL's activities include: construction of additional housing, establishment of stakeholder consultative committee, improvements to clinic facilities, improved communication and consultation with external stakeholders. Planning for increased housing is progressive as plantation rehabilitation activities reduce, staff turnover reduces and attendance improves. A Stakeholder consultative committee has been established (Oct 2010) and is commencing to work with the Company to establish objectives for improvement.

There is evidence that as labour turnover decreases, improved stability within the workforce will reduce some of the issues that result from a high level of transient workers.

A dedicated Social improvement plan has been developed and is being refined with input from the Liaison Committee (GCLC). It provides greater than the items listed below and should be read in conjunction with this list.

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
	Refer to Social Impact Improvement Plan. Due to complexity and multiple issues this is a live document that will be updated on a more frequent basis.					

6. Health and Safety

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
6.1	Review of all accidents to clearly identify trends and highest risk activities and review of safety management plans		Clear Indication of major injury causes and subsequent plans inc monitoring to demonstrate effectiveness of controls	June 2012	Full review of all risk assessments. Partial minor in 2011	Sustainability Manager
6.2	Develop and deliver OHS training for specific issues including Confined spaces, Harvesting near power lines, Lifting (FFB), Working at heights, Dangers of electricity and Use of PPE		All personnel trained and recorded in all specified OHS training subjects. Integration with training programme.	Ongoing	Ongoing training of supervisors and work crews	Sustainability Manager
6.3	Work more closely with Government medical staff to improve the level of care to Company employees, their dependants and members of neighbouring communities		Recorded reduction in prevalent diseases and more community awareness of risks and methods of combat	Ongoing	Malaria reduced, medical training, donated medications. Closer working relationship	Sustainability Manager
6.4	Commence regular safety audits to confirm checking of items such as testing of emergency stops and other safety interlocks, use of PPE, identification, availability of fire fighting equipment and isolation of hazards.		Regular recorded audits combined with Environmental inspections in accordance with all relevant standards	Ongoing	Commenced. Safety Boots to be issued to all harvesters by February 2012	Sustainability Manager
6.5	Development of a formalised program for emergency drills.		Recorded evidence of regular and varied emergency drills to ensure all personnel are aware of potential accidents	June 2011	To be completed still ad-hoc	Sustainability Manager
6.6	Development of a mechanism for interchange of safety information with NBPOL in New Britain.		Sharing of knowledge to reduce common issues	April 2011	Commenced after RT9	Sustainability Manager
6.7	Further medical training of GPPOL nursing staff		Greater knowledge of current medical practices and honing of skills	November 2011	Doctor Kere (Honiara GP) engaged as locum doctor with weekly visits to attend to difficult cases and train nursing staff. Commenced December	Sustainability Manager
6.8	Plan medical improvements for the future		Strengthened medical personnel for future operations	Ongoing	Scholarship of SI doctor at ROC university commenced Oct 2011	

7. Legal Compliance and Transparency

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
7.1	Update the review of compliance with the requirements of the Memorandums of Understanding and applicable legislation.	2.1.1	Documented compliance evidence and possible update to MOU.	2015	No areas of legal noncompliance. MOU relevant to current operations.	General Manager
7.2	MOU Review		As required renewed MOU's	2012	Completed MOU reviews by end of 2012 with GPRDA and GPE. Overviewed by Federal Government.	
7.3						
7.4						
7.5						
7.6						

8. General (Forward Planning and other issues)

No.	Improvement Action	Reference	Expected Outcome	Timeframe	Indicators	Responsibility
8.1	Long term solution to traffic and potential environmental issues related to transport of oil to the bulking terminal at Point Cruz.	3.1.1	Relocated and expanded bulking terminal to remove constraints imposed on present location and to eliminate the need to operate 30 tonne road tankers through the central business district of Honiara	2020	Relocated bulking terminal.	General Manager
8.2						
8.3						
8.4						
8.5						
8.6						

Appendix 1 Minimising the use of Certain Pesticides

Two conventions (Stockholm and Rotterdam) identify chemicals that are to be phased out of use around the world. The background to this is described below.

In May 1995, the United Nations Environment Programme Governing Council (GC) decided to begin investigating POPs (Persistent Organic Pollutants), initially beginning with a short list of the following twelve POPs, known as the 'dirty dozen': aldrin, chlordane, DDT, dieldrin, endrin, heptachlor, hexachlorobenzene, mirex, polychlorinated biphenyls, polychlorinated dibenzo-p-dioxins, polychlorinated dibenzofurans, and toxaphene.

Since then, this list has generally been accepted to include such substances as carcinogenic polycyclic aromatic hydrocarbons (PAHs) and certain brominated flame-retardants, as well as some organometallic compounds such as tributyltin (TBT).

The groups of compounds that make up POPs are also classed as PBTs (Persistent, Bioaccumulative and Toxic) or TOMPs (Toxic Organic Micro Pollutants.)

Stockholm Convention

Chemical	Current status at GPPOL	Planned Action
aldrin	Not currently used	None Required
chlordane	Not currently used	None Required
DDT	Not currently used	None Required
dieldrin	Not currently used	None Required
endrin	Not currently used	None Required
heptachlor	Not currently used	None Required
hexachlorobenzene	Not currently used	None Required
mirex	Not currently used	None Required
polychlorinated biphenyls	Not currently used	None Required
polychlorinated dibenzo-p-dioxins	Not currently used	None Required
polychlorinated dibenzofurans	Not currently used	None Required
toxaphene.	Not currently used	None Required

Rotterdam Convention

Annex III

Chemical	Current status at GPPOL	Planned Action
2,4,5-T and its salts and esters	Not currently used	None Required
Aldrin	Not currently used	None Required
Binapacryl	Not currently used	None Required
Captafol	Not currently used	None Required
Chlordane	Not currently used	None Required
Chlordimeform	Not currently used	None Required
Chlorobenzilate	Not currently used	None Required
DDT	Not currently used	None Required
Dieldrin	Not currently used	None Required
Dinitro-ortho-cresol (DNOC) and its salts (such as ammonium salt, potassium salt and sodium salt)	Not currently used	None Required
Dinoseb and its salts and esters	Not currently used	None Required
1,2-dibromoethane (EDB)	Not currently used	None Required
Ethylene dichloride	Not currently used	None Required
Ethylene oxide	Not currently used	None Required
Fluoroacetamide	Not currently used	None Required
HCH (mixed isomers)	Not currently used	None Required
Heptachlor	Not currently used	None Required
Hexachlorobenzene	Not currently used	None Required
Lindane	Not currently used	None Required
Mercury compounds including inorganic mercury compounds, alkyl mercury compounds and alkyloxyalkyl and aryl mercury compounds	Not currently used	None Required
Monocrotophos	Not currently used	None Required

Parathion	Not currently used	None Required
Pentachlorophenol and its salts and esters	Not currently used	None Required
Toxaphene	Not currently used	None Required
Tributyltin compounds	Not currently used	None Required
Dustable powder formulations containing a combination of : benomyl at or above 7 per cent, carbofuran at above 10 per cent, thiram at or above 15 per cent	Not currently used	None Required
Methamidophos (Soluble liquid formulations of the substance that exceed 600 g active ingredient/l)	Not currently used	None Required
Phosphamidon (Soluble liquid formulations of the substance that exceed 1000 g active ingredient/l)	Not currently used	None Required
Methyl-parathion (emulsifiable concentrates (EC) at or above 19.5% active ingredient and dusts at or above 1.5% active ingredient)	Not currently used	None Required
Asbestos <ul style="list-style-type: none"> • Crocidolite • Actinolite • Anthophyllite • Amosite • Tremolite 	Not currently used	None Required
Polybrominated biphenyls	Not currently used	None Required
Polychlorinated biphenyls (PCB)	Not currently used	None Required
Polychlorinated terphenyls (PCT)	Not currently used	None Required
Tetraethyl lead	Not currently used	None Required
Tetramethyl lead	Not currently used	None Required
Tris(2,3-dibromopropyl) phosphate	Not currently used	None Required

Use of any of the scheduled chemicals by GPPOL has been totally phased out. There are no plans to re-introduce any of these chemicals. Use of non-scheduled chemicals will be minimised through application of the IPM program. Availability of new, low impact chemicals will be monitored and they will be introduced if effective.

This is an ongoing commitment to improvement with no defined end-date. None-the-less, progress will be reviewed annually.

Appendix “D”

Nonconformities, Corrective Actions and Observations Summary

Non Conformities raised Certification Assessment 2010
2 Non-conformance against Minor Compliance Indicators
MINOR NON-CONFORMANCE CORRECTIVE ACTIONS

DESCRIPTION	NCR Ref.	Minor Non-Conformance Details	Corrective Actions	Responsibility	Date Due	Status
4.7.2	CR01	Minor NCR 4.7.2 A number of contractors working on the Okea housing project were not wearing and using appropriate PPE.	Construction contractors to be re-inducted with emphasis on the importance of PPE. Construction Manager to be advised of non-conformance and to ensure all future contractors are inducted and recorded. <i>Action was taken by GPPOL with regards to contractors and action accepted and completed</i>	Sustainability Manager and Construction Manager	10/12/2010	Complete
6.5.6	CR02	6.5.6 Minor NCR: A timeframe for the provision of housing for general workers (so that each family has two rooms and separate toilet, shower and washing facilities) should be made known for those families currently sharing facilities.	With turnover now reducing and operation units now more productive, the required labour is reducing. This frees up housing for employees. Monthly housing census will monitor this situation and families will be notified as to when they will have access to their own facilities <i>The action taken was not effective and this NC was raised to Major</i>	Departmental Managers with compound supervisors	May 2011	In progress and being monitored.

2 NonConformances against Major Compliance Indicators

3 Non-conformance against Minor Compliance Indicators

15 Observations/Opportunities for Improvement

MAJOR NON-CONFORMANCE CORRECTIVE ACTIONS

DESCRIPTION	NCR Ref.	Minor Non-Conformance Details	Corrective Actions	Responsibility	Date Due	Status
5.5.1	CR01	5.5.1 Major NC: It appears that fire has been extensively used during the re-plant at Okea – this use of fire was in many rows and did appear to be systematic. It was reported by staff that they had seen the smoke some 10 days prior to it being reported during this audit and it was started by vandals – whatever the case the fire should have been put out and incident reports completed immediately – this did not happen.	<ul style="list-style-type: none"> All re-plant staff to be re-trained regarding the ban of fire and the reporting of it should one be found. Plantation Management to be instructed in responsibility to report fires when sighted and to minimise or extinguish them where possible. All fires to be recorded on site and investigations conducted in the event of major fires. Establish recording sheets and protocols 	Plantation Manager	15/12/11	Completed
				General Manager	15/12/11	Completed
				Plantation and Sustainability Manager	Ongoing	Complete
					06/12/11	Complete
6.5.6	CR02	6.5.6 Major NCR: A timeframe for the provision of housing for general workers (so that each family has two rooms and separate toilet, shower and washing facilities) should be made known for those families currently sharing facilities. Indicator 6.5.6: Over the past year satisfactory progress has not been	<ul style="list-style-type: none"> Updated reviewed housing plan covering current situation and planned situation at end of 2013 to be issued. Operational Accommodation plan to be developed and issued 	General Manager	20/01/12	Completed
				Sustainability Manager	07/01/12	Completed
				General Manager	30/06/12	Scheduled

		<p>made. Over-crowding remains a serious problem in the compounds, particularly at Ngalimbiu but also at Tetere and Mbalisuna. To demonstrate a systematic approach to the provision of adequate housing, as required by RSPO, further work is needed to quantify the actual number of houses required to address the existing shortage, and a schedule prepared for the provision of houses to address the shortage. This task is complicated by high workforce turnover and limited information on both the number of general labourers who reside in nearby villages, and the number of families in the compounds that contain two or more GPPOL employees. Therefore this NC has been re-categorised as a Major NC.</p>	<ul style="list-style-type: none"> • Six monthly review of housing plan to allow for CAPEX requests • Obligations as per Operational Accommodation Plan as above • Resolve issue at Okea and get all personnel moved in straight thereafter 	<p>Various</p> <p>General Manager</p>	<p>Various</p> <p>31/03/12</p>	<p>See Plan</p> <p>Negotiations Proceeding</p>
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MINOR NON-CONFORMANCE CORRECTIVE ACTIONS

DESCRIPTION	NCR Ref.	Minor Non-Conformance Details	Corrective Actions	Responsibility	Date Due	Status
4.3.5	CR01	4.3.5 Minor NCR: The Road Maintenance plans provided do not indicate clearly what roads are planned for upkeep and whether the targets have been achieved. Therefore the effectiveness of the Road Maintenance Plan is not recorded.	Yearly road plans to be submitted to Sustainability Manger and updates required quarterly	Sustainability Manager and Plantation Manager	31/12/11 yearly plan Quarterly Update 31/03/12	Complete Pending

4.5.2	CR02	4.5.2 Minor NCR: Estates are not monitoring the IPM with regards to rat control and a records of census is not being maintained to allow control to be introduced when infestation reaches 20% and preventive measures are to be introduced as per the IPM.	<p>All Plantation Managers have been instructed to follow IPM standards and procedures as per the plan.</p> <p>To be reviewed when records of Rat Poison being signed from the store and/or in the monthly chemical report. Ensure that census has and is conducted</p>	<p>Plantation Managers</p> <p>Sustainability Manger</p>	<p>07/12/12</p> <p>As occurs</p>	<p>Completed</p> <p>Scheduled</p>
5.6.2		5.6.2 Minor NCR however if the use of fire reported earlier in this report was caused by vandals it was not put out immediately and was not in fact eradicated until reported during the assessment and therefore a significant pollutant was identified and there were no immediate plans to reduce them.	Start reporting system for occurrences of fires and record actions	Sustainability Manger	06/12/11	Completed

OBSERVATIONS / OPPORTUNITIES FOR IMPROVEMENT

1.1.1 Observation, the guidance notes state that “independent smallholders (and large Out growers) can make documents available demonstrating their rights in land such as land title, user rights and maps (if available)”; and under Principle 2, quote “independent smallholders can demonstrate their rights to their land holdings and there is no evidence of major land disputes”:

Corrective Action: GPPOL will check to see what is available in regards to customary land ‘titles’ and whether a system exists in Solomon Islands. If not alternatives to demonstrate the rights to land ‘ownership’ will be investigated. Generally the Chief holds the land and gives to individuals. There are a number of different land systems and investigative work will be conducted.

1.2.6 Observation: The malaria policy is in the present time being reviewed and re-issued for the NPPOL GROUP.

Corrective Action: Will follow up to ensure is available by February 2012

2.1.3 Observation: The procedure for managing changes in laws and getting the information to staff does give enough details of the process and how it is implemented from a practical viewpoint.

Corrective Action: Procedure updated and formalised pending legal review and awaiting comeback on Government re Government Gazette.

4.1.1. Observation: The SOP was not in place for the new steriliser in the vicinity of the operations (rectified during this assessment).

Corrective Action: Completed as stated

4.2.3 Observation: It was noted that a number of fronds are a not properly stacked and are in drains and streams with the potential to cause damaged to culverts and bridges in wet conditions.

4.7.2 Observation: Since the last audit there has been a reduction in the amount of workplace inspections taking place and a routine is not being following. Previously inspection where completed each quarter now it is more random and therefore it is unsure if all hazards and risks are controlled. Furthermore when some inspections are taking place the reports indicate no matters when this is not always the case.

Corrective Action: Schedule to be released end of January and inspection sheets will be scrutinised by the Sustainability and Area Manager to ensure being completed correctly and actions are taken. HAZOB books to be implemented in February which will provide day to day inspections.

4.7.3 Observation Correct footwear should be issued to all harvesters in January 2012. In addition, this should be documented in both the health and safety plan and continuous improvement plan

Corrective Action: Appropriate footwear to harvesters is commencing in January and is now listed in continuous improvement plan.

4.7.3 Observation: Contractors constructing the new storage tank at the mill do not appear to have a safety plan in place and a number of hazards and risk were not adequately controlled. For example use of damaged electrical leads, not hanging up leads and other issues.

Corrective Action: Re-induction of Contractors at mill to be conducted when recommence work in February. Safety Management Plan to be submitted by all contractors as per the new form contract. One new contractor already complies and mill contractors requested to submit one for approval prior to recommencing in February.

4.8.1 Observation: Training (4.8.1) GPPOL has not compiled an overall training program, initially for 2012, that includes:

- A summary of training needs assessments for all staff, out growers and contractors; and
- Details on the training to be provided over the next year, including a brief description of each training activity, the number of staff/out growers (and potentially contractors) to be trained, the training provider, and the timing and duration.

Consideration may also be given to the inclusion of training and awareness activities in the training program for each of the compounds

Corrective Action: Training plan to be reviewed by end of February to include where possible suggested actions.

5.1.1. Observation: The register was due for a further review by 1st July 2011. This review was not carried out as scheduled and was only recently undertaken – this is due at least every 12 months. Further the revised aspects register did not indicate any changes to the aspects.

Corrective Action: all major plans are now due for review around November to ensure consistency. They will be conducted 12 monthly or as required in the document. As stated full review of aspects register is scheduled for February.

5.4.2 Observation: GPPOL have not included all fuel used by contractors, transport and other operations with regards to use of non-renewable energy sources.

Corrective Action: All fuel usage as described is now being collected and reported on a monthly basis. All fuel for 2011 was collected retrospectively in January and has been reported to Corporate as part of annual KPI measurement.

6.3.1 Observation: It appears that some stakeholders are not aware of the grievance mechanism and/or have some reluctance to use the mechanism for fear of recrimination. A simply description of the grievance mechanism is not yet prepared by GPPOL and translated in simple Solomon Islands *Pijin* and displayed at appropriate locations including, notice boards in each compound and at the clinics, and notices displayed at the Union Store, at Tetere, and at the GPRDA office, also at Tetere.

Corrective Action: Will be completed by end of February 2012

6.5.1 Observation: There is a need to clarify whether wage payments allow a decent standard of living for employees. A study to assess the cost of living for families in the compounds was initially scheduled for late 2010 and is now scheduled for 2012. The study should be undertaken as a priority, but will need to be well thought out and adequately resourced. External expertise may be required, and the independence may be beneficial in terms of gaining acceptance by workers and their representatives.

Corrective Action: Review of study completed by Oxfam in 2011 will be conducted once final report issued (February scheduled). From there further works and the potential requirement for external assistance will be reviewed.

6.6.2 Observation Although GPPOL has a policy supporting freedom of association and collective bargaining, it is recommended that the policy is stated simply, translated in simple Solomon Islands *Pijin*, and both notices are displayed at appropriate locations.

Corrective Action: Will be completed by end of February 2012

6.9.1 Observation As noted above, All sexual harassment and domestic violence policies and translate them in simple Solomon Islands *Pijin* and display all notices at appropriate locations, including notice boards in each compound, at the Union Store at Tetere, and at the GPRDA office, also at Tetere. The same could be done to further promote maternity leave and breastfeeding entitlements.

Corrective Action: Will be completed by end of February 2012

6.10.1 Observation, "growers and mills deal fairly with smallholders and other local businesses; 6.10.2, states that "pricing mechanisms for FFB inputs/services shall be documented (where these are under control of the mill or plantation". The current pricing formula for FFB is not clearly understood by Out growers.

Corrective Action: Information to be circulated during Smallholder Field Days in February and March. Poster has been sourced from NBPOL and is being edited to suit GPPOL situation.

Appendix – List of Small Holders Interviewed

Appendix E Blocks Inspected and People Interviewed

Block Number	Name	Palms planted	Hectares	Year Planted
018-0001	Kenneth Selazapa	456	3.56	2009
018-0002	John Salo	456	3.56	2009
013-0003	Jacob Voo	384	3.00	2008
018-0003	Stephen Bosamete	536	4.19	2008
018-0009	John Selwyn Kutha	384	3.00	2010
018-0001	Alfred Thugea	402	3.14	2008
016-0005	Francise Thugea	238	1.86	2007
018-0005	Mary Doke	384	3.00	2009
018-0004	Maria Sikua	384	3.00	2009
018-0007	Leone Thugea	310	2.42	2008
016-0007	Brenedeta Vauaua	384	3.00	2009
016-0001	Jacob Sale	399	3.12	2008
020-0002	Samuel Kuri (Sr)	462	3.61	2006
001-0002	Steven Kopi	405	7.00	1994
001-0011	Redley Varakea	535	11.76	1994
001-0124	Selwyn Tavake	506	8	1994
001-0040	George Turu	405	3.00	1994
001-0063	Berol Lilige	540	4.00	1994
001-0060	Carol Pengoa	534	3.96	1994
001-0078	Rebecca Sale	812	5.27	1994

Appendix “F”

Supply Chain Report

Annex 6: GPPOL Supply Chain 8.12.11

Requirements	SG
1. Documented procedures	
1.1 The facility shall have written procedures and/or work instructions to ensure implementation of all the elements specified in these requirements.	At this stage there are written/documented procedures for the chain of custody for Tetera Mill
2. Purchasing and goods in	
<p>2.1 The facility must operate a system to ensure that RSPO certified inputs of raw materials and products are identified. The system must include the following:</p> <p>a) A mechanism which ensures that when the company orders RSPO material from its suppliers it specifies this requirement within purchase orders and ensures that the origin of the material until the previous permanent processing facility in the supply chain can be verified as such;</p> <p>b) A mechanism which ensures that when the company receives RSPO material it confirms that the RSPO raw materials delivered are the same as those specified in the purchase order and the accompanying documentation from the supplier;</p> <p>c) A mechanism which ensures that if the validity of accompanying documentation is in doubt, the validity is checked prior to accepting the material;</p> <p>d) A mechanism for handling non-conforming material.</p>	<p>Around 89% of material comes from GPPOL Estates therefore is no PO. With Small Holder GPPOL use a Docket system which indicate weight (quality of product is checked in the field and rejected if rotten) and source of materials. This indicates which small holder block this came from. Purchase orders are not used.</p> <p>Yes this is done by weighbridge docket indicate weight and source of RSPO material. In this case PO is not used because internal supplier. All Small Holder RSPO Material is identified by docket system as to source including small holder block location</p> <p>Purchase orders are not used.</p> <p>This is GPPOL material and all validation can be checked through the docket system– the same can be said of all RSPO material</p> <p>The quality of the RSPO and non RSPO Materials can be rejected by the Mill if it is unacceptable with regards to FFA level. This action has to be passed over to the GM for final rejection. This is documented and small holders are trained in harvesting only mature FFB</p>

3. Sales and goods out	
3.1 The facility must operate a system to ensure that all sales invoices issued for RSPO delivered material includes the following information: a) The name and address of the buyer; b) The date on which the invoice was issued; c) A description of the product ; d) The quantity of the products delivered; e) Reference to related transport documentation.	The company is able to issue an invoice which will allow them under the segregation scheme to include amount of RSPO materials. Yes – this is completed This is already in place Yes Yes in place Yes via alert that client has received product
4. Processing	
4.1 The facility can only choose a supply chain option in cases where the RSPO materials have been verified to meet at least the supply chain option requirements in the previous stage of the supply chain.	Segregation – All material is RSPO
4.2 The facility must assure that the RSPO-certified material is uniquely identifiable to the mill and its supply base and is kept physically isolated from all other oil palm sources in its facility	Yes - All material is RSPO
4.3 The facility must assure that the RSPO-certified material is kept segregated from non certified material	Segregation – All material is RSPO
5. Record keeping	
5.1 The facility shall maintain accurate, complete, up-to-date and accessible records and reports covering all aspects of these requirements.	Yes – records are in place and accessible
5.2 Retention times for all records and reports shall be specified by the facility and shall be at least five (5) years.	This is part of the company record keeping requirements
5.3 The facility shall record the volume of RSPO certified material on a three-monthly basis: a) Ordered and received from suppliers; b) Used in processing; c) Retained in storage; d) Despatched as RSPO palm oil or derived product.	All RSPO material All RSPO material All RSPO material All RSPO material
5.4 The following trade names should be used and specified in purchase and sales contracts:	Yes
5.5 The facility must provide documented proof that the certified material can be traced back entirely to the oil mill	All RSPO material – 1 oil mill only

5.6 The facility must provide documented proof that the certified material can be traced back to only certified segregated material	All RSPO material
5.7 The facility must:	
a) link sales with a MB-purchase from a certified permanently located processing unit	-
b) ensure that the output of RSPO material does not exceed the input of RSPO material on delivery basis	-All RSPO material
5.8 The facility must	
a) provide documents to prove that the BC certificates claimed, match the claimed quantity despatched	All RSPO material
b) provide a declaration from its suppliers with the % of palm products in their recipe	All RSPO material
6. Training	
6.1. The facility shall specify the training requirements for all staff as required to implement these requirements.	Staff in the weighbridge are already competent in separating the source of the material and this can be related to company & small holder material – all RSPO. There are records of competency of staff in weighbridge
6.2. Training shall be provided to all staff as specified.	Staff in the weighbridge are already competent in separating the source of the material and this can be related to company & small holder material – all RSPO. There are records of competency of staff in weighbridge
6.3. The facility shall keep records of the training provided to staff in relation to implementation of these requirements.	Records of all training are maintained as part of RSPO
7. Claims	
7.1 The facility only makes claims regarding the use of or support of RSPO certified sustainable palm oil that are in compliance with the RSPO approved claims	All RSPO material

Allan Thomas' 8.12.11

