

RSPO – 3rd ANNUAL SURVEILLANCE ASSESSMENT**PT. INTI INDOSAWIT SUBUR
MUARA BULIAN PALM OIL MILL AND ITS SUPPLY BASE****Office:**

Jl MH Thamrin No 31 Jakarta 10230

Location:Bulian Jaya Village – Maro Sebo Ilir District, Batang Hari Regency,
Jambi Province, Indonesia

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Section 1 Scope of the Certification Assessment

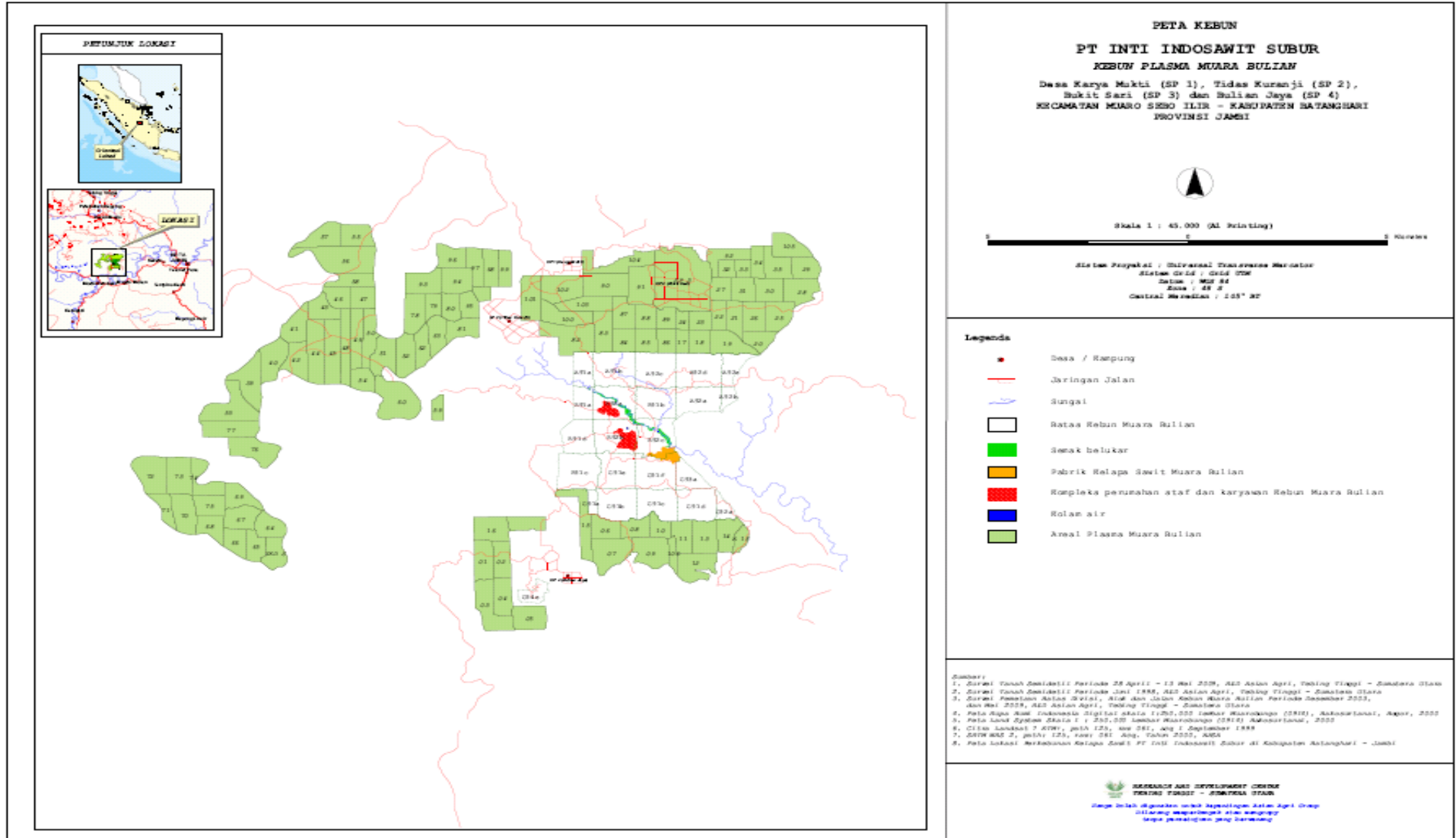
1.1. Company Details			
RSPO Membership Number	1-0022-06-000-00	Date	05 th February 2006
Company Name	PT. Inti Indosawit Subur – Muara Bulian		
Address	Head Office: Jl MH Thamrin No 31 Jakarta 10330 Location: Singoan/Bukit Sari, Bulian Jaya Village, Muara Bulian, Pemayung District, Batang Hari Regency, Jambi, Indonesia.		
Subsidiary of (if applicable)	PT Inti Indosawit Subur		
Contact Name	Ms. Asrini Subrata		
Website	www.asianagri.com	E-mail	Asrini_subrata@asianagri.com
Telephone	+62-21 2301119	Facsimile	+62-21 2301120

1.2. Certification Information			
Certificate Number	SPO 594418	Date	28 th August 2012
Scope of Certification	Production of CPO and PK of PT. Inti Indosawit Subur – Muara Bulian (Muara Bulian Palm Oil Mill) and its supply base. Mill capacity of Muara Bulian POM is 60 tonnes FFB/hour .		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
ID05/65250	ISO 14001	SGS Indonesia	10 June 2017
SPO 20002	ISPO	SAI Global	02 September 2018
EU-ISCC-Cert-DE100-20141681	ISCC	SGS Indonesia	02 September 2015

1.3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Longitude	Latitude
Muara Bulian POM	Bulian Jaya Village – Maro Sebo Iilir District, Batang Hari Regency, Jambi	E 103°12'20"	S 01°35'09"
Muara Bulian Estate	Bulian Jaya Village – Maro Sebo Iilir District, Batang Hari Regency, Jambi	E 103°12'20"	S 01°35'09"
Scheme Smallholders (Plasma)			
KUD Barokah	Karya Mukti Village, Maro Sebo Iilir District, Batang Hari Regency Jambi	E 103° 10' 80"	S 01° 32' 13"
KUD Subur Makmur	Tidar Kuranji Village, Maro Sebo Iilir District, Batang Hari Regency Jambi	E 103° 07' 26"	S 01° 34' 41"
KUD Budi Sari	Bukit Sari Village, Maro Sebo Iilir District, Batang Hari Regency Jambi	E 103° 12' 37"	S 01° 32' 43"
KUD Makmur Rejeki	Bulian Jaya Village, Maro Sebo Iilir District, Batang Hari Regency Jambi	E 103° 11' 66"	S 01° 34' 80"

KUD Karya Lestari	Kehidupan Baru Village, Maro Sebo Iilir District, Batang Hari Regency Jambi	E 103° 06' 24"	S 01° 37' 02"
KUD Buah Sakato	Danau Embat Village, Maro Sebo Iilir District, Batang Hari Regency Jambi	E 103° 08' 65"	S 01° 39' 71"

Map 1. Location of Muara Bulian Estate and Scheme Smallholders



1.4. Progress Againsts Time Bound Plan			
Name of Mill	Address	Time bound for certification	Status as of May 2015
Buatan I	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	2010	Certified on 16 September 2010
Buatan II	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	2010	Certified on 16 September 2010
Ukui I	Ukui Village, Ukui District, Pelalawan Regency, Riau	2010	Certified on 1 March 2011
Ukui II	Ukui Village, Ukui District, Pelalawan Regency, Riau	2010	Certified on 1 March 2011
Tungkal Ulu	Pulau Pauh / Penyabungan / Merlung Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2011	Certified on 15 August 2012
Muara Bulian	Singoan / Bukit Sari / Bulian Jaya Village, Muara Bulian / Pelayung District, Batang Hari Regency, Jambi	2011	Certified on 28 August 2012
Topaz	Petapahan Village, Tapung District, Kampar Regency, Riau	2013	Certified on 30 March 2015
Taman Raja	Lubuk Bernai / Kampung Baru / Pelabuhan Dagang / Pematang Pauh Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2013	Certified on 20 February 2015
Segati	Langkan / Penarikan / Tambak / Soto Village, Langgam District, Pelalawan Regency, Riau	2014	Main Audit in December 2014.
Tanah Datar	Tanah Datar Petatal Village, Talawi District, Asahan Regency, North Sumatera	Brought Forward from 2015 to 2013	Certified in 18 May 2015.
Aek Nabara	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatera	Brought Forward from 2015 to 2013	Certified on 6 March 2015
Teluk Panjie	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatera	Brought Forward from 2015 to 2013	Certified on 21 April 2015
Peranap	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	Brought Forward from 2016 to 2013	Certified on 7 January 2015
Bungo Tebo	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	Brought Forward from 2016 to 2014	Main Audit in December 2014.
Tanjung Selamat	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatera	Brought Forward from 2017 to 2014	Certified in 26 May 2015.
Gunung Melayu I	Rahuning Village, Bandar Pulau District, Asahan Regency, North Sumatera	Brought Forward from 2017 to 2014	Certified in 7 September 2015.

Gunung Melayu II	Gonting Mahala Village, Bandar Pulau District, Asahan Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified in 08 July 2015.
Negri Lama I	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2018 to 2013	Certified on 6 April 2015
Negri Lama II	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2018	-
Name of Plantation	Address	Time bound for certification	Status as of March 2015
Buatan	Delik & Pangkalan Kerinci Village, Bunut Langgam District, Pelalawan Regency, Riau	2010	Certified on 16 September 2010
Ukui & Soga	Ukui Village, Ukui District, Pelalawan Regency, Riau	2011	Certified on 1 March 2011
Buatan (Plasma)	Kerinci Kanan, Pangkalan Kerinci, Dayun Village, Siak & Pelalawan Regency, Riau	2011	Certified on 13 March 2012
Ukui (Plasma)	Ukui & Lubuk Batu Jaya District, Pelalawan & Inhu Regency, Riau	Brought forward from 2012 to 2011	Certified on 11 June 2012
Tungkal Ulu	Pulau Pauh/Penyabungan/Merlung Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2011	Certified on 15 August 2012
Muara Bulian	Singoan/Bukit Sari/ Bulian Jaya Village, Muara Bulian/Pemayung District, Batang Hari Regency, Jambi	2011	Certified on 28 August 2012
Buatan (KKPA)	Kerinci Kanan, Pangkalan Kerinci, Dayun District, Siak & Pelalawan Regency, Riau	2012	Certified on 17 January 2013
Tungkal Ulu (Plasma)	Renah Mendalo, Merlung, Muara Papalik District, Tanjung Jabung Barat Regency, Jambi	2012	Certified on 11 July 2013
Muara Bulian (Plasma)	Maro Sebo Ilir District, Batanghari Regency, Jambi	2012	Certified on 12 July 2013
Muara Bulian (KKPA)	Maro Sebo Ilir District, Batanghari Regency, Jambi	2012	Certified on 12 July 2013
Topaz & Seed Garden	Petapahan Village, Tapung District, Kampar Regency, Riau	2013	Certified on 30 March 2015
Taman Raja & Badang	Lubuk Bernai / Kampung Baru / Pelabuhan Dagang / Pematang Pauh Village, Tungkal Ulu District, Tanjung Jabung Regency, Jambi	2013	Certified on 20 February 2015
Segati	Langkan / Penarikan / Tambak / Sotol Village, Langgam District, Pelalawan Regency, Riau	2014	Public Notification conduct in October 2014. Main Audit in Dec 2014
Penarikan & Gondai	Pangkalan Sarik / Baru Village, Langgam / Siak Hulu District, Pelalawan / Kampar Regency, Riau	2014	Main Audit in December 2014

Penarikan (KKPA)	Pangkalan Sarik / Baru Village, Langgam / Siak Hulu District, Pelalawan / Kampar Regency, Riau	2014	Moved to 2016
Gunung Sahilan (KKPA)	Gunung Sahilan Village, Lipat Kain District, Pelalawan Regency, Riau	2014	Moved to 2016
Bahilang	Bahilang Village, Tebing Tinggi District, Serdang Bedagai Regency, North Sumatra	Brought Forward from 2015 to 2013	Certified on 18 May 2015
Tanah Datar	Tanah Datar Petatal Village, Talawi District, Asahan Regency, North Sumatra	Brought Forward from 2015 to 2013	Certified on 18 May 2015
Aek Nabara	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2015 to 2013	Certified on 6 March 2015
Teluk Panjie	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2015 to 2013	Certified on 21 April 2015
Peranap	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	Brought Forward from 2016 to 2013	Certified on 7 January 2015
Bungo Tebo	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	Brought Forward from 2016 to 2014	Public Notification conduct in October 2014. Main Audit in Dec 2014
Peranap (Plasma)	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	2016	-
Bungo Tebo (Plasma)	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	2016	-
Tanjung Selamat	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified in 26 May 2015.
Pangkatan	Sennah Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified in 26 May 2015.
Sentral & Batu Anam	Gonting Mahala Village, Bandar Pulau District, Asahan Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified in 08 July 2015.
Pulau Maria	Rahuning Village, Bandar Pulau District, Asahan Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified in 09 September 2015.
Negri Lama	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2018 to 2013	Certified on 6 April 2015
Aek Kuo	Aek Korsik Village, Aek Natas District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2016 to 2013	Certified on 6 April 2015

1.5. Description of Supply Base						
Estate	Mature (ha)	Immature (ha)	Total Planted (ha)	Infrastructure & others (ha)	Total Hectarage	% of Planted
Muara Bulian Estate	1,772	0	1,772	84	1,856	95
Scheme Smallholders (Plasma)						
KUD Barokah	1,240	0	1,240	0	1,240	100
KUD Subur Makmur	1,130	0	1,130	0	1,130	100
KUD Budi Sari	900	0	900	0	900	100
KUD Makmur Rejeki	730	0	730	0	730	100
KUD Karya Lestari	710	0	710	0	710	100
KUD Buah Sakato	2,248	0	2,248	0	2,248	100
Total (Scheme Smallholders)	6,958	0	6,958	0	6,958	
TOTAL	8,730	0	8,730	84	8,814	

1.6. Plantings & Cycle								
Estate	Age (Years)					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	Total	Estimated 2014	Actual 2014	Projection 2015
Muara Bulian Estate	0	0	0	1,772	1,772	44,059	37,077	40,997
Scheme Smallholders (Plasma)								
KUD Barokah	0	0	10	1,230	1,240	26,870	22,810	25,913
KUD Subur Makmur	0	0	10	1,120	1,130	24,480	15,002	25,726
KUD Budi Sari	0	0	10	890	900	24,275	23,946	17,506
KUD Makmur Rejeki	0	0	10	720	730	14,692	15,049	15,632
KUD Karya Lestari	0	0	10	700	710	15,345	13,831	15,625
KUD Buah Sakato	0	388	1,860	0	2,248	39,513	36,202	45,173
Sub Total (Scheme Smallholders)	0	388	1,910	4,660	6,958	145,175	126,840	145,575
TOTAL	0	388	1,910	6,432	8,730	189,234	163,917	186,572

1.7. Certified Tonnage									
Mill	Estimated (09/14-09/15)			Actual (09/14-09/15)			Projection (09/15-09/16)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Muara Bulian POM	189,234	42,495	10,881	163,917	36,599	8,749	186,572	41,958	10,261

Note: Actual OER (21.31 %) and KER (5.06 %) and Projection OER (22.48 %) and KER (5.50 %)

Section 2. Assessment Process

2.1. Certification Body

Certification Body:

BSI Services Malaysia Sdn Bhd.

Accreditation Certificate No. RSPO- ACC– 019

B-08-01 (East), Level 8, Block B, PJ8,
 No.23, Jalan Barat, Seksyen 8,
 46050 Petaling Jaya, Selangor,
 Malaysia.

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BSi is a leading global provider of management systems assessment and certification, with more than 60,000 certified locations and clients in over 100 countries. BSi Standards is the UK’s National Standards Body. BSi provides independent, third-party certification of management systems.

2.2. Assessment Methodology

The approach to the audit was to treat each mill and its supply base as an RSPO Certification Unit. The mill was audited together with the plantations of its supply base. A range of environmental and social factors were covered. These included consideration of topography, palm age, proximity to areas with HCVs, declared conservation areas and local communities.

The methodology for collection of objective evidence included physical site inspections, observation of tasks and processes, interviews of staff, workers and their families, labour union, gender committee, and stakeholders, review of documentation and monitoring data. A checklist was used to guide the collection of information. The comments made by external stakeholders were also taken into account in the assessment.

2.3. Assessment Conclusion

3 (three) Major nonconformities, 2 (two) Minor Non Conformities and 5 (five) observations that were identified during this initial assessment. All Major NCs were closed out and Minor Nonconformities will be verified during next surveillance assessment.

The auditors conclude that Muara Bulian POM and its supply base are complying with the RSPO certification system and RSPO standard, Generic standard 2014, included RSPO SCCS, 2014 and recommend extend the RSPO certificate for Muara Bulian POM and its supply base.

2.4. Assessment Program

The following table would be used to identify the locations to be audited each year in the 5 year cycle

Name (Mill / Supply Base)	Year 1	Year 2	Year 3	Year 4	Year 5
MUARA BULIAN POM	x	x	x	x	x
Muara Bulian Estate	x	x	x	x	x
KUD Barokah			x		x
KUD Subur Makmur				x	
KUD Budi Sari				x	
KUD Makmur Rejeki			x		

KUD Karya Lestari		x			
KUD Tuah Sakato		x			x

Tentative Date of Next Visit: 01/06/2016

Total No. of Mandays: 8 Mandays

2.5. Assessment Team:

Haeruddin – Assessor (Lead Auditor)

He holds Bachelor Degree in Forest Management, graduated from Hasanuddin University on 1994. He has 16 years of work experience in forest concession, forestry industry and the latest is within Oil Palm Plantation in Indonesia. He experiences as auditor for several sustainability standard including FSC, UTZ, Organic Farming, 4C, ISPO and RSPO. He completed the ISO 9001 Lead Auditor Course; ISPO Lead Auditor endorsed Course, RSPO Lead Auditor Course, and also completed ISCC, RSPO SCCS, RSPO RED course, etc. He had been involved in RSPO auditing since November 2010 in more than various companies in Malaysia, Thailand and Indonesia. During this assessment, he assessed on the aspects of legal and estate best practices.

Nanang Muallib - Team member

He graduated from Bogor Agriculture University on 1999, Forestry Faculty. He involved in RSPO certification since 2010 as a team member covering assessment against RSPO P&C in Indonesia. He completed the ISO 9001 Lead Auditor Course, Technical Training of HCV Assessment; ISPO Lead Auditor endorsed Course. During this assessment, he assessed on the aspects of social.

Wahyu – Auditor

He holds a degree in Machine Engineering from Indonesian University on 2002. He completed the ISO 9001 and OHSAS 18001 Lead Auditor. During this assessment, he assessed on Enviromental and OHS.

Reviewer:

This summary report was reviewed by Mr. Sabar Kembaren (Internal Reviewer)

Section 3 Assessment Findings

3.1 Details of audit results

Criterion / Indicator	Assessment Findings	Compliance
PRINCIPLE 1: COMMITMENT TO TRANSPARENCY		
Criterion 1.1:	Growers and millers provide adequate information to relevant stakeholders on environmental, social and legal issues relevant to RSP0 Criteria, in appropriate languages and forms to allow for effective participation in decision making.	

Criterion / Indicator	Assessment Findings	Compliance
<p>1.1.1</p> <p>There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSP0 Criteria to relevant stakeholders for effective participation in decision making.</p> <p>- Minor compliance -</p>	<p>Estate and Mill:</p> <p>The company has made a mechanism for request information no.: AA-GL-5008.1-R1 dated on 22nd August 2011. The company has owned some policies for documents created by the public relations department in the company and acknowledged by plantation manager that can be accessed by public dated 12th September 2014 that covered:</p> <ul style="list-style-type: none"> a. Legal Documents <ul style="list-style-type: none"> 1. a copy of SK HGU (Land Title) 2. a copy of AMDAL (Social and Environmental Impact Assessment) b. Environment Documents <ul style="list-style-type: none"> 1. Waste management plans 2. Report of waste water 3. Report of water management 4. Report of river water quality 5. Report of air quality. 6. Report of RKL (Environmental Management Plan) – RPL (Environmental Monitoring Plan). 7. Report of Hazardous Waste c. Social Activity Documents d. Employment Documents <ul style="list-style-type: none"> 1. Jamsostek 2. HSE management programmes <p>Scheme Smallholders:</p> <p>Scheme Manager cooperated with scheme smallholders has provide list of documents able to acces by their stakeholders, such as: copy of land rights, "Akte Pendirian Koperasi", Tanda Daftar Perusahaan/TDP (<i>Registered KUDs permit</i>), Rencana Kerja KUD (KUDs budget) consist of projection FFB and operational cost), monitoring of IPM, fertilizing and harvesting), accident record, OHS Manual.</p> <p>Scheme Smallholders also has procedure for communication, complaint and dispute as documented in "Mekanisme Komunikasi dan Komplain"</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
1.1.2	<p>Records of requests for information and responses shall be maintained.</p> <p>- Major compliance -</p>	<p>Estate and mill: Request Information and response from Stakeholder is documented into a log book "Surat Masuk", there were noted 13 request information and others from Stakeholder in 2014, e.g. from FSP-SPSI no. 465/SOSEK/PC FSP.PP-AS/VII/2014, dated 5th July 2014 regarding loan for the workers.</p> <p>Scheme smallholders: Request Information and response from Stakeholder is documented into a log book "Permintaan Informasi", there were noted 38 request information in KUD Subur Makmur in 2014 - 2015, e.g. from Tidar Kuranji Head of Village no. 05/168/TK/VI/2014 perihal pengambilan dana SHU untuk Desa.</p> <p>Based on review of log book information, it was noted that all request information and others has been responded timely manner.</p>	
<p>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.</p>			

Criterion / Indicator		Assessment Findings	Compliance
1.2.1	<p>Publicly available documents shall include, but are not necessarily limited to:</p> <ul style="list-style-type: none"> • Land titles/user rights (Criterion 2.2); • Occupational health and safety plans (Criterion 4.7); • Plans and impact assessments relating to environmental and social impacts (Criteria 5.1, 6.1, 7.1 and 7.8); • HCV documentation (Criteria 5.2 and 7.3); • Pollution prevention and reduction plans (Criterion 5.6); • Details of complaints and grievances (Criterion 6.3); • Negotiation procedures (Criterion 6.4); • Continual improvement plans (Criterion 8.1); • Public summary of certification assessment report; • Human Rights Policy (Criterion 6.13). <p>- Major compliance –</p>	<p>Estate, sheme smallholders and mill:</p> <p>The company has list of documents can access by public, such as: legal permits, SEIA (AMDAL), RKL / RPL (Management and Monitoring Plan), water management plan, waste management plan, water and air monitoring, OHS, hazardous waste management plan, CSR, employment documents, etc.</p> <p>All documents refer to the ratified International Regulation, National Regulation and local regulation, e.g. OHS documents refer to the Act 1, year 1970.</p>	Yes
<p>Criterion 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>			

Criterion / Indicator		Assessment Findings	Compliance
1.3.1	<p>There shall be a written policy committing to a code of ethical conduct and integrity in all operations and transactions, which shall be documented and communicated to all levels of the workforce and operations.</p> <p>- Minor compliance -</p>	<p>Estate and mill: The company has human rights policy that has been published no. 298/ES-KTS/Memo/08/14 dated 26th August 2014 which also covering ethics in business that stated that "ethical behavior, prohibition of all forms of corruption, bribery in the conduct or transaction of business practices and fraudulent use of funds".</p> <p>That policy has been informed to all employees and posted in public area, so that it can be accessed by all employees.</p> <p>Scheme smallholders: The KUDs have policy ethical conduct in "Kebijakan Koperasi" dated 1st March 2015: berkomitmen berperilaku etis pada seluruh transaksi dan operasi, pelarangan seluruh bentuk korupsi, penyuapan dan penipuan dalam penggunaan dana dan sumber daya (<i>commitment to implement code of ethical conduct and integrity in all operation, no corruption, bribery and fraudulent use of fund and resources</i>)</p>	Yes
PRINCIPLE 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS			
Criterion 2.1			
There is compliance with all applicable local, national and ratified international laws and regulations.			

Criterion / Indicator		Assessment Findings	Compliance
2.1.1	<p>Evidence of compliance with relevant legal requirements shall be available.</p> <p>- Major compliance –</p>	<p>Estate and mill: PT IIS demonstrate a valid land ownership covering:</p> <ol style="list-style-type: none"> 1. Izin lokasi (<i>Location permit</i>) no. 424, year 1997 "Pencadangan Tanah Untuk Keperluan Perkebunan kelapa sawit dengan pola PIR Trans PT. Inti indosawit Subur di Kec. Muara Bulian, Kab. Batanghari dan lokasi kecamatan Tungkal Ulu, Kab. Tingkat II Tanjung Jabung dari Gubrenur KDH Tingkat I Prop. Jambi (+ 12.000 ha in Muara Bulian) and (+ 20.000 ha in Tungkal Ulu). 2. IUP – SPUP (<i>Plantation operational permit</i>) no. 187/Mentanhut/VII/2000, dated 3rd November 2000 (\pm 4,756.20 ha) for Muara Bulian and Tungkal Ulu, 2 PKS (POM) with capacity each mill is 60 tonnes FFB/hour. 3. There are 5 land tile (HGUs) as mentioned in indicator 2.2.1. 4. Forest area release through "Surat Keputusan Menteri Kehutanan No.494/Kpts-II/1991 tentang Pelepasan areal hutan seluas 17,500Ha terletak di Kelompok Hutan S. Lampisi-S. Palik-palik Kabupaten Dati II Tanjung Jabung dan Seluas 9,356Ha terletak di Kelompok Hutan S. Kehidupan-S. Singoan Kabupaten Batanghari, Provinsi Jambi untuk Usaha Budidaya perkebunan dengan pola PIR-TRANS atas nama PT Inti Indosawit Subur" dated 7th August 1991. 5. AMDAL (SEIA) documents approved by "Komisi Pusat Amdal Departemen Pertanian", no. RC.220/687/B/IV/1994, dated 18 April 1994. 6. Izin penyimpanan, pengelolaan dan penggunaan bahan kimia dan pestisida no. 568/126.A/Dissosnakertrans, dated 23 February 2015, valid until 11 February 2016. 	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>7. Surface water usage permit from “Kantor Lingkungan Hidup Kabupaten batanghari” No. 660/150/LH/2010, dated 08 July 2010 and renewal permit still in progress now, the company has proposed renewal surface water usage to Balai Wilayah Sungai Sumatera VI Dirjen Sumber daya Air, Kementerian Pekerjaan Umum no. 001/GL-RO3/EXT-PT. IIS/II/2015. Response Letter no. UM.01.03/BWS/SUM-VI/61/2015, dated 10 March 2015 which stated that renewal surface water permit for PT. IIS still in progress.</p> <p>8. Temporary hazardous waste store permit 503/05/IPPL-B3/BPMPPT/2014, dated 19 November 2014 (Valid 5 years).</p> <p>9. Izin Land Aplikasi (LA permit) Izin Land Aplikasi no. 503/01/IKPPLH/BPMPPT/2013 berlaku s/d 24 Nov. 2016.</p> <p>10. The company has established fire mitigation officer as described in organizational chart “Struktur Organisasi Personil Tanggap Darurat” approved by Kepala Dinas Sosial, Tenaga Kerja da Transmigrasi Kabupaten Batanghari no. 568/130.A/Disosnakertrans, dated 12th March 2015.</p> <p>11. Izin Land Aplikasi (<i>Land Application permit</i>) no. 503/01/IKPPLH/BPMPPT/2013 berlaku s/d 24 Nov. 2016</p> <p>12. Mill machinery:</p> <ul style="list-style-type: none"> - Izin Jembatan Timbang berlaku s/d Oct. 2015 - Izin Pesawat Angkut (hoist crane) - Izin Pesawat uap (Bejana and Sterilizer (No. 1 – No. 4) - Izin pesawat uap (Boiler) no. 1 and 2. - Izin Compressor (3 unit) - Izin Turbin uap (1 unit) - Izin Genset (2 unit), dll - Izin pesawat uap (bejana uap) (no. 1) <p>Based on review of legal documents in mill, it was found that all permits still valid and it have been inspected by the local authority.</p>	<p style="text-align: center;">Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>Scheme Smallholders: Document review and interviews with scheme manager, confirmed that PT IIS – Muara Bulian is supporting smallholders to comply with essential regulation. List of regulations relevant to smallholder operation consisted of 38 regulations. Smallholder supported by Scheme Manager has evaluates all relevant regulation as per 31st December 2013.</p> <p>Some example showing compliance to relevant regulation as follows:</p> <p>KUD Subur Makmur</p> <ol style="list-style-type: none"> 1. Akte Pendirian Perusahaaa no.1060/BH/XV, dated 28 August 1993, endorsed by "Departemen Koperasi – Kantor Wilayah Departemen Koperasi Propinsi Jambi No. 24/KPTS/KWK.5/VIII/1993, dated 31st August 1993, Akte Perubahan Anggaran dasar no. 382/BH/PAD/KWK.5/VIII/1996, dated 29th August 1996. The latest RAT - Annual member meeting was held on 26th February 2015. 2. Tax registration no. 01.582.341.2-331.000. 3. Tanda Daftar Perusahaan (TDP) no. 05.06.2.52.016, dated 21st January 2012, valid until 20th January 2017. <p>KUD Budi Sari</p> <ol style="list-style-type: none"> 1. Akte Pendirian Perusahaaa no.1062/BH/XV, dated 10 September 1993, endorsed by "Departemen Koperasi – Kantor Wilayah Departemen Koperasi Propinsi Jambi No. 381/BH/PAD/KWK.5/VII/1996, dated 29th August 1993. 2. The latest RAT - Annual member meeting was held on 30th March 2015. 3. Tax registration no. 01.582.350.3-331.000. 4. Tanda Daftar Perusahaan (TDP) no. 05.06.2.65.90, dated 26th April 2010, valid until 27th April 2015. Renewal TDP in progress, renewal letter to Kepala Badan Penanaman Modal dan Pelayanan terpadu (BPMPPPT) Kabupaten batang Hari, dated 04th June 2015. 	

Criterion / Indicator		Assessment Findings	Compliance
2.1.2	A documented system, which includes written information on legal requirements, shall be maintained. - Minor compliance –	Estate and mill: List of laws are available and being evaluated regularly. Last updated on 27 th August 2014. Scheme Smallholders: Summary of permits and licenses checked and recorded in regulation record book - "Checklist Perizinan di KUD".	Yes
2.1.3	A mechanism for ensuring compliance shall be implemented. - Minor compliance –	Estate and Mill: List of laws are available and being evaluated regularly, previous updated on 20 th June 2014 and the last updated on 27 th August 2014, however it was not seen clearly updated in evaluation of regulation. Scheme Smallholders: The last update of evaluation of legal compliance is documented in "Evaluasi Kepatuhan Hukum Koperasi Unit Desa", e.g. in KUD Subur Makmur" updated December 2014.	Yes
2.1.4	A system for tracking any changes in the law shall be implemented. - Minor compliance –	Estate and mill: Legal requirement-evaluation and fulfilment mechanism regulated under "SOP Pemenuhan Peraturan Perundang-undangan dan Perubahannya" (No. SOP; AA-GL-5001.1-RO) dated 5 th December 2009. The procedure explains the stages for evaluation applicable legal requirements, person in charge for evaluation and ensures implementation of such requirement. Scheme Smallholders: Scheme manager will inform the scheme smallholders (cooperative) if there is any a change or amendment in laws and regulations. Scheme manager conduct meetings with the cooperative members to ensure compliance.	Yes
Criterion 2.2 The right to use the land is demonstrated, and is not legitimately contested by local people who can demonstrate that they have legal, customary or user rights.			

Criterion / Indicator		Assessment Findings	Compliance
2.2.1	<p>Documents showing legal ownership or lease, history of land tenure and the actual legal use of the land shall be available.</p> <p>- Major compliance -</p>	<p>Estate: PT IIS demonstrate a valid land ownership covering:</p> <ol style="list-style-type: none"> 1. Surat Keputusan Kepala BPN Pusat No. 14/HGU/1992 tentang Pemberian HGU atas nama PT Inti Indosawit Subur seluas 1.256,18 Ha” dated 15th September 1992. Subsequently issued certificate HGU No. I Tahun 2003 dated 3rd December 2003 based on “Surat Ukur No. 01/Msi/2003 terletak di Desa Singoan, Kecamatan Muara Bulian, Kabupaten Batanghari”, valid until 31st December 2027. 2. Surat Keputusan Kepala BPN Pusat No.51/HGU/BPN/2003 tentang Pemberian HGU atas tanah terletak di Kabupaten Batanghari, Provinsi Jambi seluas 523.42 Ha” dated 10th September 2003. Subsequently issued HGU certificate No.4 Tahun 2003 dated 3rd September 2003 based on “Surat ukur No. 56/BSa/2003 terletak di Desa Bukit Sari, Kecamatan Pamayung, Kabupaten Batanghari” valid until 6th October 2038. 3. Surat Keputusan Kepala BPN Provinsi Jambi No.03-540.1-06-2003 tentang Pemberian HGU atas nama PT Inti Indosawit Subur atas tanah terletak di Kabupaten Batanghari, Provinsi Jambi seluas 32.48 Ha, dated 10th July 2003. Subsequently issued certificate HGU No.2 Tahun 2003 dated 12th August 2003 based on “Surat ukur No.2/BuJ/2003 terletak di Desa Bulian Jaya, Kecamatan Muara Bulian, Kabupaten Batanghari”, valid up to 13th August 2038. 	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>4. Surat Keputusan Kepala BPN Provinsi Jambi No. 02-540.1-06-2003 tentang Pemberian HGU atas nama PT Inti Indosawit Subur atas tanah terletak di Kabupaten Batanghari, Provinsi Jambi seluas 17.09 Ha dated 10th July 2003. Subsequently issued certificate HGU No.2 Tahun 2003 dated 12th August 2003 based on "Surat ukur No.1/BuJ/2003 terletak di Desa Bulian Jaya, Kecamatan Muara Bulian, Kabupaten Batanghari" valid until 13th August 2038.</p> <p>5. "Surat Keputusan Kepala BPN Provinsi Jambi No.01-540.1-06-2003 tentang Pemberian HGU atas nama PT Inti Indosawit Subur atas tanah terletak di Kabupaten Batanghari, Provinsi Jambi seluas 27.27 Ha" dated 10th July 2003 subsequently issued certificate HGU No. 1 Tahun 2003 dated 12th August 2003 based on "Surat ukur No. 55/BSa/2003 terletak di Desa Bukit Sari, Kecamatan Pemayang, Kabupaten Batanghari", valid until 13th August 2038.</p> <p>Scheme smallholders: The land title was verified during audit, it was seen that land title is available in KUD office, e.g. sample taken during audit as below:</p> <p>KUD Subur Makmur Farmer Gorup No. 43:</p> <ol style="list-style-type: none"> 1. Surono, certificate No. 463, (2.00 ha). 2. Katijan, certificate no. 502, (2,25 ha) 3. Tugiman, certificate no. 555 (2.00 ha) 4. Muhtar Manan, certificate no. 509 (2.00 ha) 	

Criterion / Indicator		Assessment Findings	Compliance
		<p>In KUD Budi Sari: Farmer Group No. 28: 1. Ruslan bin paijan, certificate no. 532 (2.056 ha) 2. Sunardi, certificate no. 454, (2.0138 ha) 3. Sucipto, certificate no. 595 (2.0076 ha) 4. Sutio, certificate no. 684 (2.013 ha) Farmer Group No. 30: 1. Sarijo, certificate no. 587, (2.056 ha) 2. Supriyanto, certificate no. 526 (2.00 ha) 3. Tugiran, certificate no. 571 (2.0183 ha) 4. Wagino, certificate no. 456 (2.009 ha)</p>	
2.2.2	<p>Legal boundaries shall be clearly demarcated and visibly maintained.</p> <p>- Minor compliance –</p>	<p>Estate and mill: The company carried out monitoring of boundary stones every six months, maps of boundaries identified the position of boundary stones is available refer to the HGU’s maps. Boundary monitoring is recorded in “Laporan Pemeriksaan dan Perawatan Patok Batas”</p> <p>There are 32 boundary stones based on HGU map is maintained, During field visit, it was seen that boundary stones is maintained and visibly demarcated along the company’s border.</p> <p>Scheme Smallholders: The Scheme Manager need to be considered created plan to re-install legal boundary in scheme smallholders (Plasma) areas and implemented based on planning. (Observation was raised)</p>	Yes
2.2.3	<p>Where there are or have been disputes, additional proof of legal acquisition of title and evidence that fair compensation has been made to previous owners and occupants shall be available, and that these have been accepted with free, prior and informed consent (FPIC).</p> <p>- Minor compliance –</p>	<p>Estate and Scheme smallholders: Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rights within the company and scheme smallholders areas.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
2.2.4	There shall be an absence of significant land conflict, unless requirements for acceptable conflict resolution processes (see Criteria 6.3 and 6.4) are implemented and accepted by the parties involved. - Major compliance –	Estate and Scheme smallholders: Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rigths within the company areas.	Yes
2.2.5	For any conflict or dispute over the land, the extent of the disputed area shall be mapped out in a participatory way with involvement of affected parties (including neighbouring communities where applicable). - Minor compliance –	Estate and Scheme Smallholders: No any land dispute was noted.	Yes
2.2.6	To avoid escalation of conflict, there shall be no evidence that palm oil operations have instigated violence in maintaining peace and order in their current and planned operations. - Major compliance -	Estate and Scheme Smallholders: No any land dispute was noted.	Yes
Criterion 2.3			
Use of the land for oil palm does not diminish the legal, customary or user rights of other users without their free, prior and informed consent.			
2.3.1	Maps of an appropriate scale showing the extent of recognised legal, customary or user rights (Criteria 2.2, 7.5 and 7.6) shall be developed through participatory mapping involving affected parties (including neighbouring communities where applicable, and relevant authorities). - Major compliance –	Estate and Scheme Smallholders: The Company and scheme smallholders has Hak Guna Usaha (HGU)/Land title/Sertifikat hak Milik (SHM) for smallholdres, there are no customary land or legal rights within the company and scheme smallholdres area.	Yes

Criterion / Indicator		Assessment Findings	Compliance
2.3.2	<p>Copies of negotiated agreements detailing the process of free, prior and informed consent (FPIC) (Criteria 2.2, 7.5 and 7.6) shall be available and shall include:</p> <p>a) Evidence that a plan has been developed through consultation and discussion with all affected groups in the communities, and that information has been provided to all affected groups, including information on the steps that shall be taken to involve them in decision making;</p> <p>b) Evidence that the company has respected communities' decisions to give or withhold their consent to the operation at the time that this decision was taken;</p> <p>c) Evidence that the legal, economic, environmental and social implications for permitting operations on their land have been understood and accepted by affected communities, including the implications for the legal status of their land at the expiry of the company's title, concession or lease on the land.</p> <p>- Minor compliance -</p>	<p>Estate and Scheme Smallholders: Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rigths within the company areas.</p>	Yes
2.3.3	<p>All relevant information shall be available in appropriate forms and languages, including assessments of impacts, proposed benefit sharing, and legal arrangements.</p> <p>- Minor compliance -</p>	<p>Estate and Scheme Smallholders: Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rigths within the company areas.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
2.3.4	Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel. - Major compliance -	Estate and Scheme Smallholders: Based on documents review and interview with local government and local communities surrounding the company, it was noted that no any no customary land or legal rigths within the company areas.	Yes
PRINCIPLE 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY			
Criterion 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.			
3.1.1	A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders. - Major compliance -	Estate and Scheme Smallholders PT IIS's Muara Bulian maintained a 3 Year working plan for Productivity per planting year of the estate and scheme smallholders, under "Rencana Kerja 3 tahunan, Pengelolaan Minimum 3 tahun Kebun Muara Bulian" updated 6 June 2015. The plan indicates the target for 2014, 2015, 2016 and 2017. The estimation based on actual production realization from 2011, 2012, 2013, 2014, and as of May 2015. The estimation including OER average, KER average, Production cost (Rupiah/tonne CPO) divided between estate cost and mill cost. The Estimate productivity for the year 5with consideration of mature planted area is 22.08 tonnes/ha. The costs comprise of upkeep activities (such as weed control, fertilizer application, pest and disease management, pruning and castration, oil palm census and thinning out, ditch/terrace/platform maintenance, road and bridge maintenance, survey and maintenance of boundary poles) and Harvesting cost (harvesting, transport and weighing). Smallholder Coperatives has updated their long-term working plan for 2014 – 2016. This has covered: - Fertilizer application including estimation of material used and cost - Estimation of FFB production for each plot including price projection and cost allocation.	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<ul style="list-style-type: none"> - Smallholder cooperatives has also maintained record of Actual production of FFB (tonne/ha) for 2011-2014), e.g. 22.3 t/ha (2011), 22.42 t/ha (2012), 21.81 t/ha (2013), and 21.19 t/ha (2014) in KUD Subur Makmur and 21.32 t/ha (2011), 17.22 t/ha (2012), 18.58 t/ha (2013), 16.67 t/ha (2014) in KUD Budi Asih. - The production was declined due to palm age is getting older. <p>Mill: PT IIS's Muara Bulian has 3 Year working plan for Productivity per planting year of the estate, under "Rencana Kerja 3 tahunan, Pengelolaan Minimum 3 tahun Kebun Muara Bulian". The plan indicates the target for 2015 (current), as well as 2016, 2017 and 2018.</p> <p>The estimation based on actual production realization from 2011, 2012, 2013 and actual as of April 2014. The estimation including OER average, KER average, Production cost (Rupiah/tonne CPO) divided between estate cost and mill cost, e.g</p> <p>Projection in 2015: Production FFB in estate (23.21 ton/ha) and Plasma (20.18 tonnes/ha), OER: 22.08 %, KER: 5.65%, Cost Production: 2,172 kg/CPO</p> <p>Projection in 2016: Production FFB in estate (21.97 ton/ha) and Plasma (20.18 tonnes/ha), OER: 22.10 %, KER: 5.70% and Cost Production: 2,436 kg/CPO</p>	

Criterion / Indicator		Assessment Findings	Compliance
3.1.2	<p>An annual replanting programme projected for a minimum of five years (but longer where necessary to reflect the management of fragile soils, see Criterion 4.3), with yearly review, shall be available.</p> <p>- Minor compliance –</p>	<p>Estate: Replanting programme is available and maintained, commencing in 2016 (456 Ha) and continues in 2017 (557 Ha), in 2018 (508 Ha), and in 2019 (349 Ha). The replanting programme is prepared by the estate managers as guidance to implement replanting work such as felling, chipping, terracing, cover crop planting, planting of palms and maintenance up to maturity stages. The zero burning technique during replanting was communicated to all executives in the plantation as part of the replanting program. Seed are from company's own research station (Topaz Oil Palm Research Station).</p> <p>Yearly review of replanting programme is available for 2015. The review result showed replanting plan for 2016 which includes general process to prepare the re-planting program such as survey and field block boundary, stacking methods, ganoderma census, culvert and road marking, felling, chipping and stacking, hoeing, planting spot marking, making platform, planting leguminous crop planting, making planting hole, and planting procedures. There is also a note that activities should consider the size of area to be replanted in order to avoid ecosystem disorder due to land clearing. There were changes in terms of replanting program which previously would be conducted from 2016 up to 2018 changed into 2016 onto 2019.</p> <p>Scheme Smallholders: Cooperative in collaboration with Nucleus estate provide replanting programme for their smallholder plot, e.g. in KUD Subur Makmur, replanting will be started at the age of 27 years of palm trees which estimation time would be in year 2020. This has been documented in "Rencana program Replanting KUD Subur Makmur" and replanting program for KUD Budi Sari in 2019-2020.</p>	Yes
PRINCIPLE 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS			
<p>Criterion 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.1.1	<p>Standard Operating Procedures (SOPs) for estates and mills shall be documented.</p> <p>- Major compliance -</p>	<p>Estate and Mill: The company has procedures from land preparation up to despatch CPO PK, such as:</p> <ol style="list-style-type: none"> 1. SOP AA-APM-OP-1100.01. R1 (Seedling). 2. SOP AA-APM-OP-1100.02. R1 (SOP of Land Preparation). 3. SOP AA-APM-OP-1100.03. R1 (SOP of Roads & Bridges Construction and Maintenance). 4. SOP AA-APM-OP-1100.05. R1 (Soil & Water Conservation) 5. SOP AA-APM-OP-1100.06. R1 (Planting Legium Cover Crops) 6. SOP AA-APM-OP-1100.07-R1, last revision no. 02/HP/MEMO/FEB/13, (Planting). 7. SOP AA-APM-OP-1100.08. R1 (Weeding control) 8. SOP AA-APM-OP-1100.09. R1 (Fertilization) 9. SOP AA-APM-OP-1100.10. R1 (Pests & Disease Control) 10. SOP AA-APM-OP-1100.11. R1 (Pesticide Control) 11. SOP AA-APM-OP-1100.14. R1 (Census) 12. SOP AA-APM-OP-1100.18. R1 (Harvesting) 13. SOP AA-APM-OP-1100.19. R1 (FFB Transport) <p>Palm Oil Mill has a separate manual which includes SOPs for each processing stations covering 16 sections from receiving of FFB, grading, processing, lab analysis, storage and despatch. The mill revised Policy Manual was dated 26 August 2011. No any revision since 2014 up to now.</p> <p>Smallholders; Smallholder ccooperatiive has reference to SOP produced by Nucleus estate in term of Agriculture Policy Manual specific for Plasma scheme. This has been covered Nursery practices (AA-PLASMA-PP-KS-01), Pest & Diseases Control (AA-PLASMA-PP-KS-02), Fertilizer practices (AA-PLASMA-PP-KS-03), and Harvesting (AA-PLASMA-PP-KS-04).</p>	Yes

	Criterion / Indicator	Assessment Findings	Compliance
4.1.2	<p>A mechanism to check consistent implementation of procedures shall be in place.</p> <p>- Minor compliance –</p>	<p>Estate: Implementations of the SOPs are monitored through field inspection by the estate assistant managers, Agronomist, Plantation advisers, mill adviser and by RSPO internal audits.</p> <p>The latest Agronomist visit report dated 11th May 2015, report number KMB/R&D-AGRO/01-05, visit start date 27-28 April 2015, conducted once a year by Asian Agri's Group internal Agronomist.</p> <p>Third party Visiting Agronomist report, January 2015, report number KMB/VA/FULL 01-15, date of visit 12-14 January 2015, conducted once a year.</p> <p>Mill: Visiting Engineer: at least once a year. VE in 2014 was conducted on 20 – 22 August 2014 by TCJ Thomas; CAP is followed up by mill.</p> <p>VE in 2015 was conducted in 25 – 28 May 2015 by TCJ. Thomas, CAP is still in progress for follow up.</p> <p>Scheme Smallholders: There is routine visit from company's head of Smallholders which latest visit was on 9-10 April 2015 in KUD Subur Makmur and KUD Budi Sari. Some areas were checked such as spraying activities, relationship between cooperatives and communities, and replanting program.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.1.3	Records of monitoring and any actions taken shall be maintained and available, as appropriate. - Minor compliance –	<p>Estate and mill: Estate and mill carry out daily monitoring through field inspection records and mill inspection records. It is a routine that the estate and mill management prepare monthly reports and send to the company’s head office for monitoring purpose as well. All field inspection results are recorded in Monthly Report.</p> <p>Monthly report in Mill is documented in “Laporan Unit Pabrik”, LUP is covering: Mill legal permit, facilities, manpower, operator permit, Working daily, Accident report, payment salary, overtime, FFB received, CPO and PK Production, OER, KER, laboratory, water treatment, FFB quality, environmental, UKL – UPL, monitoring of POME, cost production, maintenance, storage, etc.</p> <p>Scheme Smallholders: The KUDs maintain record in “Laporan Produksi Bulanan”, covering FFB Production, fertilizer cost, pesticide cost, deduction cost and income per member,</p>	Yes
4.1.4	The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB). - Major compliance -	<p>Mill: FFB incoming from third parties is recorded daily basis and incorporated into the Monthly Report. The third parties FFB supplied from Plasma (Included in the certificate scope), and others supplier is not certified, e.g. independent smallholders, record shown that the Muara Bulian POM was received FFB from third parties in 2014 is 69,855 tonnes FFB.</p>	Yes
Criterion 4.2			
Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.			
4.2.1	There shall be evidence that good agriculture practices, as contained in Standard Operating Procedures (SOPs), are followed to manage soil fertility to a level that ensures optimal and sustained yield, where possible. - Minor compliance –	<p>Estate and Scheme Smallholders: Company has implemented good agriculture practices in term of soil fertility management to achieve optimal and sustained yield. In addition to application of inorganic fertilizer, company has also applied organic fertilizer in term of empty fruit bunches and POME in some areas. This similar implementation for smallholder cooperatives.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance –	<p>Estate: Fertilizer application carried out as per recommendation from R&D and leaf analysis. PT IIS Muara Bulian implements land application and Empty Fruit Bunches (EFB) for area within low natural fertility. PT IIS Muara Bulian Estate presented under "Program Pemupukan KMB 2015". Record showed since January 2015 up to May 2015 there were several types of fertilizer had been applied on the field such as ZA, MOP, Dolomit, and HGFB. The dosage for each fertilizer and size of area applied was also in place. Record of fertilizer application including POME for land application and EFB for land mulching is recorded in "Program dan realisasi pemupukan 2015".</p> <p>Scheme Smallholders: Smallholder cooperative maintained record of fertilizer application in their smallholder members. Review record of "Laporan Realisasi Pemupukan Per kapling Tahun 2014" showed fertilizer applied in smallholder plots consist of ZA, MOP, RP, Dolomit, and HGBF. The dosage for each fertilizer was determined through leaf sampling analysis conducted by Neculeus estate.</p>	Yes
4.2.3	There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status. - Minor compliance –	<p>Estate: Result of annual leaf sampling test made available for fertilizer application recommendation. The latest leaf sampling conducted in 2014 for fertilizer (organic or inorganic) recommendation on 2015. Result foliar sampling analysis made available with recent dated 10 June 2014. PT IIS Muara Bulian Estate presented under "Rekomendasi Pemupukan Kelapa Sawit 2015". Soil fertility analysis reported under "Laporan Survei Tanah Semi Detil" conducted on Mei 2009.</p> <p>Scheme Smallholders: Result of annual leaf sampling test made available for fertilizer application recommendation. The latest leaf sampling conducted in 2014 for fertilizer (organic or inorganic) recommendation on 2015.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.4	A nutrient recycling strategy shall be in place, and may include use of Empty Fruit Bunches (EFB), Palm Oil Mill Effluent (POME), and palm residues after replanting. - Minor compliance –	<p>Estate: The company use EFB, POME and decanter solid for increasing soil nutrient, e.g. applied EFB 2,623 tonnes in Block A91a, total EFB applied from January up to May 2015 is 17,978 tonnes, applied POME in Land Application (LA) from January up to May 2015 is 49,693 MT (640 ha) and applied Decanter Solid 2,354.76 tonnes up to May 2015.</p> <p>Scheme Smallholders: No smallholders applied EFB, POME and Decanter Solid.</p>	Yes
Criterion 4.3 Practices minimise and control erosion and degradation of soils.			
4.3.1	Maps of any fragile soils shall be available. - Major compliance -	<p>Estate: Based on soil survey 2009, it was noted no fragile soil (all mineral soil)</p> <p>Scheme smallholders: Based on soil survey in March 2014 by R & D Asian Agri, tebing Tinggi, North Sumatera, it was noted no fragile soil within scheme smallholders plantation (all mineral soil)</p>	Yes
4.3.2	A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific). - Minor compliance –	<p>Estate: In procedure “Konservasi Tanah dan Air” has determined strategy control erosion particular in slope area, such as: 0 – 5°, 6 – 12°, 13 -20°, and more than 20°, The company has applied silt pit, L shape stacking frond and terracing in slope area to reduce erosion.</p> <p>Scheme Smallholders: In procedure “Replanting, January 2012”, the scheme smallholders constructed terrace, silt pit in slope area and stacking frond “L’ shape.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.3.3	<p>A road maintenance programme shall be in place.</p> <p>- Minor compliance –</p>	<p>Estate: Road maintenance program and progress was made in recorded in "Program dan Realisasi Pekerjaan Grading Mekanis 2015". e.g. roads maintenance program in 2015 is 386,124 km, progres up to May 2015 is 133,712 km.</p> <p>Scheme Smallholders: KUD Subur Makmur has a program road maintenance in "Rincian Kebutuhan Dana perbaikan Jalan Hampanan KUD Subur makmur Sp-2" total road maintenance in 2015 is 46,400 metres.</p> <p>KUD Budi sari has a program road maintenance in "Rencana Perbaikan Jalan KUD Budi sari SP 3" total road maintenance in 2015 is 68,900 metres.</p> <p>Road maintenance program deducted from each member is Rp. 20/kg from FFB production.</p>	Yes
4.3.4	<p>Subsidence of peat soils shall be minimised and monitored. A documented water and ground cover management programme shall be in place.</p> <p>- Major compliance –</p>	N/A (Mineral soil)	Yes
4.3.5	<p>Drainability assessments shall be required prior to replanting on peat to determine the longterm viability of the necessary drainage for oil palm growing.</p> <p>- Minor compliance –</p>	N/A (Mineral soil)	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.3.6	A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils). - Minor compliance –	N/A (all mineral soil)	Yes
Criterion 4.4 Practices maintain the quality and availability of surface and ground water.			
4.4.1	An implemented water management plan shall be in place. - Minor compliance –	Estate and Scheme Smallholders: The company and scheme smallholders have established water management plan, consist of management water supply for domestic, water consumption and measurement of water quality. The company has conducted measurement of water quality regularly and consistent, the result shown that water quality is complies with national regulation.	Yes
4.4.2	Protection of water courses and wetlands, including maintaining and restoring appropriate riparian and other buffer zones (refer to national best practice and national guidelines) shall be demonstrated. - Major compliance -	Estate and Scheme Smallholders: The water used for domestic purposes comes from the "reservoir" then pumped into the tank and supplied to the employee residences. To maintain the water source, the company have been planted the native trees around the "reservoir" and along rivers. SOP for maintaining riparian zone is under SOP AA-APM-OP-1100.05. R1 "Konservasi Tanah dan Air", it is stated that at during land clearing area along the river shall be conserved.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.4.3	<p>Appropriate treatment of mill effluent to required levels and regular monitoring of discharge quality, especially Biochemical Oxygen Demand (BOD), shall be in compliance with national regulations (Criteria 2.1 and 5.6).</p> <p>- Minor compliance –</p>	<p>The BOD of the treated Mill effluent discharge was maintained consistently less than 5,000 mg/L throughout 2014 and 2015. The independent Laboratory (UPTB Laboratorium Lingkungan Daerah Provinsi Jambi) collects samples and tests the effluent discharge monthly for compliance. Review of the results for the BOD POME Monitoring complied with all effluent discharge licence parameters (KepmenLH No. 28 with regards to BOD limits of effluent discharge for land application), e.g. BOD monitoring result in July 2014 is 1,200 mg/L, August 2014 (2,410 mg/L), September 2014 (1,200 mg/L), October 2014 (2,354 mg/L), November 2014 (483 mg/L), December 2014 (4,030 mg/L), January 2015 (3,623 mg/L), February 2015 (3,481 mg/L), March 2015 4,430 mg/L, April 2015 (1,405 mg/L).</p> <p>Estate and Scheme Smallholders: Not Applicable</p>	Yes
4.4.4	<p>Mill water use per tonne of Fresh Fruit Bunches (FFB) (see Criterion 5.6) shall be monitored.</p> <p>- Minor compliance –</p>	<p>Mills monitor the use of water includes monitoring of water usage for mill processing and domestic usage. Result of water usage monitoring is recorded under "Mill Operation Summary 2014". Review on record confirmed met with the approved budget for processing and domestic,</p> <p>Record of water usage for FFB processed is recorded in "Data Monitoring Pemakaian Air PMB", e.g. Water usage in 2013 is 1.01 MT/tonnes TBS, water usage in 2014 for process FFB is 0.72 MT/Tonnes FFB and 2015 up to May 2015 is 0.89 MT/tonnes FFB</p> <p>Estate and Scheme Smallholders: Not Applicable</p>	Yes
<p>Criterion 4.5 Pests, diseases, weeds and invasive introduced species are effectively managed using appropriate Integrated Pest Management techniques.</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.5.1	Implementation of Integrated Pest Management (IPM) plans shall be monitored. - Major compliance -	<p>Estate and Scheme Smallholders: PT IIS's Muara Bulian included scheme smallholders continued the program of establishing the beneficial plants <i>Turnera subulata</i> and <i>Cassia cobanensis</i> along boundaries and roadsides at each of the Estate and scheme smallholder. Barn Owl boxes have been installed at each of the Estate and scheme smallholder. Routine census conducted every month.</p> <p>Muara Bulian Estate operates an early warning census programme to monitor leaf-eating pest numbers and rat damage. The census monitors numbers of nettle caterpillars, bagworm pests and rats at the Estate and scheme smallholder plots. The most recent census was done on April-May 2015 and the result shows are within allowable limits, no chemical application was used.</p>	Yes
4.5.2	Training of those involved in IPM implementation shall be demonstrated. - Minor compliance -	<p>Estate and Scheme Smallholders: Latest IPM training for field operator was conducted on 28 November 2014.</p> <p>Scheme smallholder has gained IPM training for smallholder members on 10-09-2014 in KUD Budi Sari, and lates training with regards to Barn Owl box on 20 May 2015 attended by representative of smallholder member from all KUDs.</p>	Yes
<p>Criterion 4.6 Pesticides are used in ways that do not endanger health or the environment.</p>			

Criterion / Indicator		Assessment Findings	Compliance
4.6.1	<p>Justification of all pesticides used shall be demonstrated. The use of selective products that are specific to the target pest, weed or disease and which have minimal effect on non-target species shall be used where available.</p> <p>- Major compliance -</p>	<p>Estate: Inspection of records confirmed only chemicals that are registered and approved by the Department of Agriculture are used. Data on pesticides usage are recorded on the PT IIS's Muara Bulian Group Estate office. Justification for all pesticide used was recorded in Estate's Yearly Working Plan for 2015. There are specific target and activities used for selective products such as:</p> <ul style="list-style-type: none"> - Glyphosate, Floroksipir, Metil Metsulfuron, and Gramoxone are used for circle spraying. - Glyphosate and Floroksipir used for FFB collection point spraying - Glyphosate, Triclopir, Metil Metsulfuron, are used for wooden weeds - Metil Metsulfuron, Paraquat are used for wooden fern - 2,4-Diamine and Glyphosate are used for soft wooden grass (Asystasia sp) <p>Scheme Smallholders: The Scheme Manager deloped guidance and list of agrochemical use for smallholders. This has considered the condition of area and targeted species. Review of record showed that there are some pesticed used for cooperatives such as Paraquat diclorida, Methyl metsulfuron, Trichropil, and Glyphosate. This recorded in "Daftar Jenis Dan Volume Pestisida yang Disalurkan Kepada Petani Tahun 2015".</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.2	<p>Records of pesticides use (including active ingredients used and their LD50, area treated, amount of active ingredients applied per ha and number of applications) shall be provided.</p> <p>- Major compliance -</p>	<p>Estate: Agrochemicals used are monitored each time it is used. Records includes active ingredients used, area treated, quantity applied per hectare, type of equipment used and number of applicators involve. Records observed during the audit i.e. Estate Monthly Report, Daily Field Supervisor Book.</p> <p>Scheme Smallholders: Scheme manager and its cooperatives maintained record of pesticide use for each KUD. Review Record of "Program & Realisasi kerja Tahun 2014" showed actual pesticed use for each KT and volume for eac of type of pesticide.</p>	Yes
4.6.3	<p>Any use of pesticides shall be minimised as part of a plan, and in accordance with Integrated Pest Management (IPM) plans. There shall be no prophylactic use of pesticides, except in specific situations identified in national Best Practice guidelines.</p> <p>- Major compliance -</p>	<p>Estate and Scheme Smallholders: PT IIS Muara Bulian and scheme smallholder control weeds through identification to select appropriate control to be applied. Identification record of weeds comes under "Identifikasi Gulma Dominan". The record is identifying the target of weeds, the location, and active ingredient. Dosage used for herbicide application refers to Agricultural Policy Manual AA-APM-OP-1100.08-R1.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.4	<p>Pesticides that are categorised as World Health Organisation Class 1A or 1B, or that are listed by the Stockholm or Rotterdam Conventions, and paraquat, are not used, except in specific situations identified in national Best Practice guidelines. The use of such pesticides shall be minimised and eliminated as part of a plan, and shall only be used in exceptional circumstances.</p> <p>- Minor compliance –</p>	<p>Estate and Scheme Smallholders: Company has provided a record showing volume reduction of Paraquat used since 2012 until 2014, and as of May 2015.</p> <p>Company decided to maintain the use of paraquat in low volume where it just only for specific treatment for those area which wooden fern (Neprolephis sp) is presented. Record observed during the audit i.e. Historis Pemakaian Paraquat, dated 2 June 2015, showing that the use of Paraquat in 2012 was 932 Litre, in 2013 was 260.55 Litre, in 2014 was 291 Litre, and as of January-May 2015 was 32.8 Litre. There was slightly increased in 2014 due to the condition of Neprolephis were broadly spread within estate areas. However, it is company commitment to control and reduce the use of Paraquat in appropriate manner.</p> <p>Application of Pesticides for scheme smallholders managed under the company.</p>	Yes
4.6.5	<p>Pesticides shall only be handled, used or applied by persons who have completed the necessary training and shall always be applied in accordance with the product label. Appropriate safety and application equipment shall be provided and used. All precautions attached to the products shall be properly observed, applied, and understood by workers (see Criterion 4.7).</p> <p>- Major compliance -</p>	<p>Estate and Scheme Smallholders; Company has ensured that applicators are trained; all personnel handling agrochemical was trained for the use of limited pesticide in collaboration with Manpower office of Batanghari regency. Record of training for spraying operators is kept in estate office. Field visit to Muara Bulian estate chemical's storage showed the pesticide stores continued to be well maintained and the chemicals were labelled clearly and stored within spill containment. Observation of spray-mix preparation and spraying showed that the workers were wearing PPE correctly and they were working safely and in accordance with the chemical manufacturer's recommendations.</p> <p>Application of Pesticides for scheme smallholders managed under the company</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.6 Storage of all pesticides shall be according to recognised best practices. All pesticide containers shall be properly disposed of and not used for other purposes (see Criterion 5.3). - Major compliance -</p>	<p>Estate and Scheme smallholders: The company already had a Pesticides warehouse and pesticide containers washing and bathing places for the sprayers. Based on a field visit to the Pesticides Warehouse, it was found that:</p> <ul style="list-style-type: none"> - Permanent Buildings, - A good ventilation, - Permanent floor is cemented, the floor of the mixing of pesticides using ceramics, and equipped with a "spillage trap", - eye wash shower, first aid box, PPE and Fire extinguisher are provided. <p>Operation control:</p> <ul style="list-style-type: none"> - MSDS are available for all types of existing pesticides - The pesticide management and safety instructions are available - A package management/ used pesticide package is available - Water wash of pesticides containers collected in "spillage trap" - The flow of waste water is channeled and stored so that it is not discharged into the environment. The water used is used for its dilution. <p>A package management / used pesticide package:</p> <ul style="list-style-type: none"> - Pesticide packages were clean washed in a wash basin, then, it was dried in a provided place. - Dried packages were stored in temporary warehouse before being taken / sent by a third party who has a license. <p>The company had a SOP of waste pesticide management which is SOP of hazardous waste management No. AA-KL-06-EFP.</p> <p>The company disposed their hazardous waste, included empty container pesticides to the approval company (PT. Elmusonsetindo Nusaindah), e.g. delivered used rags 1 drums, used accu 5 pcs, contaminated goods 1 drums on 21st June 2014</p>	<p style="text-align: center;">Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.6.7	Application of pesticides shall be by proven methods that minimise risk and impacts. - Minor compliance –	Estate and Scheme smallholders: PT. Inti Indosawit Subur (TUS - Tim Unit Semprot/Asian Agri Spraying Team) responsible to handling and applying pesticides in Scheme Smallholders area, however it was found a some of scheme smallholders members in KUD Budi Sari applied pesticides by themselves without monitoring and control to minimise risk and impact in related environment and health and safety practices <i>(Minor NC was raised under this indicator)</i>	No
4.6.8	Pesticides shall be applied aerially only where there is documented justification. Communities shall be informed of impending aerial pesticide applications with all relevant information within reasonable time prior to application. - Major compliance -	Estate and Scheme smallholders: Company does not apply any pesticide through aerially application.	Yes
4.6.9	Maintenance of employee and associated smallholder knowledge and skills on pesticide handling shall be demonstrated; including provision of appropriate information materials (see Criterion 4.8). - Minor compliance –	Estate and Scheme smallholders: Company has ensured that applicators are trained; all personnel handling agrochemical was trained for the use of limited pesticide in collaboration with Manpower office of Batanghari regency. Record of training for spraying operators is kept in estate office. Field visit to Muara Bulian estate chemical's storage showed the pesticide stores continued to be well maintained and the chemicals were labelled clearly and stored within spill containment. Observation of spray-mix preparation and spraying showed that the workers were wearing PPE correctly and they were working safely and in accordance with the chemical manufacturer's recommendations.	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.6.10	<p>Proper disposal of waste material, according to procedures that are fully understood by workers and managers shall be demonstrated (see Criterion 5.3).</p> <p>- Minor compliance –</p>	<p>Estate and Scheme smallholders: Company maintained procedure SOP AA-KL-06-EFP R4 “Penanganan Limbah B3” dated 1 November 2008 showing that all agrochemical waste material and container are collected and stored at hazardous waste storage. The hazardous waste storage holds valid permit at present (Permit number: 503/05/IPPLB3/BPMPPT/2014, dated 19 November 2014 valid for 5 years).</p> <p>Triple rinse and punch-a-hole method is used before storing the empty containers in the B3 store. The waste materials are transported within 180 days limit, as regulated in the permit. These containers are recycled for the same purpose to prepare pre-mixed agrochemical to be used in the field. The surplus waste materials are disposed through permitted waste collector PT Emulson Indo Nusa Indah and PT Shali Riau Lestari. The latest disposal was on 2 April 2015. This has been recorded in the form of “Lembar Neraca Limbah B3”.</p>	Yes
4.6.11	<p>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.</p> <p>- Major compliance -</p>	<p>Estate and Scheme smallholders: All pesticide operators have gained medical surveillance twice a year. The latest result was November 2014, conducted by Prodia Clinical Laboratory which 19 operators were involved. Chemical Blood, Hematology, and urine analysis were checked. However, however evaluation of medical surveillance result has not been done. (NC Major was raised under this indicator).</p> <p>The company has evaluated Medical Surveillance result by company's doctor and appointed a personnel who is responsible to ensure that evaluation of medical surveillance is conducted.</p> <p>This Major NC is closed out on 8 August 2015</p>	Yes
4.6.12	<p>No work with pesticides shall be undertaken by pregnant or breast-feeding women.</p> <p>- Major compliance –</p>	<p>Estate and Scheme smallholders: Based on interview with female worker, its confirmed that no pregnant and/or breast-feeding involved in chemical/pesticides, they are transferred to other duties.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>Criterion 4.7 An occupational health and safety plan is documented, effectively communicated and implemented.</p> <p><i>Specific Guidance for 4.7.7: The National Interpretation will define the metrics for LTA. For countries where there are no national interpretations, the growers will determine their own metrics.</i></p>		
<p>4.7.1</p> <p>A health and safety policy shall be in place. A health and safety plan covering all activities shall be documented and implemented, and its effectiveness monitored. - Major compliance -</p>	<p>Estate, Scheme smallholders and Mill: The Company has health and safety policy that is written in in the Company's policy, signed by the Managing Director of the Company on 26th November 2012.</p> <p>The policy has been communicated to all employess and displayed in public area in estates and mill.</p> <p>The company has conducted Risk Assessment related to health and safety work. The results of analysis were written into risk analysis document (HIRADC).</p> <p>Risk assessment method used is quantitative and qualitative method which is the multiplication of severity with the level of possibility. The company has set matrix multiplication result, which is subsequently determined from the matrix level / quality risk is divided into five (5) categories: extreme, high, moderate, low and negletible</p> <p>For activities/processes that have risk levels of moderate and low, the company will perform operation control, monitoring and as well as to provide an appropriate personal protective equipment (PPE).</p> <p>The company has made a health and safety programs that were written into Management Program documents.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.7.2	<p>All operations where health and safety is an issue shall be risk assessed, and procedures and actions shall be documented and implemented to address the identified issues. All precautions attached to products shall be properly observed and applied to the workers.</p> <p>- Major compliance -</p>	<p>Estate, Scheme smallholders and Mill:</p> <p>As a precaution of disease and accidents, the company has set operation control by making procedures, providing appropriate training, provides adequate PPE to all relevant employees.</p> <p>The company also monitored the effectiveness of its implementation in the field.</p> <p>Engineering control was implemented to prevent hearing loss, e.g. install noise reduction agent and administrative by erected signboard of noise area.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.3</p> <p>All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.</p> <p>- Major compliance -</p>	<p>Estate, Mill and Scheme smallholders:</p> <p>The workers received training related OHS, e.g.</p> <ol style="list-style-type: none"> 1. Limited pesticides handling training on 29th August 2014, attended 93 workers. 2. Basic fire training was conducted on 09th June 2014, attended 50 workers. 3. Basic safety training was conducted on 24th July 2014, attended 52 workers. 4. First Aids training was conducted on 11th October 2014, attended 78 workers. 5. Boiler chemical training was conducted on 4th June 2014, attended by laboratory's staff. <p>Tarining is documented in "Rekaman Pelatihan".</p> <p>During field visit, it was seen that, the workers use PPE appropriately in all operation units, such as: operator in mill (Helmet, safety shoes, ear plug, glove, mask, and goggle for welder; in estate for sprying team, e.g. mask, glove, goggle, apron, and boot shoes.</p> <p>Based on documents review that all operators have trained and had "SIO", e.g.</p> <ul style="list-style-type: none"> - Mr. Parno (Operator Pesawt Angkat dan Angkut) no. 11.10033-OPK3-PAA-VII/2011 valid until 29 July 2016 - Mr. Resman Sitanggung (Operator Pesawat Uap) no. P.05.528-OPK3-PUBT-VI/2013 valid until 7 June 2018. - Ahmad rasid (Teknisi Listrik) no. 6691/TK3-LIST/II/2014, valid until 27 February 2017. 	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
		<p>It was complaint to the company from spraying operators in related to an adequate provision goggle (blurred when sweat). The company has not provided response in due course. This was found during interview with spraying team (<i>This issues was raised observation in previous assessment, there is no improvement was taken by the company, so, during this surveillance, concluded raised Major NC under this indicator</i>).</p> <p>The company has socialized to the supervisor and workers who are involved in pesticide spraying team to ensure that all complaints (both by letter or verbal) must be documented in "Internal Complaint Log Book". This complaint has been responded with provide a new better quality goggle and it has been delivered to spraying team.</p> <p>This Major NC is closed out on 8 August 2015</p>	
4.7.4	<p>The responsible person/persons shall be identified. There shall be records of regular meetings between the responsible person/s and workers. Concerns of all parties about health, safety and welfare shall be discussed at these meetings, and any issues raised shall be recorded.</p> <p>- Major compliance -</p>	<p>The responsible person of OHS is documented in organizational chart Panitia Pembina Kesehatan dan keselamatan kerja (P2K3). Meeting between company and P2K3 members is conducted regularly.</p> <p>Meeting is reported every 3 month to the Government, meeting is discussed previous OHS program, accident record and corrective action was taken, safety inspection, OHS inspection, etc.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.5</p> <p>Accident and emergency procedures shall exist and instructions shall be clearly understood by all workers. Accident procedures shall be available in the appropriate language of the workforce. Assigned operatives trained in First Aid should be present in both field and other operations, and first aid equipment shall be available at worksites. Records of all accidents shall be kept and periodically reviewed.</p> <p>- Minor compliance –</p>	<p>Estate, scheme smallholders and mill:</p> <p>Accidents and emergency procedures no. AA-EMS-446-PR (operation control), AA-EMS-447-PR (Emergency preparedness), AA-EMS-001-FM (Emergency plan), AA-EMS-003-FM (Emergency incident), and AA-EMS-004-FM (Emergency incident Reporting).</p> <p>Those procedures is socialized and available in notice board in site, during interviewed with workers, it was seen that they understood the emergency and accident procedures. Emergency call phone also is available in all site operation.</p> <p>Assigned trained in First Aid sighted present with First Aid Kit available in various workplace.</p> <p>Records of accidents were found well-kept and presented to the board during the monthly notice board.</p> <p>Accident record is recorded "Rekaman Kecelakaan Kerja"</p> <p>In 2015, there is a fatality 1 fatality (Mr. Adi Supriadi).</p> <p>Record of fatality: Location: Kernel Station Date of accident: 10th February 2015 Chronology: Victim is fallen when he maintained in Kernel station (its around ± 8 metres) and he was failed into conveyor's cover and then into the floor.</p> <p>The company has evaluated the accident and updated HIRDC to prevent repetition accident.</p> <p>Preventive action taken with safety full body harness, double hook, helmet and "LOTO".</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.7.6	<p>All workers shall be provided with medical care, and covered by accident insurance.</p> <p>- Minor compliance –</p>	<p>Estate and Mill: The company has provided clinic for all workers and it's covered also by Social Insurance, namely Jamsostek (BPJS). Record payment of Jamsostek / BPJS in "Bukti pengeluaran bank", e.g. payment of Jamsostek April 2015, Bank transfer slip is Rp. 428,474,404.</p> <p>Sample taken: Jamsostek/BPJS for Mr. Salman Alfarizi No. 1371 1016 1286 006 and Mr. Fatahillah Daulay No. 09026965906</p> <p>Scheme Smallholders: The KUDs provide medical benefit for their staff and members also provide medical to the clinic or hospital if any accident.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.7.7	Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. - Minor compliance –	<p>Estate and mill: The company maintained all of the records regarding the works accident included nearmiss and lost time accident (LTA) in some documents, such as:</p> <ul style="list-style-type: none"> a. Incident Log; contains the victim data, employees grade, works, incident information (time, date, month, year, and location), part of bodies injured, incident description, actions taken, incident categories, numbers of absences and etc. b. Incident Report; contains summary dari incident log, recaped every month. The incident report for January – November 2014, as follows: <ul style="list-style-type: none"> - Fatality: 1 - Permanent disable: 0 (nil) - Lost Time Incident: 0 (nil) - Fire: 0 (nil) - Properties Damage: 0 times c. Nearmiss Log; contains names, areas, dates, reporter, incident description, causes, categories, preventive actions, PIC, targets and prevetive actions status. d. Nearmiss Report; contains summary of Nearmiss Log recaped every month. <p>Scheme smallholders: Record of accident is maintained in "Rekaman Kecelakaan Kerja tahun 2012" in KUDs, no accident recorded throughout 2014 and 2015.</p>	Yes
<p>Criterion 4.8 All staff, workers, smallholders and contract workers are appropriately trained.</p>			

	Criterion / Indicator	Assessment Findings	Compliance
4.8.1	<p>A formal training programme shall be in place that covers all aspects of the RSPO Principles and Criteria, and that includes regular assessments of training needs and documentation of the programme.</p> <p>- Major compliance –</p>	<p>Estate and mill: The company has its own training institution assigned to arrange its training programmes. The training is created annually. Training programs in 2014 in "Program Pelatihan Tahun 2014 , suc as:</p> <ul style="list-style-type: none"> - Sustainability Awareness training for RSPO, ISPO and ISSC - HCV Training. - Basic Safety/K3. - Basic Fire. - First Aider. - Limited pesticides handling and applying. - Water Treatment - Maintenance Genset - Maintenance and operational Dump truck dan Total Productive Maintenance Traksi. - Operator - Handling of hazardous waste - EMS Procedure <p>Based on document review, it was noted only 2 items training was conducted:</p> <ol style="list-style-type: none"> 1. Sustainability awareness of Basic safety and Supply Chain Traceability was conducted on 02 October 2014, attended 26 workers, and 2. First Aid training was conducted on 21 October 2014, attended 29 workers,. 3. Limited Pesticides handling and applying was conducted on 27 November 2014, attended 83 workers who have involved in limited pesticides. 	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Scheme Smallholders: Training Program identified according smallholders' need which was arranged by both PT IIS Scheme Manager and Scheme Smallholders. Training includes ISPO, road maintenance, IPM, replanting, SIA GAP, pesticide application, soil and water conservation, IPM, HCV, harvesting, OSH, first aid, socialization on AMDAL, ERP, fire fighting, zero buand AMDAL (SEIA), HCV, OHS, PPE, First aid, weeding, fertilizer, Basic Fire, Soil and water conservation and limited pesticides.</p> <p>Realization of training programme recorded for two sample KUDs recorded under "<i>Rencana dan realisasi pelatihan petani plasma tahun 2014</i>", for example:</p> <p>KUD Subur Makmur:</p> <ol style="list-style-type: none"> 1. Perawatan jalan, was conducted 3rd May 2014, attended 30 members. 2. Panen dengan APD was conducted 30 August 2014, attended 35 members. 3. Program pemupukan was conducted 4th November 2014, attended 34 members. 4. Pemupukan Berimbang was conducted 26th April 2014, attended 24 members. 5. Pengendalian Gulma was conducted 13 September 2014, attended 18 members. 6. Pestisida terbatas was conducted 23 Oct. 2014, attended 20 members. 7. Penyuluhan PPGD dan K3 was conducted 03rd may 2014, attended 22 members. 8. HCV, SIA, AMDAL dan Konservasi tanah dan Air was conducted 19th June 2014, attended 24 members. 	

Criterion / Indicator		Assessment Findings	Compliance
		<p>KUD Budi Sari:</p> <ol style="list-style-type: none"> 1. IPM (Instal barn owl), was conducted 30th May 2014, attended 34 members. 2. Road maintenance was conducted on 30th September 2014, attended 30 members. 3. Harvesting and PPE was conducted 13th November 2014, attended 35 members. 4. Pemupukan Berimbang dan Pengendalian Gulma was conducted 14th February 2014, attended 20 members. 5. IPM was conducted 10th September 2014, attended 26 members. 6. HCV, SIA, AMDAL, Soil and water conservation was conducted on 19 June 2014, attended 24 members 	
4.8.2	Records of training for each employee shall be maintained. - Minor compliance –	<p>Estate and Mill:</p> <p>The company has recorded training records for each employees as documented in: Kompetensi Personil and Training Personil, e.g. e.g. Mr. Yan Muhajar (Krani Pembakuan), Mr. Surya Dinata (Eletrician), Mr. Sumadi (Mandoe Pemeliharaan), Mr. Suryono (Mandor Pupuk).</p> <p>Scheme samllholders:</p> <p>Record training for smallholders member and their workers is documented in "Training Record" in each KUD.</p>	Yes
PRINCIPLE 5: ENVIRONMENTAL RESPONSIBILITY AND CONSERVATION OF NATURAL RESOURCES AND BIODIVERSITY			
<p>Criterion 5.1</p> <p>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 continual improvement.</p>			

Criterion / Indicator		Assessment Findings	Compliance
5.1.1	<p>An environmental impact assessment (EIA) shall be documented.</p> <p>- Major compliance -</p>	<p>Estate, Scheme smallholders and mill: PT IIS demonstrate Analisis Mengenai Dampak Lingkungan (AMDAL) consist of document ANDAL, RKL and RPL as approved through "Persetujuan Komisi Amdal Departemen Pertanian No. 014/Andal/RKL-RPL/BA/V/1995 tentang Persetujuan ANDAL dan RKL-RPL perkebunan Kelapa Sawit dan Pabrik Minyak Kelapa Sawit PT Inti Indosawit Subur" dated 3rd May 1995. The document covers scope of areal of 32,000 Ha consist of Kuala Tungkal Estate 20,000 ha and Muara Bulian Estate 12,000 Ha and palm oil mill capacity 90 Tonnes FFB/hour for Kuala Tungkal and 30 Tonnes FFB/hour for Muara Bulian.</p> <p>Revision on AMDAL document is available for PT IIS - Muara Bulian through "Surat Persetujuan Kepala Badan Lingkungan Hidup Provinsi Jambi No. 474/BLHD/2010 tentang Persetujuan Revisi Rencana Pengelolaan Lingkungan Hidup (RKL) dan Rencana Pemantauan Lingkungan Hidup (RPL) PT Inti Indosawit Subur seluas 9.188 Ha dan Pabrik Minyak Kelapa Sawit Kapasitas 60 Ton/Jam di Kecamatan Maro Sebo Ilir, Kabupaten Batanghari, Provinsi Jambi" dated 10th August 2010. The revision occurs due to changes in mill capacity from 30 Tonnes FFB/hour into 60 Tonnes FFB/hour, land application separation from Tungkal Ulu Group and social dynamics back in 2010.</p> <p>SEIA for scheme smallholders included in the AMDAL/SEL PT. IIS – Muara Bulian</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.1.2	Where the identification of impacts requires changes in current practices, in order to mitigate negative effects, a timetable for change shall be developed and implemented within a comprehensive management plan. The management plan shall identify the responsible person/persons. - Minor compliance –	No any changes of SEIA documents	Yes
5.1.3	This plan shall incorporate a monitoring protocol, adaptive to operational changes, which shall be implemented to monitor the effectiveness of the mitigation measures. The plan shall be reviewed as a minimum every two years to reflect the results of monitoring and where there are operational changes that may have positive and negative environmental impacts. - Minor compliance –	The company has prepared report on Environmental Management and Monitoring implementation (Laporan RKL-RPL) and sent reports every 6 month to Government Authority, e.g RKL-RPL report semester II 2014 (Period July – December 2014 2014), acceptance letter by officer as evidence,	Yes
Criterion 5.2 The status of rare, threatened or endangered species and other High Conservation Value habitats, if any, that exist in the plantation or that could be affected by plantation or mill management, shall be identified and operations managed to best ensure that they are maintained and/or enhanced.			

Criterion / Indicator		Assessment Findings	Compliance
5.2.1	<p>Information shall be collated in a High Conservation Value (HCV) assessment that includes both the planted area itself and relevant wider landscape-level considerations (such as wildlife corridors).</p> <p>- Major compliance -</p>	<p>PT IIS – Muara Bulian has carried out Initial HCV assessment by RSP0’s HCV approved assessor from Agriculture University of Bogor, Indonesia on October 2011. The presence of HCVs at PT IIS Muara Bulian is mainly under category HCV 1.1, HCV 1.2, HCV 4.1 and HCV 5 with total HCV areas of 76.18Ha; where mostly the identified HCV areas were determined as riparian area and water catchment area. The HCV report has been peer reviewed by WWF (Mr. Deni Rahadian) on 23rd September 2011. HCV identified also included HCV areas in Plasma (Scheme smallholders) 7 ha (HCV 6) is grave.</p> <p>Company has appointed dedicated – trained personnel, Mr. Suhendra as person in charge for HCV management as specified under Manager Memorandum KLM/KMP No.001/MUT-KMB/VI/2011 dated 30 June 2011.</p> <p>Scheme Smallholder: The company has trained the scheme smallholders members for HCV in particular protected RTEs and display HCV and RTEs sign board in cooperative office and interview with members confirmed that they aware and understand to protect HCV areas and RTEs.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.2.2	<p>Where rare, threatened or endangered (RTE) species, or HCVs, are present or are affected by plantation or mill operations, appropriate measures that are expected to maintain and/or enhance them shall be implemented through a management plan.</p> <p>- Major compliance -</p>	<p>Estate: Based on field visit, PT IIS – Muara Bulian demonstrate efforts to protect rare species and its habitat through planting of wooden tree, HCV area patrol, flora and fauna monitoring. The Estates have maintained notice-boards at the entrance to the properties and next to buffer zones or worker housing to prohibit the capture or hunting of fauna and disturbance of vegetation.</p> <p>PT IIS – Muara Bulian created posters listing all protected flora and fauna, endangered and threatened species and placed on location accessible to public such as Estate offices, worker housing, village offices as well as entrance way to plantation area.</p> <p>Scheme smallholders: Monitoring of HCV and RTEs is conducted monthly, e.g. monitoring RTEs in June 2015 was found: Ular Sawah, Musang, Burung Cekakak batu, Babi Hutan, Burung Elang and Biawak in KT. 22, 24, 27, 29 and 33 in KUD Budi Sari.</p> <p>Scheme Smallholders: The KUD also has commitment to maintain HCV and protect RTEs as documented in “Kebijakan Koperasi”, dated 1st March 2015: “Melakukan penilaian HCV sejalan dengan AMDAL sebelum kegiatan pembukaan kebun baru, untuk mengelola dampak dan meningkatkan nilai konservasi serta sosial budaya”.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.2.3	<p>There shall be a programme to regularly educate the workforce about the status of these RTE species, and appropriate disciplinary measures shall be instigated in accordance with company rules and national law if any individual working for the company is found to capture, harm, collect or kill these species.</p> <p>- Minor compliance –</p>	<p>Estate: Interview of local communities and workers confirmed that PT IIS Muara Bulian had carried out awareness on HCVs to thw workers and local communities, included scheme smallholders, It was noted that they were aware of RTEs and HCV areas.</p> <p>Scheme Smallholders: The scheme manager has educated the members for HCV and RTEs, e.g. on 19th June 2014.</p> <p>Material training:</p> <ol style="list-style-type: none"> 1. Maintained HCV areas. 2. No spraying 3 metres (right-left side) along the water course. 3. Ho hunting 4. Zero burning, etc. 	Yes
5.2.4	<p>Where a management plan has been created there shall be ongoing monitoring:</p> <ul style="list-style-type: none"> • The status of HCV and RTE species that are affected by plantation or mill operations shall be documented and reported; • Outcomes of monitoring shall be fed back into the management plan. <p>- Minor compliance –</p>	<p>Estate and scheme smallholders: The company was conducted monitoring of RTEs monthly as documented in "Daftar Temuan Satwa Liar Bulanan di Areal Lindung" and monitoring of HCV, documented in "Tabel Monitoring Kerusakan Kawasan Lindung" It was found that only one species RTEs in HCV areas, namely "Burung Cekakak Belukar" (Halicyon Siminensi).</p> <p>Management and monitoring of HCV is reported in RKL RPL every six month.</p>	Yes
5.2.5	<p>Where HCV set-asides with existing rights of local communities have been identified, there shall be evidence of a negotiated agreement that optimally safeguards both the HCVs and these rights.</p> <p>- Minor compliance –</p>	All HCV and conservation areas within the company areas.	Yes

Criterion / Indicator		Assessment Findings	Compliance
Criterion 5.3			
Waste is reduced, recycled, re-used and disposed of in an environmentally and socially responsible manner.			
5.3.1	All waste products and sources of pollution shall be identified and documented. - Major compliance –	<p>Estate, Scheme smallholders and mill: Waste and pollution sources have been identified and documented, including used lubricant and filter, old battery, used laboratory chemical, clinical/medical waste, mill effluent, EFB, smoke, dust, fiber and shell, empty agrochemical container, boiler ash, scrap iron, used tires, waste water and domestic household refuse. Record of identification was presented in "Evaluasi Aspek Dampak Lingkungan" EMS-431-003-LT issued 1st January 2014. .</p> <p>There is a mechanism "Mekanisme Penanganan Sampah Domestik" to segregate organic and an-organic waste, further to re-use or re-cycle an-organic domestic waste (such as plastic) and composting the organic domestic waste. Socialization of this mechanism takes place in 24th December 2012.</p>	Yes
5.3.2	All chemicals and their containers shall be disposed of responsibly. - Major compliance -	<p>Estate, Scheme smallholders and mill: The company store hazardous waste in temporary storage with permit and disposed the hazardous waste to the registered collector (PT. Elmusonsentindo), e.g. on 21st june 2014, Contaminated goods (1 drum), used accu (5 buah), Used Rags (1 drum)</p> <p>The hazardous waste also is recorded in storage and balancing stock is monitored regularly., e.g. hazardous waste stock in September 2014: used gloves (20 pcs) used accu (1 pcs), used lamp (6 pcs), used filter (3 pcs), used mask masker (3 pcs) and used oil (5 litres).</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.3.3	<p>A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.</p> <p>- Minor compliance –</p>	<p>Estate, Scheme smallholders and mill: Waste management plan is documented in "Rencana pengelolaan Limbah". Waste management consists of medical waste, domestic waste, and hazardous waste to reduce pollution into the environment.</p> <p>Hazardous and medical waste is disposed to the register collector (PT. Elmusonsetindo and PT. Shali Riau Lestari) while domestic waste disposed to the landfill, organic and anorganic waste is separated in linesite, organic waste to the landfill and some of anorganic waste is collected for re-cycle.</p> <p>Sample taken: Hazardous waste is disposed to the register collector (PT. Shali Riau Lestari) on 2 April 2015, consist of: used gloves (58 pcs), used oil (63 liter), used lamps (41 pcs), empty chemical container (34 pcs), empty container paint (12 pcs) and used filter (6 pcs)</p> <p>PT. Shali Riau Lestari permit no. SK.612/AJ. 309/BJPD/2014140710008BB-005, dated 24 February 2014.</p> <p>Hazardous waste stock balancing is monitored "Lembar Neraca Limbah B3"</p> <p>Field inspection to housing domestic waste bin that had just been developed found inappropriate handling of waste in particular inorganic materials such as used plastic food packs, used plastic containers, used tarpaulin, etc. Furthermore, some of waste were scattered nearby.</p> <p>This issue has been raised as observation during last assessment visit with regards to inconsistently dispose-off all an-organic waste from domestic refuse into dedicated waste bin, instead of oil palm area. (Minor NC was raised under this indicator)</p>	No
<p>Criterion 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>			

Criterion / Indicator		Assessment Findings	Compliance
5.4.1	<p>A plan for improving efficiency of the use of fossil fuels and to optimise renewable energy shall be in place and monitored.</p> <p>- Minor compliance –</p>	<p>All energy used in both mills is monitored and recorded under document of "Data Monitoring Pemakaian Solar". Fossil fuel records are maintained and trends shown, e.g. Fossil fuel usage in 2015 up to May 2015 is 16,843 liter.</p> <p>Energy use records include accurate measurements of renewable energy use per tonne of FFB processed. Company already maximise the renewable energy use. All the shell and fibre is consumed internally as boiler fuel, e.g. Data Fibre is consumed for boiler in 2014 is 156,000 tonnes and 2015 up to May 2015 is 11,712 tonnes and shell in 2014 is 13,449 tonnes and in 2015 up to May 2015 is 4,584.</p> <p>Fossil fuel usage is recorded for operational purpose, including the efficiency analysis</p>	Yes
<p>Criterion 5.5 Use of fire for preparing land or replanting is avoided, except in specific situations as identified in the ASEAN guidelines or other regional best practice.</p>			
5.5.1	<p>There shall be no land preparation by burning, other than in specific situations as identified in the 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions.</p> <p>- Major compliance -</p>	<p>Estate: The company has updated zero burning policy as documented in "Kebijakan Perusahaan, 01 December 2014": Melakukan praktek tanpa bakar dalam kegiatan pembangunan perkebunan dan secara aktif mendukung inisiatif mencegah dan mengawasi kebakaran hutan dan asap.</p> <p>No open burning was noted during field visit and interviewed with local communities and workers</p> <p>Scheme Smallholders: KUD Budi Sari policy of zero burning in "Kebijakan Koperasi" dated 1st March 2015: Melakukan praktek tanpa bakar dalam kegiatan pembangunan perkebunan dan secara aktif mendukung inisiatif mencegah dan mengawasi kebakaran hutan dan asap</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.5.2	Where fire has been used for preparing land for replanting, there shall be evidence of prior approval of the controlled burning as specified in 'Guidelines for the Implementation of the ASEAN Policy on Zero Burning' 2003, or comparable guidelines in other regions. - Minor compliance -	Estate and Scheme smallholders: No any open burning was noted for land preparation	Yes
Criterion 5.6 Plans to reduce pollution and emissions, including greenhouse gases, are developed, implemented and monitored.			
5.6.1	An assessment of all polluting activities shall be conducted, including gaseous emissions; particulate/soot emissions and effluent (see Criterion 4.4). - Major compliance -	Estate, Scheme smallholders and mill: The company has conducted assessment of polluting activities as documented in "Mitigasi GRK"	Yes
5.6.2	Significant pollutants and greenhouse gas (GHG) emissions shall be identified, and plans to reduce or minimise them implemented. - Major compliance -	Estate, Scheme smallholders and mill: Identification of pollutant and GHG, such as: usage of anorganic fertilizer, pesticide, fossil fuel usage, peat land, and POME. The company also has minimized pollutant and GHG through using EFB as organic fertilizer, implementing IPM to reduce pesticides usage, using fibre and sell for boiler, etc.	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.6.3	<p>A monitoring system shall be in place, with regular reporting on progress for these significant pollutants and emissions from estate and mill operations, using appropriate tools.</p> <p>- Minor compliance –</p>	<p>Estate, Scheme smallholders and mill:</p> <p>The company has prepared a strategy in effort to reduce and mitigate pollution and emission. Monitoring of pollution and emission quality for plantation has been planned and implemented, e.g. air quality ambient for boiler and Genset, water quality test for river (upstream and downstream), effluent water quality, noise, etc, e.g.</p> <ol style="list-style-type: none"> 1. Ambient / Air Quality for Genset 1 dan 2, certificate monitoring result no. 153/BLH.SU-UPT.LL/VI/2014, dated 16th June 2014, result of emission for SO₂, NO₂, CO dan total particle is comply with Kepmen LH no. 13/2009. 2. Ambient / Air Quality for Boiler 1 dan 2, certificate monitoring result no. 52/BLH.SU-UPT.LL/VI/2014, dated 16th June 2014, , result of emission, CO No₂, NH₃, HCl, Cl₂, opasitas dan partikulat is comply with Kepmen LH no. 07 tahun 2007, 3. Monitoring noise level and vibration in Genset 1 dan 2, certificate monitoring result no 185/BLH.SU-UPT.LL/VI/2014, dated 13th June 2014. Parameter is comply with Kepmen LH No. 13/2009 and in Engine Room, Kernel dan Sterilizer station no 167/ BLH.SU-UPT.LL/VI/2014, dated 16th June 2014, all parameters is comply with Permenaker nomor 13/MEN/X/2011. <p>Based on review of result of all parameters is comply with the Environmental Ministry Regulation and Health Ministry regulation.</p>	Yes
PRINCIPLE 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES AFFECTED BY GROWERS AND MILLERS			

Criterion / Indicator		Assessment Findings	Compliance
Criterion 6.1 Aspects of plantation and mill management that have social impacts, including replanting, 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 continual improvement.			
6.1.1	A social impact assessment (SIA) including records of meetings shall be documented. - Major compliance -	Estate, Scheme smallholders and mill: Social Impact Assessment was conducted as documented in "Study Evaluasi Lingkungan" which covering social impact assessment. This SEL has been approved by Ministry Agriculture no. 220/687/B/IV/1994, dated 18 th April 1994, the SEIA also included scheme smallholders	Yes
6.1.2	There shall be evidence that the assessment has been done with the participation of affected parties.. - Major compliance -	Estate, Scheme smallholders and mill: The process was involving various stakeholders including impact on plasma development. During the process for the document and social impact management actively involving community participation through interview and stakeholders meeting	Yes
6.1.3	Plans for avoidance or mitigation of negative impacts and promotion of the positive ones, and monitoring of impacts identified, shall be developed in consultation with the affected parties, documented and timetabled, including responsibilities for implementation. - Major compliance -	Estate, Scheme smallholders and mill: Within the SEIA document, the negative and positive impact of oil palm development has been explained. The environmental management and monitoring plan document has lined out effort that company should carry out in order to minimize negative impact and promote positive impact from oil palm development. The SEIA document has explained the recommendation that could be done by company to minimize negative impact and promote positive impact from social impact management	Yes
6.1.4	The plans shall be reviewed as a minimum once every two years and updated as necessary, in those cases where the review has concluded that changes should be made to current practices. There shall be evidence that the review includes the participation of affected parties. - Minor compliance –	Estate, Scheme smallholders and mill: No any changes of practices since SEL approved, however the company reported social impact regularly through the RKL – RPL every six month to the government.	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.1.5	Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme). - Minor compliance –	SEIA for scheme smallholders is included in the SEIA PT. IIS – Muara Bulian.	Yes
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.			
6.2.1	Consultation and communication procedures shall be documented. - Major compliance -	<p>Estate and mill: Company has developed a communication procedure under "Mekanisme Penanganan Permintaan Informasi Stakeholder "(No. SOP; AA-GL-5008.1-R1) dated 22nd August 2011, which explains the company responses against all information request sent by stakeholders including response time of 14 working days after information request accepted.</p> <p>Scheme smallholders: Consultation and communication procedures as documented in "Mekanisme Komunikasi, konsultasi dan keluhan, dated 3rd January 2011</p>	Yes
6.2.2	A management official responsible for these issues shall be nominated. - Minor compliance -	<p>Estate and mill: The company has appointed officers responsible to carried out communication and consultation with local communities is Public Relations Department.</p> <p>Scheme smallholders: KUD has appointed responsible person (Mr. Anwar in KUD Budi sari) to conduct communication and consultation to the stakeholders as regulated in KUD leader no. 28/Kpts/KUD Budi Sari/III/2012, March 2012</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.2.3	A list of stakeholders, records of all communication, including confirmation of receipt and that efforts are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained. - Minor compliance -	<p>Estate and mill: List stakeholders is available and records of stakeholders' communication and consultation were being documented into "Buku Masuk".</p> <p>Scheme smallholders: List stakeholder updated on 3rd January 2015 consist of PT. IIS, Head of village of Bukit Sari, Bank BRI, local authority officer department, Cooperative and UMKM Department officer, Kapolsek (Local police), Head of sub-district, supplier and others KUDs.</p>	Yes
<p>Criterion 6.3 There is a mutually agreed and documented system for dealing with complaints and grievances, which is implemented and accepted by all affected parties.</p>			
6.3.1	The system, open to all affected parties, shall resolve disputes in an effective, timely and appropriate manner, ensuring anonymity of complainants and whistleblowers, where requested. - Major compliance -	<p>Estate and mill: The company has established a mechanism to handle complaint from external party, as written in "Mekanisme Penanganan Keluhan" – complaint handling mechanism (Doc. No.SOP AA-GL-5005-RO 01) while complaint from internal regulated under "Mekanisme Penyampaian Keluhan dan Penyelesaian Keluhan Karyawan" – Employee' complaint and resolution mechanism (Doc. No.SOP-AA-HR-3008-RO 05). These mechanisms has been communicated to external parties and disseminated to PT IIS employees. Based on interview with local communities, Gender committee leader and worker union leader; they understood the procedure and mechanism to communicating complaint and/or grievance to company.</p> <p>Scheme smallholders: The scheme smallholders has mechanism of consultation and communication in "Mekanisme Komunikasi, konsultasi dan keluhan", dated 3rd January 2011.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.3.2	Documentation of both the process by which a dispute was resolved and the outcome shall be available. - Major compliance -	<p>Estate and mill: Company is recording each complaint and response provided in the Logbook.</p> <p>Scheme smallholders: No complaint was received during this year.</p>	Yes
Criterion 6.4 Any negotiations concerning compensation for loss of legal, customary or user 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..			
6.4.1	A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place. - Major compliance –	<p>Estate and Scheme smallholders: Mechanism to identify and calculate fair compensation or loss of legal or customary rights to land set out in the standard operating procedure (SOP) No. AA-GL-5003-1-R1, dated 5th December 2009 and has undergone first revisions on 22nd August 2011. The mechanism described is similar to conflict resolution procedures involving community representatives and others stakeholders.</p> <p>There is no negotiation/compensation payment currently both estate and scheme smallholders, the land has settled now, no any complaint was received in the last few years. In Scheme smallholders area, it was settled sine the "PIR Project" started due to this project from Central Government, where the land status is "Clean and Clear"</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.4.2	<p>A procedure for calculating and distributing fair compensation (monetary or otherwise) shall be established and implemented, monitored and evaluated in a participatory way, and corrective actions taken as a result of this evaluation. This procedure shall take into account: gender differences in the power to claim rights, ownership and access to land; differences of transmigrants and long-established communities; and differences in ethnic groups' proof of legal versus communal ownership of land.</p> <p>- Minor compliance –</p>	<p>Estate and scheme smallholders: Mechanism to identify and calculate fair compensation or loss of legal or customary rights to land set out in the standard operating procedure (SOP) No. AA-GL-5003-1-R1, dated 5th December 2009 and has undergone first revisions on 22nd August 2011.</p>	Yes
6.4.3	<p>The process and outcome of any negotiated agreements and compensation claims shall be documented, with evidence of the participation of affected parties, and made publicly available.</p> <p>- Major compliance –</p>	<p>Estate: No any land compensation due to no customary land and/or local community land rights within the company's and scheme smallholders' area</p>	Yes
<p>Criterion 6.5 Pay and conditions for employees and for contract workers always meet at least legal or industry minimum standards and are sufficient to provide decent living wages.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.5.1	Documentation of pay and conditions shall be available. - Major compliance -	<p>Estate and mill: The company determines minimum wages based on the Government regulation every year, the minimum wages in 2015 as regulated in "Surat keputusan Gubernur Jambi no. 554/Kep. Gub/DISSOSNAKERTRANS/2014, dated 30 October 2014 is Rp. 1,710,000,-/month (SKU-Lepas)) and Agreement BKS – PPS and Pengurus Daerah FSP.PP-SPSI, dated 15 January 2015 Rp. 1,752,750 (SKU Harian dan Bulanan)</p> <p>Based on review of payments slip, there is no worker paid below minimum wages, e.g. payment slip for Mr. NS in April 2015 is Rp. 2,366,687 (23 working days), for SKU Harian and Bulanan plus rice allowance 15 kg and additional rice allowance for their wife and children.</p> <p>Scheme Smallholders: The KUDs has paid salary for the workers more than minimum wages, e.g. in KUD Subur Makmur Payment salary June 2015 for Mr. Sahid (Ketua Koperasi) Rp. 3,800,000, Mr. Arpandi (Clerk) Rp. 2,700,000, Mr. Rohmah (Karyawan Pupuk dan Saprodi) Rp. 1,800,000, Mr. Ariduan (Staff) Rp. 2,100,000 and also the scheme smallholders members pay to their harvester is Rp. 120.000 – Rp. 150,000/tones FFB, one group harvester (2 workers) able to harvest 1.5 tonnes with working hours 07.00 to 12.00.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.5.2	<p>Labour laws, union agreements or direct contracts of employment detailing payments and conditions of employment (e.g. working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc.) shall be available in the languages understood by the workers or explained carefully to them by a management official.</p> <p>- Major compliance -</p>	<p>Estate and mill: Worker Agreement (PKB) between company and labour union is referred in working regulation, Worker Agreement was registered by Dirjen Pembinaan Hubungan Industrial dan Jaminan Sosial Tenaga Kerja No. Kep.191/PHIJSK-PKKAD/PKB/XII/2012, dated 17th December 2012 Based on document review, it was noted that term and condition, such as working hours, deductions, overtime, sickness, holiday entitlement, maternity leave, reasons for dismissal, period of notice, etc, are covered in PKB and contracts which have been signed by all workers.</p> <p>This PKB now under renewal process in Dirjen Pembinaan Hubungan Industrial dan Jaminan Sosial tenaga kerja – Kementerian Teaga Kerja dan Transmigrasi RI.</p> <p>Based on document review, it was seen that all workers have signed contract, e.g. Contract Mr. Budi Saputr no. /SPK/KMB-IIS/III/2014, dated 17 March 2014, Mr. Daris Ali Bakti No. /IIS/KMB/SPK-HL/05/2014, dated 01 May 2014.</p> <p>Scheme Smallholders: Contract is available, e.g. Mr. Ariduan no. 34/KKB/KUD-BS/III/2011, dated 12th March 2011, Mr. Arpandi no. 32/KKB/KUD-BS/III/2011, dated 12th March 2011</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.5.3	<p>Growers and millers shall provide adequate housing, water supplies, medical, educational and welfare amenities to national standards or above, where no such public facilities are available or accessible.</p> <p>- Minor compliance –</p>	<p>Estate and mill: The company has prepared facilities for their workers, such as:</p> <ul style="list-style-type: none"> - Housing complex (399 units) - Elementary (1 unit) and kindergarden (1 units) - Polyclinic (1 unit) - Mosque (2 units) - Church (1 unit) - Creche (1 units) - School bus (2 units) - Ambulance (1 unit) - Sport facilities - Etc. <p>Scheme smallholders: All workers in Plasma has own house with water and electricity supplies from government.</p>	Yes
6.5.4	<p>Growers and millers shall make demonstrable efforts to monitor and improve workers' access to adequate, sufficient and affordable food.</p> <p>- Minor compliance –</p>	<p>Estate, Scheme smallholders and mill: The traditional market is available surrounding company and Plasma area, the workers able to acces the market and company's cooperative and KUD in scheme smallholders preparing 'basic need' for their workers and members.</p>	Yes
<p>Criterion 6.6 The employer respects the rights 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.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.6.1	<p>A published statement in local languages recognising freedom of association shall be available.</p> <p>- Major compliance –</p>	<p>Estate and mill: Freedom of association policy documented in “Kebijakan perusahaan, dated 01 December 2014” which state that: Menghormati hak setiap karyawan untuk membentuk atau menjadi anggota serikat pekerja sesuai dengan keinginannya dan untuk melakukan tawar menawar secara kolektif</p> <p>Freedom of association policy is written in Bahasa Indonesia, so that all employees can understand.</p> <p>This policy has been informed to all employees and being placed into notice board in public area.</p> <p>Scheme Smallholders: Freedom of association policy documented in “Kebijakan Koperasi”, dated 01st March 2015 which state that: Menjamin kesejahteraan anggota dengan memberikan jaminan sosial bagi anggota sesuai dengan perundangan yang berlaku”</p>	Yes
6.6.2	<p>Minutes of meetings with main trade unions or workers representatives shall be documented.</p> <p>- Minor compliance –</p>	<p>Estate and mill: Meeting between company management with labour union (SP. PP-SPSI) in 10th June 2014, attended by 17 representatives of PUK SPSI, minutes of meeting and attendance list is available.</p> <p>Scheme smallholders: No labour union in Scheme smallholders</p>	Yes
<p>Criterion 6.7 Children are not employed or exploited.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.7.1	<p>There shall be documentary evidence that minimum age requirements are met.</p> <p>- Major compliance –</p>	<p>Estate and mill: The company has own policed signed by management on 01 December 2014 that stated that: It is not allowed all children to work in every activities/processes in company.</p> <p>Based on document review of list of workers "Data Karyawan" Muara Bulian, update May 2015, interview with workers and obervation during field visit, it was no found workers hired under 18 years.</p> <p>Scheme Smallholders: Child labour policy is documented in "Kebijakan Koperasi" dated 01 March 2015" which state that: "Melarang anak anak bekerja dalam setiap kegiatan KUD" (<i>It is not allowed all children to work in every activities/processes in the KUD</i>).</p> <p>Besed on interview with workers/members and obervation during field visit, it was no found workers hired under 18 years.</p>	Yes
<p>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.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.8.1	<p>A publicly available equal opportunities policy including identification of relevant/affected groups in the local environment shall be documented.</p> <p>- Major compliance –</p>	<p>Estate and mill: The company has Equal Opportunities policy as documented in “Kebijakan Perusahaan”, dated 01 December 2014: Memperlakukan seluruh karyawan secara adil, baik dalam hal penerimaan, penilaian kondisi dan lingkungan kerja, serta keterwakilan tanpa memandang suku, kasta, asal Negara, agama/ kepercayaan, cacat, gender, orientasi seksual, keanggotaan serikat pekerja, afiliasi politik dan atau umur.</p> <p>The company has communicated this policy, e.g. socialization on 04 March 2015, attended 25 workers, on 03 March 2015 attended 36 wokers.on 06 March 2015 attended 11 workers.</p> <p>Scheme smallholders: Kebijakan Koperasi”, dated 1st August 2013: “memperlakukan seluruh karyawan koperasi secara dil dan menghormati HAM, serta keterwakilan tanpa memandang suku, kasta, asal negara, agama/kepercayaan, cacat, jender, orientasi seksual, kenaggotaan serikat pekerja, afiliasi politik dan atau umur.</p>	Yes
6.8.2	<p>Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against.</p> <p>- Major compliance –</p>	<p>Estate, Scheme smallholders and mill: Interviews of male and female workers confirmed that the company anti-discrimination policy was strictly enforced. They were not aware of any cases of discrimination, e.g. document review of salary payment did not find any evidence of discrimination</p>	Yes
6.8.3	<p>It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available.</p> <p>- Minor compliance –</p>	<p>Estate, Scheme smallholders and mill: The company has procedure hiring workers regulated that hiring and promotion of workers based on skill, work experiences, and job evaluation.</p> <p>The company is conduct performance evaluation of workers annually.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
Criterion 6.9			
There is no harassment or abuse in the work place, and reproductive rights are protected.			
6.9.1	<p>A policy to prevent sexual and all other forms of harassment and violence shall be implemented and communicated to all levels of the workforce.</p> <p>- Major compliance –</p>	<p>Estate and mill: The company has policy to prevent sexual harassment and violence against women in "Kebijakan Perusahaan dated 01 December 2014". The policy is prominently displayed on notice boards at the Mills and the Estates muster areas. Interviews of female staff, workers and union representatives confirmed that the company implemented the sexual harassment policy.</p> <p>Scheme Smallholders: The company has policy to prevent sexual harassment and violence against women in "Kebijakan KUD" dated 01 March 2015" which stated Mencegah pelecehan seksual dan berbagai bentuk kekerasan terhadap perempuan serta melindungi hak hak reproduksinya (<i>prevent sexual harassment and violence as well as protect reproductive rights for women</i>)</p> <p>The policy is prominently displayed on notice boards at the Mills and the Estates muster areas. Interviews of female staff, workers and union representatives confirmed that the company implemented the sexual harassment policy.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.9.2	<p>A policy to protect the reproductive rights of all, especially of women, shall be implemented and communicated to all levels of the workforce.</p> <p>- Major compliance –</p>	<p>Estate and mill: As it is found in company policy that's signed by Managing Director, dated 01 December 20: "To prevent any sexual or physical abuses happen to women as well as to protect their reproductive rights".</p> <p>There is a gender committee actively meets and discussing general agenda and other issue related to handling sexual harassment, dissemination of sexual harassment prevention.</p> <p>Based on interview with Gender Committee, company has implemented the protection of women reproductive rights, in form of maternal leave, period leave, regular pregnancy check for female sprayers and strictly prohibit pregnant and/or breastfeeding female worker applying pesticides.</p> <p>Scheme smallholders: The company has policy to prevent sexual harassment and violence against women in "Kebijakan KUD" dated 01 March 2015" which stated Mencegah pelecehan seksual dan berbagai bentuk kekerasan terhadap perempuan serta melindungi hak hak reproduksinya (<i>prevent sexual harassment and violence as well as protect reproductive rights for women</i>)</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.9.3	<p>A specific grievance mechanism which respects anonymity and protects complainants where requested shall be established, implemented, and communicated to all levels of the workforce.</p> <p>- Minor compliance –</p>	<p>Estate, scheme smallholders and mill: Standard Operating Procedure, No. SOP: XX-HR-308.5-RO; Revision: 0, Desember 11th 2009: Employees complaints: submission and settlement</p> <p>Mechanism for complaints management where it needs to protect its confidentiality for complaint submitter was found in company policy's draft as in one of points of this policies stated that:</p> <p>"To provide appropriate information for those who inquiry it and to proted its confidentiality for whistleblower cases in accordance to law regarding environmental and social issue, food safety, health and safety work, so that it enables them to more participate to the decision making processes for improving company's performance.</p>	Yes
<p>Criterion 6.10 Growers and millers deal fairly and transparently with smallholders and other local businesses.</p>			
6.10.1	<p>Current and past prices paid for Fresh Fruit Bunches (FFB) shall be publicly available.</p> <p>- Minor compliance –</p>	<p>Estate and mill: The company has displayed the FFB price in Mill's notice board and smallholders able to access the FFB price by phone.</p>	Yes
6.10.2	<p>Evidence shall be available that growers/millers have explained FFB pricing, and pricing mechanisms for FFB and inputs/services shall be documented (where these are under the control of the mill or plantation)</p> <p>- Major compliance -</p>	<p>Estate and mill: The company has provided explanation on the FFB pricing formula and based on interview with smallholders, they understood of FFB pricing mechanism and no complaint was noted regarding FFB price.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.10.3	Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent. - Minor compliance -	<p>Estate and mill: Based on document review that agreement between company and local contractors confirmed that contract is made fairly, legal and transparent, e.g. SPK no. 001/E1KSN/04/14, dated 14th April 2014 with Mrs. E (School bus rental) and SPK no. 759/MM/AAS/EXT/12/13, dated 02nd December 2013 with PT. DAC (Bridge construction)</p> <p>Scheme smallholders: The scheme smallholders has contract only for FFB transport from their plantation to the mill, e.g. in KUD Subur Makmur no. 011/KUD-SM/I/2013, dated 2nd January 2013 with Mr. Farizal Monok and no, 01/SPK.A/KUD-BS/II/2015, dated 3rd February 2015 with Mr. Santoso in KUD Budi Sari.</p>	Yes
6.10.4	Agreed payments shall be made in a timely manner. - Minor compliance -	<p>Estate and mill: Evidence of payment is reviewed and it was seen paid timely manner, e.g. Payment for bus school rental to Mrs. E in August 2014 is Rp. 3,918,367 and payment for contractor PT. DAC in December 2013 is Rp. 365,478,984.</p> <p>Scheme smallholders: Evidence of payment is reviewed and it was seen paid timely manner, the total payment to Mr. Farizal Monok for FFB transport April 2015 was paid on 07th May 2015 (Rp. 164.306.592) and payment for Mr. Santoso for FFB Transport in May 2015 was paid on 07th June 2015 (Rp. 207.767.115)</p>	Yes
<p>Criterion 6.11 Growers and millers contribute to local sustainable development where appropriate</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.11.1	Contributions to local development that are based on the results of consultation with local communities shall be demonstrated. - Minor compliance –	Estate and mill: Local contribution is detailed in CSR, consist of Business Partnership, Economy Development, Education, Health & Donation. Scheme smallholders: The scheme smallholders contribute to the local development where the members is deducted Rp. 2/Kg per members and 2.5% from nett income of KUD in KUD Subur Makmur and contribute Rp. 500,000/month in KUD Budi Sari.	Yes
6.11.2	Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity. - Minor compliance –	Scheme Manager assist the scheme smallholders, such as: - Upkeep - Technical support, such as training, cooperative management and provide permanent resources (Scheme Manager, Asisten and supervisor in each KUD) - Road maintenance	Yes
Criterion 6.12 No forms of forced or trafficked labour are used.			
6.12.1	There shall be evidence that no forms of forced or trafficked labour are used. - Major compliance -	Estate, scheme smallholders and mill: No any form or trafficked labour was noted during assessment.	Yes
6.12.2	Where applicable, it shall be demonstrated that no contract substitution has occurred. - Major compliance –	Estate, scheme smallholders and mill: Based on document review and interview with workers and labour union, confirmed that no contract substitution was noted.	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.12.3	Where temporary or migrant workers are employed, a special labour policy and procedures shall be established and implemented. - Minor compliance –	Estate, scheme smallholders and mill: The agreement for temporary workers is available and signed by workers. There is no migrant worker.	Yes
Criterion 6.13 Growers and millers respect human rights			
6.13.1	A policy to respect human rights shall be documented and communicated to all levels of the workforce and operations (see Criteria 1.2 and 2.1). - Major compliance -	Estate and mill: The company has Human Rights policy as documented in “Kebijakan Perusahaan”, dated 01 December 2014: Menghormati hak asasi manusia dengan memperlakukan seluruh karyawan secara adil, baik dalam hal penerimaan, penilaian kondisi dan lingkungan kerja, serta keterwakilan tanpa memandang suku, kasta, asal Negara, agama/ kepercayaan, cacat, gender, orientasi seksual, keanggotaan serikat pekerja, afiliasi politik dan atau umur. The company has communicated this policy, e.g. socialization on 04 March 2015, attended 25 workers, on 03 March 2015 attended 36 workers on 06 March 2015 attended 11 workers. Scheme Smallholders: The KUD Budi sari has Human Rights policy as documented in “Kebijakan Koperasi”, dated 01 st March 2015: Menghormati hak asasi manusia dengan memperlakukan seluruh karyawan secara adil (Respect of human rights for all workers)	Yes
PRINCIPLE 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS (N/A – No any new planting)			
PRINCIPLE 8: COMMITMENT TO CONTINUAL IMPROVEMENT IN KEY AREAS OF ACTIVITY			
Criterion 8.1 Growers and millers regularly monitor and review their activities, and develop and implement action plans that allow demonstrable continual improvement in key operations.			

Criterion / Indicator		Assessment Findings	Compliance
8.1.1	<p>The action plan for continual improvement shall be implemented, based on a consideration of the main social and environmental impacts and opportunities of the grower/mill, and shall include a range of Indicators covered by these Principles and Criteria.</p> <p>As a minimum, these shall include, but are not necessarily be limited to:</p> <ul style="list-style-type: none"> • Reduction in use of pesticides (Criterion 4.6); • Environmental impacts (Criteria 4.3, 5.1 and 5.2); • Waste reduction (Criterion 5.3); • Pollution and greenhouse gas (GHG) emissions (Criteria 5.6 and 7.8); • Social impacts (Criterion 6.1); • Optimising the yield of the supply base; <p>- Major compliance –</p>	<p>A continuous improvement plan has been prepared and internal audit conducted to identify environmental and social activities, such as:</p> <ul style="list-style-type: none"> - Applied EFB ashes as fertilizer, fibre and shell are burned in boiler for electricity. - Planting beneficial plant for natural predator. - CSR program - Reserve HCV areas - etc. 	Yes

3.2. Details of findings

3.2.1. Review of Previous Assessment Finding

3.2.1.1. Major NC (No pending Major NC)

3.2.1.2. Minor NC

Ref	Area/Process	Clause
1055356N1	Principle 5: Environmental responsibility and conservation of natural resources and biodiversity	RSPO P&C, NI – INA WG, Indicator 5.3.3
Scope	SPO 594418	
Details:	The storage of hazardous waste was not in line with applicable regulation.	
Requirements:	Management plan of hazardous waste and instruction of disposal of agrochemicals and their containers waste in accordance with the product label and existing regulations.	
Objective Evidence:	It was found medical waste (sharp edges, infectious waste, etc) stored in hazardous waste storage since January 2013 - for over than 1 year; while the maximum storage time frame permitted by license is 90 days + 90 days (180 days).	
Actions:	The company has appointed the new register collector (PT. Shali Riau Lestari) with register approval no. SK.612/AJ. 309/BJPD/2014140710008BB-005, dated 24 February 2014 which has permit to collect the medical waste, the last delivery medical waste to PT. Shali Riau Lestari) on 2 April 2015, consist of 1 drum medical waste.	
Closed?:	Yes	

Ref	Area/Process	Clause
1055356N22	Principle 6: Responsible consideration of employees and of individuals and communities affected by scheme smallholder	RSPO P&C, NI – INA WG, Indicator 6.10.3
Scope	SPO 594418	
Details:	It was found that there is no contract between KUD Makmur Rezeki with FFB transport contractor.	
Requirements:	Smallholders organisation has documented contracts with their business partners, if any.	
Objective Evidence:	Based on document review , KUD Makmur Rezeki has not been able to demonstrate contract/work agreement with FFB transport contractor.	
Actions:	Agreement for FFB transport with contractor is available, e.g. - FFB transport contract no. 01/KUD.MR/KI/VII/2014 between KUD Makmur Rezeki and Fauji Bin Ismail, dated 12 August 2014. - FFB transport contract no. 01/SPK.A/KUD-BS/II/2015 between KUD Budi Sari and Mr. Santoso, dated 3 rd February 2015.	
Closed?:	Yes	

3.2.1.3. Observatiom

Type	Area/Process	Clause
Observations 1	Principle 4. Use of Appropriate Best Practices by Growers and Millers	RSPO P & C, NI-INA WG, Indicator 4.7.1
Scope	SPO 594418	
Details:	PT Inti Indosawit Subur may wish to consider providing PPE for sprayer is in good and safe condition. Based on field visit and interview, herbicide sprayer complained on safety goggles distracted by mist.	
Action	The company has not provided response in due course. This was found during interview with spraying team (<i>This indicator raised as Major NC in this surveillance audit</i>)	

Type	Area/Process	Clause
Observations 2	Principle 4. Use of Appropriate Best Practices by Growers and Millers	RSPO P & C, NI-INA WG, Indicator 4.7.4
Scope	SPO 594418	
Details:	Care should be taken to consistently provide doctor evaluation upon medical checkup result.	
Action	All pesticide operators have gained medical surveillance twice a year. The latest result was November 2014, conducted by Prodia Clinical Laboratory which 19 operators were involved. Chemical Blood, Hematology, and urine analysis were checked, however evaluation of medical surveillance result has not been done. (<i>NC Major was raised under this indicator</i>)	

Type	Area/Process	Clause
Observations 3	Principle 4. Use of Appropriate Best Practices by Growers and Millers	RSPO P & C, NI-INA WG, Indicator 4.7.7
Scope	SPO 594418	
Details:	Company may consider to completing "Rencana Tanggap Darurat" - Emergency response plan to include other emergency situation such as accident, natural disaster, etc. in relation to health and safety condition	
Action	The company has updated "Rencana tanggap Darurat" including emergency situation, such as accident, natural disaster, etc.	

Type	Area/Process	Clause
Observations 4	Principle 4. Use of Appropriate Best Practices by Growers and Millers	RSPO P & C, NI-INA WG, Indicator 4.8.2
Scope	SPO 594418	
Details:	Care should be taken to update the record of training for each employee in Muara Bulian Estate.	
Action	The company has recorded training training records for each employees as documented in: Kompetensi Personil and Training Personiil, e.g. e.g. Mr. Yan Muhajar (Krani Pembukuan), Mr. Surya Dinata (Eletrician), Mr. Sumadi (Mandoe Pemeliharaan), Mr. Suryono (Mandor Pupuk).	

Type	Area/Process	Clause
Observations 5	PRINCIPLE 5. Environmental Responsibility And Conservation of Natural Resources And Biodiversity	RSPO P & C, NI-INA WG, Indicator 5.3.2
Scope	SPO 594418	
Details:	<p>Serious consideration required to consistently dispose-off all an-organic waste from domestic refuse into dedicated waste bin, instead of oil palm area; 2. Company may wish to consider the collection of empty-motorcycle oil bottles to be disposed off into hazardous waste storage;</p> <p>Care should be taken to handle waste sourced from fertilizer's inner-bag, consistent with "Mekanisme Pengelolaan Sampah".</p>	
Action	<p>Field inspection to housing domestic waste bin that had just been developed found inappropriate handling of waste in particular inorganic materials such as used plastic food packs, used plastic containers, used tarpaulin, etc. Furthermore, some of waste were scattered nearby.</p> <p>This issue has been raised as observation and yet improved taken (Minor NC was raised under this indicator)</p>	

Type	Area/Process	Clause
Observations 6	PRINCIPLE 5. Environmental Responsibility And Conservation of Natural Resources And Biodiversity	RSPO P & C, NI-INA WG, Indicator 5.5.4
Scope	SPO 594418	
Details:	Company may wish to consider replacing existing plastic bags (karung plastik) into gunny-fibre bags (karung goni), as fire fighting tool.	
Action	The company has taken action to use gunny bags as fighting tool	

Type	Area/Process	Clause
Observations 7	PRINCIPLE 5. Environmental Responsibility And Conservation of Natural Resources And Biodiversity	RSPO P & C, NI-INA WG, Indicator 5.5.3
Scope	SPO 594418	
Details:	Care should be taken to ensure the firefighting equipment such as portable water pump, knapsack/sprayer and axe is available and ready-to-use at all time.	
Action	The company has monitored the firefighting equipment to ensure that those equipments is ready to use whenever needed.	

Type	Area/Process	Clause
Observations 8	PRINCIPLE 6. Responsible Consideration of Employees and of Individuals and Communities by Growers and Millers	RSPO P & C, NI-INA WG, Indicator 6.5.3
Scope	SPO 594418	
Details:	PT Inti Indosawit Subur provide medical clinic in Muara Bulian Estate, care should be taken to complete legal requirement, such as clinic permit.	
Action	The company has provide clinic permit.	

3.2.2. Positive Finding

Positive Findings	
No.	Description
1	The company has improved their communication with the stakeholders, in particular local communities.
2	Builed new elementary school (1 unit), kindergarden (1 unit) and pre schooling (1 unit)

3.2.3. Issues raised by stakeholders

During stakeholder interviews, the BSI auditor has contacted and interview stakeholders as listed below:

No.	Name	Institution
1	Mr. JS	Serikat Pekerja Seluruh Indonesia (SPSI) PUK Group Kebun Muara Bulian (KMB)
2	Mrs. SZR	Ketua Komite Gender
3	Mrs. N, R, ES and JH	Fertilizing Team
4	Mrs. L, S, Ma and M	Spraying Team
5.	Mr. DA	Head of village

Issues raised by Stakeholders			
No.	Stakeholder Comments	Company Response	Auditor Finding
1	The company has pay to their workers as minimum wages in regulated by government.	Positive comment	Positive comment
2	The company has "Worker Agreement"/PKB	Positive comment	Positive comment
3	The company has provide social insurance (Jamsostek) for all workers, providing facilities such as electricity, water, clinic, PPE, housing, school, medical check up, operator permit, etc)	Positive comment	Positive comment
4	The Region Labour Union visiting every 3 months to the company, no any negative issues was noted so far.	Positive comment	Positive comment
5	The company has established "Gender Committee" and conducted regulary meeting with them, it was no noted sexual harassment and violence, discrimination, etc.	Positive comment	Positive comment
6	The company has managed scheme smallholders well.	Positive comment	Positive comment
7	School bus sometimes unscheduled to pick up Hig School students who are study in Sub-District.	The company paid this attention to ensure school bus scheduled well	The action will be verified during next surveillance

3.2.4. Non Conformities and observation were raised during this surveillance assessment

3.2.4.1. Major Non Conformities

Ref	Area/Process	Clause
1202271M1	Principle 4. Use of appropriate best practices by growers and millers	RSPO Generic Standard 2013, Indicator 4.6.11
Scope	SPO 594418	
Details:	There is no evaluation on the result and any action should be taken to treat related to health condition of workers. This indicator was raised as observation in previous audit and no any action taken was conducted up to this audit, then concluded to upgrade become Major NC.	
Requirements:	Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.	
Objective Evidence:	All pesticide operators have gained medical surveillance twice a year. The latest result was November 2014, conducted by Prodia Clinical Laboratory which 19 operators were involved. Chemical Blood, Hematology, and urine analysis were checked, however evaluation of medical surveillance result has not been done.	
Action	The company has evaluated Medical Surveillance result by company's doctor and appointed a personnel who is responsible to ensure that evaluation of medical surveillance is conducted. This Major NC is closed out on 8 August 2015	
Closed?	Yes	

Ref	Area/Process	Clause
1202271M2	Principle 4. Use of appropriate best practices by growers and millers	RSPO Generic Standard - Indicator 4.7.3
Scope	SPO 594418	
Details:	It was complaint to the company from spraying operators in related to an adequate provision goggle (blurred when sweat). The company has not provided response in due course. This was found during interview with spraying team.	
Requirements:	All workers involved in the operation shall be adequately trained in safe working practices (see Criterion 4.8). Adequate and appropriate protective equipment shall be available to all workers at the place of work to cover all potentially hazardous operations, such as pesticide application, machine operations, and land preparation, harvesting and, if it is used, burning.	
Objective Evidence:	Interview with Spraying team.	
Action	The company has socialized to the supervisor and workers who are involved in pesticide spraying team to ensure that all complaints (both by letter or verbal) must be documented in "Internal Complaint Log Book". This complaint has been responded with provide a new better quality goggle and it has been delivered to spraying team. This Major NC is closed out on 8 August 2015	
Closed?	Yes	

Ref	Area/Process	Clause
1202271M4	Use of RSPO Trade Mark	Article 3. Rules on Corporate Communication
Scope	SPO 594418	
Details:	It was found mis-use of RSPO trade mark in Scheme smallholders uniform	
Requirements:	In corporate communication, RSPO members ARE NOT ALLOWED to: a. Displayed the RSPO Trade Mark.	
Objective Evidence:	Mis-use RSPO trade mark seen during the audit.	
Action	The company has socialized and communicated to all KUDs related RSPO logo and Trade Mark regulation which conducted on 6 July 2015, attended 29 KUD representative members and all logo in uniform has been removed. This Major NC is closed out on 8 August 2015	
Closed?	Yes	

3.2.4.2. Minor Non Conformities

Ref	Area/Process	Clause
1202271N2	Principle 4. Use of appropriate best practices by growers and millers	RSPO Generic Standard - Indicator 4.6.7
Scope	SPO 594418	
Details:	PT. Inti Indosawit Subur (TUS - Tim Unit Semprot/Asian Agri Spraying Team) responsible to handling and applying pesticides in Scheme Smallholders area, however it was found a some of scheme smallholders members in KUD Budi Sari applied pesticides by themselves without monitoring and control to minimise risk and impact in related environment and health and safety practices.	
Requirements:	Application of pesticides shall be by proven methods that minimise risk and impacts	
Objective Evidence:	Interview with scheme smallholder members	

Ref	Area/Process	Clause
1202271M3	Principle 5. Environmental Responsibility And Conservation of Natural Resources And Biodiversity	RSPO Generic Standard 2013 - Indicator 5.3.3
Scope	SPO 594418	
Details:	Field inspection to housing domestic waste bin that had just been developed found inappropriate handling of waste in particular inorganic materials such as used plastic food packs, used plastic containers, used tarpaulin, etc. Furthermore, some of waste were scattered nearby.	
Requirements:	A waste management and disposal plan to avoid or reduce pollution shall be documented and implemented.	
Objective Evidence:	Field visit to final disposal of housing domestic waste in Muara Bulian Estate. This issue has been raised as observation during last assessment visit with regards to inconsistently dispose-off all an-organic waste from domestic refuse into dedicated waste bin, instead of oil palm area.	

3.2.4.3. Observation

Type	Area/Process	Clause
Observations	Principle 2. Compliance With Applicable Laws And Regulations	RSPO Generic Standard 2013 - Indicator 2.1.1
Scope	SPO 594418	
Details:	The Company Scheme Manager need to ensure List of land owner is up to date according to actual condition in Scheme Smallholders organisation	

Type	Area/Process	Clause
Observations	Principle 2. Compliance With Applicable Laws And Regulations	RSPO Generic Standard 2013, Indicator 2.2.2
Scope	SPO 594418	
Details:	The Company Scheme Manager need to be considered provide a plan to re-install legal boundary in scheme smallholders areas and implemented.	

Type	Area/Process	Clause
Observations	Principle 2. Compliance With Applicable Laws And Regulations	RSPO Generic Standard - Indicator 2.1.3
Scope	SPO 594418	
Details:	It is considered to update record of evaluation on regulation if there is a new and/or amendment of regulation appropriately.	

Type	Area/Process	Clause
Observations	Principle 4. Use of appropriate best practices by growers and millers	RSPO Generic Standard 2013, Indicator 4.7.5
Scope	SPO 594418	
Details:	1) Evacuation direction to assembly point should be clearer at several locations such as Warehouse, Workshop, and worker Housing. 2) Care should be taken on the appropriateness of emergency shower and eye wash tools provided in some high-risk areas such as hazardous waste store, chemical mixing area, Mill's laboratory, and Fertilizer Storage.	

Type	Area/Process	Clause
Observations	Principle 4. Use of appropriate best practices by growers and millers	RSPO Generic Standard 2013 - Indicator 4.8.1
Scope	SPO 594418	
Details:	The Company Scheme Manager need to upgrade training program for smallholders based on training assessment needs.	

3.3. Time bound plan Finding:

PT Inti Indosawit Subur demonstrates a challenging time bound plan to certify its entire mill and supply bases. Most of the palm oil mills been brought forward and audited in 2014. Audit team sees this as a strong commitment from PT Inti Indosawit Subur.

There are a number of changes noted, where KKPA Penarikan and KKPA Gunung Sahilan moved to 2016, from initial plan to be certified in 2014. PT IIS management is able to provide clear justification. PT IIS management reason was to put resources to certify company-owned estate, then only to certify the smallholders. Audit team

suggest the management justification for the changes is sufficient, considering the management commitment towards RSP0 certification for the entire entities.

Audit team consider the time bound plan is challenging and still relevant to their management. BSI Audit team found that the company comply with the time bound plan.

BSI is in communication with other CB performing certification for PT Inti Indosawit Subur, to understand the partial certification status. BSI assessed PT Inti Indosawit Subur against partial certification requirement and concluded that there is no unresolved significant land disputes, no replacement of primary forest or loss of HCV, no labour disputes that are not being resolved through an agreed process and no evidence of noncompliance with law noted.

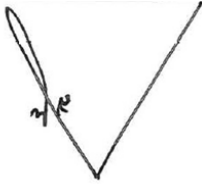
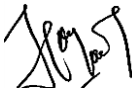
BSI also assessed the requirement for partial certification and concluded that:

1. There are no unresolved significant land disputes.
2. No replacement of primary forest or loss of HCV. New land acquisition follows the RSP0 NPP process including public notification of new planting.
3. No labour disputes that are not being resolved through an agreed process.
4. No evidence of noncompliance with law noted.

3.4. Status of Non Conformities

<i>Reference</i>	<i>Category</i>	<i>ISSUED</i>	<i>CLOSED</i>
A824450/1	Major	15/12/2012	31/01/2013
A824450/2	Major	15/12/2012	31/01/2013
A824450/3	Major	15/12/2012	31/01/2013
A824450/1	Minor	15/12/2012	06/06/2014
A824450/2	Minor	15/12/2012	06/06/2014
A824450/3	Minor	15/12/2012	06/06/2014
A824450/4	Minor	15/12/2012	06/06/2014
A824450/5	Minor	15/12/2012	06/06/2014
A824450/6	Minor	15/12/2012	06/06/2014
105536M9	Major	06/06/2014	04/08/2014
105536M20	Major	06/06/2014	17/07/2014
105536N1	Minor	06/06/2014	12/06/2015
105536N22	Minor	06/06/2014	12/06/2015
1202271M1	Major	12/06/2015	08/08/2015
1202271M2	Major	12/06/2015	08/08/2015
1202271M4	Major	12/06/2015	08/08/2015
1202271N2	Minor	12/06/2015	"Open"
1202271M3	Minor	12/06/2015	"Open"

Section 4. Acknowledgement of Assessment Findings

Acknowledgement of Assessment Findings	Report Prepared by
Name: Welly Pardede	Name: Haeruddin
Company name: PT. Inti Indosawit Subur – Muara Bulian	Company name: PT. BSI Indonesia
Title: Head of Environment and Sustainability	Title: Lead Auditor
Date: 14 st August 2015	Date: 14 th August 2015
Signature: 	Signature: 

Appendix "A"
RSPO Certificate Details

PT. INTI INDOSAWIT SUBUR – MUARA BULIAN

Jl. MH. Thamrin No. 31
Jakarta 10330
INDONESIA
Website:

Registered Activities: Palm Oil Mill which produced CPO and PK

RSPO membership No. 1-0022-06-000-00, dated 05th February 2006

Certificate Number : SPO 594418
Date of Certificate : 28th August 2012
End of certificate : 27th August 2017

Applicable Standards: RSPO Principles & Criteria, Generic Standard 2013 **and**
RSPO SCCS, 2014 Supply Chain Certification requirement for CPO Mills, Module E Mass Balance

Muara Bulian Palm Oil Mill and Supply Base					
Location Address	Singoan/Bukit Sari, Bulian Jaya Village, Muara Bulian/Pemayung District, Batang Hari Regency, Jambi Province, Indonesia.				
GPS Location	Longitude: E 103° 12' 20" Latitude: S 01° 35' 09"				
CPO Tonnage Total	57,710 MT				
PK Tonnage Total	14,793 MT				
CPO Claimed for Certification	41,958 MT				
PK Claimed for Certification	10,261 MT				
Own estates FFB Tonnage	40,997 MT				
Scheme Smallholder FFB Tonnage	145,575 MT				
Non-company Suppliers FFB Tonnage *)	80,000 MT				
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (MT)
	Mature (ha)	Immature (ha)			
Muara Bulian Estate	1,772	0	84	1,856	40,997
Scheme Smallholders					
KUD Barokah	1,240	0	0	1,240	25,913
KUD Subur Makmur	1,130	0	0	1,130	25,726
KUD Budi Sari	900	0	0	900	17,506
KUD Makmur Rejeki	730	0	0	730	15,632
KUD Karya Lestari	710	0	0	710	15,625
KUD Buah Sakato	2,248	0	0	2,248	45,173
Total (Scheme Smallholders)	6,958	0	0	6,958	145,575
TOTAL	8,730	0	84	8,814	186,572

*) Non company supplier FFB is non certified source (Excluded from certificate scope)

Appendix "B"
Audit Plan

Date	Time	Description	Haeruddin	Aryo Gustomo	Nanang Mualib
Monday, 08/06/2015	05.45 – 07.10	Flight Jakarta – Jambi by GA 130	√	√	√
	07.30 – 09.30	Travelling to Muara Bulian	√	√	√
	09.30 – 10.00	Opening Meeting (Pertemuan pembukaan) - Presentation by PT. Inti Indosawit Subur - Opening meeting by BSI Indonesia (including introduction of team members and assessment agenda).	√	√	√
	10.00 – 12.00	Muara Bulian Mill: General Information (Ha, FFB Prod. CPO/PK production), time bound plan verification and Partial Certification.	√		
		Document Review (Muara Bulian Mill): Muara Bulian Mill (RSP0 SCCS)		√	
		Stakeholder Interview: Head of villages, contractors, Labour union, Gender Committee, workers in Mill, etc.			√
	12.00 – 14.00	Makan Siang			
	14.00 – 17.00	Muara Bulian Mill (Field visit): PPE, safe working environment, walk ways, signs, EFB. POME treatment, emissions, diesel tanks, fire extinguishers, first aiders and boxes, etc.		√	
		Document Review (Muara Bulian Mill): RSP0 P & C	√		
		Stakeholder Interview: Head of villages, contractors, Labour union, Gender Committee, workers in estate etc. (Continue)			√
Tuesday, 09/06/2015	08.00 – 12.00	Field Visit: Muara Bulian estate Chemical stores, fertilizer store, workshops, Hazardous waste, housing, landfill, clinic, etc.		√	
		Field visit: Muara Bulian Estate Herbicide application programmes, harvesting, fertilising operations, terracing, road maintenance, interview with workers, HCV's, riparian zones, water management, Boundaries inspection, etc etc	√		
		Document review: Muara Bulian estate			√
	12.00 – 14.00	Lunch			
	14.00 – 17.00	Document Review: Muara Bulian Estate	√	√	√
Wednesday, 10/06/2015	08.00 – 12.00	Field Visit: KUD Subur Makmur	√	√	√
	12.00 – 13.00	Lunch			
	13.00 – 16.30	Document review: KUD Subur Makmur	√	√	√

Date	Time	Description	Haeruddin	Aryo Gustomo	Nanang Mualib
Thursday, 11/06/2015	08.00 – 12.00	Field Visit: KUD Budi Sari	√	√	√
	12.00 – 13.00	Lunch			
	13.00 – 16.30	Document review: KUD Budi Sari	√	√	√
Friday 12/06/2015	08.00 – 09.00	Closing Meeting	√	√	√
	09.00 – 11.30	Travelling to Jambi	√	√	√
	13.20 – 14.40	Flight Jambi – Jakarta by GA 133	√	√	√

**Appendix "C"
RSPO SCCS, NOV. 2014 – MODULE E (MASS BALANCE)**

Criterion E.1. Definition			
	Requirement	Evidence	Compliance
1.1	Certification for CPO mills is necessary to verify the volumes of certified and uncertified FFB entering the mill and volume sales of RSPO certified producers. A mill may be taking delivery of FFB from uncertified growers, in addition to those from its own certified land base. In that scenario, the mill can claim only the volume of oil palm products produced from processing of the certified FFB as MB	<p>The company has established procedure for receiving FFB certified and non certified sources in Procedure No. AA-MPM-OP-1400.18-R3 "Mass Balance, dated 28th October 2013 and procedure No.AA-MPM-OP-1400.17-R3 "Traceability", dated 28th October 2013.</p> <p>The FFB certified source from their own estates (Muara Bulian estate) and 10 scheme smallholders and non certified sources from out-growers.</p> <p>Based on document review, all certified volume of palm oil product (CPO and PK) is claimed as "Mass Balance".</p>	Yes

Criterion E.2. Explanation			
	Requirement	Evidence	Compliance
2.1	The estimated tonnage of CPO and PK products that could potentially be produced by the certified mill must be recorded by the CB in the public summary of the P&C certification report. This figure represents the total volume of certified palm oil product (CPO and PK) that the certified mill is allowed to deliver in a year. The actual tonnage produced should then be recorded in each subsequent annual surveillance report	<p>The estimated CPO and PK certified of Muara Bulian Palm Oil Mill its recorded in RSPO Public Summary report, certificate and E-trace system.</p> <p>CPO and PK estimated in previous Summary Report is 42,495 tonnes and 10,881 tonnes and estimated this year as mentioned in RSPO Public Summary Report "Appendix A".</p>	Yes
2.2	The mill must also meet all registration and reporting requirements for the appropriate supply chain through the RSPO supply chain managing organization (RSPO IT platform or book and claim).	The company is registered their certified product in E-Trace system	Yes

Criterion E.3. Documented procedures.			
	Requirement	Evidence	Compliance
3.1	The site shall have written procedures and/or work instructions to ensure the implementation of all the elements specified in these requirements. This shall include at minimum the following:		
	a. Complete and up to date procedures covering the implementation of all the elements in these requirements;	The company has Procedure No. AA-MPM-OP-1400.18-R3 "Mass Balance, dated 28 th October 2013 and procedure No.AA-MPM-OP-1400.17-R3 "Traceability", dated 28 th October 2013.	Yes

		The implementation of supply chain is referred to the procedures, such as: segregated of incoming FFB certified and non certified sources using computerized system in Weigh-Bridge (WB), record of FFB incoming and produced of CPO and PK, 3 monthly basis record, selling documents of product (CPO and PK) following information: name of product, quantity, containing "RSPO Certified Product", supply chain model used (MB), name and address of buyer, etc.	
	b. The name of the person having overall responsibility for and authority over the implementation of these requirements and compliance with all applicable requirements. This person shall be able to demonstrate awareness of the site procedures for the implementation of this standard	Person in charge to handling of RSPO Supply Chain is Mill Manager and KTU as determined in SOP.	Yes
3.2	The site shall have documented procedures for receiving and processing certified and non-certified FFBs.	<p>The company has procedure for receiving and processing FFB certified and non certified sources in SOP. No. AA-MPM-OP-1400.18-R3 "Mass Balance, dated 28th October 2013 and procedure No.AA-MPM-OP-1400.17-R3 "Traceability", dated 28th October 2013.</p> <p>All incoming FFB certified from certified sources to be tagged "RSPO Certified FFB/MB" and FFB non certified as treated without any tagged. Incoming FFB certified and non-certified is separated in WB system and automatically counted in as certified and non certified product, including during process.</p>	Yes

Criterion E.4. Purchasing and goods in.			
	Requirement	Evidence	Compliance
4.1	The site shall verify and document the tonnage and sources of certified and the tonnage of non-certified FFBs received	<p>According to relevant procedure as above (E.1.1 and E.1.2), daily records are prepared at the entry point at the weighbridge. "Sustainable" stamp identified at the weighbridge. Daily summary and monthly summary documented for all the certified and non-certified FFB. Records verified by internal and external audit. Example: FFB received dated 8 June 2014, Ticket number: A115102863, from Division 3 – Muara Bulian Estate, Gross: 10,320 Kg, Nett: 6,200 Kg</p> <p>Recorded in weighbridge computerized, separates certified FFB and non-certified</p>	Yes

		FFB automatically.	
4.2	The site shall inform the CB immediately if there is a projected overproduction of certified tonnage	The company has procedure to inform CBs if any over-projection immediately as regulated in procedure, If there is over-projection of certified CPO and PK, Mill Manager shall immediately report formally to the Head of Sustainability who will then report it to the CBs.	Yes

Criterion D.5. Record Keeping			
	Requirement	Evidence	Compliance
5.1	a) The site shall record and balance all receipts of RSPO certified FFB and deliveries of RSPO certified CPO and PK on a three-monthly basis.	The company has documented record of incoming FFB certified and CPO/PK certified out-going three monthly basis.	Yes
	b) All volumes of palm oil and palm kernel oil that are delivered are deducted from the material accounting system according to conversion ratios stated by RSPO.	Based on review of documents, the company has a system to deduct volume of CPO and PK delivered in WB and Computerized system automatically.	Yes
	c) The site can only deliver Mass Balance sales from a positive stock. Positive stock can include product ordered for delivery within three months. However, a site is allowed to sell short.(ie product can be sold before it is in stock.)	Short Sell system is included in their procedure; it's clear how the system works.	Yes
5.2	In cases where a mill outsources activities to an independent (not owned by the same organization) palm kernel crush, the crush still falls under the responsibility of the mill and does not need to be separately certified. The mill has to ensure that the crush is covered through a signed and enforceable agreement.	No out-sourced activities within this mill.	Yes

Certified Mill Production in previous year

MILL	CAPACITY	CPO (tonnes)	PK (tonnes)
Muara Bulian POM	60 tonnes FFB/hour	35,292	8,380

Certified FFB received Monthly in previous year

Month	Muara Bulian Estate	Muara Bulian Smallholder	Total FFB/Month
Jan	2,980	10,676	13,656
Feb	2,429	9,157	11,586
Mar	2,767	10,207	12,974
Apr	3,251	11,561	14,812
May	2,984	10,986	13,970
Jun	2,848	10,429	13,277
Jul	2,548	8,693	11,241
Aug	3,804	11,703	15,507
Sep	3777	11,413	15,190
Oct	3439	11,421	14,860
Nov	3511	10,666	14,177
Dec	2738	9,928	12,666
TOTAL	37,077	126,840	163,917

Note: *) Estimated production

Sales of CPO and PK certified by etrace (Nil)

No.	Date	Name of buyer	CPO (Tonnes)	PK (Tonnes)
1	Jan 2014 – Dec 2014	Classified	3,805	0
	Total		3,805	0

Appendix "D"
Abbreviation used

AMDAL	Analisis Mengenai Dampak Lingkungan (Social and Environmental Impact Assessment)
BLH	Badan Lingkungan Hidup (Environmental Board)
BOD	Biological Oxygen Demand
BPN	Badan Pertahanan Nasional (National Land Authority)
BSI	British Standard Institution
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
EFB	Empty Fruit Bunch
FFB	Fresh Fruit Bunch
GPS	Global Positioning System
HCV	High Conservation Value
HGU	Hak Guna Usaha (Land) title for commercial use
IPM	Integrated Pest Management
ISO	International Standards Organisation
ISPO	Indonesia Sustainable Palm Oil Foundation
ISCC	International Carbon Certification System
IUP	Izin Usaha Perkebunan (Plantation Licence)
KER	Kernel Extract Ratio
MB	Mass Balance
OER	Oil Extract Ratio
OHS	Occupational Health and Safety
P2K3	Panitia Pembina Kesehatan dan Keselamatan Kerja
PK	Palm Kernel
PKB	Perjanjian Kerja Bersama (Worker Agreement)
POM	Palm Oil Mill
PPE	Personal Protective Equipment
PT	Perseroan Terbatas (Limited Company)
RKL	Rencana Pengelolaan Lingkungan (Environmental Management Plan)
RPL	Rencana Pemantauan Lingkungan (Environmental Monitoring Plan)
RSP0	Rountable Sustainable Palm Oil
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SCCS	Supply Chain Certification System
SOP	Standard Operation Procedure

Appendix "E"
List Of Scheme Smallholders Sampled During This Assessment

No.	Name of Samples	Name of Cooperative	Farmer Group/Member No.
1	Surono	KUD Subur Makmur	43/1054
2	Tugiman	KUD Subur Makmur	43/1072
3	Sudarto	KUD Subur Makmur	431089
4	Katijan	KUD Subur Makmur	43/1074
5	Rudi S	KUD Subur Makmur	43/1056
6	Yunus	KUD Subur Makmur	45/1108
7	Qomaruddin	KUD Subur Makmur	45/1096
8	Joko	KUD Subur Makmur	45/1094
9	A. Ritonga	KUD Subur Makmur	45/1101
10	Marto	KUD Subur Makmur	59/1792
11	H. Rusli	KUD Subur Makmur	59/1777
12	Sumarto	KUD Subur Makmur	59/1801
13	Suryo	KUD Subur Makmur	59/1798
14	Sugeng	KUD Subur Makmur	60/1786
15	Ibnu	KUD Subur Makmur	60/1788
16	Rahmi	KUD Subur Makmur	60/1806
17	Amsar	KUD Subur Makmur	60/1807
18	Ruslan Bin Paijan	KUD Budi Sari	28/858
19	Sunardi	KUD Budi Sari	28/861
20	Sucipto	KUD Budi Sari	28/582
21	Sutio	KUD Budi Sari	28/680
22	Sarijo	KUD Budi Sari	30/787
23	Supriyanto	KUD Budi Sari	30/803
24	Tugiran	KUD Budi Sari	30/831
25	Wagino	KUD Budi Sari	30/840
26	Karyono	KUD Budi Sari	32/604
27	Sulaiman	KUD Budi Sari	32/601
28	Wagino	KUD Budi Sari	32/625
29	Sunardi	KUD Budi Sari	32/637
30	Rahmadi	KUD Budi Sari	105/826
31	Eli Saeful R	KUD Budi Sari	105/823
32	AA Rohiyat	KUD Budi Sari	105/793
33	Dasta	KUD Budi Sari	105/749
34	Supriyadi	KUD Budi Sari	105/849