

**RSPO PRINCIPLE AND CRITERIA
ANNUAL SURVEILLANCE ASSESSMENT (ASA-4)
Public Summary Report**

PT. INTI INDOSAWIT SUBUR – MUARA BULIAN
Client company Address: JI MH Thamrin No 31 Jakarta 10230
Certification Unit: MUARA BULIAN PALM OIL MILL AND ITS SUPPLY BASE Location of Certification Unit: Desa Bulian Jaya – Kec. Muro Sebo Ilir, Kabupaten Batang Hari, Provinsi Jambi, Indonesia

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Section 1: Scope of the Certification Assessment

1. Company Details			
RSPO Membership Number	No.1-0022-06-000-00	Membership Approval Date	6 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, Pematang District, Batang Hari Regency, Jambi, Indonesia.		
Subsidiary of (if applicable)	PT Inti Indosawit Subur		
Contact Name	Ms. Asrini Subrata		
Website	www.asianagri.co.id	E-mail	asrini_subrata@asianagri.com
Telephone	+62 21 230 1119	Facsimile	+62 21 230 1120

2. Certification Information			
Certificate Number	RSPO 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 .		
Referring Standard	<ul style="list-style-type: none"> - RSPO SCCS Certification System and Standard, 2007, Rev. 2011. - RSPO P & C, Generic Standard 2013. - RSPO SCCS certification system and standard, 2014 		
Other Certifications			
Certificate Number	Standard(s)	Certificate Issued by	Expiry Date
ID05/65250	ISO 14001:2004	SGS	10 June 2017
SPO 20002	ISPO	SAI Global	02 September 2018
EU-ISCC-Cert-DE100-20152541	ISCC EU	SGS	1 Sept 2016

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3. Location(s) of Mill & Supply Bases			
Name (Mill / Supply Base)	Location [Map Reference #]	GPS	
		Easting	Northing
Muara Bulian POM	Desa Bulian Jaya – Kec Muro Sebo Ilir, Kabupaten Batang Hari – Prov. Jambi	E 103° 12' 20"	S 01° 35' 09"
Muara Bulian Estate	Desa Bulian Jaya – Kec Muro Sebo Ilir, Kabupaten Batang Hari – Prov. Jambi	E 103° 02' 20"	S 01° 35' 09"
KUD Barokah	Desa Karya Mukti. Kec.Maro Sebo Ilir. Kab Batang Hari Jambi	E 103° 11' 20"	S 01° 32.126
KUD Subur Makmur	Desa Tidar Kuranji. Kec.Maro Sebo Ilir. Kab Batang Hari Jambi	E 103° 07' 26"	S 01° 34' 41"
KUD Budi Sari	Desa Bukit Sari. Kec.Maro Sebo Ilir. Kab Batang Hari Jambi	E 103° 12' 37"	S 01° 32' 43"
KUD Makmur Rejeki	Desa Bulian Jaya. Kec.Maro Sebo Ilir. Kab Batang Hari Jambi	E 103° 12' 06"	S 01° 35' 20"
KUD Karya Lestari	Desa Kehidupan Baru. Kec.Maro Sebo Ilir. Kab Batang Hari Jambi	E 103° 06' 24"	S 01° 37' 02"
KUD Tuah Sakato	Desa Danau Embat. Kec.Maro Sebo Ilir. Kab Batang Hari Jambi	E 103° 09' 15"	S 01° 40' 11'

4. Description of Supply Base						
Estate	Mature (ha)	Immature (ha)	Infrastructure & Other (ha)	Total Planted (ha)	Total Hectarage	% of Planted
Muara Bulian Estate	1,722	0	84	1,772	1,856	95.00
Scheme Smallholders						
KUD Barokah	1,240	0	0	1,240	1,240	100 %
KUD Budi Sari	1,130	0	0	1,130	1,130	100 %
KUD Subur Makmur	900	0	0	900	900	100 %
KUD Makmur Rejeki	730	0	0	730	730	100 %
KUD Karya Lestari	710	0	0	710	710	100 %
KUD Tuah Sakato	2,248	0	0	2,248	2,248	100 %
Total Scheme Smallholders	6,958	0	0	6,958	6,958	
TOTAL	8,730	0	84	8,730	8,814	

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5. Plantings & Cycle								
Estate	Age (Years)					Tonnage / Year		
	0 - 3	4 - 10	11 - 20	21 - 25	26 - 30	Estimated (15/16)	Actual (15/16)	Forecast (16/17)
Muara Bulian Estate	0	0	0	1,772	0	40,997	33,473	35,923
Scheme Smallholders								
KUD Barokah	0	0	10	1,230	0	25,913	17,621	27,855
KUD Subur Makmur	0	0	10	1,120	0	17,506	11,904	18,167
KUD Budi Sari	0	0	10	890	0	25,726	17,494	24,789
KUD Makmur Rejeki	0	0	10	720	0	15,632	10,630	16,240
KUD Karya Lestari	0	0	10	700	0	15,625	10,625	15,549
KUD Buah Sakato	0	388	1,860	0	0	45,173	30,717	46,764
Total Scheme Smallholders	0	388	1,910	4,660	0	145,575	98,991	149,364
Total (Estate+Scheme Smallholders)	0	388	1,910	6,432	0	186,572	132,464	185,287
Supply Base from independent third parties/Middle man								80,000
Total Supply FFB								265,287

6. Certified Tonnage									
Mill	Estimated (2015/2016)			Actual (2015/2016)			Forecast (2016/2017)		
	FFB	CPO	PK	FFB	CPO	PK	FFB	CPO	PK
Muara Bulian Mill	186,572	41,958	10,261	132,464	29,321	7,097	185,287	41,194	9,635

Note: Actual OER (22.13 %) and KER (5.36 %) and Projection OER (22.23 %) and KER (5.20 %)

Section 2: Assessment Process

Certification Body:

BSI Services Malaysia Sdn Bhd,
(ASI Accreditation Number: RSPO-ACC-19)
Unit 3, Level 10, Tower A
The Vertical Business Suites, Bangsar South
No. 8, Jalan Kerinchi
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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. BSI is ASI Accredited (RSPO-ACC-19) to conduct RSPO assessment since 31/10/2014 with accredited office located at Kuala Lumpur, Malaysia and an office at Singapore, Jakarta, Bangkok and Australia which involve in RSPO Certification Program.

Assessment Methodology, Programme, Site Visits

The on-site initial assessment was conducted from 22nd – 28th June 2016. The audit programme is included as Appendix D. The approach to the audit was to treat the mill and its supply base as an RSPO Certification Unit. Mill was audited together with the sample estates. A range of environmental and social factors were covered. This includes 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 and external stakeholders, review of documentation and monitoring data. RSPO P&C, 2013 Generic Standard and RSPO SCCS 2014 were used as Checklists and questionnaires were used to guide the collection of information to assess compliance. The comments made by external stakeholders were also taken into account in the assessment.

Meetings were held with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and these have been incorporated into the assessment findings.

Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.

All the previous nonconformities are remains closed. The assessment findings for the initial assessment are detailed in Section 3.3.

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This report is structured to provide a summary of assessment finding as attached in the Appendix A. The assessment was based on random samples and therefore nonconformities may exist that have not been identified.

This annual surveillance assessment led by Haeruddin (qualified lead auditor) and report finalised by team member Pratama Sedayu (qualified lead auditor). This report was internally reviewed by internal reviewer prior to certification decision by BSI.

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			X
KUD Buah Sakato		X			

Tentative Date of Next Visit: June 5, 2017 - June 10, 2017

Total No. of Mandays: 9

BSI 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.

Pratama Sedayu - Team member

He graduated from University of Jenderal Soedirman on 2008, majoring in Social Economic of Agriculture. He involved in RSPO certification since 2009 as a team member subsequently as a Lead Auditor, covering assessment against RSPO P&C in Indonesia, Malaysia, Thailand, Papua New Guinea, and Liberia. He completed the ISO 9001, ISO 14001, OHSAS 18001 Lead Auditor Course, HCV Identification and Management; ISPO Lead Auditor endorsed Course and RSPO P&C and RSPO SCCS Lead Auditor endorsed Courses. During this assessment, he assessed on the aspects of estate best practices, environment, OHS, and Smallholder audits. He is fluently speaking in English and Bahasa Indonesia.

**RSPO Public Summary Report
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Edy Widodo graduated as bachelor of the Faculty of Agriculture, Department of Agricultural Technology, University of Padjadjaran, Bandung. Earlier he worked as an Assistant Estates Manager in PT SMART Tbk. (1999 to 2005). He joined SAI Global in 2013 as a Lead Auditor for ISO 9001: 2008. He has working experience in the industrial sector and audit Plantation, and also the processing industry and agricultural mechanization. He is also the ISPO auditor who has obtained a certificate from the ISPO Commission, Ministry of Agriculture of Indonesia, on February 2013. He had got a certificate of training on Understanding ISO 14001: 2004 & Auditing ISO 14001: 2004 in 2013. He also had joined internal RSPO P&C training (2013).

Nanang Mualib - 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, stakeholder consultation and smallholders.

Accompanying person: None

Section 3: Assessment Findings

3.1 Details of audit results are provided in the following Appendix:

- PT. Inti Indosawit Time Bound Plan
- RSPO Generic Standard, 2013
- RSPO Scheme Smallholders INA-SWG 2009 as Guidance
- RSPO Supply Chain Certification Checklist on November 2014
- RSPO Group Certification Standard 2010 Checklist
- RSPO Independent smallholders INA-SWG 2010 Checklist
- RSPO P&C for Smallholders TH-WG 2012 Checklist
- RSPO P&C GN-NIWG 2010 Checklist
- RSPO P&C INA-NIWG 2008 Checklist
- RSPO P&C PNG-NIWG 2008 Checklist
- RSPO P&C SI-NIWG 2010 Checklist
- RSPO P&C TH-WG 2011 Checklist
- RSPO Scheme Smallholders INA-SWG 2009 Checklist
- RSPO Smallholders Guidance MY-NIWG 2010 Checklist
- RSPO P&C MYNI- 2014 endorsed by BOG on March 2015

3.2 Progress against Time Bound Plan

Time Bound Plan		
Requirement	Remarks	Compliance
Summary of the Time Bound Plan		
Does the plan include all subsidiaries, estates and mills?	The company has established time bound plan since the initial certification, included all mills and estates	Yes
Is the time bound plan challenging? <ul style="list-style-type: none"> • Age of plantations. • Location. • POM development • Infrastructure. • Compliance with applicable law. 	The time bound plan is challenging. PT. Inti Indosawit Subur demonstrate progress overtime. The age of plantation was generally mature. All of plantation has been incorporated with palm oil mill to process the FFB produced. The location of plantation was covering three provinces in Sumatera Utara Province, Riau Province and Jambi Province – Indonesia.	Yes
Have there been any changes since the last audit? Are they justified?	There is no changes since the last audit	Yes
If there have been changes, what circumstances have occurred?	There is no changes since the last audit	

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Have there been any stakeholder comments?	Yes, there was a report related to company's supply chain. Company has released official response. BSI was notified and provided response to this matter. BSI has also provided response to this matter.	Yes
Have there been any newly acquired subsidiaries?	No any land acquisition was noted since the last audit	Yes
Have there been any isolated lapses in implementation of the plan?	No isolated lapses. Company managed to demonstrate commitment to certify all of palm oil mill and supply base.	Yes
Un-Certified Units or Holdings		
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Yes, The company has conducted internal audit annually	Yes
No replacement after dates defined in NIs Criterion 7.3: <ul style="list-style-type: none"> • Primary forest. • Any area identified as containing High Conservation Values (HCVs). • Any area required to maintain or enhance HCVs in accordance with RSPO criterion 7.3. 	In area where BSI conducted audit, there are no replacement/conversion of area containing HCV or primary forest after November 2005.	Yes
Any new plantings since January 1 st 2010 must comply with the RSPO New Plantings Procedure.	There is no new planting after January 1 st , 2010.	Yes
Any Land conflicts are being resolved through a mutually agreed process, e.g. RSPO Grievance procedure or Dispute Settlement Facility, in accordance with RSPO criteria 6.4, 7.5 and 7.6.	There was no noted land disputes since the last audit for un-certified units	Yes
Any Labor disputes are being resolved through a mutually agreed process, in accordance with RSPO criterion 6.3.	There was no noted labor dispute since the last audit for un-certified units	Yes
Did the company conduct an internal audit? If so, has a positive assurance statement been produced?	Yes, The company has conducted internal audit annually.	Yes
Any Legal non- compliance is being resolved in accordance with the legal	Un-certified area is comply with legal requirement.	Yes

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requirements, with reference to RSPO criteria 2.1 and 2.2.		
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3.3 Details of findings

The nonconformity is listed below. The summary report of the assessment by criteria is listed in Appendix A.

During the Certification Assessment there were no Major NC & 3 Minor nonconformities raised. The Muara Bulian Palm Oil Mill Certification unit submitted Corrective Action Plans for the nonconformity. Corrective action plans with respect to the nonconformity was reviewed by the BSI audit team and accepted. The implementation of the corrective action plans to address the minor nonconformity will be followed up during the next surveillance assessment.

Non-Conformity		
NCR #	Description	Category (Major/Minor)
1338589N3	<p>RSPO Generic Standard, 2013 - Indicator 4.6.4</p> <p>Company was not able to demonstrate the use of paraquat minimized and eliminated as part of a plan. The use of paraquat was increased over time: in 2013 paraquat used was 260.55 liters, in 2014 paraquat used was 291 liters, in 2015 paraquat used was 368 liters.</p> <p>In addition, the budget for paraquat use 2016 sets at 1,690 liters – increased compare to planning in 2015 as much as 1,359 liters.</p>	Minor
1338589N4	<p>RSPO Generic Standard, 2013 - Indicator 4.7.5</p> <p>First aid kit available in worksites, but either not complete or expired medicines were found.</p> <p>First aid equipment made available at various worksites, some brought along with trained officer (field supervisor). However, during field visit and interview with workers, audit team found:</p> <ul style="list-style-type: none"> - The first aid kit available with spraying team, harvesting team and chemical warehouse were not complete. - Found expired medicines inside first aid kit available with fertilizer application team. - The record for the use of first aid kit was not available with the first aider. 	Minor
1338589N1	<p>RSPO Generic Standard, 2013 - Indicator 6.1.4</p> <p>Currently, the company is conducting replanting for Inti (nucleus) and replanting program in scheme smallholder’ areas starting in 2017, however the company has not updated review for social impact related to replanting activity.</p>	Minor

There are 3 Observation/opportunities for improvements were identified during this surveillance audit (ASA-4):

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Observation	
OBS #	Description
1	<p>RSPO Generic Standard, 2013 - Indicator 4.7.1</p> <p>Risk Assessment for Muara Bulian Estate has been reviewed. Program, Objective and Target for Health and Safety for Muara Bulian Estate is evident. However, company’s health and safety program for plantation and mill lack of consideration onto risk assessment result to improve condition on high risk level activity such as: use of electric appliances in worker housing – risk of short circuit (risk level 15) but no action plan/program prepared</p>
2	<p>RSPO Generic Standard, 2013 - Indicator 4.7.2</p> <p>Latest review upon risk assessment dated 10/01/2016. The risk assessment has covered activities such as harvesting, palm upkeep, fertilizer application, office activities, the housing activities.</p> <p>Health and safety team needs to consider data from accident investigation record in risk assessment up dated, risk level accuracy needs to improve. Example: 12 accident cases related to fallen frond onto harvester recorded in 2016; however the frequency level 3 (once in 5 years) instead of level 5 (occurred over time) – causing risk assessment not accurate.</p>
3	<p>RSPO Generic Standard 2013 - Indicator 6.12.3</p> <p>Based on interview with temporary workers, it was found that the company has provided health insurance (BPJS), personal protective equipments, medical surveillance, and other normative obligations to the temporary workers. It would be nice to consider normative obligations into the work agreement (Kontrak Kerja).</p>

Positive Findings	
PF #	Description
1	The company has strong commitment to improve and maintain scheme smallholders

Issues raised by Stakeholders
<p>Stakeholder consultation involved internal and external stakeholders. External stakeholders were contacted by telephone to arrange meetings at a location convenient to them to discuss Muara Bulian Palm Oil Mill Certification Unit’s environmental and social performance, legal and any known dispute issues.</p> <p>Meetings were conducted with stakeholders to seek their views on the performance of the company with respect to the RSPO requirements and aspects where they considered that improvements could be made. At the start of each meeting, the interviewer explained the purpose of the audit followed by an evaluation of the relationship between the stakeholder and the company before discussions proceeded. The interviewer recorded comments made by stakeholders and later was verified with the management team. These have been incorporated into the assessment findings.</p> <p>Structured worker interviews with male and female workers and staff were held in private at the workplace in the mill and the estates. Fieldworkers were interviewed informally in small groups in the field. In addition, the wives of workers and staff were interviewed in informal group meetings at their housing. Separate visits were made to each of the local communities to meet with the village head and residents. Company officials were not present at any of</p>

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the internal or external stakeholder interviews. A list of Stakeholders contacted is included as Appendix E.

Issues #	Description
	<p>Social Issues:</p> <ol style="list-style-type: none"> 1. The company has established "Gender Committee" and conducted regular meeting with them, it was no noted sexual harassment and violence, discrimination, etc. 2. Company demonstrated commitment to protect female worker's reproductive rights by: period leave, maternal leave, specific medical check up for high risk worker every 6-months, monthly pregnancy test; 3. Gender committee has understood the mechanism for reporting on sexual harassment case – including protection complainant/whistleblower identity. 4. Communication with company is good. 5. Company provided PPE; 6. Agreement between company and any contractor is available and signed by both parties. 7. The company has conducted meeting with labour union and Gender Committee regularly. 8. No child labour was noted. 9. Company has provided facility for worker welfare: housing, clean water, electricity, sanitation facility, school bus, school building, medical clinic, religious house, etc. <p>Company has registered the workers in BPJS Ketenagakerjaan and BPJS Kesehatan</p>
	<p>Management Response: Positive comments</p>
	<p>Auditor Team Findings: Positive comments</p>

3.3.1 Status of Nonconformities Previously Identified and Observations

Non-Conformity		
NCR #	Description	Category (Major/Minor)
1202271N2	<p>Requirements: RSPO Generic Standard - Indicator 4.6.7</p> <p>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.</p> <p>Action Taken:</p> <p>Company circulated a memorandum number 16.A/EKS-KLM/VII/2015 dated 7th July 2015 designated to six scheme smallholder cooperatives which emphasized the recommendation prohibit smallholder member spraying their own oil palm block without proper equipment, training and procedures; and recommended the smallholder members to follow company's spraying team.</p> <p>The recommendation has been followed up by each scheme smallholder cooperatives through internal cooperative memorandum. For example: KUD Budi Sari has circulated memorandum "Penegasan Semprot Kapling dengan Tim TUS PT. Inti Indosawit Subur" No.20/KUD-BS/VII/2015, dated 9th July</p>	Minor

	<p>2015.</p> <p>Based on field visit in two (2) sampled scheme smallholder cooperatives, audit team does not found smallholder members spraying the weed on their own, all smallholder members agreed to use the service of spraying team from company.</p> <p>Based on field visit, into sampled scheme smallholder cooperatives, audit team found sampled smallholder members using service from Team Unit Semprot – spraying team, under supervision of PT. Inti Indosawit Subur – Muara Bulian. No sign of blanket spraying, no sign of smallholder member spraying herbicide themselves. During interview with sampled smallholder members, knowledge and understanding on agrochemical use, are improving.</p> <p>This NC was closed out on 20/06/2016</p>	
1202271M3	<p>Requirements: RSPO Generic Standard 2013 - Indicator 5.3.3</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>Action Taken:</p> <p>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.</p> <p>The company has socialized to the workers and their families who are at stay in housing complex to aware disposed domestic waste to the separate waste bin (organic and an-organic). Based on field visit in estate and mill housing complex, it was found that organic and an-organic waste is separated in waste bin and also found no scattered waste. All domestic waste is disposed to the final waste discharge (Tempat Pengumpulan Akhir Sampah).</p> <p>This NC was closed out on 20/06/2016</p>	Minor

Observation	
OBS #	Description
1	<p>RSPO Generic Standard 2013 - Indicator 2.1.1</p> <p>The Company Scheme Manager need to ensure List of land owner is up to date according to actual condition in Scheme Smallholders organisation</p> <p>Action taken</p> <p>The company has updated every 6 months for each Farmer Group in KUD to updated list of landowner, based on document review of "Data kepemilikan Kapling KUD Karya Lestari, it was found the list of landowner updated in December 2015 and June 2016.</p>
2	<p>RSPO P & C Generic Standard, 2013 - Indicator 2.1.3</p> <p>It is considered to update record of evaluation on regulation if there is a new and/or amendment of regulation appropriately.</p>

	<p>Action Taken: Scheme smallholders has been updated and evaluated list of regulation, however list update is not completed yet, several crucial regulations related to agricultural practice are not available yet including review on its compliance, such as: latest act regarding plantation, ministerial decree regarding plantation business permit, government regulation regarding environment and waste management, etc. The auditor concludes upgrade this observation into Minor NC.</p>
3	<p>RSPO Generic Standard 2013, Indicator 2.2.2 The Company Scheme Manager need to be considered provide a plan to re-install legal boundary in scheme smallholders areas and implemented.</p> <p>Action taken Farmer group 64 under KUD Karya Lestari was unable to demonstrate legal boundaries are clearly demarcated and visibly maintained. In farmer member No.1382 (Enoch) and No.1383 (Hasyim) – there were only 2 boundary pegs on the field; In farmer member No.1305 (Wiatna/Widya Astuti) and No.1306 (Hasan Jailani) audit team found no boundary peg on the field; In farmer member No.1337 (Amung/Ngatiran) only 1 boundary between farmer block and 1 BPN legal boundary peg was found.</p> <p>Limited progress of re-install legal boundary in plot sampled in KUD Karya Lestari (Farmer group No. 76), this observation is upgraded into Minor NC.</p>
4	<p>RSPO Generic Standard 2013, Indicator 4.7.5</p> <ol style="list-style-type: none"> 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. <p>Action taken:</p> <ol style="list-style-type: none"> 1. Evacuation route and evacuation direction signs are improving in Muara Bulian Estate’s workshop compound. Evacuation signs from fertilizer warehouse, material warehouse, chemical store, temporary hazardous waste storage and workshop into assembly point are clearly identified. Interview with worker in the premise, they understood the evacuation route and emergency response plan. 2. Emergency showers and eye washes are installed different room in temporary hazardous waste storage, chemical mixing area and near fertilizer warehouse.
5	<p>RSPO Generic Standard 2013 - Indicator 4.8.1 The Company Scheme Manager need to upgrade training program for smallholders based on training assessment needs.</p> <p>Action taken: KUD Karya Lestari and KUD Barokah: Realization of training programme recorded for two sample KUDs recorded under "<i>Rencana dan realisasi pelatihan petani plasma tahun 2016</i>", Training program in 2016, consist of:</p> <ol style="list-style-type: none"> 1. Persiapan replanting (Preparing replanting) 2. Mutu panen (FFB quality). 3. Pengendalian Gulma dengan TUS (Weeding control). 4. Basic Fire. 5. Refresh RSPO, ISCC, ISPO. 6. HCV

	<ul style="list-style-type: none"> 7. First Aid. 8. Kesehatan dan keselamatan kerja (OHS) 9. Penggunaan Pestisida Terbatas (Limited pesticides) 10. Ekonomi Alternatif Persiapan Replanting (Alternative Economy for replanting) 11. Pengendalian hama terpadu (IPM). 12. Perawatan jalan dan Prasarana jalan (Road maintenance). 13. Pemupukan Berimbang (Fertilizing). 14. Panen dengan APD (PPE in Harvesting activity) <p>Progress training in 2016 in KUD Karya Lestari:</p> <ul style="list-style-type: none"> 1. Sosialisasi replanting was conducted on 30/03/2016; attended 129 members. 2. Harvesting training was conducted on 12/02/2016; attended 10 harvesters.
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3.3.2 Summary of the Nonconformities and Status

<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
1202271M2	Major	12/06/2015	08/08/2015
1202271M4	Major	12/06/2015	08/08/2015
105536N22	Minor	06/06/2014	12/06/2015
1202271N2	Minor	12/06/2015	20/06/2016
1202271M3	Minor	12/06/2015	20/06/2016
1338589N3	Minor	28/06/2016	"Open"
1338589N4	Minor	28/06/2016	"Open"
1338589N1	Minor	28/06/2016	"Open"

RSPO Public Summary Report
Revision 3 (July /2016)

Assessment Conclusion and Recommendation:

Based on the findings during the assessment Muara Bulian Palm Oil Mill Certification Unit and supply base complies with the RSPO P&C 2013, and the RSPO Supply Chain Certification Standard (Nov 2014) for CPO Mill. It is recommended that the certification of Muara Bulian Palm Oil Mill Certification Unit is approved and continued.

Acknowledgement of Assessment Findings	Report Prepared by
Name: Welly Pardede	Name: Haeruddin (finalised by Pratama Sedayu)
Company name: PT. Inti Indosawit Subur – Muara Bulian	Company name: BSI Services Malaysia, Sdn Bhd
Title: Head of Environment and Sustainability	Title: Lead Auditor (on behalf)
Signature:  Date: 31st October 2016	Signature:  Date: 31st October 2016

Appendix A: Summary of Findings

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 RSPO Criteria, in appropriate languages and forms to allow for effective participation in decision making.		
1.1.1	<p>There shall be evidence that growers and millers provide adequate information on (environmental, social and/or legal) issues relevant to RSPO Criteria to relevant stakeholders for effective participation in decision making.</p> <p>- Minor compliance -</p> <p>Estate and Mill: 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 (Environmetal 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 	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Scheme Smallholders: 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>1.1.2</p> <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", based document review, it was found that all request information have been response timely manner.</p> <p>Scheme smallholders: KUD Karya Lestari: Request Information and response from Stakeholder is documented into a log book "Buku Catatan Surat Masuk – Keluar", there were noted 11 request information in KUD Karya Lestari in 2016, e.g. request information from "Balai Penyuluhan Pertanian, Perikanan dan kehutanan d(BP3K) on 3/2/2016 regarding socialization of fertilizer subsidy.</p> <p>KUD. Barokah: Request Information and response from Stakeholder is documented into a log book "Permintaan Informasi Eksternal", there were noted 18 request information in KUD Karya Lestari in 2015, e.g. request information from "Desa Karya Mukti on 27/08/2015 regarding deduction of land tax by KUD.</p> <p>Based on document review, it was seen request information from stakeholders have been response timely manner.</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<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>		
<p>1.2.1 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 and Mill: Company has a procedure for information request handling and information provision. There is a list of information available for public, dated 12th May 2015. The list comprise of 32 documents, such as legal documents (Izin Lokasi, Izin Prinsip, IPKH, SK HGU, and land certificate), company policy covering respect to human rights, AMDAL/SEIA document, environmental management plan, environmental report, HCV report, health and safety programme, continual improvement plan, negotiation procedures, FFB price information, medical check up result, etc.</p> <p>Scheme smallholders: Cooperatives have a procedure to handle information request and provision of information to relevant stakeholders. There is a list of information available for public – consist of 14 documents such as cooperative business plan, legal documents, health and safety plan, etc.</p>	<p>Yes</p>
<p>Criterion 1.3: Growers and millers commit to ethical conduct in all business operations and transactions.</p>		

Criterion / Indicator	Assessment Findings	Compliance
<p>1.3.1</p> <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:</p> <p>Company is able to shows company policy - Kebijakan Perusahaan signed 1st December 2014. The policy mentioned commitment to uphold code of ethical conduct. Furthermore, based on interview with sampled workers, they have received communication/dissemination of such policy. Communication of code of ethical conduct carried out, e.g. on 08th March 2016, attended 39 estate’s workforce, on 03rd March 2016, attended 20 workers, on 6th Fberuary 2016, attended 9 workers, on 4th February 2016, attended 47 workers, on 05th March 2016, 40 workers.</p> <p>The company continoung communicated their Code of etical conduct ploicy to their workers and also posted in public area, so that it can be accessed by all employees.</p> <p>Scheme smallholders:</p> <p>The KUDs have policy ethical conduct in “Kebijakan Koperasi” dated 1st March 2014: 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>). Based on interview with members and their workers, they understood upon this policy.</p>	<p>Yes</p>
<p>PRINCIPLE 2: COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS</p>		
<p>Criterion 2.1</p> <p>There is compliance with all applicable local, national and ratified international laws and regulations.</p>		

Criterion / Indicator	Assessment Findings	Compliance
<p>2.1.1 Evidence of compliance with relevant legal requirements shall be available.</p> <p>- Major compliance –</p>	<p>Estate and mill:</p> <p>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 (± 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. 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. 8. Temporary hazardous waste store permit 503/05/IPPL-B3/BPMPPT/2014, dated 19 November 2014 (Valid 5 years). 9. Izin Land Aplikasi (LA permit) Izin Land Aplikasi no. 503/01/IKPPLH/BPMPPT/2013 berlaku s/d 24 Nov. 2016. 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 dan Transmigrasi Kabupaten Batanghari no. 568/130.A/Dissosnakertrans, dated 12th March 2015. 11. Izin Land Aplikasi (<i>Land Application permit</i>) no. 503/01/IKPPLH/BPMPPT/2013 berlaku s/d 24 Nov. 2016. 12. Mill machinery: <ul style="list-style-type: none"> - Izin Jembatan Timbang berlaku s/d Oct. 2015 	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
2.1.2	<p>A documented system, which includes written information on legal requirements, shall be maintained.</p> <p>- Minor compliance –</p>	<p>Estate and mill: List of laws are available and being evaluated regularly. Last updated on 01st April 2016, e.g. PP no. 27 tahun 2014, Permenaker No. 9 tahun 2016 tentang Pekerjaan Ketinggian, Permentan ISPO no. 11/2015</p> <p>Scheme Smallholders: Summary of permits and licenses checked and recorded in regulation record book - "Checklist Perizinan di KUD".</p>	Yes
2.1.3	<p>A mechanism for ensuring compliance shall be implemented.</p> <p>- Minor compliance –</p>	<p>Estate and Mill: List of laws are available and being evaluated regularly, the last updated on 01st April 2016.</p> <p>Scheme Smallholders: The last update of evaluation of legal compliance is documented in "Evaluasi Kepatuhan Hukum Koperasi Unit Desa", e.g. in KUD Karya Lestari in The KUDs has updated list of regulation in December 2015 appropriately.</p> <p>However, list update is not completed yet, several crucial regulations related to agricultural practice are not available yet including review on its compliance, such as: latest act regarding plantation, ministerial decree regarding plantation business permit, government regulation regarding environment and waste management.</p>	No
2.1.4	<p>A system for tracking any changes in the law shall be implemented.</p> <p>- Minor compliance –</p>	<p>Estate and mill: Legal requirement-evaluation and fulfillment mechanism regulated under "SOP Pemenuhan Peraturan Perundang-undangan dan Perubahannya" (No. SOP; AA-GL-5001.1-RO) dated 5th December 2009. The procedure explains the stages for evaluation applicable legal requirements, person in charge for evaluation and ensures implementation of such requirement.</p> <p>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.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
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
<p>2.2.1 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. 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. 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 Pamayung, Kabupaten Batanghari”, valid until 13th August 2038. <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>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
	<p>KUD Karya Lestari Farmer Gorup No. 76:</p> <ol style="list-style-type: none"> 1. Girjo, certificate No. 416 (new landowner: Agus handoko), (2.00 ha). 2. Muh. Abdul Karim, certificate no. 430 (1.97 ha) 3. Sikam, certificate no. 542 (1.97 ha) 4. Tirta, certificate no. 387 (2.16 ha) 5. Kandi, certificate no. 388 (2.25 ha) 6. Zulkifli, certificate no. 492 (2.75 ha) 7. Ali, certificate no. 506, covering an area of 1,955 Ha 8. Darmaji, certificate no. 403, covering an area of 2,2938 Ha 9. Kasiyan, certificate no. 673, covering an area of 1,9691 Ha 10. Nurmatias, certificate no. 429, covering an area of 1,996 Ha 11. Samino, certificate no. 416, covering an area of 2,1513 Ha 12. Suseno, certificate no. 415, covering an area of 2,1648 Ha <p>KUD Barokah:</p> <ol style="list-style-type: none"> 1. Sunu, certificate no. 603; new landowner: Bardi (1.98 ha) 2. Marsi, certificate no. 589 (2.04 ha) 3. Sari, certificate no. 597 (2.00 ha) 4. Purwadi, certificate no. 237; Slammat (1.92 ha) 5. Tatang, certificate no. 587 (1.98 ha) 6. Wagiman, certificate no. 239 (1.98 ha) 7. Abdul Majid; certificate no. 623, covering an area of 1,988 Ha 8. Rudi hartono; certificate no. 739, covering an area of 1,964 Ha 9. A. Munir; certificate no. 781, covering an area of 1,918 Ha 10. Amirudin; certificate no. 469, covering an area of 2,104 Ha 11. Rizaludin; certificate no. 512, covering an area of 1,974 Ha 12. Ibrahim; certificate no. 790, covering an area of 2,05 Ha 13. Idrus; certificate no. 722, covering an area of 2,015 Ha 14. Yahya Taher; certificate no. 632, covering an area of 2,033 Ha 15. Fatima Hamid; certificate no. 448, covering an area of 1,991 Ha 	

Criterion / Indicator		Assessment Findings	Compliance
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 legal boundaries every six months, maps of boundaries identified the position of legal boundaries is available refer to the HGU's maps. Boundary monitoring is recorded in "Laporan Pemeriksaan dan Perawatan Patok Batas" is conducted every 6 months, the las monitoring in 2015 was conducted in 21st August 2015 and Monitoring in 2016 was conducted with collaborated with "Badan Pertanahan Nasional Kab. Batanghari was conducted on 15 – 17 June 2016.</p> <p>During field visit, it was seen that boundary stones is maintained and visibly demarcated along the company's border, sample taken Boundary no. 07, 15 and 17.</p> <p>Scheme smallholders: The legal boundary pegs is available (concrete and/or wood), the members is known well the boundary each others and along the border put stacking frond as boundary</p> <p>Based on result of interviews with local authorities in land and local communities, it was confirmed that no any land dispute issues.</p>	No

Criterion / Indicator	Assessment Findings	Compliance
<p>2.2.3</p> <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:</p> <p>There is no land dispute noted, based on document review and public consultation. The plantation was developed along with the scheme smallholder – surrounding the plantation. There was no land compensation since area designation was clean and clear.</p> <p>The cooperatives developed as part of PIR-Trans programme. The land was granted directly from government through “Keputusan Menteri Transmigrasi No. Kep.91/MEN/1991 tentang Izin Pelaksanaan Transmigrasi PIR Trans kepada PT Inti Indosawit Subur dengan komoditas kelapa sawit di Lokasi Tungkal Ulu, Kabupaten Tanjung Jabung dan Lokasi Muara Bulian, Kabupaten Batanghari, Provinsi Jambi” dated 29th July 1991.</p> <p>Based on interview with cooperative member and smallholders, there is no land dispute in area of KUD Karya Lestari, KUD Barakah. Each KUD has a mechanism to handle land conflict under Communication and Consultation Mechanism, involving KUD chairman and meeting with all KUD members.</p>	<p>Yes</p>
<p>2.2.4</p> <p>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.</p> <p>- Major compliance –</p>	<p>Estate and Scheme smallholders:</p> <p>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 areas.</p> <p>Scheme smallholders:</p> <p>The cooperatives developed as part of PIR-Trans programme. The land was granted directly from government through “Keputusan Menteri Transmigrasi No. Kep.91/MEN/1991 tertanggal 29 Juli 1991 tentang Izin Pelaksanaan Transmigrasi PIR Trans kepada PT Inti Indosawit Subur dengan komoditas kelapa sawit di Lokasi Tungkal Ulu, Kabupaten Tanjung Jabung dan Lokasi Muara Bulian, Kabupaten Batanghari, Provinsi Jambi”.</p> <p>Based on interview with cooperative member and smallholders, there is no land dispute in area of KUD Karya Lestari and KUD Barakah. Each KUD has a mechanism to handle land conflict under Communication and Consultation Mechanism, involving KUD chairman and meeting with all KUD members.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
2.2.5	<p>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).</p> <p>- Minor compliance -</p>	<p>Estate and Scheme Smallholders: There is no land dispute/land conflict noted, based on document review and public consultation. The plantation was developed along with the scheme smallholder – surrounding the plantation. There was no land compensation since area designation was clean and clear.</p> <p>Scheme smallholders: Based on interview with cooperative member and smallholders, there is no land dispute in area of KUD Karya Lestari and KUD Barakah. Each KUD has a mechanism to handle land conflict under Communication and Consultation Mechanism. The mechanism including participatory mapping, under supervision from village authorities.</p>	Yes
2.2.6	<p>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.</p> <p>- Major compliance -</p>	<p>Estate and Scheme Smallholders: PT Inti Indosawit Subur-Muara Bulian does not instigate violence in maintaining peace and order for current and planned operation. All complaint, grievance, dispute is resolved through meeting and mediation.</p> <p>Based on interview with local community of surrounding villages, there has never been conflict with company. The relationship between company and local community is in good condition.</p>	Yes
<p>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.</p>			

	Criterion / Indicator	Assessment Findings	Compliance
2.3.1	<p>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).</p> <p>- Major compliance –</p>	<p>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.</p> <p>The plantation was as part of PIR-Trans program. The area developed along with the scheme smallholder – surrounding the plantation. There was no land compensation since area designation was clean and clear.</p> <p>Scheme smallholders: Based on interview with cooperative member and smallholders, there is no land dispute in area of KUD Karya Lestari and KUD Barakah. Each KUD has a mechanism to handle land conflict under Communication and Consultation Mechanism. The mechanism including participatory mapping, under supervision from village authorities.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>2.3.2 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> <ul style="list-style-type: none"> 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; 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; 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>- 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 areas.</p> <p>Scheme smallholders: The cooperatives developed as part of PIR-Trans programme. The land was granted directly from government through "Keputusan Menteri Transmigrasi No. Kep.91/MEN/1991 tertanggal 29 Juli 1991 tentang Izin Pelaksanaan Transmigrasi PIR Trans kepada PT Inti Indosawit Subur dengan komoditas kelapa sawit di Lokasi Tungkal Ulu, Kabupaten Tanjung Jabung dan Lokasi Muara Bulian, Kabupaten Batanghari, Provinsi Jambi".</p> <p>Members of the cooperative have been granted with land certificate. Based on interview with cooperative member and smallholders, there is no land dispute in area of KUD Karya Lestari and KUD Barokah</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
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: The company has documented properly to all handling process of land dispute that conducted by Humas division, such as: record of agreement negotiation process of land compensation between company and Tanjung Jabung Barat government. No any land disputes since 2012.</p> <p>Scheme smallholders: The cooperatives developed as part of PIR-Trans programme. The land was granted directly from government through "Keputusan Menteri Transmigrasi No. Kep.91/MEN/1991 tertanggal 29 Juli 1991 tentang Izin Pelaksanaan Transmigrasi PIR Trans kepada PT Inti Indosawit Subur dengan komoditas kelapa sawit di Lokasi Tungkal Ulu, Kabupaten Tanjung Jabung dan Lokasi Muara Bulian, Kabupaten Batanghari, Provinsi Jambi".</p> <p>Members of the cooperative have been granted with land certificate. Based on interview with schemesmallholders members and local government, there was no noted land dispute since this project started.</p>	Yes
2.3.4	<p>Evidence shall be available to show that communities are represented through institutions or representatives of their own choosing, including legal counsel.</p> <p>- Major coimpliance -</p>	<p>Estate: Communities are free to choose their representation. This is evident in the process detailed on dispute settlement as agreed per letter No.10/SSL-RO3/Ext-PT IIS/VI/12 dated 4th June 2012</p> <p>Scheme smallholders: The cooperatives developed as part of PIR-Trans programme. The land was granted directly from government through "Keputusan Menteri Transmigrasi No. Kep.91/MEN/1991 tertanggal 29 Juli 1991 tentang Izin Pelaksanaan Transmigrasi PIR Trans kepada PT Inti Indosawit Subur dengan komoditas kelapa sawit di Lokasi Tungkal Ulu, Kabupaten Tanjung Jabung dan Lokasi Muara Bulian, Kabupaten Batanghari, Provinsi Jambi".</p> <p>Members of the cooperative have been granted with land certificate. Based on interview with schemesmallholders members and local government, there was no noted land dispute since this project started.</p>	Yes

PRINCIPLE 3: COMMITMENT TO LONG-TERM ECONOMIC AND FINANCIAL VIABILITY

Criterion / Indicator	Assessment Findings	Compliance
<p>Criterion 3.1 There is an implemented management plan that aims to achieve long-term economic and financial viability.</p>		
<p>3.1.1 A business or management plan (minimum three years) shall be documented that includes, where appropriate, a business case for scheme smallholders.</p> <p>- Major compliance -</p>	<p>Estate and Mill: 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 2016. The plan indicates the target for 2016, 2017, 2018 and 2019.</p> <p>The estimation based on actual production realization from 2011, 2012, 2013, 2014, and 2015. The estimation including OER average, KER average, Production cost (Rupiah/tonne CPO) divided between estate cost and mill cost.</p> <p>The Estimate productivity for the year with consideration of mature planted area is 23.00 tonnes/ha (2016 – 2018) and 2019 (20.00 tonnes/ha due some areas is replanting area. Projection OER in 2016 (22.10%), 2017 (21.55%), 2018 (21.55%) and KER in 2016 – 2019 (5.7 %).</p> <p>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).</p> <p>Smallholder Cooperatives has updated their long-term working plan for 2014 – 2016. This has covered:</p> <ul style="list-style-type: none"> - Fertilizer application including estimation of material used and cost - Estimation of FFB production for each plot including price projection and cost allocation. <p>Scheme Smallholders: Scheme smallholders has 4-year program (2016 – 2019), this program covering, projection of FFB production, cost (spraying, fertilizer, harvesting, transport, and general cost),</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance												
	<p>KUD Karya Lestari</p> <ul style="list-style-type: none"> - Smallholder cooperatives has also maintained record of Actual production of FFB (tonnes/ha) for 2011-2014, e.g. 2012 (24.44 tonnes/ha/year), 2013 (19.49 tonnes/ha/year), 2014 (23.80 tonnes/ha/year and 2015 (20.49 tonnes/ha/year), - Projection 2016 (21.85 tonnes/ha/year), 2017 – 2019 (21.80 tonnes/ha/year). <p>KUD Barokah:</p> <ul style="list-style-type: none"> - Smallholder cooperatives has also maintained record of Actual production of FFB (tonnes/ha) for 2011-2014, e.g. 2012 (21.43 tonnes/ha/year), 2013 (19.10 tonnes/ha/year), 2014 (22.60 tonnes/ha/year and 2015 (19.64 tonnes/ha/year), - Projection 2016 (21.85 tonnes/ha/year), 2017 (21.80 tonnes/ha/ year), 2018 (21.00 tonnes/ha/year) and 2019 (20.00 tonnes/ha/year) 													
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> <ul style="list-style-type: none"> - Minor compliance – <p>Estate: Replanting program in 2016 for 313 Ha; program in 2017 prepared for 594 Ha; in 2018 for 442 Ha; in 2019 for 423 Ha.</p> <p>The replanting 2016 has been commenced with land clearing 313 Ha, consist of block A91a 52 Ha; block A91b 108 Ha; block A92c 106 Ha; block A92d 47 Ha. For 2016, the seedling prepared was from Topaz (70%): Lonsum (10%): Socfin (10%): DamiMas (10%).</p> <p>Muara Bulian Estate replanting plan:</p> <table border="1" data-bbox="750 1043 1088 1246"> <thead> <tr> <th>Replanting year</th> <th>Hectare</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>313</td> </tr> <tr> <td>2017</td> <td>594</td> </tr> <tr> <td>2018</td> <td>442</td> </tr> <tr> <td>2019</td> <td>423</td> </tr> <tr> <td>Total</td> <td>1,772</td> </tr> </tbody> </table>	Replanting year	Hectare	2016	313	2017	594	2018	442	2019	423	Total	1,772	Yes
Replanting year	Hectare													
2016	313													
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Criterion / Indicator	Assessment Findings	Compliance
	<p>The replanting programme is prepare 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 replanting program. Seed are from company’s own research station (Topaz Oil Palm Research Station).</p> <p>Review of replanting program occurred based on top management visit to Muara Bulian Estate in 11/07/2015.</p> <p>Report for replanting showing no fire was used during replanting activity. Record stating felling, debolling and chipping with excavator for 71 Ha in 01-22/06/2016; planting ground cover crop 15 Ha, and creating drainage 2,827 meters.</p> <p>Yearly review of replanting programme is available for 2015. The review result showed replanting plan for 2016 which include 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 was changed in term of replanting program which previously would be conducted from 2016 up to 2018 changed into 2016 onto 2019.</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>Scheme Smallholders: Coperative in collaboration with Nucleus estate provide replanting programme for their smalholder 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> <p>Yearly review of replanting programme is available for 2015. The review result showed replanting plan for 2016 which include 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 was changed in term of replanting program which previously would be conducted from 2016 up to 2018 changed into 2016 onto 2019.</p>	
<p>PRINCIPLE 4: USE OF APPROPRIATE BEST PRACTICES BY GROWERS AND MILLERS</p>		
<p>Criterion 4.1 Operating procedures are appropriately documented, consistently implemented and monitored.</p>		

Criterion / Indicator	Assessment Findings	Compliance
4.1.1 Standard Operating Procedures (SOPs) for estates and mills shall be documented. - Major compliance -	The company has procedures from land preparation up to FFB transport for plantation, such as: 1. SOP AA-APM-OP-1100.01-R2 10/06/2015 "Pembibitan" for Seedling preparation; 2. SOP AA-APM-OP-1100.02-R3 10/06/2015 "Penanaman Areal Baru" for new planting; 3. SOP AA-APM-OP-1100.03-R2 24/07/2015 "Pembuatan dan Perawatan Jalan dan Jembatan" explains road and bridge construction and maintenance; 4. SOP AA-APM-OP-1100.04-R3 07/12/2015 "Pembuatan dan Pemeliharaan Parit" explains culvert/drainage construction and maintenance; 5. SOP AA-APM-OP-1100.05-R2 "Konservasi Tanah dan Air" explains Soil & Water Conservation; 6. SOP AA-APM-OP-1100.06-R4 "Menanam kacang" related to Planting cover crops; 7. SOP AA-APM-OP-1100.07-R4, "Menanam Kelapa Sawit" related to Planting; 8. SOP AA-APM-OP-1100.08-R5 07/12/2015 "Pengendalian Gulma" or Weed control; 9. SOP AA-APM-OP-1100.09. R3 P20/04/2015 "Pemupukan" related to Fertilizer application; 10. SOP AA-APM-OP-1100.10. R5 11/01/2011 "Pengendalian Hama dan Penyakit" explains Pests & Disease Control; 11. SOP AA-APM-OP-1100.11. R1 01/02/2009 "Pestisida dan Pengendaliannya" for pesticide handling; 12. SOP AA-APM-OP-1100.12. R2 10/06/2015 "Kastrasi explains" castration (cutting all generative product (male flower, female flower, all fruit, to support vegetative growth) – done 5-6 months before being harvested; 13. SOP AA-APM-OP-1100.13. R3 04/03/2016 "Tunas Pokok" for pruning; 14. SOP AA-APM-OP-1100.14. R2 02/12/2013 "Sensus dan Identifikasi Pokok" explains census and palm identification; 15. SOP AA-APM-OP-1100.15. R2 01/10/2010 "Sensus Produksi" related to production census; 16. SOP AA-APM-OP-1100.16. R1 01/02/2009 "Konsolidasi Pohon Tumbang" explains provision of support to fallen palm; 17. SOP AA-APM-OP-1100.17. R1 23/10/2014 "Pengelolaan Air" related to water management; 18. SOP AA-APM-OP-1100.18. R3 20/04/2015 "Potong Buah" related to harvesting; 19. SOP AA-APM-OP-1100.19. R1 01/02/2009 "Pengelolaan Transportasi" explains FFB Transport; 20. SOP AA-APM-OP-1100.20-R5 04/03/2016 Replanting;	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Muara Bulian POM:</p> <ol style="list-style-type: none"> 1. SOP AA-MPM-OP-1400.02.R2 "Stasiun Penerimaan" for FFB receiving station; 2. SOP AA-MPM-OP-1400.03.R1 "Stasiun Rebusan" for sterilizer; 3. SOP AA-MPM-OP-1400.04.R1 "Stasiun Pemisahan Berondolan" for loose fruit separation; 4. SOP AA-MPM-OP-1400.05-R1 "Stasiun pengadukan dan pengempaan" for pressing station; 5. SOP AA-MPM-OP-1400.06-R1 "Stasiun pemurnian" for clarification; 6. SOP AA-MPM-OP-1400.07-R1 "Stasiun pemisahan nut dan fiber" for nut and fiber separation; 7. SOP AA-MPM-OP-1400.08-R1 "Stasiun kernel" for kernel station; 8. SOP AA-MPM-OP-1400.09-R1 Stasiun boiler; 9. SOP AA-MPM-OP-1400.10-R1 Stasiun engine room; 10. SOP AA-MPM-OP-1400.11-R1 Stasiun water treatment; 11. SOP AA-MPM-OP-1400.12-R1 Laboratorium; 12. SOP AA-MPM-OP-1400.13-R1 "Stasiun pengelolaan limbah" for palm oil mill effluent treatment; 13. SOP AA-MPM-OP-1400.14-R2 "Stasiun penimbunan dan pengiriman CPO dan kernel" for CPO and PK bulking and despatch operation; 14. SOP AA-MPM-OP-1400.15-R1 "Perawatan" for preventive maintenance; <p>The mill operational procedures explains the flow process, specification of material and process, machinery and tools required, step-by-step process, control, monitoring and measurement and health and safety requirements.</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>Smallholders; KUD Karya Lestari: Smallholder/cooperative has referenced to Agriculture Policy Manual specific for Plasma scheme. This has been covered Nursery Practices No. AA-PLASMA-PP-KS-01, explaining seed order and nursery management;</p> <p>Pest & Diseases Control Guideline No. AA-PLASMA-PP-KS-02, the procedure explaining pest monitoring system, type of oil palm pest (leaf eating pest, rat), type of disease (ganoderma), control of pest and disease;</p> <p>Fertilizer practices No. AA-PLASMA-PP-KS-03 explaining fertilizer type/dosage/time of application and requirement, fertilizer storage, fertilizer application technique/placement, indication of nutrient deficiency; and Harvesting No. AA-PLASMA-PP-KS-04 indicating the tools for harvesting, ripe FFB criteria, harvesting quality (loose fruit collection, frond cutting technique, frond stacking), PPE requirement for harvesting.</p> <p>SOP Plasma FFB receive No. AA-MM-508.1-R0, FFB ripeness criteria, field sortation, FFB delivery to plasma, FFB sortation in palm oil mill;</p>	

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.1.2</p> <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>PT. Inti Indosawit Subur Muara Bulian has a procedure for internal audit under Standard Operating Procedures AA-SOP-ES-6001-R1 01/03/2013. The procedure stating internal audit of minimum once a year. Upon finding, management unit shall prepare review on audit finding and prepare root cause analysis, prepare corrective action – with person in charge and completion target.</p> <p>The latest RSPO internal audit was done in 23/05/2016 for PT. Inti Indosawit Subur Muara Bulian. Findings related to legal requirement evaluation, Corporate Social Responsibility (CSR) program 2016, pregnancy test for female sprayer workers, worker’s training records – has been followed up.</p> <p>Sample seen: “Pemeriksaan Kualitas Semprot Gawangan” – quality inspection for path spraying, block C91d; 94 Ha; spraying date 21/01/2016; inspection date 05/02/2016; result shows path not sprayed (nil), not clean (nil), conclusion spraying quality was good – in line with procedure.</p> <p>Mill: Visiting Engineer: at least once a year. The latest visiting engineer dated 26-28/05/2015.</p> <p>Schedule Preventive Maintenances period 01-06/2016 are evident. The maintenance scheduled for daily, weekly, monthly maintenance of loading ramp station (weighbridge, loading ramp, capstand, lorries); sterilizer station (sterilizer, trolley, condensate, blow down chamber, air compressor); loose fruit segregation station(capstand, hoist crane, conveyor to bunch crusher, thresher, auto feeder, bunch crusher, empty bunch conveyor); press and digester station (digester, press machine, crude oil tank, vibrating screen, sand trap, sludge recovery pump, centrifuge, decanter); clarification station (continuous settling tank, sludge tank, sludge pump, fat pit, clean oil tanks, vacuum pump, decanter, transfer oil pump); kernel station (ripple mill, destoner, nut polishing drum, cake breaker conveyor, fiber cyclone, hydrocyclone, kernel silo); power station (turbine, diesel generators, boilers, fibre shell conveyors, fuel distribution conveyor, feed water tank); water treatment station (clarifier tank, water tanks, sand filter, water pumps); POME station (circulation pump, land application pump).</p> <p>Record of maintenance in sterilizer station, cleaning strained compressor sterilizer No.1 on 04/06/2016; checked packing on 11/06/2016.</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.1.3</p> <p>Records of monitoring and any actions taken shall be maintained and available, as appropriate.</p> <p>- Minor compliance –</p>	<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>Muara Bulian Estate: Visiting Agent Report by Sinnaiha Ganapathy, dated 18-21/01/2016. A number of comments were made related to significant crop loss (weak supervision, delayed pruning), deteriorating field condition, flooding nursery, etc. Follow up evident: improve monitoring, coordinating with transport fleet, has been followed up, targeted 02/2016. Status done.</p> <p>"Research and Development Agronomic Visit Report" by Johnson Situmorang dated 27-28/04/2016; based on visit palm growth is good except in low-lying area, FFB application for 11 blocks, Rock phosphate fertilizer application is good, path is in fair condition, seedling growth generally good.</p> <p>Pest and Disease Visit Report No.KMB/R&D-P&D/01-2016 dated 27-28/04/2016 by David Sinambela; no infestation of ganoderma, rat attack with high intensity on 324 Ha.</p> <p>Mill: 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. Program preventive maintenance Muara Bulian POM</p> <p>Scheme Smallholders: KUD Barokah: "Produktivitas Bulanan TBS 2016" indicated FFB Productivity (ton/Ha): in 2013 the production 23,678 tons (productivity 19.25 tons/Ha); in 2014 the production 22,644 tons (productivity 18.41 tons/Ha); in 2015 the production 24,151 tons (productivity 19.63 tons/Ha); in 2016 the production up to 05/2016 at 6,478 tons (productivity 5.26 tons/Ha);</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.1.4	<p>The mill shall record the origins of all third-party sourced Fresh Fruit Bunches (FFB).</p> <p>- Major compliance -</p>	<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> <p>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, or independent smallholders. Base on monthly report PMKS Muara Bulian that the FFB acceptance period in May 2016, are:</p> <ol style="list-style-type: none"> 1. Inti: 9,584,244 Kg 2. TKD (Tanah Kas Desa): 570,700 Kg 3. Plasma Conversion: <ul style="list-style-type: none"> • KLM (Plasma): 33,426,267 Kg • TKD (Tanah Kas Desa) SP: 67,160 Kg • KCB (Koperasi Cipta Bersama): 1,462,074 Kg 4. Other third parties: 20,863,790 Kg 	Yes
<p>Criterion 4.2 Practices maintain soil fertility at, or where possible improve soil fertility to, a level that ensures optimal and sustained yield.</p>			
4.2.1	<p>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.</p> <p>- Minor compliance –</p>	<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. The company has established procedure soil fertility in "SOP AA-APM-OP-1100.09. R1" - SOP Pemupukan, consist of type and recommendation of fertilizer for immature and mature areas, cycle, dosage and when fertilizer is applied.</p> <p>To maintain soil fertility by placing palm frond above ground level (L shape) and empty bunch application.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.2.2	Records of fertiliser inputs shall be maintained. - Minor compliance –	<p>Estate: Fertilizer recommendation 2016 is available, prepared with consideration of foliar analysis result. Fertilizer application records 2016 are also available. Muara Bulian Estate: "Program/Realisasi Kerja Pemupukan Anorganik 2016" showing fertilizer recommendation and applied fertilizer 2016 Division III, block C91e; 74 Ha; 8,523 palms; programmed with ZA 1 kg per palms/total 14,916 kg – applied 14,916 kg in 02/2016; Rock Phospate 0.5 kg per palm/total 1,440 kg – applied 1,440 kg in 04/2016; MOP 1 kg per palm/total 2,880 kg – applied 2,880 kg in 04/2016; Field visit to block C91e on 23/06/2016, fertilizer application of Dolomite 2 kg per palm/total 2,880 kg in 05/2016.</p> <p>Scheme Smallholders: KUD Karya Bakti: Smallholder member number 1337 Ngatiran applied 16 sacks of ZA fertilizer and 14 sacks of MOP fertilizer, in semester 05/2016.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>4.2.3</p> <p>There shall be evidence of periodic tissue and soil sampling to monitor changes in nutrient status.</p> <p>- Minor compliance –</p>	<p>Estate: PT. Inti Indosawit Subur Muara Bulian provides evidence of soil analysis report Reference No.004/RD-INT/S/JAN/16 dated 21/01/2016 for 31 soil layer sampled from Muara Bulian Estate. The predominant soil classification found in Muara Bulian Estate was: Typic dystrochrepts, Typic kandiuults, Typic endoaquults.</p> <p>The soil samples were taken on 26/11/2015 from Muara Bulian Estate block A92d (soil classification: Typic dystrochrepts; material consist of siltstone, mudstone, tuffite; topography slope 15-30%; drainage good); block C91d (soil classification: Typic dystrochrepts; material consist of fine grained tephra, mudstone, siltstone; topography slope 15-30%; drainage good); block C91f (soil classification: Typic kandiuults; material consist of sandstone and siltstone; topography 8-15%; drainage good); block B92a (soil classification: Typic endoaquults; material consist of sandstone and siltstone; topography flat 0-8%; drainage good);</p> <p>Leaf analysis was done in 07/2015 by PT. Nusa Pusaka Kencana Analytical and QC Laboratory. Sample seen: Foliar Analysis Report Kebun Muara Bulian No.084/INT/R&D/JUL/L/15 from oil palm and rachis (date of sample received 01/06/2015). Foliar Analysis Report Kebun Muara Bulian No.084/INT/R&D/JUL/L/15 from 27+11 sampled oil palm and rachis (date of sample received 01/06/2015), dated 02/07/2015 – the report indicating N, P, K, Mg, Ca, B level.</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.2.4</p> <p>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.</p> <p>- Minor compliance –</p>	<p>Estate:</p> <p>POME application permitted as per “Keputusan Kepala Badan Penanaman Modal dan Pelayanan Perizinan Terpadu Kabupaten Batanghari No.503/01/IKPPLH/BPMPPT/2013 tentang Izin Pemanfaatan Air Limbah pada Tanah kepada Perkebunan PT. Inti Indosawit Subur”, dated 25/11/2013 and valid for three years. POME application was designated 200 ha for block B92c, block C91e, block C91f, block C91d, block C92a, block C93a and block C91c – only. The total POME applied in 2016 for total 10,427 lines, total length 39,505 meters, total capacity 35,026 m³.</p> <p>POME application recorded for block B92c, 86 Ha, 190 lines, flatbed 805 meters, with capacity 642 m³. Planning for month 01/2016, 642 m³ – implemented 532 m³; planning for month 04/2016, 642 m³ – implemented 640 m³. POME application for block C93a, 49 Ha, 2,570 lines, flatbed length 5,670 meters, with capacity 4,520 m³. Planning for application month 02/2016 was 2,260 m³ – implemented 608 m³; planning for month 05/2016 was for 2,260 m³ – implemented 202 m³.</p> <p>EFB application for Division II, block B91d; 77 Ha; 10,374 palms; planned 2,616 tons in 01/2016 – implemented 2,098 tons in 01/2016 and 199.95 tons in 02/2016.</p> <p>EFB application for Division III, block C91e; 99 Ha; 11,403 palms, planned 2,130 tons in 03/2016 – implemented 150.4 tons in 02/2016 and 2,153 tons in 03/2016, 2,010 tons in 04/2016.</p> <p>Scheme Smallholders: KUD Karya Bakti: Smallholder members applying frond stacking as soil nutrient, seen in smallholder block No.1337, 1336, 1382, 1305 and 1306.</p> <p>No smallholders applied EFB and effluent</p>	<p>Yes</p>
<p>Criterion 4.3 Practices minimise and control erosion and degradation of soils.</p>		

Criterion / Indicator		Assessment Findings	Compliance
4.3.1	<p>Maps of any fragile soils shall be available.</p> <p>- Major compliance -</p>	<p>Estate: Based on soil survey 2009 (28/04/2009 – 13/05/2009), it was noted no fragile soil (all mineral soil). Muara Bulian Estate demonstrates soil classification map, indicating the soil classification composed of Typic dystrochrepts, Typic Endoaquepts, Typic Kandiodults. The slope in the plantation, between 0-30%. Soil suitability analysis indicating the natural limitation in form of sandy texture, poor drainage, natural fertility, topography. The area of 563 Ha is not suitable with requirement due to slope more than 30%.</p> <p>Management for such area with terracing and application of empty fruit bunch.</p> <p>Scheme smallholder: PT Inti Indosawit Subur – Muara Bulian prepared soil map based on soil type map, as per AMDAL document. The soil type for smallholder area explains under “Peta Group Tanah dan Geologi”.</p>	Yes
4.3.2	<p>A management strategy shall be in place for plantings on slopes above a certain limit (this needs to be soil and climate specific).</p> <p>- Minor compliance –</p>	<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>Report for replanting showing no fire was used during replanting activity. Record stating felling, de-bolling and chipping with excavator for 71 Ha in 01-22/06/2016; planting ground cover crop 15 Ha, and creating drainage 2,827 meters.</p> <p>The 71 Ha oil palm plantation was fully re-shape with terrace contour.</p> <p>Scheme smallholder: Cooperative follows PT Inti Indosawit Subur’s procedure for land clearing stated that no land clearing should performed on area with slope >40%. The strategy implemented by cooperatives is frond stacking and maintain natural vegetation as cover crop. Specific for low-laying area, the strategy is to maintain cover crop, drainage ditch and frond stacking.</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 “Progres Perbaikan jalan in 2016”, consist of road maintenance in each Block, distance (Km), and actual road maintenance, e.g. road maintenance in January 2016 (660 meters), February 2016 (1,750 metres), March 2016 (0.00 metres), April 2016 (1,050 meters) and May 2016 1,310 meters)</p> <p>Based on field visit during audit, it was found that road condition is good and accessible all weather.</p> <p>Scheme Smallholders: Scheme Smallholders: KUDs have a program road maintenance in “Program Perbaikan jalan”</p> <p>Road maintenance program deducted from member’s 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	<p>A management strategy shall be in place for other fragile and problem soils (e.g. sandy, low organic matter, acid sulphate soils).</p> <p>- Minor compliance –</p>	N/A (all mineral soil)	Yes
<p>Criterion 4.4 Practices maintain the quality and availability of surface and ground water.</p>			
4.4.1	<p>An implemented water management plan shall be in place.</p> <p>- Minor compliance –</p>	<p>Estate, Mill 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.</p> <p>The company has conducted measurement of water quality regularly and consistent, the result shown that water quality is complies with national regulation.</p> <p>Monitoring of water quality in upstream – downstream Sengon river in November 2015 by UPT Laboratorium Lingkungan – BLH Prov. Sumatera Utara.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
4.4.2	<p>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.</p> <p>- Major compliance -</p>	<p>Estate: 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.</p> <p>There is a program 2016 planting along riparian zones with Angsana (<i>Pterocarpus indicus</i>), Sungkai (<i>Phemorena canescen</i>), Ketapang (<i>Terminalia catappa</i>), Rumput vetiver (<i>Vetivera zizannioides</i>), bambu (<i>Bambossa</i>); total 2,721 tress, total planted up to March 2016 is 186 trees.</p> <p>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.</p> <p>Scheme smallholder: No applied chemical along the river in members' area</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>4.4.3</p> <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>Mill: PMKS Muara Bulian has have permit temporary storage hazardous waste (<i>Ijin Penyimpanan Sementara B3</i>), based on decree of Kepala Badan Penanaman Modal dan Pelayanan Perizinan Terpadu Kabupaten Batang Hari no. 503/01/IKPPLH/BPMPPT/2013: about "<i>Izin Pemanfaatan Air Limbah Pada Tanah kepada Perkebunan PT Inti Indosawit Subur</i>", dated 25th November 2013 (valid until 3 years).</p> <p>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 January 2016 is 3620 mg/L, February 2016 is 1329 mg/L, March 2016 is 644 mg/L, April 2016 is 1209 mg/L.</p> <p>Liquid waste/effluent used in plantations PT IIS area of 200 hectares, in block B92c, C91e, C91f, C91d, C92a, C93a and block C91c. Measurement of monitoring wells have been made based on the Minutes Sampling on 6/18/2016, a sample taken at Afdeling III C91e blocks and blocks C91f, B32b (non-application) and housing. the result is still awaiting the results of laboratory analysis of the Regional Environmental BLHD Jambi Province.</p> <p>Monitoring harian LA tanggal 22 June 2016, debit yang masuk ke kolam penampungan LA: 7007 m3 dan yang dialirkan sebagai LA: 6.695</p> <p>Report on the implementation of solid waste land Application and PT Inti Indosawit Subur PMKS Muara Bulian period April 2016 to the Badan Lingkungan Hidup Kabupaten Batanghari:</p> <ul style="list-style-type: none"> - Average Debit waste: 358,58 m/days - pH: 7,46 - BOD: 1209 mg/ltrs. - COD: 1940 mg/ltrs. <p>Estate and Scheme Smallholders: Not Applicable</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
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>Mill</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 2015 and 2016”. 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 PMKS Muara Bulian”, 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, 2015 is 1,01 MT/tonnes FFB</p> <p>Water usage PMKS Muara Bulian per Mei 2016:</p> <ol style="list-style-type: none"> 1. Raw water intake: 154,090 m³ 2. Air Proses: 1.29 M³/Ton TBS 3. Air Domestic: 0.97 M³/Ton TBS 4. Total: 2,27 M³/Ton TBS <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>			
4.5.1	<p>Implementation of Integrated Pest Management (IPM) plans shall be monitored.</p> <p>- Major compliance -</p>	<p>Estate and Scheme Smallholders:</p> <p>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.</p> <p>“Program Sensus Hama Penyakit – 2016”, as early warning system to monitor pest and disease infestation.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Sampled record seen:</p> <p>"Sensus Serangan Tikus dan Tirathaba" indicating rat and tirathaba attack for month 03/2016 division I indicating 288 attacked palms (3.75%) from 7,676 palms – under economic threshold; division II indicating 321 attacked palms (4.18%) from 7,681 palms – under economic threshold; division III indicating 366 attacked palms (3.93%) from 9,305 palms – under economic threshold.</p> <p>"Serangan ganoderma dan pengendaliannya" indicating ganoderma infestation monitoring up to month 05/2016: Division I: 27 infested palms, 24 infested palms has been de-bolled; Division II: 30 infested palms, 30 infested palms has been de-bolled; Division III: 28 infested palms, 28 infested palms has been de-bolled.</p> <p>"Buku Inspeksi 06/2016" indicating presence of weed on plantation blocks. Example: On C91d, team indicated the need for path spraying, and VOP on 08/06/2016. Followed up by spraying the weed and VOP.</p> <p>"Pemeriksaan Kualitas Semprot Gawangan" – quality inspection for weed control/path spraying, block C91d; 94 Ha; spraying date 21/01/2016; inspection date 05/02/2016; result shows path not sprayed (nil), not clean (nil), conclusion spraying quality was good – in line with procedure.</p> <p>"Program dan Realisasi Host Plant 2016" indicates estate planning to plant <i>Cassia tora</i> and <i>Turnera subulata</i>. For example, in Division II, program to plant 100 seedlings each of <i>Cassia tora</i> and <i>Turnera subulata</i> in 04/2016; implemented 100 seedlings of <i>Cassia tora</i> and 85 seedlings of <i>Turnera subulata</i>. In Division III, program to plant 200 seedlings each of <i>Cassia tora</i> and <i>Turnera subulata</i> in 05/2016; implemented 185 seedlings of <i>Cassia tora</i> and 170 seedlings of <i>Turnera subulata</i>.</p> <p>Muara Bulian Estate, installed 77 barn owl boxes for 1,772 Ha planted area, equal to 24.29 Ha/unit coverage.</p>	

Criterion / Indicator	Assessment Findings	Compliance
	<p>Scheme smallholder: KUD Karya Lestari: "Program Pengendalian Hama Terpadu KUD Karya Lestari" including plan for monthly leaf eating pest census, plan for 2-monthly rat census, and plan for 2-monthly barn owl boxes census. "Formulir sensus hama tikus dan hama ulat daun", period 01-06/2016 for KT 65, KT 68, KT 73, KT 76. The census records show the rat and leaf eating caterpillar was under economic threshold. "Rekapitulasi Sensus Kandang Burung Hantu" barn owl box census period 01-05/2016 indicating 24 barn owl boxes (out of 30 boxes) were inhabited by barn owl in KUD Karya Lestari.</p> <p>KUD Barokah: "Program Penanaman Cassia tora dan Turnera subulata 2016" – planning for planting Turnera in KUD Barokah, in farmer group 97 planned for 27 planting points in 08/2016; in farmer group planned for 22 planting points in 03/2016 – not yet implemented. "Peta Kandang Burung Hantu" – barn owl boxes map, 32 units in KUD Barokah. "Sensus Hama Tikus dan Hama Ulat Daun" – April 2016 for farmer group 79 Gerak Tani indicated leaf eating caterpillar census under threshold; March 2016 for farmer group 97 Mekar Jaya indicated leaf eating caterpillar census under threshold.</p>	
4.5.2	<p>Training of those involved in IPM implementation shall be demonstrated. - Minor compliance –</p> <p>Estate and Scheme Smallholders: Integrated Pest Management Training provided to field officers in form of "Refresh SOP Hama Penyakit Terpadu" dated 21/05/2016 and attended by 31 personnel from Muara Bulian Estate.</p> <p>Scheme smallholder: KUD Karya Lestari: Training on integrated pest management "Pengendalian Hama Terpadu", dated 05/08/2015 attended by 25 farmer members. Interviewed smallholder member, Mr. Ngatiran KT 64, Mr. Legiman KT73, participated in the training. The training explains pest and disease identification, method of control, etc.</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
<p>4.6.1</p>	<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 smallholder: "Daftar Pestisida yang Terdaftar dan Diizinkan Tahun 2016", Kenlon 480 EC (Triklampir), Elang 480 SL (Isopropil Amina Glifosat), Kenrane 288 EC (Trifluoroksipir), Gramoxone (Paraquat diklorida), Metsulindo 24 WP (Metil metsulfuron).</p>	<p>Yes</p>

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. Record of pesticides used in Muara Bulian Estate 2015</p> <table border="1"> <thead> <tr> <th>Chemical</th> <th>Active ingredient</th> <th>Application 20 (liter or kg)</th> <th>A.i. used</th> <th>a.i per Ha applied (1,780 Ha)</th> <th>a.i. per production (43,377 tons)</th> </tr> </thead> <tbody> <tr> <td>Metsulindo 20 WP</td> <td>Metil metsulfuron 20%</td> <td>138 kg</td> <td>27,600 gr</td> <td>15.50 gram/Ha</td> <td>0.636 gram/ton</td> </tr> <tr> <td>Gramoxone</td> <td>Ion paraquat 276 g/l</td> <td>368 liters</td> <td>101,568 gr</td> <td>57.060 gram/Ha</td> <td>2.34 gram/ton</td> </tr> <tr> <td>Kenrane 288 EC</td> <td>Fluoroksipir 288gr/l</td> <td>273 liters</td> <td>78,624 gr</td> <td>44.170 gram/Ha</td> <td>1.812 gram/ton</td> </tr> <tr> <td>Kenlon</td> <td>Trichlophyr 480 g/l</td> <td>18 liters</td> <td>8,640 gr</td> <td>4.853 gram/Ha</td> <td>0.199 gram/ton</td> </tr> <tr> <td>Elang 480 SL</td> <td>Isopropyl amina glifosat 480 g/l</td> <td>1,327 liters</td> <td>636,960 gr</td> <td>357.842 gram/Ha</td> <td>14.684 gram/ton</td> </tr> <tr> <td>Bionasa</td> <td>Isopropil amina glifosat 480 g/l</td> <td>93 liters</td> <td>44,640 gr</td> <td>25.078 gram/Ha</td> <td>1.029 gram/ton</td> </tr> </tbody> </table>						Chemical	Active ingredient	Application 20 (liter or kg)	A.i. used	a.i per Ha applied (1,780 Ha)	a.i. per production (43,377 tons)	Metsulindo 20 WP	Metil metsulfuron 20%	138 kg	27,600 gr	15.50 gram/Ha	0.636 gram/ton	Gramoxone	Ion paraquat 276 g/l	368 liters	101,568 gr	57.060 gram/Ha	2.34 gram/ton	Kenrane 288 EC	Fluoroksipir 288gr/l	273 liters	78,624 gr	44.170 gram/Ha	1.812 gram/ton	Kenlon	Trichlophyr 480 g/l	18 liters	8,640 gr	4.853 gram/Ha	0.199 gram/ton	Elang 480 SL	Isopropyl amina glifosat 480 g/l	1,327 liters	636,960 gr	357.842 gram/Ha	14.684 gram/ton	Bionasa	Isopropil amina glifosat 480 g/l	93 liters	44,640 gr	25.078 gram/Ha	1.029 gram/ton	Yes
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Criterion / Indicator		Assessment Findings					Compliance
		Record of pesticides used in Muara Bulian Estate 05/2016					
		Chemical	Active ingredient	Application 05/2016 (liter or kg)	A.i. used	a.i per Ha applied (1,780 Ha)	a.i. per production (9,550 tons)
		Metsulindo 20 WP	Metil metsulfuron 20%	86 kg	17.2 gr	0.0096gram/Ha	0.0018 gram/ton
		Gramoxone	Ion paraquat 276 g/l	337 liters	93,012 gr	52.253gram/Ha	9.739 gram/ton
		Kenrane 288 EC	Fluoroksipir 288gr/l	244 liters	70,272 gr	39.478gram/Ha	7.358 gram/ton
		Kenlon	Trichlophyr 480 g/l	17 liters	8,160 gr	4.584 gram/Ha	0.854 gram/ton
		Elang 480 SL	Isopropyl amina glifosat 480 g/l	810 liters	388,800 gr	218.4 gram/Ha	40.71 gram/ton

Criterion / Indicator	Assessment Findings	Compliance																																																												
	<p>Scheme Smallholders: Scheme manager and its cooperatives maintained record of pesticide use for each KUD. Review Record of "Program & Realisasi Kerja Tahun 2016" showed actual pesticide use for each KT and volume for each of type of pesticide.</p> <p>KUD Karya Lestari 2015</p> <table border="1" data-bbox="752 587 1850 786"> <thead> <tr> <th>Chemical</th> <th>Active ingredient</th> <th>Application 2015 (liter)</th> <th>A.i. used</th> <th>a.i per Ha applied (556 Ha)</th> </tr> </thead> <tbody> <tr> <td>Metsulindo 20 WP</td> <td>Metil metsulfuron 20%</td> <td>121.8 liters</td> <td>24.36 gr</td> <td>0.0438 gram/Ha</td> </tr> <tr> <td>Gramoxone</td> <td>Ion paraquat 276g/l</td> <td>313 liters</td> <td>93,564 gr</td> <td>168.28 gram/Ha</td> </tr> </tbody> </table> <table border="1" data-bbox="752 786 1850 986"> <thead> <tr> <th>Chemical</th> <th>Active ingredient</th> <th>Application 2015 (liter)</th> <th>A.i. used</th> <th>a.i per Ha applied (1,743 Ha)</th> </tr> </thead> <tbody> <tr> <td>Bionasa</td> <td>Isopropil amina glifosat 480 g/l</td> <td>653.59 liters</td> <td>313,771 gr</td> <td>180 gram/Ha</td> </tr> <tr> <td>Kenrane</td> <td>Fluoroksipir 288gr/l</td> <td>128.83 liters</td> <td>37,103 gr</td> <td>21.28 gram/Ha</td> </tr> </tbody> </table> <p>KUD Karya Lestari 2016</p> <table border="1" data-bbox="752 1050 1850 1217"> <thead> <tr> <th>Chemical</th> <th>Active ingredient</th> <th>Application 2016 (liter or kg)</th> <th>A.i. used</th> <th>a.i per Ha applied (195 Ha)</th> </tr> </thead> <tbody> <tr> <td>Glyphosate</td> <td>Glyphosate</td> <td>109.57 liters</td> <td>21.91 gr</td> <td>0.112 gram/Ha</td> </tr> <tr> <td>Gramoxone</td> <td>Ion paraquat 276 g/l</td> <td>115 liters</td> <td>32,844 gr</td> <td>168.43 gram/Ha</td> </tr> </tbody> </table> <table border="1" data-bbox="752 1217 1850 1380"> <thead> <tr> <th>Chemical</th> <th>Active ingredient</th> <th>Application 2015 (liter)</th> <th>A.i. used</th> <th>a.i per Ha applied (222 Ha)</th> </tr> </thead> <tbody> <tr> <td>Bionasa</td> <td>Isopropil amina glifosat 480 g/l</td> <td>83.25 liters</td> <td>39,960 gr</td> <td>180 gram/Ha</td> </tr> <tr> <td>Kenrane</td> <td>Fluoroksipir 288gr/l</td> <td>16.41 liters</td> <td>4,726 gr</td> <td>21.28 gram/Ha</td> </tr> </tbody> </table>	Chemical	Active ingredient	Application 2015 (liter)	A.i. used	a.i per Ha applied (556 Ha)	Metsulindo 20 WP	Metil metsulfuron 20%	121.8 liters	24.36 gr	0.0438 gram/Ha	Gramoxone	Ion paraquat 276g/l	313 liters	93,564 gr	168.28 gram/Ha	Chemical	Active ingredient	Application 2015 (liter)	A.i. used	a.i per Ha applied (1,743 Ha)	Bionasa	Isopropil amina glifosat 480 g/l	653.59 liters	313,771 gr	180 gram/Ha	Kenrane	Fluoroksipir 288gr/l	128.83 liters	37,103 gr	21.28 gram/Ha	Chemical	Active ingredient	Application 2016 (liter or kg)	A.i. used	a.i per Ha applied (195 Ha)	Glyphosate	Glyphosate	109.57 liters	21.91 gr	0.112 gram/Ha	Gramoxone	Ion paraquat 276 g/l	115 liters	32,844 gr	168.43 gram/Ha	Chemical	Active ingredient	Application 2015 (liter)	A.i. used	a.i per Ha applied (222 Ha)	Bionasa	Isopropil amina glifosat 480 g/l	83.25 liters	39,960 gr	180 gram/Ha	Kenrane	Fluoroksipir 288gr/l	16.41 liters	4,726 gr	21.28 gram/Ha	
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Criterion / Indicator	Assessment Findings						Compliance
	KUD Barokah 2015						
	Chemical	Active ingredient	Application 2015 (liter or kg)	A.i. used	a.i per Ha applied (568 Ha)	a.i. per production (24,150 tons)	
	Metsulindo 20 WP	Metil metsulfuron 20%	63.90 kg	12.78 gr	2.31 gram/Ha	0.000529 gram/ton	
	Gramoxone	Ion paraquat 276 g/l	339 liters	93,564 gr	0.01 gram/Ha	3.874 gram/ton	
	Chemical	Active ingredient	Application 2015 (liter or kg)	A.i. used	a.i per Ha applied (1034 Ha)	a.i. per production (24,150 tons)	
	Bionasa	Isopropil amina glifosat 480 g/l	489 liters	234,720 gr	180 gram/Ha	9.718 gram/ton	
	Kenrane	Fluoroksipir 288gr/l	96,37 liters	27,754 gr	21.28 gram/Ha	1.149 gram/ton	
	KUD Barokah 2016						
	Chemical	Active ingredient	Application 2016 (liter or kg)	A.i. used	a.i per Ha applied (288 Ha)	a.i. per production (6,478 tons)	
	Metsulindo 20 WP	Metil metsulfuron 20%	32,4 kg	6,48 gr	0,0225 gram/Ha	0.00100 gram/ton	
	Gramoxone	Ion paraquat 276 g/l	186 liters	51,336 gr	178.25 gram/Ha	7.924 gram/ton	
	Chemical	Active ingredient	Application 2016 (liter or kg)	A.i. used	a.i per Ha applied (358 Ha)	a.i. per production (6,478 tons)	
	Bionasa	Isopropil amina glifosat 480 g/l	134.25 liters	54,440 gr	180 gram/Ha	9.947 gram/ton	
	Kenrane	Fluoroksipir 288gr/l	26,46 liters	7620.4 gr	21.286 gram/Ha	1.176 gram/ton	

Criterion / Indicator	Assessment Findings	Compliance																								
<p>4.6.3</p> <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> <p>Muara Bulian Estate: There is no use of prophylactic use of pesticides.</p> <p>Smallholder: KUD Barokah: There is no use of prophylactic use of pesticides. Planning for herbicide use 2015 & 2016:</p> <table border="1" data-bbox="752 815 1429 1018"> <thead> <tr> <th></th> <th>2015 (liters)</th> <th>2016 (liters)</th> </tr> </thead> <tbody> <tr> <td>Metil Metsulfuron</td> <td>279 liters</td> <td>140 liters</td> </tr> <tr> <td>Paraquat</td> <td>2,790 liters</td> <td>1402 liters</td> </tr> <tr> <td>Glyphosate</td> <td>930 liters</td> <td>930 liters</td> </tr> <tr> <td>Fluoroksipir</td> <td>183.28 liters</td> <td>183.28 liters</td> </tr> </tbody> </table> <p>KUD Karya Lestari There is no use of prophylactic use of pesticides. Planning for herbicide use 2015 & 2016:</p> <table border="1" data-bbox="752 1147 1395 1248"> <thead> <tr> <th></th> <th>2015 (liters)</th> <th>2016 (liters)</th> </tr> </thead> <tbody> <tr> <td>Glyphosate</td> <td>1248.5 liters</td> <td>525 liters</td> </tr> <tr> <td>Fluoroksipir</td> <td>246.06 liters</td> <td>103 liters</td> </tr> </tbody> </table>		2015 (liters)	2016 (liters)	Metil Metsulfuron	279 liters	140 liters	Paraquat	2,790 liters	1402 liters	Glyphosate	930 liters	930 liters	Fluoroksipir	183.28 liters	183.28 liters		2015 (liters)	2016 (liters)	Glyphosate	1248.5 liters	525 liters	Fluoroksipir	246.06 liters	103 liters	<p>Yes</p>
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Criterion / Indicator	Assessment Findings	Compliance												
<p>4.6.4</p> <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:</p> <p>Muara Bulian Estate: The use of paraquat decrease in 2012 into 2013, slightly increased due to infestation in 2014 and further increase in 2015.</p> <p>NC Minor: Company was not able to demonstrate the use of paraquat minimized and eliminated as part of a plan. The use of paraquat in 2013 was 260.55 liters, in 2014 was 291 liters, in 2015 was 368 liters – increased over time. In addition, the budget for paraquat use 2016 sets at 1,690 liters – increased compare to budget in 2015 as much as 1,359 liters.</p> <table border="1" data-bbox="752 751 1274 986"> <thead> <tr> <th>Year</th> <th>Use of paraquat</th> </tr> </thead> <tbody> <tr> <td>2012</td> <td>932 liters</td> </tr> <tr> <td>2013</td> <td>260.55 liters</td> </tr> <tr> <td>2014</td> <td>291 liters</td> </tr> <tr> <td>2015</td> <td>368 liters</td> </tr> <tr> <td>2016 (as of 05/2016)</td> <td>337 liters</td> </tr> </tbody> </table> <p>Scheme smallholder:</p> <p>KUD Karya Lestari: The use of paraquat in cooperative, decrease overtime: 973 liters in 2014; 579 liters in 2015; 313 liters in 2015 and 115 liters up to 05/2016.</p> <p>KUD Barokah: The use of paraquat in KUD Barokah decrease: 339 liters in 2015 decrease into 186 liters in 2016. The planning for use of paraquat was also decrease: budgeted 1,248 liters in 2015, declined into 525 liters in 2016.</p>	Year	Use of paraquat	2012	932 liters	2013	260.55 liters	2014	291 liters	2015	368 liters	2016 (as of 05/2016)	337 liters	<p>No</p>
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Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.5</p> <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;</p> <p>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>MSDS available in Muara Bulian Estate’s chemical store. Chemical storekeeper understood the critical control based on MSDS. The Personal Protective Equipment was provided in accordance to MSDS information.</p> <p>Estate:</p> <p>“Pelatihan Pesticida Terbatas” provided by company and “Komisi Pengawas Pupuk dan Pesticida” for spraying team performing herbicide spraying in company-owned plantation, sampled: Mrs.Marlina, Mrs.Samriana, Mrs.Ritasih – certificate No.09/KP3/VII/2015, valid until 26/08/2020; Mrs.Patmawati, Mrs.Sarmini Mrs.Nuraini – certificate No.16/KP3/XII/2015, valid until 22/12/2020.</p> <p>Smallholders:</p> <p>Application of herbicide for scheme smallholders managed under the company. KUD Karya Lestari and KUD Barokah: “Pelatihan Pesticida Terbatas” provided by company and “Komisi Pengawas Pupuk dan Pesticida” for spraying team performing herbicide spraying in scheme smallholder plantation, sampled: Mrs.Maina, Mrs.Rusmawati, Mrs.Nazmiah, Mrs.Nuraini – certificate No.16/KP3/XII/2015, valid until 22/12/2020.</p>	<p>Yes</p>

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>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.6.7	<p>Application of pesticides shall be by proven methods that minimise risk and impacts.</p> <p>- Minor compliance –</p>	<p>Estate: “Pelatihan Pestisida Terbatas” provided by company and “Komisi Pengawas Pupuk dan Pestisida” for spraying team performing herbicide spraying in company-owned plantation, sampled: Mrs.Marlina, Mrs.Samriana, Mrs.Ritasih – certificate No.09/KP3/VII/2015, valid until 26/08/2020; Mrs.Patmawati, Mrs.Sarmini Mrs.Nuraini – certificate No.16/KP3/XII/2015, valid until 22/12/2020.</p> <p>Smallholder: KUD Karya Lestari: Based on field visit to KUD Karya Lestari, KT 64 no indication of blanket spraying on oil palm plantation. There is no farmer member performing weed spraying individually. The weed control performed by spraying team, coordinated-trained and equipped by company.</p> <p>“Pelatihan Pestisida Terbatas” provided by company and “Komisi Pengawas Pupuk dan Pestisida” for spraying team performing herbicide spraying in scheme smallholder plantation, sampled: Mrs.Maina, Mrs.Rusmawati, Mrs.Nazmiah, Mrs.Nuraini – certificate No.16/KP3/XII/2015, valid until 22/12/2020.</p> <p>Based on field visit, into sampled scheme smallholder cooperatives, audit team found sampled smallholder members using service from Team Unit Semprot – spraying team, under supervision of PT. Inti Indosawit Subur – Muara Bulian. No sign of blanket spraying, no sign of smallholder member spraying herbicide themselves. During interview with sampled smallholder members, knowledge and understanding on agrochemical use, are improving.</p>	Yes
4.6.8	<p>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.</p> <p>5. Major compliance -</p>	<p>Estate and Scheme smallholders: Company does not apply any pesticide through aerial application, for company-owned estate and scheme smallholder plantation.</p>	Yes

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.9</p> <p>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).</p> <p>- Minor 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>Estate: “Pelatihan Pesticida Terbatas” provided by company and “Komisi Pengawas Pupuk dan Pesticida” for spraying team performing herbicide spraying in company-owned plantation, sampled: Mrs.Marlina, Mrs.Samriana, Mrs.Ritasih – certificate No.09/KP3/VII/2015, valid until 26/08/2020; Mrs.Patmawati, Mrs.Sarmini Mrs.Nuraini – certificate No.16/KP3/XII/2015, valid until 22/12/2020.</p> <p>Smallholders: KUD Karya Lestari and KUD Barokah: “Pelatihan Pesticida Terbatas” provided by company and “Komisi Pengawas Pupuk dan Pesticida” for spraying team performing herbicide spraying in scheme smallholder plantation, sampled: Mrs.Maina, Mrs.Rusmawati, Mrs.Nazmiah, Mrs.Nuraini – certificate No.16/KP3/XII/2015, valid until 22/12/2020.</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.6.10</p> <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:</p> <p>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). 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. Shali Riau Lestari.</p> <p>PT. Inti Indosawit Subur Muara Bulian collects all hazardous waste from estate into temporary hazardous waste storage in workshop compound. The temporary hazardous waste storage Muara Bulian Estate has valid permit, "Keputusan Kepala Badan Penanaman Midal dan pelayana Perizinan Terpadu Kabupaten Batanghari No.503/03/IPPL-B3/BPMPPT/2014 tentang Izin Penyimpanan Sementara Limbah Bahan Berbahaya dan Beracun (B3) kepada PT. Inti Indosawit Subur" dated 27/08/2014, valid for 5 years. The permit covers used oil, used filter, used battery, used lamp, ex chemical container, used electronic, hand gloves, contaminated goods, ex laboratory analysis waste, used paint can.</p> <p>PT. Inti Indosawit Subur Muara Bulian has an agreement in transporting the hazardous waste with contractor: "Perjanjian Kerjasama antara PT. Inti Indosawit Subur dengan PT. Shali Riau Lestari No.059/SRL-PKU/MOU/II/2016 dated 09/02/2016; valid up to 22/02/2017. The type of hazardous waste to be transported: used oil, used battery, old lamps, used chemical container, contaminated waste and used filter. The contractor holds valid permit: "Keputusan Menteri Negara Lingkungan Hidup No.237 tahun 2011 tentang Izin Pengumpulan Limbah Bahan Beracun PT Shali Riau Lestari" dated 08/11/2011 valid for 5 years; "Surat Kementerian Lingkungan Hidup No.B.5179/Dep.IV/LH/PDAL/05/2014 tentang Rekomendasi Pengangkutan Limbah Bahan Berbahaya dan Beracun kepada Direktorat Jenderal Perhubungan Darat Kementerian Perhubungan RI" dated 08/05/2014, valid for 5 years.</p> <p>PT. Inti Indosawit Subur Muara Bulian reported the hazardous waste management to Assisten Deputi Urusan Administrasi Pengendalian Limbah B3 Kementerian Lingkungan Hidup RI, PPE Sumatera, Kepala Kantor Badan Lingkungan Hidup Provinsi Jambi, Kepala Badan Lingkungan Hidup Kabupaten Batanghari under "Laporan Pelaksanaan Penyimpanan Limbah B3 PT Inti Indosawit Subur (Jambi) period 01-03/2016 No.06/IIS-KMB/Ext/05/2016" dated 23/05/2016.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
4.6.11	<p>Specific annual medical surveillance for pesticide operators, and documented action to treat related health conditions, shall be demonstrated.</p> <p>6. Major compliance -</p>	<p>Estate and Scheme smallholders: Medical check-up was provided for sprayer and fertilizer applicator including blood chemical, hematology analysis, and urine analysis. Sample taken from interviewed workers: Sprayer: Medical check-up 14/04/2016 for Selpina, Samriana, Ritasih, Marlina; Chemical store: dated 14/04/2016 for Bujang; Fertilizer: Medical check-up dated 14/04/2016 for Evi Susilowati, Fatmawati, Sarmini. Medical surveillance result signed on 21/05/2016; and communicated onto 7 workers with specific symptoms by company doctor, dr.Yudi Chandra dated 16/06/2016.</p> <p>Scheme smallholders: The weed control in smallholder’s block is performed by spraying team, controlled and monitored by company. Sampled: Mrs. Nurmelis, Mrs. Nurlina, Mrs.Yaminah, Mrs.Tarti received medical check-up on 14/04/2016. The medical check-up was provided for sprayer team including blood chemical, hematology analysis, and urine analysis.</p>	Yes
4.6.12	<p>No work with pesticides shall be undertaken by pregnant or breast-feeding women.</p> <p>7. 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> <p>In addition, pregnancy tests were provided on monthly basis for sprayer and fertilizer applicator. Based on worker interview subjects, document review found pregnancy test from 01/2016 – 06/2016 were provided for sprayers: Ritasih, Marlina, Samriana; fertilizer: Sarmini, Evi Susilowati, Fatmawati on 04/01/2016, 05/02/2016, 04/03/2016 and 06/06/2016.</p> <p>Scheme smallholder: KUD Karya Lestari and KUD Barokah The weed control performed by spraying team. The pregnancy test provided for female sprayer team Mrs.Maina, Mrs.Rusmawati, Mrs.Nazmiah, Mrs. Nuraini.</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>		

Criterion / Indicator	Assessment Findings	Compliance
<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.</p> <p>- Major compliance -</p>	<p>Estate, Scheme smallholders and Mill:</p> <p>An Occupational Health and Safety Policy has been established and in place, issued and signed by the Managing Director dated 01/12/2014. Point 3. Committed to implement and maintain occupational health and safety management system in compliance with national and international applicable regulation. Point 5. Integrating social, environmental, food security, occupational health and safety issues into operational activities, adopting best technology available, and maintain trained manpower, with skills, and motivated to improve performance through continuous improvement program.</p> <p>Health and Safety Procedures are available. Sampled: "Standard Operating Procedure Alat Pelindung Diri" on personal protective equipment No.AA-SOP-OP-101.3-R0 dated 14/08/2013. "Prosedur Pengendalian Kebakaran di Pabrik, Kantor dan perumahan" for fire mitigation No.AA-KL-15-EP dated 01/12/2010.</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 negligible.</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 "Program Manajemen K3 Muara Bulian 2016". Program in form of emergency response training, clinic legality aspects, monitoring of hydrants/fire extinguishers, implementing fire drill, regular safety briefing.</p> <p>Health and safety inspection period 01-05/2016, demonstrating the health and safety aspects for provision of personal protective equipments, fire extinguishers and fire hydrants also first aid kit in location housing, workshop, warehouse, estate office, clinic.</p> <p>Communication on PPE usage for 15 workers dated 16/02/2016. Communication on the use of PPE for harvester attended by 26 harvesters dated 06/03/2016.</p> <p>Daftar Periksa Alat Pelindung Diri – daily PPE usage inspection period 04-05/2016 for 7 harvesters in Division III. All harvesters using PPE such as helmet, goggle, gumboot and sickle covers. Pemberian Alat APD Division I, provision of helmet dated 13/08/2015 for 13 harvesters.</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.2 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: 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> <p>Estate: Risk assessment latest review dated 10/01/2016. The risk assessment has covered activities such as harvesting, palm upkeep, fertilizer application, office activities, housing activities.</p> <p>Observation: Latest review upon risk assessment dated 10/01/2016. The risk assessment has covered activities such as harvesting, palm upkeep, fertilizer application, office activities, housing activities. Health and safety team needs to consider data from accident investigation record in risk assessment update, risk level accuracy needs to improve. Example: 12 accident cases related to fallen frond onto harvester recorded in 2016; however, the frequency level 3 (once in 5 years) instead of level 5 (occurred over time) – causing risk assessment not accurate.</p> <p>Mill: 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> <p>The company has provided PPE to some of contractor workers for loading-unloading FFB contractor workers in Mill, e.g. as "Berita Acara Serah terima APD" on 08/05/2016.</p>	<p>No</p>

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 and Mill:</p> <p>Communication on PPE usage for 15 workers dated 16/02/2016. Communication on the use of PPE for harvester attended by 26 harvesters dated 06/03/2016.</p> <p>Daftar Periksa Alat Pelindung Diri – daily PPE usage inspection period 04-05/2016 for 7 harvesters in Division III. All harvesters using PPE such as helmet, goggle, gumboot and sickle covers. Pemberian Alat APD Division I, provision of helmet dated 13/08/2015 for 13 harvesters.</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 spraying 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. Mr. Ipong Saragih (Operator Pesawat Angkat dan Angkut) no. 11.11988-OPK3-PAA/XI/2011 valid until 28th October 2016</p> <p>Based on interview with herbicide spraying team, they reveal the goggle quality have been improved greatly. The goggle specification provided recently are more comfortable for operational use.</p> <p>Scheme smallholders:</p> <p>Based on observation during filed visit, the workers who are worked in plantation wear PPE which supply by members.</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.4</p> <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>Estate: Mr.Adek Setiawan, certified No.Ser.13.12386/AK3/U/V/2015 dated 08/05/2015 and appointed as safety officer as per Keputusan Menteri Ketenagakerjaan RI No.KEP.12781/M-DJPPK/V/2015 tentang Penunjukan Keselamatan dan Kesehatan Kerja Umum Menteri Ketenagakerjaan RI dated 08/05/2015 – valid for three (3) years. Health and Safety Committee approved by manpower office, as per "Surat Keputusan Kepala Dinas Sosial Tenaga Kerja Kabupaten Batanghari No.568/334/DISOSNAKERTRANS tentang Pengesahan Susunan Keanggotaan Panitia Pembinaan Keselamatan dan Kesehatan Kerja (P2K3) di PT. Inti Indosawit Subur Unit Kebun Muara Bulian" dated 16/06/2016. Health and safety committee structure is valid.</p> <p>Health and Safety performance reported in "Laporan Triwulan P2K3 Kebun Muara Bulian" period 01-03/2016. The report explains the manpower details, health and safety objective and target, health and safety program, incident report period 01-03/2016.</p> <p>Health and Safety meeting Muara Bulian Estate carried out dated 15/01/2016 attended by 11 officers discussing health and safety program, performance and work accident; Dated 10/02/2016 attended by 11 officers; and dated 22/03/2016 reviewing health and safety performance period 01-03/2016; accident reports; PPE provision, MSDS for chemical, etc.</p> <p>Mill: The responsible person of OHS is documented in organizational chart Panitai Pembina Kesehatan dan keselamatan kerja (P2K3). Meeting between company and P2K3 members is conducted regularly, last report on period January – Maret 2016 and has been send to Dinsosnakertrans on Juni 2016.</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. e.g: - 5 April 2016, review nearmiss report and program management K3 - 4 February 2016, Review Struktur Organisasi P2K3, parameter Kinerja K3 dan Gemba 6S.</p> <p>Terdapat perubahan sturktur organisasi P2K3 termasuk pergantian ahli K3 dari Pak Ukui Goasah diganti oleh Jennis F. Hutajulu per bulan Maret 2016, perubahan tersebut telah disahkan oleh DISNAKERTRANS, berdasarkan surat keputusan Kepala Dinas Sosial Tenaga Kerja dan Transmigrasi Kabupaten Batanghari no. 568/336/DISNAKERTRANS, dated 24 June 2016.</p> <p>Penggunaan APD e.g sarung tangan, sepatu safety dan helm juga telah dilakukan pada kontraktor perbaikan mesin Flott Decamber pada tanggal 16 May 2016 atas nama PT Numalos Abadi, sesuai</p>	<p>Yes</p>

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>Accident 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>Muara Bulian Estate:</p> <p>Emergency response procedures are communicated and available in notice board in site, during interviewed with workers, it was observed that workers do understood the emergency and accident procedures. Emergency contact also available in various sites within estate.</p> <p>Assigned trained in First Aid sighted present with First Aid Kit available on the field (mandores) for harvesting activity, weed spraying activity and fertillier application. Mrs. Lilis Anggraeni Simanjuntak trained as first aider on 05/03/2014 with certificate and appointed as licensed first aider by Manpower office "Lisensi Petugas P3K di Tempat Kerja No.002/P3K/VIII/2014 dated 04/08/2014 – valid until 04/08/2017.</p> <p>There were 5 hydrant points in Muara Bulian POM, connected to water pump for fire-fighting. Hydrants are monitored and found in good condition.</p> <p>NC Minor:</p> <p>First aid equipment made available at various worksites, some brought along with trained officer (field supervisor).</p> <p>However, during field visit and interview with workers, audit team found:</p> <ol style="list-style-type: none"> 1. The first aid kit available with spraying team, harvesting team and chemical warehouse were not complete. 2. Found expired medicine inside first aid kit available with fertilizer application team. 3. The record for the use of first aid kit was not available with the first aider. 	<p>No</p>

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Criterion / Indicator	Assessment Findings	Compliance
	<p>Mill: 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. Example: dated 21/8/2015 attended by 18 employees by dr. Hamid Akmal.</p> <p>Records of accidents were found well-kept and presented to the board during the monthly notice board. Accident record is recorded "Rekaman Kecelakaan Kerja". There is no fatality in 2016. The recording workplace accidents in the period from January to March 2016:</p> <ol style="list-style-type: none"> 1. Fatality: 0 2. Medical aid: 0 3. First aid: 0 4. Near miss: 6 <p>The company has evaluated the accident and updated HIRDC to prevent repetition accident.</p> <p>Scheme smallholders: Emergency response procedures recorded in the document "Bukti telah Memahami dan Melaksanakan Tindakan Darurat".</p> <p>KUD Karya Lesstari: Records of accidents that occurred in KUD Karya Lestari:</p> <ul style="list-style-type: none"> - July 2015: as many as four cases are: crushed midrib (2), in contact with thorns, contact gancu - In August, 2015: 3 cases, namely: exposed spines - The month of September 2015: 2 cases, namely: crushed frond and contact with thorns. <p>Example: Date 14/09/2015, harvesters in the name of Rd getting injury, actions taken are given medication through Puskesmas (<i>Village Clinic</i>).</p> <p>KUD Barokah Records of accidents that occurred in KUD Barokah on 2015:</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 BPJS Ketenagakerjaan/Kesehatan in "Bukti Transfer Bank", e.g. Payment BPJS Ketenagakerjaan in March 2016 is Rp. 20,535,708 for 156 workers permanent workers and 138 PHL (Temporary workers), BPJS Kesehatan in March 2016 is Rp. 20,307,625 for 208 workers (included temporary workers).</p> <p>Evidence PHL has registered BPJS Ketenagakerjaan dan BPJS kesehatan, e.g. Marlina Harahap (BPJS Kesehatan register number 0001829903106) and Ritasih (No. 0001829907549).</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

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Criterion / Indicator	Assessment Findings	Compliance
<p>4.7.7 Occupational injuries shall be recorded using Lost Time Accident (LTA) metrics. - Minor compliance –</p>	<p>Estate: 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 01-05/2016, as follows: <ul style="list-style-type: none"> - Fatality: 0 (nil) - Permanent disable: 0 (nil) - Lost Time Incident: 0 (nil) - Fire: 0 (nil) - Properties Damage: 0 times - Medical aid: 6 cases - First aid: 10 cases 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>Mill: Muara Bulian Mill 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"> e. 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. f. Incident Report; contains summary dari incident log, recaped every month. The incident report for January – May 2016, as follows: <ul style="list-style-type: none"> - Fatality: 0 - Permanent disable: 0 (nil) - Lost Time Incident: 0 (nil) - Fire: 0 (nil) - Properties Damage: 0 (nil) - Medical aid: 0 (nil) - First aid: 0 (nil) - Near miss: 6 times g. Nearmiss Log; contains names, areas, dates, reporter, incident description, causes, categories, preventive actions, PIC, targets and prevetive actions status. 	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
Criterion 4.8 All staff, workers, smallholders and contract workers are appropriately trained.		
4.8.1 - Major compliance -	<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>The company has its own training institution assigned to arrange its training programmes. The training is created annually.</p> <p>Training program in 2016, consist of:</p> <ol style="list-style-type: none"> 1. Persiapan replanting (Preparing replanting) 2. Mutu panen (FFB quality). 3. Pengendalian Gulma dengan TUS (Weeding control). 4. Basic Fire. 5. Refresh RSPO, ISCC, ISPO. 6. HCV 7. First Aid. 8. Kesehatan dan keselamatan kerja (OHS) 9. Penggunaan Pestisida Terbatas (Limited pesticides) 10. Ekonomi Alternatif Persiapan Replanting (Alternative Economy for replanting) 11. Pengendalian hama terpadu (IPM). 12. Perawatan jalan dan Prasarana jalan (Road maintenance). 13. Pemupukan Berimbang (Fertilizing). 14. Panen dengan APD (PPE in Harvesting activity) 	Yes

Criterion / Indicator	Assessment Findings	Compliance
	<p>Actual training 2015 in KUD Karya Lestari:</p> <ol style="list-style-type: none"> 1. OHS training was conducted on 07/05/2015, attended 19 members. 2. Konservasi Tanah dan Air was conducted on 20/08/2015; attended 21 members. 3. Pelatihan Pestisida terbatas was conducted on 22/12/2015, attended 28 members. 4. First Aid was conducted on 14/04/2015; attended 23 members. 5. Pengendalian Gulma was conducted on 18/05/2015; attended 28 members. 6. Pelatihan perawatan Jalan was conducted on 17/02/2015; attended 35 members. 7. Pengendalian hama terpadu was conducted on 05/08/2015; attended 26 members. 8. Pemupukan was conducted on 05/11/2015; attended 26 members. 9. Basic fire was conducted on 10/06/2015; attended 25 members. 10. Refresh RSPO was conducted on 10/07/2015; attended 24 members. <p>Progress training in 2016 in KUD Karya Lestari: Sosialisasi replanting was conducted on 08/01/2016; attended 38 members.</p> <p>Actual training 2015 in KUD Barokah:</p> <ol style="list-style-type: none"> 1. Konservasi Tanah dan Air was conducted on 18/08/2015; attended 26 members. 2. HCV training was conducted on 08/03/2015, attended 25 members 3. Pelatihan Pestisida terbatas (limited pesticide training) was conducted on 21/12/2015, attended 62 members. 4. First Aid training was conducted on 13/04/2015; attended 23 members. 5. Weed control training was conducted on 19/05/2015; attended 16 members. 6. Perawatan Jalan (Road maintenance) was conducted on 14/02/2015; attended 20 members. 7. Pengendalian hama terpadu (IPM training) was conducted on 04/08/2015; attended 36 members. 8. Pemupukan (fertilizing training) was conducted on 04/11/2015; attended 26 members. 9. Basic fire was conducted on 09/06/2015; attended 20 members. 10. Harvesting training was conducted on 03/04/2015; attended 60 members 11. OHS training was conducted on 06/05/2015; attended 22 members. 12. Replanting program was conducted on 20/03/2015; attended 31 members. <p>Progress training in 2016 in KUD Karya Lestari:</p> <ol style="list-style-type: none"> 3. Sosialisasi replanting was conducted on 30/03/2016; attended 129 members. 4. Harvesting training was conducted on 12/02/2016; attended 10 harvesters. 	

Criterion / Indicator		Assessment Findings	Compliance
4.8.2	Records of training for each employee shall be maintained. - Minor compliance –	<p>Estate and Mill: The company has recorded training records for each employees as documented in: Rekapitulasi Pelatihan Karyawan, e.g.</p> <ul style="list-style-type: none"> - Mr. Jimmy Surya Atmaja (Mandor LC); attended training Basic Safety on 15/07/2015, Sustainability Awereness on 30/07/2015. - Suhendra (Mandor HCV); attended training Baisc fire on 27/05/2015, First Aider (21/10/201, Sustainability Awereness (15/04/2016, HCV on 17/09/2015. <p>Scheme samllholders: Record training for smallholder 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

Criterion 5.1

Aspects of plantation and mill management, including replanting, that have environmental impacts are identified, and plans to mitigate the negative impacts and promote the positive ones are made, implemented and monitored, to demonstrate continual improvement.

Criterion / Indicator		Assessment Findings	Compliance
5.1.1	<p>An environmental impact assessment (EIA) shall be documented.</p> <p>- Major compliance -</p>	<p>Mill and Estate: 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 – Tungkal Ulu through "Surat Keputusan Bupati Tanjung Jabung Barat No.309, year 2009, dated 6th June 2009, for 4,614.02 ha, consist of 3,503.02 ha (SK. Gubernur Kepala Daerah Tingkat I Propinsi Jambi No.342/1987, dated 19th June 1987) and 1,111 ha (SK. Bupati Tanjung Jabung Barat No.746, year 2006, dated 20th October 2006 tetang izin lokasi untuk keperluan pembangunan perkebunan kelapa sawit atas nama PT. IIS, serta 10,277 ha lahan plasma dan kapasitas pabrik kelapa sawit 60 ton TBS/jam".</p> <p>Smallholder Scheme: Each KUD visited has copy of Environmental Impact Assessment Document. Smallholders interviewed does understand the environmental impact from their oil palm plantation operation, and also able to demonstrate knowledge of impact mitigation.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.1.2	<p>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.</p> <p>- Minor compliance -</p>	<p>Mill, Estate and Scheme Smallholders</p> <p>Identification of impact and management plan were detailed in AMDAL and it has been submitted to the authorities regularly (every 6 months), the last implementation of EIA management plan for period June 2015 – December 2016, it was submitted on acceptance letter by officer as evidence, dated 5 March 2016</p>	Yes
5.1.3	<p>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.</p> <p>- Minor compliance -</p>	<p>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 2015 (Period July – December 2015), acceptance letter by officer as evidence, dated 5 March 2016</p> <p>Besides Implementation - Environmental Monitoring, the company has also established the Environmental Management System (Evaluation of Environmental Impact-Aspects) on 12 April 2016 for activities including replanting activities are currently being undertaken by the company.</p>	Yes
<p>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.</p>			

	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 RSPO’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>HCV Identification is conducted based on “Panduan Identifikasi Kawasan Bernilai Konservasi Tinggi di Indonesia” yang diterbitkan oleh Konsorsium Revisi HCV Toolkit Indonesia – 2008</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 April/Mei 2016 was found: Lutung, Tiong Emas, Kucing Hutan, Trenggiling, Beruk, Kobra, Cekakak Sungai, Elang Tikus in KUD Karya Lestari.</p> <p>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 and Scheme Smallholders:</p> <p>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>The scheme manager has educated the members for HCV and RTEs, e.g. on 07th March 2015, attended by 20 participants from smallholders representatives members</p> <p>Training material:</p> <ol style="list-style-type: none"> 1. Maintained HCV areas. 2. No spraying 3 metres (right-left side) along the water course. 3. No hunting 4. Zero burning, etc. <p>Interview of Smallholders confirmed that PT IIS Muara Bulian had carried out awareness on HCVs and the farmers were able to list the protected species of birds and mammals in the local area.</p>	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:</p> <p>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> <p>Scheme Smallholders:</p> <p>Monitoring of HCV and RTEs is conducted monthly, e.g: monitoring RTEs in KUD Barokah in April 2016 was found Lizard, cobra, Tigers Roots, Monkey, Black Eagle and anteaters.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
5.2.5	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. - Minor compliance –	All HCV and conservation areas within the company areas.	Yes
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

Criterion / Indicator	Assessment Findings	Compliance
<p>5.3.2 All chemicals and their containers shall be disposed of responsibly.</p> <p>- Major compliance -</p>	<p>Estate, Scheme smallholders and mill:</p> <p>PT. Inti Indosawit Subur Muara Bulian collects all hazardous waste from estate into temporary hazardous waste storage in workshop compound. The temporary hazardous waste storage Muara Bulian Estate has valid permit, "Keputusan Kepala Badan Penanaman Midal dan pelayana Perizinan Terpadu Kabupaten Batanghari No.503/03/IPPL-B3/BPMPPT/2014 tentang Izin Penyimpanan Sementara Limbah Bahan Berbahaya dan Beracun (B3) kepada PT. Inti Indosawit Subur" dated 27/08/2014, valid for 5 years. The permit covers used oil, used filter, used battery, used lamp, ex chemical container, used electronic, hand gloves, contaminated goods, ex laboratory analysis waste, used paint can.</p> <p>PT. Inti Indosawit Subur Muara Bulian has an agreement in transporting the hazardous waste with contractor: "Perjanjian Kerjasama antara PT. Inti Indosawit Subur dengan PT. Shali Riau Lestari No.059/SRL-PKU/MOU/II/2016 dated 09/02/2016; valid up to 22/02/2017. The type of hazardous waste to be transported: used oil, used battery, old lamps, used chemical container, contaminated waste and used filter. The contractor holds valid permit: "Keputusan Menteri Negara Lingkungan Hidup No.237 tahun 2011 tentang Izin Pengumpulan Limbah Bahan Beracun PT Shali Riau Lestari" dated 08/11/2011 valid for 5 years; "Surat Kementerian Lingkungan Hidup No.B.5179/Dep.IV/LH/PDAL/05/2014 tentang Rekomendasi Pengangkutan Limbah Bahan Berbahaya dan Beracun kepada Direktorat Jenderal Perhubungan Darat Kementerian Perhubungan RI" dated 08/05/2014, valid for 5 years.</p> <p>PT. Inti Indosawit Subur Muara Bulian reported the hazardous waste management to Assisten Deputi Urusan Administrasi Pengendalian Limbah B3 Kementerian Lingkungan Hidup RI, PPE Sumatera, Kepala Kantor Badan Lingkungan Hidup Provinsi Jambi, Kepala Badan Lingkungan Hidup Kabupaten Batanghari under "Laporan Pelaksanaan Penyimpanan Limbah B3 PT Inti Indosawit Subur (Jambi) period 01-03/2016 No.06/IIS-KMB/Ext/05/2016" dated 23/05/2016.</p> <p>The sampled transporting manifest of hazardous waste: "Berita Acara Serah-Terima Limbah B3 dari PT. Inti Indosawit Subur Muara Bulian kepada PT. Shali Riau Lestari No.02/IIS-KMB/III/2016" date 30/03/2016, hazardous waste store sent 1 drum used oil, 1 drums waste oil and sludge, 0.5 drums filters, 7 drums empty herbicide container, 0.25 drums medical waste, 0.5 drums used lamp 56 kg old batteries; transported via PT. Shali Riau Lestari. Manifest No.AAO0006341 for transport of 1 drums of waste oil and sludge on 30/03/2016, through PT. Shali Riau Lestari to PT. Wastec Int'l. Manifest No.AAO0006349 for transport of 7 drums of empty herbicide container on 30/03/2016, through PT. Shali Riau Lestari to PT. Wastec Int'l.</p>	<p>Yes</p>

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:</p> <p>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>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.</p> <p>The company has socialized to the workers and their families who are at stay in housing complex to aware disposed domestic waste to the separate waste bin (organic and an-organic). Based on field visit in estate and mill housing complex, it was found that organic and an-organic waste is separated in waste bin and also found no scattered waste. All domestic waste is disposed to the final waste discharge (Tempat Pengumpulan Akhir Sampah).</p>	Yes
<p>Criterion 5.4 Efficiency of fossil fuel use and the use of renewable energy is optimised.</p>			

Criterion / Indicator		Assessment Findings	Compliance
	<p>of 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>2015". Fossil fuel records are maintained and trends shown. 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.</p> <p>Fossil fuel usage is recorded for operational purpose, including the efficiency analysis.</p> <p>Renewable energy in 2015: Fibre: 35,064 ton Shell: 9,469 ton Fossil Fuel: 33,445 litres Electrical produce: Steam turbin: 6,353,930 kWh (98.6 %) Genset: 93,042 kWh (1.4%)</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: Scheme smallholders has 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. Report for replanting showing no fire was used during replanting activity. Record stating felling, debolling and chipping with excavator for 71 Ha in 01-22/06/2016; planting ground cover crop 15 Ha, and creating drainage 2,827 meters.	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												
<p>5.6.3 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. Udara emisi for Genset 1 -2 and Boiler 1 - 2, certificate monitoring result no. 383/BLH.SU-UPT.LL/XI/2015, dated 19th November 2015, result of emission for SO₂, NO₂, CO dan total particleis comply with Kepmen LH no. 13/2009 for Genset and Kepmen LH No. 07/MENLH/2007 for Boiler. 2. Udara Ambient Ruangan for Boiler, certificate monitoring result no. 790/BLH.SU-UPT.LL/XI/2015, dated 19th November 2015, result of emission, CO and unclassified particulat is comply with Permenaker no. 13/MEN/x/2011. 3. Udara ambient perumahan, certificate monitoring result no. 782/BLH.SU-UPT.LL/XI/2015, dated 19th November 2015, result of emission for SO₂, NO₂, H₂S, NH₃, CO, Pb, TSP, Oksidant, Hidrokarbon and Kebisingan (noise) comply with Kepmen LH no. 48//MENLH/II/1996 and PP no. 41/1999. <p>Based on review of result of all parameters is comply with the Environmental Ministry Regulation and Health Ministry regulation.</p> <p>The company also has monitoring of GHG using RSPO Palm Toolkits:</p> <table border="1" data-bbox="752 1107 1512 1241"> <thead> <tr> <th>Description</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Total Field Emissions (tCO₂e)</td> <td>2,959</td> <td>14,209</td> </tr> <tr> <td>Total mill emission (tCO₂e)</td> <td>1,478</td> <td>31,195</td> </tr> <tr> <td>tCO₂e/t product (CPO/PK)</td> <td>0.30</td> <td>1.87</td> </tr> </tbody> </table>	Description	2014	2015	Total Field Emissions (tCO ₂ e)	2,959	14,209	Total mill emission (tCO ₂ e)	1,478	31,195	tCO ₂ e/t product (CPO/PK)	0.30	1.87	<p>Yes</p>
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PRINCIPLE 6: RESPONSIBLE CONSIDERATION OF EMPLOYEES AND OF INDIVIDUALS AND COMMUNITIES AFFECTED BY GROWERS AND MILLERS

Criterion / Indicator	Assessment Findings	Compliance
<p>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.</p>		
<p>6.1.1 A social impact assessment (SIA) including records of meetings shall be documented.</p> <p>- Major compliance -</p>	<p>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 18th April 1994, the SEIA also included scheme smallholders.</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>In 2011, the Company has prepared a document Social Impact Assessment in cooperation with faculty of Forestry IPB in 2011 with the focus of study include;</p> <ol style="list-style-type: none"> 1. Relationship in socio-economic interaction with stakeholders around. 2. Perceptions, expectations and desires of the community against the company. 3. Forms of land ownership 4. Social and economic activity that is required by the community. <p>In chapter VI addressed specifically on the impact of the presence of PT Inti Indosawit Subur to farmers / communities around either positive or negative effects.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
6.1.2	<p>There shall be evidence that the assessment has been done with the participation of affected parties.</p> <p>- Major compliance -</p>	<p>Estate, Scheme smallholders and mill:</p> <p>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</p> <p>In SIA document has been described that the activities of the Social Impact Assessment were developed through an open interview method, Focus Group Discussion / FGD and filling the questionnaire to the nearby village community (including Plasma) as well as employees of PT IIS Muara Bulian.</p>	Yes
6.1.3	<p>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.</p> <p>- Major compliance -</p>	<p>Estate, Scheme smallholders and mill:</p> <p>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.</p> <p>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</p> <p>In 2011, the Company has prepared a document Social Impact Assessment in cooperation with faculty of Forestry IPB in 2011 with the focus of study include;</p> <ol style="list-style-type: none"> 1. Relationship in socio-economic interaction with stakeholders around. 2. Perceptions, expectations and desires of the community against the company. 3. Forms of land ownership 4. Social and economic activity that is required by the community. <p>In chapter VI addressed specifically on the impact of the presence of PT Inti Indosawit Subur to farmers / communities around either positive or negative impact.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
6.1.4	<p>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.</p> <p>- Minor compliance –</p>	<p>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.</p> <p>The evaluation of social programs has carried out every 6 months are presented in the Report of the RKL-RPL in accordance with Kepmen LH No. 45 tahun 2005, in which the activities of environmental management and monitoring required to evaluation of trends, evaluation of critical points and evaluations of compliance.</p> <p>The Company is able to complete data management and social monitoring as a basis for making conclusions in the report of the Implementation of RKL-RPL, eg: Report of RKL-RPL Implementation for period July-December 2015, reported to the Environment Agency through Surat No. 029/MI-PMB/Ext/03/2016dated March 5, 2016.</p> <p>Based on document review upon social documentation: Company has not updated social impact review related to replanting activity. In addition, company has not demonstrated social monitoring data, in order to prepare conclusion inside implementation report of environmental/social management and monitoring plan. (minor NC)</p>	No
6.1.5	<p>Particular attention shall be paid to the impacts of smallholder schemes (where the plantation includes such a scheme).</p> <p>- Minor compliance –</p>	<p>SEIA for scheme smallholders is included in the SEIA PT. IIS – Muara Bulian.</p> <p>The Company has prepared the document Social Impact Assessment in collaboration with Faculty of Forestry IPB in 2011, where in chapter VI addressed specifically on the impact of the presence of PT Inti Indosawit Subur to farmers/communities around either positive or negative effects.</p>	Yes
<p>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.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.2.1	<p>Consultation and communication procedures shall be documented.</p> <p>- Major compliance -</p>	<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>The Company has established consultation mechanism and communication as outlined in SOP Penanganan Permintaan Informasi Stakeholder (No. SOP; AA-GL-5008.1-R1) dated August 22, 2011 which outlines both the corporate response to any requests for information submitted by stakeholders including the timing in response to requests for information within 14 working days after receiving the information request. The retention time of records is 3 years after compliance.</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	<p>A management official responsible for these issues shall be nominated.</p> <p>- Minor compliance -</p>	<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>The company has appointed responsible person (Mr Sukardi, Humas staff of PT IIS Muara Bulian) to conduct communication and consultation to the stakeholders as regulated in Regional Head Plt3 leader No. 012/HR-RO3/Memo/01/2014 dated 29 Januari 2014.</p> <p>Scheme smallholders: KUD has appointed responsible person to conduct communication and consultation to the stakeholders, e.g. Mr. Gunawan in KUD Barokah as appointed letter no. 01/Kpts/KUD-BR/III/2014, dated 04/03/2014.</p>	Yes

	Criterion / Indicator	Assessment Findings	Compliance
6.2.3	<p>A list of stakeholders, records of all communication, including confirmation of receipt and that effort are made to ensure understanding by affected parties, and records of actions taken in response to input from stakeholders, shall be maintained.</p> <p>- Minor compliance -</p>	<p>Estate and mill: List stakeholders is available and records of stakeholders' communication and consultation were being documented into "Buku Masuk".</p> <p>The Company has a List of Stakeholders that are always updated every year, for example by document Update List of Stakeholders 2016 PT IIS Muarabulian establish communication with the parties consist of;</p> <ol style="list-style-type: none"> Local stakeholders consisting of 29 parties, like village governments, cooperatives, public health facilities, schools, etc Stakeholders in the District consists of 9 stakeholders eg Maro Sebo Ilir District Government and the Police Sector Maro Sebo Ilir. Stakeholders in the District consists of 15 stakeholders, such as Regent of Batanghari, Plantation Office, the District Land Office, the Association of Indonesian Palm Oil Growers (Apkasindo), mass media, BP2K in Batanghari, etc Stakeholders in Jambi Province consists of 10 parties eg Plantation Office of Jambi Province, BLHD in Jambi Province, BPN Regional Office in Jambi Province, Department of Labor in Jambi Province, mass media, Jambi University, etc. Other stakeholders consist of 21 parties such as NGOs, the Ministry of Agriculture, Ministry of Manpower, the Indonesian Palm Oil Association (GAPKI), Commission of the Indonesian Palm Oil, Palm Oil Farmers Union <p>Scheme smallholders: List of stakeholder last updated on January 5, 2015 consists of 19 types of stakeholders such as PT IIS, Village Head of Karya Mukti, BRI in Mersam, Bank Mandiri in Muarabulian, Department of Cooperatives and UMKM, Police in Maro Sebo Ilir, Puskesmas in Karya Mukti, KUD neighbors, etc.</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>			

Criterion / Indicator		Assessment Findings	Compliance
6.3.1	<p>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.</p> <p>- Major compliance -</p>	<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 have 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	<p>Documentation of both the process by which a dispute was resolved and the outcome shall be available.</p> <p>- Major compliance -</p>	<p>Estate and mill: Company is recording each complaint and response provided in the Logbook. The Company has documented every complaint or aspirations in;</p> <ol style="list-style-type: none"> 1. External Complaints: Complaints are documented in Logbook / Aspirations, in 2016 there were no complaints submitted to PT IIS. 2. Internal Complaints Employees: Complaints are documented in Logbook / Aspirations complaints concerning public facilities, where in 2016 no complaints were submitted by employees. <p>Scheme smallholders: Records of complaints are documented in the Book of Records of Complaints Handling and Reporting where in 2016 there were nine kinds of complaints, such as:</p> <ol style="list-style-type: none"> 1. Complaints submitted from Mr. Hasmarji (KT 101) on January 29, 2016 related to the assistance of heavy equipment for road repair, and has responded by KUD in coordination with the management of plasma on January 30, 2016. 2. Complaints submitted from Mr. Sanusi ((KT 89) on February 16, 2016 related to the plot boundary displaced farmers, and has responded by MUD with deliberation held on February 18, 2016. 3. Communication is done from Mr. Manager Plasma with KUD Barokah Board on May 25, 2016 to discuss plans for replanting. 	Yes
<p>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.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.4.1	<p>A procedure for identifying legal, customary or user rights, and a procedure for identifying people entitled to compensation, shall be in place.</p> <p>- Major compliance –</p>	<p>Estate: 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> <p>Scheme smalholders: Each KUD has a mechanism to handle land conflict under Communication and Consultation Mechanism, involving KUD chairman and meeting with all KUD members.</p>	Yes
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: 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> <p>Scheme smallholders: Each KUD has a mechanism to handle land conflict under Communication and Consultation Mechanism, involving KUD chairman and meeting with all KUD members.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
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>			
6.5.1	<p>Documentation of pay and conditions shall be available.</p> <p>- Major compliance -</p>	<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" Governor of Jambi no. 460/KEP.GUB/DISSOSN AKERTRANS/2015, dated 30th October 2015 is Rp. 1,906,650, -/month which effective from 1st January 2016 and Kesepakatan Bersama "Badan Kerjasama Perusahaan Perkebunan Sumatera (BKS – PPS), dated 8th March 2016</p> <p>Based on review of payments slip, there is no worker paid below minimum wages, e.g. payment slip in May 2016 for Mr. S (harvester) is Rp. 1,677,852 (22 days @ Rp. 76,266) + insentif Rp. 907,312, and Mrs. P is Rp. 1,830,384 (24 days @ 76,266) + insentif Rp. 785,064.</p> <p>Basic Salary for permanent workers excluded rice allowance: 15 kg/employees, wife 9 kg, children 7.5 kg/each for 3 children (rice price; Rp. 8.350/kg in April 2016)</p> <p>Based on review document of list payment, it was found that the company has paid salary as regulated by government.</p> <p>Scheme Smallholders: Based on interview and document review for minimum wages, confirmed that the workers have paid same and/or above minimum wages as regulated by local government.</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: Based on interview with estate workers: sprayers team, harvester and fertilizer applicator; they understood the basic agreement such as working hour, salary calculation, overtime, maternity leave, health insurance, etc. Workers revealed that company has fulfilled its normative requirements.</p> <p>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.88/PHIJSK-PKKAD/PKB/VII/2015, dated 18th June 2015 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 interviews and a review of the document is showing that all employees have work agreements, in which more specifically regulate the rights and obligations of employees and companies by type of work, for example; Surat Perjanjian Kerja namely Mr Hermanto Gurusinga (harvester) dated 29/10/2015 and "Surat Perjanjian Kerja" namely Mr Edi Tamto (harvester), dated 29/10/2015.</p> <p>In accordance with applicable legislation although based on interviews and employment verification document shows that all workers including PHL has been provided PPE by the company and has been include in BPJS program.</p> <p>Scheme Smallholders: KUD Barokah has 7 employees, in which all employees have a SPK (work agreement), such as:</p> <ol style="list-style-type: none"> 1. Surat Perjanjian kerja (SPK) No. 02/SPK/KUD-BR/I/2016 namely Mrs Resti Pertiwi (Unit Saprotan). 2. Surat Perjanjian kerja (SPK) No. 01/SPK/KUD-BR/I/2016 namely Mr Noral (Juru Buku Kantor). 3. Surat Perjanjian kerja (SPK) No. 05/SPK/KUD-BR/I/2016 namely Mrs Maisaroh (Unit Waserda) <p>Surat Perjanjian kerja (SPK) No. 04/SPK/KUD-BR/I/2016 namely Mrs Ika Triyani (Unit Simpan Pinjam)</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:</p> <p>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:</p> <p>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:</p> <p>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</p> <p>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>8. 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. This policy has been informed to all employees and being placed into notice board in public area. The company has conducted socialization of “Kebijakan Perusahaan” to all employee, e.g:</p> <ol style="list-style-type: none"> 1. Socialization in Afdeling II on March 8, 2016 attended by 26 personnel 2. Socialization in Afdeling II (harvester) on March 5, 2016 attended by 40 personnel 3. Socialization in Office II on March 4, 2016 attended by 13 personnel 4. Socialization in Afdeling I on March 3, 2016 attended by 20 personnel <p>Scheme smallholders: Policies for workers in the freedom of association, outlined in the Employment Agreement for example SPK Mr. Resti Pertiwi No. 02 / SPK / KUD-BR / I / 2016 on Article 3 (Right to Employee) point 5 stated that " Memiliki Kebebasan untuk berserikat sesuai dnegan UUD 1945 dan Pancasila”.</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: There is no labour union is scheme smallholders / KUD level, however the KUDs given to the workers to become labour union members freely.</p>	Yes
<p>Criterion 6.7 Children are not employed or exploited.</p>			

Criterion / Indicator		Assessment Findings	Compliance
6.7.1	There shall be documentary evidence that minimum age requirements are met. - Major compliance –	<p>Estate and mill: The company has own policed signed by management on 01st 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>Sample taken: List of employee – June 2016 "Data Karyawan Kebun Muara Bulian", the youngest employee is M. Indriyansyah (Date of birth 20th November 1996, joined in 1st August 2015.</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
<p>6.8.1</p> <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:</p> <p>The company has Equal Opportunities policy as documented in “Kebijakan Perusahaan”, dated 01 December 2014: 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. This policy has been informed to all employees and being placed into notice board in public area. The company has conducted socialization of “Kebijakan Perusahaan” to all employee, e.g:</p> <ol style="list-style-type: none"> 1. Socialization in Afdeling II on March 8, 2016 attended by 26 personnel 2. Socialization in Afdeling II (harvester) on March 5, 2016 attended by 40 personnel 3. Socialization in Office II on March 4, 2016 attended by 13 personnel 4. Socialization in Afdeling I on March 3, 2016 attended by 20 personnel <p>Scheme smallholders:</p> <p>Policies for equal treatment, provided the policy Cooperation ", dated 1st March 2014 which mentions KUD Barokah" Respect for human rights by treating all employees fairly, regardless of race, caste, national origin, religion / belief, disability, gender, sexual orientation, political affiliation or age ".</p> <p>Management of KUD Barokah has socialized KUD policy to its members, such as socialization on March 14, 2014 which was attended by 27 participants.</p>	<p>Yes</p>

Criterion / Indicator		Assessment Findings	Compliance
6.8.2	Evidence shall be provided that employees and groups including local communities, women, and migrant workers have not been discriminated against. - Major compliance –	<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> <p>Based on interviews with the management of the United Workers, Gender Committee stated that there was no indication that the company has done discriminatory practices against employees. Based on the verification of employment documents indicate that no migrant workers who work in PT IIS-Muara Bulian.</p> <p>In interviews with the men and women workers stated that there was no indication the company discriminated against them.</p>	Yes
6.8.3	It shall be demonstrated that recruitment selection, hiring and promotion are based on skills, capabilities, qualities, and medical fitness necessary for the jobs available. - Minor compliance –	<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. Perusahaan melakukan promosi berdasarkan hasil dari evaluasi tersebut, misalnya promosi Sdr. Dedi Irawan dari status PHL menjadi SKU sesuai dengan Memorandum RH Plantation Head No. 017/HR-RO3/Memo/SK/01.2012 tertanggal 09 Januari 2012.</p>	Yes
<p>Criterion 6.9 There is no harassment or abuse in the work place, and reproductive rights are protected.</p>			

Criterion / Indicator	Assessment Findings	Compliance
<p>6.9.1</p> <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:</p> <p>The company has policy to prevent sexual harassment and violence against women in “Kebijakan Perusahaan dated 01 December 2014”.</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> <p>The company has conducted socialization of “Kebijakan Perusahaan” to all employee, e.g:</p> <p>Socialization in Afdeling II on March 8, 2016 attended by 26 personnel</p> <ol style="list-style-type: none"> 1. Socialization in Afdeling II (harvester) on March 5, 2016 attended by 40 personnel 2. Socialization in Office II on March 4, 2016 attended by 13 personnel 3. Socialization in Afdeling I on March 3, 2016 attended by 20 personnel <p>Scheme Smallholders:</p> <p>All "KUD Plasma" in PT IIS Muara Bulian have a policy to prevent sexual harassment and all violence against women and protect the reproductive rights that exist in the policy of each KUD, which was signed by the Chairman of KUD, for example Policies KUD Barokah dated March 1 2014 point 10. Mention that “Mencegah Pelecehan Seksual dan berbagai bentuk kekerasan terhadap perempuan dan melindungi hak-hak reproduksinya”.</p> <p>The KUD had socialized KUD policy through direct meetings, e.g. in March 14, 2014, attended attended by 27 participants.</p>	<p>Yes</p>

Criterion / Indicator	Assessment Findings	Compliance
<p>6.9.2</p> <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:</p> <p>As it is found in company policy that's signed by Managing Director, dated 01 December 2014: "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>The company has conducted socialization of "Kebijakan Perusahaan" to all employee, e.g: Socialization in Afdeling II on March 8, 2016 attended by 26 personnel 1. Socialization in Afdeling II (harvester) on March 5, 2016 attended by 40 personnel 2. Socialization in Office II on March 4, 2016 attended by 13 personnel 3. Socialization in Afdeling I on March 3, 2016 attended by 20 personnel</p> <p>Scheme smallholders:</p> <p>All "KUD Plasma" in PT IIS Muara Bulian have a policy to prevent sexual harassment and all violence against women and protect the reproductive rights that exist in the policy of each KUD, which was signed by the Chairman of KUD, for example Policies KUD Barokah dated March 1 2014 point 10. Mention that "Mencegah Pelecehan Seksual dan berbagai bentuk kekerasan terhadap perempuan dan melindungi hak-hak reproduksinya".</p> <p>The KUD had socialized KUD policy through direct meetings, e.g. in March 14, 2014, attended by 27 participants.</p>	<p>Yes</p>

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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> <p>Based on interviews with the Gender Committee members indicate that they have a good understanding associated with the grievance mechanism and has an annual work program both routine and non-routine, including counseling to women workers and outreach workers rights of women.</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	<p>Evidence shall be available that all parties understand the contractual agreements they enter into, and that contracts are fair, legal and transparent.</p> <p>- Minor compliance -</p>	<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 smallholder 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	<p>Agreed payments shall be made in a timely manner.</p> <p>- Minor compliance -</p>	<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	<p>Contributions to local development that are based on the results of consultation with local communities shall be demonstrated.</p> <p>- Minor compliance –</p>	<p>Estate and mill: Local contribution is detailed in CSR, consist of Business Partnership, Ecomony Development, Education, Health & Donation.</p> <p>Based on the verification of documents have shown that the Company has realized a CSR program in 2016, including:</p> <ol style="list-style-type: none"> 1. Providing assistance to "muatan lokal" in curriculum in SMA N 11 Muaro Sebo Ilir on June 11, 2016. 2. Repairing the road in Tidar Kuranji village on January 19, 2016 3. Assistance for "Sumur Bor" in Tidar Kuranji village on January 21, 2016 4. Providing assistance for MTQ in Batanghari district realized on January 7, 2016. 5. Providing assistance for realization of youth activities in the village fo Desa Danau Embat dan Karya Mukti realized on January 7, 2016. <p>The company's role is most beneficial to the community is that the development of smallholdings in improving standards of living.</p> <p>Scheme smallholders: Generally KUD Barokah has contributed to local development such as fee payments to the village (Rp. 1.5/Kg FFB), assistance for the implementation of the Religious Event, Religious Facility Development (Mosque), village road maintenance fee (amounting to Rp. 7, - /Kg FFB), etc.</p>	Yes
6.11.2	<p>Where there are scheme smallholders, there shall be evidence that efforts and/or resources have been allocated to improve smallholder productivity.</p> <p>- Minor compliance –</p>	<p>Scheme Manager assist the scheme smallholders, such as:</p> <ol style="list-style-type: none"> 1. Upkeep 2. Technical support, such as training, cooperative management and provide permanent resources (Scheme Manager, Asisten and supervisor in each KUD) 3. Road maintenance <p>PT IIS Muara Bulian managing smallholdings are conducted by Special Department headed by Manager Plasma, wich oversees 1 chief asistance1 and 5 Assistants (Afd Afd I. II, Afd III, IV and Assistant Afd Grading) and 1 KTU.</p>	Yes

Criterion / Indicator		Assessment Findings	Compliance
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. 9. 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. 10. 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
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			

Criterion / Indicator		Assessment Findings	Compliance
6.13.1	<p>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).</p> <p>11. Major compliance -</p>	<p>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.</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: The KUD Budi sari has Human Rights policy as documented in "Kebijakan Koperasi", dated 01st March 2015: Menghormati hak asasi manusia dengan memperlakukan seluruh karyawan secara adil (Respect of human rights for all workers)</p>	Yes
<p>PRINCIPLE 7: RESPONSIBLE DEVELOPMENT OF NEW PLANTINGS (N/A – No any new planting)</p> <p><i>The company has started replanting in 2003, no any new planting area/developing area since November 2005.</i></p>			
<p>PRINCIPLE 8: COMMITMENT TO CONTINUAL IMPROVEMENT IN KEY AREAS OF ACTIVITY</p>			
<p>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.</p>			

	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>12. 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

Appendix B: Approved Time Bound Plan

Name of Mill	Address	Time bound for certification	Status as of March 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 / Pematang Pauh 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	2015	Certified on 18 th May 2015
Aek Nabara	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatera	2015	Certified on 6 March 2015
Teluk Panjie	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatera	2015	Certified on 21 April 2015
Peranap	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	2015	Certified on 7 January 2015
Bungo Tebo	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	2016	Certified on 3 rd December 2015

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Tanjung Selamat	Kampung Padang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	2017	Certified on 26 th May 2015
Gunung Melayu I	RahuningVillage, Bandar Pulau District, Asahan Regency, North Sumatra	2017	Certified on 7 th September 2015
Gunung Melayu II	GontingMahalaVillage, Bandar Pulau District, Asahan Regency, North Sumatra	2017	Certified on 8 th July 2015
Negri Lama I	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2018 to 2015	Certified on 6 th April 2015
Negri Lama II	Negri Lama Seberang Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2018 to 2015	Certified on 3 rd December 2015
Name of Estate	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	2012	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

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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	2015	Certified 18 th May 2015
Tanah Datar	Tanah Datar Petatal Village, Talawi District, Asahan Regency, North Sumatra	2015	Certified 18 th May 2015
Aek Nabara	S1-S3 / Sukadame Village, Bilah Hulu / Kota Pinang District, Labuhan Batu Regency, North Sumatra	2015	Certified on 6 March 2015
Teluk Panjie	Teluk Panjie Village, Kampung Rakyat District, Labuhan Batu Regency, North Sumatra	2015	Certified on 21 April 2015
Peranap	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	2015	Certified on 7 January 2015
Bungo Tebo	Tuo Sumai / Sungai Rambai Village, PWK Sumai / Tebo Ulu District, Bungo Tebo Regency, Jambi	2015	Certified 3 rd December 2015
Peranap (Plasma)	Simelinyang / Pauh Ranap / Sengkilo Village, Peranap District, Indragiri Hulu Regency, Riau	2016	Certified 19 th August 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 26 th May 2015

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Pangkalan	Sennah Village, Bilah Hilir District, Labuhan Batu Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified 26 th May 2015
Sentral & Batu Anam	Gonting Mahala Village, Bandar Pulau District, Asahan Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified 8 th July 2015
Pulau Maria	Rahuning Village, Bandar Pulau District, Asahan Regency, North Sumatra	Brought Forward from 2017 to 2014	Certified 7 th 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 2015	Certified on 6 April 2015

Appendix C: Certification Unit 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

BSI RSPO Certificate No: RSPO 594418

Date of Initial Certificate Issued: 28th August 2012

Date of Expiry: 27th August 2017

RSPO membership number:

Applicable Standards: **RSPO P&C Generic 2013**; *RSPO Supply Chain Certification Standard November 2014*
Module E - CPO Mills: 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	57,000 Mt				
PK Tonnage Total	14,750 Mt				
CPO Claimed for Certification*	41,194 Mt				
PK Claimed for Certification *	9,635 Mt				
Own estates FFB Tonnage	35,923 Mt				
Scheme Smallholder FFB Tonnage	149,364 Mt				
Estates	Production Area		Other use (ha)	Certified Area / Total land lease (ha)	Annual FFB Production (mt)
	Mature (ha)	Immature (ha)			
Muara Bulian Estate	1,722	0	84	1,856	35,923
KUD Barokah	1,240	0	0	1,240	27,855
KUD Subur Makmur	1,130	0	0	1,130	18,167
KUD Budi Sari	900	0	0	900	24,789
KUD Makmur Rejeki	730	0	0	730	16,240
KUD Karya Lestari	710	0	0	710	15,549
KUD Buah Sakato	2,248	0	0	2,248	46,764
TOTAL	8,730	0	84	8,814	185,287

**Certified Production*

Appendix D: Assessment Plan

Date	Time	Subjects	Haeruddin	Pratama Sedayu	Nanang Mualib	Edy Widodo
			PRSCO LA	PRSCO-OHS/EMS	PRSCO-SA	PRSCO-OHS/EMS
Tuesday, 21/06/2016		Trip Ukui – Muara Bulian		√	√	
Wednesday, 22/06/2016	15.20 – 16.45	Flight Jakarta – Jambi by GA 134	√			√
		Travelling Jambi – Estate by Car	√			√
Thursday, 23/06/2016	08.00 – 08.30	Opening Meeting: Presentation by PT. IIS – Muara Bulian Presentation by BSI Indonesia	√	√	√	√
	08.30 – 12.00	Field Visit: Muara Bulian Estate Herbicide application programmes, harvesting, fertilising operations, terracing, road maintenance, Barn owl, beneficial plant, Storage, workshop, diesel tanks, clinic, etc (including interview with sprayer team and harvester).		√		
		Field Visit: Muara Bulian Estate Boundary stones, HCV areas, riparian zone, road maintenance, Landfill, housing complex, Tempat Penitipan Anak, school bus, and other facilities in line site (school, mosque, etc)	√			
		Stakeholder Interview: Interview with local government (BLH, BPN, Disnakertrans and Dinas Perkebunan)			√	
		Document Review: Muara Bulian Mill (RSPO P & C/ RSPO SCCS)				√
	12.00 – 14.00	Lunch				
	14.00 – 17.00	Field Visit: Muara Bulian Estate Herbicide application programmes, harvesting, fertilising operations, terracing, Barn owl, beneficial plant, Storage, workshop, diesel tanks, clinic, etc (including interview with sprayer team and harvester) – Continued Document Review: Muara Bulian Estate		√		

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Date	Time	Subjects	Haeruddin	Pratama Sedayu	Nanang Mualib	Edy Widodo
			PRSP0 LA	PRSP0-OHS/EMS	PRSP0-SA	PRSP0-OHS/EMS
		Document Review: Muara Bulian Estate	√			
		Document review and Field Visit: Muara Bulian Mill PPE, safe working environment, walk ways, signs, EFB, POME treatment, emissions, diesel tanks, fire extinguishers, first aiders and boxes, workshop, storage, Clinic, housing complex, interview with mill's workers, etc.				√
		Stakeholder Interview: Interview with local government (BLH, BPN, Disnakertrans and Dinas Perkebunan) - Continued			√	
Friday, 24/06/2016	08.00 – 17.00	Document Review and field visit: KUD Karya Lestari (24 samples)	√	√	√	√
Saturday, 25/06/2016	08.00 – 12.00	Document review: Muara Bulian Estate		√	√	
		Document Review: Muara Bulian Mill	√			√
	12.00 – 17.00	OFF				
Sunday, 26/06/2016		OFF				
Monday, 27/06/2016	08.00 – 17.00	Document Review and field visit: KUD Barokah (24 samples)	√	√	√	√
Tuesday, 28/06/2016	08.00 – 09.00	Closing Meeting	√	√	√	√
	09.00 – 11.00	Trip Estate - Jambi	√	√	√	√
	13.20 – 14.25	Flight Jambi - Jakarta	√	√	√	√

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Appendix E: Stakeholders Contacted

<p>Internal Stakeholders: Interview with harvester and sparying team</p>	<p>Union/Contractors/Local Communities</p> <ol style="list-style-type: none"> 1. Pengurus Komite Gender (<i>Gender Committee Members</i>) PT IIS Muara Bulian). 2. Pengurus Serikat Pekerja Serikat Pekerja (<i>Labour Union Members</i>) PT IIS Muara Bulian). 3. Local Contractor for maintenance housing. 4. Local Contractor (CV. Alam Cahaya Cemerlang)
<p>Government Departments:</p> <ol style="list-style-type: none"> 1. Dinas Tenaga Kerja Kabupaten Batanghari (<i>Labour Department of Batanghari Regency</i>). 2. Badan Lingkungan Hidup Kabupaten Batanghari (<i>Environmental Department of Batanghari Regency</i>). 3. Dinas Perkebunan dan Kehutanan Kabupaten Batanghari (<i>Plantation and Forestry Department of Batanghari Regency</i>). 4. Kantor Pertanahan Kabupaten Batanghari (<i>National Land Authority of Batanghari Regency</i>) 	<p>NGO: -</p>

Appendix F: CPO Mill Supply Chain Assessment Report (Module D - CPO Mills: Mass Balance)

Criterion E.1. Definition			
	Requirement	Evidence	Compliance
1.1	<p>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>	<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 they 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

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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	The estimated CPO and PK certified of Muara Bulian Palm Oil Mill its recorded in RSPO Public Summary report, certificate and E-trace system.	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. 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.	Yes
	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	The company has procedure for receiving and processing FFB certified and non certified	Yes

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non-certified FFBs.		<p>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>	
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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 FFB automatically.</p>	Yes
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.	Short Sell system is included in their procedure; it's clear how the system works.	Yes

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	However, a site is allowed to sell short.(ie product can be sold before it is in stock.)		
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

Actual Tonnage Certified Palm Production – 28th August 2015 – 27th August 2016

Mill	Capacity	CPO (Mt)	PK (Mt)
Muara Bulian POM	60 MT/hour	29,321	7,097

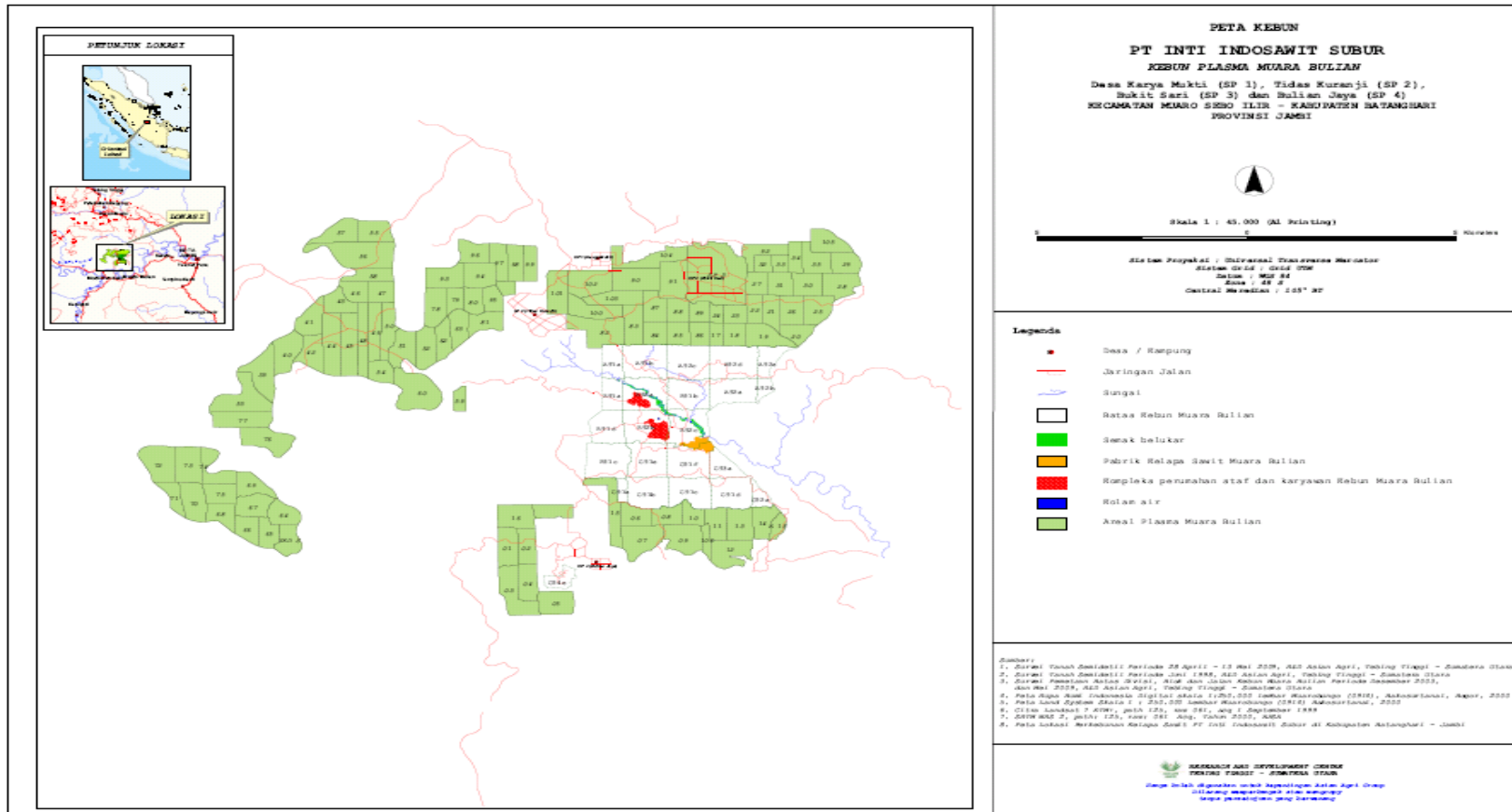
Actual Tonnage Sales of Certified Palm Products – 28th August 2015 – 27th August 2016

Mill	Certified CPO Sales	Certified PK Sales	Remarks
Muara Bulian POM	6,759.90 Mt	6,220.50 Mt	Sales of certified palm products in eTrace

Month	Certified Supply Base (from own certificate scope) (mt)		Total (Mt)
	Muara Bulian Estate	Scheme Smallholders	
28 August – 30 Sept. 2015	4,538	12,333	16,871
October 2015	4,405	13,162	17,567
November 2015	4,103	11,208	15,311
December 2015	4,253	9,232	13,485
January 2016	1,742	8,085	9,827
February 2016	2,374	7,094	9,468
March 2016	2,229	6,348	8,577
April 2016	1,983	6,688	8,671
May 2016	1,790	6,679	8,469
June 2016	2,105	6,967	9,072
July 2016	1,768	4,927	6,695
01 st August – 27 th August 2016	2,183	6,268	8,451
Total	33,473	98,991	132,464

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Appendix G: Location Map of Certification Unit and Supply bases



Appendix I: List of Abbreviations Used

AMDAL	Analisis Mengenai Dampak Lingkungan (Social and Environmental Impact Assessment)
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
P2K3	Panitia Pembina Kesehatan dan Keselamatan Kerja
PK	Palm Kernel
PKO	Palm Kernel Oil
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)
RSPO	Rountable Sustainable Palm Oil
SEIA	Social & Environmental Impact Assessment
SIA	Social Impact Assessment
SCCS	Supply Chain Certification System
SOP	Standard Operation Procedure

Appendix J: List of Smallholders Sampled

Area	Smallholder Number	Smallholder Name
KUD Karya Lestari	416	Girjo/Agus Handoko
KUD Karya Lestari	430	Muh. Abdul Karim
KUD Karya Lestari	542	Sikam
KUD Karya Lestari	387	Tirta
KUD Karya Lestari	388	Kandi
KUD Karya Lestari	492	Zulkifli
KUD Karya Lestari	506	Ali
KUD Karya Lestari	403	Darmaji
KUD Karya Lestari	673	Kasiyan
KUD Karya Lestari	429	Nurmatis
KUD Karya Lestari	416	Samino
KUD Karya Lestari	415	Suseno
KUD Karya Lestari	1529	Mahfuz Syam
KUD Karya Lestari	1505	Agus Handoko
KUD Karya Lestari	1549	Suleman
KUD Karya Lestari	1520	Wiyadi
KUD Karya Lestari	1522	Yanto
KUD Karya Lestari	1533	Jamin Sudiro
KUD Barokah	603	Sunu/Bardi
KUD Barokah	589	Marsi
KUD Barokah	597	Sari
KUD Barokah	237	Purwadi
KUD Barokah	587	Tatang
KUD Barokah	239	Wagiman
KUD Barokah	623	Abdul Majid
KUD Barokah	739	Rudi Hartono
KUD Barokah	781	A Munir
KUD Barokah	469	Amirudin
KUD Barokah	512	Rizaludin
KUD Barokah	790	Ibrahim
KUD Barokah	722	Idrus
KUD Barokah	632	Yahya Tahar
KUD Barokah	448	Fatima Hamid
KUD Barokah	2408	Hasan
KUD Barokah	2275	Muadi
KUD Barokah	2314	Sukardi
KUD Barokah	2267	Suratmin
KUD Barokah	2315	Sukamto